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Congressional Record

PROCEEDINGS AND DEBATES OF THE 84th CONGRESS, FIRST SESSION

SENATE

THURSDAY, MAY 26, 1955

(Legislative day of Monday, May 2, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, from whom all thoughts of truth and peace proceed: We are grateful for this reverential moment of quiet as we bow in Thy presence before the pressure of demanding hours lays its hand upon us. If we have been holding the exploding present so close to our eyes that we have lost the far perspective of Thy purpose, which cannot at last be thwarted, grant to us, we pray Thee, true horizons. Remind us of the better aspects of the civilization out of which we have come, which even now with new vitality is beating back the powers of slavish barbarism. Drawing refreshment from vineyards we did not plant, drinking at cisterns we did not dig, knowing the very freedoms for which we contend have been bought with a price, may we be eager in the supreme test of these days of destiny to make our own lives part payment on an unpayable debt. So may our imperfect service express something of Thee, before life's little day ebbs out and the night comes down, and our work is done. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 26, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. FREDERICK G. PAYNE, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. PAYNE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 25, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 25, 1955, the President had approved and signed the following acts:

S. 163. An act for the relief of Philopimin Michalacopoulos (Mihalakopoulos);

S. 271. An act for the relief of June Rose McHenry; and

S. 1413. An act to amend the act establishing a Commission of Fine Arts.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Maurer, its reading clerk, announced that the House had passed a bill (H. R. 2851) to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 2851) to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress, was read twice by its title and referred to the Committee on Agriculture and Forestry.

CONVENTIONS AND RECOMMENDATIONS ADOPTED BY INTERNATIONAL LABOR CONFERENCE AT GENEVA—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 172)

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which, with the accompanying papers, was referred to the Committee on Labor and Public Welfare.

(For President's message, see today's proceedings of the House of Representatives.)

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Labor and Public Welfare was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Judicial Improvements of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. STENNIS, from the Committee on Armed Services:

Stephen W. Reszetar, midshipman (Naval Academy), to be ensign in the Navy, in lieu of ensign in the Civil Engineer Corps in the Navy as previously nominated and confirmed; and

H. Lee Boatwright III and Trentwell M. White, Jr. (Naval Reserve Officers' Training Corps) to be ensigns in the Navy as previously nominated and confirmed.

By Mr. NEELY, from the Committee on the District of Columbia:

Robert E. McLaughlin, of the District of Columbia, to be a Commissioner of the District of Columbia, vice Renah F. Camalier;

George E. C. Hayes, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia, vice Robert E. McLaughlin, resigning; and

George E. C. Hayes, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia, for term of 3 years, expiring June 30, 1958.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

Mr. JOHNSON of Texas. I ask that the President be notified forthwith of the nominations today confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

PROGRAM FOR TODAY—ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, a bill has been reported from the Committee on Finance which the distinguished chairman of that committee is anxious to have considered as soon as possible, as are all the members of the committee. There are also a few bills on the calendar which, so far as we know, are noncontroversial. They have been cleared by both the able minority leader and Senators on this side of the aisle.

It is hoped that the Senate may now have the usual morning hour, with statements limited to 2 minutes, and that the Senate may then proceed immediately to consider those bills which, as I have stated, are noncontroversial. Then the Senate will, if necessary, remain in session for the remainder of the afternoon, and as late into the evening as may be necessary, to accommodate the convenience of Senators.

I ask for the usual cooperation of Senators, by urging that they withhold any statements which cannot be made in the morning hour until the scheduled program can be considered, because it is a brief one, and I believe can be disposed of with dispatch. If the business of the Senate can be organized in that manner, I am sure the convenience of all will be served, and every Senator will still be protecting his rights.

Mr. President, I now ask unanimous consent that there may be the customary morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, with statements limited to 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

JOINT RESOLUTION OF VERMONT LEGISLATURE

Mr. AIKEN. Mr. President, I present a joint resolution of the Vermont Legislature, requesting Congress to extend the provisions of old-age and survivors insurance and the old-age assistance program. The joint resolution asks that beneficiaries be permitted to earn up to $2,400 a year without curtailment of payments in lieu of the present limitation of $1,200.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, under the rule, will be printed in the RECORD.

The joint resolution was referred to the Committee on Finance, as follows:

Joint resolution requesting Congress to extend the benefits of the old-age and survivors insurance and old-age assistance program

Whereas a person under 72 years of age who is otherwise entitled to receive monthly benefits under the Federal old-age and survivors insurance program is not entitled to receive the maximum benefits otherwise allowable if he earns more than $1,200 in a year; and

Whereas such provision tends to encourage idleness of persons, to lower the level of subsistence, and to discriminate against persons within that group who do not have income from sources other than earnings; and

Whereas many of the persons 65 years of age and older whose property and income are so limited as to entitle them to benefits under the old-age assistance program do not receive sufficient payments thereunder to subsist at a healthful level, and some are destitute: Now, therefore, be it

Resolved by the senate and house of representatives, That the Congress of the United States be respectfully urged to extend the old-age and survivors insurance benefits to allow beneficiaries thereunder to earn up to $2,400 a year without curtailment of payments, and to extend the benefits of the old-age assistance program to allow recipients to earn reasonable amounts regularly to supplement the payments received and to enable maintaining themselves at a healthful level; and that the secretary of state be directed to transmit duly attested copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the chairman of the Senate Committee on Labor and Public Welfare, the chairman of the House Committee on Education and Labor, the chairmen of the Senate and House Committees on Appropriations, and to our congressional delegation.

Approved May 19, 1955.

INCREASED MINIMUM WAGE—LETTER, PETITION, AND RESOLUTION

Mr. LEHMAN. Mr. President, this week I have received three communications in regard to a Federal minimum wage which I consider of some significance. Each has come to me independently and represents the thinking of three separate segments of the American economy—all in favor of an increase in the minimum wage to $1.25 an hour.

A group of businessmen, the Silk and Rayon Printers & Dyers Association of America, Inc., have written to me in support of such an increase. Approximately 500 citizens in the mid-Hudson Valley of my State have signed a petition asking for such an increase. Finally, the Oil Workers International Union and United Chemical Workers, CIO, passed a resolution at their joint national convention endorsing the $1.25 an hour minimum wage. As Members of the Senate know, this increase is provided for in the bill (S. 662) to amend the Fair Labor Standards Act of 1938 to establish a $1.25 minimum hourly wage, and for other purposes.

Because I feel that these communications, representing business, labor, and the public, demonstrate the widespread support for the $1.25 an hour minimum wage, I ask unanimous consent that the text of the letter from the Silk and Rayon Printers & Dyers Association, the petition from the citizens of the mid-Hudson Valley and the resolution of the oil and chemical unions convention be printed in the RECORD at this point.

There being no objection, the letter, petition, and resolution were ordered to be printed in the RECORD, as follows:

SILK & RAYON PRINTERS & DYERS ASSOCIATION OF AMERICA, INC.,
New York, N. Y., May 23, 1955.

Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.

DEAR SENATOR: The board of directors of this association representing over 100 dyeing, finishing, and printing plants, a number of which are in the State of New York, have gone on record favoring the increase in minimum wages from the present 75 cents to $1.25 per hour.

Our industry average is in excess of $1.60 per hour, and an increase in the present minimum wages would enable our industry to better survive in competition with low wage paying segments in other areas.

I believe that the proposed 90 cents minimum is inadequate in the face of present conditions, and we feel that a minimum of $1.25 per hour is much more realistic and, although lower than we are paying, would be at least a step in the right direction.

If there is any further information or data you require from us, please do not hesitate to call upon me.

Very truly yours,

DEAN M. LEWIS,
President.

A PETITION TO THE CONGRESS OF THE UNITED STATES FOR A FAIR AND REASONABLE FEDERAL MINIMUM WAGE

The minimum wage of 75 cents an hour currently established by the Fair Labor Standards Act was out of date even when it was enacted in 1949. Since then there has been a sharp increase in the cost of living and a steady rise in the productivity of American workers. There is no realistic relationship between a minimum of 75 cents an hour and the purpose of the Fair Labor Standards Act, which is to guarantee an adequate minimum standard of living to every worker, and to wipe out sweatshop wages as a factor in competition under the private enterprise system.

In order to achieve these purposes the Federal minimum must be increased, not just by a few cents, but to $1.25 an hour. Such an increase would have the further effect of strengthening our national economy by providing the purchasing power necessary to maintain full employment.

For these reasons we, the undersigned urge the Congress of the United States to act at once to raise the Federal minimum wage to $1.25 an hour.

(Signed by approximately 500 citizens of the Mid-Hudson Valley, New York.)

PROPOSED RESOLUTION ON MINIMUM WAGE

The Congress has failed to protect the minimum wage established under the Fair Labor Standards Act of 1938. The effects of inflation and administrative and court decisions restricting coverage under the act have continually reduced the minimum wage and the number of workers protected under the Federal law. The present minimum of 75 cents was set prior to the war in Korea. It was inadequate at that time; it is doubly so today. The cost of living has risen approximately 15 percent since it was passed, yet no provision has been made to maintain the wage level as well as to bring the benefits of technological advance to those workers who rely for their minimum standard on this Federal protection.

Whereas Members of the Congress have recognized this problem and introduced Senate bill No. 662 to amend the Fair Labor Standards Act by providing a minimum wage of "not less than $1.25 an hour" and at the same time made provision for extending coverage to additional thousands of workers who need the protection of Federal law: Now, therefore, be it

Resolved, That Oil Chemical and Atomic Workers International Union, CIO, go on record as commending the Members of Congress who have taken the lead in efforts to secure an increased minimum wage; and be it further

Resolved, That we endorse S. 662 including its provisions which—

1. Increase the minimum wage to $1.25 an hour.

2. Extend coverage to industry "affecting commerce."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PAYNE, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 1419. A bill to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service (Rept. No. 381);

H. R. 4646. A bill to amend section 4421 of the Revised Statutes, in order to remove the requirement as to verifying under oath certain certificates of inspection, and for other purposes (Rept. No. 380); and

H. R. 5224. A bill to amend title 14, United States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel, and preserve their rights, privileges, and benefits (Rept. No. 379).

By Mr. BIBLE, from the Committee on the District of Columbia:

S. 1093. A bill to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes; with an amendment (Rept. No. 377).

STATE, JUSTICE, JUDICIARY, AND USIA APPROPRIATIONS, 1956—REPORT OF A COMMITTEE

Mr. KILGORE. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 5502) making appropriations for the Departments of State and Justice and the Judiciary and related agencies for the fiscal year ending June 30, 1956, and for other purposes, and I submit a report (No. 378) thereon.

I ask unanimous consent that later today I may file motions to suspend the rules, which will have to be considered in connection with certain amendments proposing changes in language.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. JOHNSON of Texas. Is the bill which the Senator is reporting an appropriation bill?

Mr. KILGORE. It is the appropriation bill for State, Justice, Judiciary, and USIA appropriations.

Mr. JOHNSON of Texas. Was the bill ordered reported by the committee this morning?

Mr. KILGORE. It was.

Mr. JOHNSON of Texas. Was the report a unanimous report?

Mr. KILGORE. It was a unanimous report.

Mr. JOHNSON of Texas. Mr. President, I wish to give notice that following the morning hour next Tuesday, I shall move to take up the appropriation bill which has now been reported. I make this announcement so that all Senators may be placed on notice. I have previously discussed this action with the distinguished minority leader.

The ACTING PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar, and the unanimous-consent request of the Senator from West Virginia is granted.

INCREASED COMPENSATION OF OFFICERS AND EMPLOYEES IN FIELD SERVICE OF POST OFFICE DEPARTMENT—REPORT OF A COMMITTEE

Mr. JOHNSTON of South Carolina. Mr. President, from the Committee on Post Office and Civil Service, I report favorably, with amendments, the bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, and I submit a report (No. 382) thereon. The bill was reported by the committee unanimously.

The ACTING PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

STOCK MARKET STUDY—REPORT OF COMMITTEE ON BANKING AND CURRENCY (S. REPT. NO. 376)

Mr. FULBRIGHT. Mr. President, from the Committee on Banking and Currency, I submit a report, with individual and minority views, on the committee's study of the stock market.

The ACTING PRESIDENT pro tempore. The report will be received and printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. EASTLAND:

S. 2080. A bill for the relief of Oakley F. Dodd; to the Committee on Post Office and Civil Service.

By Mr. HILL:

S. 2081. A bill to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training; to the Committee on Labor and Public Welfare.

By Mr. WILLIAMS (for himself and Mr. FREAR):

S. 2082. A bill to authorize a preliminary examination and survey of the channel leading from Indian River Bay to Assawoman Canal known as White's Creek, Del.; and

S. 2083. A bill to authorize a preliminary examination and survey of the channel leading from Indian River Bay via Pepper's Creek to Dagsboro, Del.; to the Committee on Public Works.

By Mr. FLANDERS:

S. 2084. A bill for the relief of Hans Nielson; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2085. A bill relating to participation by representatives of the United States in the world plowing matches; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON:

S. 2086. A bill to provide for the promotion of certain persons who participated in the defense of the Philippines and who did not receive promotions after having been held as prisoners of war; to the Committee on Armed Services.

By Mr. O'MAHONEY (for himself and Mr. BARRETT):

S. 2087. A bill to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly; to the Committee on Interior and Insular Affairs.

By Mr. BENDER:

S. 2088. A bill for the relief of Ladislav Mencl; to the Committee on the Judiciary.

By Mr. LONG:

S. 2089. A bill for the relief of Sebastian Castro Carregal; to the Committee on the Judiciary.

PARTICIPATION IN WORLD PLOWING MATCHES

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill relating to participation by representatives of the United States in world plowing matches.

Mr. President, this year over 1 million plowmen are getting ready to compete in organized plowing contests, designed to stimulate interest in modern farming methods and sound conservation practices. Their ultimate goal is to be crowned the champion plowman of the world at the third annual world plowing matches, to be held at Uppsala, Sweden, on October 8 and 9.

Fourteen countries will be represented by contestants, including Belgium, Canada, Denmark, Finland, France, Germany, Great Britain, Holland, Northern Ireland, Norway, Pakistan, Sweden, and the United States, with observers also present from Australia, Austria, India, and South America.

Mr. President, anyone who has attended any of our own State or national plowing matches knows what an impressive exhibition they are. Perhaps the best remembered event of this nature in our own country was the famous Kasson, Minn., national plowing contest in 1952.

Recognizing the value of these matches as an educational vehicle, similar to trade fairs, conservation leaders have been successful in getting the United States designated as the site of the 1957 World's Conservation Exposition and Plowing Contest. That event will be held at Peebles, Ohio, in 1957, with preliminary arrangements already in progress.

The United States is proud of its example of modern farming methods offered to the rest of the world. Success of American farm production stands in marked contrast to failure of Russia's collective agriculture. It is important that we make the most of this great conservation exposition to be held in our country 2 years from now.

As a vital step in that direction my measure proposes cooperation of the Department of Agriculture in sending American representatives to the Sweden matches this year.

The proposed legislation calls for no additional appropriations. It merely authorizes and directs the Secretary of Agriculture to expend not more than $10,000 of funds already appropriated to encourage soil conservation for the purpose of sending America's winners to the Sweden matches, along with officers of the nonprofit group heading arrangements for the world matches in this country in 1957.

Furthermore, it directs the Secretary of Agriculture to transmit to the Congress for consideration next year his recommendations concerning the manner and extent to which our Government should participate in the sponsorship of the 1957 world plowing matches in this country.

Mr. President, I ask unanimous consent to have a copy of the bill printed in the body of the RECORD at this point, together with a statement from the Officers of the 1957 World's Conservation Exposition and Plowing Contests, Inc., explaining the background and purposes of the world's plowing matches, entitled "The Aims of the World Plowing Organization."

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2085) relating to participation by representatives of the United States in the world plowing matches, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in order to encourage participation by representatives of the United States in the Third Annual World Plowing Matches to be held in Uppsala, Sweden, on October 8 and 9, 1955, the Secretary of Agriculture is authorized and directed to pay, out of any moneys appropriated for the Soil Conservation Service, (1) the reasonable and necessary traveling and other expenses incurred by representatives of the United States in participating in such plowing matches, and (2) the reasonable and necessary traveling and other expenses incurred by representatives of the 1957 World's Conservation Exposition and Plowing Contest, Inc., in attending such matches. Funds expended under this section shall not exceed $10,000.

SEC. 2. The Secretary of Agriculture shall transmit to the Congress, at the earliest practicable date, his recommendations concerning the manner and extent to which the Department of Agriculture, and any other agencies of the Government, should participate in the sponsorship within the United States of the 1957 World Plowing Matches.

The statement presented by Mr. HUMPHREY is as follows:

THE AIMS OF THE WORLD PLOWING ORGANIZATION

The purpose that inspires the WPO is twofold and may be defined as the material and moral betterment of society as a whole. Unquestionably, the fundamental problem that faces the world today is that of growing enough food for all, and anything and everything that tends to the betterment of agriculture adds to the betterment of mankind. The plow, now as always, is the basic instrument of food production, and improved plowing methods mean more food. The WPO believes that by stimulating world interests in the most ancient of all human crafts and by raising the standard and dignity of the plowman, the world contests organized by it will, by their influence, increase the fertility and yield of the soil of every continent.

Every entrant for the world championship contest has won his place as a result of elimination contests in his own country—local, provincial, and national—in which hundreds of plowmen have taken part, and every single one of these contests has aroused considerable local interest in the plowman's craft. When the competitors for the championship enter the field their progress is followed with interest by many thousands of enthusiasts from all over the world.

As regards the moral betterment for which the WPO strives, this must necessarily be brought about by the friendly association in a common and basic endeavor of so many men and women from so many different countries. Better living and happiness for mankind are to be found in the discovery of the innumerable ties that unite us rather than in emphasizing the relatively few and, for the most part, artificial barriers that separate us. Men of good will of all nations cannot but find community of interest and understanding in the development and improvement of an art that is as old as history and as widespread as the human race itself.

EAST COAST SHIP & YACHT CORP.— REFERENCE OF BILL TO COURT OF CLAIMS

Mr. PURTELL submitted the following resolution (S. Res. 105) which was referred to the Committee on the Judiciary:

Resolved, That the bill (S. 158) entitled "A bill for the relief of the East Coast Ship & Yacht Corp., of Noank, Conn.," now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

ADDITIONAL FUNDS FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ANDERSON (for Mr. MURRAY) submitted the following resolution (S. Res. 106); which was referred to the Committee on Interior and Insular Affairs:

Resolved, That the Committee on Interior and Insular Affairs is authorized to expend from the contingent fund of the Senate, during the 84th Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 of the Legislative Reorganization Act of 1946.

NOTICES OF MOTIONS TO SUSPEND THE RULE — AMENDMENTS TO STATE, JUSTICE, JUDICIARY, AND USIA APPROPRIATION BILL

Mr. KILGORE submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5502) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 4, line 20, after the word "Affairs", insert: ": *Provided further*, That hereafter the position of Budget Officer of the Department shall be in GS–18 in the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent."

Mr. KILGORE also submitted an amendment, intended to be proposed by him, to House bill 5502, making appropriations for the Department of State and Justice and the Judiciary and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. KILGORE submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5502) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 18, after line 13, insert:

"SEC. 111. Appropriations under this title available for allowances granted under the authority in part A of title IX of the Foreign Service Act of 1946, as amended, shall be available for the payment of such allowances in advance."

Mr. KILGORE also submitted an amendment, intended to be proposed by him, to House bill 5502, making appropriations for the Departments of State and Justice and the Judiciary and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

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"SEC. 112. Allowances granted under section 901 (1) of the Foreign Service Act of 1946 (22 U. S. C. 1131), may include water, in addition to the utilities specified."

Mr. KILGORE also submitted an amendment, intended to be proposed by him, to House bill 5502, making appropriations for the Departments of State and Justice and the Judiciary and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

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"SEC. 113. The Secretary of State may, notwithstanding the provisions of any other law, prescribe regulations for the payment

on a commutated basis in lieu of any other method, of expenses authorized by law for travel of personnel of the Department and its Foreign Service, including travel of dependents and for transportation, or for transportation and storage of furniture and household and personal effects, and automobiles of such personnel."

Mr. KILGORE also submitted an amendment, intended to be proposed by him, to House bill 5502, making appropriations for the Departments of State and Justice and the Judiciary and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

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Mr. KILGORE also submitted an amendment, intended to be proposed by him, to House bill 5502, making appropriations for the Departments of State and Justice and the Judiciary and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. KILGORE submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5502), making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 26, line 8, after the year, insert: ": *Provided further*, That hereafter the compensation of the the Director of the Bureau shall be $17,500 per annum so long as the position is held by the present incumbent."

Mr. KILGORE also submitted an amendment, intended to be proposed by him, to House bill 5502, making appropriations for the Departments of State and Justice and the Judiciary and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

DEVELOPMENT OF HYDROELECTRIC POWER IN HELLS CANYON

Mr. NEUBERGER. Mr. President, on May 6, 1955, a Federal Power Commission examiner delivered his decision on the application of the Idaho Power Co. to build three small dams in the Hells Canyon stretch on the Snake River. The examiner approved the licensing of a company dam at the Brownlee site, but rejected the applications for the other two sites. The Brownlee Dam is located in the reservoir area of the proposed Federal high dam at Hells Canyon, and would, if finally approved by the Federal Power Commission, prevent the construction of the high dam, with its many great advantages and benefits.

Since it was made public, people in the Pacific Northwest have become more and more alarmed about what this decision means to future development of Columbia Basin water resources. They are aware of the examiner's finding that "the facts seem to point to the inescapable conclusion that with the marked and substantial advantage of the Government's credit, the high dam would be, dollar for dollar, the better investment and the more nearly ideal development of the Middle Snake."

The people of the Northwest do not regard the 221,000 kilowatts of firm power from the Idaho Power Co.'s Brownlee Dam as a substitute for the 1,200,000 kilowatts of potential firm power from high Hells Canyon Dam; nor do they believe that the high cost of Brownlee's 7.6 mill power—a fact established by the FPC examiner—is a substitute for Hells Canyon's 2.6 mill power. Neither is Brownlee's 1 million acre-feet a substitute for Hells Canyon's 3,880,000 acre-feet of flood-control storage.

When the Federal Power Commission fails to perform its functions in the public interest, the Congress has the duty and responsibility to step in and set things right. I am receiving more and more appeals from the people of the Northwest States, urging Congress to take such action.

On Tuesday, May 24, the Clearwater Valley Power Co., an REA co-op, held its 18th annual meeting, and expressed its views on Hells Canyon Dam. Similar support for the high dam project was contained in an editorial in the Idaho Farm Journal of May 20, 1955, the major weekly farm publication in southern Idaho. The editor of this newspaper aptly expressed the views held by a growing number of people in our region:

If Idaho Power Co. is allowed to ruin Snake River Gorge, the present generation will be hated and vilified by all the generations to come. And we deserve that hate if we do not conserve for the years ahead.

Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a telegram from the Clearwater Power Co. and the text of the editorial from the Idaho Farm Journal.

There being no objection, the telegram and editorial were ordered to be printed in the RECORD, as follows:

LEWISTON, IDAHO, *May 25, 1955.*

Senator RICHARD NEUBERGER,
Senator from Oregon,
Senate Office Building,
Washington, D. C.:

Eighteenth annual meeting of Clearwater Power Co., REA co-op, held May 24th at Lewiston, Idaho. Resolution presented from floor supporting construction of the Federal high Hells Canyon Dam, by the Federal Government, carried unanimously with enthusiasm. No dissenting votes. Since this was representation from 7 Idaho and 2 Washington counties, we feel your support is the will of the little people.

HARRY BUTLER,
Manager, Clearwater Power Co.

[From the Idaho Farm Journal of May 20, 1955]

"Build the wrong dam, but build it quick." The Journal cannot see logic in the argument that, although Idaho Power Co.'s proposed dams are not the proper development of the Snake River Gorge, a dam should be built because the area needs more electric power now. Even Governor Smylie has joined the chorus to "put us on the road to building power capacity." He avers that "more kilowatts and less conversation" is the motto now. In other words, even if it is the wrong dam in the wrong place and will forever ruin the chance of proper development, let's get the kilowatts and to heck with the future.

Governor Smylie knows—and dozens of competent engineers know—that Idaho Power Co. has several other sites on which it could build power dams—and build 'em quick, if that's what the governor wants.

But the development of the entire Northwest, and Idaho particularly, calls for the full use of our resources. We would think a man foolish who went out and cut down the biggest and best tree on his place in order to get a fence post—and then threw the rest of the tree away.

The Journal has never said it wanted a high Hells Canyon Dam or no dam at all. We have never called for a Federal dam in Hells Canyon. Nor have we ever clamored for public power for the Northwest or for Idaho. What we have stood for, and will continue to fight for, is the proper, full, and most comprehensive development and conservation of our natural resources. Give us a better plan than the high Federal dam in Hells Canyon and we'll enlist on that side immediately.

But it is a shortsighted and unfortunate view that because Idaho Power Co. hasn't kept abreast of demands for electrical energy we should give it an entire river—a river that the company can't possibly develop for flood control, navigation, irrigation, and reclamation, wildlife and recreation.

If Idaho Power Co. is allowed to ruin Snake River Gorge, the present generation will be hated and vilified by all the generations to come. And we deserve that hate if we do not conserve for the years ahead.

ACHIEVEMENTS OF THE OREGON NATIONAL GUARD

Mr. NEUBERGER. Mr. President, the members of the National Guard stand as the minutemen of defense, ever ready to defend our country. These volunteer citizen soldiers have often meant the difference between defeat and victory.

The Oregon National Guard, under the able command of the Oregon adjutant general, Maj. Gen. Thomas E. Rilea, has played a worthy role in our national defense. The 41st Infantry Division, made up of guardsmen of Oregon and Washington, was the first major Army unit to enter the South Pacific after the attack on Pearl Harbor. Maj. Gen. Harold G. Maison, the division commander, is carrying on the tradition and spirit of this proud combat unit.

Mr. President, I am very pleased to learn that Hugh M. Milton II, Assistant Secretary of the Army, has awarded a

certificate of victory to the Headquarters and Headquarters Company, 1st Battalion, 162d Infantry Regiment, of the Oregon National Guard, under the command of Capt. Waldo Gilbert, for the achievement of their unit's rifle team in winning the National Guard State trophy match for 1954. Silverton, Oreg., can be proud of the achievements of its National Guard unit.

Mr. President, I ask unanimous consent to have printed at this point in the CONGRESSIONAL RECORD the letter from Secretary Milton to Capt. Waldo Gilbert, the commanding officer of the Headquarters and Headquarters Company, 1st Battalion, 162d Infantry.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 23, 1955.

Capt. WALDO GILBERT,
CO, Hq & Hq Co., 1st Bn, 162d Inf,
Oregon National Guard,
Silverton, Oreg.

DEAR CAPTAIN GILBERT: Recently, I had the privilege of signing a Certificate of Victory attesting to your achievement and that of the members of your unit rifle team in winning the National Guard (State) Trophy Match for 1954.

This record was based on sustained effort in record firing with the service rifle during the entire calendar year of 1954, and to me was particularly impressive for this reason. It is a fine example of the continuing effort which the members of your National Guard unit are making throughout each year as your contribution to the defense of the United States.

In addition to the Certificate of Victory for your unit, I would like to personally commend you and the members of your team for the continuing outstanding devotion to duty thus displayed. To my mind, the man on the ground, armed with his rifle, will forever remain the bulwark of the defense of our country. I know that you must share this opinion with me, for your interest in rifle marksmanship and that of your team members could not be so sustained without it.

We in the Department of the Army welcome examples of service and patriotism such as that you and your unit members have shown. I know that your efforts will continue to be directed to the utilization of every possible opportunity to further the training of your unit in rifle marksmanship and to keep alive within your communities the sense of responsibility which we all must share.

Again, please accept my personal thanks and extend them to each member of your unit, for your joint efforts in the National Guard (State) Trophy Match.

Sincerely yours,

HUGH M. MILTON II,
Assistant Secretary of the Army.

CONTINUATION OF MERCHANT MARINE ACADEMY AT KINGS POINT, N. Y.

Mr. BUTLER. Mr. President, I ask unanimous consent that a statement which I have prepared in support of the continuation of the Merchant Marine Academy at Kings Point, N. Y., on a permanent basis, be printed in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

The House of Representatives has given expected approval to H. R. 6043, which would provide for the establishment of the Merchant Marine Academy at Kings Point on a permanent basis. The same sane reasoning and judgment which prompted passage of this legislative proposal in the House would apply in equal measure here in the Senate.

When this Kings Point bill was before our Senate Water Transportation Subcommittee last year, favorable action was withheld at the request of the Secretary of Commerce, on the basis that a study of the whole situation was then in prospect, and would be completed by early 1955, in time for action during this session.

A study was made, limited, however, to the question as to whether there was a duplication of effort between the Kings Point Academy and the Coast Guard Academy, and whether the two could not be consolidated, with benefit to all concerned. The group that made the study advised against consolidation, and recommended continuation of the two academies as presently conducted.

Unfortunately, consideration of the proposal to establish the Kings Point Academy on a permanent basis was complicated this year, and the entire picture of merchant marine training confused, by administration action in excluding from the 1956 budget funds for the four State Merchant Marine Academies, which have been provided annually since 1911. While these funds have been restored, and increased, by the House, the threat to the State academies thus implied has been most disturbing.

The proponents of a permanent Kings Point Academy, which include all the shipping groups who are dependent upon a continuing cadre of trained ships' officers, are just as strongly in favor of continued operation of the State academies. So am I. The combined products of these fine academies are needed to assure our privately owned merchant marine an adequate supply of trained officers for service alike in peace and in emergency.

There is no question here of Kings Point versus the State academies. We need them both. I shall support continued appropriations to the State academies, just as much as I support the Kings Point measure. And I will vigorously oppose any moves now or in the foreseeable future to deny funds to the State academies.

With such an attitude generally prevalent in the Senate, as I believe it is, and with the funds for the State academies for 1956 now restored to the appropriations bill, I see no reason for delay or opposition to H. R. 6043. I hope for its early consideration and passage.

CORRESPONDENCE OF SENATOR MURRAY ON THE ALUMINUM SHORTAGE

Mr. SCOTT. Mr. President, at the request of the distinguished senior Senator from Montana [Mr. MURRAY], I ask unanimous consent to have printed in the RECORD the text of letters dealing with the aluminum shortage, sent by him to the Director of the Office of Defense Mobilization and to Representative SIDNEY R. YATES.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR AND
INSULAR AFFAIRS,
May 24, 1955.

Hon. SIDNEY R. YATES,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN YATES: I am herewith transmitting copies of my correspondence with Arthur Flemming, Director of the Office of Defense Mobilization, including my most recent letter, with reference to the current aluminum shortage. In view of your subcommittee's hearings on aluminum, I trust these letters will be of interest to you and that you may wish to insert them into the record of your proceedings.

May I point out that although permanent solution to recurring aluminum shortages lies in full use of Government aids available under the Defense Production Act of 1950 to bring new independent primary producers into the industry, I have suggested in my latest letter to Mr. Flemming that he request the Attorney General to broaden the Justice Department's antitrust action against Alcoa to include Reynolds and Kaiser. I also suggest that he request the Attorney General initiate action to divest Alcoa, Reynolds, and Kaiser of their fabricating facilities.

It may well be that your subcommittee will wish to consider these proposed remedies as part of its report.

Sincerely yours,

JAMES E. MURRAY,
United States Senate.

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
May 24, 1955.

Mr. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization,
Washington, D. C.

DEAR MR. FLEMMING: I have further reference to my letters to you of April 1 and May 3 concerning your order of March 23, 1955, reducing the Government's stockpile purchases by 150 million pounds, its effect upon the aluminum industry, and distribution of primary aluminum under the guaranteed marketing contracts.

I pointed out to you in my letter of April 14 that aluminum released from a stockpile obligation by your order should, under the guaranteed marketing contracts, be distributed by the primary producers to the independent aluminum users. According to information I have received, the Reynolds Metals Co. and the Kaiser Aluminum & Chemical Corp. have not distributed their share of stockpile forgiveness metal to independent users as required under their contracts with the Government. I am also advised that Alcoa, in view of the Government's pending antitrust suit against it in the United States District Court for the Southern District of New York, has agreed to so distribute its share of this metal.

I also indicated to you in my letter of April 1 that the three primary producers have been consistently violating the intent of their guaranteed marketing contracts issued under the Defense Mobilization Act of 1950 in their distribution of aluminum to independent users.

Instead of supplying the independent users with the metal they are required to sell to them from production plants covered by these contracts, the primary producers have sold independent users a combination of metal from new facilities constructed and operated under the contracts with metal produced from older plants which existed prior to those built under contracts.

The independents, under the intent of the Government's expansion programs, are entitled to their supply of metal from pre-contract facilities irrespective of production from contract-covered facilities. Furthermore, the independents are entitled to metal from the contract facilities separately from other metal.

As distribution from the primary producers stands now, the independent users are getting two half loaves put together to look like one loaf when actually they should be receiving two full loaves.

Any doubt as to this practice may be dispelled by a recent letter printed in the public press from Marion Caskie, an employee of the Reynolds Metals Co., to the Honorable EMANUAL CELLER. Figures presented by Caskie to Congressman CELLER plus figures pre-

sented by Reynolds in testimony before a subcommittee of the House Judiciary Committee in January and February of 1951 show that Reynolds has shortchanged independent users by more than 65 million pounds of aluminum in the first 8 months of 1955. (See attached memorandum.)

In view of the foregoing and since the pending action against Alcoa has apparently influenced that company to meet its obligations under the guaranteed marketing contracts, I suggest that you request the Attorney General to institute antitrust investigation and action against the Reynolds Metal Co. and Kaiser Aluminum & Chemical Corp. I suggest also that you ask the Attorney General to petition the United States District Court to keep its decree against Alcoa open for an extended period so that jurisdiction may be maintained over this company. Some thought should also be given to broadening the action against Alcoa to include Reynolds and Kaiser.

I further suggest that in order to alleviate recurring aluminum shortages, you request the Attorney General to take action to force divestiture of Alcoa's, Reynolds' and Kaiser's fabricating facilities from their production facilities. Such divestiture would enable primary aluminum producers to serve fabricators instead of competing with them.

Precedent for such action can be found in the Justice Department's sction against motion picture producers which resulted in a Federal Court decree ordering the producers to divest themselves of their motion picture distribution and exhibition companies.

I believe that suggestion should also be made by you to the Attorney General that action should be considered against Reynolds and Kaiser for breach of their guaranteed marketing contracts with the Government. The Government must undertake to remedy the distribution of metal under these contracts since by language in these contracts, the beneficiaries, i. e., the independent users, are unable to enforce their rights under the contracts.

Please be advised that I shall send a copy of this letter to the Attorney General. I shall also send a copy of this letter to the Honorable SIDNEY R. YATES, chairman of the Subcommittee No. 3 of the House Small Business Committee, currently conducting hearings on the aluminum situation. I shall ask that he incorporate my correspondence on this matter with you in the record of the hearings and explore these points in the course of the hearings.

I also call to your attention that there is an apparent shortage of aluminum, and that the third round of aluminum expansion was terminated without achieving its goal. Since under Executive Order No. 10574 of November 8, 1954, the Department of Interior was made responsible for development of programs for expansion of our domestic aluminum production, this matter falls under the purview of the Senate Interior and Insular Affairs Committee, of which I am chairman. I shall seriously consider a thorough investigation of the entire aluminum situation.

Sincerely yours.

JAMES E. MURRAY,
United States Senate.

MEMORANDUM

Subject: Letter dated May 2, 1955, from Marion M. Caskie, Reynolds Metals Co., to Hon. EMANUEL CELLER.

According to the above referenced letter Reynolds will have sold 104 million pounds of aluminum to nonintegrated users during the first 8 months of 1955. This according to the letter is "considerably more over and above its contract requirements than it gained from the recent stockpile take" (41,120,060 pounds).

The following figures demonstrate that Reynolds will have sold 65 million pounds less than required to independent users:

	Pounds
Reynolds should have sold independents from 1950 precontract facilities for first 8 months, 1955	[1] 79,688,000
Reynolds sales to independents required by contracts first 8 months, 1955	[2] 50,000,000
Reynolds should have sold stockpile forgiveness to independents, first 6 months, 1955	[2] 41,120,000
Total	170,808,000
Amount Reynolds actually sold	[2] 104,000,000
	66,808,000

[1] Source: Hearings before Subcommittee on Monopoly Power of Committee on the Judiciary, House of Representatives, January, February 1951, p. 862.

[2] Source: Caskie's letter, May 2, 1955, to Hon. EMANUEL CELLER.

PROPOSED AGREEMENT FOR COOPERATION WITH THE REPUBLIC OF TURKEY

Mr. PASTORE. Mr. President, on May 11, 1955, I inserted in the CONGRESSIONAL RECORD, at page 6054, the text of the proposed Agreement for Cooperation with the Republic of Turkey. Since that time there has been an exchange of correspondence with the Atomic Energy Commission relating to the terms of the proposed agreement. The exchange shows that the Commission is putting a limitation on certain clauses in the proposed agreement which, unintentionally, had the effect of making the agreement open ended as the amounts of special material to be transferred. This is not the case under the correspondence. In order to complete the public record, I am submitting the correspondence, and I request unanimous consent that it be published in full at this point in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., May 19, 1955.

Hon. JOHN O. PASTORE,
Chairman, Subcommittee on Agreements for Cooperation, Joint Committee on Atomic Energy, Congress of the United States

DEAR SENATOR PASTORE: Your letter of May 12, 1955, relating to the proposed Agreement for Cooperation with the Turkish Republic has been considered by the Commission.

Paragraph B of article II of the proposed agreement was drafted in its present form in order to provide the degree of flexibility necessary to make possible the maximum usefulness of the 6 kilograms of special nuclear material, taking into consideration the problems of cooling and shipment. At no time will the amount of special nuclear material in the custody of the Turkish Government exceed the 6 kilogram limitation plus whatever additional amount may be needed in order to permit the efficient and continuous operation of the Turkish reactor or reactors during those periods when spent fuel is cooling in Turkey or replacement fuel is in transit.

The "terms and conditions" referred to in paragraph D of article II, which you also cite, are those associated with price and delivery. They bear no relation in any way to the quantity of materials to be leased under the agreement. The schedule of prices has not yet been determined and there are many details associated with the transfer and delivery of the material still to be worked out under this first agreement for cooperation.

Paragraphs B and D of the illustrative form bilateral agreement, are being rewritten in order to spell out the intent described above. We might also point, out for your information, that the 6-kilogram limitation presently is being restudied and it may be that, with respect to subsequent bilateral agreements, article II might properly provide for a greater quantity of special nuclear material to be made available.

Sincerely yours,

W. F. LIBBY,
Acting Chairman.

MAY 12, 1955.

DR. W. F. LIBBY,
Acting Chairman, Atomic Energy Commission, Washington, D. C.

DEAR DR. LIBBY: An examination of the proposed agreement for cooperation with the Turkish Republic discloses a problem on which I believe the Commission should take immediate action.

In article II, paragraph 8, the Commission is permitted to specify a greater quantity of uranium 235 which may be transferred under this agreement beyond the limit specified at 6 kilograms. This clause could turn the agreement into an open-ended agreement, especially in view of the additional language in article II, paragraph (d), permitting release of uranium to be "on such terms and conditions as may be mutually agreed."

I know that it was the intent of the Congress in establishing the conditions set forth in section 123 of the Atomic Energy Act of 1954 that the agreement for cooperation be a firm agreement within reasonable limits of flexibility.

I respectfully recommend that the Commission give firm assurances to the joint committee as to the limits within which the Commission intends to exercise the authority retained by it under these two clauses.

Sincerely yours,

JOHN O. PASTORE,
Chairman, Subcommittee on Agreements for Cooperation.

REPEAL OF SECTIONS 452 AND 462 OF THE INTERNAL REVENUE CODE OF 1954

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4725) to repeal sections 452 and 462 of the Internal Revenue Code of 1954.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, the distinguished chairman of the Finance Committee, the senior Senator from Virginia [Mr. BYRD], has just entered the Chamber. I understand that he is prepared to make a brief statement explaining the bill, as I am sure the able

ranking minority member of the committee, the senior Senator from Colorado [Mr. MILLIKIN], is also prepared to do.

Mr. BYRD. Mr. President, it will be recalled that when House bill 4259, providing for extension of the corporate and excise tax rates, was before the Senate, the distinguished Senator from Texas [Mr. JOHNSON] offered an amendment which, among other things, proposed to strike out section 462. That section was being studied at that time by the Ways and Means Committee. Accordingly, I requested that action on the section be deferred until the congressional tax committees—namely, the House Ways and Means Committee and the Senate Finance Committee—had an opportunity to study it. For that reason, the Senate rejected the amendment of the Senator from Texas to House bill 4259.

When the Secretary of the Treasury appeared before the Ways and Means Committee, he advocated not only the repeal of section 462, relating to reserves for estimated expenses, but also the repeal of section 452, relating to prepaid income. Identical bills for the repeal of these sections were introduced in the House of Representatives by the chairman of the Ways and Means Committee and by the ranking minority member of that committee. The Ways and Means Committee reported to the House of Representatives House bill 4752 with amendments designed to alleviate certain hardship cases resulting from such repeal. House bill 4725 passed the House of Representatives, was sent to the Senate, and was referred to the Senate Finance Committee.

Following the same procedure as that adopted by the House Ways and Means Committee, our committee held public hearings on the bill. The Secretary of the Treasury appeared before our committee, and took the same position he had taken before the Committee on Ways and Means. He stated the original objective of section 452 and section 462 was to conform business accounting with tax accounting. He further stated that it now appeared that the provisions were being construed as extending beyond their original intent, and that as written they could not be properly restricted by regulations to carry out the original objective and protect the revenue. He said that "repeal is required rather than amendment, so as to be sure that in any new approach to the original objective the revenue is adequately protected."

Since the Secretary of the Treasury is of the opinion that the present sections will result in a much larger loss of revenue than was originally intended and that a new approach should be made to the original objective of making tax accounting conform to business accounting, our committee voted to approve the House bill. Therefore the bill reported by the committee repeals both section 452 and section 462 from the original date of their enactment. The effect of the repeal is to continue the provisions of the prior law in this area for 1954 and subsequent years.

Aside from certain clarifying amendments, the Committee on Finance proposes that taxpayers be given additional time to report and pay the increased tax due to the repeal of these sections. A committee amendment extends the period within which these additional payments may be made from September 15, 1955—the date under the House bill—to December 15, 1955.

The committee has also provided that for the purposes of computing the accumulated earnings tax, the personal holding company tax, and the taxation of regulated investment companies, dividends paid after the due date of the return and on or before December 15, 1955, are, at the election of the taxpayer, to be treated as timely paid. This rule applies only if such dividends are attributable to an increase in taxable income for the taxable year on account of the repeal of section 452 and 462.

I hope the Senate will act promptly on this bill. The Committee on Finance expects to consider this matter further in the near future and determine whether a proper substitute can be worked out which will accomplish the original objective without resulting in a large loss of revenues.

Mr. DIRKSEN. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. DIRKSEN. I certainly would be the last Member of the Senate to complicate the arduous labors of the Finance Committee, but I should like to invite attention to the fact that in the 83d Congress, in a sort of residue bill, the Finance Committee approved a modification of section 723 of the Revenue Act, which involved recapitalized railroads. I could offer it as an amendment, but I shall be guided entirely by the attitude of the Finance Committee and its distinguished chairman. It is my understanding that the Senator does not want this particular bill complicated with any unnecessary amendments.

Mr. BYRD. That is the feeling on the part of the Finance Committee. There will be general consideration of all such tax measures at the earliest possible time. In fact, it has already been begun.

Mr. DIRKSEN. Is that likely to occur in the present Congress?

Mr. BYRD. There may be one or two bills ready for consideration. Of course, such measures must originate in the House of Representatives, and be considered by the House Ways and Means Committee. We realize that the complete repeal of these two sections will require some adjustment later. Of course, the subject in which the Senator is interested is not affected by these two sections.

Mr. DIRKSEN. That is correct.

Mr. BYRD. Some adjustment will be necessary later. As chairman of the Finance Committee, I assure the Senator that every possible consideration will be given to his amendment. I would much rather not see it placed in the pending bill.

Mr. DIRKSEN. Mr. President, if there is no objection, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a copy of the bill which was introduced in the House and referred to the House Ways and Means Committee. I refer to House bill 3256, a bill to amend section 723 of the Internal Revenue Code.

There being no objection, the bill (H. R. 3256) to amend section 723 of the Internal Revenue Code was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 723 of the Internal Revenue Code of 1939 (relating to equity invested capital in special cases) is hereby amended by adding at the end thereof the following new subsection:

"(c) If a recapitalization of a railroad corporation, as defined in section 77m of the National Bankruptcy Act, as amended, was effected after December 31, 1938, in pursuance of an order of the court having jurisdiction of such corporation—

"(1) in a receivership proceeding; or

"(2) in a proceeding under section 77 of the National Bankruptcy Act, as amended,

the equity invested capital of such corporation shall (at the election of the taxpayer) be the same as if the assets had been acquired in a transaction to which section 760 is applicable."

SEC. 2. This amendment shall be effective for taxable years beginning after December 31, 1941.

Mr. DIRKSEN. In that connection, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a portion of Senate Report No. 2038, on House bill 6440, in the 83d Congress, 2d session. It is a report from the Committee on Finance relating to this particular item.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SECTION 3. RAILROAD CORPORATIONS SUBJECT TO RECEIVERSHIP OR BANKRUPTCY PROCEEDINGS

This section, for which there is no corresponding provision in the House bill, amends section 723 of the Internal Revenue Code of 1939 (relating to the computation of equity invested capital in special cases under the World War II excess-profits tax) to provide that, in the case of a recapitalization of a railroad corporation pursuant to receivership or bankruptcy proceedings, the equity invested capital is to be the same as if the corporate assets were transferred to a new corporation. Where the properties of a railroad corporation are transferred to a new corporate entity in receivership or bankruptcy proceedings, the equity invested capital is determined under section 760 of the World War II excess-profits tax and reflects the basis of the transferred assets. The treatment thus provided in the case of a new corporation results from the addition of sections 112 (b) (9) and 113 (a) (20) to the 1939 code by section 143 of the Revenue Act of 1942.

The report of the Senate Finance Committee accompanying the Revenue Act of 1942 (S. Rept. No. 1631, 77th Cong., 2d sess.) indicates that the purpose of the committee was to provide equal treatment whether a new corporation was organized, or the existing corporate entity was used, to effectuate the plan of reorganization. It has been brought to the attention of your committee, however, that, because of subsequent court decisions, some doubt exists that a recapitalization of an existing corporate entity in receivership or bankruptcy proceedings would be accorded as favorable treatment as where the assets are transferred to a new corporation. The adoption of this amendment thus carries out the expressed intent of the committee in connection with the changes affecting such reorganizations adopted in the Revenue Act of 1942.

Under the amendment, the equity invested capital of a railroad corporation which has been recapitalized after December 31, 1938, in pursuance of an order of the court having jurisdiction of such corporation, either in a receivership proceeding or in a proceeding under section 77 of the National Bankruptcy Act, will be determined in the same manner

as if the assets which the corporation held immediately following the recapitalization had been transferred to a new corporation in a transaction to which section 760 of the Internal Revenue Code of 1939 is applicable. For this purpose, all of such assets are to be considered as having been transferred to a new corporation in exchange for the stock, securities, and other liabilities existing immediately after the recapitalization. The amendment is effective with respect to taxable years beginning after December 31, 1941.

It is estimated that the revenue effect of this provision will be negligible.

The ACTING PRESIDENT pro tempore. The committee amendments will be stated.

The committee amendments were, on page 2, line 18, after the word "year", to insert "ending on or before the date of the enactment of this act"; in line 22, after the word "before", to strike out "September" and insert "December"; on page 3, line 1, after the word "before", to strike out "September" and insert "December"; in line 20, after the word "return", to insert "Notwithstanding the preceding sentence, that portion of the amount of increase in tax for any taxable year which is attributable to a decrease (by reason of the enactment of this act) in the net operating loss for a succeeding taxable year shall not be treated as tax shown on the return." ; on page 4, line 2, after the word "before", to strike out "September" and insert "December"; at the beginning of line 7, to strike out "September" and insert "December"; on page 5, line 7, after the word "before", to strike out "September" and insert "December"; on page 6, line 1, after the word "before", to strike out "September" and insert "December"; after line 3, to insert:

(4) Treatment of certain dividends: Subject to such regulations as the Secretary of the Treasury or his delegate may prescribe, for purposes of section 561 (a) (1) of the Internal Revenue Code of 1954, dividends paid after the 15th day of the third month following the close of the taxable year and on or before December 15, 1955, may be treated as having been paid on the last day of the taxable year, but only to the extent (A) that such dividends are attributable to an increase in taxable income for the taxable year resulting from the enactment of this act, and (B) elected by the taxpayer.

At the beginning of line 16, to change the section number from "(4)" to "(5)"; and at the beginning of line 21, to change the section number from "(5)" to "(6)."

The amendments were agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

Mr. GORE. Mr. President, I offer the amendment which I send to the desk. I ask unanimous consent that the chairman of the committee be supplied with a copy and that the formal reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Without objection, the amendment will be printed in the RECORD at this point.

The amendment of Mr. GORE was, at the end of the bill, to insert a new section, as follows:

SEC. —. Repeal of provisions allowing credit against tax and exclusion from gross income for dividends received by individuals.

(a) Repeal of section 34 and section 116: Effective with respect to taxable years beginning after June 30, 1955, section 34 (relating to credit for dividends received by individuals) and section 116 (relating to partial exclusion from gross income of dividends received by individuals) are hereby repealed.

(b) Application of section 34 to taxable years beginning before July 1, 1955: Effective with respect to taxable years beginning before July 1, 1955, section 34 (a) (relating to credit for dividends received by individuals) is hereby amended to read as follows:

"(a) General rule: Effective with respect to taxable years ending after July 31, 1954, and beginning before July 1, 1955, there shall be allowed to an individual, as a credit against the tax imposed by this subtitle for the taxable year, an amount equal to the following percent of the dividends which are received after July 31, 1954, from domestic corporations and are included in gross income:

"(1) 4 percent, in the case of a taxable year ending before July 1, 1955.

"(2) 2 percent, in the case of the taxable year beginning on January 1, 1955, and ending on December 31, 1955.

"(3) In the case of a taxable year beginning before July 1, 1955, and ending after June 30, 1955 (other than one beginning on January 1, 1955, and ending on December 31, 1955), a percentage obtained by—

"(A) multiplying 4 percent by the number of calendar months in the taxable year prior to July 1, 1955; and

"(B) dividing the product obtained in subparagraph (A) by the total number of calendar months in the taxable year.

For purposes of this paragraph and of subsection (b) (2) (D), a calendar month only part of which falls within the taxable year (A) shall be disregarded if less than 15 days of such month are included in such taxable year, and (B) shall be included as a calendar month within the taxable year if more than 14 days of such month fall within the taxable year."

(c) Limitation on credit under section 34 applicable to taxable years beginning before July 1, 1955: Effective with respect to taxable years beginning before July 1, 1955, section 34 (b) (2) (relating to limitation on amount of credit) is hereby amended to read as follows:

"(2) The following percent of the taxable income for the taxable year:

"(A) 2 percent, in the case of a taxable year ending before January 1, 1955.

"(B) 4 percent, in the case of a taxable year ending after December 31, 1954, and before July 1, 1955.

"(C) 2 percent, in the case of the taxable year beginning on January 1, 1955, and ending on December 31, 1955.

"(D) In the case of a taxable year beginning after December 31, 1954, and before July 1, 1955, and ending after June 30, 1955 (other than one beginning on January 1, 1955, and ending on December 31, 1955), a percentage obtained by—

"(i) multiplying 4 percent by the number of calendar months in the taxable year prior to July 1, 1955; and

"(ii) dividing the product obtained in clause (i) by the total number of calendar months in the taxable year."

(d) Application of section 116 to taxable years beginning before July 1, 1955: Effective with respect to taxable years beginning before July 1, 1955, section 116 (a) (relating to partial exclusion from gross income of dividends received by individuals) is hereby amended to read as follows:

"(a) Exclusion from gross income: Effective with respect to any taxable year ending after July 31, 1954, and beginning before July 1, 1955, gross income does not include amounts received by an individual as dividends from domestic corporations, to the extent that the dividends do not exceed—

"(1) $50, in the case of a taxable year ending before July 1, 1955.

"(2) $25, in the case of the taxable year beginning on January 1, 1955, and ending on December 31, 1955.

"(3) In the case of a taxable year beginning before July 1, 1955, and ending after June 30, 1955 (other than one begining on January 1, 1955, and ending on December 31, 1955), an amount obtained by—

"(A) multiplying $50 by the number of calendar months in the taxable year prior to July 1, 1955; and

"(B) dividing the product obtained in subparagraph (A) by the total number of calendar months in the taxable year.

For purposes of this paragraph, a calendar month only part of which falls within the taxable year (i) shall be disregarded if less than 15 days of such month are included in such taxable year, and (ii) shall be included as a calendar month within the taxable year if more than 14 days of such month fall within the taxable year.

If the dividends received in a taxable year exceed the amounts prescribed in paragraph (1), (2), or (3), as the case may be, the exclusion provided by this subsection shall apply to the dividends first received in such year."

(e) Technical amendments:

(1) The table of sections to part IV of subchapter A of chapter 1 is hereby amended by striking out "Sec. 34. Dividends received by individuals."

(2) Section 35 (b) (1) is hereby amended by striking out "the sum of the credits allowable under sections 33 and 34" and inserting in lieu thereof: "the credit allowable under section 33."

(3) Section 37 (a) is hereby amended by striking out "section 34 (relating to credit for dividends received by individuals),".

(4) The table of sections to part III of subchapter B of chapter 1 is hereby amended by striking out "Sec. 116. Partial exclusion of dividends received by individuals."

(5) Section 301 (f) is hereby amended by striking out paragraph (4).

(6) Section 584 (c) (2) is hereby amended—

(A) by striking out the heading and inserting in lieu thereof "partially tax-exempt interest.—";

(B) by striking out "in the amount of dividends to which section 34 or section 116 applies, and"; and

(C) by inserting a comma after "interest" in the first sentence.

(7) Section 642 (a) is hereby amended by striking out paragraph (3).

(8) Section 643 (a) is hereby amended by striking out paragraph (7).

(9) Section 702 (a) (5) is hereby amended by striking out "a credit under section 34, an exclusion under section 116, or."

(10) Section 854 (a) is hereby amended by striking out "section 34 (a) (relating to credit for dividends received by individuals), section 116 (relating to an exclusion for dividends received by individuals), and."

(11) Section 854 (b) is hereby amended by striking out "the credit under section 34 (a), the exclusion under section 116, and" in paragraph (1) and by striking out "the credit under section 34, the exclusion under section 116, and" in paragraph (2) .

(12) Section 854 (b) (3) is hereby amended by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) The term 'aggregate dividends received' includes only dividends received from domestic corporations other than any dividend from—

"(i) an insurance company subject to a tax imposed by part I or part II of subchapter L (sec. 801 and following);

"(ii) a corporation organized under the China Trade Act, 1922 (see sec. 941); or

"(iii) a corporation which, for the taxable year of the corporation in which the distribution is made, or for the next preceding taxable year of the corporation, either is a corporation exempt from tax under section 501 (relating to certain charitable, etc., organizations) or section 521 (relating to farmers' cooperative associations) or is a corporation to which section 931 (relating to income from sources within the possessions of the United States) applies.

"(C) In determining the aggregate dividends received, any amount allowed as a deduction under section 591 (relating to deduction for dividends paid by mutual savings banks, etc.) shall not be treated as a dividend.

"(D) In determining the aggregate dividends received, a dividend received from a regulated investment company shall be subject to the limitations precribed in subsection (a) and paragraph (2) of this subsection."

(13) Section 6014 (a) is hereby amended by striking out "34 or."

(14) The amendments made by this subsection shall apply only with respect to taxable years beginning after June 30, 1955.

Mr. GORE. Mr. President, the purpose and effect of this amendment, if adopted, would be to repeal the dividend credit provisions of the tax law enacted last year. I feel that those provisions discriminate against investment in private, noncorporate enterprise. They operate to discriminate against income received from investment in noncorporate enterprise. They operate to give an undue and unwarranted tax advantage to recipients of income from corporate investment.

I feel that people who have invested in corporate stock, and people who incorporate their businesses, do so with their eyes open, with the full knowledge that under the law a corporation is a separate entity. Unless we continue to treat corporations as separate persons under the law with respect to taxation as well as with respect to the advantages accorded to corporations, inequities will inevitably flow therefrom.

I hope the chairman of the committee will see fit to accept the amendment. When this question was before the Senate last year, the Senate voted against giving special credit to income from dividends. I believe the vote was 72 or 73 to 12. That was the last time the Senate expressed itself on this particular issue. Because of that overwhelming vote against this provision, I hope the chairman of the committee will see fit to accept the amendment and take it to conference, and see if the differences with the House of Representatives can be resolved.

Mr. BYRD. Mr. President, the distinguished Senator from Tennessee appeared before the Finance Committee and made an exceedingly able presentation of the subject matter of his amendment. The committee gave very earnest consideraiton to what he said, but in view of the nature of this bill it was the concensus that it should go back to the House without substantial amendment. Practically the only amendment which was adopted was a change of date, so as to allow a little more time for payment of the taxes with for which returns have already been made.

I hope the Senator from Tennessee will not insist upon his amendment. I cannot say exactly when this subject will be considered by the Senate Committee on Finance, because, of course, such proposals must originate in the House of Representatives. However, I assure the Senator from Tennessee that the joint staff is already investigating all these questions, in the fullest measure.

I can assure him that every consideration possible will be given to this amendment when a general review of or changes in tax legislation are taken up.

Mr. GORE. Mr. President, the distinguished senior Senator from Virginia, the chairman of the committee, is very generous. I appreciate his statement. I cannot be unmindful of the desire of the committee to expedite the enactment of the pending provision and that further delay will create further inequities. Likewise, I must acknowledge that I am in no position to insist that this amendment alone be considered as an amendment to the bill. There are other inequities in the Revenue Act of 1954 which the junior Senator from Tennessee would like to see removed.

We have just passed a big road bill. One way to raise the revenue to pay for this program is to close the loopholes in the 1954 tax law. I am prepared to do that and to support additional revenue measures to place the program on a pay-as-we-go basis.

I feel that this particular matter should have been taken care of early in this session, because it is such a glaring inequity. I am ready to do so now, as well as to remove other inequitable provisions.

However, I doubt if I am in any position to insist that the amendment I have offered should alone be considered. If the committee has in its wisdom adopted the policy that no amendment should be attached to the measure because of the urgency of the situation, I do not ask for preferential treatment. With the assurance from the chairman of the committee that the matter will be treated without prejudice in the review of tax legislation probably early in the next session, I withdraw my amendment. At such time as the Senate considers tax revision I shall press for removal of this inequity.

I stand ready to join my colleagues at any time to raise sufficient revenue to meet the requirements of the highway program.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee withdraws his amendment. The bill is open to further amendment.

If no further amendment is to be offered, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

REDUCTION OF INTEREST RATES ON DISASTER LOANS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proced to the consideration of Order No. 365, S. 1755.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1755) to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, I acted as chairman of the subcommittee which considered this bill. It was reported unanimously by the Committee on Agriculture and Forestry. I do not believe there is any need for my discussing it in detail. The interest rate on certain disaster loans originally was set at 3 percent. That interest rate remained in effect until January of this year, when it was increased to 5 percent. At the present time the Department of Agriculture has the authority to regulate interest rates on these loans. The committee feels that on disaster loans the interest rate should be fixed at 3 percent.

Earlier in the session I spoke out against the increase in the interest rate on disaster loans.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DOUGLAS. Did I correctly understand the Senator from South Carolina to say that the interest rate on disaster loans was formerly 3 percent and that it was increased to 5 percent in January of this year?

Mr. JOHNSTON of South Carolina. It was raised in January of this year.

Mr. DOUGLAS. Who raised the interest rate?

Mr. JOHNSTON of South Carolina. It was done by the Secretary of Agriculture. The rate was raised by the Department of Agriculture.

Mr. DOUGLAS. Mr. Benson showed his affection for the farmers of America by increasing the interest rate from 3 percent to 5 percent on disaster loans; is that correct?

Mr. JOHNSTON of South Carolina. Yes; that is correct. I have spoken out against the increase. That is what was done.

Mr. DOUGLAS. The Senator from South Carolina is now trying to undo the injustice which was perpetrated on the American farmers by the Secretary of Agriculture; is that correct?

Mr. JOHNSTON of South Carolina. That is correct. This is my bill. I should also like to say that it was the unanimous opinion of the committee that the rate should be set at 3 percent.

Mr. DOUGLAS. The Senator from South Carolina is greatly to be commended for his action. It is only regrettable that his activities had to be called into play to correct an injustice perpetrated on the American farmers by the Secretary of Agriculture.

Mr. JOHNSTON of South Carolina. I thank the Senator.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WILLIAMS. As the Senator from South Carolina has pointed out, the bill was reported to the Senate unanimously by the Committee on Agriculture and Forestry. In reference to the point raised by the Senator from Illinois [Mr. DOUGLAS] it should be noted that the Committee on Agriculture and Forestry felt the interest rate on disaster loans should not have been raised to 5 percent by the Department of Agriculture. However, the Department of Agriculture raised the interest rate to 5 percent under a law which had been passed by Congress, of which the Senator from Illinois and I are Members. Now the interest rate is being rolled back by the same Congress. I am not trying to excuse the action of the Department of Agriculture, but I believe it should be made clear that the action was taken by the Department in accordance with a law passed by Congress, which made it possible for the Department to raise the interest rate to 5 percent.

The Secretary of Agriculture is perfectly willing that Congress should take the proposed action. Therefore, Mr. President, in all fairness to the Secretary of Agriculture, I think it should be stated that we in Congress established the policy under which it was possible for the Department of Agriculture to increase the rate from 3 percent to 5 percent. In other words, the Secretary of Agriculture decided to establish a uniform pattern on these loans, and put them all in the 5-percent category. I believe in the final analysis it is our responsibility. I am glad the Committee on Agriculture and Forestry has reported the bill unanimously. I am sure Congress will wish to pass it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DOUGLAS. I should like to ask the Senator from South Carolina whether the increase in the interest rate from 3 percent to 5 percent in January of this year was mandatory and compelled by the law, or whether optional powers were granted to the Secretary of Agriculture, which he took advantage of to increase the interest rate.

Mr. JOHNSTON of South Carolina. I will answer that question in this way: In the hearings before our subcommittee, it was brought out that the subject of the interest rate had been under discussion in the Department of Agriculture for nearly 2 years. Finally, the Department decided to place these loans in the 5-percent category.

Mr. DOUGLAS. It was not compulsory for the Secretary of Agriculture to increase the interest rate, was it?

Mr. JOHNSTON of South Carolina. It was not compulsory.

Mr. DOUGLAS. To the contrary, it was a discretionary decision which he made?

Mr. JOHNSTON of South Carolina. The Senator is correct. The Department decided it would put all disaster loans in the 5-percent category so that they, the Department, would have no trouble in distinguishing between the different kinds of loans.

Mr. WILLIAMS Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WILLIAMS. Is it not correct to say that the Secretary of Agriculture, in setting the interest rate on disaster loans at 5 percent, put such loans in the same category as other loans, and thereby established a uniform pattern, with the thought that if Congress wanted to give special consideration to this group, it should pass appropriate legislation to that effect?

Mr. JOHNSTON of South Carolina. Congress had enacted laws setting the interest rate at 5 percent on other loans. The Secretary of Agriculture thought it best to set the interest rate on disaster loans at 5 percent. Instead of distinguishing between the different types of loans, he thought it would be best to set the interest at 5 percent on all of them. According to the testimony, which I hold in my hand, he had the subject under discussion for 2 years before he decided to raise the interest rate on disaster loans from 3 percent to 5 percent.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. AIKEN. I may be repeating what has already been said, because I have just come to the floor from a committee hearing. I believe it should be made clear that the interest rate on disaster loans was not set by the Secretary of Agriculture at 5 percent out of pure meanness on his part, but was set at 5 percent in order to have the interest rate on certain types of loans made uniform.

Under legislation enacted by Congress, livestock producers suffering disaster were required to pay 5-percent interest on their loans. Farmers Home Administration loans also were made subject to 5-percent interest.

Therefore, in fairness to the livestock producers, the interest rate was set at 5 percent for the type of loans made to farmers who had also suffered disaster.

I do not know that there is any objection on the part of the Department of Agriculture of Congress setting the rate at 3 percent if it determines that should be the policy.

It was found in connection with some of the 3-percent money that abuses had taken place, and that some persons who had borrowed money at 3 percent were actually borrowing to expand their business, thus providing greater competition for those who were paying 5 percent, or even more, in the event they were borrowing from private banks.

Mr. JOHNSTON of South Carolina. What the Senator from Vermont has said is entirely correct.

Mr. AIKEN. I think the Department will be very happy to have Congress fix the policy and the interest rate.

Mr. JOHNSTON of South Carolina. The Department did not oppose the reduction from 5 to 3 percent. They said that if Congress thought it was the proper thing to do, they would be glad to go along.

Mr. AIKEN. The increase was made originally in order to have a uniform rate of interest for different types of loans.

Mr. MORSE. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MORSE. Was it necessary, under the law, for the Secretary of Agriculture to increase the rate of interest?

Mr. JOHNSTON of South Carolina. It was not necessary. It was a discretionary matter with the Secretary of Agriculture.

Mr. MORSE. When he increased the rate to 5 percent in order to put several types of loans on a comparable basis, referring to the type of loan about which the Senator from Vermont has been speaking, it was not because of any actual mandate but because he thought it would be good policy to have the same rate apply to this type of loans?

Mr. JOHNSTON of South Carolina. That is entirely correct. I presume the idea was that the loans would be easier to administer.

Mr. MORSE. Did the Secretary of Agriculture make public the increase in interest rate at the time he raised the rate?

Mr. JOHNSTON of South Carolina. I would answer the Senator by saying that the disaster came at a subsequent date, and it was some 2 or 3 months later when it was ascertained that the interest rate had been raised.

Mr. MORSE. Of course, we must be on guard against possible abuse, but the responsibility rests on the lending agency to see to it that each loan is a deserved one and is being made to fill a specific need. If the person who receives the loan violates his understanding with the department which makes the loan, are there any administrative procedures whereby the loan can be canceled?

Mr. AIKEN. Mr. President, if I may answer that question, I think there are such cases going back over a number of years. It is something of a problem. There are always borrowers who violate the conditions of a loan, but it is not so easy as it might appear simply to collect the money and get the Government out of the transaction.

Mr. MORSE. I understand that.

Mr. AIKEN. I have not read the report accompanying the bill, but it was agreed in the committee that we should state that we expect the department or agency making such loans to exercise unusual diligence to see to it that the privilege of securing these loans is not abused. There actually have been some cases of disaster loans having been used not for recovery, but for expansion. They may have been used for recovery initially, but when some of those to whom the loans were made had fully recovered, they desired to expand. That is something we all want to do, of course. The desire for expansion overwhelmed them, and they continued to use the low-cost money for expansion. I have heard that in some of the disaster-stricken counties there was actually an increase

of 700,000 head of livestock. It is difficult to overcome that situation. Lending agencies do not like to say "No" to a man who is suffering from a disaster.

Mr. MORSE. I sympathize with the comments made by the Senator from Vermont. The point I was seeking to make is that I do not think we can justify a high interest rate as a policeman in these matters. I think we must determine the public policy question as to whether there is need for a loan in these cases, and, if so, then we should deal with the question of a low-interest rate basis. The committee report apparently holds that we must make it very clear to the administrators that we expect them to exercise extraordinary vigilance in seeing to it that a loan is not obtained for expansion purposes. I think the Senate has a duty to make these loans available for legitimate cases on a low-interest rate basis.

Mr. JOHNSTON of South Carolina. The Department said that the reason why the rate was increased was that some persons had misused it. The committee said to the Department, "You must be careful in this matter. We will reduce the rate to 3 percent, but it is up to you to see that it is not abused."

Mr. AIKEN. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. AIKEN. The livestock operators are paying back their loans very rapidly. I understand that of some $55 million worth of loans which were made, $25 million of them have already been paid back. Those are rough figures, they may not be exact. But there has been a recovery in the cattle industry. The livestock producers have been making fewer loans recently; so I think the need is perhaps not so acute as it was.

Mr. JOHNSTON of South Carolina. I am glad the Senator has brought that out. Such emergency loans have been paid back in a higher percentage than have any other loans.

Mr. AIKEN. I agree that 3 percent is a much fairer rate of interest.

Mr. LANGER. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. Mr. President, I desire to associate myself with those who are in favor of the passage of this bill. As every Member of the Senate knows, North Dakota has been declared a disaster area. I have received numerous letters protesting the increase in the interest rate from 3 percent to 5 percent. The demand for this bill is universal. I know of no one who has opposed it.

Mr. JOHNSTON of South Carolina. Mr. President, I appreciate the remarks of the Senator from North Dakota. He is always endeavoring to help the man who needs assistance.

Mr. THURMOND. Mr. President, will my colleague yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. THURMOND. Mr. President, I rise in support of the bill. My colleague and I introduced bills on this subject on the same day, and they were considered by the Committee on Agriculture and Forestry. I went before the committee and made a statement at that time. It is my feeling that every consideration should be given to the farmers of the United States. I know of no segment of our population which receives so little as do the farmers. I can see no objection to this bill. Only those persons who cannot obtain loans from other sources are eligible for these loans. Certainly, if a class of people who are among the lowest income group have suffered disaster, they should be allowed to obtain these loans at a reasonable rate of interest.

It is my understanding that the Department of Agriculture does not oppose the bill. Mr. Scott, who attended the hearing when I went before the committee, stated to me that they did not oppose the bill. I certainly hope the Senate will pass it, because the difference in interest rate will be a great help to the small farmers. Anything we can do to help them in their distress this great country is able to do, and, in my opinion, it should do.

Mr. President, I support the bill, and I hope the Senate will see fit to pass it.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 1755

On January 3 the interest rate on certain emergency loans to farmers was increased from 3 percent to 5 percent. This bill would reduce the interest rate on these loans back to a maximum of 3 percent.

Three types of loans are covered by the bill:

First, loans to farmers who have suffered from area wide production disasters;

Second, loans to farmers located in areas where major disasters covered by Public Law 875 of the 81st Congress have been coupled with economic disasters (as where drought has been coupled with forced sales of stock and a sharp break in market prices); and

Third, loans of the type covered by Public Law 727 of the 83d Congress, which provided for loans during the period ending this June 30 in areas where normal credit is temporarily not available.

The Department raised the interest rate on January 3 on these loans to prevent them from becoming competitive with commercial loans, and because the rate of 5 percent had been fixed by Congress for production and subsistence loans and special livestock loans. These loans were never intended to be competitive with commercial loans, and every effort should be made to see that they are not made to persons who can obtain ordinary commercial loans. However, the committee did not believe that the interest rate should be raised to accomplish this purpose, thereby penalizing all of the farmers who have suffered these disasters, are entitled to these loans, and can ill afford to pay the additional interest.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection (a) of section 2 of the act of April 6, 1949, as amended (63 Stat. 43; 12 U. S. C., sec. 1148a–2 (a)), is amended by striking out the last sentence of such subsection and inserting in lieu thereof the following: "Such loans shall be made at such rate of interest, not to exceed 3 percent per annum, and on such general terms and conditions as the Secretary shall prescribe for such area or region."

SEC. 2. Subsection (b) of section 2 of the act of April 6, 1949, as amended (12 U. S. C., sec. 1148a–2 (b)), is amended by striking out the last sentence of such subsection and inserting in lieu thereof the following: "Such loans shall be made at such rate of interest, not to exceed 3 percent per annum, and on such general terms as the Secretary shall prescribe for such area.".

SEC. 3. Clause (4) of section 2 of the act entitled "An act to provide emergency cred it," approved August 31, 1954 (68 Stat. 999), is amended to read as follows: "be made at such rate of interest, not to exceed 3 percent per annum, and on such terms and conditions as the Secretary shall prescribe for such area or areas; and."

STATUS OF VISA APPLICATIONS UNDER THE REFUGEE RELIEF ACT OF 1953

Mr. LANGER. Mr. President, as chairman of the Subcommittee on Refugees, Escapees, and Expellees, I am very pleased by the figures shown on this week's report from the Department of State dated May 20, 1955, showing the status of visa applications under the Refugee Relief Act of 1953. According to this information, there has now been issued a total of 30,652 visas which are distributed as follows:

Italy	19,015
Greece	5,126
Netherlands	566
Germany	2,166
Austria	2,502
Far East	734
Others	63

Shortly after I became chairman of the subcommittee, it was forcibly brought to my attention that Public Law 203, commonly known as the Refugee Relief Act of 1953, was well on its way to becoming a complete failure, if it had not already become one. Our Subcommittee on Refugees held hearings on the administration of this act on April 13, 14, 15, 20, 21, and 22, 1955, which were recessed subject to the call of the Chair. Prior to the date of these hearings, the statistical report from the Department of State, dated March 18, 1955, shows the total number of visas issued as only 22,887 which were distributed as follows:

Italy	15,548
Greece	3,602
Netherlands	468
Germany	977
Austria	1,573
Far East	482
Others	237

From the foregoing you will readily see that between March 18, 1955, and May 20, 1955, 7,765 visas have been issued—the greatest number in any single period. I believe that the speeding up of the refugee relief program has been

due, at least in part, to the full and complete public hearings which the subcommittee has been conducting.

I am especially grateful to the distinguished Senator from Utah [Mr. WATKINS], the distinguished Senator from Missouri [Mr. HENNINGS], and the distinguished Senator from South Carolina [Mr. JOHNSTON] for the assistance which they gave to the subcommittee.

The subcommittee will continue to work on the matter and to submit weekly reports to the Senate, showing the progress which is being made.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the statistical report from the Department of State, dated May 20, 1955.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Refugee relief program—Status of visa applications, May 20, 1955

	Italy	Greece	Netherlands	Germany	Austria	France	Great Britain	Belgium	Far East	Others	Total
1. Applicants notified of documents required	64,592	18,023	1,305	20,668	10,266	1,817	785	1,302	2,375	431	121,564
2. Visas issued	19,015	5,126	566	2,166	2,502	112	139	229	734	63	30,652
3. Visas refused	1,540	711	27	1,951	875	137	94	17	573	22	5,947
4. Canceled action	547	114	125	943	582	67	121	104	43	43	2,689
5. Applicants still in process	43,490	12,072	587	15,608	6,307	1,501	431	952	1,025	303	82,276
6. Assurances received by Administrator	6,085	9,296	339	11,792	4,496	1,142	837	614	2,812	1,239	38,652
7. Assurances canceled/returned	542	609	96	673	127	74	107	10	361	329	2,928
8. Assurances verified and sent to field	5,163	8,206	192	10,538	4,172	980	650	560	2,251	798	33,500

NOTE.—All figures cumulative. Items 6, 7, and 8 reflect principal aliens only. State.—FD, Washington, D. C.

Mr. DOUGLAS. Mr. President, will the Senator from North Dakota yield for a question?

Mr. LANGER. Certainly.

Mr. DOUGLAS. I think the Senator from North Dakota is to be congratulated for his work in speeding up the activities of the Department of State in granting visas. But I wonder if the Senator will tell us whether the Department of State has reported on the number of refugees actually admitted to the United States.

Mr. LANGER. The report will disclose that the Department of State is responsible only for the issuing of visas. When a visa has been issued by Scott McLeod, his job is done. After that it is up to the Immigration and Naturalization Service.

If the distinguished Senator from Illinois is interested in knowing the number of admittances, I shall be glad to furnish that information to the Senate when I make my next report.

Because of the long delay after some of the visas had been issued, some of the persons who received them refused to come to the United States. It is astounding to learn of the number who have refused to come, chiefly from Germany and Austria, where economic conditions have become much improved. But that is not the fault of Scott McLeod or the Department of State. It is true that economic conditions abroad have changed.

Certainly a mighty fine job has been done in the issuance of the additional visas, as I have described.

Mr. DOUGLAS. Is it not true that only a very few thousand have actually come to the United States?

Mr. LANGER. That is true only as to those who are actual refugees, not as to relatives of persons who are already here. They have been coming to the United States. The latest figures I have show that some 22,000 or 23,000 have come.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the distinguished chairman of the Committee on the Judiciary.

Mr. KILGORE. A report to the Committee on Appropriations, which I intend to file today, discloses that as of May 20, 1955, 30,652 visas had been issued, and that 21,792 persons had entered the United States.

Mr. DOUGLAS. How many of those persons were relatives, and how many were refugees?

Mr. KILGORE. Probably between 17,000 and 18,000 were relatives.

Mr. DOUGLAS. Only about 3,000 or 4,000 were refugees.

Mr. LANGER. I want the Senator from Illinois to know that at the present time the American consuls are all on the job. They have been contacted by investigators from the Refugee Commission, and there has been a very substantial increase, percentagewise, in the number of visas issued to refugees.

Mr. DOUGLAS. I think the distinguished Senator from North Dakota and his colleagues deserve great credit in galvanizing a heretofore inoperative program into some degree of effect.

I think perhaps the votive offering of Mr. Corsi, which was laid upon the altar, may also have stimulated the Department of State into taking some action.

I am merely hoping that the facts about the relatively small numbers of refugees being admitted may be borne in mind. I think a great deal of improvement is still needed.

WASHITA RIVER BASIN RECLAMATION PROJECT, OKLAHOMA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 367, Senate bill 180. I call the motion to the attention of the distinguished Senator from Oklahoma [Mr. KERR] and the distinguished Senator from New Mexico [Mr. ANDERSON].

The ACTING PRESIDENT pro tempore. The clerk will state the bill by title.

The CHIEF CLERK. A bill (S. 180) to authorize the Secretary of the Interior to construct, operate, and maintain the Washita River Basin reclamation project, Oklahoma.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 13, after the numeral "2", to strike out:

In constructing, operating, and maintaining the Washita project, the Secretary shall allocate proper costs thereof under the following conditions:

(a) Allocations to flood control, recreation, and the preservation and propagation of fish and wildlife shall be nonreturnable.

(b) Allocations to municipal water supply, including domestic, manufacturing, and industrial uses, shall be repayable through contracts with municipal corporations. Such contracts shall be precedent to the commencement of construction of any project unit affecting the individual municipalities, and shall provide for repayment of construction costs in not to exceed 50 years from the dates water is first delivered, and payments of construction costs shall include interest on unamortized balances at a rate equal to the average rate paid by the United States on long-term loans outstanding during the period of the construction, except that estimates may be used for minor costs not incurred prior to delivery of water.

And insert in lieu thereof:

In constructing, operating, and maintaining the Washita project, the Secretary shall allocate proper costs thereof in accordance with the methods used in determining the allocations made on pages 68, 69, and 70, of House Document 219, 83d Congress, but with appropriate adjustments for changes in actual cost of construction, under the following conditions:

(a) Allocations to flood control, recreation, and the preservation and propagation of fish and wildlife shall be nonreturnable.

(b) Allocations to municipal water supply, including domestic, manufacturing, and industrial uses, shall be repayable through contracts with municipal corporations, or other organizations as defined by section 2, Reclamation Project Act of 1939 (53 Stat. 1187). Such contracts shall be precedent to the commencement of construction of any project unit affecting the individual municipalities, and shall provide for repayment of construction costs allocated to municipal water supply in not to exceed 50 years from the dates water is first delivered for that purpose, and payments of said construction costs shall include interest on unamortized balances of that allocation at a rate equal to the average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term loans outstanding on the date of this act.

On page 4, after line 17, to strike out:

Contracts with irrigation water users shall provide for repayment in accordance with reclamation laws (act of June 17, 1902; 32 Stat. 388, and acts amendatory thereof or supplementary thereto), excepting section 9 (e) of the Reclamation Project Act of 1939, within a period of 55 years as to each irrigation unit, from the date water is first delivered thereto.

And insert in lieu thereof:

Any contract entered into under section 9, subsection (d) of the Reclamation Project Act of 1939, for payment of those portions of the costs of constructing, operating, and maintaining the Washita project which are properly allocable to irrigation and which are assigned to be paid by the contracting organization shall provide for the repayment of the portion of the construction cost of the project assigned to any contract unit or, if the contract unit be divided into two or more blocks, to any such block over a period of not more than 55 years, exclusive of any permissible development period, or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within the period stated under average conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay: *Provided*, That nothing in this section is intended to preclude the temporary furnishing of irrigation water under contracts appropriate for that purpose from Foss and Fort Cobb Reservoirs with or without the construction of specific irrigation works.

On page 6, after line 20, to strike out:

SEC. 6. There are hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, $37,429,000 to carry out the purposes of this act.

And insert in lieu thereof:

SEC. 6. There is hereby authorized to be appropriated for construction of the works authorized to be constructed by section 1 of this act the sum of $40,600,000 plus such additional amount, if any, as may be required by reason of changes in the costs of construction of the types involved in the Washita River Basin project as shown by engineering indexes. There are also authorized to be appropriated such sums as may be required for the operation and maintenance of said works.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized to construct, operate, and maintain the Washita River Basin reclamation project, Oklahoma, in accordance with the Federal reclamation laws (act of June 17, 1902, and acts amendatory thereof or supplementary thereto), except so far as those laws are inconsistent with this act, for the principal purposes of storing, regulating, and furnishing water for municipal, domestic, and industrial use, and for the irrigation of approximately 26,000 acres of land and of controlling floods and, as incidents to the foregoing for the additional purposes of regulating the flow of the Washita River, providing for the preservation and propagation of fish and wildlife, and of enhancing recreational opportunities. The Washita project shall consist of the following principal works: A reservoir at or near the Foss site on the main stem of the Washita River; a reservoir at or near the Fort Cobb site on Pond (Cobb) Creek; and canals, pipelines, and other conduits for furnishing water for municipal, domestic, and industrial use, and for irrigation.

SEC. 2. In constructing, operating, and maintaining the Washita project, the Secretary shall allocate proper costs thereof in accordance with the methods used in determining the allocations made on pages 68, 69, and 70, of House Document 219, 83d Congress, but with appropriate adjustments for changes in actual cost of construction, under the following conditions:

(a) Allocations to flood control, recreation, and the preservation and propagation of fish and wildlife shall be nonreturnable.

(b) Allocations to municipal water supply, including domestic, manufacturing, and industrial uses, shall be repayable through contracts with municipal corporations, or other organizations as defined by section 2, Reclamation Project Act of 1939 (53 Stat. 1187). Such contracts shall be precedent to the commencement of construction of any project unit affecting the individual municipalities, and shall provide for repayment of construction costs allocated to municipal water supply in not to exceed 50 years from the dates water is first delivered for that purpose, and payments of said construction costs shall include interest on unamortized balances of that allocation at a rate equal to the average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term loans outstanding on the date of this act: *Provided*, That such contracts shall provide that annual municipal repayments shall continue at the same rates until the costs of Foss and Fort Cobb Reservoirs allocated to irrigation are fully repaid: *Provided further*, That if irrigation works are constructed, as hereinafter provided, said annual repayment rates shall continue so long as the costs of irrigation works are unpaid.

(c) The authorization for construction of the irrigation works, exclusive of Foss and Fort Cobb Reservoirs, shall be limited, as to each reservoir, to a period of 10 years from the commencement of the delivery of municipal water from the reservoir on which the irrigation unit is dependent. Any contract entered into under section 9, subsection (d) of the Reclamation Project Act of 1939, for payment of those portions of the costs of constructing, operating, and maintaining the Washita project which are properly allocable to irrigation and which are assigned to be paid by the contracting organization shall provide for the repayment of the portion of the construction cost of the project assigned to any contract unit or, if the contract unit be divided into two or more blocks, to any such block over a period of not more than 55 years, exclusive of any permissible development period, or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within the period stated under average conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay: *Provided*, That nothing in this section is intended to preclude the temporary furnishing of irrigation water under contracts appropriate for that purpose from Foss and Fort Cobb Reservoirs with or without the construction of specific irrigation works.

SEC. 3. Construction of the Washita project herein authorized may be undertaken in such units or stages as in the opinion of the Secretary best serves the project requirements and the relative needs for water of the several prospective users. Repayment contracts negotiated in connection with each unit or stage of construction shall be subject to the terms and conditions of section 2 of this act.

SEC. 4. The Secretary may, upon conclusion of a suitable agreement with any qualified agency of the State of Oklahoma or a political subdivision thereof for assumption of the administration, operation, and maintenance thereof at the earliest practicable date, construct or permit the construction of public park and recreational facilities on lands owned by the United States adjacent to the reservoirs of the Washita project, when such use is determined by the Secretary not to be contrary to the public interest, all under such rules and regulations as the Secretary may prescribe. No recreational use of any area to which this section applies shall be permitted which is inconsistent with the laws of the State of Oklahoma for the protection of fish and game. The costs of constructing, operating, and maintaining the facilities authorized by this section shall not be charged to or become a part of the costs of the Washita River Basin project.

SEC. 5. Expenditures for Foss and Fort Cobb Reservoirs may be made without regard to the soil survey and land classification requirements of the Interior Department Appropriation Act, 1954 (43 U. S. C. 390a).

SEC. 6. There is hereby authorized to be appropriated for construction of the works authorized to be constructed by section 1 of this act the sum of $40,600,000 plus such additional amount, if any, as may be required by reason of changes in the costs of construction of the types involved in the Washita River Basin project as shown by engineering indices. There are also authorized to be appropriated such sums as may be required for the operation and maintenance of said works.

Mr. ANDERSON. Mr. President, Senate bill 180 authorizes again the construction of the Washita River Basin reclamation project, in Oklahoma. This project was approved by the Senate at the last session, when a similar bill was passed unanimously. On that occasion the bill had been reported unanimously by the Senate Committee on Interior and Insular Affairs. It is again reported unanimously by the Committee on Interior and Insular Affairs.

The bill provides for the establishment of a series of reservoirs in Oklahoma, from which Oklahoma communities can obtain very much needed municipal water supplies, for which they will pay substantial sums to the Treasury of the United States.

In addition, the project will provide flood control along the river and will protect a very rich farming section, which has been frequently flooded in the past few years.

The distinguished senior Senator from Oklahoma [Mr. KERR] was very much interested in the bill a year ago, and he is again a sponsor of it. Naturally, he may wish to make a statement on the bill.

I merely wish to say that the Subcommittee on Irrigation and Reclamation studied the matter very carefully this year, as it did previously. It has again made a unanimous report to the full committee, and the Committee on Interior and Insular Affairs has made a unanimous report to the Senate. We hope the bill will be passed.

Mr. KERR. Mr. President, I wish to thank the distinguished Senator from New Mexico and the other members of the subcommittee of which he is the chairman, and also the great committee he represents, for making the report.

The pending bill contains substantially the same language as was carried by the bill which passed the Senate unanimously a year ago. It is sponsored by my colleague, the distinguished junior Senator from Oklahoma [Mr. MONRONEY], and myself.

It has to do with meeting one of the most pressing needs in the State of Oklahoma for flood control, for the irrigation of thousands of acres of very fertile land, and, in addition thereto, for meeting the requirements of municipal water for about 12 or 14 of the finest communities in southern Oklahoma.

Those communities have entered into acceptable contracts with the Department to purchase substantial quantities of water. The revenue derived therefrom will make it possible to reimburse the Government for a substantial portion of its investment in the project.

In fact, in order to make the project more feasible, under the standards prescribed by the committee and the Congress, these areas, which have a population of some 50,000 people in the various communities, have agreed to go beyond the requirements relating to reimbursement for municipal water, and have agreed to make reimbursement over and above the usual amount, in order to add to the revenue that will come from the users of water for irrigation.

I hope the Senate will, as it did last year, give unanimous approval to the bill.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEASING OF RESTRICTED INDIAN LANDS IN ARIZONA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 379, Senate bill 34, and I call the attention of the two distinguished Senators from Arizona to the motion I have just made.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 34) providing for the leasing by Indian owners of restricted Indian lands in the State of Arizona for certain purposes, reported from the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insural Affairs, with an amendment, to strike out all after the enacting clause and insert:

That any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for public, religious, educational, recreational, residential, or business purposes, including the development or utilization of natural resources in connection with operations under such leases, and for those farming purposes which require the making of a substantial investment in the improvement of the land for the production of specialized crops as determined by said Secretary. All leases so granted shall be for a term of not to exceed 25 years, but leases for public, religious, educational, recreational, residential, or business purposes with the consent of both parties may include provisions authorizing their renewal for an additional term of not to exceed 25 years, and all leases and renewals shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior.

SEC. 2. Restricted lands of deceased Indians may be leased under this act, for the benefit of their heirs or devisees, in the circumstances and by the persons prescribed in the act of July 8, 1940 (54 Stat. 745; 25 U. S. C., 1946 edition, sec. 380).

SEC. 3. The act of March 3, 1909 (35 Stat. 783; 25 U. S. C. 396) is amended by inserting before the period at the end thereof the following proviso: ": *Provided*, That if the said allottee is deceased and the heirs to or devisees of any interest in the allotment have not been determined, or, if determined, some or all of them cannot be located, the Secretary of the Interior may offer for sale leases for mining purposes to the highest responsible qualified bidder, at public auction, or on sealed bids, after notice and advertisement, upon such terms and conditions as the Secretary of the Interior may prescribe. The Secretary of the Interior shall have the right to reject all bids whenever in his judgment the interests of the Indians will be served by so doing, and to readvertise such lease for sale."

SEC. 4. No rent or other consideration for the use of land leased under this act shall be paid or collected more than 1 year in advance, unless so provided in the lease.

SEC. 5. The Secretary of the Interior shall approve no lease pursuant to this act that contains any provision that will prevent or delay a termination of Federal trust responsibilities with respect to the land during the term of the lease.

SEC. 6. Nothing contained in this act shall be construed to repeal any authority to lease restricted Indian lands conferred by or pursuant to any other provisions of law.

Mr. ANDERSON. Mr. President, Senate bill 34 was originally introduced by the Senator from Arizona [Mr. GOLDWATER]. It authorizes Indians in Arizona to lease their lands for 25 years for various purposes. I think the question arose originally because of an attempt by a tribe to lease their lands to a municipality for an airport site. They could not do so because present restrictions allow Indians to lease their lands for only 5 years, as a general rule. However, a few tribes, such as the Navaho and Hopi Indians in New Mexico and Arizona have authority to make long-term business leases. It has worked extremely well, and it is to the great advantage of their needs. Therefore the committee felt the long term leasing program should be expanded to other tribes in the United States.

The chairman of the Committee on Interior and Insular Affairs, the Senator from Montana [Mr. MURRAY] introduced a bill making the application broader than that proposed by the Senator from Arizona. We have therefore taken the bill of the Senator from Arizona and broadened it to include other areas, so that Indians owning lands, for instance, around lakes may, when they had an opportunity to do so, lease land for recreation purposes, for example. The bill will permit Indians to make leases for a longer period than 5 years.

The bill has been endorsed by Indian organizations throughout the country. We think it proposes sound legislation. The bill has been very carefully considered, and we think it should pass.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the bill, as it appears on pages 2 and 3 of the committee report.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

S. 34, as introduced, would permit Indian owners of restricted Indian lands in the State of Arizona to lease their lands for a period of 25 years for certain purposes as described in the amended title of this bill. A similar bill, S. 621, would permit Indians in all States to make such leases.

The Committee on Interior and Insular Affairs believe that such uniformity of leasing would be to the best interest of the Indians. Therefore, by incorporating substitute language, S. 34 has been broadened to make it applicable to Indians generally.

The bill, as reported, would permit the Indian owners of restricted Indian lands in the United States to lease their lands for a period of 25 years with the approval of the Secretary, for public, religious, educational, recreational, residential, or business purposes, including the development or utilization of natural resources in connection with operations under such leases. In addition, these lands could be leased for farming purposes which require the making of substantial investment in the improvement of the land for the production of specialized crops. The bill in section 2 would also authorize leasing of restricted lands of deceased Indians for the benefit of their heirs or devisees.

In general, the laws now governing the leasing of restricted Indian lands preclude leasing for periods of longer than 5 years. The absence of authority for long-term leases discriminates against Indians who own restricted lands that are suitable for the location of business establishments, residential subdivisions, summer homes, airports, or for other purposes that require a substantial outlay of capital by the prospective lessee. It also penalizes Indian owners of raw but potentially valuable farmlands on which the cost of subjugation is too great for the Indian himself to finance. In such cases, prospective lessees are willing to undertake these expensive improvements only if guaranteed tenure by a long-term lease.

Because of existing limitations upon the duration of leases, many Indian lands which could be profitably utilized under long-term leases are idle, and the Indians are deprived of much needed income. Other lands that are leased for shorter periods would bring much higher rentals to the Indians if the lands could be leased on a long-term basis. Enactment of S. 34 will remove these unfair restrictions.

Section 3 of S. 34 amends the act of March 3, 1909 (35 Stat. 783; 25 U. S. C. 396), by adding a proviso which authorizes the Secretary of the Interior to lease for mining purposes any lands allotted to Indians in severalty, except allotments to members of the Five Civilized Tribes and Osage Indians in Oklahoma, when the allottee is deceased and the heirs to or devisees of any interest in the allotment either have not been determined or cannot be located. The leases must be based on competitive bidding.

There have been a number of instances in recent years, particularly in areas of new and speculative oil and gas developments in the Indian country, where very substantial bonuses have been paid for oil and gas leases of allotted lands. These bonuses have not

been available for leases of allotted lands where the heirs or devisees of the allotment or of an interest therein have not been determined. This situation is not in the best interest either of the known owners or the undetermined or unlocated owners. Enactment of S. 34 will minimize the present loss of income both to the heirs to, and devisees of, interests in decedents' estates when they are ultimately determined or located, and also to the known owners of interest in the estates. This amendment has the approval of the Secretary of the Interior.

Section 4 provides that no rent or other consideration for the use of land leased under S. 34 shall be paid or collected more than 1 year in advance, unless provided for in the lease.

Section 5 provides that the Secretary of the Interior shall approve no lease under the authority of this act that contains any provision that will prevent or delay a termination of Federal trust responsibilities with respect to the land during the term of the lease. In view of the long-term objective of removing restrictions from Indian lands as rapidly as the Indian owners become able to handle their own affairs without assistance from the Federal Government, no lease that extends for a period of 25 years with an option to renew for an additional 25 years should contain provisions that are inconsistent with this long-term objective.

Section 6 provides that nothing contained in the act shall repeal any authority to lease restricted Indian lands conferred by any other provision of law.

The committee unanimously recommends the passage of S. 34.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 34) was ordered to be engrossed for a third reading, read the third time, and passed.

HEARINGS BY SUBCOMMITTEE ON JUVENILE DELINQUENCY

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from North Dakota.

Mr. LANGER. I should like to bring to the attention of the Senate the fact that the Subcommittee on Juvenile Delinquency just completed hearings, held in New Mexico and Arizona, which included testimony from the Attorney General of New Mexico and the Governor of Arizona, as well as other witnesses, among them the head of the health department. The committee made a recommendation that there be an appropriation of $200 million. There will be a hearing to listen to the testimony of Mr. Emmons, and I hope the Senators from Arizona and New Mexico can attend.

Mr. ANDERSON. Mr. President, I not only shall be happy to attend, but I wish to commend the Senator from North Dakota for his continued interest in the Indians of the United States.

JOHN P. PETERS AGAINST OVETA CULP HOBBY ET AL.

Mr. LANGER. Mr. President, I recently had the pleasure of addressing the Emergency Civil Liberties Committee at Canandaigua, N. Y. While there I was handed a brief which had been prepared by the Emergency Civil Liberties Committee amicus curiae in a case pending in the Supreme Court of the United States, entitled, "John Peters, petitioner, against Oveta Culp Hobby et al., respondents."

After reading the brief I have come to the conclusion that it ought to be brought to the attention of every Senator. I said I would bring it to the attention of the Senate, and I therefore ask unanimous consent that the brief be printed in the RECORD at this point as a part of my remarks.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

BRIEF OF THE EMERGENCY CIVIL LIBERTIES COMMITTEE, AS AMICUS CURIAE

It is evident that the issues raised in this case are of profound importance. Directly, they affect the rights of employment of a part-time, unclassified, intermittent employee of the United States. The implications of any decision of the Court, however, may have far-reaching repercussions on the administration of the loyalty program in all of its aspects.

It would be difficult to overstate the extent of that loyalty program. Every man, woman, and child who wishes a passport must satisfy an administrative official in the passport office of his or her loyalty. Every person who works in a defense facility must pass a loyalty test administered by the Defense Department. Every longshoreman and every member of the merchant marine must meet the loyalty tests imposed by the Coast Guard. Every member of the Armed Forces must comply with the loyalty standards imposed by the Army, Navy, and Air Force, and, of course, every employee of the United States Government must meet the requirements which were imposed on the petitioner in this case and which he failed to meet.

Nor is this all. In most, if not all, States employees of State, county, and municipal governments are subject to loyalty checks by a variety of local governing bodies. Because our children are said to be particularly susceptible to subversive influences, schoolteachers at all levels, from kindergarten to graduate schools, must undergo the same scrutiny of their organizational affiliations and activities, past and present, administered by local boards of education.

Recently in the District of Columbia a license to deal in second-hand furniture was denied on grounds of possible disloyalty of the applicant, and we are told that in Indiana wrestlers and boxers are subject to a loyalty test by the local authorities before they may perform before their public.

It is not particularly surprising that many private employers, notably in institutions of higher learning, have imposed similar tests.

The end is not yet in sight. The Federal Communications Commission has before it a proposal to screen all applicants for and holders of radio operator's licenses and permits, said to number almost a million persons. The American Bar Association proposes a similar test for attorneys. The list could be expanded almost indefinitely.

This dismal picture raises two questions, both of which go to the heart of any democratic system of government. One of these questions is substantive. The imposition of loyalty tests on large groups of persons, aggregating, perhaps, a majority of the adult working population of the United States, is basically contrary to the fundamentals of a free political system. The standards of loyalty vary widely from one administrative agency to another and often from one case to another within the same agency. The concept of defense facility is an elastic one. As many serious commentators have pointed out, the sum total of all of this has been to destroy free discussion of basic political and economic issues, and without such discussion democracy cannot exist.

The other question raised is procedural, and it is the procedural question that must be decided by the Court in this case. As has frequently been noted, our liberties are, in large part, made up of the strict observances of the procedural standards of due process prescribed by the Constitution. None of those standards is observed in the administration of the loyalty program either by the Federal Government, by State or local governments, nor by any administrative agencies.

The record in this case, shocking as it is, is typical of the procedures through which many thousands of our citizens have lost their means of livelihood, and been stamped as disloyal in the minds of their fellow Americans. The respondents here seek to answer all of this by the citation of such cases as *Shurtleff* v. *U. S.* (189 U. S. 311), *Eberlein* v. *U. S.* (257 U. S. 82), and a host of similar cases involving for the most part the removal of Government employees for inefficiency or misconduct. The citation of those cases reveals a lack of appreciation of the magnitude of the problem which confronts this Court and the people of the United States.

Basically the issue here is not the right of the petitioner to maintain his employment, but rather the right of the people of the United States to maintain their democracy. When dismissals from Government employment are based on the violation of civil-service rules relating to the proper performance of duty, it may be that no constitutional issue is raised. When dismissals are based on regulations which impinge closely on the constitutional right of all persons who live in a democracy to think and talk, even though those thoughts and words may be characterized by some administrative official as disloyal, a problem of entirely different nature is raised.

It is evident from even a cursory examination of the record that none of the requirements of due process were met here, and, indeed, respondent does not seriously claim otherwise. Fundamental to any concept of due process is that decisions shall be made on the basis of evidence contained in a record and not on the basis of secret information known only to the tribunal which decides the case. (Here even the tribunal deciding the case did not know the identity of the witnesses whose word it accepted.) This is so elementary that it would seem quite unnecessary to argue it to this Court. This requirement is not a mere technicality but goes to the heart of democratic procedures as they are understood in this country.

An opportunity to know the evidence offered by the opposition and to cross-examine witnesses produced by it is, as all know, not a foolproof method of arriving at the truth, but it is the best method we have been able to devise in several centuries of Anglo-American judicial procedure. It is a method without which no decision can be made by an administrative officer under our system of government.

Superimposed on the evil technique of determining issues on the basis of evidence not disclosed to the parties, is the widespread use of informers by the Department of Justice and by other administrative local governing bodies which have aped the procedures of the Department of Justice. It is notorious that informers historically have been an unreliable breed, and our own recent history with informers is but the duplication of the history of many centuries of human experience. The recent revelations of Harvey Matusow, the recent recantations in the Lamb case now pending before the Federal Communications Commission, are but the most dramatic illustrations of the unreliability of informer testimony. None

of this is new, although perhaps it has only been recently brought to the attention of the public. Informed commentators for years have been writing and speaking on the unreliability of professional informers such as Paul Crouch, Louis Budenz, Manning Johnson, Leonard Patterson, and a host of others.

We, of course, have no possible way of determining the nature of the so-called evidence on the basis of which the petitioner here was discharged. Perhaps the witness or witnesses who informed against him were Matusow and Crouch. Perhaps they were persons of similar occupation, still on the payroll of the FBI. Perhaps they were full-time FBI informers. Perhaps they were neighbors, volunteers, or private enemies who took this opportunity to demonstrate either their zeal to protect our country or their personal dislike of the petitioner. Actually, the character of the informer makes very little difference. Without an opportunity to confront and cross-examine witnesses, not even a partial guaranty can be offered that decisions will be just.

The respondent seeks to justify all of these strange and basically un-American procedures, including the nondisclosure of evidence, on the ground that they are required by national security. Apparently respondent believes that it is better to punish a thousand innocent persons than to permit one disloyal employee to maintain a job in the Federal Government, even one as remote from our defense program as Special Consultant to the Public Health Service in the Department of Health, Education, and Welfare. This is a premise which no American, brought up in the traditions of our democracy, can possibly accept.

We agree wholeheartedly that at issue here is a question of national security. The evil which threatens our security, however, is precisely the evil against which the petitioner complains in this case. It is the evil of condemnation without trial. It is the evil of the destruction of the right of Americans to think and talk as they please. This evil is much more subversive and threatens our national existence much more seriously than any subversive conduct within the power of a special consultant to the Public Health Service, or, for that matter, a teacher in a public school or an employee in the Department of Printing and Engraving.

Our Nation has experienced about 8 years of loyalty investigations. In recent months there has been an increasing public demand for a reevaluation of the entire process as it has become more and more clear that our fundamental liberties are endangered by an ever widening circle of purges. It is perhaps fortunate that this case comes before the Court at this time when the full impact of the loyalty program on our constitutional rights has become apparent.

Respectfully submitted.

LEONARD D. BOUDIN,
VICTOR RABINOWITZ,
Attorneys for Emergency Civil Liberties Committee Amicus Curiae.

SHEINER VERSUS STATE OF FLORIDA

Mr. LANGER. Mr. President, I am also interested in the case of Sheiner versus State of Florida. In my opinion, that case involves the fundamental question of whether a lawyer should be disbarred merely because he invokes the fifth amendment.

I have in my hand the text of the briefs amici curiae of the National Lawyers Guild and the American Bar Association in that case. I ask unanimous consent that the briefs be printed in the RECORD at this point as a part of my remarks.

There being no objection, the briefs were ordered to be printed in the RECORD, as follows:

SHEINER VERSUS STATE OF FLORIDA—BRIEF OF THE NATIONAL LAWYERS GUILD, AMICUS CURIAE

INTRODUCTORY STATEMENT

The National Lawyers Guild is a national bar association with members in all sections of the United States. Its purposes, as provided in its constitution, include the protection of the civil rights and liberties of all the people and the promotion of justice in the administration of law.

The attainment of these objectives make it imperative, in the view of the National Lawyers Guild, that the independence of the bar be maintained intact. For the liberties of the citizenry as a whole can be preserved only if lawyers are free to defend them. An intimidated bar, a bar coerced into political conformity, a bar subjected to harrying inquisitions will lack the courage and independence to fulfill one of its prime historical functions. For these reasons the National Lawyers Guild has always stanchly defended the bar and its members against such invasions. At its 1950 convention, in a resolution on the lawyer's right and duty of advocacy, the guild stated:

"The National Lawyers Guild is opposed to political tests for lawyers and for admission to the bar, as an interference with the fundamental rights of lawyers, as of all citizens, to belong to any political party or to hold any political, social, or economic views."

And at its most recent convention, the guild, noting "further efforts, in the form of * * * special loyalty oaths * * * to frighten members of the legal profession into abrogating their traditional role as defenders of liberty," pledged "continued opposition to all loyalty oath proposals or similar requirements of political conformity for lawyers and for applicants seeking admission to the bar."

The present case raises another issue of general importance: Are the constitutional rights of a citizen to be accorded less weight when that citizen happens to be a lawyer? As the discussion herein indicates, the appellant in this proceeding, in response to the questioning of the court below, invoked his rights under sections 12, 13, and 15 of the Florida declaration of rights and the first and fifth amendments of the Constitution of the United States. Because of his reliance on his constitutional rights—and the record permits the assertion of no other reason for the action of the court below—he was summarily disbarred. The theory implicit in this action is that the appellant could retain his status as a member of the bar only by relinquishing these rights.

This proceeding represents the sole instance of its kind known to the National Lawyers Guild. As is shown in the argument below, the disbarment action of the court is not only without precedent, but it contravenes well-established authority. And, in our opinion, this action and the theory underlying it constitute so grave an infringement on rights possessed by attorneys in common with the citizenry as a whole that they must give rise to serious reflection and grave misgivings.

One more aspect of the decision below must be observed. It has been reportedly announced by the State Attorney who prosecuted this case that he plans to investigate other attorneys in connection with the advice supposedly given by them to clients under investigation for Communist affiliations (The Pensacola Journal, Dec. 1, 1954, pp. 1, 19). The inquisition is thus apparently to be expanded, not only to additional members of the bar as individuals, but to the legal advice which they rendered in cases which may well raise basic constitutional principles similar in tenor to those involved here. It is difficult to envision a more direct and ruthless blow to the essence of the lawyer-client relationship than would be inflicted by such an "investigation." If the advice of a lawyer is to be made the basis for investigating the lawyer, with no restraint by the court, then the rights of both lawyers and their clients among members of the public are indeed in jeopardy.

The present appeal, therefore, transcends in significance the issue of whether the court below committed error. This court can reaffirm the sanctity of the lawyer's constitutional rights and his ability to seek their protection without forfeiting his professional life, or it can chart a different course, curtailing his rights by penalizing him for invoking them, and jeopardizing also the rights of clients and the public.

Because the issue before the court is important to the maintenance of fundamental constitutional principles and because it uniquely affects the freedom and independence of the bar as a public profession as well as of its individual members, the National Lawyers Guild, with leave of the court, respectfully submits this brief as amicus curiae.

HISTORY OF THE CASE

There are discussed here certain aspects of the facts of the case, whose full history is set forth in the brief of appellant.

The evidence before the court is unique, in that it consists not of an affirmative presentation of proof but of a complete absence of proof. Apart from the testimony of one Kenney, which was so inconclusive and insignificant that the court below made no reference to it in either its written or oral opinion, the only testimony was that of the appellant himself, who was called as a witness by the State Attorney in support of the motion for disbarment. After the latter established appellant's status as a member of the Florida bar, he asked him two questions concerning his membership in the Communist Party. Upon appellant's refusal to answer these under the rights guaranteed to him by the Federal and State Constitutions, he was immediately disbarred. This constituted all the testimony before the court (R. 121–151).

Nor was any matter of a substantive character added by the exhibits attached to the moving papers. These exhibits were:

1. A transcript of testimony before a subcommittee of the Committee on the Judiciary of the United States Senate under the chairmanship of Senator EASTLAND. This transcript could establish only that on a prior occasion the appellant claimed several constitutional privileges, including the privilege against self-incrimination, in response to questions concerning his associations with various organizations, including the Communist Party. In addition, the Eastland transcript contains testimony by one Paul Crouch concerning an alleged statement to him by appellant at some time in the past that he was a member of the Communist Party. Crouch's testimony before the subcommittee was not subject to cross-examination and could in no sense be considered testimony in the disbarment proceedings. (For comments on the credibility of this same Paul Crouch, see newspaper columns of Joseph and Stewart Alsop, New York Herald Tribune, April 16 and 19, May 19, July 4 and 11, 1954; see also column of Hendrik J. Berns, Miami Herald, July 27, 1954, p. 2–A, col. 1; compare press reports that the Department of Justice was investigating the Alsop charges against Crouch, Miami Herald, May 28, 1954, p. 10–A, col. 5.) It is also significant that the record shows that Crouch was present at the disbarment proceedings, but was never called to testify (R. 123).

2. The other document annexed to the moving papers is a transcript of the appellant's testimony before a grand jury, which again merely shows the claiming of

constitutional privileges similar to those asserted before the Eastland subcommittee.

This was the entire record before the court below. It was conceded in its opinion that appellant was acting within his rights in refusing to testify (R. 119).

It is apparent from this statement of facts as well as from the opinion below that the primary reason for the appellant's disbarment was his invocation of the admitted right not to be a witness against himself. He was thus punished by loss of his profession for invoking this right, one of profound historical meaning and of great present significance.

QUESTIONS INVOLVED

I. Could appellant be validly disbarred for invoking the right not to be a witness against himself?

A. May unfavorable inferences be drawn from an exercise of the privilege against self-incrimination?

B. May an attorney be disbarred because he invoked the privilege against self-incrimination?

C. May the right of an attorney to claim freedom from self-incrimination be avoided by terming his status at the bar a revocable "privilege"?

D. Did the presumption made below from appellant's assertion of his privilege, violate due process?

The court below answered question I and subquestions A, B, and C in the affirmative and subquestion D in the negative by disbarring the appellant upon his invocation of his right not to be a witness against himself (R. 149).

II. May an attorney be disciplined by reason of his refusal to answer questions concerning membership in the Communist Party upon an assertion of his rights under the first amendment to the Constitution of the United States and sections 13 and 15 of the Florida Declaration of Rights?

A. May personal guilt be attributed to an attorney solely by reason of membership in the Communist Party?

B. Do an attorney's beliefs and affiliations bear a relationship to his fitness as an attorney, so that his refusal to testify as to them warrants his disbarment?

C. Does the denial of a lawyer's constitutional rights impair the freedom of the bar and threaten the liberties of the people?

The court below answered question II and subquestions A and B in the affirmative and subquestion C in the negative by overruling and denying appellant's demurrer (R. 72) and by its opinion and order of disbarment (R. 103–120, 149).

ARGUMENT

Question I

"Could appellant be validly disbarred for invoking the right not to be a witness against himself?"

The transcendent importance of the right of the individual not to be required to testify against himself and the vital necessity of the preservation of this right intact were recently reaffirmed by this court in *Boynton* v. *State* (75 So. 2d 211, 215-216 (1954)). In that case Mr. Justice Terrell said:

"The privilege against self-incrimination is one of the great landmarks in man's struggle to make himself civilized. It is the handmaid of the abolition of torture and has its roots in 12th century legal thinking. Its fundamental thesis is that you cannot extract evidence from one charged with a crime on which to convict him. It is contrary to every principle of legal philosophy to coerce one to reveal his guilt. In *Brown* v. *Walker* (161 U. S. 591 (1896)) the Court pointed out that the rule against self-incrimination is the result of a long struggle between the opposing forces of the spirit of individual liberty on the one hand and the collective power of the State on the other."

In *State ex rel. Mitchell* v. *Kelly* (71 So. 2d 887, 889 (Fla. 1954), this court referred to the ancient roots of the privilege and to the fact that even before the end of the 17th century none of the courts of England denied the rule that no man should be compelled to accuse himself.

"This privilege," it held, "is a sacred part of the Federal Constitution and of the constitution of every State except Iowa and New Jersey."

This historical privilege has been zealously guarded by the courts of Florida as well as by the Supreme Court of the United States and the courts of many other States of our Union. *State ex rel. Feldman* v. *Kelly* (76 So. 2d 798 (Fla., 1954)); *Florida State Board of Architecture* v. *Seymour* (62 So. 2d 1 (Fla. 1952)); *State ex rel. Byer* v. *Willard* (54 So. 2d 179, 181 (Fla., 1951)); *State ex rel. Benemovsky* v. *Sullivan* (37 So. 2d 907 (Fla., 1948)); *Blau* v. *United States* (340 U. S. 159 (1950)); *Counselman* v. *Hitchcock* (142 U. S. 547 (1892)); *Boyd* v. *United States* (116 U. S. 616 (1886)); *Temple* v. *The Commonwealth* (75 Va. 892 (1881)); *Commonwealth* v. *Gibbs* (4 Dall. 253 (Pa. Sup. Ct., 1802)); *People ex rel. Taylor* v. *Forbes* (143 N. Y. 219, 38 N. E. 303 (1894)).

Historically the fifth amendment and its counterpart in section 12 of the Declaration of Rights of the Constitution of the State of Florida have been directed at precisely the types of abuses which the proceedings in the court below permitted and upon which it based its conclusions. A basic objective of the privilege against self-incrimination was the prevention of the specific type of inquisition of a hapless respondent as was here engaged in. As Dean Griswold said in the article referred to with approval in the *Boynton* case, *supra* (75 So. 2d at 215):

"We have through the course of history developed a considerable feeling of the dignity and intrinsic importance of the individual man. Even the evil man is a human being.

"If a man has done wrong he should be punished. But the evidence against him should be produced, and evaluated by a proper court in a fair trial. Neither torture nor an oath nor the threat of punishment such as imprisonment for contempt"—and, we may add, disbarment from a profession—"should be used to compel him to provide the evidence to accuse or convict himself * * *. I believe that is a good standard, and that it is an expression of one of the fundamental decencies in the relation we have developed between government and man." Griswold, The Fifth Amendment: An Old and Good Friend (40 A. B. A. J. 502, 503 (1954).[1]

In the absence of these standards, legal inquiries "degenerate[d] into a merely unlawful process of poking about in the speculation of finding something chargeable." (8 Wigmore on Evidence (3d ed., 1940) 284.)

The early history of the privilege was intimately tied to the right of political and religious freedom. Dean Griswold's article portrays the political inquisitions of the Court of Star Chamber in the 17th century and the attempted intrusion of the colonial Governor of Pennsylvania on the freedom of the press in the 18th century. It describes how these and similar efforts to restrict individual liberties were met and ultimately defeated by the assertion of the right against self-incrimination. (40 A. B. A. J. at 502–503.) See also Morgan, the Privilege Against Self-Incrimination (34 Minn. L. Rev. 1, 2 ff. (1949).)

[1] This article and two others now appear in a volume by Dean Griswold, entitled "The Fifth Amendment Today" (Harvard University Press, 1955). We are taking the liberty of supplying copies to the court.

These facts make it all the more important that the privilege against self-incrimination, when invoked in a political context such as was the case here, be given especially liberal construction, in accordance with the entire history of the privilege. (*State ex rel. Mitchell* v. *Kelly, supra; State ex rel. Byer* v. *Willard, supra; Counselman* v. *Hitchcock, supra.*)

A. May Unfavorable Inferences Be Drawn From an Exercise of the Privilege Against Self-Incrimination?

The constitutional right not to be a witness against oneself has as an essential component the well-recognized doctrine that the privilege is a protection to the innocent as well as the guilty. *Twining* v. *New Jersey* (211 U. S. 78, 91 (1908)); *Spector* v. *United States* (193 F. 2d 1002 (C. A. 9, 1952)). Indeed, when invoked by those whose "offenses" consisted of no more than their espousal of unpopular or unorthodox political or religious views, the privilege developed historically to protect not so much the guilty as those innocent of overt criminal acts.

In *Boyd* v. *United States, supra,* Mr. Justice Bradley quoted from the opinion of Lord Camden in *Entick* v. *Carrington* (19 Howell's St. Tr. 1029 (1765)), an opinion which he notes was a "monument of English freedom" and which our American statesmen during the Revolutionary period considered as "the true and ultimate expression of constitutional law" (116 U. S. 626). Lord Camden is quoted as follows (116 U. S. at 629):

"It is very certain that the law obligeth no man to accuse himself; because the necessary means of compelling self-accusation, falling upon the innocent as well as the guilty, would be both cruel and unjust."

If the constitutional privilege is truly to be a protection for the innocent as well as the guilty, it must follow that no unfavorable inferences can be drawn from a proper claim of the privilege. This, indeed, is what the cases hold.

Perhaps the classical case in this regard is *Burdick* v. *United States* (236 U. S. 79, 94 (1915)). Replying to the argument that Burdick, who had refused a pardon because of the imputation of guilt which it carried, could not then exercise his privilege not to be a witness against himself, the court said:

"If it be objected that the sensitiveness of Burdick was extreme because his refusal to answer was itself an implication of crime, we answer, not necessarily in fact, not at all in theory of law. It supposed only a possibility of a charge of crime and interposed protection against the charge, and, reaching beyond it, against furnishing what might be urged or used as evidence to support it."

This doctrine was given explicit expression in *United States ex rel. Belfrage* v. *Shaughnessy* (212 F. 2d 128, 129 (C. A. 2, 1954)). In that case an alien had invoked his constitutional privilege to refuse to answer questions similar in character to those asked of appellant in the case at bar. Nevertheless the court held that—

"We find no rational basis for an inference that if admitted to bail pending the outcome of the deportation proceedings there was substantial danger that he would abscond or engage in the interim in activities inimical to the public welfare. His mere refusal to answer might have been motivated by a dislike of the resulting publicity or a fear that his answers, by misconstruction or otherwise, might result in an unfounded prosecution against him on some criminal charge, as for instance a prosecution under the Smith Act, * * *. Perhaps it may have stemmed from reluctance to implicate, or disturb the privacy of others.

"But whatever the underlying motivation, an invocation of the fifth amendment is no ground at all for an inference of guilt or of criminal proclivities. The privilege created by the amendment 'is for the innocent as well as the guilty and no inference

can be drawn against the person claiming it that he fears that he is "engaged in doing something forbidden by Federal law." ' *Spector* v. *United States* (9 Cir., 193 F. 2d 1002 at page 1006)."

B. May an Attorney Be Disbarred Because He Invoked the Privilege Against Self-Incrimination?

Recognizing the force inherent in the constitutional privilege against self-incrimination, a long line of cases has uniformly held that exercise of the privilege may not form the basis for removal from a profession, and specifically from the profession of an attorney and counselor-at-law.

Perhaps the most clear-cut expression of this view is expressed in *Florida State Board of Architecture* v. *Seymour* (62 So. 2d 1 (Fla. 1952)). In that case an architect had testified before a grand jury and in a trial of certain others, pursuant to a statutory grant of immunity in lieu of the privilege against self-incrimination. Based upon his testimony, proceedings were instituted to revoke his certificate on the charge of bribery. On his application the proceedings were enjoined, and the injunction was affirmed by this court on the ground that the immunity statute protected not only against criminal prosecution but against any form of penalty, including the denial of the right to practice a licensed profession. This followed, the court held, because the immunity was coextensive with the privilege. The underlying theory, of course, was that the exercise of the privilege could not justify deprivation of the right to practice a profession.

Similarly, in *Matter of Grae* (282 N. Y. 428 26 N. E. 2d 963 (1940)), the highest court of New York reversed the suspension of an attorney from the practice of law, which had been based upon his claim of the privilege and his refusal to waive immunity at an inquiry into ambulance chasing. The court found a reasonable ground for the attorney's belief that his professional acts might well subject him to criminal prosecution and therefore held that he had been justified in asserting the privilege. The court then stated as follows (282 N. Y. at 434–435, 26 N. E. 2d at 966–967):

"The privilege against self-incrimination is a constitutional guaranty of a fundamental personal right. Long regarded as a safeguard of civil liberty it was firmly imbedded in the law of England and by the fifth amendment to the Federal Constitution became a basic principle of American constitutional law. 'It is a barrier interposed between the individual and the power of the Government, a barrier interposed by the sovereign people of the State; and neither legislators nor judges are free to overleap it.' (Matter of Doyle, 257 N. Y. 244, 250, 177 N. E. 489, 491, 87 A. L. R. 418.) Applying this basic principle to our present problem we have no doubt that when the appellant, as a witness upon the inquiry at the special term, declined to sign a waiver of immunity and thus refused to relinquish in advance a privilege which the Constitution guarantees to him, he was within his legal right. As was said by Presiding Justice Lazansky in Matter of Ellis (258 App. Div. 558, 572, 17 N. Y. S. 2d 800, 813 (reversed 282 N. Y. 435, 26 N. E. 2d 967 (1940)), expressing the minority view at the appellate division: 'The constitutional privilege is a fundamental right and a measure of duty; its exercise cannot be a breach of duty to the court.'

"It follows that, upon the facts disclosed by the record, the present disciplinary proceedings instituted against the appellant, wherein the single offense charged is his refusal to yield a constitutional privilege, is unwarrantable."

See also Matter of Kaffenburgh (188 N. Y. 49, 80 N. E. 570, 571 (1907)), where the court specifically rejected as a ground for disbarment a charge that an attorney had refused to testify, claiming the privilege against self-incrimination. (Cf. Ex parte Marshall, 165 Miss. 523, 147 So. 791 (1933); In re Dorsey, 7 Porter 293 (Ala., 1838).)

In In re Holland (377 Ill. 346, 36 N. E. 2d 543 (1941)), the Supreme Court of Illinois refused to discipline an attorney who was also a judge of the Chicago Municipal Court and who refused to answer questions in a grand jury investigation of a murder which had taken place on the streets of Chicago. The argument had been advanced that the respondent had a paramount duty as a lawyer to refuse to exercise his constitutional privilege and that his exercise of it rendered him subject to discipline. The court, however, replied to this as follows (36 N. E. 2d at 546–547):

"The late Mr. Justice Cardozo in his Paradoxes on Legal Science, page 48, makes the statement that where government makes a declaration of right, such is 'the admission by organized society that the claim is justified from the public point of view.' That principle may be applied in a case of this kind. The right given by the Constitution being legal, is as well a moral right, since the public point of view can scarcely be said to include that which is not moral."

The court further noted that the respondent-attorney was well justified in claiming the privilege against self-incrimination even though his fear of prosecution might not be well founded, stating (36 N. E. 2d at 549):

"While it is not to be construed as the opinion of this court that respondent's fears of an unjust prosecution are well founded, and we express no opinion in that regard, yet the facts hereinabove referred to, as well as the common knowledge of those familiar with the processes of the criminal law, that such processes have at times been used for purposes not founded on the furtherance of justice, must be considered in determining respondent's good faith in fearing indictment."

So in the case at bar, appellant's refusal to testify as to certain questions on the ground of the privilege against self-incrimination could suggest only that he had a genuine fear that his testimony might lead to prosecution, whether just or unjust. Unless all precedents are to be violated, his assertion of the privilege affords no ground for disciplinary action.

C. May the Right of an Attorney To Claim Freedom From Self-Incrimination Be Avoided by Terming His Status at the Bar a Revocable "Privilege"?

As has been shown, the cases unanimously uphold the right of an attorney to exercise his constitutional privilege not to be a witness against himself. The court below, while paying lipservice to this doctrine by acknowledging that an attorney may have this right, sought to nullify its effect by asserting he may not exercise the right and retain the privilege of practicing law (R. 119).

This, however, contravenes the decision of this court in *Florida State Board of Architecture* v. *Seymour*, supra. As stated above, the court there held the deprivation of the right to earn a living, even in a licensed profession, to be a penalty, and held that an immunity supplanting the privilege against self-incrimination prohibited the imposition of such a forfeiture. The court stated (62 So. 2d at 3):

"The terms of the statute must be as broad as the constitutional guaranty and when so construed it would avail the defendant nothing if it did not comprehend a proceeding to revoke his architect's certificate. A penalty generally has reference to punishment imposed for any offense against the law. It may be corporal or pecuniary. A forfeiture is also a penalty and has to do with the loss of property, position or some other personal right for failure to comply with the law. The right to earn a living including other personal rights are protected by the immunity statute."

This doctrine would lose any meaning or effect if the easy distinction between the constitutional "right" not to be a witness against oneself and the "privilege" of practicing law, as advanced below, were permitted to stand.

Furthermore, the only support that could be mustered for the distinction violates a fundamental corollary of the privilege against self-incrimination. If, as the court below had to acknowledge, appellant had the right to invoke the privilege, by what logic could the court disbar him? Only because the court inferred from the invocation of the privilege against self-incrimination that facts existed, or, more literally, that doubts existed (R. 117–118), which warranted such deprivation. Of course, as has been amply shown, no such inference is legally permissible or valid.

In short, unless one is to disregard the constitutional tenet that no adverse inferences arise from a plea of self-incrimination, there is no valid basis for a court's recognizing—as it must—the legality of such a plea and simultaneously, by imposing a sanction on its exercise, in effect denying it such legality.

While the *Seymour* case dealt with an architect, this court left no doubt as to its applicability to the professions generally, including the legal profession. In pressing for the revocation of the architect's license, the Board of Architecture—like the brief of the American Bar Association in the instant case—relied on *In re Rouss* (221 N. Y. 81, 116 N. E. 782 (1917)), in which the New York court held that a proceeding for disbarment of an attorney was not a forfeiture within the meaning of a local statute conferring a limited immunity. This court, however, specifically rejected that case as not being a correct statement of the law. (62 So. 2d at 3.)

The argument that, in order to practice law, a man must abandon the right not to be a witness against himself was answered long ago by the Federal Court in Alabama in *In re Shorter* (22 Fed. Cas. 16, No. 12,811 (1865)). Noting that the privilege against self-incrimination, together with other fifth and sixth amendment rights, "are among the most solemn of all the guaranties of the Constitution" and "are not concessions to liberty, as is sometimes supposed; [but] are restraints upon government, and bulwarks against oppression," the court forcefully sustained an attorney's right to retain his professional status notwithstanding his availing himself of the privilege. It said (22 Fed Cas. at 19):

"It is unworthy of the great question to say that a man is not obliged to put himself in the supposed dilemma; that all he has to do is not to attempt the practice of his profession in the national courts, and he will not run the risk of testifying to his own guilt. This is the merest and shallowest sophistry. If he keep silence, he is thereby deprived of a constitutional right; if he speak, he becomes 'a witness against himself'."

This uncompromising view was adopted by the Supreme Court of the United States in *Ex parte Garland* (4 Wall. 333, 379 (1866)). In declaring unconstitutional as a bill of attainder the requirement that an attorney take an oath that he had not adhered to the Confederate cause, the Supreme Court stated:

"The attorney and counselor being, by the solemn judicial act of the court, clothed with his office, does not hold it as a matter of grace and favor. The right which it confers upon him to appear for suitors, and to argue causes, is something more than a mere indulgence, revocable at the pleasure of the court, or at the command of the legislature.

It is a right of which he can only be deprived by the judgment of the court, for moral or professional delinquency.[2]

Equally, the appellant here may not be deprived of his right to practice law because of his exercise of a constitutional privilege which he admittedly had, but only for moral or professional delinquency found upon proper evidence. And as has been uniformly held, no delinquency of any character may be inferred from the invocation of the privilege against self-incrimination. (See also *Dent* v. *West Virginia* (129 U. S. 114 (1889)).)

Nothing in the status of a lawyer as an officer of the court justifies a limitation upon his rights as a citizen. It certainly is not a basis for limiting his right to hold and express political views and to affiliate himself with political organizations, or for abridging his right not to be a witness against himself. In some segments of the profession abroad, a lawyer is a government appointee or a civil servant. (Schweinburg, Law Training in Continental Europe (1945) 60–62, 73, 78.) This is not true of lawyers here; a lawyer is a member of a free profession. The limitations and disabilities that attach to a public employment have not applied to him.

Even where a suspected offense touches intimately on the function of an attorney as an officer of the court—in fact, even where an attorney was a judge—the attorney's constitutional rights have been uniformly preserved and respected. (*In re Holland, supra;* cf. *Matter of Kaffenburgh, supra.*)

The action of the court below paralleled that of the State racing commission several years ago in suspending a licensed horse trainer. The contention that, in accepting the "privilege" afforded by his license, the trainer also accepted the liability of having this "privilege" suspended irrespective of the due-process requirements was specifically rejected by this court. In *State ex rel. Paoli* v. *Baldwin* (159 Fla. 165, 31 So. 2d 627, 630 (1947)), the court said:

"The possession of the license by the relator to pursue the profession of a race horse trainer in Florida was a valuable property right in the relator."

Compare *Boynton* v. *State, supra.*

In concluding this phase of the subject, we quote again from the case of *In re Holland, supra* (36 N. E. 2d at 548), where the Court stated:

"Complainants say that they are not contesting the right of respondent to claim his privilege but they say that his duty to refuse to do so is of sufficient importance to require that he be disciplined if he claims the privilege. We are unable to follow the argument of counsel that this would not result in a limitation such as was condemned in the Opinion of Justices just referred to. To say that one has an absolute right to a privilege, but if he exercises it he will be punished, is to limit his enjoyment of that right, and unless the circumstances surrounding him or duties placed upon him are of such character to require, in honesty and good conscience, that he waive the right [referring here to policemen, for example, who are expressly charged with the duty of investigating crime, see 36 N. E. 2d at 549] we are unable to see wherein it can be said that an individual, be he judge, lawyer or layman, is either legally or morally guilty of a wrong should he claim the right." (Matter in brackets added.)

D. Did the Presumption Made Below From Appellant's Assertion of His Privilege Violate Due Process?

Upon the appellant's assertion of the privilege against self-incrimination at the hearing in the court below, the judge immediately ordered the disbarment entered of record (R. 149). In his written opinion he reiterated that the determination was made immediately upon the claim of privilege (R. 118). Thus, despite the fact that the court acknowledged that the privilege was available to appellant, it proceeded to raise an immediate, conclusive and irrefutable presumption of unfitness to practice law upon the bare assertion of the privilege. We submit that this action violated not only the appellant's privilege against self-incrimination but as well his right to due process under section 12 of the Declaration of Rights of the Constitution of the State of Florida and the Fourteenth Amendment to the Constitution of the United States.

Twining v. *New Jersey, supra,* held that the Federal Constitution may not make recognition of the privilege against self-incrimination embodied in the fifth amendment obligatory upon the States. If a State, however, independently recognizes the privilege, as this State does, the due process clause of the 14th amendment does require that the State permit no unfavorable presumption to arise upon its exercise. As the Supreme Court of the United States said in *Adamson* v. *California* (332 U. S. 46, 55 (1947)):

"It is, of course, logically possible that while an accused might be required, under appropriate penalties, to submit himself as a witness without a violation of due process, comment by judge or jury on inferences to be drawn from his failure to testify, in jurisdictions where an accused's privilege against self-incrimination is protected, might deny due process. For example, a statute might declare that a permitted refusal to testify would compel an acceptance of the truth of the prosecution's evidence."

The decision here goes even further than the extreme example of unconstitutionality given in the Adamson case. For the court below, without benefit of any statute, in effect declared that the appellant's refusal to testify, although permissible under section 12 of the declaration of rights, compelled an acceptance of the truth, not of the prosecution's evidence, for none had been presented, but of the mere charges against the appellant.

Assume that in a trial on an indictment, the prosecutor called only the defendant as a witness, that the defendant invoked the privilege against self-incrimination, and that the prosecutor then rested. Could the judge charge that the defendant's resort to the privilege gave rise to the presumption that the charge was true? Yet what transpired in the court below was no less a departure than this purely hypothetical situation.

We submit, therefore, that the order of disbarment was a clear violation of section 12 of the Declaration of Rights and of the due process clause of the 14th amendment to the Federal Constitution. This Court should restore these time-honored rights of our legal heritage to that calling which, above all others, is charged with responsibility for the maintenance of these rights for other citizens.

Question II

"May an attorney be disciplined by reason of his refusal to answer questions concerning membership in the Communist Party upon an assertion of his rights under the first amendment to the Constitution of the United States and sections 13 and 15 of the Florida Declaration of Rights?"

The record contains no showing whatsoever of any overt act on appellant's part seeking to overthrow the government of the State of Florida or of the United States by force and violence or any other unlawful means. It contains no showing whatsoever of advocacy or approval by appellant of any such action. And even if, arguendo, one were to assume that appellant was at some time a member of the Communist Party, the record is still devoid of any showing that appellant participated in any unlawful action or advocacy attributed to that organization.

We have discussed above the legal impropriety of predicating any inference or assumption on the appellant's refusal to answer in the present case. Even if such inference or assumption were indulged in, however, there could be presumed no more than that appellant was a member of the Communist Party. A disbarment, however, may not be predicated on this fact alone.

A. May Personal Guilt Be Attributed to an Attorney Solely by Reason of Membership in the Communist Party?

The first amendment to the Constitution of the United States and its counterpart in sections 13 and 15 of the Declaration of Rights establish as fundamental law the right to freedom of speech and of thought and the correlative right of assembly and association by which these freedoms are more effectively expressed. In *De Jonge* v. *Oregon* (299 U. S. 353, 364 (1937)), Mr. Chief Justice Hughes noted:

"Freedom of speech and of the press are fundamental rights which are safeguarded by the due-process clause of the 14th amendment of the Federal Constitution. (*Gitlow* v. *New York, supra,* p. 666; *Stromberg* v. *California, supra,* p. 368; *Near* v. *Minnesota* (263 U. S. 697, 707); *Grosjean* v. *American Press Co.* (297 U. S. 233, 243, 244).) The right of peaceable assembly is a right cognate to those of free speech and free press and is equally fundamental. As this Court said in *United States* v. *Cruikshank* (92 U. S. 542, 552): 'The very idea of a government, republican in form, implies a right on the part of its citizens to meet peaceably for consultation in respect to public affairs and to petition for a redress of grievances.' The first amendment of the Federal Constitution expressly guarantees that right against abridgment by Congress. But explicit mention there does not argue exclusion elsewhere, for the right is one that cannot be denied without violating those fundamental principles of liberty and justice which lie at the base of all civil and political institutions—principles which the 14th amendment embodies in the general terms of its due-process clause. (*Hebert* v. *Louisiana* (272 U. S. 312, 316); *Powell* v. *Alabama* (287 U. S. 45, 67); *Grosjean* v. *American Press Co., supra.*") See also *Stromberg* v. *California* (283 U. S. 359 (1931)); *Herndon* v. *Lowry* (301 U. S. 242 (1937)).

The right to hold and express views, individually or in association, is a positive right of every individual, whether those views be popular or not, whether they are accepted or loathed. In *Wieman* v. *Updegraff* (344 U. S. 183, 194 (1952)), Mr. Justice Black, concurring, said:

"It seems self-evident that all speech criticizing government rulers and challenging current beliefs may be dangerous to the status quo. With full knowledge of this danger the framers rested our first amendment on the premise that the slightest suppression of thought, speech, press, or public assembly is still more dangerous. This means that individuals are guaranteed an undiluted and unequivocal right to express themselves on questions of current public interest. It means that Americans discuss

[2] It is significant that the arguments advanced by the dissenting minority which favored Garland's exclusion from the bar are strikingly parallel to those put forth by the proponents of appellant's disbarment in the instant case. Compare 4 Wall. at 385–386 with the opinion below at R. 104. These considerations, however, were regarded by the majority as less compelling than the specific constitutional safeguards which, it held, entitled Garland to become a member of the bar. See generally on this subject, Russ, The Lawyer's Test Oath During Reconstruction, 10 Miss. L. J. 154 (1938).

such questions as of right and not on sufferance of legislatures, courts, or any other governmental agencies. It means that courts are without power to appraise and penalize utterances upon their notion that these utterances are dangerous. In my view this uncompromising interpretation of the Bill of Rights is the one that must prevail if its freedoms are to be saved. Tyrannical totalitarian governments cannot safely allow their people to speak with complete freedom. I believe with the framers that our free Government can."

In *West Virginia State Board of Education* v. *Barnette* (319 U. S. 624, 640–641 (1943)) the Court held:

"Struggles to coerce uniformity of sentiment in support of some end thought essential to their time and country have been waged by many good as well as by evil men * * *. As governmental pressure toward unity becomes greater, so strife becomes more bitter as to whose unity it shall be * * *. Ultimate futility of such attempts to compel coherence is the lesson of every such effort from the Roman drive to stamp out Christianity as a disturber of its pagan unity, the Inquisition, as a means to religious and dynastic unity, the Siberian exiles as a means to Russian unity, down to the fast-failing efforts of our present totalitarian enemies * * *.

"We set up government by the consent of the governed, and the Bill of Rights denies those in power any legal opportunity to coerce that consent. Authority here is to be controlled by public opinion, not public opinion by authority."

To add a further illustration, in the attack of Henry VIII upon opposition to his efforts to establish the Church of England and to limit the authority of the Catholic Church officers, he caused Parliament to adopt a statute making it treason to deny his titles. (26 Henry VIII, ch. 13 (1534)). As a recent historian stated, this statute brought into the category of treason "not only the specific overt actions to which it had been limited by the act of Edward III (1351), but also 'verbal treason' and even the refusal to answer incriminating questions. It is easy to see what vast opportunities were thus given for fastening a practically irrefutable charge of treason on any victim selected, when the recognized principle was that the onus probandi lay with the accused. An irresistible instrument of tyranny was created, justified, of course, by the usual argument that without such powers it was not possible to deal adequately with the abnormal dangers of the situation. It need only be remarked that where there is practically no check on the abuse of such powers save the scrupulosity of the persons in whom they are vested, the risk of flagrant injustice becomes almost incalculable. Since the days of Edward III, no monarch had occupied the throne with less risk of serious treason than Henry VIII * * *. Yet the treason statute of Edward III had under them been held sufficient. The new act was in truth but one step in the development of autocracy under constitutional forms" (Inness, England Under the Tudors (9th edition, 1929), 136–137).

The examples here cited show that in times of political and social stress, the majority, or those in authority, seek to impose conformity with views and associations deemed acceptable by them and to inflict penalties of various kinds on the dissenters and nonconformists. Justification for the penalties is predicated on the theory that dissent or nonconformity is equivalent to "disloyalty" to the Government.

In the present case, the court below imputed membership in the Communist Party to appellant solely by reason of his reliance on his constitutional right to be silent. On the basis of this assumption it then proceeded to link appellant with offenses of which others were convicted, these others also being presumed to be members of the Communist Party (R. 103–109).

Apart from the impropriety of any inferences drawn from appellant's silence, and apart from the further impropriety of arriving at a finding of guilt by piling inference upon inference of this character (*Gustine* v. *State* (86 Fla. 24, 97 So. 207 (1923))), it is clear that neither the conduct nor the views of others could constitutionally be attributed to appellant solely by reason of any organizational membership on his part. As was said in *Schneiderman* v. *United States* (320 U. S. 118, 136 (1943)), in reversing a denaturalization order based on finding of membership in the Communist Party:

"Under our traditions, beliefs are personal and not a matter of mere association, and * * * men in adhering to a political party or other organization notoriously do not subscribe unqualifiedly to all its platforms or asserted principles."

Nor does it help to say that the Communist Party advocates the overthrow of the Government by force and violence, as was indeed said by the court below. Precisely the same argument was rejected in the Schneiderman case, when the Court said (320 U. S. at 146):

"Apart from his membership (in the Communist Party) * * * the record is barren of any conduct or statement on petitioner's part which indicates in the slightest that he believed in and advocated the employment of force and violence, instead of peaceful persuasion, as a means of attaining political ends."

The prohibition of an identification of personal views based upon association with organizations currently characterized as "subversive" was repeated by a unanimous court in the recent case of *Wieman* v. *Updegraff*, *supra*.

As in the Schneiderman case, the record here, too, is barren of any showing of conduct or statement by appellant which in any way indicates any belief or advocacy of the use of force and violence. As in the Wieman case, the record here, too, is barren of evidence of awareness on appellant's part of any purpose of the Communist Party to use force and violence, or of evidence of any conduct or utterance on his part indicating sympathy with or participation in any such purpose.

Thus, even if there were room for any inference that appellant was a member of the Communist Party, the disbarment here must have rested on the basis of such membership alone. Such action, in the absence of proof of appellant's own conduct or advocacy, was a violation of appellant's rights under the first amendment and sections 13 and 15 of the Declaration of Rights.

Nor can the contemporary tensions or apparent urgencies of the moment be advanced as justifying an abridgment of these rights in the circumstances of the present case. As this court said in *Pittman* v. *Nix* (152 Fla. 378, 11 So. 2d 791, 794 (1943)):

"We must not forget that the liberty guaranteed to us by section 13 of our Declaration of Rights includes freedom of speech and of the press. The mere fact that labor unions and their leaders sometimes, even when our country is in the midst of a great war, abuse their powers and privileges, to the great detriment of the general public, should not cause us to deny or impair the well settled legal right of employed workers to organize labor unions and to use their powers of persuasion to induce others to join them, so long as no fraud or coercion is resorted to."

Even the exigencies of a shooting war could thus not serve as the justification for an abridgment of the right of labor organizations and their leaders to freedom of speech and association. No more can the stresses of today be asserted as a basis for infringing these time-honored rights in the present case.

B. Do an Attorney's Belief and Affiliations Bear a Relationship to His Fitness as an Attorney, So That His Refusal To Testify as to Them Warrants His Disbarment?

The drastic penalty of disbarment cannot, of course, be inflicted arbitrarily. It can only be based on conduct by an attorney which requires a measure of this severity. With respect to the nature of such conduct, this court has zealously adhered to the rule that it must bear some relationship to one's character as an attorney. In *Branch* v. *State* (99 Fla. 444, 128 So. 487, 488 (1930)), this court reversed the disbarment of an attorney convicted of assault with intent to murder, because there was "no evidence as to whether the crime was committed by the respondent under such circumstances as 'show him to be unfit for the trusts and confidence reposed in him as an attorney,' or as showing 'any unprofessional acts which unfit him for association with the fair and honorable members of the profession'." (Cf. *Gould* v. *State* (99 Fla. 662, 127 So. 309 (1930)).)

Granting, as one must, that appellant possessed unimpaired the constitutional rights of freedom of expression and association, it is clear that his refusal to reply to an interrogation concerning these rights did not in any manner bear on his fitness as an attorney.

In the first place, it was his right to be silent when asked questions trenching on his first amendment rights. In *United States* v. *Rumely* (345 U. S. 41 (1953)) the defendant was the secretary of an organization "which, among other things, engaged in the sale of books of a particular political tendentiousness" (345 U. S. at 42). At a legislative hearing, he refused to disclose the names of those who purchased these books for distribution. The court supported his refusal, holding that to sustain the inquiry would raise doubts of constitutionality under the first amendment.

In *Thomas* v. *Collins* (323 U. S. 516 (1945)) the Supreme Court held that a registration statute requiring only that a labor organizer identify himself and reveal his union affiliation and credentials violated the first amendment. The interest of the State in protecting its citizens through the regulation of vocations was held an insufficient basis for sustaining the disclosure requirements of the statute.

In the second place, the rule as applied to attorneys specifically declares that disclosures generally comparable to those sought in the present case bear no reasonable relationship to their qualifications to practice their profession. Refusal to make disclosure, therefore—even apart from fifth amendment grounds—is no basis for exclusion from the status of attorney.

In *Dent* v. *West Virginia* (129 U. S. 114 (1889)) the Supreme Court discussed its earlier holdings in *Ex parte Garland*, *supra*, and *Cummings* v. *Missouri* (4 Wall. 277 (1866)), which invalidated the oaths prescribed in certain Civil War statutes as prerequisites to the practice of law. As has been mentioned, these oaths set forth a denial that the taker of the oath had engaged in activity inimical to the United States. In the Dent case, the Supreme Court said (129 U. S. at 126):

"As many of the acts from which the parties were obligated to purge themselves by the oath had no relation to their fitness for the pursuits and professions designated, the Court held that the oath was not required as a means of ascertaining whether the parties were qualified for those pursuits and professions, but was exacted because it was thought that the acts deserved punishment."

The disclosures prescribed in the oaths in the Garland and Cummings cases were designed to elicit information not only as to the political sympathies of attorneys and others—Garland was an attorney, Cummings a clergyman—but also as to their actual conduct in furtherance of their sympathies and beliefs. Arguably, there would be a stronger basis for the conclusion that a government should not permit persons whose conduct had been hostile to it to practice law or engage in other professions. Nevertheless, the requirement that the conduct or belief which justified exclusion must be related to one's professional qualifications or disqualifications as such overrode this consideration. Mr. Garland's refusal to make disclosure as required by the statutory oath was held to have no bearing on his qualifications for the legal profession, and therefore to constitute no ground for denying him his right to practice it.

In the present case the disbarment was predicated solely on appellant's refusal to reply to inquiries as to his political beliefs and associations. In the light of the authorities, these matters are not reasonably related to his professional qualifications and his silence therefore affords no ground for the action taken by the court below.

C. Does the Denial of a Lawyer's Constitutional Rights Impair the Freedom of the Bar and Threaten the Liberties of the People?

The freedom enjoyed by citizens generally from inquiries which trench on first amendment rights assumes especial importance in the case of a lawyer. In insisting on preserving traditional rights in this area, the lawyer not only vindicates his own liberties. As a defender of the public liberties in his professional capacity, his insistence on his own rights in this regard defends also the rights of the public.

Lawyers historically have been called upon to defend the challenged civil liberties of their own generations. See, for example, Lord Erskine's defense of Thomas Paine in 1792 for publishing The Rights of Man, notwithstanding his removal as Attorney General, described in Stryker, For the Defense (1949) 280 et seq.; Andrew Hamilton's defense of John Peter Zenger, described in Weinberger, The Liberty of the Press (1934) 1; Hay, Nicholas and Wirt's defense of James Thompson Callendar upon an indictment under the Alien and Sedition Laws, 10 Amer. St. Trials 813 (1800), described in Bowers, Jefferson and Hamilton (1926), 400–402; Charles Evans Hughes' defense of the right of Socialists to sit in the New York legislature; and Wendell Willkie's defense of a Communist in *Schneiderman* v. *United States, supra.*

The willingness of lawyers to continue to fulfill this historic role would be sharply curtailed were it to be established that their own views and associations become subject to inquiry. For clearly, if these matters are held to be so subject, lawyers will hesitate, as many have hesitated in recent years, to defend the rights of the politically unorthodox. A special committee of the American Bar Association on individual rights as affected by national security (78 reports of the American Bar Association, 304, 307 (1953)), reported as follows:

"* * * counsel of outstanding reputations, well known for their anti-Communist views, in several recent cases involving Communists or persons accused of being Communists, which they took out of a sense of public duty, have been subjected to severe personal vilification and abuse. Many persons showed by their changed attitude toward these lawyers that they assumed that such representation meant that the lawyer is to be regarded as sharing the views of the client. Leading counsel, acting by court assignment, at great personal sacrifice, representing a Nazi during the war was spat at in the courtroom. A leading lawyer has been attacked editorially for undertaking to represent an alleged racketeer in a trial involving grave constitutional questions. Important legal business has been taken elsewhere rather than going to reputable counsel who were preferred but who had represented defendants accused of being Communists. These episodes could no doubt be multiplied. Their existence is a serious cloud on the proper discharge of the lawyer's duty; the bar must throw its weight against such things."

The lawyer's freedom to defend unpopular clients goes to the very heart of his public duties. Canon XV of the Canons of Professional Ethics enjoins upon the lawyer that "no fear of judicial disfavor or public unpopularity should restrain him from the full discharge of his duty." The report of the bar association committee indicates that the effectiveness of this mandate has been already considerably weakened. The action of the court below, if sustained, can only serve as a further warning to the bar to sever themselves even more effectively from causes and clients not held in the public esteem. Ultimately the American tradition of freedom and its keystone, the lawyer's right to defend it, will be even more seriously threatened than they are today.

As was said by Mr. Justice Black in the Lawyer and Individual Freedom (21 Tenn. L. Rev. 461, 469 (1950)):

"Who but lawyers are able to stop at the threshold any of the dangers that come from an invasion of the individual rights upon the theory that this Nation has something to fear by recognizing the liberty of the individuals? I do not think there is any group in America outside the lawyers who can be expected to preserve the individual liberties about which people speak. The liberty of the individual to go to the church of his choice, to belong to the party of his choice, to speak his views, however bad we may think they are. No people but the lawyers, and when they fail, the torch of individual liberty will be carried by nobody else."

CONCLUSION

The case requires not only a vindication of the appellant's right to be free of political inquisition. It calls for a reaffirmation by this Court of the right of the lawyer as a citizen. Like citizens generally, the lawyer must be free to invoke his constitutional rights and privileges, including those under the first and fifth amendments and their counterparts in the Florida Declaration of Rights, without being penalized for doing so. This is essential for the protection of the rights of the appellant in the present case. It is equally essential for the maintenance of the historical role of the lawyer in preserving the great traditions of the bar and the liberties of the people.

Respectfully submitted.

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BRIEF OF THE SPECIAL COMMITTEE ON COMMUNIST TACTICS, STRATEGY, AND OBJECTIONS ON BEHALF OF AMERICAN BAR ASSOCIATION AS AMICUS CURIAE

PRELIMINARY STATEMENT

This brief is filed pursuant to the order of this court of January 11, 1955. The committee and the association appreciate the privilege granted to appear herein, amicus curiae.

The American Bar Association desires to assist this court by discussing fundamental concepts and legal principles which apply to the disciplinary proceeding and the appeal herein. The discussion will be based upon the following undisputed facts:

1. That petitioner was a member of the Florida Bar.

2. United States Senate Resolution 366 of the 81st Congress.

3. Petitioner's refusals under the fifth amendment to testify on March 18, 1954, at New Orleans, La., before a United States Senate subcommittee investigating subversive influences and activities.

4. Petitioner's refusal under the fifth amendment to answer pertinent questions concerning petitioner's membership in the Communist Party, asked of him at the hearing on the motion to disbar.

QUESTIONS INVOLVED

1. "Does the immunity of an individual against self-incrimination under the fifth amendment of the Federal Constitution preclude the State court from determining his status as an attorney and one of its officers?"

2. "Is the court warranted in disbarring an attorney for refusing to answer pertinent questions in a duly authorized congressional investigation into espionage, sabotage, and subversive activities in the United States and internal security, and in subsequent disciplinary proceedings, on the ground stated by him that his answers will incriminate or might tend to incriminate him?"

ARGUMENT

1. The distinction between a person's status as an individual and his status as an attorney and officer of the court is of primary importance

In a disciplinary proceeding, the sole ultimate question is the present fitness of the attorney to continue as an officer of the court.

The rights of an individual—whatever his profession, calling, or office—may or may not be consistent with his professional or official status. Where consistent, there is no problem. Where, however, the individual rights are inconsistent, a choice becomes necessary either to forego the right or relinquish the profession or office.

The constitutional right under the fifth amendment is granted to everyone as an individual for his own protection against self-incrimination. The American bar will protect that right whoever the individual and whatever the crime suspected or charged or refused to be revealed. However, whenever the assertion of that constitutional right by one who is also an attorney is inconsistent with his high status as attorney, the American Bar Association will safeguard the individual's constitutional right and urge the reexamination and reappraisal of fitness and the determination of his future professional status.

2. Membership at the bar is not a right but a high privilege dependent upon continuous exacting conditions

Admission to the bar is not a right. It has always been deemed a privilege—a high privilege. It has always been conditioned upon high standards and the constant maintenance after admission of those standards. The term "fitness" includes all the essential qualifications of character, record, reputation, good citizenship, ideals, and legal training.

The proper concept of the office of an attorney determines his high responsibility.

Throughout this Nation and in each State, the bar is regarded as the indispensable arm of justice and as the first line of protection of our Constitution and constitutional government. The attorney in his very oath of office swears to support the Constitution of the United States and of his State—including the right to urge wise, constructive, stupid, or obnoxious changes in our form of government only by orderly process of amendment provided by the Constitution.

In this protection of constitutional government and in the administration of justice, the bar, and each of its members, has a vital responsibility. The fulfillment of that responsibility rests upon the fitness of each attorney. Loyalty to this Nation, its Constitution, and to his own oath as attorney is indispensable throughout his career and, if at any time it be shadowed in doubt or suspicion by his own conduct, he may be required to satisfy the court of his present fitness to continue. In any disciplinary proceeding, the attorney has the duty to answer fully and frankly any pertinent question that might establish his fitness or unfitness.

The Supreme Court of Illinois recently rejected the application for admission to its bar by one who had refused to answer whether he was a member of the Communist Party or of any of the subversive organizations on the list compiled by the United States Department of Justice. The applicant contended the question was inquiry into his political beliefs and an illegitimate question. The court denied his admission. *In re George Anastaplo* (— Ill. —, 121 N. E. 2d 826 (1954)).

The same standard applies to attorneys after admission.

3. Except as limited by the Federal Constitution or its State constitution, each State through its courts has sole right to determine the membership of its bar

No profession or calling requires a higher standard of character and reputation or has a higher code of ethics and conduct. This standard has been fixed by the profession and the courts.

In *In re Summers* (325 U. S. 561), the Supreme Court of the United States held that the "responsibility for choice as to the personnel of its bar rests with" the State. In that case the courts of Illinois had refused to admit to its bar a conscientious objector, who would not bear arms, on the ground that the oath to protect the constitution of the State included service in the militia. The right of the State was upheld though it was claimed its refusal bordered on the infringement of the applicant's right of religion. (See also petition of Jacksonville Bar Association (169 So. 674); petition of Florida Bar Association (21 So. 2d 605); *In re George Anastaplo*, supra.)

On the day of an attorney's admission to the bar, the court certifies to the public his fitness as an officer of the court. Every day thereafter, the court certifies his continued fitness and worthiness. The court has the power at any time and the duty whenever facts indicate the need—to reinquire and redetermine the fitness of an attorney to continue. "An inquiry into past or present membership in the Communist Party is an inquiry regarding official conduct of a city official or employee." (See *Daniman* v. *Board of Education of New York* (306 N. Y. 532, 119 N. E. 2d 373).)

In *Matter of Rouss* (221 N. Y. 81, 116 N. E. 783), Cardozo, J., writing the opinion for the court of appeals which has become the beacon light in disciplinary proceedings, said:

"Membership in the bar is a privilege burdened with conditions. A fair private and professional character is one of them. Compliance with that condition is essential at the moment of admission; but it is equally essential afterwards (citing cases). Whenever the condition is broken, the privilege is lost. To refuse admission to an unworthy applicant is not to punish him for past offenses. The examination into character, like the examination into learning, is merely a test of fitness. To strike the unworthy lawyer from the roll is not to add to the pains and penalties of crime. The examination into character is renewed; and the test of fitness is no longer satisfied" (pp. 34–35).

Disciplinary proceedings are special proceedings. They are not criminal in nature—nor do they involve punishment, penalty, or forfeiture. They are a completely independent investigation by the court of one of its own officers. Neither the legislature by its immunity statutes nor the governor by pardon deprives the court of its inherent power to inquire into and determine the fitness of its officer. (See *Matter of Rouss, supra;* in the matter of ——— ———, an attorney (86 N. Y. 563).)

Upon such inquiry and the determination that the standard of fitness originally found and always required is no longer present, the court has the duty to discipline.

The American Bar Association does not contend that membership in the Communist Party establishes disloyalty of a lawyer unless he (1) joined voluntarily, (2) understood the conspiratorial nature of the party, and (3) intended thereby to support its criminal purposes. But membership, alone, casts upon an attorney, as an officer of the court, the responsibility to disclose fully any such extenuating facts or circumstances. Duress in joining the Communist Party, lack of knowledge of its conspiratorial nature, and intention not to support its criminal purposes, are all facts peculiarly within the knowledge of the person charged with being a member of the party.

The petitioner, Leo Sheiner, has demonstrated his disqualification and unfitness to continue as an attorney and officer of the court, by—

(a) His refusals on the ground that his answers may incriminate or tend to incriminate him, to answer pertinent and important questions by the United States Senate subcommittee investigating espionage, sabotage, subversive activities and internal security in the United States; and

(b) His refusal, on the same ground, to answer questions by the circuit judge at the hearing on the motion to disbar as to petitioner's membership in the Communist Party.

This court will take judicial notice that Senate Resolution 366 of the 81st Congress provides, among other matters, the following: "Now, therefore, be it

"*Resolved*, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized and directed to make a complete and continuing study and investigation of (1) the administration, operation and enforcement of the Internal Security Act of 1950; (2) the administration, operation and enforcement of other laws relating to espionage, sabotage and the protection of the internal security of the United States; and (3) the extent, nature, and effects of subversive activities in the United States, its Territories and possessions, including but not limited to espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organizations controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence."

From the foregoing, it is apparent that the Senate subcommittee was properly concerned with and at the hearing endeavored to ascertain from the petitioner-witness:

1. The petitioner's affiliation with the Communist Party.

2. The petitioner's activities in subversive organizations or with subversive persons.

3. The petitioner's knowledge of subversive activities by others.

On vital and pertinent questions, the petitioner invoked the fifth amendment and refused to answer. These questions were directed to his own personal activities and not to any relationship with clients or to confidential communications from them. We shall assume that the petitioner in good faith believed that to answer either would incriminate him or might tend to incriminate him. If he in fact had no such belief, he would be subject to disbarment for improperly impeding a lawful investigation. See *Matter of Levy & Becker* (255 N. Y. 223, 174 N. E. 461).

In the case at bar, the Senate subcommittee confronted the petitioner with a witness who testified as to petitioner's affiliation, position and activities in the Communist Party and its front organizations. However, we do not stress or emphasize the confrontation as important. Even without such confrontation, the petitioner, an attorney, owed the duty to answer and to give the Senate committee the facts within his knowledge.

We respectfully submit that it would be difficult—if not impossible—to conceive of any investigation more important to the Congress or to the people of this country as a basis for legislation than this one conducted to ascertain the full facts of espionage, sabotage and subversion. This was no mere investigation into traffic conditions or tariff rates—which are not underestimated. This investigation involved the possible future existence of our Nation and of our people.

On such investigation, every witness owes the duty to testify fully and frankly unless prohibited by statutes governing confidential communications or security measures. Notwithstanding such duty to testify, there is a constitutional right not to testify if the witness in good faith believes that his testimony will or might incriminate him—not merely embarrass him but incriminate him—not someone else however close or dear—but himself.

The right under the fifth amendment is to the witness as an individual. It is not and never was intended to protect the witness in any office or any privilege. It cannot prevent the court from determining whether the witness, publicly invoking the fifth amendment, has not cast such suspicion on his fitness as an officer of the court that he may no longer continue to have that privilege. The court may withdraw its certification of him to the public and strike his name from its rolls.

We respectfully submit that as an individual the petitioner has a right to refuse to answer any questions that might incriminate him, but that he has by that very act cast the suspicion and created the inference that he might be guilty of criminal acts. Such suspicion and inference—self-created—are sufficient cause to institute disciplinary proceedings.

The refusal of an attorney to explain membership in the Communist Party may fairly warrant a prima facie conclusion that his membership was culpable.

Moreover, in the proceeding before the circuit court below, the petitioner herein was afforded a hearing. There he could have explained away—if possible—his serious refusals to answer important pertinent questions concerning his affiliations and activities. At this hearing, he owed to the court, to his profession, and to himself, the duty of complete candor. Instead, he persisted in concealing the truth—whether innocent, questionable, or criminal—by again invoking the fifth amendment.

The identical question now before this court was recently before the Supreme Court of California, involving an applicant for admission to practice law. The proceeding is entitled *Brooks* v. *The State of California* (LA No. 23067). The applicant for admission to practice law, Edith Brooks, refused to answer questions under the 5th, 9th, 10th, and 14th amendments to the United States Constitution regarding her membership in the Communist Party. She filed a petition for writ of review in the California Supreme Court in an effort to compel the State bar of California and its committee of bar examiners to certify her for admission to practice law. On October 6, 1954, the California Supreme Court, without opinion, denied her petition for writ of review. (See Minutes of

the California Supreme Court, 43 A. C. No. 17, minutes p. 2.)

A practicing lawyer has at least as high an obligation to the courts and to his government as an applicant for admission to practice law.

A similar question was raised in the State of New York in the case of a physician whose license to practice medicine was suspended because of his conviction of a crime resulting from the fact that he had refused to produce subpenaed documents relating to subversive activities before a congressional committee. The United States Supreme Court ruled that his suspension from practice did not violate any of his constitutional guaranties. (*Barsky* v. *Board of Regents of N. Y.* (347 U. S. 442, 98 L. Ed. 829, 74 S. Ct. 650).)

The obligation of an attorney to his government cannot be less than the obligation of a practitioner of medicine.

No case has come to our attention where in the very hearing of the disciplinary proceeding, an attorney has refused to answer pertinent questions on the ground of self-incrimination—and has not been disciplined. Indeed, if such case were found, we should disagree with it as unsound and contrary to every worthy concept of the privilege of an attorney and his duty to the court.

The case of *In re Wellcome* (23 Mont. 450, 59 P. 445 (1889)) involved a disciplinary proceeding against a member of the Montana bar who was charged with having bribed several State legislators. At the time appointed by the court for the attorney to answer the charges, he did not personally appear. The court said:

"If the accused is not guilty, nothing would have been easier than for him to deny all knowledge of the charges laid at his door. His having failed to testify in his own defense, when he should do so, and deny the statements of Whiteside and Clark, not only justified, but irresistibly impels, this court, upon the evidence before it, which is credible, to the conclusion that he is guilty.

"Certainly, the accused is presumed to be innocent until the contrary appears, but in this kind of proceeding this presumption remains with him only until it appears to the court with reasonable certainty that he is guilty. When this is made to appear, then it is incumbent upon him to speak." (23 Mont. 450, 468, 59 P. 445, 452 (1899).)

The Supreme Court of California in 1931 drew the same inference in the case of a lawyer charged with having solicited professional employment.

"He contends that the administrative committee had no power to call him as a witness, and that no inferences can be indulged in because of his failure and refusal to answer questions as to his relationship with Brown and Rose. In this, we think he is in error • • • in disbarment proceedings the accused may be called as a witness, and • • • if he fails to testify in his own behalf, the inference of guilt may be indulged in." (*Fish* v. *State Bar of California* (24 Cal. 215, 222, 4 P. 2d 973, 940 (1931)); in re Fenn (128 S. W. 2d 657 at 664–5, 235 Mo. App. 24).)

Applicable to the case at bar are the principles stated, the views expressed and the determination made by the Supreme Court of Illinois in In re George Anastaplo, *supra*, where the court in discussing the Summers case said:

"Measured by popular belief and opinion, we think that one who would embrace a movement to overthrow our Government by force of arms is relatively more unqualified to fulfill his obligation as a lawyer than is a person who, because of conscientious scruples, would not use force of arms to prevent wrong. The latter admits of some loyalty to his government, the former, none" (p. 832).

The court concluded, at page 833, as follows:

"We conclude that the committee's inquiry into petitioner's membership in the Communist Party was relevant to a determination of his good citizenship and his ability to take the oath of lawyer in good conscience, and that the petitioner's constitutional rights were not infringed upon by such action. On the present record the petition must be denied."

CONCLUSION

The preamble of the Canons of Professional Ethics of the American Bar Association states:

"In America, where the stability of courts and of all departments of government rests upon the approval of the people, it is peculiarly essential that the system for establishing and dispensing justice be developed to a high point of efficiency and so maintained that the public shall have absolute confidence in the integrity and impartiality of its administration. The future of the Republic, to a great extent, depends upon our maintenance of justice pure and unsullied. It cannot be so maintained unless the conduct of the motives of the members of our profession are such as to merit the approval of all just men."

The American people cannot have absolute confidence in the administration of justice if officers to whom that sacred responsibility is entrusted under law are not faithful to the institutions upon which the administration of justice is predicated. For this reason attorneys must take an oath to support the Constitution of the United States and of the State under the laws of which they are admitted to practice.

It is not sufficient to proclaim the lofty concept of the bar, its vital importance to the public and to our form of constitutional government and the ideals upon which the profession's canons of ethics are based. Each of its members must personify them.

Complete trust and confidence in the loyalty to his oath as an attorney are indispensable at all times. By his own acts, petitioner has forfeited the faith of the bench, the bar, and the public in his continued loyalty.

On the two occasions—the congressional investigation and the disciplinary proceeding—the petitioner as an individual had the constitutional right to refuse to answer under the fifth amendment but as an attorney he owed the duty of removing the slightest doubt as to his loyalty to this country and to his oath of office. Petitioner had a choice of right or duty. He chose his right which must be and has been protected—but he relinquished his privileged status as an attorney.

The questions first posed must be answered—the first in the negative and the second in the affirmative.

The circuit judge in the court below on the record properly ordered the name of the petitioner herein stricken from the roll of attorneys of this State.

The duty to disbar any attorney is always painful, but the duty here is clear.

The order of disbarment should be affirmed.

Respectfully submitted.

Herbert R. O'Conor, chairman, Special Committee on Communist Tactics, Strategy, and Objectives on Behalf of American Bar Association, Amicus Curiae; Julius Applebaum, James Madison Blackwell, Tracy E. Griffin, Egbert L. Haywood, R. S. Hemingway, Clarence Manion, Richard E. Munter, Ray Murphy, Paul W. Updegraff, Committee.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON FEDERAL RECLAMATION PROJECTS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 366, House bill 103.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

That irrigation distribution systems authorized to be constructed under the Federal reclamation laws may, in lieu of construction by the Secretary of the Interior (referred to in this act as the "Secretary"), be constructed by irrigation districts or other public agencies according to plans and specifications approved by the Secretary as provided in this act.

SEC. 2. To assist financially in the construction of the aforesaid local irrigation distribution systems by irrigation districts and other public agencies, the Secretary is authorized, on application therefor by such irrigation district or other public agencies, to make funds available on a loan basis from moneys appropriated for the construction of such distribution systems to any irrigation district or other public agency in an amount equal to the estimated construction cost of such system (including a reasonable charge, not exceeding $1,000, for examination of the application, and an additional amount for surveys made by the United States properly chargeable to construction costs and found useful to the applicant), contingent upon a finding by the Secretary that the loan can be returned to the United States in a period of 40 years plus a development period pursuant to reclamation law, and upon a showing that such district or agency already holds or can acquire all lands and interests in land (except public and other lands or interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) necessary for the construction, operation, and maintenance of the project. The Secretary shall, upon approval of the loan, enter into a repayment contract which includes such provisions as the Secretary shall deem necessary and proper to provide assurance of prompt repayment of the loan. The term "irrigation district or other public agency" shall for the purposes of this act mean any conservancy district, irrigation district, water users' organization, or other organization, which is organized under State law and which has capacity to enter into contracts with the United States pursuant to the Federal reclamation laws.

SEC. 3. The Secretary shall require as a condition to any such loan, that the water users' organization contribute in money or materials, labor, lands, or interests in land, computed at their reasonable value, a portion, not in excess of 10 percent, of the construction cost of such project (including all costs of acquiring lands, and interests in land), and that the plans for the distribution system are in accord with sound engineering practices and will achieve the purposes for which the system was authorized. Organizations contracting for repayment of the loans shall operate and maintain such works in conformity with reasonable contractual requirements determined to be appropriate for the protection of the United States, and when full repayment has been

made to the United States, the Secretary shall relinquish all claims under said contracts. Title to distribution works constructed pursuant to this act shall at all times be in the contracting water users' organizations. In addition to any other authority the Secretary may have to grant rights-of-way, easements, flowage rights, or other interests in lands for project purposes, the Secretary or the head of any other executive department may sell and convey to any irrigation district or other public agency at fair value lands and rights-of-way owned by the United States (other than lands being administered for national park, national monument, or wildlife purposes) which are reasonably necessary to the construction, operation, and maintenance of an irrigation distribution system under the provisions of this act. No benefits or privileges under reclamation laws including repayment provisions shall be denied an irrigation distribution system because such system has been constructed pursuant to this act. The provisions of this act shall apply only to irrigation purposes, including incidental domestic and stock water, and loans hereunder shall be interest free. Nothing in this act shall be construed to repeal or limit the procedural and substantive requirements of section 8 of the act of June 17, 1902.

SEC. 4. Except as herein otherwise provided, the provisions of the Federal reclamation laws, and acts amendatory thereto, are continued in full force and effect.

Mr. ANDERSON. Mr. President, this bill represents a departure from customary practice in connection with reclamation districts, but it applies only to those reclamation projects which have been approved and where a distribution system for a part of the project has been approved.

The attention of the committee was called to the fact that in some States it had been found more feasible for relatives and friends to get rights for the distribution system than for the Federal Government to do the work. It was found to be cheaper, since money has to be paid by the irrigators, to let them make their own arrangements. In California it was found that substantial amounts of money could be saved by the irrigators themselves subcontracting the work rather than having it handled through the usual channels, by the Bureau of Reclamation. This is a method we hope to have tried out. If it works as it has worked in California, it will afford a chance of reducing the amount of money required on reclamation projects. We think it is a fine bill. It came to us from the House, and it was reported unanimously by the committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RIGHTS-OF-WAY AND TIMBER-ACCESS ROADS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 368, Senate 1464, and I call the attention of the Senator from New Mexico to the motion.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 1464) to authorize the Secretary of the Interior to acquire certain rights-of-way and timber-access roads.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with an amendment, in line 3, after the word "Interior", to insert "for a period of 5 years after the date of enactment of this act", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior, for a period of 5 years after the date of enactment of this act, may acquire rights-of-way and existing connecting roads adjacent to public lands whenever he determines that such acquisition is needed to provide a suitable and adequate system of timber access roads to public lands under his jurisdiction.

SEC. 2. For the purpose of this act, the term "public lands" includes the Revested Oregon and California Railroad and the Reconveyed Coos Bay Wagon Road Grant Lands in Oregon.

Mr. ANDERSON. Mr. President, this bill was introduced by the distinguished chairman of the Committee on Interior and Insular Affairs, the senior Senator from Montana [Mr. MURRAY], at the request of the Department of the Interior. The bill authorizes the Secretary of the Interior, for a period limited by the committee amendment to 5 years, to acquire rights-of-way and existing connecting roads adjacent to public lands.

In transmitting the draft of the bill, the Department of the Interior pointed out that such authorization is contained in its appropriation act, but that, because it was in an appropriation bill, the authority was limited to 1 year.

The Department sought permanent authority; but the committee decided to make an initial grant of authority for only 5 years, so that the program might be reviewed by the Congress, and so that administrative flaws, if any, could be corrected.

As to the need for the proposed legislation, the Department states:

Much of the public forests under the jurisdiction of this Department is located in areas intermingled with private holdings. It is sometimes possible to enter into agreements which permit the timber purchaser to cross over private lands. On occasion it is not feasible to harvest the timber in the area at reasonable cost without the proposed authority to acquire rights-of-way or roads over private lands. The need may be particularly serious where the timber is overmature, diseased, or insect infested, since such timber should be harvested as soon as possible to realize the values contained in the defective timber and to reduce danger of fires and further damage. Only a relatively small acreage of land would be acquired under the proposed bill. The bill makes it clear that acquisition of rights-of-way or roads would be authorized only when needed to provide access to public timber.

Mr. President, as I have stated, the bill comes to us from the Department of the Interior. The bill was carefully considered by the committee, and we believe the bill should be passed.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE IN PUBLIC BENEFITS FROM THE NATIONAL PARK SYSTEM

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 369, Senate bill 1747, increasing the public benefits from the national park system; and I invite the attention of the Senator from New Mexico to the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1747) to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 6, after the word "Purchase", to insert "from such donations and bequests of money"; and on page 3, after line 3, to insert:

SEC. 2. Before disposing permanently (including a disposition made as part of an exchange) of any object or collection received as a donation authorized by this act, the Secretary of the Interior shall (1) give notice of such disposal, at least 30 days prior to the making thereof, to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives, and (2) make a reasonable effort to give notice of such disposal to the donor of such object or collection, or to his heirs if such donor is deceased.

So as to make the bill read:

Be it enacted, etc., That the purpose of this act shall be to increase the public benefits from museums established within the individual areas administered by the Secretary of the Interior through the National Park Service as a means of informing the public concerning the areas and preserving valuable objects and relics relating thereto. The Secretary of the Interior, notwithstanding other provisions or limitations of law, may perform the following functions in such manner as he shall consider to be in the public interest:

(a) Accept donations and bequests of money or other personal property, and hold, use, expend, and administer the same for purposes of this act;

(b) Purchase from such donations and bequests of money, museum objects, museum collections, and other personal properties at prices he considers to be reasonable;

(c) Make exchanges by accepting museum objects, museum collections, and other personal properties, and by granting in exchange therefor museum property under the administrative jurisdiction of the Secretary which is not longer needed or which may be held in duplicate among the museum properties administered by the Secretary, such exchanges to be consummated on a basis which the Secretary considers to be equitable and in the public interest;

(d) Accept the loan of museum objects, museum collections, and other personal properties and pay transportation costs incidental thereto, such loans to be accepted upon terms and conditions which he shall consider necessary; and

(e) Loan to responsible public or private organizations, institutions, or agencies, without cost to the United States, such museum objects, museum collections, and other personal property as he shall consider advisable, such loans to be made upon terms and conditions which he shall consider necessary to protect the public interest in such properties.

SEC. 2. Before disposing permanently (including a disposition made as part of an exchange) of any object or collection received as a donation authorized by this act, the Secretary of the Interior shall (1) give notice of such disposal, at least 30 days prior to the making thereof, to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives, and (2) make a reasonable effort to give notice of such disposal to the donor of such object or collection, or to his heirs if such donor is deceased.

Mr. ANDERSON. Mr. President, the bill gives to the Secretary of the Interior additional authority in connection with the operation of museums and the acquisition and disposition of museum properties. Very frequently a museum receives duplicates, and wishes to effect an exchange for some other item. At the present time there is no means for effecting the exchange of such items. We have tried very hard to protect the authority granted by the bill, by proposing an amendment which provides that before the Secretary of the Interior can dispose of such property, if it was given by an individual family or by an individual donor, the Secretary shall consult those who originally made the gift, before he makes any disposition of such articles.

Enactment of the bill is recommended by the Department of the Interior and by the National Park Service. The committee held hearings on the bill, and heard many witnesses.

I proposed the amendment because it was my belief that if some article had been given to a museum, the article should not be disposed of without affording an opportunity for the donor or the family of the donor to express his or their views upon the matter. But under the amendment, the museums will have the right to handle such matters in a far more satisfactory fashion; and I am sure that, by means of the amendment, the authority granted by the bill will be adequately safeguarded.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEFENSE PLANT AND MOBILIZATION CONSTRUCTION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 370, Senate bill 1138, pertaining to defense plant and mobilization construction.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1138) to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority.

Mr. JOHNSON of Texas. Mr. President, this bill was reported from the Committee on Armed Services, which is headed by the distinguished junior Senator from Georgia [Mr. RUSSELL]. The bill comes with the unanimous recommendation of all the members of the committee.

The purpose of the bill is to provide continuing statutory authority for the Secretaries of the military departments to expand and maintain productive capacity of an industrial type in order to meet military production requirements that are current or that would be created in the event of war. The bill proposes to extend the existing authority for this purpose until July 1, 1956, unless sooner terminated by a concurrent resolution of the Congress or by the termination of the present national emergency declared by the President on December 16, 1950.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1138) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the act of July 17, 1953 (67 Stat. 177), as amended and extended by the act of July 26, 1954 (68 Stat. 531), shall remain in full force and effect until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950, or until such date as may be specified by a concurrent resolution of the Congress, or until July 1, 1956, whichever is earliest.

WAIVING OF REQUIREMENT OF PERFORMANCE AND PAYMENT BONDS IN CERTAIN COAST GUARD CONTRACTS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 371, House bill 3885, which would waive the requirement of performance and payment bonds in connection with certain Coast Guard contracts.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3885) to amend the act of April 29, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast Guard contracts.

Mr. JOHNSON of Texas. Mr. President, this bill is substantially the same as Senate bill 1640, which was passed by the Senate during the closing days of the 83d Congress, but which did not receive action in the House of Representatives. Similar bills previously had been passed by the House of Representatives during the 81st and 82d Congresses, but had not been acted upon by the Senate.

The bill was recommended by the Secretary of the Treasury, and was concurred in by the then Comptroller General, the Honorable Lindsay Warren.

The bill involves no additional expense to the Government. It proposes to give the Secretary of the Treasury the same authority as that exercised by the Secretary of the Army and the Secretary of the Navy with respect to waiving the requirement of performance and payment bonds in connection with certain contracts—in this case, certain Coast Guard contracts.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 3885) was ordered to a third reading, read the third time, and passed.

AMENDMENTS TO RESERVE OFFICERS PERSONNEL ACT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 372, Senate bill 1718, which provides amendments to the Reserve Officers Personnel Act. I invite the attention of my friend, the senior Senator from Maine [Mrs. SMITH], to this measure.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1718) to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954, which had been reported from the Committee on Armed Services, with an amendment, to strike out all after the enacting clause and insert:

That (a) the second sentence of section 201 of the Reserve Officer Personnel Act of 1954 is amended by striking out the word "two" and substituting in lieu thereof the word "three."

(b) Section 205 of such act is amended by inserting at the end thereof the following new subsection:

"(c) (1) A Reserve officer serving on active duty who, on the date he would otherwise be removed from active status under sections 325, 327, 411, 522, 524, or 611 of this act, is within 2 years of qualifying for retirement under either title II of the Army-Air Force Vitalization and Retirement Equalization Act of 1948 (62 Stat. 1084), or section 6 of Public Law 305, of the Seventy-ninth Congress (60 Stat. 27), may, in the discretion of the Secretary, be retained on active duty for a period not to exceed 2 years if he will then be entitled to the benefits of such provisions of law and will not earlier attain the maximum age at which transfer from an active status or discharge is required by this act. He shall not be removed from an active status so long as he remains on active duty.

"(2) The term 'maximum age' as used in this section shall, in the case of any officer covered by sections 325 and 327 hereof, be the age authorized by the first paragraph of section 326 (a) of this act."

(c) Section 339 (c) of such act is hereby repealed.

SEC. 2. Section 333 of the Reserve Officer Personnel Act of 1954 is amended (1) by striking out "A Reserve" and inserting in lieu thereof "(a) Except as provided in subsection (b) hereof, a Reserve", and (2) by

inserting at the end thereof the following new subsection:

"(b) A Reserve officer on active duty who has not completed his period of required active duty as a member of a reserve component under any provision of law or regulations, and who is recommended or found qualified for promotion, may not be promoted until he completes that period of required active duty, or until he is temporarily promoted to that higher grade. Upon completing that period of required active duty or upon being temporarily promoted to that higher grade, he shall, if he applies therefor, be promoted, be subject to subsection (a), and be credited with the amount of promotion service in the higher grade that he would have had if he had been promoted but for the provisions of this subsection."

SEC. 3. (a) Section 402 (d) of the Reserve Officer Personnel Act of 1954 is amended by striking out the period at the end thereof and inserting a comma and the following: "except that until July 1, 1960, each such number authorized in this section for each grade may, if necessary, be increased by not to exceed 10 per centum by the Secretary to permit promotions under this title."

(b) Section 403 of such act is amended by adding at the end thereof the following sentence: "Within the number to be selected which the Secretary may furnish to a selection board considering Naval Reserve line officers in any grade, the Secretary may further specify numbers of officers of stated qualifications and experience who are required to meet mobilization needs in the next higher grade."

(c) The second sentence of section 405 (b) of such act is amended by striking out "ineligible" and inserting in lieu thereof "eligible."

(d) Section 405 (d) of such act is amended by adding at the end thereof the following new sentence: "An officer whose name is so withheld from consideration from 2 selection boards for promotion to the same next higher grade shall be deemed to have failed twice of selection. An officer who has met all requirements for eligibility for consideration but whose name is omitted by administrative error from the list of officers furnished a selection board, shall be considered not to have failed of selection by that board and if selected by the next selection board to consider for promotion officers of the same grade he shall be entitled to the same date of rank and to pay and allowances of the higher grade for duty performed from the same date as if he had been selected by the board from which his name was withheld by error."

(e) Title IV of such act is amended by adding at the end thereof the following new section:

"SEC. 414. Officers who prior to July 1, 1955, were selected for promotion under appropriate Naval and Marine Corps regulations promulgated pursuant to subsection 216 (a) of the Armed Forces Reserve Act of 1952, as amended, may be promoted under the authority of this Act with precedence and entitlement to pay and allowances as prescribed by this act."

SEC. 4 (a) Section 501 (b) (1) of the Reserve Officer Personnel Act of 1954 is amended to read as follows:

"(1) 'Promotion service' means—

"(A) service in an active status in current grade; and

"(B) all service in an active status subsequent to June 25, 1950, and prior to the effective date of this act (i) during which an officer was eligible for permanent promotion on the basis of service in a higher temporary grade, (ii) in an equivalent or higher permanent grade in the same or another service, including service in a federally recognized commissioned status in the Army and Air National Guard, except that any such service authorized under this subparagraph shall be counted but once for promotion purposes."

(b) Section 502 of such act is amended by adding at the end thereof the following new subsection:

"(d) To carry out the provisions of this title a promotion may be made effective before, on, or after the date accomplished, and the officer shall be entitled to pay, allowance, and benefits authorized by law for the higher grade from such effective date unless expressly provided otherwise in this act."

(c) Section 504 (a) (2) (B) of such act is amended by striking out "longest service as a commissioned officer (including service in the federally recognized National Guard or in a federally recognized status therein prior to 1933)" and inserting in lieu thereof "greatest number of total years of service."

(d) Section 506 of such act is amended (1) by striking out subsection (a) thereof, and (2) by striking out "(b)" and inserting in lieu thereof "(a)".

(e) The last sentence of section 508 (c) of such act is amended by inserting after the word "sections" the following: "502 (d), 511 (c),".

(f) Section 509 of such act is amended (1) by striking out in subsection (a) thereof "subsection (b)" and inserting in lieu thereof "subsections (b) and (c)", and (2) by adding at the end thereof the following new subsection:

"(c) Whenever the Secretary determines that there are vacancies in the permanent grade of first lieutenant, Reserve officers in the grade of second lieutenant under regulations prescribed by the Secretary, may be promoted to the permanent grade of first lieutenant before completion of 3 years of promotion service."

(g) Section 510 (b) of such act is amended by striking the period at the end of paragraph 2 thereof and inserting a semicolon and the following: "and

"(3) only those Reserve officers of the Air National Guard of the United States who must be considered at that time in accordance with the provisions of subsection (a) of this section."

(h) Section 511 of such act is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b) Except as provided in subsection (c) hereof, a Reserve officer on active duty who is promoted to a grade higher than that in which he is serving shall continue to serve on active duty in the grade in which he was serving immediately before that promotion, and may be appointed in a temporary grade which is equal to that lower grade. An officer who is so appointed in a temporary grade is considered to have accepted the appointment upon the date of the orders announcing it unless he expressly declines it, and need not take a new oath of office upon being so appointed. However, he may decline the appointment within 6 months after the date of the order announcing it, and shall be released from active duty.

"(c) A Reserve officer on active duty who has not completed his period of required active duty as a member of a Reserve component under any provision of law or regulations, and who is recommended or found qualified for promotion, may not be promoted until he completes that period of required active duty, or until he is temporarily promoted to that higher grade. Upon completing that period of required active duty or upon being temporarily promoted to that higher grade, he shall, if he applies therefor, be promoted, be subject to subsection (b), and be credited with the amount of promotion service in the higher grade that he would have had if he had been promoted but for the provisions of this subsection.

"(d) A Reserve officer who, while he is serving on active duty, is promoted to a grade higher than the grade in which he is serving, may not serve on active duty in the grade to which promoted, or be entitled while on that period of active duty to the rank, pay, and allowances of that higher grade unless he is ordered to serve on active duty in that higher grade or is temporarily promoted to that higher grade."

(i) Section 523 of such act is amended (1) by striking out in subsections (a), (b), and (c), the words "date upon" wherever they appear therein and inserting in lieu thereof the words "last day of the month in," and (2) by striking out in the first sentence of subsection (d) the word "Each" and inserting in lieu thereof "Effective 5 years after the effective date of this act, each."

(j) Section 524 of such act is amended (1) by striking out in subsection (a) thereof "two years" and inserting in lieu thereof "five years," and (2) by striking out in the first sentence of subsections (b), (c), (d) (1), and (d) (2) thereof the word "Each" and inserting in lieu thereof "Effective 5 years after the effective date of this act, each."

(k) Title 5 of such act is amended by adding at the end thereof the following new sections:

"SEC. 527. Notwithstanding any other provision of this act, a Reserve officer who becomes a civilian employee of the Air National Guard prior to the effective date of this act may not, before attaining age sixty, while so employed and without his consent, be removed from active status by reason of any mandatory promotion provisions contained herein, except for cause, physical disability, or by reason of being twice passed over for promotion to the grade of captain, major, or lieutenant colonel.

"SEC. 528. Nothwithstanding section 701 of this act, the Secretary is authorized to take, prior to the effective date of this act, such administrative actions, including the convening of appropriate selection boards, as may be necessary to insure that the act may be implemented upon its effective date."

SEC. 5. (a) Section 606 (b) of the Reserve Officer Personnel Act is amended by adding at the end thereof the following new paragraph:

"(4) If a running mate is retarded in rate of promotion or has attained the highest rank to which he may be promoted, the new running mate shall be the officer of the Regular Coast Guard who is next senior to the old running mate, exclusive of extra numbers, or if there be no such Regular officer then the Regular officer of the same grade who is next eligible for promotion. An officer shall be considered to have been retarded when another officer in his grade junior to him is eligible for promotion ahead of him. If subsequently the old running mate is promoted and is restored to the precedence he would have held but for the retardation, he shall be reassigned as the running mate of the Reserve officer concerned."

(b) Section 608 of such act is amended by striking out "and shall be allowed the pay and allowances of the higher grade for duty performed from the date his running mate became entitled to such pay and allowances" and insert in lieu thereof "and a Reserve officer so promoted shall be allowed pay and allowances of the higher grade for duty performed from the date of his appointment thereto."

(c) Title 6 of such act is amended by adding at the end thereof the following new section:

"SEC. 619. Officers who, prior to July 1, 1955, were selected for promotion under appropriate regulations may be promoted under the authority of this act with precedence and entitlement to pay and allowances as prescribed by this act."

Mrs. SMITH of Maine. Mr. President, the purpose of Senate bill 1718 is to provide certain technical and clarifying

amendments to the Reserve Officer Personnel Act of 1954, now Public Law 773 of the 83d Congress. This statute provides for the first time, a statutory basis for the promotion and elimination of Reserve officers for the military services. Public Law 773, under its own terms, does not become effective until July 1, 1955. One of the reasons for delaying implementation of the act was to permit the presentation of technical amendments which normally would be expected in legislation of this type.

Senate bill 1718 does not alter the basic concepts now contained in the Reserve Officer Personnel Act. Each of the amendments, numbering some 25, will serve to improve the administration of this legislation and to extend additional guarantees to Reserve officers.

There is before each Member the report on this bill, No. 368, which contains an analysis of each section of Senate bill 1718.

Mr. President, I ask unanimous consent that the analysis be printed at this point in the body of the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS OF S. 1718

The most important features of the bill are as follows:

1. With regard to Reserve officers on active duty who are within 2 years of qualifying for retirement under certain statutes, the Secretaries of either of the military services are authorized to retain such officers on active duty for the 2-year period, if they should be otherwise eliminated because of failure of promotion or for length of total service and if they do not during the 2-year period reach the maximum age required for elimination.

On page 2 of the committee report which makes reference to present provisions of law relating to Regular officers who have completed 18 years of service, the report inadvertently uses the word "promotion" instead of "retirement." Regular officers under present law who complete 18 years of active service are permitted to complete 20 years of active service required for retirement.

2. With respect to Army Reserve officers, the bill provides that those with an obligated period of active duty will complete this service, despite the provision contained elsewhere in the statute providing that Reserve officers on active duty who are selected for promotion may be released if there is no place in the active establishment for them to serve in the higher grade.

3. The Secretary of the Navy is authorized to increase by 10 percent the numbers authorized in terms of percentages for Naval and Marine Corps Reserve officers. This authority would exist only until July 1, 1960. The purpose of this amendment is to assist in providing a fair promotion opportunity for those officers now in grades which may be in overstrength in these two reserve components.

4. S. 1718 provides that Naval and Marine Corps officers whose names were omitted by administrative error from consideration may be later considered on the same basis as if their names had not been omitted from the eligible list.

5. The bill contains validation provisions relating to the Navy, Air Force, and Coast Guard which provide that officers selected prior to July 1, 1955, may be prompted after the effective date of the act.

6. With respect to the definition of "promotion service" in the Air Force Reserve, the bill adds two categories which recognize certain duty prior to the effective date of the act and subsequent to July 25, 1950. The first would recognize as promotion service credit that period in which an officer served in a temporary grade higher than his permanent grade. It is already provided in the act that such service will be recognized beginning July 1, 1955. The bill also recognizes for promotion service purposes the period in which an Air Force Reserve officer spent in a permanent grade in another service.

7. The bill provides that Air Force Reserve officers who were inadvertently omitted from consideration, may be promoted and placed in the proper position on the promotion list. The bill further recognizes constructive service in the determination of seniority for promotion purposes.

8. The bill provides that second lieutenants in the Air Force Reserve may be promoted to first lietenants without completing 3 years of service in grade as presently required.

9. The committee adopted amendments suggested by the Air National Guard which would exclude Air National Guard officers from promotion consideration based on Air Force-wide Reserve vacancies.

10. The bill carries an amendment which would simplify the administration regarding those Reserve officers on active duty who are promoted in the Reserve but for whom there is no place in the active establishment for them to serve in the grade to which they were recommended. Under the bill, these officers will not have to make a positive election to remain on duty in the lower grade, but will be deemed to so desire unless they choose to be released within 6 months. The bill also contains in the Air Force title a provision similar to the one already noted in the Army title with respect to retaining on active duty Reserve officers with a period of obligated service.

11. The bill postpones for a period of 5 years after July 1, 1955, the effective date of the provisions in the Air Force title which provide for elimination from an active status of Reserve officers based on length of service.

12. The bill adds a new section to the Reserve Officers Personnel Act which provides that civilians who were employees of the Air National Guard prior to July 1, 1955, will be retained in an active status despite any mandatory promotion provisions of the present act.

Mr. President, the foregoing summarizes the provisions of S. 1718, and I urge that the Senate favorably consider this legislation.

Mrs. SMITH of Maine. Mr. President, I urge that the Senate take favorable action on this measure.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESEARCH IN THE DEVELOPMENT AND UTILIZATION OF SALINE WATERS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 374, Senate bill 516, to amend the act relating to research in the development and utilization of saline waters.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 516) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, which had been reported from the Committee on Interior and Insular Affairs with amendments.

Mr. JOHNSON of Texas. Mr. President, I call the bill to the attention of the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I hope that at the proper time we may take up H. R. 2126, the corresponding House bill.

However, first, let me refer to the Senate bill. Senate bill 516 was introduced by the Senator from South Dakota [Mr. CASE]. The bill is designed to further the program involving the study of saline water which was begun several years ago. This time the committee voted to increase substantially the amount of money which would be authorized, because we seem to be coming somewhat closer to actually making it possible to develop potable water from sea water. If this can be done, it will solve some of the great problems we now confront in connection with the rights to irrigation water on streams, for example. It would be extremely helpful to the State of the able junior Senator from California [Mr. KUCHEL], where growing communities need constantly increasing supplies of water.

Only a few minutes ago the Senate passed a bill under which certain communities in Oklahoma will pay about 30 cents for a thousand gallons of water. As the result of the work which is being done, the cost of producing potable water from saline water has been brought down to a somewhat comparable figure. I do not say that it has reached that point yet, but it is somewhat comparable. Therefore, we felt that a great deal of good could be accomplished if this bill, providing larger sums, could be passed.

Mr. CASE of South Dakota. Mr. President——

Mr. ANDERSON. Let me add one further statement.

We also made provision for the expansion of the amount of money that can be used in Federal research, because, as chairman of the Joint Committee on Atomic Energy, I felt obligated to call to the attention of the Committee on Interior and Insular Affairs the fact that there was a similarity between certain research work now going on in connection with atomic energy and the work involved in this program. I thought the atomic research had a bearing on the bill of the able Senator from South Dakota. We therefore have suggested an increased amount, because I think it can be advantageously spent.

I am very happy now to yield to the author of the bill, who has done fine work in this field.

Mr. CASE of South Dakota. Mr. President, the distinguished Senator from New Mexico has been most helpful. I should say that he was the author of one of the three bills which were considered by the Congress in initiating the original legislation on this subject. He has had a keen appreciation of the purposes of this type of legislation throughout its history. He made a distinct contribution in the committee hearings a few days ago when he brought to the attention of the committee the fact that sim-

ilar problems concerning the recovery of water were involved in research being conducted by the Atomic Energy Commission, or under its auspices.

The original measure was passed a couple of years ago, and during the time the program has been in operation significant results have been obtained. It was my privilege to go to Boston, Mass., last summer immediately following adjournment of the Congress to see some of the experiments which were being carried on. Several Members of the House were there at the same time. We were all greatly encouraged. I believe that the progress which has been made in reducing the costs of the various processes which are under investigation is of great significance.

I may add that I have been surprised at the number of projects or approaches to this problem which have been uncovered. The imagination of the scientist and that of the manufacturer have been stimulated by the program. Research workers in various institutions and in private industry are going forward with various proposals. It is not necessary at this time to take the time of the Senate to recount them. Some reference to them will be found in the report of the committee. Members who are interested in the problem of the recovery of potable and usable water from brackish or saline waters are urged to read the testimony which was presented at the time of the hearings.

The House has passed a similar bill. At the proper stage I hope the Senator from New Mexico will make the motion—or I shall be happy to make it—to discharge the Committee on Interior and Insular Affairs from the further consideration of House bill 2126, so that it may be considered by the Senate and we may move to strike out all after the enacting clause and substitute the text of Senate bill 516, as reported from the committee, so that the bill may go to conference with the text of both bills before the conferees.

Mr. ANDERSON. Mr. President, I am happy to follow the suggestion made by the Senator from South Dakota.

Mr. CASE of South Dakota. Have the committee amendments been agreed to?

Mr. ANDERSON. I am told that I should proceed in this fashion.

The PRESIDING OFFICER. Without objection, the Committee on Interior and Insular Affairs will be discharged from further consideration of House bill 2126.

The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ANDERSON. Mr. President, I move to strike out all after the enacting clause, and to insert in lieu thereof the language of Senate bill 516, as reported from the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2126) was read the third time and passed, as follows:

Be it enacted, etc., That the act of July 3, 1952 (66 Stat. 328; 42 U. S. C., secs. 1951 ff.), is hereby amended as follows:

(1) By modifying subsection (a) of section 2 of said act so as to read: "by means of research grants and contracts as set forth in subsection (d) of this section and by use of the facilities of existing Federal scientific laboratories within the monetary limits set forth in section 8 of this act, to conduct research and technical development work, to make careful engineering studies to ascertain the lowest investment and operating costs, and to determine the best plant designs and conditions of operation."

(2) by modifying section 3 of said act to add the following: "Similarly, the fullest cooperation by and with the Atomic Energy Commission and the Civil Defense Administration in research and in determining the future needs of the Nation with respect to potable water and ways and means to provide same shall be carried out in the interest of achieving the objectives of the program."

(3) By modifying section 8 of said act so as to read: "There are authorized to be appropriated such sums, but not more than $10 million in all, as may be required (a) to carry out the provisions of this act during the fiscal years 1953 to 1963, inclusive, (b) to finance for not more than 2 years beyond the end of said period such grants, contracts, cooperative agreements, and studies as may theretofore have been undertaken pursuant to this act, and (c) during the same additional period plus 1 more year, to correlate, coordinate, and round out the results of studies and research undertaken pursuant to this act. Departmental expenses for direction of the program authorized by this act and for the correlation and coordination of information as provided in subsection (d) of its section 2 shall not exceed $1,500,000, and not less than $2,500,000 shall be expended for research and development in Federal or educational institution (State or private) laboratories. Both of said sums shall be scheduled for expenditure in equal annual amounts insofar as is practicable: *Provided*, That not to exceed 10 percent of the funds available in any one year for research and development may be expended in cooperation with public or private agencies in foreign countries in the development of processes useful to the program in the United States: *And provided further*, That contracts or agreements made in pursuance of this proviso shall provide that the results or information developed in connection therewith shall be available without cost to the program in the United States herein authorized."

Mr. ANDERSON. Mr. President, I ask unanimous consent that Senate bill 516 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, Senate bill 516 is indefinitely postponed.

WESTERN LAND BOUNDARY FENCE PROJECT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 377, Senate bill 76.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 76) authorizing appropriations for the construction, operation, and maintenance of the western land boundary fence project, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. KUCHEL. Mr. President, I wonder if we may have a brief explanation of the bill.

Mr. ANDERSON. Mr. President, this bill was reported by the distinguished junior Senator from Arizona [Mr. GOLDWATER]. The Senate passed a similar bill in the 83d Congress. The bill provides for the western portion of the boundary fence. It starts at El Paso and runs through to the California border.

For a long time this was proposed as a means of controlling immigration into the United States. It was not exactly necessary for that purpose at the time—not solely, at least. Recently there have been outbreaks of foot-and-mouth disease, which cannot be controlled by merely controlling the livestock, cows, and so forth, which may be grazing along the Mexican border. Ticks can be carried across the border by wild animals, such as deer and various other animals. Therefore the Department of Agriculture has now become very much interested in the passage of this proposed legislation, since it would permit not only control of domestic livestock, but control of wild animals crossing the border. Therefore the Senator from Arizona, the Senator from California [Mr. KUCHEL] and I have joined with others in suggesting again that the bill should be passed, and that an opportunity be afforded for the completion of this fence. The probability is that the Department of Agriculture will assume responsibility for it this time.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is authorized to be appropriated to the United States section, International Boundary and Water Commission, United States and Mexico, such sums as may be necessary for the construction, operation, and maintenance of the western land boundary fence project, as said project is presently planned or as the plans therefor may be amended from time to time.

SEC. 2. The said sums may be appropriated specifically for said project, or may be included with the appropriation for all construction projects of said United States section. The expenditures and appropriations herein authorized shall not be construed as placing a limitation on funds which may be hereafter appropriated for the operation and

maintenance of said project. The United States Commissioner, International Boundary and Water Commission, United States and Mexico, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), sections 3732 and 3733 of the Revised Statutes (41 U. S. C. 11 and 12), or any other law, may enter into contracts beyond the amount actually appropriated for so much of the work on said project as the physical and orderly sequence of construction or considerations of expediting said work make necessary or desirable, such contracts to be subject to and dependent upon future appropriations by Congress: *Provided*, That the total construction cost of said project shall not exceed $3,500,000.

SEC. 3. Notwithstanding any contrary provisions of appropriation or other acts applicable to said project, the United States section is authorized to acquire by purchase, exercise of the power of eminent domain, or by donation any real or personal property which may be necessary for such project, as determined by the United States Commissioner, including rights-of-way not exceeding 60 feet in width, as may be necessary for such boundary fence and roads parallel thereto required for the patrol and maintenance thereof.

SEC. 4. Notwithstanding any contrary provisions of law, any executive department, independent establishment, or other agency of the United States is authorized to transfer to the United States section, without payment or reimbursement therefor, (a) any equipment, supplies, or materials which any of these agencies may have and which may be needed for the construction, repair, operation, or maintenance of such boundary fence project by the United States section; and (b) any existing fences, or portions thereof on or along the United States-Mexican boundary, which may be under the jurisdiction of such other Federal agency. The United States section is hereby authorized to expend, out of funds made available for boundary-fence construction, any sums of money which may be necessary for the reconstruction, repair, and operation and maintenance of boundary fences so transferred.

SEC. 5. The said United States Commissioner, in his discretion, is authorized to employ personnel for the survey, inspection, construction, and supervision of construction of such fence project without regard to personnel ceilings otherwise imposed, and without regard to the civil-service laws or regulations requiring the employment of American citizens: *Provided*, That such employment shall not be for a period longer than that required for the completion of construction of such fence project, nor in any event for a period in excess of 3 years from the effective date of this act.

SEC. 6. Said fence project may be constructed by contract or by force account, or partly by contract and partly by force account, in the discretion of the said United States Commissioner; and in either event the provisions of title 41, United States Code, section 5, and other laws and regulations relating to advertising for proposals for purchases and contracts for supplies or services for departments of the Government and laws and regulations placing limitations upon the purchase of passenger-carrying or other motor-propelled vehicles shall be inapplicable to purchases and contracts for equipment and supplies or services for the survey, construction, or supervision of said fence project.

SEC. 7. The opinion of the Attorney General in favor of the validity of the title to any tract of land or easement therein to be acquired for right-of-way for said fence project shall not be required as a condition precedent to construction thereon when, in the opinion of the said United States Commissioner, such requirement would unduly delay the construction program and the interests of the United States are not jeopardized by the waiver of such requirement: *Provided*, That proceedings for the acquisition of such tracts or easements therein by purchase, exercise of the power of eminent domain, or condemnation have been commenced, and the consent of the record or apparent owner or owners of any such tract has been secured for the immediate occupancy thereof, or appropriate orders have been entered therefor in eminent domain proceedings: *Provided further*, That the United States Commissioner shall proceed, as expeditiously as may be possible, to secure title to such tracts or easements therein in the manner and to the extent required for the approval of the Attorney General in accordance with existing law: *Provided further*, That where portions of such fence are to be built within the right-of-way lines of existing State, county, or other public roads or highways, the United States Commissioner is authorized to accept, and the Attorney General is authorized to approve, rights-of-way, easements, or licenses from any such State, county, or other public agency having jurisdiction thereover, subject to such conditions and limitations as may be required by State or municipal law or regulation, including, but not limited to, conditions requiring the removal of said fence, or portions thereof, to points outside of the right-of-way lines as may not be objectionable to the State, county, or other public agency concerned, where considerations of widening said roads or highways, or other considerations of public necessity, make such removal necessary, and when, in the opinion of the United States Commissioner, the interests of the United States will not thereby be unduly jeopardized. The opinion of the attorney general of the State wherein such rights-of-way, easements, or licenses are granted, if such opinion be obtained, shall be conclusive as to the right or authority of the State, county, or other public agency concerned, and of the officials thereof, to grant any such right-of-way, easement, or license.

PRESERVATION OF HISTORIC PROPERTIES, OBJECTS, AND BUILDINGS, BOSTON, MASS.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 378, Senate Joint Resolution 6.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 6) to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 3, line 12, after the word "by", to insert "the"; in line 13, after the word "or", to strike out "the"; in the same line, after the word "Federal", to strike out "Government" and insert "governments"; on page 4, line 3, after the word "of" where it appears the second time, to strike out "1923" and insert "1949"; in line 16, after the figure "$40,000", to strike out "including printing and binding"; and in line 17, after the word "act" to insert a comma and "including printing and binding", so as to make the joint resolution read:

Resolved, etc., That a Commission is hereby created for the purpose of investigating the feasibility of establishing a coordinated program in which the Federal Government may cooperate with local and State governments and historical and patriotic societies for the preservation and appreciation by the public of the most important of the Colonial and Revolutionary properties in Boston and the general vicinity thereof which form outstanding examples of America's historical heritage.

SEC. 2. The Commission shall be known as the Boston National Historic Sites Commission, and shall be composed of 7 individuals, who shall serve without compensation, to be appointed as follows: 1 Member of the United States Senate, to be appointed by the President of the Senate; 1 Member of the United States House of Representatives, to be appointed by the Speaker of the House; 1 member to be appointed by the Secretary of the Interior; and 4 persons, at least 1 of whom shall be a resident of the city of Boston, to be appointed by the President of the United States. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

SEC. 3. The Commission shall meet for the purpose of organizing within 90 days after the enactment of this act. The Commission shall elect a Chairman and executive secretary from among its members.

SEC. 4. The Commission shall (a) make an inventory and study of the historic objects, sites, buildings, and other historic properties of Boston and the general vicinity thereof, including comparative real-estate costs; (b) prepare an analysis of the existing condition and state of care of such properties; (c) recommend such programs by the local, State, or Federal governments and cooperating societies for the future preservation, public use, and appreciation of such properties as the Commission shall consider to be in the public interest; and (d) prepare a report containing basic factual information relating to the foregoing and the recommendations of the Commission thereon. Such report shall be transmitted to the Congress by the Secretary of the Interior within 2 years following the approval of this act and the securing of appropriations for purposes hereof. Upon submission of the report to the Congress, the Commission shall cease to exist.

SEC. 5. (a) The Secretary of the Interior may appoint and fix the compensation, in accordance with the provisions of the civil-service laws and the Classification Act of 1949, as amended, of such experts, advisers, and other employees, and may make such expenditures, including expenditures for actual travel and subsistence expense of members, employees, and witnesses (not exceeding $15 for subsistence expense for any 1 person for any 1 calendar day), for personal services at the seat of government and elsewhere, and for printing and binding, as are necessary for the efficient execution of the functions, powers, and duties of the Commission under this act. The Commission is authorized to utilize voluntary and uncompensated services for the purposes of this act. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $40,000, to carry out the provisions of this act, including printing and binding.

(b) The Commission shall have the same privilege of free transmission of official mail matters as is granted by law to officers of the United States Government.

Mr. ANDERSON. Mr. President, this joint resolution was introduced by the senior Senator from Massachusetts [Mr. SALTONSTALL]. It authorizes the appointment of a commission to be known as the Boston National Historic Sites Commission, to be composed of seven individuals who are to serve without compensation. The duties of the Commission would be to make a study of the feasibility of establishing a coordinated local, State, and Federal program in the Boston area so as to preserve and protect the historic property, objects, and buildings in that vicinity.

The joint resolution is patterned after a bill which was passed not long ago with reference to New York City. It was carefully considered by the committee, and has been amended by some technical amendments which followed the recommendations of the Department of the Interior. Both the Department of the Interior and the Bureau of the Budget have endorsed the joint resolution, and we hope it will be passed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was amended, in the third paragraph after the word "as", where it appears the second time, to insert "at", so as to make the preamble read:

Whereas there are located within the city of Boston and vicinity a number of historic properties, buildings, sites, and objects of the colonial and Revolutionary period of American history which, because of their historical significance or their architectural merit, are of great importance to the Nation; and

Whereas at this critical period, as well as at all periods in our national life, the inspiration afforded by such prime examples of the American historical heritage and their interpretation is in the public interest; and

Whereas it is proper and desirable that the United States of America should cooperate in a program looking to the preservation and public use of these historic properties that are intimately associated with American colonial solidarity and the establishment of American independence.

The preamble, as amended, was agreed to.

ORDER FOR RECESS TO 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until 10 o'clock a. m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATE, JUSTICE, JUDICIARY APPROPRIATIONS, 1956

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. R. 5502, the State, Justice, and Judiciary appropriation bill. I wish to state that we do not plan to have any debate or votes on the bill until next Tuesday. We merely desire that Senators may have adequate advance notice of the fact that this bill will be the next business before the Senate.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill (H. R. 5502), making appropriations for the State, Justice, and Judiciary Departments for 1956, which had been reported from the Committee on Appropriations with amendments.

AZTEC LAND & CATTLE CO.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 373, S. 55.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 55) to authorize the acceptance on behalf of the United States of the conveyance and release by the Aztec Land & Cattle Co., Ltd., of its right, title, and interest in lands within the Cocconino and Sitgreaves National Forests, in the State of Arizona, and the payment to said company of the value of such lands, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments.

Mr. DOUGLAS. Mr. President, may we have an explanation of the bill?

Mr. HAYDEN. This proposed legislation is made necessary by a recent decision of the United States Supreme Court. Everyone in Arizona was surprised when the Supreme Court decided that the Aztec Land & Cattle Co. had title to the lands here involved. The original grant to the Atlantic & Pacific Railroad Co. was made by an act of Congress in 1866 which provided that alternate sections of land on each side of the right-of-way of the railroad running across New Mexico and Arizona to California should be 40 miles on each side of the track. The sections of land within the 40-mile limits that were granted were fixed and determined when the railroad company filed a map definitely locating the line of its tracks in 1872. The act further provided that if for any reason those sections were occupied, the grant could extend 50 miles.

In 1886 the Atlantic & Pacific Railroad Co. sold 1 million acres to the Aztec Land & Cattle Co. to be selected from alternate sections in Arizona and New Mexico, about 100,000 acres of which were included in a national forest by an Executive order of the President in 1891. It was assumed in Arizona that the Federal Government had title to 100,000 acres, but, to our surprise the Supreme Court decided not long ago that the title in the Aztec Land & Cattle Co. derived from the Atlantic & Pacific Railroad Co., was good. That is the situation today.

There is a valuable stand of timber on the land. The United States Forest Service made an estimate of its value which was fixed at approximately $7 million.

Mr. DOUGLAS. Seven million, four hundred thousand dollars.

Mr. HAYDEN. That is correct. The committee was willing to accept that figure, but legislation on the subject was not enacted during the last Congress. Since then the Forest Service has reduced its estimate. In the absence of an agreement between the Forest Service and the owners of the land, we thought the best procedure would be to have the values determined by a committee created under what is known as the Weeks Act. At the present time it consists of the Senator from New Hampshire [Mr. BRIDGES], the Senator from Mississippi [Mr. STENNIS], Representative COLMER, of Mississippi, and Representative COON, of Oregon, together with the Secretary of the Army, Mr. Stevens, the Secretary of the Interior, Mr. McKay, and the Secretary of Agriculture, Mr. Benson. We hope in that way to fix a price which the owners of the land will accept.

Mr. DOUGLAS. Will the Senator inform the Senate of his understanding as to the price which the Aztec Land Co. paid for the land?

Mr. HAYDEN. Oh, that was many years ago. I do not know the price originally paid for the title from the railroad company to the Aztec Land & Cattle Co. Does the Senator from New Mexico know the price?

Mr. ANDERSON. There was no price involved originally. It was scrip, which was issued originally for the building of the Atlantic & Pacific Railroad, which went from Albuquerque, N. Mex., to California, and subsequently was joined into the Santa Fe system. Since they did not file on the land, everyone assumed that the scrip was not going to be used in that connection. Finally they did make a filing on it, and of course the land became extremely valuable.

I wish to say to the Senator from Illinois that no one was more surprised than I was when the courts held that the Aztec Land & Cattle Co. had title.

The dangerous thing is that this particular section of the forest is going to be checkerboarded if the Aztec Land & Cattle Co. gets title. When I was Secretary of Agriculture, I had visited this area when the Forest Service was trying to set up a sustained-yield unit there. If a private company were to come in and checkerboard the area, we would have the same problem as that which developed in the Oregon and California land case, where there was a difference, in fact a serious quarrel between the Department of the Interior and the Department of Agriculture. Here we would have a private industry operating in the forest area.

I should like to say something about the amount involved. I tried to go into this subject very carefully. The value put on the property in the bill is, in my opinion, very conservative, because it will

carry with it the mineral rights. With the development of the uranium industry, people will be able to sell mineral rights in that area for fairly good sums of money, although there is now a feeling that the mineral rights are not too important. It strikes me that this may well result in paying off all the value that is in the land.

If we were able to accomplish the purchase at a figure which is somewhere in the neighborhood of that mentioned here, I believe it would be a good purchase. I believe the Forest Service estimates that the timberland plus the service is worth a little more than $5½ million now, and was worth formerly about $7½ million, the difference being due to the decrease in the stumpage value about a year or two ago.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. GOLDWATER. In further explanation, I think it would be proper to state in some detail how the figure of $7,400,000 was arrived at. I may say to the Senator from Illinois that that was the figure agreed on last year by the Forest Service and the Aztec Land & Cattle Co. However, we were unable to get the bill through the Senate or the House, and failed to accomplish anything.

Mr. ANDERSON. Mr. President, I think I was one of the reasons why it was impossible to get such a bill through Congress. I was hopeful that there might be some extra-legal remedy for the problem or the possibility of getting a different decision in the courts.

Mr. DOUGLAS. Was the recent decision a decision of the United States Supreme Court?

Mr. GOLDWATER. It was. The original grant of this land was made in 1866. As has been indicated, everyone in Arizona and New Mexico believed that the land was a part of the public domain and was under the supervision of the Forest Service. It was not until 1942 that application for patent was made, and the patent application was rejected by the Department of the Interior. Later, the Supreme Court ruled that the Aztec Land & Cattle Co. had title to the land.

To answer the question of the Senator from New Mexico further, the timber, of which there are 507 million board feet, is estimated to be worth an average of $9 a thousand. That is below the estimate made last year by the Forest Service and represents a complete revision of their estimate. The estimate last year was substantially close to the figure agreed upon. The figures are as follows:

Timber	$4,616,858
Land	479,225
Water (not included in total)	805,800
Hunting (not included in total)	400,000
Receipts	596,486
Total	5,692,569

Both my senior colleague and I have been endeavoring for the past 2½ years to straighten out this question. The reason why we went to the reservation commission was that, frankly, we had given up getting the two together by any other means.

Mr. ANDERSON. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I yield.

Mr. ANDERSON. Is it not true that this bill would, for the first time, convey to the owners these mineral rights?

Mr. GOLDWATER. The Senator is correct.

Mr. ANDERSON. I am more interested in that than I am in the timber.

Mr. DOUGLAS. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I yield.

Mr. DOUGLAS. I would say to the Senator from New Mexico and to the Senator from Arizona that I am sure they have exercised public spirit and caution in this matter. Of course I have not been able to give it a fraction of the study which they have necessarily given to it. I have heard, but I cannot vouch for the information, that the Aztec Co. paid only a few thousand dollars, and they will receive a windfall of millions of dollars. It may be that, because of the decision of the court, nothing can be done about it, but I must say that if my facts are correct, I find myself boiling at the idea of turning over this large amount of money to the Aztec Co.

Mr. GOLDWATER. We will join the Senator in the boil, but the fact remains that the Aztec Land & Cattle Co. has received title to those lands. The patents are now in their hands, and they can sell to the Federal Government or to anyone to whom they wish to sell.

Mr. DOUGLAS. Somewhere along the line someone has been delinquent.

Mr. GOLDWATER. I think, sir, it may have been the Aztec Land & Cattle Co., because they went from 1866 to 1942 and never requested patents for those lands.

Mr. ANDERSON. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I yield.

Mr. ANDERSON. I think the situation is identical, but the result is exactly opposite, to the case of the individual who bought some scrip and tried to apply it to the so-called tidelands area. If he had succeeded, he would have made a tremendous profit by putting a small amount of money into scrip and then applying it to more valuable mineral lands. In his case the court went against him. In this particular instance, to the complete surprise of everyone, the court held that the Aztec company had absolutely good title. Anyone living in the Southwest could have picked up large quantities of Aztec Land & Cattle Co. stock for a tiny fraction of what it was worth. The Forest Service has been allowed to continue to administer the lands while an attempt has been made to solve the problem. What the Aztec company got, they got legally. I did not like it, and, as Senators know, I objected to the bill last year. But the fact remains that the company has a legal right and is in position to sell the timber and tear up the Coconino Forest and other national parks which some of us have for years been trying to protect. It would be the most tragic thing that could happen.

Mr. DOUGLAS. Taking the biblical statement that the sins of the fathers are visited upon the children, in this case they are visited upon the grandsons and the great grandsons, and we are now paying for the land grants made to railways by the Republicans after the Civil War.

Mr. GOLDWATER. I should like to reiterate what I said when the Senator from Illinois made a similar statement on another occasion, that if it had not been for those land grants Chicago would still be a very small place.

Mr. ANDERSON. Whether it be right or wrong, the Santa Fe Railroad came into my part of the country as the result of the early land grants. Anyone who has read the story knows that Mr. Holliday could never have succeeded with his program if he had not kept quoting the value of the land grants. If the scrip had not been applied to this particular stretch of forest land the scrip would have been practically valueless. I think the Aztec company paid very little for it.

Mr. DOUGLAS. Is it a fact that they paid only $4,000 for it?

Mr. ANDERSON. I have no knowledge of that. They took it in order to get grazing rights in the National Forest. No one ever dreamed they would end up with the timber in Coconino and Sitgraves National Parks.

Mr. DOUGLAS. I do not wish to refight the Civil War, but it is hard to believe that land which cost so little would produce so much.

Mr. ANDERSON. It is only a tiny fraction of the land the Santa Fe Railroad obtained in the States of California, New Mexico, and Arizona. This case arose because they were delinquent in what they did. They filed in sections in Valencia and McKinley Counties in New Mexico and across Arizona stretches.

They used up all the scrip, and then they realized that the land was not bringing them any revenue, and they were asked to pay taxes on it. At a later date they decided they would apply the scrip in some sections of Arizona. Everyone laughed at them. It was like a patent infringement suit filed by a safety razor manufacturing company. Everyone said the one who filed the suit would not get a cent, but he ended up in control of the company.

It will be a shameful thing if the Aztec Co. is allowed to sell that land and it goes back into private ownership.

I am not going to try to predict what the appraisers will do if the bill shall pass, but I believe that with the acquisition of mineral rights, with timber stands now worth $5 million and perhaps more, and with surface rights easily worth a million dollars, the price will not be exorbitant.

Mr. HAYDEN. Mr. President, will my colleague yield?

Mr. GOLDWATER. I yield.

Mr. HAYDEN. Mr. President, I should like to say that this is the second time Arizona has been surprised. A long time ago the Baca family surrendered to the United States a considerable tract of land near Las Vegas, N. Mex. They were entitled to select five tracts of non-

mineral land anywhere in the then Territory of New Mexico. One tract was selected in what is now Colorado, because New Mexico then extended up to the Arkansas River; 2 tracts in New Mexico, and 2 in Arizona..

They selected a tract near Nogales, Ariz., which was notoriously mineral. Everyone knew it, because there had been mining in that area for many years.

The General Land Office simply assumed that because of the mineral character of the land the grant was no good, and proceeded to issue patents in the Santa Cruz River Valley as though the grant did not exist.

The late Senator Joseph W. Bailey, of Texas, after he left the Senate, made an agreement with the heirs, or those who owned the grant, that if he could win a case in the Supreme Court, he would receive half of the proceeds. He won the case and received half.

There was nothing we could do except to enact legislation to the effect that where a man had a patent, he could get an equivalent area of land elsewhere in Arizona. No one ever dreamed that such a situation would arise.

The same is true of the Aztec Land & Cattle Co. We in Arizona believed for over 40 years that the company had no title until, to our surprise, the Supreme Court, for the second time, said that the title was good to these very valuable forest lands.

As the Senator from New Mexico has said, if a lumber company goes into an area and cuts all the timber on every other section, a terrific amount of damage can be done. Timber on such forest lands should be handled under a continuous-use program. That can be done and the Government can get its money back from the sale of timber.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. DOUGLAS. Will the Senator from Arizona express an opinion as to how many latent strike-it-rich programs the Government may sponsor in the future?

Mr. HAYDEN. I hope none of them will hit Arizona.

The PRESIDING OFFICER. The clerk will state the committee amendments.

The amendments of the Committee on Interior and Insular Affairs were, on page 2, after line 1, to strike out "Aztec Land and Cattle Co., Ltd., $7,409,263 as the value of such lands: *Provided*, That this amount shall be reduced by the value as determined by the Secretary of Agriculture of any of such lands classified as mineral: *And provided further*, That such amount shall be further reduced by such amount as may be determined by the Secretary of Agriculture in the event the value of such land is substantially affected by fire or other disaster" and insert in lieu thereof "Aztec Land and Cattle Co., Ltd., such amount as may be determined by the National Forest Reservation Commission, established pursuant to section 4 of the act of March 1, 1911, as amended (16 U. S. C. 513), to be the fair value of such lands: *Provided*, That such amount shall not be in excess of $7,409,263, including any and all mineral values."; and on page 3, line 23, after the word "status", to insert "to be subject to the same laws", so as to make the bill read:

Be it enacted, etc., That when the Aztec Land & Cattle Co., Ltd., shall have filed with the Secretary of the Interior in the manner prescribed by him an instrument of bargain, sale, and release of any right, title, and interest it may have in the lands described in section 2 of this act, the Secretary of the Treasury is authorized and directed to pay to the Aztec Land & Cattle Co., Ltd., such amount as may be determined by the National Forest Reservation Commission, established pursuant to section 4 of the act of March 1, 1911, as amended (16 U. S. C. 513), to be the fair value of such lands: *Provided*, That such amount shall not be in excess of $7,409,263, including any and all mineral values.

SEC. 2. The following-described areas, exclusive of tracts patented prior to the filing of the patent application for these lands:

ARIZONA, GILA, AND SALT RIVER MERIDIAN

Township 13 north, range 9 east, sections 5, 7, and 9.

Township 14 north, range 9 east, sections 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, and 35.

Township 14 north, range 11 east, sections 33, east half; 35, southwest quarter (unsurveyed).

Township 13 north, range 12 east, sections 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, and 35.

Township 14 north, range 12 east, sections 3, 5, 7, 9, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, and 35.

Township 15 north, range 12 east, sections 31 and 33.

Township 13 north, range 13 east, sections 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, and 35.

Township 14 north, range 13 east, sections 19, 21, 29, 31, and 33.

Township 13 north, range 14 east, sections 19, 21, 23, 25, 27, 29, 31, 33, and 35.

Township 13 north, range 15 east, sections 19, 21, 23, 25, 27, 29, 31, 33, and 35.

Township 12 north, range 16 east, sections 7, 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, and 35.

Township 12 north, range 17 east, sections 7, 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, and 35.

Township 10 north, range 20 east, sections 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, and 23.

Township 11 north, range 21 east, sections 5, 7, 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, and 35.

SEC. 3. The lands described in section 2 of this act shall have national forest status to be subject to the same laws and be administered as part of the national forests in which they are located when the conditions as set forth in section 1 of this act have been met.

SEC. 4. There is hereby authorized to be appropriated such sums as are necessary to accomplish the purposes of this act.

The amendments were agreed to.

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, three documents I have prepared with regard to Senate bill 55.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to authorize the acceptance on behalf of the United States of the conveyance and release by the Aztec Land & Cattle Co., Ltd., of its right, title, and interest in lands within the Coconino and Sitgreaves National Forests, in the State of Arizona, and the payment to said company of the value of such lands, and for other purposes.

This bill provides that when the Aztec Land & Cattle Co., Ltd., files with the Secretary of the Interior a release of all its interests to certain lands in Arizona, the Secretary of the Treasury is directed to pay to the company the value of the land and timber resources. Thereafter the lands would be administered as national forest lands.

Approximately 98,000 acres of land are covered by the bill. These lands were within the indemnity limits of a railroad grant made in 1866. However, these lands were not patented and in 1898 they were included within forest reserves and administered since that time as parts of national forests. In 1942 application for patent was filed under provisions of the Transportation Act of 1940 (49 U. S. C., 1946 ed., sec. 65). The patent application was rejected by the Department of the Interior, and the applicants thereupon commenced action in the courts. The courts ruled in favor of the applicants, and a petition for review of the case by the Supreme Court was not granted. Therefore, unless the bill becomes law and the Aztec Land & Cattle Co. agrees to release its interests to the United States, patent must issue to the company.

The lands affected are intermingled in a checkerboard arrangement with Forest Service lands. They are scattered over an area of approximately 560 square miles, rather than in a solid block and hence, pose difficult and unusual problems in relation to access roads, transportation of timber, administration, and operation. These lands are integral parts of two national forests. According to the report of the Department of Agriculture, United States Forest Service patenting of the lands will reduce the available timber cut under a sustained-yield basis from these 2 national forests by 14 percent, or by 15.2 million board feet per year. Of this amount, some 4.7 million board feet will be from the Flagstaff Federal sustained-yield unit, which supplies lumber mills at Flagstaff, Ariz. Other sustained-yield cuts in these national forests will be reduced by 34 percent if the lands are patented. Timber-using industries in or near Flagstaff and Winslow, Ariz., which now employ approximately 1,000 persons, will suffer a material reduction in the amount of timber available to them on a sustained basis which, in turn, will have a serious adverse effect on the entire economy of the area.

Furthermore, if the lands are patented to private individuals it is entirely probable that the timber thereon will be clear cut, which would cause irreparable damage to the watersheds of the Verde and Little Colorado Rivers. Generally, the soils in this area are quite erosible so that depletion of the vegetative cover would be injurious to these watersheds. To protect them, it is vitally necessary that uniform management practices of the Forest Service be continued.

Therefore, in order to protect both the economy of the area and to preserve the timber and other resources for the use and benefit of future generations, it is necessary that the Congress enact this legislation.

The first amendment is to authorize the National Forest Reservation Commission to determine the fair value of the lands involved, provided that the amount shall not exceed $7,409,263, including any and all mineral values. The committee adopted this amendment because of the fact that there is disagreement among the various Federal agencies as to what constitutes the fair value of the lands involved. It is believed that the Commission, if authorized by law, is the most appropriate agency to make final determination of the question of price within the limitation of $7,409,263.

The second amendment was suggested by a departmental witness in order to make certain that once the lands are conveyed to the Government, they will be classified as

public domain lands under the jurisdiction and administration of the Forest Service.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., April 29, 1955.

Hon. BARRY GOLDWATER,
United States Senate.

DEAR SENATOR GOLDWATER: Reference is made to your request of April 22 that the Forest Service provide you with a statement of some administrative complexities that will be involved in managing the Aztec lands from the private owners' standpoint, and also what, if any, continuing responsibility the Forest Service may have.

Forest Service responsibility ceases completely the day title passes and any contractual relations the Forest Service may have with timber operators, stockmen, or other national forest users become null and void.

Expressed in the simplest terms, the Aztec Land and Cattle Co. will have the same rights and responsibilities on the lands for which they have acquired title as any other private owners of forest and range lands in Arizona. However, the problems involved in shifting responsibility for management of these lands from a public agency to a private owner will not be simple because of the patterns of public use which have been established and dependencies which have been built up during some 50 years of national forest administration. The problems will be particularly difficult because of the checkerboard ownership pattern.

The extent and nature of the problems that may be encountered will depend in large measure of course upon the administrative program the private owner elects to pursue. The following analysis is made upon the presumption that the owner or owners will attempt to utilize the resources of the lands, at least to the extent that they have been used while under national forest administration.

The problems as we visualize them are discussed under appropriate subject headings below:

BOUNDARIES

The problem of establishing accurately the boundaries of each parcel of private land is particularly acute in this case because of their intermingling throughout with national forest lands. The private land owners may need to establish and post the boundary lines around each tract of the private lands in connection with any authorized use that is made of them. For example, before timber is sold on a specific description the limits of the private land area should be established and ownership boundaries appropriately marked.

TIMBER

Preliminary to starting a timber-sale program on the Aztec property the owners will probably want to divide the property into logical tracts for operation in such a way that the greatest possible return will be received from the units of timber sold. This general operating plan logically should include a timber access road plan to insure that the road construction carried on in connection with the logging operation will be so performed as to economically serve all the timber on the lands in question. For greatest economy of operation, the development and use of roads should be coordinated with the road system which serves the national forest lands.

The owners of the Aztec property may want to give sufficient field study to each unit of timber (or timber and land) prepared for sale to satisfy themselves that their contracts will include adequate safeguards for the protection of the residual land and timber values. A contract form likewise will need to be developed and volume determinations made for the timber being proposed for sale. The volume determinations as a basis for payment can either be made by cruising in advance of sale or by measurement of the timber as it is cut. Timber evaluations will be needed as a guide to negotiations of timber sale contracts. As cutting progresses, administration of the contract will be needed to protect the owners' interest.

The timber stands on the Aztec lands will require constant observation and perhaps some expenditure for protection against insect and disease attacks. In recent years, considerable stumpage losses have occurred in the Aztec zone because of insect activity, particularly on the marginal timber sites. Heavy losses could occur at any time.

ROADS

Certain roads constructed under Forest Service supervision are in place on the Aztec lands and on adjoining national forest sections. We feel that it is desirable from the standpoint of both the Government and the owners of the Aztec properties or their contractors to negotiate equitable cost-sharing agreements to provide for maintenance of the roads which serve both Aztec and national forest lands for timber hauling purposes.

If purchasers of Aztec timber or other users of Aztec lands desire to construct roads across national forest lands, it would be necessary for them to arrange for right-of-way permits and to comply with the usual requirements for protection of the national forest lands.

As a basis for planning, timber harvesting, grazing, road construction, and other operations on the lands, accurate maps and perhaps aerial photos would be needed. These are available to the Forest Service and may be sold to the owners of the Aztec properties at cost.

RIGHTS-OF-WAY

There are many established roads on the Aztec lands and there will be a need to enter into appropriate agreements with the owners of the intermingled lands for crossing permits for such roads and any additional roads or similar facilities that might be required in the administration of the intermingled lands. Handling this type of business will require some time and effort on the part of the Aztec owners.

SPECIAL USES

There are now situated on the Aztec properties numerous facilities developed primarily in connection with the use of the range resources, such as livestock watering tanks, range fences, etc. A cemetery and a schoolhouse are also situated on the Aztec lands. Many of these facilities and improvements were covered by special use permits issued by the Forest Service, but they are no longer in effect. Users of these facilities will doubtlessly desire to continue the use. Aztec will be confronted with the problem of what to do about these various occupancy situations. They may want to cover them with formal leases. This is, in our view, a minor problem, but, being of considerable importance to the users, will require considerable administrative time and effort.

WILDLIFE

The administration of wildlife resources on the Aztec lands poses no particular problem unless the owners desire to attempt to recover some values from wildlife use, in which event they will be required to comply with Arizona law relative to legal advertising and posting of the boundaries. Having done this, they will be in a position to issue permits for hunting and to make charges therefor.

LIVESTOCK GRAZING

Because of the lack of boundary fences between national-forest and Aztec lands, the owners of the Aztec properties will be confronted with a special problem in selecting their grazing lessees. In States having open-range laws, as in Arizona, the burden is on the private landowner to keep livestock owned by others off his lands, whereas this is not true with reference to Federal lands. As to Federal lands, the burden is on the livestock owner to keep his livestock from trespassing on Federal lands. Except in limited instances, fencing of the boundaries of the Aztec lands would be entirely impractical because of the cost of the fencing itself and because of a dearth of stock water in the area in question.

Selection of grazing lessees on the private lands would have an important bearing on whether or not harmonious use of the intermingled Aztec and national forest lands could be established. A disregard for the present user, a lack of consideration for soil and forage resource, and failure to achieve coordinated administration would lead to immediate chaotic conditions. A serious trespass situation could arise, unless the permit or lease system is handled properly, causing serious difficulty among the stockmen and all landowners involved. In this case the Aztec owners can, of course, select their own lessees and prescribe the rates to be charged for the use of their forage. The Forest Service would continue to exercise the right to determine the number of livestock to be permitted on the national forest lands within each allotment. A cooperative agreement providing for the administration by the Forest Service of the joint livestock use within the safe grazing capacity might be worked out on an equitable cost-sharing basis.

FIRE PROTECTION

Transfer of title to the lands from the Federal Government to Aztec releases the Federal Government from its responsibility in the protection of these lands from fire.

Under Arizona law the owners of private lands are not required to protect their lands. However, the owner may be liable for suppression costs and damages to property of others resulting from fires carelessly or negligently caused by the owner's employees or agents. They may also be held responsible for damage to adjacent property resulting from other fires if such fires are allowed to spread from their lands to the property of others through negligence or carelessness.

Because of the timber values involved on the Aztec lands, the company will undoubtedly want to provide protection of the property from forest fires even though not required to do so by law. This could be accomplished through cooperative agreements with the Forest Service under which the company would pay the Forest Service for protecting their lands at a rate per acre equivalent to the cost to the Forest Service of protecting lands of similar character.

I trust that the foregoing will provide you with the information you desired. In the event that we can be of further assistance, please feel free to call upon us.

Sincerely yours,

E. L. PETERSON,
Assistant Secretary.

VALUATION APPRAISAL OF CERTAIN LANDS OF THE AZTEC LAND & CATTLE CO.

DESCRIPTION OF AREA

The lands referred to in S. 55, H. R. 2774, and H. R. 2787 of the 84th Congress include about 99,171 acres of lands within the exterior boundaries of the Coconino and Sitgreaves National Forests in Arizona. Being part of a land grant, the lands consist of odd-numbered sections and form a checkerboard pattern with intermingled national forest lands. They are suited principally to production of timber, water, forage for domestic livestock, and hunting. About 68,000 acres of the lands bear merchantable sawtimber which is now operable and about 5,500 acres bear presently inoperable sawtimber. The remaining acreage is largely woodland and grassland suitable for watershed management and grazing use. The timbered area also produces forage and is

grazed by about 62 commercial sheep and cattle operations which are under Forest Service permit on the lands.

Elevations range from 6,000 to 7,500 feet and topography is generally rough. The lands drain into tributaries of the Colorado and Salt Rivers. That portion of the area which drains into tributaries of the Salt River supplies water of high value for the large, irrigated Salt River Valley in central Arizona surrounding Phoenix.

The lands in question are within the indemnity limits of a land grant made to the Atlantic & Pacific Railroad Co. (now the Santa Fe Railroad Co.) by an act of July 27, 1866. In 1898 they were included within the forest reserves (now national forests) and ever since have been administered as parts of the national forests. On June 26, 1942, the Santa Fe Railroad Co. and the Aztec Land & Cattle Co., Ltd., filed with the Department of the Interior an application for patent pursuant to the grant to the railroad company. The application was based upon the fact that the railroad company had, in 1886, contracted to sell to the Aztec Land & Cattle Co., Ltd., about 1 million acres of land at 50 cents per acre, including the lands in question. In 1905, the railroad company quitclaimed these and other lands to the Aztec Land & Cattle Co., Ltd. The application for patent was therefore filed under the innocent purchaser provision of the Transportation Act of 1940.

The patent application was rejected by the Department of the Interior and the applicants thereupon commenced action in the courts, requesting a writ directing the Secretary of the Interior to proceed to determine the right of the railroad company and the Aztec Land & Cattle Co. to have patented to them the lands in question. The courts ruled in favor of the applicants and a petition for review of the case by the Supreme Court was not granted. Issuance of patent to the Aztec Land & Cattle Co., Ltd., is now underway.

VALUES CONSIDERED IN APPRAISING THE LANDS

In appraising these lands, a monetary estimate was developed for the timber, forage water, and hunting values. The lands have certain other important values which are not susceptible to a monetary appraisal. These include recreational values other than hunting, and a degree of community and individual dependency on the products from the lands, especially timber. Under private ownership, timber would be liquidated, due to slow growing conditions in the Southwest. Under Forest Service management, it would be managed on sustained yield in perpetuity. Timber values were determined in accordance with standard Forest Service timber appraisal methods and are an estimate of the fair market value of the timber if offered for sale on the open market. Land values which include forage, residual timber, and any other intrinsic values are based upon payments for similar land in the area as determined from county records. Thus land values are based on transaction evidence. Water values are related to the surface and subsurface yield of water from the lands and the value of such water for irrigation, domestic, and industrial use in the Salt River Valley and on the Little Colorado River. Hunting values are based upon the kill of deer and elk in the area. Receipts are the fees received by the Government for the use of the lands since June 26, 1942—the date the application for patent was first filed. Following is a summary of the values developed in more detail in subsequent sections:

Timber	$4,616,858
Land	479,225
Water (not included in total)	805,800
Hunting (not included in total)	400,000
Receipts	596,486
Total	5,692,569

If the water value is included, the total appraised value would be $6,498,369. The water value is conservative for several reasons, and represents only the difference in the value of water if the lands remain in or are restored to Government ownership. The capital value of the annual water yield from the lands under Government ownership is estimated to be $4,664,700, the value under private liquidation cutting $3,858,900; and the difference of $805,800 is the amount included in the above summary. Although the hunting values are estimated to have a capital value of $400,000, no amount is included in the above summary because it is believed the value of the land for hunting may be as high in private as in Government ownership.

TIMBER VALUES

The appraisal of timber values on any tract is made by estimating the volume of merchantable timber on the tract and multiplying the volume by an average price per thousand board feet. Thus, a timber appraisal depends on two key factors: (1) estimation of timber volume, and (2) average value per thousand board feet.

Estimate of timber volume

The basis of the timber volume estimate is a timber cruise made in 1952. The cruise was based on aerial photographs which were used to map out the various stand conditions, and for each stand condition samples were taken of the volume of timber 12 inches in diameter and up. The timber volume estimate from this cruise had a sampling accuracy (plus or minus one standard error) of 3.78 percent.

The 1952 cruise showed an estimated timber volume of 522,872,000 board feet. To this is added the estimated volume of 378,000 board feet of operable timber on the unsurveyed area of 480 acres in Sections 33 and 35, T. 14 N., R. 11 E, making a total of 523,250,000 board feet. This volume has been reduced by two items: (1) the amount of timber cut in the 2-year period January 1, 1953 to January 1, 1955, and (2) the volume of timber on the section determined to be mineralized by the Bureau of Land Management. This is section 13, T. 14 N., R. 9 E.

The adjusted timber volume as of January 1, 1955, is 507,561,896 board feet. In addition, there is an estimated 29 million board feet which is considered inoperable at the present time, but 24,400,000 board feet of which might be cut during a period of private liquidation. Table 1 summarizes the volume estimates.

The Forest Service estimate of 523,250,000 board feet as of January 1, 1953 is more conservative than the estimate of 554,969,000 board feet made in late 1952 by the private firm of C. D. Schultz & Co., of Seattle, Wash., and Vancouver, British Columbia.

Average value per thousand board feet

The average value of the 507 million board feet of timber is estimated to be worth $9.00 per thousand board feet as of January 1, 1955, assuming that the timber on the Aztec lands will be liquidated over a 10-year period. In addition, the 24.4 million board feet of presently inoperable timber is assigned a speculative value of $2 per thousand board feet.

Following is a summary of the manner in which the $9 per thousand estimate was arrived at:

1. Lumber selling price (lumber tally)	$82.51
2. Adjustment to convert to log scale (10 percent overrun)	8.25
3. Lumber selling price, log scale	90.76
4. Logging costs, log scale	23.02
5. Manufacturing costs, and plant and equipment depreciation	44.26
6. Total costs of production (line 4 plus line 5)	67.28
7. Selling price less production costs (line 3 minus line 6)	23.48
8. Allowance for profit and ordinary business risk (12 percent of production cost plus stumpage)	9.73
9. Cost of property administration	.50
10. Stumpage value if all timber were cut immediately (line 7 less lines 8 and 9)	13.25
11. Stumpage value discounted at 3 percent for 10-year liquidation period	11.30
12. Stumpage value after an additional 20 percent discount for added risk due to 10-year period of liquidation	9.04
13. Rounded-off average value per thousand board feet Jan. 1, 1955	9.00

Lumber selling prices (lines 1, 2, and 3) used in this appraisal are based on the average selling price of lumber by grade for the last 8 months of 1954, from six major sawmills [1] in the general area, applied to the percentage of lumber grade recovery experienced by these mills in 1953. The volume of cut on which the selling price computations are based is 120 million board feet, or about 45 percent of the cut of national-forest timber in Arizona and New Mexico in 1954.

Logging costs (line 4) are the average actual costs of four major operations in the general area of the Aztec timber during the last 8 months of 1954, adjusted upward to fit the logging conditions for the Aztec timber. The volume of timber on which the logging cost is based is 102 million feet, or about 38 percent of the national-forest cut in Arizona and New Mexico in 1954. Table 2 summarizes the itemized logging costs for both a 100-percent liquidation cut and comparable costs if 35 percent of the timber were sold under a Forest Service sustained-yield operation.

Manufacturing costs and depreciation figures (line 5) used in this appraisal are based on averages from seven operations during 1953 in the general vicinity of the Aztec timber lands, which cut about 165 million board feet or roughly two-thirds of the national-forest cut in Arizona and New Mexico in 1954. Manufacturing costs for 1954 are not available, but there has been no signifiant change since 1953. Table 3 itemizes the manufacturing costs.

The allowance for profit and an ordinary business risk was calculated at 12 percent of the total operating costs of logging, manufacturing and stumpage (line 8). This is the allowance currently being used in appraising national-forest timber for sale in the Southwest.

There is also deducted from the value of the stumpage 50 cents per thousand board feet to cover the owner's costs of administering the property, including such items as contract negotiations, cruising, surveying property boundary lines, and checking for contract compliance (line 9).

Under a liquidation operation, it appears unreasonable to assume that all of the merchantable timber would be cut in a shorter period than 10 years. Consequently the value of the timber at the time cut needs to be discounted to the present to determine a present worth. The present worth of a series of equal annual stumpage payments of $13.25 per thousand discounted at 3 per-

[1] Southwest Lumber Mills at Flagstaff, McNary, and Heber; Nagel Lumber & Timber Co. and Winslow Timber Co., both at Winslow; and Duke City Lumber Co., Albuquerque.

cent for 10 years is $11.30, as shown in line 11.

This amount is further reduced by 20 percent for ownership risks (in addition to ordinary business risk) due to extending the liquidation over a 10-year period. These risks include such things as fire, insect attacks, wind, market fluctuations, accuracy of estimates, risks of marketing and other risks of ownership. The reduction for this risk is shown in line 12, and the rounded-off average value of the timber per thousand board feet is shown as $9 in line 13.

Question may be raised as to why the stumpage value of the Aztec timber is appraised at $13.25 before discounting in this instance, whereas if 35 percent of the volume were being sold by the Forest Service under sustained-yield management the average value per thousand would be $10.95 (table 4).[2] The reason for this difference in value per thousand board feet is due to the fact that logging costs under Forest Service sustained-yield operations average $2.83 more per thousand than would logging costs on a private 100 percent liquidation cut, as shown in table 2. The additional Forest Service costs are:

	Per thousand
Road construction	$0.48
Slash disposal	1.55
Erosion control	0.25
Snag felling	0.55
Total	2.83

The same total road construction costs would be required to log 100 percent of the timber or to log 35 percent of the volume. Under the 100 percent cut the road costs are prorated against all of the timber whereas under the 35-percent cut they are prorated against that volume and against an equal volume of other Forest Service timber on intermingled sections. The net result is a slightly higher road cost per thousand under Forest Service operations.

The items for slash disposal, erosion control and snag felling are Forest Service requirements necessary to leave the land in productive condition in order to protect the residual stand and to encourage regeneration. These items are not ordinarily carried out on a private liquidation cut, and there are no requirements under Arizona State law that these things be done. Therefore, presumably they would not be carried out except under Forest Service operations. These additional cost items may in a sense be considered an investment in the land for the future, which reduces the present value of the stumpage slightly.

Actually, however, when discounting is considered, the Forest Service is appraising this timber for purchase at $9 per thousand board feet and would sell it at $10.95 per thousand.

Total timber values

Based on the volume and average value per thousand board feet as developed in the two preceding sections, following is the determination of the fair market value of the timber on the Aztec lands:

507,562,000 board feet at $9 per thousand	$4,568,058
24,400,000 board feet at $2 per thousand	48,800
Total timber value	4,616,858

LAND VALUES

The total area covered by the Aztec claim is 99,170.83 acres. This area is reduced by 2,685.49 acres which had been patented prior to filing of the claim, and by another 640 acres which the Bureau of Land Management has indicated are mineralized and thus exempted from the court decision. Thus the total acreage to be considered in the appraisal is 95,845.34 acres.

An estimated average value of $5 per acre applied to the above acreage indicates a land value of $479,225.

In arriving at an estimated value of $5 per acre, consideration was given to the following:

1. From 1947 through 1953, county records revealed that 3,727 acres were bought and sold in 11 small private transactions of generally comparable land in the general vicinity of the Aztec claim. The average per acre value of these transactions was $20.07.

2. In 1949 the Aztec Co. sold in 3 transactions in the general area a total of 70,646 acres, at an average price of $5.51 per acre.

3. In 1954 the Aztec Co. sold in the general vicinity 6,400 acres at $15.62 per acre. This and the above-cited transactions prices did not include values for sawtimber.

4. In addition to the forage value on these lands, it is estimated that there will be a residual stand of timber even after liquidation cutting of approximately 45,000 cords, two-thirds of which will be in timber 8 to 11 inches in diameter and one-third in timber 4 to 7 inches in diameter.

The estimated land value of $5 per acre thus covers the forage value and the residual stand of timber to which no specific value is assigned despite the existence of a pulp mill at Flagstaff. Based on private transactions in the general vicinity, it is believed to be a conservative estimate.

WATER VALUES

The Aztec lands in question lie in an area of relatively high precipitation for Arizona (20–25 inches annually) and at the headwaters of the Little Colorado and Salt Rivers. The surface drainage from most of the Aztec lands is north to the Little Colorado River, but the lands lie just north of the Mogollon escarpment, and hydrologists estimate that the ground-water divide along the Mogollon escarpment is 10 to 30 miles north of the surface-water divide. Therefore, the subsurface flow from all of the Aztec lands is believed to be south to the Tonto and Verde drainages which flow into the Salt River. The water finds its way downward through the Kaibab limestone and Coconino sandstone formations and emerges in springs along the Mogollon escarpment.

The physical characteristics of limestone soils are such that when vegetative cover is reduced the surface soil tends to seal up. This reduces the infiltration rate and subsurface flow and increases the surface flow. Under Forest Service sustained-yield management, a stand of pine timber would be retained at all times and the heavy needle fall would provide adequate organic material to maintain a high infiltration rate. But under private liquidation cutting the infiltration rate will be reduced with resulting increased erosion and surface runoff, and reduced subsurface flow.

Thus, under public ownership and management, there will be more subsurface water yield and consequently more water going into the Salt River than under private liquidation cutting.

Following is a summary of the annual value of the Aztec lands for water under the alternatives of (a) Forest Service sustained yield management, and (b) private liquidation cutting. The detailed computations are shown in appendix A.

Appendix A

Drainage	Under Forest Service sustained-yield management			Under private liquidation		
	Acre-feet of water	Rate per acre-foot	Total value	Acre-feet of water	Rate per acre-foot	Total value
Little Colorado River	14,400	$1.00	$14,400	16,200	$1.00	$16,200
Salt River	8,700	14.43	125,541	6,900	14.43	99,567
Total	23,100		139,941	23,100		115,767

The difference in water value under the two alternative ownerships is thus shown to be $24,174 a year. Capitalized at 3 percent, this indicates that the differential water value is $805,800.

HUNTING VALUES

In addition to hunting, which is the principal recreational use of the Aztec lands, it is estimated that there are about 2,000 recreation visitors, including campers, picnickers and hikers through the area annually. However, there are no developed recreational areas on the land.

Based on the annual kill of elk and deer in the area, the number of hunters per killed animal and the average expenditure for hunter, it is estimated that an average of 63 cents per acre is spent by hunters in the area annually, or approximately $60,000 on the Aztec lands. If one-fifth of this gross expenditure is considered net income, the capitalized value of the Aztec lands for hunting is $400,000—or about $4 per acre. This figure makes no allowance for the value of turkey hunting.

Although there are some uncertainties as to how the lands might be made available for hunting if in private ownership; and thus there are certain intrinsic values from the hunting standpoint in retaining them in public ownership, it is believed that the alternate section pattern of the lands is such that they probably would continue to be made available to public hunting. Also, it is believed that clear-cutting of the lands would not substantially affect in an adverse way the deer and elk population. Therefore, in order to be conservative, no differential value for hunting or other recreation is assumed, and these values are not included in the amount which the United States might pay for these lands.

RECEIPTS FROM AZTEC LANDS

Receipts from the Aztec-claimed-lands from June 26, 1942 (the date when the application for patent was first filed), to January 21, 1955 (the date of this appraisal), totaled $596,485.66. This does not include receipts from the mineralized section of $281.39.

VALUATION OF THE MINERALIZED SECTION

This section is No. 13, T. 14 N., R. 9 E., and totals a full 640 acres. It is not included in the appraisal, but its value is shown as a matter of interest as follows:

Timber, 6,832,000 board feet, at $9 per thousand	$61,488.00
Land, 640 acres, at $5 per acre	3,200.00
Receipts from mineralized section	281.39
Total	64,969.39

No differential water value is attributed to the mineralized section because the section lies entirely in the Salt River drainage, and both surface and subsurface water flows to the Salt River. Thus, regardless of whether the land were under sustained-yield management or subjected to a liquidation cut, the total water yield would go to the Salt River.

[2] This checks closely with the $10.46 which is the average price per thousand of timber actually cut from Aztec lands January 1, 1953 to January 1, 1955.

COMPARISON OF 1954 AND 1955 APPRAISALS

The only official appraisal of the Aztec lands heretofore made by the Forest Service was contained in Secretary Benson's letter of May 6, 1954, to Senator DWORSHAK, as chairman of the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs. The appraisal submitted to the Senate in 1954 was begun in 1953, and based on 1952 data. Following is a comparison of the key items in the 1954 and the current (1955) appraisals:

Item	1954	1955
Volume of timber	522,872,000 board-feet	507,562,000 board-feet.
Lumber selling price per thousand (log scale).	$101.59	$90.76.
Value of timber per thousand board-feet.	$12.20	$9.
Total value of timber	$6,427,838	$4,616,858.
Value of land	$482,425	$479,225.
Value of water	Not appraised	$805,800.
Value of hunting	do	$400,000, but not included in total.
Receipts	$499,000	$596,486.
Value of mineralized section	Included but not figured separately.	$64,969, but not included in total.
Total value	$7,409,263	$5,692,589 or $6,498,369, depending on whether the water value is excluded or included in total.

The main reasons for the differences in the total appraised value are as follows:

1. The average stumpage value of timber per thousand board-feet was $3.20 less in the current appraisal. This is due to a lower average selling price, log scale, of $10.83 per thousand as the result of a decline in the lumber market between the two appraisals. The total production costs were also lowered by $5.08 per thousand but this was not enough to offset the much larger decrease in selling price.

2. The value of the land is slightly less in the current appraisal due to the elimination of the mineralized section. The total value of the mineralized section of nearly $65,000 is eliminated from the present appraisal.

CONSERVATIVE ASPECTS OF PRESENT APPRAISAL

The present appraisal consists of the fair market value of the timber and land as of January 1955, and the receipts which are due the company. The value in the current appraisal is approximately $1,717,000 less than the appraised value in 1954, if a water value of $805,800 is excluded. Even if a water value were included, the current appraisal underruns the last appraisal by $911,000. This reduced value is due to market fluctuation in the price of lumber and the removal of 640 acres of land and timber. It is possible that at some subsequent date the price of lumber may be as high or higher than that used in the 1954 appraisal, with the appraised value back to or even above the 1954 figure. Today the Aztec land and timber is appraised at $5,692,589 but this estimate is conservative for the following reasons:

1. The long-range trend of timber values has been upward. Since 1945 the stumpage price received by the Forest Service for ponderosa pine in Arizona and New Mexico has more than doubled. With the supply of old-growth ponderosa pine decreasing, and demand holding firmer or increasing, it is reasonable that the price will continue to increase. The appraised price is therefore conservative, as it is based on the present market and not on continued upward trend in stumpage prices.

2. The capital value of the land of $400,000 for hunting is not included.

3. The differential water value of $805,800 is not included, and even if included represents only part of the total value of the land for water.

4. No specific valuation is given to some 45,000 cords of pole timber which would be left on the land even under liquidation cutting. There is a small pulp mill at Flagstaff and if there were further pulp development, this timber could well have an immediate market value.

5. The road construction costs may be too high, as all of the needed road construction is figured against the Aztec timber. It is quite probable that an owner of the Aztec timber might cooperate with the Government in the construction of the main access roads with the Forest Service and Aztec timber bearing its proportionate share of the cost. This would increase the value of the Aztec timber.

6. No value has been assigned to the improvements now on the Aztec lands. The movable improvements include the Dutch Joe lookout tower and cabin and administrative improvements on the Chevalon administrative site. To move these improvements and reerect on Government land will cost the Government an estimated $15,000.

7. No value has been placed on net timber growth that may accrue during the period of liquidation and since the volume estimate. The net volume of growth is estimated at 16 million board-feet and at $9 per thousand the value is $144,000.

TABLE 1.—*Estimate of timber volumes, Aztec timberlands, by units, Jan. 1, 1953, and Jan. 1, 1955*

[Board feet]

Unit	Cruised volume Jan. 1, 1953	Estimated volume of unsurveyed area	Volume cut Jan. 1, 1953, to Jan. 1, 1955	Deduct volume mineralized section	Volume, Jan. 1, 1955
Pinedale	17,631,000		311,850		17,319,150
Heber	85,200,370		911,890		84,288,480
Chevelon	111,006,190		7,632,510		103,373,680
Leonard	120,919,800				120,919,800
Buck Springs	89,774,650				89,774,650
Jacks Canyon	9,965,870				9,965,870
Long Valley	70,448,430			6,832,384	63,616,046
Toms Creek	17,926,220				17,926,220
Unsurveyed area (480 acres)		378,000			378,000
Total	522,872,530	378,000	8,856,250	6,832,384	507,561,896
Inoperable (speculative volume)					24,400,000

TABLE 2.—*Estimated logging costs,[1] Aztec timberlands, under both a 100-percent private liquidation cut and a 35-percent Foreign Service sustained-yield cut*

[Cost per thousand board-feet]

Items	35 percent volume cut Forest Service operation	100 percent cut private liquidation
Felling and bucking	$4.27	$4.27
Yarding	3.00	3.00
Decking at mill	.46	.46
Loading on trucks	1.50	1.50
Unloading at mill	.28	.28
Logging general expense	2.13	2.13
Road construction	1.66	1.18
Road maintenance	.80	.80
Transportation	9.40	9.40
Slash disposal	1.55	
Erosion control	.25	
Snag felling	.55	
Total	25.85	23.02

[1] Based on costs from Southwest Lumber Mills at Flagstaff, McNary, and Heber, and the Nagel Lumber & Timber Co. at Winslow.

TABLE 3.—*Average manufacturing costs (1953) used in the Aztec timber appraisal*[1]

	Cost per thousand board-feet
Sawing (pond to green chain)	$9.06
Pull, sort, and load on trucks	.47
Haul lumber to planer	.81
Pull, sort, and stack in yard	2.69
Unload trucks and stack in yard	.20
Dry yard expense	2.35
Planing mill	4.81
Shipping	1.94
General expense	7.24
Selling expense	5.87
Total cost, lumber tally	35.44
Overrun 10 percent	3.54
Total cost, log scale	39.98
Equipment and plant depreciation, log scale	5.28
Total	44.26

[1] Based on costs from Southwest Lumber Mills at Flagstaff, McNary, and Heber; Winslow Timber Co., Winslow; Nagel Lumber & Timber Co., Winslow; Duke City Lumber Co., Albuquerque; and Whiting Bros., Winslow.

TABLE 4.—*Value of Aztec timber per thousand board-feet under Forest Service sustained yield management*

	Per thousand board-feet
Lumber selling price (lumber tally)	$82.51
Adjustment to convert to log-scale measurement (10 percent overrun)	8.25
Selling price, log scale	90.76
Logging cost, log scale	25.85
Manufacturing cost and plant and equipment depreciation, log scale	44.26
Total costs of production	70.11
Selling price, less production cost	20.65
Allowance for profit and ordinary business risks (12 percent of production costs and stumpage)	9.70
Stumpage value (line 7 minus line 8)	10.95

APPENDIX A

VALUATION OF WATER

1. Water yields:

Average annual precipitation, 20–25 inches.

Average annual water yield, 0.241 acre-foot per acre.

Annual water yield for Aztec lands (95,845 acres by 0.241), 23,100 acre-feet.

	Under Forest Service sustained-yield management	Under private liquidation
Annual yield to Little Colorado drainage	[1] 14,400	[1] 16,200
Yield to Salt River drainage	[2] 2,400 [3] 6,300	[2] 2,700 [3] 4,200
Total to Salt River	[1] 8,700	[1] 6,900

[1] Acre-feet.
[2] Surface acre-feet.
[3] Subsurface acre-feet.

2. Estimated value of water per acre-feet:

	Per acre foot
(1) Salt River drainage:	
(a) Cost value of water:	
94.5 percent used for agriculture at $4.34 per acre-feet	$4.10
5.5 percent for municipal and industrial use at $18 per acre-feet	.99
Total	5.09
(b) Additional water values:	
All water is used for power at	5.23
Water value capitalized into land value (94.5 percent of $4.35)	4.11
Total water value	14.43

The value of the water capitalized into the land value itemized in the above listing for Salt River water values as $4.11 per acre foot was derived as follows:

	Per acre
Average value of irrigated land without improvements	$750
Average value of nonirrigated land without improvements	25
Difference in land value due to irrigation	$725

The net land income annually from this differential value of $725 per acre at 3 percent is $21.75 per acre. This may be fairly attributed to the fact that water is available for this land. The value of water of $4.34 per acre-foot under the Salt River tabulation above on "cost value of water" is a cost of production value only, since the Salt River Valley Water Users Association is a nonprofit organization. Since irrigated land requires an average of 5 acre-feet of water per acre, the estimated increased value to the land per acre-foot of water is $4.35 and, since only 94½ percent of the total acre-foot yield goes into agricultural use, this value prorated over the total yield is $4.11 per acre foot.

(2) Little Colorado River:

There is no way to accurately estimate the value of the water in the Little Colorado drainage. Some of it reaches Lake Mead; some is evaporated; some sinks into the ground and is added to the groundwater table; and some is used to irrigate the 16,100 acres of irrigated land in Navajo County. These lands are less productive than those in the Salt River Valley. Considering all these factors, an estimated value of $1 per acre-foot is assigned to the water flowing to the Little Colorado River. This is believed to be very conservative.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 55) was ordered to be engrossed for a third reading, read the third time, and passed.

FORTY-SECOND ANNUAL CONVENTION OF NATIONAL RIVERS AND HARBORS CONGRESS

Mr. JOHNSON of Texas. Mr. President, our distinguished colleague in the House, Representative OVERTON BROOKS, has asked me to announce to the Senate that the 42d annual convention of the National Rivers and Harbors Congress will begin on Tuesday, May 31. All Members of Congress are ex-officio members of the National Rivers and Harbors Congress and are urged to attend and participate in the sessions. A very excellent program concerning water utilization has been prepared.

Mr. President, I desire to make an announcement relating to the business to come before the Senate.

The PRESIDING OFFICER. The Senator from Texas may proceed.

LEGISLATIVE AND EXECUTIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I wish the Senate to be on notice that the only remaining item on the Executive Calendar will be considered on next Tuesday. That is the convention on Great Lakes Fisheries between the United States of America and Canada, which was reported on May 23 by the distinguished junior Senator from Minnesota [Mr. HUMPHREY].

The Senate would have considered the convention today, except that, in order to accommodate the convenience of several Members, I had stated that we would try to avoid having any yea-and-nay votes. However, I should like all Senators to know that on either Tuesday or Wednesday of next week the Great Lakes Fisheries Convention will be brought before the Senate.

I understand the convention was unanimously reported by the Committee on Foreign Relations; but, in accordance with the practice of the leadership, it is desired to have a yea-and-nay vote on the convention.

Also, for the information of the Senate, I announce again that the Senate will consider on next Tuesday the State Department appropriation bill. The mutual security bill probably will be reported to the Senate by then and be available for consideration on that day.

It is hoped that early consideration may be given to the postal pay bill, which has been reported today by the Committee on Post Office and Civil Service.

It is my understanding that the Committee on Banking and Currency, of which the distinguished senior Senator from Oregon [Mr. MORSE], who is now on the floor, is a member, hopes to report a housing bill. If it is reported as expected, it is my hope that the housing bill may be considered sometime next week.

Mr. President, only 11 bills remain on the Legislative Calendar. I again call attention to the fact that we are considerably ahead of schedule on the appropriation bills, due to the very excellent work which has been done by the Committee on Appropriations, which is headed by that experienced legislative veteran, the Senator from Arizona [Mr. HAYDEN]. Only one appropriation bill is in conference.

If action can be had on the minimum wage bill, it is my plan to schedule it for consideration by the Senate as soon as it is reported by the committee. The same is true of the school construction bill.

Priority has not been given to any measures in the Senate thus far this session. It has not been necessary to do so because of the fine cooperation of all Members of the Senate. For the most part bills remain on the calendar only a few days until the Senate has a chance to act upon them.

So, although there has been propaganda and talk by some uninformed or ill informed persons about measures which have priority, I should like the Senate and the country to know that if the committees will report the bills—and I do not urge them to do so until they have thoroughly considered them and have reached full accord on them—the policy committee and, I am certain, the minority leader will cooperate as he has in the past, will schedule the bills quickly and urge prompt action by the Senate.

Mr. POTTER. Mr. President, will the distinguished majority leader yield?

Mr. JOHNSON of Texas. I yield.

Mr. POTTER. I am sorry I did not hear the beginning of the majority leader's statement. When did he say he would call up the Great Lakes Fisheries Convention?

Mr. JOHNSON of Texas. Assurance has been given by the leadership that the convention would not be considered until a yea-and-nay vote could be had. I think the earliest possible date for consideration of the convention will be next Tuesday or Wednesday.

The distinguished senior Senator from Michigan has spoken with me on several occasions about the fisheries convention. I am anxious to cooperate with him, as he has always cooperated with the Democratic side of the aisle, particularly with the leadership. If it is possible to call up the convention on next Tuesday, that will be done.

Mr. President, the Senate will meet at 10 o'clock tomorrow morning. It is not planned to transact any business tomorrow. Some Senators may have statements to make or insertions to place in the RECORD; but there will be no votes.

The Senate will meet at 10 o'clock tomorrow to accommodate the employees of the Capitol, so that they may, perhaps, be able to begin their holiday weekend earlier than otherwise. I hope they may get a long deserved rest this weekend, over Memorial Day, because I anticipate that during June and July it will be necessary to spend many more hours in the Senate Chamber than were spent during the first few months of the session.

Again I wish to express my gratitude to every Member of the Senate for his helpfulness in expediting the business of the Senate.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the following enrolled joint resolutions, and they were signed by the Acting President pro tempore:

S. J. Res. 18. Joint resolution to provide for the reappointment of Dr. Jerome C. Hunsaker as Citizen Regent of the Board of Regents of the Smithsonian Institution; and

H. J. Res. 310. Joint resolution making additional appropriations for the fiscal year ending June 30, 1955, and for other purposes.

THE SALK VACCINE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks the text of a column written by Drew Pearson, which was published in the Washington Post and Times Herald of yesterday, relating to the Salk vaccine matter; and also an editorial which was published in this morning's Washington Post and Times Herald on the same subject. I wish to make some comments about the insertions.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 25, 1955]

THE WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

BACKGROUND OF SALK VACCINE MIXUP

To understand the whole mixed-up story of the Salk vaccine you have to go back about a year when Dr. Salk first gave his field tests to about a quarter of a million children.

Before that he had given the vaccine to his own children and shortly after the field tests he became so confident of its success that he approached the various drug companies asking them to begin preparing for large-scale manufacture.

He knew that to extract and treat monkey kidneys in such a way that no live virus remained in the serum would be complicated when done by newcomers and done on a large scale. He also knew there would be a tremendous demand for the vaccine, once it results were announced.

So he patiently propositioned some of the top drug companies of the Nation. Most, however, turned him down. They weren't ready to invest any money in advance, wanted to be sure they had a hard-and-fast proposition.

Only exception was Parke-Davis in Detroit, which did make a sizable investment and which, as a result, was the first company to have its vaccine completely cleared by the Public Health Service.

BASIL O'CONNOR'S FAITH

After Dr. Salk had knocked his head against the stone wall of pharmaceutical inaction, Basil O'Connor, head of the Infantile Paralysis Foundation, made a daring move. He had faith in the vaccine, even before the final evaluation was announced. He also knew there would be a terrific demand for the vaccine once the final results were announced. So he invested $9 million of the Foundation's funds in advance orders with the drug companies. He even borrowed the money to do this.

It was only after the drug companies got this $9-million order that they began to develop the new vaccine.

However, out of the first amount they produced they reported 500,000 cc did not go to the Polio Foundation which had borrowed the money to make possible the manufacture, but was shipped to the drug companies' regular commercial distributors.

That was how Cutter Laboratories' vaccine happened to be found a few days after the release on April 12 all the way from Mexico to Arlington, Va.

That was also how, out of the first fatalities resulting from the inoculations, five were the children of doctors. Doctors got the vaccine first and used it on their own children. Unfortunately some of it was Cutter vaccine which has now been withdrawn.

NOTE.—The Cutter Laboratories had had one criminal conviction in 1949 as a result of a Food and Drug Administration complaint that they failed to sterilize certain water solutions.

DRUG PROFITS

Senate investigators have learned that stock-market speculators got an advance tip on the Salk vaccine and invested heavily in the six drug companies. These companies are expected to make $20 million profits this year alone.

Ironically, Dr. Salk will get nothing. He may not even get some of the rewards proposed for him in Congress. Many Congressmen have introduced bills suggesting resolutions of thanks, or pensions, or medals for Dr. Salk. But all such House resolutions have gone to the Labor and Education Committee whose chairman, Representative GRAHAM BARDEN, North Carolina Democrat, says privately that he won't let a single Salk resolution out for a vote on the House floor.

Meanwhile, Canada, according to Senator NEUBERGER, of Oregon, is charging only $1.50 for three Salk vaccine shots, in contrast to the wholesale cost in the United States of $4.20 to $4.50.

"The announcement of Salk polio success on April 12 found Canada with a program," Senator NEUBERGER states. "The Government of the great United States had none.

"The Canadian Government bought up the entire production of the Connaught Medical Research Laboratories, and as a result sufficient supplies have been available in Canada."

NEUBERGER might have added that 1 month prior to April 12, Dr. Martha Eliot, Director of the Children's Bureau under Mrs. Hobby, warned that some action should be taken to prepare for the national distribution of Salk vaccine. So did Dr. Leonard Scheele, the Surgeon General. Mrs. Hobby, however, ignored the advice.

[From the Washington Post and Times Herald of May 26, 1955]

POLIO IN PERSPECTIVE

It is reassuring to have the Surgeon General's statement that all Salk antipolio vaccine given to children so far this year is safe, "with the exception of two lots of vaccine produced by the Cutter Laboratories." It is also reassuring, in a sense, to find the Public Health Service now proceeding so cautiously in the matter of authorizing continuance of the mass immunization program. A great deal of anxiety and confusion might have been averted had this caution been manifested earlier.

Every day of delay in getting school children inoculated reduces the chance that the program can be carried out before the summer vacation period when children will be less readily available. This is a misfortune in the case of the children who have received one shot and who may be unable to receive the second within the prescribed interval. But it is no great tragedy so far as the rest of the child population is concerned. Happily, the country is not now in the grip of a polio epidemic, and the incidence of the disease, it may reasonably be hoped, will not be widespread this year.

Without minimizing in any way the dangers of polio or the pathetic nature of this dread affliction, it is a good idea to look at it in perspective. In 1949, the most recent year for which detailed figures are available to us, there were 34,404 deaths from all causes among youngsters between 1 and 14 years of age. The leading causes of mortality in this age group and the number of deaths attributed to them were, in order: accidents, 10,278; influenza and pneumonia, 3,223; cancer and leukemia, 2,862; congenital malformations, 2,085; tuberculosis, 1,302; acute poliomyelitis, 1,282. Polio is perhaps more fearful as a crippler than as a killer. But it is worth remembering that, according to the best available estimates, four times as many children are crippled each year by rheumatic fever as by polio. Through the country as a whole, apart from epidemic areas, a pregnant woman stands more chance of being in an automobile accident than of contracting polio.

These statistics are presented with no thought of diminishing the country's rejoicing over Dr. Salk's great discovery. Very probably the Salk vaccine will help speed the doom of one of childhood's saddest afflictions. We suggest only that there will be no occasion for panic or alarm if the administration of the Salk vaccine is delayed until next fall. Care and caution are indispensable safeguards in this kind of preventive medicine.

Mr. MORSE. Mr. President, in addition to what appears in these articles, I wish to say with respect to the problem that not very long ago there was a small group of us here in the Senate who were subjected to great castigation and criticism because we raised objections to the handling of the Salk vaccine. It is very interesting to note that some of our former critics realize now that we did not utter any criticisms until we knew the facts. The senior Senator from Oregon never uttered a word of criticism against the Salk vaccine program until he had been briefed by competent medical authorities, who were fully familiar with what had transpired in connection with the program.

As the RECORD will show, I made two criticisms of happenings that caused me to reach the conclusion that the whole program had been handled incompetently by the Secretary of the Department of Health, Education, and Welfare. I repeat the charge of incompetency today, and say the record proves my charges.

Those criticisms were two major ones. The first one was that no planning for fair distribution of the vaccine had ever been made during the weeks preceding the announcement on April 12, when the Secretary knew full well that the vaccine was going to prove to be a success and that fact was going to be announced.

Before the Committee on Labor and Public Welfare she was asked by the distinguished Senator from New York why plans had not been made for a fair distribution of the vaccine. She uttered the very astounding observation that of course it was a new drug, and they did not realize there was going to be such a great public demand. I do not quote her verbatim, but I paraphrase her testimony accurately.

Of course, that is a startling conclusion on the part of the Secretary, because she should have known that millions of

American parents, once they knew the vaccine had been proved, in an overwhelming number of cases, to be a successful preventive of polio, would have demanded the vaccine. That was the first mistake which was made in regard to the problem.

The success of the vaccine was announced on April 12. On April 14 I introduced a bill to empower the Federal Government, during the period of short supply, to take over the distribution of the vaccine in the order of age susceptibility to polio.

Mr. President, the bill was sound on April 14, and it is still sound.

It is interesting to note that the procedure embodied in the provisions of my bill was followed by Canada, to the north of us, and followed without a single criticism that I have heard to date, and the vaccine is being distributed in Canada, and, interestingly enough, free, as far as inoculations are concerned, to the children of Canada, in the order of their susceptibility to polio.

Mr. President, I have not changed my position on this question. I still think it is regrettable that we have not followed a similar course of action in this country. When the vaccine was first announced on April 12, it was also announced there probably would be a short supply for from 12 to 14 months. The testing problem was not contemplated at that time, even by the authorities who had the responsibility for making the vaccine available to the public. With the checking and testing problems with which we are confronted, the period of short supply will probably be extended considerably beyond the 12 or 14 months originally estimated.

It seems to me the question of what the period will be is an academic question, but whatever the period, I think the Federal Government, through the Department of Health, Education, and Welfare, has a clear moral, and I think legal, responsibility to the American people, in protecting their health, to see to it that Dr. Salk's vaccine discovery—which was a thrilling discovery, a great dscovery—should be made available to the children of this country in the order of their susceptibility to polio.

Mr. President, as I try to evaluate that moral obligation of a government to its people, I just cannot imagine a responsibility of the Federal Government more characterized by a moral obligation than the obligation of the Government at this time to see to it that the distribution of this great discovery is handled in a way which will protect, to the maximum standard possible, the health of the American people in respect to the danger of a polio scourge.

I do not think representative government deserves the name if in a situation such as this the Government does not proceed to protect its people.

Mr. President, what do you suppose we would do in this country if we could know for a certainty that, come next week, a certain number of people would be subjected to some great disaster unless we took a preventive course of action now? Mr. President, you know what we would do. We would insist that we take a preventive course of action.

I shall employ an exaggerated analogy to illustrate what I think is a moral principle and one which I think we have a moral obligation to assume. Suppose a Senator walked down the floor of the Senate this afternoon with a bill, and presented to us facts which supported the bill, and was able to sustain the contention that if we passed that bill this afternoon we would be able to prevent, 1 week from today, what otherwise would be certain to happen, namely, the loss of 1,000 lives of fellow Americans. How much time would it take us to get the bill through the Senate? How much time would it take to get the bill through the House? Just a matter of minutes, and we would say to the Federal official involved, "You proceed, under the obligations in the bill."

I translate that analogy to the Salk vaccine problem which confronted the Senate of the United States. The announcement of the discovery was on April 12, and then came the announcement by the Government that there would not be enough to go around. Yet we have the expert medical opinion, which no one questions, that the susceptibility to polio is greatest in the 5-to-10-year-age bracket; then the 1-to-5-year-age bracket; then the boys and girls in the age bracket of 10 to 18; and pregnant women have a susceptibility to polio equal to that of boys and girls in the ages of 5 to 10. That is the medical opinion. Who wants to rise on the floor to question it? Not a Member of this body. My statement is not based on my expert knowledge, but on the expert knowledge of the medical profession. Do my colleagues mean we should sit here and permit a system to be adopted that is not going to permit the distribution of the Salk vaccine to children in the order of their susceptibility to polio?

I repeat what I said the other day, Mr. President: Consider the so-called voluntary plan, the plan which supposedly has been worked out on a voluntary basis. It is an administrative monstrosity. Canada, to the north of us, is putting us to shame.

So, Mr. President, the first problem we should have faced—and we should have faced it quickly—is that of fair distribution, with the Federal Government assuming its clear moral obligation to see to it that a vaccine is distrubuted by law, by the exercise of the lawful powers of the Government, to the boys and girls of the country, in accordance with what the medical profession tells us is their susceptibility by age to polio. That is problem No. 1.

Of course, problem No. 1 includes the entire question of how these inoculations are to be financed. I have been all morning in the Foreign Relations Committee, Mr. President, where we have been dealing with a bill calling for the authorization, not of a few million dollars, but of hundreds of millions of dollars. The Senator from Minnesota has been sitting with me on the committee. Billions of dollars are involved in the foreign-aid program. For 10 years I have supported foreign-aid programs, and I intend to continue to do so. But it is interesting to note how, in connection with the foreign-aid program, we appropriate millions and millions of dollars for health programs abroad—and I am in favor of providing money to help with health programs abroad—whereas the expenditure of a relatively small amount of money in the United States would make this precious vaccine available to all the boys and girls of our country.

Mr. President, our boys and girls constitute the most valuable wealth we have, because the wealth of our country is in its people, and nothing else. After all, Mr. President, what is a factory worth, as compared to the worth of a boy or a girl? As Senators, we have an obligation to think in terms of these great moral and spiritual values, not always to take the materialistic approach to these problems.

In this case we are dealing with a precious wealth of our Nation, namely, our boys and girls. Yet, around here there is a large amount of quibbling as to whether giving them free inoculations, regardless of the financial status of their parents, would amount to some form of "creeping socialism." Mr. President, it makes me simply disgusted to observe that apparently we have so little appreciation of great human values. Our problem of helping to stem the tide of polio in this country has nothing to do with the wealth of parents. It has to do with the moral responsibility which we, as legislators, owe to all the children of the country.

Mr. President, we have more free programs for checking hog cholera and Bang's disease in cattle than apparently we are willing to support in regard to checking polio in the boys and girls of America. I own a small herd of cattle in Maryland. The other day, I received written notice from the agricultural officials that I can have all those cattle vaccinated for nothing, for Bang's disease. I can afford to pay for those vaccinations. But why am I encouraged to have those cattle vaccinated free of charge? It is because the officials know that in this country we have a great livestock health program, and we do not wish to give anyone an excuse for not vaccinating his cattle, because if I keep a herd of cattle which have Bang's disease, my neighbor's cattle are likely to contract the disease from my herd.

Mr. President, although we do not know all the causes, and although we do not know just how the disease spreads, yet the evidence is rather clear that there are some contagious phases of polio. Certainly we have a clear legal and moral duty to protect the children of the country as much as we protect the hogs and the cattle. So the second problem confronting us is that in regard to paying for these innoculations.

The third problem is a touchy one, one which raises blood pressures and tempers, one which is causing a great deal of concern, because the record in this case is a sorry one, too. I refer to guaranteeing to the American people that the vaccine, when issued by the pharmaceutical societies, is safe. Mr. President, you should read some of the editorials on some of the statements I have previously made on this subject; or you should read

the Luce publication in New York—and, Mr. President, that word can be spelled either way, for my money—about what my statements are supposed to have done in regard to undermining the program. Mr. President, I have not undermined the program. I have spoken for the protection of the boys and girls of the country, and subsequent events have proved how correct I was. I did not express any expert knowledge on this matter. I only related to the Senate, in my first criticism of the program, what very competent medical authorities in confidential briefings had told me.

Mr. President, we have on the statute books, under the food and drug laws, the administrative power, vested in the National Institute of Health of the Department of Health, Education, and Welfare, to see to it that the Government itself doublechecks this vaccine before any of it is issued. When we pick up the newspapers, this morning, we find stories to the effect that the companies are objecting to the testing program. We have not yet been told the details of the testing program, but I know a little bit about it. But the drug companies think the testing program is going to be too stringent upon them.

Mr. President, in my judgment, in the case of this type of vaccine, the parents of America—because of the horrible effects of the disease upon precious boys and girls—have a right to say to the Federal Government, "See to it that the testing procedures are so adequate that there is no danger that impure vaccine will get into the channels of commerce or into the blood streams of our boys and girls."

That is all I asked for in the first place, Mr. President. I asked for it in the first place because medical authorities had warned me that they were very fearful of what was not being done in connection with the testing program.

Mr. President, let me say that one of the authorities made very clear to me that, on the matter of rechecking, after they first discovered that some impure vaccine had gotten into the blood streams of boys and girls—and, Mr. President, let us not forget this, and this is what I discover from some of my correspondence is not generally known—the Federal Government did not test the vaccine. By that I mean the Federal Government did not test the vaccine which comes from batches X, Y, and Z of various companies in this country. I am advised that the Federal Government's testing was limited to the so-called pilot-plant batches, which were tested when the experiment was still being conducted. But after a formula was worked out the Government simply turned over to the drug companies the responsibility for manufacturing the vaccine and the responsibility for releasing it to the public, without having the Federal officials check on each batch. That is what I believe is very dangerous.

Mr. President, what is the answer to my argument? It is that a polio-epidemic period is coming on, and that a choice must be made between speed and time; and that if inoculations are made with some vaccine which may not necessarily be pure, that is a calculated risk which must be run?

Mr. President, I believe that had they started soon enough, and had they worked out their testing procedures soon enough, we would not be in the mess we are in, and we would not have to conflict which is going on. The sad thing, as so often happens when there is conflict within the medical fraternity, is that the public is not let in on it if they can keep it secret. I understand that. I can see certain justification for it. Nevertheless, we are the people's watchdogs. The medical fraternity in this country has no monopoly right to determine what health policies shall be from the standpoint of legislative responsibility. That is our duty. I will never vote in the Senate to delegate to the medical profession complete control over medical policy in this country so far as the legislative responsibilities of the representatives of the people are concerned. No Member of this body will fight harder to protect the medical profession in its legitimate rights, including its right to the private practice of medicine.

But when we come to public-health questions, and what shall be the public-health policy of our Government, that happens to be our responsibility, and not the responsibility of the medical profession. In respect to that policy they function as the servants of the American people. I happen to believe that doctors, like lawyers, are public officials. Whenever we grant any great profession the license to practice upon the public, its members assume a public responsibility of great trust. They really function as public officials. That is why I have always said that I do not recognize such a thing as a private practitioner of the law. There is no such person in my book. When one becomes a lawyer and is admitted to practice before a court he becomes a man of great public trust, and his first responsibility is to the public, and not to his clients.

Likewise, the medical profession has a great moral responsibility to the public, and we, the Congress, have a duty to see to it that we enact legislation which lays out a framework of public-health policy, with respect to which we have the right to say to the medical profession, "You must operate within that framework until you can demonstrate to us that the framework needs to be modified."

Let us apply that principle to the matter of the Salk vaccine.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. First of all, permit me to commend the Senator not only for these remarks, but for the vigilance and perception which he has demonstrated in connection with this very critical problem.

I think the Senator from Oregon will be interested to know that, from my own personal contacts with members of the National Institutes of Health, as well as the Surgeon General, I can testify that what the Senator has had to say with reference to testing is accurate. During the period of the field tests to which the Senator referred, in the experimental stage, three tests were made on every batch of vaccine. One was made at the Salk laboratory, one at the manufacturers' laboratories, and one at the National Institutes of Health. The Senator is correct when he says that once this vaccine became licensed tests were reserved for the manufacturer's laboratory, and approximately 1 out of every 7 batches was tested by spot check by the National Institutes of Health. I am positively confident of the veracity and accuracy of my statement in that connection.

Furthermore, I wish to say to the Senator that the Government of the United States licensed this vaccine. I had a conference with Dr. Scheele, the Surgeon General, on Friday last. In that conference I called his attention to the responsibility of the Government of the United States once an official governmental license had been granted for a particular vaccine.

Such license is granted under the terms of the Biologics Control Act, which is the basic law relating to vaccines and serums.

I told Dr. Scheele then—and I know the Senator from Oregon will be interested in this, because it expresses his own sentiments—that the professional reputation of the United States Public Health Service and the integrity of the Government of the United States were at stake in the Salk vaccine controversy; and that he, as Surgeon General, should always make his judgments on the side of caution and prudence, and permit no pressure from any source to push his hand in any direction which he professionally did not think was desirable.

Finally, let me say to the Senator from Oregon, in reference to the drug houses, that I, as one United States Senator, told Dr. Scheele last Friday, after some discussion with him in which we considered some of the difficulties, that if any drug house or any manufacturer's laboratory had the unmitigated gall or selfishness to tell him as Surgeon General that any standards or tests he might insist upon were impeding their operations or causing them difficulty, all he would have to do would be to tell a few United States Senators, and we would see who was on the right side.

Let us make it crystal clear right now that it is not a question of whether or not the manufacturing laboratories are happy or unhappy. It is not a question of whether they like the regulations or not. It is not a question of whether they think the tests are too rigid or not. They are licensed by the Government of the United States; and it is the duty of the Surgeon General to impose severe restrictions in terms of safety, to guarantee safety and efficacy.

There is not a drug house that dares to say to the American people that we must hurry because of their investment. There is not one that dares impose its judgment upon that of the United States Surgeon General and his advisory committee.

I suggest most respectfully to my friends in the drug laboratories that they do their job of producing a vaccine which

is efficient and safe, and leave it to the United States Surgeon General, the Public Health Service, the National Institutes of Health, and the competent medical advisory committees to determine the standards—standards which should have been determined long ago, as the Senator from Oregon has said.

The Senator from Oregon is correct. I know this is a touchy subject, but I believe that we owe the Senator from Oregon a debt of gratitude for bringing this subject up on the floor of the Senate. I have known about much of this for 2 weeks. As the Senator knows, I have literally hushed my tongue, because this is a very delicate matter. But the time is at hand to say frankly that there was dereliction of responsibility in the testing. There is no doubt about it. There has been slowness in bringing people to task in terms of the standards which should be imposed. At long last I am happy to see the United States Public Health Service doing what it is supposed to do, and that is serving the public and protecting the health and welfare of the children.

I thank the Senator from Oregon. He has rendered a great service to his country and to millions of children. I urge him not to worry about what any 20-cent magazine—overpriced, by the way—has to say.

Mr. MORSE. Mr. President, I am deeply moved by the statement of the Senator from Minnesota. I wish to say a word at this moment to the members of the press gallery, because if I did not say this word they would not believe what the facts are. I have known for more than 2 weeks that the Senator from Minnesota has been in consultation with some of the medical authorities to whom I have referred. I have never talked with the Senator from Minnesota on this subject, but these authorities advised me that he was another person who knew what they were telling me. As the Senator from Minnesota can testify, I have never said a word to him about this subject until just before I took the floor this afternoon. The Senator from Minnesota asked me, "What are you going to talk about?" He said, "I think I am to be recognized next."

I said, "You had better make arrangements with the Senator from Texas [Mr. JOHNSON], because I understand that I am to be recognized next. I intend to talk about the Salk vaccine."

The Senator from Minnesota said that he would listen with great interest, because he was very much interested in the position I had taken, and that he thought I was right. That was the first time the Senator from Minnesota ever said a word to me about a situation with respect to which I knew all along he likewise had been thoroughly briefed.

I also happen to know that the Senator from Minnesota has been waiting for certain other information. I am greatly indebted to the Senator from Minnesota for the magnificent and courageous statement he has just made on the floor of the Senate. All we are trying to do is to get the facts on the subject and to make certain that necessary precautions are taken in order to protect the boys and girls of this country from impure vaccine.

There is another fact I wish to bring to the attention of the Senate. I emphasize it with all the vigor at my command. I refer to the soundness of the position the Senator from Minnesota took when he reported what he told the Public Health Service the other day, namely, that it was their clear duty to see to it that every reasonable caution is exercised in testing the vaccine so far as the drug companies are concerned. We cannot give carte blanche authority to drug companies on a matter such as this, if a mistake in manufacture is made, and some impure vaccine gets into the blood stream of American boys and girls.

We have already seen that a drug company did make a mistake. That fact at least supports a reasonable inference that there is a causitive effect.

I have talked about innoculations being a preventive not only with regard to the people innoculated, but also with regard to the spread of polio to age groups above and below. That is the medical testimony, and that is why I believe the Government has the great obligation to go ahead with the program.

I wish to say something about the testing and rechecking and the delays the testing and rechecking cause. That is where time pressure comes in.

The Senator from Oregon has been castigated in the press by people who do not know what the Senator from Oregon knows about the situation. Of course, there has been a delay, and as a result there may be a spread of the polio epidemic. I am not responsible for the fact that precautionary steps were not taken in the first place. We are now faced with that fact. We have had evidence accumulate that more stringent precautions are necessary. I do not know what is proposed, but I hope that what I read in the newspaper this morning will substantiate my hope, namely, that the Public Health Service now at long last is going to see to it that the Public Health Service will exercise the legal rights it has under existing law. The Public Health Service has all the power it needs. We do not need to enact one piece of legislation so far as the checking and testing of the vaccine is concerned. The Public Health authority has the power now to insist that every precautionary step be taken to guarantee to the mothers and fathers of this country that we are not going to have vaccine used which might itself be causative of polio.

One bit of information has been given to me which disturbs me quite a bit. That is whether there will be a yielding to some shortcuts in the testing. I have been reliably informed that it takes from 60 to 90 days to test the vaccine, unless some perfectly good shortcut can be devised. I have been advised that if a sound method of testing is to be followed on a quantity of vaccine, it must be injected into an animal, a period of incubation must follow, and the animal must be killed and dissected and its tissues examined, and that that process takes not less than 60 days.

Apparently, the pressure is on to speed it up. It may be that further information and further facts discovered by the medical authorities will justify not going through that procedure in regard to the vaccine that has already been manufactured, although I understand there is good medical authority of the opinion that every bit of that vaccine ought to be put through that kind of testing procedure. I am not competent to testify on that. I do not know about that. However, I have the duty to raise that question.

I wish to say again that Dr. Salk will go down in medical history as one of the great medical discoverers of our entire history. As I said on April 14, I believe he has brought forth a thrilling discovery for the betterment of mankind. I do not want to see that great thrilling discovery of Dr. Salk in any way damaged because of a failure on the part of our Government to follow the precautionary measures necessary to protect the American public. Although some of the editorials and newspaper stories are to the effect that I have been charging that the vaccine is not a success, that is not true. I have said in every speech I have made on the subject that I accept the medical finding that it is a great success. A medical finding, of course, is based upon the use of a vaccine that is pure, and upon the use of a vaccine that has been so adequately tested that there is no danger that live cells are being left in the vaccine.

I have been briefed on all the technicalities in regard to the various types of suspension liquids that are used. That does not concern us in the Senate. All that should concern us is that we say to the Public Health Service and that we say to the Secretary of Health, Education, and Welfare: "The American people are entitled to the assurance that you, as the people's public health representatives, are under the law exercising your powers and your duties in seeing to it that the vaccine which is released from the drug houses is harmless in the sense that it is not possible for it to cause polio."

As the Senator from Minnesota [Mr. HUMPHREY] has pointed out, if they will do that, then no drug company and no medical association is going to dictate to the Government of the United States what the American people are going to receive by way of public-health protection. That is the Government's responsibility. I ask only that the Government officials charged with that responsibility carry out their duty.

I retract not one word of criticism I have made in the past. I am pleased, however, to state on the floor of the Senate, that the developments of the last 2 or 3 days give great hope that at long last our Government, at least in regard to the matter of testing, is about to do what it should have done in the first place. There still remains the duty for Congress to decide the matter of the distribution and free inoculations.

Again I recommend to our Government the Canadian experience. I believe we ought to be big enough to admit it when another government does a bet-

ter job than we have done. It is perfectly clear that the Canadian Government has far outstripped us when it comes to the protection of the public interest.

THE LADEJINSKY CASE AND SECURITY REFORMS

Mr. HUMPHREY. Mr. President, under an Associated Press byline the following information is brought to us:

Ladejinsky case brings security setup reforms.

I ask unanimous consent that the Associated Press article, as published in the Washington Evening Star of yesterday, be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LADEJINSKY CASE BRINGS SECURITY SETUP REFORMS

The Agricultural Department which reaped widespread criticism for its handling of the controversial Wolf Ladejinsky case, is reforming its security procedures.

Asked whether this resulted from adverse reaction to the Department's disposition of the Ladejinsky case, Mr. Benson said "not particularly." "Rather," he said, "it is in line with the Department's continuing efforts to improve its housekeeping functions."

But the setting up of the permanent review committee is a direct result of the Ladejinsky case. Its creation was recommended by a special five-member committee named by Mr. Benson to study and make recommendations for the handling of security cases.

He told a news conference he has approved this recommendation and has set up a permanent committee headed by Under Secretary True D. Morse.

CASSITY TO SIT IN

J. Glen Cassity, the Department's security officer, and a key figure in the Ladejinsky controversy, will sit in on meetings of the committee but will not have a vote, Mr. Benson said.

Milan Smith, a special assistant to Mr. Benson who, with Mr. Cassity, bore the brunt of the criticism in the Ladejinsky case, will be an ex officio member of the committee.

A furor followed a ruling by the Department last December that Mr. Ladejinsky was a security risk. The Department refused to hire him when his job as Agriculture Attaché in Tokyo was transferred from the State Department to Agriculture.

Harold Stassen, head of Foreign Aid Operations, subsequently gave Mr. Ladejinsky complete security clearance and sent him to Viet-Nam to direct land reform.

Mr. Ladejinsky is Russian born but had a reputation among friends and associates as an anti-Communist.

WILL ASSIST PROGRAM

As Mr. Benson explained it, the new committee will "help direct the security program in the Department."

"He has always thought," Mr. Benson said, "that there is safety in counsel."

Presumably Mr. Cassity will put all security cases before the committee for review before any action is taken. Mr. Benson said "the committee will review security matters in connection with job applicants as well as persons already employed by the Department."

"In addition to Mr. Morse," Mr. Benson said, "the security review committee will be composed of Ralph Roberts, Administrative Assistant Secretary of Agriculture, General Counsel Robert Farrington, who headed the special committee, MacHenry Schaefer, Personnel Director, and Mr. Smith as ex officio member."

Mr. HUMPHREY. Mr. President, in looking over the news story to which I have referred I find that the Secretary of Agriculture, Mr. Benson, is setting up a permanent review committee to examine all security cases. I shall read a portion of the news story:

The Agricultural Department, which reaped widespread criticism for its handling of the controversial Wolf Ladejinsky case, is reforming its security procedures.

Asked whether this resulted from adverse reaction to the Department's disposition of the Ladejinsky case, Mr. Benson said "not particularly." "Rather," he said, "it is in line with the Department's continuing efforts to improve its housekeeping functions."

But the setting up of the permanent review committee is a direct result of the Ladejinsky case. Its creation was recommended by a special five-member committee named by Mr. Benson to study and make recommendations for the handling of security cases.

First of all, Mr. President, I wish to extend my congratulations to the Department of Agriculture for its belated acknowledgment of the transgressions and errors to which reference has been made. I would say to the Secretary that the public, at least those who are employees of the Department of Agriculture, and, I believe, the fair-minded American public, will be reassured by the establishment of this particular review committee. But, Mr. President, it should have been done in the beginning, rather than at such a late hour.

It is true that the Wolf Ladejinsky case did merit public criticism and public acknowledgment. But, in fact, it might very well be that the Wolf Ladejinsky case would never have come to the attention of the American people had it not been for a vigilant free press. I refer particularly to Mr. Clark Mohlenhoff, of the Des Moines Register, items from which on occasion appear in the Minneapolis Star and Tribune. More such articles could be used, and I would recommend to the newspaper that it use them. But it was due to the persistent efforts on the part of the Des Moines Register in opening up the case that the facts were brought to the public.

It seems to me, Mr. President, that what is needed immediately is a reevaluation of the case. I have had the privilege of looking into some of the facts pertaining to it. I have talked to the man in question, the one who has been so severely injured by the adverse ruling of the Department of Agriculture.

Mr. President, this is the same Mr. Ladejinsky who was selected by the Foreign Operations Administration, under Mr. Stassen; who is now in free Viet-Nam as a key figure in the American foreign policy in that area of the world; the same man who is consulting with the Government of Viet-Nam in the name of the United States. But this same man still has over his head a cloud of uncertainty and, I may say, of humiliation, because of the action of the Department of Agriculture under Mr. Benson.

I am sure Mr. Benson relied to a great extent upon Mr. Milan Smith, the Special Assistant to the Secretary. I believe he has the title of executive assistant to the Secretary. I notice that he will be an ex-officio member of the Permanent Review Committee. I hope that as an ex-officio member his powers will be limited and restricted to observation and not consultation, because he has performed a great disservice for his superior, the Secretary of Agriculture, by the advice and counsel he has given to him.

Furthermore, Mr. President, since the Department of Agriculture have now found out that their administrative setup on security cases needed to be reviewed, because it was weak, inadequate, and wrong, I suggest that they go back over the Ladejinsky case, review it, and bring it to the attention of the new Permanent Review Committee. Let all the facts be brought out, and let the Review Committee weigh the facts. When they do, I predict that they will lift from Mr. Ladejinsky's record the smear and the besmirching which have been placed upon it.

I cannot see how the administration can afford to have a man in one of the most sensitive areas of the world, where the struggle between communism and freedom is being fought out not only by words, but by bullets—I cannot understand how the administration can have in that area a man in such a key role as is Mr. Ladejinsky's if the first review of his record by the Department of Agriculture is correct.

Mr. President, the Department of Agriculture is being plain stubborn. There are some attributes of agriculture which are characterized by stubbornness, such as mules. But the Department does not have to concentrate its attention on that particular species. I suggest that they review this case, reconcile it, and give Mr. Ladejinsky the clean bill of health which the Foreign Operations Administration has said he deserves from that agency.

It is an incredible case. Setting up a review board may prevent mismanagement in the days to come, but it does not remove the stigma from those who have been victims.

I hope that in the very near future we may have a proper adjudication of the case and a reconciliation of the points of view. When that is done, I think the good name of Mr. Ladejinsky will be cleared, and possibly the good name of the Government of the United States will be cleared. Surely both are deserving of that kind of treatment.

SCHOOL INTEGRATION CASES IN THE UNITED STATES SUPREME COURT

Mr. EASTLAND. Mr. President, yesterday I submitted a resolution asking the Senate to endorse an investigation of the alleged scientific authorities upon which the Supreme Court relied to sustain its decision in the school integration cases of last year. As will be revealed in detail in my remarks, there is clear and unmistakable evidence that the Court chose to follow the insidious and false propaganda foisted by alien ideologies rather than rely on the Constitution as written, and long established legal precedents.

I ask unanimous consent that the text of my resolution (S. Res. 104) be inserted in my remarks at this point of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Supreme Court of the United States rendered a decision on May 17, 1954, in the case of *Brown et al.* v. *Board of Education of Topeka et al.* and four related cases, which admittedly departed from the established law and precedents in declaring the "separate but equal" doctrine of separation of the white and black races was unconstitutional insofar as it applied to public-school facilities; and

Whereas this decision was based solely and alone on psychological, sociological, and anthropological considerations, in that the Court stated: "Whatever may have been the extent of psychological knowledge at the time of *Plessy* v. *Ferguson*, this finding is amply supported by modern authority"; and

Whereas the footnote to the opinion lists six allegedly modern authorities and concludes with the sentence: "And see generally Mydral, An American Dilemma (1944)"; and

Whereas a provisional investigation of the authorities upon which the Supreme Court relied reveals to a shocking degree their connection with and participation in the world-wide Communist conspiracy, in that Brameld and Frazier, listed in the group of 6 authorities, have no less than 28 citations in the files of the Committee on Un-American Activities of the United States House of Representatives revealing membership in, or participation with, Communist or Communist-front organizations and activities; and

Whereas the book, An American Dilemma, was prepared by a Swedish Socialist, who declared in the book that the United States Constitution was "impractical and unsuited to modern conditions" and its adoption was "nearly a plot against the common people"; and

Whereas this book was the result of collaboration between Mydral and certain alleged "scholars and experts" assigned him by the Carnegie Corp., of Alger Hiss fame; and

Whereas 16 of these so-called scholars and experts, who contributed to no less than 272 different articles and portions of the book, have been cited numerous times as members of Communist and subversive organizations; and

Whereas the citation of these authorities clearly indicates a dangerous influence and control exerted on the court by Communist-front pressure groups and other enemies of the American Republic and individual members thereof that is inimical to the general welfare and best interest of the Republic; and

Whereas this Senate, the 16 sovereign States whose constitutions were nullified by the illegal decision of the Supreme Court, and all of the people of the United States are now entitled to know beyond doubt and peradventure the complete extent and degree of Communist and Communist-front activity and influence in the preparation of the psuedo "modern scientific authority" which was the sole and only basis for the decision of the Supreme Court: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Senate Committee on the Judiciary should proceed under its presently constituted powers to investigate the extent and degree of participation by individuals and groups identified with the Communist conspiracy, Communist-front organizations, and alien ideologies, in the formation of the "modern scientific authority" upon which the Supreme Court relied in the school integration cases.

Mr. EASTLAND. Mr. President, somewhat more than 1 year ago I pointed out in an address on this floor that the Supreme Court had been indoctrinated and brainwashed by left-wing pressure groups; that individual members of the Court were influenced by and were guilty of grossly improper conduct in accepting awards and emoluments from groups and organizations interested in political litigation before the Court and bent on changing and destroying our American way of life; that such reprehensible conduct placed a question mark by the validity and the integrity of their decisions in cases in which these groups were interested, of which the school segregation case is one.

Today, I am calling upon the Members of the Senate to consider an even more serious problem. The Court has not only arrogated to itself powers which were not delegated to it under the Constitution of the United States and has entered the fields of the legislative and executive branches of the Government, but they are attempting to graft into the organic law of the land the teachings, preachments, and social doctrines arising from a political philosophy which is the antithesis of the principles upon which this Government was founded. The origin of the doctrines can be traced to Karl Marx, and their propagation is part and parcel of the conspiracy to divide and destroy this Government through internal controversy. The Court adopts this propaganda as "modern scientific authority."

Mr. President, in the long legal history of this country, there has never before been a time when an Appellate Court or Supreme Court of the United States relied solely and alone on scientific authority to sustain a legal decision. I am informed that in the long history of British jurisprudence, there has never been a time when the high courts of England have resorted to such dubious authority, but that their decisions have been based on the law. Mr. President, my information is that the one time when the high appellate court of any major western nation has resorted to textbooks and the works of agitators to sustain its decision was when the high court of Germany sustained Hitler's racist laws.

What the bar and the people of the United States are slow to realize is that in the rendition of the opinion on the school segregation cases the entire basis of American jurisprudence was swept away. There is only one other comparable system of jurisprudence which is based upon the winds of vacillating, political, and pseudoscientific opinion—the Peoples Courts of Soviet Russia. In that vast vacuum of liberty, the basis of their jurisprudence is the vacillating, ever-changing winds of pseudoauthority. And that today is the basis of American jurisprudence as announced by a unanimous opinion of our Supreme Court.

Justice Frankfurter handed down an opinion as late as April 28, 1952, with the concurrence of Chief Justice Vinson and Justices Burton, Minton, and Clark, in which he absolutely denied the competence of the Court to pass upon issues such as those presented in the segregation cases. He said:

> Only those lacking responsible humility will have a confident solution for problems as intractable as the frictions attributable to differences of race, color, or religion. * * * Certainly the due-process clause does not require the legislature to be in the vanguard of science—especially sciences as young as human sociology and cultural anthropology. * * *
>
> It is not within our competence to confirm or deny claims of social scientists as to the dependence of the individual on the position of his racial or religious group in the community.

The Supreme Court, unable to relate science to the fifth amendment, has done an unheard of thing. It has now found scientific authorities to attempt to sustain its view of what the 14th amendment should mean. Who are these authorities? From what background do they come? What has been the nature of their work and activities?

Let us consider the so-called modern authorities on psychology cited by the Court as its authority to change and destroy the constitutional guaranties of the reserved natural right of the people of the States of the Union to freedom of choice and of the States to regulate their public schools.

First, they cited one K. B. Clark, a Negro, so-called social-science expert employed by the principal plaintiff in the segregation cases, the NAACP, whose lawyer argued these cases before the Court. To say the least, it is the most unusual procedure for any court to accept a litigant's paid employee as an authority on anything, let alone as an authority on psychology, to put him above the Constitution itself.

Then, too, we find cited by the Court as another alleged modern authority on psychology to override our Constitution, one Theodore Brameld, regarding whom the files of the Committee on Un-American Activities of the United States House of Representatives are replete with citations and information. He is cited as having been a member of no less than 10 organizations declared to be communistic, Communist front, or Communist dominated. His name has frequently appeared in the news columns of the Daily Worker.

Brameld, according to the Communist Official Daily Worker of February 28, 1949, signed a statement of the Committee for Free Political Advocacy defending the 12 Communist leaders.

Again, on December 10, 1952, the Daily Worker shows that Brameld signed an appeal to President Truman requesting amnesty for leaders of the Communist Party convicted under the Smith Act.

And, again, on February 10, 1938, the Daily Worker shows Theodore Brameld to have signed a letter in defense of the appointment of Simon W. Gerson, a Communist, to the staff of Stanley Isaacs.

His name appears on a brief submitted by Cultural Workers to the Supreme Court in October 1949, on behalf of the 10 convicted defendants engaged in the motion-picture industry, who were charged with contempt of a congressional committee for refusing to affirm or deny membership in the Communist

Party in response to committee questions.

He was affiliated with the American Committee for Protection of Foreign Born, as shown by the Daily Worker of August 10, 1950, which committee was cited as subversive and Communist by Attorney General Tom Clark in letters to the Loyalty Review Board, released on June 1 and September 21, 1948, and was redesignated by Attorney General Brownell, April 29, 1953, under provisions of Executive Order 10450. The Special Committee on Un-American Activities cited the American Committee for Protection of Foreign Born as "one of the oldest auxiliaries of the Communist Party in the United States."

He was listed by the Daily Worker on January 11 and 25, 1938, as a supporter of the Boycott Japanese Goods Conference of the American League for Peace and Democracy. The American League for Peace and Democracy was established in the United States in 1937 as successor to the American League Against War and Fascism "in an effort to create public sentiment on behalf of a foreign policy adapted to the interests of the Soviet Union" and "was designed to conceal Communist control, in accordance with the new tactics of the Communist International."

This is shown by report of Attorney General Biddle, CONGRESSIONAL RECORD, September 24, 1942; by report of Attorney General Clark—letters to Loyalty Review Board, released June 1 and September 21, 1948; and by Attorney General Brownell in his memorandum of April 29, 1953. The Special Committee on Un-American Activities cited the American League for Peace and Democracy as "the largest of the Communist-front movements in the United States," by its report of January 3, 1939, and other reports cited March 29, 1944.

Brameld was one of those who issued a statement of the Committee for Peaceful Alternatives to the Atlantic Pact, dated December 14, 1949, calling for an international agreement to ban the use of atomic weapons. But the Committee for Peaceful Alternatives to the Atlantic Pact was formed as a result of the Conference for Peaceful Alternatives to the Atlantic Pact to further the case of Communists in the United States doing their part in the Moscow campaign, according to a report of the Committee on Un-American Activities, April 25, 1951.

He was a sponsor of the Midcentury Conference for Peace, May 29 and 30, 1950, which was cited by the committee as having been "aimed at assembling as many gullible persons as possible under Communist direction and turning them into a vast sounding board for Communist propaganda."

Brameld was a sponsor of the Conference of the Cultural and Scientific Conference for World Peace, held under auspices of the National Council of the Arts, Sciences, and Professions, New York City, March 25–27, 1949. On April 19, 1949, the Committee on Un-American Activities cited the Cultural and Scientific Conference as a Communist front, which "was actually a supermobilization of the inveterate wheelhorses and supporters of the Communist Party and its auxiliary organizations."

Brameld was a sponsor of a conference held October 9 and 10, 1948, by the National Council of the Arts, Sciences, and Professions, which was cited as a Communist front in the same committee report on April 18, 1949.

In October 1936 he was a member of the Nonpartisan Committee for the Reelection of Congressman Vito Marcantonio, which organization was cited by the Special Committee on Un-American Activities as a Communist front on March 29, 1944.

In 1939, Theodore Brameld also was a sponsor of the Refugee Scholarship and Peace Campaign, which was cited as a Communist front by the Special Committee on Un-American Activities in its report March 29, 1944.

There is the public record of Theodore Brameld, who was cited by the Supreme Court as a modern authority on psychology in support of its racial integration decision of May 17, 1954. This record not only was available to Chief Justice Warren and the Associate Justices of the Supreme Court upon request, but this record of Brameld was made up partly by an Attorney General who is now a member of the Court which rendered that decision, and by official printed report of the administration of Chief Justice Warren when he was Governor of the State of California.

Also cited by the Court as one of its modern authorities on psychology to overthrow the accepted meaning of a provision of the United States Constitution was one E. Franklin Frazier. The files of the Committee on Un-American Activities of the United States House of Representatives contain 18 citations of Frazier's connection with Communist causes in the United States.

He signed a statement of the National Federation for Constitutional Liberties, hailing the War Department's order regarding commissions for Communists. The National Federation for Constitutional Liberties was cited by the Attorney General in letters furnished the Loyalty Commission on December 4, 1947, and September 21, 1948, as subversive and Communist and, now listen, Mr. President, as "part of what Lenin called the solar system of organizations ostensibly having no connection with the Communist Party, by which Communists attempt to create sympathizers and supporters of their program." The special committee in its report of March 29, 1944, cited the National Federation for Constitutional Liberties as "one of the viciously subversive organizations of the Communist Party." On September 2, 1947, the special committee again cited the National Federation for Constitutional Liberties as among a "maze of organizations" which were "spawned for the alleged purpose of defending civil liberties in general, but actually intended to protect Communist subversion from any penalties under the law."

Frazier was a sponsor of the Washington Committee for Democratic Action, which was cited as subversive and Communist by the Attorney General of the United States in letters released December 4, 1947, and September 21, 1948.

E. Franklin Frazier published a pamphlet entitled "Seeing Is Believing" in 1947, as a member of the Council on African Affairs, Inc., of which he was a member.

The Council on African Affairs, Inc., was cited as subversive and Communist by the Attorney General in letters released December 4, 1947, and September 21, 1948.

E. Franklin Frazier signed an appeal to lift the Spanish embargo sponsored by the Negro People's Committee to Aid Spanish Democracy, as shown by the Daily Worker of February 8, 1939. The Negro People's Committee to Aid Spanish Democracy was cited as a Communist-front organization by the Special Committee on Un-American Activities in its report of March 29, 1944.

In 1946, evidence in the House Committee on Un-American Activities showed that Frazier was a member of the Board of Directors of the Committee for a Democratic Far Eastern Policy which was cited by the Attorney General as a Communist organization in a letter released April 27, 1949.

The same Frazier, as a member of the Civil Rights Congress, signed a statement defending the Communist Party, as shown by the Communist Daily Worker, April 16, 1947. The Attorney General cited the Civil Rights Congress as subversive and Communist in letters released December 4, 1947, and September 21, 1948. The congressional committee, in its report of September 2, 1947, cited the group as "dedicated not to the broader issues of civil liberties, but specifically to the defense of individual Communists and the Communist Party" and "controlled by individuals who are either members of the Communist Party or openly loyal to it."

Frazier was named in the Communist Daily Worker of July 18, 1949, as one of the sponsors of a group defending the 12 Communist leaders on trial. The same information appeared on the back of a letterhead of the National Non-Partisan Committee to Defend the Rights of the 12 Communist leaders, dated September 9, 1949; and in the Daily Worker of October 3, 1949.

In 1947, Frazier was a member of the executive board of the Southern Conference for Human Welfare. By the special committee report of March 29, 1944, the Southern Conference for Human Welfare was cited as a Communist-front organization; and on June 12, 1947, the congressional committee cited the Southern Conference for Human Welfare as a Communist-front organization "which seeks to attract southern liberals on the basis of its seeming interest in the problems of the South" although its "professed interest in southern welfare is simply an expedient for larger aims serving the Soviet Union and its subservient Communist Party in the United States."

E. Franklin Frazier was a speaker at the Southern Negro Youth Congress, as shown by the Communist Daily Worker of January 23, 1937. The Southern Negro Youth Congress was cited as subversive and among the affiliates and committees of the Communist Party, United States of America, which seeks to alter

the form of government of the United States by unconstitutional means. It was thus cited by the Attorney General in a letter released December 4, 1947. The group was cited as a Communist-front organization by the special committee in its report dated January 3, 1940.

Frazier's name appeared in a published signed statement in the Washington Post on May 18, 1948, as opposing the Mundt-Nixon anti-Communist bill.

E. Franklin Frazier was a member of the Citizens Committee To Free Earl Browder, which was cited by the Attorney General as Communist, in a letter released April 27, 1949, and previously as shown by the CONGRESSIONAL RECORD of September 24, 1942. The special committee, in its report of March 29, 1944, cited the citizens committee as a Communist-front organization.

Frazier was a sponsof of Social Work Today, in 1940, and he was one of those credited, by its publication in February 1942, as having made it possible for Social Work Today to strengthen and prepare itself for the supreme test. Social Work Today was cited as a Communist magazine by the special committee in its report of March 29, 1944.

E. Franklin Frazier was one of those who signed a statement condemning the "punitive measures directed against the Communist Party," as shown by the Communist Daily Worker of April 16 and 20, 1947.

Frazier wrote the book The Negro in the United States, which was favorably reviewed by the Communist social journals, The Worker and Daily People's World, on May 15, 1949, and July 28, 1949; and his book was advertised in the Communist Workers Book Shop Catalogs for 1949 and 1950. Incidentally, Frazier's Communist officially adopted book The Negro in the United States is the same book which was officially adopted and cited as authority by the United States Supreme Court in its racial integration public-school cases on May 17, 1954.

The same Frazier glorified the brazen Negro Communist Paul Robeson, according to the Communist Daily Worker of November 4, 1949, by stating at a public meeting in Turner's Arena "that in American culture the Negro male has never been permitted to play a masculine role. Robeson represents the Negro man in the masculine role as a fearless and independent thinker."

Frazier was vice chairman of the National Council of the Arts, Sciences, and Professions, which was cited by the congressional committee, in its report of March 25, 1949, as a Communist-front organization.

E. Franklin Frazier was an endorser of the World Peace Appeal, in September 1950; he was a signer of the Stockholm World Appeal to Outlaw Atomic Weapons, in October 1950. The World Peace Appeal was cited as a petition campaign launched by the Permanent Committee of the World Peace Congress at its meeting in Stockholm, March 16–19, 1950, as having "received the enthusiastic approval of every section of the international Communist hierarchy"; as having been lauded in the Communist press, putting "every individual Communist on notice that he 'has the duty to rise to this appeal' "; and as having "received the official endorsement of the Supreme Soviet of the U. S. S. R., which has been echoed by the governing bodies of every Communist satellite country, and by all Communist Parties throughout the world." I refer to the congressional committee House Report No. 378 on the Communist "peace" offensive, of April 1, 1951.

The same E. Franklin Frazier, according to the Communist official organs, Daily Worker, of October 19, 1950, and the Daily People's World, of October 23, 1950, was a sponsor of the American Sponsoring Committee for Representation at the World Peace Congress. In this connection, his photograph appeared in the Daily People's World. The congressional committee cited the World Peace Congress as a Communist front among the "peace conferences" which "have been organized under Communist initiative in various countries throughout the world as a part of a campaign against the North Atlantic Defense Pact."

Frazier signed a letter by the Committee for Peaceful Alternatives, on March 30, 1950.

The congressional committee, in its report on the Communist peace offensive, April 1, 1951, cited the Committee for Peaceful Alternatives to the Atlantic Pact as an organization which was formed to further the cause of Communists in the United States doing their part in the Moscow campaign.

The same E. Franklin Frazier, adopted by the United States Supreme Court as one of its leading modern authorities on psychology, was also a sponsor of the Spanish Refugee Appeal of the Joint Anti-Fascist Refugee Committee, which the Attorney General cited, in letters released December 4, 1947, and September 21, 1948, as subversive and Communist, and which the House special committee, in its report on March 29, 1944, cited as a Communist-front organization.

To round out his great career in the Communist cause, the same E. Franklin Frazier, according to the Communist official organ, the Daily Worker of March 5, 1951, signed a letter to President Truman, asking him to recognize the seating of the Communist Peoples Republic of China in the United Nations.

E. Franklin Frazier has been too prominently and frequently connected with Communist and subversive organizations for almost anyone in public life in Washington not to have been put on notice. Certainly, the highest Court of the land was more than careless in defending the Constitution by adopting E. Franklin Frazier as an alleged authority on modern psychology to override and overthrow the fundamental principles of our Constitution.

The Court cited and adopted generally, and without reservation, as its leading authority on modern psychology, Myrdal's book An American Dilemma, when it said—and I quote from Chief Justice Warren's opinion: "And see generally Myrdal, An American Dilemma, 1944."

Let us take a look and see what the Court adopted as its leading authority on modern psychology as the basis for its racial integration decision, when it adopted Myrdal's An American Dilemma.

In 1937 the Carnegie Foundation brought over Dr. Gunnar Myrdal, professor in the University of Stockholm. He was described by the corporation as a social economist. He called himself a social engineer. He was a Socialist who had served the Communist cause. He admitted he had no knowledge of the Negro question in the United States. He was hired to make an investigation of race relations in this country; was given an ample staff and funds for that purpose, and was told to publish his findings. On this project Myrdal naturally found himself in the company of those recommended by the Carnegie Foundation, of Alger Hiss fame.

Myrdal has an utter contempt for the principles upon which the United States was founded and for the political system to which the people adhere. It is incredible that the Supreme Court could have overlooked, if they read it at all, certain remarks that are contained in his book, on which the Court mainly bases its decision. Myrdal stated that the Constitution of the United States was "impractical and unsuited to modern conditions" and its adoption was "nearly a plot against the common people." This is purely Communist propaganda, which was cited by the Supreme Court, and on which the Chief Justice of the United States based a very far-reaching decision looking to the destruction of our form of government. I have often wondered what was the source of the pro-Communist influence in the Supreme Court.

Myrdal shows that he did not write this 1,400-page book himself. He hedged himself about with many self-imposed restrictions and "value premises," so that the book has no scientific validity, either from the standpoint of biology, sociology, or psychology.

Myrdal shows that his book was the work of several so-called social experts furnished him by the Carnegie Foundation, of Alger Hiss fame. It would be more in keeping with the facts, if, when Myrdal gave the names of most of these Carnegie Foundation "social experts," he had said that they were taken right out of lists of members of Communist and subversive organizations dedicated to the overthrow of our Constitution and the United States Government, because that is the actual fact.

If Chief Justice Warren had only taken the time and trouble to refresh his memory from his own State's officially printed reports and records of his own administration as governor of his own State, he would have found, and he can still find, the names of these Myrdal "social experts" in the fourth report on un-American activities in California, 1948, and the sixth report published in 1951 on Communist-front organizations by the Joint Fact-Finding Committee to the 1948 and 1951 regular California Legislature, when the Chief Justice was Governor of the State of California.

Certainly Judge Warren cannot claim unfamiliarity with his own State official reports on such an important subject.

I shall give 16 names furnished by the Carnegie Foundation as "social experts" to Gunnar Myrdal, the Swedish "social engineer," for the writing of "An American Dilemma" adopted in full by the Court and their Communist connections according to the official 1948 California report, made at the time the Chief Justice was Governor of California.

The tenor of that book is to the effect that the American form of government has outlived its usefulness, and that the Constitution of the United States is a plot against the common people of this country. That was the message of the principal authority relied on by the Chief Justice of the United States in this far-reaching decision.

The names and organizations with which the Myrdal advisers were affiliated are as follows:

Frank Boas was 1 of 17 liberal leaders who signed a letter addressed to American Civil Liberties Union, supporting the Soviet Union; chairman of the American Committee for Democracy and Intellectual Freedom, successor to the Communist-front, the Scientists' Committee; affiliated with the American Committee for Protection of Foreign Born; member of the American Committee To Save Refugees; affiliated with American League for Peace and Democracy; member of the National Council of the American Peace Mobilization; affiliated with the Citizens Committee To Free Earl Browder; affiliated with Committee To Defend America by Keeping Out of the War; member of the Provisional Committee of the Conference on Constitutional Liberties in America; on advisory board of Films for Democracy; member of John Reed Clubs; member of National Emergency Conference for Democratic Rights; associated with National Federation for Constitution Liberties; affiliated with People's Peace; supported the Stalin-Hitler Line Committee To Defend America by Keeping Out of War; member of Russian War Relief, Inc.; signer of the statement defending the Communist Party; and listed as a well-known Communist and sponsor of Young People's Records.

All these Frank Boas organizations were shown to be Communist or Communist-front organizations in the official 1948 California report.

W. E. B. DuBois was a member of the National Committee of All-America Anti-Imperialist League; member of the American Committee for Indonesian Independence; affiliated with American League for Peace and Democracy; sponsor of China Conference Arrangements Committee; affiliated with Citizens Committee To Free Earl Browder; consultant to Committee for a Democratic Eastern Policy; contributed to the Communist official organ, the Daily Worker; and a signer of the Golden Book of American Friendship With the Soviet Union.

These organizations are listed as Communist or fronts:

Alain Locke was affiliated with American League for Peace and Democracy; sponsor of China Conference Arrangements Committee; sponsor of Conference on Constitutional Liberties in America; signer of Golden Book of American Friendship With the Soviet Union; among the instructors and guest lecturers of Jefferson School of Social Science; associated with National Federation for Constitutional Liberties; signer of Statement Defending the Communist Party; and member of Board of Sponsors of People's Songs, Inc.

All these are listed as Communist fronts and Communist organizations.

Ira dea Reid was affiliated with American Committee for Protection of Foreign Born; affiliated with Citizens Committee To Free Earl Browder; member of national board of National Share-Croppers Funds; and affiliated with National Citizens' Political Action Committee; American Committee for Protection of Foreign Born; American League Against War and Fascism; Citizens Committee To Free Earl Browder; National Federation for Constitutional Liberties; and Southern Conference for Human Welfare.

All these organizations are listed as Communist or Communist fronts.

Doxey Wilkerson was consultant to the Committee for a Democratic Eastern Policy, which is listed as a Communist-front organization.

Ruth Benedict, according to the Daily Worker of March 31, 1947, page 11, was the coauthor of a pamphlet The Races of Mankind, which the War Department banned.

Charles S. Johnson was national vice chairman of National Share-Croppers Fund; affiliated with American Committee for Protection of Foreign Born; National Federation for Constitutional Liberties; and Southern Conference for Human Welfare.

These organizations were listed as Communist fronts.

Clark Foreman was one of the initiators of a National Congress on Civil Rights, out of which emerged the Civil Rights Congress; speaker at conference and vice chairman of National Committee To Win the Peace; and vice chairman of Progressive Citizens of America.

These organizations are listed as Communist fronts.

Arthur Raper was a member of national board of National Sharecroppers Fund; affiliated with Council of Young Southerners; League of Young Southerners; and Southern Conference for Human Welfare.

These organizations were listed as Communist fronts.

Lewis Webster Jones was national sponsor of the National Council of American-Soviet Friendship, successor to the discredited Communist front, the Friends of the Soviet Union.

Rose Nelson was listed as Communist or Communist fellow-traveler, and textbook writer for use in public schools.

Sterling Brown was affiliated with League of American Writers, which is a Communist-front organization.

Eveline Burns was listed as Communist, textbook writer, and member of Citizens' Committee for Better Education, a Communist front.

Thomas Jones was advocate of United Negro and Allied Veterans of America, cited as a Communist-front organization.

T. Arnold Hill was cooperator-sponsor of Social Work Today which is a Communist periodical.

One of the so-called social scientists who also contributed to the writing of Myrdal's An American Dilemma, adopted by the Supreme Court as its authority on modern psychology, was none other than E. Franklin Frazier, whose 18 Communist organization connections I have already given.

An American Dilemma was written in largest part by American Communist-front members, such as E. Franklin Frazier, who contributed to 28 portions of the book, and W. E. B. DuBois, who contributed to 82 different portions of the book. Altogether the Communist-front members identified with Myrdal's An American Dilemma contributed to 272 different articles and portions of the book officially adopted by the Communist Party and by the Supreme Court as its authority for its racial integration decision of May 17, 1954.

That is the true picture presented by an analysis from the records of the decision of the United States Supreme Court in the school segregation cases.

How can the Court expect the American people to accept its decision to change the accepted meaning of the fundamental principles of our Constitution when its decision is contrary to every other decision of the United States Supreme Court on the same question, and when its decision is now based on its adoption of members of Communist organizations and Communist writings as its authority to change fundamental principles of the Constitution?

This same Gunnar Myrdal has recently appeared in the news as directing the staff of the United Nations Economic Commission for Europe in the preparation of a report regarding the foreign operation of the American oil industry. Myrdal's Commission feels that American oil companies "overcharged" their European customers for Middle Eastern oil, and hinted that some sort of international price control is the indicated remedy.

The Saturday Evening Post comments editorially that Myrdal is a Swedish Socialist. I quote:

> The author of a report on the race problem in the United States. In the course of this "monumental work" Myrdal described the adoption of the United States Constitution as "nearly a plot against the common people." It asks, Is Myrdal the best authority a U. N. agency could rely on for a complicated study of the oil industry?

It is a tragic commentary on the intelligence and judgment of the members of the United States Supreme Court that they would override the Constitution on the alleged evidence and opinion of such a "psychological" authority. It is the final indication as to the degree and extent that the Court has been "brainwashed" by pressure groups and is willing to sacrifice the people, the Constitution, and established law to communistic and socialistic dogma and principles.

Mr. President, it is evident that the decision of the Supreme Court in the school segregation cases was based upon the writings and teachings of pro-Communist agitators and other enemies of

the American form of government. The Chief Justice of the United States actually cites as authority for his decision a book, the thesis of which is that the Constitution of the United States is "impractical and unsuited to modern conditions" and its adoption was "nearly a plot against the common people." Our country has come to a sorry state of affairs when the Chief Justice of the Supreme Court, speaking for all the members of the Court, should cite, as his authority for a decision, a book compiled by an alien who advocates the destruction of the American form of government—the very form of government which this Chief Justice and this Court are sworn to uphold.

Mr. President, the question is asked, Will the South obey this decision of the Supreme Court? Who is obligated morally or legally to obey a decision whose authorities rest not upon the law but upon the writings and teachings of pro-Communist agitators and people who have a long record of affiliations with anti-American causes and with agitators who are part and parcel of the Communist conspiracy to destroy our country? From the beginning of the Republic, the judiciary, the Congress, the executive branch of the Government, and all the States have recognized that a State has the power under the Constitution to segregate children in its schools because of race. The Supreme Court of the United States has consistently so held throughout the years. Any person is credulous indeed to believe that southern people will permit all this to be swept aside by a Court who relies for its authority not upon the law but upon pro-Communist agitators and enemies of our system of government.

Mr. President, for the welfare of America, the resolution to investigate this setup should be adopted.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to join the Senator from Mississippi in sponsoring the resolution.

Mr. EASTLAND. Mr. President, I ask unanimous consent that the name of the distinguished Senator from South Carolina [Mr. JOHNSTON] be added as a cosponsor of the resolution.

Mr. JOHNSTON of South Carolina. I make the request in view of the fact that the Subcommittee on Internal Security has been making a study of the subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 26, 1955, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 18) to provide for the reappointment of Dr. Jerome C. Hunsaker as citizen regent of the Board of Regents of the Smithsonian Institution.

RECESS UNTIL 10 O'CLOCK A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 10 o'clock a. m. tomorrow.

The motion was agreed to; and (at 3 o'clock and 38 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Friday, May 27, 1955, at 10 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 26 (legislative day of May 2), 1955:

POSTMASTERS

ARKANSAS

Helen H. Mitchell, College Heights.
Paul E. Francis, Hot Springs National Park.

CALIFORNIA

Alma A. Hyland, Altaville.
Georgamy K. Campbell, Brockway.
Sue M. Ghezzi, Cayucos.
Mary T. Fye, Crestline.
Edith V. Stordalen, Daggett.
John Herman Gengler, Marysville.
Vernon D. Darby, Middletown.
Helen E. Glaab, Montalvo.
Lyle R. Burkhart, Montrose.
Hazel M. Ginn, Moss Landing.
William J. Rissel, Pebble Beach.
Rudolph F. Loewe, Visalia.

FLORIDA

Floid B. Schneider, Dover.
Willis S. Morey, Princeton.

GEORGIA

Louis J. O'Connell, Augusta.
Ben Dayton Newton, Shady Dale.
Ruth R. Myers, Smithville.
Reginald D. Reynolds, Sumner.

IDAHO

Winfrey K. Kimble, Irwin.
Vera Miskin, Palisades.

ILLINOIS

Frank T. Huggins, East Moline.
James A. Blakemore, Glenwood.
Walter E. Grauel, Mascoutah.
Kenneth W. Willman, Metamora.
Lester E. Brown, New Lenox.
John R. Evans, South Beloit.

INDIANA

Glen D. Bray, Amo.
Joseph E. Fouts, Greens Fork.
Albert L. Pyke, Lafayette.
Armin F. Schramm, New Palestine.
Donald J. Mustard, Poland.
Robert L. Spencer, Thorntown.
Edwin T. Livengood, Union City.

IOWA

Hilbert O. Herron, Blairstown.
Agnes K. Nielsen, Kimballton.
Dick Steenhoek, Newton.
Charles I. White, Oakland.
Evelyn A. Tish, Searsboro.

KANSAS

Lincoln T. Gribben, Havana.

LOUISIANA

Benjamin J. Haygood, Jr., Belcher.
Floyd E. Bennett, Livingston.
David J. Bondy, New Roads.

MAINE

Snowdell M. Holden, Jackman.
Homer C. Woodward, Newport.
Raymond P. Salls, York Beach.

MARYLAND

Leon W. Tyler, Fishing Creek.
Virginia F. Mishou, Lusby.
Wilma G. Raley, Ridge.
Francis Marion Rawlings, Rising Sun.

MASSACHUSETTS

Jessie M. Andrews, Monponsett.

MINNESOTA

Arnold E. Weflen, Clara City.
Cecil R. Campbell, Ellendale.
Bernard R. Anderson, Kerkhoven.
Donald O. Nelson, Tyler.
Donald T. Johnson, Waseca.

MISSISSIPPI

James D. Mills, Jr., Carthage.
Thomas A. Elder, Coldwater.
William Yerger Guilbert, Collins.
Dewey D. Patterson, Tupelo.

MISSOURI

Raymond M. Buckley, Warsaw.

NEBRASKA

Lee Curry, Ponca.

NEVADA

Gretta J. Schenck, Indian Springs.

NEW HAMPSHIRE

Francis H. Malony, Gilsum.

NEW JERSEY

Sherwood A. MacPherson, Bridgeton.
Vernon A. Statesir, Freehold.
Nicholas J. Caruso, Hoboken.

NORTH CAROLINA

Numa D. Redmon, Jr., Leaksville.

OHIO

Howard L. Bricker, Galena.
Fred J. Jurisch, Phalanx Station.

OREGON

John Prentiss, Nehalem.

PENNSYLVANIA

James P. Burgoon, Ashville.
Victor Wolinski, Everson.
John P. Oberholtzer, Mohrsville.
Kermit E. Thomas, Osceola Mills.
Reese Williams, Reynoldsville.
Ludwig A. Drobnick, St. Michael.
Nelly M. Nilsson, Skippack.
Viola E. Fulmer, Smicksburg.

PUERTO RICO

Junot Franco-Soto, Sabana Grande.

RHODE ISLAND

Amelia M. Bottomley, Greystone.
Earle W. Belknap, Wakefield.

SOUTH CAROLINA

W. Loring Lee, Jr., Sumter.
Spencer R. Elliott, Winnsboro.

SOUTH DAKOTA

Lyle Elward, Deadwood.
Donald L. Floyd, Kennebec.
John H. Hallberg, Stockholm.

TENNESSEE

James O. Buttram, Athens.
James F. Darnell, Dukedom.
James H. Ross, Englewood.
Ollie L. Davis, Gates.
James C. Pendergrass, Hixson.
Edmund E. Ward, Huntingdon.
Lela Crawley Scroggins, Lupton City.
Albert M. Houston, Woodbury.

TEXAS

Rabon O. Dews, Arlington.
Berniece C. Weatherford, Camden.
William J. Foxworth, Cisco.
Crook T. Waller, Eldorado.
Irving M. Horton, Humble.
Raymond E. Jones, Livingston.
Andrew W. Valentine, Presidio.

UTAH

Laurie D. Holley, Bryce Canyon.
Gwendelyn F. Gottfredson, Circleville.

VERMONT

William C. Nawrath, Manchester Center.
Henry W. Handfield, Poultney.
Gaylord C. Gale, Stowe.

VIRGINIA

Lawrence R. Kipps, Bealeton.
Willis E. Crews, Clover.

James W. Bell, Nassawadox.
Lucinda S. Sims, Ruckersville.

WASHINGTON

Alva Nadine Duvall, Hunters.
Maebelle C. Torres, Quinault.
Charles C. Hedrick, Retsil.

WEST VIRGINIA

Eleanor Hess Lavencheck, Carolina.
Helen E. Eagan, Nellis.
Virginia T. Bailey, Page.

WISCONSIN

Donald A. Denison, Soldiers Grove.
Darnell W. Kadolph, Weyauwega.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 26, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty and ever-blessed God, as we humbly and reverently engage in this sacred act of worship, wilt Thou answer our highest aspirations with Thy divine inspiration.

Grant that daily we may grow in the grace and knowledge of our Lord and Saviour, Jesus Christ, whom to know is life eternal.

May we never take a neutral or negative attitude toward life's lofty moral and spiritual principles, but show us how we may live affirmatively and helpfully, faithfully, and hopefully.

Help us to hasten that glorious day when the forces of evil shall be transformed into forces of light and peace and all for the glory of God and the good of humanity.

Hear us in the name of our blessed Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 23, 1955:

H. R. 872. An act for the relief of Mrs. Concetta Saccatti Salliani;

H. R. 888. An act for the relief of Mrs. Elsa Danes;

H. R. 911. An act for the relief of Gloria Minoza Medellin;

H. R. 913. An act for the relief of Hildegard Noble;

H. R. 976. An act for the relief of Mrs. Franciska Mihalka;

H. R. 1008. An act for the relief of Alexander Turchaninova;

H. R. 1020. An act for the relief of Boris Ivanovitch Oblesow;

H. R. 1048. An act for the relief of Christine Susan Caiado;

H. R. 1166. An act for the relief of Florence Meister;

H. R. 1192. An act for the relief of Angelita Haberer;

H. R. 1196. An act for the relief of Li Chiu Fu and wife, Leung Sue Wa;

H. R. 1203. An act for the relief of Ivan Bruno Lomm, also known as Ivan B. Johnson;

H. R. 1220. An act for the relief of Kleoniki Argendeli;

H. R. 1346. An act for the relief of Mrs. Anatoly Batenko and Vladimir Batenko;

H. R. 1573. An act to repeal section 348 of the Agricultural Adjustment Act of 1938;

H. R. 1665. An act for the relief of David Manuel Porter;

H. R. 1679. An act for the relief of Marek S. Korowicz;

H. R. 1831. An act to amend the Commodity Credit Corporation Charter Act in order to protect innocent purchasers of fungible goods from claims of the Commodity Credit Corporation;

H. R. 1885. An act for the relief of Orlando Lucarini;

H. R. 1906. An act for the relief of Fay Jeanette Lee;

H. R. 2261. An act for the relief of Giuseppe Carollo;

H. R. 2276. An act for the relief of Vida Kosnik;

H. R. 2279. An act for the relief of Sister Mary Berarda;

H. R. 2289. An act for the relief of Mrs. Marjorie Fliger (nee Sproul);

H. R. 2348. An act for the relief of Theodora Sammartino;

H. R. 2354. An act for the relief of Basil Theodossiou;

H. R. 2361. An act for the relief of Elizabeth Ann Giampietro;

H. R. 2581. An act to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research;

H. R. 2762. An act for the relief of Bent Petersen;

H. R. 2764. An act for the relief of Victor and Irene-Wanda Goldstein;

H. R. 4043. An act for the relief of Rene Rachell Luyse Kubicek; and

H. R. 5239. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes.

On May 25, 1955:

H. R. 876. An act for the relief of Alberto Dal Bello and Mrs. Dina Bristot Dal Bello;

H. R. 881. An act for the relief of Gabriella Sardo;

H. R. 886. An act for the relief of Mrs. Mounira E. Medlej;

H. R. 890. An act for the relief of Eliseo Felix Hernandez;

H. R. 921. An act for the relief of Chia-Tseng Chen;

H. R. 924. An act for the relief of Joseph Marrali;

H. R. 971. An act for the relief of Mrs. Erato Aranopoulou;

H. R. 1009. An act for the relief of William Ligh;

H. R. 1130. An act for the relief of Mrs Anita Scavone;

H. R. 1177. An act for the relief of Zbigniew Wolynski;

H. R. 1351. An act for the relief of Mrs. Lottie Longo (formerly Lottie Guetler);

H. R. 1490. An act for the relief of Stylianos Haralambidis;

H. R. 1501. An act for the relief of Andrea Hernandes Montes Rocha;

H. R. 1502. An act for the relief of Elisabeth Thalhammer and her child, Harold William Bushman III;

H. R. 1511. An act for the relief of Robert George Buildeath and Lenora Patricia Buildeath;

H. R. 1638. An act for the relief of Janis Arvids Reinfelds;

H. R. 1645. An act for the relief of Regina Berg Vomberg and her children, Wilma and Helga Vomberg;

H. R. 1957. An act for the relief of Namiko Nitoh and her child, George F. X. Nitoh;

H. R. 2087. An act for the relief of Erika Rambauske;

H. R. 2731. An act for the relief of Sing Fong York;

H. R. 2941. An act for the relief of Mrs. Elfriede Majka Grifasi; and

H. R. 2954. An act for the relief of Mrs. Irene Emma Anderson.

On May 26, 1955:

H. R. 923. An act for the relief of Dr. Danuta Oktawiec;

H. R. 958. An act for the relief of Howard Carl Kaiser;

H. R. 984. An act for the relief of Dr. Lycourgos E. Papadakis; and

H. R. 2346. An act for the relief of John P. Farrar.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1048. An act to amend and supplement the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing to construction of highways, and for other purposes.

THE LATE HONORABLE CHARLES ANDREW JONAS

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, it becomes my sad duty to announce to the House the death of the Honorable Charles Andrew Jonas, of Lincolnton, N. C., a former Member of the House of Representatives, and the father of a present Member of the House, Hon. CHARLES RAPER JONAS. Mr. Jonas passed away late yesterday afternoon and his funeral services will be held in the First Methodist Church at Lincolnton, N. C., at 2 p. m. on Friday, May 27.

Mr. Jonas was born on a farm near Lincolnton, Lincoln County, N. C., on August 14, 1876. He was educated in the public schools of Lincoln County and attended Ridge Academy, Henry, N. C., and the Fallston Institute at Fallston, N. C. He graduated with honor from the University of North Carolina in June 1902, and thereafter entered the teaching profession for a period of 4 years. During the 4 years of his teaching experience, he studied law, spending the summers at the University Law School, and was admitted to the bar in 1906 and commenced the practice of law in Lincolnton, N. C.

He was elected and served in the North Carolina House of Representatives for 4 terms and was elected to represent his senatorial district in the North Carolina State Senate for 2 terms. The people of the old Ninth Congressional District of the State of North Carolina honored Mr. Jonas by electing him to the 71st Congress and he served here in this body from March 4, 1929, to March 3, 1931.

Without a doubt, Mr. Jonas played a very active role in the making of the

history of North Carolina during the past 50 years. He was a great churchman, lawyer and statesman. Through North Carolina, he was recognized as a man of honor, character and integrity. His wise counsel will be missed but his influence will live long after him. I am sure that one of the proudest moments of his life was to live to see his son, Honorable RAPER JONAS, come to serve with us in this great body.

I extend my deepest sympathy to his widow, Mrs. Rose Petrie Jonas; his daughter, Mrs. L. T. Gibson, Gibson, N. C.; his sons, Donald Jonas, of Charlotte, N. C., and our colleague, Honorable Charles Raper Jonas, of Lincolnton, N. C.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the distinguished minority leader.

Mr. MARTIN. Mr. Speaker, it was my privilege to know the elder Mr. Jonas for a good many years. I know what a great loss his death is to the State of North Carolina and the country.

I join the gentleman in extending my deepest regrets to his family.

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks on the life and accomplishments of the late Honorable Charles Andrew Jonas, at this point in the RECORD.

The SPEAKER. Is their objection to the request of the gentleman from North Carolina?

There was no objection.

LEAVE OF ABSENCE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that my colleague, CHARLES RAPER JONAS, be granted a leave of absence to attend the funeral of his father.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1956

Mr. ANDREWS, from the Committee on Appropriations, reported the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 634), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. FENTON reserved all points of order on the bill.

PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I understand there has been a slight change in the program for next week. Would the gentleman from Massachusetts [Mr. MCCORMACK] be good enough to enlighten us on that subject.

Mr. MCCORMACK. Yes; the general Government matters appropriation bill, which has just been reported to the House, has been put down for Wednesday. That will be the first order of business on that day. The rest of the program will continue as indicated heretofore. There will be no legislative business on Tuesday.

I am very happy to have the program coincide with the wishes on both sides of the subcommittee.

INTERNATIONAL LABOR ORGANIZATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 172)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

In accordance with the obligations of the United States of America as a member of the International Labor Organization I transmit herewith authentic texts of 4 conventions and 8 recommendations adopted at Geneva by the International Labor Conference, as follows:

Convention (No. 99) concerning minimum wage-fixing machinery in agriculture, adopted June 28, 1951;

Recommendation (No. 89) concerning minimum wage-fixing machinery in agriculture, adopted June 28, 1951;

Convention (No. 100) concerning equal remuneration for men and women workers for work of equal value, adopted June 29, 1951;

Recommendation (No. 90) concerning equal remuneration for men and women workers for work of equal value, adopted June 29, 1951;

Convention (No. 101) concerning holidays with pay in agriculture, adopted June 26, 1952;

Recommendation (No. 93) concerning holidays with pay in agriculture, adopted June 26, 1952;

Recommendation (No. 94) concerning consultation and cooperation between employers and workers at the level of the undertaking, adopted June 26, 1952;

Convention (No. 103) concerning maternity protection (revised 1952), adopted June 28, 1952;

Recommendation (No. 95) concerning maternity protection, adopted June 28, 1952;

Recommendation (No. 96) concerning the minimum age of admission to work underground in coal mines, adopted June 19, 1953;

Recommendation (No. 97) concerning the protection of the health of workers in places of employment, adopted June 25, 1953;

Recommendation (No. 98) concerning holidays with pay, adopted June 23, 1954.

I transmit also the report of the Secretary of State with regard to the several conventions and recommendations, together with copies of letters from the Secretary of Labor to the Secretary of State setting forth the coordinated view of the interested departments and agencies of the executive branch of the Government with respect to the various instruments.

It is the opinion of those departments and agencies that the conventions and recommendations cited above fall within the purview of article 19, paragraph 7 (b), of the constitution of the International Labor Organization, which provides in the case of a Federal state that conventions and recommendations which the Federal Government regards as appropriate under its constitutional system, in whole or in part, for action by the constituent states, provinces, or cantons rather than for Federal action shall be referred to the appropriate Federal and State authorities for their consideration. It is in accordance with the foregoing provisions that ratification of the conventions by the United States is not deemed appropriate and that I submit the conventions and recommendations to the Congress for such consideration as it may wish to give.

I do not favor the enactment of Federal legislation with respect to the subject matter of the convention (No. 101) and corresponding recommendations (No. 93) concerning holidays with pay in agriculture, the recommendation (No. 94) concerning consultation and cooperation between employers and workers at the level of the undertaking, and the recommendation (No. 98) concerning holidays with pay, so far as it relates to private employment.

Existing Federal legislation adequately covers the substance of the recommendation (No. 96) concerning the minimum age of admission to work underground in coal mines and the recommendation (No. 98) concerning holidays with pay, as it relates to employees of the Federal Government. Accordingly, I do not advise the enactment of additional legislation by the Congress with respect to those subjects.

I am sending texts of the conventions and recommendations to the Secretary of the Interior in order that they may be transmitted to the governments of Alaska, Guam, Hawaii, and the Virgin Islands for such action as may be deemed suitable. I am also transmitting the texts of the conventions and recommendations to the Secretary of the Interior for appropriate action and advice with regard to American Samoa, and, with the exception of the recommendation (No. 96) concerning the minimum age of admission to work underground in coal mines, to the Secretary of the Interior and the Secretary of the Navy for appropriate action and advice with regard to those areas of the Trust Territory of the Pacific Islands under their respective jurisdiction.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 26, 1955.*

(Enclosures: 1. Authentic texts of conventions Nos. 99, 100, 101, 103, and rec-

ommendations Nos. 89, 90, 93, 94, 95, 96, 97, 98. 2. Report of the Secretary of State. (3) Eight letters from the Secretary of Labor (copies).)

NATIONAL RIVERS AND HARBORS CONGRESS

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, the 42d annual convention of the National Rivers and Harbors Congress formally convenes at the Mayflower Hotel in Washington at 10 a. m. Tuesday, May 31—next Tuesday. I have caused a copy of the convention program to be mailed to every Member of the House of Representatives for their information. Members of the House and the Senate are ex-officio members of the National Rivers and Harbors Congress. They are therefore cordially invited and in fact expected to attend. You will find a most interesting and instructive program. The convention will continue through Tuesday and will end Wednesday, June 1. I hope that you will find it possible to attend and join in this program.

As you know, this organization was founded in 1901 and it is the oldest organization devoted to the work of proper utilization of our water resources—flood control, navigation, reclamation, irrigation, and power production.

ENRICO FERMI

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, with the distinguished gentlemen from New Jersey [Mr. RODINO and Mr. ADDONIZIO], I am joining in introducing a measure to honor the memory of Dr. Enrico Fermi by giving his name to the new Atomic Energy Building to be erected in or near the District of Columbia.

Among the other cosponsors are the gentlemen from New York [Mr. ROONEY, Mr. KEOGH, and Mr. FINO], the gentleman from Rhode Island [Mr. FORAND], the gentleman from New Jersey [Mr. TUMULTY], and the gentleman from Illinois [Mr. MURRAY]. Also active in support of the sentiment for a fitting and lasting memorial to Dr. Fermi is my colleague from Chicago [Mr. YATES], who has suggested the renaming of the Argonne National Laboratory in his honor.

It is the thought of the cosponsors of the bill introduced today that the building of a new structure, which will be distinctive and in architectural design will be unlike any other Federal building in the Nation's Capital, offers an unusual opportunity. This building will house the Atomic Energy Commission, and in a large measure will be the brain center of the atomic age with which the name of Dr. Fermi is forever associated in history.

It was the work of Dr. Fermi from 1934 to 1938 that paved the way for the atomic bomb, which he helped to design.

When our Government decided early in 1941 to attempt the production of an atomic bomb, Dr. Fermi, who had been engaged in uranium research, was one of the scientists summoned for the project. On a squash court under the stadium at the University of Chicago, the first plutonium pile was set up with graphite used as a retarding agent to induce the chain reaction as proposed by Dr. Fermi. After the first chain reaction had been obtained—December 2, 1942—and construction on plutonium plants had been started, Dr. Fermi was transferred to Los Alamos as chief of the advanced physics department of the newly organized bomb-production laboratory.

Occupying as he did a key position, both in theoretical and experimental physics with its application in the production of the atomic bomb, it seems a fitting tribute to the memory of Enrico Fermi that the new home of the Atomic Energy Commission bear his name. Because he made his home in the 2d Congressional District of Illinois where his widow Laura Capon Fermi still resides, there is among my constituents an especially warm and personal interest in the proposed recognition for a great scientist and a distinguished neighbor of the people of our district.

Dr. Fermi, born in Rome, was the fruition of the cultural and intellectual background of Italy. He came to the United States in 1939, driven out by Mussolini. I am sure, Mr. Speaker, that the naming of the new Atomic Energy Commission home in his honor will be as heartening as it will be appreciated by the Italian-Americans who have contributed so much to our country.

UNESCO

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, A Republican Party publicity medium in Washington, D. C., recently carried an article which was headed as follows: "Loyalty to UNESCO More Important Than Loyalty to the United States, Tribunal Says."

Then followed the story, which I related on the House floor several weeks ago, describing how an international tribunal ordered the United Nations Educational, Scientific and Cultural Organization—UNESCO—to reinstate three Americans, fired for refusing to appear before a United States Loyalty Board, or pay them damages totaling nearly $44,000.

The importance of this is that a Republican publicity medium, circulated nationally, properly recognizes the sordid fact that under the United Nations an American can be protected and compensated for his or her disloyalty to the United States.

Despite this, not one word of protest has been heard from the State Department or any other other agency of the executive branch of government.

Mr. Speaker, I ask the question: Why?

Have the leaders of this Government become so hypnotized by the spiderweb banner of the United Nations that they cannot demand loyalty from all citizens of this Republic?

MEMORIAL TO CAL REED

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, a loyal and very dear friend of mine, a fine father and a good husband, a stanch, strong, and unflinching American has died.

His name was Cal Reed, a native of Kansas, but long a resident of Los Angeles, Calif. He was never famous for anything in particular except for the one thing that all of us would like to be famous for, that is, a good citizen, true to his family, true to his neighbors and friends, true to his country, and true to his God.

He was the kind of man that has made this Nation strong and great. Without seeking any praise and glory for what he did or believed in, Cal Reed was the kind of a man that most of us hope people will say we were when we are gone. Cal Reed was a good man. I will miss him very much.

INVESTIGATION OF COST OF PRODUCTION OF PHOTOGRAPHIC SHUTTERS

Mr. OSTERTAG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OSTERTAG. Mr. Speaker, I have just introduced a resolution requesting the Tariff Commission to make an investigation of the cost of production of photographic shutters and the parts thereof. This action is taken under section 336 of the Tariff Act of 1930, as amended, which requires that the Tariff Commission make such investigations, at the request of either House of Congress, and that in its findings, it specify such duties on the articles under study as are necessary to equalize the cost of production between foreign and domestic sources.

Mr. Speaker, the resolution is introduced at this time in the hope of forestalling the binding of the tariff on shutters and shutter parts in the trade negotiations with Japan which are now

going on at Geneva, Switzerland. As this House well knows, once such items are bound, revision of the tariff either by Congress or the Executive becomes virtually impossible.

Severe reductions in domestic production of camera shutters have occurred in the past 2 years as a result of the foreign competition made possible under present tariff schedules. Up to 1953, 2 American manufacturers, the Ilex Optical Co., and the Wollensak Optical Co., both of Rochester, supplied approximately 90 percent of the American market. Today they are supplying only 10 to 20 percent. Low-cost foreign competition has preempted the remainder.

The result is that the economy is hurt, workers are thrown out of jobs, and our security is impaired and threatened.

Let me take up first the very real threat to our security which is involved in this situation.

Shutters and shutter parts are the eyes of our defense. They are the iris that enables bombsights, gunsights, tanksights, and similar equipment to pinpoint military targets. They are so important that the skilled workers who make them were exempted from military service in the last war. Today, however, the shuttermakers are steadily losing their jobs to cheap, foreign labor, as are the workers in related parts of the industry. One optical firm in Rochester reported the layoff of 76 out of 110 skilled shuttermakers in the past year, and an additional 390 out of 1,000 regular factory employees, due to present low tariffs. If an international emergency arises, in which foreign supplies are cut off, where will our country get these vital camera parts? They will not come from mothballed factories or stockpiled workers.

Mr. Speaker, there is ample reason why American manufacturers who use shutters and shutter parts should turn to overseas suppliers for these instruments at this time. They are following the line of least resistance, the line which our Government, thoughtlessly, I believe, has encouraged them to follow. Because of the tremendous differential in foreign labor costs, particularly in Germany and Japan, where most foreign shutters are now made, these items are produced at a fraction of the American cost of production. Labor accounts for about 85 percent of the production cost of shutters. In Germany, skilled labor is available at 35 to 50 cents an hour. In Japan, it is available at 15 to 20 cents an hour. In the United States, skilled labor in this industry commands $2.25 to $2.40 an hour.

The 20-percent duty on imported shutters does not begin to equalize this differential.

What is the result? One answer, Mr. Speaker, is contained in a letter, a plea, I might say, that I have just received, from the workers in this industry. It comes from Daniel R. Webb, president of the Photographic and Precision Optical Workers Union, Local 24659, AFL. It says in part:

> Regardless of the obstacles placed before the employers by the favoritism shown to cheap-imported optical goods by our officials in control of the trade agreements program, the wage rates and working conditions under which the optical industry is operated constitutes some of the best in the country. These wages and working conditions, established through collective bargaining between the employers and the various unions of employees cannot be maintained if the importation of cheap foreign products is continued. This favoritism toward imported optical goods is actually exporting our jobs to foreign countries. Our members and their families represent a group who are trying to be real Americans. Many of our members have worked in the optical industry for years, but there is no future for them if the industry is destroyed by foreign imports.

Mr. Speaker, I think this House should know that this industry has made a tremendous effort to help itself before seeking congressional intercession. Its representatives appeared before the Committee on Reciprocity Information. They have sought "peril-point" relief. Last February, a representative of the industry requested the Tariff Commission to make a comparative cost study on its own initiative. The Commission rejected the request after a preliminary inquiry which did not even include a hearing for the company involved.

Subsequently, I was informed that the request was denied because the Commission felt it might not be able to conclude such an investigation before the negotiations in Geneva end, and if camera shutters are bound by the negotiators, the Commission's hands will then be tied.

Mr. Speaker, this seems to me both specious and unreasonable. The fact that negotiations are now underway in Switzerland which may permanently close the door to tariff relief for this important American industry, is all the more reason why the Tariff Commission should initiate and expedite a cost study. I find it incomprehensible that the Commission, which is supposed to serve the people of the United States, should sit on its hands until negotiators in Geneva, over whom we have no control, decide whether to put an American industry out of business. The least that the Commission can do is to make an investigation while yet there is time. As R. E. Springer, treasurer of the Wollensak Optical Co. put it:

> What more is needed, for an investigation, than to have suffered a 75 to 80 percent loss of our shutter business caused by the low-wage level in foreign countries, which forced us to lay off 40 percent of our employees?

Mr. Speaker, I hope this resolution will be speedily considered and approved and that the Tariff Commission will act on it expeditiously.

DISABLED VETERANS' GARDEN PARTY AT WHITE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I missed voting for the Commodity Credit Corporation bill yesterday to give food to the needy of the country. I did so because I was invited by President and Mrs. Eisenhower to attend their wonderful garden party for the disabled. President and Mrs. Woodrow Wilson started years ago the first garden party for disabled veterans, and I have attended the yearly garden party for disabled veterans through the various administrations since then. Yesterday was a very beautiful day as it ought to be for the saviors of our free way to life. I renewed acquaintances with some of the disabled veterans who were there during World War I, World War II, and the Korean war. They have all given so much more for us than we can ever repay. I remembered and rejoiced and was grateful to President Eisenhower for his leading our men and the country to victory in World War II, and for keeping the country at peace.

CIVIL DEFENSE PROBLEMS

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I know that like myself many of the Members of the House of Representatives have been greatly concerned over the civil defense problem of citizen training in the techniques of survival. By and large, the individual citizen today has little or no knowledge of what to do in the event of emergency. In the States and cities officials who have studied such phases as radioactive fallout, food preparation, and organized mass care of people have been beset with the problem of instructing the citizen as to what he should do for himself.

So I call attention to a late development which I think has great possibilities. In my district in Seattle, beginning June 1, our State department of civil defense is beginning a 15-week telecourse series aimed at telling the individual citizen what he can do for himself. Appropriately, these programs will be on our community educational television channel. I am told this is the first time educational television has been utilized for civil defense training, or, at least, this will be the most extensive application of television to this national problem. Coverage in this case from KCTS on channel 9 is transmitted from studios of the University of Washington and will reach all the televiewers in Washington State west of the Cascade Mountains. The series will run every Wednesday night at 8:30 from June 1 to September 7, inclusive. Title for the series is "The Road to Survival."

It occurs to me that here is a true example and justification of educational TV. But particularly my thought is that other areas might wish to adopt this means of mass civilian training, for surely the American people are entitled to know what to do in the event of enemy bombing.

COMMITTEE ON EDUCATION AND LABOR

Mr. LANDRUM. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on Education and Labor may sit today during the session of the House during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

IS INDIVIDUAL MORALITY OF NO SUBSTANTIAL SIGNIFICANCE?

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, one lesson which any man can learn from the annals of history is that a nation in which individual morality disappears, cannot long endure. It becomes weak and disorganized, and either falls prey to an outside invader, or disintegrated from within.

This lesson has been repeated many times, and should today give us pause. The immediate occasion for this reflection is the report issued the other week by the American Law Institute. I should like to say a few words about this report.

The American Law Institute is a distinguished institution which was founded some 32 years ago by Elihu Root to promote the clarification and simplification of the law and its better adaptation to social needs. Its membership includes some of the most eminent jurists of our Nation. The institute meets annually, and issues recommendations which can be used as a guide by our State legislatures.

Upon the conclusion of its most recent meeting, according to a report which I have just read, the institute recommended that adultery, sodomy, and some forms of homosexuality be removed from the list of criminal offenses. If the account which I read is correct, this recommendation was considered advisable because the criminal provisions of our laws are not generally enforced against these acts.

Now this group of prominent, learned men have summed up their arguments by claiming that adultery, for instance, has "no substantial significance except as to the morality of the" [individual]. Adultery, sodomy, and some forms of homosexuality are not then, in the opinion of those eminent jurists, crimes against the peace and the dignity of the State.

I wonder how can a nation in which these acts flourish, and are condoned, be a healthy, good nation? How can such a nation have any dignity, or any spiritual frame of reference for its actions? And if individual morality has "no substantial significance," how can you expect a nation to behave as if the law of nature had any meaning?

It would certainly seem to me that the eminent jurists who are members of the American Law Institute, should be more concerned about the tragic deterioration of our system of criminal law and the effect of this deterioration upon the Nation, than in trying to find ways to "simplify" the laws by reducing the list of crimes enumerated in the code.

If our present criminal laws are not enforced—and the report on the debates of the American Law Institute indicates that this is the case—then certainly the Nation would benefit more from a recommendation that the laws be enforced more vigorously, rather than from a suggestion that the laws be abolished.

It seems to me that the way we are going today, the list of crimes will be reduced more and more each year, and more and more acts which are criminal in nature will be condoned tomorrow. Before you know it, the term "disturbing the peace" will be applied to anything ranging from a brawl to murder. Certainly there is nothing healthy, nothing constructive, nothing laudable in this tendency to make offenses against society, against natural law, more convenient and less reprehensible.

It appears to me that the jurists of the American Law Institute are doing a disservice to our society by pronouncements such as those mentioned above. This kind of thinking that is reflected in those pronouncements leads to social disintegration, to national disaster.

Statements to the effect that acts which have been recognized for centuries—even by barbarians—as being contrary to natural law and detrimental to society, are of "no substantial significance," are that much rot. If the individuals within a nation are rotten, the nation cannot be healthy. If the individuals are corrupt, the nation cannot be honest. The nation is but the sum total of the individuals within it, bound by a common purpose, and organized in the common interest. It seems to me that unless individuals abide by the law of nature as persons, they cannot be expected to follow that law as a group.

We have learned from history what has happened to nations and empires in which individual morality was practically nonexistent. Rome, as great as she was, fell and disintegrated because it was rotten at the core. Other great states followed that fate. So when we speak about the individual, it seems to me we should remember that the individual is not immaterial to the nation, or just a grain of sand upon the desert.

It is the individuals who make up the core of the nation, as members of their immediate families, as members of their communities, and as members of the society. Unless that core is healthy, the nation is ill. If it is not felled by an outside invader, it will disintegrate from within. It seems to me that the members of the American Law Institute should reflect at length upon these considerations.

Mr. Speaker, our Nation was born of a spiritual heritage. If we look through the writings of our Founding Fathers, if we glance at the basic documents of our democracy—our Declaration of Independence, our Bill of Rights, even our Pledge of Allegiance to the Flag, and others—we cannot escape the conviction that our national heritage is rooted in the belief in God, in natural law, in the belief that the dignity and rights of the individual spring from his origin as a creation of God.

We must be true to that heritage if our Nation is to endure. We must be true to it if we expect to survive the global struggle with atheistic, materialistic communism. Therein lies our strength, therein lies the essence of durability which any nation would like to claim for itself.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 73]

Abernethy	Edmondson	Multer
Adair	Fjare	Mumma
Allen, Calif.	Flynt	Nelson
Anfuso	Friedel	Norblad
Arends	Fulton	O'Brien, N. Y.
Ashley	Gamble	O'Konski
Ayres	Garmatz	Patman
Barden	Green, Pa.	Patterson
Barrett	Griffiths	Philbin
Bolton, Oliver P.	Gwinn	Pillion
	Harrison, Nebr.	Powell
Bonner	Hays, Ohio	Prouty
Bowler	Heselton	Radwan
Burdick	Hess	Reed, N. Y.
Byrd	Hoffman, Mich.	Rivers
Canfield	Holtzman	St. George
Carnahan	Hope	Seely-Brown
Celler	James	Shelley
Chase	Jenkins	Shuford
Clark	Jennings	Siler
Cole	Jonas	Smith, Kans.
Colmer	Jones, Mo.	Spence
Coudert	Judd	Taber
Curtis, Mo.	Kearney	Taylor
Davidson	Kilburn	Teague, Tex.
Delaney	King, Calif.	Vursell
Derounian	King, Pa.	Wainwright
Dingell	Lanham	Williams, N. Y.
Dodd	Lesinski	Winstead
Dolliver	McConnell	Wolverton
Donohue	McDowell	Yates
Dowdy	Mason	
Eberharter	Miller, N. Y.	

The SPEAKER. On this rollcall 338 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDMENT OF RURAL ELECTRIFICATION ACT

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 254, Rept. No. 635) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5376) to amend the Rural Electrification Act of 1936, as amended. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for

amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

COMMITTEE ON PUBLIC WORKS

Mr. FALLON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works be permitted to sit this afternoon while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

SALARIES OF THE JUDGES OF THE COURTS OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (S. 727) to adjust the salaries of the judges of the municipal court of appeals for the District of Columbia, the municipal court for the District of Columbia, the juvenile court of the District of Columbia, and the District of Columbia tax court, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 633)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 727) to adjust the salaries of the judges of the municipal court of appeals for the District of Columbia, the municipal court for the District of Columbia, the juvenile court of the District of Columbia, and the District of Columbia tax court, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That the fourth sentence of the sixth paragraph of section 6 of the act entitled 'An Act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as "The Municipal Court for the District of Columbia", to create "The Municipal Court of Appeals for the District of Columbia", and for other purposes', approved April 1, 1942, as amended (D. C. Code, sec. 11-771), is amended by striking out '$14,500' and inserting in lieu thereof '$19,500', and by striking out '$14,000' and inserting in lieu thereof '$19,000'.

"SEC. 2. The fourth sentence of section 2 of such Act of April 1, 1942, as amended (D. C. Code, sec. 11-753), is amended by striking out '$13,500' and inserting in lieu thereof '$18,500', and by striking out '$13,000' and inserting in lieu thereof '$18,000'.

"SEC. 3. The first sentence of the second paragraph of section 2 of title IX of the District of Columbia Revenue Act of 1937, as amended (D. C. Code, sec. 47-2402), is amended by striking out '$13,000' and inserting in lieu thereof '$18,000'.

"SEC. 4. The last sentence of section 19 of the Juvenile Court Act of the District of Columbia (D. C. Code, sec. 11-920) is amended to read as follows: 'The salary of the judge shall be $18,000 per annum'."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

JOHN L. MCMILLAN,
OREN HARRIS,
SID SIMPSON,
JOS. P. O'HARA,
Managers on the Part of the House.

WAYNE MORSE,
ALAN BIBLE,
ROMAN L. HRUSKA,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 727) to adjust the salaries of the judges of the Municipal Court of Appeals for the District of Columbia, the Municipal Court for the District of Columbia, the Juvenile Court of the District of Columbia, and the District of Columbia Tax Court submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report: The first section of the Senate bill increased the salary of the chief judge of the Municipal Court of Appeals for the District of Columbia from $14,500 to $20,000 per annum, and the salaries of the judges of such court from $14,000 per annum to $19,500 per annum. The corresponding section of the House amendment provided an increase to $17,500 for the chief judge and to $17,000 for the judges of such court. The conference agreement fixes the salary of the chief judge to be $19,500 and the salaries of the judges to be $19,000.

Section 2 of the Senate bill increased the salary of the chief judge of the Municipal Court for the District of Columbia from $13,500 per annum to $19,000 per annum, and the salaries of the judges of the Municipal Court from $13,000 per annum to $18,500 per annum. The corresponding section of the House amendment provided an increase to $16,500 for the chief judge and to $16,000 for the judges of such court. The conference agreement fixes the salary of the chief judge of such court to be $18,500 per annum and the salaries of the judges to be $18,000.

Section 3 of the Senate bill (which corresponds to section 4 of the House amendment and the conference substitute) established the salary of the judge of the Juvenile Court of the District of Columbia at $18,500 per annum. Under existing law the salary of such judge is fixed under the Classification Act of 1949, and is at present $11,800 per annum. The House amendment provided that the salary of the judge of the Juvenile Court should be $14,800. The conference agreement fixes the salary of such judge to be $18,000.

Section 4 of the Senate bill (which corresponds to section 3 of the House amendment and the conference substitute) increased the salary of the judge of the District of Columbia Tax Court from $13,000 per annum to $18,500 per annum. The House amendment increased the salary of such judge to $16,000. The conference agreement fixes the salary of such judge to be $18,000.

JOHN L. MCMILLAN,
OREN HARRIS,
SID SIMPSON,
JOS. P. O'HARA,
Managers on the Part of the House.

Mr. McMILLAN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, the conferees you appointed on this bill did the best we could. We all realize that we did not get exactly what we wanted, but I assure you this is the best we could get in the conference.

We all know that the municipal judges here are not exactly on a par with the circuit judges in the States, since they try cases both Federal and State. The committee of which I am privileged to be chairman has also before it a bill that we expect to report during this Congress transferring all divorce cases and all domestic-relations cases to the municipal court from the Federal court. This will take about 20 percent of the caseload away from the Federal court and add it to the municipal court.

We also have before the Committee on the Judiciary a bill calling for the municipal court's having jurisdiction of cases involving up to $8,000 instead of $3,000.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. GROSS. Will the gentleman please explain, because there has been a great deal of confusion on the House floor, what the conferees actually did in conference?

Mr. McMILLAN. The House, as you probably know, enacted a bill calling for a $3,000 increase across the board for municipal court judges. The other body passed a bill calling for $5,500 increase. We went to conference, and the conferees agreed on a $5,000 increase.

Mr. GROSS. In other words, the House approved a $3,000 increase, which would have made it $17,000 and $16,000 for municipal court judges, and the conferees approved a $5,000 increase, which will make it $19,000 and $18,000 for municipal court judges; is that correct?

Mr. McMILLAN. That is correct.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. WILLIAMS of Mississippi. My distinguished chairman, who was a member of the conference committee, has said that the House conferees worked as hard as they could, and he believes they got the best bill they could get out of the conference committee. The results of the conference committee's agreement seems to me to be very much in the vicinity of the Senate's figures. I am just wondering how long the conference committee was in session yesterday afternoon.

Mr. McMILLAN. Approximately 45 minutes.

Mr. WILLIAMS of Mississippi. Approximately 45 minutes? And I might ask one more question: Was the House report signed by all members of the committee on the House side? Was it signed by all of the managers on the part of the House?

Mr. McMILLAN. It was signed by all except the gentleman from Mississippi [Mr. ABERNETHY].

Mr. WILLIAMS of Mississippi. The gentleman from Mississippi [Mr. ABERNETHY] was present at the conference meeting.

Mr. McMILLAN. That is correct.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. McCORMACK. Of course, when you go into a conference, and I am speaking as a member and not in my capacity as majority leader, there is disagreement between the two branches. As we all know, the purpose of the conferees is to go in with an open mind to try to adjust the differences existing between the two branches. And respecting, as I do, the views of those who are opposed to any increase for the judges, and I think the conferees worked out a very satisfactory arrangement, but so far as I am personally concerned, and I again repeat, respecting the views of those who are opposed to any increase, if I had an opportunity to vote for the Senate bill, I would do so. But I want to compliment the House conferees because I think they arrived at about as fair and equitable an adjustment of the differences between both branches as could be arrived at.

Mr. GROSS. Speaking of a compromise, what was the compromise if the conferees increased the salaries by $5,000? What was the compromise?

Mr. McMILLAN. Five hundred dollars.

Mr. GROSS. Five hundred dollars?

Mr. McMILLAN. Yes.

Mr. GROSS. In other words, the House gave away some $2,000 in exchange for $500; is that correct?

Mr. McMILLAN. The Senate gave away $500, that is correct.

Mr. GROSS. In the opinion of the gentleman from Iowa, that is not very much of a compromise in favor of the House, contrary to what the gentleman from Massachusetts may suggest.

Mr. McCORMACK. I said on two occasions—and the gentleman from Iowa, I am sure, was listening and during my remarks I said I thoroughly respected the views of those who are opposed to any increase, but I think the House conferees arrived at a very fair and equitable adjustment of the differences existing between both branches—and that represents my own personal views on the subject.

Mr. GROSS. The gentleman from Iowa has not said he is opposed to any increase, but this is a fantastic increase when you increase municipal court judges $5,000 a year to $18,000 and $19,000 a year.

Mr. McMILLAN. I agree with the gentleman from Iowa that this is a rather large increase, but if we are to maintain the position of our judiciary in our form of government as it should be, we must pay these judges a salary commensurate with the responsibility of their duties. I would not go along with making any such recommendation for an increase for administrative officers in the District government in this amount—I can assure you of that today. I do not think any other people connected with the District government have the responsibility that the judges have on their shoulders.

Mr. GROSS. My understanding is that the schoolteachers of the District of Columbia are asking for something around $200 increase; is that correct?

Mr. McMILLAN. I think so—and I have not said that I would agree to that amount but I understand that that is what they are asking.

Mr. GROSS. It is impossible for me to understand how an increase of $5,000 can be voted, bringing these salaries up to $19,000, and deny the schoolteachers a small increase.

Mr. McMILLAN. I sincerely feel that a judge is in a little different position than any other employees in the District of Columbia.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. O'HARA of Minnesota. As a matter of fact, there has been no turning down of an increase ir teachers' salaries. The bill was introduced only the other day.

Mr. McMILLAN. That is correct.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. FOUNTAIN. Am I correct in the information that these judges have jurisdiction in criminal cases only of misdemeanors?

Mr. McMILLAN. Cases up to $3,000.

Mr. FOUNTAIN. Up to $3,000 in civil matters and misdemeanors in criminal cases.

Mr. McMILLAN. That is correct.

Mr. FOUNTAIN. So they have the same jurisdiction that most justices of the peace have all over the United States. Is that right?

Mr. McMILLAN. That is correct.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. HYDE. I would go a little further in the matter of the question of jurisdiction raised by the gentleman from North Carolina [Mr. FOUNTAIN]. It is true that as far as criminal cases are concerned, they handle misdemeanors. They also handle violations of Federal statutes, as well as the laws of the District of Columbia. They handle civil suits up to $3,000. They also handle appeals from various boards in the District of Columbia. So they have much broader jurisdiction than the average magistrate court or justice of the peace, to which the gentleman referred.

Mr. FOUNTAIN. How many of these judges are there in the District of Columbia?

Mr. McMILLAN. There are 13.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Speaker, let me say with reference to the conference between the House and Senate, the conferees on the part of the Senate took a very strong position of preserving the traditional differences that have existed between the courts in the District of Columbia. For example, when the municipal court was created, the salaries of Federal judges in the District of Columbia were $10,000. The salaries of judges for the municipal court were fixed at $8,000. When the municipal court of appeals was created, the salaries of the judges of the municipal court of appeals were fixed at $9,000.

About 1948, when the congressional salaries and judges' salaries were increased, the municipal court of appeals was fixed at $14,000. The municipal court judges' salaries were fixed at $13,000, a difference of $1,000 and $2,000.

Recently we have increased congressional salaries and the salaries of District Federal judges to $22,500.

The municipal court of the District of Columbia is different from any other municipal court in the country. They try misdemeanors. They are committing magistrates. They have jurisdiction over civil cases up to $3,000. A misdemeanor is a Federal misdemeanor under the statutes, which is punishable up to a year in jail and a thousand-dollar fine, which considerably exceeds the misdemeanor statutes of most of the States. Of course, there are those who are opposed to any salary increase for anybody. There are those who are opposed to any salary increase for judges. Comparisons possibly will be made with salaries of judges in the various States. Each State regulates the salaries of its own judges, both in the State and municipal courts. There is one State where the salary of even the probate judge, or surrogate judge is as high as $28,000 or $30,000 a year, and what amounts to our circuit court judges in some jurisdictions, in New York I understand for one, get $30,000 and above. I think some of the salaries paid in certain State jurisdictions are unconscionably low . The States have been raising those salaries.

If this is to be a precedent let us follow the precedent that has existed in the past in the relationship of the salaries of the courts here.

The municipal court of the District of Columbia has over the last 2 years, I believe, been a court that is absolutely current; in other words, cases that are brought are disposed of within 30 to 45 days. Prior to that time there was considerable delay in the trial of cases. The municipal court of appeals has always and constantly ever since its creation been current. Cases on appeal are disposed of and heard for argument within 30 days possibly after the briefs are filed. I do not know of any municipal court of comparable size to the municipal courts of the District of Columbia that can boast of that kind of record.

These municipal judges, unlike the municipal judges in the States, are appointed for a term of 10 years. They cannot practice law, they are absolutely prohibited from practicing law. In many States, even in large cities, the municipal court judges are permitted to practice law in addition to holding office.

We now get down to the practical proposition. We have agreed upon the compromise, which was not a capitulation at all. The Senate conferees took the position that we should follow—and I think properly so—the traditional salary differences. You will find through your States a continuing increase in the salaries of the judges, which is appropriate and proper. That is the business of the State. But you cannot compare the State of Iowa or the State of North Carolina, or South Carolina, salarywise, to the salaries of judges of either the Federal or the municipal courts that have existed here in the past.

I just want to say to you that if there were mistakes made as to precedent in

salaries—and I have not heard any complaint—we are to blame for what has gone on for two additional salary increases of the municipal courts along with the Federal court salaries; but to say to a court that has done a splendid job and is doing a splendid job that they are not entitled to, that they are getting less than, the traditional increase but percentagewise substantially the traditional increase, to say to that court: "You are not entitled to that traditional increase," is tantamount to saying: "You have not done a good job." I do not think that is your intention and I hope it will not be your intention. I hope you will support the action of the conferees.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman himself suggests that a mistake may have been made in the past. Is he going to continue in the future to compound that mistake by increasing the salaries on the basis of tradition?

Mr. O'HARA of Minnesota. Nothing I could say would change the gentleman's mind; he is against any salary increase; he is against any traditional increase that would be consistent with the history of the past.

Nobody has complained, unless it be the gentleman from Iowa, that this fixing of salaries was unfair. I do not say that it was unfair at all; I think it was reasonable, considering the situation here in the District.

Mr. GROSS. There must have been some doubt in the gentleman's mind, because he said, "If a mistake was made."

Mr. O'HARA of Minnesota. I certainly have voted for salary increases since then. I do not know whether the gentleman from Iowa did or not.

Mr. GROSS. Can the gentleman give us some idea when the last salary increase was voted?

Mr. O'HARA of Minnesota. I think in 1948. I may not be accurate about that.

Mr. GROSS. I think it came at a later date.

Mr. O'HARA of Minnesota. It might have been. If the gentleman will permit me, I can tell him exactly when it was. It was in 1949.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, let me say to the gentleman from Minnesota [Mr. O'HARA] that I am not opposed to any increase in the salaries of the municipal judges of the District of Columbia. In fact, I offered an amendment increasing these salaries by $3,000 across the board, which was adopted by the committee and approved by the House.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. On two previous votes of the same committee the committee voted $5,000.

Mr. JONES of North Carolina. The committee on one previous vote had voted for $5,000.

Mr. O'HARA of Minnesota. I agree that it had not been reported the first time because a point of order was made; but the committee when a quorum was not present voted for the $5,000 increase. Subsequently a point of order was made before it reached debate, and the bill at request was returned to the House committee.

Mr. JONES of North Carolina. And the committee on that occasion voted unanimously for the $3,000 increase.

Mr. O'HARA of Minnesota. I was not there, I am sorry to say.

Mr. JONES of North Carolina. Mr. Speaker, as has been brought out in this debate, the Senate passed a bill allowing an increase of $5,500 across the board for all these judges. The conferees have agreed to give increases which in effect amount to an increase of $5,000 across the board with 1 or 2 exceptions, 1 exception being that in the case of the juvenile court judge, her salary is increased by this conference report from $11,800 to $18,000 and the judge of the tax court is increased almost accordingly.

There has been some question with reference to comparing salaries of the judges of the municipal court here with the salaries paid judges in the various States. Let me say there is not a municipality in this Nation which pays salaries to their municipal judges comparable to the salaries contained in this conference report.

Let us take a look at the salaries paid the trial judges in the various States and remember that these trial judges in the various States are judges of courts of unlimited or general jurisdiction, while the judges of the municipal court here have only limited jurisdiction. They have jurisdiction over misdemeanor cases arising in the District of Columbia and they sit as committing magistrates in felony cases, binding the defendants charged with such felony over to the United States district court for trial. They have jurisdiction in civil cases of amounts up to $3,000. That is the extent of their jurisdiction.

The gentleman from Minnesota intimated that we in the South pay unusually low salaries to our officials, therefore no comparison should be made with those southern States. But let me make a comparison with some of the northern States with reference to salaries paid to their judges who have general jurisdiction. Do you realize, Mr. Speaker, that if this conference report is agreed to this morning the municipal judges of the District of Columbia will draw a larger salary than every trial judge in every State of this Union except in three States, those three Northern States being New York, Illinois, and Pennsylvania.

The appeals court judges in this bill will be paid $19,000. If the House adopts this conference report, then these appeals court judges which pass on matters appealed from the trial courts in question will draw more money than the judges of the State supreme courts of every State in this Nation with the exception of five States. Those States are: New York, New Jersey, Pennsylvania, Illinois, and California.

Let me list a few of the States where the supreme court judges do not get as much money as these judges of the court of appeals for the District of Columbia will get if this conference report is adopted: Massachusetts, Michigan, Connecticut, Texas, Minnesota, Missouri, Ohio, Rhode Island, Virginia, Maryland, Washington, Colorado, Delaware, Indiana, Iowa, Kansas, Wisconsin, Minnesota, Kentucky, Tennessee, and all other States except five States of this Union.

Mr. Speaker, I think this conference report should be recommitted to the conferees with instruction that the managers on the part of the House insist on the amendments adopted by the House.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS of Mississippi. Mr. Speaker, I supported what I considered to be a reasonable increase in the salary of these judges when this bill was before the House the other day, in spite of the fact that in some cases many of us thought that actually it was too much. As a member of the Committee on the District of Columbia which considered this legislation, I think I can say with some degree of truth, that the committee considered the Senate figure entirely too much, and it was only after these figures were reduced to those which were carried in the House bill that the committee agreed reluctantly—and I say that advisedly—to go along with this bill.

Now, the gentleman from North Carolina [Mr. JONES] who has just presented the case for the House bill to you, has shown to you the comparable salaries received by these municipal court judges who have jurisdiction somewhat comparable to justices of the peace out in the States and compared with the rest of our States' judiciary. Now let us look at this for just a moment.

Do you know that if this bill passes as the committee of conference has reported it, the lowest salary carried in this bill is in excess of the salary paid to every governor in the United States with the exception of seven? Now, are we going to vote to accept the figures of the committee of conference, when those figures pay these municipal court judges more than our governors are drawing?

Now, let us see what this conference report does. Incidentally, I intend to offer a motion to recommit this report to the committee of conference with instructions that they insist on the amendments adopted by the House.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Connecticut.

Mr. MORANO. Is it not true that most governors have a mansion or other additional benefits that a judge does not get?

Mr. WILLIAMS of Mississippi. It is also true that governors have to run for reelection and that they also have to take care of their constituents, and the gentleman, who is in politics and has to run for reelection, should know the expense involved in that.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Iowa.

Mr. GROSS. Only a few days ago we heard a great deal of weeping and

wailing in the House because some $2 million or $3 million was knocked out of the District appropriation bill. Where is it proposed to get the money to pay these fantastic salaries?

Mr. WILLIAMS of Mississippi. The committtee was unanimous in opposition to the Senate figures.

Mr. Speaker, what does this bill do? Let us see what kind of a compromise came out of the committee of conference. I may say, figuratively speaking, the last one going in met the first one coming out with surrender in his hands. At the present time, the municipal court judges are receiving $13,500. The Senate bill wanted to bump them up to $19,000. We gave them $16,000. The conference committee gave them $18,000. At present the judges of the juvenile court are receiving $11,800. The Senate wanted to give them $18,500. The House gave them $14,800. The conferees compromised by reducing the Senate figure $500 to $18,000. So, in the end, they are raised from $11,800 to $18,000.

You know, some might say that the House gave them all the money in the world, and then the Senate tried to double it.

Let us look at the municipal court of appeals. Remember that all of these are courts of limited jurisdiction. They do not handle any civil cases involving over $3,000. They handle only criminal misdemeanors.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. FORRESTER. Is it not true that they are not only courts of limited jurisdiction, but they are the inferior courts of the District? Is that not true?

Mr. WILLIAMS of Mississippi. As I understand it; yes, sir.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McMILLAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. WILLIAMS of Mississippi. Unqualifiedly.

The SPEAKER pro tempore. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WILLIAMS of Mississippi moves to recommit the conference report on the bill (S. 727) to the conference committee with instructions to the Managers on the part of the House that they insist on the amendments adopted in the House.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Mississippi [Mr. WILLIAMS] to recommit.

The question was taken; and the Chair being in doubt, the House divided, and there were—ayes 84, noes 37.

Mr. O'HARA of Minnesota. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present. The doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 170, nays 165, not voting 99, as follows:

[Roll No. 74]

YEAS—170

Abbitt	Forrester	Pelly
Alexander	Fountain	Pfost
Alger	Frazier	Phillips
Allen, Ill.	Frelinghuysen	Pilcher
Andersen, H. Carl	Gary	Poage
Ashmore	Gathings	Poff
Aspinall	Gentry	Polk
Auchincloss	George	Ray
Avery	Gross	Rees, Kans.
Baldwin	Gubser	Rhodes, Ariz.
Bass, Tenn.	Hagen	Rhodes, Pa.
Bates	Hale	Richlman
Baumhart	Haley	Riley
Beamer	Hand	Roberts
Bell	Harden	Robeson, Va.
Bennett, Fla.	Hardy	Robsion, Ky.
Bentley	Harrison, Va.	Rogers, Colo.
Berry	Harvey	Rogers, Fla.
Betts	Hayworth	Rogers, Mass.
Blitch	Henderson	Rogers, Tex.
Boland	Herlong	Rutherford
Bolton, Frances P.	Hiestand	Saylor
Bosch	Hill	Schenck
Bow	Hoeven	Scherer
Boykin	Holmes	Schwengel
Brooks, Tex.	Holt	Scott
Brown, Ga.	Horan	Scrivner
Brownson	Huddleston	Scudder
Budge	Jarman	Selden
Burdick	Jensen	Short
Burleson	Johansen	Sikes
Byrnes, Wis.	Johnson, Calif.	Simpson, Pa.
Cannon	Johnson, Wis.	Smith, Kans.
Carlyle	Jones, Ala.	Smith, Miss.
Chase	Jones, N. C.	Smith, Wis.
Chatham	Kean	Teague, Calif.
Chenoweth	Keating	Thompson, Mich.
Chiperfield	Kilgore	Thomson, Wyo.
Church	Knox	Tollefson
Clevenger	Krueger	Tuck
Coon	Laird	Utt
Corbett	Latham	Van Pelt
Cramer	LeCompte	Van Zandt
Curtis, Mass.	Lipscomb	Velde
Dague	Long	Walter
Davis, Wis.	Lovre	Watts
Deane	McCulloch	Weaver
Dies	McIntire	Westland
Dixon	McVey	Whitten
Dorn, S. C.	Mack, Wash.	Widnall
Doyle	Magnuson	Wigglesworth
Durham	Marshall	Williams, Miss.
Ellsworth	Matthews	Withrow
Fernandez	Minshall	Wright
Fisher	Murray, Tenn.	Young
Ford	Norblad	Younger
	O'Konski	
	Ostertag	

NAYS—165

Addonizio	Davis, Tenn.	Hoffman, Ill.
Albert	Dawson, Ill.	Holifield
Andresen, August H.	Dawson, Utah	Hosmer
Andrews	Dempsey	Hull
Bailey	Denton	Hyde
Baker	Devereux	Ikard
Bass, N. H.	Diggs	Karsten
Becker	Dollinger	Kearns
Belcher	Dondero	Kee
Bennett, Mich.	Donovan	Kelley, Pa.
Blatnik	Dorn, N. Y.	Kelly, N. Y.
Boggs	Elliott	Keogh
Bolling	Engle	Kilday
Boyle	Evins	King, Calif.
Bray	Fallon	Kirwan
Brooks, La.	Fascell	Klein
Brown, Ohio	Feighan	Kluczynski
Broyhill	Fenton	Landrum
Buchanan	Fine	Lane
Buckley	Fino	Lankford
Burnside	Flood	McCarthy
Bush	Fogarty	McCormack
Byrne, Pa.	Forand	McDonough
Carrigg	Gavin	McDowell
Chelf	Gordon	McGregor
Christopher	Granahan	McMillan
Chudoff	Grant	Macdonald
Cooley	Gray	Machrowicz
Cooper	Gregory	Mack, Ill.
Crumpacker	Harris	Madden
Cunningham	Hays, Ark.	Mahon
Davis, Ga.	Hébert	Martin
	Hinshaw	Meader
	Merrow	Price
	Metcalf	Priest
	Miller, Calif.	Quigley
	Miller, Md.	Rabaut
	Miller, Nebr.	Rains
	Mills	Reece, Tenn.
	Mollohan	Reed, Ill.
	Morano	Reuss
	Morgan	Richards
	Morrison	Rodino
	Moss	Rooney
	Moulder	Roosevelt
	Multer	Sadlak
	Murray, Ill.	Sheehan
	Natcher	Sheppard
	Nicholson	Sieminski
	O'Brien, Ill.	Simpson, Ill.
	O'Hara, Ill.	Sisk
	O'Hara, Minn.	Smith, Va.
	O'Neill	Springer
	Passman	Steed
	Perkins	Sullivan
	Preston	Talle
		Thomas
		Thompson, La.
		Thompson, N. J.
		Thompson, Tex.
		Thornberry
		Trimble
		Tumulty
		Udall
		Vanik
		Vinson
		Vorys
		Wharton
		Wickersham
		Wier
		Williams, N. J.
		Willis
		Wilson, Calif.
		Wilson, Ind.
		Wolcott
		Zablocki
		Zelenko

NOT VOTING—99

Abernethy	Fjare	Mason
Adair	Flynt	Miller, N. Y.
Allen, Calif.	Friedel	Mumma
Anfuso	Fulton	Nelson
Arends	Gamble	Norrell
Ashley	Garmatz	O'Brien, N. Y.
Ayres	Green, Oreg.	Osmers
Barden	Green, Pa.	Patman
Barrett	Griffiths	Patterson
Bolton, Oliver P.	Gwinn	Philbin
Bonner	Halleck	Pillion
Bowler	Harrison, Nebr.	Powell
Byrd	Hays, Ohio	Prouty
Canfield	Heselton	Radwan
Carnahan	Hess	Reed, N. Y.
Cederberg	Hillings	Rivers
Celler	Hoffman, Mich.	St. George
Clark	Holtzman	Seely-Brown
Cole	Hope	Shelley
Colmer	Jackson	Shuford
Coudert	James	Siler
Cretella	Jenkins	Spence
Curtis, Mo.	Jennings	Staggers
Davidson	Jonas	Taber
Delaney	Jones, Mo.	Taylor
Derounian	Judd	Teague, Tex.
Dingell	Kearney	Vursell
Dodd	Kilburn	Wainwright
Dolliver	King, Pa.	Williams, N. Y.
Donohue	Knutson	Winstead
Dowdy	Lanham	Wolverton
Eberharter	Lesinski	Yates
Edmondson	McConnell	
	Mailliard	

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Flynt for, with Mr. Anfuso against.

Mr. Lanham for, with Mr. Eberharter against.

Mr. Colmer for, with Mrs. Green of Oregon against.

Mr. Norrell for, with Mr. Celler against.

Mr. Abernethy for, with Mr. Delaney against.

Mr. Winstead for, with Mr. O'Brien of New York against.

Mr. Shuford for, with Mr. Garmatz against.

Mr. Jennings for, with Mr. Friedel against.

Until further notice:

Mr. Barrett with Mr. Taber.
Mr. Ashley with Mr. Taylor.
Mrs. Griffiths with Mr. Jenkins.
Mrs. Knutson with Mr. Arends.
Mr. Clark with Mr. Halleck.
Mr. Carnahan with Mrs. St. George.
Mr. Holtzman with Mr. Siler.
Mr. Davidson with Mr. Cole.
Mr. Powell with Mr. Canfield.
Mr. Green of Pennsylvania with Mr. Adair.
Mr. Barrett with Mr. Ayres.
Mr. Bowles with Mr. Jonas.
Mr. Byrd with Mr. Kilburn.
Mr. Edmondson with Mr. Wainwright.
Mr. Dodd with Mr. Gavin.
Mr. Dingell with Mr. Derounian.
Mr. Donohue with Mr. Dolliver.
Mr. Philbin with Mr. Osmers.

Mr. McDowell with Mr. Miller of New York.
Mr. Lesinski with Mr. Mason.
Mr. Shelley with Mr. Harrison of Nebraska.
Mr. Staggers with Mr. Hess.
Mr. Hays of Ohio with Mr. Hoffman of Michigan.
Mr. Reuss with Mr. Jackson.
Mr. Rivers with Mr. Wolverton.
Mr. Yates with Mr. Allen of California.
Mr. Bonner with Mr. Pillion.
Mr. Dowdy with Mr. Cretella.
Mr. Jones of Missouri with Mr. Coudert.
Mr. Teague of Texas with Mr. McConnell.
Mr. Patman with Mr. James.
Mr. Barden with Mr. Kearney.
Mr. Spence with Mr. Judd.

Messrs. GARY, GATHINGS, Mrs. FRANCES P. BOLTON changed their vote from "nay" to "yea."

Messrs. CHRISTOPHER, WIER, MILLER of Maryland, and HOSMER changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

AMENDING TITLE V OF THE AGRICULTURAL ACT OF 1949, AS AMENDED

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 255, Rept. No. 643) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3822) to amend title V of the Agricultural Act of 1949, as amended, by striking out the termination date. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SUPPLEMENTING FEDERAL RECLAMATION LAWS

Mr. ENGLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5881) to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5881, with Mr. PRESTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ENGLE. Mr. Chairman, I yield myself 23 minutes.

Mr. Chairman, this is the second time this subject matter has been before this body. In the last Congress a similar bill passed the House under suspension of the rules. It was favorably voted out of the Senate Committee on Interior and failed of passage in the Senate in the closing days of the last session. The measure in the last session was authored by my distinguished friend, and the chairman of our committee at that time, the gentleman from Nebraska, Dr. MILLER, who is a coauthor of the legislation now before you. The gentleman from Nevada [Mr. YOUNG] is also a coauthor of this legislation, and the gentleman from Alabama [Mr. JONES] has a bill for a similar purpose pending before the House Committee on Agriculture. If this legislation is approved by the House, it would take the place of the measure introduced by the gentleman from Alabama who is, as I understand, supporting this legislation.

At the other side of the Capitol similar, although not precisely identical, legislation has been introduced by Senator MALONE, Senator ANDERSON, Senator KUCHEL, Senator GOLDWATER, Senator DWORSHAK, Senator BARRETT, Senator JACKSON, and Senator WATKINS.

Mr. Chairman, this legislation has the approval of the Department of the Interior. Their report appearing in the committee report now before you approves the general purposes and objectives of this legislation. So, so far as I know, Mr. Chairman, the legislation has had favorable consideration on both sides of the aisle as well as by the executive departments.

Now, the simple way to state the purposes and the objectives of this legislation is to say that it is to permit local agencies to plan and to construct small irrigation projects with the same money, but we believe less of it, as that which would be used for the same purpose by the Bureau of Reclamation. In short, this legislation authorizes the substitution of a local public agency as the construction agency on small projects in the place and stead of the Bureau of Reclamation.

The basic premise of this bill is that these small projects are inherently local in character, simple in engineering and that they can be built better and cheaper by local agencies. Under the present reclamation law, the Bureau of Reclamation could build any project which would be constructed under this proposed legislation, but our experience has shown that the Bureau of Reclamation, being a national governmental agency, is not geared to build small projects. Not long ago we passed through this House a bill on the Consent Calendar, to authorized local irrigation districts to build their own distribution systems which, under the present reclamation law, are being built by the Bureau of Reclamation. This is a companion bill which deals with small projects costing $10 million or less.

Our observation has been that when the Bureau of Reclamation undertakes to build a distribution system or, in connection with this proposed legislation a small project, that the cost goes up because of the redtape and the type of review that is necessary in a national organization. As an illustration, in one case we found that the administrative costs of building a distribution system in California as a part of the Central Valley project were 47 percent of the total capital cost of the project. And it is not unusual at all to have those administrative costs run from 20 to 30 percent. That is true because they have an office where the project is being built, a regional office; then they have an office at Denver and they have one back here in Washington.

It is my belief that local agencies could build these small projects and that they could save that money but, in addition to that, they would take a good deal of the gingerbread out of the engineering and planning of these small projects. As a consequence they would be built not only cheaper, but it would be possible to build more of them. And they would be built sufficiently well to meet the requirements of the local people.

This bill, in effect, provides for a partnership arrangement between the Federal Government and the local governmental agency in the construction of these small projects, simple in engineering, inherently local in character, and therefore susceptible of local planning, engineering, and construction on a more efficient basis than could be done by a national organization.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I am going into a section-by-section discussion of the bill, but if the gentleman has a question to ask at this point, I am glad to yield.

Mr. H. CARL ANDERSEN. I have just a few questions as to the overall effects of the bill. In the first place, this bill would put under the purview of the Reclamation Act the 31 eastern States, would it not?

Mr. ENGLE. In its present form, it would. Let me continue to say that I understand that the gentleman from Alabama [Mr. JONES] is going to offer an amendment to substitute the Secretary of Agriculture in the Eastern States, leaving only the Western States under the Bureau of Reclamation and the Interior Department. As far as I am personally concerned I would not undertake to tell the people of the East or in the South which agency should administer this act so far as they are concerned. If they prefer the Department of Agriculture to the Department of the Interior, it is perfectly all right with me.

Mr. H. CARL ANDERSEN. My second question is, Why should we bring the 31 States, as in this bill, into this program whatsoever? What do you obtain by so doing? It seems to me you are in direct contradiction with what we already have under the law in the Watershed Protection Act. Why bring reclamation into the picture in the eastern half of the United States? Does not the gentleman think there will be considerable duplication all along the line? At least, that is the opinion of men whom I respect down in the Department of Agriculture.

Would not the gentleman be in agreement simply to limit this to the 17 recla-

mation States? If the gentleman will do so, I do not intend to fight this bill, but I will distinctly say to the gentleman that this $100 million measure, I feel, is an extreme duplication of the measure I had the honor to present in the first place to the Congress of the United States having to do with watershed protection. In this particular program you are creating two different sorts of groups. Is it not a fact that in this program it is not necessary for the local interests to put up 50 percent as in the Watershed Protection Act?

Mr. ENGLE. If the gentleman will ask one question at a time, I will try to answer him.

Mr. H. CARL ANDERSEN. I am trying to get the overall picture. I am trying to determine whether I shall fight this bill and attempt to kill it or whether the proponents of the bill are willing to limit it to the 17 reclamation States.

Mr. ENGLE. The gentleman asked to begin with whether or not this bill duplicted the Watershed Act which was passed last year. The answer to that is "No."

Mr. H. CARL ANDERSEN. May I say that that is the word that I have from the soil-conservation people, in whom I have confidence. They state about this bill:

> It appears that there is a direct conflict with the Upstream Watershed Act which this Congress passed in the last session after years of study.

I do not think the gentleman wants duplication in this great Government of ours. Would he not be agreeable to limit the scope of this bill to the 17 reclamation States?

Mr. ENGLE. If the gentleman will ask one question at a time, I will try to answer him. The first question he asked me was whether or not this bill overlaps and duplicates the Watershed Act. There may be some disagreement about it, but, in my opinion, it does not. The Watershed Act is a flood-control act. It provides for small restraining dams in the upper reaches of these streams, with a storage capacity of not more than 5,000 acre-feet of water. This bill actually supplements and adds to and fills a gap left so far as that program is concerned.

The Flood Control Act is not basically an irrigation law.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ENGLE. From all I see, Mr. Chairman, I had better take another 10 minutes. I am very interested in not having the opposition of my good friend, who should, in my opinion, be supporting this legislation.

This does not conflict, it supplements. The gentleman says, Why did we do it? The Interior Department came in, and in its report recommended, if the gentleman will read it in the committee report before him, that this bill not be limited in its beneficial operation to the 17 Western States but be applicable to the whole United States.

I was, of course, familiar with the legislation that has been introduced and is pending now before the Committee on Agriculture, introduced by my friend the gentleman from Alabama [Mr. JONES]. My personal interest, of course, is in the West. Naturally I want to do the thing that will benefit and help the West. But I want to help my eastern colleagues, too.

I think this bill mechanically is a good bill, because it will save the Federal Government money and it will actually contribute to the more efficient building of these small projects. But if the people in the East and in the South, who are beginning to feel the pinch of the lack of water as they never did before, step up and stay, "We would like to have some of that, too; we would like to have that kind of program down in our area to help us out," I am not going to close the gate on them. As a matter of fact, I welcome their participation. I think it is a sound and proper thing to do; and although I would not want to see this bill defeated because these other 31 States are in it, nevertheless we are glad to have them in the bill. What I suggest to my friend is, if he does not want the eastern part of the United States, the area outside the 17 Western States, in this bill, then he might offer an amendment at the appropriate place to strike them out and test that question on its merits alone, but not to oppose this bill just because the other States are in the bill.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. H. CARL ANDERSEN. The main desire of the gentleman in connection with this proposed legislation is to make it possible, is it not, to afford small organizations the right to get Federal assistance in relation to irrigation projects. That is correct, is it not? The ladies and gentlemen from the West here today are interested in getting that added to what they already have today in the law.

Mr. ENGLE. It changes the mechanics.

Mr. H. CARL ANDERSEN. Certainly. In other words, my only objection to the bill is that it goes much further than it has any right to go in relation to bringing the Department of Interior, so to speak, into the 31 States in which today it is not interested. Are we going to have the Department of Interior opening up regional offices and area offices throughout the United States, which it would be necessary to create simply because of the proposed legislation?

Mr. ENGLE. I have already told the gentleman that an amendment is going to be offered. So far as I am concerned, I have no objection at all to that. These people in the East and in the South are, in my opinion, perfectly capable of choosing the department or agency of government which they would most prefer. It is in the bill this way because the bill came out of our committee—the Interior Committee, and the Department of the Interior recommended it in its report. If they are not satisfied, all they have to do is to put in an amendment to change it.

Mr. H. CARL ANDERSEN. The gentleman refers to an amendment. Now that amendment does not do what I am asking should be done, and that is simply to take these 31 States out of the purview of this bill.

Mr. ENGLE. Yes, it does this—it puts the administration of this act under the Department of Agriculture rather than the Department of the Interior.

I now yield to my friend, the gentleman from Alabama [Mr. JONES], who has been trying to get the floor.

Mr. JONES of Alabama. I want to say to the gentleman from California that this bill is not in conflict with the flood-control act of 1944 or with the water-facilities act which was passed last year or with the watershed and water-protection-works bill which was passed last year, nor is it in conflict with any general reclamation law that is now on the statute books.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. COOLEY. Has the Department of the Interior approved the bill, as it was reported by the gentleman's committee? My understanding is that no department of the Federal Government has approved this bill.

Mr. ENGLE. That is not true.

Mr. COOLEY. Then my question is: Do you have a report from the Department of Interior approving the bill, as reported by the committee?

Mr. ENGLE. Ordinarily, you do not get a report from the department after you report a bill—you get it before, as the gentleman well knows.

Mr. COOLEY. Did you have a report approving it before the bill was reported?

Mr. ENGLE. Yes, we have a report which was printed in the committee's report, which is available to the gentleman.

Mr. COOLEY. Was it a favorable report?

Mr. ENGLE. Yes, it was. In addition to that, the Assistant Secretary of the Interior, Mr. Aandahl testified in support of this legislation. Moreover, Mr. Dexheimer, Commissioner of Reclamation, appeared before our committee and testified in support of this legislation.

Mr. COOLEY. May I ask another question? Was the Jones amendment considered in the gentleman's committee before the bill was reported?

Mr. ENGLE. It seems to me that was offered. I would have to ask the gentleman from Alabama [Mr. JONES].

Mr. COOLEY. Has the Secretary of Agriculture approved the bill with the Jones amendment or has he approved the Jones amendment?

Mr. ENGLE. I would have to ask the gentleman from Alabama to answer that question.

Mr. JONES of Alabama. The gentleman from Kansas, the ranking minority member of the committee, held consultations with the Department of Agriculture and received approval. I wish the gentleman was here to attest to the conversations and the communications he has had with the Department.

Mr. COOLEY. I wish he were here too.

Mr. JONES of Alabama. I regret exceedingly that these questions would come up so late. I had hoped in my conversations with the members of the

Committee on Agriculture to have resolved the differences that have now arisen.

Mr. COOLEY. I was wondering whether or not the gentleman had resolved the difference in his own committee. This amendment apparently came as an afterthought by the gentleman from Alabama [Mr. JONES].

Mr. JONES of Alabama. The gentleman from North Carolina was present in the Committee on Rules when the gentleman from Kansas [Mr. HOPE], was there and testified for this bill and pointed out specifically what the Department of Agriculture had said in approving this bill.

Mr. COOLEY. I understand that the Department of Agriculture has just today started to study the situation so as to determine just what the situation will be in the event the Jones amendment is adopted. I am anxious for these water facilities to be provided in the East or in the South, or wherever they are needed, but as the gentleman from Minnesota [Mr. H. CARL ANDERSEN] just pointed out, I think we should be careful to avoid any possible duplication.

Then there comes the question of interest rates, and financing, and improvements. Under the Water Facilities Act, they carry the legal rate of interest and are in the nature of self-liquidating projects. Here they are required to pay only the interest rate that the Government is required to pay.

Mr. ENGLE. There is no interest charged by the Federal Government on irrigation and reclamation projects, except for municipal water and for those facilities dedicated to power.

Mr. COOLEY. In addition thereto, the sponsors are not required to put up any money.

Mr. ENGLE. No. The sponsors are putting up all the land acquisition, the rights of way, do all the planning and engineering. We think it will run as much as 25 percent.

Mr. COOLEY. As I understand it we have no report from the Secretary of Agriculture favoring this bill, even with the Jones amendment in it.

Mr. ENGLE. I have no report. As a matter of fact, I would say to the gentleman that when we reported the bill out there was no necessity for it.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. H. CARL ANDERSEN. Would the gentleman be willing to put off decision on this bill until next Thursday, when we have a full attendance of the House present? I think this is too far-reaching to be put in here just ahead of Memorial Day, when many of the Members are necessarily absent from the House. I am saying that in a spirit of friendliness. I want to help the people from the West to get what they want out of this legislation; that is, to help out on these small irrigation projects. But I certainly cannot agree to extend the purview of the Interior Department to the 31 eastern States just to get this particular piece of legislation passed.

The CHAIRMAN. The gentleman has consumed 20 minutes.

Mr. ENGLE. I yield myself 5 additional minutes, Mr. Chairman.

Mr. COOLEY. Will the gentleman yield further?

Mr. ENGLE. I yield.

Mr. COOLEY. I understood the gentleman from California now agrees with the gentleman from Minnesota [Mr. H. CARL ANDERSEN] that the Interior Department should not extend itself all over the 31 additional States?

Mr. ENGLE. I do not say I agree with that. I stated that whenever the people in the eastern States went to select a Government agency, such as the Department of Agriculture, it is not my business to tell them that they should have the Interior Department down there, notwithstanding what the Interior Department itself says. The gentleman from Minnesota [Mr. H. CARL ANDERSEN], says he does not think this act should apply to the East. But his argument is not with me, because as far as I am concerned they can be in or out as they choose.

Mr. COOLEY. I will vote for the Jones amendment and I will vote against the bill if the Jones amendment is not adopted. The gentleman will say to the House that unless we adopt the Jones amendment the Interior Department will be extended into 31 additional States?

Mr. ENGLE. That is correct.

Mr. COOLEY. And if it is adopted, then the Department of Agriculture will run the show in those 31 States?

Mr. ENGLE. That is right. On the other hand, it is not contemplated that this legislation is going to set up any vast bureaucracy to be swarming around in the South or anywhere else. The engineering is done by local people. The land acquisition is done by local people. Applications for a loan are submitted to the Department of the Interior. All they have to do is to determine first whether or not the program is engineeringly sound, on which practically all the work has been done; and secondly, whether or not the agency making the application has repayment capabilities to pay back the loan. They do not need a vast agency swarming around setting up regional offices here and there. Notwithstanding that, since the Department of Agriculture is a major agency in the southern States as well as in the eastern States it would perhaps be a little easier if they did take charge of the matter.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. PHILLIPS. I ask the gentleman to yield to me briefly because of the fact that I must immediately go to a conference on the Atomic Energy bill and I do not want to lose sight of the underlying principle of this bill. We passed this bill practically without opposition last year. It was sent to the Senate and was placed on the calendar of the Senate, but we lost it.

This is all there is to this bill: A large agency of Government finds it impossible to gear itself down to small projects without adding a great deal of administrative cost, a great deal of time, and a great deal of money. This is primarily in line with the philosophy of this side of the aisle. The gentleman from Minnesota and myself would be very much in favor of the basic intent of this bill. This supplemental question should be decided by itself, but certainly those who are for economy, efficiency, and even merit, we may add, should vote for this bill.

Mr. ENGLE. I thank the gentleman.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. COOLEY. I would just like to know if the gentleman from California intends to support the Jones amendment so as to turn 31 States into Agriculture rather than Interior.

Mr. PHILLIPS. That is a matter which each Member must decide for himself. I think I would be inclined to vote for the Jones amendment. I think it is a matter for the people involved to decide, and we should accept their views as to whether they want to have it in Agriculture or Interior. My personal opinion is that I shall vote for the Jones amendment.

I now yield to the gentleman from New York.

Mr. DONOVAN. I just want to clear up a couple of preliminary questions. Did I understand the gentleman correctly to say that the Department of the Interior is in favor of this bill?

Mr. ENGLE. Yes.

Mr. DONOVAN. Will the gentleman look at the report of the committee, particularly the last paragraph of the letter from the Department to your committee which begins at the bottom of page 7 and reads:

> Because we are informed that there is a particular urgency for the submission of the views of this Department on H. R. 104 and H. R. 384 and at the special request of the chairman of the Subcommittee on Irrigation and Reclamation, this report is being submitted prior to clearance through the Bureau of the Budget. In these circumstances, no commitment can be made concerning the relation of the bills or of the views herein expressed to the program of the President.

With those last two sentences in mind, will the gentleman please tell me and the members of this committee how he reconciles his statement that the Department is in favor of this bill when the only official communication on record states that the Department makes no commitment?

Mr. ENGLE. I cited the exact facts in the case and that is that the Department has approved this legislation, sent their witnesses up and testified for it.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. ASPINALL. Is it not true that the Bureau of the Budget last year approved this very legislation that is before this committee at this time?

Mr. ENGLE. The legislation for an identical purpose though not similar precisely in language.

If we sit around and wait for the Bureau of the Budget we probably would not legislate around here at all.

Mr. DONOVAN. Forget the Bureau of the Budget. How does the gentleman reconcile this simple language: "In these circumstances, no commitment can be

made," with the statement made by him as chairman of the committee that the Department is in favor of the bill?

Mr. ENGLE. That is exactly what I said, and that is the truth. The Department is in favor of the bill and came up here and testified for it.

Mr. DONOVAN. Notwithstanding the fact that in writing they say they make no commitments?

Mr. ENGLE. They say they make no commitment with reference to the Bureau of the Budget. Of course, they do not. The Bureau of the Budget speaks in a formal and technical sense for the views of the President, you may say. But that is not what I said. I said the Department of the Interior favors this bill and appeared and testified for it.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I think the gentleman from New York should have read the second paragraph on the first page which says:

> The general position of this Department with respect to these two bills is the same as that which we took with respect to H. R. 5301, 83d Congress, in its report of April 16, 1954, to your committee.

These are in accord with what I understand to be the principles enunciated in H. R. 5301 encouraging participation of State and local agencies.

Mr. DONOVAN. Let me say to the gentleman from Nebraska that I have read the whole statement and if I ever ran into a lot of double talk multiplied 40 times I find it in that statement.

Mr. MILLER of Nebraska. They appeared before the committee after the date of this letter and testified for the bill.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from California.

Mr. GUBSER. Mr. Chairman, I would like to compliment the gentleman and his committee for one of the greatest steps forward I have seen taken toward the solution of our nationwide water problem. I would like to ask the gentleman's indulgence for two questions which are of particular interest to the district I represent.

If bonds have been sold by the local agency for an irrigation project but construction has not started, can that local agency then receive benefits under this bill?

Mr. ENGLE. I think any project under $10 million would qualify where construction had not commenced.

Mr. GUBSER. Is the language of this bill intended to include projects where water is stored underground by the percolation method for later withdrawal and application to crops?

Mr. ENGLE. That type of project would fall within the reclamation law and would come within the purview of this bill. We have one out in California, the Santa Maria project, authorized last year which involved precisely that principle.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Texas.

Mr. POAGE. I would like to ask the gentleman if this bill would in anywise affect the President's program or that of the Department of the Interior or the Bureau of the Budget. That is, whether this bill is passed or not passed, the present program will remain exactly as it is?

Mr. ENGLE. That is right, except to the extent that we are not getting anywhere with small projects for two reasons. First, they do not have the political muscle to pull themselves through, and, second, there is the redtape and expense involved in connection with the planning and authorization of these projects where the Bureau of Reclamation does all the engineering and planning. This puts them in the picture on a partnership basis. They do the planning, they do the engineering, they acquire the land and then they say: "Instead of you building this, we will build it, but you put up the same amount of money you would put up if you built, only it will be less money, and the cost of building will be cheaper."

Mr. POAGE. I want to congratulate the gentleman for going farther than we have. I am very much interested in the small-projects bill that we passed a year ago, as the gentleman will remember.

Mr. ENGLE. I do remember that.

Mr. POAGE. I feel that has not had the support in the department that it should have had, but I think it was a step in the right direction. I am glad to see that this bill goes further because it does provide for payment much further than that bill did.

I want to be sure, though, that this bill does not in anywise interfere with the present program. If we pass this program and agree to the Jones amendment, in those States that are not left under the jurisdiction of the Department of the Interior there would still be exactly the same law that now is applicable as regards the bigger projects?

Mr. ENGLE. The gentleman is 100 percent correct. This only provides an alternative method for building small projects. The Bureau of Reclamation could still build them.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. I would like to ask the gentleman just one question: In view of the fact that the State of Oklahoma, under its constitution, has no enabling act whereby we could participate unless it is a statewide project, even though the State of Oklahoma will not make a personal guaranty, will it still be possible for municipalities, districts, or groups to come in under this bill?

Mr. ENGLE. It would be possible for any public agency to come in which qualifies under the second section of this bill.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from California.

Mr. JOHNSON of California. As I read this bill, it would take care of the water-conservation projects where they are trying to replenish the water underground. Is that correct?

Mr. ENGLE. That can now be done under the reclamation law, and anything that can be done now can be done under this bill. This bill does not broaden or weaken or lessen the authority. It merely substitutes a local agency as the construction agency in the place and stead of the Bureau of Reclamation.

Mr. JOHNSON of California. With that principle I am in hearty accord, because out in California we have a total of over 100 successful irrigation districts that never got a dime from the Federal Government. We can do the job ourselves if we can get a little help. There is a nice, wide range here. You go up to $5 million before the project is considered outside the purview of the bill, as I understand it.

Mr. ENGLE. No. This would go as high as $10 million for the total cost of the project, but the Government would never put up more than half of it.

Mr. JOHNSON of California. I thank the gentleman for that comment as that makes the bill more palatable.

Mr. ENGLE. I would emphasize one other thing, that this requires a contribution on the part of the local district for engineering cost, designing, planning, plus all the land acquisition costs, which are considerable items in connection with these projects.

Mr. JOHNSON of California. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON of California. Mr. Chairman, this proposal will be a tremendous help to those who wish to develop small irrigation and conservation projects. We have a project right in my own County of San Joaquin that could be greatly helped by this legislation. It is a conservation district that is trying to conserve the underground waters in the eastern part of our county.

Local control has many virtues. One is that it places the responsibility for the success of the project on the people that will pay for it and get the benefit of it. In the event of the necessity for modifications of the project that can be handled locally. When the Reclamation Bureau is in control any vital changes or modifications of the project must go to the district office in Sacramento, then to the office in Denver and finally to the Bureau of Reclamation in Washington. This is a long and tedious route and is very frustrating to the ones who may wish a change made in the project, which may seem and usually is very simple. Bureaucratic control is cumbersome and costly. The administrative costs in many Bureau of Reclamation projects runs over 25 percent. With local control that would be greatly decreased. I congratulate the chairman [Mr. ENGLE] on bringing out this sensible bill and shall do all I can to help him reduce it to law.

Mr. H. CARL ANDERSEN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-seven Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 75]

Abernethy	Flynt	Mason
Adair	Friedel	Miller, N. Y.
Allen, Calif.	Fulton	Mumma
Anfuso	Gamble	Nelson
Arends	Garmatz	O'Brien, N. Y.
Ashley	Granahan	Osmers
Barden	Green, Oreg.	Patman
Barrett	Green, Pa.	Patterson
Belcher, Okla.	Griffiths	Philbin
Bolton, Oliver P.	Gwinn	Pillion
	Halleck	Powell
Bonner	Harrison, Nebr.	Prouty
Bowler	Hays, Ohio	Radwan
Byrd	Hayworth	Reed, Ill.
Canfield	Heselton	Reed, N. Y.
Carnahan	Hess	Riley
Cederberg	Hillings	Rivers
Celler	Hoffman, Ill.	St. George
Chase	Hoffman, Mich.	Seely-Brown
Clark	Holtzman	Sheehan
Cole	Hope	Shelley
Colmer	Jackson	Shuford
Coudert	James	Siler
Cretella	Jenkins	Smith, Miss.
Curtis, Mo.	Jennings	Smith, Wis.
Davidson	Jonas	Spence
Delaney	Jones, Mo.	Taber
Derounian	Judd	Taylor
Dingell	Kearney	Teague, Tex.
Dodd	Kelley, Pa.	Wainwright
Dolliver, Iowa	Kilburn	Williams, N. J.
Donohue	King, Pa.	Williams, N. Y.
Dowdy	Knutson	Wilson, Calif.
Eberharter	Lanham	Winstead
Edmondson	Lesinski	Wolverton
Fjare	McConnell	Yates

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COOPER] having resumed the chair, Mr. PRESTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 5881, and finding itself without a quorum, he had directed the roll to be called, when 323 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Nebraska [Mr. MILLER] is recognized.

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself 5 minutes and after I have concluded I ask that the Chair recognize the gentleman from Nevada [Mr. YOUNG] to handle the bill on our side.

Mr. MILLER of Nebraska. I yield.

Mr. BERRY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Chairman, H. R. 5881 is a partnership bill. It provides for the promotion and construction of small reclamation projects on a partnership basis between the Federal Government and local governmental units. It permits State, local, and public agencies to plan, construct, and operate small reclamation projects and receive substantially the same benefits which the projects would receive if they were constructed as Federal reclamation projects. It is a program that has been in the planning stage for a number of years, and a program that has been before this Congress on several occasions. This bill is the perfection of all of the studies that heretofore have been made.

The purpose of this legislation is to encourage local participation in and the providing for construction of small reclamation projects.

The legislation permits State and local public agencies to plan, construct, and operate small reclamation projects and to receive the same benefits and credits from Federal funds on a nonreimbursable basis, as though the project were constructed under the present reclamation laws.

Any organization desiring to avail itself of the benefits of this legislation would, under the provisions set out in the legislation, submit its project proposal to the Secretary of the Interior, including a report on the plan, estimated cost, and cost allocation, and the comments and views of the State in which the project is located. The organization would be required to show in its proposal that it already holds, or can acquire, the lands and rights to the use of water necessary for the construction and operation of the project. The organization would be required to finance the cost of these lands and water rights and such other costs as the Secretary determined to be proper.

The legislation authorizes the Secretary of the Interior to proceed without further congressional action with negotiation for loans and grants on the projects which he finds feasible and which he considers to constitute a reasonable risk. The Secretary would, however, be required to submit the proposals to the Committees of the Senate and House on Interior and Insular Affairs.

Specifically speaking, this legislation would authorize the Secretary of the Interior to participate with water-users organizations or other public bodies organized under State law for the development of feasible small projects. The local agency receiving these funds following approval of the plans would construct, operate, and maintain the project subject to compliance with Federal rules and regulations applicable to these features of the project which supply national benefits.

The nonreimbursable features in the basin in which the project is located would be credited on the contract, and funds which are allocated for irrigation benefits on the project would be interest-free.

The need for this legislation has come about by the fact that in many instances the Bureau of Reclamation is not geared to the economical development of these small projects. In many instances these projects have been financed by the States, but most States are not equipped to finance all of these small projects, with the result that development has been materially retarded.

Another feature is that when the States finance these projects, the local districts are required to pay interest on the funds for irrigation, and no credit can be allowed for nonreimbursable benefits which are provided for in the larger projects.

Many areas will be benefited by this legislation. Some areas need financial assistance for construction of small storage and diversion dams for irrigation purposes only. Some need funds for tunneling and ditching. Others envision multiple-purpose projects but believe that their purpose can best be achieved through local control.

The local people would do the planning and pay for the planning through cooperation with the State and possibly the basin project benefits will be derived which could not otherwise be derived by the local unit.

I stated at the outset that this was a partnership bill. It provides more local autonomy in the development of badly needed and financially feasible projects. It is a move to permit the construction of many small projects which are being delayed because of the lack of local means of financing and which are not of enough magnitude to receive priority consideration by either the Bureau of Reclamation or by special legislation in Congress. It will provide many projects which the local people are not able to finance themselves, but which in the interests of the economy of this Nation should be constructed and can be constructed if this legislation passes this Congress.

The CHAIRMAN. The gentleman from Nebraska [Mr. MILLER] is recognized.

Mr. MILLER of Nebraska. Mr. Chairman, the bill presently before you is a small projects bill which makes it possible for minor units to do their own planning and come to the Reclamation Bureau with their plans for review and proceed under their own power.

In the past it has been rather difficult for small irrigation projects to get any recognition in the Bureau of Reclamation which was set up to handle large projects. This bill provides for local participation and for the construction of these small projects. In other words, we have built up a large bureaucracy in Washington and they have neglected the small projects. This places the control back in the local communities. They do their own planning, they initiate it, they have to pay for the project, and it makes the engineering costs much less. I think that is the American and the democratic way to do it. It is true we put in some restrictions limiting the scope of small-projects groups, they must provide plans for review by the Bureau of Reclamation.

Before we had the quorum call—and the quorum call came about because there are some differences of opinion relative to how far and how wide this legislation should go—the fact was mentioned that we introduced similar legislation last year which came within 1 hour of passing over in the Senate. It passed this body but because of the parliamentary situation in the other body it failed to pass there. It was similar to this except it was limited to the 17 Western States in the 83d Congress. The bill introduced this year was limited to the 17 Western States. The bill that the gentleman from Nevada [Mr. YOUNG] and the gentleman from California [Mr. ENGLE] introduced were also limited to the 17 Western States. Others introduced similar legislation. But somewhere along the line certain of the Eastern States,

because of the great drought that was going on, came in and said: "Well, we would like to be in this, too." And I think rightly so. But I am not sure, as a Member of Congress and having been on this committee for 13 years, that I want the Bureau of Reclamation getting out into other States. I think their activities should be confined to the 17 Western States. At the proper time I hope an amendment on page 1 will be offered striking out the 48 States and substituting the 17 Western reclamation States.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I may say to the gentleman from Nebraska that personally I have no objection to the bill in spite of certain minor things that do not meet with my approval. If Mr. MILLER's amendment carries to take the 31 Eastern States out of the purview of this act and thus not make it applicable to the provisions of the reclamation laws which are very, very voluminous and intricate, I personally will be delighted to vote for this bill.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. May I ask the gentleman, Why restrict it to the 17 Western States? What is the object of doing that?

Mr. MILLER of Nebraska. Reclamation law, let me say to the gentleman, has always applied to the 17 Western States. That is basic reclamation law. Under this bill we attempt to enlarge the scope of the Reclamation Bureau and take in the 31 other States. I would be opposed to the Jones amendment, may I say, because if we are going to have reclamation at all, if we are going to have irrigation, it should not be under two umbrellas. We ought to have one agency to do it. If we adopt the amendment I propose for the 17 Western States, the Jones amendment will be no longer necessary. But if we are going to have reclamation, if we are going to have irrigation, let us not set up Siamese twins to do the same thing. It ought to be done under 1 umbrella and under 1 individual.

Mr. GAVIN. The gentlemen in the West may be interested in the irrigation features of this proposed bill. We in the East may be interested in the development of a project for the conservation of our natural resource, water for domestic or industrial purposes, which is just as important to us in the East as reclamation is to you in the West.

Mr. MILLER of Nebraska. That is correct, and there is already basic legislation for that purpose, namely, the Water Facilities Act.

Mr. GAVIN. Can a community come to the Federal Government and secure a loan to develop community projects such as the gentleman seems to be in favor of? If a municipality wants to develop a water project back in a district because of periods of low water, or for the conservation of water for industrial and domestic uses, the municipality itself has to develop the financing program.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Nebraska has correctly stated that the facilities which the gentleman from Pennsylvania [Mr. GAVIN] mentions, are already available under basic law through the Department of Agriculture.

Mr. GAVIN. Does the gentleman mean to tell me a community in my district that wants to come to this Government and secure a loan for the development of a conservation project for water can secure a loan from the Federal Government?

Mr. H. CARL ANDERSEN. That is my understanding.

Mr. GAVIN. That is the gentleman's understanding, but I want to be specific.

Mr. MILLER of Nebraska. I do not yield to the gentleman from Pennsylvania for collcquy with any other Members.

Mr. GAVIN. We ought to be specific about this.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. I wish to compliment the gentleman from Nebraska for the bill he introduced and passed in the House last year. In Oklahoma for many, many months we have had a very severe drought with practically no rainfall. Then recently we had severe floods with something like 22 inches in 40 hours. Had the gentleman's bill been adopted by the Senate last year, and had the dams, irrigation, reclamation, and flood-control projects been built, would it not have assisted many communities in controlling the floods and providing water for irrigation?

Mr. MILLER of Nebraska. I think it would.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Iowa.

Mr. JENSEN. I agree with the gentleman from Minnesota [Mr. H. CARL ANDERSEN] that the 31 Eastern States should not come under the provisions of this bill, and there is a very good reason for that. The Department of the Interior, under the Bureau of Reclamation, has been handling all irrigation and reclamation problems for the 17 Western States under the Reclamation Act which was passed many, many years ago because there is so much public domain out there. Now, to put the 31 Eastern States under the jurisdiction of the Department of the Interior would be forcing that Department into unknown and uncharted fields. The 31 Eastern States have different problems, generally speaking, than the 17 Western States so far as reclamation is concerned. I must say, however, to my colleague that it would be equitable and fair that a bill of the same force and effect should be passed by the Congress for the 31 Eastern States and placed under the Department of Agriculture if this bill is passed for the 17 Western States.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. Chairman, I appreciate the work the gentleman from California [Mr. ENGLE] has done on the bill, as well as the gentleman from Colorado [Mr. ASPINALL] and the Members on this side of the aisle. The gentleman from Arizona [Mr. RHODES], and the gentleman from Nevada [Mr. YOUNG], have worked diligently on the program, and I commend it to my colleagues because it does permit small groups to do their own planning and control their own works and pay for it, and it puts the responsibility back on the local level instead of placing it down here in a big bureau that in the past has been neglecting them.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. If both the Department of Agriculture and the Department of the Interior have the $100 million fund to draw from, would there not be local rivalry between the two agencies using that fund?

Mr. MILLER of Nebraska. I do not think there would be, and I think we just better limit it to the 17 Western States.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from North Carolina.

Mr. COOLEY. Do I understand the gentleman is not in favor of the Jones amendment at all?

Mr. MILLER of Nebraska. If we limit it to the 17 Western States, then the Jones amendment is not necessary.

Mr. COOLEY. Then, it means it would not be extended to the 31 Eastern States?

Mr. MILLER of Nebraska. It means it will go to the 17 Western States.

Mr. COOLEY. Does that mean that the 31 Eastern States will go out of the bill?

Mr. MILLER of Nebraska. They would not be in the bill at all.

Mr. FOUNTAIN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Did not the Secretary of the Interior recommend that this program be nationwide?

Mr. MILLER of Nebraska. Well, he did not in the 83d Congress. There was some pressure being brought by the folks in the East to extend it, but in the 83d Congress, last year, it was not in that bill, and it was not in the bill introduced this year by a Member of Congress.

Mr. FOUNTAIN. In the present session he did recommend it should be nationwide?

Mr. MILLER of Nebraska. I believe that is right.

Mr. Chairman, I yield the balance of the time on this side to the gentleman from Nevada [Mr. YOUNG], who has been very much interested in this legislation.

Mr. YOUNG. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, this bill has taken a course which was not anticipated by any member of the committee. Since I have been a Member of this Congress, I have noticed with increasing alarm that many of the Representatives from the States east of the Mississippi have felt that reclamation was some sort of a boondoggle which was meant only for the western part of the United States.

Of course, the history of reclamation is well known. It goes back to 1902 when, under President Theodore Roosevelt, the reclamation law was passed to aid in the development of the arid West. Since that time, of course, the program has expanded rather considerably and great communities which have been developed in the arid West are living examples of the effectiveness of the planning and the scope of this particular program. Certainly it is a program which must be continued and which we in the West at least hope will be continued.

We have felt for some time that perhaps some of the criticism of the reclamation program arose because of the fact that the East also has water problems. Many of the Eastern States have areas in which there are water shortages. Not too long ago we read about water shortages in the great city of New York where faucets had to be tested each day to make sure that they did not drip water so that it was not wasted.

So I thought it very sound that the Committee on Interior and Insular Affairs provided that this revision of the program should apply not only to the 17 reclamation States but also to the entire country. It makes available those same facilities—that same plan under which the West has been developed for the benefit of the whole country. It makes possible the development of municipal water supplies, irrigation, and provides the attendant benefits which we have come to know in the West for the Eastern States. They are going to need this help in the near future if they do not need it now.

I am sorry, therefore, that this particular situation has developed as a jurisdictional argument, not over whether the job should be done but as to who will do the job. I hope that we will be able to resolve the argument; that this bill will pass in some form or other; that the Representatives from the Eastern States, if they do not want the bill, will offer the proper amendment at the proper time.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. GAVIN. May I ask, if the Eastern States are considered in this proposed legislation, would it be necessary that any impounding dams constructed would be restricted to straight irrigation, or could they be multiple-purpose dams that would serve the conservation of water for industry and domestic use?

Mr. RHODES of Arizona. I will say to the gentleman from Pennsylvania that any project which is built under this bill will be just as broad as any project which can be built under the reclamation laws. He can have his project a multiple-purpose project if the people who are designing the project want it that way. This will be controlled locally completely. So, if the people in the gentleman's district desire to have a project under this bill and want it as a multiple-purpose project, the Bureau of Reclamation or the Department of Agriculture, whichever one administers it or approves the plan, would approve the feasibility of it and then it could be a multiple-purpose project.

Mr. GAVIN. In order to be specific, if it were a straight conservation-of-water project, could it be considered under this legislation if irrigation were not tied in with it?

Mr. RHODES of Arizona. No. It would then come under the provisions of the Flood Control Act.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I believe the gentleman was on the point of saying that he had no opposition to the Miller amendment. Is that correct?

Mr. RHODES of Arizona. I have no opposition to the Miller amendment, even though I think that the Representatives of the 31 Eastern States are making a mistake in not bringing this program into being to apply to the 31 Eastern States. I cannot help but feel that it will fill a gap which now exists in the services which are available to the 31 eastern States.

Mr. H. CARL ANDERSEN. The gentleman will agree that the bill before us makes the legal provisions and the procedures of the Federal reclamation laws applicable to the 31 Eastern States and the Territories of Hawaii and Alaska, in which these laws have never been previously operative? Is that not correct?

Mr. RHODES of Arizona. I judge the gentleman is reading that from the bill.

Mr. H. CARL ANDERSEN. I am reading from a document furnished to me by the Department of Agriculture, which is very much interested, of course, in this legislation. Is not my statement correct?

Mr. RHODES of Arizona. I can only say to the gentleman that if he read the statement from the bill I know it must be correct.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Nevada.

Mr. YOUNG. This does not amend the reclamation laws, it merely supplements the reclamation laws. If the amendment to be offered by the gentleman from Nebraska [Mr. MILLER] is adopted, it will mean that the small-projects legislation will apply only in the 17 western reclamation States and the legislation will then have no effect in the 31 nonreclamation States.

Mr. RHODES of Arizona. That is my understanding.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. The gentleman referred to flood-control legislation. The flood-control legislation does not permit any municipality that wants to conserve its water to come to the Government and lay its plans before the Government, have them approved, and be able to secure a loan to go ahead and develop the project for the conservation of the water.

Mr. RHODES of Arizona. I misunderstood the gentleman.

Mr. GAVIN. Why should not the same principle apply in this bill? Irrigation is important for farm lands, but conservation of our water power for the domestic industries and organizations of the East is just as important. It is a contribution to the welfare of the Nation. I cannot see any reason why we in the East should not participate to some extent in a program of this kind for the conservation of our water.

Mr. RHODES of Arizona. I could not agree with the gentleman more. It is my understanding that the Water Facilities Act passed by the 83d Congress is available for those purposes.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Alabama.

Mr. ELLIOTT. I would like to have the gentleman discuss the relationships between this proposed act and the Small Watersheds Act we passed in the 83d Congress as it applies to the Eastern States.

Mr. RHODES. I do not claim to be an expert on the Small Watersheds Act, but it is my understanding that that act is primarly for flood control and soil conservation. This particular act is for the use of water for municipal purposes and for irrigation, and the other purposes to which the laws for reclamation apply. In other words, it is my feeling, subject to correction by someone who may be better informed, that the two are not conflicting at all.

Mr. YOUNG. Mr. Chairman, I yield such time as he may desire to the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Chairman, I do not wish to burden the House with extra comment as to the merits of this legislation, but I do want the Members to know that we in Idaho are in favor of this type of contractual relations with the Federal Government. In my district we have many small irrigation companies with an inadequate water supply. If this bill is adopted by the Congress, and I sincerely hope that it will be, many farmers in my district will be able to initiate small projects for the improvement of their economic status. As I understand this bill, it will provide that local people will be able to provide help for themselves with a minimum of Federal help and Federal control.

Water is the single most important resource—with the exception of the land itself—in my district, and there is a shortage of it in many areas. It is quite likely that if this bill is enacted a way will be opened whereby many of the areas which are now short of water will be able to provide some self-help and much cheaper than if it were to be provided solely by the Federal Government. In many instances local engineering could provide the cost estimates and without the delay of Federal redtape the

project could be reviewed and approved by the Federal agencies. I believe it would create a natural outlet for construction and land development.

It is my understanding that later in the proceedings the gentleman from Alabama [Mr. JONES] will offer an amendment to restrict the operations of the Bureau of Reclamation to the public-land States which have historically been served by the Bureau of Reclamation ever since the creation of the Bureau in 1902. It is my feeling that the amendment to be offered by the gentleman from Alabama should be adopted, as I feel that the Bureau of Reclamation should continue in the area originally assigned to it and the area from which the word "reclamation" arises.

Mr. YOUNG. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. KRUEGER].

Mr. KRUEGER. Mr. Chairman, this small-projects bill, H. R. 5881, appears to me to have great possibilities. It makes possible the establishment of small irrigation projects without a lot of redtape. Most small projects, limited in area, will not involve a large construction burden. They have come about because a group of practical operators feel that they can stabilize their farming with irrigation. Through this bill they can get financial help and the experience of the Bureau of Reclamation without the cumbersome legislative procedure that is required now.

In my State the North Dakota State Water Commission has 25 such projects now under consideration. They range in size from 500 acres to one with 20,000. The average is about 5,400 acres. These are not big irrigation farms, but are in the western part of the State where they will supplement the dry-land grazing. The prospective operators are ready to go under the simplified procedure that this bill provides.

The estimates by the North Dakota State Water Commission show that these are all sound projects and the net annual increase in production will amount to one-fourth of the total cost—a good return for any project.

I submit the resolution of the North Dakota State Water Conservation Commission, and the list of projects in North Dakota for insertion in the RECORD at this point:

"RESOLUTION

"Whereas the passage by Congress of the Miller bill, H. R. 5301, known as the small-projects bill, will greatly facilitate and encourage the establishment in North Dakota, and in other States where irrigation is needed to stabilize agricultural production in seasons of insufficient rainfall, particularly the production of livestock feed, small irrigation projects: Now, therefore, be it

"*Resolved by the State Water Conservation Commission*, That Congress is urged to quickly approve the Miller bill, H. R. 5301, in order that the benefits to be derived from the establishment of small irrigation projects may soon be realized."

The foregoing resolution was unanimously adopted by the State Water Conservation Commission at its meeting in Bismarck, N. Dak., on the 11th day of January 1955.

NORMAN BRUNSDALE,
Governor of North Dakota.

Attest:

MILO W. HOISVEEN,
State Engineer and Secretary of the State Water Conservation Commission.

Small projects

No.	Project name and county	Source of water supply	Water supply facilities	Preliminary estimated project cost	Number of irrigable acres	Crop return per acre		Increased crop return through irrigation
						Dry land	Irrigated	
1	Yellowstone pumping (McKenzie)	Yellowstone River	Pumping from river	$180,000	1,800	[1] $15	[2] $55	$72,000
2	Cartwright (McKenzie)	do	do	200,000	1,810	15	55	72,400
3	Sioux (McKenzie)	do	do	50,000	500	15	55	20,000
4	Williston (Williams)	Missouri River	do	1,100,000	9,100	15	50	318,500
5	Nesson Valley (Williams and Mountrail)	do	do	570,000	6,000	15	55	240,000
6	Shell Creek (Williams and Mountrail)	do	do	300,000	2,800	15	50	98,000
7	Hancock Flats (McLean)	do	do	600,000	5,400	15	50	189,000
8	Oliver-Sanger (Oliver)	do	do	750,000	6,880	15	55	275,200
9	Painted Woods (McLean)	do	do	370,000	3,680	15	55	147,200
10	Manley (Oliver)	do	do	225,000	2,160	15	55	86,400
11	Wogansport (Burleigh)	do	do	250,000	2,400	15	55	96,000
12	Square Butte (Oliver)	do	do	275,000	2,750	15	55	110,000
13	Burnt Creek (Burleigh)	do	do	200,000	1,940	15	55	77,600
14	Bismarck (Burleigh)	do	do	475,000	5,000	15	55	200,000
15	Little Heart (Morton)	do	do	400,000	3,900	15	55	156,000
16	Glencoe-Stout (Emmons)	do	do	230,000	2,100	13	50	77,700
17	Long Lake-Kyes (Emmons)	do	do	250,000	2,100	14	50	75,600
18	Horsehead Flats (Emmons)	do	do	1,000,000	9,710	15	50	339,850
19	Winona (Emmons)	do	do	550,000	5,500	15	50	192,500
20	Fort Yates (Sioux)	do	do	800,000	7,650	15	50	267,750
21	Little Missouri (Slope, Billings, and McKenzie)	Little Missouri River	Pumping from reservoir	3,000,000	20,000	13	40	540,000
22	Knife River diversion (Mercer)	Garrison Reservoir	do	1,800,000	13,500	14	50	486,000
23	Cannonball (Grant)	Cannonball River	do	1,860,000	12,400	13	45	396,800
24	Bowman-Haley (Bowman, Adams)	Grand River	do	750,000	5,000	12	40	140,000
25	Big Meadow (Williams)	None	Reclaimed by pumping	112,000	2,810	10	40	84,300
	Total			16,297,000	136,890			4,758,800

[1] Estimated crop return for project area, dry land.

[2] Estimated crop return for project area, irrigated.

Mr. YOUNG. Mr. Chairman, I yield 10 minutes to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, we in Wyoming are of the considered opinion that the bill before the House is possibly the most forward-looking and important legislation, as it affects our area, that has been introduced in Congress in some time. To us it gives life and true meaning to the statement of our President's principle for development of partnership between the States and the Federal Government, for the general good with a maximum of local control and participation. Our recent Wyoming Legislature sent a joint memorial specifically memorializing Congress to go forward with this type of legislation. We urge the passage of this bill, H. R. 5881.

The State of Wyoming has done and is doing without outside help what it can do by way of reclaiming 62½ million acres of sagebrush flats, mountains, valleys, and deserts. So far, the people of Wyoming on their own have succeeded in reclaiming about 1½ million acres. More than 80 percent of this reclamation of Wyoming's land has been accomplished by the people of Wyoming themselves, backed by the investment of private capital and performed with their own labor without a cent of assistance, and not very much encouragement, from Washington and the rest of the country. In other words, the people themselves, straining their own backs and their own resources, have dug thousands of miles of canals and ditches, tunneled through mountains, built dams to create reservoirs to reclaim 1¼ million acres—nearly 2,000 square miles of land that had previously supported only a few jackrabbits and antelope.

In so doing, they have established the base of an agricultural economy, which, by providing winter feed for their stock, has permitted the beneficial use of countless millions of acres of unimproved rangeland, mostly not susceptible to irrigation, which otherwise would be practically useless.

Much of this has been accomplished in recent years. Let me give you an example. Mr. C. C. Feltner, of Pinedale, Wyo., an enterprising engineer in our Green River watershed, recently dug nearly 20 miles of canal to irrigate nearly 5,000 acres, or nearly 8 square miles, of rich land, covered with sagebrush. Before that he had constructed a neighboring project, reclaiming more than 7,000 acres, or more than 10 square miles, which is now blooming in prosperous farms. Another of his projects includes more than 5,000 acres. I mention this enterprising citizen because he

stands today as a heartening symbol of private enterprise, continuing to develop Wyoming's potential wealth, employing private capital.

The same is true of individuals and groups of ranchers who see in the configuration of their lands the opportunity to build and store water here, to conduct it there by ditch, to convert dry land into irrigated pastures or rich hay lands, to raise row crops, in general to improve their positions and wealth through their own effort.

I do not mean to minimize the part the Federal Government has played through the Bureau of Reclamation in reclaiming the remaining one-fifth of Wyoming's irrigated lands. Most of the projects which the Bureau has constructed in Wyoming have been of such magnitude that the people of Wyoming could never have financed them themselves. At least they could not as long as the Federal Government continues to claim nearly three-quarters of Wyoming's total mineral resources and milks so large a proportion of the proceeds therefrom into the Federal pail.

To go back to the Bureau's contribution over 50 years, whole prosperous towns have risen from the sagebush, nurtured almost wholly by these federally financed and federally constructed projects. There are other large projects which we ourselves cannot hope to build which we hope the Bureau of Reclamation will build.

Within our State, we have done everything we think we can in the past few years to reclaim the land. We have created a Natural Resource Board and within the limitations of our financial structure are making funds available to them.

But lying between what we in Wyoming can do for ourselves, and the programs that can be justified as Federal reclamation projects, there is a wide gap existing today that can be satisfactorily and effectively filled by projects called for in this measure now before the House. Cooperation between the Federal Government and the people of our State can accomplish what neither could do so well separately, to the advantage of both.

It is our considered opinion that this bill will bring about much-needed development in our area, which to a large measure is being neglected and stymied without such legislation. We find in our State the headwaters of many of our most important western streams, but we are primarily a State of small streams, and in our mountains is stored much of the snow pack, which can either be conserved for beneficial use or discharged as an element of destruction in the way of floods further downstream. Many of us believe that the most effective and economical flood control is to control this by a series of small projects.

It is our belief that these projects would have a very desirable effect as far as flood control is concerned, and still be usable as irrigation. We subscribe to the proposition that large dams constructed further downstream are incompatible, as far as flood control and irrigation are concerned. However, in our mountainous area, a reservoir that is constructed to accumulate the water will accumulate it for irrigation, regardless of whether it is a rapid runoff or a slow runoff and we think such a reservoir would have a substantial effect upon flood conditions at a minimum cost.

We believe further that the principles of the bill offer the greatest and most economical means of development of a major portion of our area, and, perhaps more important, a means of giving stability to our economy by removing fluctuations through supplemental water supply.

With regard to this important aspect I would like to call attention to our Wheatland area project. This project was commenced in May of 1883, completion was in 1886. There are some 60,000 acres in the project lying around the town of Wheatland which has developed into one of our important farming communities. Due to a series of decisions stemming from water litigation and other factors, this project is without an adequate water supply during drought periods. The suitability of the land and other factors have been definitely determined from long experience, yet the stability of this community is continually threatened. It is not, and never has been, a reclamation project. The bill before the House offers one of the few hopes to satisfy this situation and others of similar nature.

Again, I would like to say that we in Wyoming earnestly hope that this bill providing for small projects legislation will be favorably acted upon by the Congress. We believe that such action will redound to the great benefit of our area, and to the Nation as a whole, and all in a manner in keeping with our best traditions of American free enterprise and Government. It seems to me that it is good, sound legislation, within the keeping of any principles of government that I am sure we all adhere to.

I sincerely hope it will be passed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I would like to take this brief time to place myself on record as being strongly in favor of this piece of legislation.

I happen to represent a coastal area in California which is isolated from the principal supply of water by a mountain range. We have done everything possible to solve our water problem for ourselves, to the extent of levying a tax rate for water conservation in excess of $3 per hundred dollars of assessed valuation. This legislation will assist us to continue to solve our water problem for ourselves, and for that reason I would like to be recorded as strongly favoring it.

I now yield to my distinguished colleague from California [Mr. TEAGUE].

Mr. TEAGUE of California. Mr. Chairman, I represent a district immediately south of the gentleman from California. We have the same problem. We have two reclamation projects in that district and we hope to have another one. There are many places where this bill would provide a necessary partnership arrangement, where projects are too small to justify a Bureau project as a whole. I appreciate the gentleman's remarks, and I hope this bill will be passed.

Mr. GUBSER. I thank the gentleman.

Mr. ENGLE. Mr. Chairman, I yield 11 minutes to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, when this bill was before the subcommittee and when it came before the committee many of the matters that have been discussed on the floor this afternoon were not taken into consideration. May I advise the committee that the reason why the bill was changed to incorporate the 48 States and 2 Territories was because of this statement in the report, a statement by the Assistant Secretary of the Interior, Hon. Fred G. Aandahl:

> Both bills are limited to the 17 Western States. Our recommendation was for a program that, subject to congressional consideration as individual proposals came along, would be nationwide.

During the last moment of the discussion, an amendment was offered and was accepted. The gentleman from Pennsylvania [Mr. SAYLOR] took exception to the proposed amendment and suggested there would be opposition upon the floor of the House when the bill was discussed. We understood that. The discussion that is taking place this afternoon is in line with what many members of the subcommittee expected. However, the committee having jurisdiction of this bill in the first place wrote up the bill as they thought it should be written, for the 17 Western States. As suggested before, the exclusion of the nonreclamation States of the Nation brings before this body the necessity of reclamation programs in the East. Many Members from nonreclamation States have spoken to members of the Subcommittee on Irrigation and Reclamation asking for the benefits that this bill would provide, chief among whom was the gentleman from Alabama [Mr. JONES]. There is a specific place in the development of the West and in the further development of the East, where legislation of this kind can be of tremendous benefit. We all know, especially those of us in the West, how difficult it is to get the Bureau of Reclamation to consider or even to study, let alone begin construction of, a small project.

I have grown up with the West, as most of my colleagues understand. I happen to live in a community which has either the second or third major water right along the Colorado River. I have seen large projects develop, but the small projects which mean so much to the further development of the West cannot or will not be constructed under reclamation law as it now stands.

May I suggest, Mr. Chairman, that this legislation is supplementary to the reclamation act as such; that it does not take the place of the reclamation law now in the statute books, but is supplementary thereto; and, only where the legislation

now before us makes direct reference to the general reclamation law will the general reclamation law be followed; otherwise the bill now being discussed will be followed. Because of the paramount authority of the legislation now being considered, the Secretary of Agriculture if this committee so desires, can be given jurisdiction over the 31 nonreclamation States and the two Territories, and the job can be done in conformity with the provisions of the bill.

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Pennsylvania.

Mr. FENTON. I wonder what the gentleman means by reference to "small projects"?

Mr. ASPINALL. The gentleman means any project costing up to $5 million, generally. The bill provides, however, that if the local people see fit to assume responsibility for a donation of $5 million the propect then can go up to $10 million.

Mr. FENTON. The gentleman does not mean to say that the Reclamation Bureau limits their projects to matters over $5 million or $10 million.

Mr. ASPINALL. The gentleman from Colorado is stating that, as far as the practical application of the work of the Bureau of Reclamation is concerned, large projects take precedence and the small projects, as such, are not usually considered.

Mr. FENTON. If I recall correctly there are many projects in the Reclamation Bureau that are less than $5 million.

Mr. ASPINALL. There are a few, but there have been none authorized for many many years, as I remember. Can the gentleman name one?

Mr. FENTON. Not offhand, of course; but having served on the Appropriations Subcommittee on the Interior Department for several years I am sure there were some projects that did not approximate $10 million.

Mr. ASPINALL. Let the gentleman from Colorado inform the House to this effect: That, as he recollects, since 1939 there have been no small projects authorized, that it was in 1939 and afterward that the application of the Reclamation Act of 1939 took effect, and that since that time the large projects have universally taken precedence. Up to that time the projects were authorized, I may say to the gentleman, either by riders on appropriation bills or by general application of flood-control measures.

Mr. FENTON. With the matter of feasibility determined by the Secretary of the Interior.

Mr. ASPINALL. The gentleman is correct.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Iowa.

Mr. GROSS. In the matter of small projects does this mean that money will be available for the development of say, 40 or 80 acres of land under the terms of this bill?

Mr. ASPINALL. I would not think so. A project under this bill must be a project that is economically and physically feasible; one which is presented to the Secretary, having jurisdiction, who finds it has those two attributes and finds that the method of construction and repayment conform to the provisions of this bill.

Mr. GROSS. Then what makes this a so-called small reclamation projects bill?

Mr. ASPINALL. It is tied generally to projects that do not cost over $5 million.

Mr. GROSS. One further question, supposing 31 States are excluded by amendment this afternoon on the floor of the House, will that reduce the $100 million authorization in this bill?

Mr. ASPINALL. It will not reduce it; it is not my desire to reduce it, I may say to my colleague. The $100 million was placed in this bill to make it necessary to bring the program back to Congress for study and review and to see whether or not it was a program that was turning out to be beneficial. No change was made after the inclusion of the 31 nonreclamation States as regards this sum of money.

Mr. GROSS. If the 31 States are taken out, certainly it should eliminate need for some of this money; is that not correct?

Mr. ASPINALL. If the 31 nonreclamation States are allowed to remain in this bill maybe we had better boost the amount to $250 million or thereabouts.

Mr. GROSS. But in the judgment of the committee with the 31 States included, $100 million apparently was sufficient.

Mr. ASPINALL. I have suggested that the amendment was offered in the final moments of the consideration of the bill and the appropriation was not changed. The appropriation of $100 million was in the original bill offered in the 83d Congress and remains in this bill, even after the inclusion of the amendment to which the gentleman refers.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I want to commend the gentleman from Colorado for his splendid statement and also for the work he has done in connection with this bill. I am sure that he is making clear to the House that there is no conflict between this bill and what is known as the general reclamation program which deals with the larger projects, as the gentleman pointed out.

Mr. ASPINALL. None whatsoever. This bill is supplementary to the general reclamation law.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. The gentleman a while ago stated that it might be well, in view of the fact that the 48 States are included, to increase the amount of authorization. Would it also be well to have the authorization made in 2 separate bills, 1 under the jurisdiction of the Department of the Interior and 1 under the jurisdiction of the Department of Agriculture. I am considerably worried about the rivalry and fight over jurisdiction that may occur between the two Departments when the fund begins to run low and the applications are on hand in both Departments.

Mr. ASPINALL. The gentleman from Colorado does not wish to take a position at this time upon that situation. As far as I am concerned, I would like to have seen two bills, one coming out of the Committee on Agriculture and the other from this committee. It appears there is not likely to be a bill from the Committee on Agriculture, so our committee accepted the responsibility of bringing the dual bill before the House.

Mr. FERNANDEZ. I may say to the gentleman that in my opinion that would be the ideal way to handle it, to have two separate jurisdictions, because they are accustomed to working with the Department of Agriculture and they are accustomed to working with the Department of the Interior. There should be two bills.

Mr. ASPINALL. May I advise my colleagues that this is a program in which the National Reclamation Association has been interested for many, many years. They were the ones who appointed a subcommittee of their organization to study the need and the possibilities. What is before the committee this afternoon, with the exception of the nonreclamation States provisions of the program, is the outgrowth of the fine, constructive work of the National Reclamation Association.

Mr. Chairman, for many long years people living in every river basin of the West have been looking forward to the enactment of legislation by the Congress which would authorize a small project reclamation program. Concerted efforts toward these objectives date back to the adoption of the first resolution on small projects by the National Reclamation Association at its annual meeting in Omaha, Nebr., in 1946.

A few years later a special Small Projects Committee was appointed, made up of individuals with years of experience and training in this field. Chairman of this committee was John Bliss, State engineer of New Mexico.

These efforts have at last born fruit and we now have before the Congress a Small Projects bill which is strongly supported by the irrigation interests of the entire West.

There is a large area in the West where small reclamation projects are urgently needed but are not being built. This area, sometimes referred to as no-man's land, lies between the small water facility projects by the Department of Agriculture on the lower side and the more expensive and larger reclamation projects by the Bureau of Reclamation on the upper side. The area in between is sadly neglected.

Most of the small irrigated projects of the West were built by private capital. Many of these irrigation systems are in need of repair or they need a new or enlarged reservoir. Some of these provide the irrigation water for stock ranches adjacent to large areas of Federal grazing lands. They are important

to the economy of the region. Rehabilitation of such projects as these would be of the primary objectives of the small-projects program.

In 1948 the Bureau of Reclamation made a survey of the potential projects that would fall within this category in each of the 17 Western States. A listing, or inventory, which was prepared showed that there were 439 such potential projects. Many of these would provide rehabilitation for existing irrigation works. These projects also would provide supplemental water to 607,000 acres of land now being irrigated with an inadequate water supply and at the same time would provide a full supply of water to 614,000 acres of land not now being farmed.

The legislation now pending before the Congress would provide a means whereby local public agencies, as well as the States, could plan, construct, and operate small reclamation projects primarily for irrigation. The determination of reimbursables and nonreimbursables as well as the provisions pertaining to repayment would be practically the same as provided for in the Federal reclamation law.

The outstanding feature of this bill is that the Secretary would be authorized to make loans to local organizations covering the reimbursable costs, thereby permitting construction by the local agencies. This would result in a tremendous saving in cost. Loans covering costs allocated to the irrigation features of a project would be interest free to family-size farms—160 acres. The Secretary is also authorized to make grants for those costs which would be nonreimbursable under Federal reclamation laws. The total cost of a project cannot exceed $5 million.

One of the primary objectives throughout on the part of those interested in this legislation has been to simplify procedure and to cut out all red-tape except that which is necessary to protect the Federal investment, thereby reducing the cost of the project. This legislation goes a long way toward accomplishing that objective.

Small-projects legislation, such as this bill now before the Congress, has more widespread interest and universal support among reclamation-minded people of the West than any other legislation that has been before the Congress for many years. It will fill a gap where it is urgently needed. It would make the benefits of reclamation available to people living in small communities and sparsely settled areas, many of them far removed from the main thoroughfares where reclamation is not practicable under existing Federal reclamation law. It is based upon policies which have the strong support of both major political parties—policies which have long been endorsed by such organizations as the National Reclamation Association. It would make possible greater participation by the people most vitally affected—those living within the area where the project is to be constructed. It would truly bring reclamation down to the grassroots.

Mr. YOUNG. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, this is meritorious legislation and I am in full accord with the provisions of H. R. 5881.

I congratulate the committee on its splendid presentation of the need for developing of small water projects.

The need for this legislation is so well stated in the committee report that I wish to quote it:

> There has long existed a need for legislation establishing a simplified planning, review, and authorization procedure for small reclamation projects. Also, it has long been recognized that more active participation by local interests in the development of their land and water resources would be desirable. This legislation would meet the need for small projects legislation and would also encourage more active participation by local water users' organizations.
>
> The President, in his fiscal year 1956 budget message, stated: "To the greatest extent possible, the responsibility for resource development and its cost should be borne by those who receive the benefits. In many instances private interests or State and local governments can best carry on the needed programs." It is the conclusion of the Interior and Insular Affairs Committee that the construction and operation of small irrigation and reclamation projects is a phase of the reclamation program which, in many instances, can be assumed by local agencies to the benefit of both those agencies and the Federal Government.
>
> The program which this legislation would authorize fills a gap between the normal Federal reclamation project and the small local developments under the Water Facilities Act administered by the Department of Agriculture. The small projects which would be developed under this legislation, for the most part, do not have the weight to pull their way through the long procedure required for specific authorization by the Congress, nor do they have the ability to go ahead on their own. Consequently, in most instances, there just is no development. The simplified review and authorization procedure set out in this legislation should result in reduction in overhead and administrative costs. These small projects are, for the most part, simple in design and construction and it appears that local organizations, by making use of local specialized knowledge, could design and construct them more economically than could the Federal Government.
>
> The administration favors this legislation, as indicated by the report of the Department of the Interior included herein. This legislation has the enthusiastic support of irrigation districts and other water users' organizations throughout the country and of many State and national organizations interested in water resource development. Testimony was given to the committee to the effect that there are in the planning stage a great number of small projects throughout the Nation which could be developed under this legislation.

Mr. Chairman, the preservation and protection of our topsoil is a serious problem facing this country. The effect of the destruction of topsoil means less food supplies and a farm population that lives near, if not entirely, in subnormal standards of living.

Nothing damages land more completely than floods. Flood control is essential. This legislation paves the way for small flood-control projects for farming community areas.

Under this legislation local communities, including small cities or towns may cooperate with their Federal Government in planning, and developing these projects.

I support this bill and hope it passes.

Mr. YOUNG. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I am pleased to rise in support of this measure this afternoon for several reasons. First, I believe it is one of the most meritorious bills that has been reported out by the House Committee on Interior and Insular Affairs. Secondly, coming from the State of Nevada, we have a special relationship to the reclamation law. The father of that law was Senator Newlands, who formerly served in the lower House for 5 terms and then very ably served his State and country in the upper House. In Reno there is a monument to his memory, and on the shaft of that monument there is a statement to the effect that the wilderness shall break forth in waters and the desert shall break forth in streams and the desert shall rejoice and bloom as a rose. It is a fine tribute to a great statesman, but I believe a far greater tribute are the some 79 reclamation projects constructed since that time. We are proud in Nevada to have the first reclamation project, the Newlands project, which is located near Fallon, a flourishing community in west central Nevada. I am pleased to report that it is now nearing the time when it is completing its repayment. Another is the Boulder Canyon project which contains Hoover Dam. This is a remarkable project from many standpoints, both engineering and financial. Each month it returns to the Federal Government some $800,000. In 1987, when the final payment of $260-million-odd is completed, it will not only have paid back the principal but some $130 million in interest, and then it will undertake something quite unusual these days—to pay off some $25 million in flood-control benefits.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. The gentleman will admit, I assume, that Hoover Dam is half in the State of Arizona.

Mr. YOUNG. It certainly is.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I do not believe, may I say to the gentleman, that any person in this House objects to what the gentleman from Nevada has just stated, and that is the value of reclamation projects. My objection as expressed here today, as the gentleman well knows, is to bring into the Eastern 31 States the voluminous reclamation laws which are not in vogue today. I see no reason why, as the gentleman from North Carolina [Mr. COOLEY] and another gentleman here today have suggested, we could not bring legislation of this nature in before the House in 2 separate bills, 1 applicable to those States having reclamation laws today and the other to the 31 States so as to

take care of the problems such as the gentleman from Alabama [Mr. JONES] has in his bill. To me it seems like utter duplication to put the Department of the Interior in the Eastern States region whatsoever when today the Department of Agriculture must do the job relative to the Andersen-Hope watershed protection program. I want the gentleman to know that I certainly have no objection to this bill if we can get the 31 States out of it and put them into a separate measure.

Mr. YOUNG. I thank the gentleman. I am sure the members of the Committee on Interior and Insular Affairs will be most sympathetic to the suggestion the gentleman mentioned if later recommended so as to take care of the 31 nonreclamation States.

Mr. Chairman, I think there are three important reasons why this legislation should be adopted. First, there has been a gap in our reclamation program. Small projects have simply not been able to get attention here in Washington. They lack the legislative voice to be heard, and if they could be heard, they lack the political muscle to secure approval before the committee. They lack glamorous names such as Fryingpan-Arkansas or Hells Canyon; they do not have dinosaur bones or national parks anywhere near to stir up public opinion. They simply are not able to be heard here before the House. Many meritorious projects therefore go unrecognized and languish because of the lack of congressional approval. This bill sets up a simplified method for planning, authorization, and review.

Secondly, I think it is a splendid bill because it encourages local initiative and responsibility. As the President stated in his 1956 budget message, to the greatest extent possible the development of our resources should be borne by those who receive the benefits, and private interests, State and local agencies, can most times best do this job.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I want to compliment the gentleman on the fine statement that he has made in behalf of this bill and also on the fine and very effective work which he has done in the Committee on Interior and Insular Affairs on this and other legislation.

I ask the gentleman if he would agree with me that one of the pressing problems which faces this Nation today is the formation of a water policy to provide guidance for the development of the water resources of the Nation. We now have three separate agencies in the Federal Government—the Corps of Engineers, the Department of Agriculture, and the Bureau of Reclamation, all of which deal with water matters. Certainly I think the gentleman would agree that as a matter of economy and as a matter of good administrative practice some time in the future this Congress should take cognizance of that fact and formulate a water policy, and set up one commission or one authority to handle water matters within the United States.

Mr. YOUNG. I think the gentleman's point is well taken. With water rapidly becoming our most valuable resource in the United States, it is important that we have a sound program and a sound policy.

Mr. Chairman, the third reason why I believe this proposed legislation is desirable is that it makes possible a more economical development of these small projects. To request the Bureau of Reclamation with its 11,000 or 12,000 employees to undertake the construction of a small project is almost like using a power shovel to dig up a flower garden in your backyard. The overhead expense makes many of these projects nonfeasible.

Therefore, for these reasons—first, it will enable the small projects to be heard and fill a gap which exists in our reclamation law; secondly, it will enable State and local participation; and thirdly, it will make possible the more economic development of our resources—I urge the adoption of this bill.

Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, you have heard a number of Members talk with regard to this bill and why it was decided that its provisions extend to the 48 States. I can tell you that nobody has actually given the reason why this bill now extends to the 48 States. Last year, Congress passed the Watershed Protection and Flood Prevention Act and inserted a third agency, the Department of Agriculture, into the water field, giving them jurisdiction in 48 States. Last year, when a bill similar to the bill we are now considering was before the Committee on Interior and Insular Affairs of the House, the Department of the Interior wanted it confined to the 17 Western States. Now, since we have the third agency of Government handling water affairs, the Department of the Interior saw that there might be somebody cutting into their territory, so they are now very anxious to have their jurisdiction extended over the entire United States. So, with no thought whatsoever as to what laws are involved or the great difference in the philosophies of the States with regard to the manner in which they treat their water rights and resources, but on the basis of the fact that the Secretary of the Interior wrote two lines to our committee saying that this act should be broadened and extended throughout the United States, so that the Department of the Interior can now battle with the Department of Agriculture all over the United States, we now have this bill extending the jurisdiction of the Department of the Interior to the 48 States.

Let us look at what we are doing. The gentleman from Nevada [Mr. YOUNG] says that this is to fill a gap. There is absolutely no need to fill a gap at all. The laws presently on the books are sufficient to take care of these projects. But there has grown up in the Bureau of Reclamation a group of people who are not satisfied with building small projects. They all have to build big projects. Therefore, they have decided to come in and ask for these small projects. There is not anything that this bill provides for that cannot be done, as far as small projects are concerned, that is not already in the law and has been in the law since 1902. Yet those who run the Bureau of Reclamation—and it does not make any difference what administration is in charge—come here and want to build only gigantic projects as memorials to themselves.

These small projects should be built. There is no one, I think, that knows the problems of the West that will argue that. Therefore, I am willing to go along, as I did last year, with this bill to extend the small-projects bill and ask for local cooperation in the 17 Western States. That is what I think this Committee should do today, that is, provide that this bill be limited to the 17 Western States.

Some Members from the East say, "Why shouldn't we be entitled to some of the same rights and privileges?" You should be. I am not here arguing and saying that you should not be entitled to them. But you cannot write legislation on the floor of the House, nor can you write proper legislation by one line that is sent up here from the Department of the Interior, and that is just what you are attempting to do.

People in the eastern United States, where public lands are very few, have never heard tell of the 160-acre law. That is something that is completely foreign to them. Yet talk to most of the farmers here in the East, you talk to the farmers east of the Mississippi River, and ask them about the 160-acre law and they do not know what you are talking about. Yet this bill which you have before you states that the 160-acre law will apply to all the small projects, and they come along with a provision saying that anything that is over 160 acres the farmers will pay interest on.

What the Committee on Agriculture should do, and I recommend it to them, is to see to it that the East is protected and that the water rights and water policy are established in the East. It is the duty of the Committee on Agriculture to bring to the floor of the House a bill which will enable the farmers of the East to get some benefit from the water resources.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. It has been pointed out here today that the bill which was limited to the 17 States had the approval of the Bureau of the Budget and was in accordance with the program of the President, whereas this bill, including all the 48 States, does not have that approval. That might make some difference. I am rather inclined to agree with the gentleman that we should have two bills, one under strictly Department-of-Agriculture jurisdiction and one under strictly Interior-Department jurisdiction.

Mr. SAYLOR. I thank the gentleman. I supported that principle last year and would support it in this bill on the floor. I was the only one in our committee that spoke in opposition to

this bill, not because I am opposed to the principle for which this bill stands, because I am in favor of it, but because I am against trying to extend the jurisdiction of the Department of the Interior to the 48 States without having had a chance to examine very carefully just what it will mean with regard to interference with State laws.

The program which the Bureau of Reclamation has had is completely foreign to the eastern part of the United States. I urge this Committee that they limit this bill to the 17 Western States for a very good reason. Some of the members wonder why the Western States get interest-free money. All you have to do is to go back and read what went into the discussions of the original reclamation law. There you will find that the income from public lands, which comes from the 17 Western States, went into the United States Treasury and, therefore, the money that was being lent to the farmers in the 17 Western States was actually their own money. For the first number of years, while that was in effect in the early days of the reclamation law, they were getting their own money back. That is no longer the case.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. JONES of Alabama. The gentleman might inform the committee as to the position that the Department of Agriculture took with respect to it being the administrative agency in the nonreclamation States, since he had some contact with the Department.

Mr. SAYLOR. The Department of Agriculture states that they are willing to assume the obligation in the Eastern States. I was before the Committee on Rules when Mr. JONES, the gentleman from Alabama, suggested that he handle this amendment. Mr. HOPE, the gentleman from Kansas, the ranking Republican member, was there and he stated that the Department of Agriculture was willing to assume the duties under this bill, but there were a number of questions which they had raised with regard to the application of eastern water law to this bill, as drafted.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. ENGLE. It is a fact, is it not, that the Government is required to recognize local and State law with reference to these projects?

Mr. SAYLOR. In theory, that is what they are supposed to do, but the gentleman from California knows as well as I do that the Bureau of Reclamation is noted for the fact that they love to disregard the local State laws. He and I, and several other Members of the House on both sides, had a tremendous fight with the Bureau of Reclamation and the Department of the Army, and certain other groups—the Department of the Navy and the Department of Defense, because they did not want to recognize State law with regard to water matters.

Mr. ENGLE. Our quarrel was not with the Bureau of Reclamation. Our quarrel was with the Department of Defense. It is stated here so far as we are concerned, that is some of us on this committee, if the eastern fellows want their portion of this program administered by the Secretary of Agriculture, it is perfectly all right with us and he would be required to comply with and abide by State law with reference to water rights and the acquisition of water.

Mr. SAYLOR. There is absolutely nothing in this bill which would require the Secretary of Agriculture or the Secretary of the Interior or anyone else to comply with State law with regard to water rights.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. OSTERTAG. The gentleman has pointed out that he believes this bill should apply only to the 17 western reclamation States. Yet, are we to interpret that you favor the Jones amendment which would take jurisdiction out of the Department of the Interior and place it in the hands of Agriculture if the Eastern States or the 31 nonreclamation States are to be included?

Mr. SAYLOR. I am going to offer an amendment to this bill to limit the jurisdiction of this bill to the 17 Western States.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. MILLER of Nebraska. Of course, if we adopt the Jones amendment, we would be establishing another department of irrigation in the Department of Agriculture.

Mr. SAYLOR. That is correct.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ENGLE. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. JONES].

Mr. JONES of Alabama. Mr. Chairman, first I want to congratulate and applaud the Committee on Interior and Insular Affairs in bringing out, in my opinion, the most significant and most important water resources bill that has been considered by the Congress since I have been a Member.

It is a good job for more than one reason in that it helps agriculture and it insures by the wise use of this law in every section of the United States an acceleration of the prudent use of our water resources. There has been some discussion that this is incompatible with existing water legislation. It is a complement to the existing legislation that we have on the subject.

As I stated earlier, it is not inconsistent with the Flood Control Act of 1944, or the Watershed Act or the Water Facilities Act that we passed last year.

Let me bring one very important thing to your mind, if you do not already know it. When we passed the Watershed Act last year, we did not create a new law. The only thing we did was to take from the Flood Control Act of 1944 and 1936 the authority already vested in the Committee on Public Works and transfer it to the Committee on Agriculture, and limited the committee's authority to 5,000-acre-feet projects. That is the only change that was made in existing law in passing the Watershed bill that was passed last year. Of course it is a fine bill, because it provides that we will work with the farmers to practice soil conservation and to use crop rotations in such a way that it would reduce soil erosion and the loss of fertility of the soil.

It is suggested that this bill is all wrong; that if the Department of Agriculture is to administer the law outside of the reclamation States, it should go back to the Committee on Agriculture to bring in a new resolution and come back with the same bill we are presently considering.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I am glad to yield to the distinguished gentleman.

Mr. SAYLOR. What you are actually doing if you adopt this bill is to extend it to the Eastern States so that you will have the farmers down there in your district who will find two identical acres of their farm under entirely different rules and regulations. On one acre they will get a loan on which they will pay no interest; and on the adjoining acre, which is growing the same crops, they will have to pay Uncle Sam 2½-percent interest.

Mr. JONES of Alabama. Oh, I am ambitious enough to want my farmers to have more than 160 acres and more than 320 acres, but I will accept the willingness on the part of the Federal Government to assist in bringing into being greater crop production on 160 acres of land. I am not alarmed or disturbed because there is a restriction of 160 acres of land.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. MILLER of Nebraska. I want to call the gentleman's attention to the fact that if his amendment is adopted it will be in conflict with section 4 of the bill, which puts it under the Federal reclamation law; also in conflict with the provisions on page 7, in section 5, instead of a reclamation project, the construction shall be the controlling feature. I think the gentleman should anticipate, if his amendment is adopted, that it will be in conflict with several sections of the bill.

Mr. JONES of Alabama. I am glad the gentleman brought this question up, because I was going to explain that I have several other amendments to reconcile the differences between the Bureau of Reclamation administration of the law and the Department of Agriculture.

It seems to me that we have 1 project, 1 problem, because we feel that water is just as important in Alabama, New York, Massachusetts, and Missouri as it is in the State of California. We have worked to procure the use of these water resources, to carry out flood-control projects, rivers and harbors projects, reclamation projects bringing in new land for new uses and increased production. This bill would apply universally in every section of the United States. We should follow the path that leads toward accomplishing irrigation for all sections of the United States.

I would like to say that there are multiple uses provided under this bill.

The multiple uses are for industrial water use, if it can pay part of the financing of the plan; water for municipal use, all of these things can be brought together under this bill, and, therefore, the water that will be produced under these loans will repay benefits to the Federal Government in increased earnings and increased production of the farm people. It will be repaid many times in the wealth and growth of the country and comfort of its people.

Much progress has been made in conserving the soil and water resources of the Nation. But the job is far from finished. Our country is still using its soil resources at a rate faster than it is building them up.

The soil, water, and forest resources of the United States are the foundation blocks in the structure of the national economy. From that base come the food, clothing, fiber, and the various products that keep us going. How well these resources are protected and improved in the years ahead will have a direct bearing on the standard of living of every citizen in the entire land.

Despite temporary surpluses of some products, the demands upon agriculture will grow heavier in the immediate future. Our population—as we all know—is increasing by leaps and bounds. By 1975 the Nation will likely need the production equivalent of an additional 115 million acres of improved cropland to keep pace with the demands of our growing population. Present estimates are that the United States will fall short of that requirement by as much as 70 million acres. There is not enough new land to fill that need. Most of our arable land is already under the plow. Some of it is eroded and worn away. Yet these same acres are all we have for future generations in this fast-growing land of ours.

To meet rising demands, the Nation's farmers will have to depend mainly upon increasing the per acre yield on cultivated land. In this connection there is one great potential that we have not yet generally embraced. That is irrigation.

Water is our most precious natural resource. It is the one indispensable element in the cultivation of foodstuffs. In all the history of agriculture, the oldest science practiced by man, no substitute for water has ever been found. We have in some sections of our country abundant rainfall, yet only 40 percent of the rainfall is converted to useful purposes. The rest flows unused into the ocean. Such prodigal waste no longer can be tolerated in the face of increasing demands for water by industry, agriculture, and municipalities.

Irrigation has largely been limited to the Western States, where it has transformed deserts into productive land. Every schoolboy knows what irrigation has meant in the development of States such as California and Arizona. Less than 3 percent of the tilled land in the United States today is irrigated. Yet it yields a fourth of the Nation's agricultural products.

There has been some expansion of irrigation in the Eastern States. Because most of the expansion in humid area irrigation has taken place since the last census, accurate figures indicating the total growth are not available. Individual surveys in several Eastern States, however, tell part of the story. For example, irrigated land in Virginia has increased over 400 percent in the last 4½ years. Data from Missouri indicate similar trends. Soil Conservation Service has assisted the farmers in 31 Eastern States to install over 5,900 sprinkler irrigation systems, and to build 3,200 reservoirs to store irrigation water. Almost 1 million acres of farmland have been properly irrigated as the result of this program.

Why are we so interested in irrigation in the South and East? In recent years, studies have been made by several States and agencies to determine the probable frequency of the occurrence of moisture-deficient periods. The results in all cases indicate that the humid East suffers soil-moisture deficiencies for frequent and extended periods. As a matter of fact, drought periods have occurred with far greater frequency in the South and East than is generally believed to be the case.

Mississippi studies of moisture data over a period of 22 years showed that soil-moisture deficiencies occurred each year. An exhaustive study of the 82-year record at Memphis, Tenn., by the United States Weather Bureau shows 1 drought of 103 days' duration, 2 droughts more than 2 months in length, 5 droughts between 1 and 1½ and 2 months in length, 32 droughts between 1 and 1½ months in length, and 193 droughts between 14 days and 1 month in length. This is an average of 3 droughts for a cotton-growing season covering a total of 67 days for the season.

The very severe drought of the past 4 years has undoubtedly been a major factor in increasing our concern and interest in irrigation possibilities. Other contributing factors are the introduction of aluminum pipe which has reduced the labor problems in connection with irrigation projects and has provided equipment for a long life without rapid destruction by rust; the greater development of water resources through the construction of ponds and storage reservoirs; and the fact that the American consumer is demanding and is willing to pay for higher quality farm products, and irrigation is a necessity if top quality crops are to be produced each year.

During recent years the cost of conducting farming operations has increased so much that very few farmers can afford even one crop failure. Seeds, fertilizers, equipment, and labor must be fully utilized every year to stay on a paying basis. The farmer has a heavy capital investment in machinery. Farming is an expensive business and a farmer must be assured of water when he needs it. Through the proper use of irrigation, the drought hazard can be eliminated from farming operations and thus place agricultural production on a much more stable basis.

Research and investigations to improve irrigation practices have been carried on for about 50 years in the Western States. Out of these studies and experiences we have learned some basic principles of irrigation that will apply in the Eastern as well as in the Western States. We are finding out that having water when it is needed can mean increased production and it can mean elimination of drought damage of crops.

Experiments have been carried out demonstrating that irrigation can be successfully used on practically all crops grown on the farms of the United States. In certain areas some crops will pay better than others, but through careful selection of the method of applying water, and the amount of water applied, irrigation can be used on all crops that would be included in normal rotation.

In order to demand maximum prices, it is important that many crops be placed on the market at specified times. With the use of irrigation which gives prompt germination and maximum use of fertilizers, planting dates can be properly regulated, and the time of maturity will be closely controlled. This factor alone often means the difference between profit and loss in many highly competitive areas.

The efficient use of irrigation permits much better utilization of the land in accordance with its capabilities. Crops that permit erosion damage can be confined more nearly to the classes of land on which erosion is less severe. Increased yields per acre can be obtained through high fertility and adequate moisture. Use of the more erodible land for grass and legume production therefore will be more feasible and practical. Irrigation will also help start new seedings, needed for a vegetative cover on eroded areas, grassed waterways, earth embankments, roadside cuts, and so forth. With irrigation, fertilizers can be made available for plant use immediately after they are applied if it is so desired.

Experiments have been carried on which show that supplementary irrigation in our rainfall belt—the Southeastern States—helps insure greater yields and adds greatly to the quality of the stuff we grow. In 1952, Alabama reported that irrigation increased seed cotton 1,018 pounds per acre and corn 53 bushels per acre. The 1952 irrigation studies at Athens, Ga., showed tomato yields were increased from 6,450 pounds per acre to 18,900 pounds per acre; seed cotton from 742 pounds per acre to 2,534 pounds per acre; 7 inches of irrigation water raised corn production from 34 to 98 bushels an acre; while 10 inches of water increased sweetpotato yields from 102 to 242 bushels. These are some examples of what we can expect from proper and wise irrigation practices.

Humid area irrigation, however, should be more than just a crop insurance used only to pour on some water during a dry spell and save a crop. It is important to realize that good irrigation farming is necessary for maximum production on a long-time basis.

For many years, the South has been leading the crusade for soil conservation and good land use. Now we must crusade for wise water conservation and wise water use as the very best means of conserving the soil. Actually, irrigation in our rainfall belt will be one of the final steps in a complete soil- and water-management program on the farm.

In the past 50 years, there have been two great revolutions in America's leading industry of agriculture—mechanization and irrigation. The South has long since adopted mechanical equipment and conveniences, but we are just beginning to wake up to the potential that we have in the use of supplemental irrigation. I believe the use of irrigation will make a veritable agricultural paradise of the South. It will, I believe, create new economic frontiers that will benefit the entire population.

Mr. YOUNG. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I do want to point out that the Members from the 17 Western States are not divided on this bill. They want it for the 17 States. But under the amendment to be offered by the gentleman from Alabama [Mr. JONES] the Secretary of Agriculture would be working on and under reclamation laws which he knows little about. They have no State authority to handle water matters and unless we offered many, many more amendments to the bill, the Secretary of Agriculture would be at a great disadvantage in connection with the reclamation laws which apply only to the 17 Western States.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from California.

Mr. ENGLE. I think we ought to make something quite plain. The reclamation law as you look at it is a volume about an inch and a half thick. All the reclamation laws that apply to this legislation are written within the four corners of this bill, which is 10 pages long, and to the extent that the reclamation laws appear in this bill it is applicable to these projects, and not otherwise. This legislation does not incorporate by reference a volume an inch and a half thick containing the reclamation laws, with all the additions, amendments, and supplements since 1902. Such portion of the reclamation laws as apply to these projects is within the four corners of this bill. By reading it you can determine how much reclamation law is in it. There is nothing in here that makes this legislation incapable or unsusceptible of being operated by the Department of Agriculture just as easy ih the Eastern States as by the Department of the Interior in the Western States. I think that should be made clear.

Mr. MILLER of Nebraska. May I ask the gentleman, Does not the amendment place the Secretary of Agriculture under reclamation law?

Mr. ENGLE. I did not understand the gentleman's question.

Mr. MILLER of Nebraska. Does not the amendment to be offered by the gentleman from Alabama [Mr. JONES] place the Secretary of Agriculture under the reclamation law in this bill?

Mr. ENGLE. Only to the extent that this bill itself incorporates the law. For instance, the gentleman from Pennsylvania referred to the application of the 160-acre limitation with the proviso that areas in excess of 160 acres should be required to pay an amount which represented the interest on the capital investment in the excess areas.

There are 1 or 2 provisions like that where standards, for instance, with reference to the engineering projects as required under reclamation law are indicated, and only those, not the general reclamation law. There is nothing in it that an intelligent Secretary of Agriculture could not administer and there is no particular reason for supplementing or displacing these agricultural offices scattered all over the East and South. If the gentlemen in those areas want that administration I do not see why they should not have it. At least, I am not going to object to it.

Mr. MILLER of Nebraska. I am pleased and happy to see gentlemen on that side of the House give so much praise to our Secretary of Agriculture. I have not heard quite so much praise of him from that side in a long time. The Secretary of Agriculture receives great praise from the Democratic side of the House for this, and I am inclined to think he would do a good job of it under the reclamation law. But this would place him under the reclamation law. He knows nothing about the procedures under that law. The other 31 States have no water laws such as we have in the 17 Western States setting up water rights and water programs.

Again, this amendment was placed in the bill in the last 5 minutes we were in committee and would rewrite entirely the reclamation law. I may say to the gentleman from Kansas [Mr. HOPE], the gentleman from North Carolina [Mr. COOLEY], and the gentleman from Alabama [Mr. JONES], that we were not in agreement before the Rules Committee. But the 17 Western States are in agreement on this bill. They need it and I hope that the easterners, if they want a bill, and I will help you get it, will come in here with separate legislation and not place amendments on this bill which will not be workable, with a $100 million appropriation. They will be fighting over appropriations and no one will get anything.

So, I beg of you to keep to the original intent of this bill as we passed it in the 83d Congress and as introduced in this session by the gentleman from California [Mr. ENGLE], and myself. We did not consider the amendment putting the Secretary of Agriculture in this bill. I submit to you that is not the time to write major legislation, making a change which places the Secretary of Agriculture in the business of reclamation. I am sure reclamation ought to be under one umbrella. If the eastern section wants separate legislation, it should be given consideration by the proper committee. Let the 17 Western States proceed under this bill.

Mr. ENGLE. Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. ROGERS].

Mr. ROGERS of Texas. Mr. Chairman, I was wondering during this debate how long it was going to be before somebody got their hands called about this praise they have been pouring over a certain Secretary's head. Frankly, I do not care who I am under in this legislation. I am sorry, and I sincerely regret that the fuss started about who was going to be under which Secretary insofar as this legislation is concerned, and I think it would be a tragedy if this legislation, important as it is, should be defeated or measurably hurt by the question of who is going to get the right to administer it.

Mr. Chairman, this legislation was before this House and passed this House last year in a little different form, but it passed the House last year. I notice my friend, the gentleman from Minnesota [Mr. ANDERSON] grabbing the mike. It was in regard to the 17 Western States. Now, at that time we had hoped that it would go through the Senate, and, of course, if it passes this time, we hope it will go through the Senate and not die again. But, in any event, the legislation, in my opinion, is a must, and we should not try to scuttle it by trying to mix it up as to whether or not the Bureau of Reclamation is a good bureau or whether or not the Secretary of Agriculture is a good man. I do not care who administers it so long as he is honest.

Now, we have got this legislation in pretty good shape right now. I think that we had quite a few fusses about it. We had some in committee last year, and we had some more in committee this year, and one of those things I want to talk to you about.

I noticed the gentleman from Pennsylvania [Mr. SAYLOR] said there was some talk about this filling a gap, and he wanted to know where the gap was. Well, now, there is a gap in this country that needs to be filled insofar as water projects are concerned, and this bill will do that job, and that is the reason I want to see the bill passed. Let us get this legislation on the move, get it through this House, and start it toward President Eisenhower so that he can sign it.

What I want to do is to point up the fact that this legislation is in complete conformity with the program announced by the President of the United States for a partnership between the local communities and the Federal Government. This legislation contains provisions that will enable many of the small communities in this country to build projects that otherwise they cannot build under any circumstances. Many of them have been unable to build projects. Some need them for irrigation; some need them for municipal water use. To me that is the most important, because I think there are many small cities that need domestic water. Now, they cannot finance those projects privately for the reason that they cannot pay the interest rate that they will have to pay in order to get that money. In addition to having to pay an interest rate if they finance those projects privately, they are further penalized—and do not forget this—they are penalized to this extent: They do not have any money given to them by the Federal Government as they would if they financed the project federally or let the United States Government pay for the project.

In other words, they get no free funds at all for flood control, recreation and those other nonreimbursables. Under

this bill, these small communities can go out and finance a project privately; they can issue bonds, they can borrow money from whatever source. It enables them to go out, under our system of free enterprise and avail themselves of the money market. If they do that they are not penalized. They can go to the Secretary of the Interior or the Secretary of Agriculture, whoever may have control of this, and say, "We have got this project financed, it is eligible, we have this much flood control which we would get as a gift if we borrowed the money from Uncle Sam. But we are borrowing it from our neighbors and we think we are entitled to this same grant." And under this proposed piece of legislation they can get it and they should be able to get it. To say that they would not be entitled to it would be to condemn private enterprise by exacting a penalty for individual resourcefulness. This bill will enable the smaller communities to build those projects.

Mr. Chairman, I say to you in conclusion that one of the greatest things that can be done for America is to make these smaller communities self-sufficient and keep these people spread out where they should be, near the land and not cluttering up these big cities and creating social problems.

Mr. ELLIOTT. Mr. Chairman, I am for the Engle bill, H. R. 5881, which seeks to bring many benefits in connection with the utilization of our water resources to all the States. This bill places the emphasis on the small projects. For a long time I have felt that we needed a comprehensive water law. This is a step in that direction.

I understand that a motion to recommit this bill will be made. It should not be recommitted. It should be passed. Perhaps the bill contains some imperfections, but it is basically good. It can be perfected in conference. After we have had a year or two of experience with the bill we can look at it again. As I understand it the bill will authorize the expenditure of $100 million for these water projects. That will not go very far when applied to the water problems, and needs, of the 48 States. If the program works out well, when the money appropriated has been spent, we will have a chance to look at this entire law again. I hope the bill passes.

Throughout my service here I have been intensely interested in our water resources and legislation to develop them. The Small Watersheds Act was a significant step in the right direction. As a cosponsor of the Water Facilities Act amendments which we passed last year, I feel that passage of the bill before us will be another fine contribution toward the eventual development and proper use of all our water resources.

The Seventh Congressional District of Alabama, which I represent here, is fortunate in having an average annual rainfall of 52 inches. It is fortunate in having a large number of streams. The development of those streams for the use and benefit of the people of the district is of the greatest importance. The small watersheds-improvement law, to which I have referred, will aid greatly in developing streams where there is a flood-control problem. The amendments to the Water Facilities Act of last year are aiding greatly where irrigation is desirable. Now, this bill, as I see it, will fit those situations where small multiple-purpose projects would be advantageous. It should pass.

I want to commend the gentleman from Alabama [Mr. JONES] for the successful fight he has waged here today to get the Engle bill amended so that its administration insofar as projects located in the 31 Eastern States of the country are concerned will be under the jurisdiction of the Secretary of Agriculture. His position was sound. It was in the interest of good administration. It was the most economical approach. The gentleman from Alabama during his service in the Congress has become a great expert in the field of legislation pertaining to water and its use.

I urge the defeat of the motion to recommit this bill, and then the passage of the bill by an overwhelming vote.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, I offer a privileged motion.

The Clerk read as follows:

Mr. H. CARL ANDERSEN moves that the Committee do now rise.

The CHAIRMAN. The question is on the motion.

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 7, noes 56.

So the motion was rejected.

Mr. H. CARL ANDERSEN. Mr. Chairman, I object to the vote on the ground that a quorum is not present.

The CHAIRMAN. The Chair will state that that does not bring on an automatic roll call. The Chair will count to determine whether a quorum is present. [After counting.] One hundred and eleven Members are present, a quorum.

The Clerk read as follows:

Be it enacted, etc., That the purpose of this act is to encourage State and local participation in the development of projects under the Federal reclamation laws and to provide for Federal assistance in the development of similar projects in all 48 States and the Territories of Hawaii and Alaska by non-Federal organizations.

Mr. ENGLE. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and that the bill be open to amendment at any point.

Mr. H. CARL ANDERSEN. I object, Mr. Chairman.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 1, line 6, strike out "all 48 States" and insert "the 17 western reclamation States."

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman from Pennsylvania yield?

Mr. SAYLOR. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I might say to the Committee that I am sure if this amendment were accepted we could have this bill through the House in about 10 minutes.

Mr. SAYLOR. Mr. Chairman, the purpose of this amendment is to have this bill conform to the one which was passed by the House last year, to make it conform to the recommendation we received from the Interior Department and the Bureau of the Budget. As has been called to the Committee's attention, this bill has not been approved by either the Department of the Interior or the Bureau of the Budget.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. May I suggest that if we could take all the water I have down in my coal mines in Pennsylvania and put it out in the Western States it would solve everybody's problem here.

Mr. SAYLOR. I will be delighted if the gentleman will just turn it over to the gentleman from Utah [Mr. DAWSON]. He will be only too happy to take care of it. There is only one thing, he will want you to pay to transport it to Utah.

Mr. FLOOD. I know the gentleman is for that.

Mr. SAYLOR. The amendment I have offered is very simple. This bill is a good bill if confined to the 17 Western States where the Bureau of Reclamation now has jurisdiction. I disagree violently with the distinguished chairman of this committee, the gentleman from California [Mr. ENGLE], who says the only place the reclamation law will be tied in is within the four corners of this bill. He has not read very carefully the bill which now bears his name because this bill will incorporate every one of the reclamation laws that are written in the books; not those that affect particular projects, no; but the general reclamation law of 1902 and the reclamation law of 1939 are in this bill. If this amendment is defeated, and the amendment which will be offered by the gentleman from Alabama [Mr. JONES] is adopted, the bill will then require the Secretary of Agriculture to be bound by the reclamation laws. That would be poor legislation. This is a fight between two Departments downtown. I urge favorable consideration of the amendment I have offered.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. RHODES of Arizona. To what particular parts of the reclamation law does the gentleman object in the application to the Eastern States?

Mr. SAYLOR. I have only 5 minutes. It would take me more time than the members of this Committee desire to hear me state them, but I will be glad to discuss it with the gentleman at another time.

Mr. RHODES of Arizona. I will put it in the singular. Give me one objection.

Mr. SAYLOR. The Bureau of Reclamation, period. Anybody that has had any dealing with them certainly does not want to have their jurisdiction extended to the eastern part of the United States.

Mr. RHODES of Arizona. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the statement just made by the gentleman who preceded

me here points to a rather singular fact. It seems that in the minds of a lot of people in the last few years the Bureau of Reclamation has perhaps gained a reputation which is not exactly enviable. I am not here to defend the Bureau and I am certainly not here to condemn the Bureau. I merely want to say that when the Congress of the United States is considering legislation we must consider that the legislation will be administered the way it is written. We must not say that because a bureau has administered laws badly in the past, in the opinion of somebody, it will necessarily administer laws badly in the future.

If the only objection the gentleman has to the application of the reclamation laws to the Eastern States is that the Bureau of Reclamation will administer them, then certainly he has made the best case I know for the defeat of the amendment he has offered and the adoption of the amendment of the gentleman from Alabama [Mr. JONES], which will provide that the law as it will pass the Congress will be administered by the Department of Agriculture instead of by Bureau of Reclamation.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. ENGLE. The other section of the bill will be administered by the Department of the Interior and not necessarily the Bureau of Reclamation. The Bureau of Reclamation is the construction agency on reclamation projects. What this does, as has been said, is to set up a system whereby these small districts with these small projects, instead of asking the Bureau of Reclamation to come in and build the projects, asks the Secretary of the Interior on plans and specifications furnished by them and engineering supplied to grant them a loan to proceed to build it themselves on the same kind of repayment contract that they would sign if the Interior Department itself built it. It is not necessarily a matter of the Bureau of Reclamation doing it. The Interior Department will do it. As I said previously, I cannot see any reason why on a bill as simple and as plain as this, there should be any such question. If the Secretary of Agriculture can read, he can administer this one.

Mr. RHODES of Arizona. I agree with the chairman of the committee completely. I would like to point out further that participation in this bill is certainly voluntary. If any locality or any irrigation district or any State does not desire to come in to get money under this particular bill, then certainly no part would apply to that particular entity. So it is not a bugaboo which we have here. The gentleman from Minnesota [Mr. H. CARL ANDERSEN] indicated that he had some fear that because this bill provided that the Federal reclamation laws would apply to all projects, that they might supersede the internal laws of the States insofar as the division of water and water rights is concerned. Of course, that is not the situation. The reclamation laws in the 17 Western States are subordinate to the laws of the State insofar as the division of water and water rights is concerned. The application of laws would be identical in the Eastern States. Any Member of Congress, I am sure, can be very certain that no law of this Congress is going to supersede the internal law of the State when to do so would be as unconstitutional as this particular application would be.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. DAWSON of Utah. A point which has not been mentioned here, and which I think should be emphasized, particularly by those of us who come from the 17 reclamation States, is that 52½ percent of the revenue which comes from gas and oil leases in the 17 reclamation States, which is a considerable sum in our area, now goes into the reclamation fund. As I understand it, if this is spread over all the States of the Union, the other States will participate in that money which comes from our States out there. That does not mean that I am against the Jones amendment or I am in favor of the Saylor amendment, but I would say those of us who are out there feel that if others do not want to exercise that privilege, that is, those who are not in the 17 reclamation States, I think we should go along with them, because whatever is good for us is certainly good for the rest of the country.

Mr. RHODES of Arizona. I thank the gentleman.

Mr. Chairman, I want to say in conclusion that the West has found reclamation to be a very good thing. We, from the West, recognize that we do not live in the only section of the country which has water problems. This particular bill was written with the thought that the benefits which we have enjoyed and which have helped us to conserve our water should be passed on to the other States of the Union. I hope the amendment will not be adopted.

Mr. SISK. Mr. Chairman, I move to strike out the last two words.

I have a great deal of respect for my colleague the gentleman from Pennsylvania [Mr. SAYLOR] and I certainly have a great deal of respect for his knowledge of reclamation law, but it seems to me that some of us are certainly trying to build up a bugaboo as far as the Bureau of Reclamation is concerned, to scare some people without their knowing what they are frightened about.

The whole point of this particular bill, as I understand, was to make it simple and easy for a small group of people, either for reclamation or for domestic water use, to secure some help from the Federal Government; to get some money to build that particular project.

This bill does not propose, even for the 48 States, to build up some great bureaucracy in the 31 States outside of the 17 Western States. The thing that is important is the fact that if there is someone in Alabama or Georgia or North Carolina, a small group of people who desire a project, they simply get together, determine the type and size of project they want, draw up the plans, and submit them to the Secretary of the Interior and he either approves or disapproves the project. It is just that simple. You do not have to create a big bureaucracy to administer this bill. You do not have to have a single office of the Bureau of Reclamation in your State or anywhere close to it. You do not have to go through any group of engineers of the Bureau of Reclamation. It is a simple matter. They determine the size of project they want. They draw up these plans and submit them to the Secretary of the Interior and he simply approves or disapproves of those plans. It does not seem to me that if there are those in the Eastern States who are interested in projects such as these—and I know there are, because many of us on the committee have been approached by people in the Eastern States who are interested in these projects. I for one believe that if they are interested they should have an opportunity to take part and to enjoy the advantages of this money that is made available, just the same as those of us in the West.

I happen to be from 1 of the 17 Western States, and certainly I am for this project because I know what it will do for us. After all, if the East does not want a project and has no interest in it, does not want the money, that is a matter for them to determine. But certainly I feel it should be made available to them. It can be made available without creating some great bureaucracy or bugaboo of the Bureau of Reclamation aimed at frightening people in these 31 Eastern States. They simply submit their plans for approval and it will in no way tend to bring about a matter which will have to do with the application of Bureau of Reclamation law, necessarily, in any 1 of the 31 Eastern States.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. JONES of Alabama. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, let us review the situation as we find it at the present moment. The bill provides that the power and responsibility vested in the Secretary of the Interior under this bill shall be administered by him for the entire 48 States, Hawaii, and Alaska. If the amendment which has been offered by the gentleman from Pennsylvania [Mr. SAYLOR] were to prevail, it would mean that the only authority remaining would be for the Secretary of the Interior to administer the provisions of the bill in the 17 reclamation States.

It would cut out all the rest of the States.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I shall be glad to yield to the gentleman.

Mr. OSTERTAG. I take it that the gentleman in discussing the amendment before us is opposed to limiting the provisions of this bill to the 17 States but desires to extend it to the entire 48, except that he contemplates amending the bill to limit the nonreclamation States to the administration of the Department of Agriculture; is that correct?

Mr. JONES of Alabama. The gentleman from New York is precisely correct.

Mr. OSTERTAG. In connection with the bill before us—and reference has been made to the reclamation law which

goes back as far as 1902—will the gentleman's amendment amend the reclamation law from 1902 and all amendments thereto since that time insofar as the administration of the reclamation law in the nonreclamation States is concerned?

Mr. JONES of Alabama. Let me say emphatically and positively to the gentleman from New York that the amendment I expect to offer will not touch side, edge, nor body, any provision of the reclamation law or any other law as far as amending it, superseding it, or bringing into play anything that is not already before us in this bill.

Mr. OSTERTAG. One further question, if the gentleman will permit.

I am very sympathetic to the gentleman's amendment, but the thing that strikes me is whether or not the gentleman's amendment is workable in the light of the reclamation law from its inception.

Mr. JONES of Alabama. I wish I could project myself into the future and appraise the wisdom of the Congress; and I would not want to speculate on the administrative agency because whereas it might be administered fairly and impartially it might also fall into unsympathetic hands; but that, of course, is a risk we always run.

The basis of this amendment is that what we need to do is go back and have additional hearings before the Committee on Agriculture, and when the Committee on Agriculture in its wisdom determined it was time to bring out a bill such as this to bring it back and we would be in complete accord on a bill coming from the Committee on Agriculture. Why would we want to go back to the Committee on Agriculture to get an identical bill to get the concurrence of those who are against it now? You know as I do that if they find fault with it now they would find fault with it should we bring it back here every day for the rest of this session.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. H. CARL ANDERSEN. I hardly think the gentleman's last statement is fair, because certainly I have no objection to taking the 31 States out. The objection I have, I may say to the gentleman from Alabama, is making the 31 States subservient——

Mr. JONES of Alabama. Would the gentleman object to Agriculture having a bill here including the 31 States?

Mr. H. CARL ANDERSEN. Let me finish my statement, if you please.

Mr. JONES of Alabama. Certainly.

Mr. H. CARL ANDERSEN. What I do object to is bringing the 31 Eastern States under the reclamation laws but under the supervision of the Department of Agriculture subsidiary to the Department of the Interior.

Mr. JONES of Alabama. No, no, no. The only thing the Department of Agriculture will be administering is this bill. Make no mistake about that. It is no attempt to administer any reclamation laws. As the gentleman from California said earlier, the only administrative authority the Department of Agriculture will acquire will be under the terms and conditions of this bill.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

(By unanimous consent, Mr. JONES of Alabama was allowed to proceed for 2 additional minutes.)

Mr. JONES of Alabama. There are two reasons for this amendment being rejected. First, why do we want to extend the operation of the Department of the Interior in these 31 Eastern States and have the Department of the Interior, Bureau of Reclamation, establish offices where the Department of Agriculture now has offices, where they have personnel who will receive the applications, evaluate them and pass them on to the Department. Secondly, the thing that is attempted to be done here, is to have one administration in the Department, Bureau of Reclamation, operating in the 17 States. They have knowledge of local conditions. In the nonreclamation States the Department of Agriculture is familiar and is intimate with the problems that they deal with constantly.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Of course, this amendment takes out the 31 States. Will the gentleman support the bill if the Department of the Interior has jurisdiction over the 48 States?

Mr. JONES of Alabama. Yes, I am going to support it. I am going to support it because I think it would be obligatory on my part to stay with the committee when I thought there had been unanimous agreement that the bill would be acceptable when it reached the floor. Had I known back yonder the differences that have come about within the last 24 hours, then I would not have relied on this bill. I went along with the gentleman from Kansas [Mr. HOPE] and the gentleman from Pennsylvania [Mr. SAYLOR] and other Members that tried to work out an arrangement with the Department of Agriculture which I thought was satisfactory to all the dissident groups. Not until this afternoon did it come about that these enormous differences had to be reconciled in this debate.

Mr. MILLER of Nebraska. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I just want to say to the gentleman from Alabama [Mr. JONES] that I expect to support the bill with the 48 States in, but I think it is much better if the Reclamation Bureau would confine itself to the 17 Western States. This amendment was offered because they rather felt, I presume, that the amendment putting the Secretary of Agriculture in the reclamation business would probably carry. I do not think that is satisfactory, however, because the Secretary capable as he is does not know reclamation law, he does not have the setup to handle all of the problems under reclamation law.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I am going to be a little bit more generous with the gentleman from Nebraska than he is with the gentleman from Alabama. I am not only going to support the bill if this amendment prevails and my amendment fails to prevail, I am going to vote for it because I know there is a need in the 17 States for it and although I do not get the law extended to Alabama that is not going to frustrate me to the point that I am not going to look with a sense of equity on the principles of the bill.

Mr. MILLER of Nebraska. I thank the gentleman. The bill introduced in the 83d Congress did not include the 48 States, nor did the bill originally introduced. That was drawn up the last hour in our committee. The gentleman from Alabama never appeared before the committee to ask that the other States be put in or that the Secretary of Agriculture have any part in or anything to do with reclamation law. I think it is a mistake that he offers his amendment. I think he ought to let the bill go through and keep in the 48 States and not have 2 people handling the reclamation problems. If they want to bring in a bill covering the other States I will support it. The way this bill is written it certainly complicates the measure by bringing in the 31 States that are not under the reclamation law.

Mr. MATTHEWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I oppose the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR]. I expect to vote for H. R. 5881, and I sincerely hope that the committee will pass it by an overwhelming vote.

Many of us in certain parts of the country have been very much worried about the water supplies that we find are in ever-diminishing amounts. The gentlewoman from Georgia [Mrs. BLITCH] introduced a bill which has been referred to the Committee on Agriculture to try to help us solve this problem, especially as it concerns certain parts of the State of Georgia and my own State of Florida. I am hopeful that this legislation will correct some problems that we find in other areas of the States.

Now, our problem is simply this, that we find no existing legislation under which we can get any help or any benefits. I represent an area in Florida through which flows the beautiful Suwanee River. This river is not a flood-control problem. It does not cause heavy, excessive floods but about once every 10 or 15 years. There is not an economic justification for a district-engineer problem. There is not a possibility of any hydroelectric power. But the flow of the river during the past several years has been diminishing, and in certain parts of that river we find this last year that it has been completely dry. The source of the river is the beautiful Okefenokee Swamp in the district represented by the gentlewoman from Georgia, and because of the lack of water there the area has been ravaged by fire. We desperately need some way to help our farmers get some benefits of water. We want to fit in our problems with some general Federal program, and so far we have not been able to do it. I understand we cannot get help from the Water Facilities Act that

was passed during the 83d Congress because the benefits of that act are limited to flood-control features.

Now, I want to say to the gentlemen of the committee who have brought us this bill that I am very grateful for what you have done. I would like to ask the chairman this question: Do you think, sir, that with the explanation I have made, that we in our area might be able to participate in a project if this bill passes? And what our problem is, of course, is to get irrigation, to get water from these streams that do not present flood-control problems.

Mr. ENGLE. The gentleman is exactly right. I did not follow all the gentleman said, because my attention was diverted for a moment, but from what he has told me, that is precisely what we are trying to do, and that is the reason, as I tried to explain to the gentleman from Minnesota earlier today, that this bill really supplements this watershed bill, because that is a flood-control program. This is for irrigation. The reason, for my part, why I would like to see the East participate in this is because I know that they are getting hurt from the lack of water and that this bill is the kind of a bill which will give the East better and greater water service than anything else we might do.

Mr. MATTHEWS. I thank the gentleman. I will vote against the Saylor amendment. I will vote for the Jones amendment. If the amendment fails, I will vote for the bill; because I want the 17 Western States to have the advantage of it, and then I will continue to work with the distinguished gentlewoman from Georgia to correct legislation in the Water Facilities Act if we are not successful through this particular legislation so our area may fit into this national pattern that I think is not only beneficial to our own section but to other sections of our country.

Mr. ENGLE. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I am going to take only a minute to say that I am not going to support this amendment, because I think that it is basically sound to include these 31 other States in the benefits of this program.

Certainly as a westerner, as one who has observed irrigation and reclamation and what it has done for our country, and knowing that it is getting drier and drier and drier, I cannot stand here and assert the benefits of this bill for myself and then turn around and say, "No; I will not do it for my eastern friends." That is not a fair attitude to take.

I do not agree at all that there is anything in this bill that could not be administered by the Department of Agriculture. When the gentleman from Alabama [Mr. JONES] offers his amendment, I intend to support it, because I think they should have the privilege of choosing the agency they want. There is nothing complicated or mysterious about it. This bill within its four corners has the applicable parts of the reclamation laws specifically referred to. There is nothing difficult in it. As I said before, any Secretary of Agriculture with normal intelligence could administer this law in the Department of Agriculture. There is no reason why it could not be done. It will provide the benefits for these other people that they desperately need.

I am sorry that those who are interested in agriculture have gotten into a hassel among themselves about it. I would much prefer to see them settle their differences some place else rather than in connection with this proposed legislation. But because I think it is completely workable and because I think it is fair to them, I intend to oppose this amendment and support the Jones amendment.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. JENSEN. Is it not a fact that if this bill should become law as it is written, it would bring the rest of the United States, the 31 Eastern States, under the Reclamation Act?

Mr. ENGLE. No; it would not.

Mr. JENSEN. Does not the gentleman think——

Mr. ENGLE. The gentleman asked me a question, and I am going to answer it. If the gentleman wants to argue the point, that is another thing.

Mr. JENSEN. No, I should like to have the gentleman's explanation of it, because other members of his committee say that it will.

Mr. ENGLE. I am sorry to disagree, but we have taken this matter up with the legal experts in the Department of the Interior and we have gotten legal opinions on it. It does not. It is a supplement to the reclamation law. It is not an amendment of the reclamation law. The reclamation law applies only to the extent mentioned in the bill itself. The reclamation law generally does not apply. There are some 53 years of law covering reclamation, but only the parts specifically mentioned in the bill apply to these projects.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. MILLER of Nebraska. Certainly, under this act, they must come under certain sections of the reclamation law; not all of it, but under certain sections of the reclamation law.

Mr. ENGLE. I have not denied that, but what I have said is that the reclamation law which has been in existence since 1902 with its amendments and its supplements, is contained in a book an inch and a half thick. It has been implied around here that we have got a string in this bill. Someone says that this will take 53 years of reclamation law with it and makes that law and all of it applicable to the 31 eastern States. I say that it does no such thing; that only to the extent that the reclamation law itself is specifically referred to and made applicable within the four corners of this bill does it apply. And I say that any man who can read plain English can administer this bill. I think the Secretary of Agriculture, whatever his other faults may be, can read plainly enough to administer this law without any difficulty at all. As I say, I would just as soon have him administer it as far as these areas are concerned, because the Department of Agriculture is in those areas already. They have their offices there. The people know them. They have confidence in them. So let them choose their own. For us, we take the Department of the Interior.

Mr. JENSEN. Will the gentleman admit that to a very great degree the climatic conditions and the soil conditions of the 17 Western States are quite different than in the 31 Eastern States?

Mr. ENGLE. I will admit there are some differences, sure, and there is a difference between Utah and the Central Valley of California.

Mr. JENSEN. Would it not be much better if we would pass a separate bill for the 31 Eastern States that might by necessity provide a little different law than is provided in this bill, instead of legislating here on the floor to bring the 31 Eastern States under a bill of this nature and bring them under the Interior Department or even the Department of Agriculture, with such a small amount of consideration as it appears this bill has had up to date?

Mr. HOEVEN. Mr. Chairman, I rise in support of the Saylor amendment.

Mr. Chairman, it is rather interesting to note from the debate that no hearings whatsoever were held on the so-called Jones amendment. It is frankly admitted that in the last few minutes of a committee session the Jones amendment was presented. No hearings whatsoever were held.

The gentleman from California, the chairman of the committee, says that the bill has nothing to do with reclamation and that if the Secretary of Agriculture is called upon to administer the act he can do it automatically. I refer to the first page of the bill, lines 3, 4, and 5, where we read the following:

> That the purpose of this act is to encourage State and local participation in the development of projects under the Federal reclamation laws——

Mr. ENGLE. Go ahead and finish the sentence.

Mr. HOEVEN. I will read the rest of the sentence—

> and to provide for Federal assistance in the development of similar projects in all 48 States and the Territories of Hawaii and Alaska by non-Federal organizations.

Then on page 2, commencing with line 3, we find the following:

> The term "Federal reclamation laws" shall mean the act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto.

The Jones amendment would attempt to confer jurisdiction on the Secretary of Agriculture, and give him authority to administer reclamation laws. This would result in great confusion. If such jurisdiction is to be conferred upon the Secretary of Agriculture hearings should be held by the legislative committee of the House of Representatives, to wit, the Committee on Agriculture. It should be first determined whether or not the law can be administered by the Secretary of Agriculture and, second, what the implications might be as to State laws. Furthermore we should determine whether the Secretary of Agriculture is willing and ready to accept such jurisdiction.

It might be well to take heed of the history of a similar bill which passed the House at the last session of Congress. It might be interesting to know why the bill did not pass the other body. I for one expect to vote for the Saylor amendment, and, if it is not adopted, I expect to vote against the bill, because we have here a serious jurisdictional question.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield.

Mr. MILLER of Nebraska. The substance of the Jones amendment was never before our legislative committee. That is something new that has cropped up. I think the gentleman is correct that new legislation ought to be brought in extending into the 31 States, and I will be glad to support it. Putting the Jones amendment into this bill will kill the bill. I hope he does not offer the amendment covering the Secretary of Agriculture, and that we go on a smaller basis.

Mr. HOEVEN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The question was taken; and on a division (demanded by Mr. SAYLOR) there were—ayes 27, noes 57.

So the amendment was rejected.

Mr. ENGLE. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The remainder of the bill is as follows:

SEC. 2. As used in this act—

(a) The term "construction" shall include rehabilitation and betterment.

(b) The term "Federal reclamation laws" shall mean the act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto.

(c) The term "organization" shall mean a State or a department, agency, or political subdivision thereof or a conservancy district, irrigation district, water users' association, an agency created by interstate compact, or similar organization which has capacity to contract with the United States under the Federal reclamation laws.

(d) The term "project" shall mean (i) any complete irrigation undertaking or distinct unit of such an undertaking or a rehabilitation and betterment program for an existing irrigation project, authorized to be constructed pursuant to the Federal reclamation laws and (ii) any similar undertaking proposed to be constructed by an organization. The term "project" shall not include any such undertaking, unit, or program the cost of which exceeds $5 million: *Provided*, That projects, the estimated cost of which is more than $5 million but less than $10 million, may qualify under this act if the applicant organization is ready, able, and willing to finance otherwise than by loan or grant under this act all costs in excess of the amount of the loan or grant which would be made under this act if the estimated construction cost were $5 million: *And provided further*, That nothing contained in this definition shall preclude the making of a grant not in excess of $5 million in accordance with the provisions of sections 4 and 5 of this act, to organizations which qualify for the same and which are not applicants for a loan under this act.

(e) The term "Secretary" shall mean the Secretary of the Interior.

(f) The term "State" or "States" shall include the Territories of Hawaii and Alaska.

SEC. 3. Any organization desiring to avail itself of the benefits provided in this act shall submit a proposal therefor to the Secretary in such form and manner as he shall prescribe. Each such proposal shall be accompanied by a payment of $1,000 to defray, in part, the cost of examining the proposal.

SEC. 4. (a) Any proposal with respect to the construction of a project which has not theretofore been authorized for construction under the Federal reclamation laws shall set forth, among other things, a plan and estimated cost in detail comparable to those included in preauthorization reports required for a Federal reclamation project; shall have been submitted for review by the State or States in which the project is located in like manner as provided in subsection (c), section 1 of the act of December 22, 1944 (58 Stat. 887), except that the review may be limited to the State or States in which the project is located if the proposal is one for rehabilitation and betterment of an existing project only; and shall include a proposed allocation of capital costs to functions such that costs for facilities used for a single purpose shall be allocated to that purpose and costs for facilities used for more than one purpose shall be so allocated among the purposes served that each purpose will share equitably in the costs of such joint facilities.

(b) Every such proposal shall include a showing that the organization already holds or can acquire all lands and interests in land (except public and other lands and interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) and rights to the use of water necessary for the successful construction, operation, and maintenance of the project and that it is ready, able, and willing to finance otherwise than by loan and grant under this act such portion of the cost of construction (which portion shall include all costs of acquiring lands, interests in land, and rights to the use of water) as the Secretary shall have advised is proper in the circumstances.

(c) If the project is found by the Secretary and the governor of the State in which it is located (or an appropriate State agency designated by him) to be financially feasible and upon determination by the Secretary that the requested project constitutes a reasonable risk under the provisions of this act, the Secretary is hereby authorized to negotiate a contract with the applicant organization as provided in section 5; but no such contract shall be executed by the Secretary prior to 60 calendar days (which 60 days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than 3 days to a day certain) from the date on which the project proposal has been submitted to the Committees on Interior and Insular Affairs of the House of Representatives and the Senate: *Provided*, That the said submission may, after the close of any session of the Congress, be made to the chairman and ranking minority member of the said committees and in that event, or in the event that the 60-day period aforesaid is broken by an adjournment of the Congress, the contract shall not be executed until the expiration of 60 calendar days from the date of such submission or from the date of its original submission to the committees as hereinbefore provided. The Secretary at the time of submitting the project proposal to Congress or at the time of his determination that the requested project constitutes a reasonable risk under the provisions of this act, may reserve from use or disposition inimical to the project any lands and interests in land owned by the United States which are within his administrative jurisdiction and subject to disposition by him and which are required for use by the project. Any such reservation shall expire at the end of 2 years unless the repayment contract provided for in section 5 of this act shall have been executed.

(d) The Secretary shall give due consideration to financial feasibility, emergency, or urgent need for the project, whether the proposal involves furnishing supplemental irrigation water for an existing irrigation project, whether the proposal involves rehabilitation of existing irrigation project works, and whether the proposed project is primarily for irrigation or drainage. All project works and facilities constructed under this act, except such portions that are dedicated to flood control or other functions which would in the case of a Federal reclamation project be considered nonreimbursable, shall remain under the jurisdiction and control of the local contracting organization subject to the terms of the repayment contract.

SEC. 5. Any contract authorized to be negotiated under the provisions of subsection (c) of section 4 of this act shall set out, among other things—

(a) the maximum amount of any loan to be made to the organization and the time and method of making the same available to the organization. Said loan shall not exceed the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects;

(b) the maximum amount of any grant to be accorded the organization and the time and method of paying the same to the organization. Said grant shall not exceed that portion of the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to nonreimbursable functions under general provisions of law applicable to such projects;

(c) a plan of repayment by the organization of (1) the sums lent to it in not more than 50 years from the date when the principal benefits of the project first become available; (2) interest, at the average rate, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year preceding the date on which the contract is executed, on that pro rata share of the loan which is attributable to furnishing irrigation benefits in each particular year to land held in private ownership by any one owner in excess of 160 irrigable acres; and (3) in the case of any project involving an allocation to domestic, industrial, or municipal water supply, or commercial power produced as an element of the project and incidental to its full development, interest on the unamortized balance of an appropriate portion of the loan at a rate as determined in (2) above;

(d) provision for operation of the project, if a grant predicated upon its performance of nonreimbursable functions is made, in accordance with regulations with respect thereto prescribed by the head of the Federal department or agency primarily concerned with those functions and, in the event of noncompliance with such regulations, for operation by the United States or for repayment to the United States of the amount of any such grant; and

(e) such provisions as the Secretary shall deem necessary or proper to provide assurance of and security for prompt repayment of the loan and interest as aforesaid. The liability of the United States under any contract entered into pursuant to this act shall be contingent upon the availability of appropriations to carry out the same, and every such contract shall so recite.

SEC. 6. Any proposal with respect to the construction of a project which has heretofore been authorized for construction under the Federal reclamation laws shall be made in like manner as a proposal under section 4 of this act, but the Secretary may waive such requirements of subsections (a) and (b) of that section as he finds to be duplicative of, or rendered unnecessary or impossible by, action already taken by the United States. Upon approval of any such proposal by the Secretary he may negotiate and execute a contract which conforms, as nearly as may be, to the provisions of section 5 of this act.

SEC. 7. Upon request of an organization which has made or intends to make a proposal under this act, the head of any Federal department or agency may make available to the organization any existent engineering, economic, or hydrologic information and printed material that it may have and that will be useful in connection with the planning, design, construction, or operation and maintenance of the project concerned. The cost of any plans, specifications, and other unpublished material furnished by the Secretary pursuant to this section and the cost of making and administering any loan under this act shall, to the extent that they would not be nonreimbursable in the case of a project constructed under the Federal reclamation laws, be treated as a loan and covered in the provisions of the contract entered into under section 5 of this act unless they are otherwise paid for by the organization.

SEC. 8. The planning and construction of projects undertaken pursuant to this act shall be subject to all procedural requirements and other provisions of the act of August 14, 1946 (60 Stat. 1080).

SEC. 9. The Secretary is authorized to perform any and all acts and to make such rules and regulations as may be necessary or proper in carrying out the provisions of this act.

SEC. 10. There are hereby authorized to be appropriated, such sums as may be necessary, but not to exceed $100 million, to carry out the provisions of this act. All such appropriations shall remain available until expended and shall, insofar as they are used to finance loans made under this act, be reimbursable in the manner hereinabove provided.

SEC. 11. This act shall be a supplement to the Federal reclamation laws.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 1, line 7, after "Alaska", insert "Puerto Rico, the Virgin Islands, Guam, and American Samoa."

Mr. SAYLOR. Mr. Chairman, this amendment is very simple. If this bill is as good as some of the Members here have said it is, all I desire by this amendment is that it should apply to everyone who lives under the American flag.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was rejected.

Mr. JONES of Alabama. Mr. Chairman, I offer an amendment.

Mr. Chairman, I have three amendments which I have sent to the Clerk's desk. The first amendment is the principal amendment and the last two are perfecting amendments, which would, of necessity, have to be offered if the first amendment is adopted. The last two amendments, in other words, are clarifying amendments. I ask unanimous consent, Mr. Chairman, that they be considered en bloc.

Mr. H. CARL ANDERSEN. Mr. Chairman, reserving the right to object, we will have to have the amendments read first before we can decide on that.

The CHAIRMAN. The Clerk will report the three amendments.

The Clerk read as follows:

Amendment offered by Mr. JONES of Alabama: On page 3, line 8, strike out the period and insert in lieu thereof the following: "with respect to projects located in the States of Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming, and the term 'Secretary' shall mean the Secretary of Agriculture with respect to projects located in any other State or in the Territory of Hawaii or of Alaska."

Mr. H. CARL ANDERSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. H. CARL ANDERSEN. Mr. Chairman, I think the Clerk omitted the name of the State of Texas. At least, in the amendment I have here, Texas is included. I wonder if it was inadvertently omitted in the reading of the amendment.

Mr. JONES of Alabama. Mr. Chairman, I will explain that when the other amendments are reported.

The CHAIRMAN. The Clerk will report the other two amendments.

The Clerk read as follows:

On page 5, line 12, after the word "Senate", add "or if the proposal is for a project in a nonreclamation State or the Territory of Hawaii or of Alaska, to the Committee on Agriculture of the House of Representatives and the Senate."

On page 6, line 4, add a new sentence after the sentence ending with the word "projects" reading as follows: "He may likewise, with the concurrence of the head of any other department or agency having administrative jurisdiction over and power to dispose of such lands and interests in lands, reserve them from use or disposition as aforesaid."

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama [Mr. JONES]?

Mr. MILLER of Nebraska. Mr. Chairman, I must object. These are far-reaching amendments, and I want an opportunity to study them.

The CHAIRMAN. The gentleman from Alabama [Mr. JONES] is recognized on the first amendment.

Mr. JONES of Alabama. Mr. Chairman, this amendment has been discussed. The hour is growing late, and I do not want to detain the House unduly.

This is what the amendment does: It provides that in nonreclamation States the power and authority vested in the Secretary of the Interior is given to the Secretary of Agriculture for the administration of the terms and conditions of this bill.

We have heard a great deal about economy. This is one of the great economy measures, since it provides that existing agencies will do the job. We do not create any new agencies for the 31 nonreclamation States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. GROSS. The bill provides for an authorization of $100 million.

Mr. JONES of Alabama. That is right.

Mr. GROSS. Under those circumstances, how is the $100 million divided?

Mr. JONES of Alabama. Well, like the division made on any appropriated item in a lump sum, the appropriation to be administered by any single agency.

Mr. GROSS. But you would have two agencies under your amendment.

Mr. JONES of Alabama. That is right; two Secretaries.

Mr. GROSS. Two Secretaries?

Mr. JONES of Alabama. Two Secretaries.

Mr. GROSS. Is it going to be divided on the basis of $2 million per State, or how?

Mr. JONES of Alabama. Well, I would think that the Secretary of the Interior and the Secretary of Agriculture would get together and they would see that a uniform geographical distribution would be made in allotting these projects and making loans, to see that every State would get its proportionate share of the total.

Mr. GROSS. Would the gentleman be adverse to an amendment to the bill which provided that $100 million be divided equally between 48 States, since 48 States are included?

Mr. JONES of Alabama. No; because there might be some States that would not come in and make application for a loan.

Mr. GROSS. Can the gentleman think of any State that would not be in for a handout?

Mr. JONES of Alabama. Oh, yes, I could. I am not the type of person who feels that everybody in this country is coming up here trying to get their hands into the Treasury. I have great faith and confidence in the people of this country, and I have faith that they will utilize this legislation to get greater strength and wealth and industry for our country. I do not share the apprehensions and fears that the gentleman from Iowa does.

Mr. GROSS. I have great faith and confidence, too, but it has become the accepted practice to come down to Washington whenever there is some money available.

Mr. JONES of Alabama. I am quite sure the gentleman, as well established as he is in his own party, will see that the Republican Secretary of the Interior and Secretary of Agriculture will make wise and prudent use of this law.

Mr. GROSS. From what I have heard this afternoon, I think there are a great many people in this House who have more confidence in the Secretary of Agriculture than the gentleman from Iowa.

Mr. JONES of Alabama. I am glad to have your opinion about the Secretary. There are many more who are apprehensive about the way he is making disposition of surplus goods held by the Commodity Credit Corporation. But I am quite sure there will not be any insurmountable problems presented in the administration of the bill now under consideration by the Secretary of the Interior or the Secretary of Agriculture.

I hope the amendment will be adopted.

Mr. SAYLOR. Mr. Chairman, I wonder how many members of the committee have the idea that the amendment which the gentleman from Alabama [Mr. JONES], just offered does what a number of people said the Jones amendment would do? Mr. JONES is confusing the jurisdiction of the Secretary of the Interior over the 17 Western States, whereas jurisdiction over the other 31 States is given to the Secretary of Agriculture.

For some unknown reason the great State of Texas does not want to come under the provisions of this amendment and they have asked to be excluded. It is only the 16 Western States now. Where heretofore the people of Texas have declaimed that the present Secretary of Agriculture is a terrible individual, now they are going along with the Jones amendment, I understand, through the concurrence of the gentlemen from Texas, or some of them, and that they now want to be under the jurisdiction of the Secretary of Agriculture and not the Secretary of the Interior.

I have an amendment I shall offer to the Jones amendment and that will be to include the State of Texas, because the State of Texas is one of the 17 Western States. They have been under the Bureau of Reclamation, and I think they ought to stay there. They ought to stay right where they have been. If they want to defeat this bill it is all right with me, but let us keep them under the Bureau of Reclamation. That is where they have been all these years, and I am not in favor of letting them crawl out now.

Mr. SISK. Mr. Chairman, will the gentleman yield for a question?

Mr. SAYLOR. I yield.

Mr. SISK. In this discussion as to what States come under the Secretary of Agriculture and what come under the Bureau of Reclamation and so on, as far as this particular bill is concerned I think certainly the amendment would have nothing to do with leaving any State under or taking it out from under the Bureau of Reclamation, would it, other than simply in the matter of the administration of these particular projects.

Mr. SAYLOR. Oh, no; it would have a great deal to do with them, because the administration of the act will be under one of the two Secretaries, either the Secretary of the Interior or the Secretary of Agriculture. If it is under the Secretary of Agriculture the Bureau of Reclamation will have nothing to do with it.

Mr. SISK. Mr. Chairman, if the gentleman will yield for one further question, for example, in the case of Texas I would understand from the gentleman's description that hereafter, providing this bill becomes law, with the proposed amendment, the so-called Jones amendment, then Texas, as a State, could no longer qualify for projects under the Bureau of Reclamation such as we have had in years gone by. Is that correct?

Mr. SAYLOR. I would not think they would not. Certainly they would not qualify under this act; they would have to go to the Secretary of Agriculture if the Jones amendment is passed.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. OSTERTAG. Would not a reasonable interpretation under the terms of this amendment be that Texas would come under the old reclamation law up to this point and anything from here on would be under the new law?

Mr. SAYLOR. I certainly think that would be a very fair interpretation.

Mr. OSTERTAG. In other words, Texas would be under two laws.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. DONOVAN. Am I correct in my understanding of this legislation as it now stands at least to this extent, the Secretary of the Interior will continue to administer the reclamation law as to the 17 public-land States, or 16 public-land States, and will decide what part of the $100 million authorized in this bill goes to the 16 public-land States; whereas, on the other hand, the Secretary of Agriculture if the Jones amendment passes will administer the reclamation law insofar as it is applicable to the 31 other States.

Mr. SAYLOR. That is correct.

Mr. DONOVAN. And also decide what part of the $100 million authorized in the law goes to those 31 States. Is that correct?

Mr. SAYLOR. The gentleman is correct.

Mr. DONOVAN. What I want to know is who is going to referee the fights between the Secretary of Agriculture and the Secretary of the Interior?

Mr. SAYLOR. I do not know, but I guarantee it will be a good fight. Because you have $100 million at stake, the fight that will result between any two secretaries of any two departments will be a real whingding. This is the best example I have ever seen the futility of trying to legislate on the floor on a bill such as this.

Mr. ENGLE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I just want to say that the amendment offered by the gentleman from Alabama [Mr. JONES] was never considered by our committee. It should be fully considered by the legislative committee before it is acted upon. It is a very far-reaching amendment.

Mr. Chairman, further, it does place the Secretary of Agriculture under the purview of the reclamation law because section 11 of the act says that "This act shall be supplemental to the Federal reclamation law." The Secretary of Agriculture, good man that he is, and the Democratic Members have said he is a good man, a good administrator, is not prepared to administer water and reclamation laws.

The 17 Western States would like to have this, of course, and I presume the Eastern States would like to have it also, but that ought to be by separate legislation considered by the Committee on Agriculture, properly considered in a legislative way, and not brought in here at the last minute as an amendment to a bill, an amendment which was never considered by the legislative committee.

The Jones amendment ought to be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I hope that you will not allow the present efforts to confuse the committee prejudice you against the needs of the people of Texas. The gentleman from Alabama [Mr. JONES] did not offer any amendment to make Texas throw its lot with the Western States. Most of the Representatives from our State feel we would be better served by being placed with the group where we have greater common interests. We do not have any public lands in Texas, as probably all of you know. We are not faced with the same problems that most of the Western States are faced with. We do have certain problems in common with them. For this reason we have been classed as one of the reclamation States. Reclamation has been carried on out in the El Paso Valley, in the extreme western part of the State, but the eastern part of the State is 800 miles away. It is far closer to the Atlantic seaboard than it is to the irrigated valleys of Utah or Oregon, and we have more of a common interest with the Old South. We feel that without the public lands that other States have it would be a mistake to put us in the same category with those States, for the development of small irrigation projects.

There is a basic and a sound reason for not including Texas with the Far West insofar as those small projects are concerned. I think the reason is sound; it is clear. It is the fact that we do not have public lands in Texas. We do not want to be simply used as a tool here to try to destroy an amendment that is a good amendment and that will serve a large part of the country. We feel that we are entitled to the same kind of treatment that the rest of the country receives, and that we should be put with that section of the country that will best serve our needs. That is all there is to the Jones amendment. It is an effort to see that that section of the country that does not need the type of reclamation that goes on in the West is given a slightly different type of reclamation. We believe that the largest part of our area in Texas falls with that group. We hope that this House will see fit to leave us associated with that type and under that control that we believe is best suited to our interest. There is nothing selfish about it. We do not gain a dollar, we do not take away anything from anybody. It is simply the recognization of the historical and the legal facts involved.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent (on request of Mr. COOLEY), the time allotted Mr. COOLEY was yielded to Mr. POAGE.)

Mr. POAGE. I appreciate the courtesy of my chairman.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New York.

Mr. OSTERTAG. The gentleman recognizes that the chairman of the committee has pointed out that this bill does not affect the old reclamation law. As to anybody operating under the old reclamation law, there is no change.

Mr. POAGE. That is right.

Mr. OSTERTAG. Then, Texas will be under the old law and also under the new law.

Mr. POAGE. That is exactly right. For the larger projects, Texas will still be under the old law. Texas will be right where it is today in the present program, and this is as it should be, because that is the larger program of reclaiming deserts, which is applicable to the far western portion of our State. We would not destroy that program nor remove it. But, for this new program, the one that is provided under this bill, which is a matter largely of carrying on supplemental irrigation work on privately owned lands—and all of the land in Texas is privately owned—we feel that we definitely should be associated with the areas to the east rather than with the public land areas to the west, and we are simply asking you to do the logical and the reasonable thing, the thing that you are doing for the rest of this country, of giving each State and each area a degree of self-determination. In Texas we have the conditions which justified placing our State in the reclamation area years ago. We would continue that status. We also have conditions which justify placing our smaller irrigation work, the kind authorized by this bill, with the Eastern States.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from North Carolina.

Mr. COOLEY. In the bill before us, this bill will make the legal provisions of the reclamation laws applicable to the 31 States.

Mr. POAGE. That is right.

Mr. COOLEY. Unless you adopt the Jones amendment, the Department of the Interior would necessarily have to extend its personnel and offices all over the United States.

Mr. POAGE. That is right, which, of course, seems to be an unnecessary duplication.

Mr. COOLEY. If there is any conflict, it seems to me, if we adopt the Jones amendment, then the conferees should be able to draft a bill in conference which will avoid any conflict between the Secretary of Agriculture and the Secretary of the Interior.

Mr. POAGE. Certainly, the Jones amendment is not a perfect solution, but it does lay out a program that all sections of America can live under.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR to the amendment offered by Mr. JONES of Alabama: After the words "South Dakota", insert "Texas."

Mr. SAYLOR. Mr. Chairman, I think it is time for us to decide where Texas is. They are either a reclamation State or they are not a reclamation State. Now, since 1902 until 1955 they have been milking the cow along with the 16 other Western States. They have been saying, "It is a great thing." Now, when they come down to the stage where they see that they might have an opportunity to jump over where the Secretary of Agriculture has more money——

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I decline to yield.

I say, Mr. Chairman, the important thing that this Committee has to decide is whether we are going out into Texas and do just what the chairman of the great Committee on Agriculture said he wanted to avoid, and that is setting up a duplication of offices, and unless you adopt the amendment I have offered, that is just what you are going to do. You are going to build up in the State of Texas a reclamation bureau already there. Now you are going to expand the duties of the Agricultural Department out there so that they, too, can handle reclamation in Texas. That is what Mr. COOLEY said he wanted to avoid, but that is what you are going to do unless you adopt this amendment and see that Texas belongs where Texas has been since 1902, and that is a reclamation State. I have not heard anybody from the State of Texas heretofore say they were closer to the Atlantic seaboard than anything else. The principal thing that the people of Texas are seeing is that there is more money being given to the Secretary of Agriculture, who has 31 States, than the Secretary of the Interior, who has only 16. The boys from Texas want to get on the side of the man who has the most money.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ENGLE].

Mr. ENGLE. Mr. Chairman, I would like to take half a minute to comment on the statement made here that because these two agencies would be administering the bill in the 17 Western States and the other in 31 Eastern States it would somehow create an irreconcilable conflict. As a matter of fact, we all know that they are required to submit their budgets to the Bureau of the Budget. They are required each year to come up with the regular budget message through the President of the United States. That is normal procedure. There is no reason on earth why it could not be worked out without any difficulty at all between the agencies themselves or through the Bureau of the Budget as to how that money should be divided. As far as those in the West are concerned we are not afraid that the Secretary of the Interior, notwithstanding the fact that he would have the small end of the stick so far as number of States is concerned, would take care of himself rather well on the distribution of the money.

Mr. Chairman, I would say that is no complication in this matter at all. I reiterate this bill is simple. It can be administered by any intelligent Secretary of Interior or Agriculture and I cannot think of any reason why the amendment should not be adopted.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. COOLEY. The gentleman means that he is in favor of the Jones amendment, then?

Mr. ENGLE. I propose to support it as I stated some time ago.

Mr. DAWSON of Utah. Mr. Chairman will the gentleman yield?

Mr. ENGLE. I yield.

Mr. DAWSON of Utah. Is it not a fact that the amount of $100 million is just for the first year and that for the years following the Secretary of the Interior will come up with his request and the Secretary of Agriculture will come up with his request depending upon the number of projects they have in their respective departments?

Mr. ENGLE. I am sorry, the gentleman is not correct about that. The $100 million is all there is in this bill and when that is used up we will have to come back and get another authorization. And the money is made available only through the Committee on Appropriations.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment of the gentleman from Pennsylvania [Mr. SAYLOR] to the amendment of the gentleman from Alabama [Mr. JONES].

The question was taken; and on a division (demanded by Mr. SAYLOR) there were—ayes 33, noes 54.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment of the gentleman from Alabama [Mr. JONES].

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 85, noes 23.

So the amendment was agreed to.

Mr. ASPINALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL:

On page 5, line 11, after the word "the", strike out "Committees on Interior and Insular Affairs of the House of Representatives and Senate" and insert "both branches of the Congress."

And on line 15 of page 5, strike out the word "said" and after the word "committees" on line 15 of said page 5, insert the following: "to which the matter has been referred."

And in line 20 of said page 5, strike the word "committees" and insert "branches of the Congress."

Mr. ASPINALL. Mr. Chairman, this amendment has been cleared by the chairman, by the ranking member on the minority side, and by the gentleman sitting next to the ranking member on the minority side. It is absolutely necessary in view of the fact that we approved the Jones amendment. It makes it necessary for the Secretary to report to the two branches of Congress rather

than to the committees relative to any proposals he has, and the Speaker of the House will then refer the matters to the committee having jurisdiction.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. MILLER of Nebraska. I think the legislation is back on the track now. This is one amendment that does make some sense. I support it wholeheartedly.

Mr. ASPINALL. I thank my former chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The amendment was agreed to.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 7, line 22, after the word "executed", insert a semicolon and strike out lines 23, 24, and 25, and down to and including the semicolon in line 1 on page 8.

Mr. SAYLOR. Mr. Chairman, I do not know if you realize what you have done, but you have broken a precedent of this House which was established in 1902 after long and serious debate, in which it was decided to give to the western reclamation States interest-free money for irrigation of farmlands. The reason for that was that the funds which came from public lands in the 17 Western States were the moneys which were to be used and reloaned to those States as interest-free money. You have broken that historic pattern. You have decided today that you want to extend those blessings, such as they are, to the 48 States.

All this amendment does is just tell the Members of Congress they are to decide whether or not they are going to try to kid themselves that they can get interest-free money, or that the people in their districts can get interest-free money. This amendment provides that from here on out reclamation projects, whether for putting water on land or for municipal water or for generating electric power, will all pay interest at the amount which Uncle Sam has to pay to borrow that money.

The challenge to you right now is whether or not you really meant what you said, and you now mean, that from here on out there will be no interest-free money for reclamation. That is what the Western States have said they wanted, they did not want to confine it to the 17 Western States, they wanted to spread their blessings all over the United States.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from North Carolina.

Mr. COOLEY. What about the 160-acre farm? How does that fit into the picture the gentleman is now discussing with regard to interest rates?

Mr. SAYLOR. I have taken that out because that provision provided that farmers would pay interest on the money for irrigation on the farm over 160 acres.

Mr. COOLEY. But the farm under 160 acres would not pay interest?

Mr. SAYLOR. Under 160 acres they would not pay interest. In other words, my amendment now says that all farmers on the land to be irrigated by virtue of reclamation will pay. That is what you said you want. The question is up to you to tell the American public now, you men who come from the 17 Western States, that you have really cut your own throat, you have cooked the goose that has laid the golden egg. You have had it for 53 years, and you now have suddenly decided that you want to extend the blessings to the other States.

Uncle Sam does not have any money to loan anybody anymore. If he puts up the money for any of these $100 million projects, he has to go out and borrow that money. This is just saying that if you are going to have Uncle Sam borrow $100 million, Uncle Sam is going to pay interest on it and you are going to be frank with the people who are going to get this money. That is the situation you find yourselves in. It is no longer a matter of frivolity. It is not a question of whether or not Texas wants to belong to the east or the west. You are now going to determine that all reclamation will pay interest on all phases of the work. That is the purpose of this amendment. If you vote this amendment down, you are just showing that what you have done is sheer hypocrisy, because the income from the western public lands is now spread over the 48 States. The income from all the public lands is spread over the 48 States. What you are going to have to do is to face up to the music, and hereafter pay interest on all money borrowed by the Government for reclamation projects.

Mr. ENGLE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ENGLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment does not do what the gentleman thinks it does. In the first place, it has no application whatsoever to the existing authority in the reclamation law, unaffected by this legislation, to build irrigation projects and to provide the money for the irrigation features interest free. If the gentleman's amendment is adopted, all it means is that the boys in the East and the South will have to pay interest, because the general reclamation law does not apply to them. But for those of us in the 17 Western States, we will not take advantage of this bill. We will go ahead and have the Bureau of Reclamation build these small projects. As I stated earlier today, there is no project, so far as the 17 Western States are concerned, that could be built under the provisions of this bill which cannot now be built by the Bureau of Reclamation. I tried to make it plain that what we were doing was substituting as a construction agency on small projects the local districts, because they can do it cheaper and because they will do their planning and their engineering and thereby save the Federal Government money by doing it, and because we have seen over a long period of time that this big national agency does not like to build small projects. It wants to build the big ones. If the gentleman's amendment is adopted, all it means is that we will throw this bill in the ashcan, so far as the 17 Western States are concerned, and go to the Bureau of Reclamation.

As far as these other people are concerned who have asserted that they want to get in under this program, they are going to be left out in the cold. In other words, the gentleman from Pennsylvania has cut the throats of the people in Pennsylvania and in every other place who might participate in this program, without any injury to us in the far west. It does not hurt us at all in the sense that we could not proceed because we would proceed the other way. We could not proceed as effectively and we could not proceed with local agencies as we would like to, but we could nevertheless proceed. If the gentleman wants to put that kind of program into effect, the thing he should do is to offer a bill to amend the general reclamation law. If the basic premise of the general reclamation law is wrong, it should be repealed in toto and it should be changed across the board. This is no way to do it. I suspect that those folks who live outside the 17 Western States will not look with a great deal of favor upon this amendment and I hope it will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was rejected.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Before we vote on final passage of the bill, I wonder if under the Jones amendment we are voting Texas in or out of the Union.

The CHAIRMAN. The gentleman has not stated a parliamentary inquiry.

Mr. MILLER of Nebraska. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Nebraska. Some time ago, the gentleman from Alabama [Mr. JONES], presented 3 amendments, and I objected to their being considered en bloc. Have we voted on all 3 of those amendments?

The CHAIRMAN. Only on the first one.

Mr. MILLER of Nebraska. Have the other two been presented?

The CHAIRMAN. They have not been, and may not be.

Are there any further amendments? If not, the Committee will rise.

Accordingly the Committee rose; and Mr. COOPER having resumed the chair as Speaker pro tempore, Mr. PRESTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee had had under consideration the bill (H. R. 5881) to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in

Federal projects, and pursuant to House Resolution 248, he reported the bill back to the House, with sundry amendments adopted in Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. HOEVEN. Mr. Speaker, I offer a motion to recommit, which is at the Clerk's desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. HOEVEN. I am, Mr. Speaker.

The SPEAKER pro tempore. The gentleman qualifies, and the Clerk will report the motion.

The Clerk read as follows:

Mr. HOEVEN moves to recommit the bill H. R. 5881 to the Committee on Interior and Insular Affairs, with instructions to report the bill back forthwith, with the following amendment: On page 1, lines 6 and 7, strike "all forty-eight States" and substitute the following: "the seventeen western reclamation States."

Mr. ENGLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 39, noes 116.

Mr. H. CARL ANDERSEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 62, nays 229, not voting 143, as follows:

[Roll No. 76]

YEAS—62

Andersen, H. Carl	Donovan	Ray
Andresen, August H.	Dorn, N. Y.	Reece, Tenn.
Baumhart	Gentry	Rees, Kans.
Beamer	Gross	Rogers, Tex.
Bennett, Mich.	Haley	Sadlak
Betts	Harvey	Saylor
Bolton, Frances P.	Hoeven	Schenck
Bosch	Holifield	Scherer
Bow	Jensen	Schwengel
Bray	Johansen	Sheppard
Brown, Ohio	Knox	Short
Brownson	LeCompte	Simpson, Ill.
Chase	Lovre	Smith, Kans.
Chiperfield	McCulloch	Springer
Church	McGregor	Talle
Corbett	McIntire	Thompson, Mich.
Cunningham	Mahon	Vorys
Dies	Miller, Nebr.	Vursell
Dondero	Minshall	Wainwright
	Nicholson	Wilson, Ind.
	O'Hara, Minn.	Withrow
	Ostertag	

NAYS—229

Abbitt	Ford	O'Hara, Ill.
Albert	Forrester	O'Konski
Alexander	Frazier	Osmers
Alger	Frelinghuysen	Passman
Allen, Ill.	Gary	Pelly
Andrews	Gathings	Perkins
Ashmore	Gavin	Pfost
Aspinall	George	Phillips
Auchincloss	Gordon	Pilcher
Avery	Grant	Poage
Bailey	Gray	Poff
Baldwin	Gregory	Polk
Bass, N. H.	Gubser	Powell
Bass, Tenn.	Hagen	Preston
Bates	Hand	Price
Becker	Harden	Priest
Belcher	Hardy	Quigley
Bell	Harris	Rabaut
Bennett, Fla.	Harrison, Va.	Rains
Bentley	Hays, Ark.	Reuss
Berry	Hayworth	Rhodes, Ariz.
Blatnik	Herlong	Rhodes, Pa.
Blitch	Hiestand	Riehlman
Boggs	Hill	Roberts
Boland	Holmes	Robeson, Va.
Boykin	Holt	Robsion, Ky.
Boyle	Horan	Rogers, Colo.
Brooks, Tex.	Hosmer	Rogers, Fla.
Brown, Ga.	Huddleston	Rogers, Mass.
Broyhill	Hull	Rooney
Buchanan	Ikard	Roosevelt
Buckley	Jarman	Rutherford
Budge	Johnson, Calif.	Scudder
Burdick	Johnson, Wis.	Selden
Burleson	Jones, Ala.	Sieminski
Burnside	Jones, N. C.	Sikes
Bush	Karsten	Simpson, Pa.
Byrnes, Wis.	Kean	Sisk
Cannon	Kee	Smith, Miss.
Carlyle	Kilday	Smith, Va.
Carrigg	Kilgore	Steed
Chelf	King, Calif.	Sullivan
Chenoweth	Kluczynski	Teague, Calif.
Christopher	Krueger	Thomas
Cooley	Laird	Thompson, La.
Coon	Landrum	Thompson, N. J.
Cooper	Lankford	Thompson, Tex.
Cramer	Lipscomb	Thomson, Wyo.
Crumpacker	Long	Thornberry
Curtis, Mass.	McCormack	Tollefson
Dague	McDonough	Trimble
Davis, Ga.	McDowell	Tuck
Davis, Tenn.	McMillan	Tumulty
Davis, Wis.	McVey	Udall
Dawson, Ill.	Macdonald	Utt
Dawson, Utah	Machrowicz	Vanik
Deane	Mack, Ill.	Van Zandt
Dempsey	Mack, Wash.	Velde
Denton	Madden	Vinson
Devereux	Magnuson	Walter
Diggs	Mailliard	Watts
Dixon	Marshall	Westland
Dorn, S. C.	Matthews	Whitten
Doyle	Meader	Wickersham
Durham	Merrow	Widnall
Elliott	Metcalf	Wier
Ellsworth	Miller, Calif.	Wigglesworth
Engle	Miller, Md.	Williams, Miss.
Evins	Mills	Williams, N. J.
Fallon	Mollohan	Willis
Fascell	Morrison	Wilson, Calif.
Feighan	Moss	Wright
Fenton	Murray, Ill.	Young
Fernandez	Murray, Tenn.	Younger
Fisher	Natcher	Zablocki
Flood	Norblad	
Forand	O'Brien, Ill.	

NOT VOTING—143

Abernethy	Chudoff	Fountain
Adair	Clark	Friedel
Addonizio	Clevenger	Fulton
Allen, Calif.	Cole	Gamble
Anfuso	Colmer	Garmatz
Arends	Coudert	Granahan
Ashley	Cretella	Green, Oreg.
Ayres	Curtis, Mo.	Green, Pa.
Baker	Davidson	Griffiths
Barden	Delaney	Gwinn
Barrett	Derounian	Hale
Bolling	Dingell	Halleck
Bolton, Oliver P.	Dodd	Harrison, Nebr.
Bonner	Dollinger	Hays, Ohio
Bowler	Dolliver	Hébert
Brooks, La.	Donohue	Henderson
Byrd	Dowdy	Heselton
Byrne, Pa.	Eberharter	Hess
Canfield	Edmondson	Hillings
Carnahan	Fine	Hinshaw
Cederberg	Fino	Hoffman, Ill.
Celler	Fjare	Hoffman, Mich.
Chatham	Flynt	Holtzman
	Fogarty	Hope
Hyde	McConnell	Rodino
Jackson	Martin	St. George
James	Mason	Scott
Jenkins	Miller, N. Y.	Scrivner
Jennings	Morano	Seely-Brown
Jonas	Morgan	Sheehan
Jones, Mo.	Moulder	Shelley
Judd	Multer	Shuford
Kearney	Mumma	Siler
Kearns	Nelson	Smith, Wis.
Keating	Norrell	Spence
Kelley, Pa.	O'Brien, N. Y.	Staggers
Kelly, N. Y.	O'Neill	Taber
Keogh	Patman	Taylor
Kilburn	Patterson	Teague, Tex.
King, Pa.	Philbin	Van Pelt
Kirwan	Pillion	Weaver
Klein	Prouty	Wharton
Knutson	Radwan	Williams, N. Y.
Lane	Reed, Ill.	Winstead
Lanham	Reed, N. Y.	Wolcott
Latham	Richards	Wolverton
Lesinski	Riley	Yates
McCarthy	Rivers	Zelenko

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Latham for, with Mr. Hoffman of Illinois against.

Mr. Keating for, with Mr. Colmer against.

Mr. Weaver for, with Mr. Lanham against.

Mr. Clevenger for, with Mr. Flynt against.

Mr. Reed of New York for, with Mr. Hébert against.

Until further notice:

Mr. Davidson with Mr. Martin.

Mr. Keogh with Mr. Halleck.

Mr. Klein with Mr. Arends.

Mr. Anfuso with Mr. Derounian.

Mr. Delaney with Mr. Fino.

Mr. Eberharter with Mr. Cretella.

Mr. Dodd with Mr. Coudert.

Mr. Riley with Mr. Morano.

Mrs. Kelly of New York with Mr. Mason.

Mr. Lesinski with Mr. Adair.

Mr. Fountain with Mr. Allen of California.

Mr. Shuford with Mr. Judd.

Mr. Winstead with Mr. Kilburn.

Mr. Garmatz with Mr. Kearney.

Mr. Friedel with Mr. Wolverton.

Mr. Fine with Mr. Van Pelt.

Mr. Dollinger with Mr. Taber.

Mr. Holtzman with Mr. Siler.

Mr. Rodino with Mr. Scott.

Mr. Addonizio with Mr. Reed of Illinois.

Mr. Ashley with Mr. Miller of New York.

Mr. Donohue with Mr. Heselton.

Mr. Philbin with Mr. Hess.

Mr. Lane with Mr. Hoffman of Michigan.

Mr. Kelley of Pennsylvania with Mr. Jenkins.

Mr. Kirwan with Mr. Hyde.

Mr. Abernethy with Mr. James.

Mr. Barden with Mr. Oliver P. Bolton.

Mr. Barrett with Mr. Canfield.

Mr. Chudoff with Mr. Fulton.

Mr. Granahan with Mr. Seely-Brown.

Mr. Green of Pennsylvania with Mr. Smith of Wisconsin.

Mr. Byrne of Pennsylvania with Mr. Williams of New York.

Mr. Multer with Mr. Wolcott.

Mr. Zelenko with Mr. Cole.

Mr. Yates with Mr. McConnell.

Mr. Bowler with Mr. Nelson.

Mr. Celler with Mr. Dolliver.

Mr. Dowdy with Mr. Gwinn.

Mr. Jennings with Mr. Harrison of Nebraska.

Mr. O'Brien of New York with Mr. Hillings.

Mr. Dingell with Mrs. St. George.

Mr. Staggers with Mr. Baker.

Mr. Byrd with Mr. Wharton.

Mr. Edmondson with Mr. Sheehan.

Mr. Fogarty with Mr. Scrivner.

Mrs. Griffiths with Mr. Cederberg.

Mrs. Green of Oregon with Mr. Curtis of Missouri.

Mrs. Knutson with Mr. Ayres.

Mr. Clark with Mr. Jonas.
Mr. Bonner with Mr. Radwan.
Mr. Hays of Ohio with Mr. Mumma.
Mr. O'Neill with Mr. Pillion.
Mr. Shelley with Mr. Prouty.
Mr. Bolling with Mr. Hale.
Mr. Teague of Texas with Mr. Jackson.
Mr. Moulder with Mr. Hope.
Mr. Morgan with Mr. Kearns.
Mr. Brooks of Louisiana with Mr. Gamble.
Mr. Norrell with Mr. King of Pennsylvania.
Mr. Rivers with Mr. Henderson.

Mrs. ROGERS of Massachusetts, Mr. THOMSON of Wyoming, Mr. BUDGE, and Mr. PELLY changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. MILLER of Nebraska) there were—ayes 166, noes 48.

So the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that all Members may have 3 days to extend their remarks in the RECORD on the legislation just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AMBASSADOR MORGENSTIERNE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial from the Washington Post and Times Herald.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, thousands and thousands of Americans, and we in the House, wish to congratulate Ambassador Morgenstierne on the 45th anniversary of his service. He and his beautiful wife have given a great deal of diplomacy to the world. They know the meaning of good will and warm friendships and kindly courtesy and helpfulness. We have been so lucky to have them in America. We wish them many, many happy years.

[From the Washington Post and Times Herald of May 26, 1955]

AMBASSADOR MORGENSTIERNE

Wilhelm Morgenstierne has achieved the distinction of a landmark of Washington, and, in his quiet way, a genial landmark he is, too. Norway's Ambassador is, of course, the dean of the diplomatic corps (which means that he is a sort of Ambassador for the collective body of 77 envoys in Washington, an assignment he fills with a high degree of respect and responsibility). But more than that, today he will celebrate the completion of 45 years of diplomatic service. In another couple of years he will have retired. By far the bulk of Mr. Morgenstierne's service has been spent in the American Capital, and this was his first post, back in 1910. Since then the Ambassador has been a familiar in the homes of hosts of capitalites as Washington has grown up, and his Embassy has been the scene of thousands of brilliant functions. He and his Canadian-born wife have a genius for entertainment and for friendship. Both of them are diffident on the surface, but, once a connection has been established, they exhibit a warmth and a simplicity which are endearing and, shall we say, very American. They have been good advertisements for Norway. Many a Washingtonian will join the diplomatic corps in spirit as the corps honors its dean today.

ASIA TOWN HALL MISSION

Mr. MEADER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, I desire to call the attention of the House to an outstanding example of the creation of international good will at private, not public, expense. I refer to the Asia Town Hall mission.

Town Hall, Inc., sponsor of America's Town Meeting of the Air, financed the group visit of 12 Asian leaders on a nationwide tour of the United States. During a period of 46 days—March 13 to April 28, 1955—the group visited 22 cities from coast to coast and appeared before 30,000 Americans.

It was my privilege to act as host at lunch to four of the leaders from the Middle East when they visited Washington. They were Mrs. Amina El-Said, journalist of Egypt; Mr. Abdul Kerim Al-Uzri, member of the Parliament of Iraq; Mr. Musa Nasir, educator of Jordan; and Mr. George Haddad, educator of Syria. They were accompanied by Mr. Robert L. Clifford, of Town Hall, to whom a great deal of credit for the success of the Asia Town Hall mission is due. Four other members of the House of Representatives met this group at luncheon: Hon. KATHERINE ST. GEORGE, of New York; Hon. JOHN BLATNIK, of Minnesota; Hon. LAWRENCE SMITH, of Wisconsin; and Hon. PORTER HARDY, of Virginia.

After lunch the Asian leaders met Vice President NIXON.

This meeting was typical of many across the country. The Asian leaders met the American people. They corrected many erroneous impressions they had held. By and large, they were sold on the United States and its citizens. It was a great stroke in favor of friendly relations between our people and the people of Asia, an area where we need friends if we ever needed friends anywhere.

And, Mr. Speaker, the beauty of this project is that it did not cost the American taxpayer 1 cent. I understand that the expense of the tour, including overhead and administrative expenses, was $70,000.

Mr. Speaker, I suggest that this privately financed program produced more good will than would a similar Government-financed project, which would have cost at least three times as much. Indeed, some of these leaders would not have accepted an invitation if it had come from the United States Government. Furthermore, the privately financed tour enjoyed more freedom, less red tape, and more direct personal contact with our citizens than would have been the case under Government sponsorship.

I say "Hats off to Town Hall for a well-conceived, well-executed program dedicated to the public interest." I hope it will be the policy of this Government to encourage and facilitate more such privately financed cultural exchange projects. They will be effective and important contributions to our foreign policy and our international interests.

Mr. Speaker, at this point I incorporate in my remarks a copy of a brief report on the group visit of the Asian leaders:

PRELIMINARY REPORT ON THE ASIA TOWN HALL MISSION, MAY 10, 1955

On April 28 the Asia Town Hall mission completed its tour of the United States. During a period of 46 days—March 13 to April 28—the group visited 22 cities from coast to coast, and appeared before over 30,000 Americans.

The purpose of the mission, as announced, was to bring to a large number of Americans more information about the institutions, the problems, and the hopes and aspirations of the peoples of Asia and the Near East. Probably never before has there existed the opportunity for such a frank exchange of views between so many Americans in all walks of life and people representing, in one group, countries extending from Egypt to Japan.

At the present time it is impossible to present a complete report and evaluation of the work of the mission. Town Hall is continuing to receive comments and information from all over the country. However, there is enough background and information to make this preliminary report to those who helped make this project the success that it was.

PERSONNEL OF THE MISSION

The members of the Asia Town Hall mission had been invited by Town Hall to come to the United States especially to participate in this mission. They were selected on the basis of their ability to carry out the objectives of the mission. For half of them it was their first visit to the United States.

Included in the mission were representatives of—

Egypt: Mrs. Amina El-Said, journalist, 4 Kamel Wasses Pasha, Cairo.

India: G. Ramachandran, director, Gandhigram Rural Workers Training Center, Madurai district, south India.

Indonesia: Mohamad Roem, lawyer, 58 Djalan Mampang, Djakarta.

Irak: Abdul Kerim al-Uzri, Member of Parliament, Kard el Pasha, Baghdad.

Japan: George K. Togasaki, president, the Nippon Times, Box 521, Tokyo.

Jordan: Musa Nasir, director, Junior College, Bir Zeit.

Pakistan: Princess Abida Sultaan, Karachi.

Philippines: Roberto Villanueva, executive vice president, Manila Chronicle, Manila.

South Viet-Nam: Cao Thai Bao, Government Commissioner, 59 Gialong Street, Saigon.

Syria: George Haddad, professor, Syrian University, Damascus.

Thailand: Miss Nilawan Pintong, editor, Satri Sarn Woman's Magazine, 24 Fuang Nakorn Road, Bangkok.

Turkey: Rasim Cenani, lawyer, 68/69 Unyon Han, Galata, Istanbul.

Afghan Ambassador Mohammed Kabir Ludin from Washington participated in the mission's program in Princeton and Chattanooga. The representatives of Pakistan, Syria and Turkey accompanied the mission for only the first 3 weeks of the tour. Mr. and Mrs. Robert L. Clifford escorted the mission around the United States.

As the tour progressed two things soon became obvious. The first was that the selection of the mission had brought to its membership an exceptionally well-qualified group. Their language ability was good and they had positive and generally constructive ideas on the Asian problems they were to discuss. In the second place, they had very warm and outgoing personalities. From the beginning, their association with Americans was easy and pleasant. There have been unanimous reports of extremely fine personal relations between members of the mission and Americans in the cities visited.

ITINERARY AROUND THE UNITED STATES

The members of the Mission arrived in New York March 13, and 5 days latter commenced their tour which took them to Princeton, Philadelphia, Toledo, Chicago, Dayton, St. Louis, Kansas City, Minneapolis, Yankton, Omaha, Seattle, Tacoma, Portland, San Francisco, Los Angeles, and back via Dallas, New Orleans, Cincinatti, Chattanooga and Atlanta to Washington. Nine of the cities were visited by the entire mission, with the other cities receiving only a portion of the mission.

CITY SCHEDULES

Programs in the various cities were arranged generally by the local world affairs councils, affiliated with the Foreign Policy Association in New York. All the world affairs councils make a major project of the visit of the mission and reports indicate that most of them felt that it was the most important project they had ever undertaken.

During the average 3-4 days visit in each city, arrangements were made for the mission members to speak to university and high school students, to address luncheon and other meetings of civic groups such as the Rotary Club, Junior Chamber of Commerce, women's organizations, churches and the like, and to meet informally with gatherings in private homes. While for the most part the members of the mission made individual speaking appearances, there was usually one large meeting at which all the members of the mission appeared as a panel. At almost every meeting there was a lively question and answer period following the opening talks.

In every city members of the mission appeared on local radio and television broadcasts. Press conferences were held shortly after arrival in each community, and many feature interviews as well as photographs appeared in the local press.

AMERICAN AUDIENCE REACHED

A preliminary survey of the programs across the country arranged for the mission indicate that more than 30,000 Americans had the opportunity to meet with the visitors face to face. An even larger number heard the mission's broadcasts and read their statements in newspapers and magazines. For example, an estimated 60,000 watched Mr. Ramachandran's telecast from Dayton on March 27. The climax of the trip was the appearance by members of the mission on the May 1 broadcast of America's Town Meeting of the Air over the ABC radio network. On a program entitled "As Asians See Us," members summarized their impressions of the United States and their views of the situation in Asia.

American audience reached

Meetings	Number	Attendance
Educational groups:		
High school students	21	13,720
University students	27	1,281
Faculty	11	594
Total educational audiences	59	15,595
Civic groups:		
World affairs councils	28	4,190
Men's organizations	67	4,954
Women's organizations	27	2,982
Church groups	14	535
Total civic audiences	136	12,661
Informal gatherings	189	2,678
Total all groups	384	30,934
Radio broadcasts	53	
TV broadcasts	31	
Press interviews	41	

TRIP HIGHLIGHTS

Although the Asians were called on to speak an average of nearly three times a day, they also had the opportunity to take a good glimpse at the American scene. Highlights of their trip included such varied events as a welcoming reception at Town Hall in New York, an intercollegiate conference on Asia at Princeton, a visit to Independence Hall in Philadelphia, a dinner with business leaders in Toledo, a talk with Mr. Adlai Stevenson in Chicago, a tour of South Dakota farms near Yankton, an inspection of an automobile assembly plant in Kansas City, a cordial airport reception in Seattle, a drive from Portland to Bonneville Dam, visits to agricultural communities in northern California, a morning at Paramount Studios in Hollywood, a lively high-school forum in Dallas, traditional southern hospitality in other cities, and finally in Washington visits with Vice President NIXON, Secretary Dulles, and many Senators and Representatives interested in Asia and the Near East.

IMPACT ON MEMBERS OF THE MISSION

The members of the mission were all impressed by the growing interest of the American public in world affairs, by the desire of American audiences to hear all sides of Asian questions, and by the courteous and friendly reception of the frank views expressed by the mission. In the course of the trip the mission recorded weekly broadcasts of their impressions of the United States to be beamed by the Voice of America to their home countries. Many of them plan to write articles about their American tour after their return to their homes. Friendships were initiated with many American individuals and groups which should last for many years.

IMPACT ON AMERICANS

While it is difficult to assess just how much new information about Asia and the Near East was disseminated to American groups by the mission, there is no doubt that the Americans with whom the Asians came in contact were made more aware of Asia's new role in the world of today and many will be aroused after seeing and talking with the Asians to go seek more information about this increasingly important part of the world. It is this stimulation of positive interest in Asia and the Near East upon the part of tens of thousands of Americans which makes Town Hall believe that the Asia Town Hall mission's visit to our country was a successful and productive project.

HOW TO EAT YOUR CAKE AND HAVE IT

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes and revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I am a patient man and, having patience and trying to see the shape of things here in Washington as a freshman Congressman, I find many things to praise and, also, some to deplore. It is with the things to deplore that I am concerned today.

It is interesting to see the Republicans taking bows for the good things in the Hoover Commission, and there are some. Let us not be partisan except where the Hoover Commission is partisan.

Albert M. Colegroce, a Scripps-Howard staff writer, pointed out in the Washington Daily News of May 24, 1955, that since February 14, the Hoover Commission has suggested 226 ways the Government might save money, and be more efficient, but that almost nothing has come of these suggestions so far. He went on to say that—

> The original Hoover Commission, operating from 1949 to 1953, mostly during the time Harry Truman was President, made 273 recommendations. A total of 196—that's 72 percent—were adopted by the Government.
>
> Thus, some here are wise-cracking that "Herbert Hoover got more co-operation from Democrat Harry Truman than he has from Republican Dwight Eisenhower."

I have been looking into the recommendations of the task force on personnel and civil service to strengthen the merit system and take politics out of it. A list of the distinguished members of the task force and a short biographical sketch of each follows:

MEMBERS OF THE PERSONNEL AND CIVIL SERVICE TASK FORCE

Harold W. Dodds, chairman, Princeton, N. J., educator: Grove City College, Princeton University, and University of Pennsylvania; some time professor of political science at various universities; adviser to several foreign governments; member, many Federal advisory groups during and since World War II; now president of Princeton University.

Frank W. Abrams, Mattituck, N. Y., engineer, Syracuse University: retired chairman of the board of Standard Oil Co. (New Jersey); trustee, Syracuse University, Cooper Union, and the Ford and Sloan Foundations.

Chester I. Barnard, New York, N. Y., engineer: Harvard University; formerly engineer with American Telephone & Telegraph Co.; with Bell Telephone Co.; president Rockefeller Foundation and general education board; now chairman, National Science Board; director, National War Fund; member New Jersey Unemployment Relief Commission; member, Advisory Committee on National Security Organization, first Hoover Commission.

Lewis B. Cuyler, Princeton, N. J., banker: Princeton University; served in United States Army Air Force; instrumental in organization and administration of AAF Personnel Distribution Command, serving as Assistant Chief of Staff with rank of colonel; now vice president in charge of personnel, National City Bank of New York.

Devereux C. Josephs, New York, N. Y., executive: Harvard University; formerly chairman, Teachers Insurance and Annuity Association; former president, Carnegie

Corporation of New York; now chairman of board, New York Life Insurance Co.

Don G. Mitchell, Summit, N. J., executive: Cincinnati, Florida, and Northeastern Universities; formerly associated with American Can Co., Marshall Field & Co.; now chairman of the board, Sylvania Electric Products Co.; chairman of the executive committee, and a director of American Management Association; member, board of trustees, National Indulstrial Conference Board.

Willard S. Paul, Oklawaha, Fla., lieutenant general, United States Army (retired): Clark University, Dartmouth College, Johns Hopkins, and American Universities; served in World War I; later Adjutant General's Department in charge of classification of all military personnel; in World War II, commander, 26th Infantry Division; G–1, SHAEF, Deputy Chief of Staff, European Theater; Assistant Chief of Staff, G–1, director personnel, War Department General Staff; now Assistant to the Director, Office of Defense Mobilization and Consultant to the Assistant Secretary of Defense for Manpower and Personnel; also member of Committee on Business Organization of the Department of Defense of this Commission and its Subcommittee on Special Personnel Problems in the Department of Defense.

Robert Ramspeck, Washington, D. C., executive: Atlanta Law School; formerly solicitor, city court, Decatur, Ga.; Member 71st-79th Congresses; vice president, Air Transport Association of America; Chairman, United States Civil Service Commission, now vice president, Eastern Air Lines, Inc.; member of first Hoover Commission's Advisory Committee on Personnel.

William Hallam Tuck, Upper Marlboro, Md., executive: Princeton University; member of Hoover Relief Organizations during and after World War I and after World War II; War Department Mission on Supplies for Japan and Korea; Director General, United Nations International Refugee Organization; served with British Expeditionary Forces and United States Army, World War I; captain, United States Naval Reserve, World War II; director, Allied Chemical & Dye Corp.; vice president, Belgian American Educational Foundation; also Commission's Deputy Executive Director.

Leonard D. White, Chicago, Ill., political scientist: Dartmouth, Clark, Harvard, and Chicago Universities; taught at Clark College, Dartmouth College, and the University of Chicago; formerly, member, United States Civil Service Commission and President's Committee on Civil Service Improvement; member, United States Civil Service Commission Loyalty Review Board, 1950–52; now professor of public administration, University of Chicago; member, Personnel Task Force, first Hoover Commission.

STAFF DIRECTOR

George A. Graham, Princeton, N. J., professor: Monmouth College and University of Illinois; formerly associated with the Federal Bureau of the Budget; now professor of politics, Princeton University; Chairman of Task Force on Indian Affairs for first Hoover Commission.

ASSOCIATE STAFF DIRECTOR

William Pincus, Silver Spring Md., Government administrator-lawyer: Brooklyn College, American University, George Washington University; employed with United States Government in various assignments: War Department, Bureau of the Budget, first Hoover Commission; Assistant Director, Bureau of Land Management, Department of the Interior; member of Maryland bar; on loan from the Department of the Interior.

The able chairman of the Task Force was Dr. Harold W. Dodds, president of Princeton University—one of the greatest institutions of learning in our country and, I am proud to say, located in my New Jersey district.

I would like to bring to the attention of my colleagues a part of chapter VI of the Task Force Report on Personnel and Civil Service. This section of chapter VI is concerned with strengthening the merit system, the security question, and politics in the merit system. I include it here, at this point in my remarks because I believe it to be an outstanding statement and one of the best of its kind to be found anywhere:

CHAPTER VI. STRENGTHENING THE MERIT SYSTEM

PRESTIGE AND MORALE

The morale of Government employees is affected by a variety of influences. Some are within the Government's control while others are not. Some, like the prestige of Government itself, are only partially or indirectly controllable by governmental activities.

Among the controllable factors are the management-employee relations, the material rewards, and the working conditons which affect morale in any organization. These are especially important for the majority of Government employees, particularly in the lower ranks, who view Uncle Sam as just another employer. For this group the Government does not compare unfavorably with most employers in compensation and working conditions. Improved management, along the lines recommended above, should boost morale throughout the Government.

In the more responsible positions and in the professional categories public servants are more sensitive to some of the intangibles—the prestige of Government and their standing in the community as civil servants. The good name of public employees is partly, but only partly, within their own control. Each instance of abuse of power or position for private ends, even though such instances are relatively rare, lowers the prestige of Government and damages the standing of the public service as a whole.

Members of the Congress and other political leaders also have the good name of Government in their keeping. Both their own behavior and their public statements about Government tend to shape the popular image of Government and governmental employees. Unwarranted allegations and sweeping generalizations tend to linger in the public mind even though they may be unsupported, refuted, or even retracted.

Moderation and scrupulous regard for the facts are greatly to be desired in public discussion of the Government, its officials, and its employees.

The general public also has a hand in the good name of Government. It properly sets a high standard for public officials—they must put the public interest above their own interests and above special interests. But there is a gossipy tendency to believe the worst about public officials on very slight evidence—a tendency which encourages "mud slinging." A healthy public skepticism in regard both to assertions of virtue and allegations of evil will help public officials to find their rightful place in American life.

The obsolete but lingering antigovernment philosophy which now and then revives and is exploited in political campaigns is also a factor in the prestige of Government. Now that the chief functions of even the National Government are well accepted and political issues turn on differences of degree or tempo, it is time to make a rational adjustment to the legitimate, proper, and important role of Government in American life, and to recognize it as the essential and unifying institution which it is. Discriminating treatment of the news by reporters and editorial commentators of all varieties and by men in public life who have the public's ear can do much to bring about the critical but intelligent approach to public affairs upon which the wisdom of democratic government must rest.

Two subjects which have a direct bearing on the prestige of Government and morale and efficiency of public employees will be discussed separately below: The security issue; and "politics" in the merit system.

CONCLUSIONS

Although the progressive attainment of high public standing by public officials will accompany general recognition of the critical importance of the Government's functions today, there are specific steps that can be taken to raise the prestige of Federal officials and employees.

1. Constant attention should be given to maintaining high standards of personal conduct on the part of officers and employees of the Government. Legality is not enough. Proprieties should also be respected when individual behavior in any way affects the public servant's faithfulness to the public interest. For example, this rules out favors from friends, outside business or economic interests that might interfere with full commitment to the public interest, and exploitation of official position for private gain.

2. Responsibility for maintaining high standards of conduct falls first on the executive departments and agencies with reference to their employees, and second upon employees themselves. The departmental rules and regulations which have been issued defining improper conduct in specific terms are commendable and useful. So also are the professional codes which set ethical standards.[1] These standards provide a basis for both official discipline and self-discipline, and each has its place. It is better to spell out the obvious than to leave anyone in doubt as to what standards are in force. Standards should be enforced consistently.

3. Political leaders who set the tone in the discussion of public affairs have a peculiar obligation in their references to public servants to make sure, when adverse criticism of the public service is called for, that the criticism is both specific and accurate. Criticism is essential; but sweeping accusations and unsupported charges can damage the public service in a way that more than offsets the benefits of criticism.

4. Public servants who are unfairly attacked deserve to be defended, and the public interest also requires it. Ranking political executives should defend themselves and also their employees from untruths. Career civil servants are not in a position to defend themselves and must depend on political executives to do so. Defense is the corollary of discipline. Both are essential.

Factors affecting morale: Management-employee relations, material rewards, working conditions, prestige.

Factors affecting prestige: General attitudes of Congress, public, press; behavior of

[1] The American Bar Association's Canons of Professional Ethics, the American Medical Association's Principles of Medical Ethics, the American Society of Civil Engineers' Code of Ethics and its Canons of Ethics for Engineers, and the American Institute of Accountants' Rules of Professional Conduct are examples of such settings of ethical standards by professional groups.

The Federal Creed of Service proposed by the Federal Personnel Council in 1951 is a more pertinent case in point.

For a more complete discussion of this whole problem see also Ethical Standards in Government, a committee print of the Senate Committee on Labor and Public Welfare, 82d Cong., 1st sess., and Establishment of a Commission on Ethics in Government, the report of hearings before a subcommittee of that committee.

Federal employees and officials; specific problems like security and politics in the merit system.

Steps to be taken:

1. Maintain high standards of personal conduct for Federal employees.

2. Defend public service against sweeping, unsupported charges; take action on accurate, specific charges.

3. Protect public servants against unfair attacks.

(Political executives should lead this defense.)

THE SECURITY QUESTION

Any discussion of the prestige of the public service and the morale and efficiency of Federal employees today must take due notice of the security problem. It has two aspects. One is the need to counter and check the espionage of foreign powers. This is a real problem, and administratively a very difficult problem. The administrative difficulties have been complicated, however, by the second aspect of the problem, the political issue of Communists in Government. Since it seems doubtful that spies can be apprehended by debate, it is greatly to be hoped that the argument may be concluded promptly; for the character of the debate, if such can be called, has undoubtedly damaged the morale of the Federal service. This seems quite clear to the task force.

THE ADMINISTRATIVE PROBLEM

The administrative aspect of the problem also has had depressing effect upon morale. The handling of security cases has been such as to lead to very general views within the service that determinations are not sufficiently judicial in character (spirit being as important as procedure) to make for valid decisions. There is fear that honest and loyal employees can be destroyed by unsupported or trivial derogatory charges; there is fear that security authorities can be stampeded; and there is fear that security charges are at times a means of making political removals.

The task force expresses no judgment upon the validity of these fears for it has not been in a position to examine and review either the procedures or the decisions of the security clearance processes. Such a careful and detailed review would have required detailed examination of highly restricted data to which the task force has not had access, and it would have absorbed the full time and energy of the task force. Such a thorough study of the security system and its administration is needed to clear the air, to get the security problem separated from political controversy, to relieve the tensions of public servants, and to allay the anxieties of the public. An investigation of the character needed, however, is of such magnitude that it ought to be undertaken as the principal task of a body set up for that purpose. It cannot be handled properly as a peripheral phase of a more general study of personnel and civil-service matters.

A minor aspect of the security problem suggests the administrative significance of security questions. The Civil Service Commission, which is but one of the Federal agencies concerned with personnel security in the Government, spends approximately one-third of its funds, that is, more than for any other purpose, on security investigations. Measured by its expenditures, the Civil Service Commission is largely a security agency. The present security system is exceedingly laborious and expensive to administer.

RECOMMENDATION

An official inquiry into the appraisal of the Government's personnel security program should be undertaken without delay. It should be in the hands of distinguished citizens whose judgment cannot be questioned, and who should report their findings and recommendations to the President and the Congress.

The security problem: Need to check espionage and subversion versus need to protect innocent and preserve morale. Current program has raised many questions of equity and had depressed morale. An official inquiry and appraisal of personnel security by distinguished panel is needed.

POLITICS IN THE MERIT SYSTEM

Politics in the merit system is always a depressant to the morale of career civil servants and a disturbing element in the operations of an executive department. By politics is meant appointments or other personnel actions that are influenced by partisan consideration of a personal, a factional, or a party character in areas outside those which are the proper purview of political executives. Politics in the merit system must be distinguished from the appointment of political executives and their political aides who properly are chosen at the direction of the Chief Executive and serve at his pleasure, as has been explained in chapter I above.

A peculiar feature of the Federal personnel policy is that although a career service based on the merit principle has grown more or less steadily since the passage of the Civil Service Act of 1883, it has grown by periodic enlargement, and there never has been a clean break with the mid-19th-century patronage system. Presidents have been consistently interested in enlarging the merit system because it has been a practical way of getting results in administration—results for which the Chief Executive is uniquely responsible in the American system of government. Many Members of the Senate and House of Representatives in whose hands traditional patronage has rested, and who are not particularly conscious of the effect of political appointments upon the career service, cherish the patronage system and are reluctant to see patronage diminished. Consequently, the merit system and the spoils system have continued to exist side by side with the former increasing and the latter diminishing but still very much alive.

The coexistence of the patronage system and the merit system in the same Government complicates personnel administration and sets the stage for a continuing struggle over jobs between the Chief Executive on one hand and the Congress and party organizations on the other. Sometimes the struggle is on stage and sometimes behind the scenes. Since the line properly separating political executives and career civil servants, as proposed in chapter I, has not been drawn clearly or officially heretofore, the patronage pressure upon the merit system is more or less constant and is periodically accentuated until each new Chief Executive eventually consolidates his own firm line of defense of the merit system. At this point, the battle for billets quiets down and remains so until the Chief Executive stages his usual offensive to extend the merit system, which normally occurs in the latter part of the President's first term. Two-term Presidents generally follow up with a second-term offensive also. After that the battlelines harden again until a new administration takes office and the contest begins all over again.

Viewed in historical perspective, this seesaw struggle between executive protagonists of the career service and legislative antagonists has its dramatic qualities which are not uninteresting, but viewed practically, it is a very costly drama. It is a heavy drain upon the entire executive branch which has to fight for men who can do the job and to resist pressures to appoint men who want the jobs but who cannot do the work satisfactorily. It is a distraction to members of the President's party in the Congress who, in the scramble for patronage, may have difficulty in keeping up with their legislative duties. Most disturbing of all is the pointless character of the struggle. As has been noted in chapter I, the patronage system is obsolete. It is not able even to supply the demand for competent political executives at high levels, and it is far less able to provide administrators with the necessary technical, professional, and experience qualifications.

Until a clear-cut decision is made to get rid of patronage in the civil service and to concentrate political appointments in the area of political executives who must serve at the pleasure of the Chief Executive or the department heads (as recommended in chapter I), patronage will continue to affect both the efficiency and the prestige of the public service adversely.

FORMS OF PATRONAGE PRESSURE

Patronage attacks upon the merit system, or abuses which permit "spoils" to enter, have four principal forms: (1) Improper exceptions from the competitive service which may occur through administrative action in excepted schedules A, B, or C, or through legislative action; (2) appointments in the absence of a civil-service register; (3) lateral entry into the competitive civil service through outside recruitment at high levels without genuine open competition; (4) political clearance of appointments, particularly promotions, within the competitive civil service.

1. There is a legitimate place for schedules A, B, and C, which except positions from the competitive or classified service.[2] Damage to the merit system occurs only when positions are excepted improperly or when positions so excepted are used for "spoils." As was explained in chapter I, schedule C does contain positions which ought to be within the career service.

There is not much criticism of schedule B which contains positions filled by noncompetitive examinations and for which, in the Civil Service Commission's judgment, competitive examinations are not feasible.

Schedule A in principle contains positions for which no examination is judged by the Civil Service Commission to be feasible, or which cannot be filled competitively because of statutory prohibitions. It does not follow that these excepted positions should be turned over to party organizations for political "spoils." Systematic political clearance of schedule A appointments is a blow at the merit system even though they are excepted appointments.

2. Under rules of the Civil Service Commission, if a vacancy occurs in a classified position for which the Commission has no roster or list of eligible candidates available, the Commission may authorize the agency to make the appointment at its discretion. A person so appointed does not acquire competitive status, however; he merely serves until an examination is given and an eligible list prepared unless the Commission fails to give an examination.

Here is the possibility of abuse. A department head may decide not to fill by promotion a position that normally is filled in that way; there may be no eligible list available and he then can make a discretionary appointment to a position officially within the career service. Thus the privilege of making outside appointments, which is not undesirable in itself, may be abused. If the Civil Service Commission is short of funds and staff, it may never get around to giving examinations for positions which although important are not numerous. Members of Congress who are not impressed with the need for a merit system may be strong advocates of economy when the Commission's budget is up for approval. Appointments in the absence of a register may thus encroach upon

[2] See Appendix B, Highlights in the Growth of the Merit System, for a full explanation of the role of the excepted schedules in the evolution of the civil service.

the basic principle of the merit system, open competition.

3. Lateral entry (i. e., at advanced levels) into the civil service, a necessary and desirable action to introduce new blood occasionally and to meet emergency shortages of talent, may also be abused. If there is not a genuine "open competitive" search for the best man, the merit system is challenged. If the process is simply one of the agency head's spotting a man he wants and of the Civil Service Commission's "qualifying" this chosen person, the merit principle loses its meaning. The vacancy must be announced, the best sources of talent must be canvassed, and a group of the best qualified persons must be considered together to insure genuine open competition.

4. Political clearance of appointments to competitive positions is a quick and sure way to subvert the merit system. When men who are otherwise qualified for promotion within the classified service are cleared with Senators, Congressmen, or party committees, the career service begins to lose its character. Influence, political affiliations, and friends in party circles become the avenues to advancement instead of professional competence. Political neutrality for career civil servants becomes more difficult to achieve; and the knowledge that political influence is controlling key appointments spreads, undermining employee morale.

Political clearance of outside appointments to competitive positions is equally serious in its adverse effect upon the merit system. It soon becomes known that only the politically reliable eligibles have a chance to be appointed. Other persons than the party henchmen decline to take the examinations and the quality of the applicants deteriorates. In other words, open competition is destroyed by narrowing the actual choice to persons approved by the party machinery of the party in power.

A particularly objectionable practice is the "leaking" of eligible lists to party organizations before they are made public. This provides an opportunity for pressure and political manipulation to eliminate candidates who do not have political support. It also gives the party bosses a chance to sell their influence to nervous candidates who do not yet know their position on the eligible list.

All forms of political clearance of appointments to competitive positions are contrary to either the spirit or the letter of the law. The spirit of the law is much broader than the letter of the law which was enacted in 1883. Probably the letter of the law should be brought up to date with realities but in any event patronage practices which take advantage of loopholes cannot be condoned. If done for any considerable period or on any extensive scale, they destroy the merit principle; the civil service system becomes a hollow shell and the ultimate loser is the public whose efficient management has been sacrificed to special interest.

GENERAL RECOMMENDATIONS

The task force's views on the scope of schedule C have been presented in chapter I above,[2] and other recommendations regarding specific classes of positions will be presented below. On the general encroachments of politics on the merit system the proper course is fairly clear:

1. Discretionary appointments in the absence of a register should be kept to a minimum, and competitive examinations should be held within the year to make sure that all positions in the classified service are filled by open competition. The Civil Service Commission's own budget for recruitment and examination should be sufficiently generous to give it some leeway in meeting emergencies in addition to its expected examining load. Where abnormal lateral recruitment outside registers occurs, the Civil Service Commission also should be authorized to charge the agency or agencies which it services for the cost of the examinations, if it does not have sufficient funds.

2. Where lateral entry to the classified service occurs at advanced levels, the Civil Service Commission should make very sure that there is bona fide open competition. When the examining function has been delegated to employing agencies, the Civil Service Commission's inspections should be prompt and thorough.

3. There should be no political clearance of appointments to competitive positions at any level by promotions, from examination registers, or by discretionary appointments in the absence of a register. The President should hold the head of each department and agency responsible for seeing that this does not occur. Civil Service Commission inspections should be sufficiently thorough to bring to light improper political clearance. In this connection, the recent action of the Commission to review appointment rules and procedures in the case of outside appointments is to be commended. The inspections of agency personnel operations by the Commission should go behind the formal record to the realities of personnel transactions.

4. Positions excepted in schedule A should not be subjected wholesale to political clearance. In most instances this is not the intent of the schedule. The conversion of these positions to political "spoils" can only reduce the efficiency, the morale, and the prestige of the Federal civil service.

5. The releasing of eligible lists privately to any person in advance of its formal approval and general availability should be prohibited by law.

6. The civil-service law should be amended to prohibit the soliciting, obtaining, transmitting, making, or receiving of a political endorsement by a Federal official or employee; by the official, employee, or representative of a National, State, county, or city political committee or party organization; or by an official, employee, or representative of any registered lobby, in connection with any position or vacancy to be filled in the competitive civil service. A political endorsement should be defined to include any statement as to the party affiliation of the candidate or the interest of the endorser in the appointment of the candidate. Violations should be made a misdemeanor.

Politics in the merit system: The merit system can be undermined by improper exceptions from competitive service by law or through schedules A, B, C; appointments in absence of competitive registers; lateral entry without genuine competition; political clearance of appointments and promotions (by submission of eligible lists to political groups).

Recommendations: Minimize appointments in absence of register; give Civil Service Commission enough money to examine or authority to charge agencies for examination expenses; make sure lateral entries are truly competitive through inspection; by Presidential order, eliminate political clearances of eligibles in the competitive service and schedule A; by law, prohibit advance release of eligible lists to unofficial parties; by law, prohibit political endorsements of any type.

[2] Pp. 35–38.

At the same time that the members of the task force were earnestly engaged in the studies which led to what I believe to be one of the best reports developed by any of the task forces of the Hoover Commission there were other less dedicated men at work scheming and plotting for partisan political advantage and developing plans which would do more to destroy the merit system than the Task Force on Personnel and Civil Service could ever do to strengthen and improve it.

I refer especially to Charles F. Willis, Jr., the so-called assistant to the assistant, who, over at the White House, was making history in another direction from the task force.

Charles F. Willis, Jr., developed and put into effect—with the support of the President, and the Republican Party leaders—one of the boldest and most cynical plans for destroying the merit system and the Civil Service ever developed in the entire history of our country.

This is surely one of the historic chapters of politics and statecraft. The Willis scheme affords a unique insight into the thinking of one of the major political parties, and gives an instructive and illuminating example of how to work both sides of the street—that is, taking bows for the work of the Hoover Commission while cynically planning to destroy the Civil Service.

At this point, I would like to submit for the RECORD the memorandums developed by Charles F. Willis, Jr., while he was at the White House:

Memorandum for special assistants.
Subject: Personnel management program.

Your attention is invited to the following changes, effective immediately:

1. Departments or agencies will not report a job opportunity on a form PM–4 or PM–5 unless it represents a valid vacancy.

2. A valid vacancy is a job opportunity in which immediate recruitment of an employee is actually desired by the agency.

3. Each valid vacancy must be frozen, i. e., placed under control and preserved as a vacancy for a period of at least 30 days from the date of dispatch by the agency. (Attention is invited to the change from a 20- to a 30-day freeze.) Nonadherence to this basic program rule has resulted in embarrassment to those persons who have gone to considerable trouble to locate and encourage a qualified candidate to seek Government employment only to find that the position had already been filled. Local sponsors of qualified candidates have been requested to speed up the handling of forms PM–4 and PM–5 so as to avoid delay in the process of selection by the agency.

4. A job opportunity that requires a highly specialized skill in a scarce employee category does not represent a reasonable opportunity for successful recruitment in the congressional district in which it is located. Such jobs will not be reported on either form PM–4 or PM–5. The interpretation of "reasonable opportunity for successful recruitment" will be made by each agency. The agency is best equipped to judge the type of personnel that is extremely difficult to recruit locally for a field installation. In addition, you may at your discretion, for example, screen out:

(a) Positions which must, in the opinion of the employing officer, be filled immediately in order to safeguard life, health, or property, including related maintenance and warehousing activities; to avoid gross waste of public funds; to avoid extremely serious operational problems, such as cancellation of important Government contracts.

(b) Personnel hired on a temporary basis for not to exceed 3 months.

(c) Persons employed on a temporary basis not to exceed 1 year and without a fixed-duty location.

(d) Personnel hired under labor contracts or agreements.

5. Attention is invited to the following reporting changes:

Reference form PM–4:

(a) Use a separate form PM–4 for each congressional district in which a vacancy is reported. Indicate number of congressional

district like this: "Chicago, Ill., 3d C. D.," alongside job location.

(b) Greater attention must be given to stating clearly but concisely the duties and responsibilities and qualification requirements of each position. These must be noted in sufficient detail to be intelligible to a layman. If not so expressed, the forms will be returned for revision or inappropriate referrals will be made. Either of these results involves waste motion and delay in filling the vacancy.

Reference form PM-5:

(a) Use a separate from PM-5 for each congressional district in which a vacancy is reported. Indicate number of Congressional District like this: "Chicago, Ill., 3d C. D." alongside job location.

(b) Indicate in space immediately above date of dispatch the particular position category which applies to the job—like this: Schedule A; schedule B; excepted by statute; competitive. (You will remember that all schedule C vacancies regardless of grade, are reported on form PM-2).

(c) Greater attention must be given to stating clearly but concisely the duties and responsibilities and qualification requirements of each position. These must be noted in sufficient detail to be intelligible to a layman. If not so expressed, the forms will be returned for revision or inappropriate referrals will be made. Either of these results involve waste motion and delay in filling the vacancy.

Reference form PM-2: Indicate number of congressional district alongside of "location of position."

6. Program policy: The right and the responsibility to name a fully qualified appointee remains in every case with the agency. This program neither suggests, encourages nor condones violence to this basic administrative duty and responsibility. The primary objective of phases I, IA and II is to assist the agencies to select the best qualified person for each position. This is done through locating and referring to the agency persons outside or elsewhere in the Federal Service who have desirable qualifications and necessary eligibility. Selection of the candidate is not mandatory. When referrals are made the applicants so referred shall be considered for appointment along with other available applicants and employees, on the basis of their respective qualifications for the positions and in accordance with applicable laws and regulations governing the appointment of applicants recruited directly by the agency.

7. Cooperation: Each applicant referred by a local sponsor, if not fully qualified for the particular vacancy reported on form PM-2, PM-4, or PM-5, should be given every consideration for any other vacancy for which he is qualified, eligible, and available before any determination is made that no favorable action can be taken on his application.

8. Appreciation: The successful accomplishment of phases I, IA, and II can only be reached if each applicant referred by a local sponsor is treated with the utmost consideration and is made to feel that the agency appreciates greatly the cooperation of local sponsors in referring qualified applicants for consideration.

9. Adding to the list of local sponsors: As a means of broadening the personnel procurement base, party policy with respect to handling Federal job opportunities has been changed. In the future the Republican National Committee will distribute personnel recruitment forms PM-2, PM-4, and PM-5 as follows:

(a) To the Republican Senator or Senators from the State in which the job is located; and

(b) To the Republican Congressman in whose district the job is located; or

(c) To a Republican official of the State in which the job is located if there is no Republican Congressman in the district in which the job is located.

In each case the Republican Senator or Senators from the State in which the job is located will retain top recruitment priority. However, the Congressman or Republican State official has complete freedom of action to proceed immediately to locate and refer a qualified candidate in the absence of a specific notice of exercise of this recruitment priority from the Senator or Senators.

CHARLES F. WILLIS, Jr.,
Assistant to the Assistant.

THE WHITE HOUSE,
THE ASSISTANT TO THE PRESIDENT,
WASHINGTON, *October 11, 1954.*

To: Republican Congressmen and Republican officials.

Subject: Personnel procurement procedure.

1. As a means of broadening the personnel procurement base with respect to handling Federal job opportunities, in the future the Republican National Committee will distribute personnel recruitment forms PM-2, PM-4, and PM-5 as follows:

(a) To the Republican Senator or Senators from the State in which the job is located; or

(b) To the Republican Congressman in whose district the job is located; or

(c) To a Republican official of the State in which the job is located if there is no Republican Congressman in the district in which the job is located.

2. In each case the Republican Senator or Senators from the State in which the job is located will retain top recruitment priority. However, the Congressman or Republican State official has complete freedom of action to proceed immediately to locate and to refer a qualified candidate in the absence of specific notice of exercise of recruitment priority from the Senator or Senators.

3. From time to time you will receive from the Republican National Committee notice of job opportunities in one of three ways:

(a) Recruitment forms PM-4 cover positions in the competitive service for which a specific form 303 authority has been issued to a single agency to recruit directly. Civil-service status is not a requirement but the civil-service laws, rules and regulations and the Veterans' Preference Act must be adhered to as they apply to such recruiting and resulting appointments. Persons to be appointed under a "303" authority must meet the Commission's established minimum qualifications for the position. These authorities have a civil-service time limit as indicated in space headed "final date for use of this authority."

(b) Recruitment forms PM-5 cover positions in the competitive civil-service as well as those exempt from civil-service laws, rules and regulations. The position category is indicated by the agency in the space immediately above date of dispatch. When the word "competitive" appears in this space the rules and procedure outlined above for a form PM-4 "303" position apply.

Caution: Speed in handling all forms PM-4 and those forms PM-5 marked "competitive" is absolutely essential to the success of this part of the program. Delay in filling vacancies may make it necessary for the agency to cancel the vacancy or make other arrangements concerning the work, in order to avoid inefficiency in operations. Moreover positions of any kind or level in the competitive service can be filled with persons who do not have civil-service status only when qualified persons with civil-service eligibility or status are not available on civil-service registers.

Positions outside the civil service: When a position exempt from civil service is reported on recruitment form PM-5 it will be identified by one of the following three categories in the space immediately above date of dispatch (1) schedule A, (2) schedule B or (3) excepted by statute. Although these positions are excepted from the application of the civil-service laws, they are subject to the Veterans' Preference Act. Subject to certain requirements relating to veterans' preference, the head of a department or agency has complete freedom in filling them with persons having the required qualifications for the job.

(c) Recruitment forms PM-2 cover all positions in schedule C regardless of grade and all other key positions in grades GS-14, or equivalent, or above. The category in which the position falls is always shown in space provided as well as all other information necessary to help the local sponsor locate and encourage a qualified candidate to seek Government employment for a high level key position.

(d) Referral form V-54 (green): The first batch of recruitment forms you receive direct from the Republican National Committee will be accompanied by a supply of green referral forms. Further copies of form V-54 are to be reproduced locally.

(e) Final action report: You will receive a copy of form PM NC-1 covering positions reported to you on forms PM-4 and PM-5 or form PM-2X covering positions reported to you on form PM-2 through the Republican National Committee as a report of final action on the part of the agency with respect to your candidate.

4. What you do and when:

(a) When a qualified candidate for a position vacancy reported to you on a recruitment form PM-2, PM-4, or PM-5 is located, he should be told that he will be given careful consideration for the appointment. Obtain from the candidate two copies completely filled out of application for Federal Employment Standard Form 57. To avoid possible embarrassment—it is again emphasized that a qualified candidate should only be told that he will receive every consideration for appointment but that he should not consider that he has a firm commitment as to appointment until his papers have been examined and cleared and all required Federal employment procedures complied with by the agency.

(b) Prepare in detail 2 copies of form V-54, send 1 via airmail to the headquarters office of the department or agency in Washington, D. C., for the purpose of identifying the 2 copies of standard form 57 attached to it. The second copy of form V-54 is to be sent via airmail to the Republican National Committee in Washington, D. C.

Caution: Under no circumstances will candidates be referred to the local office of the agency; but if the local sponsor desires further information as to qualifications or other requirements for the position he may contact the local office of the agency for such information.

5. The right and the responsibility to name a fully qualified appointee remains in every case with the agency. However, you may be assured that if an applicant is not fully qualified for the vacancy you are seeking to fill, he will be given every consideration by the agency for any other vacancy for which he is qualified, eligible and available. Each applicant referred by a local sponsor will be treated with the utmost consideration and will be made to feel that the agency appreciates the cooperation of local sponsors in referring qualified applicants for consideration.

6. Attached for your information and guidance is a sample copy of forms PM-2, PM-2X, PM-4, PM-5, V-54 and PM NC-1 (Rev) referred to above and a program flow chart.

CHARLES F. WILLIS, Jr.,
Assistant to the Assistant.

Mr. Speaker, there has been a great deal of good talk about juvenile delinquency, and the wave of lawlessness and crime that is manifesting itself these

days. Many people have advanced reasons for this delinquency of our young people. This or that is to blame, the home, the school, the church.

But what are our young people to think when they see examples of such cynicism and mockery openly displayed and flaunted from the White House? What kind of an example is this for our Federal Government to set for our youth?

I am proud to say that the newspapers of our country—the fourth estate—played a major role in calling this situation to the attention of our citizenry. They were not asleep at the switch. The able journalists of the Washington Post and Times Herald, and the Washington Evening Star dug this story out and presented it with all of its bald and cynical details. They are to be commended for their honesty and steadfast devotion to the best interests of the whole people. As an example of fearless journalism in the best traditions of the free American press I submit the running story of the Willis memorandums as told by the Washington newspapers last fall—1954:

[From the Washington Post and Times Herald, October 27, 1954]

WHITE HOUSE SEEKS JOBS FOR GOP FAVORITES—SHERMAN ADAMS' OFFICE NOTIFIES CONGRESSMEN AND AGENCIES OF DRIVE

(By Jerry Kluttz)

The White House has launched a determined new drive to find jobs and win promotions in the Federal service for persons who have Republican political endorsements.

It also has set up a reporting system which can be used to check up on how each agency fills vacant jobs and to make sure the agency cooperates with the new jobs-for-Republicans drive.

The campaign is spearheaded from the White House office of Sherman Adams, the assistant to the President. Adams' assistant, Charles F. Willis, Jr., has sent full details on how the program is to operate to Republican Members of Congress and Republican officials in the 48 States.

The instructions sent to Republican Congressmen and officials include:

A four-page covering letter on White House stationery and signed by "Charles F. Willis, Jr., Assistant to the Assistant." It explains in detail the "personnel procurement procedure" that is to be followed by the GOP leaders to get their backers Federal jobs and promotions.

A 12- by 18-inch diagram which shows in a glance how the program is to operate and the responsibilities and duties of all parties concerned.

A dozen different sets of forms which agencies will be required to use to report their job vacancies to Republican political sources. These include forms to be used by the political units and leaders to recommend qualified people for jobs and forms to be filled out by the agencies on how and by whom the vacancies were filled.

The Willis letter was dated October 11 although copies of it were delivered only a few days ago.

Queried last night about the charts and forms sent out, Willis denied emphatically that the program had any political significance.

The White House did not make public its new job plan. In fact, an informed official said the documents were not meant to be published. Despite the effort to shield them from the public eye, Willis, apparently inadvertently, sent copies of them to several Democratic Members of Congress.

Informed sources revealed that a counterpart of the Willis letter to GOP Members of Congress is being distributed to Cabinet members and to agency heads.

Jobs in and out of the civil service merit system are specifically covered by the job program. Civil service jobs are supposed to be filled on the basis of merit and ability.

According to the how-to-do-it job diagram, the new personnel-management program has been checked and/or approved by President Eisenhower and his Cabinet, Mr. Adams, Bernard M. Shanley, counsel to the President; the Senate policy committee; the Republican National Committee; the Senate campaign committee, which is headed by Senator EVERETT M. DIRKSEN, Republican, of Illinois; and the House campaign committee, whose chairman is Representative RICHARD M. SIMPSON, Republican, of Pennsylvania.

Willis, however, in asserting that the program has no political implications, said:

"The program is in complete accordance with the President's desire that politics shall not in any way interfere with the Federal career service. The program is designed and operated to raise the effectiveness of the personnel management in executive departments and agencies."

Willis said the program is an effort to get highly qualified persons for Government service and has nothing to do with the Federal register.

The program is a repudiation of the President's no-politics-in-civil-service policy, which was approved by him and his Cabinet only a few weeks ago.

That policy, also revealed first in the Washington Post and Times Herald on September 24, stated in part:

"It is the policy of the administration that the career service will be protected and strengthened against political pressures. Any action on the part of any person which is contrary to this policy is a potential embarrassment to the President and opens him personally to the criticism that he is playing politics with the civil service."

In contrast, the new program invites GOP political endorsements for jobs in and out of the civil service.

It sets up the Republican National Committee as a major recruiting agency for the Federal service.

It directs each Federal agency to report job vacancies on forms to be supplied by the Republican National Committee.

It compels agency officials here to make weekly and monthly reports to the Republican National Committee and to the White House on how their job vacancies were filled.

It promises that each applicant referred by a local sponsor will be treated with the utmost consideration and will be made to feel that the agency appreciates the consideration of local sponsors in referring qualified applicants for consideration.

It confers on a GOP Senator or Senators from the State in which the job is located, the top priority in recommending a qualified applicant for the post. A Republican House Member or GOP State official is to be given secondary consideration.

It isolates all jobs in grade 14 ($9,600), or equivalent, and above, both in and out of civil service, with jobs in CSC's political schedule C in a group which is called controlled positions. Earlier this year the White House sought to require political clearances for appointments to all GS–14 and above jobs and it was warned by CSC that it would be a direct violation of civil service and other laws. The directive was withdrawn.

It sets up recruitment forms PM–5 to cover positions in the competitive civil service as well as those exempt from civil service laws, rules, and regulations.

And it provides for the use of another form to search out so-called "303" authority jobs, positions under civil service but which CSC is unable to fill with qualified candidates. In such cases, CSC authorizes the agencies to fill them through direct hiring.

Indirectly, the new program has the effect of relegating CSC to a back seat on Federal personnel recruiting and promotion matters. Significantly, CSC is not listed as among those which either checked or approved the jobs-for-Republicans plans.

Furthermore, the objective of the program as stated in the diagram reads:

"This program is designed to raise the effectiveness of personnel management in the executive departments and agencies."

That, in itself, is a slam at CSC, which is supposed to have jurisdiction in that field.

The program policy as set forth on the 12- by 18-inch diagram explains:

"The right and the responsibility to name a fully qualified appointee remains in every case with the agency. This program neither suggests, encourages, nor condones violence to this basic administrative duty and responsibility. Its primary objective is to assist the agencies to select the best qualified person for each position.

"This is done through locating and referring to the agency persons outside or elsewhere in the Federal service (the promotion angle) who have desirable qualifications and necessary eligibility. Selection of the candidate is not mandatory.

"When referrals are made, the applicants so referred shall be considered for appointment along with other available applicants and employees, on the basis of their respective qualifications for the positions in accordance with applicable laws and regulations governing the appointment of applicants recruited directly by the agency."

This is the personal procurement priority as laid down in the White House directive:

"The following policy applies to the distribution of job opportunities reported to the Republican National Committee on recruitment forms PM–2, PM–4, and PM–5.

"a. To the Republican Senator or Senators from the State in which the job is located; and,

"b. To the Republican Congressman in whose district the job is located; or

"c. To a Republican official in the State in which the job is located if there is no Republican Congressman in the district in which the job is located.

"In each case the Republican Senator or Senators from the State in which the job is located will retain top recruitment priority. However, the Congressman or Republican State official will have complete freedom of action to proceed immediately to locate and refer a qualified candidate in the absence of a specific notice of exercise of recruitment priority from the Senator or Senators."

The Willis letter cautions the Republican leaders not to refer candidates to the local office of the agency where the jobs are located. It advises them to work through the Republican National Committee headquarters here which will in turn contact agency officials here.

Meantime, Senator OLIN D. JOHNSTON (Democrat, of South Carolina), and other Democratic leaders have threatened to investigate politics in the civil service if the Democrats win control of the Congress in next Tuesday's voting.

[From the Washington Evening Star of October 27, 1954]

PRESIDENT SAYS AIM OF JOB PLAN IS TO GET BEST UNITED STATES EMPLOYEES

President Eisenhower today declared that the White House's latest directive to Republican Congress Members and agency heads on handling Federal job patronage is not intended to apply political considerations to civil service jobs.

Asked at his press conference about the White House job-clearing move, President Eisenhower said he has personally approved

the new Federal personnel-recruitment program. The President was emphatic in declaring the move had his blessing.

The program is nothing in the world but an effort to get the best people in Government and to get the White House out of political job channels, General Eisenhower declared.

CITES ORDERS TO OFFICIALS

A few minutes after he answered the question, the President, who evidently still had the subject in his mind, volunteered that every responsible official in the Eisenhower administration has had orders in recruiting for civil service jobs that a man's party affiliation makes no difference.

President Eisenhower said the new program is designed to have the Republican National Committee and Members of Congress refer job applicants to positions in Government for which they are qualified.

The White House letter to the various Congress Members said the jobs involved would be those which could be filled immediately. These jobs would involve excepted (non-civil service positions) as well as the so-called "303" jobs which are under civil service but for which no civil service job register exists. The agencies can recruit directly for these "303" jobs without giving exams, although applicants must meet minimum civil service qualifications.

President Eisenhower said the main thing behind the program was to get the Federal job patronage business away from the White House as much as possible. He said the various forms were being distributed to the agencies so that records can be kept and if anything went wrong the White House would not be responsible.

SIGNED BY ADAMS' AIDE

The directive was signed by Charles F. Willis, an aide to Sherman Adams, the assistant to the President.

The program also sets up a reporting system whereby Federal agencies will make weekly reports to the Republican National Committee and the White House on the job vacancies available in the bureaus.

Earlier, White House Press Secretary James Hagerty said the order was "nothing new."

"It is not designed in any way to destroy or interfere with the civil service system," Mr. Hagerty declared. "It is merely a system to keep track of recommendations for filling non-civil service jobs that come from Members of Congress."

The forms list excepted as well as competitive (civil service) jobs.

Republican officials said the White House program is not designed to apply to competitive jobs under civil service but only to excepted jobs in schedules A, B, and C and those which can be filled by direct recruitment. They said the listing of competitive jobs in the weekly reports was required "only to give the administration an overall picture of the Federal job situation."

CLEARANCE STEP WAS RESCINDED

Some months ago Mr. Willis sent a notice to agencies requiring them to clear all job appointments and promotions in grades GS–14 ($9,600 a year) and above. Later, when the Civil Service Commission protested that this violated the civil service laws, the order was rescinded.

Mr. Willis' letter to Republican Congressmen was dated October 11 and contained a four-page covering letter explaining in detail the "personnel procurement procedure" to be used.

Also included in the letter was a 12- by 18-inch diagram which shows how the program is to operate.

Various forms which the agencies will use in making their reports on job vacancies also were included.

The letter said the program has been "checked and/or approved" by President Eisenhower and his Cabinet, Mr. Adams, the Republican National Committee, and the Senate and House campaign committees.

The new program promises that "each applicant referred by a local sponsor will be treated with the utmost consideration and will be made to feel that the agency appreciates the consideration of local sponsors in referring qualified applicants for consideration."

POLICY OUTLINED

The program policy goes on to say: "This program is designed to raise the effectiveness of personnel management in the executive departments and agencies.

"The right and responsibility to name a fully qualified appointee remains in every case with the agency. This program neither suggests, encourages nor condones violence to this basic administrative duty and responsibility. Its primary objective is to assist the agencies to select the best qualified person for each position.

"This is done through locating and referring to the agency persons outside or elsewhere in the Federal service who have desirable qualifications and necessary eligibility. Selection of the candidate is not mandatory.

"When referrals are made, the applicants so referred shall be considered for appointment along with other available applicants and employees on the basis of their respective qualifications for the positions in accordance with applicable laws and regulations governing the appointment of applicants recruited directly by the agency."

SENATORS GET TOP AUTHORITY

The policy directs the Republican National Committee to distribute information about job vacancies as follows:

"A. To the Republican Senator or Senators from the State in which the job is located.

"B. To the Republican official in the State in which the job is located if there is no Republican Congressman in the district in which the job is located.

"C. To a Republican official in the State in which the job is located if there is no Republican Congressman in the district in which the job is located.

"In each case the Republican Senator or Senators from the State in which the job is located will retain top recruitment authority. However, the Congressman or Republican State official will have complete freedom of action to proceed immediately to locate and refer a qualified candidate in the absence of a specific notice of exercise of recruitment priority from the Senator or Senators."

PRESIDENT WARNED AGENCIES

Several weeks ago President Eisenhower indorsed a policy statement warning agencies not to play politics with civil service jobs.

The statement declared in part: "It is the policy of the administration that the career service will be protected and strengthened against political pressures. Any action on the part of any person which is contrary to this policy is a potential embarrassment to the President and opens him personally to the criticism that he is playing politics with the civil service."

[From the Washington Post and Times Herald of October 28, 1954]

IKE DEFENDS GOP PLANS FOR JOB HUNT—WORK PREFERENCE FOR REPUBLICANS IN CSC IS DENIED

(By Jerry Kluttz)

President Eisenhower yesterday defended the jobs-for-Republicans order issued by his White House assistants as an attempt to get the best-qualified people in Federal jobs.

Later at his press conference, however, he volunteered the remark that emphatic orders had been issued to the effect that a person's party affiliation should not make the slightest difference in recruiting for civil service jobs.

The job order as sent to Republican Members of Congress and State GOP officials specifically covers jobs both in and out of the civil service system as well as promotions of those now in the Federal service.

Mr. Eisenhower was forthright in saying that he had approved the job order which was written on White House stationery and sent to Republican officials by Charles F. Willis, Jr., an assistant to Sherman Adams, the assistant to the President.

He explained the order as an attempt to get the White House out of the job channel and to maintain a record of the people recommended so the White House could know who was responsible for them. He added that the directive was long and detailed.

At a later point, Sarah McClendon, of the El Paso (Tex.) Times, asked:

"About this personnel management chart that came from Mr. Willis' office, you said that was an attempt to get the best kind of people that you could get, but this is all geared to working through the Republican National Committee and the Republican Congressmen and Senators. You feel that only through the Republican National Committee and through Republican officials that we can get the very best people?"

The President answered that he was sure others would be recommended.

The Willis directive, revealed exclusively in the Washington Post and Times Herald yesterday, hit Federal employees and their leaders like a bombshell.

James Campbell, president of the AFL's American Federation of Government Employees, said he and his group were "shocked" by the order and the President's defense of it "while the Civil Service Commission remains silent." He added:

"Patronage in civil service is like a little poison in the bloodstream. Its influence quickly spreads and corrupts."

Luther C. Steward, president of the Independent National Federation of Federal Employees, said in a statement that the "odor of political manipulation grows strong."

He said issuance of the job plan "should not be surprising" and that his union had alerted the public of such a possibility "to the cause of good government and sound public administration."

A high-ranking Federal official, who cannot be identified for obvious reasons, said he was concerned over the "atmosphere" throughout the Federal service that the order would create.

"Technically," he said, "it may not be illegal but it is surely extralegal and it's in the fringes of being illegal."

He concluded that it was a direct violation of the spirit of the Civil Service Act and that it was a major setback to the career civil service system.

A spokesman for the Civil Service Commission said no one there knew of the order before they read of it in the Washington Post and Times Herald. Chairman Philip Young is out of the city and CSC would not comment directly on the order which has the effect of shoving it in the background in personnel matters. CSC said it still stood on the following statement made several weeks ago by Young:

As to the allegations of politics, you all know that any form of political clearance for civil service jobs is prohibited by the Civil Service Act and the civil service rules. Such prohibitions will be strictly enforced within the limits of CSC's jurisdiction.

Many officials and employees alike were puzzled over why the White House sent out its jobs-for-Republicans order at this crucial time—on the eve of the important congressional elections. A top-drawer Republican official had an explanation for it.

He said that the order had been sent on the "Q. T." to key Republicans in the hope that it would have the effect of bolstering their spirits and of inspiring them to work harder for GOP candidates. Many of the Republican leaders, he explained, were peeved over the lack of patronage.

On the other hand, he added, the White House directive was not meant to be known in the agencies or to go into effect until after the elections.

The Associated Press quoted a patronage official of the Republican National Committee as saying that the job order applies only to non-civil service jobs and to positions which CSC cannot fill, despite the fact that the Willis directive clearly applies to jobs in and out of the merit system.

The GOP official said that 65,000 persons last year were hired for jobs which CSC could not fill and there are now 1,000 stenographer jobs open.

[From the Washington Post and Times Herald of October 28, 1954]

JOBS FOR REPUBLICANS

Every political party in office tries to take care of its own. The Eisenhower administration's formal program of jobs for Republicans is therefore no novelty. It is simply a little more formal and a little more blatant than the patronage schemes of predecessor administrations; and it slaps the public in the face with a little more shock because of the extreme piety of the President's pronouncements on the merit system and the career civil service.

In brief, as Jerry Kluttz reported in this newspaper yesterday, the White House has sent to Republican Congressmen and to State officials of the party a four-page letter describing the personnel procurement procedure that is to be followed by GOP leaders to obtain Federal jobs and promotions for their proteges. This letter was not intended for publication, of course; it went, by inadvertence, to several Democratic Members of Congress. It makes the Republican National Committee a major recruiting agency for the Federal service and directs Federal agencies to report job vacancies to that committee. It promises top priority on jobs to GOP Senators and invites GOP political endorsements for jobs in and out of the civil service. And to make sure that Federal agencies do not by any inadvertence revert to a merit basis of selection, the White House order requires them to make weekly and monthly reports to the Republican National Committee on how their job vacancies were filled.

Charles F. Willis, Jr., the White House assistant who sent out the personnel letter, says: "The program is in complete accordance with the President's desire that politics shall not in any way interfere with the Federal career service." And the President himself, at his news conference yesterday, asserted that the program's purpose is merely to recruit the best possible men and women for Federal jobs. It is possible to gather from this that the civil service is to be run on an absolutely nonpartisan basis, so long as the applicants are all Republicans, and that merit is to be the sole criterion, so long as the candidates have a suitable GOP endorsement.

Andrew Jackson was at least candid about the spoils system. The Eisenhower administration persists in issuing unctuous promises to protect the civil service while negating its principles in practice. The new personnel procurement procedure will affect every civil service grade from top to bottom, and will apply in addition to all such agencies as the Tennessee Valley Authority and the Foreign Operations Administration, from which political patronage has been barred by statute. Mark Hanna never had it so good.

[From the Washington Evening Star of October 29, 1954]

PATRONAGE PLAN FREEZES VACANT JOBS 30 DAYS—SETUP WILL GIVE REPUBLICANS FIRST CRACK AT POSTS

(By Joseph Young)

The White House has directed Federal agencies to freeze civil service and excepted-job vacancies for at least 30 days from the time they occur so Republicans can get first crack at the jobs, the Star learned today.

The civil service positions involve those in grade 14 ($9,600 a year and above) and the so-called "303" jobs, for which agencies may recruit directly without the applicant having to take a regular examination, although the candidate must meet minimum civil service standards for the job.

The order was signed by Charles Willis, assistant to Sherman Adams, the assistant to President Eisenhower. It explains in detail how the agencies must make weekly reports to the Republican National Committee on job vacancies that occur.

It was dated October 7, 4 days before the White House informed Republican Members of Congress how the program works and how it can be used for political patronage.

WHAT IT SAYS

The White House directive to the agencies stated:

"Each valid vacancy must be frozen, i. e., placed under control and preserved as a vacancy for a period of at least 30 days from the date of dispatch by the agency * * *. Nonadherence to this basic program rule has resulted in embarrassment to those persons who have gone to considerable trouble to locate and encourage a qualified candidate to seek Government employment only to find that the position already has been filled.

"Local sponsors of qualified candidates have been requested to speed up the handling of forms PM-4 (the "303" jobs) and PM-5 (excepted positions) so as to avoid delay in the process of selection by the agency."

The White House said the job freeze can be waived if: "Positions which must, in the opinion of the employing officer, be filled immediately in order to safeguard life, health or property, including related maintenance and warehousing activities; to avoid gross waste of public funds; to avoid extremely serious operational problems, such as cancellation of important Government contracts."

DEFINES "VALID VACANCY"

The White House defined a "valid vacancy," for which the job in question must be frozen for 30 days, as "a job opportunity in which immediate recruitment of an employee is actually desired by the agency."

The White House directive instructed the agencies to indicate on each form involving a civil service or excepted job vacancy, the congressional district in which the vacancy is reported.

"Indicate the number of congressional district like this: 'Chicago, Ill., 3d C. D.' alongside job location," the White House directive reads.

Some agency officials got a wry chuckle from the White House admonition to use plainer language regarding the duties of the jobs involved so that the Republican politicos and Members of Congress can better understand what the job entails.

INTELLIGIBLE TO LAYMAN

"Greater attention must be given to stating clearly but concisely the duties and responsibilities and qualification requirements of each position," the White House cautioned the agencies. "These must be noted in sufficient detail to be intelligible to a layman. If not so expressed, the forms will be returned for revision or inappropriate referrals will be made. Either of these results involves waste motion and delay in filling the vacancy."

The White House directive goes on to say:

"Each applicant referred by a local sponsor, if not fully qualified for the particular vacancy reported on form PM-2 (grade 14 and above civil service jobs and political schedule C jobs), PM-4 or PM-5, should be given every consideration for any other vacancy for which he is qualified, eligible and available before any determination is made that no favorable action can be taken on his application.

"The successful accomplishment * * * can only be reached if each applicant referred by a local sponsor is treated with the utmost consideration and is made to feel that the agency appreciates greatly the cooperation of local sponsors in referring qualified applicants for consideration."

AGENCY RETAINS DECISION

As in the case of the letter to Members of Congress, the White House declares that the agency retains the "right and the responsibility" to make the final choice in filling job vacancies.

Civil Service Commission officials said yesterday the White House program violates civil service laws. They said the law specifically forbids any endorsement by a Member of Congress or any political party on job applications for civil service positions.

Commission officials said they were awaiting the return from New York today of Chairman Philip Young so the Commission can decide what to do about the situation. They are hopeful Mr. Young can persuade President Eisenhower to clarify and modify the program so civil service jobs are not involved.

CSC officials said the program, in its present form, not only applies to new appointments but to promotions as well.

While the grade 14 and above jobs can be filled only with persons who have civil service status, CSC officials said this could be achieved by promoting or transferring Republicans already in the Government who have status. Or the device of giving noncompetitive exams for these jobs could be used by the administration, it was pointed out.

As for the so-called "303" jobs, CSC officials were emphatic in pointing out that these jobs are under civil service. The reason agencies are given direct recruitment authority is that civil service registers have not yet been established for them. The CSC is planning to hold exams for these jobs as soon as possible.

What angers CSC officials most of all is that none of them, including Chairman Young, had any inkling of the White House move before it was published in the newspapers.

[From the Washington Post and Times Herald of October 30, 1954]

HIRING REPUBLICANS ON JOB COUNTS HIT

(By Norman Walker)

A reported policy of hiring mostly Republicans to make house-to-house interviews on which the Government's employment statistics are based has been criticized by an outside study group.

The three-man group, set up by Secretary of Commerce Sinclair Weeks, made no finding that biased reports resulted, but said it was not a "desirable system."

The report, submitted to the Census Bureau in mid-August, came to light through discussions at a meeting of the New York Area Chapter of the American Statistical Association.

The New York Times said Thursday that statisticians at the meeting expressed fear that politics may have biased the Bureau's

monthly employment-unemployment statistics—a set of figures widely depended upon as a key to the Nation's economic status.

The census figures have played a role in the current political campaign. October figures showing a 358,000 drop in unemployment were made public by administration leaders, and AFL President George Meany said the administration "jumped the gun" by giving out the figures 10 days ahead of schedule.

The report criticizing the method of hiring interviewers was made by an advisory committee authorized by Secretary Weeks to investigate problems in estimating the employment situation.

Serving on the committee were Prof. Frederick F. Stephen, of Princeton University; Lester R. Frankel, vice president of the Alfred Politz Research, Inc.; and Lazare Teper, research director of the AFL Ladies Garment Workers Union.

The report said the Census Bureau's regional offices were free to hire on their own when local GOP leaders "indicated in writing" they could not recommend anyone to fill the vacancies. It added that this seldom happened.

The report said delays were caused in filling vacancies and observed that "this is not the most effective and desirable system of recruiting."

In general, the advisory group recommended enlarging the sample poll to cover more households and more areas and making more checks on the accuracy of interviewers.

[From the Washington Post and Times Herald of November 11, 1954]

THE FEDERAL DIARY

(By Jerry Kluttz)

REPUBLICANS' JOB DIRECTIVE DEFENDED BY TOP CSC OFFICIAL

A top-ranking official of the Civil Service Commission yesterday defended the jobs-for-Republicans directive issued by the White House as both legal and compatible with the civil service merit system.

He's George M. Moore, a Republican member of the bipartisan, three-man CSC.

Moore said he was in complete agreement with the President's no-politics-in-civil-service policy as approved last August by the Cabinet. That policy promised the administration would protect and strengthen the career service "against political pressures."

In addition, the CSC members said, he subscribed 100 percent to the President's defense of the directive to agencies to recruit employees through the Republican Party as a means to get the best qualified people in Federal jobs.

Moore, who is an attorney, said he had made a detailed study of patronage directives and the many laws and rules that govern the civil service and other personnel laws in Government.

"It is my opinion," he said, "that the White House directive, as issued by Charles F. Willis, Jr., an assistant to the President, is not illegal and does not violate any civil service rule or regulation."

In an interview, Moore flatly denied reports that there had been "widespread" violations of the civil service rules by Commerce, Interior and other agencies. Said he:

"I have personally made an exhaustive study of the reports made by our inspection staff and I have found no instance of a violation of civil service laws and rules based on political considerations."

The CSC member said it was his personal view that "a qualified Republican should not be discriminated against under the guise of protecting the CS merit system. "Likewise," he continued, "I don't believe qualified Democrats should be discriminated against in a Democratic administration for similar reasons."

Moore pointed to a civil service regulation which he said was adopted on August 2, 1944, and which he said recognized the necessity of appointing key people in Government who are in sympathy with the policies of the administration in power. The regulation, he said, is carried in CSC's handbook, and it says, in part:

"In top administrative positions where both the need by the agency for a sympathetic viewpoint on the part of the incumbent, and the lack of it on the part of an eligible, have been acceptably documented and presented to the CSC in writing, objection on account of lack of sympathy of the objectives of the agency's program may be sustained."

He referred to the rule in commenting on the special clearance procedure the agencies have been told by the White House to follow in filling jobs GS–14 ($9,600) and above, or their equivalents. The White House order applies to jobs in and out of the civil service and in other merit systems.

His appraisal of the patronage directive clashes head-on with those of his Democratic colleague, Frederick J. Lawton, who said it is entirely inconsistent with the fine principles set forth by the President in his August order. Lawton added:

"One or the other has to give. They can't live together. I naturally feel the Willis directive has to go if we are to live up to a policy which, in the President's own words, provides for 'the protection of the career civil service against any encroachment of politics.'"

Lawton, a career civil servant himself, said he felt that CSC should be vigorous and alert against encroachment from any source on the principles of the merit system.

Furthermore, other Federal officials, Republicans and Democrats alike, are known to share Lawton's view.

CSC Chairman Philip Young has refused direct comment on the patronage order. He takes the position that there has been no change in the President's August statement of no politics in the civil service, and he says the CSC will enforce that policy.

[From the Washington Post and Times Herald of November 21, 1954]

THE FEDERAL DIARY

(By Jerry Kluttz)

POLITICS AND AGE WORRY WORKERS

Two interesting and thoughtful letters—one from the wife of a Federal employee and the other from the husband of a Government worker—comprise today's column.

The first letter gives a view of the personal effect of the White House directive on patronage. It follows:

"I'm a wife and a mother. My husband is in the civil service. He's a college graduate who studied and trained to be a nonpolitical servant of his Government. We had expected to make government our life's work.

"Most of our friends and neighbors are similarly situated. We are in the 30- to 40-age group. With few exceptions, our husbands are veterans, they have from 10 to 15 years of civilian service, are in grades 10 to 16, and are paid $6,000 to $11,000.

"You have written much about the introduction of politics into our civil service. You have yet to mention where the spoils system has its most devastating effect—in the employee's home and in his associations with his friends and neighbors. But this is, perhaps, a view only an observing housewife can see—and try to understand.

"I'll never forget a few days earlier this year when my husband was unusually irritable and moody. I knew he was being considered for a promotion at the time and I finally told him to quit worrying about it and that I was sure everything would turn out all right. He then confided to me that he had the promotion but that he had been forced to resort to politics to get it.

"Our backgrounds are Republican. But in the years my husband has been in Government no one in authority had ever inquired as to his personal politics. To the contrary, he had been told on numerous occasions that his personal politics didn't matter so long as he did a good job. Our friends and neighbors had similar experiences.

"The political approval my husband received to get a promotion he should have had on his own merits has haunted him to the point where he's ready to end his career as a civil servant. * * * Our friendship has cooled with old friends and neighbors who either can't or won't resort to political clearances to get promotions. * * * In his new job he has been galled into asking others to get political recommendations. * * * The past few months have cost him dearly in self-respect and independence.

"My husband says he's now a 'marked man' who would be fired the first day the Democrats return to power. * * * He once prided himself on being a 'civil servant' but now refers to himself to me, with a hollow laugh, as a 'political hack.' * * * He damns the political system that has been invoked in his agency, but he doesn't excuse himself for getting the political endorsements, in the first place, except to say that it looked easy at the time.

"My husband had five of his closest friends in Government to our home quite recently. Two of them, it just happened, had their promotions blocked because of the political clearance problems. For the first time my husband talked freely to them on his entanglement with politics and his deep feelings about it. He also told them he was 'washed up' as a civil servant and that he'd be leaving soon for a position in private industry.

"Each of the five friends told of similar plans to leave the Federal service because they all felt it no longer offered them a nonpolitical career. As a citizen and taxpayer, I'm distressed at seeing good and conscientious people like this being literally driven out of our Government by the unconscionable political forces."

This is the letter from the husband of a Federal employee. It says in part:

"I wish to call attention to a matter that is demoralizing many of the women who work for Uncle Sam. * * * It is the practice of publicly awarding pins for 20 and 30 years of service.

"The ladies—God bless them—feel they can work in an agency for 20, 30, and 40 years and expect their friends and acquaintances to believe them to be young. My wife came home in tears the other day because she was awarded a 20-year pin and complained bitterly that 'now everyone will know she is approaching her forties.' She's sick at the 'public display of my age.'

"All women seem to be extremely sensitive about their years, and anything that smacks of public disclosure that the years are piling up is extremely demoralizing. * * * Can't something be done to eliminate that obnoxious practice of making public pronouncements that the ladies in Government are not as young as they used to be?"

Mr. Speaker, the Democratic National Committee garnered some interesting aspects of the Republican concern with Federal employees and brought them together in the 1954 Democratic Fact Book. To refresh the memory of my colleagues I present here the 1954 Democratic Fact Book, the issues and the record, 1952–54, published by the Democratic National Committee, Stephen A. Mitchell, chairman, 1001 Connecticut Avenue NW., Washington, D. C.

GOVERNMENT EMPLOYEES

PUBLIC SERVANTS BECOME MERELY GOP'S HIRED HELP

During the 1952 campaign, Candidate Eisenhower assured Government workers: "Not only will civil servants be protected, but efficient civil servants have absolutely nothing to fear."

Civil servants have learned differently as the new GOP administration has indulged itself in mass firings of career servants, flaunting of civil service laws, and insults to Government workers. This is more than a mere patronage grab: it springs from a deep-seated contempt for Government workers on the part of most Republicans.

GOP Cabinet officers show their contempt for civil servants

Here are some of the things Eisenhower Cabinet officers and Republicans in Congress have said about civil servants:

Commerce Secretary Weeks called civil servants "Trojan horses left behind to try to hamper, hoodwink, and wreck the new administration."

Attorney General Brownell complained of inheriting "more than our share of odd characters, logrollers, and misfits" and spoke of "replacing the diffidents, the dawdlers, the deadheads."

State Department Security Officer Scott McLeod complained about civil service laws which prevented the replacement of "an individual whose viewpoint does not coincide with that of the Republican Party."

Agriculture Secretary Benson referred to his Department as "a swollen bureaucracy."

Ike vetoes pay increase for Government workers

To add injury to insult, both the Eisenhower administration and GOP congressional leaders have fought adequate pay increases for classified and postal workers. President Eisenhower vetoed a 5-percent pay raise bill. And in Congress, an across-the-board 10-percent increase for all workers was defeated in a Senate committee by 1 vote—7 Republicans against, 6 Democrats for.

Here's the way Republican versus Democratic pay raise proposals compared:

	Average	Minimum	Maximum
	Percent		
Ike plan (postal workers)	3½	−$10	$3,000
Ike plan (classified workers)		0	800
Democratic plan (for both)	10	400	800

GOP patronage grab reaches into the career service

In its eagerness for jobs with which to reward the GOP loyal the new administration has thrown thousands of top career jobs into the political arena, and has made very uncertain the outlook and reward for remaining in the Government and rising to the top. Examples:

The GOP has fired top career employees formerly thought to be outside of politics: Dr. Allen V. Astin, head of the Bureau of Standards (later reinstated after public protest); Albert Day, head of the Fish and Wildlife Service (whose firing was protested by Ira Gabrielson—brother of the ex-GOP national chairman. Gabrielson had been kept in the Fish and Wildlife job by President Truman although he was a Republican); Arthur Altmeyer, Commissioner of Social Security (fired only 4 weeks before becoming eligible for full retirement, after over 15 years' Government service).

Placing thousands of top career jobs in a political category: the new GOP administration has created a new category of civil service jobs called Schedule C jobs, which can be filled without regard to civil service rules. When the new category was announced in March 1953, both the White House and House Speaker MARTIN assured reporters that only a few hundred jobs were involved. By May a GOP Civil Service Commission member had raised the figure to 12,500. By June the figure was up to 67,000.

Requiring political clearance for career civil service jobs: an example of the administration's injection of politics into the career service is a mimeographed letter being circulated to local GOP chairmen by the Republican State committee in New York, describing civil service jobs that are open, asking for recommendations as to which loyal GOP worker should fill the job, and concluding with the following: "As the above procedure has been set up by the present administration to secure more patronage for Republican endorsees, your prompt attention in this matter is requested."

GOP seeks to ignore or bypass civil service and veterans' preference laws

The laws designed to protect civil servants have meant little to the new administration and Congress. To get around them they have—

Tried to give certain department heads blanket firing authority without regard to civil service or veterans' preference laws. Here's how the two parties voted on this:

	For civil servants	Against civil servants
House Democrats	[1] 153	8
House Republicans	27	[2] 160
Senate Democrats	[3] 35	0
Senate Republicans	0	[4] 35

[1] 95 percent.
[2] 86 percent.
[3] 100 percent.

Flouted the orders of the Civil Service Commission and fired a permanent-status employee (Leo Roth) on the grounds that by taking a policymaking job, he lost his permanent-status rights. The circuit court of appeals has held that Attorney General Brownell's action in this case flies in the face of civil service laws. Mr. Roth (who voted for Eisenhower) has used up all his family savings in fighting the case.

Instituted a new loyalty-security system which is so vague that, according to the Washington Star, it could be "twisted by officials to get rid of workers that they have grudges against or want to replace for some reason."

Allowed Government agencies to use the flimsy excuse of "community acceptability" as a device for passing over veterans with high civil service test ratings in order to hire deserving Republicans with lower ratings. This is a direct violation of civil service and veterans' preference laws.

Mr. Speaker, the lack of any real concern on the part of the present administration for the welfare of the Federal employees seems to be a matter of almost daily record. The language of the personnel section in the foreign aid bill now before the Congress is a case in point. I quote this section from the administration's proposal:

(b) In the second sentence of section 525, which relates to the Foreign Operations Administration, after "Foreign Operations Administration", insert "(including any function, office or entity thereof transferred to any other agency)"; add, before the period at the end of said second sentence, the following: ": *Provided*, That until January 1, 1956, notwithstanding the provisions of any other law, the employment of any person at a rate of basic compensation in excess of the maximum scheduled rate of GS–9 of the Classification Act of 1949, as amended, transferred from the Foreign Operations Administration to any other agency pursuant to Executive order may be terminated, but this authority shall not be applicable to any person entitled to veterans' preference for Federal Government employment."

Because I am convinced that the civil service must be improved and strengthened, and because this is the continuing concern of the Democratic Party, I am introducing a number of bills which are designed to effectuate some of the major recommendations of the Hoover Commission and its task force on personnel and civil service.

ADJOURNMENT UNTIL TUESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Tuesday next.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXHIBIT ON PEACEFUL USES OF ATOMIC ENERGY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. DURHAM] may address the House for 3 minutes and revise and extend his remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DURHAM. Mr. Speaker, arrangements have been made for Members of Congress and the public to see a comprehensive exhibit on the peaceful uses of atomic energy. The exhibit will be set up in the Library of Congress. Opening is scheduled for 9 a. m., Saturday, May 28, and the showing will continue through June 2.

The exhibit will be open to the public daily from 9 a. m. to 10 p. m., on May 28, 29, and 30. On May 31 and June 1 it will be open to the public from 9 a. m. to 7:30 p. m. and on June 2 from 9 a.m. to 1 p. m. Arrangements have been made for the Members of Congress, their families, and friends to see the exhibit on Tuesday and Wednesday evenings, May 31 and June 1, when members of the Atomic Energy Commission staff who work in this field will be on hand to discuss the peaceful uses of atomic energy with the Members of Congress.

The exhibit consists of a series of panels and three reactor models describing present and proposed peaceful applications of atomic energy. The panel exhibit was constructed for the United States Information Agency for presentation to audiences overseas as part of the USIA atoms-for-peace program. The atoms-for-peace program is designed to inform foreign peoples of the interest and progress of the United States in the use of atomic energy for peaceful purposes. Loan of the reactor models was arranged through the Atomic Industrial Forum, Inc.

The exhibit is the first comprehensive review of the peaceful uses of atomic energy to be displayed in Washington, and its showing has been arranged by the Atomic Energy Commission, the United States Information Agency, and

the Library of Congress in cooperation with the Joint Committee on Atomic Energy.

Following the showing of the panel exhibit in Washington it will be shipped to San Francisco where, at the invitation of the United Nations Organization, the State Department and the Atomic Energy Commission have arranged for its display during the 10th anniversary celebration of the United Nations Charter. At the close of the U. N. meeting in San Francisco, it will be sent to Latin America for presentation to audiences in the Central and South American countries as part of the United States Overseas Information Program.

GET A HORSE OR A NEW HIGHWAY

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to have my remarks appear in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, the question is, How soon can the Congress vote a sound money plan to help pay for the many highways yearning to be born across the length and breadth of our vast and verdant land, thereby ushering in a new growth of industry, health, wealth, and happiness for our ever-increasing and vital people and thriving economy?

Life magazine, in its issue of May 30, 1955, tells a story on the highway and money problem entitled "Dead End for the United States Highway."

I trust the article will be of interest to the House, soon to be called on to vote a sound-money plan to lay down road after road on a steady schedule for years to come. The story follows. It might also have been entitled "Get a Horse or a New Highway":

DEAD END FOR THE UNITED STATES HIGHWAY

Among other things, the United States consists of 165 million people, 59 million automobiles, and 3.4 million miles of road and highway. The people are reasonably intelligent. The automobiles are big, fast, and comfortable. The highways are awful, although how awful not even the reasonably intelligent people appreciate. This may be because few Americans ever see as much as one-half of 1 percent of their Nation's roads and consequently they tend to think of the narrow, congested, archaic, and hazardous one-half percent that they themselves customarily use as worse than the rest.

This is in error. It is practically all worse.

Another reason may be that Americans identify their highway troubles with traffic rather than with the highway itself. Delayed, frustrated, or bumped from behind, the American motorist instantly blames the other guy. This is like blaming the fish in the sea for a contrary tide or a shallow channel, but the motorist does it because the highway and its defects have been so familiar to him for so many years that he simply no longer sees it as it is.

This Memorial Day weekend launches what is going to be a record motoring season, during which more cars will take to the road than in any year in United States history. Over the weekend there will be 50 million automobiles on the highways and probably 360 people will die. Everyone will see the traffic but few will really study the highways. But those who do can reduce their own danger of injury or death, and those who examine the highway long enough might even be moved to do something constructive about it and thus save themselves enormous sums.

If this weekend's average motorist could somehow be given an aerial glimpse in one look of the entire United States road system, crawling with molasses traffic, he would come to a fast boil of indignation. If he looked at it through the eyes of a highway engineer he would go jumping, screaming mad. For he would discover that while the highway network of the world's richest, most mobile nation consists of 3.4 million miles of roads, only a little over 400,000 miles has what engineers call high-type pavement—solid concrete or asphalt.

1955 CARS, 1935 ROADS

He would notice that the country has thousands of miles of back roads which average less than one vehicle per day, and that the great bulk of national travel is concentrated on the primary road system. (Seven States have half of all United States cars.) He would observe that more than half the primary road system still bears the design of 20 years ago, and that a third of it was built before 1930 when rural traffic averaged 26 miles per hour (it now averages 47 miles per hour).

He would look again at the heart of the United States highway network, the interstate system which is less than 40,000 miles long and yet links almost all cities over 50,000 population, serves more than half the United States population and carries one-seventh of all the Nation's traffic. Eighty-five percent of the interstate system is already inadequate—narrow, acutely curved, dangerously graded, frequently intersected, narrowly shouldered or shoulderless—or in the process of becoming so in the light of the next decade's predictable traffic burden.

If our average motorist had an experienced highway engineer at his elbow as he looked down on the holiday chaos, he might learn that whatever each motorist paid for this inefficient highway system in the form of physical damage to life and limb, or psychic damage to his nervous system, he was also paying an extra (and unnecessary) cent to 2 cents a mile for the exasperating privilege of driving on it. This is without reference to tolls (there are less than 1,500 miles of toll road in the United States and only 2,700 miles of parkway or throughway). It is the cost of the extra gasoline, oil, tire expense, and lost time caused solely by bad highways, as worked out by Lawrence Lawton, a New York City traffic engineer.

Lawton's study, which was made in 1950 and figured the cost of gasoline at 23 cents a gallon (it now costs around 29 cents), indicated that it costs 5.6 cents per mile to drive an average passenger car on a congested business street, 4.5 cents on a "through" city street, 3.3 cents on an expressway. A similar study made in 1953 of Los Angeles area freeways indicated that savings, including allowance for drivers' time, averaged 2 cents a mile for a freeway compared to an ordinary highway. The total saving for all drivers using the freeway would completely pay off its cost in less than 10 years.

Our motorist-observer might also be told by an engineer that a 4-year study of Connecticut highway accidents shows that his chance of having an accident is almost doubled by driving on an inadequate, which means any old-fashioned, highway, no matter how cautiously he drives.

Finally, if he knew what the future holds for him, this weekend motorist would take a last look from on high at the highway network below, then tear up his driver's license and sell his car. In recent years United States auto production has averaged about 6 million new vehicles per year while the Nation has been scrapping around 4 million a year. The result: 15 years ago this country had 32 million motor vehicles, today it has almost 60 million. More than 3 million new cars were produced in the first 5 months of this year alone. By 1965, only 10 years from now, there will be an estimated 81 million cars, buses, and trucks on the highway.

But what kind of highway?

This year the Nation will spend at least $10 billion for new cars. It is spending only $6 billion both for highway construction and for repairs. We are actually building cars faster than we are pouring the concrete on which to park them, let alone drive them. Barring a world war or a 5-year strike in the auto business, the United States in the next decade faces highway congestion and general traffic paralysis that will be simply incredible.

What has gone wrong? The answer can be found in the history of one stretch of a typically busy highway, U. S. No. 1 from Baltimore to Washington. For 200 years No. 1 has traversed almost 30 miles of rolling, sun-warmed, wooded hills in Maryland's countryside.

A road was first scratched through wood and field from Elkridge, just south of Baltimore, to College Park, north of Washington, in 1749. This was little more than a scarified streak in the earth, in some places studded with tree stumps, for no one much cared what happened to travelers. One of them in the years that followed was George Washington, whose wagon once sank up to its boxes in the road's rain-churned ooze near the Patuxent River, and had to be extricated with additional horses and ropes. Another time, when Washington had stopped at Spurrier's Tavern at Waterloo for dinner, his horse fell dead, exhausted by the highway's summer heat.

The 19th century was a stagnant time for this road, as it was for almost all United States roads. Although a Washington and Baltimore Turnpike Road Co. was organized in 1812 and obtained a 60-foot right-of-way to build a turnpike over the old road, it never kept the pike in repair. Few such companies ever fulfilled their obligations; this was a time of burgeoning rail and canal travel.

In 1844 wires were strung on poles along the road. On May 24 Samuel F. Morse transmitted his famous message, "What hath God wrought," from from the Capital to Baltimore on his new telegraph instrument. That invention helped reduce the need for travel.

After the Civil War, which affected the road relatively little since most of the fighting took place to the west, the turnpike company's charter was revoked. Ownership of the raw streak through the hills reverted to the three counties it traversed. When the 20th century dawned it was a 15-foot path of blowing dust in dry weather and an axle-snapping morass in wet, with grades as steep as 9 percent and treacherous curves coiled haphazardly through the hills. That is how things were 150 years after the birth of the road, when the Nation stood on the brink of the most stupendous transportation revolution in history, and that is how things were with almost all United States roads.

By 1906 there were more than 100,000 passenger cars registered in the United States. That year Maryland's General Assembly appropriated $30,000 for each of the next 3 years to be spent on rehabilitating the road, henceforth known as State Road No. 1. That expenditure, handsome for the times, was the beginning of a long, losing battle.

State Road No. 1 was gradually paved with 14 feet of macadam, concrete, and occasional gravel, although by 1910 the assembly had to appropriate another $100,000 for it. When it was completed in 1915, comprising 29.95 miles from the Baltimore City limit to the District of Columbia limit, it had cost more than $600,000, and portions of its thin, 6-inch

roadbed already had had to be resurfaced because of the intensity of the traffic.

The steady pounding of the solid rubber tires on World War I's military trucks ground the road's tender pavement to rubble and shale, and the record cold of the 1917–18 winter damaged it further. So 3-foot concrete shoulders were added to each side, increasing the width to 20 feet, and the center was repaved. In 1919 the State roads commission proudly announced it was whitewashing all bridge headwalls, poles, and other objects near the road edge for safer night driving. Motorists applauded. White middle lines were added on hills in 1920–23.

A KILLER'S MOUNTING TOLL

The road had begun killing people—2 or 3 a year—long before. Now, with traffic mounting and commerce booming along its narrow length, more and more died in ghastlier accidents. Pop stands, a few discreet speakeasies, filling stations, and real estate shacks grew up along the road. In the dark of night bootleggers in souped-up cars ran their loads of liquor along it.

The nicknames the road collected describe its character: "Billboard Boulevard," "Death Highway," "Hot Dog Highway." Of course it had a Dead Man's Curve—a seemingly endless "S" south of Elkridge which has killed and maimed dozens, and was twice relocated and rebuilt. In 1925 the road became a part of U. S. 1, the Main Street of the east coast, running the length of the eastern seaboard from Fort Kent, Maine, to Key West, Fla. Commerce along it blossomed anew. By 1929–30 traffic was so heavy that the third complete rebuilding of the road had to be undertaken. The original 20-foot width was doubled, making four 10-foot lanes. But now it cost $1,760,000.

For the road's pattern and essential character, like that of a human, had been formed in the early years of its life and was confirmed by the army of unregulated motels, pizza palaces, used-car or trailer lots, occasional private homes, and beer joints that moved greedily to its very edge, cutting into it with abrupt, accident-causing driveways, and lining it with eye distracters. Furthermore, the State learned that while it held title to a 60-foot right-of-way wherever the road followed the ancient turnpike, it could not afford more than a 40-foot width wherever the road had been or was to be relocated because that would have meant condemning now costly business property.

Thus, even a quarter century ago, the road had become a hardened artery impossible to enlarge, a taut, nervous, peril-filled channel through which traffic poured and trucks roared in constantly increasing streams. The road averaged 6,000 vehicles a day then, but this often reached 18,000 or 20,000 on holiday weekends. Then there were horrendous traffic jams that reduced motorists, cops, and Monday-morning editorial writers to sputtering, apoplectic exasperation. But no one could do anything about it.

OXCART ROUTE FOR GIANT TRUCKS

In the years that followed, Maryland's road commission did all that could be done with that wreck of a highway: it eased some curves, eliminated grade crossings, widened bridges, installed traffic signals and spent millions of dollars in all on the 30 miles. Yet as the century's second half began, it was still a road that had once been laid out for horse-drawn stages and oxcarts, it was carrying 25,000 to 30,000 fast-moving vehicles a day (40,000 at some points near the Washington end), killing 30 and 40 people a year and injuring 15 times that number.

You did not have to know this to feel uneasy on the road. Each of its four, unseparated lanes was only 10 feet wide. (Modern cars are between six and seven feet wide.) When two pairs of cars rushed side by side at each other on an 8 degree curve like the one at Beltsville there was little room to swerve or sway without chancing a side-swipe or head-on collision. Passing or being passed by one of the towering, 20-ton trucks that thronged the road night and day was a jittery experience. Always you knew there was the chance that someone would pull out from one of the approximately 1,000 driveways that cut into the highway or that the car in front of you would suddenly slow down to turn off. You drove with a constant, though only half-recognized, feeling of irritation and anxiety that sometimes led you to drive faster than the 50-mile speed limit in order to get this unpleasant stretch over with.

Perhaps that is how some of the more shocking accidents happened. The couple, for example, who drove too fast one night, sideswiped another car and orphaned their seven children. Or the five young soldiers starting home on leave who crashed into a taxi near the Howard County line and were all killed, as was the cab driver. So savage was that head-on collision that the State troopers who answered the call had to walk through a blood pool that seeped over the thick soles of their police boots. Then there was the 8 a. m., broad daylight crash on New Year's Day, 1951, when a Washington-bound car crossed the double center line on the road near Route 32 and smashed head-on into a north-bound one containing some Pennsylvania educators. The 2 cars contained 7 people; all of them died. One body was hurled 75 feet into a field.

There were hundreds of lesser accidents, sometimes 1,400 a year, for left turns were permitted almost everywhere, resulting in many, often multiple, rear-end collisions. U. S. 1 echoed regularly to the clunk and crash and shriek of outraged steel.

Sadly enough, much of this bruising mess was avoidable. For instance, one of the greatest single cause of traffic fatalities, the head-on collision, can be virtually eliminated by an adequate middle strip separating the opposing lanes of traffic. While this narrow road had no room for the 15-foot strip regarded as necessary, some sort of narrow but high curb would have helped. But local merchants, dependent on the road's traffic for their trade, protested loudly that such a barrier would cut their business in half. For the same reason they protested bans on left turn which would have eliminated many of the characteristic rear-end collisions.

Had the State been able to restrict the number of private driveways leading into the road, or to get enough additional land along it to create shoulders wide enough for pedestrians to walk in safely, the road's entire capacity and safety record would have been different. Even banning poles, signs, and other impedimenta from the pavement's edge would have tended to widen it in effect for, as traffic studies show, any obstacle erected at the edge of a 10-foot lane causes drivers to travel 2⅔ feet farther in from the pavement's edge than normal, whereas objects 4 feet or more from the edge have only minor effect. But the people of Maryland, and, indeed, the people of the entire United States who also help to support this road, had lost control of its borders even though borders can be as important as the central roadway itself.

Maryland finally came to the conclusion that patching old No. 1 would never be enough. It inaugurated programs costing hundreds of millions of dollars to bring its roads up to modern standards, and one of the first targets was the Baltimore-Washington stretch. A few miles to the east of No. 1 the State and the District of Columbia jointly built an entirely new expressway consisting of 2 sets of widely divided, 12-foot lanes with gentle grades and long, easy curves, through a pretty countryside devoid of billboards, honkytonk stands, or grade crossings of any sort. The speed limit is 55 miles per hour and motorists now get from Baltimore to Washington without a single stop, in a half hour or a trifle more. They get there comfortably and safely, too, for it appears the mortality rate on this expressway will at least be as low as on similar expressways—one-third to one-fourth of the death rate on parallel, comparable old-style roads. Furthermore, although the entire length of 29.29 miles was not opened until last October, a part of it was in use earlier and diverted so much traffic from the old road that only 12 died on Death Highway last year.

Examined in the perspective of 200 years, the history of the now bypassed No. 1 is a discouraging tale of degradation and defeat. And that is the history of most United States highways. Once the highway was indeed a way—"that along which one passes or progresses to reach some place," in the words of Webster. But the rapid development of auto transportation, coupled with laggard upkeep of roads, failure to modernize, and the unrestricted encroachment of roadside business, have turned much of the national highway into a choked, slow-moving business avenue. The basic highroad principle has been forgotten.

This year the Federal Government moved to do something about the degraded United States highway. At the request of President Eisenhower, a committee headed by Gen. Lucius Clay studied the national-highway situation and then made a series of recommendations, predicated on the expenditure during the next decade of $101 billion. This is $54 billion more than would be spent in that time at present rates, and the Clay committee proposed that the difference be financed in part by creation of a Federal corporation that would issue bonds redeemable by gasoline and oil taxes. This drew heavy criticism from Congress as a dodge to escape increasing the Federal debt, and consequently national attention was focused on the plan's financial framework instead of on its farsighted solutions to the Nation's highway imbroglio.

That was very unfortunate. The Clay program is noteworthy for two major reasons. First, it took into account, possibly for the first time in our history, the fact that all estimates of future highway needs have heretofore fallen grievously short of actual needs. An example is New Jersey's new (1951) quarter-billion-dollar turnpike which was to have paid off its cost in 35 years; instead it will pay it off in 22 because its toll receipts are so unexpectedly large. (The turnpike itself is already being widened in places.) Clay and his associates recommended enlargement of the interstate highway system by 1965 to accommodate the traffic volume expected by 1975, when the United States will have upward of 100 million vehicles. If the Clay proposals were put into effect, the United States might find itself in 1965 a little ahead of its highway problem, for the first time in history.

MAKING WAY FOR A CUSTARD

The second salient feature of the Clay recommendations was the emphasis on the principle of limited access. With the exception of the present total of 4,164 miles of throughway, the United States highway system has always operated on the principles of unlimited access, i. e., anyone owning property along a highway has the right to cut as many entrances into it as he wishes, anywhere on his land. When the highway was an empty road traversing wilderness this did not matter. Today, as the example of U. S. 1 shows and every motorist knows, a busy highway that is unprotected from every entrepreneur able to obtain a license to sell frozen custard or footlong hotdogs quickly ceases to be a traffic carrier. This means that the public which may have spent $1 million per mile to get the

highway service it needs is quickly deprived of that service by merchants who settle along its edge, lure traffic to the curb and fight every effort to keep cars moving steadily and swiftly. There is a neat illustration of the futility of this at Lafayette, Ind., where a bypass was built to carry east-west traffic around the town's congested business section. However, access to the new highway was not controlled, with the result that it was quickly lined with roadside business and its original purpose defeated. A chagrined State highway department is now considering the possibility of building a bypass around the congested bypass.

To restore the United States highway's character, Clay and company boldly proposed that the entire interstate network be either converted to limited access through relocation or land acquisition or protected against future encroachment by legislative act. This means that 180- to 250-foot rights-of-way would be obtained or set aside for future widening, and service roads would be built to accommodate nearby business. This would eliminate most crossroads and permit 60-mile speeds in safety.

Other Clay recommendations would increase the number of lanes in the interstate highway system by about 50 percent. The system would then consist of 2,300 miles of 6-lane or wider highways, more than 28,000 miles of 4-lane highways and about 7,000 miles of 2-lane highways. All but the 2-lane highways would be divided expressways, with lanes 12 feet wide and 10-foot shoulders for buses and disabled cars to stop on. (One car stopped on the pavement can reduce the traffic capacity of a road by 60 percent and today car disablements occur once every 20,000 vehicle miles.)

Congress will almost certainly pass some kind of highway legislation this session, though not the legislation proposed by the Clay report. A bill introduced by Democratic Senator ALBERT GORE, of Tennessee, calls for a Federal-State expenditure of about $18 billion over a 5-year period ($8.6 billion for the interstate system, $9 billion for primary, secondary and urban highways and $330 million for park, forest and other miscellaneous roads). The Gore bill's modest provisions, which would be conventionally financed by Government appropriation, have been attacked by a number of State governors, as well as by New York's famed highway and park expert, Robert Moses, who has pointed out that the Gore bill does not provide for proper land acquisition and that its pay-as-you-go feature is shortsighted, since future drivers who will use the new roads will not have to help pay for them.

Still, the Gore bill has survived Senate committee hearings. The House on the other hand, is known to show somewhat more favor for the Clay plan. Since Treasury Secretary Humphrey has suggested that the Federal debt limit be increased to include the bond-financing feature, it seems possible that some of its provisions may be adopted.

Whether or not Congress adopts the Clay $101 billion program, the United States will spend that much in the next decade on its roads anyhow. Even at the present slim rate of expenditure, it will spend $47 billion in the next decade. But it will spend far more than what it normally spends on road maintenance for automobile insurance to safeguard itself on its insecure roads. And it will spend, unknowingly, about $5.5 billion this year on extra gas, oil, tires, etc., expense caused by unnecessary stops and starts and long waits. That figure will rise to $8 billion a year by 1965.

As a former United States roads Commissioner has remarked, a nation pays for good roads whether it has them or not—and it pays more for bad roads. That being the case, it would seem that the cheaper price tag on the Gore bill is more apparent than real. The objections to the original financing methods of the Clay program were sound, but nothing less than the broad planning and new construction embodied in that program will save the country from eventual strangulation. The obvious problem before Congress, therefore, is to find a sound financial base for a program with the breadth of the Clay proposals.

EQUAL PAY FOR EQUAL WORK

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Oregon [Mrs. GREEN] is recognized for 20 minutes.

Mrs. GREEN of Oregon. Mr. Speaker, today I introduced a bill to provide for equal pay for equal work in commerce or production of goods for commerce. This bill, which would require the payment of equal pay for work of comparable character requiring comparable skills, is designed to remove a serious injustice to both men and women workers in our Nation. If adopted by Congress and signed by the President, it would add another cornerstone to our structure of equal justice and would fortify the rights of all workers, regardless of sex to equal treatment.

In developing this bill, I have worked in consultation with the National Committee for Equal Pay, composed of a number of leading women's organizations, labor and religious groups, who have been carrying on a fine job in this field. Support of the principle of equal pay for equal work is seen among such groups as the Amalgamated Clothing Workers of America, CIO; International Union of United Automobile, Aircraft, and Agricultural Implement Workers, UAW–CIO; International Union of Electrical Radio and Machine Workers, IUE–CIO; Congress of Industrial Organizations, Communications Workers of America, CIO; International Association of Machinists, AFL; National Association of Women Lawyers; Catholic Conference on Industrial Problems; National Education Association; American Association of University Women; National Consumer's League; National Federation of Business and Professional Women; National Council of Catholic Women; National Council of Jewish Women; National Council of Negro Women; and the National Board of YWCA.

Mr. Speaker, there are still glaring and shocking examples of women receiving rates of pay far less than men for equivalent work. This not only lowers the standards of pay for women, but by setting women up as unfair competitors to men, it undermines the pay standards of men, also.

Although there are equal pay laws in 16 of our States and in Alaska, the State laws do not meet the problem posed by conditions in our modern society. The various State laws vary tremendously in their scope and effectiveness. And, of course, 32 States have no equal pay laws. It is obvious, therefore, that employers in large national corporations are subject to widely varying regulations or no regulations whatsoever concerning their employees in the various States.

The only answer to the problem is national legislation, inasmuch as the impact on interstate commerce is clear.

The principle of equal pay for equal work was adopted by the War Labor Board during World War II, and by the Wage Stabilization Board during the Korean emergency, in both cases by unanimous votes of business, labor, and public representatives. However, the effects of those emergency regulations have not carried through to the present. In view of the tremendous increase in the number of women in gainful employment and the great changes in industrial and commercial activities, this legislation for equal pay becomes necessary.

More than 18,500,000 women are employed today, equalling nearly one-third of our civilian labor force. These women do not work for pin money or as casual, temporary employees. In the large majority of cases, they not only support themselves but they also are indispensable supports to a family income. They are workers in their own right and are entitled to the same privileges and rights as male workers. I think it is high time that women workers are treated with full and equal employment rights.

I fully recognize that legislation alone will not solve this problem—that educational work and other efforts must be continuous and persistent. I recognize, also, that in collective bargaining between unions and employers a tremendous amount of good work already has been done to write into contract language the fact that men and women shall be treated the same under equivalent conditions.

This situation is similar to that which we face in dealing with other fair-labor standards such as the Wage and Hour Act and the Walsh-Healey Act. Many employers, through collective bargaining or otherwise, probably deal fairly with their workers and do not attempt to discriminate. Legislation is necessary to bring into line those who do not deal fairly either because there is no collective bargaining agent to effectively represent the workers' interests or where a union has been unable to obtain correction of unequal pay.

The need for this legislation is the same as that for much other labor legislation—to prevent employers who deal unfairly with their employees, from obtaining a competitive advantage over employers who deal fairly. We see how difficult it is for the fair employer who finds that his competitor is able to underbid him because the competitor pays women less than does the fair employer for the same type of operations.

It has been said that such legislation as I have introduced is impractical because it is not possible to find an equation between work of women and men unless they are on exactly the same job. That is not true. Practically every American corporation, and in personnel practices generally, methods are utilized for measuring and establishing job ratings. In one form or another they are called job-evaluation systems. My bill would require that the same method of evaluation—the same measuring stick, be applied when measuring a job on which a woman is employed as one on which a man is working. My bill would prohibit in effect using a 36-inch yardstick on a man's job, while a 33-inch yardstick is used for a woman employee.

It has been asserted, also that we should leave this problem to the voluntary action of employers. Unfortunately, that is not the answer. In fields such as manufacturing, office work, communications, teaching and service occupations, there is still far too much wage rate discrimination against women workers. It is more than just a coincidence that women are paid less, that women have lower salaries on the average than men of comparable age and education in the same type of employment.

The United States Labor Department has in the past supported equal pay legislation. In 1919 Montana and Michigan adopted equal pay laws. Twenty-four years later Illinois and Washington passed such laws. In the years 1944–49, New York, Massachusetts, Rhode Island, New Hampshire, Pennsylvania, Alaska, California, Connecticut, and Maine passed such laws. New Jersey passed an equal pay law in 1952. This year Arkansas—and my State of Oregon passed equal pay laws. Over the years amendments designed to strengthen these laws have also been put on the books.

Nationally, the 1923 Classification Act permitted no variation in the pay of Federal workers because of sex. This was reaffirmed in the Classification Act of 1949. About half the States have Civil Service regulations which include all branches of the State Government and in such States the practice of equal pay for State employees, irrespective of sex, is generally observed. Although no studies have been made, we have never heard of any State legislature, or local legislative body which makes such a distinction in making up its payrolls. Insofar as we know, the same is true of the judiciary systems throughout the land. We also know that Members of Congress are paid without reference to sex, and in the last Congress, the present Secretary of Labor endorsed equal pay legislation. Although hearings have been held on various equal pay bills in previous years, no action has been taken following the hearings.

Mr. Speaker, equal pay is in the 1952 platforms of both major political parties.

In the Republican platform we find:

We favor legislation assuring equal pay for equal work regardless of sex.

In the Democratic platform:

We believe in equal pay for equal work, regardless of sex, and we urge legislation to make that principle effective.

It is my intention to seek support for my bill on a bipartisan basis and to ask for hearings on my bill before Congress adjourns. I firmly believe that action by Congress on this matter of elementary justice is long overdue and that my bill should have the full support of all men and women of good will.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

Mr. DONOHUE (at the request of Mr. LANE) and to include extraneous matter.

Mr. PRICE in two instances and to include extraneous matter.

Mr. WALTER and to include an address.

Mr. SCHENCK and to include a newspaper story.

Mr. WEAVER (at the request of Mr. HOEVEN) and to include extraneous matter.

Mr. LATHAM (at the request of Mr. HOEVEN) and to include extraneous matter.

Mr. WILLIAMS of New Jersey and to include extraneous matter.

Mr. THOMPSON of New Jersey.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JONES of North Carolina, indefinitely.

Mr. SHEPPARD, for 1 week, beginning Friday, May 27, 1955, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1048. An act to amend and supplement the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

ENROLLED JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 310. Joint resolution making additional appropriations for the fiscal year ending June 30, 1955, and for other purposes.

The SPEAKER announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 18. Joint resolution to provide for the reappointment of Dr. Jerome C. Hunsaker as Citizen Regent of the Board of Regents of the Smithsonian Institution.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 310. Joint resolution making additional appropriations for the fiscal year ending June 30, 1955, and for other purposes.

ADJOURNMENT

Mrs. BLITCH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 15 minutes p. m.) the House adjourned until tomorrow, Friday, May 27, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

844. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting a report on depot utilization, pursuant to Public Law 108, 83d Congress (H. Doc. No. 170); to the Committee on Government Operations and ordered to be printed.

845. A letter from the Chairman, National Labor Relations Board, transmitting the 19th Annual Report of the National Labor Relations Board for the year ended June 30, 1954, pursuant to section 3 (c) of the Labor Management Relations Act, 1947; to the Committee on Education and Labor.

846. A letter from the Secretary of the Army, transmitting a report pertaining to the number of officers on duty with the Department of the Army and the Army General Staff on March 31, 1955, pursuant to section 201 (c) of Public Law 581, 81st Congress; to the Committee on Armed Services.

847. A communication from the President of the United States transmitting proposed supplemental appropriations for the fiscal year 1956, and for other purposes, in the amount of $139,334,014 (H. Doc. No. 171); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ANDREWS: Committee on Appropriations. H. R. 6499. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes; without amendment (Rept. No. 634). Referred to the Committee of the Whole House on the State of the Union.

Mr. TRIMBLE: Committee on Rules. House Resolution 254. Resolution for consideration of H. R. 5376, a bill to amend the Rural Electrification Act of 1936, as amended; without amendment (Rept. No. 635). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 255. Resolution for consideration of H. R. 3822, a bill to amend title V of the Agricultural Act of 1949 as amended, by striking out the termination date; without amendment (Rept. No. 643). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 256. Resolution for consideration of H. R. 6499, a bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes; without amendment (Rept. No. 650). Referred to the House Calendar.

Mr. SPENCE: Committee on Banking and Currency. Senate Concurrent Resolution 26. Concurrent resolution providing for the continued operation of the Government tin smelter at Texas City, Tex.; without amendment (Rept. No. 661). Referred to the House Calendar.

Mr. SPENCE: Committee on Banking and Currency. H. R. 619. A bill to provide that all United States currency shall bear the inscription "In God We Trust"; with amendment (Rept. No. 662). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 5512. A bill to provide for the conveyance of certain property under the

jurisdiction of the Housing and Home Finance Administrator to the State of Louisiana; with amendment (Rept. No. 663). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 755. An act to authorize the conveyance of certain war housing projects to the city of Warwick, Va., and the city of Hampton, Va.; without amendment (Rept. No. 664). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 1843. A bill authorizing the Secretary of the Interior to transfer certain property of the United States Government (in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.) to the State of Wyoming; with amendment (Rept. No. 665). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 266. An act authorizing the Secretary of the Interior to transfer certain property of the United States Government (in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.) to the State of Wyoming; without amendment (Rept. No. 666). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLEIN: Committee on Interstate and Foreign Commerce. Report pursuant to House Resolution 105, 84th Congress pertaining to a newsprint study; without amendment (Rept. No. 683). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 5876. A bill to amend the copyright law to permit, in certain classes of works, the deposit of photographs or other identifying reproductions in lieu of copies of published works; with amendment (Rept. No. 684). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. House Resolution 250. Resolution providing that the bill, H. R. 6401, and all accompanying papers shall be referred to the United States Court of Claims; without amendment (Rept. No. 636). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 1015. A bill for the relief of Mr. and Mrs. Derfery William Wright; with amendment (Rept. No. 637). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1219. A bill for the relief of the estate of Mrs. Margaret A. Swift; without amendment (Rept. No. 638). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 1447. A bill for the relief of Aleksandra Borkowski; without amendment (Rept. No. 639). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1488. A bill for the relief of Mrs. Esther Reed Marcantel; with amendment (Rept. No. 640). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 1708. A bill for the relief of Eugene Albert Bailly; without amendment (Rept. No. 641). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1739. A bill for the relief of William J. Bohner; without amendment (Rept. No. 642). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 1963. A bill for the relief of Mr. and Mrs. Clarence M. Augustine; without amendment (Rept. No. 644). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 2946. A bill for the relief of Eugene Dus; with amendment (Rept. No. 645). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 3027. A bill for the relief of Leo E. Verhaeghe; without amendment (Rept. No. 646). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 3193. A bill for the relief of Evelyn Hardy Waters; without amendment (Rept. No. 647). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 3376. A bill for the relief of Mrs. Mary A. Sansone; without amendment (Rept. No. 648). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 3932. A bill for the relief of James H. R. Stumbaugh; without amendment (Rept. No. 649). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4026. A bill for the relief of James C. Hayes; with amendment (Rept. No. 651). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4162. A bill for the relief of Kahzo L. Harris; without amendment (Rept. No. 652). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4181. A bill for the relief of P. F. Claveau, as successor to the firm of Rodger G. Ritchie Painting and Decorating Co.; without amendment (Rept. No. 653). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4634. A bill for the relief of Lt. Col. George H. Cronin, United States Air Force; without amendment (Rept. No. 654). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5871. A bill for the relief of Guy Francone; without amendment (Rept. No. 655). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5951. A bill for the relief of Samuel E. Arroyo; without amendment (Rept. No. 656). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6082. A bill for the relief of Nemoran J. Pierre, Jr.; without amendment (Rept. No. 657). Referred to the Committee of the Whole House.

Mr. REED of Illinois: Committee on the Judiciary. H. R. 6281. A bill for the relief of Capt. William S. Ahalt and others; without amendment (Rept. No. 658). Referred to the Committee of the White House.

Mr. REED of Illinois: Committee on the Judiciary. H. R. 6282. A bill for the relief of Nathan L. Garner; without amendment (Rept. No. 659). Referred to the Committee of the Whole House.

Mr. REED of Illinois: Committee on the Judiciary. H. R. 6395. A bill for the relief of Thomas W. Bevans and others; without amendment (Rept. No. 660). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3636. A bill to authorize the issuance of a land patent to certain lands situate in the city and county of Honolulu, Island of Oahu, to the Protestant Episcopal Church in the Hawaiian Islands; without amendment (Rept. No. 667). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 39. An act for the relief of Stanislavas Racinskas (Stacys Racinskas); without amendment (Rept. No. 668). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 68. An act for the relief of Evantiyi Yorgiyadis; without amendment (Rept. No. 669). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 89. An act for the relief of Margaret Isabel Byers; without amendment (Rept. No. 670). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 93. An act for the relief of Ahti Johannes Ruuskanen; without amendment (Rept. No. 671). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 121. An act for the relief of Sultana Coka Pavlovitch; without amendment (Rept. No. 672). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 129. An act for the relief of Miroslav Slovak; without amendment (Rept. No. 673). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 193. An act for the relief of Louise Russu Sozanski; without amendment (Rept. No. 674). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 236. An act for the relief of Johanna Schmid; without amendment (Rept. No. 675). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 320. An act for the relief of Mrs. Diana Cohen and Jacqueline Patricia Cohen; without amendment (Rept. No. 676). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 321. An act for the relief of Anni Marjatta Makela and son, Markku Paivio Makela; without amendment (Rept. No. 677). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 351. An act for the relief of Ellen Henriette Buch; without amendment (Rept. No. 678). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 407. An act for the relief of Helen Zafred Urbanic; without amendment (Rept. No. 679). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 429. An act for the relief of Lucy Personius; without amendment (Rept. No. 680). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 504. An act for the relief of Priska Anne Kary; without amendment (Rept. No. 681). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 844. An act for the relief of Zev Cohen (Zev Machtani); without amendment (Rept. No. 682). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H. R. 6499. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for

other purposes; to the Committee on Appropriations.

By Mr. MATTHEWS:

H. R. 6500. A bill for the establishment of a Temporary National Advisory Committee for the Blind; to the Committee on Education and Labor.

By Mr. ASPINALL (by request):

H. R. 6501. A bill to amend the act of July 17, 1914, to permit the disposal of certain reserve mineral deposits under the mining laws of the United States; to the Committee on Interior and Insular Affairs.

By Mr. BOYKIN:

H. R. 6502. A bill to provide that accumulated receipts in the Federal aid to wildlife restoration fund shall be appropriated; to amend the Wildlife Restoration Act (16 U. S. C., secs. 669–669i) defining "wildlife restoration project," and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. GREEN of Oregon.

H. R. 6503. A bill providing that there shall be equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. LAIRD:

H. R. 6504. A bill to amend the act of August 27, 1888, entitled "Aid to State or Territorial homes" (title 24, sec. 134, U. S. C., as amended); to the Committee on Armed Services.

By Mr. FINO:

H. R. 6505. A bill to amend the Fair Labor Standards Act of 1938 so as to increase the minimum hourly wage from 75 cents to $1.25; to the Committee on Education and Labor.

By Mrs. KELLY of New York:

H. R. 6506. A bill to amend the Internal Revenue Code of 1954 to provide a 30-percent credit against the individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher education; to the Committee on Ways and Means.

H. R. 6507. A bill to amend section 214 of the Internal Revenue Code of 1954 (relating to deduction of expenses for the care of certain dependents); to the Committee on Ways and Means.

By Mr. LANKFORD:

H. R. 6508. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. MORANO:

H. R. 6509. A bill to amend the United States Housing Act of 1937 to increase from $100 to $500 the exemption allowed each minor child in determining the eligibility of a family for occupancy of low-rent public housing; to the Committee on Banking and Currency.

By Mr. MURRAY of Illinois:

H. R. 6510. A bill to designate a building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. MURRAY of Tennessee:

H. R. 6511. A bill to increase the rates of compensation of certain officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 6512. A bill to increase the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service, to eliminate certain salary inequities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REES of Kansas:

H. R. 6513. A bill to increase the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service, to eliminate certain salary inequities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'HARA of Illinois:

H. R. 6514. A bill to designate the building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. TUMULTY:

H. R. 6515. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. ADDONIZIO:

H. R. 6516. A bill to designate the building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other puposes; to the Joint Committee on Atomic Energy.

By Mr. ELLIOTT:

H. R. 6517. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. FINO:

H. R. 6518. A bill to designate the building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other puposes; to the Joint Committee on Atomic Energy.

By Mr. FORAND:

H. R. 6519. A bill to designate the building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. KEOGH:

H. R. 6520. A bill to designate the building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. RODINO:

H. R. 6521. A bill to designate the building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. ROONEY:

H. R. 6522. A bill to allow certain members of the Armed Forces to designate the Eastern Orthodox faith as a religious preference on their identification tags; to the Committee on Armed Services.

H. R. 6523. A bill to designate the building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. TUMULTY:

H. R. 6524. A bill to designate the building to be constructed as the principal office of the Atomic Energy Commission under the act of May 6, 1955, as the "Enrico Fermi Building," to provide for the establishment therein of an appropriate memorial to Dr. Fermi, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. CORBETT:

H. R. 6525. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. BOW:

H. R. 6526. A bill to allow certain members of the Armed Forces to designate the Eastern Orthodox faith as a religious preference on their identification tags; to the Committee on Armed Services.

By Mr. FLOOD:

H. R. 6527. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. GUBSER:

H. R. 6528. A bill to increase the rates of basic salary of postmasters, officers, supervisors, and employees in the postal field service, to eliminate certain salary inequities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KARSTEN:

H. R. 6529. A bill authorizing the construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.; to the Committee on Public Works.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 6530. A bill to provide for the reinstatement of national service life insurance for certain totally disabled veterans; to the Committee on Veterans' Affairs.

By Mr. COOLEY:

H. J. Res. 317. Joint resolution designating the last week in October of each year as National Farm-City Week; to the Committee on the Judiciary.

By Mr. HOPE:

H. J. Res. 318. Joint resolution designating the last week in October of each year as National Farm-City Week; to the Committee on the Judiciary.

By Mr. BOSCH:

H. J. Res. 319. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. DORN of New York:

H. J. Res. 320. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. GROSS:

H. J. Res. 321. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. HOLIFIELD:

H. J. Res. 322. Joint resolution to amend the Constitution to authorize governors to

fill temporary vacancies in the House of Representatives; to the Committee on the Judiciary.

By Mr. SIKES:

H. J. Res. 323. Joint resolution to provide for the observance and celebration of the quadricentennial anniversary of the establishment of the first white settlement in Florida; to the Committee on the Judiciary.

By Mr. UTT:

H. J. Res. 324. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. THOMPSON of Louisiana:

H. J. Res. 325. Joint resolution proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. Con. Res. 146. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. MURRAY of Illinois:

H. Con. Res. 147. Concurrent resolution favoring action by the President to secure the release of Rev. Harold W. Rigney, imprisoned by Chinese Communists; to the Committee on Foreign Affairs.

By Mr. OSTERTAG:

H. Res. 257. Resolution requesting the Tariff Commission to make an investigation of the cost of production of photographic shutters and parts thereof; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 6531. A bill for the relief of Maria Giuseppa Giordano; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 6532. A bill for the relief of John William Scholtes; to the Committee on the Judiciary.

H. R. 6533. A bill for the relief of Mrs. Marjorie Chance Sanders; to the Committee on the Judiciary.

By Mr. FALLON:

H. R. 6534. A bill for the relief of Chong You How, Eng Lai Fong, and Chong Yim Keung; to the Committee on the Judiciary.

By Mr. GWINN:

H. R. 6535. A bill for the relief of Gloria Ying Szutu, Jane Ching Szutu, Raymond Yuan Szutu, and Peter Cheng Szutu; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H. R. 6536. A bill for the relief of Mrs. Rozalia Sipeki; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 6537. A bill for the relief of Mrs. Phyllis Shuster; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 6538. A bill for the relief of Jacob Tannenzaff and Cecille Tannenzaff; to the Committee on the Judiciary.

By Mr. MINSHALL:

H. R. 6539. A bill for the relief of Ladislav Mencl; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 6540. A bill for the relief of Reuben Bautista; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

295. By Mr. BUSH: Petition of railroad employees of Williamsport, Pa., and vicinity urging every Member of Congress to support legislation amending the Railroad Retirement Act so as to provide retirement at age 60 after 30 years of service or after 35 years of service regardless of age, annuities to be based on one or more of one's highest year's earnings; rail retirement annuities and pensions to be increased by 15 percent; to the Committee on Interstate and Foreign Commerce.

296. By Mr. HAYS of Arkansas: Petition of David Peterson and others, Ouachita Veterans' Club, Arkadelphia, Ark. urging approval of Senate bill 533, which would increase the education and training allowances under the Veterans' Readjustment Assistance Act of 1952; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

The W. W. Sebald Self-Reliance Awards

EXTENSION OF REMARKS

OF

HON. PAUL F. SCHENCK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1955

Mr. SCHENCK. Mr. Speaker, bigness and success are words with many connotations because they can mean many things.

Successful businessmen, scientists, public officials, and others are sometimes the brunt of many uncomplimentary remarks because of their achievements and also because they must make decisions from time to time that affect the lives and living of many people.

On rare occasion we see a person who has driven to success by ruthlessly walking over the backs of others, so to speak, to gain his objective. These are completely selfish motives to get ahead personally regardless of the effects on one's fellowmen. Whatever modicum of success such a person achieves it is always an uneasy one because it lacks the very necessary stability of properness and soundness. This type of person is bound to be unhappy because of his fears and consequently whatever financial or other success he achieves gives him little real and solid pleasure. Fortunately, this type of person is very much in the minority.

The very big majority of really successful people gain their wealth and position because they are completely and humbly considerate of others. These people always have great personal ability to be sure, they constantly apply themselves and they drive themselves always harder than they do their associates. But they are also always considerate of others, they are deeply dedicated to their fellowmen, their community, and their Nation, and they have the courage to do what they know must be done for the good of all.

The Third District of Ohio is blessed to an unusual degree by the presence of a very large number of really "big" men and women in many lines of human endeavor. Because of this huge number it is always difficult to pick out persons who deserve special recognition for their contributions to our everyday life. Mr. Dwight Young, publisher of the Dayton Journal Herald, and past president of the ASNE has always been deeply interested in the Human Side of the News and on occasion he writes in his column about a citizen of our Great Miami Valley, who, he feels, has made a significant contribution. He wrote in his Talking It Over column recently about a gentleman, Mr. W. W. Sebald, of Middletown, Ohio.

Armco Steel Corp. is a great firm which has served and is serving in a substantial way to people all over the world. It has provided jobs for many thousands of workers and has had unusually good employee relationship. The management of Armco Steel includes some of the very top-flight executives of the business world. Mr. Charles Hook, Sr., is chairman of the board, and his contributions to the betterment of the Nation and our own National Government are well known. Mr. Hook, Sr., and Mr. Sebald have been associated together for many years, and their ability and teamwork with their fellow associates are largely responsible for the great success of Armco, along with many contributions of service for civic and human betterment.

Dwight Young has written of another phase of the deep-rooted civic service of Mr. Sebald in his contributions of encouragement to high-school students. Mr. Sebald believes that the future of our great Nation lies in developing self-reliance in young manhood and young womanhood, because it is these young people upon whom the future of the world must depend.

Therefore, Mr. Speaker, under unanimous consent, I ask that the story written by Dwight Young about W. W. Sebald be included as part of these remarks because it is a story of dedicated public service.

TALKING IT OVER

(By Dwight Young)

This department proposes a toast to W. W. Sebald, president of Middletown's Armco Steel Corp.

The suggestion has nothing whatever to do with Armco, although it is an exceptionally well-managed and outstanding industry of the valley and Ohio, and is extraordinarily active in the community life of Middletown. No; Armco is purely incidental to this salutation to its civic-minded president.

And so it is that this morning's piece tells something of Mr. Sebald's civic-mindedness in one particular field and the successful development of one community idea—the W. W. Sebald self-reliance awards.

The awards program was inaugurated last year with the understanding it would be given a 3 years' trial. The first banquet at which the initial awards were announced, was held in the Manchester Hotel in May 1954.

I was an invited guest and deeply interested spectator at the second banquet last Thursday night. Based on what I observed and heard, my confident guess is that this program has already attained permanent status in Middletown, and there is every reason to believe similar programs will be launched soon in other areas,

Indeed, one already has been started in Ashland, Ky., patterned exactly on the Middletown plan.

The basic principle of the awards is the ferreting out of teen-ager self-reliance and giving it proper recognition, as an encouragement to other teen-agers to go thou and do likewise.

Mr. Sebald had observed that the high schools quite properly give primary consideration to scholastic attainments. Without decrying this traditional phrase of graduation day, he felt the less brilliant senior, who has "done the most he can with the best he has" and in doing so has displayed a spirit of self-reliance, also is entitled to recognition.

Accordingly he conceived the awards, in which $1,500 is distributed annually among the eight most self-reliant members of the three Middletown high school graduating classes as follows: $400 each to the boy and girl adjudged the most self-reliant; $200 to the second boy and girl; $100 to the third, and $50 to the fourth. Sixteen others, including an equal number of girls and boys, received certificates. Mr. Sebald personally contributes the $1,500 and pays all expenses.

An infinite amount of detailed work is involved in making these selections. This is a job the junior chamber of commerce cheerfully accepted and is performing in a most commendable manner. It devoted more than 1,000 man-hours to the program this year.

Here is the way it works: Application blanks are distributed among all of the senior classes. Students who feel their records for self-reliance may be worthy of community recognition, fill out the blanks and return them to their home-room teachers.

The special committee of the Jaycees then goes to work in earnest. Entrants are interviewed individually. So are their friends, their families, the neighbors, their ministers, their teachers as well as their employers and fellow workers if they have part-time jobs.

It is a genuinely searching study. All told there are 28 selectees—28 whose records are good enough, the committee feels, to entitle them to consideration in the final judging to pick the eight winners.

The names of the chosen 8 are kept a closely guarded secret until they are announced at the banquet, at which the parents of all 28 selectees are guests. Thus far there have been no leaks. I am sure of that because last Thursday night I sat at a table with the publisher and general manager of the Middletown Journal and their wives, and I observed they were as much in the dark in identifying the winners as was anybody else.

At the dinner the presentations were made by honorary life members of the Jaycees. A synopsis of the winner's record was read aloud. Then the winner was invited to the platform for official greeting and handshaking and given a seat of honor in a corner of the ballroom.

I was especially interested to note that 3 of the 8 winners are Negroes—2 boys and a girl; and that the highest male honor ($400) went to 1 of the 3—W. N. (Willie Napoleon) Clements, of Fenwick High School.

Would you like to know something of this young colored boy's self-reliance record? Briefly, it is this: He is the oldest of 9 children and began supporting himself when he was 8 years old by delivering newspapers. As he grew older he took other jobs to supplement his income.

At one time in 1953 he had 3 jobs that required 52 hours of work a week. All the time he was regularly attending school. Last year he played on the Fenwick football and track teams, took part in school plays, maintained a position in the upper third of his class, and was elected to the National Honor Society. In his spare time he does the family washing.

Congratulations to Mr. Sebald and the junior chamber of commerce. Together, they are making history in Middletown by demonstrating that today's crop of teen-agers is every whit as good and sound and dependable as the youngsters were back in the days when mother and father and grandma and grandpa were kids.

Let's Regain the Initiative

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1955

Mr. PRICE. Mr. Speaker, the one thing that disturbs me most deeply about foreign policy is the manner in which we have allowed the initiative in world affairs to pass to the Soviet Union and the Chinese Communists.

We stood aside at the Geneva Conference last year while France and the Communists worked out a deal for the partition of Indochina. It is doubtful whether free Viet-Nam can be saved from the Communists, but Secretary Dulles seemed pleased on his return from Geneva because he had skillfully avoided having any direct negotiations with the Chinese Reds.

The State Department and the White House itself made a wretched bobble at the time of the Bandung Conference, when they first said they would not even talk to the Chinese Reds about a cease-fire in the Formosa Straits and then announced that, of course, they would talk about it. This confusion looked like a sign of panic, an uncertainty in our own minds, which gave the Chinese Reds a major propaganda victory.

Now we have negotiated an Austrian State Treaty, with the Soviet Union taking the lead in making certain demands as the price of a treaty the Russians had inexcusably delayed for 10 years. I am not saying that the terms of this treaty are intolerable, that they are inexcusable, but they certainly raise a question about the skill and determination of our own negotiators. They raise a question as to whether in this area, as well, the initiative went to the Soviets. There is a question, whether, in the reluctant approach of the White House to a Big Four meeting at the summit, the initiative is not possessed by the Soviets.

It is not enough for us to act wisely in foreign affairs. We also need to act with timeliness, with a clear idea of where we are going and what will be the effects of certain actions. We should not fight merely losing actions, but take the initiative in asserting our diplomatic leadership.

In this connection, I offer the following editorial which appeared in the Washington Daily News, a Scripps-Howard newspaper:

LEGALIZED LOOTING

For 10 years Soviet Russia systematically has looted Austria—to the extent of more than $1 billion.

The Austrian Treaty, signed in Vienna Sunday, legalizes that looting and gives its blessing to more—to extremely high Austrian ransom payments to the Kremlin for another 10 years.

It may be this treaty was the best to be had, that it is less onerous than previous demands, that it is a cheap price to pay for getting the Red army out of Austria.

But let us not kid ourselves that the Austrian Treaty is a bargain—for Austria or the rest of the free world.

If Austria cannot meet the future ransom payments, she undoubtedly will turn to the United States for help. So the Senate should take a long, careful look at the complicated economic clauses of the Austrian Treaty when it is called to ratify the signature of John Foster Dulles.

The first question for the Senate to ask is: Why are the original Soviet economic demands still included in the treaty text if the so-called Soviet concessions made to Austria at Moscow are sincere? There is in the treaty only a backhanded reference to the concessions.

The second question is: Why, after 10 years of Soviet looting of Austria, must that small, poor country pay more to the Reds? That makes meaningless the 1943 Moscow pledge, and the preamble of the treaty itself, which classify Austria as a "liberated" victim of nazism rather than a former enemy.

Even if the Kremlin lives up to its economic concessions to Austia—the ones not spelled out in the treaty—it is a long, hard road ahead for a country that primarily is only a mountainous tourist attraction.

Austria agrees—with American, British, and French approval—to pay the Kremlin:

Seventy-two million barrels of crude oil in the next 10 years. That's worth about $200 million. The Soviets already have taken more than that out of Austria since 1945 and, in the process, ruined some of her best fields by rapid stripping.

Two million dollars to get back the Danubian Steamship Co. which—after 10 years in Red hands—is unlikely to be worth much. Russia still holds the assets of that company in the other satellite countries.

Payment in Austrian goods totaling $150 million in the next 6 years for some 300 industrial firms the Soviets seized in 1945 as "German assets" and have been operating—and ruining—for 10 years. The catch here is that the Soviets alone will decide what goods they will accept.

The Red Army stole these firms in 1945 under the guise of "German assets." Now the treaty makes it mandatory on Austria to buy back these stolen properties. And our reading of the treaty indicates that if the Kremlin is not satisfied with the payments it can go back to its original demands—confiscation of the properties.

Before the Senate ratifies this treaty, it carefully should ponder whether this country should put its name to a document which perhaps had some validity when drafted 7 or 8 years ago, but today seems a contradiction of the principles for which we stand.

Since the war the United States has given Austria nearly $1 billion in economic aid. Soviet Russia has taken at least that much out of the other end. It doesn't take much of a mathematician to figure out who has been paying the Kremlin's bill.

Who is going to pay it during the next 10 years?

The Truth About the Catholic Persecution in Argentina

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1955

Mr. DONOHUE. Mr. Speaker, for the better understanding of my colleagues and RECORD readers, I desire to include a very timely editorial appearing in the May 24 issue of the Worcester (Mass.) Gazette, which pointedly describes the true nature of the religious persecution in Argentina.

The sympathetic hearts and minds of the authorities in all our various American religious denominations are today turned in condemnation toward the cruel program of persecution being imposed by President Peron upon the Catholic Church and its membership in Argentina.

Unfortunately, too few other Americans, whose busy lives permit only a hasty scanning of the news captions, are aware of the unholy and unjust reprisals being vengefully forced upon an historically Catholic people and nation by a power-lusting dictator.

On April 22 the Argentine Catholic hierarchy issued a statement making it clear that the church leaders did not oppose a proper separation of powers or a just economic separation of church and state. The statement recited the Biblical command of Christ to "render to Caesar the things that are Caesar's and to God the things that are God's," while at the same time reminding faithful adherents that church authority could not accept a "moral separation" that would inevitably place a Catholic in the "sad situation of having to betray his conscience in order to obey a temporal ruler."

Since last November when Peron began his open attack on "political Catholicism," he has allowed the strictly controlled Peronist press and the police to wage a vicious campaign of vilification and repression. His clear aim is to destroy the growing influence of the church among the working masses—the main base of his power. The workers cannot be allowed more than one loyalty in a totalitarian state. Eduardo Vuletich, secretary of the Argentine Labor Confederation, stated that theme clearly last November:

> Down with the enemies of the people and the enemies of God. Fatherland has only one destiny: it is called Peron. The fatherland has a single motto: Always with Peron.

From these quotations it is, unfortunately, too clear that the Peron program follows the avowed Communist objective of eventually reducing all mankind to slavish subjection in a totalitarian atheistic state.

Mr. Speaker, when the facts are known, as portrayed by this editorial, I am confident that all God-fearing Americans will unite in protestation against the outrageous conduct of the Peron government in transgressing recognized religious rights and will join their American Catholic brethren in prayer that this pagan persecution may soon be happily resolved.

The article follows:

DICTATOR PERON AND THE CHURCH

Generally speaking, in this country all religious groups see eye to eye on separation of church and state. They are for it.

It is this common attitude that at first led some Americans to see nothing alarming in the Argentine Government's move to disestablish the Catholic Church as the state religion of Argentina. But it is clear now that Dictator Peron's aim is not merely to draw the line of separation with which we in America are familiar.

Peron used the church in Argentina to help him attain power. Now that he has shown his true colors, he is convinced he cannot remain as dictator if the church is left free to oppose him. So he seeks to destroy it or so weaken it that its opposition will not threaten his power.

The campaign is in full swing. Forty-four priests have been jailed in the last 6 months. Convents have been closed. Subsidies to Catholic schools have been removed. The Argentine Congress has completed action on laws to separate the church and state. Processions and Catholic open-air meetings have been banned. And measures have been introduced to make all religious institutions subject to taxation retroactively as from the first of this year.

This is outright persecution. It is the familiar pattern that has been employed by the Reds in the persecution of Protestantism in East Germany. The same tactics were used by Hitler in his persecution of the Jews.

Even if it were marked by the most enlightened intentions, the move to separate church and state in Argentina would be a delicate one. Catholicism has been the state religion in Argentina since that country won its independence from Spain in 1810.

But Peron has turned separation into subjection. When free speech has been curtailed, religious sensibilities harmed, right to worship restricted, and practically confiscatory taxation proposed, even those who favor separation of church and state recognize things have gone too far.

Owen J. Roberts

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1955

Mr. WALTER. Mr. Speaker, Owen J. Roberts early became a member of the American Law Institute and served as a member of the council from 1924 to 1936. His death on May 17, 1955, ended a career which had been as useful as it was comprehensive in its scope. As advocate, teacher, and judge, he attained eminence in each of these branches of our profession.

As an advocate he was perhaps at his best. His was an imposing presence and his manner of speaking immediately arrested attention and invited assent. Courts and juries quickly realized that his seeming sincerity was not a mere trick of advocacy but a manifestation of his inner self. He was as thorough in preparation as he was effective in delivery. His translation to the bench deprived the bar of one of its brightest ornaments.

As a teacher he combined clarity of statement with a capacity to elicit from the student the best that was in him. He is gratefully remembered by those who sat under him for his contagious enthusiasm and for the intellectual stimulus which he supplied.

As a judge he was openminded and just. His was not a subtle mind. His intellectual processes were simple and direct and the clarity of his thinking was reflected in his written opinions. His approach to constitutional and social problems underwent changes as case after case of capital importance came before the Supreme Court. Classified by some as a liberal when appointed, he was regarded by others as a conservative. The truth is that he could not fairly be regarded as an extremist in either direction. He dealt with each case on its merits as he conceived them to be. In the closing years of his term of service he seemed to find himself out of sympathy with the views of a majority of his colleagues and his ultimate retirement was popularly regarded as attributable to this circumstance. However this may be, he reflected the thinking of a great section of the American public, and when he quitted the bench a substantial segment of his fellow citizens lost an able and fearless representative.

Roberts was a man of spotless character and blameless life. His ideals were high and he sought to express them in conduct. Not only the members of the institute but a great company of loyal friends everywhere will unite in acclaiming him as a citizen of whom the Republic may well be proud.

Ukrainian Festival

EXTENSION OF REMARKS
OF
HON. HARRISON A. WILLIAMS, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1955

Mr. WILLIAMS of New Jersey. Mr. Speaker, on Wednesday evening, May 25, I was honored to be the guest speaker at the festival of the Ukrainian Youth League of New Jersey. This event was truly a festival of song and dance exemplifying the rich Ukrainian culture. It was also a sobering occasion of rededication of our resolve to see a free Ukrainian nation. It was of this resolve that I spoke and, under unanimous consent, I ask that my remarks be included in the RECORD:

UKRAINIAN FESTIVAL, MAY 25, 1955

Dear sister and brother Americans of Ukrainian extraction, I feel honored that you have invited me to speak at your Ukrainian festival this year, and proud that you have selected a park in my district to hold the festival. We are indeed fortunate in having so many among you who have managed to perpetuate the music and culture of the old country. So long as you continue to hold

and teach the native cultural traditions I know the hope of freedom for Ukraine shall not die.

The Ukrainian people are a freedom-loving people. Your great poet Taras Shev'chen'ko cried out for a free Ukraine many years ago. He instilled in the Ukrainian people a love for their land and a pride in their nationality. It is because of this that the spark of hope for a free Ukraine has never died.

Unfortunately, history has not been kind and has never given the Ukrainian nation a chance to be free for even a chance of self-determination. It has been ruled by despots and foreign princes. It is being ruled today by the dictators in the Kremlin. Except for the short-lived government after the First World War, Ukraine has never enjoyed self-government. But I know the Ukrainian people have never ceased to desire freedom.

The most encouraging evidence of your dissatisfaction with the present rulers came after the Second World War. The Ukrainian people fled from communism in tremendous numbers. They were fed up with rule from the Kremlin. They wanted freedom to worship. They had reached a point where anything would have been preferable to continuing life under the Communist yoke. Many of you are here in the audience this evening, and I can say that this Nation welcomes you. I know that you will make good Americans who cannot be duped by propaganda that sings out in praise of communism. You have lived under it and know what it is.

So long as the desire for freedom burns in your hearts; so long as you resist oppression by the Communists; so long as you keep the Ukrainian nationalist movement alive, I cannot believe that your aims and aspirations shall be thwarted forever.

I believe that the Ukrainian nation shall one day take its place among the democratic nations of the world.

Capitol Commentary

EXTENSION OF REMARKS
OF

HON. PHIL WEAVER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1955

Mr. WEAVER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following report:

My vote for H. R. 12, the farm price support program which passed in the House, is in keeping with my consistent support of a farm program assuring the farmer 90 percent of parity in normal times. That was my position when I became a candidate for Congress, and upon a reappraisal and re-examination of the facts today, I cannot sincerely and conscientiously favor a program of flexible supports in view of declining farm prices. I do not wish to be a party to a plan that will take further away from the farmer that to which he is rightfully entitled.

We hear much about parity, and it is generally defined as follows: What the farmer receives for his products in comparison with what he has to buy; in other words, a fair ratio. Under H. R. 12, price supports will be restored to 90 percent of parity for 1955, 1956 and 1957 on the five basic crops—wheat, corn, cotton, rice and peanuts. It would repeal the 1954 Agricultural Adjustment Act which established flexible price supports for these crops at 82½ to 90 percent of parity with the supports to drop as low as 75 percent in 1956 and thereafter. And the minimum level for support of dairy products is placed at 80 percent of parity instead of 75 percent as under the present law.

This legislation is not an issue to be considered from a partisan viewpoint. It is an issue that concerns all parts of our American economy because agriculture is the backbone of any real and genuine prosperity in our country. All segments of our economy—with the exception of the farmer—have a stabilized or rising purchasing power, and I feel that this legislation will help to maintain a level of income for the farmer which will enable him to conserve and improve the soil. I feel it will stem the tide of recession in agriculture and assure ample production of food for the American people.

Protection is provided labor through the minimum wage and other laws. Industry is protected by tariffs. Business is protected by fair-trade laws. And let's not overlook the subsidies to business—the railroads, the airlines, and the shipping industry. These are but a few of the laws designed to protect segments of our economy other than agriculture.

Since farmers have no voice in setting the prices of the products they sell or of many of the services they have to buy, it is my reasoning that they also should be assured of some degree of economic protection based on fairness. Much has been said about the cost of such a program to the American taxpayers. Let's look at the facts:

From October 1933 through February 1955, a period of nearly 22 years, the total cost on all price-support programs has been about $1.9 billion and for those basic commodities with which we are concerned about $326.4 million.

How does this compare with the aid we have given to foreign countries—something like $40 billion since World War II—to a $101 billion highway program still in the talking stages with a cost to the Federal Government being $25 billion, or to the deficit of the Post Office Department for the last 10 years of $4.3 billion? You could compare the cost of a price-support program with the $8.9 billion of surplus property excluding stockpile materials of the Defense Department which is not needed now nor in the future.

We might also look at a few examples of subsidies to business—$627 million to the airlines and $753 million to the shipping industry from 1931 to 1954. Therefore, we find that charges of exorbitant costs for a price-support program are misleading. It is true that there are defects in a program of 90-percent price supports but the same can be said of a program of flexible supports. One of the most common pleas made for the flexible plan is that such a program will equalize production and demand and eliminate surplus and controls. It is reasoned when price supports are lower the supply will be reduced and an increase will result in the use of these products.

But Congressman CLIFFORD HOPE—a Republican of Kansas, with nearly 30 years' service in the House, past chairman of the Agricultural Committee, and ranking Republican member of that committee since 1933—stated that during the 17 years that flexible price supports have been in existence no evidence was ever presented to the House Agricultural Committee to show that the lowering of price supports has caused any sizable degree of reduction in acreage or production, or any relaxation of controls. And, on the other hand, he continued, there has been plenty of evidence that an increase in price supports will cause an increase in production because if farmers are assured of fair prices they will farm more extensively by investing in new machinery, using more fertilizer, which in turn requires increased expenditures from a capital standpoint and operating expenses.

Congressman HOPE pointed out further that any reduction in production means little, if any, reduction in operating expenses, and that, in order to meet them, the farmer feels justified in trying to maintain the same gross income. He stated that the tendency is to increase rather than to decrease production. As to the statement that a reduction in the price farmers receive will bring an increase in consumption—it is erroneous, said Mr. HOPE, because the farm price of the raw material has practically no connection with the price of the finished article, with 2½ cents of wheat in a 20-cent loaf of bread and 35 cents of cotton in a $5 shirt.

Here I would like to point out that out of every dollar the consumer gets today, 26 cents is used for food and out of each dollar that a consumer spends for food, the farmer receives about 45 cents. Therefore, less than 12 percent of the total consumer income reaches the farmer.

The 1938 Agricultural Adjustment Act established flexible supports on the basic commodities from 52 to 75 percent of parity with such supports remaining flexible until World War II, at which time they were increased to 85 percent and then to 90 percent. The Agricultural Adjustment Act of 1948 extended them for the 1949 crop and the act of 1949 set the support price on a flexible basis from 75 to 90 percent. Since then supports have been continued at 90 percent by the Secretary of Agriculture and for 1953 and 1954 by action of the Congress. The 1948 act included in addition to a 90-percent figure on basic commodities for the crop year 1949, milk, milk products, hogs, chickens, and eggs and the 1949 act also provided supports not to exceed 90 percent for all other nonbasic commodities with a range of flexibility from zero to 90 percent.

In comparing the flexible and fixed support programs, it is interesting to look at the results:

In 1952, wheat was supported at 90 percent and brought $2.07 a bushel. A year later it was up 1 cent or about one-half of 1 percent.

Corn was supported at 90 percent in 1952 and in 2 years had dropped from $1.53 to $1.45, about 6 percent.

Under the flexible scale, milk in 1952 brought $4.14 and in 1954 brought $3.24, a drop of about 25 percent.

Grain sorghums dropped about 22 percent, from $2.85 to $2.14.

Here, I think it would be well to point out that the proponents of the flexible plan last year stated that the farmer should have at least 82½ percent of what was fair for one year with the reduction to 75 percent in 1956. And yet today—with the income of the farmer going down—down—down—these same supporters of the flexible plan seem unconcerned with the further reduction of parity to 75 percent on the 1956 crops, even in view of the present financial ills of the American farmer.

Recently, the Department of Agriculture announced that price suports for barley, sorghums, oats, and soybeans would be lowered to 70 percent from 85 percent, but apparently this announcement did not result in a decreased acreage because the intention to plant more barley was about 9 percent ahead of the 1954 average, with sorghum grains slightly more than 10 percent, oats nearly 1 percent and soybeans a little more than 7 percent. Under H. R. 12, all of the basic commodities are under acreage allotments and marketing quotas apply with the exception of corn. The control program is the reason for a reduction in acreage whether the supports are flexible or fixed.

In appearing before the House Agriculture Committee, the Secretary of Agriculture stated that there would have to be the same controls for 75 percent of parity that there would be for 90 percent. Although I am the only Republican from Nebraska favoring rigid supports, the Republican delegations from Iowa, Kansas, South Dakota, and North Dakota supported my position by 13 to 4. And the overall vote for H. R. 12 was in the

majority among Representatives from the midwestern agricultural States as well as those in the southern States where agriculture is the basic industry.

In the discussion of this measure on the floor of the House, there seemed to be an apparent bond among those from agricultural States regardless of party lines. The economy of American agriculture is not contingent upon rice or corn but upon all of the basic commodities contained within this legislation. It must be recognized that the large reserves of food we have today were derived primarily from appeals for expanded production by our Government during the last war and the Korean conflict and to meet our foreign obligations. A reduction in farm exports as well as improved scientific methods in agricultural research have added to the accumulation of this store of food and fiber.

It certainly can be stated, and I think with some degree of accuracy, that as long as the farmer is financially able, he will maintain production in an effort to maintain his income in the face of declining prices. It seems unwise for our Government to let the farmer suffer, pay the bill and carry this unfair burden on his shoulders while we adjust to a peacetime economy and balance our problems of production.

The plight of our farmer today presents a grave problem to our economic structure. A prosperous agriculture with faith in the American farmer can only add to the health, comfort and financial well-being of all of our people and keep America the strongest and richest country in the world.

Quemoy and Matsu

EXTENSION OF REMARKS
OF

HON. HENRY J. LATHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1955

Mr. LATHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a speech delivered by my colleague, Hon. FRANK BECKER, of New York, to Holy Name Unit of Pennsylvania and Long Island Railroads, Hotel Sheraton-Astor, New York City, on May 22, 1955:

Monsignor, distinguished guests, and fellow Americans, this is an occasion, I am certain, which is duplicated nowhere else in the world, except in this great land of ours—an occasion where freemen assemble openly, in obedience to a religious urging in their hearts—speak their minds plainly and without a trace of fear on their faces, or uneasiness in their souls.

It is a happy occasion, yet in some respects a solemn one. Here together, we renew our determination to continue working and teaching the reverence and respect due the Holy Name of our Saviour. Yet our very presence is evidence that much still remains to be done.

So be it. We will continue to work at it that more and more men in all walks of life should accept reverential respect as a way of life. The influence of this group present this morning could well spread across America and the broad pattern of other lands. You are indeed enlisted in a noble cause.

The world today is a great changing drama. We are part of it. We can either accept the role of spectators and watch others make the decisions, or we can be part of it and with our voices—and our votes—help to influence its decisions, to bring about that which is sound, and good, and right.

I do not have to tell you that these decisions—remote as they may seem when you read about them in the newspapers—affect you vitally, and may well mean the difference between freedom or slavery—for your children and your grandchildren.

But intelligent understanding and action on these problems must be based on knowledge and on an understanding of the forces which bear upon them.

So let us discuss some of these matters together.

First, we must reorient our conception of war. We are prone to think of the next war in terms of the last. This is a mistake.

It is today a military fact that we have the capability of destroying, overnight, every large city in Russia. But it is also true that Russia has a comparable capability with regard to the United States. It is further true that neither has a completely adequate defense to an attack by the other.

I cite these facts to point out that today, truly, we tread a delicate and a dangerous path in international affairs.

The threat of war—an atomic war—has been a shadowy specter clouding our vision of peace since the final gun boomed out in victory 10 years ago. Perhaps it will be ever thus for men bent on securing world peace. Modern war does not begin, however, with a march on Poland or a Pacific Pearl Harbor. It begins, in many ways, long before the first gun is fired, the first lorry loaded with fighting men.

Fundamentally, it begins from weakness—from confusion—from loss of faith; and from a lack of wisdom that erodes the confidence of the people in their leaders.

Fancy words are coined to break down the gates of freedom—one such is coexistence. It has a meaning that has been preached as Christian doctrine since the day of our Lord. To men of peace and good will, it means, "Let us be good neighbors." It does not mean—nor has it ever meant—the imposition upon a free people of an evil way of life.

Yet this phrase, as used by some, could mean to accept—lock, stock, and loaded barrel—bloody communism as a guest in our home.

My friends, we can't help but coexist, since we live on the same globe. But few of us here today will accept that kind of coexistence.

We may have to live beside the godless on the globe, but we do not and will not treat them as good neighbors until their lives and their leadership demonstrate a clear intent to be good neighbors, with all that it implies.

The situation in Asia today is tense. It is made more tense because certain Americans, knowing little more about communism and world affairs today than they did a decade ago, insist upon—in their ignorance—paving the way for further Communist aggression against free men.

We can never forget the tragedy of Korea that laid bare the weaknesses of a foreign policy of vacillation and appeasement.

Prior to the Communist attack on our ally, South Korea, the then Secretary of State, Dean Acheson, notified the world that Korea was beyond the periphery of our interests in the Pacific. This was an invitation to aggression, and was readily accepted by the Communist leaders in China. The price we paid was 33,237 American dead; 119,196 wounded. Untold numbers of Americans still rot in Red jails.

I remind you of this tragic incident only to bring into focus a similar situation—yes, a similar tragedy that is being urged upon the American people today. I speak of the islands of Matsu and Quemoy in the Formosa Strait.

We want only peace in Asia. But we may have to fight for it, as have countless Americans in our country's history. We are prepared to fight, if necessary.

But the determination to fight is in daily danger, from the eroding propaganda of the left, and from the Communists and their brainwashed victims who dwell among us.

It is of little help for Monday morning quarterbacks to try to tell how they would have played the game and how they could have won it. There are some among us—while we face the most tense period in the postwar history, and while being coached by the world's leading military authority—insist upon firing the coach because things are not going the way they want them to.

Attempts to force the President's hand at this time, are unwise. From high places, however, demands are made, and reiterated, that we disclose to the world what we are going to do if these islands are attacked.

The Communists and their mouthpieces around the globe never ask the Chinese Nationalists on Formosa what they are going to do. They know that the allied armies of Chiang Kai-shek will trade shell for shell and blow for blow.

But the Communists are confident they can conquer the islands if we do not intervene, just as they were confident of destroying freedom in South Korea when assured that we would keep hands off. They would have succeeded except for our fighting men and that great American, Gen. Douglas MacArthur.

The Chinese Communists are realists. If confronted with a determined stand and a superior force, they will pause and pull back. They did this in Europe, Iran, Greece, and Berlin.

So what they are really interested in is to find out the real intentions of other free nations, in regard to the fate of the islands. They are particularly interested in what the United States is going to do. They will not stop trying until they find out.

Knowing this, it becomes a matter of extreme gravity to hear Americans in high positions playing the Communist tune and demanding that President Eisenhower and this Government inform the Chinese Communists about our plans.

Such a request in the middle of the raging battles of World War II would have led to charges of treason and the firing squad.

I do not suggest such a fate for these misguided Americans. I only urge that we all try to remain steadfast in our support of a President who—calm and battlewise—refuses to yield to such a stupid clamoring.

To surrender Quemoy and Matsu to the Peiping Communist regime would be bowing to gangsterism. We have bowed to Soviet gangsterism in the past. There are those who would have us do it again. If we do, the cause of freedom will have suffered a devastating defeat.

We have survived the acts of perfidy and injustice perpetrated at Yalta. China, as a free nation, did not survive, but was swallowed by the godless Communist octopus.

Confusion and fear are grist in the Communist mill of aggression. To hear some people talk you would think that, having invented the atomic weapons now stored and ready for use in the arsenals of democracy, we should prohibit their use in a just cause. They say we should hesitate to fire one more shot for freedom.

I do not advocate a world of opposing camps, based on mutual fear, as a way of life for the future. But neither do I advocate the whittling away of freedom by repeated concessions to the Communists. Such a stand only brings war ever closer. The futility of this course is written in the history of the Communists' activity in Europe and Asia in clear, unmistakable language. We know that further concessions encourage further aggression.

Some who advocate the abandonment of Matsu and Quemoy to the Communist warlords of China embellish their arguments with the intricacies of international law.

Others plead that freedom's cause cannot be secured by America's armed defense.

I suggest a different course. Let us stand up and be counted on the side of freedom. Let us not be halfhearted or part-time patriots. Let us stand without fear, in the firm knowledge that we have the mightiest military machine in the world—able men of good will to lead us—and that God is on our side.

Let me read from the New York Times of April 5, 1955, a paragraph or two giving the views of men, including former Secretary of State Dean Acheson, Thomas K. Finletter, and Benjamin Cohen, so-called experts on foreign affairs. These men, according to this newspaper, prepared a memorandum on the question of the Formosa Strait. Listen to what they have to say:

"It would, therefore, seem to be in the interests of the United States to separate Formosa and the Pescadores from the power struggle for control of the mainland of China." The same thing in different language was said about Korea.

Are these men completely blind to the realities of the dangers that face this Nation?

Such words are the dregs of diplomacy. They smell of appeasement—and more appeasement. They could spell the suffocation of freedom. Let us hope that the drums of propaganda do not drown out the call in the hearts of most Americans for freedom—and more freedom.

In the days ahead the pressures on our President and on your Members of Congress will increase. The Communists are completing the construction and enlargement of coastal airfields within range of Quemoy and Matsu and Formosa. They are bringing additional guns to the mainland shore. They are stockpiling ammunition, gasoline, and other supplies, and they are moving in Soviet-built aircraft in large numbers. Perhaps they only await a statement from this Government that we will not defend Matsu and Quemoy.

That statement must never be uttered, even though the chorus of deceit and confusion arises in ever-increasing volume.

In this respect, it is heartening to know that today our foreign policy is no longer one of backtracking and blunder. We have taken our stand with freedom—let us stand there—united.

Domestically, we are enjoying and have enjoyed the most prosperous years in our history. Our homefront security is more alert than ever before and—despite the anguished cries from the left that civil liberties have been destroyed—not a single person has been deprived of due process of law.

In addition, we are taking a more realistic view of the Soviet way of life. The chorus of adulation for communism has been replaced by the thinking of sterner Americans who know that after 38 years Soviet communism is a failure in the Soviet Union. Brainwashing and soulwashing are the daily diet for the captives of communism. Russians for 38 years have endured an unending depression, an unending suppression, and an unending shackling of freedom. Communism started out without God on its side; it will end up without God on its side.

So if we are to aid in the restoration of freedom, we must make ever stronger our belief that freedom is everybody's business. Those denied it must be helped in regaining it. In Asia we pray for peace and freedom for those who deserve to be free.

At the beginning, I urged that you take an active part in this great, moving drama, because it affects you so vitally.

You can do this by using your influence to strengthen those who are weak and confused.

You can do your part by becoming informed on which of your public officials support the principles of liberty in their public actions. You can support those who do with your vote.

You can pray that God will give to the leaders of our country the wisdom and strength to guide us safely through the difficult days ahead.

If you do these things, then you will be able to rest in the assurance that you have played your part, that no single human soul has slipped closer to the Communist mire because of your—or my—lack of interest or indifference.

Can any of us do less?

Thank you.

Peaceful Uses of the Atom

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1955

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith an address I delivered before the Illinois Exchange Club Convention held in Belleville, Ill. on May 14, 1955:

It is a great pleasure for me to appear before you this afternoon in order to discuss the United States atomic energy program. I am always particularly pleased to talk about atomic energy before an audience of laymen, since I am myself of course a layman in these matters.

Let me assure you at the outset that advanced training in the sciences is not needed to understand the fundamental meaning of atomic energy for the future of our civilization. It is true that it takes great skill and long training to design an atomic weapon or an atomic power reactor. But as everyday American citizens, we need not be concerned with such technical problems. Our real concern must be with the question of what splitting the atom means for the future of war and peace. And this problem, I am convinced, can be understood by any layman with an ordinary education.

Today, our national atomic energy program represents a $12 billion investment of the public's money. As American citizens, what are we receiving in return for these vast expenditures?

A public opinion survey conducted not long ago by the University of Michigan shed some interesting light on what the American people think we are gaining through atomic research and development. Two out of every three people interviewed had heard of the atom in connection with something other than atomic weapons, but their knowledge of atomic peacetime possibilities was very slight. One out of every five persons interviewed did not appear to know that atomic energy could have any peacetime usefulness whatsoever. It is therefore hardly exaggerating to say that, in the minds of most Americans, atomic energy and atomic weapons are almost interchangeable terms.

Most people, in short, forget that the atom can mean as much for our everyday lives in peacetime as it now means in the military field. There are no doubt understandable reasons for this mistaken conception. After all, it is the military atom which makes the headlines. Furthermore, we have been forced to give military uses of the atom top priority—although we have at the same time made great strides in developing peacetime applications. All of us in this audience, I am sure, regret the fact that we have been forced to manufacture atomic and hydrogen bombs. Yet I am sure all of us also agree that the mad ambitions of the Communist rulers leave us with no alternative. We are confronted with a foe dedicated to the conquest of the entire world—a foe who is aiming at the subjugation of our civilization.

I believe it is entirely accurate to say that, more than any other single factor of material strength, it is American supremacy in atomic weapons which has so far prevented a third world war. Yet the Soviets achieved both the atomic and hydrogen bomb much sooner than we had expected, and they are now working around-the-clock to overtake our atomic lead. I do not say that the Russians are a race of 12-foot giants—I do say that they have demonstrated very great, and very alarming, competence in developing nuclear weapons. This is a hard fact, and we must not shut our eyes to it. Nothing less than our very best will be needed if we are to maintain our existing lead in the atomic armaments competition.

The 10 years which have passed since the bombing of Hiroshima and Nagasaki which brought the war against Japan to a speedy close have witnessed tremendous advances in the design of atomic weapons. The bomb which fell on Hiroshima in 1945 contained the equivalent of 20,000 tons of TNT. This is an amount of destructive force equivalent to a trainload of 500 boxcars of ordinary TNT.

Today, however, we have in being thermonuclear, or hydrogen, weapons. The force of such bombs is measured in millions of tons of TNT equivalent. It staggers the imagination to think of even 1 million tons of TNT. Fifty thousand trailer trucks would be needed to transport this amount of TNT. Or to put it differently, a million tons of TNT would make a tower 100 feet on each side and 2,000 feet high.

Or to make still another comparison of hydrogen bombs with ordinary weapons—today a single bomber, carrying a single hydrogen bomb on a single mission, can unleash a cargo whose destructive force is greater than the total of all the bombs dropped by all the planes of all the combatant nations throughout all of World War II.

Our first full-scale hydrogen test, which took place at the Eniwetok proving grounds in the Pacific in the fall of 1952, brought about a completely new order of magnitude in the destructiveness of nuclear weapons. The hydrogen shot of 1952 completely destroyed the small test island. It produced a crater in the floor of the ocean measuring a mile in diameter, and 175 feet deep at its lowest point. Ninety buildings the size of the Chicago Merchandise Mart could be put in that crater. Furthermore, the searing heat and tremendous shock wave created by this first hydrogen test caused an area of absolute destruction 6 miles in diameter. The area of severe to moderate damage extended to 7 miles from where this device was exploded, and the area of light damage reached to 10 miles from ground zero. Altogether, an area of some 300 square miles was directly affected by this explosion.

Yet the meaning of atomic energy for the future of the world does not begin and end with atomic weapons, or atomic destruction. Like every force of nature, the atom can be used for constructive or destructive purposes—depending upon the will of men. Apart from the fact of atomic radiation, the energy produced through the splitting of atoms is very similar to the energy released through the burning of coal in a steam generator, or the burning of oil in a diesel engine. The real difference is the enormous contrast between the quantity of energy we can secure from a given amount of coal, and a given amount of atomic materials. A single pound of uranium-235—one of the materials which can be used either in an atomic bomb or a peacetime atomic power reactor—contains almost as much energy as 3 million pounds of coal. This incredible

amount of energy, if released in the form of weapons, can destroy our civilization. But if it is harnessed for constructive purposes, this same atomic force can bring the world to a new era of plenty and abundance.

Let me try to be specific—first by describing the problems and prospects of useful atomic power. We now know that it is technically practical to generate electricity through atomic power reactors—electricity which can be used to light the world's cities and to run its industries. An atomic power reactor is simply an engine which runs on atomic fuel instead of on coal or oil. Just like an ordinary engine, an atomic reactor produces heat—which can be used in turn to produce electricity. An atomic engine is already in operation today, in the hull of the atomic submarine—the U. S. S. *Nautilus*. The same principles which went into the construction of the world's first atomic submarine can also be used to produce commercial power, and we have already begun work on our Nation's first large-scale industrial atomic power plant, now under construction near Pittsburgh.

Now our own country has large reserves of cheap coal and hydroelectric power, and as of today, electricity produced in our Nation from the atom would be more expensive than most of the electricity now secured from conventional fuels. However, the cost of atomic power will certainly go down as our knowledge of the reactor art increases. By the end of the present century, as a result, half of the new generating capacity installed each year in the United States will probably run on atomic fuels.

In much of Europe, and throughout most parts of Latin America, Africa, and Asia, coal and hydroelectric power are now either very high cost, or else non-existent. In these regions atomic power could compete with ordinary electricity at this very moment.

Many of the underdeveloped countries of the world now totter on the balance between the side of freedom and the side of tyranny. All too often, peoples of these nations are victimized by Communist promises because they have no real hope for material advancement. Thanks to atomic power, however, the economically underdeveloped areas now have their first real opportunity to conquer want and misery.

It is, of course, of great importance that our own country demonstrate our willingness to help the other free nations develop peaceful, nonmilitary uses of the atom. But there is a right way and a wrong way to demonstrate our good intentions. Earlier this month, President Eisenhower proposed that we build an atomic-powered merchant ship, which would carry exhibits describing the peacetime atom to the various nations of the world. No sensible person can disagree with the President's objective of acquainting the other nations with what we are doing in the peacetime atomic field. Yet, many responsible people have questioned whether this entirely commendable goal can best be achieved through the construction of an atomic-powered merchant ship. Such a vessel might cost $40 million or $50 million, and it would have no practical commercial value—since it would be vastly more expensive to build and operate than a conventionally driven merchant ship. It may, therefore, be that the millions of dollars of the taxpayers' money which would be needed to construct this ship could be put to better use on other projects designed to help ourselves and the other free nations develop peacetime applications of nuclear power which are practical and useful. The Research and Development Subcommittee of the Joint Committee on Atomic Energy, of which I now have the honor to be chairman, is taking a careful look at this proposal for an atomic-powered merchant ship, and we want to be sure that it makes sense to construct it. The cause of peacetime atomic power will not be advanced by building a vessel which, on the face of it, is inefficient, uneconomical, and impracticable.

At this point, some of you may be saying "It is all very well to speak of gains the world will secure in the future as a result of the peacetime atom. But is the peaceful atom doing anything today to help mankind?"

The answer is a very definite "Yes"—and again I will try to be specific. The Research and Development Subcommittee has been closely following peaceful uses of atomic energy in medicine, biology, and agriculture. All those who have attended our hearings on these subjects have come away feeling that our horizons are completely unlimited in finding constructive uses for atomic energy.

First, there is the use of radioisotopes and atomic radiation in the study and treatment of disease. Public attention in this area has been chiefly focused on the use of atomic radiation in cancer therapy. Real progress has already been made in treating certain specific malignancies—such as brain tumors and skin cancers—through ionizing radiation. We should be on guard, however, against raising false hopes in this respect. The atom can help control the pain of cancer and it can prolong life, but rarely—so far, at least, has it brought about lasting cures.

In fact, the weight of medical opinion now doubts that atomic energy—if we think of it as a means of treatment—represents the final answer to the problem of cancer. Instead, the real contribution of the atom in the fight against this terrible disease may lie in giving us a completely new understanding of the basic life processes which account for the growth of healthy and diseased cells.

Here is where radioactive tracers enter the picture. Such tracers might be compared to tiny radio stations, sending out signals which can be detected on Geiger counters. By introducing these radioactive tracers into the body, it is now possible to study the workings of the human body with unprecedented accuracy. Many, in fact, call radioactive tracers the greatest research tool since the invention of the microscope over 400 years ago. Using these tracers, we may be able to secure—within the next few years—an understanding of basic life processes which would previously have required the work of generations.

Let me now cite another peacetime application of atomic radiation—which is also a present reality. I refer to preserving foods, without refrigeration, through radiosterilization. By exposing vegetables or meats to a high level of radiation, it is possible to kill bacterial action and prevent spoilage. Such irradiated foods can be sealed in a plastic container to eliminate contact with the air and then stored—for months or even years—without affecting their appearance or edibility.

Earlier this week, the Research and Development Subcommittee held a public hearing on the subject of food preservation through atomic radiation, and I wish all of you could have been present to see some of the remarkable exhibits which were brought before us. For instance, we saw samples of potatoes which had been irradiated, more than 2 years ago, and which were still in perfect condition. We saw carrots which had been stored for many months without harming their taste or nutritional value.

As you know, it is now impossible to store potatoes from one crop season to the next, and it is extremely difficult to ship potatoes long distances by sea. Radiosterilization, however, promises to change this. Potatoes treated in this manner can be stored for as long as 2 crop seasons without economic loss.

This same technique also seems applicable to meats. Furthermore, it now seems likely that radiosterilization can eliminate the danger of trichinosis in pork, and that it can do this without damage to the meat. The day may soon be coming, in fact, when we can walk into our favorite restaurant and order a medium rare porkchop.

There are still many problems to be solved before radiosterilization of foodstuffs is commercially practicable. It does not appear that all foods can be preserved in this manner, and we must of course make doubly sure that irradiation does not produce any toxic effects. Some measure of the great promise of this program, however, lies in the fact that our military forces are now investing $5 million in laboratory research on food preservation through irradiation. One interesting aspect of this program is that the waste products of atomic reactors serve as the source of radiation for food sterilization. To put it differently, the ashes of the atomic power industry will be the raw materials for the food irradiation industry. Atomic energy thus takes its place in the familiar economic pattern of the waste products of one industry being usefully employed in another.

I do not think for a moment that radiosterilization of food will ever do away with our refrigerators. By 1965, however, radiosterilization should be as important a factor in our economy as the frozen food industry is today. An exciting prospect suggested by radiosterilization is that of controlling famines. The famine-stricken nations of the world now find themselves unable to store food in time of plenty for use in time of want. Radiosterilization, however, should permit such nations to create famine reserves, and it is not too much to hope that widespread hunger may thereby soon be conquered.

Let me now cite one final example of how the atom is already helping improve our everyday lives—this from the field of agriculture. One of the most troublesome problems faced by the agricultural researcher is that of knowing when and where to apply fertilizer. The use of radioisotopes has now made it clear that many vegetables, fruits, flowers, and trees can be fed most efficiently through foliar feeding—that is, through applying a liquid fertilizer directly on the foliage of a plant, instead of to the ground around the plant. In this manner, scientists at Michigan State College were able to prove that—in the case of apple trees—90 percent of the fertilizer applied through foliar feeding was actually put to use by the plants, as against 10 percent in the case of fertilizer applied to the ground. It was discovered also that the fertilizer applied on the leaves was consumed by the trees in 10 days, as against the weeks or months needed in the case of ground fertilization. I am sure that the great usefulness of these findings is apparent. With the knowledge secured through radioisotopes, we can now apply specific types of fertilizer to the right parts of plants, at the right times, and thereby secure maximum usefulness of fertilizer at the lowest possible cost. In addition, foliar fertilization can in many cases be done with the same equipment used by the farmer to spray insecticides on his crops or trees. As a matter of fact, in certain cases, the insecticide and fertilizer are mixed and applied at the same time.

Foliar feeding represents only one of the hundreds of improved processes open to agriculture as a result of the use of radioisotopes. The Research and Development Subcommittee has compiled a 75-page public document, outlining the complete story of the atom in agriculture, and I can assure you that it makes absorbing reading for any farmer.

The full truth of the matter, it seems to me, is that we have not yet begun to comprehend the thousand and one ways in which the peaceful atom will affect our everyday lives. We are now barely 10 years into the

atomic age, and it would be very surprising if we could not foresee all the future beneficial applications of the atom. A century ago, for example, when men thought of coal they thought almost entirely of using it as a source of heat. A hundred years ago, almost nobody would have predicted that coal would some day represent the foundation of a tremendous chemical industry—in the form of a base for organic compounds. In the same manner, I believe that we do not now begin to imagine all the constructive uses of atomic energy in the decades ahead.

There are those who regret the fact that man solved the riddle of the atom. Such people would like to turn back the clock of scientific progress, and to go back to the pre-atomic age—an age less filled with opportunities, to be sure, but also an age less filled with great challenges. Yet all recorded history demonstrates that man does not go forward by futile attempts to stop the march of science. Man's problem, instead, has always been to use his discoveries in a manner which would enrich, rather than destroy, life.

It is no different in the case of atomic energy. I cannot believe that mankind—which discovered atomic energy—must now be defeated in its efforts to prevent the atom from being used for the destruction of man. I believe instead that man, having found this great, great new force, now has it in his power to control it. I believe that if our wisdom is great and our courage unfaltering, we will yet make the atom the key which opens the door to a better world of tomorrow.

Take the Public Health Service and the Office of Education Out of Party Politics

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 26, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, the failure of the Department of Health, Education, and Welfare to adopt a workable administration of the Salk vaccine program becomes more tragic each day. As of this moment, a plan has been developed by the Department, but it is very, very late even if it should prove workable. The person directly responsible for the bungling is Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare. Last week she made the incredible statement that "nobody could have foreseen" the demand for the vaccine. She made this statement in spite of the fact that the Government of neighboring Canada had foreseen the need and had innoculated 1 million children without any ill effects. Critics of Mrs. Hobby are being accused of partisanship by some of the Republican leaders. Surely, the health of the children of this Nation transcends partisanship, as does their education. The blunt fact is that a major Government Department has failed dismally and is deserving of honest criticism.

While children all over the Nation waited for enough Salk vaccine to protect them from polio, the Department of Health, Education, and Welfare has bumbled around in a feeble attempt to formulate a plan which they should have had ready a long time ago. The result has been such terrible confusion that no one really knows what is going on. We do know, however, that once again distribution of the vaccine has been stopped and the children are still waiting. It is a disgraceful situation. The Department has announced a "voluntary plan" calling for a $28 million Federal fund to insure that needy children get shots. All of us applauded the suggestion, but we have seen no action on it as yet. Mrs. Hobby, Secretary of the Department, has not defined "needy children." My feeling is that every child in the Nation, regardless of economic status, is needy and that the Department had better get the program straightened out and under way quickly. The question of economic status can be ironed out after all children have been immunized, at least temporarily. Polio germs do not carry Dunn and Bradstreet around with them, of this we can be certain.

It should be clear to everyone by this time that vital technical services like public health and education should not and must not be subjected to party politics.

By their very nature public health and education are nonpartisan. They belong to all the people, and not to just one political party. Today, under party domination, they are the victims of political circumstance, targets of fire by those who believe, with good and sufficient reasons, that these technical services are being capitalized for party advantage. Under the present setup this will continue to be the case.

Let us look at the situation the Office of Education is in for a minute. Because it bears the party banner, the figures of the United States Office of Education on the school-housing crisis are widely challenged. It is charged and denied that figures have been shaped to fit the needs of party politics and political expediency.

Party strife has bedeviled the Office of Education for years. Under the flag of each major party it has had troubles aplenty. John Studebaker under the Democrats and Earl McGrath under the Republicans resigned in protest over party interference.

Dr. Worth McClure, exective secretary, American Association of School Administrators, said recently that—

> The present fiascos in Health and Education bear a stern lesson. For years the medical profession strove to make the Public Health Service an independent agency, only yielded to the Eisenhower administration's request for a trial of HEW. For years the education profession and friends of the schools sought independent status for the United States Office of Education, found themselves alone in opposing establishment of HEW.
>
> The USOE (Office of Education) should be administered by an independent board appointed by the President with the consent of the Senate for long overlapping terms. The board, not a political figure, should appoint the Commissioner.

WHAT YOU CAN DO

You can write your Congressman for a copy of H. R. 5828, a bill to liberate the United States Office of Education, introduced by Congressman FRANK THOMPSON, Jr., of New Jersey. If you like the bill, tell your Congressman so. State presidents should ask their members, their boards, their teachers, and friends of the schools to do likewise.

State conferences and community conferences on education can discuss this question. States interested in Federal aid have a very vital stake in a politically independent Office of Education.

The present sad state of affairs will continue until the Office of Education is freed from party control. Until that is done don't blame the Secretary and the Commissioner. They are caught in the web of party politics from which there is no escape until the web is cut.

The Hoover Commission has now severely criticized the Department of Health, Education, and Welfare, as well as the Bureau of the Budget, for not asking Congress for money for a vast backlog of medical research projects. Some of these, it indicated, might yield dramatic results, comparable to the Salk vaccine discovery. In its report to the Congress on May 31, the Commission lashed out at inadequate support of medical schools where research technicians are trained and much basic medical research is done. It said that no greater instance of university research could be cited than the work of Dr. Jonas E. Salk on the new polio vaccine at the University of Pittsburgh.

Noting that the Nation is short of both technicians and doctors, the Commission said "We cannot afford stagnation of our medical research in our medical schools or the training of our physicians."

It went on to say that a backlog of 723 important research projects totaling about $7,400,000 are lined up in the National Institutes of Health. It said, however, that the National Institutes of Health predicts it will not start any in the fiscal year starting July 1 "because funds have not been requested by the Department of Health, Education, and Welfare (which runs the National Institutes of Health) or the Bureau of the Budget. We are concerned over the apparent failure of the executive branch to indicate these backlog projects to the Congress," the Commission said.

For the information of my colleagues, I include here an editorial from the Trenton Evening Times, the splendid statement by Dr. McClure, a letter by Dr. Frederick Hipp, executive secretary, New Jersey Education Association, and an article by Cyril J. O'Brien, able Washington correspondent of the Trentonian, all of which discuss various aspects of one of the most important issues facing the country today:

[From the Trenton Evening Times of May 25, 1955]

MAGNIFICENT?

The American people, caught in the disgraceful snarl involving the Salk vaccine program, may be pardoned for wondering why Canada has been able to meet this challenge in an orderly and efficient manner while we have been bogged down in confusion.

Canada tested school children last year with vaccine produced in the nonprofit Connaught Medical Research Laboratories affiliated with the University of Toronto. With as much—but no more—advance notice

as we had that tests of the vaccine would prove overwhelmingly favorable, Canada's Minister of Health placed orders with the same laboratories for all the vaccine needed to inoculate all school children. He then contracted with the governments of the nine provinces to purchase their shares on a 50–50 basis. The Connaught Laboratories made all its tests last year, before any clamor could develop or any demand was imperative.

More than a million Canadian children have now received their first shot and will get another before the school term ends. Not one child has contracted polio after vaccination and the Government has announced that in spite of United States experience, it sees no reason to suspend its program.

Canadian authorities, who have felt no pressure and have had complete control at all times, have privately attributed some of our troubles to "pressures" generated by shortages and popular demand. A similar conclusion is implicit in the declaration by Basil O'Connor, president of the National Foundation for Infantile Paralysis, that "when you solve a problem in research it becomes subject to politics, supply and demand, and the economic factors of competition."

In the light of the dismal record, the comment of Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, that "no one could have foreseen the public demand for the Salk vaccine," becomes incredibly inane. And President Eisenhower's characterization of the job done by Mrs. Hobby as "magnificent" is fatuous.

THE SECRETARY'S LETTER

AMERICAN ASSOCIATION OF
SCHOOL ADMINISTRATORS,
Washington, D. C., May 20, 1955.

Don't blame Secretary Hobby.

Don't blame the United States Public Health Service.

Don't blame the United States Office of Education.

Don't blame their political attackers.

Blame instead the stupid governmental setup which subjects vital technical services like public health and education to party politics.

By their very nature public health and education are nonpartisan. They belong to all the people, not to just one political party. Today under party domination they are the victims of political circumstance, targets of fire by those who suspicion their technical services are being capitalized for party advantage. And it will always be so under the present setup.

Today, because it bears the party flag, the United States Public Health Service and its charming political superior, the Secretary of HEW, are haled before congressional investigating committees. Amid a welter of accusations, the campaign against crippling polio marks time.

Don't blame the attackers. That's party politics.

How very fortunate for American boys and girls that the National Foundation for Infantile Paralysis is a nonpartisan institution.

Because it bears the party banner, figures of the United States Office of Education on the school-housing crisis are widely challenged. It is charged and denied that figures have been shaped to fit political expediency. Demands have been made that both the Commissioner and his superior, the Secretary of HEW, resign. Sad thing is that, true or not, in a time of school crisis when its services are most needed, the voice of the USOE is heard with suspicion by large portions of public and Congress.

Party strife has bedeviled the USOE for years. Under the flag of each major party it has had troubles aplenty. John Studebaker, under the Democrats, and Earl McGrath, under the Republicans, resigned in protest over party interference.

WHEN WILL HEALTH AND EDUCATION LEARN?

The present fiascos in Health and Education bear a stern lesson. For years the medical profession strove to make the Public Health Service an independent agency, only yielded to the Eisenhower administration's request for a trial of HEW. For years the education profession and friends of the schools sought independent status for the United States Office of Education, found themselves alone in opposing establishment of HEW.

The USOE should be administered by an independent Board appointed by the President with the consent of the Senate for long overlapping terms. The Board, not a political figure, should appoint the Commissioner.

WHAT YOU CAN DO

You can write your Congressman for a copy of H. R. 5828, a bill to liberate the United States Office of Education, introduced by Congressman FRANK THOMPSON, Jr., of New Jersey. If you like the bill, tell your Congressman so. State presidents should ask their members, their boards, their teachers, and friends of the schools to do likewise.

State conferences and community conferences on education can discuss this question. States interested in Federal aid have a very vital stake in a politically independent Office of Education.

The present sad state of affairs will continue until the Office of Education is freed from party control. Until that is done don't blame the Secretary and the Commissioner. They are caught in the web of party politics from which there is no escape until the web is cut.

Yours truly,

WORTH MCCLURE,
Executive Secretary.

NEW JERSEY EDUCATION ASSOCIATION,
Trenton, N. J., May 10, 1955.

Mr. CYRIL J. O'BRIEN,
Silver Spring, Md.

DEAR MR. O'BRIEN: I heartily endorse Congressman FRANK THOMPSON's bill to establish a National Board of Education that would appoint the United States Commissioner of Education.

The present status of the United States Commissioner of Education makes him a direct tool of the political party in power. Two Commissioners of Education have resigned in recent years because they could not tolerate the political position in which they found themselves. The present United States Commissioner of Education, appointed by President Eisenhower, was an eminent educator and highly respected. However, he has already lost the confidence of leading educators in the Nation because he has been attempting to carry out the dictates of the political leaders in Washington.

Education deserves something far better than this. The United States Office of Education should not be subject to the whims of a political party. Congressman THOMPSON's bill is a very good bill and deserves the support of every Senator and Representative.

Very sincerely yours,

FREDERICK L. HIPP,
Executive Secretary.

[From the Trenton Trentonian of May 26, 1955]

TRENTON GOES TO WASHINGTON—THOMPSON BILL WOULD CUT EDUCATION-POLITICS TIES

(By Cyril J. O'Brien)

WASHINGTON, May 25.—Don't blame Secretary Hobby, the United States Public Health Service or their political attackers in all of the furore of charges and countercharges in the alleged mishandling of the polio vaccine.

It all goes much deeper than that. The roots of the blame lie in a governmental setup which subjects vital technical services like personal health and education to party politics.

By their very nature, public health and education are nonpartisan. They belong to all the people, not to just one political party. Today, under party domination, they are the victims of political circumstance, targets of fire by those who suspect their services are being capitalized for party advantage. And it will always be so under the present Federal system.

This was essentially the warning this week of the high-powered American Association of School Administrators. Their premise had the backing of the National Education Association, the National Council of Chief State School Officers, and other educational associations and educators.

There was good reason for sounding off this week for finally on the records of the Congress there was a vitally significant bill aimed at changing this damaging and dangerously political pattern. It is H. R. 5828 introduced by Congressman FRANK THOMPSON to sever politics and the Office of Education by making the latter a totally independent office.

BOARD WOULD APPOINT COMMISSIONER

The Office of Education would be under the control of a general board of education composed of distinguished citizens appointed by the President with consent of the Senate for long overlapping terms. Such a board would appoint the Commissioner of Education instead of the President as is now the case. It would not be a Cabinet post, and an arm of the administration. It would belong to the people guided by the sober judgment of nonpartisan laymen, looking to a professional executive office to suggest programs of evaluation, amendment, or approval.

This national board, of course, would have no jurisdiction over State or local curriculum or other educational policies. Actually, the functions of the Office of Education would remain exactly as now defined in statutes.

Strongly endorsing Congressman THOMPSON's bill is Dr. Frederick L. Hipp, executive secretary of the New Jersey Education Association. He said:

"The present status of the Commissioner of Education makes him a direct tool of the political party in power. Two Commissioners of Education have resigned in recent years because they could not tolerate the political position in which they found themselves.

"The present United States Commissioner of Education appointed by President Eisenhower was an eminent educator and highly respected. However, he has already lost the confidence of leading educators in the Nation because he has been attempting to carry out the dictates of the political leaders in Washington.

"Education deserves something far better than this. The United States Office of Education should not be subject to the whims of a political party.

"Congressman THOMPSON's bill is a very good bill and deserves the support of every Senator and Representative."

[From the Washington Post and Times Herald of June 1, 1955]

HOOVER FAVORS RISE IN RESEARCH

(By Lee Nichols)

The Hoover Commission told Congress yesterday that the armed services have too little "daring and imagination" in developing

"radical" new weapons and are neglecting "basic" research such as led to the atomic bomb.

The Commission's task force noted that research, development, and design operations "are, in general, best performed by civilian agencies." The Commission advisers proposed that some $125 million such work now performed by the military be shifted to colleges, nonprofit institutions, and industrial concerns.

In its report to the lawmakers the Commission also rapped Mrs. Oveta Culp Hobby's Welfare Department and President Eisenhower's Budget Bureau for not asking Congress for money for a vast backlog of medical research projects. Some of these, it indicated, might yield "dramatic" results comparable to the Salk vaccine discovery.

The Commission, headed by former President Herbert Hoover, made public its latest report on Government reforms. It deals with the Government's vast research activities. It said this work now is handled by 29 agencies and is slated to cost some $2,400,000,000 in the fiscal year starting July 1.

MOST OF IT FOR MILITARY

Of this sum, about $2,050,000,000 is planned for military research, a vast jump from the $29 million spent on figuring out new weapons in 1940.

But the Commission, indicating it does not even think this huge sum is adequate, said United States strategy and tactics can keep ahead of those of potential aggressors "only to the extent that research and development provide superior design of weapons."

The Commission indorsed 13 of 15 recommendations by its military research task force, headed by Mervin J. Kelly, president of Bell Telephone Laboratories, Inc. It said these could be put into effect by the military agencies without congressional action.

Included was a proposal to set up a committee of "outstanding basic and applied scientists" to "canvass periodically the needs and opportunities * * * for radically new weapons systems."

The committee would be appointed by the Assistant Defense Secretary for Research and Development, who would carry out its recommendations "where action is indicated."

In making this proposal, the task force said it agreed with criticism that the Armed Forces "are not sufficiently daring and imaginative in their approach to radically new weapons and weapons systems."

The task force also recommended that "basic research" by the military be "significantly increased" beyond its present $20 million yearly level. The group noted that basic research is behind all progress in new weapons, and termed the present rate of this fundamental research by the military services inadequate.

Basic research is the study of fundamental scientific principles and phenomena, not necessarily aimed at any immediate use.

Many of the task force's other recommendations involved reorganization of the research setup of the military services. It found much to praise in recent improvements, particularly in the Air Force, and much to criticize.

It called for new assistant secretaries for research in the Army, Navy, and Air Force, similar to that office already in existence in the Defense Department.

It urged that the customary job rotation of military officers be reduced for research experts. It said current practices ignore the urgent need for increased specialization.

The task force said the military arms should study their growing needs for technical officers and if need be, as the task force expects, provide generally for an expanding number of trained research officers.

The Commission did not specifically endorse this recommendation, saying only that it would require legislation. The Commission did recommend longer duty tours for military officers in research work, as its task force proposed, and said such officers should be given the same rights and promotions as if they were rotated to other jobs.

UNIVERSITY WORK PRAISED

The Commission lashed out at inadequate support of medical schools where research technicians are trained and much basic medical research is done.

It said "no greater instance" of university research could be cited than the work of Dr. Jonas E. Salk on the new polio vaccine at the University of Pittsburgh.

Noting that the Nation is short of both technicians and doctors, the Commission said "we cannot afford stagnation of our medical research in our medical schools or the training of our physicians."

It went on to say that a backlog of 723 important research projects totaling about $7,400,000 are lined up in the National Institutes of Health. But it said the NIH predicts it will not start any in the fiscal year starting July 1 "because funds have not been requested by the Department of Health, Education, and Welfare (which runs the NIH) or the Bureau of the Budget."

"We are concerned over the apparent failure of the executive branch to indicate these backlog projects to the Congress," the Commission said.

Attorney General Herbert Brownell, Jr., a Commission member, said on this, however, that information on the subject is conveyed to Members of Congress during budget hearings.

"Possibly, this results from the belief that Congress will be more receptive to requests for funds devoted to projects likely to produce startling and dramatic results," the Commission said. "But it should be noted that there are also the dramatic accomplishments of basic and medical research."

Give Surplus Food to the Unemployed

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1955

Mr. LANE. Mr. Speaker, after passing out billions of dollars to help other nations, it is time that we showed a little consideration for needy Americans.

There has been a conspiracy of secrecy to ignore the labor-surplus areas throughout the United States.

Every appeal to the United States Government for assistance has been ignored.

"Sssshhh—do not speak about such matters. They interfere with business. Confidence is the word."

When we insisted that the thousands of unemployed concentrated in a few areas could not wait 1, or 3, or 10 years for the economic recovery that would solve the problem of getting 3 meals a day the facing up to this human issue was always postponed.

It was considered indelicate to mention such fundamentals.

Distressing, in fact.

Then the counterpsychology started. Put the unemployed out of sight and out of mind. The problem would vaguely solve itself.

Unfortunately, this cannot be done.

We have spot areas of unemployment, where the hungry cannot be ordered into a state of suspended animation to wait for a leisurely solution to their problem.

Relief must flow to them from the bulging storehouse of surplus farm commodities. Even here the food needs of the unemployed who have no jobs or money with which to acquire food, are subordinated to the so-called integrity of our agricultural program. While all of us are sympathetic toward the special problems of the farmer, and bearing in mind that the Government has been most generous toward him, we also recognize that the unemployed are entitled to some form of relief.

Inasmuch as H. R. 2851 would provide for the distribution of such surpluses only among a handful of labor-surplus and disaster areas, I fail to see how this program would adversely affect the normal channels of distribution throughout the Nation as a whole.

The first and foremost fact is that the large number of unemployed who are concentrated in a few areas, cannot be helped by the communities involved, or by private—as distinguished from public—welfare agencies, or both.

The second fact is that the Federal Government has huge stocks of surplus farm commodities that will rot unless we put them to good use.

The farmer can always manage to raise some food for his own family, and to secure some income, thanks to the benevolence of the Federal Government.

The miner or the textile worker, living in areas where thousands of jobs have disappeared—with few replacements—has difficulty in getting any food or any income.

Are we going to quibble over the terms "areas of substantial labor surplus" and "major disaster areas" because of pride and sensitivity, while many people go in want?

To my way of thinking, this is a false and selfish pride.

Even though an area may be included in one of the above designations, the program authorized in the bill will not become operative therein until, first, the Governor of the State has certified to the Secretary of Health, Education, and Welfare that there is acute distress in the area because of the conditions prevailing there; and, second, arrangements satisfactory to the Secretary have been made with a properly designated State agency for distribution of the food within the area.

Public opinion will say that the House of Representatives has done well in passing this bill.

Disposing of surplus farm commodities acquired by the United States Government through price-support operations for the benefit of the needy will help substantially in meeting two separate problems.

SENATE

FRIDAY, MAY 27, 1955

(Legislative day of Monday, May 2, 1955)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, Thou hast made all the highways of our hearts to lead to Thee. Thou hast so formed our being that its deepest cravings are satisfied only in Thee.

We lift into the light of Thy presence the common interests and the great spiritual traditions that bind us all together. For our Nation and its chosen leaders and for the whole body of our citizens in this time of testing we pray Thy guidance. In all our decisions set our souls on high levels of thinking and acting. In this dangerous yet glorious day, when we must choose for ourselves and our civilization life or death, the blessing or the curse, freedom or slavery, grant us the grace in scorn of consequences to set our wills on values worth living for and, if need be, worth dying for. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 26, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

AMENDMENT OF REFUGEE RELIEF ACT OF 1953—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 173)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read and referred to the Committee on the Judiciary.

(For President's message, see today's proceedings of the House of Representatives.)

LEAVE OF ABSENCE

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that next week, following Memorial Day, Monday, I may be excused from attendance on the sessions of the Senate, and also on the following Monday, because of official business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Selden Chapin, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary to Iran; and

Richard Lee Jones, of Illinois, to be Ambassador Extraordinary and Plenipotentiary to Liberia.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

COMMISSIONER OF THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Robert E. McLaughlin to be a Commissioner of the District of Columbia.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of George E. C. Hayes to be a member of the Public Utilities Commission of the District of Columbia, for the remainder of the term expiring June 30, 1955.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of George E. C. Hayes, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years expiring June 30, 1958.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. JOHNSON of Texas. Mr. President, I ask that Navy nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Navy nominations are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the customary morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON NUMBER OF ARMY COMMISSIONED OFFICERS AND WARRANT OFFICERS ASSIGNED TO HEADQUARTERS OF THE ARMY

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on the number of officers on duty with the Department of the Army and the Army General Staff on March 31, 1955 (with accompanying papers); to the Committee on Armed Services.

REPORT ON DEPOT UTILIZATION BY COMMISSION ON ORGANIZATION OF EXECUTIVE BRANCH

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, its report on Depot Utilization, dated May 1955 (with an accompanying report); to the Committee on Government Operations.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Michael George Ahee aka Mike George and Mike Abdellah from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on January 17, 1955; to the Committee on the Judiciary.

REPORT OF NATIONAL LABOR RELATIONS BOARD

A letter from the Chairman, National Labor Relations Board, Washington, D. C., transmitting, pursuant to law, a report of that Board, for the year ended June 30, 1954 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT ON PERSONNEL UNDER SUPERVISION OF NATIONAL LABOR RELATIONS BOARD

A letter from the Chairman, National Labor Relations Board, Washington, D. C., transmitting, pursuant to law, a report containing the names, salaries, and duties of all employees and officers in the employ or under the supervision of the National Labor Relations Board, together with a list of all cases heard or decided by that Board, for the fiscal year ended June 30, 1954 (with accompanying papers); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Vermont, requesting the extension of the provisions of old-age and survivors insurance and the old-age assistance program; to the Committee on Finance.

(See joint resolution printed in full when presented by Mr. AIKEN on May 26, 1955, p. 7078, CONGRESSIONAL RECORD.)

A resolution adopted by the board of supervisors, Kern County, Calif., favoring the enactment of legislation to make avail-

able to the State of California surplus waters from the Delta-Mendota Canal; to the Committee on Interior and Insular Affairs.

A resolution adopted by the California Highway Commission, at Sacramento, Calif., relating to a Federal interstate system of highways; ordered to lie on the table.

A resolution adopted by the Wisconsin Household Goods Carriers' Association, Manitowoc, Wis., favoring a national system of highways (with an accompanying paper); ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MORSE, from the Committee on the District of Columbia:

S. 1289. A bill to establish a family court in and for the District of Columbia; with amendments (Rept. No. 384).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

H. R. 4817. A bill relating to the payment of money orders; without amendment (Rept. No. 385).

AMENDMENT OF MUTUAL SECURITY ACT OF 1954—REPORT OF A COMMITTEE

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, the Chair reports an original bill to amend the Mutual Security Act of 1954, and for other purposes, and submits a report (No. 383) thereon.

The report will be received, and the bill will be placed on the calendar.

The bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes, was placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 2090. A bill to amend the Mutual Security Act of 1954, and for other purposes; placed on the calendar.

(See the remarks of Mr. GEORGE when he reported the above bill, from the Committeen on Foreign Relations, which appear under a separate heading.)

By Mr. DIRKSEN:

S. 2091. A bill authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.; to the Committee on Public Works.

By Mr. SCHOEPPEL:

S. 2092. A bill transferring to the jurisdiction of the Department of the Army the bridge across the Missouri River between the Fort Leavenworth Military Reservation in Kansas and Platte County, Mo., and authorizing its removal; to the Committee on Public Works.

By Mr. CASE of South Dakota (for himself and Mr. MUNDT):

S. 2093. A bill to authorize the Secretary of the Army, acting through the Corps of Engineers, to undertake certain public works and grant compensation for certain property damages as a result of the construction of the Oahe, Gavins Point, and Fort Randall Dams and Reservoir projects, Missouri River; to the Committee on Public Works.

By Mr. POTTER:

S. 2094. A bill to amend title II of the Social Security Act so as to reduce from 65 to 60 years the age at which wives and widows may qualify for old age and survivors insurance benefits and to provide for the payment of disability insurance benefits; to the Committee on Finance.

S. 2095. A bill for the relief of Giuseppe Culcasi; to the Committee on the Judiciary.

(See the remarks of Mr. POTTER when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. WATKINS (for himself and Mr. BENNETT):

S. 2096. A bill to permit the States to select mineral lands in lieu of public lands granted to them for school purposes under certain conditions; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. WATKINS when he introduced the above bill, which appear under a separate heading.)

By Mr. ELLENDER (by request):

S. 2097. A bill to authorize the transfer to the Department of Agriculture, for agricultural purposes, of certain real property in St. Croix, V. I.;

S. 2098. A bill to amend Public Law 83, 83d Congress; and

S. 2099. A bill to amend the Bankhead-Jones Farm Tenant Act to provide more adequate credit for low-income farmers, including part-time farmers; to the Committee on Agriculture and Forestry.

By Mr. THURMOND:

S. 2100. A bill to prohibit agencies of the United States from entering into contracts under which private contractors are constituted agents of the United States to purchase property necessary to carry out such contracts; to the Committee on Government Operations.

(See the remarks of Mr. THURMOND when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2101. A bill to protect and preserve the national wildlife refuges, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

AMENDMENT OF SOCIAL SECURITY ACT, RELATING TO REDUCTION OF AGE AT WHICH WIVES AND WIDOWS MAY QUALIFY FOR CERTAIN BENEFITS

Mr. POTTER. Mr. President, I introduce for appropriate reference, a bill which proposes an amendment to title II of the Social Security Act, so as to reduce from 65 to 60 years the age at which wives and widows may qualify for old age and survivors insurance benefits, and to provide for the payment of disability insurance benefits.

The Social Security Act assures the worker and his dependents a certain amount of security upon reaching age 65. Benefits for the widow of a wage earner are provided when she reaches the age of 65. While it cannot be denied that the Social Security Act as it stands today is a decided benefit to our workers, it must also be recognized that we can and must make further changes.

Statistics have shown that in this country a man generally marries a woman several years younger than himself. The present act, however, does not conform with this finding. Under existing law, a wife must wait until she, too, is 65 before she can collect her social security benefits. Until that time, she must live on the small benefits her husband receives.

The widow of a wage earner must wait until she is 65 to collect benefits. We have neglected to cover her needs prior to reaching this age. How can we expect a widow at the age of 60 to look for employment, when experience has shown that a man or a woman 20 years her junior is considered too old by the average employer? Furthermore, the opportunity for employment is greatly lessened at the age of 60 for the average housewife, because of her limited experience in the business world. Statistics have shown that 90 percent of the widows of workers are in need of old age and survivors benefits.

The third part of the bill provides for the payment of disability insurance benefits to individuals who are covered by the Social Security Act, but who have been disabled prior to attaining the age of 65. In the light of hospital and medical costs today, many life savings are spent in a matter of months when the family breadwinner becomes physically disabled. I think all of us recognize the importance of providing for the worker during his period of disability. Security during this period is equally as important as it is at the age of 65. In both instances, we must recognize the necessity of providing security during a period when the party is unemployable.

We have devoted many hours of study to providing security for the worker and his dependents. We have made progress. I strongly urge adoption of the improvements set forth in the amendments I propose.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2094) to amend title II of the Social Security Act so as to reduce from 65 to 60 years the age at which wives and widows may qualify for old age and survivors insurance benefits and to provide for the payment of disability insurance benefits, introduced by Mr. POTTER, was received, read twice by its title, and referred to the Committee on Finance.

STATE SELECTION OF MINERAL LANDS IN LIEU OF CERTAIN PUBLIC LANDS

Mr. WATKINS. Mr. President, on behalf of myself, and my colleague, the junior Senator from Utah [Mr. BENNETT], I introduce, for appropriate reference, a bill to permit the States to select mineral lands in lieu of public lands granted to them for school purposes under certain conditions.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2096) to permit the States to select mineral lands in lieu of public lands granted to them for school purposes under certain conditions, introduced by Mr. WATKINS (for himself and Mr. BENNETT), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. WATKINS. Mr. President, I desire to make a brief statement in explanation of the bill just introduced, which would provide an opportunity for

States, whose school land sections have been precluded from transfer by mineral claims or applications prior to survey, to make selections in lieu thereof from other mineralized public lands.

My colleague, the junior Senator from Utah [Mr. BENNETT] is joining me in sponsoring this measure.

This legislative proposal was prompted by a current situation in my home State which places the Federal Government in the role of depriving the school children of Utah of valuable uranium lands. The situation also applies to a lesser degree in Arizona and California, which also have large unsurveyed Federal acreage.

At the time of statehood, in 1896, four sections in each township of the public domain were assigned to the State of Utah for a permanent public-school endowment fund.

In 1954, half a century after the transfer was supposed to take place, some 5½ million acres of Federal lands in Utah, outside of permanent Federal reservations, remained unsurveyed, a factor which precludes transfer of such lands to the State.

When I first came to Congress, I introduced a bill to complete the cadastral survey in the Western States. At that time there was little mineral exploration going forward in those apparently worthless desert lands. However, that bill was loaded up with additional surveying authorizations to the point that it failed to obtain favorable consideration

Let me say, in explanation of that point, that the bill as introduced by me, called for authorization of less than $40 million. However, when the amendments from the various departments were added, the total authorization was expanded to approximately $150 million.

Thanks largely to the interest and foresight of Director Edward Woozley, of the Bureau of Land Management, and Secretary McKay, of the Department of the Interior, additional funds were requested for cadastral survey work in the fiscal year 1955, and an accelerated program of survey work was undertaken in Utah and other public-land States. The current Department of the Interior appropriation bill permits continuation of this program on the same level.

By the end of this fiscal year, Director Woozley has informed me, survey work will be completed on 1¼ million acres of Federal lands in Utah, making possible the transfer of some 213 school sections to the State of Utah.

However, this gratifying work of the Bureau of Land Management now can prove to be seriously reduced, in effect, because of the wording of the law on such transfers. The law provides that such lands cannot be transferred to the State if a mining claim or an application therefor applies to the assigned section. And since this survey work was done in the most extensively explored part of Utah's uranium district, it is likely that many of these assigned school sections are already covered by applications for uranium-mining claims.

Furthermore, if the State desires to make a selection of other Federal sections in lieu thereof, the law prescribes that such land selected can only be transferred without mineral rights.

This means that because of the wording of that law, coupled with the extreme and unjustified delay in Federal survey work during the past quarter century, the school funds of the States affected will now be given the choice of accepting nonmineralized land in exchange for valuable uranium-bearing lands, the revenue from which should now be going into the respective State school funds.

This bill proposes that the law pertaining to lieu selections of public lands be modified, so as to permit the States which are so deprived of assigned mineral-bearing lands for school use, to select mineralized Federal lands in their stead.

This action is eminently justified, and will enable the Congress to avoid giving serious additional injury to State school funds, which already have been deprived of considerable revenue, by the failure of the Federal Government to complete the survey of the public domain and to effect the long-delayed transfer of these assigned school sections.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. CASE of South Dakota. Let me say to the distinguished Senator from Utah that the other day the Senators from South Dakota introduced a bill which is designed to cover the problem of lieu lands, or the grant of lands where there is fissionable material which may be mined. It applies particularly to areas in the so-called coal classified lands, and especially to lignite lands, but I think the language is general enough to take care of lands granted to States in lieu of other lands—indemnity lands.

Mr. WATKINS. I am very much interested to learn that such a bill has been introduced, and I will take immediate steps to become acquainted with its provisions. I hope that from the measure which has been introduced there will evolve legislation which will be fair to the States.

It has been many years since Utah was admitted as a State. At the rate the Federal Government has been surveying unsurveyed lands in the State of Utah, it would require probably a hundred to 150 years to complete the job. In the meantime valuable uranium lands and other mineral lands are being prospected, and the State is being deprived of the opportunity of obtaining such land.

Mr. CASE of South Dakota. The school endowments deserve to be protected.

Mr. WATKINS. They certainly should be. I appreciate the Senator's suggestion.

PROHIBITION AGAINST CERTAIN CONTRACTS BEING ENTERED INTO BY FEDERAL AGENCIES

Mr. THURMOND. Mr. President, last week I had printed in the RECORD a concurrent resolution of the General Assembly of the State of South Carolina which requested Congress to prohibit agencies of the United States from entering into contracts under which private contractors are constituted agents of the United States for the purchase of property necessary to carry out such contracts. The purpose of the resolution is to enable the 32 States which have sales taxes to continue to collect such taxes.

I now introduce, for appropriate reference, a bill to prohibit agencies of the United States from entering into contracts under which private contractors are constituted agents of the United States to purchase property necessary to carry out such contracts. If enacted, the bill will remedy the situation to which I have referred.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2100) to prohibit agencies of the United States from entering into contracts under which private contractors are constituted agents of the United States to purchase property necessary to carry out such contracts, introduced by Mr. THURMOND, was received, read twice by its title, and referred to the Committee on Government Operations.

PROTECTION AND PRESERVATION OF NATIONAL WILDLIFE REFUGES

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference, a bill to protect and preserve the national wildlife refuges of our country.

Under present authority, one man can wipe out our wildlife refuges—without hearings, without advance public notice, without discussion with outdoorsmen and conservationists.

That power rests with the Secretary of the Interior. He can blot out a million-acre refuge, or open one to commercial interests, merely by putting his signature on an administrative order.

I just do not believe any one man should have such vast powers of life and death over our hard-won system of Federal wildlife refuges.

Mr. President, I ask unanimous consent that the bill, a companion to H. R. 5306, introduced in the House by Representative METCALF, be printed in the body of the RECORD at this point, together with an article from the June issue of Sports Afield, entitled "One Man Can Wipe Out Our Wildlife Refuges," describing the situation which my bill is intended to correct.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and article will be printed in the RECORD.

The bill (S. 2101) to protect and preserve the national wildlife refuges, and for other purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, for the purpose of wildlife conservation, it is the policy of the Congress to maintain and preserve the areas of the national wildlife refuges; and the Secretary of the Interior shall not dispose of, or relinquish any of the national wildlife refuges, or parts thereof, without the prior approval of the Congress.

The article presented by Mr. HUMPHREY is as follows:

ONE MAN CAN WIPE OUT OUR WILDLIFE REFUGES

(By Arthur H. Carhart)

By merely signing a typewritten order, one man can wipe out great national wildlife refuges. In the same way, he may open the gate to oil drillers, stockmen, rocket shooters, or others who would overrun our refuges and destroy their value to wildlife.

This appointed official can take such action without hearings, advance public notice, or discussion with outdoorsmen and conservationists. He can blot out a million-acre refuge, or open one to commercial interests, merely by putting his signature on an administrative order.

Who is the man with such life-and-death power over our Federal wildlife refuge system? He's Secretary of the Interior Douglas McKay.

But perhaps you believe that such administrative orders would never be given. Maybe not. But let's look at the evidence.

Whiffs of what's cooking leaked out, and Sports Afield said, "Dig into this and report." Here's what was uncovered by 6,000 miles of travel, visits to threatened refuges in 6 States, and weeks of probing.

At least 40 refuges appear to be in immediate jeopardy. And though abandonment proposals are more in the open for some great game refuges in the West, the pattern holds black implications of what may be ahead all across the Nation.

We have 254 Federal refuges in 40 States; and 18 in Alaska, Hawaii, and Puerto Rico. They contain about 17½ million acres—less than 1 percent of the total area of the Nation.

Their sizes and critical services vary greatly. The 210-acre Great Meadows Refuge in Massachusetts is a little haven for migrating waterfowl; the 38,933-acre Noxubee in Mississippi is a winter home for ducks and geese—breeding stock flying northward to summer nesting. The lower Souris in North Dakota, seriously threatened by both oil drillers and a Reclamation Bureau scheme, contains 58,571 acres, vital nesting grounds for waterfowl, prairie chickens, and sharp-tailed grouse.

The 23,648-acre National Elk Refuge in Wyoming saved and now maintains the biggest elk herd in the Nation. This refuge provides excellent hunting in adjacent acres by supplying indispensible wintering grounds for the elk.

In the Southwest the Kofa, Cabeza Prieta, and desert refuges undoubtedly saved the magnificent desert bighorn sheep from extinction; they've built up flocks so that limited hunting has been permitted for several seasons.

Each refuge meets definite, high-priority needs of one or many types of game. They protect scarce or important species from decimation or extinction. They produce stock that can be transplanted to suitable, unpopulated areas. They are testing stations for game-management programs that, when proven out, can be applied to millions of other acres in other localities.

These refuges are so small a percentage of our Nation's area, and so vital, that any official who would reduce their acreage or allow uses that would dispossess the birds and animals on them, would deal a grievous blow to our wildlife.

This is no local issue. It's nationwide.

The issue is this: Will the Secretary of the Interior hold fast to gains in our Federal refuge system? Or by using the power he has, will be proceed to wipe out some refuges completely and allow conflicting uses in others that will degrade their wildlife values? Are we about to see a creeping disintegration of the whole Federal wildlife refuge system?

The first solid step of what appears to be a plotted course, is an official memorandum signed on March 31 last year by Assistant Secretary Orme Lewis and Under Secretary Ralph A. Tudor. The memo established a five-man survey team to overhaul the United States Fish and Wildlife Service, the Interior Department agency that supervises the Federal refuge system.

On June 2 last year, "after 6 weeks of intensive study and investigation," the team reported. There's no question of the integrity and good intentions of the men in that group. They probably didn't know the grief some statements about national wildlife refuges might bring.

They first recommended that "all existing refuges should be subjected to critical scrutiny to determine if they fit the overall objectives and responsibilities of the Service." That could be a constructive angle.

But the fuse that can blow the main demolition charge is this statement by the team: "There are certain existing refuges the continued maintenance of which under Federal control seems of doubtful value."

That gave Interior the springboard to make the next jump. Early this year, a directive went out to the regional directors of the United States Fish and Wildlife Service to study refuges, with a plain suggestion of abandoning any of doubtful value.

That survey team may or may not have known that 3 of the 5 regional directors of the Fish and Wildlife Service already, either by act or statement, have shown positively their inclination to move out of large Federal wildlife refuges and let other interests take over. This move could do untold harm.

The threats to our refuges vary. The best way to understand what's going on is to scan some case histories.

There's a good illustration of the overall picture in the Hart Mountain National Antelope Refuge of southeastern Oregon and the famous, nearby Charles Sheldon National Antelope Refuge.

Both of these refuges are mountain masses bulging up out of semidesert flats. They contain high-country grasslands, spots of forest, rough canyons, and, most important of all, vital watering places.

The Sheldon Refuge was one of the first areas to be dedicated to protecting vanishing wildlife. More than 30 years ago, Dr. T. Gilbert Pearson, then president of the National Audubon Society, visited the area. He learned about the desperate plight of the antelope and began talking about a refuge to save the remnants.

In 1919 Martin S. Garretson, secretary of the American Bison Society, spent days in the area appraising the situation. Garretson found antelope shot and used for wolf bait. He was told there were herds of "thousands" in that section. But methodical checking indicated there were less than 200 animals.

Aroused, the Audubon Society and the Boone and Crockett Club raised funds and bought 2,377 acres of key lands from private owners to make the refuge project feasible. These lands were donated to the people of the United States. Federal funds were used to purchase over 300 additional acres of private lands. And President Hoover, on January 26, 1931, issued an Executive order establishing the refuge, and adding public domain so the total mounted to 31,439 acres on which wildlife welfare has first position.

This first unit, known as Little Sheldon, did not contain vital winter range. The Audubon Society bought and donated additional properties, the Government spent $153,926 to secure 23,881 key acres, and 520,525 acres of public domain were added, to set up the Charles Sheldon Antelope Range, surrounding and supplementing the Little Sheldon.

Nearby Hart Mountain was made into a refuge because many of the antelope move back and forth between it and the Sheldon, finding good kidding grounds and summer range at Hart Mountain. The Government purchased 57,898 acres of private lands in the Hart Mountain area for $250,422, added enough public domain to bring the unit up to 240,644 acres.

The two areas—Hart Mountain and Sheldon—are segments of one management unit, none of which can be so well managed if any portion is cast out.

In 1919 Garretson counted 200 antelope in the vicinity, now there are 6,000 to 7,000 head using 2 refuges. In addition there are mule deer, sage grouse, and a host of other wildlife, dependent on the refuge areas.

In the early 1930's, Dr. Olaus Murie studied the range on the Sheldon and found it being grazed down to nubbins. But now the range has come back. There still are 500 to 600 head of cattle grazed on the Sheldon game range, because that portion of this reserve is under the joint jurisdiction of the Fish and Wildlife Service and the Bureau of Land Management, successor to the old Grazing Service. But there is genuine local cooperation between agencies, and wildlife at least gets a decent break on the Sheldon game range.

The drift from these refuges has restocked surrounding areas; there is open-season hunting there. Deer hunting is allowed within the refuges in designated areas and ways; it's necessary to keep the animals in balance with the available forage resources. That's the record of Sheldon and Hart Mountain.

These two refuges are in region 1 of the United States Fish and Wildlife Service. Regional Director is Leo J. Laythe. When asked if recommendations of the five-man survey team would lead to the Fish and Wildlife Service getting out of these refuges, he said frankly he was inclined "to turn them over to the States for management." He explained that this would be "purely a matter of economics"; that the Service's funds were too small to do a job at Hart Mountain and Sheldon.

The same Mr. Laythe later said emphatically there was no move on for the service to dump the refuges. Apparently turning them over to the States wouldn't constitute dumping.

If you know the pattern of Western States politics you realize how stockmen dominate the scene. After 20 years of range and wildlife management, the Sheldon and Hart Mountain areas look like a cow paradise to stockmen. The forage has come back since overloading ended; your money and mine has built excellent watering places. It would be slick to have this area subject to local politics and pressures.

Men who know how State lands have been handled in the past figure that turning the refuges over the States for management would just be one step in a series that even the best-intentioned department couldn't ward off surrender to grazing interests.

Regardless of Leo Laythe's declaration that there is no more to dump these refuges, one of his staff certainly did approach the Oregon State Game Commission, feeling out its attitude toward having Hart Mountain put in State hands. Oregon has its own well-planned and thoroughly plotted program for acquiring wildlife lands and managing them. The State apparently figures it will need all the funds it has to carry through its own program.

In Nevada it's a different story. A driving campaign is on there to get the Federals out of the Sheldon Range. The Washoe County Game and Fish Commission, an official segment of Nevada's oddly organized department, has adopted a resolution to have Federal control of the Sheldon done away with.

Are stockmen behind this? It's a good bet. And other forces are mixed into this campaign.

The same sort of campaign is going on to wipe out the Desert Game Range in southeastern Nevada, near Las Vegas. On March 9 this year, Frank Groves, director of Nevada's fish and game department, was in Washington, putting on the pressure to have the desert range turned over to the State, lock, stock, and buildings, plus other improvements paid for with Federal wildlife funds. Any State would be happy to have such a gift. And Nevada would have a lot to say about grazing livestock on refuge lands.

The great wildlife area was established in 1936. It contains 2,203,711 acres. Its main features are two craggy mountain ranges on opposite sides of a big desert valley. It was set up to prevent extinction of the desert bighorn sheep. And it has done the job in spite of a crazy-quilt pattern of various agencies having various jurisdictions over it.

Incidentally, if you think that refuge areas are all dedicated to wildlife, the situation on the Desert Game Range will set you straight. There are 61,567 acres within the refuge that are under the primary jurisdiction of the United States Forest Service. There's teamwork in this quarter; forest and wildlife men work together. Over the remainder of the desert range, the United States Bureau of Land Management has equal jurisdiction on paper with the Fish and Wildlife Service. Actually the Bureau of Land Management has more to say than the wildlife officials. About 650 cattle, owned by 8 individuals, graze 61,390 acres of the refuge. On top of that, the Air Force has a gunnery range plastered on top of a third of the area.

When the Desert Game Range was created, there were an estimated 300 head of desert bighorns in the area. They were skidding toward zero. Now there are about 1,200 head, and drift has allowed hunting for this magnificent trophy animal in areas outside the refuge. There's a chance now to trap and transplant bighorns to many other areas in Nevada where they were poached out. If the State has the money, there's a place to put it.

Regional Director Leo Laythe is the man who will study the desert range with a view, perhaps, to pulling the Fish and Wildlife Service out of the area.

Southward, near Yuma, Ariz., are two other major refuges, set up to save the desert bighorns and the rare Sonoran pronghorn antelope. These are the Kofa refuge, containing 660,041 acres, and the Cabeza Prieta, with 860,041 acres. Like the Desert Game Range, they are mountain islands surrounded by desert.

In all three bighorn ranges, water is the key to maintaining animal life. On the Desert Range, 30 water holes have developed; 9 of the Cabeza Prieta where there was only 1 spot of water before; about a dozen installed on the Kofa. The cost of these water developments ranges from a relatively few dollars in hand labor, to blasting ingenious stub tunnels into solid rock at a cost of several thousand dollars per unit. These tunnel holes are filled by flash runoff from slashing thunder showers; wing dams prevent rubble from getting into the tunnels, but allow overflow water to fill them.

As on the Desert Range, there is a scramble of jurisdictions on these Arizona game refuges. In addition to the Cabeza Prieta being in a grazing district with the Bureau of Land Management and a local grazing board in the picture, the Air Force has a rocket range covering most of the refuge.

When air-to-air shooting goes on 5 days a week, not even wildlife officials may enter the Cabeza Prieta. Air Force "Keep Out" signs are all over the place, and spent rocket cases plummet down and bury themselves a foot or so in rock-hard soil.

Not long ago, without the knowledge of our wildlife men, ground targets were set up, and air-to-earth shooting started inside the refuge. That was stopped.

The Army also coveted this refuge. It proposed using a major portion of the Cabeza Prieta as a poison-gas training area under battleground conditions.

Recommendations to abandon these bighorn refuges would come from John C. Gatlin, regional director, Albuquerque, N. Mex. There isn't much question of what his viewpoint has been; he has already studied and recommended. In June last year, Gatlin spelled out how he would have the United States Fish and Wildlife Service move out of the Kofa and Cabeza Prieta, and turn the areas altogether into the hands of the Bureau of Land Management; Arizona then would be given permits for the wildlife to use the waterholes, and the wildlife property could be transferred to the State.

The waterholes are a sweet setup for livestock to be grazed in this area. But there isn't enough water in the desert, the Kofa, or the Cabeza Prieta to support both game and domestic stock.

Beside the economic argument advanced for turning the refuges over to other interests, those in favor of such a move say that wildlife on the refuges is resident game and therefore should be handled by the State. The refuges saved the wildlife when it was resident game in the first place; without them there's a chance that what has been saved could be totally lost.

If the resident-game argument is valid, it should apply to all resident species.

Very well; coyotes and rodents certainly are residents. The allotment for refuges in the 1954 United States Fish and Wildlife budget was only $100,000. But for predator and rodent control, it was $956,241, nearly 10 times as much. So nearly a million was set up largely to benefit individual stockmen in Western States. If it's a governing principle to have States take over the management of all resident wildlife, then let's insist that they take on their coyote and rodent control as well; save a million.

I have indicated only a few of the refuges that are in jeopardy. They set the overall pattern of what appears to be a general movement to dismember our national game refuges. Only a few of the others that are threatened can be listed here.

The Little Pend Oreille in eastern Washington contains the indispensable, crisis winter range for a herd of the largest whitetailed deer in the West. It had been skinned to bare earth by domestic stock; the Resettlement Administration bought up the land on a distress basis. The Fish and Wildlife Service took it over and rehabilitated the range; the deer have prospered. Now stockmen lick their chops as they look at the area. It's something they'd like themselves.

There are whisperings that the National Bison Range in western Montana, the National Elk Refuge in Jackson Hole, Wyo., the Sullys Hill Refuge in N. Dak. are likely to be classed as a doubtful value in the Federal wildlife lands.

In Oregon and northern California, there's a hell-roaring campaign on to wipe out the last of that most vital key area in the Pacific Coast flyway—the Klamath and Tule Lake Refuges. The Reclamation Bureau is in there, interested in draining the last fragments of the once-great marshes, so they can give lands to settlers that got bum homesteads on another Reclamation unit. If this area is blotted out as a wildlife sanctuary, the center is knocked out of the whole Pacific Flyway—no less.

In Oklahoma, the Wichita Mountains National Wildlife Refuge is threatened again. Late in 1953, the Army unveiled plans to expand Fort Sill Military Reservation. Since the area surrounds the Wichita Refuge on three sides like a vise, Army officials eyed the refuge for a new weapons testing area. The Oklahoma Outdoor Council, together with sportsmen across the country, raised a protest. The Army pulled in its horns.

Now, local rumors persistently point to a revival of earlier Army plans. An item in the Army's budget calls for expanding military areas, and Fort Sill is on the list for expansion. Army officials locally refuse to comment on Wichita Mountains National Wildlife Refuge; but it is no secret that transfer of Government land from one agency to another merely involves some paperwork and no cost.

On other refuges, oil interests have tried to get in to drill. An order that would have allowed this reportedly got as far as the desk of Secretary of the Interior McKay. This move became public knowledge. Protests were made. As this is written, the order is believed to be on that desk, perhaps "cooling off" and ready for action later.

In Maine, another Fish and Wildlife Service reginal director, David R. Gascoyne, has made moves to get rid of the Moosehorn Refuge. This is an area in which management techniques have been worked out for increasing upland birds.

The list of national wildlife refuges that are in jeopardy could go on at length. This isn't a local issue.

Remember, this scuttling and junking can be accomplished quietly and smoothly, without any knowledge by sportsmen of what's going on.

This isn't like that battle with the land-grab gang that your letters helped to beat in Congress last year. A refuge can be dumped by Secretary of the Interior McKay merely by signing an administrative order. No hearing, no discussion; the job can be done wholly within the Interior Department.

For example, Secretary McKay, by issuing a land order, could turn over all the public domain lands of the Hart Mountain Refuge to the Bureau of Land Management. They'd go into a grazing district with a local board of livestock operators having a lot to say about what happens on those ranges.

Lands bought with Federal wildlife funds could be declared surplus. They'd be offered to any other agency that might want to control them.

What legal involvements might result in dumping the lands that have been purchased by conservation groups and given for refuge purposes to the United States is a question. But these lands could be turned over to the States outright under the Coordination Act. They could be tossed into a Federal-aid project, become State property, no longer Federal refuge lands.

Whatever may be the reasons for the various regional directors wanting to get the Fish and Wildlife out of managing our game refuges, if they study the areas and recommend their being junked as of doubtful value, that's a step toward the breakup.

These wildlife refuges have been built up through a quarter century, through labors and often heartbreak, with literally millions of dollars of sportsmen's money.

The focal point is not in the regional directors' offices, nor even in the office of their boss, John Farley, Director, United States Fish and Wildlife Service. It's in the office of Secretary of the Interior McKay.

There's enough evidence on this issue for sportsmen and conservationists over the Nation to demand that the Secretary of the Interior define his policy on our national wildlife refuges. Is there or isn't there a sellout shaping up for wildlife?

PRELIMINARY EXAMINATION AND SURVEY OF CERTAIN COASTAL AND TIDAL AREAS—ADDITIONAL COSPONSOR OF BILL

Mr. BUSH. Mr. President, I ask unanimous consent that the name of the Senator from New York [Mr. LEHMAN] be added as a cosponsor the bill (S. 414)

authorizing a preliminary examination and survey of the New England, New York, Long Island, and New Jersey coastal and tidal areas for the purpose of determining possible means of preventing damages to property and loss of human lives due to hurricane winds and tides, the next time it is printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JOHNSON of Texas:

Address on military preparedness delivered by Senator SYMINGTON at San Angelo, Tex., on May 21, 1955.

By Mr. BENDER:

Address prepared by him for delivery on Memorial Day 1955.

NOTICE OF HEARING ON NOMINATION OF EDWARD J. SPARKS TO BE AMBASSADOR TO GUATEMALA

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, the Chair desires to say that the Senate received today the nomination of Edward J. Sparks, of New York, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to the Republic of Guatemala. Notice is hereby given that this nomination will be considered by the Committee on Foreign Relations, at the expiration of 6 days.

Is there further morning business? If not, morning business is closed.

ORDER FOR RECESS UNTIL TUESDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 12 o'clock noon on Tuesday next.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION TO RECEIVE MESSAGES FROM THE HOUSE AND TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DURING THE RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the recess following today's session, the Secretary may receive messages from the House of Representatives, and refer bills transmitted by such messages to the appropriate committees, and that the Vice President or the President pro tempore be authorized to sign bills and joint resolutions passed by the two Houses and found correctly enrolled.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS DURING RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that committees of the Senate be permitted to file reports during the recess of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUSTRIAN REPARATIONS PAYMENTS TO RUSSIA

Mr. NEUBERGER. Mr. President, there has been a great deal of ballyhoo over the recent Austrian treaty, and I am pleased with the pact in certain essential respects.

However, I believe it is pertinent that the Nation know that Austria will pay to Russia in reparations more than was exacted of Finland, although Finland was an ally of Nazi Germany during World War II.

Finland paid Russia $226,500,000 in goods and merchandise, but poor Austria must give to the Russians a lien on the economy of the country worth $320 million. Furthermore, this is in addition to $200 million worth of industrial equipment already removed by the Russians and the $290 million worth of oil already extracted from Austrian oil fields by Russian "visitors." This oil was not paid for.

Britain, France, and the United States have waived all claims against Austria. They will receive no reparations. But Russia's booty from the Austrian people will soar to a total of approximately $810 million.

I am calling these matters to the attention of the Senate because most of my constituents—at least, those writing me—seem to have the idea that Austria has been treated most handsomely and charitably by a benevolent Soviet Union, and this is all due to the marvelous diplomacy practiced by Secretary of State Dulles.

Austria is paying substantially for its relief from Soviet occupation, and these facts should be known by the American people, whose sons helped to liberate Austria at the end of the Second World War.

I ask unanimous consent that an article from the New York Sunday Times of May 22, 1955, entitled "Austria Becomes Free at a Price," may be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AUSTRIA BECOMES FREE AT A PRICE—LITTLE NATION MUST NOW PAY OFF $320 MILLION MORTGAGE HELD BY SOVIET UNION—HEAVY LOAD ON ECONOMY—BUT IT MAY MEET TEST WITH VITALITY AND INDUSTRY THAT HAS DOUBLED SINCE 1937

(By Brendan M. Jones)

Austria, whose population is a little more than 6,933,000 and whose area of 32,366 square miles is slightly less than that of Maine, will pay a high price for her newly won independence.

Under the state treaty that she signed last week with the United States, Soviet Russia, Britain, and France, Austria will become politically sovereign, but must remain militarily neutral. She will recover full control of her territory with withdrawal of the four-power occupation forces no later than December 31.

But under other provisions of the treaty Austria must satisfy Russian claims against former German assets and indemnity for war booty. The other three powers have freely waived such claims.

Oil is the main booty that Russia has taken from Austria, and that she wants to go on taking under the treaty. The oil already extracted from Austrian fields by the Russians is reliably estimated at $290 million.

The State treaty gives Russia a lien on the Austrian economy amounting to $320 million. Adding the minimum estimate of $200 million for industrial equipment removed by the Russians, their total loot from Austria will amount to at least $810 million.

PRICE EXCEEDS FINLAND'S

Thus, despite the declaration in the state treaty that no reparations shall be exacted of Austria, she is faring far worse at the hands of the Russians than did Finland, an active ally of Nazi Germany. Finland, in a 1948 reparations agreement with Russia, had to pay the Soviet $226,500,000 in goods at 1938 prices, and managed to liquidate the claim in 4 years.

Russia's demands on Austria—a victim of Nazi aggression—will require delivery of 10 million tons of oil to the Soviet during the next 10 years. For these she will receive full title to her oil fields, located entirely in the Russian zone, from which the Communists have been pumping petroleum steadily for the last 10 years.

Austria also will have to deliver $150 million in goods to Russia in the next 6 years. By doing so she will satisfy Soviet indemnity claims against former German industrial plants converted and expanded under the Nazis for war purposes.

Many of these plants were outside the Russian zone. By the end of the war most were in ruins and those still workable were suited only for military production. With American aid and their own organizational skills, the Austrians combined useful war-plant equipment with new machinery to restore gradually a peacetime industry, virtually nonexistent in 1945.

The final major economic demand on Austria will allow her to redeem the Russian-held Danubian Steamship Co. with "reasonable compensation," reported to have been set at $2 million.

TIFF OVER TREATY

These claims against Austria were agreed to on April 15 after Soviet-Austrian negotiations. However, prior to the recent conferences that led to the state treaty, Russia reverted to harsher demands. These would have allowed the Soviet to retain 60 percent of the Austrian oil fields for upward of 30 years and longer. They also would have required Austria to pay Russia $150 million in United States currency for indemnity claims.

Under American pressure, Russia switched back to the April 15 modification of the previous claims, but insisted on their retention in the state treaty, presumably as a testimony of her "generosity."

An annex to the treaty provided that the April 15 agreement would be followed, to be formalized under an Austrian-Soviet trade agreement. This is expected to be negotiated within the next few weeks, although ratification of the state treaty probably will not be completed until August.

Despite the "compromise" nature of the Russian claims—together with Austrian conviction that they represent the best bargain obtainable—they will be no light burden on the small nation's economy. After long years of hard work and generous American aid amounting to $1,500,000,000, Austria has only recently achieved the beginnings of a

new prosperity. The Russian claims now will greatly subtract from Austria's recent gains.

PRODUCTION DOUBLED

Although deprived of resources converted to Russian use in its occupation zone, Austria has made considerable progress. Her people's determination to build a better future, against all discouragements from annexation by Hitler and the long occupation, has won them American admiration and affection as well as financial aid.

The small nation has achieved high and greatly diversified industrial production, which now is running 100 percent above the rate of 1937. Her foreign trade has grown steadily, and in 1 recent year achieved an export surplus. Monetary and gold reserves are high. Agriculture now provides more than 85 percent of the country's food requirements. Dairy and beef production exceed domestic needs.

The requirements for oil and goods deliveries to Russia will have to be treated by the Austrians as yet another problem of the kind they might have thought behind them. This diversion of economic resources and production will obviously be a setback for Austria. Since it will not be recompensed by a return of foreign exchange, it will mean that other countries will not sell as much to Austria as they might have otherwise. They will feel the Russian penalty indirectly.

In attaining full control of her resources, however, Austria may be able to achieve advantages that will outweigh the immediate liabilities sooner than now appears likely. She already has shown exceptional economic vitality.

At least the nation will regain her oil fields. Since 1945, according to Austrian estimates, the Soviet Mineral Oil Administration in East Austria has extracted 17 million tons of oil from the fields. In the Austrian view, it also has carried out reckless exploitation, increasing the number of wells from 250 in 1945 to more than 500.

At current value, the 10 million tons of oil that Austria will have to deliver to Russia are worth $170 million. This, together with the $150 million in other goods that will go to Russia, makes up the $320 million 6-to-10-year additional drain on Austrian resources.

The Russians, according to Austrian sources here, are expected to seek still more oil in the 6-year delivery of goods. The amount, to be determined in the pending trade agreement, is expected to be 300,000 tons a year. In this event, the eventual total of Austrian oil taken by the Soviet will be 28,800,000 tons.

Since 1945 Austria has had to fill petroleum requirements by purchasing her own oil from the Russians. Until 1951 the supply from the Russian-run fields was insufficient, and Austria had to expend precious foreign exchange to import additional quantities. Since 1951 the East Austrian fields have filled total needs, now estimated at 1,500,000 tons a year.

Russia pushed production in the Austrian fields to a record 3,500,000 tons last year. On this basis, when Austria takes over, she theoretically may have more than 500,000 tons for export after filling Russian deliveries and domestic needs.

However, there will be a shortage of skilled oil technicians after the Russians leave. Austrian Communists who have worked for the Russians are considered untrustworthy and will have to be replaced. Austria probably will have to turn to West Germany or other countries for skilled oil workers.

There is need also for Austria to start conserving oil. It is estimated that the well-drained fields now contain only 60 million to 70 million tons. The producing fields are all located north of the Danube, but Austria does have some untapped petroleum resources in Eastern Austria south of the Danube and in Styria.

OUTLOOK FOR INDUSTRY

When the Russians finally move out, Austria also may be able to rehabilitate some skeletons of dismantled plants in the eastern area. The main advantage, however, will be freedom to establish new industries there.

Industry and highly skilled workmanship have brought a steady rise in exports, which last year were valued at nearly $610 million, compared with slightly less than $500 million in 1952 and about $200 million in 1948. Products sent abroad range through heavy machinery, textiles, sporting goods, food specialties, toys, rhinestones, paper, drugs, fertilizers, musical instruments, wines, and wood products.

Imports also have risen with increased prosperity and industrial needs. Last year they exceeded $650 million, compared with $475 million in 1953 and $390 million in 1948. With other transactions, Austria's balance of international payments was $48 million on the plus side last year. Gold and dollar reserves were $377,091,000.

Austria's timberlands supply growing paper, rayon, cellulose, and wood products industries. In Western Europe they are exceeded only by those of Finland and Sweden. Mineral deposits include iron, coal, magnesite, salt, copper, lead, zinc, antimony, graphite, feldspar, sulphur, and mica.

Departure of the Russians will be more gain than loss. Besides not being big spenders, they have tied up some of the best hotels in Vienna as well as other accommodations and spas that now will prove valuable to Austria's important tourist trade.

While Austria earned about $80 million from tourism last year, the Russians' presence has not been good for the trade. The comment: "Who wants to go to Vienna with the Russians there?" has been a general tourist reaction. Vienna is looking forward to the change. Real estate values already are rising.

STOCKPILING OF COPPER BY OFFICE OF DEFENSE MOBILIZATION

Mr. WILLIAMS. Mr. President, during the past few years the Office of Defense Mobilization has been conducting a stockpiling program of strategic metals. This program had a dual purpose.

First. These metals were stockpiled as a safeguard against a period of national emergency.

Second. The program was operated as a subsidy or support program for the mining industry.

In late 1954 and early 1955, however, world market conditions were such that the domestic and foreign price of copper increased substantially above the price for which the Office of Defense Mobilization had been buying. To relieve this shortage in domestic supply, on February 28, 1955, the ODM announced they were diverting 8,000 tons of copper to the domestic industry at a price of approximately 33 cents per pound, plus handling and transportation charges. This was the prevailing market price at that time.

I placed an inquiry with Mr. Arthur S. Flemming, Director of the Office of Defense Mobilization, regarding this transaction and under date of March 17, 1955, received their explanation thereof.

At this point I ask unanimous consent to have incorporated in the RECORD a copy of their reply, dated March 17, 1955, signed by Mr. W. S. Floyd, Assistant Director of ODM for materials.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., March 17, 1955.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: Mr. Flemming has asked me to reply to your letter of March 1, regarding the 8,000 tons of copper that the Government is making available to industry to prevent curtailment of operations resulting from the copper shortage. None of the copper being released to industry is coming from the stockpile nor is any copper under contract for delivery to the stockpile being diverted to industry. The copper is being made available from the inventory accumulated under the Defense Production Act and by diversion from deliveries to this inventory in March. The attached press release gives the details on ODM's authorization for releasing this copper. The answers to your specific questions are as follows:

1. The price at which this copper is being sold and the names and addresses of the buyers.

Answer: All of the copper being released is being sold at current market prices. With differentials for shapes, these are as follows:

	Cents per pound
Wire bars	32.8
Cathodes	32.675
Lake ingot	32.925

All freight is for buyers' account.

Inasmuch as the sales to industry are being carried out by the General Services Administration under specific instructions from the Business and Defense Services Administration, Department of Commerce, I am referring a copy of your letter to that agency for an answer to your request for the names and addresses of the buyers.

2. The cost of this copper to the United States Government.

Answer: The copper presently in inventory, amounting to about 6,000 tons, was acquired at prices ranging from 28.66 cents per pound to 32.33 cents. Of the total, about 3,000 tons were acquired at 28.66 cents, 1,050 tons at 28.73 cents, 220 tons at 30.13 cents, 1,265 tons at 31.18 cents, about 100 tons at 31.35 cents, 150 tons at 32.33 cents, and 235 tons at 30 cents, the market price at the time of delivery.

2. (a) Was it bought domestically or imported?

Answer: About 3,200 tons of the total were acquired from Canadian sources and 235 tons from Rhodesia.

3. The prevailing world market price for this same grade of copper today.

Answer: There is no prevailing world market price for copper. The price ranges from 33 cents per pound in the United States to about 42 cents in London. Prices in other markets vary between these limits.

4. Does this sale of copper represent an overaccumulation on the part of the Office of Defense Mobilization or will you be resuming buying at a later date?

Answer: The copper does not represent an overaccumulation for national defense since the stockpile to which the copper would have been transferred for safekeeping is incomplete. This copper, which is being sold at market prices, plus incidental costs, will have to be replaced at market prices plus incidental costs.

5. Are there any conditions attached to the sale which would prevent the purchasers from raising the domestic price prior to the sale of the finished product?

Answer: The copper is being sold outright only to United States consumers of refined copper. Prices at brass mills and wire mills, the principal consumers of refined copper,

are currently being quoted on the basis of 33 cents per pound for refined copper.

Sincerely yours,

W. S. FLOYD,
Assistant Director of ODM for Materials.

Mr. WILLIAMS. I accepted this as a reasonable explanation and noted in particular two sentences in their letter:

None of the copper being released to industry is coming from the stockpile nor is any copper under contract for delivery to the stockpile being diverted to industry. The copper is being made available from the inventory accumulated under the Defense Production Act and by diversion from deliveries to this inventory in March.

However, I have since found that notwithstanding the fact that in this letter dated March 17 they stated that no copper under contract for delivery to the stockpile was being diverted to industry, within 2 weeks they completely reversed that policy. This time, however, instead of selling the copper at the prevailing market price they voluntarily issued cancellations of 3 contracts calling for the delivery of copper at prices ranging from 27.35 cents to 32 cents a pound when on the same date that these contracts were canceled copper was selling on a strong market at 36 cents a pound. This resulted in what the General Accounting Office estimated as an overnight windfall profit of $400,000 to the 3 companies involved.

No excuse can be given that this transaction held down the cost of the finished product to the American consumer because the Government could just as readily have sold the same copper at the prevailing price of 36 cents a pound and achieved the same results so far as the consumers were concerned but with a vast difference to the taxpayers, in that the $400,000 profit would have gone to the United States Government rather than to the 3 companies involved.

While I do not have a breakdown of the transaction, the contract numbers and the companies receiving this $400,000 windfall profit are as follows:

	Contract No.
Miami Copper Co	DMP–57
Copper Range Co	DMP–89
Howe Sound Co	DMP–92

This case has been reviewed by the General Accounting Office, and Mr. A. J. Walsh, Commissioner, Emergency Procurement Service, General Services Administration, has been officially put on notice by the Comptroller General's office that in their opinion this transaction was clearly disadvantageous to the Government and should be rectified.

The General Accounting Office is to be congratulated for its promptness in discovering and challenging this Government agency which has played so loosely with the taxpayers' money.

With the Office of Defense Mobilization operating a stockpiling program involving billions of dollars perhaps it would be a good idea for Congress to pay a little closer attention to their operations.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. KILGORE. Mr. President, I ask that the Chair lay before the Senate the amendment of the House to Senate Concurrent Resolution 17, which records congressional approval for suspension of deportation of certain aliens in cases which were referred to it by the Attorney General.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 17) favoring the suspension of deportation of certain aliens, which was, on page 7, to strike out line 7.

Mr. KILGORE. The Senate agreed to Senate Concurrent Resolution 17 on March 28, 1955. Thereafter, on May 17, 1955, the House of Representatives amended the concurrent resolution by deleting the name of one alien, concerning whom the Commissioner of Immigration and Naturalization had addressed a letter to the Vice President requesting that the case be returned to the jurisdiction of the Immigration and Naturalization Service. The amendment of the House merely strikes from the concurrent resolution the name of Koshiro Mukoyama.

The Department requested permission of the Congress to suspend the deportation of certain aliens. We checked the entire list. Later some reason was discovered for striking this name from the list.

I move that the Senate concur in the House amendment.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia.

Mr. JOHNSON of Texas. Mr. President, the distinguished chairman of the Judiciary Committee has discussed the proposed action with the majority leader and the minority leader, and we concur in the motion which the Senator from West Virginia has made.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. I should like to make a very brief announcement.

We have had a very productive week in the Senate. We have passed an appropriation bill, and 15 other general bills. We have taken action on a Presidential veto, involving considerable discussion and a yea-and-nay vote. We have confirmed 120 Presidential appointments.

We passed Senate bill 1048, the highway bill, one of the most important bills which will be considered at this session.

I wish to commend the membership of the Committee on Public Works and particularly the distinguished chairman of the committee, the senior Senator from New Mexico [Mr. CHAVEZ]. He drew upon many years of experience to make suggestions and to guide committee deliberations. His able, painstaking work insured us a reasonable bill which we could discuss dispassionately and on the merits. A legislative body which has such an able, experienced leader in its midst is indeed fortunate.

I was highly impressed by the brilliant work of the chairman of the Roads Subcommittee, the junior Senator from Tennessee [Mr. GORE]. In handling the measure on the floor, he demonstrated a grasp of all the details and an effectiveness in debate that was superb.

Special credit should also go to the senior Senator from Oklahoma [Mr. KERR]. He is an experienced public servant through his long career both as Governor and as Senator and he brought all of that experience to bear at times when it counted heavily.

I also wish to congratulate Members on the minority side—the senior Senator from Pennsylvania [Mr. MARTIN], the senior Senator from Connecticut [Mr. BUSH], and the senior Senator from South Dakota [Mr. CASE]. They conducted themselves responsibly and in the fine traditions of Senate debate.

The members of the committee sat for weeks holding hearings on that important subject. As a result of the knowledge acquired through hard, painstaking work, the committee made recommendations to the Senate which were considered thoughtfully and acted upon.

Our program for next week, beginning on Tuesday, will be somewhat heavy. The report of the Committee on Appropriations on the State, Justice, and judiciary appropriation bill has been placed on the desks of Senators. It is our plan on Tuesday, following the morning hour, to begin the discussion of the appropriation bill. I understand the report is unanimous on the part of the Committee on Appropriations. I do not believe that the discussion and disposition of the appropriation bill will take a long time. I am informed that there are no controversial items in the bill. Therefore I do not anticipate a yea-and-nay vote.

It is expected that the Committee on Banking and Currency will report a housing bill to the Senate. Therefore it may be that following the consideration of the State, Justice, and judiciary appropriation, the Senate will proceed to consider the housing bill.

On the Executive Calendar, there appears the Great Lakes Fisheries Convention between the United States of America and Canada. I understand there is no controversy about that convention. However, in accordance with our practice, a yea-and-nay vote will be taken.

If, following the measures referred to, time remains on Tuesday, as I think may be the case, the Senate may have some discussion of the mutual security bill, but there will be no votes on that bill that day.

We may also consider 2 or 3 bills reported by the Finance Committee on Tuesday as well as other general bills that are on the calendar and which have been cleared.

I hope that on Wednesday the Senate may be able to proceed with the debate on the mutual security bill in an effort to secure a vote on it as soon as possible.

Next week it is also expected that the independent offices appropriation bill and the appropriation bill for the Department of Health, Education, and Welfare will be reported to the Senate.

Mr. President, I ask all Senators to be on notice of the program contemplated for next week. The Senate has transacted a great deal of business this week, and it has been largely the result of cooperation on the part of every Member. Therefore we are able to recess from today until next Tuesday.

We have only 30 days between now and the end of the fiscal year, and we have about 2 months before we are expected to conclude this session of Congress. There is much work yet to be done. Therefore I hope all Senators will arrange their personal schedules and out-of-town engagements in such a manner as to permit them to be available when this important legislation will be considered on the Senate floor.

There are today fewer than a dozen bills remaining on the Legislative Calendar. Many important subjects are being considered by the committees, and many others have been under consideration in committee since January.

Several appropriation bills will be reported next week. In addition to the bills I have already named, a minimum wage bill is being considered in committee, and the Senate will be prepared to consider that bill as soon as the committee acts on it. Perhaps that bill can be taken up the week after next.

There are other general subjects on which the President has made his recommendations and which are now being considered in committee. Also, Mr. President, there are a number of private bills on which no action has been taken in committee, principally because of the difficulty of getting a quorum in the Committee on the Judiciary. I hope Senators will understand that the Senate is prepared to act on bills promptly as soon as committees take action on them.

If committees will act promptly and if the Senate can take action on bills promptly, it is my hope that we may be able to conclude the business of the Senate within a reasonable time.

STATE, JUSTICE, JUDICIARY APPROPRIATIONS, 1956

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is H. R. 5502.

The Senate resumed the consideration of the bill (H. R. 5502) making appropriations for the State, Justice, and Judiciary Departments for 1956.

RECESS TO TUESDAY

Mr. JOHNSON of Texas. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 10 o'clock and 37 minutes a. m.) the Senate took a recess, the recess being, under the order previously entered, until Tuesday, May 31, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 27 (legislative day of May 2), 1955:

DIPLOMATIC AND FOREIGN SERVICE

Edward J. Sparks, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

FEDERAL COMMUNICATIONS COMMISSION

Richard A. Mack, of Florida, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1955, vice Frieda B. Hennock, term expiring.

FEDERAL COAL MINE SAFETY BOARD OF REVIEW

Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review for the term expiring July 15, 1958. (Reappointment.)

CALIFORNIA DEBRIS COMMISSION

Col. William F. Cassidy, Corps of Engineers, to be president and member of the California Debris Commission, under the provisions of section 1 of the act of Congress approved March 1, 1893 (27 Stat. 507) (33 U. S. C. 661), vice Col. Paul D. Berrigan, to be relieved.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 27 (legislative day of May 2), 1955:

DISTRICT OF COLUMBIA

COMMISSIONERS OF THE DISTRICT OF COLUMBIA

Robert E. McLaughlin, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years and until his successor is appointed and qualified.

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

George E. C. Hayes, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia, for the remainder of the term expiring June 30, 1955.

George E. C. Hayes, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia, for a term of 3 years expiring June 30, 1958.

IN THE NAVY

To be ensigns

Stephen W. Reszetar
H. Lee Boatwright III
Trentwell M. White, Jr.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 27, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

God of all majesty and mercy, wilt Thou now kindle within our minds and hearts a spirit that is like unto Thy spirit, keeping them sensitive and responsive to life's noblest insights and instincts.

Grant that we may feel the urge and appeal of Thy voice calling us to always put ourselves on the side of truth and righteousness, of faith and hope.

Inspire us to yield our wills to the sovereignty of Thy divine will, not, however, in a spirit of stoical resignation and sullen submission, but gladly and gratefully.

May Thy presence and power in our life be made manifest in nobility of character and conduct and in sacrificial service for all mankind.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Miller, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3885. An act to amend the act of April 29, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast Guard contracts.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 103. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies;

H. R. 2126. An act to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters; and

H. R. 4725. An act to repeal sections 452 and 462 of the Internal Revenue Code of 1954.

The message also announced that the Senate agrees to the amendment of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 17. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 34. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases;

S. 55. An act to authorize the acceptance on behalf of the United States of the conveyance and release by the Aztec Land & Cattle Co., Ltd., of its right, title, and interest in lands within the Coconino and Sitgreaves National Forests, in the State of Arizona, and the payment to said company of the value of such lands, and for other purposes;

S. 76. An act authorizing appropriations for the construction, operation, and maintenance of the western land boundary fence project, and for other purposes;

S. 180. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Washita River Basin reclamation project, Oklahoma;

S. 1138. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority;

S. 1464. An act to authorize the Secretary of the Interior to acquire certain rights-of-way and timber-access roads;

S. 1718. An act to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954;

S. 1747. An act to increase the public benefits from the national park system by facilitating the management of museum properties relating thereto, and for other purposes;

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum; and

S. J. Res. 6. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area.

AMENDMENT OF REFUGEE RELIEF ACT (H. DOC. NO. 173)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on the Judiciary and ordered to be printed:

To the Congress of the United States:

The Refugee Relief Act of 1953 has now been in effect for almost 2 years.

It was enacted to enable the United States to participate with other nations in a great humanitarian effort for the relief of tragic victims of the postwar world, and for the reduction, in a measure, of overpopulation stresses in friendly nations. Thus we would promote friendly relations with the nations of the world. Beyond this, it was our purpose to further the interests of the United States by bringing to our shores an eminently desirable immigration within the absorptive capacity of this country. The immigrant has brought greatness to our land and a tremendous love for his adopted country. The foreign born and their descendants—which include all of us—have given devoted allegiance to the United States, in war and in peace, and have helped give to America a unique position of leadership among the nations.

During the last year and a half, substantial progress has been made in setting up the complex organization required to administer the technical requirements of the act. The necessary cooperation of the various governmental agencies, including those related to medical and security matters, has been enlisted. Over 30,000 visas have actually been issued. Nearly 85,000 applicants are in various stages of processing.

Nevertheless, the purposes of the act are not being achieved as swiftly as we had all hoped. As a result of the experience gained in administering the act to date, important administrative instructions designed to expedite the procedures under it have already been issued. The men and women handling the program are fully aware of the urgency of their mission. I am assured by the Secretary of State that further administrative improvements can and will be made.

Experience has demonstrated, however, that administrative improvements are not enough. A number of the provisions of the act require amendment if the act's objectives are to be fully achieved. I urge upon the Congress the following:

(1) The act, at present, contains specific categories of eligibility with specific numbers allotted to each category. It now appears that because of some of the technical requirements of the act and the growing prosperity in Western Europe, there may not be enough applicants to fill the quotas in some categories. I recommend that there be a provision for the use of unused numbers. Such unused numbers might well be used, for example, for orphans on a worldwide basis.

(2) The act limits the term "refugee" to those who have not been "firmly resettled." Experience has shown that this provision tends to exclude the hard working and the adjustable, the very people we want most as new citizens. Moreover, it appears that "resettlement" is such a vague term as to create conflicts in interpretation and delays in clearing applications.

I recommend that this limitation be withdrawn so that, where the refugee otherwise qualifies on a selective basis, he will not be barred because he is diligent and competent.

(3) A similar difficulty is presented by the terms of the act which require that an "escapee" or "expellee" also be a "refugee." Under the act this unduly limits the escapees and expellees who may be admitted. This, again, serves to exclude some of the most desirable people who have, at great sacrifice, at least temporarily resettled themselves. I am sure it is enough that a person be a qualified "escapee" or "expellee" to meet the standards on which we all agree. They should not also be required to be "refugees" within the narrow definition of the act.

(4) The requirement that a "refugee" be living away from his traditional home has excluded many tragic victims of disaster whom I am sure the Congress intended to admit. This includes Netherlands' farmers whose land has been ruined by floods of salt water, Greek mountain people whose herds have been despoiled by Communist invaders and many similar victims of catastrophe. The restriction should be relaxed.

(5) The act contains a salutary provision enacted by the Congress for the benefit of aliens who are here in the United States and who fear persecution if required to return abroad. There is a limitation, however, within this section which has caused undue hardship in some cases. It requires that the person show "lawful entry as a bona fide nonimmigrant," before he is eligible for this humanitarian relief.

I recommend to the Congress that the section be amended to permit the Attorney General to waive this requirement in meritorious cases where the person is otherwise qualified under the act. It is estimated that this would not involve more than a few hundred cases, but in the case of each individual human being such an amendment would satisfy the beneficient purposes of the Congress.

(6) Obviously people who have risked their lives to escape from totalitarian nations often have no passports. The Refugee Relief Act, however, requires passports and in many cases this has served to defeat the very purpose of the Congress. I recommend amendment to permit waiver of the need for passports and similar documents in the discretion of the Secretary of State and the Attorney General as is already provided in the basic immigration and nationality laws.

(7) Under the act, no escapee or refugee is entitled to a visa unless there is available complete information regarding his history for 2 years past, except on waiver by the Secretaries of State and Defense, if it is determined to be in the national interest.

No such requirement is applicable in the case of regular immigrants under the Immigration and Nationality Act of 1952.

This 2-year history, in the case of recent escapees, if often impossible to obtain. Yet these are the very people who have been actively stimulated to risk the perils of escape by our own information program broadcast through the Iron Curtain.

I have faith in the competence of our security personnel, and I recommend that this inflexible requirement be eliminated from the law, leaving it to the sound discretion of the security officer to make his recommendation on the basis of all the facts available. If he is in doubt, he will not certify the refugee or escapee as a proper security risk.

(8) Another obstacle to the achievement of the purposes of the act is the requirement of individual sponsorship and guaranties of each application for admission. Where responsible voluntary welfare organizations are prepared to give assurances with respect to applicants by name, it is unnecessary to add the burdensome requirement that individual sponsorship of each such applicant also be provided. I recommend that where such agency assurances are given individual assurances not be required in addition.

(9) At present, special visas may not be issued to wives, husbands, or children of persons admitted under the act unless they all come to the United States together. If the members of the person's family are following at a later time and are otherwise admissible, then the special visas should be equally available to them.

(10) There are many refugee families in Western Europe whose members would make useful and productive citizens of the United States, but who would face separation if they should avail themselves of the provisions of the Refugee Relief Act. This they are unwilling to do. They would face separation because of the fact that one of their members is ineligible for admission to the United States under the health standards of our general immigration laws, particularly as respects tuberculosis.

We in the United States no longer regard tuberculosis with dread. Our treatment standards are high and modern treatment is increasingly effective. The United States, to its own benefit, could permit many of these families, within the existing numerical limitations, to enter under safeguards provided by the Attorney General and the

Surgeon General of the United States assuring protection of the public health and adequate treatment of the afflicted individual and also assuring that such individual will not become a public charge. I urge that the Congress give consideration to amendments that would enable this to be done.

It is my earnest hope that the changes in the Refugee Relief Act that I have above outlined can be accomplished during the present session of the Congress.

The enactment of these changes will permit effective administration of the act by the executive branch of the Government and greatly aid the success of the program. The persons permitted to enter the country under the program will make a fine contribution to the body of our citizens. And we shall again reaffirm that the great tradition of sanctuary lives on in America.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 27, 1955.*

THE REFUGEE PROBLEM

Mr. WALTER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, as I listened to the reading of the President's message, I wondered whether or not his information is current, and I ask that question for this reason: I just recently returned from Germany where I went to the trouble of spending days in the centers in which these so-called refugees came and were screened, and I did not find a single refugee who could convince anyone that he fled because of fear of persecution, seeking economic betterment—yes, that is the reason.

Now, of course, this refugee admission program is not succeeding. The President ascribes that to several things, one of which is that there is prosperity in Europe. Well, of course there is, and the reason why these so-called refugees in Germany are not applying for permission to come to the United States is because they love their homelands; they do not want to leave Western Germany where they now have employment and they hope to return home eventually. Why, the fact of the mater is—and anybody can ascertain this by picking up the telephone and calling the visa office of the State Department—that the German immigration quota is current. That means that any person who wishes to emigrate to the United States from Germany and who was born in Germany—and it makes no difference what part of Germany, whether behind the Iron Curtain, so-called, or not—is eligible for admission under the German immigration quota, which is now current. Anybody born in Germany, including the so-called refugees from Eastern Germany that wants to come to the United States need but go to the American consul's office and apply for a visa. Within a short time he will get it, unless he is a felon or a Communist.

Now, I am just the least bit disturbed by the efforts that are being made in some quarters to discredit the basic immigration law of the United States. It is not inhuman, as has been charged; it is not unfair, as has been charged, but it is in the best interests of the United States.

I would like to just point up some of these things as they were just read. One of the very first proposals would lift the ban against refugees afflicted with tuberculosis. I do not know whether you are willing to do that. I am not, and I do not know of anybody on the Committee on the Judiciary—oh, there may be an exception or two—who is willing to waive the health requirements of the basic immigration law of the land without safeguards that will effectively protect our own people.

The second proposal is to transfer unused portions of the visa allocations from one category to another. Take the orphans, for example, says the President. Of course, that will have an appeal in certain sections of our citizenry—these poor little orphans. But, look at the facts. Do you know that under this act we provided for entry of 4,000 orphans, and there have been 713 applicants? Under the Displaced Persons Act there was provision for entry of 5,000 orphans. Fewer than 4,000 came.

As to the definition of the "resettled refugee," the narrow constructions placed on the words contained in the statute are responsible for the objections raised in that section of the President's message.

Now, as to waiving the requirement that a person applying for adjustment of status under section 6 of the act, must have bona fide, nonimmigrant, lawful, entry into the United States, do you want to invite ship jumping on a larger scale than exists today? Do you know that there are probably over 500,000 aliens illegally in the United States along the Atlantic seaboard alone? The majority are deserting seamen. If we waive the requirement as to the legality of the admission of an alien into the United States, as a prerequisite to eligibility under section 6, that is an open invitation to half of the crews on all of the ships that arrive at Boston, New York, Baltimore, Philadelphia, and San Francisco to desert the moment they get there.

As to the change of requirement for security check covering 2 years, earlier this month I spent the day with counter-intelligence corps officials in Berlin. The colonel in charge told Congressman MCCULLOCH and myself that he was disturbed by the report that an attempt was going to be made to change the 2-year security requirement. He said, "Congressman, do not let that happen. If it is possible that a change is made, change it to 5 years." That comes from the man who is charged with the responsibility of keeping to a minimum the number of unworthy people that are getting into Western Germany.

The SPEAKER. The time of the gentleman has expired.

MILLIONS OF PEOPLE OPPOSE UPPER COLORADO PROJECT

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, the more than 6 million people in southern California who are vitally dependent upon Colorado River water have registered unanimous opposition through their elected county and city officials to upper Colorado River Basin and Fryingpan-Arkansas project bills now pending in Congress.

A record total of resolutions, including 7 county boards of supervisors, 75 city councils, 29 chambers of commerce, and scores of labor, management, tax and civic associations statewide, have been recorded to date.

All of the city councils in the 66 cities located in the Metropolitan Water District of Southern California have gone on record strongly opposing the upper Colorado River project bills. The same is true for the cities of Coachella and Imperial Valleys also dependent upon Colorado River water.

Each resolution expresses solid opposition to the congressional proposals which threaten California's rightful share of Colorado River water and would saddle the taxpayers in all of the States of the Union with a tax subsidy of over $4 billion.

These resolutions have the support of thousands of letters which have been mailed by taxpayers from nearly every State and many recognized tax authorities to all Senators and Congressmen.

Names of counties, cities, and organizations that have adopted resolutions to date, opposing upper Colorado River Basin project bills, follow:

Counties: Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura.

Cities: Anaheim, Bell, Beverly Hills, Brawley, Brea, Buena Park, Burbank, Calipatria, Calexico, Carlsbad, Chino, Chula Vista, Claremont, Coachella, Compton, Corona, Costa Mesa, Culver City, El Cajon, El Centro, El Segundo, Elsinore, Escondido, Fontana, Fullerton, Gardena, Glendale, Glendora, Hawthorne, Hemet, Hermosa, Holtville, Huntington Beach, Huntington Park, Imperial, Indio, Inglewood, Laguna, Lakewood, La Habra, La Mesa, La Verne, Long Beach, Los Angeles, Lynwood, Manhattan Beach, Maywood, Montebello, National City, Newport Beach, Oceanside, Ontario, Orange, Pasadena, Palos Verdes Estates, Perris, Placentia, Pomona, Redondo, Riverside, San Clemente, San Diego, San Jacinto, San Marino, Santa Ana, Santa Monica, Seal Beach, Signal Hill, South Gate, Torrance, Tustin, Upland, Vernon, Westmoreland, and Whittier.

Chambers of commerce: Anaheim, California, Carlsbad, Chula Vista, El Cajon, El Centro, Escondido, Fullerton, Glendale, Hemet, La Crescenta, La Can-

ada, La Mesa, Lakeside, Lemon Grove, Long Beach, Montrose, National City, Oceanside, Pasadena, Pomona, San Diego, San Jacinto, Santa Ana, Santa Monica, Santee, San Ysidro, South Bay, and Thermal.

Associations: Agricultural Council of California, Altadena Poppyfields' Association, California Municipal Utilities Association, California Taxpayers' Association, Chula Vista National Avenue Businessmen's Association, Chula Vista Third Avenue Businessmen's Association, Colorado River Association, Imperial and San Diego Posts of the American Legion and the Property Owners Association of California.

Labor: Los Angeles Central Labor Council, A. F. of L., and the Railroad Brotherhoods' Joint Legislative Council of California.

Public agency: Colorado River Board of California.

Water systems: Coachella Valley County Water District; department of water and power, city of Los Angeles; Imperial Irrigation District; Metropolitan Water District of Southern California; and the San Diego County Water Authority.

Water companies: Altadena Las Flores, Altadena Lincoln Avenue, Altadena Rubio Canon, Central Basin, Chino Basin, Coastal Municipal, Eastern Municipal, Flintridge Valley, Foothill Municipal, La Canada Irrigation, La Crescenta Valley County, La Crescenta Mountain, Orange Couny Municipal, Pomona Valley Municipal, Proposed Otay Municipal, South Bay Irrigation, West Basin Municipal, and Western Municipal of Riverside County.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. HOSMER. I yield.

Mr. ROGERS of Colorado. Have the people in southern California repudiated the Colorado River compact and the California Limitation Act?

Mr. HOSMER. In response to that, I will say unequivocally "No," that our only interest is that the Colorado River compact be observed in the activities conducted in the upper basin, and that their rightful share of the waters of the Colorado River, and their rights to them be not trampled upon by the objectives, the plans and the proposals of the States of the upper basin, including the State which the gentleman represents so ably in the House.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield further?

Mr. HOSMER. I yield further.

Mr. ROGERS of Colorado. Then the gentleman would have no objection to the upper basin States using the amount allocated to them under the Colorado River compact?

Mr. HOSMER. We have no objection to their using that amount, if they use that amount in such a manner as not to destroy California's own use of those waters granted under the same document, the Colorado River compact.

The SPEAKER. The time of the gentleman has expired.

UPPER COLORADO RIVER PROJECT

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I listened with interest to the remarks of the gentleman from southern California, the Honorable CRAIG HOSMER, on the upper Colorado River project, and why it should not be constructed.

Mr. Speaker, one of the greatest wastes we have in this country is in letting our water run to the ocean before it is used. It is estimated that in the United States some 378 million acre-feet of runoff water gets to the ocean every year without being used. In the upper and lower Colorado River areas, the records show that since the construction of the Hoover Dam, there has been an average of 4 million acre-feet of water each year that runs to the ocean which is surplus to the needs of the territory. Since Boulder Dam was completed, it is estimated that more than 84 million acre-feet of water has gone to the ocean unused. This is more than enough water to fill twice over the suggested reservoirs now contemplated in the upper Colorado River project.

The States in the upper Colorado River and in the lower Colorado River Basins have entered into compacts as to the division of the water in the Colorado River watershed. These compacts should be binding. I do not believe that the lower Colorado River States, which includes California, should be so concerned about how the upper Colorado River Basin States will use the water that has been allocated to them. They should have the right to use the water as contemplated in the compacts. There is more than enough water if it is properly stored during flood periods to fill the reservoirs and have available much more water than has been originally allocated to California, because, under the compacts, they receive one-half of the surplus water.

California, from time to time, has complained about the tremendous costs of the upper Colorado River project. Mr. Speaker, I would call your attention to a study made of the amount of money spent in the different States for flood control and reclamation projects. The State of California, up to 1953, has received $853,687,914, of which nearly one-half billion is nonrepayable. The balance is for irrigation projects and is repayable to the Treasury without interest. The flood-control part, much of which has gone to southern California, pays back not one penny in interest or in principal.

If I were a resident of southern California, and realizing how this great State is growing, I would want to vigorously support any program that would keep the floodwaters of the Colorado River from running down through the Rio Grande, through Mexico and into the Gulf of California without first being used several times, if possible. California has had a rapid growth, and I dare say the time is near when it will need water for domestic use. The building of these vast reservoirs to hold back the floodwaters, and to relieve the Boulder Dam of its flood-control necessity and at the same time extending its life 100 years, seems to me to be a must if we are to properly utilize this vast supply of water.

Flood control has received nearly $11 billion over the United States, and not one penny interest or principal is returned to the United States Treasury. On the other hand, reclamation in the past 50 years has received approximately $2,850,000,000, of which $578 million has been repaid. The returns to the Treasury amount to about $60 million each year to repay the cost of irrigation. The investment for irrigation is paying off.

The upper Colorado River project is chiefly a power project. It is shown to be feasible. That part used for power will repay principal and interest.

I just hope, Mr. Speaker, the folks living in southern California will understand the importance of using the water, they will understand that California in the near future may want water in the faucets when it is turned on. This may not be possible unless some means is used to keep this 4 million acre-feet of water, now running to the ocean annually, in reservoirs and ready to produce power and water for domestic use when it is needed.

VOTING IN ELECTIONS

Mr. MACK of Washington. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MACK of Washington. Mr. Speaker, this morning's newspapers report that in Thursday's British election 76 percent of all eligible Britishers went to the polls and voted. This turnout of voters was not regarded as good by Britishers since in the previous general election 82 percent of the eligibles voted. When, however, we Americans compare our own voter participation in general elections with that of the British, our American faces should turn red from shame. While an average of 7½ out of every 10 British people eligible went to the polls to vote yesterday, in our congressional elections of last year when 435 Members of the House and 41 Members of the Senate were elected, only 4 persons out of every 10 eligible voters went to the polls.

I am inserting in the CONGRESSIONAL RECORD today a table showing the number of eligible voters in each State and also the number that participated in those elections. I hope we can arouse through the coming year a greater interest among our American citizens so our American people will vote at least in the same percentage as do the citizens of the nations of Europe. Voting is the price we must pay for good government.

AUTHORIZING SPEAKER TO SIGN ENROLLED BILLS OR JOINT RESOLUTIONS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Tuesday next, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPRESENTATIVE HERMAN P. EBERHARTER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, when any Member of the House becomes ill, each and every other Member is very much concerned about it. When a Member undergoes a serious illness and is away from the House for weeks and months, and recovers so that he can come back to the House, each and every one of us is possessed of happiness and joy.

I know my colleagues will be very glad to welcome back to the House today, and we hope he will not overdo himself in the weeks that lie ahead, our distinguished, our able, and our most beloved colleague and friend the gentleman from Pennsylvania [Mr. EBERHARTER.].

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am very glad to yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Speaker, personally and as I have the honor to be the chairman of the committee on which the distinguished gentleman from Pennsylvania serves with such outstanding credit and distinction, I want to join with the distinguished gentleman from Massachusetts in the remarks he has made, and to recall, as I am sure he does, that he and I went to the hospital to see our colleague when we were rather concerned about his conidtion. We are very delighted to see that he is back with us today.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. JOHNSON of California. I wish to join with the gentleman from Massachusetts and the gentleman from Tennessee [Mr. COOPER] in welcoming back our friend, the gentleman from Pennsylvania [Mr. EBERHARTER]. I have known him ever since I came to Congress. I am happy to see him back and I hope he will continue to have good health.

Mr. McCORMACK. Thank you very much.

Mr. HOEVEN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HOEVEN. I want to join, on behalf of the minority in expressing pleasure at having our distinguished friend, the gentleman from Pennsylvania [Mr. EBERHARTER], back with us. In the House of Representatives we become a rather closely knit family, and when one is absent by reason of illness we all miss him. We are all happy to welcome the gentleman from Pennsylvania [Mr. EBERHARTER] back.

Mr. McCORMACK. I thank the gentleman very much.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. ALBERT. One of the first friends I met when I came to the House was the distinguished gentleman from Pennsylvania [Mr. EBERHARTER]. He has been one of my best friends ever since, and I want to join with the distinguished majority leader in welcoming him back to the House.

Mr. McCORMACK. I thank the gentleman very much.

Mr. FOGARTY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. FOGARTY. I wish to join the distinguished majority leader in welcoming back our friend, Mr. EBERHARTER. I have known Mr. EBERHARTER for the past 15 years. I have found him to be one of the most conscientious and one of the hardest working Members of this House. I went through a similar experience not long ago, and I am still around and I expect to be here a few years yet, and I know the gentleman from Pennsylvania does too.

Mr. McCORMACK. I thank the gentleman very much. We are all happy to see our dear friend back again, and we hope he will not overdo himself.

WATER CONSERVATION

Mr. AVERY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. AVERY. Mr. Speaker, my distinguished colleague from the State of Nebraska [Mr. MILLER] expressed his sincere regret over the fact that much water was going to waste down the rivers and eventually into the ocean. I would like to have the RECORD show that there is a river coming out of his State of Nebraska, running through my First District of Kansas, the Blue River, that has been highly controversial, even in the Halls of Congress. There is a proposed dam on this river that my district does not want. I would like to yield to my friend from Nebraska to have that dam moved upstream to anywhere it may be his pleasure to place it within his State.

WE HAVE FOUND WHAT IS HAPPENING TO YOUR DUCK STAMP MONEY, MR. DUCK HUNTER

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. JOHNSON] is recognized for 60 minutes.

INTRODUCTION

Mr. JOHNSON of Wisconsin. Mr. Speaker, a year ago, on June 3, 1954, I addressed the House on the subject of the Migratory Bird Hunting Stamp Act. The title of my speech at that time was "What Is Happening to Your Duck Stamp Money, Mr. Duck Hunter?" Today, almost a year later, my remarks are entitled "We Have Found What Is Happening to Your Duck Stamp Money, Mr. Duck Hunter."

Mr. Speaker, on Tuesday of this week I had the privilege of appearing before the House Subcommittee on Fisheries and Wildlife, of which my colleague, Congressman FRANK W. BOYKIN, of Alabama, is chairman. I spoke in behalf of my bill, H. R. 2142, which I introduced into the Congress on January 13, 1955. This bill, if passed by the Congress and signed by the President, will amend the Migratory Bird Hunting Stamp Act so that 40 percent of the funds received by the Fish and Wildlife Service from the sale of duck stamps will be earmarked for the acquisition of waterfowl refuges and sanctuaries.

In preparing my testimony before the subcommittee, I believe I have secured information on what the duck stamp moneys have been used for since the time the act was passed in 1934, information which conservationists and Members of Congress have many times wanted to know, but have never actually compiled.

Mr. Speaker, for that reason I am addressing the House today so the information which I have secured may be available to all of the Members of the House and conservationists throughout the Nation for their study.

Mr. Speaker, at this time I want to thank the various people in the Fish and Wildlife Service who have given me the information I requested. I also want to thank the various wildlife organizations and especially Mr. Charles H. Callison, director of the National Wildlife Federation, for the help he has given me on how to proceed in securing much of the information that is contained in my remarks. I would also like to recognize the help given me by Mr. C. R. Gutermuth, vice president of the Wildlife Management Institute, for the assistance he has rendered me since I first came to Congress; for furthering my contacts in the conservation field and in acquainting me with conservation legislation on a national level. And I cannot pass without thanking my colleagues, Congressman LEE METCALF, of Montana, who has been a great help to me, and Congressman CLARK THOMPSON of Texas, who appeared before the Fish and Wildlife Subcommittee in favor of my bill. I also want to thank other Members of the House for the assistance they have given me. I cannot forget my good friend, Carl D. Shoemaker, conservation consultant, National Wildlife Federation, and general counsel for the International Association of Game, Fish, and Conservation Commissioners, as it was through his efforts that I became interested in the duck-stamp matter in 1954,

my first session in Congress, and I then brought it to the attention of this body on June 3, 1954.

NATIONAL WILDLIFE REFUGES IN THE STATE OF WISCONSIN

Mr. Speaker, prior to being elected to Congress on October 13, 1953, I had always been interested in conservation on the local level. I have belonged and continue to belong to a number of clubs in my home county of Jackson.

Mr. Speaker, the Ninth Wisconsin Congressional District which I represent, is vitally interested in the duck stamp problem, as the district is located in western Wisconsin and the Mississippi River is the western boundary of four of the counties I represent. In Wisconsin, we have three National Wildlife Refuges:

The Upper Mississippi River Wildlife and Fish Refuge, created by an act of Congress on June 7, 1924, consists of 197,444 acres, with 32,667 acres in Minnesota, 87,411 acres in Wisconsin, 54,230 acres in Iowa, and 23,136 acres in Illinois. This is the longest refuge in the United States, including intermittent tracts along 284 miles of the Mississippi River from Nelson, Wis., to Rock Island, Ill. Parts of it were secured by direct acquisition by the Fish and Wildlife Service, while the remainder was transferred from the Corps of Engineers under cooperative agreement.

Refuge bottom land varies from 2 to 5 miles in width from the mouth of the Chippewa River to Prairie du Chien, Wis. Below Prairie du Chien, bottomlands become narrower until reaching the Savanna Ordnance Depot near Savanna, Ill. Between the ordnance depot and Clinton, Iowa, wide river bottoms are again the rule. However, below Clinton to the lower end of the refuge, bottomland is negligible except at the mouth of tributary streams. Precipitous wooded hills, varying from 200 to 600 feet in height, border the refuge from the Chippewa River to Clinton, Iowa. Below Clinton, these hills give way to much more gradual slopes.

Development of the 9-foot navigation channel by the Corps of Engineers has changed both water levels and wildlife habitat. New marsh as well as formation of extensive pools resulted from the construction of 13 dams within the limits of the refuge.

Also, just south of the Ninth District is located the Necedah National Wildlife Refuge. This is a unit in the chain of refuges of the Mississippi flyway extending from Canada to the Gulf of Mexico.

This 40,000-acre refuge is located in Juneau County, about 7 miles west of Necedah, Wis. Only 201 acres were acquired through sale of duck stamps. The area is characterized by numerous ponds and marshy areas, separated and broken up by sandy ridges and islands. A network of old drainage ditches maintains the water levels in manmade impoundments. The primary types of vegetation consist of jack pine-scrub oak mixtures on the uplands and aspen and scrub willow in the lowlands. Limited numbers of white and red pines are still present.

The refuge was established in 1939 primarily to give sanctuary and provide food and nesting cover for migratory waterfowl.

Although many species of birds nest here, the spring and fall migrations of waterfowl are the most interesting feature of the refuge. The peak populations in fall are usually reached in late October.

And I cannot pass without mentioning the Horicon National Wildlife Refuge, on which I have hunted ducks many times, in 1918 and in the twenties. This refuge was the dream of Curly Radke, of Horicon, Wis., back in the 1920's.

Horicon Marsh in southeastern Wisconsin is recognized as one of the most fertile and productive marshes in America. It was formed in geological times by shallow gouging of the Wisconsin Glacier, creating a lake which by sedimentation and decomposition of vegetation made the marsh as it is today. The present marsh is about 14 miles in length from north to south and 3 to 4 miles wide. The water supply comes from the upper branches of the Rock River.

The Horicon National Wildlife Refuge, established in 1941, contains about 20,600 acres, of which 20,417 were purchased with duck stamp moneys. This area, administered by the Fish and Wildlife Service, United States Department of the Interior, is a unit in the chain of refuges of the Mississippi flyway extending from Canada to the Gulf of Mexico. Before drainage in the 1910's, Horicon Marsh was one of the most famous duck-hunting spots in the country. Now it is one of the finest places in Wisconsin for seeing fall and spring goose concentrations, as well as rich varieties of nesting waterfowl and marshbirds. Construction of a dike spanning the marsh has made possible dual operations—the northern two-thirds as a refuge of the Fish and Wildlife Service and a 10,000-acre wildlife area of the Wisconsin Conservation Department to the south.

Flocks of Canada geese, which have exceeded 30,000 birds, stop here during March and April and again in October and November. Their daily flights within and from the marsh are most impressive. Blue and snow geese in lesser numbers may usually be seen.

PROGRESS OF THE NATIONAL REFUGE PROGRAM IN WISCONSIN

Mr. Speaker, much of the credit for the progress of conservation in Wisconsin and the securing of a large amount of duck stamp money for the Horicon Marsh Refuge must go to Ernie Swift, Assistant Director of the Fish and Wildlife Service, who was conservation commissioner in Wisconsin from 1947 to 1954. Ernie Swift joined the Wisconsin Conservation Commission in June 1926, and served as a warden and forest ranger. In 1928, he was placed in charge of the State law enforcement program and in November 1935 was promoted to deputy conservation director of the Wisconsin Conservation Commission. He is a career man whose main interest is conservation and he is well respected among conservationists all over the State of Wisconsin for the fine work he did in our State. Our present Director of the Fish and Wildlife Service, Mr. John L. Farley, recognized the outstanding ability of Ernie Swift and brought him here to Washington.

Mr. Speaker, I wanted to give you this picture of the progress of the national refuge program for migratory waterfowl in my own State for special reasons.

First, anyone familiar with Wisconsin knows that there are many other areas which can and will be developed if there is money available. The Members of Congress, I believe, will find the same condition in their own States if they examine the list of Federal refuges.

Second, only 20,618 acres of a total of 258,044 acres of these refuges were established by the use of duck-stamp money to buy the land although these moneys have been used to develop the area. I think Wisconsin obtained a better break than most States.

Third, to show you that the various refuges in Wisconsin go back to 1924, 1939, and 1941; there have been no new Federal refuges for migratory waterfowl established in Wisconsin in the last 14 years. I think that for the Nation as a whole, you will find that the refuges had their largest growth in acres from 1932 to 1939. I shall go into that later in my discussion.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I am sorry I did not know the gentleman was going to make his remarks, so I could have heard the first part of his statement. Do I correctly understand that the gentleman believes the entire refuge program has been completed?

Mr. JOHNSON of Wisconsin. If the gentleman from Minnesota will wait until I am further along in my remarks, he will find I have covered this matter thoroughly, and I believe he will be able to determine my views. I have made a very thorough study of the refuge situation and I hope the gentleman from Minnesota will take the time to read it thoroughly when it is printed in the CONGRESSIONAL RECORD.

Mr. AUGUST H. ANDRESEN. Does the gentleman want a refuge established in every district?

Mr. JOHNSON of Wisconsin. In my district we have the Mississippi refuge. It is my opinion that the decision where Federal refuges should be established is a matter to be determined by qualified men who have made work in conservation their life work.

Mr. AUGUST H. ANDRESEN. The gentleman happens to live in the same flyway I do.

Mr. JOHNSON of Wisconsin. Yes, I do, but I am not only interested in the district which I represent. I am interested in conservation in the entire State of Wisconsin and in the United States as a whole. I am sure that the gentleman from Minnesota does not think I have introduced this legislation because I am interested in my particular congressional district only. I feel that conservationists should be interested in the program all over the United States.

Mr. AUGUST H. ANDRESEN. I happen to be a member of the Migratory

Bird Conservation Commission, and I can say with considerable pride that I was the author of the original Migratory Bird Act.

Mr. JOHNSON of Wisconsin. I figured by the name of the act that the gentleman probably was. How long has the gentleman been a member of the Commission?

Mr. AUGUST H. ANDRESEN. I was on there from 1929 until 1933 and then I went off the Commission, not by choice. Then I got back on the Commission about 2 years ago. Since that time the refuges throughout the country in various States have been expanded and some new refuges have been established.

Mr. JOHNSON of Wisconsin. That will all be taken care of in my paper later, and I think I have pretty well established the period when the main development was made and the amount the Commission has purchased each year will be shown in my charts.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. REUSS. I wonder if the gentleman from Wisconsin is able to tell us at this time who the members of the Migratory Bird Conservation Commission are and who has served on the Commission.

Mr. JOHNSON of Wisconsin. I did not know at the time I prepared this paper. I think when you study the charts and hear my complete statement you will find that we have been busy in our office. I have just found out now that the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] is one of them. If the gentleman wishes, I will contact the Library of Congress and show in the RECORD at this point who they are and who has served since the Commission was formed and length of service.

Mr. REUSS. I feel it would be useful if the gentleman would do that and perhaps insert it in the RECORD.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to insert the material requested by the gentleman from Wisconsin at this point in my remarks.

The SPEAKER pro tempore (Mr. ROGERS of Colorado). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

(The matter referred to follows:)

MEMBERS OF THE MIGRATORY BIRD CONSERVATION COMMISSION SINCE ITS ESTABLISHMENT

United States Senators: Hon. Peter Norbeck, of South Dakota, 1929–36; Hon. Harry B. Hawes, of Missouri, 1929–1933; Hon. Key Pittman, of Nevada, 1933–40; Hon. Charles McNary, of Oregon, 1936–44; Hon. George L. Radcliffe, of Maryland, 1941–46; Hon. C. Wayland Brooks, of Illinois, 1945–48; Hon. A. Willis Robertson, of Virginia, 1947 to present; Hon. John W. Bricker, of Ohio, 1950 to present.

House of Representatives: Hon. Ernest F. Ackerman, of New Jersey, 1929–31; Hon. Sam D. McReynolds, of Tennessee, 1929–39; Hon. Roy O. Woodruff, of Michigan, 1933–1934; Hon. Chester C. Bolton, of Ohio, 1934–36; Hon. James Wolfenden, of Pennsylvania, 1937–43; Hon. John J. Cochran, of Missouri, 1940–46; Hon. Walter E. Brehm, of Ohio, 1943–52; Hon. Frank Karsten, of Missouri, 1947 to date; Hon. Prince H. Preston, of Georgia, 1955; Hon. August H. Andresen, of Minnesota, 1932–34 and since 1953.

Mr. AUGUST H. ANDRESEN. If the gentleman will look in the Congressional Directory he will find the names of the members of the Migratory Bird Conservation Commission.

Mr. JOHNSON of Wisconsin. The gentleman wanted to know who has served since the act was passed, and how long each member has served. Is the gentleman from Minnesota able to give that information?

Mr. AUGUST H. ANDRESEN. I know there have been several members of the Cabinet and different Members of the House and Senate. During the Roosevelt and most of the Truman administration I was not a member of the Commission, but I have tried to straighten out some things since I went back on the Commission again.

Mr. JOHNSON of Wisconsin. I am glad to hear that.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Since the gentleman has made quite a study of these refuges, I wonder if he is in agreement with the position of the conservation commission in Wisconsin in opening up part of the Horican Refuge for duck hunting?

Mr. JOHNSON of Wisconsin. From information I have been able to gather, the duck hunters of Wisconsin are very well satisfied with the arrangement where there are shooting areas. I am not familiar with the feelings of the hunters of the second district, where the Horican Marsh is located. I am more familiar with how the hunters of the ninth district feel.

I am for more refuges, but I am for them so there will be more ducks for duck hunters to shoot, and I believe the State of Wisconsin Conservation Commission is well received by the various conservation clubs in Wisconsin.

Mr. LAIRD. Mr. Speaker, will the gentleman yield further?

Mr. JOHNSON of Wisconsin. I yield.

Mr. LAIRD. Does the gentleman from Wisconsin realize that by amending the law in which an additional dollar was added to the duck stamp the intention was that the first dollar would be used for the purchase of refuges which would not be violated by the use of sportsmen and hunters? Quite a bit of the Horicon Marsh was purchased with those funds. The Conservation Commission and the Conservation Congress, representing all of the counties in the State, have gone on record and have supported opening up the Horicon Marsh, and it has been opened up for hunting on a term basis.

Mr. JOHNSON of Wisconsin. Well, was the gentleman here when I gave my remarks on the Horicon Marsh? I understand that the State of Wisconsin has a refuge that adjoins the Federal lands in Horicon Marsh. I think the area you are talking about is the land owned by the State. It is not the Federal refuge.

Mr. LAIRD. Well, it borders the Federal refuge.

Mr. JOHNSON of Wisconsin. It borders the Federal refuge, and of course the Federal refuge has nothing to say about what the State of Wisconsin does with its refuge.

Mr. LAIRD. It does in this case, because part of the refuge is now open, as the gentleman knows.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield.

Mr. REUSS. Is it not a fact that the Federal refuge, which is the northern half of the entire area known as Horicon Marsh, is entirely closed and has been closed ever since it was made a Federal refuge to the shooting of ducks, geese, and migratory birds? And is it not a further fact that the entirely separate State conservation area to the south of it, which is also geologically a part of Horicon Marsh, is the area in which, under the regulations of the Wisconsin Conservation Commission, certain controlled shooting is permitted from time to time?

Mr. JOHNSON of Wisconsin. That is what I have said in my remarks. The gentleman from Wisconsin [Mr. LAIRD] seems to have the idea that the Federal land has been opened up.

Mr. REUSS. Will the gentleman yield further?

Mr. JOHNSON of Wisconsin. I yield.

Mr. REUSS. I have had some experience with the Horicon Marsh as recently as the day after election last November, when I enjoyed a very fine day out on the marsh and saw 30,000 geese and hundreds of thousands of mallards, sprig, widgeon, bluewing, and greenwing teal, canvasback, shovellers, and other fine migratory waterfowl. I am under the impression that the only hunting of any sort which is allowed in the Federal marsh to the north is certain controlled bow and arrow hunting of deer. That is the sole shooting allowed in the Federal area, and there is no shooting of ducks, geese, snipe, or other migratory waterfowl allowed.

Mr. JOHNSON of Wisconsin. I just want to tell the gentleman from Milwaukee that my understanding is the same as his. I would like to tell the gentleman from Wisconsin's Seventh District [Mr. LAIRD] that when I finish my statement I will give him all the time he wants, but I feel it is important that the Members of the House hear the facts I will present in my statement. I have an hour, and if the gentleman will sit around here and listen to the facts I think he will secure some information that will answer all his questions. I know the gentleman wants to be helpful, but I want to get through with this talk of mine and I believe I have information to present that he should hear.

MIGRATORY-BIRD LEGISLATION FROM 1916 TO 1930

Mr. Speaker, I do wish to review the broad history of these programs since the Migratory Bird Treaty was entered into between the United States and Canada in 1916. My purpose in doing this is to focus the spotlight on the objective of my bill.

Negotiation of the 1916 treaty and passage by Congress of the enabling act

in 1918 did not assure increased propagation of waterfowl. In spite of the protective wing of the Federal Government, the wild-waterfowl population continued to decline much to the dismay of sportsmen. This fact generated considerable discussion during the 1920's in and outside of Congress. The discussion finally resulted in the enactment of the Norbeck-Andresen Act of February 18, 1929—Public Law 770 of the 70th Congress. The purpose of this act was to more effectively meet the obligations of the 1916 treaty and to launch programs to reduce dangers threatening, in one way or another, propagation of migratory waterfowl.

The Norbeck-Andresen Act also established the Migratory Bird Conservation Commission—the functions of which are to pass on proposals for the purchase of refuges. The act also authorized appropriations of about $8 million a year for 10 years, and thereafter annual appropriations of $200,000 for the refuge program. However, Congress did not make the necessary appropriations to carry out the program.

THE DEPRESSION THIRTIES

Then came the early thirties, with the great drought at its height. Water from prairie potholes, ponds, and marshes disappeared into thin air; dust storms raged, and farmers throughout the Dust Bowl were panic stricken and in poverty. Waterfowl had reached the lowest point in their history. Severe restrictions on the take were ordered, but control of the hunter kill was far from the answer to the basic problem of where the birds would find suitable nesting cover, food, and protection. The refuge problem, which had seen an auspicious beginning with the passage of the Norbeck-Andresen Act, was also withering on the vine. Funds were unavailable during the depression to implement the act, and many sincere conservationists predicted the final extinction of the Nation's ducks and geese as the inevitable end. Our waterfowl population continued to decline until it hit a new low in 1932.

All of you remember the many programs that came after the election of Franklin Roosevelt in 1932. Programs to lift the people from the depths of the depression and programs to prevent future droughts in the Dust Bowl areas.

In January 1934, President Roosevelt appointed a special waterfowl committee consisting of Jay N. "Ding" Darling, famous cartoonist; Thomas Beck, wealthy magazine editor and avid duck hunter, and Aldo Leopold, one of the Nation's foremost biologists. This committee immediately set a goal of $50 million for the purchase and restoration of submarginal and other lands for wildlife, with special emphasis on migratory waterfowl. Such breadth of imagination created a public gasp, yet it fired the enthusiasm of conservationists everywhere. "Ding" Darling came in as chief of the biological survey and completely changed the course of refuge history. More than any other single individual in conservation history he proclaimed the plight of drought-stricken and overshot ducks with his eloquent tongue, his facile pen, and his pungent cartoons. In a short time, $8,500,000 of emergency funds were obtained for the purpose of buying lands and for constructing fences, dikes, dams, and necessary buildings as follows: A special fund of $1 million was set aside by the President for the purchase of migratory waterfowl refuges; $1,500,000 was allocated from the submarginal land retirement fund; and $3,500,000 from drought-relief funds to be used for the purchase and development of lands within the drought-stricken areas; from WPA funds $2,500,000 was allotted for engineering operations, to construct water-level controls and to improve natural conditions on the refuges.

It was in this setting of excited interest among sportsmen and conservationists that the Duck Stamp Act, formally known as the Federal Migratory Bird Hunting Stamp Act, came into being in 1934; purpose of the act was "to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act, and regulations thereunder, and for other purposes."

"Ding" Darling drew the design for the first duck stamp, and during the first year of its sale almost $600,000 of new moneys were added to the funds available for the national program.

LISTS OF MIGRATORY BIRD REFUGES ACQUIRED AND DEVELOPED IN THE UNITED STATES FROM 1934 THROUGH 1941

Mr. Speaker, for the information of the Members, I have listed outstanding migratory wildlife conservation refuges in the United States for the purpose of showing that the main development on all of these refuges was completed by 1939. Certain papers I have studied in preparing my remarks have listed the various refuges but have failed to give the date they were acquired or developed, leading people to believe that the main development was yet in force and the duck-stamp moneys were being used for such development.

Frenzied activity among the small staff of the biological survey under Darling's leadership, full cooperation of State conservation directors, and active participation by many sportsmen's groups led to unbelievable results. Land negotiators, surveyors, engineers, draftsmen, biologists, and other skilled help were hastily recruited and added to "Ding's" staff. Great projects were initiated. Surveys and negotiations for lands rushed forward at a dizzy pace. Buildings, dikes, dams, and other structures were rushed to the construction stage. Many were aided by WPA relief labor, others through the use of workers in the Civilian Conservation Corps. Between July 1, 1934, and March 31, 1935, some 653,000 acres of land were optioned in time for letting construction contracts amounting to $892,000.

Chautauqua refuge in Illinois; Seney in Michigan; Squaw Creek in Missouri; Arrowwood, Des Lacs, Lostwood, and Upper and Lower Souris refuges in North Dakota; and Sand Lake, Lacreek, and Waubay in South Dakota, all came into being. Several existing areas were expanded by the addition of suitable lands. By June 30, 1935, 22 CCC camps were working on refuges where land purchase had gone forward far enough to warrant development.

By the end of 1935, White River refuge in Arkansas; Sacramento in California; Delta, Lacassine, and Sabine in Louisiana; Mud and Rice Lakes in Minnesota; Medicine and Red Rock Lakes in Montana; Valentine in Nebraska; Mattamuskeet in North Carolina; Muleshoe in Texas; Turnbull in Washington; and the Great P Ranch as an adjunct to Lake Malheur in Oregon, all fell into place on the national refuge map.

Later, Darling, with the aid of Senator Norbeck, of South Dakota, and other ardent conservationists in Congress, obtained another $6 million for the waterfowl restoration program. This kept the movement, which was now well underway, going at an accelerated pace.

By the end of 1937, acquisition was actually in progress on 62 different refuges, old and new, while at the same time construction of dikes, dams, and other facilities was proceeding on the newly purchased areas as rapidly as title passed to the United States Government. In the important breeding areas of North Dakota and Montana, landowners were cooperating wholeheartedly by granting perpetual easements for the flooding of their driedup potholes, with the Government providing labor to construct dams designed to catch and hold the waters which were bound to return with a change in the water cycle.

During those years, increasing CCC, WPA, and other relief labor was available for the development program, but there was a dire shortage of Federal funds available for the purchase of supplies and material to take advantage of the abundant supply of relief labor. Here the duck-stamp moneys were used to great advantage for purchasing fencing material, steel, cement, water control gates, and other necessary items. Thus, these funds, though small in amount, became the key to the use of relief labor for the development of the growing thousands of acres of lands being purchased with other moneys. During succeeding years, as WPA workers returned to private industry and CCC camps were disbanded, the duck-stamp funds and the all-too-inadequate regular annual appropriations became the sole source of support for the waterfowl refuge program.

Duck-stamp receipts in those early years, however, were only a drop in the bucket compared with the emergency funds that Mr. Darling was able to obtain. In fiscal year 1935, duck-stamp receipts were $635,000; the next year they dropped to $448,000. In 1937, they rose to $604,000, and in 1938 to $783,000. It was not until 1939 that they hit the $1 million mark.

As a part of the relief endeavor by Franklin D. Roosevelt, the Government embarked upon a purchase program to retire submarginal lands in communities which were unable to maintain a living standard from their abused and worn-out soils. In 1939, that policy changed and the areas formerly acquired by the

Resettlement and Farm Security Administrations were turned over to other agencies of the Government for administration. Five such units, totaling more than 200,000 acres, were transferred to the Fish and Wildlife Service: the Carolina Sandhills in South Carolina; Little Pend Oreille in Washington; Piedmont in Georgia; Moosehorn in Maine; and Kentucky Woodlands in Kentucky—all generally suited for wildlife and upland game, while the 40,000-acre Necedah in Wisconsin, and a 65,000-acre addition to the St. Marks Refuge in Florida were important additions to the waterfowl program.

By 1939, all appropriated and emergency funds for the purchase of lands were obligated, and the duck-stamp receipts became the only funds available for land purchase. They also constituted a large portion of all moneys available for the development, operation, and maintenance of refuges previously acquired. Thus the land purchase program by necessity resolved itself into one of purchasing key tracts, either in areas where new refuges were sorely needed, or to round out and complete refuges which had been partially acquired during the burst of activity in the lush days of refuge expansion.

Mr. Speaker, during this period when the Service was able to acquire so many acres of refuges at no cost, and with the liberal appropriations of Congress for the purchase of other areas, the Fish and Wildlife's use of the duck-stamp money for the development of land was well received by the conservationists and sportsmen.

A TRIBUTE TO JAY N. "DING" DARLING

Before I continue with my remarks, I would like to pay tribute to Jay N. "Ding" Darling, who did so much for conservation and is respected and admired by conservationists all over. From 1934 to 1935 he headed the Biological Survey Unit in the Fish and Wildlife Service. He founded the National Wildlife Federation in 1936 and was the first president of the organization, serving in that capacity until 1938. On Tuesday, the Fisheries and Wildlife Subcommittee heard the excellent testimony of Charles Callison, Conservation Director, who acts as legislative representative of the National Wildlife Federation and who appeared in favor of H. R. 2142.

HISTORY OF REFUGE ACQUISITION SINCE 1941

Everyone remembers Pearl Harbor on December 7, 1941, and the Nation at once put all of its thought to war and winning the peace. The Congress was no exception. In the postwar years, its thoughts and appropriations have been military and helping to stop communism abroad through aid to wartorn Europe and Asia, so that appropriations specifically for the acquisition and development of land for migratory birds have lagged.

Mr. Speaker, I am submitting this history of refuge acquisition to show the Members of the House that there was actually need for the use of duck-stamp money during the early 1940's.

Facts will show that main development of migratory waterfowl refuges, except for minor expansion, was completed by 1950. The source from which I obtained the information necessary to furnish you this list was a statement on the Federal waterfowl refuges and duck-stamp program, made by John J. Farley, United States Department of the Interior, before the Subcommittee on Public Lands, House Committee on Interior and Insular Affairs, July 30, 1954. I have used the same statement as used by Mr. Farley, except that I have obtained the dates the various refuges were acquired. From information I have been able to gather, the main development such as digging of ditches, building of dams, main roads, and so forth, was completed approximately by 1950. The date might vary 2 years either way. It is claimed by those opposed to earmarking 40 percent of the duck-stamp receipts for the acquisition program that the Service is always developing refuges by extending roads, adding buildings and various other minor items.

By failing to give the date that refuges were acquired, people are led to believe that the Department is still developing many large refuges being obtained yearly from various other Government departments. I was not able, in my study, to determine the number of acres acquired through this type of gift by the Fish and Wildlife Service from 1950 to the present date. I think it is a question worth investigating. Those opposed to earmarking the duck-stamp revenues gave the impression that the Service was, in a large way, acquiring much land from various departments and was still in the process of main development. By reworking this material, I tried to prove my contention that the main development is finished.

The principal exception to the lag in acquisition and development of land for migratory birds has been in California. Here, agricultural depredations were severe, and to meet a specific problem in the troublesome wintering grounds of the lower end of the Pacific flyway, Congress in 1948 passed what is known as the Lea Act. The need was for croplands on which the birds might feed instead of raiding the farmers' rice and barley fields. The Lea Act, therefore, authorized the acquisition of wildlife management areas on which feed could be grown. It also included a special provision permitting hunting at the discretion of the Secretary of the Interior. This plan proceeded regularly for a 5-year period, with congressional appropriations of $250,000 annually to acquire, develop, and manage specific waterfowl management areas. A total of 6,927 acres in 4 separate units—the Colusa, Sutter, Merced, and Salton Sea—were acquired with the Lea Act moneys.

The Congress, in 1950, 1951, and 1952, appropriated a total of $450,000 to supplement duck-stamp funds for the restoration of water-control dikes on the Tule Lake-Lower Klamath Refuges in northern California. These dikes are essential to the proper management and control of waters to reduce the heavy botulism losses that had regularly occurred in this very valuable duck and goose concentration area.

Also, a special act of Congress in 1947 transferred to the Service jurisdiction of the Crab Orchard ordnance plant and adjoining Federal lands in southern Illinois. Part of this 44,000-acre area had previously been acquired by the Federal Government as a step toward improving a very unsatisfactory economic situation in the vicinity of the Herrin coal fields and the balance as an addition to the ordnance plant. These lands formerly were under the jurisdiction of four separate Government agencies. The Fish and Wildlife Service was interested in acquiring a portion of the area for waterfowl management purposes, but before the bill passed the Congress it was amended to include all of the lands in the project, thus making one Federal agency responsible for its administration. At the time the Service took it over it had practically no wildlife value. Today it is one of the finest wildlife refuges in the entire United States. Indicative of the phenomenal success of the development and management program here is this comparison: At the time of the transfer there was no waterfowl use of the area; in the fall of 1953 more than 48,000 Canada geese made Crab Orchard their headquarters. Incidentally this area also has become the center for some of the Nation's most famous hunting-dog field trials.

Although there has been little in the way of special appropriations for the acquisition and development of new refuge areas since 1940, the Service has continued to make great strides in expanding the refuge system. This has been possible largely through the use of suitable areas acquired by other Government agencies for other public purposes.

Basic authority for Fish and Wildlife Service use of areas impounded by other agencies of the Government was first conceived in 1934 through what is known as the Coordination Act. This was amended and improved in 1946 and has become a milestone in refuge development. The act now provides that "whenever the Federal Government, through the Bureau of Reclamation or otherwise, impounds water for any use, opportunity shall be given to the Fish and Wildlife Service to make such use of the impounded waters for fish-cultural stations and migratory-bird resting and nesting areas as are not inconsistent with the primary use of the waters."

Under this authority some excellent areas have been made available to the Service without cost for land. Duck-stamp moneys have been used for their development and for operation and maintenance. A few examples are worthy of specific mention.

When the Denison Dam was constructed across the Red River, which marks the boundary between Texas and Oklahoma, it flooded several shallow bays with excellent waterfowl potentials. Two Federal refuges were created in 1946, the Tishomingon on the Oklahoma side, consisting of approximately 13,500 acres, and the Hagerman refuge of about 11,500 acres in Texas. Subsequent farming and other developments for waterfowl have brought large numbers of wintering ducks and geese into the Red River Valley for the first time within the memory of local residents, and excellent shooting has resulted over a wide adjacent area.

The Santee refuge on the Santee and Cooper Rivers in South Carolina is another similar area made available to the Service—in 1941—for wildlife purposes as a part of the Santee-Cooper flood control and hydroelectric project.

Two of the finest refuges in the South were developed on lands acquired and flooded by the Tennessee Valley Authority. The Wheeler refuge, acquired in 1938, containing approximately 35,000 acres in northern Alabama, and the Tennessee refuge, acquired in 1945, of approximately 50,000 acres in western Tennessee, have turned into two of the Nation's finest waterfowl wintering areas through the proper manipulation of food, cover, and water levels. Also, below the Boulder Dam on the great Colorado River, two other refuge areas have been set aside on reclamation projects—the Havasu, acquired in 1941, of approximately 45,000 acres, and the Imperial, acquired in 1941, about the same size. These refuge areas constitute the chief wintering grounds for the great basin Canada goose, and also accommodate thousands of ducks which find this to be the only suitable marshland in the midst of desert which stretches in endless miles in all directions.

One of the finest areas in the entire refuge system came to the Fish and Wildlife Service in 1951 without costing wildlife funds a dime for land purchase. This is the 140,000-acre Loxahatchee area in the heart of a flood-control district immediately west of Palm Beach, Fla.

The Salt Plains refuge in north-central Oklahoma, originally established on public domain land by Executive order in 1930, is another good example of this cooperative approach. Shortly before World War II, the Corps of Engineers became interested in using the salt flats as a flood-control project. Agreement was reached with the corps whereby the salt flats were used for an impoundment and the additional lands acquired for the project were transferred to the Fish and Wildlife Service in 1943 for operations as part of the Salt Plains refuge. Duck-stamp moneys were used to acquire some 1,029 acres needed to round out the refuge. A diversion structure and ditch to supply water for a series of of sub-impoundments, as well as the dikes and control structures for the sub-impoundments, have been financed from duck-stamp revenues. The 31,000-acre Salt Plains refuge is now one of the outstanding refuges of the south-central plains wintering area.

Mud Lake, in Minnesota, an excellent waterfowl breeding area, consisting of more than 60,000 acres, also came to the Service—in 1937—without cost except for a few acres to round out boundaries. These lands were originally acquired by the Resettlement Administration. This is one of the few Federal refuges on which moose also are found. About 100 head of these large animals make Mud Lake their home.

In Nevada, the famous Carson Sinks-Stillwater Slough area containing almost 200,000 acres, and known to western duck hunters since the beginning of irrigation in Nevada, is now extensively developed through a joint program—started in 1948—between the State, with Pittman-Robertson funds, and the Fish and Wildlife Service, with duck-stamp money. All of the lands in this project are provided by the Truckee-Carson Irrigation District. Now draglines and dirt-moving equipment are creating new and improved waterfowl pools which will guarantee a perpetuation of the sport of duck hunting in one of the finest areas in the West.

Most of the 733,015 acres held by the Fish and Wildlife Service for migratory waterfowl refuges prior to 1935 was principally purchased after 1932 by money appropriated by Congress. Under the authority of the Coordination Act passed in 1934, the Wildlife Service has added to its refuges 2,167,926 acres of land suitable for waterfowl management. This, added to the 783,015 acres acquired prior to 1935, makes a total of 2,950,941 acres, practically all of which was acquired prior to 1952. As of July 30, 1954, the Service had acquired—with duck-stamp money—209,329 acres; leased with these funds 16,815 acres, and 11,835 acres were under contract. Of this total of 237,979 acres, 214,052 acres were acquired up to June 30, 1952. The balance, 23,927 acres, has been purchased since. The total holdings of the Service as of July 30, 1954, were 3,200,000 acres. These figures show that since the early 1940's—or the period of World War II—there has been little expansion of the program.

LAW INCREASING DUCK-STAMP PRICE ENACTED IN 1949

Until June 30, 1949, the Wildlife Service had realized $19,054,112 from the sale of duck stamps and out of this total, $3,403,793 had been used for the purchase of lands suitable for migratory waterfowl refuges. I do not believe anyone objected, as the Service, up to this time, received so much land at no cost that the use of the duck-stamp money for the development of these areas was considered satisfactory procedure. They realized that the acreage was not increasing to any degree from the use of duck-stamp money, but the refuges that were acquired in the 1930's and through the 1940's had to be developed, which required quite a few years to accomplish. I have listed the many areas all of which except one were acquired prior to 1949. The sportsmen were realistic and fair-minded and they were willing to meet the Federal Government halfway. In 1949, the sportsmen themselves came to Congress with the request that the price of the duck stamp be increased from $1 to $2. The sportsmen did this with the understanding that the additional revenue would be used for the acquisition of waterfowl refuges. The Honorable CLARK THOMPSON was, at that time, chairman of the House Subcommittee on Fisheries and Wildlife and they came to him with the request that he become the author of this legislation. He appeared with me before the Subcommittee on Fisheries and Wildlife to tell them what transpired at the time when I testified before this subcommittee earlier this week.

It will be interesting to note what has happened since that time. I think the figures will show that the funds used since that time have gone far astray from the intent of the legislation. I know that other Members of Congress share this opinion. In support of this contention, I draw the Members' attention to a discourse which took place on April 6 last year on the House floor when the appropriations bill for the Department of the Interior was being acted upon. The discourse to which I refer will be found in the CONGRESSIONAL RECORD, volume 100, part 4, page 4736.

CUTS IN APPROPRIATIONS TO FISH AND WILDLIFE SERVICE

Mr. Speaker, as before stated, last year the Director of the Budget and Congress reduced appropriations for programs pertaining to waterfowl preservation and propagation by $1,200,000. The total cut, as shown on my chart which I will present later on in my remarks, was $1,719,342.

As a consequence of this appropriation cut, the Fish and Wildlife Service has been forced to dip into duck-stamp funds for its operations. I quote from the statement of Mr. John L. Farley, Director of the Fish and Wildlife Service, before the Subcommittee on Interior and Insular Affairs, on July 30, 1954, pages 17 and 18:

> This course has been dictated by necessity. Over the years, as new areas came under administration, the Service has endeavored to secure funds for the development, operation, and maintenance of the new projects.
>
> Cuts in appropriations have made it necessary to use duck-stamp moneys instead of regular appropriations.
>
> This has forced the Service to take steps which have resulted in the present waterfowl program being carried practically in its entirety from duck-stamp revenues and refuge receipts, and reversions from unexpended Pittman-Robertson moneys, which are also available for carrying out the purposes of the Migratory Bird Conservation Act. Practically all of the annual appropriation acts for refuge purposes are used for the maintenance of big game and upland areas for which duck-stamp funds cannot legally be used.

From Mr. Farley's own statement, you can see that if the law is left in its present form, the expansion program will not go ahead on duck-stamp money. The Nation's sportsmen certainly did not have this in mind when they asked Congress to increase the price of duck stamps from $1 to $2.

Mr. Speaker, as I analyze the operation of the program over the past years, it seems clear to me that administration will never measure up to, or square with, intent of the act. Sportsmen are also beginning to feel the same way, and they are raising questions as to what legislation is needed to attain their objective—that is, the objective of acquiring waterfowl refuges.

If we continue to pursue the same policies in operation, it will make little difference if the price of duck stamps is raised to $5 or $10. Raising the price of duck stamps is not the answer to this problem, unless we specifically write into law a provision to earmark funds for the purpose of acquiring waterfowl refuges. I know from the Department of the Interior report that they are opposed to

earmarking funds. I would like to remind the Department and the Congress, however, that this is an earmarked fund already. We are dealing with a special fee tax levied on a special group, the duck hunters, for a special purpose. All we propose to do now is to perfect that earmarking—to nail it down—so the money will be expended more in line with the original purpose.

As long as the Service may use, if they wish, all of the funds for developing and administering such areas for protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes, there will always be a tendency for the Director of the Budget and the Congress to use the duck-stamp funds for such purposes, rather than purchasing the maximum acreage for refuges that is possible.

I do not quarrel with the Wildlife Service. I believe they are trying to do a fine job with the money they have. If the Congress does not give them adequate funds, there is nothing else they can do if they are to keep operating. The trouble is with the Director of the Budget and the Congress. If this legislation is passed it will be up to the Director of the Budget to recommend, and the Congress to appropriate, sufficient funds for operation, development, and research. We will be sure that at least 40 percent of the money raised will be going for acquisition of wildlife refuges.

However, I think that the time has come when Congress must take positive action on this matter. That is why I introduced my bill, H. R. 2142.

Mr. Speaker, at this point I would like to submit for the Members' consideration three charts dealing with appropriation of funds to the Fish and Wildlife Service, and receipts and expenditures of funds from sale of duck stamps. In all of these charts, figures are given for the fiscal year, beginning with July 1 of the given year and ending with June 30 of the following year.

CHART 1.—*Comparison of annual appropriations for wildlife activities with total appropriations*

Fiscal year	All annual appropriations	Allocations to refuge branch	Allocations for enforcement	Allocation for research	Allocations for river-basin studies	Allocations to land acquisition	Not associated with migratory waterfowl activities
1935	$2,394,409	$125,536	$129,791	$196,540	----------	----------	$1,942,542
1936	2,954,266	136,194	189,978	249,263	----------	----------	2,378,831
1937	3,462,144	283,172	249,000	276,401	----------	----------	2,653,571
1938	3,969,840	472,943	315,000	305,289	----------	----------	2,876,608
1939	4,231,340	530,200	315,000	330,289	----------	----------	3,055,851
1940	4,620,614	652,700	365,000	345,140	----------	----------	3,267,774
1941	5,100,418	669,700	365,300	357,440	----------	----------	3,707,978
1942	5,833,915	856,250	366,500	451,578	----------	----------	4,159,587
1943	4,661,570	582,015	342,500	305,925	----------	----------	3,431,040
1944	5,012,490	665,334	337,000	329,000	----------	----------	3,681,156
1945	5,185,548	662,475	334,900	319,865	----------	----------	3,868,308
1946	5,842,125	648,900	334,120	331,005	----------	----------	4,588,100
1947	7,302,602	810,000	369,600	483,200	$107,000	----------	5,532,802
1948	6,708,810	895,500	350,060	258,450	200,000	----------	5,004,860
1949	10,503,709	1,683,200	367,834	346,450	159,000	----------	8,369,925
1950	12,934,900	1,802,003	393,700	373,500	178,000	$250,000	9,937,697
1951	13,602,950	1,948,667	407,646	456,033	218,383	250,000	10,322,221
1952	14,852,520	1,798,084	420,141	465,666	256,585	----------	11,912,044
1953	16,024,060	1,843,914	420,141	479,478	279,250	----------	13,001,277
1954	15,497,885	1,652,000	420,141	481,000	301,493	----------	12,643,251
1955	13,778,543	836,000	320,000	389,000	263,000	----------	11,979,543

EXPLANATION OF CHART 1

Mr. Speaker, chart 1 deals with a comparison of annual appropriations for wildlife activities with the total appropriations. I believe this chart shows very clearly what has happened to the duck-stamp money. You will note that with the expansion of the overall activities of the Fish and Wildlife Service, the annual appropriations for the Service steadily increased from fiscal year 1935 through fiscal year 1953, the appropriation which was made in 1952 in the 82d Congress. The Service suffered a cut in appropriations in the amount of $527,175 in fiscal year 1954, but the real damage was done in the appropriations for fiscal 1955 when a total cut of $1,719,342 was made in the budget for the Fish and Wildlife Service. This drastic cut was spread over all branches of the Service, but the branch of wildlife refuges suffered the most. Their funds for 1955 were cut more than half.

Obviously, the Fish and Wildlife Service needed adequate funds to continue normal operations. The duck-stamp funds provided the needed money and this account was dipped into to a greater extent than was done in previous years. The figures speak for themselves and clearly show why the duck-stamp money was not used for acquisition of more refuges. I firmly believe these figures demonstrate why H. R. 2142, to earmark 40 percent of duck-stamp funds for acquisition of refuges, should be passed. Not one bit of blame should be heaped on the Fish and Wildlife Service, but the responsibility for diversion of funds should be assumed by the Executive Office of the President, the Bureau of the Budget, and by Congress. All of you, who were present on the floor at the time, remember how Congressman LEE METCALF, of Montana, tried to take care of part of that cut.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman from Montana.

Mr. METCALF. I want to compliment the gentleman from Wisconsin for bringing out the history and the background of the Duck Stamp Act and in pointing out the importance of earmarking these funds. Your interest in conservation is well known and your energy in doing the research necessary to tell the story of the duck-stamp money will be beneficial to sportsmen everywhere. The gentleman mentioned the discussion on the floor here last year when I submitted an amendment to the Appropriation Act. My point then was that the Congress and the executive departments downtown are alike at fault in permitting the misuse of these duck-stamp funds. As the gentleman has already pointed out, at the request of the sportsmen the price of the duck stamp was raised from $1 to $2 in order to continue the purposes of the act, that is, the acquisition of land for the development of wildlife refuges and nesting refuges. Instead of acquiring land for bird and nesting refuges, we have been using this money for administrative and for other expenses. About $44 million has been paid into the duck-stamp fund, and only $7.5 million, less than one-sixth of the amount paid in, has been used for the primary original purpose of the act. As against that, more than $25 million has been used for ordinary administrative expenses. So the thing has been turned around, upside down, and backwards. We are using money that was originally provided for the acquisition of land for administrative expenses, and, as the gentleman has pointed out, the Fish and Wildlife Director said that they have to continue to dip into the duck-stamp money. Apparently the only way in which the Congress and the administration can guarantee the actual use of the money for the purpose for which it was originally intended is to pass some such legislation as the gentleman has introduced to earmark these funds and require the agencies to use them for the acquisition of land.

I should like to give you an example of what this diversion of duck-stamp money means to one of this Nation's oldest waterfowl refuges—and potentially one of our best duck producers.

The Benton Lake National Wildlife Refuge, not far from Great Falls, Mont., was set up in 1929, soon after the Migratory Bird Conservation Act was passed.

This is a 12,235-acre tablespoon-shaped basin, which is isolated in a small watershed. It only fills up about once in every 20 years. When it does, it outproduces any other refuge in this country per acre. It is good for one brood, that's six ducks, per acre, when it has water.

With such a high production, there could be public shooting on part of this refuge, once it is restored. Restoration is necessary because, although the lake holds water very well, the watershed is too small.

Now there is plenty of water in an adjacent watershed. The Fish and Wildlife Service could collect waste water from the Fairfield Irrigation District, pump it over a low divide into a system of natural creeks and channels into the head of the lake.

The total cost of this all-Federal project is estimated at between $300,000 and $400,000. That would include rights-of-way, and pumping station and collection of the waste water.

This necessary improvement has been hanging fire almost since the day the refuge was created. I am told that it has been discussed in the Fish and Wildlife Service for at least 20 years. So far, there has only been enough money to do part of the engineering work. By diverting money from some other needed project, the Fish and Wildlife Service plans this year to run survey lines. But that is all.

Mr. JOHNSON of Wisconsin. I thank the gentleman from Montana for the fine statement he has made. I hope all of you know that the gentleman from Montana [Mr. METCALF] received the national conservation award in 1954 for outstanding work in conservation. He received at that time in recognition a bronze plaque from five of the national conservation organizations: The Wildlife Management Institute, the National Wildlife Federation, the Izaak Walton League of America, the National Parks Association, and the Wilderness Society. These associations obviously appreciate the splendid work he has done since coming to Congress. If you will stop in his office some day I am sure that he will be glad to show you the bronze plaque.

Mr. Speaker, I will now submit the second chart dealing with the operational breakdown of receipts and expenditures of funds from the sale of duck stamps from fiscal year 1935 through fiscal year 1954:

CHART 2.—*Operational breakdown—Receipts and expenditures of funds from sale of duck stamps*

Fiscal year	Total receipts	Post Office Department	Enforcement	Research	Refuge maintenance	Refuge development	Totals, refuge maintenance and development	Engineering	Administrative	River basin
1935	$591,466		$146,184			$23,386	$23,386	Prior to fiscal year 1951, the figures shown in these columns were charged against land purchase, enforcement, research, refuge maintenance and development. To compare the increase in these columns from 1951 through 1954 with earlier years, one must remember that the figures in the engineering column were, at a prior time, included in the refuge development column, so should be added to those figures if one wants a true picture; river basin should probably be charged to land purchase; and administrative should probably be spread over the various breakdowns shown. The percentages shown for administrative charged to these various columns are hard to determine, and from information I was able to gather, I could not determine whether it was the practice in prior years to charge the duck-stamp fund with part of the administrative costs of the department.		
1936	468,848	$25,000	70,440	$3,624	$142,898	285,798	428,696			
1937	616,473	20,000	54,230	4,564	86,809	173,615	260,424			
1938	770,971	20,000	51,360	14,030	76,270	161,044	237,314			
1939	1,009,008	20,000	60,752	16,354	159,135	278,310	437,445			
1940	1,111,325	20,000	64,908	20,022	258,450	356,405	614,855			
1941	1,257,617	20,000	72,320	24,556	285,000	435,489	720,489			
1942	1,430,568	20,000	79,726	24,663	334,413	148,065	482,478			
1943	1,368,752	18,914	76,036	51,119	345,745	138,435	484,180			
1944	1,162,906	18,181	69,099	57,800	361,223	279,286	640,509			
1945	1,498,848	19,440	80,027	50,910	422,547	154,459	577,006			
1946	1,743,149	17,537	101,035	63,108	479,421	599,953	1,079,374			
1947	2,062,332	24,734	163,738	112,280	625,466	662,644	1,288,110			
1948	1,775,985	25,000	210,045	163,456	707,802	726,671	1,434,473			
1949	2,185,864	30,000	225,776	184,528	767,354	683,088	1,450,442			
1950	3,959,225	30,000	216,382	228,980	801,233	691,269	1,492,502	$82,789	$288,512	$22,876
1951	3,895,804	30,000	341,965	320,751	1,107,158	1,075,497	2,182,655	95,913	273,514	78,245
1952	4,335,897	32,000	384,864	297,212	1,671,304	810,661	2,481,965	86,446	218,352	82,650
1953	4,594,512	32,000	547,450	107,564	1,457,088	706,344	2,163,432	102,370	274,440	214,691
1954	4,543,009	154,462	518,191	144,094	1,830,450	936,600	2,767,050	367,518	105,818	398,453

Fiscal 1950 reflects change in duck-stamp receipts when the fee was raised from $1 to $2.

EXPLANATION OF CHART 2—POST OFFICE DEPARTMENT CHARGES FOR PRINTING AND DISTRIBUTING STAMPS

I believe these figures again show how the duck-stamp funds have been diverted. You will note that the Post Office Department charged the Fish and Wildlife Service $25,000 in 1936 for handling the printing and distribution of the duck stamps. By fiscal year 1953, the charge had only risen to $32,000. But now look what happened in 1954. The charge skyrocketed to $154,462. I am wondering why, all of a sudden, it costs so much more for the Post Office Department to print and sell the duck stamps. I believe, in the name of conservation, the figures should go back to around $32,000.

REFUGE MAINTENANCE CHARGES

I now wish to discuss the figures shown in the refuge-maintenance column. The charge for maintenance for the year 1948 was $707,802. This was the year before the price of the stamp was raised from $1 to $2. By 1952 the maintenance charge for refuges had risen to $1,671,304. It dropped in 1953 to $1,457,088, but reached a high of $1,830,450 in 1954. This represented an increase of $373,362 more in 1954 which was taken from duck-stamp funds to pay for refuge maintenance. If we go back to the 1948 figure and compare it with the 1954 charges, we find that $1,122,648 more was taken from duck-stamp funds for refuge maintenance in 1954 than in 1948. Again the figures speak for themselves and show where the duck-stamp money is going.

REFUGE DEVELOPMENT CHARGES

Now we come to the column on refuge-development charges. Going back to 1948, and I want you to remember that this was the year before the duck-stamp fee was raised from $1 to $2, the chart shows that the amount expended was $726,671. If you look at the chart for the previous years, the time when I contend the greatest development of refuges was taking place, you will not find an amount as high as this. You can see that it is a growing practice also to dip into duck-stamp funds for development costs. In 1951 refuge development used $1,075,497 of duck-stamp funds; in 1952 the figure was $810,661; for 1953 it amounted to $706,344, and in 1954 it rose to $936,600. I am wondering why so much is now being used from duck-stamp receipts for development when the greatest amount of development I claim took place prior to 1950, when land was given to the Service by other departments of the Government.

I just wish to call attention to the three additional columns at the right of the chart, covering the years from 1950 through 1954. The explanation for these columns is given at the top of the chart.

At this time I am submitting chart 3:

CHART 3.—*Land acquisition—receipts and expenditures of funds from sale of duck stamps*

Fiscal year	Total receipts	Total cost of lands purchased [1]	Total number acres purchased	Total number acres leased
1935	$591,466			
1936	468,848	$14,120		
1937	616,473	142,200		
1938	770,971	109,225	1,372	
1939	1,009,008	69,664	728	17
1940	1,111,325	347,238	2,378	17
1941	1,257,617	218,551	19,514	1,001
1942	1,430,568	368,751	18,914	7,001
1943	1,368,752	131,569	43,963	10,419
1944	1,162,906	201,979	6,898	12,562
1945	1,498,848	514,717	17,521	11,812
1946	1,743,149	351,781	20,879	14,207
1947	2,062,332	349,452	22,073	14,207
1948	1,775,985	258,439	2,886	14,261
1949	2,185,864	326,107	22,633	14,326
1950	3,959,225	315,862	7,475	10,862
1951	3,895,804	397,104	10,337	12,967
1952	4,335,897	503,254	3,045	13,437
1953	4,594,512	156,443	8,714	16,815
1954	4,543,009	494,614	4,880	15,746

[1] This column includes total cost of lands purchased, leased, and donated plus cost of surveys, appraisals, abstracting fees and legal fees.

DUCK-STAMP FUNDS INCREASE, LAND PURCHASES DECREASE

Mr. Speaker, I now wish to call attention to the last chart—chart 3. This deals with land acquisition made from the receipts from the sale of duck stamps. I want you to especially note the receipts for fiscal year 1949 in the amount of $2,185,864. This money was collected from duck-stamps sold mainly in the fall of 1948 before the raise in the price of the stamps from $1 to $2 was effective. As you know, this was the bill of Congressman CLARK THOMPSON, of Texas. You will also note that from the total of $2,185,864 realized from duck-stamp purchases, the Service spent $326,175 for acquisition of new land.

In fiscal year 1950, the increase in cost of stamps had gone into effect and

receipts totaled $3,959,225, but look at the amount of money used for acquisition of new land. This figure dropped to $315,862. Total duck-stamp receipts increased in 1951 and 1952 and land-purchase costs also increased. But in 1953, out of $4,594,512 realized from sale of stamps, only $156,443 was spent for new lands acquired. Although 1954 presents a better picture with receipts at $4,543,009 and land purchases at $494,614, you will note that only 11 percent of the stamp receipts went for land acquisition.

I have totaled the figures giving receipts of duck-stamp funds from 1950 through 1954—the period on the chart representing the $2 fee for stamps. I have also totaled the amount of money spent for acquisition of new refuges for the period 1950–54. You will find that of a total of $21,328,447 received from duck-stamp sales, only $1,865,277 was spent for acquiring new refuges, or 8 percent plus. Again, I would like to point out how much greater the purchase of land would have been if the 40-percent earmarking of funds had been mandatory when the price of the stamps was increased. If this schedule had been followed since 1950, $8,531,378 would have been available for new refuge acquisition instead of the $1,867,277 actually expended for such acquisition. I believe the hunters of this country, when they paid double the amount for the cost of the duck stamps, expected to get much more in the way of land acquisition than they have been receiving. Furthermore, I believe that the figures I have presented to you, clearly demonstrate to the Members why there is such a need for passage of H. R. 2142.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to my friend, the gentleman from California. I should like to say to the gentleman that I have a daughter who is a constituent of his.

Mr. MILLER of California. I am very happy to hear that and I am sure she is as good a person as is the gentleman himself.

Mr. JOHNSON of Wisconsin. I thank the gentleman.

Mr. MILLER of California. Mr. Speaker, I want to congratulate the gentleman on the vigorous and intelligent fight that he has made for wildlife conservation. As a member of the Subcommittee on Wildlife of the Committee on Merchant Marine and Fisheries, I know of the splendid presentation that he made in support of his bill. It impressed the members of the subcommittee very much.

I may say in explanation of these charges by the Post Office Department that under a new order, in an effort to wipe out a part of the post office deficit, the Post Office Department has caused a lot of paper transactions to be made that, which on the admission of representatives of the Post Office Department before our subcommittee were not real savings at all. They were paper transactions. They insist that the great portion of the money represented by the difference between the $30,000, the cost of preparing the stamps and certain administrative operations in the Post Office Department, have now increased to around $170,000. The $140,000 or 80 percent of it is charged to transportation of these stamps which the Department says must go out under highly expensive registered mail.

This is, of course, only a fictitious saving. It is a way of satisfying a certain part of the deficit of the Post Office Department. It robs funds paid to the Government by sportsmen through the purchase of their duck stamps for game refuges. I am certain that if we had the $140,000 a year to spend for additional land acquisitions, we could do some good long-range planning and make it pay off. This saving is merely a paper saving. It is not a saving to the taxpayers of the country.

I thought the gentleman would like that explanation.

Mr. JOHNSON of Wisconsin. I thank the gentleman from California for his fine statement. I did not know until the other day, when I was having lunch with my friend, the gentleman from California, Congressman SHELLEY, that the gentleman from California [Mr. MILLER] used to be the director of the conservation commission in California prior to coming to Congress. Would the gentleman be good enough to state how long he was conservation director?

Mr. MILLER of California. I was executive officer of the California Division of Fish and Game, its head operating official for about 4 years before coming to Congress.

Mr. JOHNSON of Wisconsin. From what I saw the other day, I am sure the gentleman is on the proper committee. I want to thank him for his help.

I have heard a lot of comments in the committee and from some conservation groups as to the desirability of raising the duck-stamp fee to $3 or $4 or $5. With the figures I have just given to the Members, I am wondering how any Congressman could justify raising the fee paid by duck hunters so that more money could be spent for refuge acquisition. I believe the fee should be left at $2 as it is now and stay at that figure for 2 years. When we can show the duck hunters and the conservationists that the Fish and Wildlife Service is buying the land they should, then we can go back to the sportsmen and ask if they will accept another increase in stamp fees. I think there is at least more chance that they will accept this raise, if we can show we are sincere. As Congressmen, I believe we have an obligation to keep the original pledge first made in 1949 that the increase in fees would be used for land acquisition. After this pledge has been kept, then will be the proper time to consider raising the duck-stamp fees. But I would say, from the record in the past, the duck hunters would never willingly accept an increase in fees unless the funds were earmarked for acquisition of migratory waterfowl refuges.

Mr. THOMPSON of Texas. Will the gentleman yield?

Mr. JOHNSON of Wisconsin. Mr. Speaker, I yield to my friend, the gentleman from Texas, who has done so much to help me in the study I have made.

Mr. THOMPSON of Texas. Mr. Speaker, I have listened to the discussion of the gentleman from Wisconsin [Mr. JOHNSON] with a great deal of interest. As the author of the most recent so-called duck-stamp bill, which increased the cost from $1 to $2, I naturally have a keen interest in the manner in which the intent of the law is being carried out.

The chart to which the gentleman from Wisconsin has referred concerning the expenditures of the duck-stamp money is shocking. The increase was demanded by the hunters themselves and it was their intention just as it was the intention of Congress that these funds should primarily provide refuges for the migrating waterfowl. Those of us who were in Congress at the time may remember that among other things we planned to open these refuges under certain proper conditions for the use of the general public who wished to do some hunting. Some of these funds were also to be used to more adequately supervise and police the refuges. The entire program made sense and if any duck hunter objected to the increase in the cost of the stamp, I never heard of it. However, every hunter who gave it any thought expected that the money would be spent for the proposed intent and it must have been a great shock to the hunters, as it was to me, to find out that the money was being diverted to housekeeping costs for the general operation of the Wildlife Service.

The schedules which show how the money was spent should be carefully studied and it should particularly be noted that the money spent for acquisition of new refuges did not materially increase after the duck-stamp receipts were doubled.

I wish to commend the efforts of the gentleman from Wisconsin [Mr. JOHNSON] in behalf of duck hunters over all the country and also in behalf of those who do not like to see the intent of the Congress ignored either by the executive departments or by committees of the legislative branch. I think the gentleman's program in this matter has been carefully thought out and is unusually well planned and organized. It merits most thoughtful consideration by Members of Congress and by the Fish and Wildlife Service.

INCOME FROM WILDLIFE REFUGES

Mr. JOHNSON of Wisconsin. Before I turn to another subject, I should like to observe that the Fish and Wildlife Service derives some income from refuges. The income is derived from timber permits, hay permits, grazing permits, farming and even royalties from oil. In 1952 receipts from these sources amounted to $1,483,266.88. Twenty-five percent of the receipts are turned over to the counties in which they arise, so this left a total of around $1,100,000. I have tried to obtain the 1953 and 1954 figures but sources in the Fish and Wildlife Service state they are not available.

CUTS IN APPROPRIATIONS TO THE FISH AND WILDLIFE SERVICE HAVE BEEN THE CAUSE, SINCE FISCAL YEAR 1955, FOR THE LARGER USE OF DUCK-STAMP MONEYS OTHER THAN FOR THE PURCHASE OF LANDS

At the present time we have about 3,269,549 acres of refuge land. I know that the Fish and Wildlife Service has testified to the fact that another 4 million acres of refuge land is needed.

I quote again from a statement of Mr. John L. Farley, Director of the Fish and Wildlife Service, before the Subcommittee on Interior and Insular Affairs, on June 30, 1954, pages 26 and 27:

The eventual fate of waterfowl on the North American continent is uncertain, more so in fact than for any other game species. Despite all the work that has been done over the years, waterfowl find their needs in ever-growing competition with the requirements of an expanding human population. The draining of marshes for agricultural improvement, for metropolitan and community growth, for the construction of airports, landing strips, and new highways—yes, even for disposal dumps for refuse from our cities and towns, pose problems that will be most difficult to solve.

Today and for years past we have watched marshes and ponds disappear before our very eyes as agriculture has expanded. In the black prairie pothole region of western and southern Minnesota and eastern North and South Dakota, agricultural drainage removed each year during 1949 and 1950, about 22,000 potholes, consisting of some 63,000 acres. These areas were the most productive waterfowl lands in the United States, fully equal to the best producing areas in Canada. Similar drainage is occurring in many coastal sections, which are most important to the birds as wintering grounds. Most of the great natural marshes of the gulf are being ruined or seriously damaged for waterfowl use by salt water intrusion as a result of the intercoastal and connecting canals, and by exploration for sulfur and oil. Waterfowl of the Pacific flyway are rapidly approaching a crisis stage because the lush marshes which once supported myriads of birds wintering in California and northern Mexico are being turned into cotton and rice fields, orchards, and urban developments.

Thus we see waterfowl facing a precarious and uncertain future, and in years to come the major reliance will probably need to be on lands dedicated to their needs—lands in the ownership of the Federal Government, the States and private clubs. At the same time, the acquisition of such lands will increasingly be in competition with other human uses and therefore acquired only at competitive prices. Thus the need for an accelerated acquisition and development program faces us in the immediate future.

Quoting from page 28 of the same statement:

In 1934 a careful study of our waterfowl resource showed that originally we had approximately 120 million acres of marsh and wetlands; less than 30 million acres of habitat of good quality for waterfowl remain. At that time, based upon the existing waterfowl population and future requirements of the waterfowl resource, it was felt that the Federal Government should own and develop 7,500,000 acres. That estimate has stood the test of time. We are almost halfway to that goal now. We still need the other 4 million acres, and we need them in a much shorter period of time because the greatly accelerated destruction of waterfowl habitat in modern life and the attendant increase in waterfowl hunters. Counting the restoration work which could be done by the States, a total, then, of 12,500,000 acres of land managed primarily for waterfowl is considered the minimum acreage which will carry the present waterfowl population and permit its reasonable increase to a point where the waterfowl hunters of the future can be accommodated on a practical basis. It is expected that the States, through the opportunities provided by the Pittman-Robertson program, will be able to preserve not less than 5 million acres of waterfowl habitat. While the State will place a different emphasis on this restoration—with hunting the chief objective, still the waterfowl areas of the States will carry many waterfowl in the nonhunting season. It is only recently that the States are giving more emphasis to waterfowl restoration work, and it is expected that this phase of State game administration will continue to receive favorable and popular support in the future.

We already have, as a result of 20 years of waterfowl reconnaissance and the recent wetland survey of the service, a knowledge of where these strategic areas are. About 4 million acres of them are shown on the overlay map before you, encircled in orange. Each area represents a problem area from 50 to 100 miles long where there exists a waterfowl management problem requiring Federal ownership for the purpose of additional breeding grounds, wintering grounds, intermediate flyway refuges, endemic waterfowl disease abatement, and crop depredation reduction. There are generally one or more possible sites in each problem area which can be acquired. A number of these areas would be established jointly with the respective States. More and more we are teaming up on this type of management, which we hold most desirable. Often the overall problem of land acquisition and development is so costly that only by pooling our resources, both State and Federal, can the project be undertaken. A noble example of this is the new Shiawassee project in Michigan now being jointly restored by the State of Michigan and the service.

It is estimated, then, that the Federal Government should acquire and develop 4 million acres of the remaining waterfowl management goal and the States collectively should acquire and develop a minimum of 5 million acres. It is entirely possible that the States may be able to do more than that, but they, even more so than the service, are limited by the future maintenance problem. It is estimated that this land will average $40 an acre in cost, or a total of $160 million for the entire Federal program. This includes averaging in the use of Federal reservoir lands where they are suitable and available, as well as future gifts and State lands at a nominal lease or on a cooperative basis. It is estimated that in view of our past experience the future development will cost $20 an acre, or a total of $80 million for the entire 4 million acres. This was based upon the cost of developing the present waterfowl acreage of 3,269,549 acres, which to date has averaged $10 an acre, including the relatively low development costs of the 1930's. However, in view of the present high costs of construction, as well as the present construction index, it is believed that a figure of $20 per acre is more realistic.

In addition to the continental United States program, because of the increasing importance of Alaska as a breeding ground for the Pacific flyway, approximately 25,000 square miles of public lands in Alaska should be designated for this purpose. This would be done in such a manner as not to prevent hunting, fishing, taking of furs, development of minerals, and other natural products from these lands for economic use and development, but would give the service a voice in seeing that they did not lose their utility for waterfowl breeding purposes.

It is all too evident that the duck stamp income alone would not be sufficient to consumate this program. It is felt that the Congress should supplement the duck stamp moneys which can be used for land purchase, and development with direct appropriations for an accelerated land purchase program enabling the basic waterfowl management lands necessary for the preservation of the resource to be acquired and developed within the next 25-year period. This is most urgent because many of the areas here proposed for purchase and development will not be available if not obtained during the next 25 years in view of the great destruction of waterfowl habitat by competing forces in our Nation's economic life. Likewise, with the rapid drainage of existing habitat, this replacement habitat should be bought and developed as early as possible.

Obviously that proportion of the duck stamp income which can be allotted for land purchase in the future will not begin to carry such a program. To carry out such a 25-year program would require $6,400,000 annually for land purchases and $3,200,000 for development. Moreover, at the present time, of the 205 waterfowl refuges developed to date, the basic maintenance of 203 is entirely on the duck stamp funds, totaling $2,800,000. Further, it must be realized that if this future program is consummated in the next 25 years, the ultimate annual maintenance requirement will be in the neighborhood of $6 million.

DIRECTOR OF THE BUREAU OF THE BUDGET RECOMMENDS CHANGES IN SETUP OF MIGRATORY BIRD CONSERVATION COMMISSION

From the study I have made and bearing in mind the statements of conservation leaders with whom I have talked, I predict that conservationists all over the country will agree with what the Bureau of the Budget has recommended in its letter of May 2, 1955, in regard to changing the Migratory Bird Conservation Act. He points out that the language in the first subsection does not make it clear whether the Migratory Bird Conservation Commission shall, as in the past, be the authorized agency to approve the purchase. He also recommends rewriting that provision which has to do with the members of the Migratory Bird Conservation Commission.

Under unanimous consent, I insert at this point the letter from the Bureau of the Budget:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 2, 1955.

Hon. HERBERT C. BONNER,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in response to your request for the views of the Bureau of the Budget with respect to H. R. 37 and H. R. 597, bills to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718), as amended, and H. R. 2142, a bill to amend the Migratory Bird Hunting Stamp Act so as to earmark not less than 40 percent of duck-stamp receipts for the refuge-acquisition program.

These bills would all amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718). That act, as amended, requires all persons over 16 years of age hunting migratory waterfowl to have in their possession a Federal hunting stamp. Proceeds from the sale of these stamps are deposited into a special fund known as the migratory-bird conservation fund and are available for use in (1) defraying the expenses of the sale of the stamps,

(2) enforcement of the provisions of the Migratory Bird Conservation Act, and (3) acquisition, development, and maintenance of a system of inviolate migratory-bird sanctuaries. Under the terms of the act, not less than 85 percent of funds deposited must be used for refuge purposes. The remainder may be used to defray printing and distribution costs and for enforcement purposes.

H. R. 37, H. R. 597, and H. R. 2142 would amend this act by making not less than 40 percent of the funds deposited in the migratory-bird conservation fund available for the acquisition of land and water areas suitable for the breeding, nesting, and resting of migratory waterfowl, and not more than 45 percent of the funds so deposited for the acquisition, development, and maintenance of inviolate migratory-bird sanctuaries.

The Bureau of the Budget does not fully understand the distinction between the language proposed in these bills to be added to the Hunting Stamp Act as subsection 4 (a) and the language to be contained in subsection (b). Both subsections apparently authorize the use of hunting-stamp revenues for land acquisition. The language in the second subsection, which is similar to the wording of the present law, would authorize the acquisiton of areas suitable for inviolate migratory-bird sanctuaries, in accordance with the provisions of the Migratory Bird Conservation Act. The language in the first subsection, which the bills would add to the existing law, would authorize the acquisition of areas suitable for the breeding, nesting, and resting of migratory waterfowl without reference to the provisions of the Migratory Bird Conservation Act. Among other things, the Migratory Bird Conservation Act requires that land purchases be approved prior to consummation by the Migratory Bird Conservation Commission which consists of the Secretaries of Commerce, Agriculture, and the Interior, together with two members each of the House and Senate. It is not clear whether or not these bills intend to authorize land purchases without the approval of this body but it would appear that the language could be so interpreted. If Congress desires to change the character of the migratory waterfowl refuge system and the procedures under which it is acquired and developed, it would be, in our opinion, better to redraft both the Migratory Bird Conservation Act and the Hunting Stamp Act. As presently written, the provisions of subsection (a) in these bills would be difficult to interpret in the context of the existing law and could create extremely difficult administrative situations.

In addition to the ambiguity noted above, the Bureau of the Budget finds these proposals objectionable on several counts. In the first place, the Bureau opposes the earmarking of revenues for specific purposes. This practice not only complicates the business of keeping records, but also serves as an impediment to good programing and the efficient use of available funds. The fish-and-wildlife program is already burdened with more than its share of special funds, limitations, and earmarked revenues. The addition of another would still further complicate what is now a difficult budgetary problem.

Legislation to earmark funds for land acquisition would have a particularly serious effect on the migratory waterfowl program. Modern waterfowl-management practices recognize the necessity for developing raw lands into effective wildlife areas. This development, in many cases, costs more than the land itself. Once developed, refuges must be maintained and operated if they are to continue to provide the cover and food necessary to support wildlife populations. These activities also cost money. Under the restrictive limits of recent budgetary policies it is doubtful if the existing refuge areas could have been put to optimum use if it had not been possible to utilize portions of the hunting-stamp revenues for development and maintenance.

There has been considerable criticism of the so-called failure to acquire sufficient refuge areas. This office recognizes the need in certain areas for some means to offset the disappearance of natural habitat. We are not convinced that this can be accomplished merely by appropriating more money for land acquisition. It should be noted that to date the availability of funds has not been the limiting factor in the acquisition of additional land. There are today nearly $1 million programed for land acquisition but not obligated largely because the Migratory Bird Conservation Commission has not seen fit to grant the necessary authorizations. Land values in recent years have soared to the point where the Commission, at least, does not think it would be feasible to acquire them for waterfowl purposes.

The basic problem confronting those interested in the preservation and utilization of waterfowl today is the rapid spread of drainage activities which are drying up areas formerly frequented by waterfowl populations. It is doubtful that the Government could ever acquire lands suitable for wildlife purposes in sufficient quantity to completely offset the number of acres being lost to wildlife under current drainage programs. One of the answers to this problem lies in the more intensive use of existing areas. Another lies in developing some method of preventing the drainage of remaining areas which are particularly desirable from a widlife standpoint. Neither of these purposes would be served by the proposed amendments to the Hunting Stamp Act.

Under these circumstances, you are advised that the Bureau of the Budget recommends that H. R. 37, H. R. 597, and H. R. 2142 not be enacted.

Sincerely yours,

DONALD R. BELCHER,
Assistant Director.

The Migratory Bird Conservation Act was fine when it was enacted in 1929. Conservationists tell me that when the original law was passed in 1929 the Secretaries of Commerce and Agriculture were included because at that time the Bureau of Fisheries was in the Department of Commerce and the Bureau of Biological Survey was in the Department of Agriculture. Later, these two agencies were combined as the Fish and Wildlife Service and transferred to the Department of the Interior.

After studying the letter which the Honorable HERBERT C. BONNER received from the Bureau of the Budget, I asked the Library of Congress for an explanation as to the length of time Members of Congress who are appointed to the Migratory Bird Conservation Commission serve. From what I was told, a Member of Congress who is appointed serves for life if he continues in Congress and does not resign.

Therefore, as a result of the idea which was given me by the Director of the Budget and after talking with various conservation leaders, I have today introduced H. R. 6541, a bill to amend the Migratory Bird Conservation Act so as to revise the membership of the Migratory Bird Conservation Commission.

Mr. Speaker, I will insert in the RECORD at this point a copy of the proposed legislation. I hope that the Members will study it and I especially want to call the bill to the attention of my friend, Congressman FRANK W. BOYKIN, of Alabama, who is chairman of the Subcommittee on Fish and Wildlife. With the interest he has shown in conservation problems, I know that he will study the matter and if the legislation is in order I am sure he will grant speedy hearings.

Under unanimous consent, Mr. Speaker, I insert at this point in the RECORD a copy of the bill introduced:

H. R. 6541

A bill to amend the Migratory Bird Conservation Act so as to revise the membership of the Migratory Bird Conservation Commission

Be it enacted, etc., That (a) section 2 of the Migratory Bird Conservation Act (16 U. S. C., sec. 715a) is amended to read as follows:

"SEC. 2. A commission to be known as the Migratory Bird Conservation Commission, consisting of the Secretary of the Interior, as chairman, the Director of the Fish and Wildlife Service, a citizen with broad experience in the field of migratory bird conservation, to be appointed by the Secretary of the Interior upon the recommendation of the Director of the Fish and Wildlife Service, and 2 Members of the Senate, to be selected by the President of the Senate, and 2 Members of the House of Representatives to be selected by the Speaker, is hereby created and authorized to consider and pass upon any area of land, water, or land and water that may be recommended by the Secretary of the Interior for purchase or rental under this act, and to fix the price or prices at which such area may be purchased or rented; and no purchase or rental shall be made of any such area until it has been duly approved for purchase or rental by said Commission. Members of the Commission other than the Secretary of the Interior and the Director of the Fish and Wildlife Service shall be appointed for terms of 4 years, beginning July 1, 1957, except that (1) of the members first appointed for fixed terms, 1 Member of the Senate and 1 Member of the House of Representatives shall be appointed for terms of 2 years, and (2) any member appointed to fill a vacancy shall be appointed only for the unexpired term of his predecessor. Of the 2 members appointed from each House of Congress, 1 shall be a member of the majority political party of that House and the other shall be a member of a different political party. Any Member of the House of Representatives who is a member of the Commission, if reelected to the succeeding Congress, may serve on the Commission notwithstanding the expiration of a Congress. Any vacancy on the Commission shall be filled in the same manner as the original appointment. The ranking officer of the branch or department of a State to which is committed the administration of its game laws, or his authorized representative, and in a State having no such branch or department, the Governor thereof, or his authorized representative, shall be a member ex officio of said Commission for the purpose of considering and voting on all questions relating to the acquisition, under this act, of areas in his State."

(b) The amendment made by this act shall take effect on July 1, 1957. At the close of June 30, 1957, the term of office of each member of the Migratory Bird Conservation Commission appointed by the President of the Senate or the Speaker of the House of Representatives shall expire.

EXECUTIVE OFFICE OF THE PRESIDENT, BUREAU OF THE BUDGET, OPPOSED TO EARMARKING OF DUCK STAMP FUNDS

I also call the Members attention to the sixth paragraph of the letter I have just inserted in the RECORD:

Legislation to earmark funds for land acquisition would have a particularly serious effect on the migratory waterfowl program.

Modern waterfowl management practices recognize the necessity for developing raw lands into effective wildlife areas. This development, in many cases, costs more than the land itself. Once developed, refuges must be maintained and operated if they are to continue to provide the cover and food necessary to support wildlife populations. These activities also cost money. Under the restrictive limits of recent budgetary policies it is doubtful if the existing refuge areas could have been put to optimum use if it had not been possible to utilize portions of the hunting stamp revenues for development and maintenance.

From information I have shown you in my remarks, anyone can see why the Bureau of the Budget is opposed to this legislation. I do not think that the Members should take this recommendation seriously as they have become so used to dipping into the duck stamp funds, one cannot blame them if they try to keep on unless the Congress puts a stop to the practice. I might say that we are only asking for 40 percent of the funds collected from duck stamp sales to be earmarked—not 50 percent as we would be entitled.

From the testimony before the Subcommittee on Fish and Wildlife, it is evident that when the hunters asked Congress to raise the fee from $1 to $2 it was their idea that the extra dollar would be used to purchase new refuge areas. We are not asking Congress to keep their pledge 100 percent, we are only asking them to fulfill their promise, 80 percent.

This thought enters my mind, but I have not had an opportunity or time to check the records. I wish some interested person would look up the recommendations of the Bureau of the Budget at the time Congress changed the amount for enforcement from 10 percent to 15 percent. I suspect that when the matter is looked into you will find that the Budget Bureau agreed to the legislation, and, I presume, for the reason that there would be less money to appropriate and not that they are against earmarking.

DEPARTMENT OF THE INTERIOR ALSO OPPOSED TO EARMARKING OF DUCK-STAMP FUNDS

Mr. Speaker, I would also like to discuss the letter from the Department of the Interior to the Honorable HERBERT C. BONNER, chairman of the Committee on Merchant Marine and Fisheries. This letter is dated May 4, 1955, and also opposes this legislation.

Mr. Speaker, under unanimous consent, I submit at this point a copy of the letter which the chairman of the aforesaid committee received from the Department of the Interior:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., May 4, 1955.

Hon. HERBERT C. BONNER,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives,
Washington, D. C.

MY DEAR MR. BONNER: Your committee has requested reports on H. R. 37, H. R. 597, and H. R. 2142, all of which would amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718), as amended. These bills would direct (a) that not less than 40 percent of all moneys received into the special fund known as the migratory bird conservation fund shall be available for acquisition of land and water areas suitable for the breeding, nesting, and resting of migratory waterfowl; (b) that not more than 45 percent shall be available for the location, ascertainment, acquisition, administration, maintenance, and development of suitable areas for inviolate migratory bird sanctuaries; and (c) that the remainder shall be available for expenses in enforcing and executing the

We recommend that this proposed legislation be not enacted.

The Migratory Bird Hunting Stamp Act (16 U. S. C. 718) now provides that not less than 85 percent of the funds obtained from the sale of migratory-bird hunting stamps shall be available for the location, ascertainment, acquisition, administration, maintenance, and development of suitable areas for inviolate migratory-bird sanctuaries. The act provides that the remainder, 15 percent, shall be available for expenses in enforcing and executing the act.

As previously indicated, the effect of this proposed legislation would be to establish a new formula governing the use of the major portion of the migratory bird conservation fund. This new formula would require the use and expenditure of 40 percent of the fund solely for the purpose of acquiring land for waterfowl purposes. This drastic revision in the established formula governing the disposition of the fund, in our opinion, would be inadvisable. This Department is in hearty accord with the objective of acquiring more land for waterfowl refuge purposes. We feel, however, from our long experience in administering the fund, that this proposed legislation, requiring the use for a single purpose of a fixed percentage of the funds derived from the sale of hunting stamps would be inadvisable. Additional lands that are needed, in our opinion, should be acquired either from general appropriations or from funds to be derived from an increase in the price of the stamps. Funds now available for the several purposes of the act are very inadequate, consequently, a redistribution of such limited funds as prescribed by this proposed legislation would jeopardize the operation and maintenance of existing refuges.

Enactment of this proposed legislation would destroy the essential flexibility in the present law governing the use of duck-stamp funds. The present flexibility that is permitted in the use of duck-stamp funds under the present law has been largely responsible for the success of the waterfowl refuge program to date. For example, at the time of enactment of the law, there was ample emergency funds for the purchase of land and there existed an abundant supply of CCC, WPA, and other emergency relief labor. There also existed, however, a dire shortage of Federal funds for the purchase of supplies, equipment, and materials. Here, the duck-stamp moneys were used to great advantage for the purchase of fencing material, reinforced steel, cement, water-control structures, draglines, bulldozers, and other necessary items. These funds became the key to the use of emergency relief labor for the development of the growing thousands of acres of land then being purchased with other funds.

During succeeding years, as WPA workers returned to private industry and as the CCC camps were disbanded, the duck stamp funds and the regular annual appropriations became the sole source of support for the waterfowl refuge program. By 1939, all appropriated and emergency funds for the purchase of land were obligated. The migratory waterfowl stamp receipts became the only funds available for land purchase and they also constituted a large portion of the monies available for the development, operation, and maintenance of refuges previously acquired. Thus, in subsequent years, the land purchase program has by necessity resolved into one of purchasing key tracts, either in areas where new refuges are sorely needed, or to round out and complete refuges which had been partially acquired during the burst of activity in the early days of refuge expansion.

Over the years, as new areas came under our administration, particularly under the authority of the so-called Coordination Act (60 Stat. 1080), this Department has endeavored to secure funds for the development, operation, and maintenance of the new projects. The requirements for economy have reduced direct appropriations, thereby necessitating the use of duck stamp funds instead of regular appropriations. As a result, the present waterfowl program is being carried virtually in its entirety from duck stamp revenues, refuge receipts, and reversions from unexpended Pittman-Robertson funds. Almost all of the regularly-appropriated funds now available through annual appropriation acts for refuge purposes are needed for the maintenance and operation of big-game and upland-game areas for which duck stamp funds cannot be used.

In conclusion, it is our opinion that there exists a great need for the establishment of new waterfowl projects. While the United States now owns and administers through this Department approximately 3½ million acres of waterfowl areas, an additional 4 million acres would be required to meet current needs. In this connection, our experience has shown that the expansion of this program should proceed on an orderly basis; large acreages should be brought into Federal ownership for these purposes only when funds are provided also for the development and administration of such lands. The bills to which this report refers would require the expenditure of a very substantial portion of the duck-stamp funds for the single purpose of land acquisition, thereby resulting in lands being brought under the control of this Department that we would be unable to develop or administer for the purposes in question, unless, of course, adequate funds are to be provided for the development and management of such lands. Unless this could be accomplished, these additional lands would contribute little toward the conduct of an effective waterfowl refuge program.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

FELIX E. WORMSER,
Assistant Secretary of the Interior.

(Copy to Hon. LESTER R. JOHNSON.)

Mr. Speaker, if the Members will study the charts which I have included in this report and the remarks explaining each chart, I believe they will not take too seriously the letter from the Department of the Interior.

Again referring to the letter from the Interior Department, in this letter the Department states they need 4 million acres to round out the program in the next 25 years, but they hope to continue using the duck-stamp moneys as they are presently doing. They suggest that the Congress take care of the needed land by appropriation of funds for this purpose. One of the arguments against this suggestion is that it will mean an annual fight in the Congress. It is an appropriation which can be easily sidestepped in favor of other appropriations. Another reason why the Department of the Interior wants to keep flexibility in the duck-stamp fund is that under the present law, they do not have to depend entirely on the Bureau of the Budget and the Congress for money to pay all the operating expenses of that part of the Wildlife Service which has to do

with migratory waterfowl. That "old cookie jar," as we say in Wisconsin, is nice to dip into when money is needed in the Migratory Waterfowl Division.

EXPERIENCE OF THE STATE OF WISCONSIN WITH EARMARKING AND SEGREGATING PARTICULAR FUNDS

I know that in Wisconsin back in the late thirties and early forties, we had a lot of arguments about segregation of highway funds. This was with the gasoline tax money being used for other than highway purposes. There was a lot of fighting on that matter both pro and con. We had some of the same arguments at that time that the Bureau of the Budget and the Department of the Interior have set forth in their letters. But after these funds were earmarked so that the money was used for the purpose originally intended, no one has even talked about it since.

CONCLUSIONS

Mr. Speaker, I hope that out of the hearings before the Subcommittee on Fisheries and Wildlife, and before this House, will come legislation to help provide, in the next 25 years, some of the 4 million acres that the Fish and Wildlife Service says we still need. Has anyone ever stopped to calculate how much money could be raised at the rate of 40 percent in the next 25 years? At the rate of 40 percent of the present income from duck stamp sales—1954: $1,817,200—being earmarked for the purpose of refuges, this will provide $45,430,000 in the next 25 years. In the year 1954, the Fish and Wildlife Service received $4,543,009 from the sale of duck stamps. Forty percent of this figure is $1,817,200. If the rate of sale of duck stamps only stays at the present level, by earmarking 40 percent of these receipts for the acquisition of new refuges in the next 25 years, we will have had available for purchase of wildlife refuges $45,430,000.

You can see that in accordance with the Department of the Interior's own figures, we will have provided 28.3 percent of the goal which was mentioned in Mr. Farley's statement, which I have quoted today. From Director Farley's testimony, he estimates that this land will cost a total of $160 million. I cannot state whether this estimate is right or wrong. Let us show the hunters of the country that we mean right before we try to raise the price of the duck stamp.

I would like to say at this point that a total of $4,543,009 was received from the sale of duck stamps in 1954, and only $494,614 was spent for the purchase of migratory waterfowl refuges.

Mr. Speaker, in closing, I urge the Members to give H. R. 2142 careful consideration. I believe that legislation is needed to keep our pledge to the sportsmen who voluntarily asked Congress to increase the price of duck stamps. I do not believe the solution lies in a further increase in the price of duck stamps. I am sure that the able Members will agree that waterfowl will not propagate and increase with good intentions. Nor will they propagate on the basis of speeches by myself and others interested in this program.

What is needed for the propagation and growth in waterfowl population is an expanded refuge program to give them breeding grounds and sanctuaries. H. R. 2142 offers one approach for a solution to the problem, though I concede it is not the complete answer. A start must be made, and this is another reason why I introduced this legislation. After this law is adopted we can try to get extra appropriations each year to supplement this money but of this much we will be sure.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. REUSS. Mr. Speaker, I wish to commend the gentleman from Wisconsin [Mr. JOHNSON] for his able presentation of the case for earmarking 40 percent of the money acquired from the sale of duck stamps for the mandatory acquisition of breeding, nesting, and resting areas for migratory waterfowl. The gentleman has clearly demonstrated the desirability that this Congress enact H. R. 2142, his bill to accomplish this result. I have myself introduced H. R. 5140, which is to the same effect.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent that any Member wishing to extend his remarks at the close of my remarks may have that privilege.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JOHNSON of Wisconsin. I also ask unanimous consent, Mr. Speaker, to include in my remarks charts 1, 2, and 3, which I referred to in my remarks, and I ask unanimous consent to include 2 letters, 1 from the Department of the Interior and 1 from the Director of the Budget, and a copy of the bill which I have just introduced at the points indicated in my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. METCALF. Mr. Speaker, previously in a well-documented speech demonstrating careful research, the gentleman from Wisconsin [Mr. JOHNSON] told us about misuse of the duck-stamp funds. He showed that these funds had been diverted for various administrative expenses and had not been used for the acquisition of land for refuges and nesting grounds contrary to the original purpose and intent of the act providing for the levying of the duck-stamp tax.

But even if the lands had been purchased as intended they would be subject to another peril. In a recent article in Sports Afield entitled "One Man Can Wipe Out Our Wildlife Refuges," Mr. Arthur H. Carhart called attention to this menace to our wildlife protection and conservation program.

Mr. Carhart told how, under the present law, the Secretary of Interior had the power to wipe out refuges, without hearings, without notice to the sportsmen and conservationists affected, without discussion with interested groups.

Even if we pass legislation now pending, such as has been introduced by the gentleman from Wisconsin [Mr. JOHNSON], by the gentleman from California [Mr. ENGLE], by the gentleman from California [Mr. Moss], by the gentleman from Wisconsin [Mr. REUSS], and others, to earmark the receipts from the sale of duck stamps for the acquisition of migratory bird refuges we still would be in danger of having the funds misused. The Secretary of Interior can declare the lands so acquired surplus and they can be taken over and used by any other agency that wants them. With one stroke of the pen the Secretary of Interior can permit these refuges to be used for oil drilling, for target ranges for the military, or allow them to be incorporated into grazing districts.

The following editorial from the Great Falls Tribune, Great Falls, Mont., points out the danger:

HE COULD WIPE OUT GAME REFUGES

By merely signing a typewritten order, one man can wipe out great national wildlife refuges. In the same fashion, he may open the gate to oil drillers, stockmen, rocket shooters, or others to overrun our refuges and destroy their value to wildlife.

According to an article in the June issue of Sports Afield magazine—researched and written by Arthur H. Carhart, who visited refuges in six States—the man with this life-and-death power over our Federal wildlife refuge system is Secretary of the Interior Douglas McKay.

At least 40 refuges may be in immediate jeopardy. We have 254 (Federal) refuges in 40 States and 18 in Alaska, Hawii, and Puerto Rico. They contain about 17½ million acres—less than 1 percent of the Nation's total area. Their size and services vary greatly.

Each refuge meets definite needs of one or many types of game. They protect scarce species from extinction; they produce stock for unpopulated areas; they are testing stations for game-management programs. Any official who would reduce their acreage or allow uses that would dispossess wildlife on them would deal a grievous blow to our natural life.

The nationwide issue is this: Will the Secretary of the Interior hold fast to gains in our Federal refuge system? Or by using his power, will he wipe out some refuges entirely and allow uses in others detrimental to their wildlife values?

The Sports Afield article on the situation says there is enough evidence over the Nation to demand that the Secretary of the Interior define his policy on our national wildlife refuges.

In order to prevent this from happening, I have introduced H. R. 5306 declaring it to be the policy of Congress that national wildlife refuges be maintained and preserved and providing that the Secretary of the Interior cannot dispose of or relinquish any of the national wildlife refuges, or parts thereof, without the approval of Congress. Senator HUMPHREY has introduced S. 2101, a companion bill, in the Senate.

If we are to keep faith with the sportsmen who have contributed more than $44 million to the duck-stamp fund and who have paid millions more in excise taxes into the Pittman-Robertson funds, we should enact this legislation at the earliest possible date.

COMPLACENCY MUST GIVE WAY TO EFFORT—WE MUST INCREASE OUR GUARD

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, last Saturday was Armed Forces Day—a day in which the leaders of our Military Establishment stressed the one way in which we can hope to maintain peace: That is, by being strong.

Our strength would assure peace if the Soviets were strong too. They outnumber us in men, guns, tanks and aircraft. In the years after World War II the Soviets were building up their forces while we were reducing ours. Today they have everything we have—jet aircraft, nuclear weapons, the ability to copy our weapons, and even to improve on them. In addition they have a contempt for human life, and moral values.

Listen to these statements by Gen. Thomas White, Vice Chief of Staff of the United States Air Force, about their military achievements:

> The MIG-15 may not be superior overall to the F-86. But who can deny the fact that it was a first-class fighter and in many ways an original design? * * *
>
> They now have the MIG-17, an aircraft comparable to the F-100, one of our newest fighters. We can forget the MIG-15 because the MIG-17 is replacing it. They now have thousands of these new models.
>
> * * * But the airplane that gives us real reason for concern here in the United States is the long-range jet bomber. The Soviets have no use for a long-range bomber except to attack the United States.

Mr. Speaker, these facts about Russian achievements and the rapid progress she is making in building airpower should shock us out of our complacency about our superiority. We cannot afford to ignore Russia's strength, if we really want peace. We cannot afford not to have superior strength of our own.

Many individuals in this country refuse to believe that the Russians are capable of developing technological systems as fast as this country. It must be recognized that their technological structure is simpler and more streamlined than ours. Our budget cycle is important to a democracy but it takes time. As General White stated:

> The Soviets can choose their time and their strategy and work toward it. They can select particular weapon systems and put on a crash program. By concentrating in this way they may be able to telescope progress in specific areas. The danger is that they may do this in areas that can be decisive.

Mr. Speaker, under unanimous consent, I will insert in the CONGRESSIONAL RECORD the address of Gen. Thomas D. White, Vice Chief of Staff, United States Air Force, at the Armed Forces Day dinner, in Pittsburgh, Pa.

THE CANNED HAMBURGER: ONE OF AMERICA'S GREATEST INSTITUTIONS

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Louisiana [Mr. MORRISON] is recognized for 30 minutes.

Mr. MORRISON. Mr. Speaker, I take the floor today under special order to correct what I believe has been a grave injustice to the American public which was done when the Hoover Commission, by their untruths, half-truths, gross exaggeration, and ignorance, when they unfairly attacked the canned-hamburger industry by stating that the Armed Forces had enough canned hamburger to last 60 years. This charge has now been found—after being checked by two committees of Congress—to be absolutely incorrect. It was President Eisenhower who said that this stockpile could be eaten up in 5 days if used in all the messes by the Armed Forces. Not only that, the Procurement Division of the Armed Forces, whose responsibility it is to supply our fighting men with food, showed that this stockpile was absolutely necessary and that by rotation there was little, if any, spoilage. I can recall unfair tactics of the former Hoover Commission and I remember certain statements that were made by members of the Hoover Commission about the Post Office Department. When called before our committee, these men professed complete ignorance and said that their underlings or assistants were the ones who prepared those statements. Finally, after going down the ladder, we reached the third assistant to the assistant and he admitted that he did not know what he was talking about.

I do not try to tell this House that everything the Hoover Commission has done is wrong or exaggerated. There are many recommendations that the Hoover Commission has made which have been of tremendous value to our Government. However, when the Hoover Commission attempts to tell the Members of Congress and our Government that the United States engineers should be abolished and turned over to the Interior Department as they did previously when the Interior Department had as much work and responsibility as they could handle, I think that it is high time that someone take issue with such tactics.

I might say that the United States engineers have done a magnificent job and that as far as Congress is concerned, I think that every Member will agree that they want to see the United States engineers continue in the future as they have in the past in accomplishing so much for the American people.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. I want to join my distinguished friend from Louisiana in the comments he has made regarding the Hoover Commission and the United States engineers. I would also like to remind my colleague that on May 18, 1955, I introduced H. R. 6326, which would abolish this so-called Hoover Commission. I did that, of course, fully realizing the Commission will expire on June 30 next, I believe; but I did it to point up some of the gross inefficiencies and gross misstatements that have been made by the Hoover Commission in recent months.

I am sure my colleage from Wisconsin is well aware of the facts that have been brought forward by this Commission this year which would absolutely destroy and discontinue all of the progressive, economic, industrial, and sociological advancements we have made in the past 20 years; for instance, the Veterans' Administration program, the farm-credit program, the rural-electrification program, the TVA, and many of the great advantages we have received in the past few years have been criticized by the Hoover Commission.

Also I would like to join my colleague in expressing these sentiments. Some of the recommendations of the Hoover Commission in the past few years have been bad, some have not. I believe, however, they are overstepping their authority when they set themselves up as a policymaking body and become part of the legislative branch of our Government whereby legislation is passed by default and we back into a vote. I never have believed that legislation should be brought about through negative action, which is the way the Hoover Commission recommendations are taken care of in the Congress.

I am sorry I am taking so much of my colleague's time, but I do hope that some method will be used by the Congress or that some vehicle of investigation will point up the inefficiencies and the gross misstatements that have been made by this Commission in the past few months. I read in the newspaper the other day that Mr. Hoover made a statement in New York that his Commission had saved the taxpayers more than $6 billion. In looking over the budget that was handed to the Congress this year I certainly cannot see where he could have saved any $6 billion. If my colleague from Louisiana will permit me to join him and excuse me for taking so much of his time, I want to commend him for coming to the floor today and bringing this very important subject to the attention of the Congress.

Mr. MORRISON. I thank the gentleman from Tennessee for his very constructive contribution.

But to get back to the canned hamburger of which it is just and fitting that we are celebrating at this time Canned Hamburger Month. Not only does the canned hamburger provide a basic and much-wanted part of our fighting men's diet, but it is also consumed by millions of American people; those in average walk of life, rich and poor, young and old. As an example: I have two sons, 10 and 12 years old, and in talking to them I find that approximately 5 days out of every week at one of their meals they have a hamburger. I say that in the light that they being average school children going to public school that they perhaps are typical of millions of other children who attend our schools throughout the United States.

Much has been said to distort and hurt the canned hamburger industry by the Hoover Commission in their recent attack. Thousands of headlines showing sensationalism concerning 60 years' supply, giving the people the idea that hamburgers were spoiling at a tremendous cost to the taxpayers of this Nation, that was the impression; but how ridiculous and how silly and how unfair that these charges amount to when the real truth about the canned hamburger was made public. Why members of the Hoover Commission who were in charge of this study, all outstanding capable, honest men, were led off to such gross exaggerations and untruths are beyond the realm of realization, unless perhaps they wanted headlines more than they wanted facts. I wish at this time to pay special tribute to the Claridge Co., of New York, who are the largest manufacturers of pure beef canned hamburger in the United States and who provide approximately 80 percent of all canned hamburgers sold through retail outlets.

I understand that later today I will be greatly honored by being presented with the 100 millionth or billionth canned hamburger to be rolled off the assembly lines of the Claridge Co.

Naturally I will feel greatly honored when this award is tendered me. I wish at this time to congratulate Mr. Gene Garvin, vice president, and other members of this great and successful organization who I think and feel as you do, that they have contributed so much to the war effort in the past and will continue in the future.

The Claridge Food Co. received a citation from the Under Secretary of War, the Honorable Robert P. Patterson, for their meritorious efforts in supplying the Armed Forces with hamburgers. To prove how silly, baseless, unjust, and unfair that these attacks on the canned hamburger industry are as made by the Hoover Commission, on May 24 the Army asked for bids on approximately 2 million cans of hamburger. Do you think that after this Hoover attack, if the Armed Forces had not been on sound ground, that they would have asked for additional hamburgers? The fact is that they were on sound ground and that these additional hamburgers were needed by the Army.

Mr. Speaker, I could continue for an hour or more to cite examples of how the Hoover Commission not only on this occasion but on others, through misstatements and exaggeration, have done untold damage to individuals and various industries throughout this country. As a suggestion, I think they should take an inventory of their own setup, get together and have a house cleaning and from now on devote their efforts to something constructive rather than destructive acts and headline hunting. At this time, Mr. Speaker, I wish to read an editorial by Mr. W. D. Hastings, of Columbia, Tenn., relating to the so-called Hoover Commission:

THE RAMBLER

(By W. D. Hastings)

Herbert Hoover, President of the most disastrous panic this country ever knew, is, it seems, one of Ike's leading advisers. Of course, Ike appointed Herbert to head a large delegation of investigators into the many things of the Government, and the general opinion is that he appointed Hoover for the purpose of crippling, and if possible, doing away with TVA and all of its holdings, all of which is for spite and the burning jealousy of the moneyed interests of the East and North, who, by the way elected Ike, and who give him instructions regardless of whether or not he thinks it right or justifiable, how they want the Government run under his, Ike's administration, is again erupting about TVA and wants it sold, lock, stock, and barrel.

Well, we know that Eisenhower stated time and again that he would not have anything happen to TVA, in fact he made several statements which were in high esteem for the Authority, but soon after the election in November 1952, the political bug, that spite bug, that envious bug, up in the East and also in some of the northern States began to bore, and they continued to bore. The Dixon-Yates child was born, and who the father and mother are is something else, but it would seem that it is one of those births that have the name of a "wood's colt." Ike doesn't seem to want to play the role of father, and while the great power lobby is moving heaven and earth to destroy TVA, none seems to want to come out in the open and take the initiative (none but Hoover), so they conceived the idea of the Dixon-Yates scheme, and these two men, well versed in such matters, readily saw the advantages. The great amount of money to be made, even in the construction, possibly of the West Memphis $107 million steam plant, so they got the contract from the Atomic Energy Commission, which Commission was ordered to sign the contract by President Eisenhower himself.

Hoover, of the task force, has repeatedly said: "I see no reason why we must support President Eisenhower's preelection pledges to operate TVA at 'maximum efficiency.'" We all know that Hoover hates TVA and any and everything that is for the interest of the Southern States. Yet, Eisenhower made those statements before the election, and at the time he knew that he was going to appoint Hoover at the head of this task force, and with the authority to name his committees, which Hoover did.

Ike may have been sincere in his statements made before the election, but he certainly had a sudden change of heart, as he completely had an about-face toward the great money interests, and it is this great moneyed interest that is piloting the old ship of Uncle Sam, and will take us through some turbulent waters and, if possible, they will dump the entire South into these turbulent waters and drown us so thoroughly that we can't meet our demands and obligations, and along with the disposal of this great TVA will also pass many of the manufacturing establishments that depend upon TVA to furnish the electric power with which to operate their plants.

But to get back to the canned hamburger, Mr. Speaker, I think all of us feel proud that we live in the United States of America, the greatest Nation on the face of the earth, where our people are free to celebrate every week or every month, whether it be Canned Hamburger Month or something else typifying our way of life. At this time, I would like to read an article which appeared on April 30 in the New York World-Telegram and Sun:

PITY THE HAMBURGER—THE NATION'S MOST POPULAR DISH IS ALSO THE MOST ABUSED—IT ISN'T ON THE LEVEL UNLESS IT IS MADE OF 100-PERCENT BEEF

Aside from the fact that Uncle Sam seems to have stashed away a mountain of it—enough, according to the Hoover Commission, to supply the Navy for 60 years—the good, old American hamburger in recent years has been subjected to all sorts of indignities. In fact, it has been getting more and more difficult to recognize a hamburger as a hamburger.

Instead of the pure, 100-percent ground beef, formed into a patty, then served on a roll or in gravy, the market today is glutted with such fancy versions as cheeseburgers, nutburgers, chickburgers, broilburgers, steerburgers, chowburgers—something like 100 varieties of burgers.

The guilt for the trend may be laid at the gates of California, or, to be more specific, Hollywood. It was here, in glorified roadside stands, that the hamburger first underwent the series of changes which have made it the sad mish-mash it is today. Other States soon followed, each adding some local color. The Texasburger, for instance, is a giant-sized affair that's practically drowned in a sea of hot sauce—with onions yet. In the Southern States a yamburger is an unholy union of yams and chopped beef, while on Fire Island a stroganofburger consists of chopped meat with mushrooms and onions, then covered with a snowy blanket of sour cream. In Kentucky the bourbonburger is a special favorite, with the meat being soaked in pure bourbon before it staggers into the frying pan.

All of which has given rise to National Canned Hamburger Month, May 1 to 31, featuring the slogan: "Hamburger lovers, unite. You have a legitimate beef."

Hamburger—the pure beef variety that hamburger devotees are fighting for—is said to have been named after the city of Hamburg in Germany. It is believed that the ancient traders of Hamburg, when they returned from the Baltic provinces of Russia, brought with them a taste for red meat. This they shredded and ate raw. The practice of eating raw hamburger became widespread, as can be seen by the frequency with which this recipe appears in old cookbooks. During the last 30 years the raw hamburger became known as steak tartar or beefsteak tartar.

The hamburger sandwich made its first appearance in this country at the St. Louis Fair in 1904 and became an instant hit. In no time at all it nosed out the frankfurter as the most popular dish in the United States.

Contrary to popular belief, the outdoor-broiled, rare hamburger is not the way most hamburger eaters like this dish served. A recent survey revealed that 50 percent prefer their hamburger cooked medium with a tomato or brown-gravy sauce; the well-done hamburger, with 32 percent of votes, is in second place; rare accounts for only 13 percent; the rest voiced no preference; 25 percent liked them with onions and 17 percent doused them with ketchup, no matter what else was on them. During World War II, GI's voted the hamburger their favorite dish. The survey also showed that more secretaries eat hamburgers for their lunches than any other food.

For preserving the good, old-fashioned American hamburger, there are definite rules. It may be broiled, either medium or rare, and served on a toasted bun with or without an onion. It also is permissible to douse it with brown gravy or ketchup. The ideal hamburger is 1½ inches thick and 3 inches wide. The meat should be 100-percent pure beef—ground round steak, chuck, or sirloin. It also should have a moderate amount of fat—25 percent by weight, if it is added. This makes for a better-tasting hamburger than all lean meat. Season to taste after the hamburger has been fried or broiled.

As with all popular foods, it was only a matter of time until the hamburger found its way into a can. It happened like this: About 10 years ago the Army discovered that its GI's were homesick for three things—girls, music, and hamburgers, in that order. Ig-

noring the first, the Armed Forces tried to fill the other two needs. The Claridge Food Co. of Flushing was asked to supply canned hamburgers, and although the hamburger is as typically American as apple pie, it is interesting to note that the popularity of the canned variety was spurred by two Frenchmen—Jacques and Gene Garvin, who head the Claridge firm.

The food specialists came here from Paris some 15 years ago after long experience in the food line in France and promptly plunged into the canning industry. When Uncle Sam advertised for hamburgers, they were ready and willing and delivered.

Under United States Department of Agriculture regulations, incidentally, any canned meat called a hamburger must be made of 100 percent pure beef. Should anything else be added to it—such as bread crumbs for instance—it has to be called a meat ball or a meat patty or something of the sort.

Pure hamburger advocates, the Garvins realize that with all kinds of "burgers" gluting the market, the name is no help. With porkburgers made of pork and shrimpburgers made of shrimp, they wonder if a new generation will grow up under the impression that a hamburger is made of ham. That this can happen must have been seriously considered by one large chain of restaurants. To impress their customers that their hamburgers are made of beef only, they list the dish on their menus as beefburgers.

An avid reader of everything that's written about hamburgers, Jacques Garvin is especially unhappy about a passage in the Hamburger Cook Book of Esther K. Schwartz, which reads:

"The usual grilled or fried hamburger, delicious as it is, is not the limit, but the beginning of what the ingenious cook can do with a pound or two of ground beef."

It is such propaganda they hope National Canned Hamburger Month will counteract. "Hamburger lovers, unite," is no idle threat. Their beefs are being heard throughout the land—and that's no bull.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FORD.

Mr. HOSMER in three instances and to include extraneous matter.

Mr. MILLER of Nebraska.

Mr. MACK of Washington.

Mr. HOLTZMAN (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. EBERHARTER and include an address by Gen. Thomas D. White, Chief of Staff of the United States Air Force.

Mr. MACDONALD and to include an editorial appearing in the Boston Herald.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 34. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases; to the Committee on Interior and Insular Affairs.

S. 55. An act to authorize the acceptance on behalf of the United States of the conveyance and release by the Aztec Land & Cattle Co., Ltd., of its right, title, and interest in lands within the Coconino and Sitgreaves National Forests, in the State of Arizona, and the payment to said company of the value of such lands, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 76. An act authorizing appropriations for the construction, operation, and maintenance of the western land boundary fence project, and for other purposes; to the Committee on Foreign Affairs.

S. 180. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Washita River Basin reclamation project, Oklahoma; to the Committee on Interior and Insular Affairs.

S. 1138. An act to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority; to the Committee on Armed Services.

S. 1464. An act to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads; to the Committee on Interior and Insular Affairs.

S. 1718. An act to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954; to the Committee on Armed Services.

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3885. An act to amend the act of April 29, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast Guard contracts.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 3885. An act to amend the act of April 29, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast Guard contracts.

ADJOURNMENT

Mr. METCALF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 42 minutes p. m.), under its previous order, the House adjourned until Tuesday, May 31, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

848. A letter from the Secretary of Defense, transmitting a report setting forth the financial condition of working capital funds of the Department of Defense and the results of their operation as of June 30, 1954, pursuant to section 405 (c) of the National Security Act of 1947; to the Committee on Armed Services.

849. A letter from the Chairman, National Labor Relations Board, transmitting a list containing the names, salaries, and duties of all employees and officers in the employ or under the supervision of the National Labor Relations Board for the year ended June 30, 1954, pursuant to section 3 (c) of the Labor Management Relations Act, 1947; to the Committee on Education and Labor.

850. A letter from the Administrator, General Services Administration, trnasmitting a draft of proposed legislation entitled "A bill to amend the Federal Property and Administrative Services Act of 1949, as amended"; to the Committee on Government Operations.

851. A letter from the Acting Postmaster General, transmitting a draft of proposed legislation entitled "A bill for the relief of certain rural carriers"; to the Committee on the Judiciary.

852. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of the Department of Commerce on the activities and transactions of the Administration from January 1, 1955, through March 31, 1955, pursuant to section 13 of the Merchant Ship Sales Act of 1946; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. DAVIS of Tennessee: Committee on Public Works. H. R. 192. A bill to amend Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1946 (Rappahannock River); with amendment (Rept. No. 686). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 3233. A bill to amend title 18 of the United States Code so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson; without amendment (Rept. No. 687). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. LANE: Committee on the Judiciary. H. R. 1216. A bill for the relief of Cathryn A. Glesener; with amendment (Rept. No. 685). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON of Wisconsin:

H. R. 6541. A bill to amend the Migratory Bird Conservation Act so as to revise the membership of the Migratory Bird Conservation Commission; to the Committee on Merchant Marine and Fisheries.

By Mr. GROSS:

H. R. 6542. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. HOLTZMAN:

H. R. 6543. A bill to amend section 14 (b) of the National Labor Relations Act so as

to protect the rights of employees and employers, in industries affecting commerce, to enter into union-shop agreements; to the Committee on Education and Labor.

By Mr. STEED:

H. R. 6544. A bill to amend the Federal Trade Commission Act to permit certain contracts and agreements establishing exclusive representation by distributors in specified geographical areas and requiring such distributors to sell only in these areas; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMAS:

H. R. 6545. A bill authorizing the conveyance of certain property of the United States to the State of Texas; to the Committee on Armed Services.

By Mr. THOMPSON of New Jersey:

H. R. 6546. A bill relating to the simplification of the General Schedule of the Classification Act of 1949, as amended; to the Committee on Post Office and Civil Service.

H. R. 6547. A bill providing for a simplified performance rating system for Federal employees; to the Committee on Post Office and Civil Service.

H. R. 6548. A bill relating to the transfer of Federal employees from the classified civil service to another personnel merit system; to the Committee on Post Office and Civil Service.

H. R. 6549. A bill to provide for improvement in the system of personnel administration through the establishment of a senior civil service; to the Committee on Post Office and Civil Service.

By Mr. AVERY:

H. R. 6550. A bill transferring to the jurisdiction of the Department of the Army the bridge across the Missouri River between the Fort Leavenworth Military Reservation in Kansas and Platte County, Mo., and authorizing its removal; to the Committee on Public Works.

By Mr. WAINWRIGHT:

H. R. 6551. A bill to amend title II of the Social Security Act to permit an individual to waive his right to receive benefits thereunder in order to preserve his right to receive benefits under other laws; to the Committee on Ways and Means.

By Mr. JOHANSEN:

H. J. Res. 326. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. PRICE:

H. Con. Res. 148. Concurrent resolution authorizing the printing of additional copies of the hearings held by the Joint Committee on Atomic Energy on May 9, 1955, on radiation sterilization of foods; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the Speaker: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to the restoration of crosses and other appropriate symbols above the graves of our honored dead at the National Cemetery of the Pacific; to the Committee on Armed Services.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to requesting the Congress of the United States to take necessary action to alleviate the Federal tax burden levied against the people of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOSCH:

H. R. 6552. A bill for the relief of John Caplan (Giovanni Tuan); to the Committee on the Judiciary.

By Mr. DONDERO:

H. R. 6553. A bill for the relief of Mieko Furukubo; to the Committee on the Judiciary.

By Mr. FINE:

H. R. 6554. A bill for the relief of Spiros Giroukis; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H. R. 6555. A bill for the relief of Miyoko Kamiyama; to the Committee on the Judiciary.

By Mr. LANKFORD:

H. R. 6556. A bill for the relief of Cornelia S. Roberts; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H. R. 6557. A bill for the relief of Kenneth O. Nordine; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address by Gen. Thomas D. White, Vice Chief of Staff, United States Air Force, at the Armed Forces Day Dinner Sponsored by the Pittsburgh Chapter of the Military Order of the World Wars, Pittsburgh, Pa.

EXTENSION OF REMARKS

OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1955

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

ADDRESS BY GEN. THOMAS D. WHITE, VICE CHIEF OF STAFF, UNITED STATES AIR FORCE, AT THE ARMED FORCES DAY DINNER SPONSORED BY THE PITTSBURGH CHAPTER OF THE MILITARY ORDER OF THE WORLD WARS, PITTSBURGH, PA.

I know of no more appropriate place than Pittsburgh to commemorate Armed Forces Day. Since its beginning as Fort Pitt, this city has had a long and illustrious history. For a generation Pittsburgh was a military outpost, protecting our frontier and serving as a gateway to the West.

The theme of this Armed Forces Day is power for peace. Power has been a byword of the Pittsburgh area. Coal and steel produced in this region have contributed to our Nation's strength and growth in peacetime and to our military power in war.

Industrially you have looked ahead. Research as well as production has been another of your notable accomplishments. Laboratories, along with factories and mills, line your river valleys. You have some of the leading research agencies in the country. Your scientific institutes are among the oldest and largest in the Nation.

I cite these accomplishments not simply as an appeal to your civic pride. I stress them because they are elements we must have in the power for peace relationship.

Our main problem today is to maintain a position of strength. Much of our strength must be military. Our defense establishment must fulfill a twofold need.

First, we must have the forces to meet and beat an attack if one should come today. This emphasizes the importance of forces-in-being.

Second, we must keep up our effective strength for an indefinite period, 10, 20 years or perhaps even longer. I stress the word effective. Large numbers of planes, ships, and divisions would be worthless unless they are effective against an enemy; and to be effective they must be superior. This means we must develop weapon systems that keep us ahead of the enemy.

In short, we must be ready at any time and for a long time. Meeting these needs poses a problem more difficult than any we have ever faced in history and it means larger and more expensive peacetime forces than we have ever had.

In the years after World War II the Soviets were building up their forces while we were reducing ours. They outnumbered us in men, guns, tanks and planes. They still do. But despite their great numerical advantage we were, and still are the main obstacle to their aggressive aims. Their massive army and their many planes have been a powerful influence on the Eurasian land mass. But these forces have not been capable of exerting strong military pressure directly against the United States.

On the other hand, the United States had the means of exerting military pressure directly against the vital centers of the Soviet Union. The fact that we had this ability while they did not put them in an inferior strategic position. Although their ambitions for conquest were not dampened, they were wary of starting anything that might result in their having to face the full power of the United States.

Faced with this situation, the Soviets looked for a way out. The answer was obvious. The practical way for them to put real pressure on the United States—and at the same time relieve some of the cold-war pressure we were able to put on them—was to develop long-range nuclear air power. With long-range air power they would have the ability to strike directly at this continent. With nuclear weapons they would have the ability to use their air power with tremendous effectiveness.

Building this force and these weapons presented the Soviets with a problem they had never before faced. In the past they had created little in the way of new weapons of war. In World War II, their allies provided most of their up-to-date weapons. Their ships, planes, tanks, and guns were largely adaptations and modifications of existing weapons.

The Soviets further developed this ability to copy, and they used our B–29 as well as captured German planes and missiles as models. In the post-war period they profited by the spying and defection that was going on in the field of nuclear weapons, and they copied some more.

However, the Soviet goal was not just to catch up; it was to get ahead. They had entered a race in which we had a head start. The result was this: For the first time they had to develop a technical structure that could create new weapons. This decision to embark on an air power-nuclear program is significant. It marked the first real forward step by the Communists into the field of technology.

When they embarked on this program to create new weapons it marked the beginning of the technological race we are in today. I know I need not remind you that our whole future depends on the outcome of this race.

How do we stack up in this contest for technological superiority? What are our prospects for the long 10- or 20-year pull?

Throughout the whole 20th century we have been one of the leaders in technological progress. Our industries have consistently produced commodities of superior performance and value. We have made these things in greater volume and at less cost than other nations. We have also been the leaders in substituting mechanical devices for manual labor. However, our great strength has been more along the lines of production rather than invention. Many of the key scientific breakthroughs of this century were made in England, France, or Germany.

Nor have we always been first in the development of military weapons. We were not the first to have tanks. We were not the first to have jet aircraft. In the end, however, our production paid off. In every war we equipped our forces with large amounts of superior weapons and won.

As a nation we take great pride in our achievements. It has become habit to believe that we are bound to win any technological race, particularly with the Soviets. This is a dangerous complacency. We must be careful not to overrate ourselves and underrate our competitors.

Just as the technical leadership of the United States seems unquestioned, some take it for granted that Soviet technology is primitive and backward. Although many admit that the Soviets have produced some first-class scientists and even a few inventors, we are often amused by Soviet claims of technological firsts. This amusement leads to the belief that they could never be first. Most people are convinced that because of our great record in the past we will continue to outinvent and outproduce everybody else in the future.

This is a comforting thought, but it may prove to be dangerously in error. The records of the last few years indicate that our technological lead is by no means self-perpetuating.

The Soviets are showing signs of technological maturity. What many of our experts predicted they could not do, they did. Even more surprising, some of the things they were supposedly unable to do at all, they not only did, but they did in a big hurry.

For example, we thought they could not duplicate the B–29 in less than 6 or 7 years. They duplicated it in 2 years.

We estimated that it would be difficult for them to make a good copy of the British jet engine. They produced a better version of this engine in less than a year.

In 1946, our experts thought they could not produce an atomic bomb in less than 6 to 10 years, if at all. They rocked the world with a nuclear explosion in about 3 years. This is just about the same time it took the United States to produce its first weapon.

Now it is true that all these accomplishments were for the most part duplication. They were not original achievements. But they duplicated and even improved upon some very complicated weapons. This is significant. As a nation acquires the technological ability to duplicate complex weapons, it becomes capable of building new and original weapons.

We have seen examples of this. The MIG–15 may not be superior overall to the F–86. But who can deny the fact that it was a first-class fighter and, in many ways, an original design? Even more important, could a backward technology produce 15,000 of these modern jets in just a few years?

They now have the MIG–17, an aircraft comparable to the F–100, one of our newest fighters. We can forget the MIG–15, because the 17 is replacing it. They now have thousands of these new models.

Although weather interfered with their May Day show, we saw two new models of fighters during rehearsals for the big parade. One is a new supersonic model. The other is an all-weather fighter.

You may say, "Well, they have concentrated on fighters." But this is not the case. They are developing and producing the planes for a great bomber force.

Last year we observed a completely new medium bomber. We expected they might develop such an aircraft taking several years to get into production. But this year they showed us enough of them to make us realize that they were already in production.

These are great steps in progress. But the airplane that gives us real reason for concern here in the United States is the long-range jet bomber. The Soviets have no use for a long-range bomber except to attack the United States. Last year we saw one Soviet model. This year we saw numbers of them in formation.

These observations establish a new basis for our estimate of Soviet production of the heavy jet bomber and the medium jet bomber. This knowledge is evidence of the modern technology of the Soviet aircraft industry and the advances which are being made by them.

We must continue to be on the alert and maintain our own forces to insure the lead over the Soviets that we have.

The Soviets may have started slowly, but they are learning fast.

The national resources needed in a race for technical superiority are not God-given endowments like minerals. They are man-created resources like industry or transportation. To be strong in technology a nation needs alert scientific leadership and it must invest a basic and experimental research, in laboratories and in testing facilities. It must also have a broad population base, so that numerous young people can be channeled into the scientific and engineering professions. The more people you can funnel into training, the better selection you have to choose from.

In the past, we in the United States have had the physical resources, and many of our people entered scientific and technical careers. We are continuing to invest in technical resources, but our production of trained people is not increasing.

Russia is making rapid progress. The Soviets have come from a period in which most of their population was illiterate, to a point where their present output of scientists and engineers exceeds that of the United States. This is one area where they have gained leadership.

Of course, they did not have to start from scratch. They had the resources for a sizable production base. They had scientists and engineers of their own and they "borrowed" large numbers of German scientists and engineers who were experts in the field of aircraft and missiles.

Furthermore, their population is larger than ours by about a third. This gives them a greater educational potential, which they can be expected to use to the limit.

Here are some cold facts: In 1950, the United States graduated 50,000 engineers—an alltime high. This peak was composed of veterans studying under the GI bill. Last year we graduated only 20,000 engineers. By contrast, the Russians graduated 28,000 engineers in 1950, 40,000 in 1953, and 54,000 in 1954. Russia now has almost caught us in total numbers of engineers and has passed us in total numbers of scientists. These figures are nothing to be optimistic about.

Of course, questions can be raised about the quality of the Soviet graduates. The United States does have the advantage that our young men are brought up in a machine-age environment. They soak up a lot of technical background. But the Soviets work their students harder.

In summary, we had the lead in scientific manpower—but this lead is going, if it has not already gone. On the technical manpower front, time does not seem to be working in our favor.

Turning now to another phase of technical resources, we find the Soviets have another advantage—the Iron Curtain. This security barrier allows the Communist bloc to hold on to their inventions and discoveries. Free nations cannot share them.

By contrast, the United States and free nations are liberal with technical information. This is an outgrowth of the democratic system. Besides, we believe that exchange of information aids scientific and industrial progress. I do not believe that all releases we have made are based on sound reasoning, but I believe our position of freedom of information is sound.

However, we must recognize that we are paying a price for this freedom, just as we must pay the price for other freedoms we enjoy. The price is this: The Soviets profit from our efforts.

A final point in this comparison of Soviet technological systems with ours is speed of production. I do not mean the speed of one production and assembly line. I am referring to what we call lead time—the whole period from invention of a weapon through development, test, training, and finally a combat capability. With the complex weapons of today lead time is a matter of years.

There is also evidence that the Soviet technological structure is simpler and more streamlined than ours. Their programs are controlled by military necessity and the urgency of getting ahead. Ours are somewhat confined by democratic processes of decision making and influenced by the need for economy.

Whatever the reasons are, we do know that they have produced first-class equipment, and their lead time across-the-board is shorter than ours.

On our side we have cut down some of our bottlenecks. In the Air Force we have reorganized and streamlined our research and development activity. This has saved valuable time, but there are other complicating factors that are not so easy to remedy.

For example, our budget cycle. However beneficial this system of budgeting may be, it undoubtedly costs us in time lost.

Our desire to build safety into our equipment and the need to keep equipment in service for a long time; our tendency to build multipurpose weapons—all these lengthen our weapon lead time.

We must do everything we can to reduce it. Under United States policy we will not start a war. This means we must maintain many weapons programs, against many eventualities. By contrast, the Soviets can choose their time and their strategy and work toward it. They can select particular weapon systems and put on a crash program. By concentrating in this way they may be able to telescope progress in specific areas. The danger is that they may do this in areas that can be decisive.

These comparisons of scientific manpower, the safeguards on our technical effort and weapon lead times indicate how foolhardy it would be to assume that we will automatically keep the lead. Technical superiority is not automatic. It must be made to happen.

Of course, a major technological breakthrough could again give us the lead for a

period of 2, 3, or even 5 years. But we cannot gamble that this will happen. The only sure way is to make the effort needed for a progressive improvement. Any breakthrough would then be a bonus. It would be further insurance for us.

The future will not hold an encouraging picture unless we make the right decisions and then act decisively. But we cannot neglect the other main need I mentioned in the beginning—strength-in-being.

We are up against an enemy that could strike at any time. If war came today—and it could—we would have to fight it with the trained divisions that are ready to take the field, the airplanes that can fly, and the ships that are afloat today. Our strength-in-being is a shield. Behind this shield we can go on working to get better weapons. Our strategy will undergo change. But it must change as our combat strength changes, not as we get the ideas for some new weapon system.

Despite the improving strength of the Communists, our prospects for the future look bright. We can fail to win the technological battle only if we fail to recognize its importance.

Unless we keep up our day-to-day strength we will have no shield to assure our future developments.

The answer to both these needs lies in power for peace.

We all hope that eventually a practical plan can be found to dispense with arms. When that day comes we can follow the tradition set by Pittsburgh. The first homes here were built blocks from the crumbling Fort Pitt. The fortress was no longer needed. When the force of arms is no longer needed we can turn again this power into elements that will improve our life and our freedom. But until that time comes, just as the walls and garrison of Fort Pitt were kept strong in the days of danger, we must be resolute in keeping up our guard.

Hail, Senator Kennedy

EXTENSION OF REMARKS
OF
HON. TORBERT H. MACDONALD
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1955

Mr. MACDONALD. Mr. Speaker, under leave to extend my remarks, I insert in the RECORD an article from the Boston Herald which appeared in the May 25 edition.

The article heralds the return of the junior Senator from Massachusetts, JOHN F. KENNEDY, after his absence from the Senate for 7 months and 3 days due to major spinal surgery. The article reflects upon not only the courage of the distinguished and able junior Senator from Massachusetts but lauds his clear and lucid thinking on the large issues of our day.

I know it was a great day for Senator KENNEDY when he returned to the Senate floor after his long illness but I also want to point out that it was a great day for the people of Massachusetts, both Democrats and Republicans alike. I have known and admired the junior Senator for many years and I know personally the place he occupies in the hearts of his constituents. If there is any two-word capsule of the character of the junior Senator from Massachusetts it would be courage and determination. He certainly displayed his tremendous courage during World War II when as commanding officer of a motor torpedo boat he saved the lives of members of his crew by dint of tremendous determination to keep these men afloat for 24 hours in the cruel waters of the South Pacific. He once again showed this courage and determination in his long, lonely fight to conquer his injury which he has done.

I am especially happy to express my gratitude that Senator KENNEDY is back on the scene he loves so well. I know that all the members of the Massachusetts delegation join me in this feeling. I personally am delighted that my good friend is back.

The article follows:

HAIL, SENATOR KENNEDY

Senator KENNEDY has fought a gallant battle to recover his health. He has won, and the whole Nation rejoices, without regard to party. And it is not only because he has persevered against a seemingly hopeless crippling; it is also because he has proved his ability as a Senator.

He returns as a member of the opposition party in Congress. He will take his stand many times against President Eisenhower. But it will be no higgling opposition, no business about the squirrels on the White House lawn. It will be an intelligent opposition that will challenge the President to the utmost, that will bring out the big issues more clearly, that will contribute to the better ordering of the Nation. It will be fair fighting, with respect on both sides.

We have ourselves differed with Mr. KENNEDY in the past, and we probably shall again, for we believe he is sometimes too ready to abandon the tested in favor of time-saving expedients (like Federal aid to school construction). But we know we shall find the contest exhilarating, and his marshaling of facts will demand the best we have.

It is good to have him back in the high counsels of the Nation.

Adequate Military Strength—The Key to Permanent World Peace

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Friday, May 27, 1955

Mr. JOHNSON of Texas. Mr. President, last Saturday the junior Senator from Missouri [Mr. SYMINGTON] delivered an address in my native State on one of the most important issues before our people—military preparedness.

With his strong grasp of the facts of defense, the Senator from Missouri summed up the forces that are allied against us and the forces that are on our side. He drew from his rich experience as one of the most distinguished Secretaries of the Air Force that we have had.

The speech was made in San Angelo, Tex., on Armed Forces Day, at the invitation of Houston Harte, one of our leading Texas publishers.

I ask unanimous consent that the address delivered by the Senator from Missouri be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADEQUATE MILITARY STRENGTH—THE KEY TO PERMANENT WORLD PEACE

(Address by Senator STUART SYMINGTON at Armed Forces Day luncheon, San Angelo, Tex., May 21, 1955)

When one visits Texas one has that feeling of special satisfaction which comes to all of us when considering the many reasons we have for being proud of our country.

That is true also about those of us who are equally fortunate to have come from Missouri; and when you combine those 2 great States into 1 man, as you have done in the case of my host and friend, Houston Harte, you have all that is best about America.

Of course, we also have much of Texas in Washington. There are no 2 finer public servants than those 2 Members of your State who guide the House and the Senate—SAM RAYBURN and LYNDON JOHNSON—"Mr. Democrat" himself and our leader in the Senate—men of destiny in this troubled world.

And then you have Senator PRICE DANIEL, one who has already earned his mark as worthy of those whose traditions have made the representatives of Texas part of the immortal saga of all free people.

I also take pleasure in paying tribute to your outstanding Congressman, my friend CLARK FISHER, who has the special respect of us all for his splendid work on the Armed Services Committee.

Today we celebrate the character and ability of our military forces—our Army, our Navy, our Air Force, and our Marine Corps.

And it is always a pleasure to talk about military matters in Texas. When I was with the Air Force, about one-eighth of it was located in your great State; and for many years Texas has had a fine Army and Navy tradition.

Today the world is hopeful there may be a change in Soviet policy, and that this change may lead toward disarmament, the latter that prerequisite for the most desirable of all attainments—permanent world peace.

But we also know that no successful negotiations for disarmament would ever be possible with the Communists unless those negotiations were conducted from a position of relative strength.

And for that reason, and because of the nature of what we commemorate today, I plan to talk briefly about weapons—particularly about the weapon which may be the most important of all to our security.

The one sure way to lose the battle of freedom in this nuclear age is to be lulled into reducing our Armed Forces to the point where a possible enemy believed they could destroy us in a sudden, all-out, surprise atomic attack, without in turn being destroyed themselves.

We should always remember that in every issue of Communist dogma, under the title, "Problems of Leninism," there appears the following:

"We are living not merely in a State, but in a system of States; and it is inconceivable the Soviet Republic should continue for a long period side by side with imperialistic states. Ultimately one or the other must conquer. Meanwhile, a number of terrible clashes between the Soviet Republic and the bourgeois states will be inevitable."

The above statement of Communist policy has been reiterated many times, and as recently as after the close of World War II in 1945.

Furthermore, Communist leaders denounce all spiritual faiths, dictating as a substitute the cynical and materialistic doctrine of communism.

As we all know, but sometimes are prone to forget, the Communist does not believe

in God. That is part of the foundation of his philosophy. He has always fought to destroy religion.

The leaders of Russia have not only constantly reiterated their goal of world domination; they have also predicted the doom of all other political systems, especially capitalism. They have inflamed all Communists against all non-Communists, wherever the latter may be. They have sealed off their own people behind an Iron Curtain, while taking advantage of free access in other countries to create constant distress and confusion from within.

Theirs has been a ceaseless campaign of aggression; ideological, political and economic; and wherever expedient, that campaign has been supported by guns and marching men.

We fervently hope that this recent apparent softening of policy may lead to something better for the world—and we should continue all talks incident to possible mutual disarmament, in the hope they will lead to something better for the world. But we must never let down our guard.

If the Communists lull us into a false sense of security their goal may be closer than ever before.

For many years there has been general agreement that the ultimate military weapon, at least in our time, might well be the so-called intercontinental ballistic missile.

This is a pilotless weapon which could take off from Communist territory, travel through space at a speed of many thousands of miles per hour, and explode in the United States.

Actually, one of these weapons, which only lacked range to be intercontinental, has already been tried in war, with great success.

I am talking about the Nazi V–2, first launched in 1942, and launched in heavy quantity from the Continent of Europe against England in 1944.

This V–2 pilotless weapon had a speed of thousands of miles per hour, and a range of 175–200 miles.

An idea of its lethal effectiveness can be obtained from the following statement in the book, Crusade in Europe, published some years ago by General Eisenhower (ch. XIV, p. 260):

"It seemed likely that if the German had succeeded in perfecting and using these new weapons 6 months earlier than he did, our invasion of Europe would have proved exceedingly difficult, perhaps impossible."

In 1945, the Nazis crumbled before the combined strength of the allied armies. By that time, most of their industrial production had moved from the western half of Germany to the eastern half, so as to be farther away from the ever-growing punitive strength of our bombers.

As a result, the principal manufacturing site for this weapon, including the great missile research and development center at Peenemunde, were both captured by the Communist armies, in their sudden rapid overrunning of East and Central Germany.

Since then apparently the Communists have been concentrating on further development of the range of this already proved missile; a missile which, in case of war, they would hope to fire from their territory against the cities and towns and military installations of the United States; and on which they could have placed by now both atomic and hydrogen warheads.

In radio broadcasts and such papers as Izvestia, the Communists have boasted repeatedly of their success in 2-stage-rocket development; and any progress in the development of a 2-stage rocket is, in effect, progress in the development of this intercontinental ballistic missile.

Those who have misled the people by minimizing Soviet production ability should remember their outstanding success in the mass production of such weapons as the Stalin IV tank, the MIG–15, and MIG–17 fighter planes, the IL–28 jet bomber.

Nor should we ever forget that, whereas our experts felt the Communists would not have an atomic bomb until 1953 (the British said 1957), they actually exploded one in 1949.

The capture by the Communists of these Nazi V–2 missile factories, along with most of the scientists and engineers involved in its production, should have given them a long running start on this, the most terrible weapon of all.

Note that they have now had over 10 years to lengthen the range of the V–2.

Note also that up to now we have no actual, or planned defense whatever against this weapon.

At the end of 1945, the Communists knew that, by deceit and betrayal, they would have their great opportunity to fulfill their often-expressed plans for world conquest.

Due to the genius of some of their scientists, plus some traitors on our side, they have now developed both atomic and hydrogen bombs.

They felt sure they were not going to be attacked by the United States.

So all the jet bombers they might well have felt they would need at this time would be relatively short-range jet bombers, whose range could nevertheless be increased by refuelling in the air; and they have built thousands of such jet bombers since World War II.

Naturally, they also decided to concentrate on lengthening the range of the pilotless missile they now knew so much about, because it was laid in their lap by the Nazis over a decade ago—most of the engineering personnel and all of the production facilities.

If this was the complete premise of their thinking, there would have been no reason for them to build medium and long-range intercontinental bombers—bombers comparable to our B–36, our B–47, and our B–52.

The Communists always strive for the best in combat weapons and therefore it is not surprising information just released from the Pentagon shows they have bypassed production of the now obsolescent B–36; but it is surprising to note how far they have progressed in production of models comparable to our latest medium bomber, the B–47—and our latest heavy bomber, the B–52.

I hope soon the administration will give further facts about this Communist plane production. These facts are of vital interest to the free world. They show once again the grim determination of these atheists to rule the world as soon as possible.

But it is the intercontinental missile, travelling at a speed of 10,000 miles on hour, armed with a nuclear warhead, which should give the most concern when considering our children and our country.

Recently one of our outstanding military writers, Stewart Alsop, wrote as follows about this weapon:

"If the Soviets first produced this weapon (the IMB) in quantity it would mean that not only our great cities, but our strategic bases as well, our means of retaliation, would be at the mercy of the Kremlin, and there is not the slightest doubt that the Soviets, ever since the war, have been making a very great effort in the field of the long-range missile."

And later, in the same article, he said:

"Yet something is still lacking—the sense of national urgency which has worked miracles in the past.

"An authoritative nongovernmental estimate is that, given this sense of urgency, plus an absolute priority, Atlas might be in full production 2 years ahead of the most hopeful present schedule—perhaps even well this side of 1960.

"It may sound melodramatic to say so, but those 2 years could make the difference between national life and death."

In any case, one would think that since World War II, the United States would have done everything possible to catch up in the development and production of this missile.

This has not been done, whistling in the dark statements to the contrary.

We lagged way behind. We may be trying to catch up.

But we are not trying hard enough—in fact, for an extended period after World War II we abandoned the development of this missile entirely.

The only sensible conclusion to be drawn from the above facts is that the Communists are ahead of the free world in the race for this ultimate weapon.

In the intercontinental ballistic missile field therefore, it would seem that our reach should ever exceed our grasp.

We should not be too complacent about the size of our subsonic bomber fleet (a fleet that is rapidly becoming obsolescent) or the money we are putting in early warning defense systems (systems which are worthless against the intercontinental missile.)

In order to rush to quantity production of this weapon we should forget any business as usual, any normal workweek. Because he who gets this missile first in quantiy may well be in position to rule the world.

In a pamphlet published recently by the Republican Party, National Defense Under the Republican Administration, there is an extended presentation of various missiles.

Thirteen missile projects are described in some detail. Included in this pamphlet is discussion of an intercontinental ballistic missile called the Atlas.

The pamphlet describes the Atlas as a rocket-powered, guided missile of the IBM (intercontinental ballistic missile) type which would be fired many miles into space (where there would be little atmospheric resistance) and then follow a ballistic arc to the target. Estimated elapsed time between United States and Moscow: about 29 minutes.

Let us remember that if the Communists have put out such a pamphlet it probably reads, "Estimated elapsed time between Moscow and the United States; about 29 minutes."

In a democracy, the people can do what is necessary to preserve their security and prosperity only provided they are given all truth which will not help a possible enemy.

Never has the importance of this been better expressed than in a recent speech by your distinguished senior Senator, LYNDON JOHNSON, when he said:

"No nation can be any stronger than the will of its people. Since ours is a democratic form of government, that will can exist only when it is informed."

As a result of this announcement last week by the Department of Defense about the current strength of the Soviet air force—it is going to be necessary to review our concept of what is necessary for security; and that is why I have asked for a military balance sheet from the Commander in Chief, so the people of this country will know where they stand.

The people are entitled to at least the same kind of accounting as to their liberty and freedom from Communist aggression that they obtain, under our law, from their corporations.

They are entitled to at least the same information as to the safety of their lives that they receive with respect to the safety of their dollars.

With those restrictions necessary to protect vital secrets, they are entitled to a current accounting of the state of the national security.

These are problems for us all and we are entitled to the facts.

We need not a crusade of secrecy but a crusade of truth.

At the graduation exercises of Baylor University in Waco, Tex., on February 1, 1950,

at a time this country was steadily disarming. I dwelt on the growing Communist military strength.

On that day I said:

"I remind you that there is little, if any, peace in the world today. We don't have peace just because the guns are silent. Tragically, we do have 'fronts' where the shooting could begin at any time, and no one knows when or where."

Since then the Communists have struck twice—in Korea and in Indochina—and have placed thousands more square miles and millions more people of the free world behind the Iron Curtain.

And now they are looking at Formosa.

Tomorrow they will be looking at Japan and other places.

But always they are looking at the United States—for we are the main obstacle to their goal of world domination.

So, on this Armed Forces Day, it would seem fitting to add another quotation made at Baylor University in that talk in 1950:

"The history of Texas is the history of a battle for independence. May you in the great State and in all our other States remember the cost of such battles. When those who want to represent us in the halls of our Government consistently close their request for votes with the stressing of two words—'peace' and 'prosperity'—let us remember the long rows of those who were sacrificed because of our lack of preparedness, and who have passed on to us another heritage, and who believed that we, in turn, would pass that heritage on to our children and our children's children. Let us ask our statesmen to add a third word to the appeal of 'peace' and 'prosperity'. From Sam Houston to SAM RAYBURN one word is engraved on the heart of every Texan, every true American. That word is 'freedom'."

God still gives us our chance. But let us get on with the job and do whatever is necessary to insure that our flag will continue to fly in the land of the free.

Armenian Independence Day

EXTENSION OF REMARKS
OF
HON. GERALD R. FORD, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1955

Mr. FORD. Mr Speaker, whenever the Armenian people are mentioned, I think of the many substantial contributions Americans of Armenian descent have made to our national prosperity and free way of life. And I realize that Armenians represent another important national building block along with many other nationalities upon which our country has grown powerful.

As with those Americans of Dutch, Polish, German, or any other national origin—each has united on this continent with some positive contribution to the greatness of America which helps our country stand firm as the bulwark of freedom.

Armenians have not only given us great material gains from their own cultural, business, and artistic heritage but Armenians have given us an inner spiritual strength to help us believe in freedom and all for which it stands. For what national group understands the yoke of oppression better than they? What nation has demonstrated more actively its longing for a free atmosphere in which to live?

Tomorrow, May 28, is a day upon which to stop and consider the background of these brave people. For although small in population, they are united in their courage and determination. On this day, in 1918, Armenia achieved its goal of independence after centuries of rule dictated by Romans, Arabs, Turks, and Russians. Their independence was short-lived, because in September of 1920 they were again lashed to cruel oppression, this time by Russian dictatorship. But there is much more to any nation than meets the eye. Armenia has proved this with its great spirit and dedication which can never be chained in subjugation. So, although their country may not be physically free, the spirit of this small nation can never be anything but free, and this spirit will permeate to many corners of our country as well as of the entire world.

Memorial Day Address by Hon. George H. Bender, of Ohio

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE SENATE OF THE UNITED STATES
Friday, May 27, 1955

Mr. BENDER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, an address I have prepared for delivery on Memorial Day.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Memorial Day is always a very reverent occasion. We call to mind at this solemn hour the sacred memory of the young men and women who have given their lives for our country.

It is shocking to realize that in the 5 wars which have taken place since the Civil War, more than 1,600,000 young Americans have lost their lives on the field of battle. Millions more have suffered wounds or incurred serious illness due directly to these wars.

We honor their memory and their sacrifice each year at this time. We could honor their memory far more effectively by establishing a world where no new war casualties might be necessary. This must remain our goal.

Yet, we must remember, too, that all of history emphasizes the eternal need to fight for those ideals in which we believe. No generation has ever found it easy to preserve human freedom. We have never had a century when the world was completely free of devastating war.

This historians tell us that most of these battles have been fought to satisfy some mad drive for power. One nation seeks to dominate another. One group of men wish to seize control of another's lands. A few determined aggressors attempt to exploit others for their personal gain. Rarely in history has there been a war to improve the conditions of men. Our own American Revolutionary War was one of these great exceptions. But even here, if we had received the liberties which our ancestors demanded, the war might never have been fought. Repression, domination, oppression, and tyranny have been the basic causes of all wars.

The philosophers tell us that the earth can be a beneficent, life-giving mother. We could live in peace and harmony, with enough for all, if men would strive to live as the Bible teaches us to live. In this generation, there can be no other choice.

Today, the folly of war must come home to us even more strongly than in the past. There are no longer victors and vanquished in the 20th century. Our weapons have become so powerful that both sides in any conflict must suffer terrible losses.

Albert Einstein said a few years before his death that he could not describe the specific weapons which would be used in a third world war. But he could tell us the weapons which would be used in a fourth world war. They would be bows and arrows.

A third world war would wipe out all civilization as we know it and reduce us to primitive mankind. In this atomic age, another world struggle is unthinkable, yet there are people who appear to contemplate it. They do not realize what such a war would mean to our own country.

In Washington today the prevailing spirit is one of optimism. Our President, Dwight Eisenhower, hates the thought of war. He got us out of Korea because he understands the futility of such conflicts.

The forthcoming conference of world powers at the level of heads of State has stimulated the world's imagination. We hope that the discussions may cut the Gordian knot which has strangled our foreign relations. We know that international tensions can be relieved if we can reach an intelligent uderstanding of our problems. We are not seeking to impose our way of life upon those parts of the world which do not wish it. By the same token, we do not propose to have others impose their way of life upon us.

Once the Communists realize that we mean business, they will respond to this position with a new understanding of the situation. There is only one deterrent which they recognize. That is the power of superior strength. We have it. We mean to keep it. They must know that we do not wish to use it; but they must know, too, that we will use it if we must.

These are the facts of life—and death—as we confront them on Memorial Day in this year of 1955. The father of peace reminds us each year that all men are brothers. Brothers must live with each other.

I pray with you for peace. Let us do our share to preserve for our children the blessings of freedom—and for all the world, the joy of peace on earth, good will to men.

Bananas on Pike's Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 27, 1955

Mr. HOSMER. Mr. Speaker, the estimated construction cost of the proposed upper Colorado River project is 16 times greater than the assessed value of all farm lands and farm buildings in the 4 States that would benefit from the project. These States are Colorado, New Mexico, Utah, and Wyoming.

The concealed subsidy in the project which the Nation's taxpayers would have to pay is 40 times greater than the assessed value of farm lands and farm buildings in the 4 States.

Estimated construction cost of the project is $1,600,000,000.

The concealed subsidy of the project is $4 billion.

Assessed value of farm lands and farm buildings in the 4 States is $101,238,562.

Congress might as well appropriate money to grow bananas on Pike's Peak as to approve the upper Colorado River project.

Voting Is the Price Citizens Must Pay for Good Government

EXTENSION OF REMARKS

OF

HON. RUSSELL V. MACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1955

Mr. MACK of Washington. Mr. Speaker, this morning's newspapers report that in Thursday's British elections 76 percent of all eligible British voters went to the polls and voted. This turnout of voters was not regarded as good by Britishers since in the previous general British election 82 percent of the eligibles had voted.

When, however, we Americans compare our own voter participation in general elections with that of the British, our American faces should turn red from shame.

While an average of 7½ Britishers out of every 10 eligibles appear to have voted yesterday in Great Britain, only 4 Americans in every 10 of voting age bothered to go to the polls last November for the elections in which 435 Members of our National House of Representatives and 41 Members of the United States Senate were chosen.

Bureau of the Census statistics reveal that last November there were 100,223,000 Americans of voting age. Figures of the Clerk of the House of Representatives show that only 42,579,977 of these cast votes in last year's 435 congressional elections.

Had American voters turned out last November in the same percentage for the American congressional elections as the British did Thursday for their parliamentary elections, the vote in these American elections would have been about 76 million instead of the less than 43 million votes that actually were cast.

The 33 million American stay-at-home eligible voters who could and should have voted last November to bring our American voter participation up to the British standard have no ground for complaint if they do not get the quality of government they think they should have.

If Government is not as good as voters think it should be, the blame lies as much upon the doorstep of the fellow who did not vote as upon that of the person who was elected.

This apathy about voting for congressional candidates in 1954 was not centered in any special area. It existed everywhere throughout the United States, in every one of the 48 States and in all of the 435 congressional districts. The citizens of no State or congressional district in the Union could point with pride for having gotten out a big vote for last year's elections.

Voter apathy was greatest in the Southern States, apparently because of the South's one-party system which results in there being few contests in general elections. In Mississippi only 8.4 percent of the people old enough to vote went to the polls in the November 1954 congressional elections. Of 1,181,000 Mississippians of voting age, only 99,342, or less than 1 in every 12, voted last November. Eleven out of every twelve Mississippians stayed home election day. In Texas only 12.7 percent voted; in Louisiana, 13 percent; in Florida, 14.7 percent; in Alabama, 16 percent; and in Georgia, 16.3 percent. In the States of the solid South, where there is only one political party, less than 1 person in every 6 bothered to go to the polls.

The States with the best voting record were Idaho with 64.2 percent of the eligibles voting and Utah with 63.5. Even in these best vote-participation States, it will be observed, one-third of the eligibles did not bother to vote.

In only 6 out of the 48 States was the percentage of eligibles participating in the congressional elections of 1952 more than 60 percent. In 26 States out of the 48, less than 50 percent of the eligibles went to the polls.

Such public apathy toward congressional elections as was manifest last November is not only deplorable. It is dangerous. The price good people must pay for good government is to go to the polls and vote. If good people stay away from the polls in vast numbers as they did last November, pressure groups, who seek special favors for themselves from government, eventually will exercise far greater influence than their numbers justify.

For the sake of argument let us assume that 80 percent of all eligible American voters want only good government while only 20 percent have some special selfish interest of their own to serve. It is among the 80 percent who want nothing but good government that the greatest number of stay-at-home voters are found for they have no special selfish interest to serve that impels them to vote. On the other hand the 20 percent with some special selfish favor to seek from government almost always vote.

If out of the 80 percent who want only good government, three-fourths stay home and only one-fourth goes to the polls then the 20 percent who want selfish favors from government will have just as many votes in an election as the 4 times their number who want only good government.

If good people who want good government continue to avoid their voting responsibility, good government eventually will be lost.

In Oregon, the Democratic senatorial candidate won last November by a margin of only 2,462 votes. Despite enormous sums spent by both parties for campaigning in that Oregon election, about 500,000 eligibles out of 1,046,000 did not vote.

In New Jersey, the Republican candidate won the United States senatorial race by a margin of 3,370 with more than 1,500,000 eligibles failing to vote.

In Michigan, the winning senatorial candidate had a majority of less than 40,000. More than 2 million Michigander eligibles failed to vote.

These few examples should indicate to every citizen that his or her vote is important. In scores of national United States Senate and United States House of Representatives races the results might have been different had 5 percent of those who stayed at home bothered to go to the polls and vote.

Almost everyone realizes the desirability of greater participation by citizens in voting. How to persuade these stay-at-homers to vote is the problem that must be solved.

I have little faith in last-minute drives to get people to register and to vote. It is proper, of course, for newspapers, the radio, and other agencies to call to the attention of citizens that only so many days remain for registration and finally that a certain day is election day. I doubt very much, however, the wisdom or the benefit of last day door-to-door canvasses and the use of free automobile rides to the polls, except in the cases of shut-ins.

The citizen who has to be dragged or hauled to the polls in order to get him to vote probably has not spent much time studying either the issues or the candidates. It is just as important, in my opinion, to have the vote polled a well-informed vote as it is to have it a numerically heavy one.

The way to build up voter participation in American elections, it seems to me, is by year-around educational processes rather than through last-minute emotional appeals to get out the vote.

Some of the great nonpartisan foundations could strike an effective blow for good government by studying why the citizens of most European nations participate so much more heavily in elections than we Americans do, and then make their findings known to editors, columnists, commentators, ministers, educators, and the heads of great national organizations so that a vast year-around educational campaign to stimulate voter participation will be started.

Church, farm, labor, parent-teacher organizations and service clubs, fraternal orders, and other great national groups could do much to awaken Americans that voting is an obligation of American citizenship that should be exercised by all.

Citizens should vote because they want to vote. Wendell Phillips, in revolutionary days, said, "Eternal vigilance is the price of liberty."

It is equally true that voting in America's free elections is the price our citizens must pay for good government.

Unless Americans pay this price for good government they eventually will get bad government by selfish pressure groups. Government by selfish interests leads to irresponsible fiscal and economic policies. All history demonstrates that

irresponsible fiscal and economic policies in government finally, inevitably, will destroy both security and prosperity.

It is well to remember on election day the Benjamin Franklin adage that "for the want of a nail, the shoe was lost; for the want of a shoe, the horse was lost; for the want of a horse, the rider was lost; for the want of a rider, the battle was lost; and for the want of a battle, the kingdom was lost, and all for the want of a horseshoe nail."

Each of us as citizens are the nail upon which good government hangs. By voting we drive a nail for good government.

Americans should go to the polls when they have bad government to vote that bad government out of office. They should remember, also, that it is just as important that they go to the polls when they have good government to keep that good government in office.

Each person's vote is the price he or she pays for good government.

Attached to this speech is a table showing, first, the civilian population of each State that was eligible to vote last November; second, the number of votes cast in last November's congressional elections; and, third, the percentage of eligible persons in each State who voted:

Voter participation in the 1954 congressional election, by States

	Civilian population of voting age, 1954 [1]	Votes cast for Representative [2]	Percentage of voting population [3]
United States	100,223,000	42,579,977	42.5
Alabama	1,747,000	279,789	16.0
Arizona	563,000	223,402	39.7
Arkansas	1,090,000	280,264	25.7
California	8,018,000	3,873,281	48.3
Colorado	865,000	480,084	55.5
Connecticut	1,485,000	935,744	63.0
Delaware	231,000	144,236	62.4
Florida	2,217,000	326,287	14.7
Georgia	2,147,000	350,171	16.3
Idaho	352,000	226,012	64.2
Illinois	6,023,000	3,257,721	54.1
Indiana	2,658,000	1,580,631	59.9
Iowa	1,648,000	817,253	49.6
Kansas	1,259,000	614,989	48.8
Kentucky	1,698,000	668,488	39.4
Louisiana	1,663,000	216,323	13.0
Maine	569,000	241,443	42.4
Maryland	1,585,000	638,875	40.3
Massachusetts	3,289,000	1,782,722	54.2
Michigan	4,360,000	2,133,390	48.9
Minnesota	1,917,000	1,131,492	59.0
Mississippi	1,181,000	99,342	8.4
Missouri	2,678,000	1,184,813	44.2
Montana	378,000	224,587	59.4
Nebraska	857,000	406,692	47.5
Nevada	135,000	77,639	57.5
New Hampshire	341,000	191,818	65.3
New Jersey	3,497,000	1,786,853	51.1
New Mexico	396,000	188,862	47.7
New York	10,470,000	4,999,878	47.8
North Carolina	2,352,000	604,179	25.7
North Dakota	367,000	188,934	51.5
Ohio	5,459,000	2,498,837	45.7
Oklahoma	1,368,000	545,789	39.9
Oregon	1,046,000	565,494	54.0
Pennsylvania	7,017,000	3,685,910	52.7
Rhode Island	524,000	323,154	61.7
South Carolina	1,156,000	216,335	18.5
South Dakota	390,000	232,167	59.5
Tennessee	1,989,000	344,797	17.3
Texas	4,905,000	622,763	12.7
Utah	414,000	263,031	63.5
Vermont	237,000	114,289	48.2
Virginia	2,031,000	342,344	16.9
Washington	1,553,000	815,822	52.5
West Virginia	1,118,000	591,492	52.9
Wisconsin	2,237,000	1,140,788	51.0
Wyoming	180,000	108,000	60.4

[1] Source: U. S. Department of Commerce, Bureau of the Census. Current population reports, Estimates of the Civilian Population of Voting Age for States, November 1954, Series P-25, No. 100, Aug. 22, 1954.

[2] Source: United States Clerk of the House of Representatives, Statistics of the Congressional Election of Nov. 2, 1954, Feb. 15, 1955.

[3] Computed percentages of col. 1 and col. 2.

Angrilantes Versus Aqualantes—Upper Colorado's Civil War Over the Storage Project

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1955

Mr. HOSMER. Mr. Speaker the Upper Colorado Grass Roots Committee, Inc., has registered under the Lobbying Act and admits it will spend at least $15,000 per quarter trying to obtain enactment of the upper Colorado River storage project. Allied with it are the so-called Aqualantes.

Members of Congress already have received the buttonhole treatment from this group's representatives on Capitol Hill who sport facsimile sheriff's badges bearing the Aqualante legend. They have dined numerous Members, after which they subject them to a color movie which attempts to extoll the glories of the project and lull the feasted legislators into a sufficiently mellow state to vote taxpayers' billions toward construction of the project.

In their haste to convince Washington of the alleged unassailable virtues of the scheme, however, they have overlooked convincing some of the fine people in their own backyards about it. As a matter of fact the project has such violent objectors in the very region that it would affect that they have themselves formed into an opposition group called the Angrilantes, to publicize their ire against it.

The Angrilantes explain that they have no vast sums to spend on lobbying Congressmen, but do what they can with their limited resources to point out solid reasons why the project should not be built. On May 24 Mr. Gene Guild, of Roaring Fork Ranch on Colorado's west slope, for the Angrilantes, published the following reasons why Congress, in its wisdom, should shun the upper Colorado River storage project:

1. More dams mean more rotting food, and the western slope already has $2 million of its tax money tied up in that decaying surplus, and is paying a fat $100,000 per year rent for warehouses for it to rot in.

2. More dams mean more danger to national defense, and the western slope knows that a bomb on an upper Colorado or tributary dam could scour every living thing out of the valleys with its death-dealing radioactive water.

3. The western slope receives income from tourists and sportsmen, and it knows that diverting the Fryingpan—and inevitably the Gunnison and other rivers—would leave those rivers a sportsman's desert, with trout deserting their stagnant pools.

4. The western slope is aware that Denver and the cities of the Arkansas Valley would rather steal western slope water than legitimately conserve their own supply by metering to prevent waste. They waste enough water to irrigate 50,000 acres, and wasteful eastern slope irrigators waste many times that amount.

5. The western slope knows that dams are not needed for power, because steam power is cheaper, can be protected against bombing, helps the mining industry, and is a quicker supply till the advent of atomic power.

6. The western slope knows that dams are not needed for irrigation because of the surplus, and when more food is needed in the future there are 11 million acres of wet land and 20 million acres of brushland in the rainfall east which can be made productive for $150 per acre instead of the $900 to $5,000 per acre proposed in the arid West.

7. Western slope businessmen are too smart to consent to the damaging of their future tourist and industrial business for a mere conciliatory small-change bribe of temporary construction employee profit as fatuously proposed by the Aqualantes—to whom progress means only fattening some promoters and the Reclamation Bureau with jobs and money at the little people's expense.

A Bill To Amend Section 14 (b) of the National Labor Relations Act

EXTENSION OF REMARKS

OF

HON. LESTER HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1955

Mr. HOLTZMAN. Mr. Speaker, I am today introducing in the House of Representatives a bill which provides for the amending of section 14 (b) of the National Labor Relations Act.

This section permits the several States to enact the so-called right-to-work laws. This title sounds intriguing to the uninformed, and creates the illusion that such laws would promote economic progress. Such is not the case, and the title is a fraud and a flagrant misrepresentation of the real meaning behind the movement to have such legislation enacted.

These laws give no one the right to a job, nor do they create jobs for all. In effect, they ban all forms of union security that may be included in freely negotiated agreements between employer and employee. Their aim is to halt improvements in the wages and working conditions of the people, and they result in lower wages and lower standards of living. This in turn affects the entire economy of the community.

They encourage the destruction of unions and are actually a menace to society and sound economy in that they tend to weaken and undermine the stability of the trade-union movement, and threaten the wages and working conditions of the members of these unions. Collective bargaining under present circumstances is a proved condition of stable industrial relations, and it is an absolute necessity that both employer and employee contribute to the cause of industrial peace. Only a strong union which has the support of all the members of the union can bargain effectively for better wages and working conditions. Our national labor policy must not be hampered by restrictive State laws which are contrary to public opinion and moral law.

Past history has shown that the unorganized worker is unable to help himself when it comes to obtaining satisfactory terms and conditions of employment. Benefits for all employees must be negotiated by the union which has been designated by the majority of employees as the exclusive bargaining agent for all employees of the unit. Through the union his rights are protected, and he can assist in the formulation of the various policies and decisions which affect his status and that of his fellow workers.

This follows the simple democratic idea of majority rule, and in effect gives to the individual the bargaining power he could never hope to attain. It can easily be seen that additional negotiations or representations for minority groups within the same unit could cause serious conflicts, and could negate all the gains that the majority union had obtained.

Trade unionism has made terrific strides forward in raising wage levels, improving working conditions, and protecting workers, and it is certainly not unreasonable to ask a worker who has gained innumerable benefits through the efforts of the union, to contribute to the support of that union. It is a situation which is comparable to a citizen who resides in a community, enjoys all the privileges and benefits of that community, but who refuses to contribute in any way, shape or form to the operation of that community.

A workable and satisfactory labor policy is a national concern, and should not be turned over to the States where 48 different laws could be enacted, resulting in chaos and numerous obstacles to union security and industrial progress.

We must be realistic, and we must enact a national labor policy which will contribute to the national economy. A step in the right direction would be the passage of legislation to prevent the enactment of the so-called right to work laws in the individual States.

I urge each and every Member of the House of Representatives, and particularly those members of the House Committee on Education and Labor, to give this bill prompt and serious consideration at this time.

Leaky Upper Colorado Reservoirs Can Be Salvaged at a Price

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 27, 1955

Mr. HOSMER. Mr. Speaker, during the course of the hearings on the upper Colorado River storage project I spent considerable time questioning the Bureau of Reclamation geological experts as to whether or not the gigantic proposed Glen Canyon Dam's reservoir would in fact hold water. It was admitted that the porosity of the sandstone on which the dam would be built is such as to allow seepage around the sides and under the bottom of the dam in the startling amount of 10,000 acre-feet of water annually.

This admitted 10,000 acre-feet of seepage would take place at the relatively restricted area immediately adjacent to the dam. However, the proposed reservoir would extend 183 miles upstream along the Colorado River and another 90 miles up one of its tributaries. The surface subject to seepage in this vast area is tremendous, indeed.

Learning of this point, an enterprising southern California manufacturer has written me:

> We are sure we have the answer to a problem of this kind and enclose a pamphlet describing Panelcraft.

I learned from the pamphlet, put out by the Envoy Petroleum Co., of Long Beach, Calif.:

> Due to wasteful handling * * * up to two-thirds of the total water intake for irrigation purposes is lost to seepage and waterlogging. In 1953, over a million acres of tillable land was sacrificed to waterlogging alone. Thousands of additional acres could have been made productive with the water that was needlessly wasted.

As to the cause of this type of loss, the pamphlet is equally explicit. It says:

> This staggering wastage of water and its costly consequences can be laid to a single cause: Unlined water-handling and water-storing facilities—canals, ditches, ponds, and reservoirs.

The remedy, according to the pamphlet, is equally simple, for it continues:

> Fortunately available today is a low-cost, long-lasting, California-made material—Panelcraft reinforced molded asphalt linings for all types of water-carrying and water-storing facilities.

I am certain that the taxpayers will be happy to know that if, after spending hundreds of millions of dollars for the Glen Canyon Dam and Reservoir, it does not hold water, all they have to do is put up an additional billion or so for Envoy Petroleum Co. to line the bottom and walls of 273 miles of wild western canyons. Of course, the taxpayers might want to do something else with the money, like reducing taxes, or building modern highways throughout the Nation, but the proponents of the storage project do not seem to think so.

Small-Projects Legislation

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 26, 1955

Mr. MILLER of Nebraska. Mr. Speaker, I have heartily supported the original provisions of H. R. 5881, which was known as the small-projects bill. The legislation permits State and local public agencies to plan, construct, and operate small reclamation projects and receive the same benefits and credit for Federal funds on a nonreimbursable basis as though the project was constructed under the present reclamation laws.

First. It generally would authorize the Secretary of Interior to participate with water-users' organizations, or other public bodies organized under State law, in the construction of water-resource development projects, whether single or multipurpose.

Second. The non-Federal agency receiving funds following approval of plans would construct, operate, and maintain the project, subject to compliance with Federal rules and regulations applicable to those features of the project which supply national benefits.

Third. With respect to reimbursable features, the Federal Government would advance funds to cover cost subject to execution of repayment contracts as presently provided for in reclamation law; funds allocable to irrigation benefits would be interest free.

Fourth. As introduced, H. R. 5831 generally provides for a payment from Federal funds, on a nonreimbursable basis, to the local organization for project features which provide national benefits.

The basic reclamation law has always applied to the 17 Western States. Since the bill was reported an amendment has been suggested which was never considered by the legislative committee. This has for its purpose bringing the 31 States outside of the 17 western reclamation States into the bill and under the direction of the Secretary of Agriculture. It seems to me that such an amendment, if adopted, would give a dual administration to the Secretary of the Interior and to the Secretary of Agriculture. This amendment is known as the Jones amendment, and attempts to confer jurisdiction to the Secretary of Agriculture and gives him authority to administer the reclamation laws as contained in this bill. This would appear to me to create considerable confusion.

The bill calls for an appropriation of $100 million. It is hard for me to understand just how this money would be divided among the 48 States. It occurs to me that when irrigation is involved, it ought to be all under one umbrella. The Secretary of Agriculture has not been called on in the past to administer reclamation law as contained in this bill. It would be necessary for him to set up another division or bureau to handle the administration in the 31 States. I am not sure that the Secretary of Agriculture would want to assume the responsibility of administering certain phases of the reclamation law.

I hope the Jones amendment is not adopted, and if it is adopted, I would be reluctant to support the measure, because I believe it would be unworkable. The Jones amendment was never considered by the legislative committee. It should be defeated.

SENATE

TUESDAY, MAY 31, 1955

(Legislative day of Monday, May 2, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we come, turning from memorial wreaths and from the fluttering flags on countless grassy mounds, to face once more the never-ending struggle to maintain, preserve, and defend the freedoms which have been bought for us at so crimson a cost. From sea to sea of the homeland this May morning, where the grass has been trod by reverent feet, and in little patches of alien soil where is kept the bivouac of our valiant dead, we are conscious of the crosses and the flags blending in their mute testimony. Knowing that eternal vigilance is the price of liberty in these days of destiny as we fight democracy's battles against cunning foes at home and abroad, may those crosses and flags speak to us of strength that is increased by its spending, of life that is saved by its losing, and of greatness that is measured by its serving. We ask it in the name of that One who gave His life a ransom for many. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 27, 1955, was dispensed with.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Pursuant to the order of the Senate of May 27, 1955,

The Secretary of the Senate received, on May 27, 1955, the following message from the House of Representatives:

That the House had passed a bill (H. R. 5881) to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects, in which it requested the concurrence of the Senate.

The message announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3885) to amend the act of April 29, 1941, to authorize the waiving on the requirement of performance and payment bonds in connection with certain Coast Guard contracts, and it was signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H. R. 5881) to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects was read twice by its title and referred to the Committee on Interior and Insular Affairs, on May 27, 1955.

REPORTS OF COMMITTEES SUBMITTED DURING RECESS

Pursuant to the order of the Senate of May 27, 1955,

The following reports of committees were submitted on May 27, 1955:

By Mr. BYRD, from the Committee on Finance:

H. R. 5223. A bill to continue until the close of June 30, 1956, the suspension of duties and import taxes on metal scrap, and for other purposes; without amendment (Rept. No. 386); and

H. R. 5559. A bill to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad; with amendments (Rept. No. 387);

By Mr. CHAVEZ, from the Committee on Public Works; without amendment:

S. 1340. A bill to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex. (Rept. No. 390);

H. R. 625. A bill to provide for the adjustment of tolls to be charged by the Wayland Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near St. Francisville, Mo. (Rept. No. 393); and

H. R. 3879. A bill to amend section 2 of the act of March 2, 1945, pertaining to the Columbia River at Bonneville, Oreg. (Rept. No. 392).

By Mr. CHAVEZ, from the Committee on Public Works; with amendments:

S. 414. A bill authorizing a preliminary examination and survey of the New England, New York, Long Island, and New Jersey coastal and tidal areas, for the purpose of determining possible means of preventing damages to property and loss of human lives due to hurricane winds and tides (Rept. No. 388);

S. 528. A bill to extend the times for commencing and completing the construction of a toll bridge across the Rainy River at or near Baudette, Minn. (Rept. No. 394);

S. 928. A bill to amend the Water Pollution Control Act in order to provide for the control of air pollution (Rept. No. 389); and

S. 1318. A bill to authorize construction of a highway crossing over Lake Texoma, Red River, Tex. and Okla. (Rept. No. 391).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce; without amendment:

S. 1250. A bill to declare Pike Creek above the easterly side of the highway bridge at Sixth Avenue in the city of Kenosha a nonnavigable stream (Rept. No. 395).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce; with an amendment:

S. 1469. A bill to declare the portion of the waterway at Bridgeport, Conn., known as the West Branch of Cedar Creek, a nonnavigable stream (Rept. No. 397).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce; with amendments:

S. 1300. A bill to declare a certain portion of the waterway at Greenwich, Conn. (in which is located the Greenwich Harbor), a nonnavigable stream (Rept. No. 396).

By Mr. ROBERTSON, from the Committee on Banking and Currency; without amendment:

S. 1187. A bill to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks (Rept. No. 398); and

S. 1188. A bill to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks (Rept. No. 400).

By Mr. ROBERTSON, from the Committee on Banking and Currency; with amendments:

S. 1189. A bill to permit national banks to make 20-year real-estate loans and 9-month construction loans (Rept. No. 399); and

S. 1736. A bill to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations (Rept. No. 401).

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 27, 1955, the President had approved and signed the act (S. 1006) to authorize the execution of agreements between agencies of the United States and other agencies and instrumentalities for mutual aid in fire protection, and for other purposes.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the Secretary will state the nominations on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Selden Chapin, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iran.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Richard Lee Jones, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the customary morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

RETENTION ON ACTIVE DUTY OF CERTAIN OFFICERS OF REGULAR ARMY

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend the Officer Personnel Act of 1947, to provide for the retention on active duty of certain officers of the Regular Army (with an accompanying paper); to the Committee on Armed Services.

REPORT ON RESEARCH AND DEVELOPMENT IN GOVERNMENT

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission on Research and Development in the Government, dated May 1955 (with an accompanying report); to the Committee on Armed Services.

REPORT OF NAVY CLUB OF THE UNITED STATES

A letter from the National Shipswriter, Navy Club of the United States of America, Rockford, Ill., transmitting, pursuant to law, the annual report of that club, dated April 30, 1955 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

Resolutions of the House of Representatives of the State of Massachusetts; to the Committee on Armed Services:

"Resolutions memorializing the Congress of the United States to prevent the curtailment of employment or work at the Boston Naval Shipyard in Charlestown, the Boston Naval Shipyard Annex in South Boston, the Naval Ammunition Depot at Hingham, the Boston Army Base in South Boston and the Watertown Arsenal in Watertown

"Whereas cutback in the work at the Boston Naval Shipyard in Charlestown, the Boston Naval Shipyard Annex in South Boston, the Naval Ammunition Depot at Hingham, the Boston Army Base in South Boston and the Watertown Arsenal in Watertown is creating serious unemployment conditions within the areas in which these activities are located; and

"Whereas each community is in part affected by the financial stability of the employees depending upon employment at the several activities above mentioned; and

"Whereas any further cutback in the work at the various activities mentioned would increase unemployment to an untenable degree: Therefore be it

"Resolved, That the House of Representatives of the General Court of Massachusetts urges the Congress of the United States to take such action as it deems expedient by legislation or otherwise to prevent the curtailment of work so that employment will continue at the activities mentioned above in a healthy condition; and be it

"Resolved, That the secretary of the Commonwealth send copies of these resolutions to the President of the United States, to the Secretary of the Department of Defense, to the presiding officer of each branch of Congress, and to each of the Members thereof from this Commonwealth.

"House of representatives, May 23, 1955, adopted.

"LAWRENCE R. GROVE,
"Clerk.

"A true copy. Attest:

"EDWARD J. CRONIN,
"Secretary of the Commonwealth."

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"Assembly Joint Resolution 36

"Joint resolution relative to Federal research of problems relating to chronic alcoholism

"Whereas in 1954 the State of California created an Alcoholic Rehabilitation Commission to undertake a program of research and treatment in the field of chronic alcoholism, and the Honorable Goodwin J. Knight, Governor of the State of California, has stated that in his opinion this commission offers greater hope to more people than any commission in the history of this State; and

"Whereas while some other States, in addition to California, have launched similar programs to attempt to find the solution to the ever-increasing problem of alcoholism, this problem is nationwide in scope and importance and it is felt that the Federal Government should assume its proper burden in the field of research and treatment in connection with the disease of chronic alcoholism, in the same manner as it has done in the case of other diseases, such as narcotic addiction, mental health, cancer, heart disease, dental diseases, arthritis, rheumatism, multiple sclerosis, cerebral palsy, epilepsy, poliomyelitis, blindness, leprosy, and other diseases; and

"Whereas the importance of the problem of alcoholism cannot be overemphasized, since it has a tremendous impact not only on the social or moral standards of the people of this Nation but also upon the Nation's economy; and

"Whereas it has been estimated that the problem of alcoholism costs industry in this Nation in the neighborhood of $1,250,000,000 a year, and in California alone, in 1954, it has been estimated that alcoholism cost the taxpayers of this State $150 million, such costs being represented by the loss to industry due to diminished production and absenteeism and the increased cost of operation of police departments, courts, jails, and hospitals and in providing welfare, aid to needy children, and disability and unemployment insurance, and by the increase in juvenile delinquency caused by alcoholism: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact such legislation and make such appropriations as research and treatment with respect to the problem of chronic alcoholism, such program to be administered by the United States Public Health Service, and which program may provide both for assistance to and cooperation with States conducting research and treatment programs with respect to chronic alcoholism; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 47

"Joint resolution requesting Congress to permit certain exceptions to the laws governing the sale and exchange of public lands in the Territory of Hawaii

"Whereas there are throughout the Territory many small parcels of public land ranging in size from a few square feet to a few acres which are landlocked without any right-of-way thereto and therefrom; and

"Whereas it has been found extremely difficult and cumbersome to sell or dispose of such parcels under the Hawaiian Organic Act which provides for the sale or disposition of public lands by public auction only; Now therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact legislation permitting the sale by the land commissioner of small parcels of landlocked public lands not exceeding one-half acre to the owners of adjoining lands at their appraised value without the necessity of selling such lands at public auction.

"SEC. 2. Certified copies of this joint resolution shall be sent to the President of the United States, to the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 25th day of May 1955.

" SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Finance:

"Joint Resolution 43

"Joint resolution requesting the Congress of the United States to amend the Social Security Act Amendments of 1952 (Public Law 590, 82d Cong.), as amended, relating to veterans' benefits

"Whereas the present laws covering social-security benefits provide that in determining monthly benefits or lump-sum death payments members of the Armed Forces shall be credited with monthly earnings of $160 during their period of service; and

"Whereas many persons who served or are serving in the Armed Forces earned in civilian life amounts in excess of such sum; and

"Whereas the present laws are therefore discriminatory with respect to such persons: Now therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby requested to amend subsection (a) of section 5 of the Social Security Act Amendments of 1952 (Public Law 590, 82d Cong.) so that the first paragraph of subsection (e) (1) added to section 217 of the Social Security Act, as amended, will read as follows:

"'(e) (1) For purposes of determining entitlement to and the amount of any monthly benefit or lump-sum death payment payable under this title on the basis of the wages and self-employment income of any veteran (as defined in par. (4)), such veteran shall be deemed to have been paid wages (in addition to the wages, if any, actually paid to him) of $160 in each month during any part of which he served in the active military or naval service of the United States on or after July 25, 1947, and prior to July 1, 1955, provided, that where such veteran's actual wages or average monthly earnings over a 12-month period immediately prior to active service exceeds $160, such actual wages or

average earnings shall be employed in making such determination of entitlement. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—'

"SEC. 2. Certified copies of this joint resolution shall, upon its approval, be forwarded to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the Secretary of the Interior, and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 25th day of May A. D. 1955.

"SAMUEL WILDER KING,
"*Governor of the Territory of Hawaii.*"

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Armed Services:

"Senate Concurrent Resolution 52

"Whereas the white wooden crosses have been removed from the National Cemetery of the Pacific which once marked the graves of our honored dead who lie buried there; and

"Whereas the Congress of the United States was petitioned by Joint Resolution 26 of the 27th Legislature of the Territory of Hawaii on May 7, 1953, to restore and maintain at the cemetery crosses and other suitable religious monuments; and

"Whereas the cross has been used both as a religious symbol and as an ornament with different designs from the dawn of man's civilization and in almost every part of the old world including China, India, Syria, Persia, and Egypt, many centuries before the Christian era; and

"Whereas the use of the cross as a religious symbol in pre-Christian times and among non-Christian peoples may probably be regarded as almost universal; and

"Whereas the people of Hawaii, together with the heroes who lie in the National Cemetery of the Pacific, are descendants of those who have come from many lands and whose culture is a blend of those around the earth, but who both in life and death are identified and united as Americans: Now, therefore, be it

"*Resolved by the Senate of the 28th Legislature of the Territory of Hawaii (the House of Representatives concurring)*, That crosses and other appropriate symbols be restored and placed above the graves of our honored dead buried in the National Cemetery of the Pacific as a symbol of this unity of our people under God, regardless of race, creed, or color; and be it further

"*Resolved*, That the 28th Legislature join the Pacific War Memorial Commission in requesting that the crosses be restored even if in the interest of economy, marble is substituted by new materials, such as plastic, and without inscription, since the present headstones are appropriate for both personal and religious identification; and be it further

"*Resolved*, That authenticated copies of this Concurrent Resolution be transmitted to the President of the United States, President of the Senate, Speaker of the House of Representatives, Secretary of Defense, Secretary of the Army, Secretary of the Navy, Secretary of the Air Force, chairman of Senate Committee on Armed Services, chairman of House Committee on Armed Services, Delegate to Congress from Hawaii, Chairman of American Battle Monuments Commission, and Chairman of Pacific War Memorial Commission."

A resolution of the House of Representatives of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Resolution 94

"Whereas Hawaii became fully and completely united with and incorporated into the United States as an integral part thereof by voluntary agreement as an independent nation, having sovereign powers coequal with those of the United States, through negotiations dating before 1854; and

"Whereas Hawaii's sovereign powers were ceded with the full expectation that Hawaii, as a former independent nation, would be admitted shortly to the Union with full dignity as a State; and

"Whereas the promise of statehood has not yet been fulfilled, and the people of Hawaii have thus been denied a voice in the Government by which they are governed and taxed, contrary to the principle of self-government upon which this Nation was founded, and contrary to the principle it now proclaims as the right of all peoples of the world; and

"Whereas despite the denial of statehood, the people of Hawaii have willingly borne their duties and responsibilities as citizens of, and have given a full measure of devotion and loyalty in peace and war to, our Nation; and

"Whereas as part of their duties as citizens of the United States, the people of Hawaii have been required to pay Federal taxes on a full and equal basis with the people of the several States; and

"Whereas Congress has assumed only a very small part of the expenses of the Territorial government, and none of the expenses of the local government; and

"Whereas taxation without representation is proper and legal only during the period of pupilage of a Territory destined to become a State; and

"Whereas Hawaii has fully served its term of pupilage and has fully met every historic qualification for statehood; and

"Whereas taxation without representation under such circumstances is contrary to and abhorrent to the ideals that were and still are the traditional foundations of the great Nation of which Hawaii is forever a part: Now, therefore, be it

"*Resolved by the House of Representatives of the 28th Legislature of the Territory of Hawaii*, That the Congress of the United States is hereby requested to grant Hawaii immediate statehood; and be it further

"*Resolved*, That, until such time as full statehood is granted to Hawaii, the Congress of the United States is hereby requested to take that action necessary to alleviate the Federal tax burden levied against the people of the Territory of Hawaii and eliminate the injustice of the present treatment of the people of the Territory of Hawaii; and be it further

"*Resolved*, That duly certified copies of this resolution be forwarded to the President of the United States, the Secretary of the Interior, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, the chairman of the Committee on Interior and Insular Affairs of said Senate, the chairman of the Committee on Interior and Insular Affairs of said House of Representatives, and the Delegate to Congress from Hawaii."

A resolution adopted by the American Council of Christian Churches, at Memphis, Tenn., favoring the enactment of the so-called Bricker amendment, relating to the treatymaking power; to the Committee on the Judiciary.

Two resolutions adopted by the American Council of Christian Churches, at Memphis, Tenn., relating to Formosa, and hostilities in the South Moluccan Islands; to the Committee on Foreign Relations.

A resolution adopted by the California Association of Airport Executives, Inc., Fullerton, Calif., favoring the enactment of the bill (S. 1855) to amend the Federal Airport Act, as amended; to the Committee on Interstate and Foreign Commerce.

DECONTROL OF NATURAL GAS—RESOLUTION OF COMMON COUNCIL, OSHKOSH, WIS.

Mr. WILEY. Mr. President, I was pleased to receive from the Common Council of the City of Oshkosh, Wis., a resolution which had been adopted in opposition to the unwise legislation which would destroy Federal controls over natural gas. I believe that the officials of Oshkosh have acted wisely in the public interest. I present the resolution, and ask unanimous consent that it be printed in the RECORD, and appropriately referred.

I may say that I am enheartened by the tremendous grassroots backing which has been given to our fight to preserve the validity of the Supreme Court decision in the Phillips case. I am proud, indeed, that the State of Wisconsin has been in the forefront of the battle to protect the Nation's consumers—dating from the earliest FPC hearings in Bartlesville, Okla.

The outstanding job performed throughout this long battle by able leaders such as Vernon Thompson, attorney general of Wisconsin; James R. Durfee, chairman of the Wisconsin Public Service Commission; and others, has been admired by the entire Nation. I commend, too, my colleagues in the Senate for their continued firm fight, notably my associate from the other side of the aisle, the distinguished senior Senator from Illinois [Mr. DOUGLAS].

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas since the passage of the Natural Gas Act by Congress in June of 1938, many bills have been proposed in the United States Congress which would exempt the rates of producers and gatherers of natural gas on sales they make in interstate commerce for resale, from present provisions of the Natural Gas Act now requiring the Federal Power Commission to pass upon the reasonableness of such rates; and

Whereas the Harris bill, known as H. R. 4560, along with other similar bills is now set for a hearing before a congressional committee beginning on April 22, 1955, at which hearing opposition should be entered, through our representative, in behalf of the city of Oshkosh and the natural-gas consumers therein; and

Whereas it is deemed in the best interest of the public and the users and consumers of natural gas in the city of Oshkosh that the Federal Power Commission continue to retain jurisdiction over such rates for sales of natural gas in interstate commerce: Now, therefore, be it

Resolved by the Common Council of the City of Oshkosh, That it is hereby declared to be the policy of the city of Oshkosh, in behalf of its citizens and the natural-gas consumers in said city, that opposition be made, through our Members in Congress, to the adoption by the congressional committee, or the National Congress, of the Harris bill, H. R. 4560; be it further

Resolved, That a certified copy of this resolution be forthwith, upon its adoption, sent to Senators ALEXANDER WILEY and JOSEPH MCCARTHY, and Representative WILLIAM K. VAN PELT, for their appearance on the hearing of said Harris bill and also to the Interstate and Foreign Commerce Committee.

NEW VETERANS' ADMINISTRATION HOSPITAL, WOOD, WIS.—RESOLUTION

Mr. WILEY. Mr. President, I was pleased to receive from a VFW post in my State a resolution on behalf of proposed legislation introduced in the House by my colleague, Representative CLEMENT ZABLOCKI, of Milwaukee, and in the Senate by myself, in the form of S. 1531, to establish a new VA hospital at Wood, Wis.

I ask unanimous consent that the resolution, which I know represents the thinking of a great number of servicemen and their organizations throughout my State, be printed at this point in the RECORD and that the resolution thereafter be appropriately referred.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
DORN-TELL POST NO. 7429,
May 16, 1955.

Senator ALEXANDER E. WILEY,
Senate Chambers,
Washington, D. C.

DEAR SENATOR: Whereas bill H. R. 600 has been introduced in the House of Representatives, having to do with the construction of a new hospital at Wood, Wis., and

Whereas this hospital is very badly needed due to crowded conditions at Wood, Wis., and

Whereas many of the buildings at the present Wood, Wis., Veterans' Hospital are so old and dilapidated that they are a fire hazard, and should have been replaced years ago; and

Whereas we feel this bill warrants passage: Now, therefore, be it

Resolved, That the Dorn-Tell Post No. 7429 of the Veterans of Foreign Wars requests your every effort in the passage of this bill H. R. 600.

Passed unanimous in regular meeting of the Dorn-Tell Post No. 7429, Veterans of Foreign Wars, this 5th day of May 1955.

ROBERT W. HUGO,
Commander.
ROBERT H. DAMUTH,
Adjutant.

(Copies of this letter were sent to Senator JOSEPH R. MCCARTHY, Representative HENRY REUSS, and Representative CLEMENT ZABLOCKI.)

NATIONAL SYSTEM OF INTERSTATE HIGHWAYS—RESOLUTION OF WISCONSIN HOUSEHOLD CARRIERS' ASSOCIATION

Mr. WILEY. Mr. President, I was pleased to receive from Wilbert R. Sweo, president of the Wisconsin Household Goods Carriers' Bureau, a resolution which was adopted at the 11th annual convention of that association, held in Manitowoc, on May 11 and 12. The resolution unanimously supports strengthening the national system of interstate highways.

Unfortunately, the legislation which we, on the Senate side had proposed for this objective, has been replaced by a different version. It is my earnest hope that my colleagues on the House side will bring the final legislation on this subject more in line with the suggestion made by this association and, I know, by countless transportation groups all over my State, as well as by our national administration.

I ask unanimous consent that the text of the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was ordered to lie on the table, and to be printed in the RECORD, as follows:

RESOLUTION SUPPORTING NATIONAL INTERSTATE SYSTEM OF HIGHWAYS

Whereas at the direction of President Eisenhower a thorough study of our national highway needs has been made by a special study committee of the National Governor's Conference and by the President's Advisory Committee under the chairmanship of Gen. Lucius Clay; and

Whereas the recommendations of the aforementioned special committees, Secretary of Commerce and the Secretary of the Treasury have been reflected in bills S. 1160, H. R. 4260, H. R. 4261, H. R. 4634, and H. R. 4518 all have been referred to appropriate committees of the Senate and House of Representatives; and

Whereas it is our opinion that the Federal Government should enact said bills in order to quickly and immediately rebuild the national system of interstate highways to assure our continued prosperity and to provide for the defense of our Nation all in the public interest; and

Whereas any great expansion of Federal highway aid to the States on a matching basis would work great financial hardships on said States unless the Federal Government grant aids for 90 percent to 98 percent of the costs for the interstate system; and

Whereas it would further ingender increased State taxation from the highway user in Wisconsin: Now, therefore, be it

Resolved, That the members of the Wisconsin Household Goods Carriers' Association, duly convened in Manitowoc, Wis., do hereby indorse the general philosophy of Federal financing of the national system of interstate highways as reflected in the abovementioned bills now pending in Congress and it urges its representatives in the United States Senate as well as the House of Representatives to support such legislation during the present session of Congress; and be it further

Resolved, That copies of this resolution be transmitted to the Vice President of the United States, to the Members of the Senate and House Committee on Roads, and to the Wisconsin Members of Congress.

Dated at Manitowoc, Wis., this 12th day of May 1955.

WISCONSIN HOUSEHOLD GOODS
CARRIERS' ASSOCIATION,
By LAWRENCE A. BUCK,
President,
Attest:
WILLIAM A. WALKER,
Secretary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. CHAVEZ, from the Committee on Public Works:

S. 1290. A bill to provide for the construction of certain Government buildings in the District of Columbia; with amendments (Rept. No. 402).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEELY (for himself, Mr. JOHNSTON of South Carolina, Mr. LANGER, and Mr. PAYNE):

S. 2102. A bill to increase the salary of the Chaplain of the Senate while the office of Chaplain is held by the present incumbent; to the Committee on Appropriations.

By Mr. WILEY:

S. 2103. A bill for the relief of Anke Naber; and

S. 2104. A bill for the relief of Charlotte Muhlefeldt; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. NEUBERGER, and Mr. SPARKMAN):

S. 2105. A bill to authorize the Secretary of Agriculture to establish a system of price reporting for basic forest products for farmers, to provide for the expansion of research in the marketing of such products, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. KERR (for himself and Mr. HUMPHREY):

S. 2106. A bill to amend the Bankhead-Jones Farm Tenant Act so as to authorize the Secretary of Agriculture to make loans directly, and insure loans made by private credit sources, to farmers, stockmen, farm partnerships, grazing associations, and irrigation companies in areas where there is a need for such credit as the result of economic conditions or production losses due to natural causes, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. CHAVEZ:

S. 2107. A bill to provide for the conveyance of certain mineral rights to Elmer M. Gandy, of Lubbock, Tex.;

S. 2108. A bill to provide for the conveyance of certain mineral rights to Myrtle Golden, of Milnesand, N. Mex.;

S. 2109. A bill to provide for the conveyance of certain mineral rights to Joseph E. Shipp, of Snyder, Tex.;

S. 2110. A bill to provide for the conveyance of certain mineral rights to Richard L. Robinson, of Jal, N. Mex.;

S. 2111. A bill to provide for the conveyance of certain mineral rights to Carl Bedwell, of Yucaipa, Calif.; and

S. 2112. A bill to provide for the conveyance of certain mineral rights to Walter T. Linam, of Hobbs, N. Mex.; to the Committee on Interior and Insular Affairs.

By Mr. WATKINS (for himself, Mr. IVES, Mr. DUFF, and Mr. CASE of New Jersey):

S. 2113. A bill to amend the Refugee Relief Act of 1953, as amended; to the Committee on the Judiciary.

(See the remarks of Mr. WATKINS when he introduced the above bill, which appear under a separate heading.)

By Mr. WATKINS (for himself and Mr. BENNETT):

S. 2114. A bill to amend section 22 of the Interstate Commerce Act in order to discontinue the authority under such section which authorizes the carriage, storage, or handling of property free or at reduced rates for the United States and the transportation of persons for the United States free or at reduced rates; to the Committee on Interstate and Foreign Commerce.

By Mr. ALLOTT (by request):

S. 2115. A bill to amend the act of July 17, 1914, to permit the disposal of certain reserved mineral deposits under the mining laws of the United States; to the Committee on Interior and Insular Affairs.

By Mr. CARLSON:

S. 2116. A bill to provide that Government surplus property may be donated to 4-H

Clubs for the construction, equipment, and operation of camps and centers; to the Committee on Government Operations.

By Mr. JOHNSON of Texas (for himself and Mr. DANIEL):

S. 2117. A bill to authorize purchase of a portion of the bonds issued by the Brazos River Authority, an agency of the State of Texas, to finance the early development by it of the water resources of the Brazos River Basin, Tex.; to the Committee on Public Works.

By Mr. DOUGLAS:

S. 2118. A bill to provide for the national defense by encouraging the discovery, development, and production of fluorspar in the United States, its Territories and possessions; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. DOUGLAS when he introduced the above bill, which appear under a separate heading.)

By Mr. LEHMAN:

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt; to the Committee on Rules and Administration.

(See the remarks of Mr. LEHMAN when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. JACKSON, Mr. CASE of South Dakota, Mr. DIRKSEN, Mr. HUMPHREY, Mr. MURRAY, Mr. MANSFIELD, Mr. MORSE, Mr. NEUBERGER, Mr. THYE, Mr. WILEY, and Mr. YOUNG):

S. J. Res. 74. Joint resolution authorizing the erection of a statue of Leif Ericsson in the District of Columbia; to the Committee on Rules and Administration.

(See the remarks of Mr. MAGNUSON when he introduced the above joint resolution, which appear under a separate heading.)

SYSTEM OF PRICE REPORTING FOR BASIC FOREST PRODUCTS FOR FARMERS

Mr. HUMPHREY. Mr. President, timber farming is important to the economy of many of our States. Yet timber farmers now lack the kind of marketing guidance provided for other farmers.

For that reason, on behalf of myself, the Senator from Oregon [Mr. NEUBERGER], and the Senator from Alabama [Mr. SPARKMAN], I introduce, for appropriate reference, a bill to provide such marketing guidance to the Nation's timber farmers.

Mr. President, I ask that the bill be held at the desk for a sufficient length of time to enable other Senators to join in sponsoring the bill, inasmuch as several of our colleagues have indicated their interest in it.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Minnesota.

The bill (S. 2105) to authorize the Secretary of Agriculture to establish a system of price reporting for basic forest products for farmers, to provide for the expansion of research in the marketing of such products, and for other purposes, introduced by Mr. HUMPHREY (for himself, Mr. NEUBERGER, and Mr. SPARKMAN), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Mr. President, the bill authorizes the Secretary of Agriculture to—

First. Establish a system of price reporting on basic forest products, for information and marketing guidance of timber farmers.

Second. Provide for the expansion of research in the marketing of such products.

Third. Conduct a study of price trends and relationships as the basis for recommending to the Congress within 2 years an appropriate formula for the establishment of parity prices for such products.

All that we are asking is that the benefits of marketing guidance other farmers get from regular market reports, marketing research, and parity price information be extended to the timber products area, to better serve the country's thousands of small timber farmers.

At present, timber farmers are completely at the mercy of timber buyers because they lack any accurate information on prevailing prices elsewhere, or on market and supply conditions that affect prices. They have no standards against which to compare prices which may be offered them for their products.

I believe this is an area of constructive educational activity that the Department of Agriculture should undertake, in cooperation with State foresters or other appropriate State officials or agencies.

In order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the bill directs the Secretary of Agriculture to establish a price reporting service for basic forest products, including but not limiting it to standing timber and cut forest products such as sawlogs and pulpwood. It provides that the price reports shall be provided at least quarterly, by States or forest regions or by such other areas as the Secretary considers advisable.

In asking expanded research into timber marketing, the bill directs the Secretary to stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

Mr. President, I ask unanimous consent that a copy of the bill be printed at the conclusion of my remarks in the body of the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That for the purpose of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on makets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price-reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

SEC. 2. The price reports made by the Secretary under section 1 of this act shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

SEC. 3. In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State Foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

SEC. 4. The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of this act shall submit a report thereon to the Congress together with his recommendations as to an appropriate formula for the establishment of parity prices for such products.

SEC. 5. In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

SEC. 6. The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this act.

SEC. 7. There is hereby authorized to be appropriated for the purposes of this act such sums as may be necessary.

AMENDMENT OF REFUGEE RELIEF ACT OF 1953

Mr. WATKINS. Mr. President, on behalf of myself, the Senator from New York [Mr. IVES], the Senator from Pennsylvania [Mr. DUFF], and the Senator from New Jersey [Mr. CASE], it is my pleasure to introduce, for appropriate reference, a bill proposing several amendments to the Refugee Relief Act of 1953.

These amendments are essentially those proposed by President Eisenhower on this subject on last Friday, May 27.

Since President Eisenhower covered these proposals in some detail, and the reasons for recommending them, I shall not take the time of the Senate on this occasion to discuss the proposed amendments.

Mr. President, I ask that the bill lie on the desk until the close of business on Thursday, next, in order that other Senators who are interested in sponsoring the bill may add their names to it.

The PRESIDING OFFICER. Without objection, that will be done.

Mr. WATKINS. Mr. President, from the experience of several years of service on the Subcommittee on Immigration and Naturalization, I can strongly endorse the proposed amendments as sound and essential to the smooth working of the Refugee Act.

I ask unanimous consent that both the bill I am introducing today, and the President's message, be printed at this

point in the RECORD, so that they may be available together.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and the message from the President will be printed in the RECORD.

The bill (S. 2113) to amend the Refugee Relief Act of 1953, as amended, introduced by Mr. WATKINS (for himself, Mr. IVES, Mr. DUFF, and Mr. CASE of New Jersey), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 2 of the Refugee Relief Act of 1953 (67 Stat. 400; 50 U. S. C. App. 1971) be hereby amended to read as follows:

"(a) 'Refugee' means any person in a country or area which is neither Communist nor Communist-dominated, who has not emigrated to another country for permanent residence and who because of persecution, fear of persecution, natural calamity or military operations is or has been in urgent need of assistance for the essentials of life or for transportation and has not reestablished himself under circumstances which assure him reasonable opportunities in the country where he now lives.

"(b) 'Escapee' means any person who, because of persecution, or fear of persecution on account of race, religion, or political opinion, fled from the Union of Soviet Socialist Republics or other Communist. Communist-dominated or Communist-occupied area of Europe including those parts of Germany under military occupation by the Union of Soviet Socialist Republics, who cannot return thereto because of fear of persecution on account of race, religion or political opinion, is or has been in urgent need of assistance for the essentials of life or for transportation and who has not been firmly resettled outside of the country of his asylum.

"(c) 'German expellee' means any person of German ethnic origin residing in the area of the German Federal Republic, Western Sector of Berlin, or in Austria who was born in and was forcibly removed from or forced to flee from Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, Union of Soviet Socialist Republics, Yugoslavia, or areas provisionally under the administration or control or domination of any such countries except the Soviet Zone of Military Occupation of Germany, who cannot return thereto because of fear of persecution on account of race, religion, or political opinion, is or has been in urgent need of assistance for the essentials of life or for transportation and who has not been firmly resettled outside of the country of his asylum.

"(d) 'The country of his asylum' means that western European country in which an escapee or a German expellee has resided since his departure from one of the countries or areas referred to in subsections (b) or (c).

"(e) 'Administrator' means the Administrator of the Bureau of Security and Consular Affairs established in the Department of State pursuant to subsection (b) of section 104 of the Immigration and Nationality Act."

SEC. 2. Section 3 of the Refugee Relief Act of 1953 (67 Stat. 401; 50 U. S. C. App. 1971 (a)) is hereby amended by deleting the word "them." at the end thereof and by inserting the words "or following to join them."

SEC. 3. Section 4 of the Refugee Relief Act of 1953, as amended (67 Stat. 401; 68 Stat. 1044; 50 U. S. C. App. 1971 (b)) is hereby amended by adding at the end thereof the following subsections (d) and (e):

"(d) Not more than 1,000 aliens in Austria, Germany, Greece, and Italy may be issued visas and be admitted to the United States under the terms and within the numerical limitations of this act, irrespective of the fact that they are found ineligible to receive visas or inadmissible to the United States under section 212 (a) (6) of the Immigration and Nationality Act as far as it relates to aliens afflicted with tuberculosis: *Provided*, That in the case of each such alien arrangements satisfactory to the Attorney General and the Surgeon General of the United States Public Health Service of the Department of Health, Education, and Welfare have been made that such alien, when admitted to the United States, will not become a public charge, and will not endanger the public health: *Provided further*, That such alien is a member of a family unit consisting of qualified applicants for a visa under this act whom such alien intends to accompany or follow to join in the United States.

"(e) The provisions of section 7 (a) of this act, as far as they relate to the requirements of assurances or other evidence of employment and housing, shall not be applicable to aliens who are issued visas or admitted to the United States under subsection (d) of this section, and in lieu thereof the administrator shall prescribe such regulations as may be necessary, for a special assurance to satisfy the provisions of subsection (d)."

SEC. 4. Subsection (a) of section 5 of the Refugee Relief Act of 1953, as amended (67 Stat. 402; 68 Stat. 1044; 50 U. S. C. App. 1971 (c) (a)) is hereby amended to read as follows:

"Not to exceed 4,000 special nonquota immigrant visas may be issued to eligible orphans as defined in this act who are under 12 years of age at the time the visa is issued: *Provided*, That not more than two such special nonquota immigrant visas may be issued to eligible orphans adopted or to be adopted by any one United States citizen and spouse, unless necessary to prevent the separation of brothers or sisters: *Provided further*, That any number of visas authorized to be issued under subsection (a) of section 4 of this act and not issued on or before December 31, 1956, may be issued to eligible orphans as defined in this section notwithstanding the provisions of section 20 of this act: *Provided further*, That a determination of the eligibility of such orphans to receive a visa, including the determination of the sufficiency of the assurance required by this section, shall be the sole responsibility of the consular officer notwithstanding the provisions of section 11 (b) of this act."

SEC. 5. Subsection (b) of section 5 of the Refugee Relief Act of 1953 (67 Stat. 402; 68 Stat. 1044; 50 U. S. C. App. 1971 (c) (b)) is hereby amended to read as follows:

"When used in this act the term "eligible orphan" shall mean an alien child (1) who is an orphan because of the death or disappearance of both parents, or because of abandonment or desertion by, or separation or loss from, both parents, or who has only one parent due to the death or disappearance of, abandonment or desertion by, or separation or loss from the other parent and the remaining parent is incapable of providing care for such orphan and has in writing irrevocably released him for emigration and adoption; (2) (a) who has been lawfully adopted abroad by a United States citizen and spouse while said citizen is or was serving abroad in the United States Armed Forces, or is or was employed abroad by the United States Government, or has resided for not less than 12 months in the country in which the orphan has been adopted or (b) for whom assurances, satisfactory to the consular officer to whom a visa application on behalf of the orphan is made, have been given by a United States citizen and spouse that if the orphan is admitted into the United States they will adopt him in the United States and will care for him properly; and (3) who is ineligible for admission into the United States solely because the nonpreference portion of the quota to which he would otherwise be chargeable is oversubscribed by applicants registered on the consular waiting list at the time his visa application is made: *Provided*, That no natural parent of any eligible orphan who shall be admitted into the United States pursuant to this act shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act: *Provided further*, That in no case shall an adoption by proxy be considered to be an adoption for the purposes of this section."

SEC. 6. The first sentence of section 6 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044; 50 U. S. C. App. 1971 (d)) is hereby amended to read as follows:

"Any alien who (1) establishes that prior to July 1, 1953, he lawfully entered the United States as a bona fide nonimmigrant and that he is unable to return to the country of his birth, or nationality, or last residence because of persecution or fear of persecution on account of race, religion, or political opinion, or that if outside the United States he would be eligible to receive a special nonquota immigrant visa under this act; or (2) was brought to the United States from other American Republics for internment, may, not later than June 30, 1956, apply to the Attorney General of the United States for an adjustment of his immigration status: *Provided*, that in meritorious cases under clause (1) of this section, the Attorney General may, in his discretion, waive the requirement that such aliens establish lawful entry. If the Attorney General shall, upon consideration of all the facts and circumstances of the case, determine that such alien has been of good moral character for the preceding 5 years and that the alien was physically present in the United States on the date of the enactment of this act and is otherwise qualified under all other provisions of the Immigration and Nationality Act, the Attorney General shall report to the Congress all the pertinent facts in the case. If, during the session of the Congress in which a case is reported or prior to the end of the session of the Congress next following the session in which a case is reported, the Congress passes a concurrent resolution stating in substance that it approves the granting of the status of an alien lawfully admitted for permanent residence to such alien, the Attorney General is authorized, upon the payment of the required visa fee, which shall be deposited in the Treasury of the United States to the account of miscellaneous receipts, to record the alien's lawful admission for permanent residence as of the date of the passage of such concurrent resolution. If, within the above specified time, the Congress does not pass such a concurrent resolution, or, if either the Senate or the House of Representatives passes a resolution stating in substance that it does not approve the granting of the status of an alien lawfully admitted for permanent residence, the Attorney General shall thereupon deport such alien in the manner provided by law: *Provided further*, That the provisions of this section shall not be applicable to any aliens admitted into the United States under the provisions of Public Law 584, 79th Congress, 2d session (60 Stat. 754), Public Law 402, 80th Congress, 2d session (62 Stat. 6): *Provided further*, That the number of aliens who shall be granted the status of aliens lawfully admitted for permanent residence pursuant to this section shall not exceed 10,000."

SEC. 7. Subsection (a) of section 7 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1045; 50 U. S. C. App. 1971 (e) (a)) is hereby amended to read as follows:

"Except as otherwise herein provided, no visa shall be issued to any alien under this

act unless an assurance, in accordance with regulations promulgated pursuant to this act, shall first have been given by a citizen or citizens of the United States that such alien, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such alien and the members of such alien's family who shall accompany such alien and who propose to live with such alien will not become public charges and will have housing without displacing some other person from such housing. The spouse and unmarried dependent sons and daughters under 21 years of age, including stepsons and stepdaughters and sons or daughters adopted prior to July 1, 1953, of such alien, shall not be required to have such assurances made in their behalf. The assurances shall be submitted to the administrator and it shall be the duty of the administrator to verify the authenticity and bona fides of such assurances and such assurances shall be subject to final acceptance and approval by consular and immigration officers. Blanket assurances, or assurances not submitted by a responsible individual citizen or citizens, or assurances not submitted by an organization recognized by the administrator for the purpose of submitting such assurances, shall not be considered as satisfying the requirements of this section. The assurances for employment and housing shall be indexed and filed in such manner so as to show the specific address or addresses in the United States in which both the employment and housing are available, the type of employment and housing which are available, and the conditions and terms of the employment. Each assurance shall be a personal obligation of the individual citizen or citizens or the obligation of the recognized organization giving or submitting such assurances. This subsection shall have no applicability to the alien eligible under paragraph (6), (8), or (10) of section 4 (a) of this act, if such alien provides satisfactory evidence that he will not become a public charge."

SEC. 8. Subsection (d) of section 7 of the Refugee Relief Act of 1953 (67 Stat. 404; 50 U. S. C. App. 1971 (e) (d)) is hereby amended to read as follows:

"No alien shall be issued a visa under this act or be admitted into the United States unless he shall present to the consular officer at the time of making application for a visa or to the immigration officer at the time of application for admission a certificate of readmission guaranteeing his readmission to the country in which he obtains a visa under this act, if it is subsequently found that he obtained a visa under this act by fraud or by misrepresenting a material fact."

SEC. 9. Subsection (c) of section 11 of the Refugee Relief Act of 1953 (67 Stat. 405; 50 U. S. C. App. 1971 (l) (c)) is hereby amended to read as follows:

"No person shall be issued a visa or be admitted into the United States under this act unless the consular officer and the immigration officer, after an inspection and examination of such person abroad, are entirely satisfied upon the basis of affirmative evidence adduced by the applicant that the applicant has established his eligibility for a visa and his admissibility into the United States under the immigration laws and regulations: *Provided*, That the eligibility of an applicant under this act shall be the exclusive responsibility of the consular officer: *Provided further*, That no person to whom a visa shall be issued shall be exempt from inspection and examination at a port of entry."

SEC. 10. Subsection (d) of section 11 of the Refugee Relief Act of 1953 (67 Stat. 405; 50 U. S. C. App. 1971 (j) (d)) is hereby repealed and subsection (e) thereof is redesignated subsection (d)

The message from the President is as follows:

MESSAGE FROM THE PRESIDENT

To the Congress of the United States:

The Refugee Relief Act of 1953 has now been in effect for almost 2 years.

It was enacted to enable the United States to participate with other nations in a great humanitarian effort for the relief of tragic victims of the postwar world, and for the reduction, in a measure, of overpopulation stresses in friendly nations. Thus we would promote friendly relations with the nations of the world. Beyond this, it was our purpose to further the interests of the United States by bringing to our shores an eminently desirable immigration within the absorptive capacity of this country. The immigrant has brought greatness to our land and a tremendous love for his adopted country. The foreign-born and their descendants—which include all of us—have given devoted allegiance to the United States, in war and in peace, and have helped give to America a unique position of leadership among the nations.

During the last year and a half, substantial progress has been made in setting up the complex organization required to administer the technical requirements of the act. The necessary cooperation of the various governmental agencies, including those related to medical and security matters, has been enlisted. Over 30,000 visas have actually been issued. Nearly 85,000 applicants are in various stages of processing.

Nevertheless, the purposes of the act are not being achieved as swiftly as we had all hoped. As a result of the experience gained in administering the act to date, important administrative instructions designed to expedite the procedures under it have already been issued. The men and women handling the program are fully aware of the urgency of their mission. I am assured by the Secretary of State that further administrative improvements can and will be made.

Experience has demonstrated, however, that administrative improvements are not enough. A number of the provisions of the act require amendment if the act's objectives are to be fully achieved. I urge upon the Congress the following:

(1) The act, at present, contains specific categories of eligibility with specific numbers allotted to each category. It now appears that because of some of the technical requirements of the act and the growing prosperity in Western Europe, there may not be enough applicants to fill the quotas in some categories. I recommend that there be a provision for the use of unused numbers. Such unused numbers might well be used, for example, for orphans on a worldwide basis.

(2) The act limits the term "refugee" to those who have not been "firmly resettled." Experience has shown that this provision tends to exclude the hard-working and the adjustable, the very people we want most as new citizens. Moreover, it appears that "resettlement" is such a vague term as to create conflicts in interpretation and delays in clearing applications.

I recommend that this limitation be withdrawn so that where the refugee otherwise qualifies on a selective basis he will not be barred because he is diligent and competent.

(3) A similar difficulty is presented by the terms of the act which require that an "escapee" or "expellee" also be a "refugee." Under the act, this unduly limits the escapees and expellees who may be admitted. This again serves to exclude some of the most desirable people who have, at great sacrifice, at least temporarily resettled themselves. I am sure it is enough that a person be a qualified "escapee" or "expellee" to meet the standards on which we all agree. They should not also be required to be "refugees" within the narrow definition of the act.

(4) The requirement that a refugee be living away from his traditional home has excluded many tragic victims of disaster whom I am sure the Congress intended to admit. This includes Netherlands' farmers whose land has been ruined by floods of salt water, Greek mountain people whose herds have been despoiled by Communist invaders, and many similar victims of catastrophe. The restriction should be relaxed.

(5) The act contains a salutary provision enacted by the Congress for the benefit of aliens who are here in the United States and who fear persecution if required to return abroad. There is a limitation, however, within this section which has caused undue hardship in some cases. It requires that the person show "lawful entry as a bona fide nonimmigrant" before he is eligible for this humanitarian relief.

I recommend to the Congress that the section be amended to permit the Attorney General to waive this requirement in meritorious cases where the person is otherwise qualified under the act. It is estimated that this would not involve more than a few hundred cases, but in the case of each individual human being such an amendment would satisfy the beneficent purposes of the Congress.

(6) Obviously, people who have risked their lives to escape from totalitarian nations often have no passports. The Refugee Relief Act, however, requires passports, and in many cases this has served to defeat the very purpose of the Congress. I recommend amendment to permit waiver of the need for passports and similar documents in the discretion of the Secretary of State and the Attorney General as is already provided in the basic immigration and nationality laws.

(7) Under the act, no escapee or refugee is entitled to a visa unless there is available complete information regarding his history for 2 years past, except on waiver by the Secretaries of State and Defense, if it is determined to be in the national interest.

No such requirement is applicable in the case of regular immigrants under the Immigration and Nationality Act of 1952.

This 2-year history, in the case of recent escapees, is often impossible to obtain. Yet these are the very people who have been actively stimulated to risk the perils of escape by our own information program broadcast through the Iron Curtain.

I have faith in the competence of our security personnel, and I recommend that this inflexible requirement be eliminated from the law, leaving it to the sound discretion of the security officer to make his recommendation on the basis of all the facts available. If he is in doubt, he will not certify the refugee or escapee as a proper security risk.

(8) Another obstacle to the achievement of the purposes of the act is the requirement of individual sponsorship and guaranties of each application for admission. Where responsible, voluntary welfare organizations are prepared to give assurances with respect to applicants by name, it is unnecessary to add the burdensome requirement that individual sponsorship of each such applicant also be provided. I recommend that where such agency assurances are given, individual assurances not be required in addition.

(9) At present, special visas may not be issued to wives, husbands, or children of persons admitted under the act unless they all come to the United States together. If the members of the person's family are following at a later time and are otherwise admissible, then the special visas should be equally available to them.

(10) There are many refugee families in Western Europe whose members would make useful and productive citizens of the United

States, but who would face separation if they should avail themselves of the provisions of the Refugee Relief Act. This they are unwilling to do. They would face separation because of the fact that one of their members is ineligible for admission to the United States under the health standards of our general immigration laws, particularly as respects tuberculosis.

We in the United States no longer regard tuberculosis with dread. Our treatment standards are high and modern treatment is increasingly effective. The United States, to its own benefit, could permit many of these families, within the existing numerical limitations, to enter under safeguards provided by the Attorney General and the Surgeon General of the United States assuring protection of the public health and adequate treatment of the afflicted individual and also assuring that such individual will not become a public charge. I urge that the Congress give consideration to amendments that would enable this to be done.

It is my earnest hope that the changes in the Refugee Relief Act that I have above outlined can be accomplished during the present session of the Congress.

The enactment of these changes will permit effective administration of the act by the executive branch of the Government and greatly aid the success of the program. The persons permitted to enter the country under the program will make a fine contribution to the body of our citizens. And we shall again reaffirm that the great tradition of sanctuary lives on in America.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 27, 1955.*

PRODUCTION OF FLUORSPAR FOR NATIONAL DEFENSE

Mr. DOUGLAS. Mr. President, war these days is a highly technical operation. Rare elements and minerals in relatively small quantities may hold the balance between victory and defeat. Mr. President, in Illinois and Kentucky there are extensive fluorspar fields, the largest producers in the United States, which produce fluorspar—an essential mineral in the production of steel. Steel cannot be produced without fluorspar, and without a ready and available domestic supply of fluorspar, war might mean a speedy end to American steel production. These fields are in dire need of markets if they are to stay in operation. Our country has a policy of stockpiling rare and necessary elements and minerals, including fluorspar, for any war effort.

In addition, Mr. President, there are hundreds of fluorspar miners whose families depend upon the continued operation of these mines for their living. A large percentage of these families are destitute and constitute a drain upon welfare facilities, and the heads of these families are in many cases leaving the production of fluorspar for other and more promising methods of earning a living.

In the light of these facts I wish to introduce for appropriate reference a bill to require that all Federal agencies which purchase fluorspar for national stockpiling purposes shall make such purchases from domestic fluorspar at prevailing market prices. This action will ensure the continued operation of our fluorspar mines for war readiness and will materially aid the problems of an economically depressed area of our country.

I ask unanimous consent to have the bill printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and without objection the bill will be printed in the RECORD.

The bill (S. 2118) to provide for the national defense by encouraging the discovery, development and production of fluorspar in the United States, its Territories and possessions, introduced by Mr. DOUGLAS, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Domestic Fluorspar Stockpiling Act of 1955."

SEC. 2. All purchases of fluorspar for stockpiling purposes by Federal departments and agencies shall be made from sources within the United States, its Territories or possessions, to the extent that fluorspar is available from such sources, at prevailing market prices.

COMMISSION TO FORMULATE PLANS FOR MEMORIAL TO FRANKLIN DELANO ROOSEVELT

Mr. LEHMAN. Mr. President, I introduce for appropriate reference, a joint resolution to establish a commission to formulate plans for a memorial to the late Franklin Delano Roosevelt.

I think it is more than fitting that we have a memorial to the late President Roosevelt to take its place on the banks of the Potomac alongside the memorials to our other great Presidents—Washington, Jefferson, and Lincoln. President Roosevelt has certainly won his place in history alongside those immortal men for what he did for the welfare of the people of the United States and of the world.

It was President Roosevelt who, by his strength of leadership, did so much to win the battle against the forces of depression which, during the thirties, were threatening to undermine the basic structure of our country. He faced a prostrate economy and helped restore its vitality; he faced masses of unemployed, many on the verge of starvation, and gave them hope. He did not listen to the prophets of doom and despair. He saw what was needed and he acted—not by speaking fine words or fancy platitudes—but by firm and decisive steps. The times called for bold measures and he saw that these measures were enacted—public housing, social security, security and exchange regulation, insurance of bank deposits, the 40-hour week, the minimum wage. These items give only a hint of what he did to restore our Nation's vitality and greatness.

It was his courage and foresight that helped win the first round in the world-wide struggle against totalitarianism that threatened at the time to destroy the free world. This fight is still far from won, but if it had not been for his efforts, we would already have been destroyed by the forces of tyranny.

I think we should have this memorial as a living reminder of all that Franklin Roosevelt did for us. I hope the Congress will pass this joint resolution.

I ask unanimous consent that the joint resolution be printed in the RECORD at this point.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 73) to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt, introduced by Mr. LEHMAN, was received, read twice by its title, referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That there is hereby established a commission, to be known as the "Franklin Delano Roosevelt Memorial Commission" (hereinafter referred to as the Commission), for the purpose of considering and formulating plans for the design, construction, and location of a permanent memorial to Franklin Delano Roosevelt in the city of Washington, D. C., or in its immediate environs. The Commission shall be composed of 12 Commissioners appointed as follows: 4 persons to be appointed by the President of the United States, 4 Senators by the President of the Senate, and 4 Members of the House of Representatives by the Speaker of the House of Representatives. The Commissioners shall serve without compensation, but may be reimbursed for expenses incurred by them in carrying out the duties of the Commission. The Commission shall report such plans, together with its recommendations, to the President and Congress at the earliest practicable date, and in the interim shall make annual reports of its progress to the President and Congress.

SEC. 2. The Commission is authorized to—

(a) make such expenditures for personal services and otherwise for the purpose of carrying out the provisions of this joint resolution as it may deem advisable from funds appropriated or received as gifts for such purpose;

(b) accept gifts to be used in carrying out the provisions of this joint resolution or to be used in connection with the construction or other expenses of such memorial;

(c) hold hearings, organize contests, enter into contracts for personal services and otherwise, and do such other things as may be necessary to carry out the provisions of this joint resolution; and

(d) avail itself of the assistance and advice of the Commission of Fine Arts, the National Capital Planning Commission, and the National Capital Regional Planning Council, and such Commissions and Councils shall, upon request, render such assistance and advice.

SEC. 3. There is authorized to be appropriated not more than $10,000 to carry out the provisions of this joint resolution.

ERECTION OF LEIF ERICSSON STATUE IN THE DISTRICT OF COLUMBIA

Mr. MAGNUSON. Mr. President, I wish to invite the attention of the Senate, which I have done at every session of Congress since I have been a Member, to a joint resolution which I have been unsuccessful in having passed. I wish to reintroduce for appropriate reference, a joint resolution, which is sponsored by myself, my colleague, the junior Senator from Washington [Mr. JACKSON], the

Senator from South Dakota [Mr. CASE], the Senator from Illinois [Mr. DIRKSEN], the Senator from Minnesota [Mr. HUMPHREY], the Senators from Montana [Mr. MURRAY and Mr. MANSFIELD], the senior Senator from Oregon [Mr. MORSE], the junior Senator from Oregon [Mr. NEUBERGER], the senior Senator from Minnesota [Mr. THYE], the Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. YOUNG].

The joint resolution provides for the erection of a statue of Leif Ericsson in the District of Columbia.

I ask unanimous consent that I may speak on the joint resolution in excess of the 2 minutes allowed under the order which has been entered.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred; and, without objection, the Senator from Washington may proceed.

The joint resolution (S. J. Res. 74) authorizing the erection of a statue of Leif Ericsson in the District of Columbia, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Rules and Administration.

Mr. MAGNUSON. This Nation annually celebrates Leif Ericsson Day, and yet every Member of this Senate undoubtedly is aware of the fact that there is no statue in our National Capital of the intrepid Viking who set foot on our New England coast in the year 1002 A. D.

I am reminded of the lack of a statue—as are many of you—when those of Scandinavian ancestry visit our beautiful Capital. I can only tell them that several times I have introduced a resolution calling for erection of the Leif Ericsson statue, with apparent support for such action, but so far without further results.

It was in 1952, March 17, to be exact, St. Patrick's Day, and I picked the day deliberately, that I last introduced a joint resolution authorizing the erection of the Leif Ericsson statue. The proposed legislation we introduce today is slightly different. It authorizes the Secretary of the Interior to accept contributions from organizations or individuals to apply toward the cost of preparing the site and building the pedestal. I hope and believe that those of Scandinavian descent throughout the country will be interested in and will contribute toward this project.

The statue itself presents no problem. We have had that for a long time. It is a bronze replica of the statue designed by A. Stirling Calder. The original statue by Mr. Calder was presented to the people of Iceland as a gift from the American people in connection with American participation in the celebration of the Iceland Millennium—or the 1,000th anniversary of the Althing. The site chosen is east of the Parliament Building at Reykjavik, Iceland, and it was set in place in September 1931. As part of their participation in the New York World's Fair of 1940, Iceland had a bronze replica made and presented it as a gift to the American people.

The problems we are seeking to solve are: Where to put the statue, where to obtain a pedestal upon which it can be placed, and how to prepare a site suitable for the installation of the pedestal.

Undoubtedly the best location, and certainly the most fitting, would be the shores of our Potomac River with the eyes of Leif Ericsson gazing toward the water. If Leif Ericsson enjoyed one sight, above all others, it was that of water—regardless of the height of the waves, the peril of crossing, or the distance from his native land.

Placement of the Leif Ericsson statue, which can be done with a simple authorization and appropriation of about $53,000, including the preparation of the land, seems long overdue. Most of us have passed by the statue of Christopher Columbus—which has a prominent position in front of the Union Station in our Capital City, even though he arrived almost 500 years after Leif Ericsson set foot on American soil.

There is no lack of honor for Columbus—even though we of Scandinavian descent will be the first to admit that Columbus had larger ships, traveled an equatorial course, did not face the icebergs and the extreme cold of the northern crossing that Leif Ericsson's hardy crew did. It goes without saying that the Columbus ships being larger could carry more food and had all the navigational safeguards that an additional 400 years of development could provide. For that matter, even the statue of Columbus may be larger than that of Leif Ericsson and certainly at the moment it is placed in a more prominent view of those who visit Washington than that of Leif Ericsson—which so far has not met the public eye in our National Capital.

My remarks will not take very long. I hope the distinguished majority leader will listen to them, because I know he is very sympathetic toward this proposal.

I could go into the tortuous course and arduous adventures of Leif Ericsson from the time King Olav Tryggvesson of Norway commissioned Leif, son of Eric the Red, to Christianize the New World. He had to find the new land and he did it by touching first at Iceland, proceeding on to Greenland, then heading around Cape Cod and marveling much as we do today at the vineyards of the great New England States.

One of the islands which he probably sighted is the one still known to us as Martha's Vineyard.

While many of Ericsson's travels are legend, in later years there has been little dispute that he set foot on New England soil; and historians agree that Norwegians began the development of Greenland. It appears to be certain that Ericsson himself visited New England twice, and once it was visited by a group of his own crew. I personally have helped to read and translate the old Norwegian sagas of those three trips. No historian disputes them today. Neither does any historian dispute the fact that the Norwegians began the development of Greenland. Greenland in those days was exactly what its name implies—a green and probably fertile country.

As one of Scandinavian descent, I, too, will feel a surge of pride as I gaze upon this statue beside the Potomac, if my colleagues decide with me to give Leif Ericsson and those of Scandinavian descent in America, who have helped blend the strength of Scandinavia into the fabric of America, the recognition which he and they who have followed deserve.

His daring exploits deserve recognition by Congress and by visitors, who have every right to see Leif Ericsson on the bank of the Potomac, looking out upon the water he loved so well.

I am proud to have associated with me as sponsors of the resolution the distinguished group of Senators who feel as I do.

Mr. President, I ask unanimous consent that the text of the resolution may be printed in the RECORD following my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MAGNUSON. Mr. President, I hope I have not taken too much of the time of the Senate on this subject; but, as I have said, I have urged this matter at every one of the past 10 sessions of Congress. I know that the historical interest which the majority leader and the minority leader have in the real, true discoverer of America will help to achieve the passage of the joint resolution.

I do not know whether the name "Johnson" is Scandinavian; nevertheless, I am certain that all Scandinavians will believe that it is when they observe the support which the majority leader and the minority leader will give to this very worthy, long-overdue joint resolution.

EXHIBIT 1

Senate Joint Resolution 74

Joint resolution authorizing the erection of a statue of Leif Ericsson in the District of Columbia

Resolved, etc., That (a) any association or committee organized for such purpose within 2 years from the date of the enactment of this joint resolution is hereby authorized to place on the public grounds of the United States in the District of Columbia a replica of the statue of Leif Ericsson by A. Stirling Calder.

(b) The authority granted by subsection (a) of this section shall cease to exist, unless within 5 years after the date of enactment of this joint resolution, (1) the erection of the memorial is begun, and (2) the association or committee certifies to the Secretary of the Interior the amount of funds available for the purpose of the completion of the memorial and the Secretary determines that such funds are adequate for such purpose.

SEC. 2. The Secretary of the Interior is authorized and directed to prepare a site and erect a pedestal upon which to place such statue. The choice of the site and the design of the pedestal shall be subject to the approval of the National Commission of Fine Arts.

SEC. 3. The Secretary of the Interior is authorized to accept from any source, public or private, donations of funds to reimburse the United States for amounts expended under the provisions of section 2 of this joint resolution. Any such funds shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 4. There is hereby authorized to be appropriated the sum of $53,000, or so much thereof as may be necessary, to carry out the provisions of section 2 of this joint resolution.

APPROPRIATIONS FOR EMERGENCY HURRICANE WARNING SYSTEM—CHANGE OF REFERENCE

Mr. MAGNUSON. I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of the bill (S. 1932) making an appropriation for the operation of an emergency hurricane warning system by the Weather Bureau, and that the bill be referred to the Committee on Appropriations.

I desire the RECORD at this point to show that there is some proposed legislation involved in the bill which would properly come under the jurisdiction of the Committee on Interstate and Foreign Commerce, but the bill also provides for an appropriation. In view of the emergency nature of the bill, I think its passage could be expedited if it were referred to the Committee on Appropriations, with the distinct understanding that this action is being taken because of special circumstances, and that the Committee on Interstate and Foreign Commerce does not waive the jurisdiction which it has in such matters.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

STUDY OF COMMON SYSTEM OF AIR NAVIGATION

Mr. GOLDWATER submitted the following concurrent resolution (S. Con. Res. 35), which was referred to the Committee on Interstate and Foreign Commerce:

Whereas the Congress has noted that the policy of the United States with respect to an air navigation system to be used as a part of a common system for air navigation is the subject of a controversy among the Air Coordinating Committee, and Air Navigation Development Board, the Civil Aeronautics Administration, and the military departments; and

Whereas effective and forceful planning and cooperation with respect to the adoption of equipment for use in a common system of air navigation is handicapped by controversy among these agencies; and

Whereas there appears to be no clear delineation of authority and responsibility for effective and forceful coordination in planning the development of such a common system; and

Whereas such controversy and poor administrative organization result in uneconomical planning of civil and governmental aviation programs; and

Whereas a potential expenditure, reported to exceed $500 million, depends upon the adoption by the United States of a firm decision as to what equipment shall be used in the common system; and

Whereas, in order to afford the highest degree of safety for life and property, both civil and military, an efficient agency of the executive branch must be organized to assume responsibility for formulation of a national policy with respect to such common system; and

Whereas no recent study has been made to review the functions of the Air Navigation Development Board, the Air Coordinating Committee, and the Civil Aeronautics Administration: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is requested to review the functions of the Air Navigation Development Board, the Air Coordinating Committee, the Civil Aeronautics Administration, and the military departments which are concerned with the implementation of the common system for air navigation, and to report to the Congress on the results of his review as soon as possible, and he is requested, if the review justifies it, to submit a reorganization plan to create a more logical, simple, and effective organization to carry out the task of planning for, developing, and enforcing a single common system of air navigation.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Commencement address delivered by him at Cumberland College, Williamsport, Ky., on May 30, 1955.

By Mr. McCARTHY:

Address on foreign policies, delivered by him at Appleton, Wis., on May 14, 1955.

Address entitled "The Hoax of Bipartisanship," delivered by him before the Greater Buffalo Advertising Club at Buffalo, N. Y., on May 24, 1955.

By Mr. BUSH:

Article from a recent issue of official organ of the Bicycle Manufacturers Association relating to the subject of unemployment caused by imports of foreign bicycles.

INVESTIGATION OF NARCOTICS TRAFFIC—NOTICE OF HEARING

Mr. DANIEL. Mr. President, the Senate Judiciary Subcommittee authorized by resolution of this body to investigate the narcotics traffic will begin hearings Thursday, June 2.

As chairman of the subcommittee I have asked officials of the Treasury Department to make a full disclosure of all records showing the extent of illicit narcotics traffic in the United States and its concentration by States and cities at the committee's initial hearing.

Our preliminary investigation indicates that the Nation's multimillion dollar drug traffic is concentrated mostly in the big cities and the larger States and that Treasury officials, especially in the Bureau of Narcotics, have statistics heretofore unrevealed which will show this concentration. This information is essential to the success of our nationwide investigation of the problem.

We have asked Commissioner of Narcotics, Harry J. Anslinger, to pinpoint by city and State the actual figures showing the number of drug addicts and narcotic law violations, and he has agreed to do so.

Also to appear before the committee June 2 is Assistant Secretary of the Treasury H. Chapman Rose and Treasury Technical Assistant for Enforcement M. L. Harney. Mr. Rose has supervisory authority over the narcotics and customs bureaus, the two Federal agencies most concerned with enforcement of the narcotics laws, and is also chairman of the President's interdepartmental committee on narcotics.

Witnesses called for June 3 are Commissioner of Customs, Ralph Kelly and Assistant Attorney General, Warren Olney III, chief of the criminal division of the Department of Justice.

The purpose of the initial hearings is to develop the extent of the narcotics problem and to learn what Federal officials are doing to meet the problem under present laws. Other Federal agencies will be heard before the committee holds on the spot hearings in cities and States most involved in the drug traffic.

POLITICAL ACTIVITIES OF LABOR UNIONS—AN ACT OF WISCONSIN LEGISLATURE

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, a copy of an act recently passed by the State of Wisconsin, relating to labor-union activities in politics.

There being no objection, the act was ordered to be printed in the RECORD, as follows:

An act to amend 346.12, 346.13, and 346.14 of the statutes, relating to political contributions by labor unions, and providing penalties

The people of the State of Wisconsin, represented in senate and assembly, do enact as follows:

346.12, 346.13, and 346.14 of the statutes are amended to read:

"346.12 (1) No foreign or domestic corporation, * * * no association organized under chapter 185 doing business in this State, and no labor union or labor organization, shall * * * contribute * * * any money or thing of value, directly or indirectly, * * * to any political party, political organization, political committee, or individual candidate for any political purpose whatsoever, * * * or to promote or defeat the candidacy of any person for nomination * * * or election to any political office. No political party, political organization, political committee, or individual candidate shall accept or receive any contribution prohibited by this section.

"(2) Nothing contained in this section shall affect the right of any individual to form, join, contribute to, or participate in voluntary organizations provided for in section 12.09, other than labor organizations or labor unions, to support political candidates and purposes of his own choosing, nor his right to subscribe to a regularly published organization newspaper. Nothing contained in this section shall prohibit the publication by corporations, labor unions, and labor organizations and cooperatives in the regular course of conducting their affairs, of periodicals advising their members, stockholders, or customers of dangers or advantages to their interests of election to office of men espousing certain measures.

"(3) As used in this section and sections 346.13 and 346.14 the terms 'labor union' or 'labor organization' mean any organization of any kind, whether it be a local lodge, or a district, county, State, National, or international federation, or any agency or employee representation committee or plan in which employees participate and which exists for the purposes, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

"346.13. Any officer, employee, agent, or attorney or other representative of any corporation, labor union, or labor organization, acting for and in behalf of such corporation, labor union, or labor organization, who shall violate sections 346.12 to 346.16, shall be

* * * fined not less than $100 or more than $5,000, or * * * imprisoned not less than 1 nor more than 5 years, or * * * both * * * in the discretion of the court or judge before whom such conviction is had and if the corporation, labor union, or labor organization shall be subject to a penalty then by forfeiture in double the amount of any fine so imposed to be collected as other actions by forfeiture are collected, and if a domestic corporation it may be dissolved, if after a proper proceeding upon quo warranto, in either the circuit or supreme court of the State to be prosecuted by the attorney general of the State, the court shall find and give judgment that section 346.12 has been violated as charged, and if a foreign or nonresident corporation, its right to do business in this State may be declared forfeited.

"346.14. The violation of sections 346.12 to 346.16 by any officer, employee, agent, attorney, or other representative of a corporation, labor union, or labor organization shall be prima facie evidence of said violation by such corporation, labor union, or labor organization. All fines or forfeitures recovered under any of the provisions of sections 346.12 to 346.16 shall, when collected, be paid into the proper treasury of the county for the use of the school fund, and it is hereby made the duty of the district attorney of each county to conduct prosecutions under sections 346.12 to 346.16 upon complaint as in other actions."

JUNK MAIL

Mr. MANSFIELD. Mr. President, in recent months there has been a great deal of discussion about the policies of the Post Office Department—postage increases, pay raises, the lack of two mail deliveries a day, and the flood of junk mail that has been cluttering up our mail boxes.

There was a sigh of relief when the Postmaster General issued a rescinding order, effective March 31, 1955, halting the delivery in the cities and villages of mail simply addressed "Local Patron," "Householder," and so on. Despite this order, nameless, unsolicited circulars, advertising leaflets, and the like continue to be delivered by postal carriers as third-class mail after nearly 2 months.

This order has merely curtailed to a limited extent the delivery of junk mail. Pieces bearing the name of no addressee whatever—but carrying such a notation as "Occupant," together with a street address—still are being delivered at the special 1½-cent-per-ounce rate.

Moreover, the practice of handling pieces which carry neither a name nor address of any kind goes on in the case of rural routes and boxholders in areas where no city or village delivery is available.

The idea of sending advertising material without names is not new. Unaddressed boxholder mail has been delivered on rural routes for many years. But in August 1953 Postmaster General Arthur Summerfield decided to extend the practice to city dwellers. This system was designed as a timesaver for businesses which advertise by mail and also for postal workers who sort it. If anything, the new system has cost the Federal Government money. The flood of junk mail went on for about 15 months until pressures produced the March 31 order. Former Postmaster General Farley experimented with bulk mailing privileges during his term of office, but he soon rescinded his order.

This type of throwaway mail used to be distributed door to door by children, but now the postman has been trapped into doing a small boy's job.

Postage on nonaddressed mail is only 1½ cents an item, or 14 cents a pound. No wonder advertisers rush at the opportunity, for junk mail generally receives the same treatment as first-class mail at a much lower rate.

This new system has eliminated the expense of preparing and buying mailing lists. The March 31 order made the process a little more difficult, for now they must have a street address, which is simple enough to obtain. Now a piece of junk mail must have no more personalization than "Occupant, 1732 Jones Avenue." Unless the restrictions on junk mail are tightened, we will continue to get this cumbersome and undesirable matter in our mailboxes.

Postal officials concede that the March 31 order did not by any means discontinue delivery of all types of so-called junk mail. Junk mail still flourishes at an annual loss of millions of dollars to the Post Office. The administration is obviously in an economy mood. Elimination of junk mail is the first economy that should be effected in the Post Office Department.

Mr. President, in conclusion, I ask unanimous consent that a letter I have sent to the Postmaster General be printed in the RECORD at the end of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 27, 1955.

ARTHUR SUMMERFIELD,
Postmaster General,
Post Office Department
Washington, D. C.

DEAR MR. SUMMERFIELD: The Post Office Department rescinding order relative to delivery of unaddressed third-class mail which went into effect on March 31, 1955, was well-received throughout the Nation. My constituents in Montana and people throughout the country envisioned that this order would curb the plague of mail addressed simply "local patron," "householder," and "boxholder."

However the delivery of nameless, unsolicited circulars, advertising leaflets and the like continues. Apparently the so-called "junk mail" continues with merely an additional restriction, an address, but does not require a personal address. I would like to know if the Post Office Department plans any additional restriction on this type of mail which receives the 1½-cent postal rate.

For my own files I would like the following statistical information, relative to third-class mail, for fiscal years 1953, 1954 and the approximate figures for fiscal year 1955. What is the gross income, expenditure, and deficit derived from third-class mail? If available I would like to know the approximate number of pieces of third-class mail put through the mails in the years cited.

I cannot stress too strongly the great inconvenience and annoyance this "junk mail" means to the millions of people who use our postal system. In addition it does not appear to be a financially sound practice. I would appreciate the above information at your very earliest convenience.

With best personal wishes, I am,
Sincerely yours,

MIKE MANSFIELD.

TECHNICAL COOPERATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an address on technical cooperation, delivered by the Honorable Willard L. Beaulac, United States Ambassador to Chile, on the occasion of his receiving the annual award for distinguished public service from Rhode Island University, Kingston, R. I., on May 19, 1955, be printed in the RECORD at this point as part of my remarks.

I wish to say that Ambassador Beaulac is one of the outstanding diplomats of this country. He has served with distinction and understanding in the dealings between the United States and Chile in recent months, and before that he rendered distinguished service in performing his duties as our representative to various Latin American countries.

The VICE PRESIDENT. Is there objection to the request of the Senator from Montana?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TECHNICAL COOPERATION

(Address by Hon. Willard L. Beaulac, United States Ambassador to Chile, on the occasion of his receiving the annual award for distinguished public service from Rhode Island University, Kingston, R. I., May 19, 1955)

I should like to talk to you today about technical cooperation.

Some 4,400 of our citizens, in the employ of our Government, 1,650 of them in Washington and 2,750 of them abroad, today are helping to teach people in 58 countries and territories such things as how they can wipe out malaria and reduce the incidence of amoebic dysentery; how they can improve the breed of corn they produce and the breed of hogs they raise; how they can speed up and tighten up that new and still unfamiliar industry so that it will turn out a better product more cheaply; how they can increase average per capita income from less than $100 a year, as in the case of a number of our neighbor American Republics, to say, two or three hundred dollars a year, or more; and how they can achieve healthier and more satisfactory living out of whatever they may earn or receive.

This year those 4,400 Americans will spend an estimated $105 million giving technical assistance to other countries. That is not a great deal of money, except perhaps to us taxpayers, but it is nearly as much as it costs to run the State Department and the Foreign Service, which have the responsibility of conducting our foreign relations at a time when it is no exaggeration to say that upon the state of those relations may depend whether we survive as a Nation. The program is certainly big enough that we can expect it to produce important results.

I believe it has produced important results, and that it can be made to produce much more important results in the future when we have painstakingly learned the lessons that our experience already holds for us, and when we have learned to apply those lessons.

Technical cooperation is not a new thing. What is new is the scale on which we are engaged in it. Our Government had had experience in technical cooperation when I entered the Foreign Service more than 30 years ago. For example, we already had the habit of helping other governments in such matters as road building in which we had acquired a fund of knowledge and experience. We thought it was a fine, neighborly thing to teach other countries how to build good roads. We also hoped that good roads in other countries would promote the sale of

automobiles, and we wanted foreigners to own as many automobiles as possible, especially American automobiles. We had already learned two excellent reasons for technical cooperation, years before it was embodied in a bold, new program that was to capture the imagination of the world under the drab name of point 4.

We also had developed the habit of helping other governments in their health problems. Here, again, there were two reasons for our help. We sincerely wanted other peoples to enjoy the superior health standards that we were beginning to acquire. Also, we didn't want our own health to be undermined by epidemics that might start in someone else's territory. We could learn to keep out immigrants whom we didn't want, but yellow fever and malaria mosquitoes carry no passports and are no respectors of political boundaries, so we found that in order to keep our own yard clean we sometimes had to help clean up our neighbor's. We had learned another good reason for technical cooperation.

There are many additional reasons for technical cooperation that are cited by persons who engage in it as an occupation, or who regard it as the solution to all our most urgent problems, or who are charged with the duty of obtaining funds for it from a sometimes reluctant and skeptical Congress. Most of those reasons, it seems to me, are good ones. In fact, it is difficult to argue against technical cooperation in principle. And yet, it is a very difficult, not to say delicate, operation to engage in and one full of pitfalls for the merely starry-eyed and for other unwary persons.

We got our first experience in large scale technical cooperation in the other American Republics during the Second World War. There were a number of reasons for embarking on these wartime programs.

Our war effort required the greatest possible amounts of political and economic support from the other nations in this hemispere. We had to see to it that those nations were not thrown into economic and social chaos by dislocation in their commerce caused by the war. We needed the raw materials and the surplus foodstuffs they produced; the petroleum, copper, rubber, and sugar, and the many other useful things they could provide us with and that we could not get in sufficient quantities from other sources. At the same time we wanted to insure that our neighbors did not drain us of supplies that we needed and they lacked.

Following the end of the war there was a feeling among many people inside and outside our Government that now that the war was over we should wind up these wartime programs. There also was a contrary feeling that to terminate the programs, in which the Latin Americans as well as we had invested large sums of money, just because the war had terminated, and when many of the programs were only beginning to bear fruit, would give the impression that we as a Nation were interested in helping our weaker neighbors when, because of war or other emergency, we might have urgent need of their support, but that as soon as the emergency ended, we were no longer interested in their welfare; that we were foul-weather friends, in other words. These people thought, also, that our unfinished projects in Latin America would be regarded by our neighbors as models not of American cooperativeness but of American incompetence.

I was Ambassador to Paraguay when this problem was being debated here at home, and I gave a long and searching look at our program in that country. I came to the conclusion that I agreed with those who wanted to continue the projects that were still needed. I didn't want the United States to be a foul-weather friend or to be regarded as a foul-weather friend. Furthermore, it seemed to me that in organized technical cooperation we had found a weapon with which to combat poverty and ignorance in many parts of the world, and that we should preserve and strengthen that weapon in our own interest. I have never had reason to change my opinion in that regard.

It is still true that technical cooperation is capable of increasing markets for American goods, of helping to make available the raw materials that the free world requires, and of protecting the health of our people and other peoples, and doubtless it could be justified on those grounds alone. But those are not its real purposes. It has a purpose that is larger than any of those. It is to help strengthen the free world.

All of us recognize, I believe, that we cannot be prosperous in an impoverished world; that we cannot be strong if our neighbors and friends are weak. Technical cooperation is a device to help our neighbors and friends to help themselves. More important, still, it is a device that is capable of creating understanding.

All of us have heard time and time again the expression, "It's a small world." That expression, trite as it may sound, is filled with truth—truth that can lead us into flights of optimism concerning the kind of world which modern techniques can make it possible for all people to live in and enjoy; truth that is ominous and forbidding in terms of the power which our country has, today, in a matter of hours, to annihilate millions of persons in distant places of our choosing, and the power that certain other peoples may well possess to do the same to us.

If it sounds trite to say that it is a small world, it sounds almost as trite to say that we live in a world one part of which is increasingly dependent on other parts. It is this phenomenon, that is clear to anyone who will take the trouble to see, which makes excessive nationalism both anachronistic and perilous to our security and the security of the free world.

We hear a great deal about security nowadays, and there is a temptation even on the part of people who realize that it is indeed a small world to think of security only in terms of atomic or hydrogen bombs and of an Army, Navy, and Air Force more powerful than those of any other country. Few persons are tempted today to undervalue the importance of military strength, but it is easy to forget that security depends on other things besides military strength, and that without those other things we cannot achieve or retain the military strength needed to guarantee our security. Foremost among those other things is understanding. Understanding among peoples is the equivalent of many armies, of many navies, and of many air forces. The United States cannot in any conceivable circumstance, stand alone in the world any more than the rest of the free world can stand apart from the United States. Our security and the security of other free nations depend directly and squarely on international cooperation, cooperation that cannot be exacted but which must be freely given. Cooperation, in turn, flows from understanding; understanding of a country's motives, of its objectives, and of the means it may devise to carry out those objectives. Real cooperation is not possible in the absence of understanding.

One feature of today's world which you students are beginning to be familiar with is its complexity. Not many years ago the Secretary of State of the United States, with only a handful of top assistants, could survey the whole world and feel reasonably confident that he was familiar with the things that were going on that were of importance to the United States. Today, the American Ambassador to a foreign country, who may have helping him as many highly trained and dedicated persons as were in the entire Department of State not many years ago, finds it difficult to keep up with more than a few of the things happening in that one country which are of interest to the United States.

If it is difficult for Americans to know and to understand what is going on in the world, with the unequalled facilities that we have at our command, imagine how difficult, how nearly impossible it must be for the inhabitants of some distant country where ignorance, poverty, and sickness dwell in nearly every household, a country which in this interdependent world may, nevertheless, be of great importance to us, to arrive at that degree of understanding regarding their relations with the United States which is a necessary prelude and basis for cooperation. Think how much more difficult it is for those people to understand us and to understand why it is in their interest to have a cooperative relationship with us when the international Communists are using every device known to totalitarian propaganda to convince those people that their ignorance, poverty, and sickness result from the circumstance that the United States, which has the highest living standards in the world, simply has much more than its share, and that those high living standards have condemned other peoples to want and privation.

It is not enough in the circumstances to preach economics to those people. You know that economics is a difficult subject even for university men and women. You can readily appreciate with what bewilderment, not to say distrust, lessons in economics would be received by those poorly educated and sometimes illiterate people.

What is required, clearly, is improvement in living standards and health and education which will enable those people to arrive at that degree of understanding with us that will serve as a firm basis for the cooperation which is so essential to their security and well-being as well as to ours. Technical cooperation can help to bring this about.

Technical cooperation can help to bring about understanding, and I have seen it lead to understanding, but it is also my observation that it cannot be depended upon to do it. It can even lead to misunderstanding.

Even the effort to explain technical cooperation can lead to misunderstanding. It needs to be explained, of course. If we don't explain it, the Communists will. In fact, they will explain it anyway. The more underprivileged those we try to help, the more they wonder why we are spending our money to help them. If we say we are doing it for selfish reasons we seem to some of them to be confirming what the Communists say about us. On the other hand, if we appear to be acting idealistically, we risk awakening the antagonism which some people feel toward those whom they suspect of acting selflessly or out of altruism or idealism.

Even when technical cooperation is accepted graciously and understandingly by those people in a foreign country who give thought to it, the results sometimes are disappointing. One reason for this is, I believe, the tendency to expect too much of it, the tendency to look for quick and dramatic results which, to be sure, do sometimes occur but which cannot be expected to occur in most cases. Another reason is that we cannot do as much as we would like to do because of the shortage of available competent personnel.

I recall that in one small country where I served our Government agreed to help establish a school for vocational education. The agreement was hurriedly entered into because the end of the fiscal year was approaching and we had some money that hadn't been spent or committed. It was considered a sin in those days to turn any such money back to the Treasury. On the other hand, there certainly was need for a

vocation educational school in that country. Young men who wanted to learn to be carpenters and plumbers had no way of learning except to watch carpenters and plumbers who were themselves untrained and who, in many cases, were trying to conceal the little they knew in order not to have new and younger competitio. in the trades. There were no building standards worthy of the name. There were no standard sizes for windows or doors. You never knew whether a door was going to open in or open out. You never knew whether to turn a knob to the right or to the left. All these things tended not only to confuse and confound people, including the people living in the America Embassy residence, but also to make building costs high and wages low. They tended to keep living standards down, in other words.

We signed the agreement to start a vocational education school, and then our people in Washington began to look around for someone to take charge of it. It was wartime and we learned a lot about vocational education problems in the United States that we hadn't known before. We learned, for example, that there was a shortage of vocational education teachers in the United States. We learned that there was an acute shortage of competent vocational education teachers. Of the competent teachers, very few spoke Spanish, a necessary requisite for the job our Government had in mind. Of those who spoke Spanish, none, so far as we could find, was willing to go to the country where I was serving. After a delay of months, our people finally sent down a man who could speak Spanish but who was really not fitted for the job. It would have been better if they had waited until they could find the right man, even if that should have required additional years.

Technical cooperation is not an easy job for an American. It is not a particularly well-paid job because our Government is limited, for reasons we can all understand, in what it can offer in terms of salaries and allowances. It involves living in distant places, often under conditions that are primitive by American standards. It usually means difficulties in the way of educating children. It may mean exposing yourself and your family to diseases that are not known in this country. It may mean adaption to an alien culture. Some people rise to the challenge that these things represent, and those people make us very proud that we are Americans. But they are limited in numbers.

Technical cooperation is not the only occupation that presents a challenge worthy of the best people we have. There are many other challenges today and point 4 has to compete for the people capable of meeting them.

The problem of competent personnel may not be unsolvable, of course. With time we can doubtless build up a larger corps of tried and competent people. We may decide to engage foreigners to supplement our supply of Americans, or we may tend more and more to merge our programs with broader programs such as those of the United Nations. But that is another subject. Meanwhile, we cannot hope to get maximum results, in terms of concrete help to other countries or in terms of understanding, unless we send out really competent men to do the job.

Another circumstance that makes it difficult for technical cooperation to achieve the results it is capable of achieving is that it is so often used to treat symptoms rather than causes. For example, if poor health conditions in a given country are due to poverty, and poverty, in turn, is due to faulty economic policies being pursued by the government, then it stands to reason that a reform of those economic policies can do more for public health in the long run than any amount of technical cooperation in the field of public health that we can reasonably be expected to provide.

Countries create higher living standards for their people, which technical cooperation is supposed to help them to do, by developing their economies. They develop their economies, in turn, by utilizing their human and natural resources—by improving the skills of their people; by exploiting their lands, their forests, their minerals, their rivers and seas. There is no other way to do the job.

We should be able to assume, therefore, that a country that wants help in raising living standards will do what it can to insure that its natural resources will be developed and utilized. The least that can be expected is that the country will not place obstacles in the way of doing this. And still there are countries that do just that.

There are varying reasons for this phenomenon but, in general, it can be traced to nationalism, usually abetted by Communist propaganda.

The Communists, as we well know, try to prevent economic development in the free world. They do this, among other reasons, in order to prevent improvement in living standards. They try to prevent improvement in living standards because they feel, as we do, too, that poverty is their ally.

The Communists know, just as we know, that a country can develop its economy only if it utilizes its natural resources, so they do what they can to prevent this from happening.

The Communists know that many countries cannot develop their resources without the help of abundant foreign capital. Therefore, they do what they can to make it impossible for foreign capital to help. They do this by appealing to a country's nationalism; by painting foreign capital as predatory and imperialistic, and by encouraging countries to erect barriers to the entry of foreign capital. When they succeed in their efforts, as they frequently do, they accomplish two objectives that are important to them. First, they keep the country which is the target of their attacks impoverished, and, second, they create dissension and misunderstanding between that country and other countries that are disposed to be friendly and helpful.

In many countries where this sort of thing has been going on our Government has been helping to finance point 4 programs. It is evident that those programs will not produce maximum or even substantial results unless the countries have the political courage to remove the obstacles that they themselves have set up to the efficient utilization of their natural resources.

That is not to say that we should use point 4 as a lever to change the political or social system of a country. On the contrary, if we are to succeed we must work within the framework of the traditions, the customs, the likes and dislikes of the people we are trying to help. But whatever the political or social system of a country, material progress cannot be achieved, with our help or without it, unless a modicum of respect is given to certain basic economic laws that have been well tested and that neither nationalism nor communism, nor indeed socialism, can make invalid.

I suggested earlier that point 4 has to be explained. I should like to revert to that and to add that all our aid to foreign countries has to be explained.

The United States, by giving technical cooperation and other aid to other countries, has voluntarily assumed a degree of responsibility for economic development in those countries. This concept of United States responsibility has been accepted by other countries to the extent that many persons, including some political leaders, have come to the point of implying pretty clearly in their public utterances that the United States has the principal obligation for bringing about economic development. Thus, in countries where private capital is not permitted to make its proper and indispensable contribution to economic progress, one hears it alleged that progress in not being achieved because not enough help is being received from the United States.

Persons who allege this point to the Marshall plan and contrast our vast expenditures in Europe with our small expenditures in other areas. They overlook the circumstance that Europe had to be put on its feet again if the whole free world were not to be plunged into crippling economic depression. They overlook the circumstance, too, that the huge sums we spent in Europe, whether for the reconstruction of war-shattered industries, for the construction of military bases, or for the maintenance of American troops, served to defend the free world against an actual and imminent threat of physical encroachment by Communist imperialism.

We used bombs to throw back the Nazi tyranny, and we used our material wealth to throw back the Communist tyranny. In each case we had to apply the weapon where it was needed, and the results in each case were decisive in insuring the defense of the entire free world, no country excepted.

Technical cooperation and economic aid do not explain themselves, although many of us have proceeded on the basis that they do. They have to be explained if they are to lead to understanding rather than misunderstanding.

There is another way in which technical cooperation and the other new or expanded activities that our Government is carrying on abroad can lead to misunderstanding, and that is if, while we are carrying them on, we should at the same time neglect our traditional diplomatic activities.

Homer said, "Men ever love the song that sings newest in the ear."

It is not an exaggeration to say that our age is an age of disillusionment. We in the United States have fought two great wars well within my lifetime and still we do not have a world that is safe for the things for which we fought. We do not have freedom from fear or freedom from the threat of war. We do not have one world, as many of us used to believe, or at least hope, but two worlds which threaten to collide and explode into no world at all.

We are disillusioned but not resigned, and we are searching desperately for new instruments to meet the new and unexpected dangers that face us. And we are right in doing that. We will not be right if at the same time we neglect the tried and proved instrument of diplomacy which remains and will remain the basic instrument for reaching understanding with other countries, an instrument which we share with other countries and one that nations with long experience and tradition still place their principal trust in.

Such activities as technical cooperation are capable of being an aid to good relations with foreign countries but they are in no sense a substitute for such relations. If badly carried out, or if not properly explained, they may even create complications in our relations with other countries, and thus add to the burden of our diplomacy.

These new or expanded activities have, of course, added to the duties of our diplomatic representatives, since all activities of the United States Government abroad necessarily are carried out under the direction and guidance of the Ambassador, whose other responsibilities, needless to say, also have been greatly increased as a result of the world tensions which all of us are familiar with.

There are few subjects more complicated and with more traps for the uninitiated and the unwary than our foreign relations. It is not possible to talk about technical cooperation except in the context of our foreign relations. In technical cooperation we have found a weapon with which to combat pov-

erty, ignorance and sickness throughout the world—a weapon which can help to create for millions of people the kind of world that communism promises them but can never give them. It is an instrument capable of doing even more, that is, of producing understanding or helping to produce understanding—understanding which is indispensable to the cooperation among nations which the world requires if it is to survive.

It is not a simple instrument to use because nothing related to our foreign relations is simple or easy, but the complications it presents are fewer than the other complications that traditional diplomacy has to deal with. They are complications that can be overcome as we gain experience with technical cooperation and learn to fit it into its proper place in the broader pattern of our foreign relations.

HELLS CANYON DAM

Mr. NEUBERGER. Mr. President, the Memorial Day weekend brought forth a misleading and distorted attack against the proposed Hells Canyon Dam project from the so-called research office of the State Council of Chambers of Commerce.

I realize the Members of the Senate do not have the time to hear all the misrepresentations which this propaganda release contains. However, a few of the most glaring should be cited.

The release charged that Hells Canyon Dam would cost $465,470,000. Yet Cecil I. Hoisington, Chief of the Analysis and Estimates Branch of the United States Bureau of Reclamation, told the Senate Interior Committee on May 2 that the cost of Hells Canyon Dam would be $308,472,000.

The chamber of commerce blast charged that Hells Canyon would cost every American taxpayer $9. No mention is made of the fact, of course, that Bonneville and Grand Coulee, which would be companion projects to Hells Canyon, are now about $65 million ahead of schedule in paying for themselves.

If Hells Canyon would cost every taxpayer $9, as the chamber council contends, what about the $20 which every taxpayer would have to pay for the upper Colorado project? Of course, the chamber says nothing about the upper Colorado project, which has the endorsement of Secretary of the Interior McKay. Mr. McKay approves that project, with its $1,800,000,000 cost to the Government, because no private power company covets the upper Colorado sites.

Furthermore, the chamber of commerce council engages in the usual double talk about a Federal power monopoly. According to the New York Times, 81 percent of all energy used in the United States is generated by private utilities, 13 percent by the Federal Government, and 6 percent by city systems. What is the "monopoly"—81 percent, or 13 percent?

The sad thing, Mr. President, is to see the big utilities which dominate the Chamber of Commerce council leading around small-business men, against the best interests of these businessmen.

Between 1939 and 1948, which were the years when Bonneville public power first became available in the Pacific Northwest, our region had the greatest industrial gain in its history. Payrolls in the Northwest soared 329 percent as contrasted with a national average of 284 percent. This was the one time in Northwest history when payrolls in the Northwest registered a greater gain than the national average. It also coincided with the 10-year period when Bonneville low-cost power first came "on the line."

Yet the Council of State Chambers of Commerce would end this low-cost public power program and surrender the great Hells Canyon power site to the Idaho Power Co., which has the highest rate structure in the Northwest. This may be fine music to utility ears, but it is only a dirge for small-business men in the Pacific Northwest.

I ask unanimous consent, Mr. President, to have printed in the RECORD at the conclusion of my remarks a dispatch from the Idaho Daily Statesman of May 21, 1955, describing support of Hells Canyon high dam by the Washington County Farm Bureau, and also to include letters and resolutions on this issue from the Southwestern Washington Public Utility Commissioners Association.

There being no objection, the news article, letters, and resolutions were ordered to be printed in the RECORD, as follows:

[From the Idaho Daily Statesman of May 21, 1955]

FARM BUREAU ASKS SUPPORT FOR HIGH DAM

The Washington County Farm Bureau asked Gov. Robert E. Smylie personally and President Eisenhower by letter Wednesday to support a high Federal dam at Hells Canyon.

Everett T. Gunn and Willis Peterson, directors of the farm bureau from Weiser, said the governor gave them a "cordial reception," but indicated he disagreed with them.

Smylie has asked a Senate committee to reject the current proposal for a Federal dam, and indicated he favors the Idaho Power Co. proposal as a means of getting more kilowatts faster.

Gunn said they presented Smylie a petition signed by county farm bureau directors, members of both political parties.

It said Idaho was divided because "the private utility monopoly in order to be 'whole hog or none' has attempted to break down the spirit of cooperation in every possible segment of our organizations and State apparently on the basis of 'divide and conquer'."

Irrigation ranchers in western Idaho, it said, have no quarrel with other ranchers of the State, and wish for west and north Idaho only what is now being done for east Idaho.

The letter to the President requested him to "take the same personal interest in the comprehensive development of the Snake River as you are taking in development of the Columbia River Basin."

The petition was signed by Gunn, Peterson, Evan Moser, C. H. Potter, A. Dawson Gaertner, Dean Hale, W. Clay Sutton, Vernon Chandler and Winifred E. Gunn.

SOUTHWEST WASHINGTON
PUBLIC UTILITY
COMMISSIONERS ASSOCIATION,
Seattle, Wash., May 19, 1955.

Hon. RICHARD NEUBERGER,
The United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: Enclosed herewith for your information are copies of resolutions relative to the John Day and Hells Canyon projects which were adopted by this association at our last meeting held in Vancouver, Wash., May 13 and 14, 1955.

Our association is made up of public utility district commissioners of Benton, Clark, Cowlitz, Klickitat, Lewis, Mason, Pacific, Skamania, and Wahkiakum Counties. Our PUD electric systems serve 92,000 electric customers in these nine southwest Washington counties. Nearly all of the power distributed by our systems is purchased from the Bonneville Power Administration.

We are anxious that new power development shall keep pace with growing power loads, so that there will be an adequate supply in the years ahead for the people in our area and for the region as a whole. We are also interested that the development of our river resources shall be by methods which will result in the greatest benefits for the people of the region. These considerations prompted the resolutions which are attached.

Sincerely yours,

CLYDE RIDDELL,
President.

RESOLUTIONS UNANIMOUSLY ADOPTED BY THE SOUTHWEST WASHINGTON PUBLIC UTILITY COMMISSIONERS ASSOCIATION, VANCOUVER, WASH., MAY 13 AND 14, 1955

JOHN DAY DAM

Resolved, That the Southwest Washington Public Utility Commissioners Association endorse the financing and construction of the John Day Dam on the Columbia River as a project of the Federal Government, with the power therefrom to go into the Bonneville pool to be marketed under the provisions of the Bonneville Act. It is urged that money for necessary engineering be appropriated by the Congress this year.

HELLS CANYON DAM

Resolved, That in light of the findings of Federal Power Commission Examiner Costello that a high Federal dam at Hells Canyon would best serve the public interest, this association urges all possible effort be made by the Congress to secure Federal authorization for the high dam during the current session.

JAMES M. MEAD

Mr. LEHMAN. Mr. President, on May 14, the fine weekly newspaper, Labor, published by the Railway Brotherhoods, published an editorial entitled "Ike Ousting Another Friend of the People." The editorial deals with the failure of the President to reappoint the Hon. James M. Mead to the Federal Trade Commission—a failure which I have publicly criticized and deeply regret. The editorial also refers to several other fine public servants whose terms are shortly to expire.

This excellent editorial, paying a high and well-deserved tribute to Jim Mead, expresses my sentiments about the entire situation. I ask that the editorial be printed in the RECORD at this point in my remarks.

I think the editorial should be read by every Member of the Senate. I am sure this subject is going to be discussed by a number of us on the floor of the Senate in the weeks and months ahead.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IKE OUSTING ANOTHER FRIEND OF THE PEOPLE

When voting for a President, it's important to remember that, by his power of appointment, he can enforce or nullify laws passed by Congress to protect the people. He can make those laws serve

either the public interest or greedy special interests. No law is any better than the men who administer it. They are picked by the President, and they hold office even after he leaves the White House.

That is strikingly illustrated by what is going on now. As Labor has reported, President Eisenhower has "packed" the Government regulatory agencies with reactionaries who are undoing great historic reforms. They are giving to the power trust, natural gas trust, oil trust and other big business and Wall Street interests just about everything they have long wanted but couldn't get before. Few regulators are left to protect the public interest, and they are being ousted as fast as possible.

This week, for example, it was announced that Eisenhower will not reappoint Federal Trade Commissioner James M. Mead when his term expires next September. The man picked to replace Mead is William C. Kern. Back of that is this story:

The FTC was created as one of the great reforms of President Woodrow Wilson's time. It is Uncle Sam's "business policeman." Its job is to protect both consumers and honest businessmen against business crooks, to enforce some of the laws against monopoly and price fixing, and to keep big business from destroying small-business men by unfair methods.

The Commission has five members. No more than three can be of one political party. Three now are Republicans and the other two Democrats. One of the latter is "Big Jim" Mead.

He began life as a waterboy on the Lackawanna, worked at other railroad jobs, and still carries his card in the Switchmen's union. He became a Democratic Congressman and Senator from New York, was chairman of the FTC under Truman, and since then has been a member. Always he stood up for the people and the public interest, and thus incurred the enmity of powerful special interests.

In particular, Mead has proved himself a stanch friend of little and independent businessmen, both as a member of House and Senate Small Business Committees, and on the FTC. That's not the kind of a man the present big business administration wants on that or any other commission.

Ike could not replace Mead with a Republican, because the law says "No." Kern wears the Democratic label. Who is he? Why was he picked? Which side will he take as a member of the FTC?

Since 1941 Kern has been an FTC lawyer. About a year ago, he was selected for promotion by the Commission's Chairman, Edward F. Howrey, a Republican corporation lawyer appointed by Eisenhower and applauded by big business interests.

To promote Kern, Howrey demoted Everette MacIntyre, a top FTC lawyer with a long and devoted record of enforcing the antitrust laws for the protection of consumers and small business.

Kern will be an FTC member for 7 years, regardless of who is elected President next year. It seems sure he will follow the policies set by the man who made him, Chairman Howrey.

Experienced Washington observers were struck by the extraordinary fact that, although Mead's term does not expire until September, selection of Kern to replace him was announced way ahead of time, in May, and Howrey apparently began preparing Kern for that spot about a year before it would be available. The administration knew "Big Jim" was not its kind of man, and lost no time in greasing the skids for him.

One of the next regulators to go is Paul R. Rowen, member of the Securities and Exchange Commission. He was the only member who dared to vote against approving the financial setup of the scandalous Dixon-Yates deal. Rowen did so on the ground that the deal violates the Utility Holding Company Act, which the SEC is sworn to enforce.

Another slated to be ousted soon is Thomas E. Murray, the only Atomic Energy Commission member who disapproved the Dixon-Yates deal.

Still another is Frieda B. Hennock, the only Federal Communications Commission member who has championed the public interest and small independent radio and television stations against the giant chains which seek more and more control of the people's airwaves.

And so it goes. Few friends of the people are left in top posts of the regulatory commissions and other Government agencies, and those few are disappearing fast. Think about that, next time you vote for a President.

MISS FRIEDA HENNOCK

Mr. LEHMAN. Mr. President, a moment ago I submitted, for printing in the RECORD, an editorial from the publication Labor, commenting on some of the appointments being made by President Eisenhower, and criticizing his failure to reappoint the Honorable James M. Mead to the Federal Trade Commission. The editorial also referred critically to the likelihood that President Eisenhower would not reappoint another fine public servant, Miss Frieda Hennock, to the Federal Communications Commission.

On Friday, May 27, Mr. Drew Pearson in his Merry-Go-Round column, described at some length Miss Hennock's record of public service as a member of the Federal Communications Commission, and told of the valiant battles she has fought in the public interest.

Mr. President, I ask unanimous consent that pertinent excerpts from the article by Mr. Pearson be printed at this point in the RECORD as a part of my remarks.

There being no objection, the excerpts from the article were ordered to be printed in the RECORD, as follows:

While one lady in high office who has helped cause confusion in the polio crisis is planning to bow out, another lady who has done a terrific job for the American public in regard to television is being fired.

The first lady, of course, is Oveta Culp Hobby, who will leave the Cabinet when the Salk vaccine confusion has died down and when she will not be retreating under fire.

The second lady is Frieda Hennock, first woman to be appointed to the Federal Communications Commission, who is being dropped as her term expires in June. Her replacement will be Richard Mack, a Florida utilities commissioner, reported to be a friend of the telephone company. His appointment will be the third utilities commissioner and friend of A. T. & T. the President has appointed; the others being John Doerfer, of Wisconsin, and John McConnaughey, of Ohio.

It was Commissioner Hennock who demanded and got 257 TV channels set aside for education. It was Miss Hennock who fought valiantly for the smaller ultra-high frequency stations which have been blanketed out by the big networks.

It was Miss Hennock, alone, who dissented from giving A. T. & T. an $80 million increase in rates. It was Miss Hennock who fought for 800 small daytime radio stations, who campaigned against crime and horror on television, and who opposed the increasing trend toward monopoly of communications.

And it's Miss Hennock who, despite her battles for the public and for the little broadcaster, is now being fired.

NOTE.—It was the late Senator Robert A. Taft who largely put across Miss Hennock's appointment to the FCC. Taft, a Republican, vigorously supported Miss Hennock, a Democrat, because he was a stanch believer in the principle of free competition.

ARMENIAN INDEPENDENCE DAY—ADDRESS BY SENATOR LEHMAN

Mr. LEHMAN. Mr. President, May 28 is usually observed as Armenian Independence Day, celebrating the day of the proclamation of the Republic of Armenia in 1918.

On May 22, I spoke in New York City at a rally sponsored by the Armenian Independence Committee, and addressed myself to the subject of Genocide, Liberation and Peace, as these relate to the subject of Armenian Independence.

Mr. President, I ask unanimous consent that my remarks on that occasion be printed at this point in the RECORD, so that the record of the proceedings of Congress may reflect the observance of a very memorable day indeed—Armenian Independence Day. It is a day to remember; and it will, I trust, come again.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

GENOCIDE, LIBERATION, AND A FORMULA FOR FREEDOM

(Address by Senator HERBERT H. LEHMAN at observance by Armenian Independence Day, Town Hall, New York, May 22, 1955)

Napoleon is credited with having said, "Happy is the country which has no history." There is more than a kernel of truth in that epigram.

The Armenian nation, the anniversary of whose short-lived independence we are observing today, has a long history—a long and tragic history. But it is a history marked throughout with a resplendent nobility. The unquenchable devotion of the Armenian people to freedom and nationhood has few parallels in the annals of mankind.

This is a people whose national beginnings date back almost 3,000 years. Theirs—and yours—is a tradition as ancient as that of classic Greece and Persia and Babylon. Two centuries before Christ there was a great, thriving, and powerful Armenian kingdom, characterized by a high culture, learning and achievement.

The eminent traditions of that Armenian past have not only been handed down through the centuries from one generation to another, but they have been constantly enriched by new Armenian epics of heroism and devotion to freedom. Armenian history contains an almost endless succession of heroic chapters, reaching down to the present day.

There is one striking parallel to the history of the Armenian people which surely has not escaped notice before, and is of particular interest to me—the parallel with the history of the Jews.

Dispersed over the face of the globe, reunited, and dispersed again and again, the Armenian people, like the Jews, have retained their particular traditions, their culture, their language, and their feeling of community.

Like the Jews, the Armenians were, through the centuries of their dispersal, merchants and traders, in Europe and the Near East. They were the financiers who helped

maintain the stability of kingdoms and empires.

And like the Jews, the Armenians, through the Middle Ages, were among the few peoples who helped keep alive the culture and wisdom of the ancient past, who nurtured poetry and literature during those centuries when an intellectual darkness had settled over the Western World.

Today, we are observing the 37th anniversary of the proclamation of independence of the Armenian Republic. Like the Republic of Israel 30 years later, the Armenian Republic was born in the midst of chaos and as an aftermath of war.

This Republic was created not by international fiat, but by the heroic, the almost unbelievable struggles of the Armenian people. In fact, those struggles were not confined to the months immediately preceding the event, but took place over countless generations and even centuries.

Again like Israel, the rebirth of the Armenian state in 1918 was a true miracle. Out of chaos, order was established. Out of hunger, starvation, and poverty, an economy was organized. In the very midst of despotism, totalitarianism, and tyranny, democracy took root and grew.

The military forces of Armenia's great neighboring powers, Turkey and Soviet Russia, were driven out and defeated. The battles that took place on Armenian soil against Turkish Armies between May 23 and May 28 of 1918 deserve to be numbered among the military epics of the ages.

In the months following the establishment of the Armenian Republic, there took place—again as in Israel 30 years later—an ingathering of Armenians from all over the world who flocked to the rocky hillsides of this historic land to take part in the defense and the building of the new state.

A great renaissance of Armenian culture took place. It was a stirring time—an historic time.

Today we meet to draw—all of us—renewed inspiration from that event and that time.

But Armenia's independence, and the happiness of her people in their new-found freedom, were shortlived.

Except for her legions of individual friends and well-wishers throughout the world, the Republic of Armenia was alone, surrounded by enemies. There was no United Nations—not even a League of Nations—to help preserve Armenia's freedom.

True, the victorious Great Powers recognized Armenia's independence. America sent food by the shipload. The American Government and the American people as individuals contributed to the relief of the Armenian people. But no armies marched and no ships of war sailed to the rescue when the Turkey of Kemal Pasha and the Russia of Lenin and Trotsky joined, despite formal agreement and covenants to the contrary, in a dread conspiracy to destroy the Armenian Republic.

The Turks from the south and the Bolsheviks from the north threw themselves upon the tiny Republic and soon Armenia, despite heroic resistance, ceased to exist as a political entity. Especially marked was the duplicity of the Soviet Government—a habit of duplicity which the rest of the world was to learn more about in the years to come.

There was a treaty signed with Turkey in August 1920, recognizing the Armenian Republic. The Grand Council of the Allied Powers recognized and affirmed that treaty. But it became, like so many other treaties, a scrap of paper. The light of freedom in Armenia was snuffed out.

Thirty-five years have passed since then. But still the precious flame of nationhood which had burned in the hearts of the Armenian people for so many centuries has not been extinguished. In ages past, czars, emperors, mamelukes, and sultans had tried to destroy that flame. They had not succeeded. Neither has the Kremlin. And it never will.

During the past 35 years the Armenian people have been exposed to the same savage treatment which has been meted out to every other national minority behind the Iron Curtain. The crime of genocide has been perpetrated, persistently and brutally, in many parts of the Soviet world. But nowhere more violently and nakedly than in Soviet Armenia. Still the people of Armenia persist in surviving. And despite the Communist blandishments, propaganda, and brainwashing, to which the Armenian people have been intermittently exposed through the years, the fierce hope and restless dream of eventual freedom and independence still persist among this people.

We have good evidence that the Armenians have remained firm in their faith in freedom. The Communist masters continue until this day to inveigh against, and to denounce, Armenian nationalism.

The Armenian people know, in their hearts, that throughout the free world there exists a determination that one day Armenians will again be free, and the cultural values of Armenia again enshrined, in all their glory, in that historic land.

But let us not forget for a moment, while we gaze into the reaches of the future, the present agony which the Armenian people are enduring.

We must not forget the slave-labor camps, the peasantry exploited, the workingmen and women brutalized, the middle class, and the intellectuals exterminated.

We must not forget the murders, the tortures, and the mass deportations. We must not forget the reign of terror now prevalent in that unhappy land.

Nor should we forget these practices in Czechoslovakia, in Poland, in Hungary, in Rumania, in Lithuania, in Latvia, in Estonia, in Caucasia, and in Georgia. Never have so many been oppressed by so few.

Genocide, developed to a science by Nazi Germany, has been practiced on an even vaster scale by Soviet Russia. Although history is not without its long list of instances of genocide, never has the commission of this crime taken place on such a prodigious scale.

It is surely up to the free peoples of the world to give unmistakable notice to the cruel men in the Kremlin that genocide in Armenia, and indeed, throughout the periphery of the Iron Curtain, has not gone unobserved and will not go unpunished. It must surely be accounted for one day at the bar of international justice.

There must be no retreat from this stand. There must be no compromise with this principle. I hope we never condone these crimes as part of any deal, incidental to any negotiations, anywhere.

We in the United States can show our determination in this direction in a very simple and immediate way—by moving promptly to ratify the Genocide Convention which has been gathering dust in a pigeonhole of the Senate Foreign Relations Committee for several years. It is a shameful thing that we have not ratified this covenant. It constitutes a betrayal of the memory of those who have been the victims of genocide, and of those who still face the threat of extinction by it.

A little more than 2 years ago the General Assembly of the United Nations approved a resolution urging speedy ratification of the Genocide Convention by all member governments. The United States voted for that resolution. Yet the Eisenhower administration has thus far made no move to urge the Senate Foreign Relations Committee to act on the genocide pact. Indeed, quite the contrary.

Whenever the genocide pact is mentioned, the President of the United States and the Secretary of State appear to be listening to something else.

Then there is the question of so-called liberation. How cruelly hopes were raised when the political orators of the Republican Party, seeking not strength abroad but votes at home, promised the early liberation of the enslaved peoples. They promised action, not words. And by action, they meant force.

That was a most unfortunate exercise in political demogogy. Hopes that were kindled were just as quickly extinguished when the promise was confronted with the facts of life.

My friends, we all pray for the liberation of the enslaved peoples of Europe and Asia Minor. But we must do much more than pray. We must have a policy and a program to accomplish it.

That program cannot be based on force or war. The free world shrinks from the thought of war, as from the thought of death, itself. In the era of the hydrogen bomb, liberation by war would mean not freedom but total destruction and annihilation.

There are other, surer roads to the goal of freedom. Those roads are hard; they may be long. But freedom was never won by easy formulas or slick slogans. Freedom is won by sacrifice, by heroism, by dedication, and by courageous and unyielding resolve.

The road to freedom is the high road. It is a noble goal. It must be nobly attempted and nobly achieved.

Let us consider the subject of our observance today, the independence gained by Armenia 37 years ago. The First World War has been described by historians as the destroyer of empires. Three great empires of that day—the Ottoman Empire of the Turks, the Austro-Hungarian Empire, and the German Empire—disappeared.

It was a time of birth and rebirth of nations. The banners raised by President Woodrow Wilson were emblazoned with moral principles, to which the hearts and minds of men responded with a mighty outcry. Freedom and self-determination were the watchwords of victory. Imperialism was the enemy. Out of the ferment of those times, Armenian independence sprung.

But the high ideals so nobly expressed were followed by mean actions. Each nation staked out its own interest. Spheres of influence were callously divided. Colonialism received a fresh sanction.

In this atmosphere—the atmosphere of power politics as usual—freedom was an early victim. Idealism passed quickly from the scene. Isolation became the nostrum by which we in the United States sought to insure ourselves against responsibility for what was happening abroad. Armenian freedom, of course, went with the rest.

Today, although the scene is much different, it is still in essence the same.

We in the United States have learned a little from our experience in two world wars, but, I am afraid, not quite enough. We still overvalue power and undervalue principle. We are no longer isolationists—far from it—but we are inclined to discount the power of ideals, which is actually the greatest power we have.

We should and could be preaching freedom from every platform in every world forum. We should and could be denouncing colonialism, wherever it exists and by whomever it is practiced.

I do not mean that we should alienate ourselves from our friends and allies—those which still practice colonialism. But we should never cease to urge them to give heed to the principles of self-determination for minorities and dependent peoples. We should never cease to advocate the principle clearly and consistently.

What a greater moral stature that would give us in confronting our enemies and in opposing the colonialism of the Communist dictatorships, for theirs is the most vicious

colonialism of all. Theirs is the most virulent form—the most oppressive, tyrannous, heartless, and cruel of them all. We could mobilize behind our enlightened leadership the insistent opinion of the overwhelming majority of free mankind. That would constitute a force before which even the Iron Curtain would give way. Physical force can resist physical force, but physical force cannot cope with the force of a moral idea.

Our policy should be to advance that moral idea in every way and on every occasion. We should make ourselves the champions of that moral idea—the idea of freedom for all who seek it, of independence for all who choose it, and world cooperation for the enforcement of the rights of each and of all.

Implicit in this concept are the moral ideals of peace and of justice. There is no deeper yearning in the world today than for these objectives.

If we are to be the champion of these moral ideals, we must, of course, practice them at home, as well as preach them abroad. We must feel free in order to advocate freedom.

We must practice brotherhood in order to urge it on a world scale.

We must assure equal rights to our own minorities in order to advocate those rights for minorities abroad.

We must revise our immigration laws to make them conform to the principles we urge in world affairs. We must open our gates to a fair number of refugees and escapees from abroad.

We must amend the Refugee Relief Act, and completely revise the iniquitous, the cruel and discriminatory McCarran-Walter act.

If we do these things at home, we will be in a position to plant our banners of freedom and justice abroad.

Then we will be able to rally to those banners the millions and hundreds of millions of human beings who wait with eager ear for some clarion call which will unite them all, in their vast and many-tongued multitudes, in a single community of purpose and interest.

Much of mankind has but recently awakened from the long sleep of centuries. Much of mankind comprehends with increasing clarity today the power of mass action—the irresistable force of the collective approach.

They are moved today by many stirrings—some responsible and some irresponsible; some constructive, and some destructive.

Freemen in many lands are aware of the menace of Communist aggression, and disillusioned with the brutality of the Communist practice. They are frightened, too, by the looming threat of massive slaughter—of cosmic suicide.

So they listen for a voice which will speak of peace and of security, and of justice and of freedom in the same breath. It must be a clear voice, sincere and without hypocrisy.

If such a voice is raised, it will echo throughout the world, and it will be answered by such a thunderous response as will bring the men in the Kremlin, and the other despots of the earth, to their knees, and to their end.

God give us strength to speak in such a voice, and to act in such a way as to give hope to the enslaved, and courage to the free.

RICHARD I. BONG AIR FIELD IN RACINE COUNTY, WIS.

Mr. WILEY. Mr. President, on Sunday, May 22, it was my privilege to be present at the dedication of a new school annex in Douglas County, Wis., in honor of America's ace of aces of World Wars I and II, the late Maj. Richard Ira Bong.

At that time, I made the suggestion that a new $16 million Air Defense Command base to be built in Racine County, near Kansasville, Wis., be named the Richard I. Bong Base, in honor of this immortal hero. I have written to Secretary of the Air Force, Harold Talbott, in regard to this objective, and I earnestly trust that this goal will be fulfilled.

I may say that one of the most moving aspects of the dedication ceremony was the remarks made by Dick Bong's chief, general of the Fifth Air Force, George C. Kenney. General Kenney in postwar years has continued his outstanding service to America. This is particularly exemplified by his continued spearheading of the need for invincible United States air power, especially in his present capacity as chairman of the Board of the Air Force Association. The general serves, moreover, as the president of the Arthritis and Rheumatism Foundation of our country—a group which has done outstanding work in the field of research, care, and rehabilitation of the arthritis-afflicted.

I send to the desk, and ask unanimous consent to have printed in the RECORD, the text of General Kenney's eloquent comments. By way of background on the man who delivered them, I ask unanimous consent that they be followed by a biographical summary of the splendid career of this fine military leader—Dick Bong's wartime commander.

Finally, I include the text of a heartwarming editorial from the current issue of the Wisconsin VFW News. The VFW is to be congratulated for its pioneering in recommending the honoring of Wisconsin's Dick Bong by a living memorial—a goal which now has been fulfilled.

There being no objection, the address, biographical summary, and editorial were ordered to be printed in the RECORD, as follows:

TEXT OF REMARKS BY GEN. GEORGE C. KENNEY, USAF, RETIRED, CHAIRMAN OF THE BOARD, AIR FORCE ASSOCIATION, AT THE DEDICATION OF THE RICHARD I. BONG MEMORIAL, POPLAR, WIS., MAY 22, 1955

It was August 6, 1945. I was on my way to the strip on Okinawa to take off for General Headquarters Southwest Pacific area in Manila, when a radio which had been relayed from there was handed me by my signal officer. I stopped thinking about the atomic bomb which that morning had wiped out Hiroshima; stopped speculating about the effect of the coming entry of Russia into the Pacific war; even stopped thinking of the capitulation of Japan which we all knew was about to take place in a few days. Wherever I landed, I found that the whole Fifth Air Force felt the same way. We had lost someone we loved, someone we had been glad to see out of combat and on his way home, 8 months before.

Maj. Richard Ira Bong of Poplar, Wis., was dead. That was the message that had taken our minds off the war, the Japs, the A-bomb.

Maj. Richard Ira Bong, who had ruled the air from New Guinea to the Philippines; hero and victor in a hundred encounters; officially credited with the destruction in air combat of 40 enemy aircraft and unofficially with at least as many more, and decorated with every medal for valor that his country could give him. He had met the best the Japanese Air Force could send against him, and had won. The kids used to say, "There isn't a Nip in the empire who can get Dick Bong in his sights." You see we not only loved him, we boasted about him, we were proud of him. That was why each of us got a little lump in our throat when we read that telegram.

Maj. Richard Ira Bong, ace of American aces in all of our wars, who is destined to hold that title for all time. With the weapons that man possesses today, no war of the future will last long enough for any pilot to run up a score of 40 victories again. His country and the Air Force must never forget their number one fighter pilot, who will inspire other fighter pilots and countless thousands of youngsters who will want to follow in his footsteps every time that any nation or coalition of nations dares to challenge our right to think, speak and live as a free people.

May this memorial building, donated by the Veterans of Foreign Wars and citizens of this community, serve as a shrine at which we may constantly resolve to see to it that we preserve our country, our ideals and our freedom. May it also constantly remind us of our debt to our youth which has always been willing to make any sacrifice to insure that the rest of us can keep and inherit this freedom. We owe a lot to our youth—youth typified by Dick Bong.

Today, tomorrow and for all time, we salute you, Dick—gallant gentleman—hero—ace of aces.

BIOGRAPHICAL SKETCH OF GEN. GEORGE CHURCHILL KENNEY

Gen. George Churchill Kenney, United States Air Force, retired, was a pilot in World War I and Chief of the Pacific Air Command in World War II.

Gen. Douglas MacArthur said, in describing him during the Pacific war: "General Kenney is unquestionably one of the best qualified air officers in the world today."

He introduced skip bombing, lob bombing, and the special bomb fuse which made the Nipponese Navy a duck hunt for his air forces. He scrapped the tech manuals and mounted eight and later twelve .50-caliber guns in the fuselage and nose of his B–25 Mitchells and six in the A–20 Bostons making them the terrors of the Pacific. He invented the destructive parachute bomb and produced countless other bomb improvisations until they, in his own words, "sang all the notes in the scale, cut through trees 2 inches thick and a hundred feet away like a knife, and, when they land in the jungle, slash enough room for a baseball diamond minus Japs."

Kenney was born August 6, 1889, in Nova Scotia where his family was vacationing. They returned to the family in Brookline, Mass., shortly after.

General Kenney attended grade and high school in Brookline, Mass., and spent 3 years at the Massachusetts Institute of Technology. His interest was turned to aviation at that time when he saw a Bleriot being demonstrated over Boston Harbor one day. He and two equally aviation-minded young comrades thereupon began construction on a plane of their own. The result was an aircraft that taxied with all the fury and promise of a modern B–29 but left the ground only when it hit a rock and bounced into a glide.

The start of the First World War found Kenney enrolled in the ranks of aviation cadets. His flying instructor for the brief period that constituted training in those days was Bert Acosta. Kenney shipped overseas with 17 flying hours to his credit and an abundance of self-confidence. He flew 75 missions, shot down 2 German planes and was shot down once himself. He ended the war a captain with the Distinguished Service Cross and the Silver Star.

The years between 1919 and 1939 saw Kenney proceed through the regular steps of advancement open to the peacetime officer. He concentrated on aeronautical development and its application to warfare during this phase of his AAF career. His military

schooling included Air Corps Engineering School, 1920; Air Corps Tactical School, 1925; Command and General Staff School, 1926; and Army War College, 1932.

In 1924 he registered his initial "first" when he became the first man to fix machine-guns in the wings of a plane. He installed two .30-caliber Brownings in the wings of an old DeHaviland and demonstrated this revolutionary method of increasing the firepower of aircraft.

In the prewar expansion period in 1939, Kenney, a major, became Chief of Production at Wright Field, Ohio. A year later he went to France as assistant military attaché and was promoted to lieutenant colonel. Returning to Wright Field after his tour of duty in France, he became technical executive and later commander of the Experimental Depot and Engineering School with the rank of brigadier general. He never held the rank of colonel, an omission which, the general said at that time, "would probably be corrected on the way down after the war."

In March 1942 he moved up to major general and out to the west coast to assume command of the Fourth Air Force. Four and a half months later, in July, he arrived in the Southwest Pacific to become commanding general of the Allied Air Forces in that theater. The Japs were in complete control of the air, being contested by less than 10 serviceable Fortresses and a handful of fighters. The immensity of the task of building an Allied air fleet was apparent to General Kenney when he remarked with his characteristic candor to a reporter: "Nobody is kidding me about this show."

In a little more than a year after his arrival General Kenney's air forces had beaten off the Japanese aerial attacks in Australia and approaches, bombed Jap bases to the north and during the Papuan campaign, supplied an entire Allied force of two divisions by air with materiel, troops, ammunition, hospitals, etc., driven to cover the portion of the Jap shipping they hadn't sunk, and wrested superiority of the air in the Southwest Pacific. The paratroop operation at Nadzab, New Guinea, and the seizing of the Markham-Ramu Valley during the fall of 1943 with an airborne, air-supplied infantry division are still regarded as models of this type of warfare.

During the 3 years he conducted the successful air war against the Japanese, the general became Commanding General, Far East Air Forces and then Commanding General, Pacific Air Command. He added a third star in September 1942 and a fourth star in March 1945.

Returning to the States after the war, General Kenney served as senior United States military representative on the Military Staff Committee of the United Nations from January 1, 1946, to October 15, 1946. He assumed command of the Strategic Air Command at Andrews Air Force Base, Washington, D. C., on April 1, 1946. On October 29, 1948, he succeeded Maj. Gen. Robert W. Harper as Commanding General of the Air University, Maxwell Air Force Base, Ala.

General Kenney retired from the United States Air Force on August 31, 1951. On October 1, he became president of the National Arthritis and Rheumatism Foundation with headquarters in New York City.

General Kenney has been awarded the Distinguished Service Cross with Oak Leaf Cluster; Distinguished Service Medal with Oak Leaf Cluster; Silver Star; Distinguished Flying Cross; Purple Heart; and Honorary Knight Commander, Military Division, Order of the British Empire.

General Kenney lives with his wife, Alice, at their home in Scarsdale, N. Y. He has a son, William, in the Air Force, and a daughter, Julia.

General Kenney was elected president of the Air Force Association in 1953. He became chairman of the board in 1954.

[From the Wisconsin Veteran of May 1955]

MAJ. RICHARD IRA BONG—A TRIBUTE

(By Charles House)

A farm kid from Wisconsin died in a Shooting Star, and a Nation mourned.

Newspaper presses rumbled strange words onto page one: The farm kid was identified as Richard Bong—greatest combat pilot in the history of the world.

Sidebar stories cited his record of enemy kills with his chattering guns: 40 confirmed and 9 more of the enemy aircraft down in flames, but unconfirmed as "kills."

The news stories listed his military honors. So long was the list, so imposing!

The facts were impressive—but it was almost incomprehensible that young Dick Bong, a pug-nosed young man from Douglas County who had just clambered down from his father's wheezing tractor and became the international ace of aces.

It happened so fast. One year Dick Bong was singing soft and gentle songs in the church choir at the village of Poplar. A few years later, he was an intrepid fighter pilot—the best in the world. His mother still called him "Sonny."

He was born in 1920. He scored his first double kill on his debut over Buna in December 1941. A year later he was the ranking Anglo-American ace. Four years later he was retired as a combat pilot.

On August 6, 1945, Dick Bong climbed into the cockpit of the P–80 Shooting Star, an experimental jet plane, then the fastest in the world.

Moments later he roared into the sky—a good, sweet-minded farmer boy on his date with death. There was a puff of black smoke, the right wing dipped as though in a farewell salute to the world. Then there was a hollow roar. The plane disintegrated. Dick Bong had died instantly.

The Nation mourned his death, for this young man had never displayed the "killer instinct." He was what we like to call "a good guy." The glory which was heaped upon his blond head never took. He was unaffected, sincere, likable, and gentle.

A reporter once asked him how it felt to be the greatest fighter pilot in history. Bong turned his blue eyes on the reporter and said, "Not a darn bit different."

A Nation needed this unassuming young man, needed his kind for our children. We needed him to characterize the fact that ours is a Nation of kind, simple, down-to-earth people, who are basically good. And that—like Richard Bong—we can be stirred to great, heroic deeds in time of war.

We needed Richard Bong, but we lost him, except to history. Now—after 10 years of futility in seeking an adequate monument for this intrepid farmer kid who was terrible in war—we erect to his memory a "living monument." This is being done at the suggestion of the Wisconsin Veterans of Foreign Wars and by VFW work in providing some of the funds for the project, in joint cooperation with hundreds of other persons who believe as we do.

And we believe that the school and gymnasium for the young people of Richard Bong's community is a gentle way to recall a good American boy. Peaceful and good, but great, brave, and terrible in war.

We will remember how our Richard Bong was in peace. Let the sabre-rattling aggressors remember him at war.

THE POSTAL PAY BILL

Mr. WILEY. Mr. President, I am pleased that the long effort to achieve a pay raise for Government postal workers and classified employees is now drawing to a close. I earnestly hope that the final details can be resolved so that this proposed legislation can, with complete unanimity, be enacted by the Congress with the necessary retroactive features.

I am particularly pleased that the rural letter carriers will be assured justice in the forthcoming proposal. I was pleased to hear today from Mr. Melvin Lemke, secretary of the Wisconsin Rural Letter Carriers Association, whose motto is "Service With a Smile." This association endorses the bill.

I trust that shortly we shall have good news to report to the members of his association and all other postal groups throughout the Nation.

PROPOSED NATIONAL YOUTH REHABILITATION CORPS

Mr. WATKINS. Mr. President, considerable national interest has been expressed in my recently introduced bill, S. 1832 to establish a National Youth Rehabilitation Corps.

This interest undoubtedly originates from our overall concern with the national problem of juvenile delinquency. My proposal is not to be construed as a panacea for this grave and complicated problem, but it does offer a concrete avenue of attack on part of the problem. Furthermore, it is based on a program already underway in my own State, and can draw on the experience and the accomplishments achieved by the Civilian Conservation Corps in the depression years.

Several editorials on this subject in newspapers throughout the country have been brought to my attention, and I hereby request unanimous consent to have them printed in the RECORD at this point as part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Cleveland (Ohio) Plain Dealer]

NEW APPROACHES TO AN OLD PROBLEM

There is no question about it—juvenile delinquency is one of this country's most pressing problems. Together with many another American we have spent sleepless nights wondering what the cure may be. For cure is the important thing—not punishment. We must, somehow, come up with something which will inspire the youngsters to prefer to be good kids rather than bad kids. It must be something they want to do themselves, rather than something they are forced to do.

An editorial in the Deseret News of Salt Lake City has set us thinking that perhaps two pressing problems could be solved at the same time. Most important, of course, is the desire to have our sons grow into self-reliant, law-abiding men. Less important, but worthy of consideration, is the condition of our national forests and parks, where a great deal of work needs to be done.

Since none of the Governmental and private agencies studying juvenile delinquency have come up with any answer other than that it exists and is spreading, it might be well to consider any possible value in a bill sponsored by Senator ARTHUR V. WATKINS, Republican, of Utah.

Senator WATKINS calls his program the National Youth Rehabilitation Corps. It would give young men from the ages of 16 to 25, who have been convicted of a felony or misdemeanor and put on parole or probation, an opportunity to join a group working on resource-conservation on Federal lands.

Such youths would get specified amounts of education along citizenship, vocational,

and military lines, in addition to their work. They would be paid from $25 to $35 per month, and would be subject to losing their parole or probation for violating rules or generally not fitting into the program.

We believe Senator WATKINS has something. There is a definite therapeutic value in working in the open. Men—even young men—begin to be affected by the beauty of God's handiwork, and even though they may fight it they find themselves beginning to think straight. The CCC camps handled some pretty tough customers, and made civilized men of them. The more we consider it, the more we feel sure that Senator WATKINS' bill has much to recommend it.

But what about the youngsters who haven't yet found themselves in bad trouble, but who seem to be headed that way; in short, the borderline cases too young and too tender to fit into a scheme like that of Senator WATKINS? What can be done to save them, outside of repeated admonitions to parents that they must stay with the job 24 hours every day?

A bill introduced in the Ohio Legislature by Representative Leonard Bartunek would provide for the creation in the State department of welfare of a parent-youth program division. George V. Woodling, Rocky River civic leader, is author of the proposal. Under this plan the State would encourage counties to set up parent-youth boards which would seek to bring parents and youth closer together in family interests and recreation. Each county board would consist of 15 members, at least 4 of whom would be 2 boys and 2 girls under 18.

We noted with interest this paragraph:

"The county board, upon becoming aware of any youth groups, clubs, or 'gangs,' shall endeavor to arrange for adult supervision for such groups, as well as to consult and confer with their parents, guardians, or other persons responsible for their welfare to the end of directing their energies into channels for developing good citizenship."

It sound good to us!

[From the Grand Rapids (Mich.) Herald]

RECLAIMABLE RESOURCES

There are real possibilities for invaluable reclamation of our national resources—the most priceless of which is our youth—in a plan presented to Congress by Senator WATKINS, of Utah, in a bill, S. 1832, which would set up a National Youth Rehabilitation Corps.

This would be a 1955 successor to the Civilian Conservation Corps of the 1930's which served young men, and the Nation, so well in a period of unemployment by taking boys from relief families into the forests and the mountains for useful work and training which paid off not only in material improvements but in human values.

There is this difference. The young men of the NYRC, unlike those of the CCC, would be those of 16 to 25 who had been convicted of a felony or a misdemeanor and put on parole or probation. Such young men would have a chance to join. They would be given citizenship, vocational, military, and general education, and put in 25 hours a week at constructive labor. They would be paid $25 a month ($35 for certain leadership responsibilities), and whether they made good would be up to them. Failure would be a violation of probation or parole, of course.

The idea is not unlike that advanced for Michigan by a number of our circuit judges who have advocated probation camps for young men who do not belong in prison, but for whom there is no other place. Sending them back to their old environment on probation would be only to invite further trouble.

It is in line with the modern idea that prevention is better, cheaper, and more promising than a cure.

Here in Kent County, that is the idea behind the emphasis on the need for putting fewer children in Children's Home and more into foster homes, or when that seems advisable, into their own parents' homes under court supervision.

The Deseret News, Salt Lake City, Utah, which is credited with inspiring the idea (Utah is already setting up such a program), notes two great problems. One, the least important but still a great one, is the condition of our national forests and parks. Not since the CCC days, the Deseret News points out, has anything been done toward building permanent recreation or sanitation facilities or in building roads and trails. It calls conditions in some of them a downright disgrace.

"The other problem," the Salt Lake newspaper went on in a recent editorial, "lies in the youngsters of America themselves. The great majority of them are sensible, straightforward, wonderful kids who will make good citizens under almost any circumstances. A very few will go bad under almost any circumstances. And many are borderline youngsters who can go either way. The tragic truth is that an increasing number of them are going the wrong way."

Many have been talking about juvenile delinquency—the Kefauver committee, the more recent Hendrickson committee, the Senate Judiciary Juvenile Delinquency Subcommittee—but here is a specific remedial program.

While no State should wait to pass the buck to the Federal Government, a national program is needed. Some States may not have public forests and parks for such camps. Some have national parks and few people. Michigan, of course, has—and has made small beginnings with establishments for prospective parolees. Probably Michigan could find enough work for all, certainly most, of the probationers and parolees that might be sent to the camps. Other States might not.

As a plan for killing 2 birds with 1 stone, the Deseret News-Watkins plan is a good one. The probationers should earn their keep by preserving and improving natural resources; but more than that they would have an opportunity to put their clouded past behind them and become good, respected, useful citizens.

[From the Racine (Wis.) Journal-Times and Sunday Bulletin]

MOVE TO AID YOUTH AND DO NEEDED JOB

Out of the State of Utah has come an idea that merits special attention of everyone interested in arresting the growing amount of juvenile delinquency and rehabilitating young people who have become involved with the law.

The idea, originated with Salt Lake City newspapers, has been accepted by the State of Utah, and was launched on a national scale a few weeks ago by Senator WATKINS of Utah who introduced legislation in Congress.

Briefly, the Watkins bill would establish a National Youth Rehabilitation Corps open to young men between 16 and 25 who have been convicted of felony or misdemeanor or judged delinquent. They would be placed on parole or probation and assigned to work camps in our national parks, where they would receive a certain amount of education and put to work for 25 hours a week on reclamation or building projects. They would be paid $25 a week, or $35 for those who are qualified for group leadership. Of course, they would be under supervision in their living quarters, schooling and work.

The Deseret News of Salt Lake City points out real possibilities here for invaluable reclamation of our resources—the most priceless of which is our youth.

A second value of the program is the work that could be done in the national forests and parks by such groups of young men. The parks need to develop both existing and new facilities. They have been rapidly falling behind the increased use put on them in the past 10 years.

The idea of a National Youth Rehabilitation Corps harks back to the Civilian Conservation Corps of depression years. In its working operation, the CCC was very similar, although it used young men who were victims of the depression as the source of its working force. The CCC served a double function in solving a social problem and getting valuable work done. Not even the sharpest critics of the New Deal at that time would deny that it did those two jobs well.

We are confronted at present with a similar situation—a social problem and a need for work on our nationally sponsored recreational facilities. The Rehabilitation Corps as outlined in Senator WATKINS' legislation seems to be one answer to both of those problems.

Congress has heard many reports on the delinquency situation in recent years—from the Kefauver committee, the Hendrickson committee, the Senate Subcommittee on Juvenile Delinquency, the FBI, and other agencies in and out of Government. In answer in those reports, Senator WATKINS has put forth a concrete plan of action toward a solution. The proposal should get serious study in Washington.

[From the Camden (N. J.) Courier-Post]

DUAL RECLAMATION PROJECT, "MOUNTAINS MAKE TALL MEN"

One of the happiest creations of the early New Deal days was the Civilian Conservation Corps.

It took hundreds of thousands of young men, unable to find private employment, and put them to useful work all over the country—work that was far from being the leaf-raking type, but was of great value in conservation of our natural resources. For members of the corps it was even more valuable in building up their morale and physique and giving them a practical education that was beyond price.

World War II necessarily brought about the end of the CCC, but it might have been a good idea if it had been revived with the coming of peace. For one thing, it was a preventive of delinquency in the 1930's that should be equally effective at any time. For another, much of the good conservation work the CCC did in its day has been abandoned, much of it undone because to be permanent it must be reasonably continuous. Unemployment does not enter into the picture the way it did 20 years ago, but there is always enough of it to make the presence of such an organization valuable.

Senator WATKINS (Republican, Utah) has just introduced a bill in Congress to set up an organization patterned on the CCC though unlike it in one important respect. Whereas the CCC was in no sense intended as a remedial program for delinquency, the Watkins proposal is. It is an extension on a national scale of a similar program his State has set up. It is designed to attack what the Deseret News-Salt Lake Telegram calls "two great problems in America," and the hope is it "may prove to be a sound, relatively inexpensive way to tackle both of them."

"One problem," says the Salt Lake City newspaper, "the least important of the two but still a great one, is the condition of our national forests and parks. Not since CCC days has anything very substantial been done toward building permanent recreation or sanitation facilities in the forests or in building roads and trails. The condition of many of our national parks is a downright disgrace. Both the parks and forests are under tremendously increasing pressure from public use. We are falling far short of meeting

that pressure. Much work needs to be done."

The other and greater problem, the paper continues, is delinquency. It is not confined to the very few youths who will go bad under almost any circumstances, but includes the many borderline youngsters who can go either way and who, every source of information proves to us, are going the wrong way in increasing numbers.

"One beginning of a solution," the Utah paper says, "may be the National Youth Rehabilitation Corps, as Senator WATKINS has called the program. His bill (S. 1832) would give young men age 16 to 25 who have been convicted of a felony or misdemeanor and put on parole or probation an opportunity to join a group working on resource conservation on Federal lands. The youths would get specified amounts of citizenship, vocational, military, and general education, and be expected to put in 25 hours of constructive labor. They would be paid $25 a month ($35 for certain leadership responsibilities), and would, of course, be subject to losing their parole or probation for violating rules or generally not fitting into the program."

The Deseret News-Telegram says, and we enthusiastically agree, that while "there is no simple cure-all for what ails the small minority of our youngsters who get in trouble * * * there are real possibilities here for invaluable reclamation of our resources—the most priceless of which is our youth."

The Courier-Post joins in hoping that "the proposal will be given thorough congressional and editorial and public discussion throughout the Nation."

Although as far as we are concerned, it doesn't seem to need too much discussion—it seems so eminently sound and wise from any viewpoint that the quicker Congress adopts it the better.

[From the Pensacola (Fla.) News]

YOUTH REHABILITATION CORPS PLAN PROMISING

Full commendation must be accorded legislation introduced by Senator WATKINS, Republican, of Utah, to help overcome the problem of juvenile delinquency with reference to boys. It should receive the approval of other legislators and of the public.

One helpful start toward solution to this problem may be the National Youth Rehabilitation Corps, as Senator WATKINS has called the program. His bill, S. 1832, would give young men age 16–25 who have been convicted of a felony or misdemeanor and put on parole or probation an opportunity to join a group working on resource reservation on Federal lands.

Without going any further the value of the bill is immediately apparent. It doesn't merely halt infection, as it were, it presents a cure, which is what is needed. It is to be hoped the bill will be given full congressional study and that, in the meantime, Utah will provide a good testing ground for national consideration.

[From the Mason City (Iowa) Globe-Gazette]

MOUNTAINS MAKE TALL MEN

Utah's Senator WATKINS is sponsor of a bill which would give young men, 16 to 25 years old, who have been convicted of a felony or misdemeanor and placed on parole or probation an opportunity to join a group working on resource conservation on Federal lands.

Such youngsters would get specified amounts of citizenship, vocational, military, and general education, along with their physical labor in the forests. There would be nominal pay for them and violating the rules would mean loss of parole or probation status.

In Senator WATKINS' home State, the Salt Lake Deseret News is offering vigorous editorial support to his proposal. One of its recent editorials on the subject bore the picturesque heading, "Mountains Make Tall Men."

There is something in this reminiscent of the Civilian Conservation Corps of 20 years ago or so. And it must be admitted that program looks a lot better in retrospect than it did in operation.

[From the Kinston (N. C.) Journal-Times]

A MEASURE WORTHY OF SERIOUS CONSIDERATION

Senate bill 1832, which would set up the National Youth Rehabilitation Corps and was advanced by Senator ARTHUR WATKINS of Utah, is a measure worthy of serious consideration by the Congress. It may well contain a partial answer to the problem of juvenile crime in America.

The measure would give young men from 16 to 25 years of age who are convicted of a felony or a misdemeanor and placed on probation a chance to join a work corps on resource conservation on Federal lands. It is patterned after a successful program in Utah, where a State law has made such a program possible for some time, and is reminiscent of the Civilian Conservation Corps operations in the 1930's.

The youths would get specified amounts of citizenship, vocational, military, and general education and be expected to put in 25 hours of constructive labor per month. They would be paid $25 per month and $35 for certain leadership responsibilities, but would be subject to losing their parole or probation in the event they violated the rules set up for the project and did not fit into the program.

There are few communities which do not have one or more youths who would benefit from such a training program. Properly handled it could be the start of really useful careers for many of these young men. The metropolitan areas have a real problem with growing juvenile crime. Unless something is done speedily, a whole generation of new criminals will be created by these thugs and thrill-slayers. Crime has jumped by nearly 4 times the 7 percent rise noted in the population since 1950.

Something must be done. It would seem that Senator WATKINS' measure is a step in the right direction. We hope it gains the early and enthusiastic support of the entire Congress.

[From the Deseret News and Salt Lake Telegram]

MOUNTAINS MAKE TALL MEN

Usually the best big ideas and big programs start as little ones conceived to fit a local need. The idea being developed by Captain Haight, of the Salt Lake City police, and others is one that could develop into something big and important.

Captain Haight read an editorial on this page recently about the need for more construction and maintenance work in the national forests. He was struck by the idea that sending boys who run afoul the law up into the mountains to do the work could be of great benefit to the boys themselves as well as to the public.

He is right. The conditions that brought the CCC into existence in 1933 were far different than exist today, of course. But today's delinquency has its roots in many of the same problems the CCC was organized to combat—idleness, lack of incentive, lack of a sense of accomplishment. The fact that many of today's leaders are CCC graduates bears witness to how well that organization helped overcome those problems, and, of course, most of the permanent recreation, sanitation, and other facilities in the national forests date back to CCC days.

The plan now being considered is to have older teen-age boys from the Ogden Industrial School—and those who would otherwise be sent there—work in the forests during the summer months. It would not be a chain gang. The assignment would be entirely voluntary, and the boys would be on their honor. They would be given incentive pay—a dollar a day has been suggested—to do an honest day's work.

There are serious problems to be worked out. Chief among them is the financial one. Who would pay the wages? The Forest Service can't under existing laws and directives. State and county welfare budgets have no provision for such costs. There are also problems of transportation, supervision, food and quarters, and support of labor leaders. All these can and should be worked out. And they will be, judging from the enthusiasm of all those who have had anything to do with discussion of the project so far.

This is certainly a worth-while experiment. Those concerned with juvenile delinquency on a national scale, as well as those in Washington who are concerned with maintaining our national forest facilities, might well watch it closely.

[From the Deseret News and Salt Lake Telegram]

MOUNTAINS MAKE TALL MEN—II

We earnestly commend to the attention of the public and our fellow editors the legislation introduced by Senator WATKINS Tuesday to send boys in trouble into the Nation's forests.

Not because this newspaper is credited with inspiring the idea. Not because what Senator WATKINS proposes on a national scale is patterned after the program already being set up in Utah.

But because there are two great problems in America, and this program may prove to be a sound, relatively inexpensive way to tackle both of them.

One problem, the least important of the two but still a great one, is the condition of our national forests and parks. Not since CCC days has anything very substantial been done toward building permanent recreation or sanitation facilities in the forests or in building roads and trails. The condition of many of our national parks is a downright disgrace. Both the parks and forests are under tremendously increasing pressure from public use. We are falling far short of meeting that pressure. Much work needs to be done.

The other problem lies in the youngsters of America themselves. The great majority of them are sensible, straightforward, wonderful kids who will make good citizens under almost any circumstances. A very few will go bad under almost any circumstances. And many are borderline youngsters who can go either way. The tragic truth is that an increasing number of them are going the wrong way.

By coincidence, the FBI annual crime report is just out this week. The picture it gives is not pretty. Major crimes were up 5 percent last year. Since 1950, United States crime has increased 26.7 percent. But, one may say, so has the population increased. True. But only by 7 percent in that period. Crime increased almost four times as much.

Another statistic bearing directly on the problem: Youngsters 17 years of age or under represented 57.6 percent of all arrests for auto theft, 49 percent of all arrests for burglary, and 43.6 percent of all arrests for larceny.

Well, what is to be done about it? Congress has studied the problem. The Kefauver committee found shocking conditions. So did the more recent Hendrickson committee. But neither found a solution. President Eisenhower in his state of the Union message last January recommended Federal help

for States to "strengthen their resources for preventing and dealing with juvenile delinquency." In February, the National Conference on Juvenile Delinquency was formed, and in March the Senate Judiciary Juvenile Delinquency Subcommittee, after 16 months of hearings, released its interim report. It said we have "weak, inadequate, poorly manned" defenses against delinquency and spoke of better schools and more public housing.

All of which is fine, but hardly the basis for any specific remedial program. That has been the trouble. Everyone talks about or studies the problem; no one gets started with specific solutions.

One beginning of a solution may be the National Youth Rehabilitation Corps, as Senator WATKINS has called the program. His bill would give young men age 16 to 25 who have been convicted of a felony or misdemeanor and put on parole or probation an opportunity to join a group working on resource conservation on Federal lands. The youths would get specified amounts of citizenship, vocational, military, and general education and be expected to put in 25 hours of constructive labor a month. They would be paid $25 a month ($35 for certain leadership responsibilities) and would, of course, be subject to losing their parole or probation for violating rules or generally not fitting into the program.

There is no simple cure-all for what ails the small minority of our youngsters who get in trouble. No doubt there are ways to improve the program as it has been presented to Congress. But there are real possibilities here for invaluable reclamation of our resources—the most priceless of which is our youth. We hope the proposal will be given thorough congressional study and editorial and public discussion throughout the Nation.

And meanwhile, we hope Utah will push ahead on its own program fast enough to set it up for this summer and provide a good testing ground for what can be hoped for on a national scale later.

[From the Washington Post and Times Herald]

CONSERVING YOUTH

Senator WATKINS has advanced a most constructive proposal for lending a helping hand to youngsters who have gotten off to a bad start. His idea is to get them away from the city slums where their troubles began and put them to useful work in the country's parks and forests, where they are much more likely to regain physical and spiritual health than in jails or training schools. The idea was originated by the Deseret News, of Salt Lake City, and is now being given a trial on a local scale in Utah.

The Watkins proposal calls for the creation of a National Youth Rehabilitation Corps, patterned apparently on the Civilian Conservation Corps of the early New Deal. It would give men between 16 and 25 who have been convicted of a crime and put on probation or parole an opportunity to join a group working on resource conservation on Federal lands.

The CCC was one of the New Deal's outstanding successes. It did some wonderful work in conserving some of the natural resources and outdoor assets of the United States. And it did an equally wonderful job in conserving an even more valuable American inheritance—a considerable number of young men who might otherwise have been led into bad company and bad habits during the depth of the depression. The country's national parks and forests, because of the vast increase in use, are once again sadly in need of intelligent conservation work. And so, apparently, judging from the juvenile-delinquency statistics, are many of its boys and young men. The Watkins bill would seem to offer a simultaneous solution for both problems.

PROSPECTIVE USE OF ATOMIC ENERGY AS FUEL IN PRODUCING ELECTRICAL ENERGY

Mr. WATKINS. Mr. President, Members of this body have been subjected to many irresponsible predictions on the imminence of the use of atomic energy as a fuel for the production of low-cost electrical energy.

Some down-to-earth observations on this subject by an acknowledged expert in the field were published recently by the New York Times and the Salt Lake Tribune.

The Times article, published in the issue of May 9, 1955, presented the views of Dr. Robert E. Wilson, chairman of the board of Standard Oil of Indiana and former chief of Standard Oil research and development. The Tribune article appeared March 30, 1955.

I ask unanimous consent to have these news articles printed in the RECORD at this point as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 9, 1955]

ATOM ENERGY USE SEEN FAR AWAY—FORECASTS OF POWER FOR AUTO, RAILROADS, HOME HEATING DISMISSED AS FANTASTIC

WASHINGTON.—Atomic energy has a long way to go before it can compete with coal and oil in transportation, heating or the production of electricity.

This is the conclusion of Dr. Robert E. Wilson, chairman of the board of Standard Oil of Indiana and former chief of Standard Oil research and development.

Irresponsible predictions of atomic automobiles, locomotives, home furnaces and the like are close to fantastic in their improbability, he says in Technology Review of Massachusetts Institute of Technology. He forecasts that a quarter century, at least, will pass before atomic power can enter such fields, if ever.

The only use in land transportation discussed as a practical possibility, he says, is in large locomotives. "But," he adds, "even if this should prove safe and economical in normal service, which is doubtful, can you imagine either the railroads or the regulatory authorities being willing to risk a wreck of an atomic engine in one of our large cities. A theoretically safe 'package' might be designed, but psychological factors would bar it for many, many years.

"For cars, trucks or buses the idea is fantastic. Even supposing people could afford the minimum conceivable cost of tens of thousands of dollars for an atomic engine, we would have to have at least a three-foot concrete dashboard to protect the passengers from dangerous radiations, and front fenders three feet thick to protect passersby. For commercial airplanes the shielding problem seems to constitute an almost insuperable bar, although the greater distance of the pilot from the power plant would help to some extent."

It has been suggested, he says, that electricity might be manufactured in some central atomic plant and used to charge some new kind of highly efficient storage battery for automobiles. Even if this were practical, he points out, it would be expensive power.

For house and plant heating, he says, "atomic energy seems to be ruled out by its unusual handicaps, the need for heavy shielding, the problem of handling radioactive wastes, and the high cost of equipment."

Either for producing electric energy or heat, he stresses, atomic power would seem to be attractive only for some place like northern Greenland where fuel oil, because of the cost of transportation, may be priced at $1 a gallon instead of a little more than 10 cents.

So far as marine power plants are concerned, he holds that use of atomic energy will be confined for a long time to come to specially-constructed naval vessels. High costs and radiation risks make their installation on commercial ships improbable.

[From the Salt Lake Tribune of March 30, 1955]

ATOMIC POWER THRUST INTO BASIN DEBATE

(By the Shift Boss)

As has been outlined before, despite the progress in atomic power, the utility power companies and public agencies have many millions of dollars worth of hydroelectric and conventional steam powerplants under construction and on the drawing boards for future construction.

This is in line with informed opinion that hydroelectric—and many steam plants—will not be displaced by atomic energized powerplants for many years to come, if ever.

Therefore it is interesting to note a not too highly publicized use of atomic power as an argument by opponents of the upper Colorado River project and hydroelectric powerplants thereon.

It appears that California opponents of the project, at hearings before the Interior Committee, used the argument that such hydroelectric plants would be rendered "useless" and "antiquated" by atomic plants, and that on Government hydroelectric projects the investment therein "would never be recovered."

Mr. WATKINS. One reason for my interest in this subject is that these irresponsible, rosy promises of low-cost atomic power have been used by the rabid and raucous, well-heeled propaganda-pressure groups which have been doing everything they can to confuse the issue and defeat the Colorado River storage project by any means at their disposal.

Because of my interest in this subject, I discussed the problem with some of the Nation's top atomic officials during a recent visit to the Government's atomic plant at Oak Ridge, Tenn. These officials—and they included the celebrated Admiral Rickover—assured me that low-cost atomic-powered electricity was many years away, and that there was no reason to defer any sound hydropower project because of possible atomic competition.

Hence, I can assure this body that the views of Dr. Wilson, as reported in the Times article, are adequately supported by responsible Government experts on atomic energy.

The fact that such irresponsible predictions as Dr. Wilson referred to have been used by the enemies of water development in the arid West is a good indication of the weakness of their case and an indictment of the nature of their opposition in general.

I have shown in a well-documented statement that these people were distorting or ignoring obvious facts on the legal and historical development of Dinosaur National Monument. They were seeking to have the public believe that the pro-

posal to build a dam at Echo Park was an invasion of the monument, whereas it is actually only a legal, planned use for those lands which have never been under National Park Service jurisdiction, but which are, in fact, reserved for water resource development by 11 reclamation and power site withdrawals, valid and in effect since 1925.

It is clear that Dr. Wilson has shown up another of their false claims—that the imminence of cheap atomic electric power would make the project economically unsound.

It is about time for honest men among the enemies of the Colorado River storage project to concede some of these facts, and, like the American Museum of Natural History, effect a policy change to promote information instead of controversy.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Without objection, it is so ordered.

STATE, JUSTICE, JUDICIARY APPROPRIATIONS, 1956

The PRESIDING OFFICER. If there be no further morning business to be transacted, the Chair lays before the Senate the unfinished business, which is H. R. 5502.

The Senate resumed the consideration of the bill (H. R. 5502) making appropriations for the State, Justice, and Judiciary Departments, 1956.

Mr. KILGORE. Mr. President, I have a few brief remarks I should like to make in connection with the appropriation bill.

First of all let me say the full committees gave careful consideration to the many items contained in the bill, and there appeared no controversy about the committee amendments made to the House bill. Consequently, I shall ask that these amendments be considered en bloc, and then ask that the bill, as amended, be considered as the original text, for the purpose of further amendment, and for points of order with respect to recommended substantive law.

The total of the reported bill is $481,985,418. Of this total the sum of $147,549,608 is for the Department of State, $200,445,000 for the Department of Justice, $30,640,810 for the Judiciary, $88,350,000 for the United States Information Agency, and $15,000,000 for the Emergency Refugee Relief program.

From a comparative standpoint, the bill total is $1,546,494 below the budget estimates total requested for 1956, and although it exceeds the House recommendations by $31,587,191, the reasons supporting the increased sum seems well founded and amply justified.

Let me illustrate, Mr. President, by pointing out to Senators the major items that make up this figure of $31.5 million. Let us take the State Department, where $20.7 million has been added for very worthy purposes, and is mostly reflected in three items. For the educational exchange activities program $10 million was added to provide the $22-million budget estimate; $5.2 million was allowed over the House figure of $7 million to enable expansion of our foreign buildings program and to utilize our foreign credits existing in those countries where the projects are proposed, and thus effect annual savings in rental and allowances of over $1 million. Of this total sum proposed, $12.2 million, $10,036,257 is in existing foreign credits and $2,164,743 in cash; and $4.9 million was provided in the salaries and expenses category to permit the Department to carry out the statutory 2-year home-leave program, to strengthen the training program, expand the economic reporting services work to make current the gathering of statistics and other data vitally needed by the Commerce Department and outside concerns, and the allowance of $600,000 for trade commissioners and their supporting staff to permit American business interests to develop opportunities for foreign trade and investment in the more important commercial centers of the world.

With reference to the 2-year home-leave program, I should like to say that up to this time the State Department has not been granting home leave under 3 years except on health grounds. It has been very much urged all over the country that the 2-year home-leave program be carried out.

Another major increase concerns the United States Information Agency, where all but $150,000 of the $8-million cut made by the House was restored to provide a total sum of $88,350,000. About $3.7 million of the increase concerns the media services, that is, press, motion picture, and information center services, and $2.1 million is for increased overseas missions operations especially in the Far Eastern and Near Eastern areas. The reduction of $150,000 is applied to the costs for publication of the newspaper Vienna Courier in Austria, and the committee requested the director of the Agency to discontinue this newspaper by December 31, 1955.

That request is made because since the House passed the bill the Austrian Peace Treaty has been signed and Austria has again become a free nation. Therefore, it is felt we should not publish a newspaper in that country.

For the Justice Department about $3 million additional funds were recommended. Of this amount, $1.7 million was to expand our legal activities work, both in the field and in the Department, to help clean up the case backlogs existing in the divisions and the United States attorneys offices and involving tax and civil matters and cases pending in the Court of Claims. Six hundred thousand dollars was specifically earmarked for the temporary employment of a mobile task force to be engaged on this particular type of work. These backlog cases are costing the Government millions of dollars, and the committee felt that one means to overcome this situation was through the temporary employment of additional persons.

The Bureau of Prisons was authorized an additional $650,000 to permit the replacement of wornout equipment, to provide for some of the needed special repairs and improvements of existing facilities, and for some construction work at 3 of the institutions—all in the interest of providing adequate care and protection of the increasing population of inmates confined in Federal institutions.

Mr. SALTONSTALL. Mr. President, will the Senator from West Virginia yield?

Mr. KILGORE. I yield.

Mr. SALTONSTALL. I understood the Senator to mention that an item for an increase in the number of temporary assistant attorneys had been cut. Was it not felt that, presumably, the program could not get under way in time to cover this year, and that if more money should be necessary later on, the committee would be glad to recommend it?

Mr. KILGORE. The Senator is absolutely correct. The amount of $600,000 was recommended to get the work started, to see how it would progress, and it was decided that if it were found additional matters should be provided for a little later, it could be handled by a supplemental bill. The program is highly necessary in order to save the taxpayers' money which is now being paid out in interest, and also to expedite action on worthy claims which should be settled.

For the Immigration and Naturalization Service, $500,000 was added to the amount contained in the House bill to allow replacement during the year of wornout automobiles and aircraft, and additional funds for essential travel by the border patrol and other segments of the Service.

For the Judiciary, the committee endorsed the increases over the House bill of $824,560 for "salaries of supporting personnel," and $213,000 for the related item of "travel and miscellaneous expenses." By supporting personnel we mean clerks, probation officers, and employees of that kind, the shortage of whom has been slowing up the work of the judges and not permitting them to do as much work as they could otherwise do.

The salary increase will permit the employment of approximately 223 additional officers and clerks, 10 of whom are for the United States District Court for the District of Columbia, where there is a heavy backlog of work.

Testimony of judges and officials of the Court, and expressions made by the Chief Justice of the United States, as well as by individual members of the Judicial Conference, clearly showed the need for these additional funds. The money will be used primarily to improve and strengthen the Federal probation system and to expand the clerk's office, where a heavy workload exists, particularly in areas where there is an increase of naturalization and passport work, and also to permit the performance of essential travel by the Court and its personnel.

Finally, Mr. President, the committee approved $15 million for the refugee relief program, or a cut of $1 million below the House bill and the budget request. The committee recommendation is $7

million above the current year's figure, and was believed sufficient to assure completion of the program within the statutory termination date of December 31, 1956.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be considered for the purpose of amendment, as original text; provided, however, that no point of order against any amendment shall be deemed to have been waived by the adoption of this agreement.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 4, line 2, after the word "advance", to strike out "$63,760,000" and insert "$8,700,000", and in line 20, after the word "Affairs", to insert the following additional proviso:

Provided further, That hereafter the position of Budget Officer of the Department shall be in GS-18 in the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent.

In the subhead on page 5, line 1, to strike out "Representation" and insert "Operations."

On page 5, line 2, after the word "For", to strike out "representation" and insert "operations", and in line 4, after "(22 U. S. C. 1131)", to strike out "$475,000" and insert "$700,000."

Under the subhead "Acquisition of Buildings Abroad", on page 5, at the beginning of line 15, to strike out "$7,000,000" and insert "$12,201,000"; in the same line, after the word "than", to strike out "$6,250,000" and insert "$10,036,257", and in line 19, after the word "exceed", to strike out "$750,000" and insert "$1,000,000."

On page 5, after line 20, to insert:

The authority granted by Public Law 33, April 19, 1945 (22 U. S. C., sec. 300), continues in effect notwithstanding the provisions in section 1415 of Public Law 547 (66 Stat. 662; 31 U. S. C. 724).

Under the subhead "Contributions to International Organizations", on page 6, line 15, after the word "Congress", to strike out "$28,079,977" and insert "$28,247,608, of which $131,703 shall be for contribution to the Pan American Institute of Geography and History for the period July 1, 1951, to June 30, 1955, as authorized by Public Law 736, approved August 31, 1954."

Under the subhead "International contingencies," on page 8, line 4, after the numerals "1949", to strike out "not to exceed $15 per diem in lieu of subsistence" and insert "travel expenses"; in line 7, after the word "business", to insert "not in excess of those authorized for regular officers and employees traveling under this appropriation", and at the beginning of line 14, to strike out "$1,075,000" and insert "$1,500,000."

Under the subhead "International Boundary and Water Commission, United States and Mexico," on page 9, line 3, after the word "boundary", to strike out "fence" and insert "demarcation."

Under the subhead "American Sections, International Commissions," on page 10, line 11, after the word "vehicles", to strike out "$245,000" and insert "$286,000."

Under the subhead "International Fisheries Commissions," on page 11, line 22, after the word "Congress", to insert "including not to exceed $15 per diem in lieu of subsistence, or such higher rates as may be prescribed pursuant to the Travel Expense Act of 1949, for persons serving without compensation while away from their homes or regular places of business"; on page 12, line 1, after the amendment just above stated, to strike out "$425,000" and insert "$455,000", and in line 3, after the word "commissions", to insert a colon and *"Provided further,* That this appropriation shall not be used to pay the expenses of attendance at official international conferences."

Under the subhead "International Education Exchange activities," on page 13, line 5, after the word "appropriation", to strike out "$12,000,000" and insert "$22,000,000", and in line 8, after the word "States", to strike out the colon and *"Provided,* That not to exceed $2,400,000 may be used for administrative expenses during the current fiscal year."

Under the subhead "Government in Occupied Areas," on page 14, line 18, after "(22 U. S. C. 1131)", to strike out "$8,000,000" and insert "$7,750,000."

Under the subhead "General Provisions—Department of State," on page 18, after line 13, to insert a new section, as follows:

SEC. 111. Appropriations under this title available for allowances granted under the authority in part A of title IX of the Foreign Service Act of 1946, as amended, shall be available for the payment of such allowances in advance.

On page 18, after line 17, to insert a new section, as follows:

SEC. 112. Allowances granted under section 901 (1) of the Foreign Service Act of 1946 (22 U. S. C. 1131), may include water, in addition to the utilities specified.

On page 18, after line 20, to insert a new section, as follows:

SEC. 113. The Secretary of State may, notwithstanding the provisions of any other law, prescribe regulations for the payment on a commutated basis in lieu of any other method, of expenses authorized by law for travel of personnel of the Department and its Foreign Service, including travel of dependents and for transportation, or for transportation and storage, of furniture and household and personal effects, and automobiles of such personnel.

Under the heading "Title II—Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Administration," on page 19, line 14, after the word "Assistant", to strike out "$2,525,000" and insert "$2,615,000: *Provided,* That hereafter the compensation of the Administrative Assistant Attorney General shall be $17,500 per annum so long as the position is held by the present incumbent."

Under the subhead "Salaries and Expenses, General Legal Activities," on page 19, line 24, after "(31 U. S. C. 529)", to strike out "$9,000,000" and insert "$9,600,000."

Under the subhead "Salaries and Expenses, United States attorneys and marshals," on page 20, line 15, after the word "ammunition," to strike out "$17,000,000" and insert "$17,480,000."

At the top of page 21, to insert:

SPECIAL TEMPORARY ATTORNEYS AND ASSISTANTS

For compensation and expenses of special temporary attorneys and assistants to the Attorney General, and to the United States attorneys and other miscellaneous employees not otherwise provided for, employed by the Attorney General and with his approval by the United States attorneys, in special matters and cases without regard to civil-service and classification laws, $600,000: *Provided,* That the amount paid as compensation out of the funds herein appropriated to any person employed hereunder shall not exceed $15,000 per annum.

Under the subhead "Immigration and Naturalization Service—Salaries and expenses," on page 24, line 2, after the word "exceed", to strike out "150" and insert "197"; in line 4, after the word "exceed", to strike out "five" and insert "seven"; in line 13, after the word "files", to insert "and for rental of buildings in the District of Columbia"; in line 19, after the word "General", to strike out "$44 million" and insert "$44,500,000"; and in line 22, after the word "incumbents", to insert a colon and *"Provided further,* That of the amount herein appropriated not to exceed $50,000 may be used for the emergency replacement of aircraft upon certificate of the Attorney General."

Under the subhead "Federal Prison System—Salaries and expenses, Bureau of Prisons," on page 25, line 22, after "(5 U. S. C. 341f)", to strike out "$28,600,000" and insert "$29,000,000", and on page 26, line 8, after the numerals "1949", to insert a colon and *"Provided further,* That hereafter the compensation of the Director of the Bureau shall be $17,500 per annum so long as the position is held by the present incumbent."

Under the subhead "Buildings and Facilities," on page 26, line 15, after the word "account" to strike out "$750,000" and insert "$1 million."

Under the subhead "Office of Alien Property—Salaries and Expenses," on page 27, line 10, after the word "exceed", to strike out "$2,500,000" and insert "$2,800,000."

Under the subhead "General Provisions—Department of Justice," on page 29, after line 4, to insert a new section, as follows:

SEC. 206. Not to exceed 5 percent of the appropriations for legal activities and general administration in this title shall be available interchangeably, with the approval of the Director of the Bureau of the Budget, but no appropriation shall be increased by more than 5 percent and any interchange of appropriations hereunder shall be reported to the Congress in the annual budget.

Under the heading "Title III—The Judiciary—Courts of Appeals, District Courts, and Other Judicial Services—Salaries of Supporting Personnel," on page 33, at the beginning of line 4, to strike out "$13,593,240" and insert "$14,417,800."

Under the subhead "Travel and Miscellaneous Expenses," on page 34, line 18, after the word "case", to strike out "$2,170,250" and insert "$2,383,250."

Under the heading "Title IV—United States Information Agency—Salaries and Expenses," on page 37, line 1, after the word "States", to insert "(and their dependents)"; in line 18, after the word "of", where it occurs the second time, to strike out "caps" and insert "uniforms"; on page 38, line 12, after the word "otherwise", to insert "presentation of American books, including Profile of America"; in line 19, after the word "abroad", to insert "travel expenses for employees attending official international conferences, without regard to the Standardized Government Travel Regulations and to the rates of per diem allowances in lieu of subsistence expenses under the Travel Expenses Act of 1949, but at rates not in excess of comparable allowances approved for such conferences by the Secretary of State"; on page 39, line 1, after the word "organizations", to strike out "$80,500,000" and insert "$88,350,000"; in line 2, after the word "shall", to insert "if possible"; in line 4, after the word "States" to insert "and of which sum not less than $350,000 shall be made available to one or more private international broadcasting licensees for the purpose of developing and broadcasting under private auspices, but under the general supervision of the United States Information Agency, radio programs to Latin America, Western Europe, Africa, as well as other areas of the free world, which programs shall be designed to cultivate friendship with the peoples of the countries in those areas, and to build improved international understanding:"; in line 13, after the word "exceed", to strike out "$35,000" and insert "$150,000", and in line 14, after the word "for", to strike out "representation" and insert "operations allowances abroad as authorized by section 901 (3) of the Foreign Service Act of 1946, as amended (22 U. S. C. 1131)."

Under the heading "Title V—Funds Appropriated to the President—Refugee Relief", on page 42, line 1, after the word "loans", to strike out "$16,000,000" and insert "$15,000,000."

The PRESIDING OFFICER. The bill is open to amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. HUMPHREY. Mr. President, I should like to ask the Senator from West Virginia 1 or 2 questions with reference to the United States Information Agency appropriation.

Mr. KILGORE. The House cut on that item was $8 million. We restored $7,850,000. The committee deemed that $150,000 of the House reduction could be saved by discontinuing the newspaper in Austria, which since the passage of the House bill, has become an independent nation. We felt that the newspaper was not necessary there, and in the report we recommend that the service of that newspaper be discontinued or disposed of by December 31 of this year.

Mr. HUMPHREY. Does the Senator indicate by his remarks that the request of the United States Information Agency for funds for the fiscal year has been pretty well met by the Senate Appropriations Committee?

Mr. KILGORE. We met it in full except for the discontinuance of the newspaper to which I have referred. The question was very thoroughly considered and debated in the committee. The amount recommended will take care of the situation amply and, at the same time, not waste any money.

Mr. HUMPHREY. Will the Senator indicate to the Senate the comparative figures between this year's and last year's appropriations for the United States Information Agency?

Mr. KILGORE. It was $77,114,000 last year, and it is $88,350,000 this year.

Mr. HUMPHREY. That is the recommendation of the committee?

Mr. KILGORE. That is correct.

Mr. SALTONSTALL. Mr. President, will the Senator from West Virginia yield?

Mr. KILGORE. I yield.

Mr. SALTONSTALL. In order to be absolutely accurate, the $77 million figure represented a compromise between the House and the Senate figures.

Mr. KILGORE. That is correct.

Mr. HUMPHREY. Mr. President, I wish to commend the Senator from West Virginia, and the members of his subcommittee and of the full committee for the restoration of the funds which had been cut by the House action. It appears to me that the United States Information Agency is entitled to the support of the Congress. I can think of no dollars more profitably and more soundly expended than those which we appropriate and which are ultimately expended in the field of information.

As the Senator from West Virginia may know, during the past year I have been somewhat concerned with what seemed to be a curtailment of certain functions or activities of the United States Information Agency. I have mentioned them in the Senate on several occasions, and have placed in the CONGRESSIONAL RECORD letters which I had received from the Administrator of that Agency in response to some of the inquiries I had made. For example, I was concerned about the folding up or the closing down of the publication of a newspaper in West Berlin; also with reference to our radio communication system in Helsinki, Finland, and also our book program in Japan. Within the past 10 days I have placed in the RECORD information as to what we are doing in providing low-cost publications for Japan. I consider this one of the most important activities into which we can enter in that part of the world, because the information we have received has been to the effect that Japan was being flooded with communistic publications, and we were, in turn, momentarily stymied because of our inability to match that kind of a flood of information. I have been informed that the United States Information Agency has contracted with publishers to provide for the publication of paperback books of American literature and other literature from other countries of the world to be placed in the libraries and information centers in Japan.

I wish to thank the distinguished chairman for what he has done. As he knows, I called his office and talked with him on this subject, and also presented testimony, in the form of a statement, before the subcommittee.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief statement I have prepared on the item of the USIA appropriation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

The distinguished chairman of the subcommittee handling this appropriation bill, and the committee, are to be congratulated for the thorough and careful study made by the committee of the United States Information Agency's budget request and for their restoration of the funds requested by the Agency.

The work of the USIA must be regarded as an indispensable part of our political offensive against the conspiracy of communism. It very well could play a major role in preventing the outbreak of a hot war. I believe the only way we can prevent war is to carry out a full scale political campaign for peace and freedom.

Now that the committee has restored the severe cuts in the budget request of USIA made by the House, I am sure that when the bill reaches the conference with House Members, the committee will vigorously oppose any reduction in the funds which they have recommended for the United States Information Agency.

The Russians are spending each year large sums on propaganda against the free nations, particularly the United States. They are increasing their propaganda effort against us and all other liberty-loving people. It is in our own self-interest that we provide a reasonable budget for our information services so that they can refute Russian lies and let all the people of the world know what we stand for.

Again, I congratulate the committee for its fine work.

Mr. MILLIKIN subsequently said: Mr. President, the senior Senator from Minnesota [Mr. THYE], who is necessarily absent today, has asked me to have inserted in the RECORD a brief statement in support of the appropriation recommended for the United States Information Service, in whose work the Senator from Minnesota has been keenly interested.

I ask unanimous consent that the statement of the senior Senator from Minnesota be inserted in the RECORD at the appropriate place, which, as I recall, is in connection with the appropriation bill for the Departments of State, Justice, and Commerce.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR THYE

I should like to congratulate the subcommittee which handled the appropriations bill for the United States Information Agency

and its very distinguished chairman for doing an objective and fair-minded study of this program.

We have heard a great deal of talk lately about the need for the United States to engage in a political offensive against the conspiracy of communism. Only a few weeks ago a distinguished American, Brig. Gen. David Sarnoff, who is known to many Members of Congress, stated that our best chance to avoid a hot war was to engage in an all-out political offensive against the conspiracy of communism. Obviously, the United States Information Agency must play a key role in such an offensive.

I hope that the committee will stand fast in the conference with House Members and resist any reduction in the funds which they have recommended for the United States Information Agency.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read the third time.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT subsequently said: Mr. President, I was delayed in my office a few minutes ago, and so did not reach the Senate in time to ask permission to have printed in the RECORD a statement regarding the administrative costs of the International Educational Exchange Activities which I had prepared for the information of the Senate and the House.

I now ask unanimous consent that a statement I have prepared be inserted in the RECORD just prior to the passage of the appropriation bill for the State Department, because my statement pertains to that item. The question has been raised both in the House and by some Members of the Senate regarding this aspect of the program. I believe this explanation is clear enough to settle that question in the minds of a great many Members.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FULBRIGHT

INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES, DEPARTMENT OF STATE, FISCAL YEAR 1956

Explanation of administrative costs

The items ordinarily considered as administrative costs in an appropriation appear, at first glance, to be unusually high in the case of the International Educational Exchange Activities of the Department of State—being $4,110,377 out of a total appropriation of $22 million.

However, that is not the total picture.

First, these administrative figures cover much more than service to this $22 million grant-dollar program. This is a cooperative program and much service is given by the Department of State to the private exchange programs which are being carried on by our educational and professional institutions throughout the country. Last year the Department of State directly assisted programs of this kind totaling about $10 million, of which none was money from the taxpayer.

Second, there are major contributions by these same private organizations to the direct support of the Government program operated by the Department of State. By actual calculation this amounted to a little over $9 million last year and the people at the Department tell me that it will be even higher—possibly $9.3 in the period covered by this appropriation request. By this, it is plain that we are not talking about a $22 million program but we are talking about a program approaching $40 million for which the taxpayer is being asked to pay for approximately one-half.

Third, in addition to these formalized exchange programs which I have just mentioned, some of the staff services included in this $4.1 million administrative figure are for the purpose of administering other activities of the Department of State both here and abroad not directly related to the grants exchange-of-persons program.

The International Educational Exchange Service, which this appropriation covers, is the cultural and exchange organization in the Department of State which carries out not only the responsibility for exchange of people between this country and other countries but all of the work of the Department related to these activities.

In addition to administering the exchange programs authorized by Public Laws 584 and 402 of the 79th and 80th Congresses, the International Educational Exchange Service also administers the other provisions of law which are related.

For example, Public Law 402 authorizes the Secretary of State to designate exchange programs eligible for exchange visitor visas. These designations facilitate entry and insure return of people who come here on their own for educational purposes. To date over 2,000 such designations have been made. The cost of administering this worthwhile activity is included in this appropriation.

The Smith-Mundt Act sets up a United States Advisory Commission on Educational Exchange and Public Law 584 provides for a Board of Foreign Scholarships. Both of these bodies are appointed by the President and while they serve without compensation the administrative costs, such as travel, per diem, and secretariat services for these two Presidential bodies are included in this figure of $4.1 million.

The Department of State was asked by the Hickenlooper Subcommittee of the Senate Foreign Relations Committee to coordinate the exchange activities of the Government. This appropriation provides the secretariat for the Inter-Agency Committee on Training Programs and Exchange of Persons.

Other administrative services performed by the Department include: backstopping the United States participation in the North Atlantic Treaty Organization Cultural Council; providing similar backstopping to the Cultural Council of the Organization of American States; and the implementation of certain projects of other governments authorized by Public Law 402 under which the other governments pay all of the program funds.

In addition to all of the above, personnel under this appropriation, both here and abroad, devote a great deal of time assisting many private citizens in cultural and other exchange matters involving travel of people from other countries to the United States and educational travel of Americans abroad. In fact, this type of personnel exchange oftentimes is as meaningful in reaching the objectives of the Government's program as the formalized program itself but the value of such exchanges are not included in the approximately $40 million figure I have just referred to in my previous remarks.

Another thing which I would like to emphasize is that this appropriation is absolutely self-contained. There are no hidden costs.

The administrative costs referred to above represent all of the appropriated costs of this program. As I understand it, and I have checked carefully on this item, this administrative figure includes personnel costs both in the Department of State and in our Embassies abroad—even the money which is transferred to the United States Information Service for certain functions which it performs for this program. It includes all of the administrative services performed for this program by the State Department proper, such as fiscal, communications, supplies, equipment, legal, personnel, security, etc., both here and abroad.

Seldom do we find an appropriation request which is so self-contained.

Considering the administration of the Department's exchange program itself, that is, this $22 million program plus the private dollar support of $9.3 million, the administrative cost of $1.4 million runs about 13 percent—which I do not think is excessive.

However, when considering the other $10 million worth of private programs which the Department assists directly, the overall administrative percentage for the entire exchange effort runs to less than 10 percent. That is excellent in itself, but bear in mind that the taxpayer is only paying for about half of the program costs out of the United States Treasury, and much of this private exchange effort is made possible only because of this small administrative overhead which permits our Department of State to provide the leadership and guidance for these worthwhile private projects.

I think it is money well spent and only wish that more of our Government programs were operated on a more cooperative basis with private enterprise.

Of course the nonexchange services which the Department of State performs in this general field are part of its regular functions as a Government bureau and the advisory services which it provides to private citizens overseas are a part of its regular diplomatic mission.

Yet, the Department of State puts these costs in this budget and I think that is where they belong because these services are more directly related to the exchange program than any other part of the department. On the other hand these are services which the State Department would have to pay for and perform even if there were no exchange program whatsoever—they are simply regular functions of our Department of State.

I have developed this information by a careful study of the way this program operates because I must admit that I, too, was a little disturbed when the House debate on this appropriation indicated that it cost $4.1 million to run a $22 million program.

I hope this explanation clarifies this matter and while I believe the Secretary of State is to be complimented for administering this program so frugally, I think the Department of State would do well to present the full story of its subsequent appropriations requests in order that we in the Congress can be advised fully on all aspects of its administration.

The administrators of a program with as much popular support, both here and abroad, as is enjoyed by the international educational exchange program should not jeopardize its very existence by being too modest in presenting the good side of it to the Congress.

International educational exchange activities, Department of State, fiscal year 1956, distribution of program administrative costs

Administrative items ($14.1 million)	Allocated to 7,160 grants direct ($22 million)	Allocated to secure private support of 7,160 grants (estimated $9.3 million)	Allocated to facilitate approximately 3,500 private exchanges (estimated $10 million)	Other State Department activities not limited to grants exchange program	Grand total
Overseas administrative expenses	$1,808,733	$229,222	$161,060	$165,702	$2,364,717
Domestic staff costs	717,511	383,591	161,265	16,271	1,278,638
Staff travel	24,528	10,940	1,000		36,468
Security investigations	16,612	8,883	3,730	385	29,610
Domestic administrative support	203,067	108,592	45,609	4,706	361,974
U. S. Advisory Committee on Educational Exchange	12,665	6,820	4,871	14,614	38,970
Total	2,783,116	748,048	377,535	201,678	4,110,377

Overseas administrative expenses: Includes payment to USIS and embassies abroad and for running the 24 binational foundations under the Fulbright program. The USIS and embassy employees are mostly part time but we pay for 91.8 man-years of American personnel and 140.6 man-years of local personnel as well as for communications, supplies, equipment, and other administrative overhead.

Domestic staff costs: Includes International Educational Exchange Service, Secretariat for the Board of Foreign Scholarships and the 4 reception centers (New York, San Francisco, Miami, and New Orleans)—247 employees.

Staff travel: Normal staff travel here and abroad to supervise our program and assist private programs.

Security investigations: To pay for full field investigations of employees as required by Public Law 402.

Domestic administrative support: Payment to Salaries and Expenses, Department of State, support services such as legal, fiscal, personnel, communications, supplies, and equipment—64 man-years.

United States Advisory Commission on Educational Exchange: Secretariat for this presidentially appointed Commission, travel and per diem for Commission members (they serve without compensation)—5 employees and 5 Commissioners.

Overseas administrative expenses, $2,364,717

Administrative services overseas are performed by the United States Information Agency for program operations and by the regular Foreign Service staff for administrative support to the program. Educational exchange programs are carried out in 79 countries throughout the world. In these 79 countries it is estimated that a total of 91.8 man-years of American personnel and 140.6 man-years of local personnel will be required by the United States Information Agency to conduct the educational exchange program at a total cost for personal services of $1,278,263. Administrative support, involving services related to communications, supplies, equipment, etc., will total $378,758, which amount is reimbursed to the embassies proper.

Overseas administrative services are not only provided to support the grant-in-aid program, but to encourage and facilitate exchanges under non-United States Government auspices. For example, overseas personnel are frequently called on to advise or brief individuals and groups coming to the United States or who wish to come to the United States for educational visits. They are also requested by the Department to assist American citizens and groups who come to their posts for similar purposes and whose visits serve the objectives of the exchange program.

An amount of $707,696 is required for administrative expenses in operating the 24 Binational Foundations and Commissions overseas established pursuant to the Fulbright Act (Public Law 584, 79th Cong., as amended). The administrative cost of these foundations and commissions provides local currency for staff expenses, local travel, communications, supplies, equipment, housekeeping services, etc.

The amounts vary by country from $78,877 for a $1 million foreign-currency program in Italy to $10,360 for a $115,000 foreign currency program in New Zealand. The overall average of administrative costs for these Binational Foundations and Commissions is approximately 8 percent when compared with the total annual foreign currency programs.

Domestic staff costs, $1,278,638

The administrative cost of the staff in the International Education Exchange Service (229), the staff of the Secretariat of the Board of Foreign Scholarships (5), and the 4 reception centers (14) is estimated at $1,278,638 out of a total estimate of $22 million.

The work of this staff is not confined to services directly related to the grant-in-aid program, such as planning, the processing of grants, obtaining private funds to be used in conjunction with many of the Department's grants which are partial in nature, supervision of contract agencies, reporting to the Congress and evaluation. Many other functions are performed.

For instance, the Service devotes much time and effort to encouraging and facilitating worthwhile exchanges under non-United States Government auspices. It is conservatively estimated that during the past year such services helped to bring about some 3,500 exchanges costing their sponsors in the neighborhood of $10 million. Among this group were a hundred or more United Nations fellows for whom training in United States Government agencies was arranged.

The Service is responsible for administration of the exchange-visitor-visa designations under section 201 of Public Law 402. Under this program the Service reviews and certifies new programs and reviews and assists programs already designated. A total of 2,000 programs are active at this time.

The administration of the grant program financed from the repayments by Finland of its World War I debt under Public Law 265 are entirely absorbed by the Service.

Other activities for which administrative services are required include: The negotiation of executive agreements for educational exchange programs; backstopping United States participation in the North Atlantic Treaty Organization Cultural Council and the Cultural Council of the Organization of American States; training of personnel assigned to duties with this program overseas; the implementation of projects authorized by Public Law 402, under which other governments advance the necessary program funds; and research and analysis on nondepartmental exchange activities for planning purposes.

The coordination of other Government programs is also a continuing activity. The Service works constantly with the Operations Coordinating Board, the National Science Foundation, the Atomic Energy Committee, the FOA, and other Government organizations, having comparable problems. It chairs and provides the Secretariat for the Interagency Committee on Training Programs and Exchange of Persons (established in accordance with the recommendation of the Hickenlooper committee, to coordinate governmental exchange activities).

Staff travel, $36,468

Staff travel of $36,468 is based on a $22 million appropriation. Supervision of the work of private contractors in the United States and consultation with Embassy, USIS officials, foreign government officials, and officers of foreign universities is necessary if we are to insure that the program is being efficiently and effectively operated.

Staff travel also covers attendance at meetings called by private organizations interested in the international educational exchange program. Such travel has as its purpose the enlisting of necessary private support and cooperation. Since the Board of Foreign Scholarships is charged with supervision of the exchange program authorized by the Fulbright Act as well as selection of all participants, they must hold several full meetings every year, in addition to special inspection trips by individual members.

Security investigations, $29,610

Public Law 402 prescribes that employees assigned to duties under the act must have a full field investigation prior to entry on duty. It is estimated that the total number of positions to be filled will be 47 (a turnover of 10 percent in the present positions, or 23, and the 24 new positions requested in this estimate). To clear candidates for these positions will require approximately 141 investigations (1954 experience indicates that three clearances are necessary for every position filled) at a unit cost of $210 each.

Domestic administrative support, $361,974

An amount of $361,974 is needed to cover the cost of administrative support services handled by the Department of State for the International Educational Exchange Service. These support services include such items as: (1) Legal assistance; (2) assistance from the Central Finance Office in disbursing funds and in reporting to the Treasury Department regarding funds expended, balances, etc.; (3) assistance in coordinating budget requests with that of the Department and in relating all budget documents and reports with those of the Department as a whole; (4) central recruiting of personnel to keep the staff as near to complement as possible; (5) making security checks on all prospective grantees before grants are awarded; (6) other services such as communications with the 79 countries in which there are exchange programs, mail service, reproduction service, supplies, equipment, and related services. This represents 64 man-years of personnel time in addition to the other services enumerated.

United States Advisory Commission on Educational Exchange, $38,970

The amount of $38,970 requested for the United States Advisory Commission on Educational Exchange is to provide a secretariat staff of five to arrange for and follow up on meetings of the Commission and to keep its members constantly informed on program developments and problems so that they can recommend effective policies and programs to the Secretary and the Congress. The secretariat also prepares the required quarterly reports to the Congress, and maintains liaison between the Department and the Commission, and between the Commission and private groups and organizations working with it.

While the members of the Commission serve without compensation, funds are requested to cover their travel expenses for 4 regular meetings in Washington and 2 overseas trips for 2 of the Commissioners. In addition travel to Washington for three special meetings is provided for members of the Subcommittee on Inter-American Cultural Affairs. This subcommittee reviews educational exchange activities in their area and recommends policies to the full Commission for the use of the Department in all phases of its inter-American educational exchange interests.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill (H. R. 5502) was passed.

Mr. KILGORE. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KILGORE, Mr. ELLENDER, Mr. MCCLELLAN, Mr. MAGNUSON, Mr. GREEN, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. MCCARTHY conferees on the part of the Senate.

Mr. SALTONSTALL. Mr. President, before the discussion on the bill is concluded, I wish to read in behalf of the senior Senator from New Hampshire [Mr. BRIDGES] a letter which was addressed to him, as follows:

MAY 31, 1955.

The Honorable STYLES BRIDGES,
United States Senate.

DEAR SENATOR BRIDGES: I am sure effective staff work is just as essential in the legislative process as it is in the Department's operations. From my observations as confirmed by comments of Mr. Carpenter and Mr. Wilber you are particularly fortunate in having Mr. Kennedy and Mr. Merrick to serve your Appropriations Committee.

Attached are copies of notes I have just sent to both men expressing the Department's as well as my personal appreciation for their assistance and guidance.

Sincerely,

LOY W. HENDERSON,
Deputy Under Secretary for Administration.

CONTROL OF AIR POLLUTION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 392, Senate bill 928.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 928) to amend the Water Pollution Control Act in order to provide for the control of air pollution.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Public Works, with amendments, on page 1, line 3, after the enacting clause, to strike out:

That the Water Pollution Control Act (33 U. S. C. §§ 466–466j) is amended (1) by inserting the heading "Title I—Water Pollution Control" after the enacting clause; (2) by deleting "That in" at the beginning of the first section and inserting in lieu thereof "SECTION 1. In"; (3) by deleting "this Act" or "This Act" wherever appearing in such act, except in section 12, and inserting in lieu thereof "this title" or "This title" respectively; and (4) inserting at the end of such act the following new title.

On page 2, after line 2, to strike out:

"TITLE II—AIR POLLUTION CONTROL

"SEC. 201. This title may be cited as the 'Air Pollution Control Act of 1955.'

At the beginning of line 6, to strike out " "Sec. 202. In" and insert "That in"; in line 11, after the word "and", to strike out "perfect" and insert "develop"; in line 14, after the word "pollution", to insert "control", and in the same line, after the word "and", to strike out "to industries" and insert "public or private educational institutions"; in line 16, after the word "abatement", to insert "research"; in line 20, after the word "the", to strike out "responsibilities and"; at the beginning of line 23, to strike out " "Sec. 203." and insert "Sec. 2."; on page 3, line 1, after the word "pollution", to insert "control"; in line 2, after the word "private", to strike out "agencies and" and insert "educational", and in the same line, after the word "institutions", to strike out "and with industries involved" and insert "to"; in line 3, after the word "or", to strike out "adopt comprehensive" and insert "recommend research"; at the beginning of line 8, to strike out " "(b)" and insert "(b)", and in the same line, after the word "General", to strike out "shall" and insert "may"; in line 10, after the word "pollution", to strike out "encourage the enactment of uniform State laws relating to air pollution;"; in line 15, after the word "pollution", to insert "control", and in the same line, after the word "private", to strike out "agencies and" and insert "educational"; in line 16, after the word "institutions", to strike out "and individuals", and in the same line, after the word "and" where it occurs the second time, to strike out "perfect" and insert "develop"; at the beginning of line 19, to insert "control", and in the same line, after the word "private", to strike out "agencies and" and insert "educational"; in line 20, after the word "institutions", to strike out "industries, and individuals"; in line 25, after the word "pollution", to insert "control"; on page 4, line 1, after the word "private", to strike out "agencies and" and insert "educational", and in the same line, after the word "institutions", to strike out "industries, and individuals"; in line 3, after the word "this", to strike out "title" and insert "Act"; at the beginning of line 4, to strike out "Sec. 204" and insert "Sec. 3"; in line 5, after the word "pollution", to insert "control"; in line 8, after the word "confronting", to strike out "any State, community, municipality, or industrial plant" and insert "such State or local government air pollution control agency"; at the beginning of line 12, to strike out "Sec. 205" and insert "Sec. 4"; at the beginning of line 18, to strike out "Sec. 206" and insert "Sec. 5"; on page 5, line 1, after the word "Commerce", to insert "a representative of the Atomic Energy Commission"; in line 5, after the word "Commerce", to insert "the Chairman of the Atomic Energy Commission"; in line 7, after the word "and" to strike out "six" and insert "eight"; in line 18, after the word "representative" to strike out "of affected industry" and insert "of local or county government"; in line 24, after the word "Board", to insert "The Board shall meet at the call of the Surgeon General."; on page 6, line 4, after the word "this", to strike out "title" and insert "Act"; in line 9, to strike out "Sec. 207." and insert "Sec. 6."; in line 12, after the numerals "1960", to strike out "such sum as Congress may hereafter determine to be necessary" and insert "not to exceed $3,000,000"; in line 15, after the word "this", to strike out "title of" and insert "Act and to"; in the same line after "(1)" to strike out "making" and insert "make"; in line 18, after the word "private", to strike out "agencies and" and insert "educational"; in line 19, after the word "institutions" to strike out "and individuals,"; in line 20, after "(2)" to strike out "contracting" and insert "or to enter into contract"; in line 21, after the word "private" to strike out "agencies and" and insert "educational"; in line 22, after the word "institutions" to strike out "and individuals"; on page 7, after line 4, to strike out:

(b) There is hereby authorized to be appropriated to the Department of Health, Education, and Welfare for each of the 5 fiscal years during the period beginning July 1, 1955, and ending June 30, 1960, such sum as Congress may hereafter determine to be necessary to enable it to carry out its remaining functions under this title.

(c) There is hereby authorized to be appropriated to the Department of Health, Education, and Welfare for each of the 5 fiscal years during the period beginning July 1, 1955, and ending June 30, 1960, such sum as Congress may determine to be necessary to enable the Secretary of Health, Education, and Welfare to erect, furnish, and equip such buildings and facilities as may be necessary for the use of the Public Health Service in connection with the research and study of air pollution and the training of personnel in work related to the control of air pollution. Sums appropriated pursuant to this subsection shall remain available until expended.

SEC. 208. (a) Five officers may be appointed to grades in the regular corps of the Public Health Service above that of senior assistant, but not to a grade above that of Director, to assist in carrying out the purposes of this title. Officers appointed pursuant to this subsection in any fiscal year shall not be counted as part of the 10 percent of the original appointments authorized to be made in such year under section 207 (b) of the Public Health Service Act; but they shall for all other purposes be treated as though appointed pursuant to such section 207 (b).

(b) The Secretary of Health, Education, and Welfare may, with the consent of the head of any other agency of the Federal Government, utilize such officers and employees of such agency as may be found necessary to assist in carrying out the purposes of this title.

(c) The Surgeon General is authorized to prescribe such regulations as are necessary to carry out his functions under this title.

On page 8, line 16, change the section number from "209" to "7"; in the same line, after the word "this", to strike out "title" and insert "Act"; at the beginning of line 17, to strike out " "(a)" and insert "(a)"; in the same line, after the word "term", to strike out " 'State" and

insert "'State"; in the same line, after the world "pollution" to insert "control"; at the beginning of line 18, to strike out "agency'" and insert "agency'"; in line 23, to strike out "'(b)" and insert "(b)"; in the same line, after the word "term", to strike out "'local" and insert "'local"; in line 24, after the word "pollution" to insert "control"; in the same line, after the amendment just above stated, to strike out "agency'" and insert "agency'"; on page 9, at the beginning of line 5, to strike out "'(c)" and insert "(c)"; in the same line, after the word "term" to strike out "'State'" and insert "'State'"; in line 6, after the word "of", to strike out "Columbia.'" and insert "Columbia."; after line 6, to insert a new section, as follows:

SEC. 8. Nothing contained in this act shall affect any other law relating to air pollution unless such other law is manifestly inconsistent with the provisions of this act. Nothing contained in this act shall limit the authority of any department or agency of the United States to conduct research and experiments relating to air pollution under the authority of any other law.

So as to make the bill read:

Be it enacted, etc., That in recognition of the dangers to the public health and welfare from air pollution, it is hereby declared to be the policy of Congress to preserve and protect the primary responsibilities and rights of the States and local governments in controlling air pollution, to support and aid technical research to devise and develop methods of abating such pollution, and to provide Federal technical services and financial aid to State and local government air pollution control agencies and public or private educational institutions in the formulation and execution of their air pollution abatement research programs. To this end, the Secretary of Health, Education, and Welfare and the Surgeon General of the Public Health Service (under the supervision and direction of the Secretary of Health, Education, and Welfare) shall have the authority relating to air pollution control vested in them respectively by this title.

SEC. 2. (a) The Surgeon General is authorized and directed after careful investigation and in cooperation with other Federal agencies, with State and local government air pollution control agencies, with public and private educational institutions to prepare or recommend research programs for eliminating or reducing air pollution. For the purpose of this subsection the Surgeon General is authorized to make joint investigations with any such agencies or institutions.

(b) The Surgeon General may encourage cooperative activities by State and local governments for the prevention and abatement of air pollution; collect and disseminate information relating to air pollution and the prevention and abatement thereof; support and aid technical research by State and local government air pollution control agencies, public and private educational institutions, to devise and develop methods of preventing and abating air pollution; make available to State and local government air pollution control agencies, public and private educational institutions the results of surveys, studies, investigations, research, and experiments relating to air pollution and the prevention and abatement thereof conducted by the Surgeon General and by authorized cooperating agencies; and furnish such other assistance to State and local government air pollution control agencies, public and private educational institutions, as may be authorized by law in order to carry out the policy of this act.

SEC. 3. The Surgeon General may, upon request of any State or local government air pollution control agency conduct investigations and research and make surveys concerning any specific problem of air pollution confronting such State or local government air pollution control agency with a view to recommending a solution to such problem.

SEC. 4. The Surgeon General shall prepare and publish from time to time reports of such surveys, studies, investigations, research, and experiments made under the authority of this title as he may consider desirable, together with appropriate recommendations with regard to the control of air pollution.

SEC. 5. There is hereby established within the Public Health Service an Air Pollution Control Advisory Board (hereinafter referred to as the "Board") to be composed as follows: The Surgeon General or a sanitary engineer officer designated by him, who shall be Chairman of the Board, a representative of the Department of Defense, a representative of the Department of the Interior, a representative of the Department of Agriculture, a representative of the Department of Commerce, a representative of the Atomic Energy Commission, and a representative of the National Science Foundation, designated, respectively, by the Secretary of Defense, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Chairman of the Atomic Energy Commission, and the Director of the National Science Foundation; and eight persons (not officers or employees of the Federal Government) to be appointed annually by the President. One of the persons appointed by the President shall be an engineer who is an expert in air pollution control and prevention, 1 shall be a person who has shown an active interest in the field of air pollution, and, except, as the President may determine that the purposes of this title will be promoted by different representation, 1 shall be a person representative of State government, 1 shall be a person representative of municipal government, and 1 shall be a person representative of local or county government. The members of the Board who are not officers or employees of the United States shall be entitled to receive compensation at a per diem rate to be fixed by the Secretary of Health, Education, and Welfare, together with an allowance for actual and necessary traveling and subsistence expenses while engaged in the business of the Board. The Board shall meet at the call of the Surgeon General. It shall be the duty of the Board to review the policies and programs of the Surgeon General as undertaken under authority of this act, and to make recommendations thereon in reports to the Surgeon General. Such clerical and technical assistance as may be necessary to discharge the duties of the Board shall be provided from the personnel of the Public Health Service.

SEC. 6. (a) There is hereby authorized to be appropriated to the Department of Health, Education, and Welfare for each of the five fiscal years during the period beginning July 1, 1955, and ending June 30, 1960, not to exceed $3 million to enable it to carry out its functions under this act and to (1) make grants-in-aid to States, for expenditure by or under the direction of their respective State and local government air pollution control agencies, and to public and private educational institutions for research, training, and demonstration projects, and (2) or to enter into contract with public and private educational institutions for research, training and demonstration projects. Such grants-in-aid and contracts may be made without regard to sections 3648 and 3709 of the Revised Statues. Sums appropriated pursuant to this subsection shall remain available until expended, and shall be allotted by the Surgeon General in accordance with regulations prescribed by the Secretary of Health, Education, and Welfare.

SEC. 7. When used in this act—

(a) the term "State air pollution control agency" means the State health authority, except that in the case of any State in which there is a single State agency other than the State health authority charged with responsibility for enforcing State laws relating to the abatement of air pollution, it means such other State agency;

(b) the term "local government air pollution control agency" means a city or other local government health authority, except that in the case of any city or other local government in which there is a single agency other than the health authority charged with responsibility for enforcing ordinances or laws relating to the abatement of air pollution, it means such other agency; and

(c) the term "State" means a State or the District of Columbia.

SEC. 8. Nothing contained in this act shall affect any other law relating to air pollution unless such other law is manifestly inconsistent with the provisions of this act. Nothing contained in this act shall limit the authority of any department or agency of the United States to conduct research and experiments relating to air pollution under the authority of any other law.

The title was amended, so as to read: "A bill to provide research and technical assistance relating to air pollution control."

Mr. JOHNSON of Texas. Mr. President, I call the attention of the Senator from Oklahoma [Mr. KERR] to the fact that the unfinished business is Senate bill 928.

Mr. KERR. Mr. President, Senate bill 928, as amended by the committee, authorizes study and research with reference to air pollution. It seeks to promote and encourage cooperation by the Federal Government with States, municipalities, and private agencies toward finding a means to reduce, and then to prevent, the pollution of air.

The bill was long considered by the committee. It was unanimousy reported by the subcommittee and then by the full committee, which recommends its passage by the Senate.

I should like the junior Senator from California [Mr. KUCHEL], who led in the effort to secure appropriate study, investigation, discussion, and approval of the bill by the committee, to give the Senate his views on the subject at this time.

Mr. KUCHEL. Mr. President, the problem of air pollution or air contamination has become so widespread that no section of the United States is immune from it. It has posed a continually growing danger to the health and comfort of our people, a serious and increasing hazard to our Nation's agriculture, and a threat to the orderly growth of our industry.

I was most grateful to find in the state of the Union message a request by the President that the facilities of the Federal Government be enlisted in the field of research and technical study and assistance with a view to finding what we hope may be an early solution of the air-pollution problem. This bill meets that request with a $15 million authorization extending over the next 5 years.

The people of the Nation are indebted to my friend the senior Senator from Oklahoma [Mr. KERR] for the manner in which, as chairman of the subcommittee charged with the responsibility for the bill, he held long hearings and heard

testimony from representatives of State, county, and city governments across the Nation; and also testimony from experts, such as a representative of the American Medical Association—all of whom urged Congress to enact legislation to bring the facilities of the Federal Government into this fight against smog.

I wish to emphasize that it is not the thought that Congress has anything to do with control of air pollution through the proposed legislation or through any contemplated Federal legislation. That problem remains where it ought to remain—in the States of the Union, and in the cities and the counties of our country.

The bill does provide a means of integrating, under the Department of Health, Education, and Welfare, all the technical facilities available to the several departments of Government, so that there may be a cooperative effort upon the part of the Government of the United States in the field of research and development with reference to this problem.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the committee amendments are agreed to en bloc.

The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 928) was ordered to be engrossed for a third reading, read the third time, and passed.

EXAMINATION AND SURVEY OF THE NEW ENGLAND, LONG ISLAND, AND NEW JERSEY COASTAL AREAS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of order No. 391, Senate bill 414.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 414) authorizing a preliminary examination and survey of the New England, Long Island, and New Jersey coastal and tidal areas, for the purpose of determining possible means of preventing damages to property and loss of human lives due to hurricane, winds, and tides.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works, with an amendment, to strike out all after the enacting clause and insert:

That in view of the severe damage to the coastal and tidal areas of the eastern and southern United States from the occurrence of hurricanes, particularly the hurricanes of August 31, 1954, and September 11, 1954, in the New England, New York, and New Jersey coastal and tidal areas, and the hurricane of October 15, 1954, in the coastal and tidal areas extending south to South Carolina, and in view of the damages caused by other hurricanes in the past, the Secretary of the Army, in cooperation with the Secretary of Commerce and other Federal agencies concerned with hurricanes, is hereby authorized and directed to cause an examination and survey to be made of the eastern and southern seaboard of the United States with respect to hurricanes, with particular reference to areas where severe damages have occurred.

SEC. 2. Such survey, to be made under the direction of the Chief of Engineers, shall include the securing of data on the behavior and frequency of hurricanes, and the determination of methods of forecasting their paths and improving warning services, and of possible means of preventing loss of human lives and damages to property, with due consideration of the economics of proposed breakwaters, seawalls, dikes, dams, and other structures, warning services, or other measures which might be required.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. KERR. Mr. President, the bill was introduced by the Senator from Connecticut [Mr. BUSH], for himself and the Senator from South Carolina [Mr. THURMOND], the Senator from Rhode Island [Mr. GREEN], the Senator from New Jersey [Mr. SMITH], the Senator from New York [Mr. IVES], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Connecticut [Mr. PURTELL], the Senator from Maine [Mr. PAYNE], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from New York [Mr. LEHMAN]. I believe the distinguished junior Senator from Rhode Island [Mr. PASTORE] was a joint author and sponsor of the bill.

Mr. President, the bill is very brief. It directs the Corps of Engineers to make an examination and survey, in cooperation with the United States Weather Bureau and other agencies, along the coastal and tidal areas of eastern and southern United States, for the purpose of securing data on the movement and effect of hurricanes, and for the purpose of finding a way, if possible, to reduce the danger of damage by hurricanes, and to develop a means, if practicable and feasible, whereby the bad effects from such occurrences can be minimized, and also whereby better systems of warning can be developed, so that, to the extent possible, people in the affected areas, in the path of the approach of such storms will be able to take such means as are available to them to help themselves to avoid damage.

The bill was the subject of extended hearings by the committee. The distinguished Senators from New England and other States, having in mind similar situations along the eastern seaboard and the Gulf of Mexico, spent long hours of study, and the committee spent several days hearing from persons residing in the affected areas. It was considered unanimously by the members of the subcommittee and the full committee that the bill was one which should be considered and passed by the Congress, in order that anything which could appropriately be done to be of assistance in this field might be developed and brought about.

The distinguished senior Senator from Connecticut [Mr. BUSH] was one of the leaders in securing the consideration and approval of the bill. I should like to ask him to give us the benefit of his views on the bill.

Mr. BUSH. Mr. President, I shall delay the Senate less than 1 minute. On behalf of myself and all the other sponsors of the bill, I wish to thank the able Senator from Oklahoma for the very fine analysis of the bill he has made.

There is little I can add, except to say, that certain areas have suffered devastating damage, loss of life, and great distress as a result of repeated hurricanes, the worst of them having occurred last year.

The bill now before the Senate is an authorization measure, to enable the engineers to study the situation and make recommendations as to what can be done to deal with the problem, as has been stated by the Senator from Oklahoma, both through giving improved warning service, and, secondly, furnish the physical means to deal with the problem and stop the tidal damage. Very much of the damage is water damage.

The bill is a very modest one. There has been absolutely no opposition to it in the committee.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to join in extending my thanks to the distinguished Senator from Oklahoma. Passage of the bill will tend to give increased confidence to individuals and businesses located along the New England seaboard.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I wish to associate myself with the statement of the Senator from Oklahoma, because my State is fairly familiar with the damage which can be done by tornadoes. We know, of course, that hurricanes on the east coast have also caused great destruction.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to authorize an examination and survey of the coastal and tidal areas of the eastern and southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides."

CONVEYANCE OF CERTAIN LAND TO BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEX.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 393, Senate bill 1340, to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex. I call this

motion to the attention of the Senator from Oklahoma [Mr. KERR].

The PRESIDING OFFICER (Mr. KUCHEL in the chair). The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1340) to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.

Mr. KERR. Mr. President, the purpose of the bill is to authorize the Secretary of the Army to reconvey by quitclaim deed to the Brownsville Navigation District those lands on Brazos and Padre Islands, Cameron County, Tex., including accretions thereto, which were conveyed to the United States by the district by two deeds, both dated October 25, 1932, except for such portions of the lands or interests therein as the Secretary of the Army may determine are needed in connection with river and harbor improvement works at this location.

The bill provides that the Brownsville Navigation District shall pay the United States the same amount of money for the return of the land as was paid to it for the land when it was secured from the Brownsville District. The land has been found to be surplus, and is not needed by the Federal Government, and the local District is improving the land for park and recreational purposes.

The bill was considered by the full committee, and was unanimously approved by both the subcommittee and the full committee; and passage of the bill by the Senate is recommended.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1340) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized and directed to reconvey, by quitclaim deed, to the Brownsville Navigation District of Cameron County, Tex., for a monetary consideration equal to that paid by the United States to such district therefor, all right, title, and interest of the United States in and to those lands located on Brazos and Padre Islands, Cameron County, Tex., including accretions thereto, which were conveyed to the United States by the Brownsville Navigation District by two deeds, both dated October 25, 1932, and recorded in volume 243, pages 260–262, and volume 244, pages 101–103 of the deed records of Cameron County, Tex., except for such portions of the lands or interests therein as the Secretary of the Army may determine are needed in connection with river and harbor improvement works at the location.

SEC. 2. The conveyance authorized by this act shall contain such terms and conditions as the Secretary of the Army, with the concurrence of the Secretary of the Treasury, determines advisable to assure that the use of the land by the Brownsville Navigation District or its transferees will be compatible with the operations of the United States Coast Guard. Such conveyance shall also contain such terms and conditions as the Secretary of the Army determines advisable in the public interest, and particularly such terms and conditions as he determines advisable—

(a) to assure that the use of the land by the Brownsville Navigation District or its transferees will be compatible with the construction, maintenance, and operation of the river and harbor project at the location; and

(b) to assure that the United States, and its employees, agents, and contractors shall have the right to utilize the existing causeway, constructed by Cameron County, Tex., for access to Padre Island, Tex., in connection with governmental activities, without charge.

SEC. 3. The conveyance authorized by this act shall reserve to the United States all right, title, and interest in source material (as defined in the Atomic Energy Act of 1954) in the lands conveyed.

CONSTRUCTION OF HIGHWAY CROSSING OVER LAKE TEXOMA, RED RIVER, TEX. AND OKLA.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 394, Senate bill 1318, to authorize construction of a highway crossing over Lake Texoma, Red River, Tex. and Okla.; and I call the motion to the attention of the Senator from Oklahoma [Mr. KERR].

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1318) to authorize construction of a highway crossing over Lake Texoma, Red River, Tex. and Okla., which had been reported from the Committee on Public Works, with an amendment, to strike out all after the enacting clause and insert:

That the project for the Denison Reservoir on Red River in Texas and Oklahoma, as authorized in the act of June 28, 1938 (52 Stat. 1215), is hereby modified in order to provide for a highway bridge across Lake Texoma, at or near the Willis site, to replace the crossing of Texas State Highway No. 91 and Oklahoma State Highway No. 99. Such bridge shall be constructed under the direction of the Secretary of the Army and the supervision of the Chief of Engineers, in accordance with such plans as may be recommended by the Chief of Engineers.

SEC. 2. The construction of such bridge shall be subject to the condition that the States of Texas and Oklahoma shall each contribute the sum of $606,000 toward the cost of such bridge.

Mr. KERR. Mr. President, the bill, as reported, modifies Public Law 761, 75th Congress, 3d session, which authorized the construction of the Denison Dam and Reservoir on Red River, Tex., and Okla. The act has the effect of authorizing the construction of a fixed bridge at the Willis site, Denison Reservoir, Tex. and Okla., and provides that the States of Texas and Oklahoma shall each contribute the sum of $606,000 toward the cost of the work contemplated under this act.

The bill was considered by the subcommittee, and is unanimously recommended by both the subcommittee and the full committee; and passage of the bill by the Senate is urged.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to modify the project for the Denison Reservoir on Red River in Texas and Oklahoma in order to provide for a highway bridge across Lake Texoma."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. ASPINALL, Mr. O'BRIEN of New York, Mr. MILLER of Nebraska, and Mr. SAYLOR, were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. ASPINALL, Mr. O'BRIEN of New York, Mr. MILLER of Nebraska, and Mr. SAYLOR, were appointed managers on the part of the House at the conference.

EXTENSION OF TIME FOR CONSTRUCTION OF TOLL BRIDGE ACROSS THE RAINY RIVER, BAUDETTE, MINN.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 397, Senate bill 528, extending the time for commencing and completing the construction of a toll bridge across the Rainy River at or near Baudette, Minn.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 528) to extend the time for commencing and completing the construction of a toll bridge across the Rainy River at or near Baudette, Minn., which had been reported from the Committee on Public Works, with an amendment, on page 1, beginning in line 3, to strike out:

That the times for commencing and completing the construction of a toll bridge across the Rainy River at or near Baudette, Minn., authorized to be built by the village of Baudette by an act of Congress approved December 21, 1950 (64 Stat. 1115), are hereby extended until 2 and 4 years, respectively, from the date of enactment of this act.

And insert:

That the act approved December 21, 1950, entitled "An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn.," be, and is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 2

years and completed within 4 years from the date of approval hereof.

So as to make the bill read:

Be it enacted, etc., That the act approved December 21, 1950, entitled "An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn.," be, and is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge hersin referred to be commenced within 2 years and completed within 4 years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. JOHNSON of Texas. Mr. President, I call this measure to the attention of the Senator from Oklahoma and the Senator from Minnesota.

Mr. KERR. Mr. President, the bill is sponsored by the distinguished senior Senator from Minnesota [Mr. THYE], and it is identical with a bill sponsored by the distinguished junior Senator from Minnesota [Mr. HUMPHREY].

The bill was considered urgent by the committee, and passage of the bill is urged.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. HUMPHREY. I wish to thank the Senator from Oklahoma.

The bill means a great deal to the community of Baudette, Minn. The bill merely authorizes extension of the time for the construction of a toll bridge.

Let me state that the community which was delayed in prosecuting the work because of the difficulties in obtaining materials following the Korean war, is now prepared to move ahead. It will now proceed; and I wish to thank the committee for its expeditious consideration of this measure.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill (S. 528) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "An act to revive and reenact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950."

INCREASE OF AUTHORIZATION FOR ACQUISITION OF LAND AND FACILITIES TO REPLACE INDIAN FISHING GROUNDS AT BONNEVILLE DAM

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 395, House bill 3879, which calls for increasing the authorization for acquiring land and providing facilities to replace Indian fishing grounds submerged or destroyed at Bonneville Dam.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3879) to amend section 2 of the act of March 2, 1945, pertaining to the Columbia River at Bonneville, Oreg.

Mr. KERR. Mr. President, the purpose of the bill is to increase the authorization for acquiring land and providing facilities to replace Indian fishing grounds, submerged or destroyed as a result of the construction of the Bonneville Dam, Columbia River, from $50,000 to $185,000.

In carrying out this project, it was found that the original authorization was inadequate; and the sum authorized by this bill was agreed upon by the Department of Interior, has been approved by the Bureau of the Budget, and has been declared acceptable by the Indians.

The bill has been passed by the House of Representatives, and has been unanimously approved by the committee; and passage of the bill by the Senate is urged.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 3879) was ordered to a third reading, read the third time, and passed.

PIKE CREEK, KENOSHA, WIS.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 398, Senate bill 1250, to declare Pike Creek above the easterly side of the highway bridge at Sixth Avenue in the city of Kenosha a nonnavigable stream.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1250) to declare Pike Creek above the easterly side of the highway bridge at Sixth Avenue in the city of Kenosha a nonnavigable stream.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1250) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Pike Creek, in the State of Wisconsin, above the easterly side of the highway bridge at Sixth Avenue in the city of Kenosha is hereby declared to be a nonnavigable stream within the meaning of the Constitution and laws of the United States.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

ADJUSTMENT OF TOLLS ON BRIDGE ACROSS THE DES MOINES RIVER AT ST. FRANCISVILLE, MO.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 396, House bill 625, providing for the adjustment of tolls to be charged in the maintenance and operation of a toll bridge across the Des Moines River at or near St. Francisville, Mo.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 625) to provide for the adjustment of tolls to be charged by the Wayland Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near Saint Francisville, Mo.

Mr. KERR. Mr. President, the toll bridge across the Des Moines River was authorized by an act of Congress, approved February 14, 1933 (47 Stat. 802). The bridge was constructed by the Wayland Special Road District No. 1 of Clark County, Mo., and was completed in 1936.

The bonds issued to finance construction of the bridge, dated December 1, 1935, are still outstanding and are held by the Reconstruction Finance Corporation and are now in default. The liquidation of the RFC makes it necessary to refinance the issue.

The purpose of this measure is to authorize the refinancing of the bond issue for a period of 30 years, and adjusting the toll rates to a basis which will be in proportion to the value, and also to produce sufficient revenue in the 30-year period to pay the interest and completely liquidate the bonds, which now are the property of the Reconstruction Finance Corporation.

The bill further provides that after the obligation to the Federal Government, through the Reconstruction Finance Corporation, is liquidated, the bridge shall then become a toll-free bridge.

The bill was unanimously approved by the committee and its passage by the Senate is deserving.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

PAYMENT OF MONEY ORDERS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 388, House bill 4817, relating to the payment of money orders.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, House bill 4817 is similar in many respects to Senate bill 1488, which passed the Senate on May 5, 1955. The bill would establish a statute of limitations barring the payment of any postal money order after 20 years from the last day of the month in which the money order was issued. The proposed legislation, as requested by the Post Office Department, provided a 6-year statute of limitations. The Senate Committee on Post Office and Civil Service changed the period from 6 to 8 years, and the House made a further change, establishing a 20-year statute of limitations. The Senate committee feels that the 20-year provision is more equitable, and that the House version should be accepted.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

VOLUNTARY LIQUIDATION OF NATIONAL BANKS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 401, Senate bill 1187, to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. FULBRIGHT. Mr. President, this bill was requested by the Treasury Department. All it does is to relieve a national bank from the necessity of advertising its liquidation in a New York City newspaper. The old law was enacted when banks issued notes. The law required that they give notice when they were going into liquidation.

There was no opposition to the bill. It was unanimously approved by the committee.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 5221 of the Revised Statutes (U. S. C., 1952 edition, title 12, sec. 182) is amended to read as follows:

"SEC. 5221. Whenever a vote is taken to go into liquidation it shall be the duty of the board of directors to cause notice of this fact to be certified, under the seal of the association, by its president or cashier, to the Comptroller of the Currency, and publication thereof to be made for a period of 2 months in every issue of a newspaper published in the city or town in which the association is located, or if no newspaper is there published, then in the newspaper published nearest thereto, that the association is closing up its affairs, and notifying its creditors to present their claims against the association for payment."

TWENTY - YEAR REAL - ESTATE LOANS BY NATIONAL BANKS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 402, Senate bill 1189, to permit national banks to make 20-year real-estate loans and 9-month construction loans.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with amendments, on page 2, line 15, after the word "exceed", to strike out "60" and insert "66⅔"; in line 22, after the word "exceed", to strike out "60" and insert "66⅔"; on page 4, line 2, after the word "amended" to strike out "by deleting therefrom the word 'six' and by substituting therefor the word 'nine'," and insert "to read as follows:

"Loans made to finance the construction of industrial or commercial buildings and having maturities of not to exceed 18 months where there is a completion and release of lien bond issued by a financially responsible individual, partnership, association, or corporation and a valid and binding agreement entered into by a financially responsible lender to advance the full amount of the bank's loan upon the completion of the buildings, and loans made to finance the construction of residential or farm buildings and having maturities of not to exceed 9 months, shall not be considered as loans secured by real estate within the meaning of this section but shall be classed as ordinary commercial loans whether or not secured by a mortgage or similar lien on the real estate upon which the building or buildings are being constructed: *Provided*, That no national banking association shall invest in, or be liable on, any such loans in an aggregate amount in excess of 50 percent of its actually paid-in and unimpaired capital plus 50 percent of its unimpaired surplus fund. Notes representing loans made under this section to finance the construction of residential or farm buildings and having maturities of not to exceed 9 months shall be eligible for discount as commercial paper within the terms of the second paragraph of section 13 of the Federal Reserve Act, as amended, if accompanied by a valid and binding agreement to advance the full amount of the loan upon the completion of the building entered into by an individual, partnership, association, or corporation acceptable to the discounting bank."

So as to make the bill read:

Be it enacted, etc., That the first paragraph of section 24 of the Federal Reserve Act, as amended (U. S. C., 1952 ed., title 12, sec. 371), is amended to read as follows:

"SEC. 24. Any national banking association may make real-estate loans secured by first liens upon improved real estate, including improved farmland and improved business and residential properties. A loan secured by real estate within the meaning of this section shall be in the form of an obligation or obligations secured by a mortgage, trust deed, or other instrument upon real estate, which shall constitute a first lien on real estate in fee simple or, under such rules and regulations as may be prescribed by the Comptroller of the Currency, on a leasehold (1) under a lease for not less than 99 years which is renewable or (2) under a lease having a period of not less than 50 years to run from the date the loan is made or acquired by the national banking association, and any national banking association may purchase any obligation so secured when the entire amount of such obligation is sold to the association. The amount of any such loan hereafter made shall not exceed 50 percent of the appraised value of the real estate offered as security and no such loan shall be made for a longer term than 5 years; except that (1) any such loan may be made in an amount not to exceed 66⅔ percent of the appraised value of the real estate offered as security and for a term not longer than 10 years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize 40 percent or more of the principal of the loan within a period of not more than 10 years, (2) any such loan may be made in an amount not to exceed 66⅔ percent of the appraised value of the real estate offered as security and for a term not longer than 20 years if the loan is secured by an amortized mortgage, deed of trust or other such instrument under the terms of which the installment payments are sufficient to amortize the entire principal of the loan within a period of not more than 20 years, and (3) the foregoing limitations and restrictions shall not prevent the renewal or extension of loans heretofore made and shall not apply to real-estate loans which are insured under the provisions of title II, title VI, title VIII, section 8 of title I, or title IX of the National Housing Act or which are insured by the Secretary of Agriculture pursuant to title I of the Bankhead-Jones Farm Tenant Act, or the Act of August 28, 1937, as amended. No such association shall make such loans in an aggregate sum in excess of the amount of the capital stock of such association paid in and unimpaired plus the amount of its unimpaired surplus fund, or in excess of 60 percent of the amount of its time and savings deposits, whichever is the greater. Any such association may continue hereafter as heretofore to receive time and savings deposits and to pay interest on the same, but the rate of interest which such association may pay upon such time deposits or upon savings or other deposits shall not exceed the maximum rate authorized by law to be paid upon such deposits by State banks or trust companies organized under the laws of the State in which such association is located."

SEC. 2. The first sentence of the third paragraph of section 24 of the Federal Reserve Act, as amended (U. S. C., 1952 ed., title 12, sec. 371), is amended to read as follows:

"Loans made to finance the construction of industrial or commercial buildings and having maturities of not to exceed 18 months where there is a completion and release of lien bond issued by a financially responsible individual, partnership, association, or corporation and a valid and binding agreement entered into by a financially responsible lender to advance the full amount of the bank's loan upon the completion of the buildings, and loans made to finance the construction of residential or farm buildings and having maturities of not to exceed 9 months, shall not be considered as loans secured by real estate within the meaning of this section but shall be classed as ordinary commercial loans whether or not secured by a mortgage or similar lien on the real estate upon which the building or buildings are being constructed: *Provided*, That no national banking association shall invest in, or be liable on, any such loans in an aggregate amount in excess of 50 percent of its actually paid-in and unimpaired capital plus 50 percent of its unimpaired surplus fund. Notes representing loans made under this section to finance the construction of residential or farm buildings and having maturities of not to exceed 9 months shall be eligible for discount as commercial paper within the terms of the second paragraph of section 13 of the Federal Reserve Act, as amended, if accompanied by a valid and binding agreement to advance the full amount of the loan upon the completion of the building entered into by an individual, partnership, association, or corporation acceptable to the discounting bank."

Mr. FULBRIGHT. Mr. President, this is an administration measure, requested by the Federal Reserve Board. It simply changes the restrictions upon national banks with regard to mortgage loans. It enables them to make loans for 20 years instead of 10, provided the loans are amortized at the rate of not less than 5 percent a year. It is a technical change requested by the administration. The bill was recommended unanimously by the Banking and Currency Committee.

Mr. SALTONSTALL. Mr. President, may I ask a question at that point?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. Did this recommendation come from the banking authorities in the administration?

Mr. FULBRIGHT. It did. The bill was introduced by request. It embodies a recommendation by an agency.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to permit national banks to make 20-year real-estate loans, 9-month residential-construction loans, and 18-month commercial-construction loans."

EXAMINATION OF NATIONAL BANKS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 403, Senate bill 1188, to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. FULBRIGHT. Mr. President, this is a bill requested by the Treasury Department. It simply changes existing law, which requires the Comptroller of the Currency to conduct two examinations of each national bank in each calendar year. This measure would give him discretion to waive 1 of such examinations in a 2-year period. There was no objection to the bill in the committee.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first paragraph of section 5240 of the Revised Statutes, as amended (12 U. S. C. 481), is amended by deleting the first sentence thereof and substituting therefor the following sentences: "The Comptroller of the Currency, with the approval of the Secretary of the Treasury, shall appoint examiners who shall examine every national bank twice in each calendar year, but the Comptroller, in the exercise of his discretion, may waive one such examination or cause such examinations to be made more frequently if considered necessary. The waiver of one such examination as above provided shall not be exercised more frequently than once during each 2-year period beginning January 1, 1955."; and by deleting from the second sentence thereof the following: ", or of any other member bank."

SEC. 2. The third paragraph of section 5240 of the Revised Statutes, as amended (12 U. S. C. 482), is amended by deleting the second sentence thereof and substituting therefor the following: "The expense of the examinations herein provided for shall be assessed by the Comptroller of the Currency upon national banks in proportion to their assets or resources. The assessments may be made more frequently than annually at the discretion of the Comptroller of the Currency. The annual rate of such assessment shall be the same for all national banks, except that banks examined more frequently than twice in 1 calendar year shall, in addition, be assessed the expense of these additional examinations."

SEC. 3. The seventh paragraph of section 5240 of the Revised Statutes, as amended (12 U. S. C. 482), is deleted and there is substituted therefor the following: "In addition to the expense of examination to be assessed by the Comptroller of the Currency as heretofore provided, all national banks exercising fiduciary powers and all banks or trust companies in the District of Columbia exercising fiduciary powers shall be assessed by the Comptroller of the Currency for the examination of their fiduciary activities a fee adequate to cover the expense thereof."

QUALIFICATIONS OF DIRECTORS OF NATIONAL BANKING ASSOCIATIONS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 404, Senate bill 1736, to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with amendments, in line 5, after the word "words" to insert "three-fourths", and in line 6, after the word "words" to insert "two-thirds", so as to make the bill read:

Be it enacted, etc., That section 5146 of the Revised Statutes, as amended (U. S. C., 1952 ed., title 12, sec. 72), is amended by deleting therefrom the words "three-fourths", "fifty" and "fifty-mile", and substituting therefor the words "two-thirds", "one hundred" and "one-hundred-mile", respectively.

Mr. FULBRIGHT. Mr. President, this is also a bill requested by the Treasury Department. All it does is to permit two-thirds of the directors of a national bank to live within a 100-mile radius of the bank. The present requirement is that three-fourths must live within 50 miles. It simply extends the area in which directors of the bank may live.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OPTIONAL RETIREMENT FOR CERTAIN FORMER LIGHTHOUSE SERVICE PERSONNEL

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 380, Senate bill 1419, to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service.

The motion was agreed to and the Senate proceeded to consider the bill.

Mr. PAYNE. Mr. President, this bill would lower the optional retirement age of civilian employees of the Coast Guard who served in the former Lighthouse Service.

The Treasury Department comment on the bill notes that the employees in question often find, on reaching age 60, that it is difficult to perform the heavy duties required in the work they are called upon to do. The Department offered no objection to the enactment of the bill, which would, according to the Acting Secretary of the Department, "make the permissive retirement age of those affected nearer to the age of retirement provided for civil-service employees under the Civil Service Act."

The bill was unanimously reported from the committee, and there was no objection from anyone concerned.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes," approved June 20, 1918, as amended (33 U. S. C., sec. 763), is amended by striking out "who shall have reached the age of 65 years, after having been 30 years in the active service of the Government," and inserting in lieu thereof the following: "who (1) shall have reached the age of 60 years, after having been 30 years in the active service of the Government, or (2) shall have reached the age of 62 years, after having been 25 years in the active service of the Government."

SEC. 2. This act shall take effect on the first day of the second month beginning after the date of enactment of this act.

REMOVAL OF REQUIREMENT FOR OATHS ON VESSEL INSPECTION CERTIFICATES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 381, House bill 4646, to amend section 4421 of the Revised Statutes, in order to remove the requirement as to verifying under oath certain certificates of inspection, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. PAYNE. Mr. President, this bill was originally introduced at the request of the Treasury Department. It is intended to facilitate administrative procedures in the inspection of steam vessels by the Coast Guard by eliminating the requirement for verification under oath of certificates of inspection.

In asking for removal of the requirement of verification of certificates of inspection under oath, the Treasury Department pointed out that there is at present no such requirement incident to the issuance of temporary certificates of inspection or for amendments altering the provisions of such certificates, or for the issuance of waivers in connection with certificates of inspection.

The bill was unanimously reported from the committee, and there was no objection from anyone.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AUTHORIZATION OF EARLY DISCHARGES OF CERTAIN COAST GUARD ENLISTED PERSONNEL

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 382, House bill 5224, to amend title 14, United

States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel and preserve their rights, privileges, and benefits.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. PAYNE. This bill was introduced at the request of the Treasury Department. It should amend title 14 of the United States Code by authorizing certain early discharges of enlisted personnel.

The enactment of the bill would aid the Coast Guard to achieve a more stable rate of recruitment, and at the same time safeguard the rights, privileges, and benefits of the enlisted men involved.

It would provide that any enlisted man in the Coast Guard may be discharged within 3 months before the expriation of his term of enlistment or extended enlistment without prejudice to any right, privilege, or benefit he would have received, except pay and allowances for the unexpired period not served, or to which he would thereafter become entitled, had he served his full term of enlistment or extended enlistment.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I wish to express my deep gratitude to the junior Senator from Maine [Mr. PAYNE] for the very excellent presentation he has made of these bills. He has again demonstrated that he can function on the floor of the Senate as efficiently and effectively as he can when he is presiding over the Senate. The majority leader is very grateful to him, and is proud to be a member of a body that has in it such an able gentleman as the Senator from Maine.

Mr. PAYNE. Mr. President, I merely wish to say that I have no words with which to express my appreciation for the kind remarks extended to me by the majority leader.

TO DECLARE A CERTAIN PORTION OF THE WATERWAY AT GREENWICH, CONN., A NONNAVIGABLE STREAM

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 399, S. 1300. I call the motion to the attention of the Senator from Rhode Island [Mr. PASTORE].

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1300) to declare a certain portion of the waterway at Greenwich Conn. (in which is located the Greenwich Harbor), a nonnavigable stream.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment on page 1, line 8, to strike out "Connecticut Geodetic" and insert in lieu thereof "Corps of Engineers' Harbor Line"; and on page 2, line 11, after the period to insert:

This act shall become effective when the State Highway Department of Connecticut has completed the dredging to a depth of 6 feet of a compensating anchorage area of nine-tenths of an acre, to the satisfaction of the division engineer of the Corps of Engineers in charge of the locality.

So as to make the bill read:

Be it enacted, etc., That the portion of the waterway in which is located the Greenwich Harbor in the town of Greenwich, Conn., lying north of a line extending south 84 degrees 00 minutes and 36 seconds east from a point (365 feet from the northwest corner of the existing Greenwich Harbor bulkhead and pier line) whose coordinates in the Corps of Engineers' Harbor Line System are north 6,244.55 and west 377.41 is hereby declared to be a nonnavigable water of the United States within the meaning of the Constitution and laws of the United States.

SEC. 2. The line hereinbefore described shall be established as a combined pierhead and bulkhead line of the Greenwich Harbor.

SEC. 3. Any project heretofore authorized by any act of Congress, insofar as such project relates to the above described portion of the Greenwich Harbor, is hereby abandoned.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved. This act shall become effective when the State Highway Department of Connecticut has completed the dredging to a depth of 6 feet of a compensating anchorage area of nine-tenths of an acre, to the satisfaction of the Division Engineer of the Corps of Engineers in charge of the locality.

Mr. PASTORE. Mr. President, the purpose of the bill is to declare approximately 500 feet of an arm of Greenwich Harbor in the town of Greenwich, Conn., to be a nonnavigable water of the United States in order to permit the construction of a section of the Greenwich-Killingly Expressway across a portion of marshland and a portion of the dredged basin, both within the limits of Greenwich Harbor.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TO DECLARE THE PORTION OF THE WATERWAY AT BRIDGEPORT, CONN., KNOWN AS THE WEST BRANCH OF CEDAR CREEK, A NONNAVIGABLE STREAM

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 400, S. 1469.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 400) to declare the portion of the waterway at Bridgeport, Conn., known as the west branch of Cedar Creek, a nonnavigable stream.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interstate and Foreign Commerce with an amendment on page 1, line 8, to strike out "Connecticut Geodetic" and insert in lieu thereof "Corps of Engineers' Harbor Line", so as to make the bill read:

Be it enacted, etc., That the portion of the waterway in which is located the west branch of Cedar Creek in the town of Bridgeport, Conn., lying north of a line extending north 78 degrees 56 minutes 01 second east from a point (773 feet from the northwest corner of the existing bulkhead and pier line) whose coordinates in the Corps of Engineers' Harbor Line system are south 937.23 and west 1,108.40, is hereby declared to be a nonnavigable water of the United States within the meaning of the Constitution and laws of the United States.

SEC. 2. The line hereinbefore described shall be established as a combined pierhead and bulkhead line of the west branch of Cedar Creek.

SEC. 3. Any project heretofore authorized by an act of Congress, insofar as such project relates to the above-described portion of the west branch of Cedar Creek, is hereby abandoned.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. PASTORE. Mr. President, the purpose of the bill is to declare nonnavigable a portion of Cedar Creek at Bridgeport, Conn., and to abandon a previously authorized Federal project to permit construction of a section of the Greenwich-Killingly Expressway.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. I wish to thank my delightful friend, the Senator from Rhode Island [Mr. PASTORE], for coming to the floor and so very ably and efficiently handling the bills from his committee. Nobody handles legislation any better than the able junior Senator from Rhode Island. I am grateful to him for his willingness to cooperate with the leadership at all times.

Mr. PASTORE. It is very exhilarating to find our majority leader in such a generous mood.

SUSPENSION OF DUTIES AND IMPORT TAXES ON METAL SCRAP

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 389, H. R. 5223.

The PRESIDING OFFICER. The Secretary will read the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5223) to continue until the close of June 30, 1956, the suspension of duties and import taxes on metal scrap, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of H. R. 5223 is to continue the existing exemption of metal scrap from import duties and taxes for another year, to June 30, 1956, with the proviso that the suspension shall not apply to lead scrap or to zinc scrap.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

THE MUTUAL SECURITY ACT OF 1955

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 386, S. 2090.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I am sure the bill which is now the unfinished business of the Senate will not be passed as rapidly as the preceding bills have been passed. As Senators know, it is the mutual-security bill.

RIGHT-TO-WORK LAWS

Mr. GOLDWATER. Mr. President, I read a question propounded by the American Press:

> Eighteen States now have laws forbidding compulsory union membership even in union shops, thus permitting employers to hire nonunion men to fill vacancies. The unions are seeking revision of the Taft-Hartley law to take away from the States the power to pass such laws. Do you think the Taft-Hartley law should be amended in this manner?

That question was propounded in the April 1955, issue of the American Press, an independent magazine for home-town newspapers.

I read that question because it pertains to a matter of vital interest in all the States of the Union and will unquestionably be one of the issues in the 1956 campaign. It is interesting to note that 86.1 percent of the country's editors favor right-to-work laws, and oppose any Federal action against such legislation.

I ask unanimous consent that the question I have read and the answers received to the question from country editors be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the question and answers were ordered to be printed in the RECORD, as follows:

86.1 PERCENT OF COUNTRY EDITORS FAVOR "RIGHT TO WORK" LAWS—OPPOSE ANY FEDERAL ACTION AGAINST THEM

Editors of weekly newspapers are almost unanimously in favor of the so-called right-to-work laws, now in force in 18 States, forbidding compulsory union membership, according to the American Press' poll on the subject.

The unions are trying to get these laws repealed by getting the Taft-Hartley law amended to forbid such State legislation. But they will get practically no support from the country newspapers, the survey indicates.

The American Press' question read:

"Eighteen States now have laws forbidding compulsory union membership even in union shops, thus permitting employers to hire nonunion men to fill vacancies. The unions are seeking a revision of the Taft-Hartley law to take away from the States the power to pass such laws. Do you think the Taft-Hartley law should be amended in this manner?"

To the question, 86.1 percent of the 1,050 editors responding said, "No"; 10.6 percent said, "Yes"; and the rest didn't answer.

Chief argument of the opposition was that it is un-American for any man to have to join any group in order to get a job. Some objected primarily on the grounds that States should be able to make what laws they favored. Comments of some of the editors follow:

"No. Let the States run their own affairs with less power and control from Washington." (Stanley R. Kent, Chrisman (Ill.) Courier.)

"It's a terrible state of affairs when a man must 'pay off' to work or go hungry." (J. Roy Hooke, Ferdinand (Ind.) News.)

"A nonunion man in a union shop always creates an unhappy situation. The union has done a lot for its members and for the United States. Same rights for all will insure rights for each of us." (E. E. Jebousek, Conrad (Iowa) Record.)

LORD HELP THE CAPITALISTS

"No; I am regarded as prolabor, but I believe that no man should ever be required to join an organization merely to get a chance at working for a living." (Jackson N. Baty, Osage (Iowa) Press-News.)

"Will the union's greed for power never be satiated? Lord help our poor, downtrodden, sweatshop capitalists." (Bernard Y. Wickstrom, Stanton (Iowa) Viking.)

"Iowa has such a law and it is a good one. Who wants to clear with a union agent to qualify for a job?" (George Ver Steeg, Pella (Iowa) Chronicle.)

"Compulsory union membership should be against the Constitution." (James R. Whittaker, Lancaster (Ky.) Central Record.)

"I am against State right-to-work laws but am not sure they should be outlawed by Congress. Maybe it should be left to States." (Landon Wills, Calhoun (Ky.) News.)

"Consider these laws good to maintain proper balance between labor and capital." (K. L. Morelock, Haynesville (La.) News.)

"Not until unions are required to give strict accounts of use of funds and union racketeering is cleaned out by FBI." (F. E. Wells, Williams (Ariz.) News.)

"No. Great danger now is increasing the dictatorial power of unions with Government blessing." (James Cuzner, Novato (Calif.) Advance.)

"I disapprove of so-called right-to-work laws. But I don't think the Federal Government should interfere with the right of a State to pass such a law, even if it is a bum law." (Si Casady, El Cajon (Calif.) Valley News.)

"The right-to-work bills seem typical of measures advocated by employers who can't handle their own employer relations. Generally speaking, employers get the labor relations they deserve." (John S. Gilmore, Nucla (Colo.) Forum.)

"Both companies and unions in all except a few Southern States apparently have found some form of maintenance of union membership worth while." (Bob Bobroff, Auburndale (Fla.) Star.)

"No. If anything, T-H should be amended to make union membership noncompulsory. Unions are okay, but should be controlled for the good of rank-and-file members." (Lowell Nye, Harvard (Ill.) Herald.)

"When a free American has to buy his job he will soon become a dishonest worker. No law in America should compel a worker to join a union, a church, or a fraternal society." (T. P. Dunn, Auburn (Ill.) Citizen.)

"Hell, no. Who got that crazy idea? Make unions desirable to workers." (R. G. Starr, Norris City (Ill.) News.)

AS BAD AS SLAVERY

"I think compelling a man to join a union is just as bad as slavery." (Robert Ehlert, Liberty (Ill.) Bee.)

"I oppose taking any more rights from the States and giving them to an all-powerful Federal Government." (Robert Angers, Jr., Franklin (La.) Banner-Tribune.)

"Unions were needed to put labor in a place to bargain. Today the pendulum has swung too far in the other direction." (Dorothy E. Roberts, Damariscotta (Maine) News.)

"Yes. Let's not make martyrs of union leaders. Besides, why penalize the other 31 States?" (John Benson, Proctor (Minn.) Journal.)

"When a contract is made with a union, the employer gives away his right to hire and expects the union to furnish him with skilled men. There cannot be two bosses." (Grant Utley, Cass Lake (Minn.) Times.)

"Each State should set up its own labor laws." (T. Ballard Watters, Marshfield (Mo.) Mail.)

"Why talk of freedom, liberty, Americanism, and then permit a group to impose restrictions on a man's right to work?" (D. H. Moreau, Flemington (N. J.) Democrat.)

"More States should adopt laws similar to those 17 which already have them." (John T. Wilson, Jr., Rutherford (N. J.) South Bergen News.)

"Any rewording of the Taft-Hartley law should contain a provision outlawing the high-powered union bosses." (Karl Guthman, Roy (N. Mex.) Record.)

"Yes. If union and employer agree they have conditions to warrant employment of union members only, then that's a working agreement, pure and simple. It's up to both sides to keep their skirts clean so it works right, rather than prohibit by law." (Hubert D. Bliss, Wellsville (N. Y.) Democrat.)

"The unions are becoming too powerful and will be the ruination of this great country if the brakes are not put on soon." (William D. Denton, Elizabethtown (N. Y.) Valley News.)

"Compulsory union membership would eventually mean an ultimate society of a completely organized working class running everything for themselves and eliminating independence of thought and action." (William W. Willson, Benson (N. C.) Review.)

"Yes. 'Right to work' bills are nothing more than 'right to starve' bills." (Roy Parker, Jr., Jackson (N. C.) News.)

"The Taft-Hartley law truly is labor's bill of rights and should not be amended to suit any group of labor bosses. I am a union man myself, having carried a card for more than 30 years, but it's contrary to the American Constitution, the American way of life, and pure common decency to tell any workingman that he must join a union in order to work." (George W. Hall, Myrtle Point (Oreg.) Herald.)

"This involves the line we must draw between State and Federal control. We favor protection of the worker and his free choice of affiliation with unions, but we believe the Federal Government should provide the protection." (W. Robert Walsh, Warren (Pa.) Observer.)

FEW REMAINING FREEDOMS

"Since the Federal Government lacks the courage to enforce the Federal Constitution guaranteeing equal rights to all our citizens, the States should clearly have the power to make such laws. There is nothing

in the guise of freedom in requiring a person to pay tribute to any organization as the price of holding a job." (Karl R. Bierly, Apollo (Pa.) News-Record.)

"The end result of forbidding compulsory union membership weakens the rights of our working people." (Abraham Beter, Irwin (Pa.) Times-Observer.)

"The right to work is one of our few remaining freedoms. I definitely oppose any further expansion of labor union powers which take away from our democratic heritage." (R. Glen Coward, Belton (S. C.) News.)

"If a labor union can sell itself to a worker, well and good. He must not, however, be compelled to join for any reason except his own free will." (Tom O'Connor, Hampton (S. C.) Guardian.)

AGAINST COMPULSORY ANYTHING

"Oppose compulsory anything, whether religion, business monopoly or labor monopoly." (Casper Nohner Hayti (S. D.) Herald-Enterprise.)

"I think the District of Columbia and the other States should enact similar laws." (W. Mat Jones, Gatesville (Tex.) News.)

"Texas has had this law and it is working favorably. Labor racketeers are continually trying to rule by force." (Clyde W. Warwick, Canyon (Tex.) News.)

"Compulsory union membership is absolutely un-American and contrary to the foundation stones on which America was founded." (James A. Williams, Wytheville (Va.) Enterprise.)

"T-H law should not be tampered with at all. We've had less strikes the past year. Under Truman we had strikes so often it got to be commonplace news." (Raymond S. Davis, Crewe (Va.) Chronicle.)

"Believe States should control their own economy. Centralized government with autocratic control has always led people to losing their liberties." (C. S. Musser, Shepherdstown (W. Va.) Independent.)

"Yes, the lesser of two evils. While the unions are far from perfect, the 'right to work' laws could eventually be used to break the unions." (Joe Davis, Okanogan (Wash.) Independent.)

"The right-to-work laws are just; I think they will become as important an issue as union organization laws were back in the late 1930's. I would favor national legislation stating the right-to-work principle." (Walter S. Brovald, Cadott (Wis.) Sentinel.

"Yes, if it keeps labor off the unemployment compensation rolls." (Verle E. Evans, Markesan (Wis.) Herald.)

"If any shop votes 100 percent to keep it closed, it can be kept closed. Otherwise, let it be open. Keep it on a shop basis—not union basis. A 100 percent shop would have to solve its own labor problems in the union." (M. H. Johnson, Fountain City (Wis.) Republican.)

PROGRAM FOR THE WEEK

Mr. JOHNSON of Texas. Mr. President, if no other Senators desire the floor at this time, before I suggest the absence of a quorum, I should like to inform the Senate of our plan, as much as we know it now, for the remainder of the week.

Following the quorum call, the Senate will be addressed by the distinguished chairman of the Committee on Foreign Relations, the senior Senator from Georgia [Mr. GEORGE].

After his address, the Senate will continue this afternoon with a general discussion of the mutual security bill.

We hope that we may be able to work out an arrangement whereby early tomorrow we can have a yea-and-nay vote on the Fisheries Convention. The majority leader and the minority leader have discussed the matter, and we think that the vote may be possible after the morning hour.

It is also hoped that we may be able to reach an agreement with respect to time for the discussion of the postal pay bill, which has been reported by the Committee on Post Office and Civil Service. I have discussed the matter with the very able chairman of the Committee on Post Office and Civil Service, the distinguished Senator from South Carolina [Mr. JOHNSTON], and with the able ranking minority member. They are now canvassing the situation. It may be that we will be able to take some time tomorrow to consider the postal pay bill.

It is my understanding that the Committee on Banking and Currency has ordered reported a housing bill. The report on the bill will not be printed and available to Senators until perhaps Thursday of this week. It is my hope that we can consider that proposed legislation in the early part of next week. I had hoped that perhaps we could bring the housing bill up for discussion in the Senate this week. However, because of the long weekend, and the fact that the Printing Office did not print the report, and it will not be available until Thursday, I doubt that it would be wise to ask the Senate to consider the housing bill this week.

There may be a few minor bills considered by the Senate from time to time this week if the committees report them, and after conference with the minority leader, so he may have an opportunity to discuss them with Members on his side of the aisle.

That is all we can say at this time so far as the program for this week is concerned.

We will continue to debate the mutual security bill today and also tomorrow. I hope that we may also discuss it on Thursday. If a sufficient number of Senators wish to get away over next weekend, perhaps we can vote on that bill by Thursday. After a measure of that kind has been discussed for 3 days, the majority leader certainly will not try to stop a vote on it.

Mr. POTTER. Mr. President, I wish to state to the majority leader that his record of expedition in handling legislation is one of good progress, and I am sure that this proposed legislation will be disposed of in the same expeditious manner.

Mr. JOHNSON of Texas. I appreciate my friend's generosity. However, it is not the majority leader's record of expedition; it is the record of every Member of the Senate, because at any time any Member of the Senate may well wish to take the floor under circumstances which would not help expedite matters too much.

I appreciate the attitude and the cooperation of all Members on both sides of the aisle.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SALARIES OF TEACHERS, SCHOOL OFFICERS, AND OTHER EMPLOYEES OF THE BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 384, Senate bill 1093; and with reference to it I invite the attention of the acting minority leader, and the able Senator from Nevada [Mr. BIBLE] who reported the bill from the Committee on the District of Columbia.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1093) fixing and regulating the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment, to strike out all after the enacting clause and insert:

TITLE I—SALARY SCHEDULES

SECTION 1. That the following are the salary schedules for teachers, school officers, and certain other employees of Board of Education of the District of Columbia whose positions are included therein:

Salary class and position	Service step 1 minimum	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Service step 7	Service step 8	Service step 9	Service step 10	Service step 11	Service step 12	Service step 13
Class 1: Superintendent of schools	$18,000												
Class 2: Deputy superintendent	11,600	$11,900	$12,200	$12,500	$12,800	$13,100	$13,400						
Class 3: Assistant superintendent; president, teachers college	10,000	10,300	10,600	10,900	11,200	11,500	11,800						
Class 4	9,400	9,600	9,800	10,000	10,200	10,400	10,600	$10,800	$11,000				
Class 5:													
Group B, master's degree	8,500	8,700	8,900	9,100	9,300	9,500	9,700	9,900	10,100				
Group C, master's degree plus 30 credit hours	8,800	9,000	9,200	9,400	9,600	9,800	10,000	10,200	10,400				
Class 6:													
Group A, bachelor's degree	7,600	7,800	8,000	8,200	8,400	8,600	8,800	9,000	9,200				
Group B, master's degree	8,100	8,300	8,500	8,700	8,900	9,100	9,300	9,500	9,700				
Group C, master's degree plus 30 credit hours	8,400	8,600	8,800	9,000	9,200	9,400	9,600	9,800	10,000				
Director, department of food services													

Salary class and position	Service step 1 minimum	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Service step 7	Service step 8	Service step 9	Service step 10	Service step 11	Service step 12	Service step 13
Class 7:													
Group B, master's degree	7,600	7,800	8,000	9,200	8,400	8,600	8,800	9,000	9,200				
Group C, master's degree plus 30 credit hours	7,900	8,100	8,300	8,500	8,700	8,900	9,100	9,300	9,500				
Chief examiner													
Director													
Principal, senior high school													
Class 8: Professor, teachers college	7,600	7,800	8,000	8,200	8,400	8,600	8,800	9,000	9,200				
Class 9:													
Group B, master's degree	7,100	7,300	7,500	7,700	7,900	8,100	8,300	8,500	8,700				
Group C, master's degree plus 30 credit hours	7,400	7,600	7,800	8,000	8,200	8,400	8,600	8,800	9,000				
Principal, vocational high school													
Principal, junior high school													
Principal, Americanization school													
Class 10:													
Group B, master's degree	6,700	6,900	7,100	7,300	7,500	7,700	7,900	8,100	8,300				
Group C, master's degree plus 30 credit hours	7,000	7,200	7,400	7,600	7,800	8,000	8,200	8,400	8,600				
Director, department of school attendance and work permits													
Supervising director													
Principal, elementary school													
Principal, laboratory school													
Class 11: Associate professor, teachers college	6,700	6,900	7,100	7,300	7,500	7,700	7,900	8,100	8,300				
Class 12:													
Group A, bachelor's degree	6,200	6,400	6,600	6,800	7,000	7,200	7,400	7,600	7,800				
Group B, master's degree	6,700	6,900	7,100	7,300	7,500	7,700	7,900	8,100	8,300				
Group C, master's degree plus 30 credit hours	7,000	7,200	7,400	7,600	7,800	8,000	8,200	8,400	8,600				
Assistant director, department of food services													
Class 13:													
Group B, master's degree	6,000	6,200	6,400	6,600	6,800	7,000	7,200	7,400	7,600				
Group C, master's degree plus 30 credit hours	6,300	6,500	6,700	6,900	7,100	7,300	7,500	7,700	7,900				
Assistant director													
Principal, Capitol page school													
Assistant principal, senior high school													
Class 14: Assistant professor, teachers college; chief librarian, teachers college	6,000	6,200	6,400	6,600	6,800	7,000	7,200	7,400	7,600				
Class 15:													
Group B, master's degree	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200	7,400				
Group C, master's degree, plus 30 credit hours	6,100	6,300	6,500	6,700	6,900	7,100	7,300	7,500	7,700				
Assistant principal, vocational high school													
Assistant principal, junior high school													
Class 16:													
Group B, master's degree	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200				
Group C, master's degree, plus 30 credit hours	5,900	6,100	6,300	6,500	6,700	6,900	7,100	7,300	7,500				
Class 17:													
Group B, master's degree	$5,300	$5,500	$5,700	$5,900	$6,100	$6,300	$6,500	$6,700	$6,900				
Group C, master's degree plus 30 credit hours	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200				
Assistant													
Supervisor													
Chief attendance officer													
Class 18:													
Group A, bachelor's degree	3,800	3,960	4,120	4,280	4,440	4,600	4,760	4,920	5,080	$5,240	$5,400	$5,560	$5,700
Group B, master's degree	4,300	4,460	4,620	4,780	4,940	5,100	5,260	5,420	5,580	5,740	5,900	6,060	6,200
Group C, master's degree plus 30 credit hours	4,600	4,760	4,920	5,080	5,240	5,400	5,560	5,720	5,880	6,040	6,200	6,360	6,500
Instructor, teachers college													
Librarian, teachers college													
Teacher, senior high school													
Teacher, vocational high school													
Teacher, junior high school													
Teacher, elementary school													
School librarian													
Counselor													
Research assistant													
Class 19:													
Group A, bachelor's degree	3,800	3,960	4,120	4,280	4,440	4,600	4,760	4,920	5,080	5,240	5,400	5,560	5,700
Group B, master's degree	4,300	4,460	4,620	4,780	4,940	5,100	5,260	5,420	5,580	5,740	5,900	6,060	6,200
Attendance officer													
Child labor inspector													
Census supervisor													

TITLE II—CLASSIFICATION AND ASSIGNMENT OF EMPLOYEES

SEC. 2. (a) The Board of Education on written recommendations of the superintendent of schools is authorized to establish the eligibility requirements and prescribe methods of appointment and promotion for teachers, school officers, and other employees. The Board of Education is authorized and directed, on written recommendation of the superintendent of schools, to classify and assign all teachers, school officers, and other employees to the salary classes and groups in section 1 of this act. Teachers, school officers, and other employees on probationary or permanent status shall not be required to take any examinations, either mental or physical, to be continued in the positions in which they are employed on June 30, 1955, or to which they may be transferred and assigned under the provisions of section 4 and section 5 of this act. No teacher, school officer, or other employee shall be appointed or promoted to any position in section 1 of this act on probationary or permanent status unless he possesses a master's degree, except that a person possessing a bachelor's degree may be appointed on probationary or permanent status as director of food services, assistant director of food services, supervising director of the department of military science and tactics, teacher of military science and tactics, teacher of driver training, shop teacher in the vocational high schools, teacher in the junior high schools, counselor in the vocational high schools, counselor in the junior high schools, teacher in the elementary schools, research assistant, attendance officer, child labor inspector, or census supervisor. No teacher, school officer, or other employee shall receive compensation at a rate less than his annual compensation as of June 30, 1955.

(b) Notwithstanding any provision of this act the Board is authorized on a written recommendation of the superintendent of schools, to appoint or promote vocational high school shop teachers to salary class 18, group B, without a master's degree if they submit evidence of equivalent training and experience in accordance with the rules of the Board. A vocational high school shop teacher may not be appointed, assigned, or promoted to salary class 18, group C, who does not possess a master's degree granted in course plus 30 credit hours.

(c) When used in this act, the words "master's degree" mean a master's degree granted in course by an accredited higher educational institution and the words "plus 30 credit hours" mean the equivalent of not less than 30 graduate credit hours in academic, vocational, or professional courses beyond a master's degree, representing a definite educational program satisfactory to the Board of Education. Graduate credit hours beyond 30 which were earned prior to obtaining a master's degree may be applied in computing the "plus 30 credit hours." The terms "Board" or "Board of Education" mean the Board of Education of the District of Columbia. When used in this act, the term "Salary Act of 1947" means "District of Columbia Teachers' Salary Act of 1947, as amended."

SEC. 3. For other than temporary employees and the superintendent of schools, the first 2 years of service in each position covered by section 1 of this act shall be probationary regardless of any change in title or numbers used in classifying the position. Teachers, school officers, and other employees who have satisfactorily completed the probationary period in any position covered by section 1 of this act and whose permanent appointments have been approved by the Board shall be considered employees of the Board on permanent tenure.

TITLE III—METHOD OF ASSIGNMENT OF EMPLOYEES TO SALARY SCHEDULES

SEC. 4. Each teacher, school officer, and other employee in the service of the Board on July 1, 1955, who occupies a position formerly assigned in accordance with the provisions of title I of the Salary Act of 1947 shall be placed in a salary class covered by section 1 of this act as indicated at the end of this section. Any employee in group A of his salary class on June 30, 1955, shall be assigned to group A of the class to which he is transferred on July 1, 1955. Any employee in group C of his salary class on June 30, 1955, shall be assigned to group B of the class to which he is transferred on July 1, 1955, except that an employee possessing a master's degree plus 30 credit hours shall be transferred to group C. Any employee not in a group A or a group C on June 30, 1955, shall be assigned to group A on July 1, 1955, if his new salary class contains such a group, except that an employee possessing a master's degree or an employee in salary classes 7, 9, 10, 13, 15, and 17 on July 1, 1955, who does not possess a master's degree shall be assigned to group B if his new salary class contains such a group and an employee possessing a master's degree plus 30 credit hours shall be assigned to group C if his new salary class contains such a group.

Title and class of position in Teacher's Salary Act of 1947		*Title and class of position in Teacher's Salary Act of 1955*	
Title	*Class*	*Title*	*Class*
Superintendent of schools	29	Superintendent of schools	1
First assistant superintendent	28	Deputy superintendent	2
Assistant to the superintendent (in charge of business administration)	27	Deputy superintendent	2
Associate superintendent	26	Assistant superintendent	3
Chief examiner	24	Chief examiner	7
Director	22	Director	7
Divisional director	23	Director	7
Director, department of school attendance and work permits	30	Director, department of school attendance and work permits	10
Director of department of food services	35	Director, department of food services	6
Assistant director of department of food services	36	Assistant director, department of food services	12
Head of department	17	Supervising director	10
Assistant director	21	Assistant director	13
Assistant	13A	Assistant	17
Supervisor	13A	Supervisor	17
President of teachers college	25	President, teachers college	3
Principal of senior high school	20	Principal, senior high school	7
Principal of vocational high school	19	Principal, vocational high school	9
Principal of junior high school	18	Principal, junior high school	9
Principal in Americanization school	13	Principal, Americanization school	9
Principal in elementary school	13	Principal, elementary school	10
Associate professor in teachers college (in charge of laboratory school)	11	Principal, laboratory school	10
Assistant director (in charge of Capitol page school)	21	Principal, Capitol page school	13
Assistant principal in senior high school	16	Assistant principal, senior high school	13
Assistant principal in vocational high school	15	Assistant principal, vocational high school	15
Assistant principal, junior high school	14	Assistant principal, junior high school	15
Professor in teachers college	12	Professor, teachers college	8
Associate professor in teachers college	11	Associate professor, teachers college	11
Assistant professor in teachers college	10	Assistant professor, teachers college	14
Instructor, teachers college	15	Instructor in teachers college	7
Chief librarian, teachers college	14	Chief librarian in teachers college	9
Librarian, teachers college	18	Librarian in teachers college	8
Teacher, senior high school	18	Teacher in senior high school	3
Teacher, vocational high school	18	Teacher in vocational high school	5
Teacher, junior high school	18	Teacher in junior high school	2
Teacher, elementary school	18	Teacher in elementary school	1
School librarian	18	School librarian	4
Counselor	18	Counselor	6
Research assistant	18	Research assistant	6
Chief attendance officer	17	Chief attendance officer	31
Attendance officer	19	Attendance officer	32
Child-labor inspector	19	Child-labor inspector	34
Census supervisor	19	Census supervisor	33

SEC. 5. (a) This act applies to all positions under the Board which require at least a bachelor's degree in an appropriate field, and in addition—

(1) involve classroom or other instruction or the supervision and direction of classroom and other instructional activities; or

(2) involve activities, other than teaching, which require the incumbents to possess academic credits in educational theory and practice at least equivalent to those required of a teacher with a bachelor's degree; or

(3) involve activities which are so directly related to the educational process that the positions have characteristics of the educational field to a marked degree, even though academic credits in educational theory and practice are not required; or

(4) involve the management or direction or organizational units or school services which, though not directly involved in the educational process, require the incumbent to deal so extensively with employees who are directly involved in the educational process on problems that require an understanding of the aims, methods, and points of view of educators and educational philosophy, that it becomes impractical, insofar as salary treatment is concerned, to attempt to distinguish between them and positions covered under paragraph (1), (2), or (3) of this subsection. This paragraph (4) shall apply only to such positions as are necessary to coordinate such noneducational units or services with the educational activities of the school system.

(b) The Board, with the concurrence of the Board of Commissioners of the District of Columbia, is authorized to determine which positions meet the criteria specified in subsection (a) of this section and to establish or transfer positions covered under other wage or salary fixing acts or authorities to the coverage of this act. Similarly, the Board, with the concurrence of the said Board of Commissioners, is authorized to determine that positions covered under this act do not meet the criteria specified in subsection (a) of this section and to remove any such position from the coverage of this act: *Provided*, That any employee occupying any position covered by this act on the effective date of this act, but which is later determined not to meet the criteria specified in subsection (a) of this section, shall continue to be entitled to the salary and other benefits of this act as long as he remains in such position. The Board, subject to the concurrence of the said Board of Commissioners, is authorized to specify for any position to be brought under this act, the class and group as established in this act which shall apply to such position: *Provided*, That such class shall be selected on the basis of the difficulty, responsibility, and qualification requirements of such position. Positions brought under this act in accordance with this section shall be subject to the provisions of this act to the same degree and in all respects as if such positions were specifically named in this act. The Board is authorized to conduct such studies as are required to apply the criteria specified in subsection (a) of this section.

TITLE IV—METHOD OF ADVANCEMENT AND PROMOTION OF EMPLOYEES

SEC. 6. On July 1, 1955, each permanent employee assigned to a salary class in accordance with section 4 and section 5 of this act shall be assigned to the numerical service step on the schedule for his class, or class and group, under this act next above the numerical service step occupied by him on June 30, 1955, under the provisions of the Salary Act of 1947 and each such employee shall advance one numerical service step each year thereafter until he reaches the highest step provided on the schedule for his class, or class and group, except that each employee under this act who was on a service step under the Salary Act of 1947 which was numerically as high or higher than the top step provided for the salary class, or class and group, to which he is assigned under section 1 of this act shall be assigned on July 1, 1955, to the highest step provided for his salary class, or class and group, under section 1 of this act. The superintendent of schools, salary class 1, shall be assigned on July 1, 1955, to the salary provided for that position in section 1 of this act. Any permanent employee serving in a position not covered by the Salary Act of 1947 but which may be later established under section 5 of this act shall be given service credit for the purpose of salary placement under this act equivalent to the number of years of satisfactory service rendered within the school system in the position then occupied by such employee and shall be assigned to the numerical service step on the schedule for his class, or class and group, under this act next above the numerical service step corresponding to his years of service under his previous classification. If such employee is on a service step in his previous classification which is numerically as high or higher than the top service step provided for his salary class, or class and group, under this act, he shall be assigned to the highest service step provided for his salary class, or class and group, under this act. Each employee transferred and assigned to salary class 18 under this act, and on permanent tenure on July 1, 1955, who on June 30, 1947, was a permanent employee of the Board of Education in either

group B or group D of salary classes 1–8, inclusive, in the District of Columbia Teachers' Salary Act of 1945, as amended, shall be placed one service step higher than he would otherwise be entitled to under the provisions of this section except that in no case shall his salary be higher than the maximum salary provided for his class and group.

SEC. 7. (a) Each employee appointed under this act who has not had prior service under the Board or who may be reappointed or reinstated, shall be assigned to the service step numbered next above the number of years of service with which he is credited for the purpose of salary placement. The Board, on the written recommendation of the superintendent of schools, is authorized to evaluate the previous experience of each new appointee to determine the number of years with which he may be credited for the purpose of salary placement. Credit for service rendered either inside or outside of public schools of the District of Columbia shall be effective on the date of the regular Board meeting immediately preceding the date of approval by the Board or on the date of appointment, whichever is later. Such credit shall apply to all positions in salary classes 18 and 19, and to the positions of chief librarian and assistant professor, salary class 14; and to the position of associate professor, salary class 11; and to the position of professor, salary class 8. Such placement credit shall not be granted in excess of 5 years.

(b) In crediting previous experience of any teacher who has been absent from his duties because of naval or military service in the armed forces of the United States or its allies, the Board is hereby authorized to include such naval or military service as the equivalent of approved experience.

(c) No provision in this act shall be interpreted as preventing any teacher, school officer, or other employee of the Board who has been granted leave to enter the armed forces of the United States or its allies from receiving any annual service increment or increments to which he would have been entitled had he remained continuously in the service of the public schools.

SEC. 8. (a) Each teacher, school officer, and other employee appointed or promoted on probationary tenure to a position covered by section 1 of this act shall receive his first increase in salary in that position on the beginning day of his second year of probationary service in the position; he shall receive his second increase in salary in that position on the date when his appointment or promotion to the position is made permanent; and he shall receive all subsequent increases in salary to which he is entitled in that position on July 1 of each year, beginning with the July 1 next after the date of his permanent appointment or promotion to the position in accordance with section 6 and section 7 of this act.

(b) Any employee in the service of the Board on the effective date of this act appointed or promoted on probationary tenure during the period from July 1, 1952, to June 30, 1955, inclusive, to a position covered by section 4 of this act shall be compensated for salary increases in accordance with subsection (a) of this section and shall receive his first increase effective as of the first day of his second year of probationary service based upon the rates of pay currently in effect on that date and such employee shall be assigned on July 1, 1955, to the numerical service step in the salary schedule for his class, or class and group, in section 1 of this act corresponding to his number of years of creditable service.

(c) The Board is authorized to terminate the services of any probationary employee in the class to which appointed, upon the written recommendation of the superintendent of schools, at any time during the 2-year probationary period: *Provided*, That if an employee so terminated has permanent status within the school system he shall be returned to the salary class he last occupied on permanent status, and placed on the step which would have been occupied by him.

SEC. 9. The Board is hereby authorized to appoint and assign temporary employees within the salary structure of section 1 of this act, whenever such action is necessary and recommended in writing by the superintendent of schools. Such appointments shall be for periods not to extend beyond June 30 of the fiscal year in which the appointments are made and the Board is authorized to terminate the appointment of any temporary employee at any time upon the written recommendation of the superintendent of schools. Each temporary employee shall be assigned to a numerical service step and receive an annual rate of compensation in accordance with section 7, but he shall receive no annual service increments and may be credited with not more than 5 years of service either inside or outside the public schools of the District of Columbia for the purpose of salary placement.

SEC. 10. (a) On and after July 1, 1955, each promotion to group B, or group C, within a salary class shall become effective on the date of the regular Board meeting immediately preceding the date of approval by the Board or on the effective date of the master's degree or the completion of 30 credit hours beyond the master's degree, whichever is later.

(b) Any employee in a position covered by section 1 of this act who is promoted to group B or group C of the same salary class shall be assigned to the same numerical service step on the schedule for his new group as he would have occupied on the schedule from which promoted.

SEC. 11. Any employee in a salary class covered by section 1 of this act, when promoted to a higher paid salary class, shall be assigned to the lowest numerical service step on the schedule for his new class, or class and group, which will give him an immediate increase in annual salary rate at least equal to the sum of the following:

(1) Any annual service increment to which the employee would have been entitled in his former salary class at the time of his promotion; and

(2) The annual service increment scheduled for his new class and group: *Provided*, That no such employee shall be assigned to a higher numerical service step on the schedule for his new class, or class and group, than he would have occupied on the schedule from which promoted.

TITLE V—ACCOMPANYING LEGISLATION

SEC. 12. Notwithstanding any law or regulation to the contrary, the Board, on the written recommendation of the superintendent of schools, may employ not more than 15 retired members of the armed services of the United States as teachers of military science and tactics in the public high schools of the District of Columbia, and such teachers so employed shall be entitled to compensation in accordance with the salary schedules in section 1 of this act, in addition to their retired pay and allowances.

SEC. 13. The Board is hereby authorized to conduct as parts of the public school system, evening schools, summer schools, and Americanization schools, under and within appropriations made by Congress, and on the written recommendation of the superintendent of schools to fix and prescribe the salaries of teachers in the evening and summer schools.

SEC. 14. Each employee assigned to salary class 18 in the foregoing schedules, and to the position of attendance officer, salary class 19; each chief librarian and each assistant professor in class 14; each associate professor in class 11; and each professor in class 8 shall be classified as a teacher for payroll purposes and his annual salary shall be paid in 10 monthly installments in accordance with existing law.

SEC. 15. On and after the effective date of this act, the act entitled "An act to provide that the Board of Education of the District of Columbia shall have sole authority to regulate the vacation periods and annual leave of absence of certain school officers and employees of the Board of Education of the District of Columbia," approved March 5, 1952, as amended, shall apply to employees of the Board of Education whose salaries are fixed in salary classes 7–17, inclusive, under this act. However, such act shall not apply to the following employees: Chief examiner, class 7; and professor, class 8; associate professor, class 11; assistant director, department of food service, class 12; assistant professor and chief librarian, class 14.

SEC. 16. On and after the effective date of this act, the act entitled "An act to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes," approved October 13, 1949, as amended, shall apply to employees of the Board whose salaries are fixed in salary class 18, and the position of attendance officer, salary class 19; and to the following employees in the salary classes indicated: Professor, class 8; associate professor, class 11; chief librarian and assistant professor, class 14, under this act.

SEC. 17. On and after the effective date of this act, the act entitled "An act to provide educational employees of the public schools of the District of Columbia with leave of absence, with part pay, for the purposes of educational improvement, and for other purposes," approved June 12, 1940, shall apply to employees of the Board whose salaries are fixed under section 1 of this act.

SEC. 18. On and after the effective date of this act, the act entitled "An act to permit the Board of Education of the District of Columbia to participate in the foreign teacher exchange program in cooperation with the United States Office of Education," approved September 28, 1950, shall apply to employees of the Board whose salaries are fixed under section 1 of this act.

SEC. 19. On and after the effective date of this act, the act entitled "An act for the retirement of public schoolteachers in the District of Columbia," approved August 7, 1946, as amended, shall apply to probationary and permanent employees of the Board whose salaries are fixed under section 1 of this act, and all references in the said act of August 7, 1946, to the Salary Act of 1947 shall be interpreted to apply to this act. Nothing in this section shall require the recomputation of the annuity of any person retired under the act of August 7, 1946, as amended, prior to the effective date of this act, or of any person retired prior to the effective date of the act of August 7, 1946, as amended, whose annuity is computed in accordance with the provisions of that act.

SEC. 20. The District of Columbia Teachers' Salary Act of 1947, approved July 7, 1947, as amended, is hereby repealed.

SEC. 21. Section 1 of the Act for the Retirement of Public School Teachers, approved August 7, 1946, as amended, is amended by striking out "June 30" wherever it appears in such section and inserting in lieu thereof "December 31", provided that interest shall not be compounded as of December 31, 1955.

SEC. 22. Section 6 of the District of Columbia Teachers' Leave Act of 1949, as amended, is amended by adding thereto the following new sentence: "Service rendered by such substitutes shall not be regarded as service within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended."

SEC. 23. The proviso in section 5 of the act of August 7, 1946, entitled "An act for the retirement of public schoolteachers in the District of Columbia," as amended by the

act approved March 6, 1952 (66 Stat. 17), is hereby repealed.

SEC. 24. This act may be cited as "District of Columbia Teachers' Salary Act of 1955."

SEC. 25. This act shall become effective on July 1, 1955.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. BIBLE. Mr. President, I should like to make a brief explanation of the bill.

It was reported unanimously by the Committee on the District of Columbia.

The purpose of the bill is to fix, regulate, and increase the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and to readjust the salary schedule of employees.

The bill provides for a minimum salary of $3,800 annually for teachers having a bachelor's degree, which is a 10.4-percent increase, and a minimum of $4,300 annually for teachers having a master's degree, which is an increase of 7 percent. The superintendent of schools would receive a salary of $18,000 per annum.

The Senator from Maryland [Mr. BEALL] has been very active in this particular type of legislation. He sponsored a bill to accomplish this reclassification.

Hearings were conducted upon his bill, as well as upon the bill introduced by the Senator from Michigan [Mr. MCNAMARA] and the Senator from Oregon [Mr. MORSE]. Hearings were held on May 4 and 5, at which all interested parties were heard. At the conclusion of the hearings, it was suggested that a conference be held with representatives of all interested groups for the purpose of resolving the differences in classification, both as to school salary increases and the method of classification. This was done, with the resulting bill which is now before the Senate for consideration.

The cost of the pending bill will be approximately $2,500,000. The report accompanying the bill contains a table which shows the minimum and maximum salaries of all employees covered by the bill.

Mr. President, I wish to pay special tribute to the Senator from Maryland [Mr. BEALL] for his very careful and diligent work upon this proposed legislation.

I recommend the passage of the bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE SALK VACCINE—STATEMENT BY THE PRESIDENT

Mr. PURTELL. Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a statement just issued by the President relating to the Salk vaccine. I call attention to this paragraph in the President's statement:

For these reasons I do not believe that regulatory legislation in this field is necessary.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT

I would like to issue the following statement about the polio vaccine situation. The last week has been both eventful and encouraging.

A committee of scientists is now screening polio vaccine before it is released for public use. The Surgeon General of the Public Health Service tells me that it is hoped to release some vaccine within a few days. Batches of vaccine must pass the most careful tests that scientists can devise and be as safe and effective as man can make the vaccine.

According to Dr. Francis' report on last year's field tests, the child who was vaccinated had a three-times-better chance of avoiding polio than the child who was not vaccinated.

There has been delay in the vaccination program. But remember—we are dealing in this field with the lives of our children and our grandchildren. Because of scientific work that was done during that delay, science has learned new things about the way viruses behave in large-scale manufacture and about the way we should make vaccine. Scientists have been able to design testing techniques of greater sensitivity and production techniques which build in a greater factor of safety and additional checks on the final product. So, from that delay science has gained new knowledge, new safeguards.

I want to caution the people of our Nation about two things:

First. No vaccination program can prevent all cases of the disease against which it is directed. Let us not forget that Dr. Francis reported the polio vaccine as used in the 1954 field trial was found to be 60 to 90 percent—not 100 percent—effective in the field trials last year.

Second. Although the manufacturers are now moving toward full-scale production and distribution of this vaccine, it will take them varying periods of time to "retool" to meet the revised producing standards. During the months immediately ahead we must be patient while our limited supply of vaccine is used first to help protect those who need it most.

Every parent and every child should be grateful to those scientists who have been working without rest and without relief during recent weeks to find answers to the problems that caused the delay. They have found these answers and another battle in the continuing fight against polio has been won.

DISTRIBUTION

Since April 12 the National Foundation for Infantile Paralysis has been furnishing free vaccine for children in the first and second grades, and for children in the third grade who participated in the field tests of vaccine last year. More than 5½ million children have been vaccinated—including 1 of my grandchildren, a first grader. This free vaccination program is the initial method for getting the vaccine to our children. No vaccine is now being distributed in any other way.

Sufficient vaccine to complete the foundation's program should be released within 60 days. Until it is finished all vaccine produced will go to the foundation.

The fact that some children do not get their second injection promptly will not reduce the effectiveness of the first injection. Dr. Salk, himself, stated last week that the level of immunity developed by the first injection would last many months.

DISTRIBUTION WHEN THE FOUNDATION PROGRAM IS COMPLETED

As soon as the foundation program is completed, distribution must continue to proceed in a fair and orderly manner. The Secretary of Health, Education, and Welfare presented to me 2 weeks ago a sound plan for the distribution of the vaccine. I promptly endorsed that plan and made it public.

Briefly the voluntary-control plan for distribution will work as follows:

1. Priorities: The vaccine must be used first for those most susceptible to polio. Not only is this just, but also by reducing the incidence of the disease among those most likely to get it we increase the protection for all of us. The National Advisory Committee on Poliomyelitis Vaccine and the Secretary of Health, Education, and Welfare have recommended that the vaccine be administered first to children of the ages of 5 to 9, inclusive.

I strongly endorse this recommendation and call upon our people to adhere strictly to the age 5 to 9 priority during the months ahead. No person not in the 5 to 9 age group should be vaccinated until the children of these age groups have received two vaccinations. The doctors of the country, through the American Medical Association, have pledged their support of these priorities.

The age group of second priority will be established and announced in due course.

2. Output of the manufacturers: Each of the manufacturers of the vaccine has individually agreed to distribute his entire output of vaccine in accordance with this overall plan adopted by the Secretary of Health, Education, and Welfare on the recommendation of the National Advisory Committee.

3. Allocation to States: The Secretary of Health, Education, and Welfare will compile reports on the total output of the manufacturers and allocate the vaccine to each State on the basis of its population of unvaccinated children within the 5-through-9 age group, and subsequently for other age groups.

4. State responsibility: The States will advise the Secretary of Health, Education, and Welfare as to their general plans for distribution of the vaccine and, specifically, their shipping instructions for manufacturers. This information then will be transmitted to the manufacturers.

5. Vaccination programs: To assure that no child is denied vaccination by reason of its cost, some States and localities may operate mass free public vaccination programs for all children.

Other States may provide free vaccination only for children whose parents are unable to pay, through clinics, schools, and preschool programs, or by furnishing free vaccine to private physicians. In those States, a portion of the State allocation of vaccine will flow into normal drug-distribution channels for the exclusive use of children in the priority-age brackets—to be administered by family doctors.

To assist the States in providing free vaccinations, I have recommended that the Congress enact legislation making $28 million available to the States for the purchase of vaccine. This legislation is now being considered by the appropriate committees of the Congress and I urge its immediate adoption.

6. Keeping of records: Doctors, as well as all manufacturers and distributors of the vaccine, will keep records of the vaccine they handle. Cooperation to this end has been pledged by the doctors, the manufacturers and the distributors.

This plan for distribution of the vaccine can go into effect as soon as the free vaccination program of the National Foundation for Infantile Paralysis is completed. Under

it, the Federal Government will assume responsibility for the equitable allocation of the vaccine among the States, and the States will assume responsibility for the direction of distribution within their borders.

The program will operate in a sure and orderly way, given the full cooperation of the State officials, the manufacturers, the distributors, the medical profession, and the people of the Nation. I am confident that the program will receive that support.

For these reasons I do not believe that regulatory legislation in this field is necessary.

We all hope that the dread disease of poliomyelitis can be eradicated from our society. With the combined efforts of all, the Salk vaccine will be made available for our children in a manner in keeping with our highest traditions of cooperative national action.

AMENDMENT OF MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GEORGE. Mr. President, I rise to present to the Senate S. 2090, the Mutual Security Act of 1955. This is an original bill, reported from the committee. It is therefore subject to amendment as original text, and when I complete my discussion of the bill, it will be open to amendment.

This is one of the most important foreign policy items that will be before the Senate this session. In the critical days ahead, our action here will be of vital importance.

The pending bill has been favorably reported to the Senate by a committee vote of 13 to 2, following some 14 days of committee consideration. It recommends the authorization of a total of $3.408 billion for military, economic, and technical assistance for the fiscal year 1956. The committee report sets forth in detail, on page 2, the principal sums authorized by the legislation.

The four general types of assistance are as follows:

First. Military assistance funds, total, $2.5 billion. For the most part, this amount will cover the cost of supplying military items to friendly foreign nations. Included within this amount are sums for direct forces support—$317 million—and defense support—$1.0 billion used to buttress the economic strength of countries maintaining large military establishments.

I need not digress at this point, Mr. President, other than to say that the recipient countries are, so far as military establishments are concerned, South Korea, or the Republic of Korea, with some half million troops who are trained, and Formosa, with some four to five hundred thousand troops.

Second. Development assistance funds, total $165 million. They will be used to help underdeveloped countries in Asia, the Near East, and Latin America to purchase supplies and equipment. None of these countries receives military assistance.

Third. Technical cooperation funds, total $172 million. These sums are used primarily for training purposes. They are not used for the purchase of commodities and materials except in limited quantities for training purposes.

Fourth. Finally, there are special funds, totaling $475 million. These are for particular programs such as the Children's Fund, Palestine Refugees, Assistance to Berlin, the President's Fund for Asia, and other like funds.

I have given these figures, which will be found in detail in the committee report, so that they can be contrasted with our past foreign-aid programs. They deserve careful attention because they illustrate the changing nature of the programs.

When the Marshall plan was first inaugurated in 1948, it was exclusively an economic aid program for Europe. It was conceived as a 4-year operation to rebuild war-devastated Europe so that the people there could live in freedom. As I recollect, it was recommended in that program that some $17 billion be used, over a 4-year period, for Marshall aid. That purpose would have been accomplished by the 1952 deadline had the Communists seen fit to live at peace. But in the light of growing insecurity in the western world and the Communist attack on South Korea in June of 1950, it became apparent that renewed economic strength in Europe was not enough. It was necessary to buttress economic strength with military strength. This we proceeded to do.

The second phase of our foreign assistance program—the military-defensive phase in Europe—delayed the achievement of our economic goals. But I am able to report to you today that those economic goals have now been achieved, or substantially achieved. From a peak economic aid program of $3.5 billion in 1950, we have now reduced European economic aid to $95 million, most of which is to go for assistance to Berlin, Spain, and Yugoslavia. I can also report that our military assistance program to Western Europe has passed its peak. Of the $1.4 billion which this bill contains for straight military end-use items, less than half is for Western Europe, and much of that is for spare parts.

In recent years the third phase of our aid program has developed. It has involved increasing amounts of military assistance to free Asian countries, particularly South Korea and Nationalist China. But this year we are beginning to see that phase of our aid program levelling off.

We are now beginning the fourth phase—the phase which emphasizes technical and economic assistance to Asia, the Near East, and Latin America.

In the space of 7 years, Western Europe with our assistance has achieved virtually complete economic recovery from the aftermath of the war. We have assisted many of those nations which might have succumbed to communism riding to power on economic chaos. The record of the Marshall plan in Europe is the answer to those on this floor who repeated, year after year, that economic assistance to Europe was money wasted. It was not. It was assistance which helped build the foundations that today underlie a free Europe.

I think it is not remiss for us to pause a moment in our deliberations to pay our deep respect to Gen. George C. Marshall, the man who had the foresight and the faith to press ahead with a job that needed doing. At that time, it was not pleasant to propose to the American people that they reach down into their pockets to dig up money to send to Western Europe. But they did just that, with wide support from both sides of this aisle.

Now that the principal burden of economic assistance to Western Europe is over, the American people are asked to support an economic-type program in Asia. I believe the sums we now put to work to help Asia learn how free enterprise operates and how the power of free men can speed their economic growth and freedom, are eminently worth while.

If there are on this floor today any who would reduce the economic assistance funds in this bill—who would ask India, or Pakistan, or the Near Eastern countries, to look elsewhere for assistance in moving ahead hand in hand with the free nations—let them weigh the consequences. Every point of the arc of free Asia abuts the core of world communism. That arc of freedom will either hold communism within its present bounds or will absorb the doctrine of communism. I propose to do all I can to help keep those nations free and strong.

I wish it were not necessary to include military-assistance funds in this bill. But so long as we constantly face the threat of Communist use of military force, the free nations must be ready to defend themselves. Communist threats toward Formosa emphasize the good judgment of years past in providing military and economic assistance for Nationalist China. A weakening of resolution in Asia would be an open invitation to Communist penetration.

I do not propose here to give detailed information on the military-assistance program. Much of it, of course, is secret. The general outlines of the program are given in the committee report. I want to emphasize two things, however, about the military-assistance program.

First, this assistance is not given for any aggressive purpose. Nations receiving military aid are helped only because we believe their strengthened defense is essential to the security of the United States. Before any assistance is granted to any nation, it is required to agree to a number of provisions relating to supervision of the items received. But, most important of all, military assistance is made available, and I quote from the act:

> Solely to maintain the internal security and legitimate self-defense of the recipient nation, or to permit it to participate in the defense of its area or in collective-security arrangements and measures consistent with the Charter of the United Nations.

One reason I emphasize this point is because some questions have been raised about military assistance being given to certain of the Arab countries, whereas no military assistance has been given to Israel. Mr. Stassen was questioned directly on this point. He emphasized, and I quote him, that—

> We are not furnishing arms to any country that borders on Israel, nor to Israel. We are furnishing arms to the countries that are up against the Soviet.

Mr. Stassen then emphasized that it is United States policy "to endeavor to establish peace in the Near East."

The second point I must emphasize about military assistance is that these dollars are spent for the defense of the United States. Admiral Radford told the committee:

> We cannot be secure without our allies and they cannot be secure without us. It is clearly a case of interwoven self-interest. * * * The expenditures made for equipping and maintaining United States forces at strategic areas abroad are never called aid. Neither should essential expenditures which support these alliances and enable our allies to equip and maintain their own national forces in these same strategic areas be looked upon as aid. It would be more correct to label them defense-alliance expenditures, designed to safeguard in the most effective manner, and at times in the only possible way, the security of the United States and of the other free nations of the world.

Assistant Secretary of Defense Hensel remarked:

> A dollar abroad buys more front-line defense (for the United States) than a dollar spent at home.

If there are among us those who would drastically reduce these military assistance funds, they must assume the burden of proving that defenses of the United States would be stronger without foreign bases, without allies, and without foreign troops to fight at our side should necessity so dictate.

We must never forget that the principal purpose of the Soviet Union during the past 7 or 8 years has been to drive wedges of suspicion and distrust between us and our allies. If they let up temporarily in their drive for world domination it may be merely for the purpose of raising the hopes of the free world and then dashing them to the ground again. They will be back tomorrow trying to destroy our unity and our teamwork.

A case in point is the recent suggestion that Germany be neutralized. This is at once a seductive, dangerous, and unrealistic doctrine. It is seductive because it may have a wide appeal to many people who do not want Germany to become a strong military power again. It is dangerous because it would take the heart out of our western defense system. It is unrealistic because no nation with Germany's strategic location and potential power could long remain neutral.

Sometimes we Americans become impatient with our allies because they do not behave exactly as we would have them behave. Let us remember, however, that there are only about three types of foreign policies from which we can choose. We might choose isolationism, or, on the other extreme, we might even try to dominate the world as a dictator. The only other alternative is to build an alliance of equal partners jointly dedicated to the task of keeping the free world free. This is the course we have chosen.

That is exactly why our role of leadership in the world is so difficult. We do not want satellites. We are a part of an alliance of free and independent nations. In such an alliance honest differences of opinion are bound to arise, and such differences are played up by all the devices known to Communist propaganda.

That is precisely why we must not relax our efforts now. Largely because of our mutual aid program the Soviet policy of preventing European unification has collapsed. Now that we are in sight of our goal we cannot afford to heed the command to halt.

In consideration of the pending bill there were several matters that were of special concern to the committee. I shall touch upon them briefly.

Administration: First was the matter of administration.

It will be recalled that last year the Congress provided that the Foreign Operations Administration was to be terminated not later than June 30 of this year, and that the technical assistance program was to be administered by the Department of State.

Early this month, in conformity with the congressional act, the President issued an Executive order which abolished the Foreign Operations Administration. Matters relating to the furnishing of military items to foreign countries are to be transferred to the Department of Defense. Such functions of an economic nature that remain are for the most part to be administered by the Department of State.

These are good moves. These steps were taken because the Congress has felt that the continuation of an independent agency whose life depends on the continuation of aid programs was undesirable. There must never be a breath of possibility of suspicion that mutual assistance, whether it be economic, technical, or military in character, is justified for any other reason than that it promotes the national interest of the United States. There must be no possibility of such programs being planned to keep agencies alive. They must be rooted in the defense or the foreign policy interests of this Nation. Hereafter, they will be presented to the Congress by the regular departments of this Government charged not with responsibility for foreign aid as such, but charged instead with principal responsibility for the defense and the foreign policy of the United States.

In connection with the transfer of FOA functions to the Department of State and the Department of Defense, questions were raised about section 10 of the bill. That section provided for the termination prior to January 1, 1956, of the employment of any person above the grade of GS–9, notwithstanding the provisions of any other law except legislation with respect to veterans' preference. The argument in support of this position is set forth in a letter which I received from the Secretary of State.

In brief, the Secretary noted that a period of administrative chaos would ensue if in the process of transferring FOA functions and personnel to the State Department it were necessary to follow the normal civil service procedures in terminating employment. He noted that the technique of "bumping" meant that prolonged uncertainty of employment for large numbers of employees would be hard on morale.

The committee felt that waiver of the provisions of law would be equally disruptive of morale. It declined to accept the language proposed by the Executive. The committee version of section 10 provides that the President's authority to transfer or abolish functions of the FOA is to be administered in accordance with applicable laws and regulations relating to the civil service and veterans' preference.

Unobligated and unexpended balances: As is usual, questions were raised about the perennial problem of unexpended and unobligated balances. The argument was made that these funds are so excessive that Congress would be justified in slashing the requests for new funds.

Without going into great detail on this matter, I refer Members to the committee report which gives the figures on both unobligated and unexpended balances. Then let me emphasize that the figures related to unexpended balances are of interest solely because they indicate the quantities of goods and services which have been earmarked or ordered, but as yet are undelivered, and hence are not yet paid for. The unexpended balances will be large so long as we authorize substantial programs of items which take more than a year between the date of their being ordered and the date of their delivery.

That is true whether we are dealing with mutual security programs or national defense programs.

The unobligated figure is important because if this figure grows too large it indicates that funds have been appropriated for programs too large for the Executive to obligate during a year. But this year the unobligated figure is relatively small. The Department of Defense has estimated that by the end of the current fiscal year the unobligated and unreserved amount will be in the vicinity of $100 million. Other military assistance funds will either have been obligated in the form of definite contracts or will have been set aside by the Secretary of Defense as reserves to be used in the payment of goods which have been ordered through the services.

The committee took the assurances of the Executive that the unobligated figure by June 30 would be in the vicinity of $100 million. On the chance that there might be some variations in the estimates, the committee provided that any unobligated sums in excess of $200 million could not be carried over.

The President's fund for Asian development: One important request considered by the committee called for the authorization of $200 million of no-year funds for the President to use at his discretion to promote regional cooperation in Asia and to develop economic strength

in that area. Although the funds were to be allocated on a country by country basis, the idea behind the fund would be to use it on projects which would benefit not one country only, but several countries. Thus, one of the tentative projects would be to develop the Mekong River which is of potential value to Cambodia, Laos, and Thailand. Other projects would be concerned with improvement of fisheries, transportation, minerals, and communications in the region.

Members of the committee were concerned at the wide-open nature of the President's request, although we did approve in general the idea of seeking to encourage projects that would be of a regional as well as of a country by country value. We amended the proposed legislation in section 8 (k), to limit the availability of the funds authorized to 3 years, recognizing that projects of this nature must not be rushed, yet at the same time that a bad precedent would be established if they were to be made available without any limitation of time. The committee also amended this section to provide that the projects aided by this fund should, in part at least, be of the type which recipient countries would be willing to finance. Thus, 50 percent of the funds, or $100 million of the $200 million, are to be on a loan basis. The committee also tightened up the language relative to the breadth of the President's authority in making grants or loans of the funds.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. GEORGE. I shall be through in a minute with this portion of my statement. Then I shall be glad to yield.

Mr. President, I want to emphasize the tremendous importance I attach to the assistance to be given to Asian countries. In recent weeks our eyes have been focused on Europe, but it is in Asia where there are vast areas and vast numbers of people with new, but tenuous, freedom. It is intensely important to the United States that these areas remain free and independent. The people of Asia want freedom and independence; they want recognition as first-class citizens; they want to develop their countries. These are concepts we recognize because they are so American in content. This bill will help to make clear that the United States makes common cause with these people as they struggle to retain their newly found freedom against the danger of Communist colonialism.

I now yield to the Senator from Oregon.

Mr. MORSE. Before I ask the question, I wish to commend the Senator from Georgia for the great statesmanship he evidenced in the committee in drafting the bill, particularly the work he did in connection with strengthening the bill in regard to the so-called loan provisions. The bill this year, in contrast with previous bills, has been greatly strengthened because of the greater stress it places on the loan provisions of the foreign-aid program. I am satisfied the bill would not have been strengthened in this respect had it not been for the leadership shown by the Senator from Georgia in the committee. He stressed the importance of the fact that, after all, we were trying to build up the economic productive power of the people of Asia by making available to them funds which can go into investments in their natural and other resources, so that they themselves may build up their own standards of living.

As the Senator knows, I put it in a little different language in arguing the importance of our exporting enlightened capitalism. What we must do is to export economic freedom of choice for the individual. I believe the Senator from Georgia is strengthening just that kind of export program in strengthening the loan program.

The question I rose to ask the Senator from Georgia is one I ask only for clarification of the record.

Is it not true that so far as Asiatic aid programs are concerned, all the funds are earmarked, except the $200 million which we make available to the President in the so-called emergency fund, but that even as to the $200 million, the final conclusion of the committee was that the President should be called upon to make a report every 6 months of the amounts expended?

Mr. GEORGE. The Senator from Oregon is correct. The existing law requires that the President report every 6 months as to the expenditure of any part of the money appropriated for this purpose. The committee recognized the validity and strength of the objections urged by the distinguished Senator from Oregon to a rather open-ended or blank-check grant to the President. But in this kind of an enterprise, if I may so describe it, in this kind of an adventure for the strengthening of the free peoples of the world and those who wish to become free, it is very difficult to give a strict bill of particulars. I think there was no difference in point of principle, but a difference in point of view, as to how far we could specify, by way of a rigid bill of particulars, the things which the President could or should undertake to do. But we did say to him, "The $200 million must be, at least to the extent of 50 percent, in the form of loans, and not more than 25 percent shall go to any one country in the Asian area. This fund also comes under the limitations of the general law, which is still left intact, obliging you to report every 6 months to the Congress, setting forth precisely and exactly what is done with the money entrusted to you for expenditure."

It is not altogether a satisfactory way, but in the circumstances, and in view of the fact that we are engaging now, and have been for the past several years since 1948, in an adventure in trying to aid the world to get back on its feet and to strengthen the free peoples and those who wish to be free, it is quite difficult to be more specific with a rather limited amount of money, though considerable within itself, as measured by the general background of the grants which this country has made during the past 8 years.

Mr. MORSE. I was going to mention to the Senator from Georgia that the limitation reads better in the committee report than it sounded in our discussions in committee. I think that when it came to writing some limitations upon the President in the committee report a remarkably fine job was done by the committee staff. I wish to compliment the staff of the committee for framing effective wording in placing checks upon the President, and still leaving the money subject to grant by the President. I think we have adopted limitations in the committee report as much as the matter can be tied down by language. I shall now support the limitations as written by the committee staff.

The second question which I wish to raise, and it is to emphasize what the Senator from Georgia has already said—emphasis which I think is needed, in view of some negative comments about our foreign-aid program—is this: Is it not true that in this year's foreign-aid bill a larger percentage of the aid money will go by way of loans than has been the case in any other previous foreign-aid bill?

Mr. GEORGE. Undoubtedly, that is true. I unquestionably think much of the aid money will be in the form of loans. It was the general sense of the committee that as large a percentage of it as is possible should be in the form of loans rather than of grants.

Mr. MORSE. May I say that I think that is probably true because of the assistance and attitude of the chairman in some of our committee discussions rather than for any other one reason?

Mr. GEORGE. I thank the Senator. I claim no credit for it. I have the profoundest conviction that the Asian people to whom we are directing our attention prefer this method. I have a profound conviction that it shakes the dignity of the Asian people to regard themselves as the recipients of alms.

Mr. MORSE. I should like to ask one more question. I may say that tomorrow for a few minutes I shall discuss the bill in its overall aspects, and will emphasize 1 or 2 points which I think need to be emphasized, concerning the matter of exporting enlightened capitalism, so-called. But there was some discussion in the committee concerning aid to India. I think there is some misconception about aid to India because of the fact that India has followed a neutral course of action in international affairs which has caused concern in the minds of some persons. There are those in this country, but, I think, very few, comparatively, who raise a question about aid to India. In the course of their arguments, they make two points on which I should like to have the Senator's comment.

First, that India is not asking for any funds; and, second, that if we grant any funds to India, they should be for the most part loan funds. Is it not true that we have not been making aid grants to India except upon the request and full cooperation of the officials of the Government of India?

Mr. GEORGE. That is quite true. We have not made them except upon the request and full cooperation of responsible officials of India.

Mr. MORSE. To put it very bluntly, we have not been ramming aid down their throats, but we have been willing to

negotiate with them on the basis of their own requests for funds?

Mr. GEORGE. The Senator is quite correct. That has been our attitude.

Mr. MORSE. Is it not true also that so far as India is concerned, in this particular bill we have stressed very much the loan provisions rather than the grant provisions, our feeling being that India must develop her own economy and must do so by way of investment based upon the loan principle?

Mr. GEORGE. The Senator is quite correct. Much of the assistance given by us to India has been in the form of loans. That has been not only our wish, but I am happy to say it has been in accord with the expressed desires of the Indian Government itself.

Mr. MORSE. I thank the Senator from Georgia.

Mr. WILEY. Mr. President, will the Senator from Georgia yield for a brief comment?

Mr. GEORGE. I shall be happy to yield to the Senator from Wisconsin.

Mr. WILEY. Apropos of the Senator's discussion of conditions in the Far East, it was my privilege recently to hear General Carlos Romulo in Milwaukee make one of the greatest speeches I have ever heard. He said that when he went to the Bandung Conference, he went with fear, with doubt, and with trepidation. He said he did not know what was going to happen; he thought that perhaps Africa and Asia were going to join. He said, "I came back exalted. I heard representatives of those nations quote the language of our Declaration of Independence, quote from the Magna Carta, and from the Gettysburg Address. In fact, they said nothing of ill against the United States. Their representatives were representing the ferment of great ideas."

Because of his forceful and logical way of expressing himself, he strengthened me in my resolve that here was an opportunity for us to add to the ferment which he said was there. It was not a ferment of communism, but of liberty, of courage.

He stated that Mao Tse-tung came prepared with a speech, but he could not deliver it until he had had time to rewrite it. Apparently he had come with the idea that the opportunity to unite Asia and Africa was at hand, but instead of that Asia and Africa expressed themselves as being in thought and in act one with the West. To me it was a great moment, listening to a little man, physically, but a man with a big soul and a great purpose. To my mind he showed that we were presented another opportunity, such as we had in Europe, to administer to people who were reaching out for freedom and for spiritual insight, and, as General Romulo said, were expressing their faith in God. They repeatedly spoke of God, a name which the Communists never used, and never expected to use.

I thought this might be apropos a certain remark which the Senator from Georgia made to the Senator from Oregon.

Mr. BARKLEY. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. I am certain the Senator from Wisconsin did not mean to refer to Mao Tse-tung; he meant Chou En-lai, did he not?

Mr. WILEY. Yes.

Mr. BARKLEY. Chou En-lai was the man who went to the conference with a speech he could not deliver. Mao Tse-tung was not there.

Mr. WILEY. It was the representative of Communist China. He made it very clear that he had been taken aback. He had intended to take over the conference; instead, the other nations took it over and presented the ideas of free men, men of courage, who were representing freedom in Asia.

I thank the Senator from Georgia.

Mr. POTTER. Mr. President, will the Senator from Georgia yield for a question?

Mr. GEORGE. I am glad to yield to the Senator from Michigan.

Mr. POTTER. I note in the committee report that the 30-percent requirement for development assistance on a loan basis has been eliminated. Will the distinguished Senator comment on the reason for eliminating that provision?

Mr. GEORGE. I shall be very glad to do so. Some members of the committee thought it unwise to eliminate the provision; other members, the majority of them, believed it to be wise, in light of the fact that the committee was assured that of all the funds authorized and appropriated for the current fiscal year, more than 30 percent had been distributed on a loan basis, rather than as grants.

It was said by the administrators of the fund, by the responsible officials, that the amount of loans probably would run in the neighborhood of 40 percent. They would feel a little restrained if the 30-percent provision remained in the act, because they wished to go more and more to loans. They thought that other countries, which might make applications for various kinds of aid and assistance, would be constantly reminding them of the situation. In effect, the officials said that while they would be bound to expend only 30 percent by way of loans, they would feel free to go much beyond 30 percent, if they had leeway.

When the committee considered the special fund of the President, we provided that the President himself must expend on a loan basis at least 50 percent of the entire $200 million; but the 30-percent requirement in regard to development assistance was eliminated because of the assurance given the committee by the administrators that not only had they exceeded 30 percent this year, but that they probably could and would be somewhat freer to go beyond 30 percent if no specific requirement were actually written into the law. Otherwise, they felt they would be bound by the 30-percent provision in the administration of the 1956 appropriation.

Mr. POTTER. Was it the judgment of the committee that if the 30 percent provision were left in the bill, it would serve more as a maximum rather than as a minimum requirement?

Mr. GEORGE. Exactly. The Senator from Michigan has precisely stated the fact. That was the view taken, not by all the committee, I may say, but, finally, by a majority. We felt justified in our action in view of the showing made to us.

Mr. POTTER. The Senator from Georgia has had vast experience in this particular field. Is it his opinion that there has been a tendency, through the granting of direct aid, for certain recipient countries to feel that the United States assumes a more or less paternalistic attitude, rather than a partnership relationship which would exist if the grants were made as loans rather than as gifts?

Mr. GEORGE. I think the Senator from Michigan has stated the situation better than I could. I read from the report of the committee, page 22:

> The committee's objective in rejecting the 30-percent loan requirement is to facilitate the use of an even greater percentage of the funds available in the form of loans. The committee attaches great importance to the maximum possible use of loans, and strongly urges the executive branch to move in this direction as rapidly as practicable.

That, I think, was the unanimous judgment of the committee.

Mr. POTTER. Did the Senator's committee receive any testimony as to the amount of funds which have been designated for development and assistance purposes which cannot be granted on a loan basis? I am thinking now about the funds which would be used in Berlin. Is it likely that it might not be desirable to grant such funds on a loan basis?

Mr. GEORGE. That is quite true. Those funds could not be granted on a loan basis.

Mr. POTTER. I am wondering if the Senator from Georgia can give examples similar to the Berlin situation, in which it would not be practicable to allocate funds on a loan basis, but where it would be desirable to give them on a grant basis.

Mr. GEORGE. I am unable to give the Senator specific illustrations; but again and again it was emphasized to the committee that in order to sustain the economy of the countries with whom we were seeking close relations, and with whom we desired a friendly relationship, it was often necessary to assist somewhat on the economic side in the doing of those things which tend to strengthen the general economy of those countries, so as to make them more capable of resisting aggression and of cooperating with the United States in the event of an aggressive action in which we should become involved.

Mr. POTTER. Is it not true that the Soviet Union, when it takes any so-called steps for economic development in other countries, does so on a loan basis rather than on a grant basis?

Mr. GEORGE. So far as I know, that is true.

Mr. POTTER. Has the Committee on Foreign Relations given thought to the possibility of allowing the administrator or the President to negotiate loans, or even of allowing the administrator to waive for a number of years the repayment of interest, whether it be repayment in cash, foreign currency, or goods, but, nevertheless, to negotiate a loan

contract rather than to make an outright grant?

Mr. GEORGE. That has been constantly the mind of the members of the committee. The committee as a whole wishes to move in that direction. We would be happy, indeed, if we could say that all aid and assistance should be given on a loan basis rather than as a grant.

But there is some reason for leaving the question somewhat open, or at least leaving it to the discretion of the administrator or the President himself, to whom the appropriation is made, rather than to adopt a rigid program of strictly all loans.

Mr. POTTER. I recognize that each country's situation would differ in that respect. The question in my mind has been the psychological effect upon the recipient countries. I think that many times the United States has not received the full effect of the money which has been given to the recipient countries, because of the fact that there has been a "rich uncle" philosophy on the basis of a money handout, rather than on a partnership basis, in which an agreement is entered into, even though payment is not expected by us for some time. Nevertheless they will feel they are partners in the relationship rather than dependents in a paternalistic program. That is a question with which I have been much concerned.

Mr. GEORGE. I am sure the Senator's concern has been shared by members of the Committee on Foreign Relations. Nothing is more deplorable than the "rich uncle" or "big brother" attitude. It is an attitude wholly unbecoming the United States of America, and ought to be discarded and completely thrown aside in our dealings with other peoples of the world.

I may say to the Senator that attention was called to a situation in which a country would be wholly unable to negotiate a loan adequate to meet its actual necessities, such as making arrangements to defend itself, or putting itself in a defensive posture, or arming itself. In such a situation putting the aid on a loan basis would prove to be inadequate. In circumstances of that kind it was the opinion of the administrators and the President that there should be some flexibility to enable those in charge of the program to make a grant rather than insist on a completely outright loan.

Mr. POTTER. Mr. President, if the distinguished Senator will yield for one further question, I should like to say that I note that $50 million will go to India for economic development. I well recall when this Government supplied India with wheat. I believe India asked for the wheat on a loan basis, but we gave them the wheat. I know that the Soviet Union has granted some money for the development of India, although very little, but it has been granted on a loan basis. India has great resources. It is true that at this time they are undeveloped to a great extent. But, with the vast resources India has, I am wondering if it would not be better, in improving our relationship with that great country, to put the $50 million to be spent on economic development on a loan basis, rather than on a grant basis.

Mr. GEORGE. I may say to the Senator from Michigan that, for the most part, India wants any aid extended to be placed on a loan basis.

Mr. POTTER. I would assume it would.

Mr. GEORGE. I think the total which would go to India under the bill would be about $85 million. I am not speaking exactly, but, in round numbers, I am in the neighborhood of the accurate figure. Some of that money would be for purely technical assistance. That is aside from some money to be used which could not be placed on a loan basis. However, the economic aid that will go to India, out of the total of $85 million, is contemplated as largely a loan rather than as a gift.

Mr. POTTER. I am reassured to hear that statement from the Senator.

Mr. BARKLEY. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield to the Senator from Kentucky.

Mr. BARKLEY. I wish merely to comment on the colloquy between the Senator from Michigan and the Senator from Georgia in regard to the nature of our cooperation with other nations.

The bill is based upon mutuality; it is not based on charity. We do not thereby establish the United States or the Congress as an eleemosynary institution. We have recognized—and I think the change in the name symbolizes the change in attitude—that the program is mutual. We are seeking by this aid, whether it be by loan or grant, to create such a situation that the nations which are the beneficiaries of mutual assistance, whether by grant or loan, will protect our interest, while we are helping them to protect themselves, so long as they are free and are in the family of free nations.

The committee recognized that there might be some countries as to which we might be prone to furnish military aid. If we did not furnish economic aid also, we might find ourselves in a situation where there would be opposite currents. We would be helping a certain nation in a military way, and yet its economic system might collapse, and we would find that our military aid would have been of no real help for the reason that, because of its economic situation, the country might have become a victim of Communist aggression, whether by military or economic means.

Therefore, while we have sought in the bill to bring about both military and economic aid for those countries which need both, we have recognized that one is almost dependent on the other, because it would be foolish for us to send military aid to a country whose economy might collapse and which would become a victim of the Communists. We would find we would be working in a vacuum.

I ask the Senator from Georgia if that is not a fair statement of the committee's feeling about the problem.

Mr. GEORGE. I think so. I thank the Senator for his statement.

Mr. BARKLEY. While we have emphasized the necessity and desirability of loans, we have recognized also that there are situations in some countries which make loans impractical. If we allocate the funds altogether on a loan basis, the arrangement might deprive itself of that mutuality which we recognize is in our interest as well as that of the other nations.

Mr. GEORGE. I think the Senator is correct. I, myself, have tried to say the same thing, Mr. President, but I have done so not so well as has the distinguished Senator from Kentucky.

Mr. BARKLEY. The Senator from Georgia is overly modest, I am afraid.

Mr. GEORGE. I may say to the Senator from Michigan that of the $85 million for India, about $30 million will be for food. Our surplus agricultural commodities will be utilized. India's attitude is to pay us for the food as well as for any other assistance, except strictly technical assistance or point 4 aid. I think India should certainly pay for the greater part of the development assistance which will be received by her under the bill, if she desires aid.

Mr. POTTER. If the distinguished Senator from Georgia will yield further, I should like to state to the distinguished Senator from Kentucky that it was not the position of the Senator from Michigan to question the necessity for economic assistance. My question was related to the best value we could receive for the funds we send to other nations, whether they are on a loan or a grant basis. I believe that there would be a much greater psychological effect of partnership if the granting of money, whether it be between countries or individuals, is on a contractual loan basis, even though it might not be a good business loan. We might allow the administrator to be very flexible, to waive interest payments, if interest is provided for, or waive repayment, whether it be in cash, in foreign currency, or in kind, so that there would be a contractual relationship between parties, rather than, as I call it, a paternalistic influence of the wealthy giving something to the poor, needy neighbor. That was the very question to which I addressed myself. I wish to thank the distinguished chairman of the Foreign Relations Committee for his valuable advice in this field.

Mr. GEORGE. I thank the Senator from Michigan.

Mr. President, I have almost finished my statement on the bill, and I should like to finish it now.

Proposals to cut the authorization: Finally, Mr. President, proposals were made in the committee by some distinguished members to reduce the amount requested by the President for the program this year. The committee gave most careful attention to these proposals and rejected them.

This is no time for us to begin to trim a little here and a little there. I have seldom appeared on the floor of the Senate to oppose reductions in Federal expenditures on psychological grounds. But if I may say to my colleagues that if even a few dollars could be squeezed out of this bill here and there, I would oppose those cuts because of the impact such action would have on our foreign policy position at this critical time.

The foreign-aid programs of this Government which began soon after World War II were based on the proposition that results could not be expected overnight. The free world could be strengthened only gradually. And once strengthened, the military and economic strength would be recognized and respected by the Soviet Union only over a period of time.

I would not be so optimistic as to say that the future is bright. But it is true that within the past few weeks we have seen what might be construed as some lightening of the shadow that communism has cast over the free world. I am not ready to ascribe definitive reasons for the relaxation of tensions that has been felt in recent weeks.

We have known for a long time that if tension in the world was to be reduced, it could be done only at its source. The source of tension has been the constant post-war threat of communism to move either openly or underground to curtail the liberties of free men.

There may be some ulterior motive now in Soviet action. But it is also possible, and even likely, that our aid programs to the free world are now beginning to show positive results—not only in the free world, but behind the Iron Curtain, as well.

So long as there is a possibility that this program is beginning to pay off, we cannot risk the consequences of complacency. That would be the one sure way to invite the Communists to revert to the technique of on-again-off-again aggression.

We are now committed to explore Soviet intentions at the highest levels. Exploration is at best a dangerous operation. While I am optimistic, and in no sense am a defeatist, yet I realize that we may meet with discouraging results. In any event, I do not want the President of the United States to go into that meeting weakened by hasty and perhaps ill-advised action which we might take on this floor. It is of vital importance to the future of this Nation that he be unimpeded by any indication that the American people and their representatives in Congress do not back one hundred percent the substantial tokens of freedom represented by this bill.

In the history of every nation, there are occasions when it is as important to be united in peace as it is to be united in war. In this mid-century year of 1955, unity in support of the President—not because of his party affiliations—as he enters upon these crucial negotiations is highly essential. I hope very much the Senate will approve the recommendations of the Foreign Relations Committee.

Mr. President, in closing, I may say in that connection, that the high peak of the foreign-aid requests of Congress was in the Presidential message of 1951, for the fiscal year 1952. The total then requested was $8,500,000,000, which consisted of $6,300,000,000 for MDA and $2,200,000,000 for economic assistance. The total appropriations, based upon that request—as the appropriations were recommended by the Appropriations Committees—were $7,300,000,000.

Mr. President, we have traveled slowly; but we have come a long way, because the request as we make it today is for an authorization of less than half the amount actually appropriated for the fiscal year 1952.

I wish it were possible for us to make no more appropriations for foreign aid. However, I do not see how that is possible at this time. For my own part, I would rather take the chances of going along the road which our party, as represented by the Members on this side of the aisle, and the other party, as represented by the Members on the other side of the aisle, have followed. We have followed in the face of considerable criticism; but we have followed it with a good deal of faith and courage. And, Mr. President, courage, according to my interpretation of it, is nothing but faith in action.

So I hope the Senate will approve the recommendations we here make for these appropriation authorizations, and not to exceed the several amounts specified, leaving it in the hands of the Appropriations Committee to determine what shall be the precise amounts within that limitation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield.

Mr. BARKLEY. First I wish to congratulate the Senator from Georgia, in his individual capacity, and as chairman of this great committee, for the very constructive way in which he has guided this proposed legislation and the broad-minded and realistic comments which he has made upon the pending bill.

I believe that one of the crucial tests of the American people in the years to come will be whether or not they have the fortitude and patience to ride out the storm until, ultimately, world peace will be brought about, on the basis of mutual recognition of the rights of all peoples in their respective countries. We all know that there is not a foot of land or any right to which any other nation or any other people is entitled that we wish to take away from them. All we have sought to do in the past 10 years, and all we seek to do now, is to preserve our own interests, our own rights, our own freedoms, and our way of life, and to help those who join with us in such preservation in preserving their own way of life, so that ultimately the free world, by its example and precepts, may convince the slave world, if there is such, and we feel that there is, of the superiority of our way of life and our institutions, and may stimulate other peoples to emulate our example.

We know that it has been the boast of those who are now and have been for 10 years seeking to destroy liberty that they have patience, that time means nothing to them, and that if they move in one place and fail, they will move out, and move in somewhere else.

The Senator has eloquently stated that there now seems to be a break in the clouds. However, we never can tell when the clouds may again be consolidated for the downpour which the world has been fearing ever since the end of World War II.

Therefore, while there has been more than a 50-percent reduction in the past 10 years in the amount of foreign aid, is it not wise for our own people to steel themselves against the possibility of a long siege? They should not become weak, overconfident, or overoptimistic, until there is a solidification, to some extent, of world recognition of the right of every country and every people to live its own life, and not have its life and its way, its methods, destroyed by outside aggression, either through military or psychological means. There seems to be a slight break in the clouds. It may be altogether temporary. If we weaken our forces and yield to the temptation to let our guard down, we may find ourselves in a predicament which will be infinitely worse, more expensive, and more burdensome than the appropriation of every dollar recommended in the pending bill. It seems to me that we cannot afford to let our guard down until the time comes when we can feel more certain than we now do of the ultimate results of our cooperative efforts.

Mr. GEORGE. I think the Senator is unquestionably correct. I have never thought otherwise. Although there may be some hopeful portents and promises, there are no present circumstances in the world which would justify any degree of complacency upon our part, or any relaxation of our efforts to reach the goal which may be dimly in sight.

Mr. BARKLEY. Therefore it is the duty of those of us who here temporarily represent the people and speak for them to be realistic with them and with ourselves, and not delude the people into the false hope that because of some temporary situation we can permanently let our guard down and be unaware of the possibilities of danger around the corner.

Mr. GEORGE. I think the Senator is entirely correct.

Let me make one observation, which applies to everything I have ever stood for in public life. I have always been conscious of the fact that my people, those who look directly to me, do not expect me to be free from error. They do not expect a perfect man. They do not expect perfect judgment or perfect decisions. However, they do expect me to be honest. The American people expect the American Senate now, in this midcentury of time, to be honest; and, if Senators are honest, they can give no assurance except that, for the time being, we must keep our hands to the plow.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. WILEY. I have listened with profit, as I always do, to the remarks of the distinguished Senator from Georgia. I wish to join in complimenting him for his statesmanship, and for seeing what I think are the facts of life in the world today.

I have just returned from my own State. I am frank to say that there is much to be said in favor of giving the people the world facts which they should know. I should like to ask the Senator from Georgia several questions of a general nature.

We have been talking about giving away money or lending money. As a matter of fact, is it not true that every dollar contemplated by the pending bill represents an impact upon the economy

of this country, so that the production of the goods which we sell will bring about the creation of new jobs?

Mr. GEORGE. I estimate that at least 75 percent of every dollar we appropriate never leaves our shores. It stays here. The other 25 percent comes back within the course of a very few months.

Mr. WILEY. It comes back in the process of buying what we produce here.

Mr. GEORGE. Beyond any doubt.

By this bill we are increasing the $350 million earmarked for surplus agricultural products last year to $600 million for 2 years, which will be paid for out of the dollars appropriated in the pending bill.

Mr. WILEY. The Senator has anticipated my next question, which is whether or not the effect of providing this credit is an easing of the pressure created by built-up surpluses of goods of which we have an overproduction. I refer to agricultural products, as well as others.

Mr. GEORGE. I have tried to say precisely that I do not agree that we have an overproduction. I think we simply have a lack of wide distribution of the products and bounties of nature which a kindly Providence has given us.

Mr. WILEY. I agree with that analysis. We use the expression rather loosely. We have built up surpluses. In that connection, I observe that there are 400 million children in the world who need the milk we produce. It is a question of distribution, and how to solve that problem. It is not a problem of lessening production, but a problem of distribution.

Mr. President, I expect to speak on this subject tomorrow.

FAMILY COURT FOR THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 387, S. 1289. The distinguished senior Senator from Oregon [Mr. MORSE] is on the floor and I should like to have him give a brief explanation of the bill.

Mr. POTTER. Mr. President, I assume that the bill has been cleared with the minority members of the committee and with the minority leader. Am I correct?

Mr. JOHNSON of Texas. I assure the Senator that that has been done.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1289) to establish a family court in and for the District of Columbia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment, to strike out all after the enacting clause and insert:

That there is hereby created in the Municipal Court for the District of Columbia a Domestic Relations Branch.

SEC. 2. Definitions: As used in this act—

(a) "Branch" and "Domestic Relations Branch" mean the Domestic Relations Branch of the Municipal Court for the District of Columbia created by this act;

(b) "Court" means the Municipal Court for the District of Columbia and the several judges thereof.

SEC. 3. (a) Additional judges: The first section of the act entitled "An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes," approved October 25, 1949 (63 Stat. 887), is hereby amended by striking therefrom "thirteen" and inserting in lieu thereof "fifteen."

(b) One or more judges of the municipal court shall serve in said branch for such periods and in such order of rotation as the judges of the court may determine.

SEC. 4. The court shall have authority to appoint a commissioner or commissioners to assist the judges sitting in the branch. In accordance with rules adopted by the court, such commissioner or commissioners may investigate facts and file for the consideration of the judges in the branch a report setting forth the information obtained by such investigation: *Provided*, That the right to examine, and file exceptions to any such report, shall be reserved to each interested party or his attorney.

SEC. 5. Jurisdiction of domestic relations branch: The Domestic Relations Branch and each judge sitting therein shall have exclusive jurisdiction over all actions for divorce from the bond of marriage and legal separation from bed and board, including proceedings incidental to such actions for alimony, pendente lite and permanent, and for support and custody of minor children; applications for revocation of divorce from bed and board; civil actions to enforce support of minor children; civil actions to enforce support of wife; actions seeking custody of minor children; actions to declare marriages void; actions to declare marriages valid; actions for annulments of marriage; and proceedings in adoption.

SEC. 6. (a) Domestic Relations Branch vested with power to effectuate purposes of act: The Domestic Relations Branch is hereby vested with so much of the power as is now vested in the United States District Court for the District of Columbia, whether in law or in equity, as is necessary to effectuate the purposes of this act, including but not limited to, the power to issue restraining orders, injunctions, writs of habeas corpus, and ne exeat, and all other writs, orders, and decrees.

(b) The Domestic Relations Branch shall have the same power to enforce and execute judgments, orders, and decrees entered by it as is now vested in the United States District Court for the District of Columbia. Judgments of the branch shall have the same legal status as liens upon real estate as judgments of the United States District Court for the District of Columbia.

SEC. 7. (a) Amendments of statutes: Section 963 of the act approved March 3, 1901 (31 Stat. 1345, ch. 845), as amended by the act approved June 21, 1949 (63 Stat. 215, ch. 233; sec. 16-416, D. C. Code, 1951 edition), is amended by striking therefrom "United States District Court for the District of Columbia", and inserting in lieu thereof "Domestic Relations Branch of the Municipal Court for the District of Columbia."

(b) Subsection (a) of section 3, and section 113 of the act entitled "An act to prescribe and regulate the procedure for adoption in the District of Columbia", approved June 8, 1954 (68 Stat. 241), is amended by striking therefrom "United States District" and inserting in lieu thereof "Domestic Relations Branch of the Municipal."

(c) Section 6 of the act entitled "An act to regulate the placing of children in family homes, and for other purposes", approved April 22, 1944 (58 Stat. 194, as amended, is amended (1) by striking "Office of the Clerk of the District Court of the United States for the District of Columbia" and by striking "Office of the Clerk of the United States District Court for the District of Columbia", and by inserting in lieu of each such phrase "Office of the Clerk of the Municipal Court for the District of Columbia", and (2) by striking "justice of said court" and inserting in lieu thereof "judge sitting in the domestic relations branch of said court."

SEC. 8. Docket: A separate docket shall be maintained for the Domestic Relations Branch. There shall be recorded in such docket the actions taken at each stage of each action and proceeding instituted or conducted in the branch.

SEC. 9. Process: Service of process for the Domestic Relations Branch shall be made by the United States marshal for the District of Columbia or by any of his authorized assistants or in such other manner as the court may by rule prescribe. Service of process for the Domestic Relations Branch may also be had by publication in the same manner as service of process is had by publication for the United States District Court for the District of Columbia.

SEC. 10. (a) Pending cases and files transferred to domestic relations branch: All cases which, on the effective date of this section, are pending in the United States District Court for the District of Columbia and are within the jurisdiction of the Domestic Relations Branch, together with all files, papers, documents, and records in the custody of the United States District Court for the District of Columbia relating to such pending cases shall be transferred to the Domestic Relations Branch.

(b) The United States District Court for the District of Columbia shall, on and after the effective date of this section and upon request of any judge sitting in the Domestic Relations Branch, transfer to such branch the files, papers, documents, and records relating to any case in which final judgment has been entered in respect to divorce from the bond of marriage; legal separation from bed and board; revocation of divorce from bed and board; enforcement of support of minor children or wife; actions for custody of minor children; voiding or validating of marriages; annulment of marriage; or adoption, whether or not any such case has been reopened prior to the effective date of this section.

(c) All judgments, orders, processes, directions, and proceedings entered in any pending or reopened case transferred to the Domestic Relations Branch pursuant to this act shall be continued and proceeded with, and may be modified, enforced, and executed with the same force and effect as if proceeded with in the United States District Court for the District of Columbia; and no such action or proceeding shall abate or be in anywise affected by the enactment of this act.

SEC. 11. Rules: The court shall by rules prescribe the fees, charges, and costs and the forms of process, writs, pleadings, and motions, and the practice and procedure in actions and proceedings in the Domestic Relations Branch. Such rules shall neither abridge, enlarge, nor modify the substantive rights of any litigant. Except as otherwise specifically provided by such rules, the applicable Federal Rules of Civil Procedure shall govern in the branch.

SEC. 12. Appeals: Any party aggrieved by any final or interlocutory order or judgment entered in the Domestic Relations Branch shall have the same right of appeal available in respect to any final or interlocutory order or judgment entered in the civil branch of the court.

SEC. 13. Sessions: The Domestic Relations Branch, with at least one judge in attend-

ance, shall be open for the transaction of business every day of the year except Saturday afternoons, Sundays, and legal holidays, and, if deemed necessary, may also hold night sessions.

SEC. 14. Jurisdiction of juvenile court not affected: Nothing contained in this act shall be construed so as to affect or diminish the jurisdiction of the Juvenile Court of the District of Columbia, or any judge presiding therein.

SEC. 15. Appropriations authorized: Appropriations for expenses necessary for the operation of the Domestic Relations Branch, including personal services are hereby authorized.

SEC. 16. Effective dates: This act, except sections 5, 6, 7, and 10, shall take effect upon its approval. Sections 5, 6, 7, and 10 shall take effect 30 days after the appointment and qualification of the two additional judges authorized by this act to be appointed to the court.

Mr. MORSE. Mr. President, this bill comes to the floor with the unanimous report of the Committee on the District of Columbia.

The purpose of the bill, as amended, is to establish a domestic relations branch in the municipal court for the District of Columbia. Jurisdiction over all actions for divorce from the bond of marriage and legal separation from bed and board, including proceedings incidental to such actions, for alimony, pendente lite and permanent, and for support and custody of minor children; applications for revocation of divorce from bed and board; civil actions to enforce support of minor children; civil actions to enforce support of wife; actions seeking custody of minor children; actions to declare marriages void; actions to declare marriages valid; actions for annulments of marriage; and proceedings in adoption, would be transferred from the United States District Court for the District of Columbia, to the municipal court.

The bill also authorizes the appointment of two additional judges to the municipal court. These judges would rotate in the domestic relations branch along with the other judges of the court.

The court is given authority to appoint commissioners to assist the judges sitting in the new branch for the purpose of investigating facts and reporting thereon, with a proviso that the right to examine and file exceptions to such commissioner's reports shall be reserved to each interested party or his attorney.

The domestic relations branch shall maintain a separate docket, and service of process shall be made by the United States marshal, or in such other manner as the court shall by rule prescribe.

The bill further provides for the transfer of pending cases and files pertaining to domestic relations matters, to the Domestic Relations Branch.

Provision is made for the same right of appeal as is presently available in the civil branch of the court, and specifically states that the jurisdiction of the Juvenile Court will not be affected or diminished by the provisions of the bill.

It is estimated that the cost of the proposed branch, including the appointment of two additional judges, would amount to $121,580 annually.

I may say at this time that it is the view of the committee that we should try this procedure for a time and then consider anew other recommendations—which the committee rejected—which sought to establish a so-called family relations court as such. It was the opinion of the committee that this bill would accomplish the maximum good that was sought by the various organizations which wanted to take away from the United States District Court jurisdiction over domestic relations matters. The committee is of the unanimous opinion that such jurisdiction should be taken away from the District Court; and we are satisfied that putting it in the municipal court will establish a system which will meet the domestic relations needs of the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to establish a Domestic Relations Branch in the Municipal Court for the District of Columbia, and for other purposes."

THE AMERICAN NATIONAL RED CROSS

Mr. CARLSON. Mr. President, I rise to pay a tribute to the American Red Cross. When disaster strikes our Nation, we are fortunate to have an agency which is not only immediately available, but is prepared to act.

Last week communities in Kansas and Oklahoma suffered tragic losses of both life and property from a devastating tornado which struck Blackwell, in Kay County, Okla., about 10 p. m. on May 25, where at least 19 persons were killed and over 200 injured. More than 100 were seriously injured and hospitalized.

The storm proceeded into Kansas and struck Udall, a small town with a population of 600, in Cowley County, Kans. Here the storm was most devastating, and every house and business building in the city was either destroyed or sustained major damage. Seventy-six persons lost their lives, 275 were injured, with 200 being hospitalized.

The Red Cross chapters in the devastated areas were quickly mobilized, and it was only a matter of hours until teams of doctors, nurses, and many volunteers were sent to meet the emergency needs of the disaster victims.

The Red Cross is now carrying on a program of caring for the homeless and making preparations for the rehabilitation of the people and the reconstruction of the devastated communities.

I take this opportunity to pay a tribute to the Red Cross for organizing the relief and rehabilitation work in these communities. I also want to mention the splendid work done by the volunteer organizations and citizens generally in the surrounding territory in assisting those who suffered so seriously in the storm.

This disaster has again given citizens of our State, and especially of the surrounding territory, an opportunity to demonstrate their neighborliness and their interest in those who must endure suffering and loss.

I ask unanimous consent that the report that I have received from Mr. R. T. Schaeffer, national director of the disaster services of the American National Red Cross, be printed in the RECORD as a part of these remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MAY 26, 1955.

Subject: Oklahoma, Kansas tornadoes DR 786.

To: Mr. John C. Wilson.

From: R. T. Schaeffer.

Beginning late in the evening Wednesday, May 25, a series of tornadoes struck glancing blows at four counties in the Oklahoma Panhandle. Damage was relatively light in Leedey, Dewey County, the rural areas in Woodward, and Ellis Counties. Heavier damage, however, was sustained in the community of Cheyenne in Roger Mills County where 2 persons were killed, 1 injured and hospitalized, 18 houses destroyed, and 12 damaged. All of the tornado-conscious chapters went into immediate action, but fortunately the emergency needs of the families were very minor. One Red Cross field representative has been assigned to assist the chapters in the estimated rehabilitation for the five families.

As the storm moved in a northeasterly direction it gained in intensity and at approximately 10 p. m., tornadic winds lashed Blackwell in Kay County, Okla. The midwestern area office in St. Louis reports that at least 19 persons were killed in Blackwell, and over 200 injured with 100 of the more seriously injured being hospitalized. Latest reports from survey teams on property damage show that the twister flattened the homes in a 24-square block area and damaged others in a fringe area of approximately 50 square blocks. With the count incomplete it is estimated that 100 houses were destroyed and at least 200 damaged.

The next victim of this vicious storm was Udall, Cowley County, Kans., with a population of 600. Reports from that community show that every house and business building were either destroyed or sustained major damage. At 4 p. m. today there were 76 known dead, 275 injured with 200 of the victims hospitalized in five different hospitals within the area. It is estimated that at least 170 houses have been destroyed, with the survey still incomplete.

Red Cross chapters in the devastated areas quickly mobilized first aid teams, doctors, nurses, and many volunteeers to meet emergency needs of the disaster victims. First-aid stations were set up in churches, the armory and other buildings in Blackwell, Okla., where many of the injured were given first-aid treatment.

Two shelters and feeding centers have also been established. A mobile canteen manned by volunteers from the Oklahoma City Chapter arrived in Blackwell at dawn this morning to provide canteen service to victims and rescue workers.

Winfield, Kans., nearby headquarters for the community of Udall became the center of relief activities. A shelter and feeding center was established in the armory for the survivors of the tornadic winds. Doctors and nurses from Wichita and other nearby communities rushed to Winfield and Arkansas City where many of the injured were taken.

The Sedgwick County Red Cross Chapter at Wichita dispatched a mobile canteen into Udall along with a disaster rescue unit. The McConnell Aircraft Co. gave invaluable assistance by sending in 2 teams of doctors with 2 ambulances, 2 first-aid teams and a supply of cots and blankets.

The Wichita, Kans., blood center exhausted its supply of blood for victims during the night, and an early morning public appeal brought a block long line of donors to replenish the supply for growing needs. The Red Cross Blood Center at St. Louis sent an emergency shipment of 90 units of blood by police escort to the airport where civilian air patrol planes transported the blood to Wichita to cover immediate needs.

Members of the field staff of the national organization were rushed to the devastated areas to assist local Red Cross chapters.

Dr. Raymond Burnes, Medical Director, and Tom Desmond, Director of Disaster Services for the Midwestern Area, left St. Louis early this morning to assume direction of Red Cross disaster relief activities. In addition to Dr. Barnes and Mr. Desmond, 48 staff members of the national organization including 16 nurses are now either in the affected area or en route.

General headquarters for the two State area is being established at Arkansas City, Kans. with Mr. Desmond in charge. Subarea offices have been established in Udall, Kans. with Mr. Cecil Davis, Director of Disaster Services, Pacific Area in charge and in Blackwell, Okla. with Mr. Ed Brandhorst, Assistant Director, Disaster Services, Midwestern Area heading up relief operations in Kay County.

Reports from the field indicate that there has been excellent coordination and cooperation between the Red Cross, many private agencies and State and local governmental authorities. Civil Defense rescue teams performed valiant service in assisting in the rescue of victims buried in the debris.

R. T. SCHAEFFER,
National Director, Disaster Services.

BERNARD M. BARUCH

Mr. JOHNSON of Texas. Mr. President, it is always heartwarming to have due recognition accorded to a great man who has served his country well.

It was with a deep feeling of pleasure that I read an editorial printed in the Atlanta Journal on an address recently delivered by Bernard M. Baruch. The address itself was printed in the CONGRESSIONAL RECORD of last Wednesday and is available for all to read.

In this address, Mr. Baruch—one of the most penetrating thinkers of our times—outlined his own philosophy through a discussion of the works of Woodrow Wilson. It was one of the most revealing statements of the past few years.

Mr. Baruch stands forth as a major force in preserving our free democratic institutions. His vision is broad and his idealism pure, and he couples his idealism and his vision with an effectiveness that is matched by few.

I ask unanimous consent that the Atlanta Journal editorial be printed in the RECORD as evidence of the esteem and respect in which so many Americans hold Bernard M. Baruch.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BARUCH'S CLASSIC ON WILSON

Occasionally some writer accomplishes perfection of thought and expression in a piece that is recognized, even if it is read for the first time, as a classic. It has the qualities that will make it endure.

Such an accomplishment is the address by Bernard M. Baruch delivered at a meeting to announce plans for the Woodrow Wilson Centennial Anniversary during 1956.

Mr. Baruch made Woodrow Wilson's magnificent wisdom his own. He, too, sees with that perception that enabled Wilson to comprehend nations and, at the same time, to understand the human heart.

It is speech filled with statements and phrases almost startling in their succinct penetration. It is a summary of the possible—which lesser men called impossible—that Wilson conceived and Baruch understands.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER (Mr. BEALL in the chair). Without objection, it is so ordered.

INCREASE IN PAY OF POSTAL EMPLOYEES—UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, there is at the desk an unanimous-consent request which has been approved by the distinguished minority leader, the distinguished chairman of the Committee on Post Office and Civil Service, and the distinguished ranking minority member of that committee. On behalf of the minority leader and myself I offer the request and ask that it be read.

The PRESIDING OFFICER. The unanimous-consent request will be read.

The legislative clerk read as follows:

Ordered, That effective on Wednesday, June 1, 1955, after the conclusion of routine morning business, the Senate shall proceed to the consideration of S. 2061, a bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, and that debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the proposer of any such motion or amendment and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the bill shall be received.

Ordered further, That on the question of the final passage of the bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none, and the request is agreed to.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that a proposed unanimous-consent agreement, which is offered on behalf of myself and the distinguished minority leader, be read.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That effective on Thursday, June 2, 1955, after the conclusion of routine morning business, during the further consideration of S. 2090, a bill to amend the Mutual Security Act of 1954, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the proposer of any such motion or amendment and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the bill shall be received.

Ordered further, That on the question of the final passage of the bill debate shall be limited to 2 hours, to be equally divided and controlled, respectivey, by the majority and minority leaders.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the unanimous-consent agreement proposed by the Senator from Texas? The Chair hears none, and the agreement is entered into.

THE SALK POLIO VACCINE

Mr. MORSE. Mr. President, I wish to make a few remarks on the statement by the President released by the White House today on the polio vaccine situation, as he calls it.

The President states:

The last week has been both eventful and encouraging.

Let me say, Mr. President, that all the events in the polio vaccine matter since April 12 have been eventful, but many of them most discouraging.

I wish to read one paragraph of the President's statement and make a brief comment on it. He says:

There has been delay in the vaccination program. But remember—we are dealing in this field with the lives of our children and our grandchildren. Because of scientific work that was done during that delay science has learned new things about the way viruses behave in large-scale manufacture and about the way we should make vaccine. Scientists have been able to design testing techniques of greater sensitivity and production techniques which build in a greater factor of safety and additional checks on the final product. So from that delay science has gained new knowledge, new safeguards.

I say most respectfully that the scientists knew of that problem before the vaccine was released. I say that the scientists have not learned any new techniques about this vaccine. They knew those techniques from the beginning. The difficulty is that those representing the Government in an administrative position decided, back in April, against exercising the most precautionary test-

ing techniques for this vaccine. That is what the President ought to have told the American people about the vaccine today. He did not tell them that, because if he had told them that he would not have tried to cover up the mistakes the administration has made on the whole vaccine program.

It is a very interesting cover-up message the President has sent to Congress, but let us keep the record straight, Mr. President. The record is that prior to April 12, 1955, there was a great division in the thinking of the scientists in regard to this matter. There were differences of opinion as to whether or not, for example, our pure food and drug officials and our Department of Health, Education, and Welfare should allow the vaccine to go out to the American public and have it injected into the arms of American boys and girls without the batches of vaccine made by the various companies tested under the stringent techniques that were known then, and which are now being required by our public health officials.

I am very glad that at long last our public officials are now requiring the maximum precautions in testing the vaccine. But my answer to the President of the United States is that eminent authorities abound that all these techniques were known prior to April 12. The fact is that our Government did not require the testing precautions which should have been required. Had they been required, we would not have had the confusion, to which the President refers, that has developed in this matter.

The President says further in his message:

> During the months immediately ahead we must be patient while our limited supply of vaccine is used first to help protect those who need it most.

Administration officials knew that away before April 12, Mr. President. They knew before April 12 how limited the supply was going to be, and they knew before April 12 that if the vaccine was going to be injected into the arms of children in the age bracket of 5 to 9, the Government was going to have to see to it that there would be set up a fair distribution of the vaccine. It was not set up. Thus we have gone through these weeks of confusion and vacillation and stop and go orders in regard to the vaccine problem.

Mr. President, when we go over to page 2 of the message, we read some more very interesting alibiing. The President of the United States says:

> Briefly the voluntary control plan for distribution will work as follows:
>
> 1. Priorities: The vaccine must be used first for those most susceptible to polio.

The President is right when he says it must be used first for those most susceptible to polio. Yet, in my judgment, and I speak most respectfully, the President ought to be insisting upon a legislative program which will guarantee that the "must" order to which he himself refers in his message will be carried out.

I want to say that if we are going to insist that the vaccine must be used first for those most susceptible to polio, then we have to have "must" legislation on the books; and we do not have "must" legislation on the books at the present time.

I think it most unfortunate that, confronted with the great mistake the administration has made in regard to the vaccine program, the President is not, even at this late hour, coming forth with a legislative program which will guarantee to the boys and girls in the 5-to-9 age bracket that they are going to get the vaccine.

Until that is done, as far as the senior Senator from Oregon is concerned, I am going to continue to say that this administration is failing the boys and girls in this country by not putting on the books a law, mandatory in nature, which will require that the limited supply of vaccine be used, and used in the first instance, for the benefit of the boys and girls in the 5-to-9-age brackets, and then that there be distribution of the vaccine in accordance with susceptibility to polio to other age brackets until there is available an adequate supply for all the children and adults of this country.

I only repeat the argument I made before; namely, we are dealing here with a national concern. We are dealing here with a national health problem. We are dealing here with a problem in which we find reputable medical authorities in dispute as to the danger which exists if we take one group of boys and girls and vaccinate them with the Salk vaccine, and let them play with another group of boys and girls who are not vaccinated.

There is even dispute among the medical authorities, Mr. President, as to whether or not the group which was not vaccinated would be more susceptible to polio because of contact with vaccinated boys and girls, than would be the case if neither group had been vaccinated in the first place.

As long as there exists that kind of conflict among medical authorities of this country, then it is clear that we need legislation that will protect the public and assure a fair distribution of the vaccine. As I said the other day, I did not comment here on the floor of the Senate in regard to this problem until I had first been briefed by medical authority on the matter. Irrespective of what the President tries to say now in the way of an alibi for the serious and inexcusable mistakes of his administration in regard to this vaccine problem, it is our clear duty as a Congress to proceed to pass legislation that will place the vaccine under governmental control and distribution until such time as there is an adequate supply for all our population. Mr. President, if there ever was brought to the Congress a public health program that carried with it congressional responsibility, this is it.

In view of the bungling that the Eisenhower administration has been guilty of, through the Department of Health, Education, and Welfare, which bungling has really been approved by the President of the United States, in his attempt to sustain the incompetency of the Secretary of that Department, the Congress has the duty to pass the kind of legislation that some of us proposed on April 14.

Again I ask the President of the United States to look to the country to the north of us. Canada did not bungle it. There has been no confusion about this matter in Canada. From the very beginning Canada used the precautionary techniques in the manufacture of the vaccine in Canada that ought to have been used in the United States from the very beginning, and the responsibility for their not being used rests squarely upon the shoulders of the Department of Health, Education, and Welfare.

So I wish to say that the President's alibiing message of today leaves me cold, because the President still is evading his responsibility to the American people. He is not stepping in with a recommendation for the enactment of legislation which will guarantee that the vaccine will be fairly distributed, so that all American boys and girls will receive it, in order to protect our population as a whole.

I quite disagree with the President's proposal to permit the States to determine what children will receive the vaccine free of charge and what children will not receive it free of charge. In this case we are dealing with a matter of such great concern to the national health that every American boy or girl, regardless of the ability of his parents to pay, should receive free vaccination of this vaccine. We should not permit anyone to have the discretion to determine whether, because of any economic reason, children will or will not receive the vaccine free of charge.

The Federal Government should make it clear that the vaccine will be made available free of cost to American boys and girls, because by vaccinating them we shall best protect not only their health, but also the health of the rest of the American people, insofar as the danger of contracting polio is concerned.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a question?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Oregon yield to the Senator from Illinois?

Mr. MORSE. I yield.

Mr. DOUGLAS. Is the Senator from Oregon aware of the fact that the Democratic members of the Senate Committee on Labor and Public Welfare have drafted a bill which provides that the Federal Government shall provide free vaccine to all States and that the States shall not impose on anyone a means test?

Mr. MORSE. I am all in favor of that proposal. As I said when I introduced my proposal on April 14, I am not wedded to it. Any proposal which will accomplish the same end will meet with my approval. The Senator from Illinois has just outlined a proposal which will accomplish that end, and I certainly hope the bill comes to the floor of the Senate.

Mr. DOUGLAS. Mr. President, is the Senator from Oregon aware that the Democratic-sponsored bill in the Senate Committee on Labor and Public Welfare

provides that free vaccine shall be given to all children, and will give the States the discretionary power of determining what is a child, and will permit the States to make such arrangements as they wish for the payment or nonpayment for the services of doctors in the giving of the vaccine?

Mr. MORSE. So long as the bill will result in having the vaccine placed in the bloodstreams of the boys and girls, and will have that done on a free basis, I will go along with that modification of my first proposal.

Mr. DOUGLAS. The Senator from Oregon would not be surprised, would he, to know that this proposal was adopted at the suggestion of the distinguished and eminent junior Senator from New York [Mr. LEHMAN]?

Mr. MORSE. No; I would not be surprised to learn that it was adopted either at his suggestion or at the suggestion of the distinguished Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Would the Senator from Oregon be disconcerted by the fact that although the Senate Committee on Labor and Public Welfare has been meeting or trying to meet on four separate occasions to consider this bill, thus far it has not been able to obtain a quorum to consider the bill?

Mr. MORSE. Not only am I interested in that fact, but I think the American people will also be interested in it.

Mr. DOUGLAS. Does not the Senator from Oregon feel that the committee members who have absented themselves from the committee meetings have—whether intentionally or unintentionally—done a disservice to the American people as regards taking adequate steps to check the disease of polio?

Mr. MORSE. I think the matter is so serious that a meeting of the committee should be scheduled for 2 a. m., either tomorrow morning or the following morning, for certainly no member of the committee would be able to say he had another engagement at that time. If the committee members are too busy to meet during the normal hours, then I suggest that a committee meeting be called for 2 a. m.

Mr. DOUGLAS. Would the Senator from Oregon be interested in knowing that the committee met at 10 o'clock today, and waited until 11 o'clock, but could not obtain a quorum; that this afternoon the committee met at 3:30 p. m., and waited until 4 p. m., and that only one Republican member was present at the morning meeting and no Republican member was present at the afternoon meeting and a quorum could not be obtained?

Mr. MORSE. I think that is most unfortunate.

Mr. LEHMAN. Mr. President, I concur in the remarks of the Senator from Oregon and the Senator from Illinois.

I regret the statement which was made today by the President. Apparently he wishes to have the vaccine distributed on a purely voluntary basis, without control, without any provision whatsoever to make certain that the vaccine will be distributed to all children, regardless of any means test.

The bill to which the Senator from Illinois has referred, which now is in the Senate Committee on Labor and Public Welfare, and which I have had a considerable part in drafting, provides for just two things: First, that in all the States of the Union, every child shall be able to obtain the vaccine free of charge, without discrimination, without discretion, if the child wishes to be vaccinated; second, that standby controls—not mandatory controls—shall be given to the President.

Mr. President, the President's statement does not address itself to the curing of the two difficulties to which I have referred briefly. Let me say parenthetically that not one step was taken by either the President of the United States or by the Secretary of Health, Education, and Welfare, until 2 days after the announcement was made. No attempt was made by them to provide adequate distribution machinery. No attempt was made to confer with drug manufacturers and with scientists, to work out the proper tests. Certainly the experience of the past few weeks has demonstrated that the tests which were adopted at that time were not adequate.

At this time I wish to read several excerpts from the President's statement. The President says:

> 4. State responsibility: The States will advise the Secretary of Health, Education, and Welfare as to their general plans for distribution of the vaccine and, specifically, their shipping instructions for manufacturers. This information then will be transmitted to the manufacturers.

Mr. President, let me say no power existing today will enable the Federal Government to insure fair distribution in the States or even the adoption of a fair plan of distribution. Under the law, as it exists today, there is no such power.

I read further from the President's statement:

> 5. Vaccination programs: To assure that no child is denied vaccination by reason of its cost, some States and localities may operate—

And in that connection I emphasize the word "may"—

> mass free public vaccination programs for all children.

Certainly there is no provision which would require that kind of public vaccination, free of charge.

I read further from the President's statement:

> Other States may provide free vaccination only for children whose parents are unable to pay, through clinics, schools, and preschool programs, or by furnishing free vaccine to private physicians.

Mr. President, that means there will be no uniformity whatever as between the States. For instance, the State of Connecticut could decide to distribute vaccine in one way, under a plan over which the Federal Government would have no control whatever under existing statutes. The State of Connecticut might decide to turn over most of the vaccine to druggists and others, for distribution through normal commercial channels, and might decide to charge for every vaccination given to children, whereas different systems might be in force in New York, Massachusetts, or New Jersey. Certainly that is bound to lead to confusion.

In my opinion, perhaps the most ill-advised statement in connection with the free distribution of vaccine as against vaccine to be paid for, is that found in another paragraph where the President says:

> Other States may provide free vaccination only for children whose parents are unable to pay, through clinics, schools, and preschool programs, or by furnishing free vaccine to private physicians.

Does that mean that we are to require a means test in every school, every kindergarten, every station for mass distribution? How are we going to do it? Why should we want to do it? In the first place, such a system would be completely unworkable, and in the second place, I do not know of anything that would be socially worse, socially more dangerous, socially more destructive of equality and understanding among groups of children than to say to one child, "You are going to get this vaccine free," and to another child, "You will get it only if you pay for it." What effect will the fact that one child pays for it have on the children who get it free? We do not follow that plan in the other free distributions made by the Government. I cannot conceive of anything worse than that; yet that is what the President of the United States now proposes to do.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. Under this alleged system, will it not be almost inevitable that in many cases children will be able to get free vaccination and free vaccine only if they or their parents say that they are unable to pay for it?

Mr. LEHMAN. That is perfectly correct. There will be a means test.

Mr. DOUGLAS. Will not that involve a stigma which the parents and children dread, and which will humiliate them beyond words?

Mr. LEHMAN. There is no question about it. The Senator is correct. I do not think there could be anything more destructive of democracy in the schools, more certain to set up barriers, than the means test which is proposed.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. MORSE. Is the Senator aware of the fact that we do not even require a means test of cattlemen in order to provide free vaccine in an endeavor to stamp out Bang's disease in the cattle herds of our country?

Mr. LEHMAN. The Senator is eminently correct. I went all through that when I was Governor of my State. In the late 1920's or the early 1930's we initiated an extensive program for the eradication of bovine tuberculosis, which at that time was prevalent in our State. We never required a means test. We took care of the situation in relation to every farmer in the State, and within 10 or 15 years we completely eradicated bovine tuberculosis.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. Is it not true that it would not be as humiliating in the case of cows to apply a means test as in the case of children, and that therefore the case for abolishing the means test is stronger in the case of polio than in the case of Bangs' disease?

Mr. LEHMAN. The theory of giving greater preference to animals than to human beings applies in many activities of the Government, unfortunately. Take the field of immigration. A man who is refused admission into this country because of the whim of a consular agent has no recourse whatsoever. He has no appeal whatsoever. His case cannot be considered by anyone. Yet if an importer is refused the right to import a bag of potatoes into this country, he can carry his case to the Supreme Court.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

Mr. LEHMAN. I am glad to yield.

Mr. DOUGLAS. Does the Senator remember back some 30 years ago, when the question of health care for mothers and infants arose, that some State legislatures were reluctant to provide free health care for mothers and infants, but did provide free cholera care for hogs?

Mr. LEHMAN. There is no doubt about that. I recall it very well indeed.

Mr. DOUGLAS. Does the Senator remember the argument which was made by an Iowa mother to the Iowa Legislature, that even if they were not interested in the health care of children, but were interested in the health care of hogs, children who were sick could not take care of hogs very well, and that therefore, in order to protect hogs, it was necessary to have healthy children?

Mr. LEHMAN. That is perfectly true.

Mr. DOUGLAS. While we certainly do not accuse those who believe in the voluntary system of caring for polio with being unconcerned about the health of children—because that certainly would not be true—nevertheless, is it not true that if people were hard-hearted enough not to be moved by the desire to protect children for their own sake, they might wish to protect children so that they might take care of the cows and prevent them from succumbing to Bangs' disease?

Mr. LEHMAN. Of course the Senator is eminently correct. He has described the situation very accurately.

Mr. DOUGLAS. It is understood, of course, that I am not ascribing any callousness to those who defend the voluntary system.

Mr. LEHMAN. Anyone who knew the Senator would not ascribe callousness to him in connection with any subject.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. MORSE. Does the Senator recall that a few years ago the Federal Government spent a great many millions of dollars south of the border, in Mexico, in an endeavor to stamp out an epidemic of hoof-and-mouth disease which, if it had spread across the border, would have been very costly to the cattle industry of this country?

Mr. LEHMAN. Yes; I recall that very well, indeed.

Mr. MORSE. Does the Senator agree with me that, when we look at the millions we were willing to spend—and rightly so—to protect the livestock industry, the American people, through the Congress, have a clear moral duty to proceed to provide free vaccination to all American boys and girls whose parents will give their consent to such vaccinations, in order to help greatly to reduce the threat of the scourge of polio?

Mr. LEHMAN. The Senator from Oregon is absolutely correct. Let me say to him that I am grateful to him for having brought up this subject. The proposal made today provides for free vaccine only to children in the first and second grades, and a few children in the third grade who may have received the first inoculations during a previous period. Although it is by no means certain that sufficient supplies will be on hand, it is hoped that the supplies on hand will be adequate to take care of children within the 5 to 9 year age group. There is no question that a child of 10, 12, or 15, or 17 is also very susceptible to this disease—perhaps not quite so susceptible as a child in the 5–9 year age group, but certainly very susceptible.

Our bill provides that every child in the country up to the age of 19 shall be entitled to vaccine free of charge. That does not mean that the doctors may not give the shots to others, but, so far as the vaccine itself is concerned, every child should be on a complete equal basis and be entitled to receive the vaccine. I am grateful to the Senator from Oregon for having raised that point.

Mr. MORSE. Will the Senator yield for a brief comment?

Mr. LEHMAN. I am glad to yield.

Mr. MORSE. We are grateful to the Senator from New York for making the fight he is making in the Committee on Labor and Public Welfare, along with the Senator from Illinois and the Senator from Minnesota [Mr. HUMPHREY] and other senators, in trying to carry out what I think is a moral obligation of the American people to our children.

I try to put into practice, as a religious man, the moral principles that constitute the spiritual values I have been taught throughout my life. I try to put into practice in affairs of government the moral principles that I am refreshed on Sunday after Sunday as I sit in my pew. I happen to believe that as representatives of a free people that is our obligation and duty as Senators.

If ever there was a moral issue before the American people, and if ever there was an issue that called for putting into practice our religious faiths and teachings, this is the time to put into practice our Biblical teachings as to what we owe our children, and how children stand in the sight of God.

I am at a loss to understand why there is even any debate over meeting this moral obligation. It is a sad reflection on a government that has dilly-dallied as long as we have delayed action in providing the boys and girls of this country with free vaccine to help reduce the threat of the scourge of polio. Here is a terrible threat not only to children in the age group from 5 to 9, but also a serious threat in the age group between 1 and 5, and also to a serious extent from age 9 up through adulthood. Here we have an opportunity for the leaders of this Government to practice some religious principles.

Mr. LEHMAN. Mr. President, I should like to say to the Senator that, although we go to different churches—and he worships on Sunday and I worship on Saturday—the principle he has enunciated, which is engraven so deeply on his heart, is also preached and practiced in my church. There is no difference between different religious beliefs in their determination, and in their tradition, which goes back through the centuries, to care for and safeguard the children of our Nation, and of every nation. There is no difference, and there is nothing more sacred than that. Yet we are neglecting the children and we are not making it possible for some children to get the vaccine without humiliating other children and embarrassing them.

It is all wrong. I have fought against it from the very first day the Committee on Labor and Public Welfare held hearings on the matter when I asked Mrs. Hobby, the Secretary of Health, Education, and Welfare, "Why did you wait so long before your plan of distribution was worked out? Why did you wait so long before adequate tests were made?"

Her answer was: "How could anyone forsee the great demand that would come for this vaccine?"

I wish to add a few more remarks with regard to the concluding paragraph of the President's message. He states:

> This plan for distribution of the vaccine can go into effect as soon as the free vaccination program of the National Foundation for Infantile Paralysis is completed.

Mr. President, the program of the National Foundation for Infantile Paralysis provides for only 18 million cubic centimeters of vaccine. It has been testified by experts that to inoculate all the children who are entitled to the vaccine it would take in excess of 175 million cc's. Such a program would include pregnant women, of course.

Then the President goes on to say:

> Under it—
>
> The plan—
>
> the Federal Government will assume responsibility for the equitable allocation of the vaccine among the States, and the States will assume responsibility for the direction of distribution within their borders.

Mr. President, that statement of the President is completely unrealistic. He does not know how limited are the powers possessed today by the Federal Government, and he certainly does not know how limited are the powers possessed by the States in connection with some of the details of distribution.

Surely if he had sufficient powers to enforce such a program, my associates and I would not be fighting so hard to give the President standyby powers. We know that he does not have such powers, and that he is lacking in many of such powers. I speak not as a Member of the Senate alone but also as a former governor of the greatest State in the Union,

from a population standpoint, when I say that even the governors do not have all the powers they need to provide effective distribution and control of this highly prized vaccine, which I believe will be a great boon to all the people of our country. They do not have all the powers they need, and the President does not have such powers. We are trying to give the President standby powers. We are not trying to thrust anything down his throat. We are not saying to him, "You have got to do it this way."

We are simply saying to the President, "All right. We believe you are going to try to control the distribution of this vaccine equitably and fairly and effectively, but if you do not have the powers, and we do not believe they exist today, we will give you these stand-by powers so that you can make distribution fairly and equitably and effectively."

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. PURTELL. Does the Senator know whether there has been any denial of this vaccine to any child because a method of distribution which may meet the wishes of the Senator from New York and other Senators is lacking? Is it not a fact that the vaccine has not been produced in sufficient quantities; that the first 18 million cc.'s of vaccine will go to the National Foundation for Infantile Paralysis, and that the order for that quantity of vaccine has not been completed?

Mr. LEHMAN. I can answer the Senator a little more fully by not confining the answer merely within the scope of his question. Of course I know that there is not a sufficient quantity of vaccine on hand today. I am not blaming anyone particularly for that state of affairs, although I am deeply disappointed, and I feel the American people also are astonished and disappointed, because when the announcement was made—and the announcement was never denied or qualified by any responsible official of Government, the public which listened breathlessly felt that all they had to do was to step up the next morning and there would be sufficient vaccine to take care of their children on an equitable basis. Of course we know that of the 170 million cubic centimeters which will be required to vaccinate all the children of this country, only about 7½ million are available today. Of course, we know that. That is one of the tragedies of the situation. There are many others.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield.

Mr. DOUGLAS. Is it not true that if adequate methods of testing had been worked out in advance a larger quantity of vaccine could have been produced both before and after April 12, with the result that there would have been a larger quantity available?

Mr. LEHMAN. I know this scientific matter is so complicated that I am loath to blame anyone; and I still have great confidence in the ultimate effectiveness of the vaccine. I believe Dr. Scheele is an honest and intelligent man. But, certainly, Mr. President, if greater care had been taken, a far greater quantity of the vaccine could have been produced.

Mr. PURTELL. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. PURTELL. Is it not the Senator's understanding, when he refers to the testing, that Dr. Salk and the other scientists agreed at the time that they were using the best methods of testing? They were learning as they went along, and the method was considered to be adequate, safe, and correct. In fact, it is today still considered a safe method, is it not?

Mr. LEHMAN. I wish to point out that I said in my remarks that I was reluctant to blame anyone with regard to a discovery which is so useful to the health of the Nation as is this vaccine. But day after day, several times a week, methods of testing have been changed, and delays have occurred because of that fact. Certainly, many of these could have been prevented if proper action had been taken earlier in the period in which the inadequate, and in some cases, defective distribution was stopped completely.

Mr. DOUGLAS. Mr. President, will the Senator from New York yield further?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. Is it not true that last year when the final run of tests was being made under the auspices of the National Foundation for Infantile Paralysis, each batch of vaccine was tested three times, first, by the commercial producer, second, by Dr. Salk and his laboratory, and, third, by the appropriate agency of the Public Health Service, I believe, the National Institutes of Health?

Mr. LEHMAN. I believe that is the case.

Mr. DOUGLAS. Is it not true that after April 12 only one set of tests was imposed, namely, by the manufacturer, with testing by the National Institutes of Health only as to rare batches, and that in general the public health authorities depended upon the printed or written statements of the private pharmaceutical houses?

Mr. LEHMAN. That is true. I assume the Senator from Illinois is now referring to the so-called protocols which were not reported to independent bodies at all, but were reports of the manufacturers themselves.

Mr. HUMPHREY. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. HUMPHREY. Has the Senator gathered that if the great line of argument were applied to the national defense forces, the air power, the naval power, and the Army, that is applied to the care and preparation by this administration in terms of polio, it would look a little ridiculous? We hear from our friends on the other side of the aisle that there is no problem of distribution. Why become so excited about distribution? There is very little vaccine to distribute. In other words, because the program broke down, there was really no need to prepare for a program that might work. That would be the same kind of an argument as to say, Do not worry about not having enough airplanes, which the administration does not have; do not worry about adequate defense forces, which the administration does not have; because, after all, perhaps we will not get into a jam. On that basis we would justify maladministration or justify inadequate administration of Government.

The only argument possessed by the friends who support what the administration is doing is that because the program did not work, a distribution program was not needed.

I say the President's message is a poor apology for an explanation. With all the fanfare attending the release of the vaccine and of a policy on the part of the Government properly to test the vaccine, it would be assumed that there should be something to distribute.

I challenge anyone to prove that there was any program of distribution until a sufficient amount of pressure or criticism was brought to bear upon the administration to cause it to come up with this halfhearted proposal for a testing program. The new tests to which the President refers in his message came about after we discovered some very glaring discrepancies in the testing program. The fact is that the National Institutes of Health had to start new testing. They had to have new means of detecting live virus. Once the program of the National Foundation for Infantile Paralysis has run its course, there is no program of distribution, except to say that the Secretary of Health, Education, and Welfare will notify all States that there is so much vaccine available. But all that does is to increase the pressure in the local areas for whatever vaccine may be available.

With all due respect, and with a note of commendation for belated action, the best we can say of the message is that it testifies to the failure of the administration in the two fields of distribution and adequate precaution. That is all it can be interpreted to mean.

I am glad we have found out something to satisfy the public desire for adequate testing. No one in the Government can defend the inadequacy of the tests used in the manufacture of the vaccine. No one in the administration can defend the failure of a distribution program simply by saying there was nothing to distribute. What a foolish argument that would be. It is most regrettable that we have had to indulge in all this talk. I think it would be much better if we could deal with this subject in the field of science and health.

But someone had to speak up in the Congress to ask that things be done that needed to be done. And I may say, Mr. President, that some of us have been very charitable. Had some of us wanted to open up in terms of the inadequacy of tests, in terms of pressures exerted, in terms of the designing that was promoted in the television spectacular, the public might have been advised earlier. I had in my possession for days and weeks important information about the testing. Dr. Scheele would be the last man to say that I have not had this information, because I brought it to his attention.

Dr. Scheele has worked his heart out to try to make the program work, but I do not think he has had the kind of backing which he should have had. I think he is a competent professional man. I said to him, "Doctor, your professional standing is now literally on the line, and the integrity of the Government of the United States is on the line. The American people are depending upon the Government of the United States to do its duty in terms of the health, welfare, safety, and security of our country." Because of the realization of that fact on the part of Dr. Scheele and others, the testing program has been implemented. There are new tests today, and I know the manufacturers are willing to comply with the testing program.

I think it is wrong to blame the manufacturers, because they were called upon to produce in large quantities, in mass production, although the tests of last year were of small quantities of test-tube production. Any scientist knows that the same controls cannot be exercised over large batches or quantities of vaccine in large containers as can be exercised in a laboratory over what is called test-tube production.

There can be arguments all day long as to whether we needed the distribution program. We needed one, if the program was to work.

Mr. LEHMAN. I thank the Senator from Minnesota for his contribution to the debate, but I emphasize the fact that although I deeply deplore the mistakes, the omissions, and failures which have occurred in the past 6 weeks, they are in the past. We unfortunately cannot undo them. What I am now interested in is making the program work in the future; in having a program which really can be enforced through powers which exist somewhere; and, in the second place, to have a plan and a program for the effective distribution of Salk vaccine to children of all ages, without charge—in other words, free.

It was perfectly evident from the hearings held by the Committee on Labor and Public Welfare that witness after witness agreed that he was not sure that under existing law there were sufficient powers in the Public Health Service, the State governments, or the President of the United States. Certainly it is necessary to have, somewhere, somehow, within the Government, the authority to enforce a plan, even the best kind of plan. These matters are not self-enforcing. I have had enough experience with the operations of the governments of the different States to know the difference of thinking which exists among the chief executives and the health officers, and to understand that there must be some power to make certain that a plan, no matter how good it may be, will be operative effectively. So far as I can see, the only place in which that power can be lodged is in the President of the United States.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. MORSE. I think the people of the country are greately indebted to the Senator from New York, the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Illinois [Mr. DOUGLAS] for the record they have made this afternoon.

Mr. LEHMAN. And also to the Senator from Oregon.

Mr. MORSE. I think the Senator from Illinois put his finger on one very important fact which needs to be emphasized, because it is not true that the authorities in this field were of one mind as to how the vaccine should be tested and what precautions should be taken.

As the Senator from Minnesota knows, I received the same professional briefing from persons on the inside of the program as he received some weeks ago. Warnings were issued at that very time that the same precautions by way of pre-test procedure to which the Salk vaccine had been subjected, should be applied to the vaccine before it went on the market. The persons who issued those warnings have been proved right.

The Senator from Minnesota is correct when he says that Dr. Scheele now has come to and is following the point of view which some of those persons have insisted upon from the very beginning.

The warning flags were up, but the feeling was that the precautions which were being used through the so-called protocol approach were safe, and that the testing which was done in the drug houses would result in only pure vaccine getting onto the market. But that feeling was wrong, and there has been a tremendous setback to the program.

I say in behalf of the courageous persons who have been urging from the very beginning that more precautions should be used that they have been proved right in the matter. That is why some of us have voiced objections to the administration's mistakes from time to time in the Senate.

I have been critical of Dr. Scheele. There was a time when, in my judgment, the criticism of him was justified, because I thought he should have insisted upon the maximum precautions before the vaccine went on the market. I commend him now for having come to the point of view of insisting that the greatest of precautions must be used. It has already been demonstrated what damage will develop when the greatest of precautions are not used. I think the authorities are now on the right road, so far as safety is concerned. My point is that they had been forewarned before they proceeded with the so-called bulk manufacture as to what the maximum precautions should have been. They should have followed the same precautions as were used in the so-called smaller batches.

But what has happened is understandable. Mistakes are bound to happen. The desire to make speed in the matter is understandable; but when one is dealing with something as close to the safety of the American people as this matter is, then the people have the right to expect the Government to take the maximum precautions.

Now that the maximum precautions are being taken, we turn to the main point which the Senator from New York makes this afternoon. Let me emphasize again that I think it has been clear from the beginning that the medical authorities are right in their belief that this is a safe vaccine when it has been safely tested. It is a great preventive vaccine. I think it is a great medical miracle. I would not detract one iota from the great scientists, headed by Dr. Salk, who have produced this great discovery.

But when we come to the problem of precautionary safety measures in testing, and when we reach the field of distribution, we are then within the province of the legislative processes of the Government. The Government then has a duty, and we have a duty, to make certain that, legislatively, precautions are followed. Second, we have a duty, legislatively, to see to it that there is a fair distribution. The Senator from New York [Mr. LEHMAN] very effectively has addressed himself this afternoon to that subject primarily.

If the bill which he is recommending will do the job—and he is very persuasive in his belief that it will do the job—that is the bill with which we should go forward. I should have preferred from the beginning the bill I introduced on April 14. But let us get ahead with a bill which will place the Federal Government in the driver's seat, so to speak; a bill which will place the Federal Government in a position where it will assume its public health responsibility to the American people for fair distribution.

The argument that nobody is being denied vaccine now because of his means evades the problem before us. The supply now is short; but even as that short supply is distributed within the age bracket of 5 to 9, I agree with the Senator from Illinois [Mr. DOUGLAS] in his argument that there should be no means test within that age bracket.

Even with the 18 million shorts of the vaccine, if it is to be used in the 5 to 9 age bracket, it should be used with no economic requirement at all. The children should get it free.

We should not say that the supply will be divided among the States, and let the States decide for themselves whether they will impose a means test. I say the children of America as a whole should be supplied with the vaccine free, as fast as it can be manufactured. The inoculation of the precious children of America is a public trust and duty.

That is my thesis. It has been my thesis throughout the debate, as it has continued during recent weeks. There is nothing in the President's message today which successfully, in my judgment, rebuts the soundness of that main thesis.

Mr. LEHMAN. I thank the Senator from Oregon for the splendid contribution he has made to the debate.

Mr. KUCHEL. Mr. President, I happen to have a particular interest in the subject of Salk vaccine, not solely as a Member of Congress, but as a father. As was the case among all the other parents of the land, there was much prayerful thanksgiving in our family when we read that a medical scientist apparently had finally perfected an antitoxin which would prevent a terrible scourge among young children.

I have sat here this afternoon listening to some of my brethren on the other

side of the aisle denounce, pillory, and castigate the President of the United States. It has not been the first time I have sat here and listened to that kind of abuse.

Mr. President, on one occasion you and I listened to a Member of the Senate denounce the President of the United States for going to church.

I think I have a right to take a few moments of the session this afternoon to suggest that I share what the Senator from Oregon calls his moral principles, and to say to my brethren here, and to the people of California whom I in part represent, that if it is necessary to enact legislation in the Congress to provide for a just means of distribution of the Salk vaccine, then let the appropriate committee of the United States Senate bring to the floor such proposed legislation, and let us debate it.

I respect the recommendations of the President of the United States, who has said today, though I have not had an opportunity to study his message, that in his judgment no legislation is needed. It may well be that none is needed; but as a Member of the Senate, I shall be glad to participate by listening to, and perhaps making some comment on, whatever proposal the Senate Committee on Labor and Public Welfare may wish to bring to this floor.

Speaking for myself, I should be very glad, Mr. President, to pay anything to have the daughter of Mrs. Kuchel and myself given the assurance that medical science has been able to give her immunity in her lifetime from a tragic scourge.

Far more important than that, as a United States Senator I agree that every child in this Nation ought to be inoculated when such inoculation, in the opinion of scientists, and not of legislators, is as free as is possible from the risk of itself causing polio. But unless Congress decides that some kind of compulsory legislation is necessary, I take it that the old American fashion of having the people and the States participate in the distribution should at least be considered. The President has considered it. He believes that legislation is not needed.

As I say, I shall be very glad to listen to any proposal that comes from the Committee on Labor and Public Welfare.

However, my reason for rising for this brief moment is that earlier it was suggested, in some of the colloquy on the floor, that the minority members of the Committee on Labor and Public Welfare were responsible for nothing having been done on this subject. That is a very serious charge, and so I arranged, through one of the pages, to have a distinguished member of that committee, the Senator from Connecticut [Mr. PURTELL] contacted, and I asked that he come to the floor.

When the charge was made, Mr. President, there went through my mind the fleeting thought that minorities do not control the committees; the majorities do, and each committee has a majority of members of the majority side who, were they to meet on call of the chairman, themselves could provide a quorum.

I have been told that two members on the minority side of the committee were absent this morning, but I am going to ask my friend from Connecticut [Mr. PURTELL], when I take my seat, to make his own comment with respect to the situation, so that the RECORD may disclose the fact and the truth as to the reason why the Senate Committee on Labor and Public Welfare did not meet this morning and did not meet this afternoon. I have been told that under the rule the committee could not meet this afternoon. If that is so, that is sufficient reason for the American people to understand why the committee did not meet this afternoon. But, Mr. President, I did want the RECORD to contain a clear statement by the Senator from Connecticut, who was present this morning, with respect to the meeting on call of the Senator——

Mr. PURTELL. Mr. President, will the Senator yield for a question?

Mr. KUCHEL. I yield.

Mr. PURTELL. The Senator, as a father, has expressed his feeling, and the feeling of all the mothers and fathers of this country about their desire to have the vaccine given to their children.

I am sure the Senator read a recent news account that only 62 percent of the children eligible to receive vaccine responded. In other words, 38 percent failed to respond. Why? Because of the fear which has been engendered in the hearts of parents about the value of the Salk vaccine. From whence comes that fear? It arises because of constant attacks by men in public life, not only on the Department of Health, Education, and Welfare, but upon the work of the Department. Is that not true?

Mr. KUCHEL. I agree with the Senator.

Mr. PURTELL. That has been done, instead of fostering faith in the institutions which we support, as we should do, and faith in the vaccine, the efficacy of which cannot be questioned.

Does the Senator feel that the scientists of this country would have permitted the production of a vaccine as to which there was any hazard of death to children, and permit such vaccine to be distributed and used? Does the Senator think that would have happened?

Mr. KUCHEL. Of course not.

Mr. PURTELL. Does the Senator think the scientists of our country think so little of the lives of our children as to permit that to have happened?

Mr. KUCHEL. Of course not, and the Senator is likewise correct about some of the statements which have been made by people in responsible positions in this country. Such statements have undermined the confidence of parents with respect to the vaccine.

Mr. PURTELL. Was a claim ever made at any time, at any place, that this vaccine would work 100 percent in every single case?

Mr. KUCHEL. No.

Mr. PURTELL. Does the Senator know of any other drug that will work 100 percent?

Mr. KUCHEL. I do not. The Senator is correct in his implication.

Mr. PURTELL. Mr. President, I came to the floor really to present for the RECORD a communication I received this noontime, but I should like to say that the Senator from Connecticut was at the meeting which was called for this morning. I was not present this afternoon, Mr. President, for the very good reason that there was no meeting which could have been called under the Senate rules. No permission was asked of the Senate for the committee to meet this afternoon. Therefore, no permission was granted to have a meeting this afternoon——

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. PURTELL. Yes; I shall be very happy to yield.

Mr. JOHNSON of Texas. No request was made for the committee to meet this afternoon for the very simple and good reason that the minority leader informed the majority leader that consent for a meeting would not be given, and the majority leader has attempted to demonstrate that he is not interested in simply going through a lot of motions like a windmill. The minority leader assured me earlier that he had not been able to clear the consent, which the majority leader was prepared and willing to ask for when the Senate assembled at 12 o'clock.

Mr. PURTELL. Is the Senator from Connecticut incorrect in stating that no meeting could have been held for the reason, first, that permission had not been requested, and, second, if permission had been requested, it would not have been granted? In fact, the committee had no permission to meet.

Mr. JOHNSON of Texas. The Senator is not correct. He would have been correct if he had stated that no meeting could have been held because the minority leader did not give consent to permission being granted. I point to the written request. It does not bear the initials of the minority leader. I have been waiting for the minority leader's permission.

Mr. PURTELL. If the Senator from Texas says that is so, I know it is so.

Mr. JOHNSON of Texas. The Senator can be sure it is so.

Mr. PURTELL. No committee meeting could be held this afternoon, according to Senate rules, without permission. Is that correct?

Mr. JOHNSON of Texas. Committee meetings frequently are held without permission, but if a committee proposes to report a bill or to transact any other business requiring a vote, it would be in violation of the rule providing that no committee shall sit during a Senate session without the permission of the Senate; and in this case the minority leader refused to give permission.

Mr. PURTELL. Regardless of the reason, is it not true, I ask the distinguished Senator, that no such permission was obtained?

Mr. JOHNSON of Texas. I have stated that the minority leader refused to give permission.

Mr. PURTELL. That is the reason; but the fact remains that no permission was obtained for the committee to meet, and therefore the committee could not have met this afternoon, according to the Senate rules, and transacted any business, such as passing on the bill which was supposd to be before it.

Mr. JOHNSON of Texas. The Senator from Connecticut is correct when he says no permission was granted for the committee to meet this afternoon; and the Senator from Connecticut would more clearly and more frankly state the real situation which existed if he took my assurance that the minority leader did not clear the request which was made of me when the Senate assembled at 12 o'clock.

Mr. PURTELL. Let me assure the Senator from Texas that I do wish to be frank and I do accept what he said as being the fact.

Mr. JOHNSON of Texas. I thank the Senator from Connecticut.

Mr. PURTELL. But I wish to point out that that was the reason why a meeting of the committee was not held; and therefore there was no boycott or anything else by the chairman of a meeting of the Committee on Labor and Public Welfare.

Mr. JOHNSON of Texas. Mr. President, I do not wish to ask the Senator from Connecticut to indulge me further. I know nothing of any reasons the minority leader may have had for not approving the request which was submitted. I assume he had his reasons, and I am sure he is prepared to give them to anyone who is interested. He simply told the majority leader that he was not prepared to accede to the request. And the majority leader is not in the habit of making requests merely for the purpose of having the RECORD show they were made.

Mr. PURTELL. I thank the majority leader for giving us facts of which I had no knowledge. But I did have knowledge of the fact that no request for a committee meeting was made, and therefore no meeting of the committee could be held. The reason for that situation has been stated by the majority leader.

Mr. JENNER. Mr. President, will the Senator from Connecticut yield to me?

Mr. PURTELL. I am happy to yield to the Senator from Indiana.

Mr. JENNER. I came into the Chamber too late to hear all the discussion, although I have heard a part of it. I wish to ask the Senator from Connecticut whether any hearings have been held on the bill to which he has referred.

Mr. PURTELL. No hearings have been held, to the best of my knowledge; and I am a member of the committee.

Mr. JENNER. Has anyone requested hearings on the bill?

Mr. PURTELL. I understand there have been requests for hearings. In that connection, let me say that I hold in my hand a telegram, dated today, which indicates that such a request has come from a very important segment of our populace, one having to do with the use of the vaccine. I desire to read the telegram to the Senate. It is addressed to me, is dated this morning, and reads as follows:

Technical problems related to the safe manufacture of polio vaccine have been worked out. Dr. Walter B. Martin, the president of the American Medical Association, has stated:

"In behalf of myself and the Board of Trustees, I have assured President Eisenhower that the Nation's physicians will cooperate in limiting polio vaccinations to children from 5 through 9 until the vaccine is available in larger supply. Children in this age group who do not receive the vaccine during the current program of the National Foundation for Infantile Paralysis for first- and second-graders will be vaccinated after its completion.

That ends the quotation from the president of the American Medical Association.

The telegram continues, as follows:

The medical profession feels that the vaccination of all school children above the 5 to 9 age group can be carried out in orderly fashion and later the young adults on a voluntary basis and that legislation is not necessary to meet the needs or to complete this entire vaccination program.

Mr. President, the concluding sentence of the telegram is most important, and I desire to stress it:

The American Medical Association would like permission to be heard before your committee on this important medical problem.

The telegram is signed by Dwight H. Murray, M.D., chairman of the board of trustees of the American Medical Association. I have read the entire telegram to the Senate.

Mr. President, I know of no Member of this body who is a scientist. The Members of this body can stand here all day, as legislators, talking about what should be done or what should not be done in connection with this matter. But none of us professes—certainly I do not—to have the knowledge which is had by the members of the medical profession.

In the committee it is proposed to recommend legislation about the use of this vaccine. Mr. President, what is wrong with asking those who do know about this matter for their views? Why not request their advice, and hold public hearings? We wish to have the children protected and adequately safeguarded; but we wish it to be done by those who understand what they are doing, those who have knowledge in this field, and, I may say, have greater knowledge than, in my opinion, does any Member of this legislative body.

I suggest that the American Medical Association and other interested groups of scientists who have knowledge in this field be requested to appear before our committee, so that it may hold full and complete hearings, after which the committee will be in a better position to make further suggestions, if such are necessary, regarding what type of legislation, if any, should be placed upon the statute books.

Mr. MORSE. Mr. President, I wish to reply very briefly to several of the arguments the Senator from Connecticut has made.

Mr. President, I am accustomed to hearing arguments similar to the one we have heard this afternoon. In other words, I have realized that the few of us who have dared stand on the floor of the Senate and point out two great weaknesses in the administration's polio program—first, the weakness in distribution; second, the weakness of failing to take the necessary precautions to guarantee to the American people that pure vaccine will be released to the people—would be subject to the kind of argument the Senator from Connecticut has made here this afternoon. He charges that we are undermining public faith in the vaccine program.

Of course, the difficulty with such arguments is that those who make them do not take the time to read the speeches we have made here on the floor of the Senate. Mr. President, without exception, every one of us who has criticized the administration's handling of the polio-vaccine program has made clear that there is nothing wrong with pure Salk vaccine. On many occasions I have said, in a variety of ways, that it is a medical miracle. Our criticisms have been based upon medical advice which we have received.

Mr. President, the Members of this body have some legislative responsibilities. When we are called into conferences—as the Senator from Minnesota was and as I was—and are told about the dangers confronting the American people because adequate precautionary steps were not taken to guarantee pure vaccine, it becomes our duty to stand on the floor of the Senate and make the criticisms we have made. As Senators, it was our duty to point out the errors and lack of competence in this administration in its handling of the problem, both from the standpoint of distribution and from the standpoint of adequate testing. Mr. President, that duty on our part cannot be transferred by us to the medical profession.

Let me say that I am also aware of the frequently repeated argument that any matter which has anything to do with health should be handled by the medical profession, and that in that connection Congress should abdicate its jurisdiction and its duties, and should look to the medical profession for the handling of such problems. Mr. President, no one has greater respect than do I for the medical profession, and no one believes more than do I that the medical profession deserves greater trust and greater confidence from the American people. But that has absolutely nothing to do with having the Government, as a government, make clear to the medical profession, legislatively speaking, how public-health programs are to be administered. That is a legislative duty and function, not a medical duty and function. Of course, we should have representatives of the medical associations come before us and give us their advice. But when we come to deal with the question of whether the distribution shall be under Federal jurisdiction, through the doctors, or whether it shall be by State jurisdiction, through the doctors, that happens to be a legislative responsibility of the Congress. It happens to be a question for the Congress, not the American Medical Association, to determine.

All of us are aware of what happens to the American Medical Association when it enters the field of social science and politics. It seems to forget its training in the scientific method and the laboratory techniques involved in reasoning from cause to effect. Many pressure groups under the medical group succumb to their own selfish economic

interests. Unfortunately, in the field of legislation that has too commonly been the record of the American Medical Association in recent years. I happen to be one who does not quake at my knees when the doctors of my State, through the American Medical Association, try to make political war on me.

I will not quake at my political knees because the American Medical Association sends a wire in opposition to pending legislation. I refuse to believe that most doctors believe that the Congress of the United States should not protect the people of the country by a fair distribution of the vaccine through Federal jurisdiction. Until the doctors can prove to me that such a system would not afford the greatest guarantee to the boys and girls of this country of a fair inoculation program, I shall continue to urge Federal legislation. We need such legislation, no matter how many of the medical politicians of this country in trying to protect the fee dollar would like to prevent the Federal Government from enacting legislation to guarantee a fair distribution of this vaccine. That is my answer to that kind of telegram. It is typical of the kind of political pressure telegram which we have come to expect from the American Medical Association.

Let me say to the Senator from California [Mr. KUCHEL] that I know his feelings as a parent. As I have stated once before in this argument, I happen to be a parent whose family was struck by polio. Therefore, Mr. President, I know the anxiety of the Senator from California and every other parent. But the fact remains that our anxieties and our emotions have nothing to do with the real problem which confronts us as Senators. We should proceed with a vaccine program which will guarantee fair and equitable distribution, without cost, to the boys and girls of the country. Secondly, now that we apparently have an agreement as to testing, at long last, between the drug companies and our Federal authorities, we should follow a course of action which will guarantee pure vaccine.

Let me say to the Senator from Connecticut [Mr. PURTELL] that, in my judgment, what has undermined the confidence of the American people in this matter has been the failure of the administration, prior to the release of the vaccine on April 12, to adopt the very precautionary methods it is now adopting. The necessary techniques were known then. They have not been discovered since April 12. The testing techniques are well known. There has been a mistake, but an understandable mistake, and too long a time has been spent in correcting the mistake. Officials of the administration thought they could get more vaccine out faster if all the techniques for checking and precaution were not followed. That is what undermined the confidence of some people in this program. It needs to be said over and over again to the American people, as I have said in every speech I have made on this subject, and as my colleagues who have supported me in this matter have likewise said, that it is a sound vaccine. It is a safe vaccine, when the precautionary checks and tests are complied with.

Let me say to the Senator from California that no one has suggested any compulsory program. No one has said that every child must be vaccinated. No Member of this body would be more opposed to that kind of compulsion than the Senator from Oregon. However, I am satisfied that when we take the facts to the parents of the country—and the medical facts seem to be that the vaccine is between 60 and 85 percent preventive—it will be found that most parents will want their children vaccinated. We made that discovery when they thought it was a safe vaccine, and when they thought there was an adequate supply of it. There was a tremendous demand across the country for vaccinations.

What we need to do, by every medium of information in this country, is to make clear to the parents of America that this is a safe vaccine. I am satisfied that with the precautionary steps which are being taken by the public health authorities, the confidence of the American people will be restored.

I resent the implication that, because we spoke the truth about the fact that the precautionary methods were not being used, at a time when impure vaccine was a real danger to thousands of American boys and girls, we undermined faith in the vaccine. I resent that implication because there is no basis in fact for it. What undermined faith was that the Cutter Co. came out with impure vaccine. We have the statements of medical authorities to the effect that, because the vaccine was impure, it was causitive of polio. That is what undermined faith, and not speeches on the floor of the Senate urging quick application of the tests which we knew competent medical authorities within the health organization itself had been urging from the beginning to have applied to the vaccine. That is the whole case in a nutshell.

I am delighted that Dr. Scheele has done such a magnificent job in obtaining acceptance of the precautionary techniques and tests. I regret that he did not do it in the beginning. He should have done so. That is why I criticized him in the beginning. But I am just as strong in my commendation and praise of him now as I was in my criticism of him before. However, that does not wipe out the mistake.

So, having solved the problem of testing, we should go forward with legislation which will solve the problem of distribution. I agree with the Senator from Connecticut. Let us bring in the witnesses, but let us have some committee meetings. Let us bring in the witnesses and report a bill to the Senate at a very early date.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DOUGLAS. In his speech a few minutes ago the Senator from California [Mr. KUCHEL] raised the question as to why the Senate Committee on Labor and Public Welfare had neither reported the bill which had been drafted, nor recommended procedures to be followed in its consideration. I think it is appropriate that that question should be answered.

There are 13 members of the Senate Committee on Labor and Public Welfare. Seven are Democrats and six are Republicans. In order that a committee may act, there must be a quorum present consisting of 7 members. Upon four occasions the committee has attempted to hold a meeting to deal with this subject. One was on Thursday last at 2 o'clock p. m.; 1 on Friday at 10 o'clock a. m.; 1 this morning at 10 o'clock a. m.; and 1 this afternoon at 3:30 o'clock p. m.

The attendance at the first meeting, on last Thursday, was 3 Democrats and 1 Republican. On Friday, at 10 o'clock a. m., 4 Democrats were present. No more than one Republican was present in the committee room at any one time. I believe the Senator from Connecticut [Mr. PURTELL], for whom I have a real personal esteem, was present at the early part of the meeting, but had to leave. Later the junior Senator from Colorado [Mr. ALLOTT] came.

Mr. PURTELL. Mr. President, may I be permitted to ask a question? Did I not remain approximately 40 minutes? The Senator stated that I was present at the early part of the meeting.

Mr. DOUGLAS. Is the Senator speaking of the meeting this morning, or the meeting last Friday?

Mr. PURTELL. I am speaking of the meeting this morning.

Mr. DOUGLAS. I have not yet come to the meeting this morning.

This morning there were 5 Democrats present and 1 Republican, namely, the Senator from Connecticut. He remained for 40 minutes. The rest of us waited for an hour for a quorum to appear. No other Republican appeared.

This afternoon the committee convened at 3:30. Five Democrats were present. No Republican was present.

Mr. PURTELL. Mr. President, may I ask one further question? Was there any official meeting this afternoon? The Senator refers to a meeting this afternoon. I understood, from the earlier colloquy, that there was no official meeting this afternoon. Some Democrats elected to get together, but there was no official meeting of the committee this afternoon.

Mr. DOUGLAS. All members of the committee who were in the city were notified, I believe, and certain members on the Republican side had stated, at an earlier time, that they intended to attend. Later they did not attend.

Mr. PURTELL. One member of the Republican side, the Senator from Connecticut, stated that he would be present. No time was set, at the time I left, for calling the meeting. I understood that, of course, the usual procedure would be followed, and that a unanimous-consent request would be made to authorize the committee to hold a meeting during the session of the Senate.

Since none was made, there was no official meeting that could be held; therefore, no one was absent from a meeting this afternoon.

Mr. DOUGLAS. The Committee on Labor and Public Welfare has frequently considered in an tentative fashion some measures even though consent to meet

during a session of the Senate had not been granted. I think it is obvious that the minority leader of the Senate prevented a formal and official meeting from being held, because he withheld his consent to the request of the majority leader.

If we make a total of the number of Democratic Senators who have attended the 4 meetings we get 17; and of the Republicans who were present throughout, 3. If we include the attendance of the Senator from Connecticut last Friday, we get a total of 4 for the Republicans.

Mr. PURTELL. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. PURTELL. Is it not true that there are seven Democratic Senators on the committee?

Mr. DOUGLAS. That is correct.

Mr. PURTELL. Is it not true that 7 members constitute a quorum of the committee?

Mr. DOUGLAS. That is correct.

Mr. PURTELL. Is it not true, also, that if 7 Democrats were present the committee would have had a quorum of its members present?

Mr. DOUGLAS. I am glad to deal with that question. The two Democrats who were not present today are the senior Senator from Montana [Mr. MURRAY] and the junior Senator from Massachusetts [Mr. KENNEDY]. The junior Senator from Massachusetts, as we all know, has been ill for months with a severe crippling sickness which kept him from the floor of the Senate from last August until a day last week. The junior Senator from Massachusetts has been compelled to go to a hospital in New York for further examinations to determine whether he is completely cured. Therefore he was prevented from attending the Senate session by doctor's orders. That I think one can consider a force majeure.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PURTELL. Is it not true that a Senator from the Republican side of the aisle was present at most of the meetings? I know I was. Therefore with that one Republican and 6 Democrats the committee would still have had a quorum had all the Democratic members been in attendance.

Mr. DOUGLAS. The Senator from Montana [Mr. MURRAY] is an official delegate to the meeting of the International Labor Organization at Geneva, and he not only has the consent of the Senate, but he has the approval of the Senate to attend those meetings. The Senator from Montana has been on the high seas for some days, and it was impossible for him to be here.

I think the evidence is therefore clear that the batting average of Democrats, out of a possible attendance of 20, is 17, or .850, which is a pretty good record in any league. The batting average of the Republicans is 3, or at the most 4, out of a possible attendance of 24. Therefore, their batting average is .166. I believe that indicates which side is really trying to have the committee meet.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr JOHNSON of Texas. Does the Senator from Illinois think it is passing strange that the minority should desire, much less advocate, that any committee of this great body should report a bill in the absence of minority representation?

Mr. DOUGLAS. We have tried to give to the minority their opportunity to be heard, both on the procedure to be adopted and on the substantive nature of the bill. We regret that not more Republicans have taken advantage of it. I should like to say that on the whole the Senator from Connecticut has the best record of the Republican members of the committee. His batting average is .500.

Mr. PURTELL. I thank the Senator from Illinois for his observation.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSON of Texas. I realize that every Senator has more committee commitments than he can possibly take care of. Sometimes the committee meetings are held at the same time in conflict with each other. I have no information with respect to the reason of any Senator for not being in attendance at committee meetings. I suppose the majority leader is one of the worst offenders when it comes to attending committee meetings.

The only comment I wish to make is that I hope we have not reached the point in the Senate when either the majority or the minority can be indicted because a committee is not made up entirely of Senators belonging to one political party. In other words, it seems to me it is passing strange that the minority should advocate a committee taking action when none of its members is in attendance. It seems to me that the Senator from Illinois is being put in the position of being told: "You had only 5 or 6 majority members present. If you had all seven present, it would not be necessary for the minority to be represented at all."

I should think that that would be the last argument a minority would make. I have been in the minority at times, and I would certainly never make that kind of argument. People who live in glass houses should not throw stones.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. DOUGLAS. First, I should like to comment on the point raised by the Senator from Texas. I notice that our Republican friends commonly demand a standard of perfection from Democrats to which they themselves seldom if ever conform. There is one modification I wish to make in my statement, because I desire to be completely just in this matter. I have spoken of the fact that this morning there was only one Republican in attendance, and this afternoon no Republican was in attendance. I am advised that the senior Senator from New York [Mr. IVES] is under a dentist's care today and therefore it was impossible for him to be present.

I am also informed that the senior Senator from New Jersey [Mr. SMITH] is receiving an honorary degree from Columbia University today, and that that may well account for his absence.

But all the other Republican members, namely, 4, were in town this morning, and yet in the 2 sessions today only 1 appeared.

Therefore, their batting average today was 0.125. Of the 5 Democrats in town, all 5 appeared in the morning, and all 5 appeared in the afternoon. Their batting average, therefore, is 1.000. This, I think, represents the comparative attendance and earnestness of the 2 political parties on this subject, namely, a ratio of 1,000 to 125 or 8 to 1.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PURTELL. When was the Senator notified of the meeting this afternoon?

Mr. DOUGLAS. We arranged it at 10:55 this morning, and all other members of the committee were notified during the noon hour by the clerical staff, and were telephoned again for a second time between 3.20 and 3.30 in the afternoon.

Mr. PURTELL. I should like to inform the Senator from Illinois that I received my notification of the proposed afternoon meeting, which could not be held because it violated the rules of the Senate, at a quarter to 2 o'clock. Does the Senator from Illinois agree with me that Senators cannot, because of the volume of work before them, sit back and wait in the hope that perhaps they will get notice of a meeting which might be held or might not be held? Does the Senator realize that I have complained in committee about the fact that I have received notice of a meeting less than 24 hours before the meeting was held? Senators have other committee commitments, and many times the committee hearing dates are in conflict. When we receive notice of a meeting less than 24 hours before the meeting is held, it is entirely possible that we may have already made commitments for attendance at other meetings.

Mr. DOUGLAS. We felt we had assurances from the Republican side that a sufficient number would attend, so that there would be a quorum present this afternoon. We were very grievously disappointed.

Mr. PURTELL. Will the Senator from Illinois permit we to make an observation?

Mr. DOUGLAS. Certainly.

Mr. PURTELL. I am not grieved to find that the Republicans refused to violate a rule of the Senate by attending a meeting for which unanimous consent had not been granted.

Mr. DOUGLAS. I take it that the Senator is making the tacit admission that the Republican members of the committee who were present in Washington refused to come because they took advantage of the technicality that the minority leader had refused to give permission for the committee to meet.

Mr. PURTELL. Mr. President, will the Senator permit me to make another observation?

Mr. DOUGLAS. Certainly.

Mr. PURTELL. I have served with the distinguished Senator from Illinois

for 3 years and have learned a great deal about the Senate rules from him and from some of his colleagues. One of the things impressed upon me when we were in the majority was that a committee could not meet during sessions of the Senate unless there was unanimous consent of the Senate. We attempted to hold meetings on important legislation, but were informed that it could not be done. So I bow to my distinguished colleague and thank him for the information he gave me with reference to following Senate rules.

Mr. DOUGLAS. If a wrong was committed, I would say that two wrongs do not make a right. The Senate Committee on Labor and Public Welfare has never considered a more important bill than the one which we are now discussing.

Mr. PURTELL. I do not believe a wrong was done last year, and I am sure a wrong was not done today in not attending the meeting.

Mr. DOUGLAS. I am grateful that the Senator now exonerates the Democratic Members in the past for not attending certain meetings. I am delighted.

Mr. PURTELL. I advised the Senator that I was indebted to him for much that I have learned about the Senate rules, particularly of committee meetings when certain pieces of important legislation might come up. I learned that several years ago, and I am grateful for it.

ORDER FOR RECESS

Mr. JOHNSON of Texas. Mr. President, will the Senator from Illinois yield for a unanimous-consent request?

Mr. DOUGLAS. I yield.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I am hopeful that following the vote on the postal-pay bill tomorrow, we can have a yea-and-nay vote on the treaty which is now on the Executive Calendar.

I invite the attention of the Senator from Minnesota to this announcement.

THE SALK VACCINE

Mr. DOUGLAS. Mr. President, there is one statement which the Senator from Alabama [Mr. HILL] made informally to our committee in reply to a similar telegram to that which the Senator from Connecticut received from the American Medical Association, that the bill which we are attempting to have considered does not provide for any mandatory system of control. It merely gives to the President the power to invoke such controls as in his judgment should be invoked. This is a point which should be considered. It gives to the President the power to prescribe such priority as he believes may be necessary and desirable.

Mr. President, in order that the public may know what the shooting is about, I ask unanimous consent that the confidential committee print prepared on this subject, which we have not yet been able to have considered by the Senate Committee on Labor and Public Welfare because of our inability to get a quorum, be printed in the RECORD at this point in my remarks.

There being no objection, the confidential committee print was ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

TITLE I—DISTRIBUTION AND USE OF POLIOMYELITIS VACCINE

SEC. 101. The Congress finds and declares that lessening or eliminating the threat of poliomyelitis through the use of poliomyelitis vaccine is a matter of great national concern affecting the public health and general welfare. The Congress further finds and declares that, while such vaccine is in short supply, the Federal Government has an obligation to assure that there is an orderly and equitable flow of such vaccine throughout the several States, and to assure that such vaccine is used with maximum effectiveness to reduce the incidence of the disease and thus lessen the spread of poliomyelitis between the several States. It is the policy of the Congress that during the shortage of such vaccine the available supply thereof should be fairly and equitably distributed to those having the greatest need for immunization, and that the powers conferred in this title should be used, insofar as may be necessary, to achieve that objective.

SEC. 102. Whenever the President shall determine that poliomyelitis vaccine is not being distributed fairly and equitably to persons or groups having the greatest need for immunization against poliomyelitis (by reason of susceptibility to the disease or other public health considerations), and that the exercise of some or all of the powers contained in this title is necessary to insure the fair and equitable distribution of such vaccine according to such need, and is otherwise in the public interest, he shall by proclamation make an appropriate finding and declaration. After the making of any such finding and declaration any or all of the powers hereinafter conferred in this title may be exercised.

SEC. 103. The President may provide for the allocation of poliomyelitis vaccine within the United States, its Territories, and possessions, upon such conditions and to such extent as he may deem necessary to insure the maximum availability and most equitable and effective distribution and use thereof. In the exercise of the powers conferred by this title, the President may establish priorities as to the use and distribution of such vaccine, including priorities by age group, physical condition, and geographical area.

SEC. 104. (a) The President may provide for the acquisition by purchase or otherwise of such supplies of poliomyelitis vaccine as he may deem necessary to insure the maximum availability and most equitable and effective distribution and use thereof, and to make such supplies available with or without charge therefor for immunization purposes to the extent to which he deems it to be in the public interest.

(b) The President may requisition supplies of poliomyelitis vaccine for the purposes of this section upon the payment of just compensation, to be determined as provided in this subsection, whenever he determines that acquisition of such supplies of poliomyelitis vaccine is necessary to accomplish the purposes of this section and that such supplies cannot be purchased by him upon fair and reasonable terms without undue delay. The President shall promptly determine the amount of the compensation to be paid for any supplies so requisitioned, and each such determination shall be made, as of the time of requisitioning, in accordance with the provision for just compensation in the fifth amendment to the Constitution of the United States. If the person entitled to receive the amount so determined by the President as just compensation is unwilling to accept the same as full and complete compensation for such supplies, he shall be paid promptly 75 percent of such amount out of any appropriations made for the purposes of this title (which are hereby declared available for such payment), and shall be entitled to recover from the United States, in an action brought in the Court of Claims or, without regard to whether the amount involved exceeds $10,000, in any district court of the United States, within 3 years after the date of the Secretary's award, an additional amount which, when added to the amount so paid to him, shall be just compensation.

SEC. 105. Upon the making of the finding and declaration provided in section 102 of this title, the President may delegate any power or authority conferred upon him by this title to any officer or agency of the Government, including any new agency or agencies (and the President is hereby authorized to create such new agencies as he deems necessary), and he may authorize such redelegations by that officer or agency as the President may deem appropriate.

SEC. 106. The President may make such rules, regulations, and orders as he deems necessary or appropriate to carry out the provisions of this title. Any such rule, regulation, or order may be established in such form and manner, may contain such classifications and differentiations, and may provide for such adjustments and reasonable exceptions as in the judgment of the President are necessary or proper to effectuate the purposes of this title, or to prevent circumvention or evasion, or to facilitate enforcement of this title, or any rule, regulation, or order issued thereunder.

SEC. 107. The President may require such reports and the keeping of such records by persons producing, dealing in, dispensing, or otherwise using poliomyelitis vaccine, and may make such inspections of any such records, as may be necessary and appropriate to the enforcement or the administration of this title and the regulations or orders issued thereunder. Any information obtained under this section which the President deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information shall not be published or disclosed unless the President determines that the withholding thereof is contrary to the public interest.

SEC. 108. (a) The President may perform the functions provided for in this title by contract or other arrangement, through any State or local public agency, or other public or nonprofit agency or organization. Any such contract or other arrangement may provide that payment (if any) to cover the cost thereof shall be made either in advance or by way of reimbursement, as may be provided therein.

(b) In carrying out the provisions of this title, the President may, notwithstanding any other provision of law providing for payment for services, accept and utilize voluntary and uncompensated services of individuals, or of public or nonprofit agencies, institutions, or organizations.

SEC. 109. No person shall be held liable for damages or penalties for any act or failure to act resulting directly or indirectly from compliance with a rule, regulation, or order issued pursuant to this title notwithstanding that any such rule, regulation, or order shall thereafter be declared by judicial or other competent authority to be invalid.

SEC. 110. (a) The President is authorized to consult with representatives of industry, business, professional groups, and other interested parties, with a view to encouraging the making by such persons with the approval by the President of voluntary agreements and programs to further the objectives of this title.

(b) No act or omission to act pursuant to this title which occurs while this title is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) and found by the President to be in the public interest, shall be construed to be within the prohibition of the Federal Trade Commission Act, or of the antitrust laws, as defined in such act. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register.

SEC. 111. (a) The district courts of the United States and the United States courts of the Territories shall have jurisdiction, for cause shown, and, subject to the provisions of rule 65 of the Federal Rules of Civil Procedure, to restrain violations of any provision of this title or of any rule, regulation, or order issued thereunder, and to enforce compliance with any such provision.

(b) Any criminal proceeding on account of any violation of any provision of this title or of any rule, regulation, or order issued thereunder may be brought in any district in which any act, failure to act, or transaction constituting the violation occurred. Any proceeding for an injunction under this title may be brought in any such district or in the district in which the defendant resides or transacts business. Process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found, and subpenas for witnesses who are required to attend a court in any district in any such case may run into any other district. The termination of this title, or of any rule, regulation, or order issued thereunder, shall not operate to defeat any action, or prosecution, whether theretofore or thereafter commenced, with respect to any right, liability, or offense incurred or committed prior to the termination date of such title, rule, regulation, or order.

SEC. 112. The functions exercised under this title shall be excluded from the operation of the Administrative Procedure Act, except as to the requirements of section 3 thereof.

SEC. 113. Any person who willfully performs any act prohibited, or willfully fails to perform any act required by any rule, regulation, or order promulgated under the authority of this title shall, upon conviction, be fined not to exceed $10,000 or imprisoned for not more than 1 year, or both.

SEC. 114. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

SEC. 115. The President shall submit a report to the Congress 1 month after the effective date of this title and each 60 days thereafter covering the extent to which he has exercised the authority conferred by this title and including information setting forth the extent to which (whether or not such authority has been exercised) the available supply of poliomyelitis vaccine is being fairly and equitably distributed for the immunization of persons or groups having the greatest need therefor.

SEC. 116. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 117. This title and all authority conferred thereunder shall terminate on December 31, 1956.

TITLE II—GRANTS TO STATES FOR VACCINATION PROGRAMS

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) For the purpose of assisting States, during the current shortage of poliomyelitis vaccine, to provide all children an equal opportunity for vaccination against poliomyelitis, the Secretary of Health, Education, and Welfare shall pay to each State, which has submitted and has had approved by the Secretary an application under section 202 of this title, amounts equal to the cost of all poliomyelitis vaccine used in carrying out a vaccination program or programs set forth in such approved application, including vaccine made available without charge to physicians and used by them for the vaccination of children in the age group and area covered by such program.

(b) There is hereby authorized to be appropriated such sums as may be necessary to make the payments provided for in this title, such sums to remain available until December 31, 1956.

STATE APPLICATION FOR FUNDS

SEC. 202. The Secretary shall approve the application of any State for payments under this title if such application—

(a) sets forth a program or programs for the use of the poliomyelitis vaccine purchased with funds paid to the State under this title which provide reasonable assurance that all children in an age group or groups determined by the State, or all children in an age group or groups in one or more areas determined by the State, shall be afforded an opportunity within a reasonable period for vaccination against poliomyelitis without charge: *Provided*, That the Secretary may, in the administration of this title, specify certain categories of children to be accorded priority in receiving immunization from poliomyelitis, and during any period in which any priority group has been so established and is in effect all vaccine provided under any such program shall be made available only to children within any such group;

(b) provides for administration or supervision of administration of any program included in the application by a single State agency;

(c) provides that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time reasonably require to carry out his functions under this title, and will comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports; and

(d) provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of the program.

PAYMENTS TO STATES

SEC. 203. The Secretary shall from time to time estimate the amount to be paid to each State under the provisions of this title for any period, and shall pay such amount to such State reduced or increased, as the case may be, by any sum (not previously adjusted under this section) by which he finds that his estimate of the amount to be paid to the State for any prior period under this title was greater or less than the amount which should have been paid to the State for such prior period under this title. Such payments shall be made in such installments as the Secretary may determine.

USE OF FUNDS TO STATES

SEC. 204. Funds paid to a State under this title may be used solely for the purchase, prior to December 31, 1956, of poliomyelitis vaccine for use in carrying out a program set forth in the application of such State approved pursuant to section 202.

FURNISHING OF VACCINE BY SECRETARY

SEC. 205. At the request of any State the Secretary may use all or any portion of any payment authorized to be made to such State under this title for the purchase of poliomyelitis vaccine to be furnished to the State in lieu of such payment (or such portion thereof). Vaccine so furnished shall be subject to the same requirements as to use as vaccine purchased from payments to States pursuant to this title.

PRIORITIES AND ADVISORY COMMITTEE

SEC. 206. Priorities established by the Secretary pursuant to section 202 (a) shall be based on the relative susceptibility of various age groups of children to poliomyelitis. The Secretary is authorized to establish an advisory committee on distribution of poliomyelitis vaccine to advise and assist him in the establishment of such priorities. Appointed members of such committee who are not otherwise in the employ of the United States, while attending conferences or meetings of the committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not exceeding $50 per diem, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U. S. C. 73b–2).

DIVERSION OF FEDERAL FUNDS

SEC. 207. Whenever the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the program included in the application of such State approved under section 202, finds that—

(a) such State agency is not complying substantially with the provisions of this title or the terms and conditions of its approved application; or

(b) any funds paid to such State or supplies of vaccine furnished to it under this title have been diverted from the purposes for which paid or furnished;

the Secretary shall notify such State agency that no further payments will be made (or no further supplies of vaccine will be furnished) to the State under this title until he is satisfied that there is no longer any failure to comply or the diversion has been corrected or, if compliance or correction is impossible, until such State agency repays or arranges for the repayment of Federal funds which have been diverted or improperly expended (or for repayment of the cost of the vaccine which has been diverted).

DEFINITIONS

SEC. 208. For purposes of this title—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare;

(b) The term "child" means any individual who has not attained the age of 20 years;

(c) The term "State" includes Alaska, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the District of Columbia;

(d) The cost of poliomyelitis vaccine shall be determined by the Secretary on the basis of information available to him; and such cost may be determined from time to time or as of a specified date, and may be determined to be a single figure for all States or varied in accordance with actual cost.

Mr. PURTELL. Mr. President, will the Senator from Illinois yield for another question?

Mr. DOUGLAS. I yield.

Mr. PURTELL. Did I correctly understand the Senator to say that the proposed legislation which we have been discussing has to do with the giving of standby controls to the President?

Mr. DOUGLAS. It also includes the free disposition of vaccine.

Mr. PURTELL. Is it not true that the reason why standby controls are needed is that the President may have them when the Congress is not in session?

Mr. DOUGLAS. I think that is one of the reasons, certainly.

Mr. PURTELL. Is it the Senator's thought that perhaps the Senate will not be in session tomorrow or the next day, so that the President might have to exercise such controls? Is it not reasonable to assume that we shall be here for a few more weeks and that, therefore we should explore the whole area and hold hearings so that anyone interested in the proposed legislation may have a chance to be heard before the committee? Is there any particular rush to empower the President with standby controls when it is likely that we shall be here for from 45 to 60 days?

Mr. DOUGLAS. I am not at the moment debating the idea as to whether the bill is a wise one. What I am lamenting is the inability to obtain a quorum of Members to consider it. I think the record of attendance indicates on whose shoulders the responsibility of the failure to obtain a quorum rests.

Mr. PURTELL. Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks an excerpt from the CONGRESSIONAL RECORD, volume 100, part 3, pages 3587 and 3588, from which I should like to read briefly. Referring to the question of holding committee meetings when the Senate is in session, the then minority leader said:

> I realize how important it is to get early action on the tax bill which is now in committee, and for that reason we on this side of the aisle wish to cooperate in every way we can. However, we desire to serve notice that unless we are confronted with an emergency and unless it is very imperative that committees meet in the afternoon, I shall not look with favor on granting unanimous consent, as a matter of regular policy, for committees to meet during the afternoon in the weeks ahead.

I should like to quote what the majority leader said at that time:

> There is a good reason for the rule prohibiting meetings of committees during sessions of the Senate, and I do not believe we should ignore it, except under very unusual circumstances.

Mr. President, I ask unanimous consent that the complete excerpt be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

COMMITTEE MEETING DURING SENATE SESSION

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet this afternoon during the session of the Senate.

The ACTING PRESIDENT pro tempore. Without objection, permission is granted.

Mr. JOHNSON of Texas subsequently said: Mr. President, if I may have the attention of the majority leader for a moment, when the request was made for permission to the Committee on Finance to meet this afternoon during the session of the Senate the minority leader made no objection. He had previously assured the majority leader that he would not object when the request was made. However, I wish to make this observation: For the past several days we have had a very small attendance on the floor of the Senate. Yesterday, while a very important proposal was being discussed, fewer than a half dozen Senators were on the floor.

I realize how important it is to get early action on the tax bill which is now in committee, and for that reason we on this side of the aisle wish to cooperate in every way we can. However we desire to serve notice that unless we are confronted with an emergency and unless it is very imperative that committees meet in the afternoon, I shall not look with favor on granting unanimous consent, as a matter of regular policy, for committees to meet during the afternoon in the weeks ahead.

Mr. KNOWLAND. Mr. President, of course I recognize the fact that committees of the Senate cannot meet except by unanimous consent, in the normal procedure in the Senate. However, I should like to point out to my distinguished colleague and friend from Texas, the minority leader, that we could completely tie up the operations of the Senate if we do not permit committees to meet. We have a very heavy legislative program. It is difficult for many of the committees to finish their work in morning sessions.

It is possible that committees would be faced with the contingency which confronts the Senate, namely, if they are not allowed to meet during the sessions of the Senate, the committees might have to meet in the evening, which I believe would be just as burdensome on Senators as evening sessions of the Senate, which a great many Senators hope we will be able to avoid.

While I do not believe in a general development of afternoon committee meetings unless they are necessary, it is a fact that the Committee on Appropriations historically has always had to meet during the sessions of the Senate, and, of course, it has always been given permission to do so.

The Committee on Finance has before it an important piece of tax legislation. Other committees occasionally must meet also during the afternoon. Yesterday, for example, the Committee on Armed Services, of which the distinguished Senator from Texas is a member, held some very important hearings. It would have been very inconvenient to Cabinet officials and department heads and the Chairman of the Joint Chiefs of Staff if the committee had not been able to meet during the session of the Senate yesterday afternoon.

I myself deplore the fact that there is not at times a better attendance on the floor of the Senate; but, based on my almost 9 years of service here, it is not a new situation. It is caused by conditions to which I have made reference and also by the fact that Senators have other business to conduct.

Mr. JOHNSON of Texas. Of course, I made no reference to the Committee on Appropriations. We have always given consent to that committee to meet during Senate sessions, and it has been the historic policy of the Committee on Appropriations to meet during sessions of the Senate. We understand the problems which confront that committee.

I waived objection to the meeting of the Committee on Finance, because I realize what the committee and the Senate are confronted with by way of proposed tax legislation. At the same time I believe we do not make any progress in the consideration of important measures, such as the one now pending, if only 3 or 4 Senators are on the floor during their discussion. The Senators who are presenting their views on the proposal which is now before the Senate will insist on presenting them again, unless they can get some more Senators to listen to them.

We must be reasonable about it. We must exercise good judgment. However, unless there is an emergency situation and unless some very excellent reasons can be given for a committee to meet during a session of the Senate, I shall be constrained to object. There is a good reason for the rule prohibiting meetings of committees during sessions of the Senate, and I do not believe we should ignore it, except under very unusual circumstances.

Mr. KNOWLAND. Mr. President, I have no intention at this time of making such a suggestion, but I will certainly want to discuss with the minority leader during this afternoon and tomorrow the possibility of holding some evening sessions of the Senate, because from my experience in the Senate, I have noted that there is a better attendance on the floor during evening sessions than during the afternoon, and there does not arise the problem of a conflict with committee meetings. If it is desirable, as I think it is—and I believe the minority leader has made a good point—that more Members of the Senate should be on the floor during the debate on the pending bill, perhaps we should hold some evening sessions in order to expedite the business of the Senate, or make some other arrangements for committee meetings.

Mr. JOHNSON of Texas. I wish to make only one comment, and then I shall be ready to go into conference with the majority leader. Unless the majority leader has in mind more important legislation than appears on the calendar now, he will not be very persuasive with me so far as having evening sessions are concerned.

Mr. JOHNSON of Texas. Mr. President, I was out of the Chamber and did not hear the request of the Senator from Connecticut.

Mr. PURTELL. I simply asked that an excerpt from the CONGRESSIONAL RECORD of March 19, 1954, be printed in the RECORD. It has to do with committee meetings during Senate sessions.

Mr. JOHNSON of Texas. I have no objection, but I have not expressed approval or disapproval of committee meetings. If the Senator is defending the Senate rules he can remain at his own desk. I have not expressed the opinion that the committee should meet or should not meet on this specific day.

The majority leader, in scheduling the program of the Senate each day, presents to the minority leader requests which have been made by the various chairmen. Today the majority leader had a request for the Committee on Labor and Public Welfare to meet. I presented the request to the minority leader, who said, as I recall, that before approving the request he would like to check with the minority members of the committee.

I renewed the request, I think, at least twice. The minority leader told me each time that he was not in a position to clear it. It was immaterial to me whether the committee met; and if the minority leader wished to object, he was perfectly within his rights to do so. He exercised those rights. For those reasons, the request was not made of the Senate.

I have never taken the position that the committee should meet this afternoon, tonight, or at any other time. If the chairman and the members of the committee wish to meet, I will present their request to the Senate. If such a meeting would interfere with any part of the program for which the majority leader is responsible, and I do not think the committee should meet, I shall have no hesitancy in objecting.

Mr. PURTELL. If the distinguished Senator from Texas will overlook my transgression of stepping across the aisle

to his desk for a moment, I shall be happy to present to him what I have just placed in the RECORD.

Mr. President, I came here today chiefly for the purpose of presenting a telegram from the American Medical Association. This is a very serious matter. It goes far beyond whether one gets good newspaper coverage of his remarks, or the appeal one's remarks might have to any particular segment of the people.

We are talking about the health of our children. We are talking about the happiness of those who love those children. It appears to me to be nothing but plain common sense to permit the American Medical Association, or any other interested group, to come before the committee which is presently considering proposed legislation having to do with the distribution and manufacture of Salk vaccine. Let us get all the information obtainable. We are not, to the best of my knowledge, anyway, the best-informed body in the world as to the medical profession.

I plead with my fellow Senators to make certain that we hear from all interested bodies—the American Medical Association and others—which might be opposed to or in favor of the plan, so that we, in our desire to do what is right—and I believe we all have that desire—may have the value of their experience and knowledge.

I cannot help believing that we are mature enough not to be unduly influenced by any organization. We are looking for the facts. I believe we can best get them by having representatives of all the interested organizations appear.

I hope that in reading the RECORD tomorrow my colleagues will pay particular attention to the plea of the American Medical Association. I do not ask them to do as I say, but to listen to what qualified experts may say about this matter, and then to do as they feel, in their wisdom and judgment, should be done.

Mr. JOHNSON of Texas. May I inquire of the Senator from Connecticut if he included in his request the complete colloquy between the Senator from Texas and the Senator from California?

Mr. PURTELL. I tried to be fair, so I quoted from the remarks of both the Senator from California and the Senator from Texas. I thought my remarks—and we can have the Official Reporter read them, if the Senator wishes—indicated that the Senator from Texas expressed a like attitude in this matter.

Mr. JOHNSON of Texas. If the Senator has no objection, and since he desires it to appear, I should like to have the complete colloquy extended at that point in the RECORD.

Mr. PURTELL. I should be most agreeable and most happy to concur in the request of the Senator from Texas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. The colloquy indicated that while there might be serious doubt at times, depending upon the circumstances, the Senator from Texas did not object to the Committee on Finance meeting.

Mr. PURTELL. He did not; that is correct. I was trying to point out that the attitude of the Senator from Connecticut was not unusual, but was in accord with the practice of the Senate, and with the view expressed by leaders in the Senate.

Mr. HUMPHREY. Mr. President, I have been interested in the colloquy which has taken place over the proposals which have been advanced both by the administration and by certain Senators for the distribution of the so-called Salk vaccine. I have one additional comment to make with reference to this matter, namely, that the administration belatedly, long after the fact, has now recognized that there is a need for some sort of program. Regrettably, the administration has difficulty in accommodating itself to the responsibilities of governing and of exercising authority when it pertains to matters concerning the general welfare of the great American public. However, the administration does not have such difficulty in exerting administrative action when it comes to some other projects which have less genuine, general interest for the American people.

I repeat what I said earlier today, that the need for a program of distribution has now been acknowledged by the administration in the President's statement. It has been acknowledged belatedly, long after the facts were revealed as to its urgent necessity.

Secondly, the administration now acknowledges that additional tests were required, even though the matter had been brought to the attention of competent authorities long ago.

Mr. President, I should like to speak for a few minutes on another subject of general interest.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

THE REFUGEE RELIEF ACT OF 1953

Mr. HUMPHREY. Mr. President, again the Eisenhower administration has recognized that possibly all is not well with the administration of the Refugee Relief Act of 1953. Under date of May 27, 1955, the President sent to Congress a message asking for 10 amendments to that act.

The Refugee Relief Act has been in force almost 2 years. There are Members of the Senate—and I am proud to be one of them—who have repeatedly pointed out that glaring weaknesses, inequities, limitations, and restrictions exist in the law which make it very difficult to administer.

Secondly, we have pointed out real problems confronting those who administer the law. Within recent months there has been adequate testimony as to that fact.

It has taken the Corsi incident—the dismissal of Mr. Corsi, a New York Republican and an expert in the field of immigration—and it has taken statement after statement in the Senate to bring finally to the President's attention the weaknesses, limitations, and restrictions in the Refugee Relief Act.

In reading the proposed 10 amendments to the act I was interested to note that over the weekend the press carried the message that a number of Republican Senators favored the President's proposal, as if that were news. It should be at least reasonably expected that a number of Republican Senators would be for the President's proposal. As I understand, the President is the leader of his party as well as the President of the United States.

But I think it would have been a little better had the message pointed out that a number of proposals had been suggested in the Senate. The junior Senator from New York [Mr. LEHMAN] is the main sponsor of a bill to amend the Refugee Relief Act. The senior Senator from Illinois [Mr. DOUGLAS] is a cosponsor. I am privileged to be a cosponsor, along with other Senators. That proposal was introduced in the Senate a considerable period of time ago. I know that the committees of the Senate are giving it serious consideration.

What is more, from time to time last year, following 1 year's experience under the Refugee Relief Act, weaknesses in the law were pointed out, and the administration was called upon to do something about them.

I point out that there has been statement after statement from the White House, the Secretary of State, and the State Department, and also from the President's own press secretary, to the effect that there was nothing basically wrong with the Refugee Relief Act, and that it was working well.

When it was stated on the floor of the Senate that after the act had been in operation more than a year, less than 100 refugees had been admitted, we heard only that the difficulties were being taken care of, that administrative inflexibilities were being ironed out, and that everything was going to work well. The truth is that we were purposely deluded by the administration for more than 2 years.

I say with all charity that it is good now to have the 10 suggestions of the President for amendment of the act. I further suggest that the President might look into the administration of the act. No law is any better than the support it receives from those who administer it. Congress can write the best possible laws, but if there is not the will to administer them within the spirit of the acts, there will be no positive results. I have watched this administration in the case of other laws change their whole intent and purpose by changes made in regulatory agencies.

We are going to be shortly debating a gas bill, for example. While we are getting ready to debate it, and before we have even debated it, the Federal Power Commission changes all the rules and regulations.

We have seen this happen in terms of the Federal Trade Commission. We have seen it happen in terms of one regulatory agency after another. Without ever changing the law, by changing those who administer the law, and by putting in administrative positions persons who are not sympathetic to the law, they, for all practical purposes, stop the impact of the law or change its intent and its design.

Mr. SPARKMAN. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. The Senator is familiar with the report made recently by the Attorney General's so-called committee on antitrust laws; is he not?

Mr. HUMPHREY. I am, indeed.

Mr. SPARKMAN. The Senator has well pointed out how things can be done by changing the administration of the law. I have not counted them, but I have been told that of some 84 recommendations made by the Attorney General's committee with reference to the antitrust laws, 73 of them relate to changes in the administration of the laws, giving suggestions as to how the antitrust laws can be gotten around by change in administration.

Mr. HUMPHREY. The Senator has put his finger on the particular analysis I should like to point out, namely, that even though the basic structure of the law is changed, it can be even more fundamentally changed by the persons who administer the law, and by the regulations and rules they adopt.

Mr. SPARKMAN. I wonder if the Senator will yield for one other point.

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. A few moments earlier the Senator used the word "deluded."

Mr. HUMPHREY. Yes, I did, after considered judgment.

Mr. SPARKMAN. I wish to emphasize that expression, because in the particular case to which I have called attention the committee was appointed, according to all reports and all appearances, for the purpose of making a study as to how we could strengthen our antitrust laws, our laws against monopoly, and our laws to protect free competition, and yet nearly every one of the recommendations was a method of getting around in some way and weakening the antitrust laws.

Mr. HUMPHREY. The Senator is simply telling what is the fact regarding the recommendations to which he has referred, because, as we know, the Senator from Alabama has been holding hearings on these very recommendations. When the matter was gone into, it was ascertained that the proposals, rather than strengthening the antitrust laws and the antimonopoly laws, would actually weaken them.

Mr. SPARKMAN. Weaken and undermine them.

Mr. HUMPHREY. Yes; and undermine them.

I want to assure the President of the United States, the Secretary of State, and the Administrator of the Refugee Relief Act, Mr. McCleod, that a number of us in the Senate will do everything we can to finally redesign the legislation so that it will do what it was purportedly intended to do.

I find a certain amount of comfort in knowing that at long last the administration knows that the act which was so heralded, and which for so long, was apologized for, has proved to be relatively inoperative. It is reassuring and refreshing to have this confession of weakness and limitation. But I would be less than candid if I did not say that it would have been much more encouraging had the President, in many of his press conferences, indicated support of the basic provisions of the Lehman bill, which was introduced in the Senate some time ago. After all, there is not anything particularly wrong in having a bill sponsored by a Democratic Senator, particularly when there is a majority of Democrats in the Senate.

While I realize that it is very good to have Republican Members of the Senate—at least a number of them—support the proposal which has been placed before us today, it would be even more reassuring to know that they would support the broad provisions or the general principles of the proposal presented by the Senator from New York. Now that the President has given his support to revision of the Refugee Relief Act, I hope we can expedite action on it, make it truly bipartisan, and that we can also call to the attention of the State Department its responsibility to make any law which it enacted an effective instrumentality for carrying out the purposes of the legislation.

Mr. PURTELL. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. PURTELL. Is the Senator referring to the 10 suggested changes in the immigration law?

Mr. HUMPHREY. Yes.

Mr. PURTELL. The Senator has stated that, after all, occasionally a Democratic Senator may introduce a good bill. I suggested to him that it was a Democrat who introduced the bill. If I am not mistaken, he is referring to the McCarran-Walter bill.

Mr. HUMPHREY. I wish to say to the Senator from Connecticut that, while he desires to be right, in this instance he is definitely wrong. I say this most respectfully, because I have a warm friendship for the Senator from Connecticut. I think it is true that the bill was introduced by the Senator from Utah [Mr. WATKINS]. It was passed in the 83d Congress. I think it is equally true that the act was heralded as a great victory and one which was going to lead to a new day. It was a part of the dynamic, progressive, conservative program.

Mr. PURTELL. The bill which was introduced by the Senator from Utah had to do with the refugee relief problem; had it not?

Mr. HUMPHREY. That is what I am talking about.

Mr. PURTELL. Which would affect 209,000 persons; but, basically, it is all a part of the law on immigration.

Mr. HUMPHREY. Let me say to the Senator from Connecticut that the junior Senator from Minnesota fought vigorously against the McCarran-Walter Act, and is prepared to fight even more vigorously against it now, and the President of the United States has suggested many changes in it, which suggestions he has submitted to the Congress. What we are really talking about now is the Refugee Relief Act, which was sponsored by the 83d Congress, under a Republican majority. I wish to commend the Senator from Utah [Mr. WATKINS], for trying to do the right thing. I primarily charge the administration with failing to have the act properly administered.

Mr. PURTELL. Was not the bill proposed by the Senator from Utah because there were certain defects in the McCarran-Walter bill, and did that bill not have to do with refugees?

Mr. HUMPHREY. The law having to do with refugees was entirely different from the law covering the overall immigration problem, because a refugee was without a country. He was either a refugee, an escapee, or an expellee, who was no longer a citizen of any government, or who came from a government behind the Iron Curtain. Many of them were without means to obtain a regular visa. Therefore, legislation for relief of such persons was enacted.

If the Senator from Connecticut wants to join with the junior Senator from Minnesota in progressively and constructively attempting to amend the Walter-McCarran Act, I shall welcome his support. What I wish him to do now is to join with the rest of us in the amendment of the Refugee Relief Act. Then I want him to admit frankly that for 2 years the administration did not make the act work, for 2 years it tried to make us believe the act did work, and for 2 years it did not work.

Mr. PURTELL. Mr. President, I appreciate the vest knowledge now pouring forth from the Senator from Minnesota, but the Senator from Connecticut has already expressed his opinion regarding the 10 proposed amendments to the so-called Watkins bill. Is it not true that it is all a part of the immigration problem? Because we could not get the refugees to come to this country, that legislation was proposed.

Mr. HUMPHREY. Since the Senator has referred to the immigration law, I should like to say that the immigration law relates to nationals who live in their own countries, and that law does not refer to those extraordinary cases known as expellees, escapees, and refugees. I am rather surprised the Senator from Connecticut did not have this information at his fingertips, because since the war we have always had some kind of emergency program for displaced persons and war orphans, for whom we have enacted legislation.

Mr. PURTELL. I am quite cognizant of that fact, and I simply state that it is all a part of the question as to whom we shall permit to come into this country. It is all part of the immigration problem.

Mr. HUMPHREY. In that respect the Senator is correct.

Mr. PURTELL. And the law covering that subject is the McCarran-Walter Act.

Mr. HUMPHREY. I may remind the Senator that the Democrats led the fight against that legislation. If we had had one more Republican vote, we would have sustained the Presidential veto, but we did not have that vote. We have had a lot of loud talk about the Refugee Relief Act, and very little action. I say it is to the credit of the administration that it is willing to recognize the need for 10 amendments. I may assure the administration officials that they will get real bipartisan support for those amendments. I regret, however, that the administration did not have the good will or the good sense to support proposals

which already have been introduced, but instead, has condemned and criticized the law.

Instead of condemning and criticizing the law, the administration should have joined with us in saying, "Let us proceed forthwith to improve it." However, at long last—after the embarrassment of the Corsi incident; and believe me, Mr. President, it was embarrassing and shocking—the administration, in order to make the record a little more palatable to the American people, has come forward with 10 proposed amendments. I pledge my wholehearted support to those amendments. In fact, I think we should make more amendments, in order to improve the law. But those 10 amendments in themselves would make the law a much more efficient and much more effective piece of legislation. Then, Mr. President, if we can imbue into the administrator of the law the spirit of the Refugee Relief Act, if we can imbue into him "dynamic conservatism"—and I place quotation marks around that phrase—we shall obtain better administration of the act.

Mr. PURTELL. Mr. President, will the Senator from Minnesota yield for a question?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Minnesota yield to the Senator from Connecticut?

Mr. HUMPHREY. I am happy to yield to the Senator from Connecticut.

Mr. PURTELL. The Senator from Minnesota has referred to good judgment and good sense. Of course, what constitutes good judgment and good sense may be a matter of discretion.

Mr. HUMPHREY. Oh, yes.

Mr. PURTELL. I assure the Senator from Minnesota that there is good judgment and good sense in these amendments. Am I to understand that he is suggesting that these proposed changes in the law be made?

Mr. HUMPHREY. Mr. President, the Senator from Minnesota is of good heart and warm spirit. He is always ready to commend those who do good deeds, even if their good deeds are late.

Let me say that my only complaint—and I hope the Senator from Connecticut will not take exception to this—is that for 2 years we were led to believe that all was well, and that the administrative complexities of the law were being ironed out. But now, after the administration's very humiliating experience, one which the administration would like to forget—I refer to the appointment by the administration of a Republican to come to Washington to help administer the Refugee Relief Act, and then to find in the rules a technicality for dismissing him, namely, a provision that such persons could be hired for only 90 days, with the result that Mr. Corsi was sent back to New York—all at once, just to make the record a little more palatable to the American people, these 10 amendments are brought forth.

Let me say that I welcome the 10 amendments, and I believe they should be adopted; and as a cosponsor of the Lehman bill I wish to say that we shall be more than happy to join with our friends on the opposite side of the aisle in having these amendments adopted. We extend to them the warm hand of bipartisan fellowship, and ask them to join with us in the course of the sponsorship of this proposed legislation.

I desire to thank my friend, the Senator from Connecticut, because I know he is a strong supporter of these proposals.

Mr. PURTELL. I am; and long before I heard the Senator from Minnesota's discourse I was a strong supporter of the 10 proposed amendments.

Mr. HUMPHREY. I understand the Senator from Connecticut was, and I wish more or less to firm up his support, so that those convictions will last beyond this session of Congress, and into the next session.

Mr. PURTELL. I assure the Senator from Minnesota that while I appreciate his kindness and confidence in me, frankly, my convictions on this subject were firmed up long before I heard his remarks.

Mr. HUMPHREY. I hope I have done nothing to weaken the position of the Senator from Connecticut, and I hope he will stand fast.

Mr. PURTELL. I assure the Senator from Minnesota that I will.

Mr. HUMPHREY. I join in hoping that the Senator from Connecticut will.

THE SUPREME COURT'S DECREE FOR AN IMMEDIATE END TO SEGREGATION IN SCHOOLS

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR EASTLAND

The Supreme Court's decree today calls for an immediate start to mixing the races in the schools. In my judgment the order means that the Court intends within 3 to 5 years to have a large racial mixture in southern schools.

To resist them is the only answer. We must resist them in the courts, in our legislative halls, and by the ballots of the people. I know that southern people will not surrender their dual school system and their racial heritage at the command of this crowd of racial politicians in judicial robes. This decision will be unanimously resisted in the Southern States. Southern people will not be violating the Constitution or the law when they defy this monstrous proposition. They will be defying those who would destroy our system of government. In fact, our people of the South will be upholding their finest traditions and love of their country and its institutions.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, if no other Senators desire to obtain the floor at this time, I am prepared to move that the Senate take a recess.

I desire to announce that following the vote tomorrow on the postal pay bill, and following the vote on the treaty which is on the executive calendar, debate on the mutual security bill will be continued. It will carry on as late in the evening as any Senator may desire to discuss the bill to insure full and free discussion of that measure. If it appears desirable, I shall consult with the minority leader late tomorrow, and perhaps the Senate could convene at an early hour on Thursday, in order to permit further discussion, before amendments are considered.

Mr. President, it is hoped by the distinguished chairman of the committee and by the ranking minority member of the committee, who have held long and tedious hearings on this measure, that it may be possible late on Thursday for the Senate to take a final vote.

As Senators know, at this time of the year it is rather difficult to arrange matters in the Senate in such a manner as to have a maximum number of Senators present on Fridays. Commencement exercises are being held, and in that connection many arrangements have been made months in advance. If it is at all possible for the leadership—and I speak for the leadership on both sides—to accommodate the chairman of the committee, and ranking minority member of the committee, and as many other Senators as possible, we wish to do so. But if we are unable to reach a vote on Thursday, the leadership will be prepared to ask Senators to come here on Friday, and, if necessary, on Saturday, because next week we have two very important appropriation bills and a very important housing bill, and we have in the committee stage several extremely important measures which will be reported and must be considered.

I shall try to accommodate every Senator, and I hope to please every Senator, although that is rather a difficult thing to do.

Today we could have voted on the treaty. But when I came to the office this morning, I was informed that at least 11 Senators could not conveniently vote today on the treaty. So, although we had given advance notice, and although every Senator was on notice, the minority leader and myself agreed to accommodate those Senators and postpone the vote on the treaty until tomorrow.

I hope all Senators who read the RECORD, if they are not able to be present in the Chamber—as I know many of them are not, because of the critical stage in various committee deliberations—will bear in mind that we are now about to enter the month of June; that under the Reorganization Act we are to conclude our session by July 31; that a national emergency no longer confronts the country; and that we have only 2 more months in which to conclude our action on approximately 10 appropriation bills, the Reserve bill, the housing bill, the wage bill, possibly an education bill, and numerous extensions of acts which otherwise will expire.

It is very easy for a Senator to say: "I hope there will not be a rollcall vote" on a certain day, and to ask the other 95 Senators to wait on him. But it is very difficult for the leadership to work out a program which will please all Senators, when we are in the month of

June. So I hope Senators will be as understanding as possible.

Mr. ELLENDER. Mr. President——

Mr. JOHNSON of Texas. I yield to the Senator from Louisiana.

Mr. ELLENDER. Of course I realize the difficulties under which the leadership is now working.

When I came here this morning, I stated to my good friend, the Senator from Texas, that I understood that the mutual security bill would be considered on Thursday. From the radio and the newspapers I receive the impression that consideration of the bill would begin on Thursday.

Mr. JOHNSON of Texas. The Senator from Louisiana means last Thursday, I assume.

Mr. ELLENDER. No; I mean the coming Thursday. The report was available to some of us last Saturday, and the hearings were made available this morning.

This is a very important bill. I was quite surprised, as I told the majority leader a while ago, when I learned that the Senate had agreed to start voting on the bill next Thursday. The amount involved is quite large. For the past 3 months I have been trying to obtain facts about the unexpended balances, also about the kind of projects in foreign lands which were being considered, in order to compare them with projects in our own country which are being denied funds.

Up to this time I have been unable to obtain such evidence. In response to a letter I wrote him more than 3 months ago, Governor Stassen came to my office several weeks ago and stated that it would be rather difficult for him to obtain the data I had requested; whereupon he volunteered to furnish me what he had. That was 3 weeks ago, and up until now I have not heard from him.

I have made an earnest effort to obtain a great deal of data which I believe would be of interest to the Senate. I fear that the program on which we are embarking might develop into one similar to the Marshall aid program for Europe. Once we start spreading the program to Asia, there is no telling the extent to which it may be increased. It strikes me that, before we undertake a program of such magnitude, trying to cover an area many times greater than that of Europe, and involving many more people, and different kinds of people than those with whom we have dealt in Europe, facts in connection with the program should be presented to the Senate, and ample opportunity should be given to make such presentation. That is all I ask.

Mr. JOHNSON of Texas. If the Senator will permit an interruption at that point, I do not wish to interrupt his train of thought, but I think he has made a very good point. I understand it, and I am in sympathy with it. I think no Member of the Senate is more competent to present that viewpoint than is the distinguished Senator from Louisiana. No one has cooperated better with the majority leader in helping to bring legislation to the floor and to see that it is thoroughly discussed and considered. I am sure that is the object both of us have in mind in our deliberations.

It may be that I did not make myself clear. I make many mistakes. No one is more conscious of the mistakes he makes than is the Senator from Texas.

On practically every day last week, at some time during the deliberations of the Senate, I invited the attention of Senators to our problem. The Senator from Louisiana will remember that last March we were having yea-and-nay votes, and that an effort was being made to compel the Senate to remain in session at night, during the first 3 months of the session. The Senator from Texas resisted such night sessions that early in the session of Congress, although he is agreeable, when the month of June has arrived, to meeting at night. Later in the year, when we lost 1 or 2 of our colleagues, the Senator from Texas was very thankful that there had not been prolonged night sessions in the Senate which might have contributed toward bringing about a bad physical condition on their part.

Let me read a portion of the statement of the majority leader at the last meeting of the Senate:

> Our program for next week, beginning on Tuesday—

This was on Friday of last week—

> will be somewhat heavy. The report of the Committee on Appropriations on the State, Justice, and Judiciary appropriation bill has been placed on the desks of Senators. It is our plan on Tuesday, following the morning hour, to begin the discussion of the appropriation bill.

Then I spoke about a treaty. According to our practice, a yea-and-nay vote is had on all treaties, even though some of them may be noncontroversial. I showed the Senator the request of 11 Senators today to postpone such a vote. That matter had to go over until today.

The Senator from Texas continued:

> If, following the measures referred to, time remains on Tuesday, as I think may be the case, the Senate may hear some discussion on the mutual security bill, but there will be no votes on that bill that day.

The statement referred to Tuesday.

> I hope that on Wednesday the Senate may be able to proceed with the debate on the mutual security bill in an effort to secure a vote on it as soon as possible.

Further, the Senator from Texas said:

> Mr. President, I ask all Senators to be on notice of the program contemplated for next week. The Senate has transacted a great deal of business this week, and it has been largely the result of cooperation on the part of every Member. Therefore we are able to recess from today until next Tuesday.

The Senate will be in session all day tomorrow. This afternoon we have had the problem of finding enough speakers to occupy the time. I have personally talked with every Democratic member of the committee, and many Republican members, and have asked them to spcak on the bill. Some Senators have asked why the Senate could not proceed to a vote today on the bill.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. ELLENDER. Let me say to my good friend from Texas that if all I had to do was to come here and study the mutual security bill, I would not complain.

Mr. JOHNSON of Texas. I understand that. The Senator is not complaining.

Mr. ELLENDER. As the Senator knows, I happen to be chairman of the Subcommittee on Public Works of the Committee on Appropriations. I was busy from early morning until late at night all of last week, and this morning I was attending hearings on the Armed Services bill, which involves about 68 percent of the budget this year.

Furthermore, as chairman of the Committee on Agriculture and Forestry, I gave notice 2 weeks ago that, beginning tomorrow morning at 10 o'clock, there would be extended hearings on the price support program. That has required a great deal of my time and attention.

I spent a good deal of yesterday and the day before in trying to plan the hearings so as to allow opportunity to all those who desired to be heard.

All those things require a great deal of time. As I stated, I got the impression that the Senate would not begin debate on the mutual security bill until Thursday. I thought I would have until that time to do a little night work in getting my facts and figures together. When I came to the Chamber today and learned that there is to be a limitation of debate on next Thursday, my good friend from Texas indicated to me that I could have all the time I required in order to present my views. It will require a great deal of time to collect all the information I have, particularly the information which I have been trying to obtain from FOA. I obtained quite a bit of information on my visits abroad, but not in the detail in which I should like to present it to the Senate.

This is an important program. It involves obligating ourselves, in addition to what is in the pipeline, to another $3½ billion. That is a large sum.

Mr. JOHNSON of Texas. Mr. President, I am eager to accommodate every Senator, and to arrange the schedule of the Senate in such a way as to permit each Senator to say everything he desires on every subject.

It is rather difficult to have all the Senators in attendance on Friday and on Saturday, although in the month of June all Senators should be prepared to be here. If we are unable to conclude consideration of the bill after discussing it on Tuesday and on Wednesday and on Thursday, the majority leader will be prepared to have the Senate stay in session on Friday and on Saturday.

I know the great burden the Senator from Louisiana carries. All of us do not have as many committee meetings to attend as he does. Not many of us must act as chairman of as many committees as he does. Sometimes even a junior member of a committee finds it impossible to attend as many sessions of committees as he should, as is the case with the Senator from Texas.

The President sent his message on this subject to Congress on April 20. The Committee on Foreign Relations began its public hearings very shortly thereafter, early in the month of May, so that the committee could take all the time it needed to hear all the witnesses that wanted to appear before it to present evidence and offer amendments. I understand amendments were offered in committee, and that some of them were adopted and others rejected. I believe the committee has given rather thorough attention to the bill.

The Senator from Georgia is anxious to have the Senate consider it as thoroughly as possible. However, the House is awaiting Senate action on this bill to start its consideration of the House appropriation bill. If the House Committee on Appropriations takes as much time in reporting the appropriation bill as the Senate committee took in reporting the authorization bill, it will mean that——

Mr. ELLENDER. The House has not acted on the authorization bill, as I understand.

Mr. JOHNSON of Texas. That is correct.

Mr. ELLENDER. I understand the House refuses to take action on the authorization bill until the Senate has passed its authorization bill.

Mr. JOHNSON of Texas. The Senator from Texas said the House is awaiting Senate action on the authorization bill to begin its hearings in the Committee on Appropriations on the appropriation bill. If that committee takes as much time on this legislation as the Senate Committee on Foreign Relations has taken on the authorization bill, it may well be that we will not get the appropriation bill for Senate consideration before the middle of July.

As the Senator from Louisiana knows, we are no longer operating in a national emergency. Under the law which Congress in its wisdom passed some years ago, this session of Congress is scheduled to come to an end on July 31.

Mr. ELLENDER. No one will be happier than I if that can be done.

Mr. JOHNSON of Texas. The Senator from Texas may not be happier, but he will be equally happy, I assure the Senator from Louisiana.

Mr. ELLENDER. Although limitation on debate has been agreed to, I hope to be in a position to state my views on the bill.

Mr. JOHNSON of Texas. The Senator from Texas will do everything within his power to assist the Senator from Louisiana in that regard. If the Senator from Louisiana wishes to have the Senate meet earlier on Thursday, that can be arranged, too. If he wishes it to sit later on Thursday evening or sit later on Wednesday evening, that can be arranged. We have had difficulty in getting Senators to speak on this bill today.

Mr. ELLENDER. The trouble is the Senator from Louisiana worked all yesterday, all day Sunday and all day Saturday on other matters. He has worked even at night. If I am to be prepared to make a presentation of my views on the bill by Thursday, it will mean a great deal of night work for me tonight, and a great deal of night work tomorrow night, because all day tomorrow I will be busy on other matters. The only salutary thing about the whole matter is that we will have a second shot at it. If we miss this time, we will get another shot when the bill comes before the Committee on Appropriations.

Mr. JOHNSON of Texas. I have no doubt that the Senator's committee will give careful consideration to the appropriation bill on mutual aid. Whatever authorization——

Mr. ELLENDER. Whatever authorization is made, the Appropriations Committee can still cut the amount in half or do as it pleases with it. That is one salutary thing about it. Whether I am in a position to offer my views in full remains to be seen, but I will do my best along that line, in order to assist the majority leader to carry on.

Mr. JOHNSON of Texas. I appreciate the Senator's graciousness and generosity. I assure him that under the unanimous-consent agreement to limit debate there will be ample latitude to permit him to offer amendments. I know if he decides in his wisdom to offer amendments, he will have adequate time under the unanimous-consent agreement to discuss his amendments. If he does not have sufficient time, the Senator from Texas will be perfectly willing to submit another unanimous-consent agreement to provide the Senator from Louisiana with additional time.

All that the Senator from Texas wants to do is to have the Democratic Party meet its responsibility as a responsible party and to pass responsible legislation. I believe we are doing that. Although the weeks and months ahead are going to be more trying than in the past, if we can get the cooperation of all the Members of the Senate in the same way in which we have obtained their cooperation this evening, I believe we will be able to adjourn by the deadline.

I hope the staff of the Committee on Foreign Relations will supply the information the distinguished Senator from Louisiana has requested. I can assure the Senator that the viewpoint he has expressed is not only his viewpoint. Other Senators have expressed the same views that he has expressed. I believe if the staff will get that information for the Senator from Louisiana and he can submit it to the Senate, the Senate can decide what it will do about it.

Mr. ELLENDER. If I can obtain the information from the committee, or even from Mr. Stassen, I will be ready by Thursday.

Mr. JOHNSON of Texas. I thank the Senator from Louisiana.

Mr. ELLENDER. But unless I get the information in full, as I desire it, the chances are I will not be able to make the case I intend to make.

Mr. JOHNSON of Texas. The distinguished chairman of the Committee on Foreign Relations stated earlier in the day that this is merely an authorization bill, and he realizes that the Committee on Appropriations must carefully consider it. I know that if the Senator from Louisiana does not have all the time to say everything he wants to say on the authorization bill, he will take time to say everything he wants to say when the request is made for money to implement the authorization bill.

Mr. ELLENDER. I am a member of the Committee on Appropriations, and I have served on it diligently for some time. In order that the proponents may get the money, they will have to justify every penny they ask for.

Mr. JOHNSON of Texas. I hope the Senator will see that that is done, but I ask him also to not delay the defense bill and the public works bill, both of which we are very anxious to have reported to the Senate at the earliest possible date.

Mr. ELLENDER. Very well.

RECESS

Mr. JOHNSON of Texas. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 38 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Wednesday, June 1, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 31 (legislative day of May 2), 1955:

RENEGOTIATION BOARD

Donald Ross, of New Jersey, to be a member of the Renegotiation Board, vice John Hubbard Joss, deceased.

IN THE NAVY

Rear Adm. Charles Wellborn, Jr., United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a designation in accordance with section 413 of the Officer Personnel Act of 1947.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Dorothy B. Andrews, Fulton, Ala., in place of A. K. Gilmer, retired.

ARIZONA

Clarence Mortimer Palmer, Jr., Tombstone, Ariz., in place of M. V. Van Deren, removed.

CALIFORNIA

Leonard A. Mannee, Colusa, Calif., in place of R. G. Power, deceased.

Alda D. Thornton, Lake Arrowhead, Calif., in place of E. M. Inskeep, retired.

Owen J. Underwood, Placentia, Calif., in place of M. E. Geeting, retired.

James T. Walter, St. Helena, Calif., in place of F. B. Rossi, resigned.

Ray F. Hawkins, Vallejo, Calif., in place of J. J. Madigan, deceased.

Walter Lewin, Westminster, Calif., in place of L. N. Strawbridge, removed.

COLORADO

Hazel L. Weston, Bristol, Colo., in place of B. E. Osborn, resigned.

Hannah Esther Fairchild, Peetz, Colo., in place of E. A. Kennedy, retired.

FLORIDA

Ellen B. Turberville, Century, Fla., in place of E. R. Vaughn, retired.

James M. Solano, Elkton, Fla., in place of R. M. Floyd, retired.

Arthur O. Jefferis, Eustis, Fla., in place of W. J. Calvin, Jr., removed.
Andrew Bartlett O'Hara, Rockledge, Fla., in place of B. M. Stefurak, removed.

GEORGIA

William B. Haskins, Dudley, Ga., in place of J. W. Duggan, deceased.

IDAHO

Thomas M. Vaughn, Richfield, Idaho, in place of C. O. McKay, retired.

ILLINOIS

James S. Rutter, Addison, Ill., in place of R. M. Laux, resigned.
William S. Totten, Alexis, Ill., in place of G. A. Porter, removed.
Neal E. Muma, Brownstown, Ill., in place of C. E. Eyestone, transferred.
Annabelle C. Lorenz, Carbon Cliff, Ill., in place of Catharine Hampson, retired.
Ray D. Robison, Ferris, Ill., in place of D. I. Siegfried, retired.
Ralph C. Jacob, Mendota, Ill., in place of Etta Lutz, retired.
J. S. Marsh, Saunemin, Ill., in place of C. R. Callaby, transferred.

INDIANA

Ralph E. Watson, Tipton, Ind., in place of William Rollings, resigned.
Gene M. Wilson, Versailles, Ind., in place of F. C. Winsor, retired.
Roger J. Rhodes, Walton, Ind., in place of O. R. Small, retired.

IOWA

George R. Helble, Bettendorf, Iowa, in place of C. L. Hamilton, deceased.
Thursa L. Hinchliff, Minburn, Iowa, in place of L. E. Wicks, retired.
Ila O. Benge, Pleasantville, Iowa, in place of T. L. Smith, retired.
Eugene M. Clark, Stockport, Iowa, in place of H. E. Smith, transferred.

KANSAS

David W. Fowler, Admire, Kans., in place of C. W. Romer, resigned.
Wayne E. Rinne, Gardner, Kans., in place of E. E. Moore, transferred.
Everett J. Fritts, Gorham, Kans., in place of P. P. Mudd, transferred.
Jean D. Fretz, Liberal, Kans., in place of E. R. Jones, deceased.
Fern E. Warnock, Partridge, Kans., in place of Agnes Lennen, resigned.

KENTUCKY

David Combs, Bulan, Ky., in place of Estill Hurt, retired.
Robert H. Eckler, Dry Ridge, Ky., in place of F. E. Thomas, resigned.
Kendall L. Alexander, Crofton, Ky., in place of D. S. Mitchell, resigned.
Margaret S. McCoy, Ekron, Ky., in place of L. G. Palmer, retired.
James Wayne Hargan, Fort Knox, Ky., in place of S. H. Jones, deceased.
Mervyn E. Allen, Vine Grove, Ky., in place of J. A. Gross, retired.

LOUISIANA

Melvin J. Hester, Basile, La., in place of Frank Reed, deceased.
Henry P. Ponstein, Chalmette, La., in place of Carmen Colomb, deceased.
Mastin A. Robison, Oil City, La., in place of J. F. George, resigned.

MAINE

Allan Joseph Wentworth, Kittery, Maine, in place of N. R. Hubbard, retired.
Edward A. Ludwig, Washington, Maine, in place of F. L. Ludwig, retired.

MASSACHUSETTS

Roger H. Hinds, Canton, Mass., in place of A. H. Gibson, deceased.
William R. Pleshaw, Framingham, Mass., in place of C. R. Halloran, transferred.
Roy W. Jacques, North Oxford, Mass., in place of William Bacon, deceased.
Candido A. Torcoletti, Southboro, Mass., in place of R. H. Howes, retired.
David F. Studley, West Hanover, Mass., in place of P. J. Hanbery, deceased.

MICHIGAN

Ralph I. Burns, Alpena, Mich., in place of S. J. Davison, retired.
Francis C. Fuller, Avoca, Mich, in place of E. B. Knisley, retired.
Alton C. Britton, Battle Creek, Mich., in place of J. O. Curry, retired.
Doris E. Farley, Breedsville, Mich, in place of W. B. Cassada, resigned.
Andrew R. Farnsworth, Holt, Mich., in place of M. P. Hancock, resigned.
Lavon J. Fare, Stanton, Mich., in place of R. A. Cutler, retired.
Gordon H. Buckner, St. Clair, Mich., in place of J. C. Chamberlin, retired.

MINNESOTA

Clarence J. Verthein, Hokah, Minn., in place of P. R. Reilly, retired.
Alvord J. Dammann, Sanborn, Minn., in place of H. E. Kent, retired.
Archie C. Twett, South St. Paul, Minn., in place of Andrew Reid, deceased.

MISSISSIPPI

Lealon P. Yarber, Belmont, Miss., in place of L. C. Davis, retired.
Euree J. Grantham, Mendenhall, Miss., in place of H. W. Mangum, removed.

MISSOURI

John H. Jones, Ethel, Mo., in place of J. A. Byler, retired.
Carl W. McKinney, Houston, Mo., in place of Charles Gentry, deceased.
Margaret H. Mackie, Mexico, Mo., in place of M. H. Stewart, retired.
Eldon R. Woods, Orrick, Mo., in place of Ruth Vandiver, retired.

MONTANA

Lewis R. Knox, Helena, Mont., in place of J. R. Wine, deceased.

NEBRASKA

Norris P. Sensel, Culbertson, Nebr., in place of L. H. Metzer, retired.
James L. Vrba, Howells, Nebr., in place of B. E. Busch, retired.

NEW HAMPSHIRE

Raymond H. Chase, Dover, N. H., in place of Edward Reilly, retired.

NEW JERSEY

Helen A. Grod, Hackensack, N. J., in place of Charles Orth, retired.
Geoffrey A. Parmee, Ringwood, N. J., in place of W. D. Carleton, retired.

NEW MEXICO

John R. Goddard, El Rito, N. Mex., in place of D. M. Chavez, retired.

NEW YORK

Arthur T. Guyer, Celoron, N. Y., in place of O. H. Hanson, deceased.
Peter C. Curtin, Chateaugay, N. Y., in place of T. B. Ryan, deceased.
Elbert H. Wild, Copiague, N. Y., in place of Ellen Longpre, retired.
Abbott L. Dibblee, Garden City, N. Y., in place of G. A. Wagner, removed.
Edwin H. Baker, Hancock, N. Y., in place of L. L. Lakin, retired.
Leslie G. Clark, Lakemont, N. Y., in place of C. R. Hinson, resigned.
Marjorie D. Tabor, Meridian, N. Y., in place of N. H. Davis, retired.

NORTH CAROLINA

William Oliver Keller, Lake Lure, N. C., in place of E. S. Holliman, resigned.

NORTH DAKOTA

Michael Martin, Jr., Forbes, N. Dak., in place of Otto Bollinger, removed.

OHIO

Richard J. Phillips, Bowling Green, Ohio, in place of H. B. Davis, transferred.

OKLAHOMA

Edward E. Easton, Muskogee, Okla., in place of Harold Cartwright, resigned.
George E. Snethen, Sulphur, Okla., in place of B. M. Williams, resigned.

OREGON

Francis L. Norton, Blachly, Oreg., in place of G. J. Pritchard, resigned.

PENNSYLVANIA

William H. Strauch, Cressona, Pa., in place of H. C. Beck, retired.
Charles R. Root, Gillett, Pa., in place of O. M. Harkness, deceased.
Julia K. Hammond, Lima, Pa., in place of L. J. Wood, deceased.

SOUTH CAROLINA

James M. Ritter, Cope, S. C., in place of D. J. Laffitte, retired.
Charles C. Withington, Greenville, S. C., in place of D. D. Davis, resigned.
William F. Lanier, La France, S. C., in place of M. H. Moore, deceased.
William R. Shealy, Little Mountain, S. C., in place of A. E. Boland, retired.
Harry E. Moose, Newberry, S. C., in place of G. K. Dominick, resigned.
John J. Wise, Rock Hill, S. C., in place of T. S. Gettys, resigned.

TENNESSEE

Norris Y. Brown, Bullsgap, Tenn., in place of V. C. Pendleton, retired.
Robert I. Taylor, Jr., Dyersburg, Tenn., in place of R. R. Jones, transferred.
Filbert G. McIlwain, Holladay, Tenn., in place of H. D. Eaves, transferred.
Sarah L. Graves, Louisville, Tenn., in place of G. L. Cox, resigned.
Fred Gentry, McEwen, Tenn., in place of O. C. Doyle, Jr., transferred.
Jesse F. Branson, Washburn, Tenn., in place of N. B. Rucker, retired.
Robert H. Eddings, Westmoreland, Tenn., in place of J. E. Law, transferred.
Gettis H. Hudson, Whitwell, Tenn., in place of H. E. Hudson, retired.

TEXAS

Johnnie E. Brown, Alba, Tex., in place of Arlie Farrington, transferred.
Warren R. Howery, Aransas Pass, Tex., in place of R. P. Park, resigned.
Travis A. Barnes, Jr., Chester, Tex., in place of J. L. Howard, resigned.
Spencer H. Mayes, Graham, Tex., in place of W. E. Simpson, removed.
William H. Watson, Naples, Tex., in place of O. A. Walls, deceased.
Lloyd C. Miller, Panhandle, Tex., in place of L. B. Gramer, resigned.
Allie Cayard, Port Neches, Tex., in place of B. C. Howell, deceased.

VIRGINIA

Harry G. Penley, Gate City, Va., in place of H. B. Quillen, Jr., resigned.
Leo W. Arthur, Hurt, Va., in place of J. B. Robertson, resigned.
Dorothy M. Cliborne, McKenney, Va., in place of M. H. Hardy, retired.

WASHINGTON

Mabel P. Rayback, Des Moines, Wash., in place of E. L. Baker, retired.
George J. Morry, Seattle, Wash., in place of G. E. Starr, retired.

WEST VIRGINIA

Richard L. McDowell, Burlington, W. Va., in place of L. E. Humphrey, retired.
Ralph C. May, St. Albans, W. Va., in place of H. E. Riddleberger, resigned.
Raymond Stanley, Sylvester, W. Va., in place of W. R. Martin, resigned.

WISCONSIN

Robert R. Smith, Caroline, Wis., in place of O. R. Erdmann, retired.
Robert J. Antes, Evansville, Wis., in place of R. E. Reckord, retired.
Matilda J. Loden, Granville, Wis., in place of H. M. Pfeil, resigned.

Anthony Janoch, Herbster, Wis., in place of C. A. Nelson, retired.

Richard J. LeJeune, Solon Springs, Wis., in place of V. A. Patterson, retired.

Terence P. Arseneau, Washburn, Wis., in place of J. T. O'Sullivan, retired.

Leonard J. Giebink, Waupun, Wis., in place of J. C. O'Connell, transferred.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 31 (legislative day of May 2), 1955:

DIPLOMATIC AND FOREIGN SERVICE

Selden Chapin, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iran.

Richard Lee Jones, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 31, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, grant that in these perilous days with their ever-shifting human scenes, we may find our peace and security in Thee and those laws and principles which we know are authentic and abiding.

May we give ourselves gladly and unreservedly to the guidance of Thy spirit, knowing that Thy ways are the ways of pleasantness and peace.

Inspire us with courage to believe that the forces of evil, however gigantic and terrible, are not too great for Thy divine power to defeat and destroy.

Grant that we may place all our confidence in the Christ, that friend who will never fail or forsake us, but who is the friend sticking closer than a brother.

Hear us in His name, who is ever the same, yesterday, today, and forever. Amen.

The Journal of the proceedings of Friday, May 27, 1955, was read and approved.

RESEARCH IN DEVELOPMENT AND UTILIZATION OF SALINE WATERS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ENGLE, ASPINALL, O'BRIEN of New York, MILLER of Nebraska, and SAYLOR.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON AUTHORIZED FEDERAL RECLAMATION PROJECTS BY IRRIGATION DISTRICTS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ENGLE, ASPINALL, O'BRIEN of New York, MILLER of Nebraska, and SAYLOR.

LIBERALIZING SOCIAL-SECURITY LAW

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Speaker, I have today introduced legislation which is designed to liberalize our social-security law in two areas in which present law is totally inadequate in protecting our American workers and their families. The amendments which would be accomplished by the enactment of my bill are necessary and long-overdue improvements in our social-security law. By acting favorably on my bill, Congress will have passed legislation to make the social-security law more equitable and to eliminate many hardship situations that exist in present law.

One of the amendments proposed in my bill would for the first time make disability benefits available to a covered worker and his dependents at any time that the worker sustains a total extended disability. Under present law, a worker who becomes disabled prior to attaining age 65 is required to wait for his benefits until he reaches retirement age. This inequity in the old-age and survivors insurance program has resulted in the loss of self-respect and financial security by workers who suffer the misfortune of becoming seriously injured. This condition creates not only a hardship for the worker but also imposes intolerable economic and social consequences on the worker's family.

We have made tremendous strides in the last two decades in developing facilities for the rehabilitation of our disabled citizens. I am confident that the enactment of my bill to provide old-age and survivors insurance benefits to disabled workers will contribute materially to further progress in worker rehabilitation. It is my view that by making disability benefits available under the old-age and survivors insurance program, we will succeed in shortening the period of disability rather than prolonging it. I base this opinion on the fact that through disability benefits we will have provided the disabled worker with a minimum floor of protection against poverty and want. We will have kept him from becoming a public charge and will have enabled him to provide for his family. It cannot be disputed that a worker who becomes totally injured is as much in need of social-security benefits as is a person who is unable to work for reasons of age.

It is estimated that approximately 2 million American citizens will benefit from the enactment of the provision of my bill which would make disability benefits available. These people would receive in benefits approximately $1.5 billion per year.

The second long-overdue improvement in our social-security law which my bill would accomplish is to make old-age and survivors insurance benefits available to women at age 62, instead of requiring them to wait until they have become 65 years of age. This amendment would make a woman who is 2 or 3 years younger than her husband eligible for benefits at the same time that he becomes eligible for old-age and survivors insurance benefits upon attaining age 65. It also would mean that widows will be able to draw benefits at a younger age than is permitted at the present time. It is estimated that in the first full year of operation this amendment will provide $400 million in benefits to approximately 700,000 women. Eventually, the amendment will aid over 1 million women annually with annual benefit payments equaling approximately $1 billion.

As a member of the Committee on Ways and Means, I have introduced this important legislation with a view to asking for immediate study of the proposals by the Department of Health, Education, and Welfare. It is also my purpose to ask the earliest possible consideration of these amendments to the social-security law by the Congress of the United States. The costs of liberalizing the old-age and survivors insurance program as provided in my bill would be far outweighed by the benefit that will be derived by the American public.

UPPER COLORADO RIVER STORAGE PROJECT NEEDS FACTS, NOT EMOTION

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, the discussion of the proposed upper Colorado River storage project which has so far occurred from the forum has, in general, created much more heat than light on this very important subject.

It is a vital subject, both from the standpoint of the tremendous proposed expenditures of Federal taxpayers' funds and its consequences with respect to the national debt, and from the standpoint

of the continuing and future welfare of the regions of our country dependent upon the waters of the Colorado River for their present and future welfare.

Water is the lifeblood of the West. The continued availability to southern California of her apportioned share of the Colorado's waters is a prime requisite of her ability to support the 6 million souls she counts as her population.

Her rights to the Colorado's waters were acquired by contract, by appropriation and by the Colorado River compact. Southern California, the State of California, and the Representatives in this House from southern California, all of whom have joined in unanimous opposition to the proposed Colorado River storage project as now planned, are not seeking one additional drop of the river's waters. We seek only to protect what rights we now have from being trampled by the manner in which the storage project is presently planned and to be operated.

Inasmuch as one of my colleagues, the gentleman from Utah [Mr. DAWSON], in a speech from this well last week used the words and phrases "distortion," "misinformation," "false assumption," "utterly fantastic conclusions," "misrepresentation," "misleading," "high-pressure campaign," "wrongness," and "unfair attacks" to characterize the opposition expressed to the project by my colleague from southern California [Mr. HOLIFIELD], as a southern Californian I wish to deny the implication of such language.

I wish also to reiterate to this House that no one in southern California objects to the full use by the upper-basin States of the water to which they may be entitled under the Colorado River compact and otherwise if they choose to do so without trampling California's rights.

I do wish to make it clear that southern California's opposition can in no fair sense be characterized by the adjectives chosen by the gentleman from Utah. I reiterate—we only seek to protect what water is ours by compact, contract, and prior appropriation. We fairly and squarely observe the Colorado River compact and only insist that the upper-basin States do so in whatever projects they may plan and operate in the upper basin. That insistence should not be characterized as some of the upper-basin proponents have been doing. I ask the Members of this House only to disregard the heat, and observe the light of the discussion that may occur on this important issue.

THE LATE HONORABLE HAROLD M. STEPHENS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial appearing in the Washington Post and Times Herald of May 30.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the death of Chief Judge Harold M. Stephens, of the United States Court of Appeals, takes from our ranks a great American, an outstanding jurist, and a fine gentleman. For Judge Stephens was all of these, and more. The fine life he had was an example for all others to follow.

It was my pleasure to meet Judge Stephens some years ago and from that meeting there developed a friendship between us. I shall miss him very much.

Judge Stephens was one of the ablest and most respected members of the Federal judiciary.

His profound knowledge of law and his devotion to duty has added luster to the judiciary of the United States. He was also a builder. When he saw weaknesses in our judicial system, he gave of his ability and time in correcting them by administrative action, and when necessary by legislative action.

Chief Judge Stephens recognized the importance of an independent judiciary—as independent "as the lot of man will permit." He recognized that for our judges to be as freely independent as is humanly possible, that economic considerations played an important part, particularly to get the best qualified lawyers to accept judicial appointment.

I can testify to the fact that no person outside of Congress played a more important part in the passage of the recent bill increasing the salary of Federal judges, as well as the one passed by Congress several years ago, than did Judge Stephens. He did not do this because of personal interest; he did it because he felt the two increases of salary in recent years, long delayed, were acts of justice to his colleagues on the Federal bench. The judges of our Federal courts will always remember Judge Stephens. He has left his indelible imprint on the pages of the judicial history of our country.

I extend to Mrs. Stephens my profound sympathy in her great loss and sorrow.

But I am sure in her sorrow that Mrs. Stephens will derive great consolation in the beautiful and constructive life her husband led, and the widespread deep respect entertained for her distinguished husband.

[From the Washington Post and Times Herald of May 30, 1955]

HAROLD M. STEPHENS

As chief judge of the United States Court of Appeals, Harold M. Stephens made a profound impression upon the American bench and bar. He presided over the court with dignity tempered by an innate humility, with diligence that amounted to a passion, and with an acute sense of judicial responsibility. In the literal meaning of the words, he was a judge's judge.

In recognition of his brilliance as a student of the law and as a prosecutor and practicing attorney, he was made a judge of the Third Judicial Court in Salt Lake City at the age of 31. At the end of his 4-year term he went back to practice, took graduate courses at the University of California and Harvard Law School, and came to Washington as Assistant Attorney General in 1933. Even as a Government lawyer arguing cases in the Supreme Court in the turbulent days of the New Deal, his judicial temperament and his unswerving loyalty to the concept of a fair trial were much in evidence. While trying to save the Petroleum Code in the "hot oil" cases, he candidly admitted that that code had been enforced for a year without a penal section.

Judge Stephens' rank acknowledgment that men were being indicted and sent to jail for violating Executive orders that were difficult to find in print led to the creation of the Federal Register, in which all official regulations are now published. Both on and off the bench he was a stickler for orderly and proper procedures. An expert on judicial rules, he devoted an enormous part of his time as chief judge to administrative and procedural problems. Last year he personally handled 1,776 of the 2,500 motions and petitions filed in the court of appeals and presided over 745 three-judge hearings on motions. His colleagues give him credit for establishing a motions-calendar system that has eliminated the previous chaos in this sphere and brought the hearing of motions up to date.

As a member of the United States Judicial Conference, Judge Stephens exerted a powerful influence toward improvement of the whole judicial system. He worked for the establishment of the administrative office of the United States courts and was the spark-plug behind two salary increases for judges. The District's new courthouse will long stand as a monument to the persistence and drive of Judge Stephens, former Chief Judge D. Lawrence Groner, Chief Judge Laws of the District court, and a few others.

In the decision of cases Judge Stephens was a perfectionist. He didn't like to make up his mind until he had read and pondered everything bearing on a case. It was not unusual for him to cite 25 cases pertinent to a point at issue. When his laborious homework had been done, he brought to the court a rare quality of legal judgment. While this newspaper sometimes challenged his conclusions, as in the Thompson's Restaurant case, we always maintained great respect for his objectivity and his independent pursuit of the facts and the law. His talent for handling legal technicalities gave him a special expertise in patent law, and he wrote many opinions in this field.

Always alert to injustice, he had a passion for hearing everyone who knocked at the door of the court. Sometimes his leniency in favoring reargument of cases troubled his colleagues, but they respected his purpose of giving every man his day in court. In personal relations the "Judge," as he was so often called, seemed to have the good will and affection of everyone. His passing leaves a gaping hole in the court of appeals but adds another chapter of great achievement to the history of the American judiciary.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KEATING. I should like to join, Mr. Speaker, in this tribute to Judge Stephens who served with indefatigability and great distinction as chief judge of the court of appeals here in the District. He was recognized as one of the leading jurists of the country. Combined in him to an unusual degree were those sterling qualities which mark an outstanding judge. He has left a wonderful record behind him which the lawyers and the judges of this country will long seek to emulate.

To Mrs. Stephens, his constant companion and loving helpmate, we all extend our profound sympathy.

THE COLORADO RIVER COMPACT

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, being from Nebraska, I can look rather objectively at the Colorado River controversy. It is hard for those closely concerned to be unbiased. We should remember that 33 years ago the upper Colorado River compact between the upper Colorado River States and the lower river States was entered into. Under that compact, the lower compact States got about one-half of the water in the Colorado River. California needed the water and has prospered with it. Now the upper States are here asking for their share of the water. Water has been running at the rate of 4 million acre-feet each year to the sea without being used, damming up Lake Mead with silt and not being used. It seems to me there are some selfish interests in Southern California, who not only want the water they get under the Colorado River compact, but they also want the water belonging to the upper States. It seems to me in all fairness, under the compact entered into 33 years ago, the upper States ought to have the right to that water which now runs to the ocean without being used. The building of dams to hold the water back will prolong the life of Lake Mead. It will permit Southern California to get additional water. They will need it to meet the demands of their growing population. Under no stretch of imagination are they under the compact entitled to water of the upper States.

THE UNITED STATES AND COLONIALISM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I shall introduce at the conclusion of my remarks the following concurrent resolution: It is written in the simple language of truth:

Whereas Communist imperialism and other forms of colonialism constitute a denial of the inalienable rights of man; and

Whereas the people of the United States have traditionally supported other peoples in their aspirations to achieve self-government or independence and in their struggle against tyranny or domination: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States should administer its foreign policies and programs and exercise its influence through its membership in the United Nations and in other international organizations so as to support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

The era of colonialism has passed, but some important colonial territories still remain, primarily in Asia and Africa. Since the end of World War II independence has been achieved by India, Pakistan, Burma, Ceylon, Indonesia, Libya, Jordan, and Israel. In accordance with our promises, the Philippines became an independent Republic July 4, 1946. In Indochina, Viet-Nam, Laos, and Cambodia have progressively been granted greater measures of independence within the French Union.

The determination of most nations to bring an end to colonialism has been evidenced in a concerted effort to develop the dependent areas through regional organizations and through the United Nations. In most of the trust territories at present under the United Nations the measures taken to develop the economy, improve condiitons of health, and to further education—in pure financial terms might well represent a liability rather than an asset to the governments charged with the administration of these territories. Such action by the world community is diametrically in opposition to the subjugation of peoples and exploitation of resources which was commonly identified with colonialism of a century or two ago.

While the United Nations and individual governments have been taking constructive measures envisaging a gradual transition toward complete freedom for those areas still in a dependent status, there have been two noteworthy developments. First, the spirit of nationalism has been aroused and a demand for complete independence has emerged in the colonial areas. This demand is supported by many of the free nations of Asia, the Near East, and Africa. They urge the acquisition of complete independence by present colonial areas at an earlier date than is generally envisaged in the concept of gradual transition to self-government fostered by powers administering dependent territories. Secondly, communism is attempting to utilize this antipathy toward colonialism as a means for hoisting its own adherents into power in various Asian and African areas. If they succeed, the independence and freedom to which the dependent peoples aspire would be denied.

This poses the problem not only of accelerating the development of dependent areas to permit self-government as early as may be practicable but it requires that military, economic and political safeguards be erected to guarantee the achievement of that independence.

At the recent Asian-African Conference in Bandung, Indonesia, there was near unanimity of the many Asian and African nations there represented in condemning colonialism. With the exception of Communist China and a few of the neutral states there was also an overwhelming condemnation of communism as a form of colonialism more deadly than traditional colonialism itself. With proper implementation, support and assistance, this conference could be historic in its results.

I cannot but commend the alertness and sincerity of the leaders who refused to be lulled into the false security of neutralism or otherwise to play the ostrich's role before the clear and present danger of Communist imperialism, while we unwisely ignored the conference. It was as if our Nation had been represented there, for nowhere could the idealism of the free world have found a more forceful articulation.

We of this country should find a way to express our unanimous appreciation of the Bandung article of faith in the democracy and freedom which so unmistakably bear the imprint of the American mind. That article of faith spelled out the end of all imperialism, Communist as well as colonial. We were not there in the flesh, but we were there certainly in spirit as far as the condemnation of Communist imperialism went. However, what have we to say—we who are supposed to lead the whole free world—as to the imperialism of colonialism?

The American attitutde toward the aspirations of the dependent peoples of the world does not, unfortunately, instill confidence in their minds. The American vote on various issues involving the nationalist as well as fundamental rights of submerged human collectivities has not, I am afraid, been conducive to confidence on the part of many countries, especially the small ones. There has been something equivocal in the line our international representatives have followed, something indeed that departs from the glorious tradition consecrated by our colonial ancestors, and the framers of the Constitution.

While the attitude of the United States toward colonialism should be well known it may be opportune at this particular time to restate certain facts which bear upon our historical position.

Throughout our history colonial peoples the world over have looked upon the United States as the champion of liberty and independence. The emergence of the United States from colonial status to full independence after the American Revolution stood as an inspiration to many peoples throughout the world still in a state of political subjection. Among these peoples Thomas Jefferson and George Washington were symbols of their own hope for freedom. Patrick Henry's "give me liberty or give me death" was quoted as much abroad as here in the United States. In a later period the photograph of Woodrow Wilson could be found on the walls of mud huts and thatched cottages in many of the world's colonies. His ringing call for self-determination of peoples struck up a flame of hope in subject peoples throughout the world.

Throughout its history the American people have spoken of freedom but have taken firm measures to achieve it for others. Our ancestors came to this country to escape the tyrannies of the Old World. Then they found themselves still under the yoke of the English monarch and that was not what they expected. The colonial atmosphere proved too stifling for their free minds, and they revolted. Hence the American Revolution of imperishable glory.

Our colonial forefathers threw off the yoke and as far as our Republic was concerned colonialism was finished. We learned the hard way that man could not enjoy his rights under subjection and from then on the hearts and minds of our people were set on the goal of liberty for America, liberty for the whole world.

We were cradled in liberty, have reached maturity in liberty. Nothing can take away from us the conviction that man must in the first place be guaranteed his freedom, if he is to exist decently and advance in life. That is why

the formulation of our Bill of Rights is one of the greatest achievements of the builders of the American Nation.

The Bills of Rights is the cornerstone of our Republic and as long as it endures—and what indeed can destroy its granite foundations?—as long will the citizen of this land remain master of his destiny.

In Latin America, we have followed a policy which, expressed in the Monroe Doctrine, prevented an extension of European colonialism to the Western Hemisphere. In Asia the United States long stood alone against other powers in its efforts to forestall an extension of spheres of influence in China. We refrained from grabbing spheres of domination of our own. The United States took the lead in putting brakes on the Japanese 21 demands upon China and, though we were not members of the League of Nations, we were the first to announce a policy of nonrecognition of Japan's extension of its colonial empire to Manchuria. In Africa, the role of the United States in creating the independent Republic of Liberia was in sharp contrast to the pattern of colonialism which then prevailed on that continent.

At the end of the First World War the United States insisted upon the mandate system for the former colonies of the Ottoman Empire and of Gemany. In so doing we defied pressures for outright annexation and for an extension of the colonial system. It was our purpose that the people of these areas should not be debarred from eventual independence. Today Syria, Lebanon, Jordon, Iraq, and Palestine—Israel—all of them at one time league of national mandates, are free and independent States.

At the end of World War II we determined that Korea should attain its independence after having suffered as a colony of Japan for half a century. The sacrifices made by the United States and other members of the United Nations in defending that independence against aggression attest beyond any spoken word to the vigor and sincerity of the policy of the United States in support of free self-government.

In like manner we supported arrangements which were made through the United Nations for independence or self-government in the former Italian colonies in Africa. Libya is now independent, Somaliland is under trusteeship for a transitional period with independence envisaged in 1960. Eritrea has autonomy in a federal relationship with Ethiopia.

Since the end of World War II we have welcomed the attainment of independence by those countries which joined the family of sovereign nations during that period. Insofar as was permissible, without interfering in the internal affairs of other states, we exercised our influence in support of the achievement of that independence; we quickly recognized the new republics and have maintained friendly relations with them on a basis of mutual respect.

What is our own record as a colonial power? History, I think, will rule that the Spanish-American War was to the ultimate benefit of the peoples of Cuba, the Philippines, and Puerto Rico. Cuba's freedom was promptly recognized by the United States. In the Philippines the United States pursued a policy of preparing the Filipinos for independence and granted that independence on schedule as promised. That independence was granted without revolution. The Philippines were not abandoned to cope alone with the growing pains of independence, but close ties between the American and Philippine Governments have been maintained on a voluntary basis.

The distinguished Philippine statesman, Carlos Romulo, while joining with the other delegates at the recent Bandung Conference in declaring that the era of colonialism had come to an end, defended the relationship between his country and the United States. He asserted that the Philippines were not a mere tool of the United States. He challenged those powers which continued to hold peoples in a subservient status to permit the same kind of open criticism the Filipinos sometimes make against the United States. We may be proud of a policy in the Philippines which has resulted in the close bonds which now exist between the United States and that Republic, and which at the same time permits that freedom of expression which reflects true independence.

Through application of the principle of self-determination, Puerto Rico has emerged from its dependent status and at present is a self-governing commonwealth voluntarily associated with the United States under a freely concluded compact.

As a most recent expression of United States policy, at the Manila Conference in September 1954, we joined with seven other nations in adhering to the Pacific Charter. The signatories proclaimed that—

> They uphold the principle of equal rights and self-determination of peoples and they will earnestly strive by every peaceful means to promote self-government and to secure the independence of all countries whose peoples desire it and are able to undertake its responsibilities.

Notwithstanding this historic record of the United States in supporting independence and the self-determination of peoples, in the eyes of many in Asia, Africa, and the Near East that record of opposition to colonialism has become blurred. Our response to the urgings of Morocco and Tunisia for a greater measure of self-government or independence has been interpreted as a departure from our historic aims in the interest of not offending a European ally. There has been a tendency on the part of many free peoples of Asia and Africa to identify the United States with the French delays in granting full independence in Indochina. They feel that our policy has been concerned primarily with opposition to the aggressive extension of communism and that we have failed to give our support with the same vitality to self-determination for the people of Indochina.

Asian and African leaders understand the need for developing a capacity for self-government on the part of those aspiring to rule themselves. They also understand that complex problems must be dealt with in dealing with the legitimate economic and other interests of the former administering power. They understand that a vacuum cannot be created which would permit a Communist take-over. While being realistic in these matters they are also realistic in detecting insincerity of purpose and are unwilling to concede that the purpose of granting independence or self-government to the subject peoples should be qualified or diluted by inadequate pretexts.

The United States has long been a beacon for those who aspire to complete freedom. Throughout our history we have been the hope of oppressed peoples. A declaration by both Houses of Congress emphatically restating our historic support for the principle of self-determination and our opposition to colonialism would go far toward rekindling the fires of liberty which for so long have shone from our shores. Such a resolution would dispel any misinterpretation of our true aims at a time when many peoples are in doubt and have been led to believe falsely that the United States has abandoned its historic policy. It would reconfirm our historic position as the champion of freedom.

Finally, may I say that America's record has been untarnished with imperialism, and that to declare now in straightforward language supporting the free and those struggling to be free, would place us definitely in the forefront of the champions of human liberty. I see no better time to do this than now for tomorrow may mean forfeiture of our moral leadership and the distrust of the world.

Speaking extraneously we expected a cry against our country, but on the contrary we had representatives of the small countries who are on the battle-front, facing the Communist threat, speaking forth with courage, the message that comes from the minds of men and women who want to be free under the law. To me, that was the greatest message that came from Bandung with the representatives of these small countries, speaking with courage right to the face of the leader of Red China.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. GROSS. Immediately following the Bandung Conference, we apparently gave our support to the restoration of a playboy monarch to the throne of Indochina. If the gentleman wants to pinpoint his resolution he can very well point to this Bao Dai, the playboy, French puppet emperor of Indochina, who sat out World War II on the French Riviera, and who is there now and who has been installed as monarch to head the Government of Indochina. That is contrary to any rule of self-determination or freedom. I commend the distinguished gentleman from Massachusetts for his resolution.

Mr. McCORMACK. The gentleman has referred to one of the troublesome spots and one of the troublesome conditions. I agree with the gentleman in his observations. The resolution which I have introduced represents many months of thought on my part. The resolving action today covers that situation. It is a redeclaration of what

those in the Revolutionary period fought for and the framers of the Constitution, the fathers of our country, gave to us and to the world. The adoption of this by the people's Congress will be a message to every person throughout the world who wanted to be free in all lands, even those behind the Iron Curtain, who are praying and hoping for a day of deliverance. The adoption of this resolution can be utilized by the leaders of those countries among their own people in an affirmative way, showing that America has never deviated from the path intended by the framers of the Constitution. The adoption of this resolution by the United States Congress, the representatives of our great people, will be a clarion call that can be used by leaders of so many nations and so many peoples throughout the world.

I have expressed my thoughts in more detail in the remarks I have prepared and heretofore made. I sincerely hope that the Committee on Foreign Affairs will consider this resolution as quickly as possible, as well as the appropriate committee in the other branch, and that the concurrent resolution will be speedily acted upon. Before introducing it I showed it to my friend, General Romulo. His pleasure was clearly manifested to me, that the adoption of this resolution by the Congress could be utilized by him and others among their own people in an affirmative way, in furthering democracy, the most effective way of combating communism, imperialism, and international communism.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mrs. ROGERS of Massachusetts. Does the gentleman remember when the House passed a resolution which stated that we believed that Israel should be a commonwealth? It had much to do, I think, with bringing that to pass.

Mr. McCORMACK. A free and independent nation. I agree with the gentlewoman.

Mrs. ROGERS of Massachusetts. It was very effective in bringing it to pass.

Mr. McCORMACK. A resolution of this kind can be so far-reaching in the troubled world of today; it crystallizes again the time-honored position of our country, rededicating ourselves to our traditional history and the intent of the framers of our country, a message of hope to other people, and the restoration of confidence in their minds in the moral leadership of our great country toward the establishment of government under law, free and independent, where people can undertake in their own way to obtain their national hopes and their national aspirations.

I hope that this will be supported from a bipartisan angle. This is not introduced other than from one angle; namely, to set forth again in clear language the simple truth. That is all this resolution provides for, the simple truth as to what your country and my country has always stood for; but declaring it in the face of world uncertainty so there will be no misunderstanding in the minds of the peoples and the leaders of all countries whether outside of or behind the Iron Curtain.

I appreciate very much the attention given to the remarks I have made in connection with the introduction of this resolution. I think at this particular time, Mr. Speaker, we will be making a decided contribution to the objective we and all freedom loving people seek by the quick adoption of this resolution by both branches of the Congress.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. EDMONDSON. Early in World War II a historic document known as the Atlantic Charter was a great force in the uniting of the free peoples all over the world in the fight against nazism and fascism. I think the resolution the gentleman has just introduced might very well be classed with that type of historic document, for it is the same type of historic call to a great cause which the Atlantic Charter sounded in World War II; and I want to express my appreciation to the gentleman not only for the stirring language of the resolution, but also for the spirit in which it is offered.

Mr. McCORMACK. I appreciate very much the remarks made by my distinguished friend from Oklahoma.

I cannot too strongly urge the meaning and the significance of a simple resolution such as I have introduced based on truth, because as you and I know, truth never changes. Truth may be twisted by some, but the desire of men and women to wish to be free under law is an inherent desire. Dictators, cruel or otherwise, may suppress it, but they can never destroy it because it comes into the minds of human beings from God Himself. The natural law is truth. The desire to secure the fruits of our efforts is a desire which is born in mankind; man does not supply it, man cannot suppress it, man can never destroy it. The desire for liberty can never be destroyed. It may be temporarily distressed, but never destroyed.

A resolution of this kind in the world of today, a resolution which expresses a truth believed in by so many countless millions of people cannot help but do much to combat the vicious destructive influences of communism, more than almost anything else we could do. The battle is not going to be won necessarily by military might, although we must keep ourselves strong, but the real progress is going to be made from another angle, from the angle of the spirit, through moral force, a force which represents the aspirations of individuals and nations and peoples whether free or subjugated.

This resolution is an expression of what America fought for in the Revolutionary War and what our fathers gave to us and what America has always stood for. A reiteration of it at this time is an answer to the fitting observations made by my friend, the gentleman from Iowa [Mr. GROSS], and even further, it is an answer to other people who in their minds have tried to create uncertainty and doubt as to the intent of the people of America, doubt as to her actions in a free world.

And so I believe that the adoption of this resolution will do more to clarify the atmosphere and to give hope and faith to leaders of peoples in other nations than almost anything we can do, and it is an effective answer to the destructive efforts and the fake propaganda of communism.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WALTER and to include a resolution adopted by the American Legion and an address delivered by him.

Mr. TALLE and to include pertinent matter.

Mr. VAN ZANDT in three instances.

Mr. SMITH of Mississippi.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 24 minutes p. m.) the House adjourned until tomorrow, June 1, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

853. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting a report on research and development in the Government, pursuant to Public Law 108, 83d Congress (H. Doc. No. 174); to the Committee on Government Operations and ordered to be printed.

854. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to amend the Officer Personnel Act of 1947 to provide for the retention on active duty of certain officers of the Regular Army"; to the Committee on Armed Services.

855. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, relative to the case of Michael George Ahee, also known as Mike George and Mike Abdellah, A-4570868, involving suspension of deportation, and requesting that it be withdrawn from the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON:

H. R. 6558. A bill to provide effective congressional control over the budget of the United States, and for other purposes; to the Committee on Government Operations.

By Mr. ALGER:

H. R. 6559. A bill to provide for a Commission on Naval Vessels; to the Committee on Armed Services.

H. R. 6560. A bill to terminate certain functions of the Public Housing Administration, and for other purposes; to the Committee on Banking and Currency.

H. R. 6561. A bill prohibiting a member of the Home Loan Bank Board from being a member of the Board of Trustees of the Federal Savings and Loan Insurance Corporation; to the Committee on Banking and Currency.

H. R. 6562. A bill relating to the transfer of funds by the Housing and Home Finance Administrator; to the Committee on Banking and Currency.

H. R. 6563. A bill relating to the traffic management functions of the General Services Administration; to the Committee on Government Operations.

H. R. 6564. A bill relating to the authority of the Secretary of the Treasury to purchase obligations issued pursuant to section 11 of the Federal Home Loan Bank Act, as amended; to the Committee on Banking and Currency.

H. R. 6565. A bill relating to the retirement of the capital stock of the Federal Savings and Loan Insurance Corporation, and for other purposes; to the Committee on Banking and Currency.

H. R. 6566. A bill providing for a survey by the Comptroller General of the United States of the operation by the Department of Defense of commissary stores and post exchanges; to the Committee on Government Operations.

H. R. 6567. A bill to facilitate the transfer of storage facilities between the military departments; to the Committee on Armed Services.

H. R. 6568. A bill relating to the authority of the Administrator of General Services with respect to the utilization and disposal of excess and surplus Government property under the control of executive agencies; to the Committee on Government Operations.

H. R. 6569. A bill to terminate the authority of the Housing and Home Finance Administrator to make loans to educational institutions for housing construction; to the Committee on Banking and Currency.

H. R. 6570. A bill to change the names of the Public Housing Administration and the Federal Housing Administration; to the Committee on Banking and Currency.

H. R. 6571. A bill to make the Alaska Railroad subject to the Government Corporation Control Act; to the Committee on Government Operations.

H. R. 6572. A bill relating to the transportation of personal motor vehicles for military or civilian personnel; to the Committee on Armed Services.

By Mr. BARTLETT:

H. R. 6573. A bill to authorize renewals of a lease of the Annette Island Airport to the United States; to the Committee on Interior and Insular Affairs.

By Mr. DAVIS of Georgia:

H. R. 6574. A bill to amend section 2 of title IV of the act entitled, "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended; to the Committee on the District of Columbia.

By Mr. DAVIS of Tennessee:

H. R. 6575. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; to the Committee on Public Works.

Br. Mr. JONES of Alabama:

H. R. 6576. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; to the Committee on Public Works.

Br. Mr. FERNÓS-ISERN:

H. R. 6577. A bill to extend the unemployment compensation program to Puerto Rico, and for other purposes; to the Committee on Ways and Means.

By Mr. FLOOD:

H. R. 6578. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. HUDDLESTON:

H. R. 6579. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for interest and taxes paid by the taxpayer for his spouse or for a dependent; to the Committee on Ways and Means.

By Mr. KARSTEN:

H. R. 6580. A bill to amend title II of the Social Security Act to reduce retirement age from 65 to 62 in the case of women, and to provide that any fully insured individual who becomes permanently and totally disabled shall be deemed to have reached retirement age; to the Committee on Ways and Means.

By Mr. WALTER:

H. J. Res. 327. Joint resolution authorizing the President of the United States of America to proclaim May 11 of each year Colonel Kovats Memorial Day for the observance and commemoration of the death of Colonel-Commandant Michael Kovats; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. Con. Res. 149. Concurrent resolution expressing the sense of the Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the House of Representatives, Commonwealth of Massachusetts, memorializing the Congress of the United States to prevent the curtailment of employment or work at the Boston Naval Shipyard in Charlestown, the Boston Naval Shipyard Annex in South Boston, the Naval Ammunition Depot at Hingham, the Boston Army Base in South Boston, and the Watertown Arsenal in Watertown; to the Committee on Armed Services.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to prevent the curtailment of employment or work at the Boston Naval Shipyard in Charlestown, the Boston Naval Shipyard Annex in South Boston, the Naval Ammunition Depot at Hingham, the Boston Army Base in South Boston, and the Watertown Arsenal in Watertown; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Vermont, memorializing the President and the Congress of the United States requesting the extension of the benefits of the old-age and survivors insurance and old-age assistance programs; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii memorializing the President and the Congress of the United States to enact legislation authorizing the issuance of highway revenue bonds in a sum not to exceed $50 million; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii memorializing the President and the Congress of the United States to permit certain exceptions to the laws governing the sale and exchange of public lands in the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. KLEIN introduced a bill (H. R. 6581) for the relief of Virginia Laoudis, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

297. By Mr. HORAN: Petition of 171 residents of the State of Washington, urging Congress to get alcoholic-beverage advertising off the air and out of the channels of interstate commerce and thus protect the rights of States to prevent advertising within their borders; to the Committee on Interstate and Foreign Commerce.

298. By the SPEAKER: Petition of Mrs. Enrico Salvo, Los Angeles, Calif., relative to requesting that a bill be passed that would permit her husband and herself to enter the United States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Foreign Policy Speech Delivered by Hon. Joseph R. McCarthy, of Wisconsin, at Appleton, Wis.

EXTENSION OF REMARKS

OF

HON. JOSEPH R. McCARTHY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, May 31, 1955

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a foreign policy address delivered by me at Appleton, Wis., on May 14, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Fellow Americans, I want to speak to you tonight about our foreign policies. I admit that these past few months—when I speak to the American people—I talk about little else but foreign policy. But foreign policy matters have got to be talked about, and thought about and prayed about—unceasingly—for the very good reason that if we continue to make mistakes in this field, all that we may say or do in the domestic field will be just so much wasted breath and wasted exercise. What do we gain, for example, by reducing taxes or raising farm prices—if tomorrow international communism succeeds in taking over America?

None of us, I suppose, would claim that American foreign policy over the past 10 years has been successful. But I am not here tonight to list the failures—let's leave that task to the historians. Our job is not to recite the mistakes but to try to discover their causes.

At the same time, we have got to keep clearly in mind just how badly we have failed over the past 10 years. I think we will demand a better foreign policy from our Government if we remember the horrible depths of the tragedy—the human tragedy—that has befallen civilization since the end of World War II.

Do you remember your feeling of optimism just 10 years ago this month? It was V-E Day, May 1945. Do you remember the blessed relief in knowing that suffering was nearly over for the human race? Do you remember your bright hopes for the future? And why shouldn't you have had bright hopes for mankind? After all, this country

possessed the mightiest military machine the world had ever known. And our leaders had promised to use all our power to stamp out tyranny and bring freedom to oppressed peoples. We had said in the Atlantic Charter:

"(We) * * * desire to see no territorial changes that do not accord with the expressed wishes of the people concerned * * * (We) respect the right of all peoples to choose the form of government under which they will live; and * * * (we) wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them."

Three months later we heard about the atom bomb. It was frightening news, but at the same time reassuring—because we knew then, for sure, that no force on earth would dare defy us. We had an unchallenged monopoly on the bomb. If international communism wanted to follow in the footsteps of Hitlerism and attempt to conquer the world by force, we could prevent it. Since we had the bomb, we were in a position to stop communism in its tracks—and to roll it back. To be sure, Soviet armies had already occupied Eastern Europe. But with the bomb in our exclusive possession, they would not dare have remained, if we told them to get out. Yes, there was good reason to believe that the world would at last be blessed with freedom and peace—if only we would act boldly and wisely.

But you know what happened. We were neither courageous nor wise. We let the golden opportunity pass. Soviet Russia consolidated her control over the unfortunate nations of Eastern Europe—one by one. Poland, Rumania, Bulgaria—listen to the rollcall, the tragedies we might have prevented—Albania, Latvia, Lithuania, Estonia, Hungary. In 1948 Czechoslovakia fell. In 1949 it was China, the most populous nation in the world. In 1954 it was northern Indochina.

In this short period of time—10 years—nearly 700 million human beings lost their freedom and became Communist slaves. This is both a gross figure and the net figure. For not a single fresh entry appears on our side of the ledger. There is not a single nation that has regained its freedom. There is not a single human being—unless he is a lucky fugitive—who was under the Communist heel in 1945 and has obtained his freedom since then. That is the score to date: 700 million to nothing.

We should remember, too, that communism has not once given up the offensive; it has never stopped advancing. And the free world has consistently backtracked—by retreat or appeasement or surrender. The three horsemen—appeasement, retreat, and surrender. Like the Four Horsemen of the Apocalypse, they are the evils of our time.

In Korea we appeased—we gave the Communists an armistice (which they soon broke) just when we were poised to drive them back to the Yalu.

In Indochina we surrendered. At the infamous Geneva Conference we surrendered 12 million human beings to communism. Some people have the idea that Asiatics don't much care whether they lose their freedom. But do you know that in spite of all the attempts of the Vietminh Communists to keep them in chains, 900,000 Indochinese have abandoned their homes in Communist territory and fled to southern Indochina. These pitiable souls—900,000 of them—are now wandering about, without homes, with not enough to eat, in a country torn by civil war. Most of these people are deeply religious and would rather endure these sufferings than be unable to worship God as they choose.

Then, in the Tachen Island crisis of 3 months ago we retreated. The free world had a bastion off the northern coast of China from which we ordered Chiang Kai-shek to retreat.

In all these years we have been unable to wrest the initiative from the Communists. The question right now, for example, is not whether Red China will consume Quemoy and the Matsu Islands—but when.

So much for the tragedy that is behind us.

The temptation is very great to settle on this factor or that one as the single cause of our foreign policy debacles. But there are, of course, many causes; and I hope, as the weeks go by, to talk about them to the American people—one by one. Tonight, however, there are two such causes to which I want to give special attention.

One is the appalling absence of moral courage that has marked recent national administrations. And I must admit—even with a Republican administration—that on this score things are not improving. I think if you search our 180-year national history you will not find a more shameful episode than the refusal of the current administration to secure the freedom of our Korean prisoners of war.

Now, I've talked about the prisoner-of-war situation before—and I intend to go on talking about it. But there are two facts I don't think I have stressed enough—and these go a long way toward proving that our Government lacks the moral qualities of honesty and courage.

First, most Americans have the impression that only 11, or perhaps 15, American servicemen are in Communist concentration camps. This is absolutely untrue and the administration press agents who continue to use these figures know perfectly well that they are false. The figure was originally 944. That was back in September 1953—right after the postarmistice prisoner exchange was supposed to have been completed. Since then that figure has been reduced by 463—463, as nearly as we can tell, have been murdered—they have been shot or allowed to die by their Communist torturers, which is the same thing. There are thus 481 American uniformed men left in Communist prisons. Remember that figure—481; it represents the latest information we have, as unearthed by the Senate Subcommittee on Investigations only 2 weeks ago.

Now, the second item of misinformation is this: Most Americans are under the impression that the administration first found out about this Communist treachery last November when Red China announced it was going to try several of our airmen as spies. This is also untrue, although the administration is doing its level best to sell the idea to the country. I have here in my hand a document prepared by the Defense Department in September 1953. It proves that the administration knew the full story then. (Read from document.)

The administration has thus had since September 1953 to obtain the release of our prisoners—nearly 2 years—and what has been done about it? You, my fellow Americans, know the full story. Two weeks ago I thought I might learn something that was not public information. Our Senate committee thought the administration might be doing something behind the scenes, so we called top State and Defense Department officials to an executive session to find out what was going on. This is one executive session whose results I can disclose. I can reveal what administration officials told us—because they told us nothing. They had nothing to tell us. Absolutely nothing was being done beyond what we and the public had read in the newspapers.

And what had we read in the newspapers? That the President had mentioned the American airmen in one of his letters to General Zhukov, his Moscow pen pal. Now, I don't like to speak lightly of the President—or disrespectfully. But neither can I treat lightly the spectacle of our Government doing nothing to free our soldiers—except trying to soft-soap a Communist thug. I cannot treat lightly the spectacle of the mightiest nation on earth refusing to lift a finger to protect the young men who have gallantly defended it.

Some say the administration is still working through the United Nations to obtain the prisoners' release. But there is not the slightest indication that the U. N. is even interested in the problem. The U. N. made the great gesture of sending its Secretary General to a jasmine tea party in Peiping. After this bit of futile dramatics, our noble international organization lost interest in the troops that supposedly fought under its flag.

But however contemptible is the attitude of the U. N., the primary blame does not rest there. Let's not make that mistake. An American Army is still the responsibility of America. When the Senate ratified the U. N. Charter, it did not thereby repeal article II, section 1 of the Constitution of the United States—which makes the President the Commander in Chief of the Armed Forces of the United States. We did not relieve the President of the duty of protecting our fighting men and give it to the U. N. God help us if we ever do that.

The President, I am sure, is aware of his obligations; but why doesn't he do something about them? Who is tying his hands? Why doesn't he exercise his Executive power to allot foreign aid appropriations in the way I have so often suggested? Why doesn't he put Communist China in an economic straitjacket by telling our alleged European allies that they will get not one red cent of our money as long as they ship to Red China? Such a policy would get results.

Moral cowardice is one of the explanations of the sad state of world affairs. It is one of the reasons other nations don't keep their agreements with us. They don't have to. They can get away with deceit and treachery and broken promises. They can insult us and then thumb their noses. What respect, after all, can you have for a nation that abandons its fighting men after a war is over? The world must learn that when an American soldier goes overseas, he packs on his shoulders the entire strength and power of the United States of America.

May I remind you, my fellow Americans, that we have criminally prosecuted several of our soldiers who were traitors—who abandoned their country during the Korean war. I say that a country cannot long go on punishing its soldiers for abandoning it when the country abandons its soldiers.

The American people must speak out on this issue. They must remind our Government that the Nation owes the same duty to the soldier as the soldier owes to the Nation.

The second cause of our foreign policy failures that I want to mention tonight is our constant fear of calling the Communists' bluff. The Red sword-rattlers have learned that nosy threats intimidate us. At this very moment, Chou En-lai's tought talk is persuading us that we must give up Quemoy and the Matsus—even though these islands are vital to America's and the free world's security.

If these islands fall, it will be a military disaster of the first order. For they are immensely important to the defense of Formosa. The administration is now encouraging the belief that Quemoy and the Matsus have no military value, so it will be useful tonight if we outline the military factors involved. I think the country suffers seriously from a lack of information on this subject.

First of all, the island of Quemoy lies only a few thousand yards off the Communist port of Amoy. Amoy is the place from which the Communists plan to launch an invasion fleet against Formosa. At the moment, however, the Communists cannot amass their invasion fleet because heavy Nationalist guns on Quemoy can rake the entire area. That's why the Reds are so anxious to take Quemoy.

Second, the Matsu Islands are only a few miles from the important Communist city of Foochow. Foochow is important to the Communists because it has the only sizable navy yard equipped to build armored junks which the Communists plan to use in their invasion of Formosa. At the present time the Communists can't use the Foochow navy yard because they have to bring materials that are used in building the junks by sea to Foochow. The Matsu Islands control the sea approach to Foochow. Consequently the Communist junk-building program is largely blocked.

Third, the Quemoy and Matsu Islands sit astride Communist shipping routes running all the way from Canton to Shanghai. Coastal communication by sea is impossible to the Communists so long as Quemoy and the Matsus remain in Nationalist hands.

Fourth, the Communist airbase nearest Formosa is some 200 miles inland from the coast. The broken terrain in that area makes it impossible to have airfields right along the coast. But the island of Quemoy has three airfields and room for more. If the Communists should take that island their air run to Formosa would be cut down by over a half.

Fifth, the airfields on Quemoy are invaluable advance bases for Chiang Kai-shek in the event that Formosa is attacked. Now Nationalist aircraft are 150 miles closer to Communist targets than should they have to fly from Formosa itself. Quemoy is an aircraft carrier permanently anchored a few thousand yards off the enemy coast—and one, to boot, that cannot be sunk.

Now just as Quemoy and the Matsus are Formosa's first line of defense, Formosa, in turn, is an important link in our whole defensive position in the western Pacific. That great strategist and statesman, General MacArthur, has pointed out that Formosa is the key to our island defense chain. If Formosa should fall, the enemy would sit astride the middle of our line leaving our right and left flanks fatally exposed. Japan and the Philippines would be vulnerable; our mainland positions—Korea in the north and Vietnam, Thailand, and Malaya in the south—would, for all practical purposes, have fallen behind the Iron Curtain. Once our western Pacific line has been pierced, the Communists can afford to set their sights on Hawaii and California.

The crisis over Quemoy and the Matsus cries for an unequivocal declaration by the President that the Peiping regime may have those islands only when it has defeated the United States of America. It is highly improbable that the Communists would try to stretch their luck in the teeth of such a warning. But when we refuse to say what we will do, we invite the Communists to attack, and put ourselves in the position of having to fight or surrender. The President's silence is pushing us into that awful dilemma whose horns are appeasement and war.

J. Edgar Hoover Awarded National Security Medal

EXTENSION OF REMARKS

OF

HON. FRANK E. SMITH

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1955

Mr. SMITH of Mississippi. Mr. Speaker, the Honorable J. Edgar Hoover, Director of the Federal Bureau of Investigation for 31 years, under 5 Presidents and many Attorneys General, was awarded the National Security Medal by President Eisenhower in ceremonies at the White House on Friday, May 27. Under unanimous consent, I include in the RECORD a copy of the remarks made at the presentation ceremonies, and the citation which accompanied the medal:

REMARKS AT THE PRESENTATION CEREMONY OF THE NATIONAL SECURITY MEDAL TO THE HONORABLE J. EDGAR HOOVER, DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION, MAY 27, 1955

The PRESIDENT. Mr. Hoover, your dedication and devotion to public service are so long and so well known, your accomplishments in that service are so great and so well known, that it seems idle for me to try to say anything that could add to the dignity of this ceremony.

Perhaps it is just best for me to say I am proud to be an agent for our people in conferring upon you this highest award that the Government has, and to say that your real reward—as all of us here know—is in the hearts, the thanks and the gratitude of our entire Nation.

Mr. J. EDGAR HOOVER. Thank you, Mr. President. I am deeply grateful for this honor which you have accorded me. I realize that it has been brought about through the dedicated accomplishments of the personnel and my associates in the Federal Bureau of Investigation, as well as by the magnificent support which you as President and which the Attorney General has afforded us over the years.

It is a pleasure, indeed, to serve as one of your appointments.

CITATION TO ACCOMPANY THE PRESENTATION OF THE NATIONAL SECURITY MEDAL TO JOHN EDGAR HOOVER

The President of the United States takes pride in presenting the National Security Medal to John Edgar Hoover for service as set forth in the following citation:

"As Director of the Federal Bureau of Investigation for 31 years, he has made an outstanding contribution to the national security of the United States. Exercising exceptional tact, perceptiveness, judgment, and brilliant leadership in a position of great responsibility, he has established the highest ideals of Federal law enforcement and has directed them to realization. His tireless efforts have brought to a new height of effectiveness the law enforcement machinery of the United States Government. Through his well-grounded and clearly defined concept of investigative procedures, reinforced by his recognized integrity and high personal prestige, he has won international recognition for the Federal law enforcement system of the United States.

"DWIGHT D. EISENHOWER."

Ambassador Morgenstierne

EXTENSION OF REMARKS

OF

HON. HENRY O. TALLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1955

Mr. TALLE. Mr. Speaker, the eminent dean of the diplomatic corps, Ambassador Wilhelm Munthe de Morgenstierne, of Norway, completed 45 years of service in his highly specialized and unusually difficult field on Thursday, May 26, 1955, and entered upon his 46th year without fanfare on his part. However, the Washington community did not fail to take notice of his extraordinary record, as is revealed by the following editorial which appeared in the Washington Post and Times Herald under date of May 26 and is one of the well-deserved tributes paid to this remarkable gentleman whom I am proud to claim as my friend:

Wilhelm Morgenstierne has achieved the distinction of a landmark of Washington, and, in his quiet way, a genial landmark he is too. Norway's Ambassador, is, of course, the dean of the diplomatic corps (which means that he is a sort of ambassador for the collective body of 77 envoys in Washington, an assignment he fills with a high degree of respect and responsibility). But more than that, today he will celebrate the completion of 45 years of diplomatic service. In another couple of years he will have retired. By far the bulk of Mr. Morgenstierne's service has been spent in the American Capital, and this was his first post, back in 1910. Since then the Ambassador has been a familiar figure in the homes of hosts of Capitalites as Washington has grown up, and his Embassy has been the scene of thousands of brilliant functions. He and his Canadian-born wife have a genius for entertainment and for friendship. Both of them are diffident on the surface, but once a connection has been established, they exhibit a warmth and a simplicity which are endearing and, shall we say, very American. They have been good advertisements for Norway. Many a Washingtonian will join the diplomatic corps in spirit as the corps honors its dean today.

Mr. Speaker, the Ambassador has often said in affectionate voice that he regards my home town, Decorah, Iowa, as his second home. That is understandable for Decorah is a center of Norwegian-American culture. There, in 1861, Norwegian immigrants founded Luther College, now the largest of Iowa's many private colleges. There is published the Decorah Posten in Norwegian which has the largest circulation of any newspaper printed in that language. There is located the celebrated Norwegian-American Museum which is attracting increasing numbers of tourists with the passing of the years. There is the post of the Norwegian vice consul for Iowa, so long held by the late Dr. T. Stabo, an intimate friend of the Ambassador and in whose home he was a frequent guest. There, too, is Symra Literary Society which is limited in membership to 25 men who are specially interested in Norwegian-American culture. Other time-tested organizations like Normandsforbundet and Luren Singing Society have done and are doing their part in preserving and promoting Norwegian culture which fits so beautifully into American life.

Yes, indeed, Mr. Speaker, it is understandable that the Ambassador refers to Decorah as his second home, for there during his long diplomatic career he has spent many happy days in an atmosphere of culture and refinement which he is so fully equipped to appreciate and enjoy. In Decorah the dean of the diplomatic corps and Ambassador from Norway will always be welcome for he is recognized as a man who can walk with kings nor lose the common touch, as the poet wrote so well.

On this significant occasion, Mr. Ambassador, the Decorah community salutes and congratulates you. There is a landmark in northeast Iowa that will always cherish another visit from the genial landmark of Washington.

Memorial Day, 1955

EXTENSION OF REMARKS
OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1955

Mr. VAN ZANDT. Mr. Speaker, it was my privilege to participate in the annual Memorial Day services sponsored by the various veterans' organizations of Boyertown, Pa., May 30, 1955, at which time I delivered the following address:

MEMORIAL DAY ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE FAIRVIEW CEMETERY, BOYERTOWN, PA., MONDAY, MAY 30, 1955

Ladies and gentlemen, it is an honor to have the privilege as past commander-in-chief of the Veterans of Foreign Wars of the United States of joining you my fellow veterans and your neighbors in this annual observance of Memorial Day.

This is the day when all of us are united in a common purpose.

Yes; this the day when our thoughts and words pay homage to those who have given their lives in the defense of all that we have, all that we are, and all that we hope to be.

We call this day Memorial Day because through a custom established more than 90 years ago May 30th was set aside as a special day for commemoration of our honored dead.

Memorial Day is the only day of the year on which our entire Nation mourns its dead.

This is the only day on which the Stars and Stripes is flown half staff everywhere as a symbol of national tribute to soldiers, sailors, marines, and airmen who made the supreme sacrifice in defense of the country they loved so dearly.

Memorial Day is in commemoration of those departed men who have defended our land during the past 180 years.

To us every man is a hero, whether he fought at Lexington or Belleau Wood, at the Normandy beachhead, or on Okinawa, in Korea, on the high seas, or in the air.

Today we honor their memory.

It matters not who they were, nor their color, creed, or station in life.

The only thing that counts is that they were loyal, brave Americans who gave their lives for the principles of freedom we hold dear to our hearts.

As we commemorate Memorial Day here in Boyertown many of us are thinking of some departed war veteran.

To him we direct our silent tribute.

We recall the bravery of this outstanding loyal citizen who answered his country's need.

Add to that veteran more than 1 million others and we have the rollcall of American war dead reaching back to the beginning of our history.

That is the number who have died in all of our battles for freedom.

The mortal remains of those heroes rest in many places around the world.

The sun never sets upon them.

More than 100,000 of them are buried away from their homeland, in Europe, Africa, and Asia.

Nearly 30,000 more lie beneath the waters of the seven seas.

Many thousand others are buried here in the United States.

Above those men, wherever they are, flies the Stars and Stripes of our country.

The flag says to us, these were your defenders and mine.

They fought for our cherished ideals of liberty and freedom.

Their courage was tested on the fields of battle.

They shall always be sacred in our memory.

Who were these men?

They were the sons who answered the Nation's call to arms.

They left their schools and shops, their homes and their cities, to battle the tyrants of their time.

They defeated the armies of the kings and kaisers, the Nazis and the Fascists, the Jingoists and the Communists.

The men we honor on this Memorial Day were the very blood stream of our American civilization.

There were our Protestants and Catholics, the Gentiles and the Jews, the white men and black, the native sons of foreign born.

They were the rich and the poor, the college graduates and the untutored, the men and the boys.

They came from city streets and country roads.

They represented every strata of our social and economic life.

They were as different as the brilliantly contrasting hues of the flag under which they fought.

However, like the red, white, and blue of our national emblem, those men were the symbol of unity.

They fought shoulder to shoulder for a single cause.

That cause was freedom for one and all.

Together they formed the most powerful force on earth.

Their matchless courage revealed the strength and determination of a nation of freemen fighting for existence.

It was that mighty combination which brought armed victories and renewed hopes for justice, security, and peace to the peoples of all nations.

Of course the question is, Have the battles truly been won?

Have the supreme sacrifices of a million men really given us worldwide peace?

Do we dare say that freedom has become a certainty?

The answer to each of those questions is "No, not yet."

We know that we cannot rest upon the victories of the past.

Nor do we dare to proclaim blind faith in the future.

We can only take warning from the words of the philosopher, George Santayana, who declared:

"Those who cannot remember the past are condemned to repeat it."

But we have not forgotten.

Three wars within 38 years have left indelible marks upon our memories.

We know now that we cannot leave our ideals unguarded.

We know that we must protect them boldly, positively, for we can see all too clearly with our own eyes that the principles we cherish so highly, the inherent rights of men, are qualities still unobtained by many people who have never tasted real freedom.

The world population today totals 3 billion.

Less than half of those 3 billion people live in countries where individual rights are respected.

The other half of the world is populated by the unfortunates who are trapped or overwhelmingly pressured by Communist aggressors.

It has been declared often, but we repeat it, that the world cannot long endure half free and half slave.

The fierce struggle between free people and dictators has been quickened by man's scientific progress.

Time and distance are no longer safeguards against surprise armed attacks.

That is why American forces are on guard today along a wideflung perimeter of military might.

We have extended our watchfulness to Europe and Africa and to Asia and South America.

Our Army and Air Force are in the polar regions.

Our radar system, sensitive to every aircraft, extends across this continent from coast to coast and far north through Canada.

Who will deny that the Kremlin's fixed goal is world dominion by means short of an all-out war through the use of propaganda, fifth-column subversion, civil strife, and treacherous diplomacy?

Do you realize that a blunder could ignite the third world war, which nobody wants but which could be thrust upon us?

A moment ago I mentioned that American forces are on guard today—along a wide-flung perimeter of military might, that our Army and Air Force are in the polar regions, and our radar system extends across this continent from coast to coast and far north through Canada.

Let me add that our strategic planners have installed airbases circling Soviet Russia in general.

Although the Kremlin rulers have ridiculed the American idea of an encirclement of a Communist power by American-built airbases it is no longer a laughing matter for Soviet Russia, because the bases have been established and there they stand ready for American air might in the event of a war.

The Bangkok Conference united anti-Communist countries of the Middle East—into a fighting force that stands ready to challenge communism wherever it appears in Asia.

The eight nations that constitute the Southeast Asia Treaty Organization, commonly called SEATO, can be built into a mighty union of merit forces that can turn Red China into a paper tiger.

Nor can we overlook the outcome of the Bandung Conference, which cured a lot of misconceptions in the world as to the attitude of Africa and Asia regarding our approach and our policies concerning world communism.

In short, little opposition to the policies of the United States was found to exist as far as the Asian world was concerned.

Then, too, we cannot overlook the North Atlantic Treaty Organization, commonly known as NATO, which is the most effective and powerful weapon of defense that exists in the world today.

All of these preparations for defense are a phase of preventive warfare—designed to avert or postpone a war until war becomes impossible because of the effectiveness of atomic and hydrogen weapons.

From a national security standpoint we dare not do less.

Although we earnestly want peace we cannot afford to merely dream about it, not in this day of coldly calculated unfriendliness.

This is not a nice subject to discuss at the resting places of our honored dead.

However, the men who died fighting for our country were realists.

They faced facts bravely when they plunged into battle.

Certainly they would not have us falter today.

So it is in tribute to them that we translate our debt of gratitude into terms of practical thinking and positive action.

On Memorial Day we fulfill three obligations:

We strengthen our appreciation of the men whose sacrifices made secure in large measure the freedoms we have inherited.

We pay tribute to those men through our spoken word, our floral tokens, and our prayers.

Furthermore, we reaffirm our courage and determination to carry on our defense of the cause for which they so nobly fought.

Finally, we declare again that our honored dead shall never be forgotten.

To this solemn declaration we quote these words from Theodore O'Hara's Bivouac of the Dead:

"Nor shall your story be forgot,
While Fame her record keeps,
Or Honor points the hallowed spot
Where Valor proudly sleeps."

Commencement Address by Senator Knowland at Cumberland College, Williamsburg, Ky.

EXTENSION OF REMARKS
OF
HON. WILLIAM F. KNOWLAND
OF CALIFORNIA
IN THE SENATE OF THE UNITED STATES
Tuesday, May 31, 1955

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a commencement address which I delivered at Cumberland College, Williamsburg, Ky., yesterday morning.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY SENATOR WILLIAM F. KNOWLAND, AT CUMBERLAND COLLEGE, WILLIAMSBURG, KY., MAY 30, 1955

Mr. President, members of the graduating class, fellow Americans, we of this generation owe much to those who founded our Nation. We have grown from 3 million people scattered through Thirteen Colonies on the Atlantic seaboard to a great nation of 165 million, stretching from the Atlantic to the Pacific and from Canada to Mexico.

Today we are here to salute a new class of graduates who have much to contribute in the years ahead. We also pay tribute to the Nation's heroic dead whose sacrifices made and preserved us a nation.

We have the most productive nation, industrially and agriculturally, that the world has ever known. We offer to our young men and women more opportunities than exist in most of the countries in the world today.

This has not been brought about because we had more natural resources for there are other nations in the history of the world that have had as much or more in the way of natural resources. It has not been because we are the nation with the largest population for as you all know there are today and there have been in the past nations with a larger population; nor is it because we are the largest in land area for there have been in the past and there are today other nations that exceed us in size.

Our priceless ingredient has been a constitutional system which encouraged the productive energies of a free people to develop our culture and our enterprises so that each succeeding generation could leave to their posterity a better land than they themselves found.

Personal troubles as a people and economic and other problems as a locality, State, region, or Nation we have had in the past and with them we do now contend.

But we must never despair. We must never cease seeking an equitable and constructive solution.

Statesmanship is not alone required of Government officials but also of the leaders of industry, labor, and agriculture.

The Golden Rule of dealing with others as we would like to be dealt with is important equally in normal human relations as well as in foreign or economic problems.

We have a dynamic economy. We cannot ignore the development of new inventions, new techniques, and new fields of activity. Both labor and management in the wagon and buggy business suffered an irreparable blow when the internal combustion engine took to wheels but the Nation as a whole benefited.

We are only at the threshold of great progress in the atomic field.

The men who drafted the Constitution were very wise. They knew the history of civilization up to their time. They understood the fact that where people had lost their freedom it had come about through the concentration of power in a Nation's capital and in the hands of the executive power be he called an emperor, czar, king, president, or council.

In an attempt to safeguard for themselves and for their posterity the blessings of liberty outlined in our Declaration of Independence, and later in our Constitution, they determined to set up a system of checks and balances to prevent the concentration of power in any one organ of the Government.

This was achieved through the establishment of the legislative, executive, and judicial branches of the Government, each coequal. They were meant to be co-ordinate with and not subordinate to each other.

As an additional safeguard, they made the Federal Government one of specified and limited powers and reserved to the States or to the people thereof the balance of the powers.

As long as we maintain our constitutional system we have the opportunity of making our contribution as members of a free society to the improvement of both the cultural and material resources of a country whose survival is essential to the preservation of a free world of free men.

Our objective in foreign policy is peace with honor. The basic principle which should guide us is that what advances the cause of human freedom we should support, and what undermines or destroys it we should oppose.

We would hope for all mankind that in our lifetime or that of our children the nations of the Western Hemisphere, of Europe, Africa, and Asia, might live together as good neighbors as we do with our great neighbor of Canada to the North.

For a long period of our history we have had a common international frontier stretching 3,000 miles from the Atlantic to the Pacific without a singe military post or fortification on either side for the purpose of protecting one of our countries from invasion by the other.

However, in the world in which we now live we must recognize the fact that all nations are not as civilized or as peace loving as are Canada and the United States of America.

Like the early pioneers who first established our country and then moved out through the West into your State of Kentucky and ultimately on to the Pacific coast, we should, of course, continue to work, hope, and pray for peace, but also "to keep our powder dry."

In the 10 years since the Yalta Conference of February 4-11, 1945, great advances have been made by the Communist world.

At that time there were less than 200 million people behind the Communist Iron Curtain. Today, over 800 million people have lost their freedom to the most godless tyranny the world has ever known.

The world balance of power has been so upset that no prudent person can ignore the realities of the situation. Not only the future of this Republic but the hope for a free world of freemen largely depends upon the policies that we follow and the firmness with which we and the free nations deal with future Communist aggression or threat of aggression.

Recognizing the inherent danger in further Communist conquest, the Government of the United States has undertaken a series of commitments under the North Atlantic Alliance, the ANZUS (Australia-New Zealand-United States) Mutual Defense Pact and Mutual Defense Pacts with the Republic of the Philippines, the Republic of Korea, Japan, Southeast Asia, and the Republic of China.

The last two treaties were overwhelmingly ratified by the Senate during this session of Congress.

In a display of national unity that should have encouaged our friends abroad, given courage to the neutrals and opened the eyes of the would-be aggessor, the House of Representatives passed the Formosa resolution by a vote of 409 to 3 and the Senate by a vote of 85 to 3.

This action had no sooner been taken and the two treaties ratified than diplomatic moves started on the part of certain Asian and European powers to bend the line of defense in the Pacific.

The Soviet Union is now engaged in a series of diplomatic moves of far-reaching consequences.

Their apparent objective is to build a neutral block of nations between the Soviet Union and is satellites and the free Western world.

This effort is primarily directed toward the neutralization of nations which have had close ties with the West.

The first step was the signing of the Austrian Treaty. Through this required the removal of Soviet forces from their zone in Austria it simultaneously required the removal of American, British, and French forces from that country and established the start of the policy.

At the present time Khrushchev, Bulganin, and Mikoyan have gone as members of a high-powered Soviet delegation to meet with President Tito, of Yugoslavia and members of his government.

Press reports seem to indicate that to date not much progress has been made, but it is constantly well to keep in mind that what is put out by Communist governments (both the Soviet Union and Yugoslavia have Communist governments) may be for the purpose of confusing rather than clarifying the non-Communist world.

The interesting fact about this delegation is that the man who heads it is Khrushchev, the Community Party leader, though the negotiations are being carried on with the head of another government. The premier of Russia, Bulganin, with whom the President of the United States, the Prime Minister of Great Britain, and the Premier of France are to meet within the next 2 months, goes to Belgrade in a secondary position to Khrushchev and in the photographs taken at the Yugoslav capital it shows Tito and Khruschev walking together while Bulganin followed behind.

Now what is the significance of this? Many times in Moscow foreign diplomats and correspondents first learn of shifts of power in the Kremlin by watching the order in which Soviet leaders review a May Day parade or sit in an official meeting.

Was this Belgrade meeting arranged for the purpose of showing to the world that Bulganin is in fact not at the summit?

Does it indicate that Foreign Minister Molotov who was not even made a member of this high diplomatic delegation and Bulganin, the nominal head of the government, are on their way out while Khrushchev and Mikoyan are on their way up?

Is it for the purpose of showing to the world that in dealing with another Communist power (Yugoslavia) it was important to send the de facto ruler of Russia (if that now be Khrushchev's position) whereas when dealing with the heads of the Governments of Great Britain, France and the United States they are sending a man with a title but without the power in the hope that this may be looked upon throughout

the Communist world as a "loss of face for the West."

Was the purpose to notify Communists at home and abroad that in order to be effective and binding any international agreements had to be negotiated by party boss Khrushchev rather than the nominal leader of the government, Bulganin?

This may be the tipoff as to why international agreements with the Soviet Union have been constantly violated by that nation for a quarter of a century.

This may be a substantial confirmation that in Communist eyes the party is the superior and the Russian state the subordinate agency.

All of these questions are important in dealing with the communism of Europe or of Asia.

Regardless of the success or failure of the mission to Belgrade, Soviet policy will probably seek to neutralize Western Germany and the two Scandinavian countries now members of the North Atlantic Alliance (i. e., Denmark and Norway).

On Wednesday, May 11, the Soviet Union proposed three United Nations resolutions. This was part of their effort to retain the initiative in carrying out their long-term policies.

Their so-called disarmament proposal would:

1. Destroy freedom of the press, radio, speech, and public discussion in the free nations of the world relating to warning the public against the homicidal mania of communism against human freedom. It would gag the opponents of communism in the Free World as they have been gagged behind the Iron Curtain. Since the Communist totalitarian governments already have complete control over such media of public information they have nothing to lose.

2. It claims a success for the Korean and Geneva armistice agreements, both of which have been flagrantly violated by the Chinese Communists. In Korea there is still a divided country despite pledges of 10 years ago, in which the Soviet Union joined, that it would be united and free. In Viet-Nam the Geneva Conference turned over half of the country and 15 million people to the Communists. This is their standard of a successful conference.

3. The proposals provide for the immediate withdrawal of United States forces in Germany back across the Atlantic to the United States (approximately 3,600 miles), whereas if the Soviet Union lived up to their agreement (it would be the first time in a quarter of a century that they would have), their forces would only be approximately 600 miles from the Elbe.

Such a withdrawal would also contemplate two Germanys (like divided Korea and Viet-Nam) each with its own police force. It would also require the withdrawal of the Republic of Germany from the western NATO defense alliance.

4. Under the proposal our overseas bases would have to be dismantled as a "requisite for discontinuing the arms race." We would trade a bird in hand for several in flight.

5. It contemplates that our industrial and scientific atomic know-how will be made available on an extensive basis to all Communist countries.

6. The proposal would result in yielding to Chinese Communist demands for Quemoy, Matsu, Formosa, the Pescadores, Chinese Communist membership in the United Nations, and removal of the provocative Seventh Fleet from the Far East, all of which contribute in Communist eyes to the existing tense situation in certain areas of the Far East.

7. It would eliminate all trade restrictions with the Soviet Union, Communist China, and their satellites, including trade in strategic materials.

For the past quarter of a century the Soviet Union has violated 50 out of 52 international agreements it has entered into.

The $64 question is, Has the Communist leopard changed its spots and carnivorous appetite and now become a milk-fed pussycat?

I believe not. They now zag instead of zig, but their long-term strategic concept of the destruction of human freedom remains the same.

Let us examine the record of the United Nations as an agency for effective collective security as envisioned by some or as a basis for a world government as contemplated by others.

The United Nations has an important place as an international forum but not as a world government.

World War II had not yet terminated in 1945 when the United Nations Conference was held in San Francisco. The people of the world did not know that we were on the threshold of the atomic age though those high in government had reason to believe a vast new power that ultimately could be used for destructive or constructive purposes was soon to be unveiled.

Hopes were high everywhere that the Soviet Union, though a dictatorship, had learned the folly of aggression and of war and because of the vast help given by the free world to them they would be willing to help establish a system of international law and order to preserve the peace of the world for ourselves and our children.

Unfortunately both during the San Francisco conference and in the 10 years that have followed a vast propaganda effort has taken place to build the United Nations into something which its charter provisions could not or did not permit it to become. In the United Nations different people envisioned different things.

Some envisioned it as a mighty force of collective security that would rally most of the nations of the world to resist aggression and preserve the peace. In moments of oratorical fancy some even suggested that the fact the United Nations was in being would warrant free nations to scrap most, if not all, of their Armed Forces and place their reliance upon the "police power" of the United Nations and the collective moral persuasion of that organization. On June 25, 1950, this concept was shattered.

When the Communist forces crossed the 38th Parallel, the United Nations Security Council promptly acted and first called upon the Communist aggressor to cease the aggression. The Communists, of course, forthwith showed they were not impressed by a United Nations resolution or the adverse moral reaction of that organization. The Security Council next called on the 60 members of that organization to give aid and support to the victim of the aggression, the Republic of Korea.

What is the record on this? After 3 years of the Korean war, of the 60 members of the United Nations only 17 contributed a single soldier, sailor, or airman to the resistance of aggression. Outside of the United States of America, the other 16 contributed Armed Forces in the amount of 45,000.

The United States of America alone contributed more than 450,000, and we rotated more than 1 million men through the Korean theater of war. The little Republic of Korea, which was the victim of the aggression, supplied over 600,000.

This means that of the United Nations members the United States of American supplied more than 90 percent of the manpower and better than 90 percent of the resources.

When the forces of the Republic of Korea, not being a member of the United Nations (having been kept out by a Soviet veto), are added to those of the United States, it means that our two nations alone supplied better than 95 percent of the manpower.

Does this indicate that the United Nations is an effective instrument of collective security? The answer must come back in the negative.

Our associates in the United Nations so tied us down that a stalemate was all that could be gained after 3 years of struggle in Korea.

We were denied the right of hot pursuit and the enemy was protected in his sanctuary across the Yalu.

With that example are we prepared to risk the future of our Nation and the safety of our people upon the collective ability of the United Nations to function in the event of aggression? The answer must be in the negative.

There are some who have envisioned the United Nations as a world state to which openly or clandestinely, individual nations would surrender their sovereignty. Some of the more enthusiastic proponents of this type of super state compared the San Francisco meeting with that of our own constitutional convention at Philadelphia. Of course, the two gatherings are not comparable when one considers the building of a government upon which man might depend for the protection of his life and his religious, economic, and intellectual freedom.

In the first place, those who met at Philadelphia spoke a common language and had a common heritage. True, they had come from different areas of the world, but they or their predecessors had come seeking a new way of life, freedom from old world tyranny or a desire to worship God according to the dictates of their own consciences.

They had fought a common battle against the mightiest empire of that time. They had carried over from the old country the background of the Magna Carta and of representative government. They had had experience as an independent nation, much of it unsatisfactory, under the Articles of Confederation.

With that background, under what I believe was divine inspiration, drafted the greatest document produced by the mind and hand of man for his self-government and protection of his natural rights.

A little more realistic understanding of the history of the nations gathered in San Francisco should have made it clear that such an organization could not be and should not be considered a basis for world government.

There is no common language or common heritage. Nations which have had no experience with representative constitutional government sit on equal terms with those that have had long experience. Nations of less than one million have equal representation with those of over three hundred million.

The Soviet Union, which is perhaps the most tyrannical government since western civilization entered the modern era, sits as an equal partner with nations with long-established constitutions of law, order, and a respect of the rights of man.

Now there are those who urge the admission of Communist China which was the aggressor in the Korean war. This, together with the other Communist states, give that system of tyranny over 800 million people.

We must not consent to permitting the guaranties of freedom under our Constitution being diluted or modified directly or indirectly by any organization having in powerful policy positions nations which have no appreciation of or respect for free institutions, nor for God-given rights of man which no government may properly take from him.

It is one thing for the American people by deliberate choice, after thorough debate, to amend our Constitution to meet changing conditions. To allow it to happen by

default would be a betrayal of our responsibilities.

It is important that we have a system of effective collective security and to demonstrate to the Communist world that there will be no further retreats or the abandonment of free people into Communist hands.

This Nation will live up to all of its treaty obligations, and we have the right to expect that our allies will do likewise.

I have a deep conviction that the American people and those throughout the free world who understand the dangers facing us will never again pay the price of another Yalta or another Geneva in order to buy a temporary respite from the insatiable appetite of international Communists to destroy human freedom.

Despite the lessons of history, the voices of appeasement appear to be growing at home and abroad. Some suggest that Quemoy and Matsu be allowed to pass into Communist hands. It is my strong belief that such an event will be looked upon as a great Communist victory in Asia and will undermine the remaining confidence the free anti-Communist nations of Asia have in the Government and the people of the United States.

Why it is that the voices of appeasement always urge that our friends and allies be the ones to give up territory or to yield up more people to communism? Why do they not suggest that it is time for the Iron Curtain to move backward rather than forward? The fact of the matter is that Quemoy and Matsu are as important to free China as western Berlin is to free Germany.

What military or civilian official would try to maintain that Western Berlin, a metropolitan island completely surrounded by Soviet territory, is defensible in and of itself? The fact of the matter is that our garrison in Berlin, the wives and children who accompany them, are hostages to potential Soviet aggression.

We have felt it essential, however, to maintain this island of freedom in the heart of Soviet territory despite the fact that it is aggravating to the Communists of the Soviet Union and of Eastern Germany, because it is important to the morale of the free German republic and it is a beacon of hope to the Germans behind the Iron Curtain that some day they too may be free.

The reason that Western Berlin has not passed behind the Iron Curtain is the fact that the Soviet Union knows that any attempt to take over the area by force would immediately involve the Western allies in military action.

Though we took some grave risks, we broke the 1948 blockade of Berlin by the airlift. There are now indications that the Communists are again attempting to strangle the economic life of the island of freedom.

Have they been encouraged in this new action by the voices of appeasement here and abroad which have indicated that we must placate communism when they get aggravated, for otherwise we may be risking armed conflict?

Does history teach us that this is the way to a lasting peace? The answer, of course, is "No."

At Munich, Chamberlain and Deladier succumbed to the threats and pleadings of Hitler that if they would but agree to turn over the Sudetenland area of Czechoslovakia to him that he would have no further territorial demands in Europe.

Without the consent of the Government of Czechoslovakia this sordid deal was made. To salve their conscience, Great Britain and France agreed to guarantee the frontier of the reduced Czechoslovakian state.

Seven months later, Hitler's legions took over the balance of Czechoslovakia. The conscience of the two guarantors was disturbed and several speeches were made as to the immorality of such aggression. But the guaranty given 7 months before did not save the people of Czechoslovakia for by then they had lost their will to fight, largely because they had lost their faith in the western allies to do anything more than to talk and to appease.

What deadly parallel does this furnish to the situation in the Formosa Straits today.

Quemoy and Matsu have never been Chinese Communist territory and they are not today.

That these outposts have a military value, no man can deny, for they certainly make more difficult the launching of an amphibious assault out of Amoy and Foochow as long as the free Chinese control these islands.

But equally important as their military value is their psychological value. Their loss by appeasement will bring as much despair to free China as the deal at Munich for the Sudetenland caused despair to the free people of Czechoslovakia.

It will also shake the confidence of our friends in Korea, Japan, the Philippines, Thailand, Pakistan, and elsewhere, where the people understand the brutal and aggressive nature of communism.

This Nation was not born nor did it grow to its position of greatness based on a policy of fear, but rather one of faith and courage.

The Hoax of Bipartisanship

EXTENSION OF REMARKS
OF
HON. JOSEPH R. McCARTHY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Tuesday, May 31, 1955

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, an address entitled "The Hoax of Bipartisanship," delivered by me before the Greater Buffalo Advertising Club at Buffalo, N. Y., on May 24, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE HOAX OF BIPARTISANSHIP

I have a reason for talking about bipartisanship to a group of advertising men. The idea of a "bipartisan foreign policy" is one of the most popular items on the political counter down in Washington. And I am hoping that you admen can explain to me how such a rotten apple ever got sold.

The success of bipartisanship is baffling, to say the least. This is a phrase that breathes defiance of our two-party tradition; it scoffs at the idea that a Congressman or Senator should do his own thinking; it tells him that his only function is to be a Charley McCarthy for the current White House tenant. But despite these rather formidable handicaps, bipartisanship is enjoying zooming sales on Capitol Hill. The Washington politician, these days, who does not sport a bipartisan label is like the teenager who does not wear bobby socks.

Now I maintain that bipartisanship is a flagrantly transparent hoax, and I just refuse to believe that the American people—as distinguished from some of their representatives—have been hypnotized by the deafening drum beating in its behalf.

The great evil of bipartisanship is that it has created an atmosphere of stultifying conformity in the foreign policy field. There is a growing reluctance on the part of members of both parties to subject our international conduct to independent, critical evaluation. And at the same time an increasingly hysterical intolerance of those who do criticize and who do suggest alternative policies.

Let me give you an example of this. Several weeks ago, Senator JENNER, of Indiana, delivered on the Senate floor a carefully reasoned and cogent address on our far eastern policy. He pointed out that all of the available clues suggest the administration is going to surrender Quemoy and the Matsus to the Communists, and he urged the administration to change its mind.

The next day, Governor Craig, of Indiana, an administration wheelhorse, let loose a frenzied personal attack on Senator JENNER. He didn't bother to explain why Senator JENNER was wrong; he simply sputtered indignation at anyone who had the temerity to criticize the administration. Governor Craig reminded his audience that the White House always follows a policy—and you've heard this one—of "patience, firmness, and friendship." And he concluded that since Senator JENNER didn't understand that all the world's problems are solved by such cliches, he was "neurotic."

And he is just one of thousands who insist that the administration's foreign policy, no matter how bad, must never be criticized.

Now I think this intolerance, this unwillingness to discuss the issues—this toadyish subservience to the approved line—can be traced to the bipartisanship craze that first took hold 10 years ago. Bipartisanship originally demanded only that the two political parties have a common foreign policy—which is bad enough; but it now demands that every Member of Congress toe the White House line—"in the interest of national unity."

I think it is vitally important that we understand the fallacies of this doctrine. The advantage of bipartisanship is supposed to be that foreign policy is put above politics. As a virtuous Senator or Congressman, you are asked to forego "partisan politics" in order to present to the world a front of national unity.

The trouble with this theory is that matters which are represented as "partisan politics" in the speeches of the palace guard and in the news stories of the kept press are often matters of basic principle in the eyes of the Senator or Congressman involved.

The hard truth of the matter is that there is nearly always fundamental disagreement on foreign policy matters—both between the parties and between the individual members of the parties. So what bipartisanship really means is that you should conceal your disagreement. You are supposed to pretend that you agree in order to convince the world that there is unity in America. You are supposed to abandon your principles, to ignore your personal judgments, to say that black is white and wrong is right, to do anything and everything that is needed to give the impression that everybody in America thinks alike. I just don't believe that unity is worth that price.

The prisoner-of-war problem affords a good example of the price, the pound of flesh, that bipartisanship exacts from those who disagree with the approved line. Let's remember that bipartisanship does not only mean that the opposition party and the administration must agree, but that everybody must toe the line. Now, if I, JOE MCCARTHY, were to play along with bipartisanship, I would be telling you that in my judgment everything possible is being done to secure the freedom of the 481 uniformed Americans in Communist prison camps. That is the current bipartisanship line. But I happen to believe that it is untrue. I happen to believe that we can do a good deal more than commission Dag Hammarskjold to discuss the subject with Chou En-lai over a cup of jasmine tea. I believe we can do more than write polite letters to General Zhukov. I believe that we can and should put Communist China in an economic

straitjacket until she decides to abide by the terms of the Korean armistice.

I cannot subscribe to that topsy-turvy code of morality that permits this country to subject some of its soldiers to criminal prosecution for allegedly abandoning their country in the Korean war, when the country turns around and abandons its soldiers.

Bipartisanship would require me to abandon these beliefs—or at least be quiet about them. But this I don't propose to do when it means—as I see it—helping to prolong a human tragedy and helping to implant an indelible stain on our national honor.

This is why I say bipartisanship is a hoax. It is supposed to be a noble gesture—it is supposed to be an act of self-denial in the interest of the Nation. But there is nothing particularly noble about trying to get the country 100 percent behind a policy you think is wrong. There is nothing very noble about agreeing that death or a life term in a Communist prison shall be our boys' reward for fighting for their country.

I sometimes wonder if the advocates of bipartisanship have thought through their position. They say it's all right to disagree about foreign policy during an election campaign; but once the election is over, we must unite with the opposition. Well, why don't we apply that same principle to domestic policies? Why don't we say we will forget all our campaign differences about Government subsidies, labor legislation, and what have you, and agree to have a bipartisan domestic policy for the next 4 years? Then we would really be united.

When you come right down to it, bipartisanship is just a $5 word for a two-bit theory—a theory that used to be known by a two-bit word, "me-tooism."

Bipartisanship is the first step toward establishing a one-party system in this country. Bipartisanship means that the minority must abandon its historic duty of acting as a watchdog to alert the American people to the errors of the majority. And it's for this reason that I refuse to have any part of it.

Now it may seem a little strange that I, as a member of the party in power, should be criticising bipartisanship. The "in party" is, after all, supposed to be the one that benefits. But bipartisanship can be a two-edged sword, and the Republican Party has shown a remarkable talent for getting the American people cut by both edges.

When Truman was President, some of my party—notably the late Senator Vandenberg—cheerfully adopted the role of yes-men and promised to play the bipartisanship game with the administration. You know the results of that. The Republicans who followed Vandenberg simpy ratified Democrat errors and gave them a stamp of approval.

Now that a Republican administration is in power, the reverse is happening. Today the tail is wagging the dog instead of the other way around.

Now let me spend the rest of my time giving you specific examples of what I am talking about. I charge that in every single instance in which Republican policy has differed substantially from Democrat policy, the administration and the "toady wing" of the Republican Party have sooner or later adopted the Democrat policy. The craze of bipartisanship has resulted in the adoption of the Democrat policy on each 1 of the 7 points of foreign policy that once separated Republicans from Democrats.

Point 1: Let's start off with the central foreign policy plank of the Republican platform of 1952. We Republicans promised that our election would—and now I quote directly from the platform—"mark the end of the negative, futile, and immoral policy of containment which abandons countless human being to a despotism and godless terrorism. * * * It will be made clear on the highest authority of the President and the Congress that United States policy, as one of its peaceful purposes, looks happily forward to the genuine independence of those captive peoples."

In a word, the Republican policy was one of "liberation." The Democrat policy was "containment"—trying to stop the Communists but making no attempt to free enslaved peoples.

What happened? The administration in the interest of bipartisanship publicly adopted, as the slogan of its foreign policy, the word "coexistence"—which, of course, is just another word for containment. The President even went so far as to say that any attempt by the free Chinese to recapture their homeland would be "an aggressive war." Now I am not saying that coexistence is wrong because it is a Democrat policy; but because like the Democrat policy of containment, it is a prescription for national suicide. The idea that the free world and communism can live side by side is a theory every bit as plausible as the contention that cancer and healthy tissue can subsist side by side in the human body.

Point 2: Perhaps the most widely publicized promise of the Republican platform in 1952 was that "The Government of the United States"—and I am again quoting directly—"under Republican leadership, will repudiate all commitments contained in secret understandings such as those of Yalta which aid Communist enslavements." The Democrat policy was, of course, not to repudiate Yalta.

Again, what happened? Republicans in Congress tried, right after the inauguration in 1953, to pass a resolution repudiating our agreement to the enslavement of Poland and Yugoslavia and the dismemberment of China. But the administration, again in the interest of bipartisanship, blocked this attempt. And to this day the White House and the toadies refuse to make good on this Republican campaign promise.

Point 3: Three years ago the Republican Party solidly supported General MacArthur and General Van Fleet and our other military leaders in the field who believed that we should win the war in Korea and drive the Communists to the Yalu. The left-wing Democrats believed in appeasement. The Truman administration wanted an armistice at the 38th parallel.

And what happened in this case? No sooner had the Eisenhower administration taken office than it adopted bipartisanship and signed a humiliating armistice with the Communists which sacrificed our military advantage in the field and sealed the fate of 10 million North Koreans.

Point 4: A year ago the Republican Party solidly supported the assurances of Secretary Dulles that we would help defend Indochina and stop the Communists at Dienbienphu. The left-wing Democrats of course didn't want to get involved in Indochina; they preferred to appease.

And what happened there? At the infamous Geneva Conference the administration adopted bipartisanship and in the process acquiesced in the surrender of an additional 12½ million human beings to the Communists. And even worse: we agreed to hold a national election 15 months later—that's this coming August—knowing that the Communists would control the votes of nearly two-thirds of the country's population.

Point 5: In 1953 the Joint Chiefs of Staff unanimously agreed that Quemoy and the Matsu Islands were vital to the defense of Formosa. The administration therefore decided that the United States should defend those islands at all costs. And this policy was, of course, wholeheartedly supported by Republicans in Congress. The Democrat leaders on the other hand—Harry Truman, Adlai Stevenson, Estes Kefauver, the ADA crew—trumpeted the idea across the country that Quemoy and the Matsus were militarily useless. They said we should surrender those islands.

And what is happening in this case? Little by little for the sake of bipartisanship the administraiton has backed away from its former position, and now it is very clear that Quemoy and the Matsus will be surrendered just as the left-wing Democrats wished. Two weeks ago in Paris—in his last statement on the subject—Secretary Dulles said that we would defend Quemoy and the Matsus if the Communists attacked Formosa at the same time—the clear implication being that we would not defend the islands if they are attacked separately, which is, of course, the way the Communists will attack them.

Point 6: The Republican position, until 2 months ago, was that we should not enter into any negotiations with the Chinese Communists on the Formosa situation unless Chiang Kai-shek were allowed to take part in the negotiations. At Taipei, last March, Mr. Dulles said this: "The United States will not enter into any negotiations dealing with the territories or rights of the Republic of China except in cooperation with the Republic of China." Last month, when Chou En-lai offered to negotiate with us about Formosa Under Secretary of State Hoover immediately reaffirmed this position.

You know what happened then. The day after Hoover made his statement Senator GEORGE, Democrat, chairman of the Foreign Relations Committee, said that we should negotiate with the Communists without Chiang Kai-shek. And within 24 hours we had bipartisanship on this issue. Did the Democrats give in? Not a bit of it. Twenty-four hours after Senator GEORGE announced what Democrat policy was, Mr. Dulles performed the most abrupt about-face in diplomatic history and said that we would talk to the Communists about the Formosa situation without Chiank Kai-shek.

Point 7: Bipartisanship's most recent victory is probably its most important. The Republican Party has insisted for many years that conferences with Russia at the summit, as they now say, are futile and dangerous. Until this last week President Eisenhower took the position that he would not confer with the Communist leaders until they had proved by deeds—not words—that they had changed their minds about conquering the world. But the left-wing Democrats wanted the President to take part in a high level conference, to help resolve world tensions, as they had done so successfully at Teheran, Yalta, and Potsdam.

Now if the Communists have given any evidence that their objective of world conquest has changed, I am certainly not aware of it. No one, surely, is so foolhardy as to argue that signing the Austrian Treaty means anything. Its purpose, quite obviously, was to establish a pattern for neutralizing West Germany. We are going to sit down and talk with the Communists, knowing they never keep their word, and knowing that the subject of the conference will be how to neutralize Germany and how to neutralize Formosa—i. e., how to arrange the free world's next concession to communism.

I have now given you seven cases in which, in the interests of bipartisanship, the Republican Party has abandoned its principles.

I am not saying that bipartisanship is evil because it has resulted in the adoption of Democratic policies—but because it has resulted in the adoption of the wrong policies, and because it has blocked all attempts to change those policies. Bipartisanship has kept us on the road of appeasement, retreat, and surrender.

Bipartisanship discourages independent, critical evaluation of our foreign policies. It has bred a race of political sycophants. And now it seeks to destroy the remnant—to intimidate and silence any voice that ventures criticism.

I shall always support any administration, whether it be Republican or Democrat, that deals with communism firmly, courageously, and honorably. But these are the only conditions under which bipartisanship can be urged or tolerated. The policy of retreat, appeasement, and surrender must stop. And if America's voice must be divided on this issue, then let it be divided until the day that leaders of both parties finally appreciate the consummate evil of communism and together resolve to destroy it.

Memorial Day Address by Hon. James E. Van Zandt, 20th District of Pennsylvania, at the Annual Memorial Day Services, Roosevelt Junior High School, Altoona, Pa., May 27, 1955

EXTENSION OF REMARKS
OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1955

Mr. VAN ZANDT. Mr. Speaker, it was my privilege on May 27, 1955, to deliver the following address at the annual Memorial Day services of Roosevelt Junior High School, Altoona, Pa.:

Ladies and gentlemen, it is an honor to be invited to join you this morning in your annual tribute to the veterans of America's wars who offered their lives on the altar of freedom.

This annual Memorial Day tribute to our honored dead not only represents a symbol of devotion to their sacrifices but is a constant reminder of the part the young men and women of this Nation played in protecting our cherished liberties on the field of battle.

The observance of Memorial Day, or Decoration Day, as it was called originally, dates back to 1864, when women of Pennsylvania and Virginia placed flowers upon the graves of Union and Confederate soldiers.

In 1868 Gen. John A. Logan, commander in chief of the Grand Army of the Republic, an organization composed of those who served in the Union Army during the Civil War, issued his famous general order No. 11, designating May 30 of each year as Decoration Day, for the purpose of paying floral tribute to the Civil War dead.

That was the beginning of the Nationwide practice of eulogizing America's war dead on May 30, which is now known as Memorial Day.

Let me read in part General Logan's famous general order No. 11, issued in 1868:

"We should guard their graves with sacred vigilance.

"All the consecrated wealth and care that the Nation can add to their adornment and security is but a fitting tribute to the memory of her slain defenders.

"Let no wanton foot tread rude on such hallowed ground.

"Let pleasant paths invite the coming and going of reverent visitors and fond mourners.

"Let no vandalism or avarice or neglect, no ravage of time, testify to the present or coming generations that we have forgotten as a people the cost of a free and undivided country.

"If other eyes grow dull and other hands slack and other hearts cold in the solemn trust, ours shall keep it well as long as the light and warmth of life remain to us.

"Let us then, at the time appointed, gather round their sacred remains and garland the passionless mounds above them with the choicest flowers of springtime; let us raise above them the dear old flag they saved from dishonor; let us in their solemn presence renew our pledges to aid and assist those whom they have left among us, a sacred charge of a Nation's gratitude—the soldiers' widows and orphans."

Thus, Memorial Day was born and has become a beautiful custom which has been kept alive down through the years, sponsored by America's great veterans' organizations, and with the wholehearted cooperation of the American people.

Each year the graves of the Nation's heroes are decorated with flowers and the American flag, then the familiar three-volley salute by the firing squad, and, finally, the bugle call of taps, known the Nation over as the traditional and reverent tribute to our honored dead.

Let me pose this question:

Why do we pay this tribute to those veterans who have passed to the Great Beyond?

And still another question.

What is the purpose of the annual pilgrimages to the graves of those who are no longer with us?

The answer to these questions is because we, the people of a free nation, realize we can never repay in any manner those who fought and died to preserve the American heritage and who helped to perpetuate the freedoms so dearly bought during the American Revolution.

Therefore, with a deep sense of pride and gratitude, we conduct memorial rites and visit graves so that all Americans will understand that what we enjoy today was gained with great sacrifice, and that liberty as we know it on this continent is unique and must be jealously guarded.

Those who are honored on Memorial Day were sentinels of this Republic.

In the performance of their duty, they made sacrifices which are not ordinarily demanded of the average citizen, and in so doing, relinquished their personal freedom.

Many of them in their increasing devotion to American ideals made the supreme sacrifice in order that this Nation, as a citadel of freedom, could be perpetuated for those of us who followed them.

These sacrifices began when our courageous forefathers broke the bonds with the mother country.

Later, similar sacrifices were required of those who, after a long and bloody Civil War, reunited to build what has become the great foundation for liberty throughout the world.

In our own generation, on three occasions, more men, and women, too, stepped forward resolutely to protect our Nation from those who threatened it with a form of tyranny which would have forfeited our rich and blessed land.

On each occasion these hostile forces were repelled at a great loss of life and money.

Today we honor them as we meet to pay solemn tribute to all patriots.

Although dead they will live forever in our hearts because of the noble part they played in preserving this Nation.

During the Memorial Day observance, as taps are sounded throughout the Nation, we are reminded that many beautiful words have been written to the notes of this traditional bugle call, taps, which signifies the day's end for the soldier, sailor, marine, and airman.

Taps has become known down through the years as the "all is well" signal that the duties for the day are over, and that rest has finally come to men wearied in battle.

It is recorded that a soldier in a hospital saw a comrade being carried away to his last resting place.

He asked the chaplain, "Are you going to have taps sounded over my buddy's grave?"

The chaplain replied, "Certainly. It is the most beautiful of all the military calls, and is an appropriate symbol of farewell to a comrade in arms."

"Chaplain," said the soldier, "he was my buddy. We lay side by side on the field of battle, suffering from wounds.

"Now he is gone.

"Please, instead of playing taps for him, will you sound reveille?

"You see, he is just beginning to live."

The soldier's request was understandable, because, if one has true religion, and if he believes in a life hereafter, death is the beginning of eternal life and not the end of everything.

We, too, can learn a lesson from the soldier's conversation with his chaplain by sounding reveille in our hearts, not for those whom we wish to commemorate for their heroism and their great personal sacrifice, but for ourselves.

For us this can be a new beginning, a challenge to go forward in our zeal to protect our Nation.

It is for us to hold high the torch which our hero dead were forced to yield in their struggle to preserve the freedom which we are permitted to enjoy as citizens of this great Republic.

Memorial Day 1955 should remind us of our unfinished task.

Within our Nation's borders are those who would destroy the very things for which these noble dead gave the last full measure of devotion.

Therefore, we must be alert to the dangers that still confront us as a nation of freedom-loving Americans.

Although we may not be able to express our pride of American citizenship in a forcible manner, we should feel in our hearts as 16-year-old Elizabeth Evans did when she was inspired to write a prize poem teeming with patriotism.

This young American said, in part:

"I am an American.

"Listen to my words Fascist, Communist.

"Listen well, for my country is a strong country, and my message is a strong message.

"I am an American.

"My ancestors have left their blood on the green at Lexington and the snow at Valley Forge, on the walls of Fort Sumter and the fields at Gettysburg, on the waters of the River Marne and in the shadows of the Argonne Forest, on the beachheads of Salerno and Normandy and the sands of Okinawa, on the bare bleak hills called Pork Chop and Old Baldy and Heartbreak Ridge. A million and more of my countrymen have died for freedom.

* * * * *

"This is my answer Fascist, Communist.

"Show me a country greater than our country.

"Show me a people more energetic, creative, progressive, bigger-hearted, and happier than our people.

"Not until then will I consider your way of life.

"For I am an American."

These were the inspiring words of 16-year-old Elizabeth Evans, which are echoed by all true Americans.

Therefore, let us resolve on this Memorial Day that taps shall have a new meaning to all of us.

Let the beautiful and traditional bugle strains pierce the breezes with those familiar words of Sir Walter Scott, "Soldier rest, thy warfare o'er."

For us, the living, let us sound reveille in our souls on this Memorial Day and rededicate ourselves to the ceaseless struggle to preserve our great principles of liberty and freedom, which are twin monuments of enduring memory to those who died in freedom's cause.

Unemployment Caused by Importation of Foreign Bicycles

EXTENSION OF REMARKS
OF
HON. PRESCOTT BUSH
OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Tuesday, May 31, 1955

Mr. BUSH. Mr. President, I ask unanimous consent to have printed in the RECORD a statement issued by the Bicycle Manufacturers Association, of 122 East 42d Street, New York, together with a copy of a letter which I addressed to the President of the United States on the subject of unemployment caused by imports of foreign bicycles.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

FIFTH REPORT TO THE UNITED STATES CONGRESS—FEAR OF FOREIGN INTERFERENCE CONCERNS AMERICAN BIKE INDUSTRY FOLLOWING PRESIDENT'S DELAYED ACTION ON PROPOSED TARIFF RISE

The President's failure to reach a final decision in the bike tariff case comes as a deep disappointment to the American bicycle industry. We were banking heavily on Presidential approval of the United States Tariff Commission's recommendations for a higher duty on imported bicycles, which would have helped to relieve our hard-hit industry.

The Tariff Commission, following a 9-month analysis of all the facts, agreed by a 4 to 1 majority that the bike industry had sustained an actual and serious injury. The vote was one of the most decisive majorities of the Commission in recent years. Now the Commission has been asked by the President to conduct additional studies and report back to him by July 15.

It is noteworthy that the Commission's report, which was publicly revealed for the first time by the President's recent announcement proposed only a modest tariff increase—considerably less than that required to remedy the injury—but a rate that was designed to make the competitive situation slightly better balanced.

Despite the Commission's substantial affirmation of the serious injury our industry has suffered, we must confess to a strong fear that extraneous considerations have tended to complicate our case. In no wise are these factors legally defined—nor do they appear anywhere in the criteria established in the "escape clause" provision of the Reciprocal Trade Agreements Act.

FOREIGN SOURCES IGNORE OUR LAW

We are concerned with the foreign interference which became evident soon after the Commission made its favorable recommendations. We are worried about the force and effect this opposition will exert. Since this influence manifested itself before the Commission's full report was publicly disclosed, it is apparent that foreign interests were not opposing the facts, but rather the application of the law dealing with protection of damaged American industries.

In recent weeks, we have seen representatives of foreign governments question the exercise of the escape clause in the bike case. Witness a May 10 dispatch of the United Press which quoted a White House official as revealing "that the Office of European Economic Cooperation, representing 16 European countries, has shown its grave concern at the Tariff Board's recommendation on imported bicycles." On May 11 the same source said "the British and other governments had made representations to the United States against any restrictions on the trade in bicycles."

What is behind these foreign warnings? Certainly, foreign spokesmen are aware of the existence of the escape-clause provision. Surely, they know that it has been an integral part of our Nation's trade agreements for many years. All other nations insist on the same safeguards for their own industries—and have employed protective measures more frequently than our country.

The President himself has often asserted his support of these safeguards. In his April 14 message to Congress on the Organization for Trade Cooperation, he reaffirmed "The right of this country to protect the legitimate interest of its industries and labor is clearly provided for."

DELAYED DECISION RAISES QUESTIONS

Do the foreign nations advocate that the law be bypassed or nullified in the bike case? If that is not their intention, how then can they legitimately oppose the Tariff Commission's recommendations? If their objective is to influence the final decision, then, in all justice, we have the right to be informed of the materiality of such considerations.

The bike case has been properly and effectively adjudged under the established criteria of the escape clause. We see no justification for judging our case against another set of rules—rules that are not spelled out and against which we have no means of defending ourselves.

We are also seriously disturbed by reports that have appeared in leading newspapers suggesting that the delay of final action in our case is related in some way to pending trade legislation. The May 12 issue of the Wall Street Journal, referring to the administration's trade program, quoted a Government leader as saying, "Certainly the atmosphere will be a lot quieter for a decision on the bicycle case by the middle of July." What has the operation of the escape clause to do with other legislation?

We previously noted that foreign spokesmen feel that the bike problem should be settled by discretion, rather than under existing law. In that vein, they further contend there is nothing strategic about bicycles. The April 20 issue of the Journal of Commerce in an item from Paris titled "Europe Fears Possible Rise in Bike Tariff," quoted foreign economists as saying: "Thus if the United States decides to boost bicycle tariffs, Europe will assume that the Government wishes to protect a single, relatively small, decidedly nonessential industry."

In this instance, the Europeans seem to be classifying the relative importance of American industries. As far as we know, the "escape clause" provision to help industries injured by imports makes no such distinction. Our so-called nonessential industry, try, we cannot help but note, made many outstanding wartime and peacetime contributions to the welfare of our country.

BIKE CASE SHOULD BE JUDGED ON ITS MERITS

It is extremely unfair that such extraneous issues—the attitudes of foreign governments, pending legislation and essentiality—should become issues in our case. We have not been asked to produce evidence on these points. We have hewed to the law which asks proof of injury.

We believe the facts in our case have been well illuminated. Nonetheless, we have offered our prompt and complete cooperation in furnishing the data requested by the President. We maintain our faith in President Eisenhower who has repeatedly expressed the sentiment that no American industry will be sacrificed for international trade.

Similarly, we have deep confidence in the Congress of the United States. We are sincerely grateful for the helpful and considerate support many of its members have given to the American bike industry. And in line with the desire of many of you to be kept informed of developments in our case, please be assured that we will continue to do so.

UNITED STATES SENATE,
March 21, 1955.

Hon. DWIGHT D. EISENHOWER,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: It is my understanding that the United States Tariff Commission has submitted to you its findings and recommendations in an "escape clause" proceedings under the Trade Agreements Act which was brought by the American bicycle industry.

While the Commission's report to you has not been made public, information I have received from other sources in regard to this industry, an important segment of which is located in my State, would indicate very strongly that relief is needed.

Just this morning I received in my office a notice that the Honorable Renata Ricciuti, Commissioner of the Connecticut Labor Department, has recommended that Torrington, Conn., be declared a group IV labor surplus area. The commissioner assigns as one of the reasons for heavy unemployment in this area "a cutback in employment by a bicycle parts manufacturer due largely to imports of foreign bicycles."

An increase in imports, from 66,289 units, or 3.4 percent of sales in the United States market in 1950, to 593,659 units, or 22.8 percent in 1953, and 291,314 units, or 40 percent in the first 6 months of 1954, clearly has resulted in injury to the domestic industry.

A major factor enabling foreign producers to invade our markets to the detriment of employment in the domestic industry has been wage differentials. In contrast to foreign wage scales, which I am informed range from 15 to 45 cents an hour, American bicycle workers are paid in excess of $1.90 an hour. It is apparent that competition based on this kind of a disparity in wages has the effect of undermining our American standard of living.

As you know, I have had a keen interest in the Trade Agreements Act and appreciate the reasons which led you to recommend its extension with additional authority to negotiate reductions in tariffs on a gradual, selective, and reciprocal basis. I have discussed those reasons with many audiences in Connecticut, and I believe there is a general understanding of the importance of this program from the standpoint of the long-range security of this and other countries in the free world, and the stimulating effect which an increased flow of carefully selected imports can have upon our domestic economy.

However, there is much concern on the part of the thoughtful and responsible citizens in my State over the administration of the act. As a member of the Randall Commission, I joined fully in its recommendations for extension of the act with additional authority to negotiate trade agreements with other nations. However, those recommendations were coupled, as you know, with emphasis upon the essential safeguards to industry and employment which are provided by the escape clause and peril point, if properly administered.

In this connection, I was highly gratified by your letter of February 17, 1955, to the Honorable JOSEPH E. MARTIN, minority leader of the House of Representatives, and particularly by the following passage:

"Obviously, it would ill serve our Nation's interest to undermine American industry or to take steps which would lower the high wages received by our working men and women. Repeatedly I have emphasized that our own country's economic strength is a pillar of freedom everywhere in the world. This program, therefore, must be, and will be, administered to the benefit of the

Nation's economic strength and not to its detriment. No American industry will be placed in jeopardy by the administration of this measure. Were we to do so, we would undermine the ideal for which we have made so many sacrifices and are doing so much throughout the world to preserve. This plain truth has dictated the retention of existing peril-point and escape-clause safeguards in the legislation."

From the facts in my possession, I am led to believe that the American bicycle industry and the jobs of the men and women it employs are distinctly in jeopardy at the present time. It is my hope that you will be able, consistent with your responsibilities to the overall national interest, to grant the relief it has been seeking and so urgently needs.

Always with great respect, I am
Sincerely yours,

PRESCOTT BUSH,
United States Senator.

Immigration

EXTENSION OF REMARKS
OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1955

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address which I recently made over station WJAS, Pittsburgh, with introductory remarks by Alice Wherry Watson Schoenefeldt:

INTRODUCTORY REMARKS BY MRS. ALICE WHERRY W. SCHOENEFELDT

The National Society, Daughters of the American Revolution, adopted a resolution at the April 1953 Continental Congress, endorsing the McCarran-Walter Immigration and Nationality Act, Public Law 414. Immigration regulation has long been an American problem. There are those who want to open the gates of America to a vast number of immigrants, and then there are those who think we have already gone too far in opening the portals. The 82d Congress was responsive to the latter group, and recognized the present danger by passing the McCarran-Walter Immigration and Nationality Act, which erected safeguards for our Nation. The legislation was built upon the sound foundation of 3 years of intensive study and investigation, and provides for a more complete screening of aliens seeking to enter the United States. The McCarran-Walter Act was passed by both Houses of Congress in 1952, and was promptly vetoed by President Truman; but Congress immediately overruled the Truman veto, thereby putting the McCarran-Walter bill on the books. However, after the bill was passed, the groups that had been trying to defeat it, started mobilizing for a crusade to force a change and have the bill "remade" into a liberal pattern devised by the Humphrey-Lehman political faction. This pressure fight is still in progress, and is going on with fury and determination. The McCarran-Walter Act was written by two Democrats, the late Senator Pat McCarran, and Congressman FRANCIS E. WALTER. Your speaker happens to be a stanch Republican. I believe in the McCarran-Walter Act because it protects and safeguards our country. We have learned that eternal vigilance is the price of liberty, and we cannot for one moment relax. The opposition has been hard at work writing letters to their Representatives demanding that the McCarran-Walter Act be scuttled. For every letter they have sent, we must send 10, urging the retention of the McCarran-Walter Act, without any weakening amendments.

And now may I present to you, from Washington, D. C., the Honorable FRANCIS E. WALTER:

ADDRESS BY HON. FRANCIS E. WALTER, MEMBER OF CONGRESS, 15TH DISTRICT, PENNSYLVANIA, FOR PITTSBURGH CHAPTER DAUGHTERS OF AMERICAN REVOLUTION, ON STATION WJAS, PITTSBURGH, PA.

Congressional mail is swelling again with identical letters, postcards, some of them mimeographed, some of them printed, some of them written by hand—all demanding that our present immigration laws be junked and that a new law proposed by Senator LEHMAN, of New York, be enacted by Congress.

Coupled with this letter-writing campaign, another campaign goes on in newspapers, over some radio and television stations, and in magazines "fighting for a cause." That press, radio, and television campaign is primarily devoted to the vilification of the late Senator Pat McCarran and myself and to the law that bears our names—the McCarran-Walter Act—officially, the Immigration and Nationality Act.

What is this all about? It boils down to one simple question: How many immigrants from foreign countries is the United States to admit annually and where should those immigrants come from?

At the present time we admit immigrants from the whole world, but we make a distinction between those who were born on the continents of North and South America on the one hand and those who were born in other parts of the world on the other hand. We do not restrict the number of immigrants that we admit from the Western Hemisphere if they were born in that hemisphere. This policy, a direct corollary to the good-neighbor policy first proclaimed by President Roosevelt but actually an extension of the doctrine announced by President Monroe, is one of the pillars of our foreign policy.

Of course, we check whether those immigrants, born in the independent countries of the Western Hemisphere, are free of contagious diseases and whether or not they are criminals or subversives, or whether they appear to be able to make a living in the United States and not become public charges. But we do not put them under the annual quota which regulates the entry of immigrants born in places other than the independent countries of the Western Hemisphere.

What would the new bill sponsored by Senator LEHMAN and sme of his friends do with regard to immigrants born in the Western Hemisphere? It would restrict their entry, put them under numerical restrictions, under a quota. It appears to me that this is the best way to turn away from us the people who have been our best friends and whose friendship we must retain in these troubled times. I believe that this is an attempt to destroy our good relations with our closest neighbors. It is a truly devilish scheme to turn our Canadian and Latin-American friends away from us and to give aid and comfort to future Moscow agents like Arbenz, of Guatemala.

Having thus taken care of our Latin-American friends, Senator LEHMAN'S bill turns toward Europe and Asia and Africa, and it almost doubles the annual quota of immigrants from the present 154,657 to 250,000. At the same time, Senator LEHMAN'S bill throws out the window the time-tested formula of national origins, under which quota numbers were allocated since 1921 to natives of the various countries of the world, and substitutes for it a giveaway system of immigrant visas. Instead of a mathematical formula under which every country of the world which is put under the quota is being allocated a fair share of the total number of immigrants which we annually admit to the United States, three politicians, appointed by the President of the United States, would distribute the immigration quotas according to—I guess—their own will, or, more likely, to the amount of pressure put upon them by lobbyists or national, or religious groups, each of which has its own ax to grind. As I have said before, I much prefer that visas be allocated under a formula devised by mathematicians rather than under one contrived by politicians.

In looking at all this maneuvering with a problem as vital to the survival of this Nation as immigration, it should be borne in mind that our annual immigration quota of 154,657 is but a base. We actually admit more than double this figure, because under the McCarran-Walter Act all wives, all husbands, and all children of United States citizens come in outside of the quota restrictions. Suffice it to say that in the case of the British island of Jamaica, for instance, where the annual quota is 100, we have admitted to the United States for permanent residence in the fiscal year 1954 not less than 2,100 people, or not less than 21 times the quota. In the case of countries with larger quotas, like Italy, for instance, which has a quota of 5,645, we have admitted in the last fiscal year 15,501 immigrants of Italian birth, which is 3 times the quota.

An impartial report just submitted to the Committee on the Judiciary of the House states that the total annual increase of immigration in the last fiscal year was 22 percent over the number admitted in the preceding year. In addition to immigrants, we have admitted well over half a million visitors, businessmen, students, foreign merchants, artists, performers, sportsmen, etc. The grand total of admission of aliens in the year just ended was over 770,000.

Now please bear in mind the simple fact that many of those who enter for temporary periods get married here, or otherwise manage to stay permanently, which further increases our total intake of new population.

In that regard it is good to cast a look from time to time on statistical data published regularly by the Bureau of the Census of the United States Department of Commerce. By January 1, 1955, the total population of the United States had reached 164 million people. For the first time in our history we had 4 million babies born in this country in the year 1954—God bless them and God bless their mothers and fathers. The year 1954 was the eighth year in succession in which births exceeded 3½ million annually.

With the mortality rate—another blessing—declining and reaching the record low rate of 9.2 deaths per 1,000 population in the year 1954, this Nation is annually growing by very close to 3 million people at the present time and will grow in excess of 3 million people annually within the next decade. I better say right away that this is a conservative estimate not taking into account the vitality of our young generation.

I believe that before we go on admitting increasing numbers of immigrants, we better stop, have a look around, and take stock of our natural resources, of the progress in our industry, and of the growing number of unemployed Americans. It is well known that in my own district and in the districts of eastern and western Pennsylvania, as well as in Kentucky, in West Virginia, and in other places, the number of unemployed coal miners alone has reached truly dangerous proportions. A similar sit-

nation begins to show in the steel industry and in the automobile industry. Some people blame it on what they call "automation," which displaces workers and permits machines to take their jobs away.

We do not know at the present time what our record-breaking increase of population and the new methods of industrial production will do to our labor market. When we have reached the point where a baby is being born in the United States every 8 seconds, and an immigrant enters this country every 2 minutes, it is better to pause and to do a little counting and reasoning before we jump into what at least one proponent of Senator LEHMAN'S bill—Dr. Israel Goldstein, the president of the American Jewish Congress—recommends, namely, that we admit immigrants in proportion to the size of population in their own countries. Dr. Goldstein said recently on a TV program that we have to increase immigration quotas for Japan because that country has a population of 70 million people and for India because the population of that country has exceeded 300 million. Well, I asked Dr. Goldstein, should we not turn over all of our immigration quota to China, since that country has a population of 600 million people?

I fully realize that this is an absurd question, but I am putting it to Dr. Goldstein, in order to dramatize the danger of departing from formulas that fit and benefit the United States in the first place. After all, the United States Congress has an obligation to its own country rather than to the outer world, or am I wrong on that? I often wonder.

The Death of William Burchfield Ross, Vice President and Editor Emeritus of the DuBois (Pa.) Courier-Express Reduces the Ever-Thinning Ranks of Pioneer Newspapermen

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 31, 1955

Mr. VAN ZANDT. Mr. Speaker—

Till, like a clock worn out with eating time,
The wheels of weary life at last stood still.
—*Dryden.*

When the angel of death on May 11, 1955, summoned William Burchfield Ross, vice president and editor emeritus of the DuBois (Pa.) Courier-Express, the DuBois area lost one of its most highly respected residents.

Born in DuBois, Pa., 77 years ago, Bill, as he was affectionately known, spent the greater part of 62 years of a busy and useful life with daily newspapers in that city.

None will deny the power of the daily newspaper in molding public opinion and influencing the human mind. By reason of the tremendous power of the press, there devolves upon newspaper editors the solemn obligation to discharge their responsibility to their community for fair and accurate reporting of the news.

Bill Ross, from his editorial chair, steadfastly adhered to the high principles of his profession, abhorring yellow journalism, conscious of the fact, that above all things, it has no place in a hometown newspaper which must be fit for all the family to read.

Bill began his apprenticeship in journalism at the age of 15 and the 62 remaining years of his life were devoted to upholding the lofty principles and ethics of the fourth estate. His journalistic career embraced the period often referred to as the horse-and-buggy era when putting a paper to bed was a man-size job for the average editor.

In the early 1900's there was great difficulty in collecting news as compared with present-day methods. Many of us recall the common practice of standing in front of hometown newspaper offices until the wee small hours of the morning eager to obtain the results of political contests, sporting events, and so forth, from bulletins posted in the window of the newspaper office.

Bill Ross for years was night editor of the DuBois Morning Courier. For many years he held that position, working nights while the populace slept to make certain that the DuBois Morning Courier like the proverbial bottle of milk would be on the doorstep of every reader bright and early in the morning. In later years the Morning Courier acquired the DuBois Evening Express and the merger resulted in changing the name to the DuBois Courier-Express which after a period of time was changed to its present status as an evening newspaper.

Oldtime residents of DuBois in particular have long appreciated the services Bill Ross rendered them as readers of the DuBois Morning Courier and the Courier-Express. For many years, Harold T. Gray as president; Lloyd F. Mohney, treasurer and general manager; Jason S. Gray as secretary; and Frank "Hap" Gillung as city editor; with Bill Ross as vice president and editor comprised the quintet that guided the destinies of the DuBois Courier-Express with the avowed determination to maintain its high standing as an ideal family newspaper.

The long, hard grind of editing a daily newspaper and serving in the executive position as vice president took its toll of the genial, quiet, and unassuming Bill Ross with the result that ill health forced his retirement as editor in 1953. He was named, however, editor emeritus and continued his interest in the Courier-Express until his recent death.

Bill Ross performed his work diligently, quietly, and efficiently down through the years. Many employees of the Courier-Express acknowledge their debt of gratitude to Bill for the kindly criticism and wholesome advice he gave them as they embarked upon their journalistic careers with faltering courage and stumbling steps. He was in truth a father confessor to many cub reporters, who today are better newspapermen because they crossed paths on the highway of life with Bill Ross.

When speaking or thinking about the field of journalism, we are always reminded of the importance to newspapermen of the task of acquiring one of the cardinal requisites of their profession—"a nose for news."

The important task of gathering news admits them to palaces and hovels as they seek interviews with persons in all walks of life. In following their profession, their badge of authority is the traditional "Press Pass" which admits them unchallenged to every conceivable event of public interest.

In speaking of this special privilege, I am reminded of a certain stanza of verse the author of which is unknown to me:

Some day I'll pass by the Great Gates of Gold
And see a man pass through unquestioned and bold.
"A saint?" I'll ask, and old Peter'll reply:
"No, he carries a pass—he's a newspaper guy."

Bill Ross in the opinion of his vast legion of friends was a real newspaper guy. This fact is further attested to by his associates on the newspaper staff, especially Harold T. Gray, president, and Jason S. Gray, secretary of the Courier-Express, together with Marv Bloom, a highly talented and versatile staff writer. These three close friends and associates of the late Bill Ross have written eulogies expressing their down-to-earth impressions of him and which I wish to make part of my remarks at the conclusion of this tribute to my departed friend.

It is common knowledge that Bill Ross was in failing health the past several years yet he was reluctant to curtail his daily activities until his illness forced him to relinquish his editorial duties and engage in a less strenuous daily routine. Bill found it a difficult task to retire to the sidelines after 62 years of active participation in the publishing of a daily newspaper. His retirement, which he so richly earned, proved to be of short duration for with ebbing strength, he answered the final summons as the evening shadows began to fall on May 11, 1955. Like the dreamer in the poem, When I Sail Away, by Elizabeth Clark Hardy, Bill Ross turned his eyes toward the eternal sea in the evening twilight of a beautiful day in May and was ready:

Sometime at eve, when the tide is low,
I shall slip my moorings and sail away,
With no response to the friendly hail
Of kindred craft in the busy bay.
In the silent hush of the twilight pale,
When the night swoops down to embrace the day.
And the voices call in the water's flow—
Sometime at eve, when the tide is low,
I shall slip my moorings and sail away.
Through purple shades that darkly trail
O'er the ebbing tide of the unknown sea,
I shall fare me away with a dip of sail
And a ripple of waters to tell the tale
Of a lonely voyager, sailing away
To mystic isles, where at anchor lay
The craft of those who have sailed before,
O'er the unknown sea to the unseen shore.
A few who have watched me sail away
Will miss my craft from the busy bay;
Some friendly barks that were anchored near,
Some loving souls that my heart held dear,
In silent sorrow will drop a tear.
But I shall have peacefully furled my sail
In moorings sheltered from storm and gale
And greeted the friends who have sailed before
O'er the unknown sea to the unseen shore.

The following tributes to the late Bill Ross appeared in the DuBois (Pa.) Courier-Express. These sincere expressions

are from the pens of three of Bill's close associates, and are eloquent testimony of his noble character summed up in the words of Byron:

He had kept the whiteness of his soul, and thus,
Men over him wept.

BILL ROSS PASSES

(By Harold T. Gray)

The office force of the Courier-Express will miss the almost daily visit which Bill Ross made to his desk in the editorial office every nice afternoon, when he hadn't been confined to the hospital, for the past few years. Before that, one could have found him in the office at odd hours, both on weekdays and Sundays, for his desk was almost his home, and it was there that he used to sit for hours, looking over local exchanges, and making notes for his next issue. Bill, during the past few years, seldom took a vacation, and then for only a day or two, seemingly always glad to get back to his desk. We suggested 2 years ago that he go with one of the James Wick tours to Europe and the Near East, with the idea that it would broaden his experience, and give him greater perspective in his daily editorials. But he was more content at home, rotating for his meals between the Hotel DuBois, the Elks Club in winter, and the country club during the summer months, with an occasional visit to one of the other hotels or restaurants of town. We had urged Bill also to spend the winter months in Florida, where he would have the advantage of enjoying the warmer climate, and an opportunity of visiting with many contemporaries in the winter spas. But, again, he expressed himself as being more content at home, and here he spent the twilight years, visiting with his business associates and friends, until Father Time wrote "30" to a long and uneventful life. Perhaps Bill missed a great deal of life, for he reached neither the heights of exultation nor the nadir of human despair—he was happy and content, and who shall say that he should have lived otherwise than as he did. So on his last journey to the bourne from which no traveler e'er returns, we wish Bill Godspeed, with the hope that he may find the same peace and contentment in his life eternal.

WILLIAM B. ROSS

(By Jason S. Gray)

We can't help but say a few words about our old friend and coworker, Bill Ross, who passed away recently, and with whom we had been associated for many years. Bill, in his younger and later in his mature years, was regarded as a very capable newspaperman, particularly in the period before the present-day news-gathering methods developed, which proved of great assistance in channeling many items across an editor's desk. Bill worked his shift on the Courier for many, many years as night editor—not a very pleasant duty at many times, and undoubtedly monotonous as the years moved along, missing much of the sunshine and many of the daily contacts that usually follow a more normal routine. He did this without complaint however, and for years, with his limited staff, turned out a daily paper that was both newsy and respected in the community, and compared favorably with other small-town dailies in the State. All this in addition to other duties that included taking extended news reports by telephone from a press agency that then required editing and "heading up" before their final use in the paper. We worked with Bill in those days for a short time in picking up our first knowledge of newspaper work and initiation as a cub reporter and came to respect both his knowledge and ability, and it was with regret that we saw him pass into his retirement in recent years and later his illness that led to his eventual death. Bill was a good scout, a sincere friend, and a good newspaperman, and we shall always remember him when he was in the full prime of his life when he could well hold his own with the best editors in the State. He will be missed by the writer and by all of his coworkers at the Courier-Express.

TO BILL ROSS

(By Marv Bloom)

Around the news sanctums the quiet, mild-mannered Bill Ross was known as Willie by some, the Veep by others, and as plain Bill by others.

The little fellow with the same-tempered personality is gone but not forgotten, and the news folks with whom he was associated can recall many an incident in which the late editor was a principal participant.

Of Willie, as he would prefer us to refer to him, the CE organization, directors and employees alike, will always say, "There was a man who lived his own life in his own inimitable desire, a man believing the other fellow should also live with his own desire."

Bill Ross never bothered anybody, never complained, nor protested. He maintained his individuality as he wished, his decisions as he deemed fit, yet never would he make a decision to harm his fellow man or associate.

Willie, as we knew him, adhered to the news school which believed in the laissez faire policy—meaning hands off.

We frequently disagreed, arguing our own points, yet always the late editor would listen to our arguments, voice his own, and that was that. Afterward no so-called hard feeling nor ill feeling existed. That's as disagreement should terminate.

And the following day all would be serene with Willie, until another argument broke into the open.

But always, W. B. Ross, as sternly as he ensued his own policies, would respect his fellow man for his answer or the other opinion.

For Bill believed in freedom of speech, freedom of the press, and, above all, the right for a man to think for himself. Yet in his own news policy, he maintained a neutral course, flaying public discussion. That, Willie felt, was his prerogative as the editor.

Bill is now reading his proofs and following the Bucs (Pittsburgh Pirates) from the editor's chair in the Great Beyond, and you can always be sure the little fellow with the quiet-mannered, individualistic personality will always be saying, "Let man think for himself, keep his public ideas to himself, not try to persuade others, and the fellows on earth will get along a lot better." For that was the Bill Ross way.

The following account of the death of the late William B. Ross appeared in the May 12, 1955, issue of the DuBois Courier-Express:

WILLIAM B. ROSS, EDITOR, SUCCUMBS—HAD BEEN ASSOCIATED WITH LOCAL NEWSPAPER SINCE 1892

William Burchfield Ross, 77, editor emeritus of the Courier-Express since his retirement in November 1953, and vice president since 1914, died in his apartment in the Maple Avenue Hospital yesterday afternoon at 5:15. His last hours were spent quietly in his room with his radio and newspaper, and he had received some visitors during the afternoon hours. At 5 o'clock he was given a light supper, but in a few moments he lapsed into unconsciousness and died in a matter of moments before either relatives or associates could reach his bedside.

William Ross had for many years made his home in the Hotel DuBois. He had never married, but had devoted himself to his profession, which had encompassed three score years, since he first entered the newspaper field as an apprentice in 1892. He carried on actively in his profession until ill health forced his retirement from his editorial position with the Courier in 1953. Since that time he has spent much of his time in the hospital, and about a month ago he took a small suite of rooms at the Maple Avenue where he passed his final day listening to the Pirate games and reading his favorite newspapers and books.

During the final days of his life, as he sank in weakness, he escaped the colored coils of mortality. At the penultimate moment, as he was loosed from the burning obedience to life, he was content to lie listening while the robins sang, and the world went softly violet before the nightingale began. With such a sigh, after a long and useful life, he put on the soft silk robe of absolute sleep and forgetfulness.

William Burchfield Ross was born in Du Bois on November 17, 1877, the son of William T. and Susan Angus Ross. He was the grandson of Rev. John Wray, the first pastor of the Beechwoods Presbyterian Church. He bore the name of William Burchfield, first pastor of the Presbyterian Church here.

He attended the public schools here and later numbered among the early graduates from DuBois High School.

He first became associated with the Courier in 1892 as an apprentice, while still attending school. Following his graduation from high school he enrolled at Lake Forest College, where he completed his higher education. Returning to DuBois in 1904 he again became associated with the Courier in the editorial department, remaining with the Courier for only 1 year before moving to the Daily Express, where he assumed the position of editor of that daily paper. In 1914 he again became associated with the Courier as managing editor and associate publisher, remaining in that position until 2 years ago at the time of his retirement, when he became editor emeritus of the paper. He is also director and vice president of the Gray Printing Co., Tri-County Broadcasting Co., and Courier Building Co.

At the time he returned to the Courier he became associated with the late E. W. Gray, the late L. C. Sheffler, and L. F. Mohney in the ownership and operation of the paper and has remained in an active capacity in the editorial department and management of the paper until the time of his retirement.

Only one brother, J. Wray Ross, of West Scribner Avenue, survives of a family of 9 children, those preceding him in death being Mrs. Nellie Bell, Mrs. George Wert, Bruce, Scott, Richard, Charles, and Dr. Samuel. Two nephews, Scott M. Ross, of Philadelphia, and William B. Wert, of Munhall, also survive.

He was a member of the BPOE, and a past exalted ruler of that lodge. He was an organizing member of the DuBois Country Club, and its past president. For many years he had been a member of the Rotary Club, having been also one of the organizing members of that club. He was a member of the Troop Committee of the Courier-Express Troop 25, Bucktail Council Boy Scouts of America. Throughout his long career he had been associated with many organizations and committees active in the building of DuBois.

Friends will be received at the N. R. Moore Son Funeral Home until the time of the funeral, Saturday afternoon at 2:30 o'clock to be conducted by Rev. Ross M. Haverfield, pastor of the First Presbyterian Church, of which the deceased was a member for many years. Interment will be made in the family plot in Morningside Cemetery.

SENATE

WEDNESDAY, JUNE 1, 1955

(Legislative day of Monday, May 2, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God our Father, Thou searcher of men's hearts, from whom no secrets are hid, help us in this opening moment of a new day's council to draw near to Thee, in tranquillity, in humility, in sincerity. With Thy benediction, may we face the toil of this day with honest dealing and clear thinking, with hatred of all hypocrisy, deceit, and sham, and in the knowledge that all great and noble service in this world is based on gentleness and patience and truth. Across the debris of ancient wrong may our glad eyes see the coming of the glory of the Lord, as selfish exploitation makes way for brotherhood and for man. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 31, 1955, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Territories and Insular Affairs of the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Investigations of the Committee on Government Operations, under the chairmanship of Mr. MCCLELLAN, was authorized to meet today during the session of the Senate.

On request of Mr. JOHNSON of Texas, and by unanimous consent, a subcommittee of the Committee on Banking and Currency was authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine matters, subject to the usual 2-minute limitation on statements.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON WORKING CAPITAL FUNDS

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on the financial condition of working capital funds of the Department of Defense, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Armed Services.

AUDIT REPORT ON BUREAU OF MINES AND DEFENSE MINERALS EXPLORATION ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Bureau of Mines and Defense Minerals Exploration Administration, Department of the Interior, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended (with an accompanying paper); to the Committee on Government Operations.

REPORT OF MARITIME ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration of the Department of Commerce on its activities under the Merchant Ship Sales Act of 1946, for the period January 1, 1955, through March 31, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

RELIEF OF CERTAIN RURAL CARRIERS

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation for the relief of certain rural carriers (with an accompanying paper); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

"Senate Concurrent Resolution 31

"Concurrent resolution requesting the Congress of the United States to enact legislation authorizing the issuance of highway revenue bonds in a sum not to exceed $50 million

"Whereas it is essential to the safety and welfare of the people of the Territory of Hawaii that the Territorial Highway System be improved by many costly projects of new highway construction and reconstruction; and

"Whereas there is great economic advantage if, and it is important that, such projects be completed as soon as possible; and

"Whereas the Territory of Hawaii proposes to finance such projects by the issuance of bonds payable from the proceeds of highway vehicle fuel taxes; and

"Whereas in view of the existing limitations on the bonded debt of the Territory, the authority of the Territory to issue such highway revenue bonds should be confirmed by act of Congress: Now, therefore, be it

"*Resolved by the Senate of the 28th Legislature of the Territory of Hawaii (the House of Representatives concurring)*, That the Congress of the United States is hereby respectfully requested to enact a bill in substantially the following form:

"'*Be it enacted, etc.*—

"'SECTION 1. The Territory of Hawaii, any provision of the Hawaiian Organic Act or any other act of Congress to the contrary notwithstanding, is authorized and empowered to issue highway revenue bonds in a sum not to exceed $50 million payable from funds derived from highway vehicle fuel taxes, for the purpose of providing for the construction and maintenance of highways in the Territory. The issuance of such revenue bonds shall not constitute the incurrence of an indebtedness within the meaning of the Hawaiian Organic Act, and shall not require the approval of the President of the United States.

"'SEC. 2. All bonds issued under authority of section 1 shall be issued pursuant to legislation enacted by the Legislature of the Territory which shall provide (1) that, so long as any of the bonds are outstanding, highway vehicle fuel taxes shall be levied and collected in amounts at least sufficient to provide for the payment of the principal of the bonds and the interest thereon, as such principal and interest become due (except that interest due upon any such bonds during the first year after their date of issuance may be paid from the proceeds of sale of the bonds), and that Federal aid funds may also be used for payments of the principal of the bonds and interest thereon; (2) that the superintendent of public works of the Territory, or any officer or agency succeeding to his powers and duties in respect to highways, shall have the power to issue and sell the bonds and to expend the proceeds and provide for the repayment thereof, in accordance with standards and pursuant to provisions which shall be set forth in such legislation; and (3) that the office of the superintendent of public works, or an office or agency succeeding to the powers and duties of that office in respect of highways, shall be continued in existence and shall retain the powers and duties set forth in such legislation, so long as any of the bonds are outstanding.

"'SEC. 3. As used in this act, the term "highway vehicle fuel taxes" means taxes in

respect of the fuel used on, or to be used on the highways, but in the event the legislation providing for such tax levies the same in respect of other fuel and does not provide for the segregation of the taxes in respect of the fuel used on, or to be used on the highways, then the term "highway vehicle fuel taxes" includes as well all such taxes in respect of fuel as are commingled with the taxes in respect of the fuel used, or to be used on the highways"; be it further

"*Resolved*, That certified copies of this concurrent resolution shall be transmitted to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii."

A resolution adopted by the 13th Ward Women's Republican Club, Minneapolis, Minn., protesting against United States participation in any conference with Red China; to the Committee on Foreign Relations.

RESOLUTION OF HOUSE OF REPRESENTATIVES OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of myself, and my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD a memorial of the House of Representatives of the General Court of Massachusetts protesting against any curtailment of employment or work at the Boston Naval Shipyard in Charlestown, the Boston Naval Shipyard annex in South Boston, the Naval Ammunition Depot at Hingham, the Boston Army Base in South Boston, and the Watertown Arsenal in Watertown.

There being no objection, the resolution was referred to the Committee on Armed Services.

(See resolution printed in full when laid before the Senate by the Vice President on May 31, 1955, p. 7223, CONGRESSIONAL RECORD.)

JOINT RESOLUTION OF VERMONT LEGISLATURE

Mr. FLANDERS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, Joint Resolution R–47 of the acts and resolves of 1955 of the Legislature of the State of Vermont entitled "Joint resolution requesting Congress to extend the benefits of the old-age and survivors insurance and old-age assistance programs."

The VICE PRESIDENT. The joint resolution will be received and appropriately referred, and, under the rule, will be printed in the RECORD.

The joint resolution was referred to the Committee on Finance, as follows:

Joint resolution requesting Congress to extend the benefits of the old-age and survivors insurance and old-age assistance programs

Whereas a person under 72 years of age who is otherwise entitled to receive monthly benefits under the Federal old-age and survivors insurance program is not entitled to receive the maximum benefits otherwise allowable if he earns more than $1,200 in a year; and

Whereas such provision tends to encourage idleness of persons, to lower the level of subsistence and to discriminate against persons within that group who do not have income from sources other than earnings; and

Whereas many of the persons 65 years of age and older whose property and income are so limited as to entitle them to benefits under the old-age assistance program do not receive sufficient payments thereunder to subsist at a healthful level, and some are destitute: Now, therefore, be it

Resolved by the senate and house of representatives, That the Congress of the United States be respectfully urged to extend the old-age and survivors insurance benefits to allow beneficiaries thereunder to earn up to $2,400 a year without curtailment of payments, and to extend the benefits of the old-age assistance program to allow recipients to earn reasonable amounts regularly to supplement the payments received and to enable maintaining themselves at a healthful level; and that the secretary of State be directed to transmit duly attested copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the chairman of the Senate Committee on Labor and Public Welfare, the chairman of the House Committee on Education and Labor, the chairman of the Senate and House Committees on Appropriations, and to our congressional delegation.

Approved May 19, 1955.

INCREASED FEDERAL TAX ON GASOLINE—RESOLUTION OF VERMONT TOURIST ASSOCIATION

Mr. FLANDERS. Mr. President, I present, for appropriate reference, a resolution adopted by the Vermont Tourist Association with regard to the increase in the Federal tax on gasoline. I ask unanimous consent to have the resolution printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States is presently considering raising the 2 cents per gallon Federal gasoline tax to finance a vast network of interstate highways; and

Whereas the overriding purpose of this greatly expanded Federal interest in highways is related to national and civil defense and should be paid for from general revenues of the broadest applications; and

Whereas linking the Federal gasoline tax to highways would destroy the time-tested principle that Federal highways aid is a general responsibility of the Government; and

Whereas the present Federal gasoline tax duplicates the State gasoline tax and any further addition to the Federal levy would be confiscatory and unfair; and

Whereas the proposed increase in the Federal gasoline tax would serve as a lever to promote further increased taxes at the State level, thus compelling the taxpayer to buy back his own Federal tax payments by heavier State levies: Now, therefore, be it

Resolved, That the Vermont Tourist Association go on record opposing any increase in the Federal tax on gasoline; and be it further

Resolved, That copies of this resolution be forwarded to the Representatives and Senators in Congress from this State, with instructions to present this resolution to the proper committees in Congress.

STRENGTH OF UNITED STATES MARINE CORPS—LETTER

Mr. WILEY. Mr. President, I was very pleased to receive from my home area a message urging retention of the full strength of the United States Marine Corps.

I endorse this message which was sent me by William Leinenkugel, commandant of the Chippewa Valley Detachment of the Marine Corps League.

In my judgment, there is no single body of men in the United States Armed Forces who have more deservedly won the admiration and respect of the people of our country for their fighting courage, their instant readiness, their magnificent tradition, than the men who have fought "from the Halls of Montezuma to the shores of Tripoli."

I ask unanimous consent that Commandant Leinenkugel's letter be printed at this point in the RECORD, and be thereafter appropriately referred for due consideration by the Senate Armed Services Committee.

There being no objection, the letter was referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

CHIPPEWA VALLEY DETACHMENT,
MARINE CORPS LEAGUE,
Chippewa Falls, Wis., May 27, 1955.

Hon. ALEXANDER WILEY,
The United States Senate,
Washington, D. C.

DEAR SIR: It has come to our attention that Congress is contemplating a cut in strength of the United States Marine Corps. It would seem to us, as members of the Marine Corps League, Chippewa Valley Detachment (Eau Claire and Chippewa Falls) that a cut in strength would be unwise as the United States Marine Corps is still on a voluntary enlistment basis and the Army is still drafting men. As far as an economy move is concerned it would also seem that the reenlistment rate of the Marine Corps should be taken into consideration as it is the highest of all our Armed Forces.

I would like to go on record, representing 38 members in good standing in our detachment, for this area requesting that after careful study no cut in strength be proposed for the United States Marine Corps.

Very truly yours,
WILLIAM LEINENKUGEL,
Commandant.

NINETY-PERCENT PARITY SUPPORTS ON BASIC AGRICULTURAL COMMODITIES—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the Stockholm Farmers Union Local at their meeting on May 10, 1955, in Cokato, Minn., urging the Senate to restore 90-percent parity supports on basic agricultural commodities, including dairy products.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Whereas agriculture is one of the main segments of our economy; and

Whereas agriculture is one of the largest buyers of manufactured consumer goods; and

Whereas the income of the farmer is steadily dropping, and cost of operation high and going higher, which will ruin our family-size farmer, small home owner, and

small business on which a real and free democracy will thrive: Therefore be it

Resolved, That the Stockholm Farmers Union Local, meeting May 10, 1955, goes on record urging our United States Senators to work and vote for the repeal of the sliding scale support law, and restore 90-percent parity supports on basic commodities, including dairy products; be it further

Resolved, That copies of this resolution be sent by the secretary to our United States Senators, Senator HUBERT H. HUMPHREY, Senator EDWARD J. THYE, of Minnesota, and also to Senator ELLENDER, of Louisiana, chairman of the Senate Agriculture Committee.

The above resolution was adopted May 10, 1955.

ARNOLD W. LARSON,
President.
BERT E. JOHNSON,
Secretary.

COKATO, MINN.

UNIVERSAL MILITARY TRAINING AND COMPULSORY RESERVE SYSTEM—RESOLUTIONS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, resolutions adopted by the Minnesota Conference of the Evangelical United Brethren Church at their annual session held in Grace Church, Minneapolis, Minn., reaffirming their stand against the principle of universal military training and a compulsory Reserve system as a permanent policy.

There being no objection, the resolutions were referred to the Committee on Armed Services and ordered to be printed in the RECORD, as follows:

REPORT OF THE COMMITTEE OF CHRISTIAN SOCIAL ACTION, MINNESOTA CONFERENCE, EVANGELICAL UNITED BRETHREN CHURCH

UNIVERSAL MILITARY TRAINING

Whereas the universal military training bill, H. R. 2967, with a companion bill in the Senate, was introduced in Congress, January 25, 1955, which would extend the Selective Service Act when it expires July 1, for a period of 4 years; and

Whereas the national Reserve plan, H. R. 5297, which embodies the essentials of UMT if enacted into law will obligate every man to an 8-year period of military training, service, or Reserve duty. Even men who enlist for 4 years will have to serve a 4-year period of compulsory Reserve; and

Whereas the national Reserve plan if passed will mean that:

1. Between 100,000 and 250,000—17- and 18-year-olds may volunteer for the 6 months training, after which they must serve 7½ years in the Active Ready Reserve.

2. Men may still enlist in the regular Armed Forces, National Guard, or the Reserves with specified requirements as at present. All of these men, after serving their active service, will be compelled to serve 1, 2, or 3 years in the Active Ready Reserves and 3 more years in the Standby Reserves.

3. Men who do not volunteer for the above programs are subject to the draft, which the House has already passed (and on which the Senate will undoubtedly concur). All of these men after serving their 2-year period, will be compelled to serve 3 years in the Active Reserve and 3 years in the Standby Reserve.

4. The bill provides "teeth" in the Reserve requirements. Ready reservists will have to take 48 weekly periods of satisfactory training, plus 17 days of active training or may be ordered back into active service for 2 more years; and

Whereas the report of the Committee of Christian Social Action of the General Conference in 1954 says, "the church believes that war and bloodshed are contrary to the Gospel of Jesus Christ; we declare it to be the duty of every Christian to promote peace and good will; moreover, we proclaim our continued opposition to universal military training"; and

Whereas the Department of Christian Social Relations of the Minnesota Council of Churches, in harmony with the National Council of Churches, and the vast majority of religious bodies of our country, has previously expressed its opposition to the adoption of military training and service as a permanent measure; and

Whereas the National Council of Churches in its own action has declared "we believe that it is one thing to acknowledge the necessity of drafting men for a limited period to meet a specific international emergency; it is another and quite a different thing for the churches to support conscription of each succeeding generation of the Nation's youth for a program of universal military training"; and

Whereas President Dwight D. Eisenhower being interested in bilateral disarmament has appointed the Honorable Harold E. Stassen as Disarmament Assistant to the President with Cabinet status: Therefore be it

Resolved, That we reaffirm our stand against the principle of universal military training and a compulsory Reserve system as a permanent policy (and against the above measures to effect such a program) as being contrary to the basic principles of Christian democracy and freedom, a deterrent to our present peace effort and a step toward the militarization of the mind of youth; and be it further

Resolved, That we regard the adoption of a system of universal military training and a compulsory Reserve as particularly unwise at this moment, inasmuch as it is certain to be regarded by some other nations as an evidence of insincerity on our part in our declared purpose to work for universal disarmament; be it further

Resolved, That we ask our secretary of Christian Social Action to send a copy of these resolutions to both of our State Senators and the Armed Services Committee of both the House and the Senate and request that members of the conference, write at once to their Senators and Representatives.

YOUTH IN SERVICE

Whereas there is a continued need to bring the moral and spiritual ministry of the church to bear upon the evils of our day; and

Whereas there is a continued need to recognize that our youth in all branches of the services are constantly subjected to unwholesome influence in our camps: Therefore be it

Resolved, That we commend those churches who follow with interest and prayer their boys in the service; and be it further

Resolved, That we encourage our church members and pastors to keep in touch with their youth in all branches of the armed services by personal letters, parish papers, weekly bulletins, etc., and tracts which are available from the general office of Christian Social Action at Dayton, Ohio; and be it further

Resolved, That we commend our pastors who through giving themselves to the chaplaincy are seeking to give helpful guidance to the moral and spiritual needs of our youth in the armed services; and, be it further

Resolved, That we ask our Congress to place greater safeguards about our service camps to protect our youth against the temptations of alcoholic beverages, gambling, and other vices; and

Whereas alcoholic beverages without cost are often provided to our youth in the armed services: Therefore be it

Resolved, That we voice our disapproval of this practice, and that if this practice continues, we request that soft drinks also be made available.

W. W. ZAHL, *Chairman.*
B. C. STEWARD, *Secretary.*

EXTENSION OF SUSPENSION OF CERTAIN IMPORT TAXES ON COPPER—REPORT OF A COMMITTEE

Mr. BYRD. Mr. President, from the Committee on Finance, I report favorably, without amendment, the bill (H. R. 5695) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper, and I submit a report (No. 403) thereon. I ask unanimous consent that the Senator from Nevada [Mr. MALONE] may file minority views.

The VICE PRESIDENT. Is there objection?

Mr. JOHNSON of Texas. Mr. President, reserving the right to object, I should like to ask the Senator from Virginia when the minority views are to be filed?

Mr. BYRD. I understand the views will be forthcoming tomorrow morning.

Mr. JOHNSON of Texas. I ask that the Senator have until——

Mr. BYRD. Midnight tonight.

Mr. JOHNSON of Texas. If the Senator will include that understanding in his request, I shall not object.

Mr. BYRD. My request is that the minority views be filed by midnight tonight.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and, without objection, the request of the Senator from Virginia is agreed to.

HOUSING AMENDMENTS OF 1955—REPORT OF A COMMITTEE

Mr. SPARKMAN. Mr. President, from the Committee on Banking and Currency, I report favorably, an original bill to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes, and I submit a report (No. 404) thereon, together with the individual views of the Senator from Connecticut [Mr. BUSH].

The VICE PRESIDENT. The report will be received and printed, and the bill will be placed on the calendar.

The bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes, reported by Mr. SPARKMAN, from the Committee on Banking and Currency, was read twice by its title and placed on the calendar.

AMENDMENT OF SMALL BUSINESS ACT OF 1953—REPORT OF A COMMITTEE

Mr. MORSE. Mr. President, from the Committee on Banking and Currency, I report favorably, an original bill, to amend the Small Business Act of 1953, and I submit a report (No. 405) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2127) to amend the Small Business Act of 1953, reported by Mr. MORSE, from the Committee on Banking and Currency, was read twice by its title and placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 2119. A bill to amend title X of the Social Security Act to increase the amount of income which an individual may earn while receiving aid to the blind thereunder, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 2120. A bill restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 2121. A bill to enlarge and extend the special school milk program; to the Committee on Labor and Public Welfare.

S. 2122. A bill to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HUMPHREY when he introduced the above bills, which appear under separate headings.)

By Mr. EASTLAND:

S. 2123. A bill to amend the marketing quota and price support provisions applicable to upland cotton; and

S. 2124. A bill to amend the price support provisions applicable to agricultural commodities; to the Committee on Agriculture and Forestry.

By Mr. ELLENDER (for himself, Mr. YOUNG, and Mr. SCHOEPPEL):

S. 2125. A bill to permit the Secretary of Agriculture to make more accurate adjustments in support prices for cotton and wheat to the end that the price support program will not encourage the production of cotton of undesirable staple lengths and wheat of undesirable varieties; to the Committee on Agriculture and Forestry.

By Mr. SPARKMAN:

S. 2126. A bill to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes; placed on the calendar.

(See the remarks of Mr. SPARKMAN when he reported the above bill, from the Committee on Banking and Currency, which appear under a separate heading.)

By Mr. MORSE:

S. 2127. A bill to amend the Small Business Act of 1953; placed on the calendar.

(See the remarks of Mr. MORSE when he reported the above bill, from the Committee on Banking and Currency, which appear under a separate heading.)

ENCOURAGEMENT OF BLIND WORKERS

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill to amend title 10 of the Social Security Act so as to encourage blind workers in our country to earn their own way to the greatest possible extent.

I believe that the example shown by blind workers is by and large an inspiration to all Americans. They do not want pity; they do not want idle sympathy; they do not want handouts; they do want the opportunity to earn their own way to the greatest possible extent, and live normal lives to the extent that it is possible.

In the House of Representatives, the gentleman from Ohio, Representative JENKINS, has offered bill H. R. 5658 for the purpose of attaining this objective. I believe this is a sound bill, and one which is in complete conformity with the spirit of the old-age and survivors insurance law and the spirit of American self-help.

I ask unanimous consent that the text of a letter prepared at my request by Hulen C. Walker, legislative analyst for the American Foundation for the Blind, describing this bill be printed at this point in the RECORD, and be thereafter appropriately referred to the Finance Committee.

I may say that down through the years the American Foundation has done invaluable work on behalf of the blind, and has served as a vital clearinghouse. Only recently its fine efforts in connection with the Blinded Veterans' Association were called to my attention, and I was pleased indeed to note those efforts.

Blindness, whether it be from congenital reasons, cataracts, fireworks, accidents, home mishaps, traffic causes, or military combat, is a heavy affliction. But it is not insuperable as great people like Helen Keller—soon to reach her 75th milestone—and as unknown courageous folks have proven.

I ask unanimous consent that the bill and letter be printed in the RECORD, as part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2119) to amend title X of the Social Security Act to increase the amount of income which an individual may earn while receiving aid to the blind thereunder, and for other purposes, introduced by Mr. WILEY, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) effective July 1, 1957, clause (8) of subsection (a) of section 1002 of the Social Security Act is amended to read as follows: "(8) provide that the State agency shall, in determining need, take into consideration any other income and resources of the individual claiming aid to the blind; except that, in making such determination, the State agency shall disregard the first $50 per month of earned income and one-half of any amount of earned income in excess of $50 per month;".

(b) During the period beginning July 1, 1955, and ending June 30, 1957, any State agency established or designated as required by clause (3) of section 1002 (a) of the Social Security Act may, in determining an individual's need under the provision of the State plan required by clause (8) of such section, disregard both the first $50 per month of such individual's earned income and also one-half of his earned income in excess of $50 per month.

SEC. 2. (a) Effective July 1, 1957, subsection (a) of section 1002 of the Social Security Act is amended by striking out "and" immediately before clause (12), and by striking out the period at the end of the subsection and inserting in lieu thereof a semicolon and the following: "and (13) provide that if an individual who has received aid to the blind becomes ineligible for such aid because of an increase in the amount of his earned income, and such individual again becomes eligible for aid to the blind (by reason of a decrease in or termination of such income) within a period of 6 calendar months after the last previous month for which he received such aid, he shall be furnished such aid without further application, effective (subject to verification of such decrease or termination by the State agency) as of the date on which he files written notification of such decrease or termination with such agency."

(b) During the period beginning July 1, 1955, and ending June 30, 1957, any State agency established or designated as required by clause (3) of section 1002 (a) of the Social Security Act may furnish aid to the blind to an individual who had been eligible for aid to the blind but became ineligible for such aid because of an increase in his earned income, if such individual shall have again become eligible for such aid (by reason of a decrease in or termination of such income) within a period of 6 calendar months after the last previous month for which he received such aid, without further application and effective (subject to verification of such decrease or termination by the State agency) as of the date on which he files written notification of such decrease or termination with such agency.

The letter presented by Mr. WILEY is as follows:

[Hon. Dwight D. Eisenhower, honorary president; M. C. Migel, chairman, board of trustees; William Ziegler, Jr., president; George F. Meyer,[1] vice president; Eustace Seligman, secretary; Jansen Noyes, Jr., treasurer; M. Robert Barnett,[1] executive director; Helen A. Keller,[1] L. H. D., LL. D., counselor, Bureau of National and International Relations]

AMERICAN FOUNDATION FOR THE BLIND, INC.,
New York, N. Y., May 27, 1955.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: May I take this opportunity to thank you and your staff for the many courtesies shown me during my visits to your office.

You will recall that on my last visit to your office, I discussed provisions of H. R. 5658, introduced into the House of Representatives on April 19 by Representative JENKINS of Ohio. I will consider it a personal favor, as well as a great service to the blind of the Nation, if you can find it possible to introduce a companion measure in the Senate.

As you will note, H. R. 5658 amends Title X of the Social Security Act to provide that 50 percent of all earned income above $50 earned in one month by a recipient of aid to the blind shall be disregarded in determining his eligibility to receive assistance. Several years ago, the law was amended to permit the disregarding of the first $50 per

[1] Blind.

month of earned income each month. Workers for the blind have found that this works fine up to a point; the need however goes further, to create an incentive to cause the individual to develop his maximum earning power. This bill would reduce the aid to the blind grant received by the individual 50 cents for each dollar he earns in excess of the already exempt $50 per month. It would eventually aid the individual to develop his earning power without losing his security to the point that he would be earning sufficient funds to be taken off the aid to the blind grant, thereby becoming a taxpayer rather than a tax recipient.

The bill further would protect the individual's security by providing that the recipient will be automatically reinstated on the aid to the blind rolls if his earning ability decreases during the first 6 months after he works himself off the aid to the blind rolls.

Workers for the blind are convinced that the number of recipients of aid to the blind would be materially reduced after passage of this measure. By reducing the number of recipients, certainly the cost of aid to the blind would also be reduced, making the measure both beneficial to the blind and a material saving to the taxpayer.

This measure has been studied by workers for the blind and is endorsed by the American Foundation for the Blind, a natianal private agency; and the American Association of Workers for the Blind, a national association composed of both blind and sighted workers with the blind.

We will greatly appreciate your sponsorship of this measure in the United States Senate.

Sincerely yours,

HULEN C. WALKER,
Legislative Analyst.

EXPANSION OF SCHOOL MILK PROGRAM

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to enlarge and extend the special school milk program.

Few programs have proven more successful than our effort in the past year to increase milk consumption through our schools. Because of its success, several proposals have been advanced for increasing the amount of money authorized for this purpose. However, I feel we must do more than just increase the amount of money allocated to this program, by opening up the eligibility to other groups that are eager to cooperate in improving the diet of preschool students, as well as school-age youngsters. After all, if we are concerned enough about children's health to see to it that they get milk during the school term, we should be just as interested in seeing that they get an opportunity to have milk during the summer months at settlement houses and summer camps.

For that reason my bill proposes doubling the amount of authorization, and extending the coverage to nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children, as well as to all nonprofit schools.

Last year, one of our Minneapolis settlement houses wanted to participate in this program and found it was ineligible under existing law. After my negotiations with the Department of Agriculture at that time, I was determined to make them eligible. The only question the Department of Agriculture has raised about the expanded coverage I propose is whether or not State departments of education administering the school lunch program would be willing to handle the milk program among other child centers. I am convinced, however, the fact that most of our States handle distribution of other surplus commodities to these nonprofit institutions is evidence enough that they could and would handle the milk program as well.

In fact, I have direct word to that effect from Minnesota. Andrew R. Taylor, director of the school lunch section of our State department of education, has stated that during the past 2 years he has distributed other surplus foods to 126 nonprofit camps and child care centers in Minnesota, and that if fluid milk is made available for this purpose, as it is under the school lunch program, his office could be making milk available to these groups within 3 to 5 days after receiving such authorization.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2121) to enlarge and extend the special school milk program, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

HOLDING CERTAIN LANDS IN TRUST FOR MINNESOTA CHIPPEWA TRIBE

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe. I ask unanimous consent to have a resolution adopted by the tribal executive committee of the Minnesota Chippewa Tribe on March 19, 1955, which provides the basis for this bill, printed in the RECORD at this point.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the resolution will be printed in the RECORD.

The bill (S. 2122) to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The resolution presented by Mr. HUMPHREY is as follows:

"Resolution 12

"Whereas a bill H. R. 1551 was introduced in the House of Representatives of the 83d Congress of the United States, to declare title to approximately 28,554 acres of land purchased by the United States for the benefit of the Minnesota Chippewa Tribe; and

"Whereas although this land was acquired for the benefit of the tribe and has been so administered, the title to the land has never been legally declared by the Federal Government to be held in trust for the Indians: Now, therefore, be it

"*Resolved*, That the Minnesota Chippewa Tribal Council requests that our Representatives and Senators now assembled in this 84th Congress of the United States again introduce this bill H. R. 1551 of 1953 which provides that the United States hold certain lands in trust for the Minnesota Chippewa Tribe; and that any rents previously collected for the use of said land be declared held in trust by the United States of America for the use and benefit of said tribe; and be it further

"*Resolved*, That a copy of this resolution be mailed to each of our Senators and Representatives of the present 84th session of Congress, and that they do all they can toward the enactment of this legislation, if and when a new bill is introduced in Congress."

The Minnesota Chippewa Tribal Council requests the reintroduction and possible enactment of this legislation so that the Indians may get the maximum benefit from the land. The tribe intends to develop the lands through reforestation, but hesitates to expend tribal funds on such a project until the title is specifically vested in the Indians. The Indians have, in past years, spent thousands of dollars of their tribal funds on forest-planting projects alone to bring into producing status lands similar to those covered by this bill.

ED. M. WILSON,
President, Tribal Executive Committee, the Minnesota Chippewa Tribe.

I hereby certify that the foregoing resolution was duly presented, approved, and enacted at a regular meeting of the tribal executive committee of the Minnesota Chippewa Tribe, held at Bemidji, Minn., on March 19, 1955, and a vote was cast as follows: For, 11; against, 0.

WM. J. HEISLER,
Secretary, Tribal Executive Committee, the Minnesota Chippewa Tribe.

MUTUAL SECURITY ACT OF 1955—AMENDMENTS

Mr. MAGNUSON. Mr. President, I submit amendments to (S. 2090) the mutual security bill which is now before the Senate in the hope of providing for our American marine insurance companies the right to compete on equal basis with foreign insurance companies for the business of insuring foreign-aid shipments.

Under the law as it is now interpreted by the officials of our mutual aid organization, dollars are not allocated for payment of marine insurance on foreign-aid shipments unless they are requested by the recipient country. American insurance agencies have tried unsuccessfully to get a fair share of this business, but, because of discrimination against them by the recipient countries in favor of their own companies, they have failed in their efforts.

This has deprived the American marine insurance market of the opportunity to compete for some of this business and the mutual security organization has refused their request to change the regulations so that dollars will be available to pay the insurance premiums to Americans.

There seems to be no other recourse left except to include in the mutual security bill a provision that dollars shall be made available for marine insurance on commodities shipped where the insurance is placed on a competitive basis in accordance with normal practices prevailing before World War II.

I am, therefore, submitting the amendments which also provide that where a participating country by statute, decree, rule, or regulation discriminates against any marine insurance company licensed

to do business in the United States the commodities purchased with funds advanced under the program shall be insured in the United States against marine risks with a company authorized to do business in the United States.

Mr. President, it seems only fair that our marine insurance companies be given the same right to bid on the insurance on foreign-aid shipments as companies from other countries of the world enjoy.

The VICE PRESIDENT. The amendments will be received, printed, and lie on the table.

Mr. POTTER submitted amendments, intended to be proposed by him to the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. LONG submitted amendments, intended to be proposed by him to Senate bill 2090, supra, which were ordered to lie on the table and to be printed.

Mr. KNOWLAND submitted an amendment, intended to be proposed by him, to Senate bill 2090, supra, which was ordered to lie on the table and to be printed.

HOUSING ACT OF 1955—AMENDMENTS

Mr. CAPEHART submitted amendments, intended to be proposed by him, to the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes, which were ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the CONGRESSIONAL RECORD, as follows:

By Mr. MARTIN of Pennsylvania:

Commencement address delivered by him at the Eastern Baptist College, at St. Davids, Pa., on May 28, 1955.

By Mr. WILEY:

Address on the program of Congress for 1955 delivered by him over station WGN, Chicago, on May 28, 1955.

NOTICE OF HEARING ON NOMINATION OF WILLIAM B. HERLANDS TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. KEFAUVER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, June 10, 1955, at 10 a. m., in room 424, Senate Office Building, upon the nomination of William B. Herlands, of New York, to be United States district judge, Southern District of New York, vice Edward A. Conger, retired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Illinois [Mr. DIRKSEN].

REPLY OF GENERAL ROMULO TO PRIME MINISTER NEHRU AT BANDUNG

Mr. WILEY. Mr. President, in the long-range view of history what happened in the Asian-African Conference in Bandung a month ago we cannot now assess. But we know what it meant to the free world when we read the newspaper dispatches, because all of us were uplifted by the developments in the conference, and we realized that the leaders of the free Asians and Africans were on the offensive, and that communism was openly and courageously assailed by them.

But it is not merely the fact that communism was placed on the defensive in that conference that was hailed by the free world. It was the spirit of the democratic alinement in that region that aroused enthusiasm among all freedom loving peoples. They spoke with courage and vigor; they did not mince words; they called a spade a spade, and they used the strongest terms in condemning what they believe to be the greatest danger to the peace of the world today. For the first time in that area communism was driven to the wall.

As I read the newspaper dispatches sent from Bandung, however, one incident attracted my attention, because I believe it was really the highlight of that conference. That was the debate in the political committee between the Prime Minister of India, Mr. Nehru, and the chief delegate of the Philippines, General Carlos P. Romulo. Mr. Nehru advocated coexistence and his five principles, and attacked regional pacts. He specifically mentioned the SEATO Treaty, and said that it was humiliating for any nation to join a regional pact. It is said that it was an impressive speech. The delegates listened to him intently.

Immediately after Nehru's blistering attack on the SEATO, General Romulo asked for the floor. The newspaper reports said that the Philippine delegate was at his best. Speaking extemporaneously he answered Mr. Nehru point for point. His rebuttal was so devastating and so effective, according to press dispatches of that day, that the Prime Minister of India had to apologize after General Romulo had concluded his rejoinder, saying, "I apologize to the distinguished delegate of the Philippines for my remarks, which were not intended to be harsh."

Mr. President, because I believe the Romulo rebuttal is a faithful expression of the free world's views on the questions brought up by Mr. Nehru, because I believe the Philippine delegate in speaking as he did was really the spokesman of democracy and freedom, and because I know his address will go down in history as a great state document, I ask for unanimous consent that it be printed in the RECORD. It is the transcript of General Romulo's rebuttal as taken from the official proceedings of the conference.

There being no objection, the rebuttal was ordered to be printed in the RECORD, as follows:

THE ASIAN-AFRICAN CONFERENCE

(From the official record of the proceedings. Verbatim report of the reply of Gen. Carlos P. Romulo, member of the cabinet, to Prime Minister Nehru of India, before the Committee of Chief Delegates, April 28, 1955)

Mr. Chairman, I did not intend to speak on this subject to preserve the concord and harmony in this conference that has so far prevailed until the Prime Minister of India spoke, as he always speaks, with great impact on all those who are privileged to hear him. We just had fresh evidence, if evidence were needed, why he is regarded not only in India but throughout the world as a man of peace. Though he referred often to his own nation, I do not doubt that his concern is extended to all peoples everywhere. Underlying everything that he said is a sensitivity to the human situation. He is eminent as an Indian, distinguished as an Asian and as a member of the human family. For this I salute him. However, I would have wished he spoke with the same serenity that he spoke in New Delhi in 1947, and I would have much preferred to have heard him here with less heat, less passion, and less dogma.

I speak, sir, for a small country, like many other countries around this table, that cannot boast of the size of India. I cannot say, as did the Prime Minister of India, conscious of his country's power, that "even if the whole world went to war, India would stand alone and refuse to fight." I cannot defy the whole world, sir, conscious of my country's limitations. How few, indeed, are the nations here who can be like India.

Mr. Nehru spoke about the danger of coalitions. I do not quarrel with his concern. But I hope I can make him see today the side of small nations so that he may realize that it is not fair for him to say that "it is humiliating for them to join regional organizations." Why has my country joined a regional grouping. The answer is exactly the same as the answer each one of you would give me if I asked you, Why are you putting so much of your wealth and your energies into preparing for war? Let us be realistic and not be starryeyed visionaries dreaming utopian dreams. If I asked my good friends in India and Pakistan why almost half their national budgets are going into military preparations, both would say that this is being done not because the governments or the peoples of each nation are spoiling for a fight, but because there is a situation in the Kashmir which might be even more difficult to settle fairly if only one side were armed. So far, there has been no effective instrument by which a decision in the Kashmir acceptable to both sides can be reached. Each country expends vast energies and output not for the purpose of aggressing against the other but for the purpose of protecting itself if some incident quite outside the calculations of the parties involved should touch off a general explosion leading to a military show-down. Even Mahatma Gandhi, that great Indian leader to whose memory I ask you to join me in turning our reverential thoughts today, in the early days of partition, didn't hesitate a moment in supporting the Prime Minister's decision to send troops to the Kashmir not for the purpose of waging a war—he was a saintly man—but for the purpose of preventing one by making the presence of these troops as vivid as possible.

A moment ago I praised Mr. Nehru as a man of peace. I believe that Mr. Ali is no less a great statesman, no less devoted to peace—peace between India and Pakistan, peace in our continent, and peace in the world. Here we have two men of good will yet that good will has so far not been enough by itself to cause either of their countries

to lay down their arms. For the building of the peace only begins with good will and good intentions. In order that peace should be real, it requires a design—a specific design concerned with all the multiple parts that are involved in any workable mechanism of peace. Such a mechanism, I hasten to make clear, does not eliminte the need for good will and understanding. But it does provide a basis both for security and justice, and that is all that any nation wants in its dealings with other nations.

We have started to discuss coexistence and we have heard many views on the subject. Prime Minister Nehru has just discoursed on it at length. May I in reply tell him that to us coexistence as a concept is nothing new to the free world. We have long enjoyed and continue to enjoy the benefits of coexistence. Within the free world community there are a great number and diversity of economic political and social systems. Yet it is possible for these diverse systems to exist in peace and to practice cooperation without resort to force as an instrument of policy.

The question then arises: Why cannot the Communist nations participate in this area of peaceful coexistence, or more specifically, why is it that only the Communists are unable to participate?

For the answer we must go back to our fundamental problem: Aggressive expansionism as basic policy doctrine in Communist conduct of its foreign affairs, and dependence upon force as an instrument of policy.

It must be recognized and understood that the fundamental source of existing world tensions and the problems arising out of those tensions is the aggressive expansionist nature of international communism. This is not a charge made by non-Communist countries—it is the explicit declaration of international communism. It may be read in the literature produced by Communist publishers, governments, circulated in Communist educational institutions, and at no time denied or repudiated by any responsible Communist official.

This doctrine, which the Communists proclaim as the very wellspring of its overall program, is based upon the premise that Communist states cannot exist indefinitely alongside non-Communist states. That there must be ultimate decision culminating in world revolution and worldwide communism. While provision is made for temporary diversionary tactics, such as professions of willingness to live in peace with neighbors, it is clearly and explicitly stated that such diversionary tactics are intended solely to strengthen the Communist position in its drive toward the ultimate objective.

This is the candid and continuing definition of Communist foreign policy as we derive it from their own words and from sources bearing their official imprimatur. Nor is this doctrine maintained at a high philosophical plane. It is equally easy to examine the manuals of organization and procedure issued to ranking Communist Party members throughout the world. For these manuals get down to the very specifics of subversion, infiltration, sabotage—all with the ultimate view of overthrowing the host government by violence.

Thus the non-Communist world faces the indisputable fact that a Communist neighbor is an active and continuing aggressor. This, as I have said, is not a charge brought against communism by the free world—it is a Communist declaration of purpose. Nor can we take comfort from the fact that in some parts of the world communism has suffered defeat in free elections. Communists do not consider elections seriously except as vehicles to further their propaganda aims. Communism's very existence is based upon the rejection of the electoral process as being a means of changing society.

Its schism with socialism is based upon the fact that Communists see violence as the sole means of achieving social reform.

These are the basic facts that must necessarily influence all the free-world thinking at this time.

Let not Asia repeat Europe's tragic error in refusing to believe the brazen program of conquest openly revealed by Hitler in his book Mein Kampf.

His Excellency Prime Minister Nehru gave us a scholarly disquisition on his five principles, and I must pay him tribute for his masterly use of the English language and his deep knowledge of history.

What are the principles embodied in the five principles? They are "mutual respect for each other's territorial integrity and sovereignty, mutual nonaggression, mutual noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence."

We agree—wholeheartedly. These are excellent principles. Those peaceable peoples who have wished only to develop their own material and spiritual resources in their own way inside their own borders have always prayed that such principles might govern the conduct of all the nations. It was to establish such principles and ensure their application that the League of Nations and the United Nations were formed.

Are we entirely sure in our minds what is intended by those who declare adherence to these principles? Are we assured that there will be no further cases of aggression such as that of which the Republic of Korea was the victim? This seems to us to be the all-important question. Who is willing to give this assurance? Is it too much to ask that some restitution be made for the invasion and present occupation of North Korea by bringing home invading forces and letting the Korean people choose their own government under United Nations observation, free at last of interference in their internal affairs? These, it seems to us, are important tests of the five principles intentions.

If it is persisted that the attack launched without warning and without provocation upon the Republic of Korea and its subsequent invasion were consistent with the principle of non-aggression, then what does the principle mean? If the principle of non-aggression will sanction the aggression against Korea, then will it not sanction aggression against any other country?

Let us recollect that the five-power United Nations commission stationed in Korea at the time hostilities began found unanimously that the attack was launched from the north, not from the south—as would certainly be indicated by the fact that the attack immediately carried deep into the Republic of Korea on the strength of the surprise achieved. Let us also recollect that 50 nations subsequently judged who is guilty of aggression in Korea. If the invaders nevertheless continue to take the position they have in the past, that they were guiltless in Korea, that it was the Republic of Korea that initiated the war and that those defending the Republic were the aggressors, then we are forced to conclude that in such lexicon "non-aggression" means calculated assault upon a free nation by aggressive military forces while "aggression" describes the action of those coming to the assistance of the victim. We shall then have a clearer idea of what to expect under the five principles.

Another of these principles calls for "mutual non-interference in each other's internal affairs." If we may turn for a moment to the Soviet Union, we may recall that in World War II, when the Western powers and the Soviet Union were pitted against a common foe, Nazi Germany, Stalin agreed to dissolve the Soviet Union's instrument of interference in the internal affairs of other nations—the Communist International, or Comintern. Subsequently, as we all know, the Comintern was recreated under a slightly different name, the Cominform. The Cominform has the primary task of insuring that Communist parties in other countries will be advised of, and will faithfully follow, the line that happens to serve Soviet Russian interests at a given time. We may remember the rebellion of the Yugoslavian Government at the intervention of the Cominform in its domestic affairs. It is interesting to note that for years the Peiping regime refused to accept relationships with Yugoslavia, for in the Communist world, the resistance of a small state to intervention in its internal affairs cannot be tolerated, if it is the Soviet Union or Communist China that is doing the intervening.

In Asia, the prime agency for directing the local Communist Parties is the liaison bureau of the WFTU. This organization, with its fictitious interest in labor, has as its objective the liberation of the non-Communist countries of Asia, which means bringing those countries under Communist control. Those who oppose that kind of liberation—and that would include all but two of the delegations at this conference—are to be regarded as enemies. This strategy by which Communist elements—called democratic trade unions or the working masses in conventional Communist lingo—are to be assisted in taking power were made fairly clear at the so-called Asian Trade Union Conference held in Peiping in November 1949, under the auspices of the WFTU. Louis Saillant, secretary of the WFTU, was surprisingly outspoken about the Soviet Union's hopes and fears with respect to Asia at that meeting. It is interesting to remember what he said about some of the countries represented here today:

"In India, in Burma, in Ceylon, in Pakistan, in Iran, and in Japan, the democratic trade unions may well have to face a worse situation even than now; their leaders and active members may have to suffer from an intensification of the terrorist measures taken against them. They should find in their very development of their fight for the workers' claims efficient means enabling them to maintain their links with the working masses."

This is purely an incitement to Asian Communists to join forces in a revolt against the representative governments of Asian states, governments which are to be considered terrorists because they resist intervention by the Communist International masquerading as WFTU. What such governments could expect at the hands of international communism was spelled out at the Peiping Conference of November 1949, by Mr. Liu Shao-chi, the leading theoretician of Communist China. He stated: "Armed struggle can, and must, be the main form in the people's liberation struggles in many colonial and semicolonial countries."

The Communists refer to all underdeveloped countries not under their control as colonial and semicolonial. It was about us, about most of us here, that Liu Shao-chi was talking. And when he spoke of liberation struggles he meant struggles not against European colonial regimes, but nationalist Asian governments. For Liu Shao-chi spoke only 2 months after the Indonesian Communists under the direction of the Soviet-trained agent, Muso, violently and treacherously attacked the Republic of Indonesia which was then, with resources already unequal to the task, standing up to the forces of Dutch imperialism. When Liu Shao-chi spoke of the liberation struggle, it was little more than a year after the Communists in Hyderabad rose against the Government of India and the national leadership that had won the country its independence.

Liu Shao-chi was, in fact, taking note that under the cover and through the agency of local Communist forces, the Soviet Union

and Communist China, were waging war against free Asia. Many of my fellow countrymen have fallen in that war, shot to death by raiding Communist gangs, ambushed in the wooded hills. Thousands of true nationals of Indonesia, India, Burma, and Malaya have also died. They well merit our sorrowful remembrance. But we should also not withhold our sympathy from those who killed them, for their misled brothers who had been persuaded to believe that the way to peace is through bloodshed; that the way to justice is through murder; that the way to freedom is through tyranny; that the way to plenty for the people is through the confiscation of all they own by the state, and we should not forget the tragedy of those in Indochina who have suffered a fate only too characteristic of Asia in our times, those patriots who found themselves caught between European colonial intervention on one side and the intervention of the Communist bloc on the other.

What we should like to know is whether the Peiping government, in foreswearing interference in the internal affairs of other nations, is promising to cease abetting, inciting, and supplying the forces of armed conspiracy against the integrity of the free Asian states. It is not enough to be told that "revolution cannot be exported," as Mr. Chou En-lai declared in connection with the five principles. The question is, Can so-called revolutionary bands be directed and provisioned from the outside under the principle of noninterference in the internal affairs of other nations? It is not enough to be told that the Communist conspiracies directed against the representative Asian governments are all purely indigenous movements with no outside connections.

References have also been made here a while ago by the Prime Minister of India against the Manila Pact. In fact it was stated here—and I repeat it—that it was humiliating for any nation to join regional groups. Let me take your time to tell you what the Manila Pact really is, not how it is presented to you by those who are prejudiced against it.

The actual terms of the treaty and the Pacific Charter best indicate the positive character of those documents. The preamble of the treaty reaffirms faith in the purposes and principles of the Charter of the United Nations. Among the principles heavily underscored are those referring to equal rights and self-determination of peoples, individual liberty, and the rule of law, the promotion of economic well-being, collective defense for the preservation of peace and security, and united action against aggression.

The purely defensive and strictly nonaggressive character of the treaty is written into article I, under which the parties undertake to settle any international disputes in which they may be involved by peaceful means * * * and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations. Article II refers to methods of developing their capacity to resist armed attack. In order to make doubly certain that the treaty is in absolute harmony with the Charter of the United Nations, article VI provides that that treaty does not affect and shall not be interpreted as affecting the rights and obligations of any of the parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security.

All the eight signatories to the Manila Pact are members of the United Nations. They have therefore an equal and inescapable duty to make absolutely certain that they are assuming no obligations under the Manila Pact which are contrary to or inconsistent with their prior obligations under the Charter of the United Nations. Since the principal objective of the United Nations is to maintain international peace and security through, among other means, collective action to repeal aggression, it follows that the Manila Treaty can be valid only to the extent that it will assist, through a regional arrangement, in the achievement of that objective. The Manila Pact would be void if it went beyond this objective, and it would be useless if it fell short of it.

Article IV is the crucial provision of the treaty. This article has three paragraphs. The first paragraph provides that each party would act in accordance with its constitutional processes to meet aggression committed by means of an armed attack against any of the parties or against any designated state in the treaty area. This is clearly a provision against actual aggression. It provides assurance that the military clauses of the treaty are inoperative except in the event of such aggression. Under no circumstances can the treaty be invoked to promote joint action among the parties in support of an aggressive action by any one or any number of them.

The second paragraph of article IV covers cases of subversion. Experience has shown that this has become the favorite method of Communist imperialism. Communists well realize the grave danger that is inherent in the method of conquest by overt aggression, and therefore they may be expected henceforth to employ techniques of domination which are less likely to lead to outright war. The treaty accordingly provides that in the event of such danger arising in the treaty area, the parties shall consult immediately in order to agree on the measures which should be taken for the common defense.

This is probably the first treaty of its kind to refer specifically to the danger posed by subversion. But it is an innovation which has been directly called for by the new techniques which Communist imperialism has increasingly employed in many parts of the world.

Article III refers to economic cooperation among the parties as a useful adjunct to any program designed to meet by long-range measures the menace of Communist subversion and aggression. Article V sets up a council for the implementation of the treaty, particularly as regards any military and other planning which may be required.

By implication the treaty has been attacked here by the Prime Minister of India on the grounds that:

1. The treaty has made more difficult the relaxation of international tension; and

2. It is a plan for perpetuating colonialism and suppressing the national liberation movement in Southeast Asia.

The Manila Pact is aimed at the exact opposite of all these things.

It was intended to halt the buildup of tension in Southeast Asia resulting from the Communist moves in the Indo-Chinese states. The Communist military success in the area, feeding upon itself, was certain to heighten the atmosphere of danger in the area, and might well have driven the Communists to further heedless adventures and compelled the free world into taking desperate remedial or retaliatory action. The Manila Pact has reduced this hazard. It leaves the Communists in no doubt whatever that if they undertake further military adventures in Southeast Asia, immediate and effective countermeasures shall be taken against them by the members of the Alliance.

The Manila Pact and the Pacific Charter also constitute a clear and dramatic disavowal of the methods and purposes of colonial imperialism in the region. These two documents can give no comfort to those who believe that this archaic system can be maintained in the modern world. At the same time, by upholding the principle of self-determination and the right of peoples to self-government and independence, both the Manila Pact and the Pacific Charter rule out the doctrine that the dying colonial imperialism in Asia would be replaced by the newer and even more dangerous species of Communist imperialism.

The Manila Pact has also been criticized by Premier Nehru on the grounds that:

1. It diminished the "climate of peace" that was generated by the Geneva settlement on Indochina;

2. It is contrary to the spirit of the agreements and understanding on nonagression and noninterference which had been reached between India, China, and Burma; and

3. That it is contrary to the Charter of the United Nations.

Let me answer the Prime Minister of India point for point.

Far from destroying the so-called climate of peace following the Indochina settlement, the Manila Pact makes it doubly certain that the signatories shall not countenance any fresh outbreaks or renewal of Communist aggression in the region. In effect, under the Manila Pact, the Communists can neither renew their aggression against free Vietnam, Laos, and Cambodia, nor start aggression in any other part of Southeast Asia without risking counter measures. One would think that this will serve to reinforce rather than weaken the climate of peace which is said was the direct outcome of the Geneva conference.

As far as the so-called nonagression or noninterference agreements or understandings between India, China, and Burma, are concerned, I fail to see in what way the Manila Pact can be said to be inconsistent with such agreements or understandings. If India and China have an agreement not to interfere in each other's affairs, and not to make war upon each other, such an agreement, it is hoped, would not inhibit India from defending itself in the event China nevertheless commits aggression against India. Yet this is the only situation in which India, if it had been a member of the Alliance, could expect assistance under the Manila Pact. India could expect no help under the alliance if it purposes to attack China or Pakistan or, indeed any other state anywhere else in the world. Where the supposed inconsistency is therefore not clear at all.

The attempt to prove that the Southeast Asia Collective Defense Alliance is not covered by articles 51 or 52 of the Charter of the United Nations is more ingenious than clear. By a somewhat involved series of arguments, it is said that the Manila Pact provides for a defensive system which is neither collective nor regional. Therefore, it is said, it is not covered by article 51 which recognizes the validity of a collective self-defense, nor by article 52 which recognizes the validity of regional organizations.

I believe that a more rational approach is through the text of the Manila Pact itself. Bearing in mind article 103 of the charter which provides that the obligations assumed by a member state under the Charter of the United Nations supersede those assumed by it under any other international instrument, we should next examine the text of article VI of the Manila Pact. This provides that the Manila Treaty "does not affect and shall not be interpreted as affecting the rights and obligations of any of the parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of internationl peace and security."

To sum up: The Manila Pact is a treaty of collective defense. No aggressive purpose is written into it.

As for the Pacific Charter, we consider this to be a document worthy of the best traditions of any civilized state in the world today, whether Asian or non-Asian. This is the moral basis and justification of the Manila Pact, and we stand on its principles, proud and unflinching, in the sight of our friends and neighbors in free Asia.

To all free Asians we say: "This is a treaty on which we all can stand together, without vanity or invidiousness, but united in the de-

termination to preserve the peace and freedom of Asia."

To any potential aggressor or any power that intends aggression we say through this treaty: "We desire to live in peace with you, but if you attack us we shall fight back with all our strength."

Let me say to Premier Nehru in conclusion:

The empires of yesterday on which it used to be said the sun never set, are departing one by one from Asia. What we fear now are the new empires on which we know the sun never rises. May his India not be caught by the encircling gloom!

GREAT LAKES FISHERIES CONVENTION

Mr. WILEY. Mr. President, I am pleased that the Senate will shortly be in a position to vote upon the Great Lakes Fisheries Convention.

The particular urgency of this convention arises, of course, from the critical problem of the dreaded sea lampreys—vampire eels which have destroyed a great deal of lake fishing.

It is the purpose of the new Great Lakes Fisheries Commission, to be composed of 3 representatives of the United States and 3 of Canada, to carry out a lamprey control program so as to increase stocks of commercial fish in the Great Lakes.

It is estimated that the annual cost to the United States for the first 3 years under the convention will be approximately $750,000. By comparison, the lamprey damage is now estimated at $5 million a year.

But there is a longer range problem, and it concerns the coordinating of basic research of lakes fisheries as a whole.

There has been an unfortunate tendency over the years for more valuable species of fish to be replaced by less valuable species.

An earlier convention with Canada, signed in 1946, was never ratified by the Senate, and was withdrawn by the President. It would have given the Commission certain regulatory powers, and for that reason was opposed in many quarters.

The present convention is, however, strongly supported by a large number of conservation groups in our land, including the Izaak Walton League, and many others. In my own State, the Wisconsin Federation of Conservation Clubs has gone all-out in support of it, as has the State conservation commission at Madison.

I send to the desk a sample expression which I have received from one of many conservation clubs in my State supporting the convention. I ask unanimous consent that it be printed at this point in the body of the RECORD. I trust that the Senate will promptly agree to this sound convention in the public interest.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NORTHWEST ASSEMBLY
OF CONSERVATION CLUBS,
Superior, Wis., May 25, 1955.

Senator ALEXANDER WILEY,
United States Senate Chambers,
Washington, D. C.

DEAR SENATOR WILEY: Inasmuch as the eradication or control of the sea lamprey has become a most vital problem, and the lamprey has already invaded our small lakes by means of rivers leading from Lake Superior (one was found attached to a bluegill caught in Lake St. Croix last Saturday), the more than 2,000 members of the St. Croix, Amnicon-Dowling, Head-O-Lakes Conservation Clubs, and the Douglas County Fish and Game League, all of Douglas County, Wis., sincerely urge that the proposed plan of the Senate Foreign Relations Committee to set up a Great Lakes Fisheries Commission to fight the lamprey and increase the trout in the Great Lakes be ratified and put into action as soon as possible.

We believe that the proposed fund of $750,000 per year is entirely justified, and it is our hope that with the aid of the Canadian Government the threat of the lamprey can be eliminated.

Sincerely,

ED. SCHMIDT, *President.*

RESTORATION OF FUNDS FOR UNITED STATES INFORMATION AGENCY

Mr. WILEY. Mr. President, I was pleased to note in yesterday's CONGRESSIONAL RECORD on pages 7245–7246, a statement by my colleague, the distinguished senior Senator from Minnesota [Mr. THYE]. He commended the Senate Appropriations subcommittee which handled the appropriations bill for the United States Information Agency, H. R. 5502.

I should like to join in the sentiments expressed by my colleague. I want to express my own felicitations to the chairman of that subcommittee and to his associates for their thorough and sympathetic study of the USIA's budget request.

I am, of course, particularly gratified at the Senate's restoration of the funds requested by this Agency.

PRESIDENT SUPPORTS USIA

I am also profoundly delighted that no less a personage than the President of the United States has personally reiterated time and again his keen awareness that we are in a war for men's minds throughout the world. President Eisenhower has stressed time and again that instead of weakening our effort to pierce the Iron Curtain, we must strengthen that effort.

MY SPEECHES COMMENDED USIA

I have just returned from an extensive tour of my State. I found the people of Wisconsin deeply interested in the work being done to get across America's message to the peoples of the world. In a great many speeches which I made, I urged full support of the United States Information Agency.

I am very pleased that one of my speeches, delivered in Detroit, was reproduced in the CONGRESSIONAL RECORD by Representative FRANK THOMPSON, of New Jersey.

SOVIET PROPAGANDA CONTINUES ALL-OUT

As ranking member of the Senate Foreign Relations Committee, I am keenly aware that Communist propaganda throughout the world has not diminished in the slightest in its effort to vilify the United States. Yes, in spite of the Soviet cold war peace offensive, the Red propaganda mill is continuing to grind full blast. Under these circumstances, we have no alternative but to restore the USIA's funds. It would be absurd if the Congress were to grant considerable funds for Armed Forces, yet at the same time weaken funds which are similarly vitally necessary in America's self-interest.

SENATE SHOULD INSIST ON ITS AMOUNT

The Senate-House conference committees on the State-Justice Department appropriations bill will shortly meet.

I trust that the conferees of the Senate will decline to accept any substantial reduction in the funds which the Senate has recommended for the USIA. By so doing, we will protect and preserve the best interests of the United States, and we will better assure the prevention of war.

THE LATE JUDGE HAROLD M. STEPHENS

Mr. WATKINS. Mr. President, the passing of Judge Harold M. Stephens last Saturday will be mourned by all who were fortunate enough to know him.

Thousands more who never had the opportunity to know him personally were aware of his brilliant career as a young Assistant Attorney General, and later as a member and chief judge of the United States Court of Appeals, District of Columbia Circuit. They also will note his demise with profound regret.

Mr. President, I am one of those fortunate persons who knew Judge Stephens during the period when he was a student of law at Harvard University. Later I was associated with him in the county attorney's office, where we were both assistant prosecutors, in our native State of Utah.

During this close association, and through my contacts with him during the nearly two decades of his service in the Federal judiciary, I have been impressed that the career of Judge Stephens is another good example that this country has been fortunate in its selection of Federal judges.

Judge Stephens' entire career on the bench was characterized by outstanding devotion to duty, a display of the highest of ethical standards, and a passion for fairness and justice for all who came before him. With him, these ideals of judicial conduct were not mere precepts of theory, but were the everyday practice of a sincere and dedicated jurist.

In all the depth of meaning of the term, he was a just man; and this was recognized by all those associated with him and by all who came before him for the administration of justice.

Judge Stephens was also a deeply religious man. He not only had a deep and stabilizing personal religious conviction, but he also had a pervading sense of appreciation for human dignity and a high degree of tolerance for the religious views of others.

Intensely loyal, Judge Stephens was a vigorous and persistent advocate for causes and organizations in which he believed and participated. He demonstrated this in his advocacy for a stronger and sounder Federal judiciary, and his position was in the front ranks of many movements for improvement in the judiciary. His interest and ability were recognized by his associates, who nominated him to the judicial council as their

advocate and champion. He appeared in this capacity on numerous occasions before hearings of the Senate Judiciary Committee in which I participated; and I can testify that his appearances, without exception, evoked respect for him as an individual and as a jurist.

Details of some of his achievements in improving the Federal judiciary are chronicled in an article which appeared in the Washington Post and Times-Herald of May 29, and I now request unanimous consent to have the article printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHIEF JUDGE STEPHENS IS DEAD—ON COURT OF APPEALS 20 YEARS

Chief Judge Harold Montelle Stephens of the United States court of appeals here, who died last night, was a man who lived and loved the law as few men have. He was 69 on March 6.

The victim of a hopeless cancer that spread through his abdomen, Judge Stephens would have completed 20 years on the Federal appellate bench in October.

Although he had not occupied the bench since last winter, the jurist did not learn the nature of the disorder that caused death until an exploratory operation was performed at the Mayo Clinic early in May.

Judge Stephens first went to the Rochester, Minn., institution in February. Tests failed to disclose any abnormality, but Mayo physicians told the intense, hard-working jurist to take a long rest in Florida. It was while he was there, attempting to rest and toss aside the innumerable worries of a court that is second only to the Supreme Court in importance, that Judge Stephens suffered another attack.

HOPED FOR RECOVERY

He returned to Mayo Clinic and the investigative surgery. After his condition was diagnosed, Judge Stephens came home to his apartment at the Sheraton-Park Hotel to wait out the inevitable. Until the end he had hopes of recovery sufficiently to resume his place at the head of the appellate tribunal.

He is survived by his wife, the former Virginia Adelle Bush, whom he married in 1912, and a brother, E. W. Stephens, of California.

The jurist was a Congregationalist until 1928, when he entered the Roman Catholic Church.

Generally considered a legal conservative whose all-consuming passion in life was the law, Judge Stephens made his mark in his chosen field early in life. He was a judge in the Third Judicial District Court in Utah at the age of 31.

A friendly, approachable man with a long, narrow face, he was distinguished for his profound scholarship and the exacting research he put into his work.

After leaving the Utah bench in 1921, Judge Stephens went into private practice for a dozen years until 1933, when this concededly brilliant man from the West came East to begin a Federal Government career that lasted until his death.

HEADED ANTITRUST UNIT

In 1933 Judge Stephens took office as an Assistant Attorney General under the then Attorney General Homer S. Cummings. The man from Utah was placed in charge of the Justice Department's Antitrust Division in the early, hectic days of the New Deal.

Judge Stephens on several occasions sat in on Cabinet meetings with President Roosevelt as the Justice Department's representative and got to know FDR personally. The mid-1930's were the years when such legislation as the National Recovery Act (NRA) with its blue eagle and the Agricultural Adjustment Act occupied the public attention.

From his key Justice Department post, Judge Stephens played a major role in the administration of the laws depended upon by FDR to save the Nation.

He was active in another field, too—in the courts. He went before the Supreme Court numerous times to argue on behalf of the Government. Among those cases in which he represented the United States were the "hot oil" cases, which prohibited the transportation of Government restricted oil in interstate commerce, Federal Trade Commission and Interstate Commerce Commission cases and still others dealing with the Sherman Antitrust Act.

Together with several others, Judge Stephens was instrumental in the creation of the Federal Register, so relied upon today as a readily available source of Government Executive orders, departmental decisions, agency regulations and other important official documents.

NAMED TO BENCH IN 1935

In 1935, after being considered a strong contender for the Supreme Court opening caused by the death of Justice Benjamin Cardozo, Judge Stephens was chosen by President Roosevelt to fill the Court of Appeals vacancy created by the death of Judge William Hitz.

Less than 5 months after he was sworn in, Judge Stephens attracted wide attention by writing the opinion in the famed broken-tooth case, a landmark decision. The ruling opened a new era in the protection of the public in Washington.

The case began when a drugstore luncheonette customer chewed into a roll and broke his tooth on a pebble. He sued. In his opinion of February 24, 1936, Judge Stephens wrote:

"We [the court] conclude that upon the service of food for a consideration and for immediate consumption upon the premises of the seller, but which food was not prepared by the seller but purchased elsewhere and the defect in which was not discoverable except by destroying the marketability of the article, there is an implied warranty that the food is wholesome, for breach of which an action lies for the recovery of consequential damages."

MEMORIZED BY STUDENTS

The lawyers know the case as *Cushing* v. *Rodman*, and nearly a generation of law students has memorized its basic tenet.

Judge Stephens also became known as a jurist exceptionally learned in patent law. When he first went on the bench, his knowledge of this highly specialized field was not too great.

By applying the same probing, analytical, tenacious mind to the study of patent law that he later turned to good use in urging Congress to strengthen the judiciary by various legislative means, Judge Stephens soon mastered its scientific intricacies. He subsequently wrote the opinions in dozens of important patent disputes.

Judge Stephens also was an expert in medical law. He authored an article entitled "The Legal Responsibility of Hospitals" for the Bulletin of the American College of Surgeons and was made a member of the organization.

NOTED FOR GYPSUM CASE

His energy was perhaps best exhibited in the massive 114-page opinion he wrote in the antitrust case involving the United States Gypsum Co. and other gypsum-manufacturing firms.

The decision was handed down on June 15, 1946, denying the Government an injunction against the companies.

To this midwestern descendant of *Mayflower* and Revolutionary War ancestors, the law was the thing. And he didn't hesitate to set forth his views in dissenting opinions when outvoted by fellow jurists.

Judge Stephens took the same meticulous professional care in writing a dissenting opinion as he did when he spoke for the majority. One of the most striking examples was his dissent in the first appeal of the controversial Owen Lattimore perjury case.

Though outvoted 8 to 1 by his colleagues on the celebrated Communist-sympathizer charge, Judge Stephens contended that the accusation thrown out in the trial court should have been reinstated. One reason the charge was valid, he asserted, was because it stated all the elements of the crime of perjury as set forth in the law.

FOUGHT FOR JUDICIARY

The public and the bar knew Judge Stephens primarily as the fine appellate jurist he was. But there was another facet to his work that became tremendously important after he was named chief judge in 1948.

Judge Stephens often represented the judiciary in its dealings with the Congress. He fought for more judges to help carry the burden of administering justice, for higher salaries to attract and retain capable jurists, and for the statute creating the administrative office which enabled the judiciary to become more independent of the executive branch of Government.

When he spoke Congress listened, for they knew him to be a man who spoke only after an exhaustive investigation of the facts.

Together with Chief Judge Bolitha J. Laws, of district court here, he proved the need of a new courthouse for Washington so clearly and dramatically that the economy-minded 80th Congress appropriated more than $18 million to erect the great white building which now stands at the foot of Capitol Hill on Constitution Avenue.

As recently as last February he appeared before a Senate Judiciary subcommittee conducting a hearing on a resolution to establish the tradition of a Chief Justice of the United States periodically addressing the Congress in joint session.

The idea for such a speech by the Chief Justice appeared novel when it was mentioned some months ago. Actually, it originated with Judge Stephens and Chief Judge John Biggs, Jr., of the United States Court of Appeals for the Third Circuit in Wilmington, Del., 4 years ago—another effort by Judge Stephens to improve and strengthen the judiciary.

GIVEN MEDAL FOR MERIT

Awards and honors came to Judge Stephens during his career, including membership in Phi Beta Kappa for his scholarship and an honorary doctor of laws degree from Georgetown University in 1939. But the award he most cherished was the Medal for Merit, the highest award given a civilian for wartime service.

President Truman conferred the honor on Judge Stephens for his service as American Chairman of the Joint Committee on Interchange of Patent Rights and Information with Great Britain, for mutual aid during World War II. He did the job while continuing to carry out the duties of his judgeship.

A native of Crete, Nebr., whose family moved to Salt Lake City when he was 2 years old, Judge Stephens attended public schools in the Utah city. Then came 2 years at the University of Utah, followed by 2 more years at Cornell University and a bachelor of arts degree in 1909.

Judge Stephens moved on to the Harvard Law School, where he received his degree in 1913. Two years in private practice in Salt Lake City followed and then he served as assistant prosecuting attorney for Salt Lake County from 1915 until he went on the State bench in 1917.

In 1930 to 1931 he did graduate work at the University of California. He returned to

Harvard and in 1933 earned the coveted degree of doctor of juridical science.

Mr. WATKINS. Mr. President, the passing of Judge Stephens is a great loss to the Nation, and a heavy personal loss to me. He was one of my closest and best friends here in Washington. His timely advice and encouragement were a great help to me on numerous occasions.

Mr. President, numerous eulogies of Judge Stephens have been published. One appeared in an editorial in the Washington Post and Times Herald of May 30. Another appeared in an editorial in the Washington Star of yesterday, May 31. I ask unanimous consent that the editorials be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 30, 1955]

HAROLD M. STEPHENS

As chief judge of the United States Court of Appeals, Harold M. Stephens made a profound impression upon the American bench and bar. He presided over the court with dignity tempered by an innate humility with diligence that amounted to a passion, and with an acute sense of judicial responsibility. In the literal meaning of the words, he was a judge's judge.

In recognition of his brilliance as a student of the law and as a prosecutor and practicing attorney, he was made a judge of the third judicial court in Salt Lake City at the age of 31. At the end of his 4-year term he went back to practice, took graduate courses at the University of California and Harvard Law School, and came to Washington as Assistant Attorney General in 1933. Even as a Government lawyer arguing cases in the Supreme Court in the turbulent days of the New Deal, his judicial temperament and his unswerving loyalty to the concept of a fair trial were much in evidence. While trying to save the Petroleum Code in the "hot oil" cases, he candidly admitted that that the code had been enforced for a year without a penal section.

Judge Stephens' frank acknowledgment that men were being indicted and sent to jail for violating Executive orders that were difficult to find in print led to the creation of the Federal Register, in which all official regulations are now published. Both on and off the bench he was a stickler for orderly and proper procedures. An expert on judicial rules, he devoted an enormous part of his time as chief judge to administrative and procedural problems. Last year he personally handled 1,776 of the 2,500 motions and petitions filed in the court of appeals and presided over 745 3-judge hearings on motions. His colleagues give him credit for establishing a motions-calendar system that has eliminated the previous chaos in this sphere and brought the hearing of motions up to date.

As a member of the United States Judicial Conference, Judge Stephens exerted a powerful influence toward improvement of the whole judicial system. He worked for the establishment of the administrative office of the United States courts and was the spark-plug behind two salary increases for judges. The District's new courthouse will long stand as a monument to the persistence and drive of Judge Stephens, former Chief Judge D. Lawrence Groner, Chief Judge Laws of the District court, and a few others.

In the decision of cases Judge Stephens was a perfectionist. He didn't like to make up his mind until he had read and pondered everything bearing on a case. It was not unusual for him to cite 25 cases pertinent to a point at issue. When his laborious homework had been done, he brought to the court a rare quality of legal judgment. While this newspaper sometimes challenged his conclusions, as in the Thompson's Restaurant case, we always maintained great respect for his objectivity and his independent pursuit of the facts and the law. His talent for handling legal technicalities gave him a special expertise in patent law, and he wrote many opinions in this field.

Always alert to injustice, he had a passion for hearing everyone who knocked at the door of the court. Sometimes his leniency in favoring reargument of cases troubled his colleagues, but they respected his purpose of giving every man his day in court. In personal relations the "Judge," as he was so often called, seemed to have the good will and affection of everyone. His passing leaves a gaping hole in the court of appeals but adds another chapter of great achievement to the history of the American judiciary.

[From the Washington Evening Star of May 31, 1955]

CHIEF JUDGE STEPHENS

If one were to mention but a single characteristic of Harold M. Stephens, it might well be his scrupulous regard for the dividing line between the functions of the judicial and legislative branches of the Government. For the chief judge of the United States Court of Appeals for the District was not addicted to what is popularly termed judicial lawmaking. He firmly believed that it was the business of Congress to make the laws and that it was not the function of the courts to rewrite them through any process of interpretation. To this philosophy, honored too often in the breach these days, he was faithful throughout his entire career on the bench.

Judge Stephens' service on the court of appeals extended over a span of 20 years. He was appointed chief judge in 1948, and from that time forward, in the public eye at least, he was prominently identified with administrative reforms with the effort to obtain suitable quarters for the court and with the successful endeavor to persuade Congress to provide more adequate compensation for the judges.

This does not mean, however, that Judge Stephens lacked stature in his primary role. As a judge, he was highly regarded. Perhaps he took longer to do a job than some others might. His capacity for detail was notable, and his opinions often were correspondingly lengthy. But he was a judge with the courage of his convictions, a judge who applied the law as he saw it, and without regard to any other consideration.

As one of his colleagues has put it, opinions can and often do vary as to what constitutes a fine judge. But if those with varying views could agree on a common denominator, that would be Harold Stephens. Certainly his passing is a severe loss to the court of appeals and to this community, which he had adopted as his own.

ROY H. GLOVER

Mr. MANSFIELD. Mr. President, another Montanan, Roy H. Glover, has been elected chairman of the board of the Anaconda Co. Roy Glover has earned this promotion through hard work, understanding, and a keen awareness of the facts of life. A man of broad knowledge, he has figured prominently in bringing order out of chaos in the copper industry in Chile, and in expanding into the fields of uranium and aluminum in this country.

His great talents and abilities have been recognized in Montana, throughout the United States, and overseas where, just recently, he was personally decorated by President Carlos Ibanez, of Chile, with the Order of Merit, one of the highest honors bestowed by Chile, and one which has been awarded to very few foreigners.

It is gratifying to me that this outstanding American has been given this signal honor. It is heartening that in Roy Glover we have a man who is fully aware of his responsibilities and the opportunities for service they represent. He is a great credit and a real asset to Montana and the United States. I join with thousands of other Montanans in wishing him Godspeed and good luck in the difficult years ahead.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, sundry articles and editorials from Montana newspapers, as well as from the Christian Science Monitor, relative to Roy Glover.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Butte (Mont.) Daily Post of May 27, 1955]

ROY H. GLOVER ELECTED CHAIRMAN OF BOARD OF ANACONDA CO.—ANOTHER MONTANAN IS AT THE HELM OF HUGE METALS FIRM

NEW YORK.—Roy H. Glover, 64-year-old vice president and general counsel of Anaconda Copper Mining Co., was elected chairman of the board of that huge metals firm Thursday.

He takes the place of Cornelius F. Kelley, who announced his retirement last week after 54 years with Anaconda.

Mr. Glover, a tall westerner, joined Anaconda at Butte, Mont., in 1943 as counsel. He became vice president and general counsel in 1951 and has held the same positions with Chile Copper Co. and Chile Exploration Co., Anaconda subsidiaries. He is a director of Anaconda and of these subsidiaries.

Mr. Glover takes over as head of a company which is one of the world's largest producers of copper, with mines in the United States and in Chile, where it is the biggest producer. It operates huge copper-fabricating plants, is a major factor in zinc production, and the largest manganese producer in the United States.

It will begin to produce aluminum in July at a new plant in Columbia Falls, Mont. In New Mexico it is developing the largest uranium deposit in this country.

Because of the widening scope of operations, the company's name will be changed next month from the Anaconda Copper Mining Co. to the Anaconda Co.

Anaconda has assets of $673 million. Gross income last year was nearly $465 million.

As Roy H. Glover becomes chairman of the board of directors of the Anaconda Co., another Montanan takes the helm of the vast, far-flung corporation, which has steadily increased its importance in the Nation's industrial picture. He follows two illustrious chairmen of the board, the first the late John D. Ryan and the second, Cornelius F. Kelley, who announced his retirement to the stockholders of Anaconda at their annual meeting in Anaconda on May 18. Thus since directors have named chairmen of the Anaconda board each one has been a Montanan who previously served in executive capacities at Montana headquarters of the company in Butte.

Following a distinguished career in the law with his Great Falls firm, Mr. Glover

joined the Anaconda Co.'s legal staff in Butte in 1943 and in 1945 he was appointed western general counsel of the company, succeeding his old Great Falls law associate, the late W. H. Hoover, who became general counsel of the company and later president.

On October 12, 1951, Mr. Glover was named vice president and general counsel and also a director of the Anaconda Co. Since then he has made his headquarters in New York City. Much of his time was occupied in the past few years on affairs connected with Anaconda's large operations in Chile, his remarkable ability and talents in those matters bringing him wide recognition both in this country and from the Chilean Government.

On April 6 of this year President Carlos Ibanez, of Chile, personally decorated Mr. Glover with his Government's Order of Merit, one of the highest honors bestowed by the South American Republic and one which has been awarded to but few foreigners.

The award ceremony took place in the Presidential Hall of Ceremonies with many distinguished persons being present.

The Order of Merit is awarded for valuable services to Chile, and President Ibanez spoke glowingly of Mr. Glover's qualifications. He has contributed greatly to the economy of the country in connection with Chile's copper industry, it was pointed out.

Mr. Glover was born at Goldendale, Wash., where he received his early education. He later attended school at Portland and earned his law degree at the University of Oregon. Upon graduation there in 1916 he practiced until his enlistment in the Army. He had overseas service in World War I and returning to the States he located at Great Falls in May, 1919, after having been admitted to the Montana bar late in 1918.

Beginning as a law clerk in June, 1919, he became in the ensuing years one of Montana's leading attorneys. He either tried law suits or handled legal business in every Montana county during his years of practice. He first became a member of the firm of Weir, Clift, Glover and Bennett, with offices in Great Falls and Helena, the firm being counsel for the Great Northern Railway in Montana. Later in Great Falls, he was a member of the law firm of Cooper, Stephenson and Glover from 1936 to 1943, when he entered the Anaconda Co.'s legal department in Butte. His Great Falls firm handled Anaconda Co. legal business in northern Montana while he was a member. In 1945 Mr. Glover was named general counsel for the Montana Power Co.

Mr. and Mrs. Glover maintain a home in Butte at 915 West Galena. They have hundreds of friends in the mining city and in many other Montana communities.

In Butte during his years as western general counsel Mr. Glover took an active part in civic affairs, his leadership being sought on numerous occasions for worthwhile community movements. He always gave an eager hand to the various enterprises in this city and in Great Falls, where he was an eminent citizen for so many years.

For many years Mr. Glover was interested in stockraising. He has maintained a summer home in the Sun River country for some time and his favorite relaxation from a busy career has been trout fishing in that rugged area.

Mr. Glover is a director of a number of corporations which include the First Bank Stock Corp. of Minneapolis, the Montana Power Co., the First National City Bank of New York, the Metals Bank and Trust Co. of Butte, the First National Bank of Great Falls, and the Heisey Co. of Great Falls. He is also on the board of directors of a large number of smaller business organizations.

The new board chairman of Anaconda is a member of the American Bar Association, the Federal Bar Association and the Montana State Bar Association.

[From the Montana Standard of May 27, 1955]

GLOVER CHOSEN CHAIRMAN ANACONDA COMPANY BOARD—ANOTHER MONTANAN TAKES HELM OF VAST CORPORATION

NEW YORK.—Roy H. Glover, 64-year-old vice president and general counsel of Anaconda Copper Mining Co., was elected chairman of the board of that huge metals firm Thursday.

He takes the place of Cornelius F. Kelley, who announced his retirement last week after 54 years with Anaconda.

Mr. Glover, a tall westerner, joined Anaconda at Butte, Mont., in 1943 as counsel. He became vice president and general counsel in 1951, and has held the same positions with Chile Copper Co. and Chile Exploration Co., Anaconda subsidiaries. He is a director of Anaconda and of these subsidiaries.

Mr. Glover takes over as head of a company which is one of the world's largest producers of copper, with mines in the United States and in Chile, where it is the biggest producer. It operates huge copper fabricating plants, is a major factor in zinc production, and the largest manganese producer in the United States.

It will begin to produce aluminum in July at a new plant in Columbia Falls, Mont. In New Mexico it is developing the largest uranium deposit in this country.

Because of the widening scope of operations, the company's name will be changed next month from the Anaconda Copper Mining Co. to the Anaconda Co.

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Following a distinguished career in the law with his Great Falls firm, Mr. Glover joined the Anaconda Co's legal staff in Butte in 1943 and in 1945 he was appointed western general counsel of the company, succeeding his old Great Falls law associate, the late W. H. Hoover, who became general counsel of the company and later president.

On October 12, 1951, Mr. Glover was named vice president and general counsel and also a director of the Anaconda Co. Since then he has made his headquarters in New York City. Much of his time was occupied in the past few years on affairs connected with Anaconda's large operations in Chile, his remarkable ability and talents in those matters bringing him wide recognition both in this country and from the Chilean Government.

On April 6 of this year President Carlos Ibanez of Chile personally decorated Mr. Glover with his Government's Order of Merit, one of the highest honors bestowed by the South American Republic and one which has been awarded to but few foreigners.

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The Order of Merit is awarded for valuable services to Chile and President Ibanez spoke glowingly of Mr. Glover's qualifications. He has contributed greatly to the economy of the country in connection with Chile's copper industry, it was pointed out.

Mr. Glover was born at Goldendale, Wash., where he received his early education. He later attended school at Portland and earned his law degree at the University of Oregon. Upon graduation there in 1916 he practiced until his enlistment in the Army. He had overseas service in World War I and returning to the States he located at Great Falls in May 1919 after having been admitted to the Montana bar late in 1918.

Beginning as a law clerk in June 1919 he became in the ensuing years one of Montana's leading attorneys. He either tried law suits or handled legal business in every Montana county during his years of practice. He first became a member of the firm of Weir, Clift, Glover & Bennett, with offices in Great Falls and Helena, the firm being counsel for the Great Northern Railway in Montana. Later in Great Falls, he was a member of the law firm of Cooper, Stephenson & Glover from 1936 to 1943, when he entered the Anaconda Co.'s legal department in Butte. His Great Falls firm handled Anaconda Co. legal business in northern Montana while he was a member. In 1945 Mr. Glover was named general counsel for the Montana Power Co.

Mr. and Mrs. Glover maintain a home in Butte at 915 West Galena. They have hundreds of friends in the mining city and in many other Montana communities.

In Butte during his years as western general counsel Mr. Glover took an active part in civic affairs, his leadership being sought on numerous occasions for worthwhile community movements. He always gave an eager hand to the various enterprises in this city and in Great Falls, where he was an eminent citizen for so many years.

For many years Mr. Glover was interested in stockraising. He has maintained a summer home in the Sun River country for some time and his favorite relaxation from a busy career has been trout fishing in that rugged area.

Mr. Glover is a director of a number of corporations which include the First Bank Stock Corp., of Minneapolis; the Montana Power Co.; the First National City Bank of New York; the Metals Bank & Trust Co., of Butte; the First National Bank of Great Falls; and the Heisey Co., of Great Falls. He is also on the board of directors of a large number of smaller business organizations.

The new board chairman of Anaconda is a member of the American Bar Association, the Federal Bar Association, and the Montana State Bar Association.

[From the Montana Standard of May 27, 1955]

MR. GLOVER FORESEES NO CHANGES IN POLICIES OF COMPANY

NEW YORK.—Roy H. Glover, newly elected chairman of Anaconda Copper Mining Co., said Thursday he foresees no changes in the company's present policies, no expansion in the near future, and no reason for changes in Anaconda's earnings trend.

"Anaconda is looking to the utilization of nuclear energy not for war but for the benefit of mankind," Mr. Glover told a press conference. He said the firm will advance in the uranium field considering "the beneficial aspects of nuclear power."

Mr. Glover paid tribute to the philosophy of former Chairman Cornelius F. Kelley, who retired a week ago. Mr. Kelley determined that Anaconda would get into the uranium field of operations, he noted, and Mr. Glover intends to follow his lead.

"Under Mr. Kelley every one had the opportunity to put forward his ideas," he said. "That has been the reason for the progress of Anaconda in its various fields. I don't know how you could improve on that type of policy."

The new chairman said Anaconda has arrived at a "fine understanding with the Chilean Government and shares with it an appreciation of mutual difficulties." He said

he has just finished his sixth trip to Chile in 3 years.

Asked about Anaconda's diversifying into other fields, Mr. Glover said the company is "always ready to go into any appropriate field where it can be of service. That's why the name is being changed from Anaconda Copper Mining Co. to the Anaconda Co."

Speaking of copper demand in 1955, Mr. Glover said he saw no reason why it shouldn't be heavy and added there is certainly "no surplus."

The copper industry is "an integral part of the United States economy and of the world, based on communication and transportation, and copper is indispensable in those fields as well as related fields," he said.

The new chairman sees no change in Anaconda's earnings trend "unless unforeseen things occur." Asked about the firm's aluminum reduction plant expansion, he said Anaconda has not even got a new plant into operation yet.

Mr. Glover's hobbies include hunting—both big and small game—golf and fishing. "What do you expect from a man from Montana?" he asked reporters.

[From the Montana Standard of May 28, 1955]

ROY H. GLOVER BECOMES NEW ANACONDA CHAIRMAN

When the directors of the Anaconda Co. elected Roy H. Glover chairman of the board to succeed Cornelius F. Kelley they made certain that the heart of the farflung organization would remain in Montana. This is as it should be. The Anaconda Co. had its origin here in the "richest hill on earth." Its operations centered in Butte, Anaconda, and Great Falls for many years while building the foundation upon which it later based its expansion from a $30 million corporation in 1895 to a $673 million organization today.

The direction—the fate of the company—always has resided in the hands of Montanans. The others were the late John D. Ryan, a longtime Montanan, and Mr. Kelley, who was president and chairman of the board for a total of 37 years—both of whom became famous leaders of industry.

Mr. Glover in assuming the board chairmanship of the Anaconda Co. brings a wealth of experience and ability to the post as well as a dominant love for Montana and Montanans. He is a typical westerner with a typical western philosophy of life. And if there is one characteristic which dominates all his activities it is a genius for getting along with people—just plain people.

Mr. Glover has demonstrated this ability time and again in his capacity as company attorney, western counsel, general counsel, and vice president and in his official capacity in Chile where he successfully undertook difficult negotiations with the government there in connection with hte copper industry.

His outstanding accomplishments for the betterment of Chile's economy won for him the Chilean Order of Merit which President Ibanez bestowed in person.

Mr. Glover's diplomatic ability is therefore appreciated both in corporate and governmental circles.

As chairman of the board of the Anaconda Co., Mr. Glover heads an organization which operates in 19 States of the Union and several foreign countries. But while the organization's headquarters are in New York City, the financial center where many other similar organizations have their headquarters, Mr. Glover maintains his home in a modest dwelling at 915 West Galena Street, where he and Mrs. Glover welcome their neighbors and friends on their visits to the mining city. Mr. and Mrs. Glover feel equally at home in Great Falls where they lived a number of years and took part in civic and other local affairs as they have done in Butte. Indeed, Mr. Glover is known throughout the State of Montana where he traveled extensively as an attorney before joining the Anaconda Co. in 1943.

His elevation to this position which carries such heavy responsibilities, as well as great honor, will come as pleasing news to all Montana citizens, even those in the most remote parts of the Nation's third largest State. His determination to carry on with the policies of Mr. Kelley which have proved so successful will also come as welcome news to Montanans, as well as to friends of Anaconda everywhere.

[From the Glendive (Mont.) Daily Ranger of May 26, 1955]

ANACONDA HAS NEW CHAIRMAN

NEW YORK.—The Anaconda Copper Mining Co. today announced the election of Roy H. Glover as chairman of the Board of directors to succeed Cornelius F. Kelley, who retired a week ago.

The election of Glover, who will be 65 on July 15, was announced following a meeting of Anaconda directors here.

Glover, who joined Anaconda in 1943 at Butte, Mont., is a vice president, general counsel, and director of the parent company and its foreign subsidiaries, Chile Copper Co. and Chile Exploration Co.

The newly elected Anaconda chairman was born at Goldendale, Wash., July 15, 1890, the son of Mary and Waldo E. Glover. He was educated at the University of Oregon from which he was graduated with an L.L. B. degree in 1915. During World War I, he served as a sergeant in the United States Army in the overseas courier service. Glover and his wife, the former Helen A. Henderson, live in Butte.

The business career of the new chairman began in 1915 when he was admitted to the Oregon bar, after which he practiced law in Portland, Oreg., and was admitted to the Montana bar in 1918. His legal career was divided into two periods—from 1919 to 1936, he was a member of the Great Falls, Mont., law firm, Weir, Clift, Glover & Bennett; and from 1936 to 1943, he was a member of Cooper, Stephenson & Glover.

Glover joined Anaconda in 1943 as counsel and served in this capacity until 1945. He has been Anaconda's western general counsel since 1945 as well as general counsel for the Montana Power Co. In 1951, Glover became the firm's vice president and general counsel.

[From the Great Falls (Mont.) Tribune of May 27, 1955]

ROY H. GLOVER SUCCEEDS KELLEY—ANACONDA TO PRESS FOR PEACEFUL USE OF NUCLEAR POWER, NEW CHAIRMAN SAYS

NEW YORK.—Roy H. Glover, newly elected chairman of Anaconda Copper Mining Co., said Thursday the firm will advance in the uranium field with a view to "the beneficial aspects of nuclear power."

"Anaconda is looking to the utilization of nuclear energy not for war but for the benefit of mankind," Glover told a news conference.

Glover also said he foresees no changes in the company's present policies, no expansion in the near future, and no reason for changes in Anaconda's earnings trend.

Glover paid tribute to the philosophy of former chairman Cornelius F. Kelley, who retired a week ago. Kelley determined that Anaconda would get into the uranium field of operations, he noted, and Glover intends to follow his lead.

Glover's election as chairman of the board of directors was announced Thursday after a meeting of the board.

He joined the company in 1943 at Butte, Mont., and had served as vice president, general counsel, and director of the parent company and its foreign subsidiaries, Chile Copper Co., and Chile Exploration Co.

The new chairman was born at Goldendale, Wash., July 15, 1890. He was educated at the University of Oregon. Glover and his wife, the former Helen A. Henderson, live in Butte.

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Glover joined Anaconda in 1943 as counsel and served in this capacity until 1945. He has been Anaconda's western general counsel since 1945 as well as general counsel for the Montana Power Co. In 1951, he became the firm's vice president and general counsel.

The new chairman also is president of the Fairmont Corp., the Standard Publishing Co., and the Heisey Co. He is a vice president of the Columbia Amusement Co., Interstate Lumber Co., and Post Publishing Co.

Glover is a director of Columbia Amusement Co., Fairmont Corp., Post Publishing Co., Standard Publishing Co., the Heisey Co., Metals Bank & Trust Co., First Bank Stock Corp., the First National Bank of Great Falls, the Montana Power Co., Great Falls Breweries, Inc., International Smelting & Refining Co., Interstate Lumber Co., and the First National City Bank of New York.

The announcement of Kelley's retirement as chairman of Anaconda was made at the firm's annual stockholders' meeting May 18, but Glover's election to the board chairmanship was held up until Thursday's directors' meeting.

Kelley, one of the great captains of industry in the 20th century, had been with Anaconda more than 50 years, including 15 years as chairman of the board and 22 years as president.

Anaconda which will mark its 60th anniversary next month, then will assume its new name, the Anaconda Co., which was approved by stockholders a week ago. The name has been abbreviated from the Anaconda Copper Mining Co., it was explained, on directors' approval, because of the widening scope of the firm's operations and products.

Asked about Anaconda's diversifying into other fields, Glover said the company is "always ready to go into any appropriate field where it can be of service. That's why the name was changed."

Speaking of copper demand in 1955, Glover said he saw no reason why it shouldn't be heavy and added there is certainly "no surplus."

The copper industry is "an integral part of the United States economy and of the world, based on communication and transportation, and copper is indispensable in those fields as well as related fields," he said.

The new chairman sees no change in Anaconda's earnings trend "unless unforeseen things occur."

[From the Billings (Mont.) Gazette of May 27, 1955]

ROY H. GLOVER NAMED ANACONDA CHAIRMAN AS KELLEY'S SUCCESSOR

NEW YORK.—Roy H. Glover, 64-year-old vice president and general counsel of Anaconda Copper Mining Co., was elected chairman of the board of that huge metals firm Wednesday.

He takes the place of Cornelius F. Kelley, who announced his retirement as chairman last week after 54 years with Anaconda.

Glover, a tall westerner, joined Anaconda at Butte, Mont., in 1943 as counsel. He became vice president and general counsel in 1951 and has held the same positions with

Chile Copper Co. and Chile Exploration Co., Anaconda subsidiaries. He is a director of Anaconda and of these subsidiaries.

Glover takes over as head of a company which is one of the world's largest producers of copper, with mines in the United States and in Chile, where it is the biggest producer. It operates huge copper fabricating plants, is a major factor in zinc production and the largest manganese producer in the United States.

It will begin to produce aluminum in July at a new plant in Columbia Falls, Mont. In New Mexico it is developing the largest uranium deposit in this country.

Because of the widening scope of operations, the company's name will be changed next month from the Anaconda Copper Mining Co. to the Anaconda Co.

Anaconda has assets of $673 million. Gross income last year was nearly $465 million.

Glover, whose election is effective immediately, told newsmen he planned no change in Anaconda policies.

"Under Mr. Kelley everyone had the opportunity to put forward his ideas," he said. "That has been the reason for the progress of Anaconda in its various fields. I don't know how you could improve on that type of policy."

Referring to Anaconda's activities in uranium, Glover said the company "is looking to the utilization of nuclear energy not in war but for the great benefit of mankind."

Asked if Anaconda would expand into new fields, Glover said:

"Anaconda is always ready to go into any appropriate field."

He forecast continued heavy demand for copper through the end of this year, assuming industrial activity continues high.

He said the recent agreement with Chile, which eases restrictions on American copper firms, represented "an appreciation of our mutual difficulties, problems, and aspirations."

THIRD MONTANAN IN POST

Roy H. Glover, who was elected chairman of the board of directors of the Anaconda Co. at a directors' meeting in New York Thursday, becomes the third Montanan to head the big industrial concern.

He succeeds Cornelius F. Kelley who announced his retirement at the annual stockholders' meeting in Anaconda May 18 after more than 50 years with the company including 15 as chairman and 22 as president. The first chairman was the late John D. Ryan.

All were Montanans who served in executive capacities at western headquarters of the company in Butte.

After a distinguished career in law with his Great Falls, Mont., firm, Glover joined Anaconda's legal staff in Butte in 1943.

In 1945 he was appointed western general counsel for the company, succeeding his former Great Falls law associate, the late W. H. Hoover who became general counsel and later president of the company.

On October 12, 1951, Glover was named vice president and general counsel and also a director of the Anaconda Co. His headquarters were moved at that time to New York City.

Much of his time has been occupied in the past few years on affairs connected with Anaconda's large operations in Chile. His work there brought him wide recognition in this country and in Chile.

On April 6 of this year President Carlos Ibanez Del Campo, of Chile, decorated him with the Chilean Government's Order of Merit. This is one of the highest honors bestowed by the South American republic and one which has been awarded to but few foreigners.

The new board chairman was born at Goldendale, Wash., July 15, 1890. He attended school at Portland and received his law degree from the University of Oregon in 1916.

Glover practiced law until his enlistment in the Army. He had overseas service as a sergeant in World War I. After returning to the States he located at Great Falls in May 1919.

He started as a law clerk and became one of Montana's leading attorneys. He either tried law suits or handled legal business in every Montana county during his years of practice.

Glover first became a member of the firm of Weir, Clift, Glover, and Bennett with offices in Great Falls and Helena. The firm was counsel for the Great Northern Railway in Monta.

Later in Great Falls, he was a member of the firm of Cooper, Stephenson, and Glover from 1936 until 1943 when he entered Anaconda's legal department in Butte.

His Great Falls firm handled Anaconda's legal business in northern Montana while he was a member.

For many years he was interested in stockraising. He has a summer home in the Sun River country west of Great Falls. He and Mrs. Glover also maintain a home in Butte.

Glover is a director of a large number of corporations. These include the First Bank Stock Corp. of Minneapolis, Montana Power Co., First National City Bank of New York, Metals Bank & Trust Co. of Butte, First National Bank of Great Falls, Heisey Co. of Great Falls, and several others.

He is a member of the American Bar Association, Federal Power Bar Association, and Montana Bar Association.

[From the Great Falls (Mont.) Tribune of May 28, 1955]

ANACONDA'S NEW CHAIRMAN

Rated among the top-bracket giants of industry on both the domestic and international scene, the Anaconda Co. has always found its Montana operations a favored proving ground for the recruiting of its top directive personnel.

Election of Roy Glover, former Great Falls attorney, successively western and then general counsel and vice president of the company, to chairmanship of Anaconda's board follows this pattern in signal manner. Roy has a warm place in the hearts of this community, who remember him as one of the stalwarts who unselfishly contributed much to the growth and welfare of Great Falls.

It is of considerable comfort to all Montanans to know that the top echelon of Anaconda includes so many who had their business roots in the Treasure State, who have a clear and sympathetic understanding of its problems, and on whose friendly consideration we can depend as the years go on.

[From the Christian Science Monitor of May 27, 1955]

GLOVER NAMED NEW CHAIRMAN OF ANACONDA

Roy H. Glover who joined Anaconda Copper Mining Co. 12 years ago as counsel, has been elected chairman of the board and chief executive officer.

A soft-spoken westerner, Mr. Glover took over from Cornelius F. Kelley, one of the great figures of the industry who announced last week that he was resigning after 54 years with Anaconda. Mr. Kelley continues as a director.

Mr. Glover told newsmen after his election that he plans no change in Anaconda policies. As for possible expansion into other fields, Mr. Glover remarked that Anaconda "is always ready to go into any appropriate field."

DEVELOPING URANIUM DEPOSIT

Under Mr. Kelley, the firm branched out into copper fabricating and became a major producer of zinc and the top domestic miner of manganese. It will start operation of a new aluminum plant at Columbia Falls, Mont., in July, and is developing the Nation's biggest uranium deposit in New Mexico. Because of its increasing diversification, the firm's name will be changed June 18 to the Anaconda Co.

Mr. Glover commented that Anaconda "is looking into the utilization of nuclear energy not in war but for the great benefit of mankind."

The new chairman predicted that copper demand will continue strong for the rest of this year, barring a letup in industrial activity. Copper has been in extremely tight supply since last fall and the domestic price has gone up 6 cents a pound this year.

A native of Goldendale, Wash., Mr. Glover received a law degree from the University of Oregon in 1915 and practiced in Portland, Oreg., and Great Falls, Mont. He joined Anaconda at Butte in 1943.

CHILEAN INTERESTS

At the time of his election as chairman, Mr. Glover had risen to vice president and general counsel. He has taken a particular interest in the company's vast Chilean mining operations in recent years and this spring was made Knight Commander, Order of Merit of Bernado O'Higgins, by President Carlos Ibanez Del Campo, of Chile.

Mr. Glover is vice president, general counsel, and a director of Chile Copper Co. and Chile Exploration Co., Anaconda subsidiaries. He is general counsel and director of Montana Power Co., president and director of the Heisey Co. of Great Falls, and vice president and director of Columbia Amusement Co., Interstate Lumber Co., and Post Publishing Co., of Butte.

He is a director of Metals Bank & Trust Co., Butte; the First National City Bank of New York; First Bank Stock Corp., Minneapolis, and the First National Bank of Great Falls. He also is a director of a number of Anaconda subsidiaries.

LETTER FROM J. W. BROWN REGARDING LABOR DIFFICULTIES BETWEEN CERTAIN MIAMI BEACH HOTEL OPERATORS AND EMPLOYEES

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter, dated May 18, 1955, written to me by Mr. J. W. Brown, of Cincinnati, general counsel for the Hotel and Restaurant Employees' International Union, relative to labor trouble between certain Miami Beach hotel operators, on the one hand, and their striking employees, on the other.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CINCINNATI, OHIO, *May 18, 1955.*

Hon. MATTHEW M. NEELY,
Chairman, Senate Subcommittee on Labor and Public Welfare,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEELY: We respectfully call your attention to a situation in Miami Beach, Fla., wherein 3,000 hotel workers have been denied the right to bargain through representatives of their own choosing and find themselves in a no man's land beyond the protection of labor laws.

Beginning on April 13, 1955, 12 Miami Beach hotels have been on strike. These hotels are: Monte Carlo, Sorrento, Casa Blanca, Sea Isle, Roney Plaza, Sherry Frontenac, Lombardy, Saxony, Sans Souci, DiLido, Empress, and Algiers.

Approximately 95 percent of the employees involved left these major Miami Beach hotels and have refused to return to work. The issue is centered around the refusal of the

hotel owners to bargain with the Hotel and Restaurant Employees and Bartenders' International Union which represents the strikers.

Despite the fact that the hotels concerned are the biggest and most luxurious in Miami Beach and derive almost all of their business through tourists solicited in interstate commerce, the union finds itself in a position where the National Labor Relations Act cannot be utilized to require collective bargaining. Florida likewise does not have a Labor Relations Act which requires collective bargaining.

The hotel owners have combined in a tight association and have raised a large fund for the dual purposes of breaking the strike and enforcing discipline upon their own members. Hotel owner after owner has informed the union that he would like to settle his own individual strike and arrive at an agreement with the union but that he is unable to because of the threat directed to him by the association. These owners have indicated that they have been threatened with a boycott as to convention and other overflow business which the association distributes among them, should they sign any type of contract with the union.

Strike breakers have been imported from Puerto Rico and rural communities by the hotels and a tremendous amount of harassing litigation has been instigated by the hotels. In spite of these tactics, the ranks of the strikers have remained firm and the public opinion in greater Miami and Miami Beach has been solidly in support of the strikers.

We have here the anomaly of the highest room rates and the lowest paid hotel workers in the United States. Hotels which charge guests from $20 to $200 per day pay wage rates running as low as $2 for a 12-hour day. Employees work 7 days per week with no overtime provisions. The greater Miami public is well aware of these conditions and has observed the peaceful conduct of the strike. It has also expressed through public committees, including mayors of Miami and Miami Beach, and the Governor of the State, the generally felt opinion that the hotel owners should negotiate with the representatives of their employees. The public has felt that this request is not unreasonable, and there is a good deal of indignation in the community because there are no Federal or State laws available to remedy this situation.

It is the feeling of the Hotel, Restaurant, and Bartenders International Union that Congress is unaware that such a large industry—in the case of Florida the largest industry—has been excluded from the protection of labor legislation by administrative rulings of the National Labor Relations Board and limitation of existing laws.

Not only the welfare of 3,000 people on strike is involved, but the entire business community of Miami and Miami Beach has been affected by the greed and unreasonableness of the hotel owners.

We respectfully request that your committee investigate the hotel industry of Miami and Miami Beach and devise appropriate legislation for the protection of the workers and the welfare of the communities.

Very truly yours,

J. W. BROWN,
General Counsel, Hotel and Restaurant Employees and Bartenders International Union.

THE PRICE OF SILVER

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point an article appearing in the Wall Street Journal of today, June 1, 1955, entitled "Silver Service." This article will, I believe, be of interest to the Members of the Congress, in view of pending legislation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SILVER SERVICE

Silver a few days ago achieved a kind of parity with gold. Private buyers paid more for it than the 90.41 cents an ounce which the United States Treasury stands ready to shell out for it if it is mined in this country.

For the past 22 years this has not been the case. In 1933 American silver producers began receiving this special treatment, and it has amounted to a very substantial annual subsidy, since for almost the whole of those 22 years the market price has been far below the Treasury's buying price.

In contrast, gold, though much more widely regarded as a useful monetary standard, has sold most of the time at prices equal to or higher than the Treasury would pay for it. Silver, always jealous of gold, can now boast that it, too, stands on its own feet.

The silver-mining industry can boast another honor. It has the distinction of being probably the inventor, at least in the United States, of price-support and stockpiling schemes for its own benefit. There was a Treasury silver-purchase program as far back as the 1870's—long before the American farmer had thought of any such thing. Of course, since the present silver program was started in 1933, other interests have caught on. Elaborate and permanent schemes of the same general kind, covering major farm commodities, have been adopted, and the idea also has spread to additional metals, including lead, zinc, mercury, and others.

But silver has a special magic of its own, by which even the Treasury benefits. Even though it pays more for silver than it's worth, it manages to make a profit on it—a secret which would be invaluable in the commercial world. The moment Uncle Sam buys an ounce of silver at 90.41 cents he lists it as an asset worth $1.29. Then he issues silver certificates on the basis of that new value. This process is called seigniorage, in reverence for the lords and kings who used to steal from their subjects in a similar manner.

You've probably got some of these certificates in your pocket right now. If you turned them in for the silver (in accordance with the promise on their face) you would, of course, lose about 30 cents of each dollar so exchanged. Fortunately, however, Uncle Sam will accept such bills in full payment of taxes on the $1.29 an ounce basis of value. So Uncle Sam is rightly regarded in a better light than those old lords and kings.

Yet it is obvious that the Government could issue paper money of this kind without bothering to accumulate all that silver. It's got about 3 billion ounces of it, 15 times the world's annual production at the present rate. That's far in excess of any other stockpile in relation to output. Furthermore, this is one hoard that can't possibly have any real use in a war emergency.

Thus the silver stockpile is the first to have been started, relatively the biggest, and also the most useless. Quite a record for an industry about as big as the manufacture of gloves.

RECIPROCAL TRADE AGREEMENTS ACT — LETTER FROM JOHN S. COLEMAN

Mr. BYRD. Mr. President, I ask the permission of the Senate to have printed in the RECORD a copy of a letter from Mr. John S. Coleman, chairman, Committee for a National Trade Policy, and president of Burroughs Corp., Detroit, Mich., commenting on a statement presented to the Committee on Finance for inclusion in the record of the hearings on H. R. 1 by Mr. Robert M. Burr, president of the National Bureau of Economic Realism, Inc., of New York City.

The record of the hearings was printed prior to the receipt of Mr. Coleman's communication and, therefore, it was not possible to include his statement in regard to Mr. Burr's remarks on the National Trade Policy and the committee president, Mr. Charles P. Taft.

I submit Mr. Coleman's letter for the information of the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BURROUGHS CORP.,
Detroit, Mich., April 13, 1955.

The Honorable HARRY F. BYRD,
United States Senate,
Washington, D. C.

DEAR SENATOR: My attention has been called to an attack on the Committee for a National Trade Policy and on Charles P. Taft, our president, by a gentleman named Burr, not otherwise identified, who sent in to the Senate Finance Committee, a long statement for inclusion in the record on H. R. 1. He has printed this in a 48-page pamphlet and apparently circulated it widely, including the press.

He refers to pages of the typewritten record on other than his own statement, which I had understood were not available to any outsider, and were certainly not similarly available to our committee.

I am writing to you, however, as the chairman of our committee, to protest against the reception of such an obviously incoherent and irrelevant document. It is primarily an attack upon the Buy American Act and the Presidential order of December 17, 1954, under that act, which has nothing to do with H. R. 1.

It is, incidentally, an attack upon a number of individuals and upon my committee and its president. The nub of the attack upon this committee is the implication that its operations have been inspired and financed "from abroad by our very friends whom we seek to help." This innuendo is absolutely false. We have not accepted or received any contribution from any foreign source.

The attack on Mr. Taft is on the ground at the time he helped to organize this committee he was registered with the Attorney General as a foreign agent. The gentleman is not even consistent, because on the prior page of the printed form of the statement appears, from the Attorney General's report, the notation that this employment terminated August 1, 1953. This committee was not organized until September 17, 1953.

Mr. Taft was employed only by the Venezuelan Chambers of Commerce, and not at any time by any of the other foreign agencies which employed Cleary, Gottlieb, Friendly, and Ball.

The gentleman also attacks Mr. Taft on the ground that he did not disclose this registration or employment by the Venezuelan Chambers of Commerce either to the Congressional committees or to his associates in the Committee for a National Trade Policy. Both charges are completely false. Mr. Taft registered with both the Clerk of the House and the Clerk of the Senate as a lobbyist for the Venezuelan Chambers of Commerce and reported his compensation in 1953, although under the later Supreme Court decision he had done nothing which strictly required such registration. This is completely omitted by Mr. Burr. Mr. Taft testified, not in the abbreviated form which the gentleman quotes, but in full, to each of the committees hearing testimony on H. R. 1, about the prior employment.

What Mr. Taft told his associates on the committee about his prior employment is

none of the gentleman's business, but in fact, Mr. Taft told us all there was to know.

Mr. George Ball will communicate with you direct, regarding the facts in this case. I would only add that none of the funds paid to Mr. Ball's firm or to Mr. Taft through it were in any way directly, or indirectly, contributions to our committee. On the contrary, the flow of funds was in the other direction; our committee paid Mr. Taft a salary from about September 1, 1953, and paid Mr. Ball's firm a substantial fee for legal services in the organization of the committee.

If Mr. Burr's statement is accepted over our protest, then we ask that this letter also be included.

Sincerely yours,

JOHN S. COLEMAN,
Chairman, Committee for a National Trade Policy.

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

POSTAL FIELD SERVICE COMPENSATION ACT OF 1955

The VICE PRESIDENT. Pursuant to the unanimous-consent agreement entered into on yesterday, the Chair lays before the Senate the postal pay bill.

The Senate proceeded to the consideration of the bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, which had been reported from the Committee on Post Office and Civil Service with amendments.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

IMPORTANCE OF ACCURATE INFORMATION TO THE PUBLIC ON PROGRESS IN THE INTERCONTINENTAL BALLISTIC MISSILE FIELD

Mr. SYMINGTON. Mr. President——

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the Senator from Missouri.

Mr. SYMINGTON. I thank the Senator from Texas for his courtesy.

Mr. President, several weeks ago there was a packaged-telecast program which included many prominent figures in separate telecast interviews. President Eisenhower was among them.

On that telecast, Dr. Wernher Von Braun, one of the heads of the Nazi missile center at Peenemunde—now in the hands of the Communists—stated he felt the United States was several years ahead of the Communists in the field of the intercontinental missile.

I thereupon asked Secretary of the Army Stevens if I could talk to Dr. Von Braun because his remarks would have impact.

We met in Secretary Stevens' office. I questioned Dr. Von Braun for about an hour and one-half in front of Secretary Stevens, General Ridgway, and others.

None of his replies supported the statement he made in the telecast in question to the effect this country was several years ahead of the Communists on ballistic missiles. In fact, the reverse was true. He could give no facts whatever to justify his position that this country is certainly several years ahead in the missile race. In fact, his detailed replies convinced me even more that we are behind.

It really all boiled down to the fact, as Dr. Von Braun later told me, that he felt his television address should be optimistic, so as to reassure the American people.

After Dr. Von Braun left, I asked Secretary Stevens why an employee of the Army who was not working on the intercontinental ballistic missile project should, nevertheless, be chosen as the one to give the facts on the project to the American people.

Secretary Stevens replied he had not been informed that Dr. Von Braun was going on the telecast.

Two days after the broadcast in question, at a press conference, the Secretary of Defense said:

> I was trying to think of a German scientist that is over here now working on the problem. I happened to read what he said.

A reporter asked: "Von Braun?"

Secretary Wilson replied:

> Yes; and I imagine his analysis of it would be as good as anyone's. He knows the business. As I remember it, he said he thought, to begin with, the Russians were ahead in the rocket business because they took everything that the Germans had and they kept right on working on it, but they didn't establish as broad a base, developing ideas, and with the same imagination that we had over here; and, in his opinion, at this time, we are well ahead—that is, if I accurately summed up what he said. That is my own feeling about it. Sometimes it is difficult to know the other side of the equation. We know what we are doing. We don't know for sure everything they are doing.

In other words, the Secretary of Defense backed up Von Braun's position, without reservation.

The script in question of the telecast with Von Braun was reviewed by the Department of Defense. Some of his answers were deleted by that Department.

This part about our being ahead was approved by the Defense Department without any consultation with the Air Force which has responsibility for the IBM; or even with the Army, for whom Von Braun worked.

No one can be sure whether or not the Soviet is ahead of the United States in the intercontinental ballistic missile field, or whether the United States is ahead of the Soviet. But contrary to the published opinion of Dr. Von Braun, who, as stated, was frank with us in stating he felt his remarks on that broadcast should be optimistic, any extrapolation based on the facts which can be obtained on this question would tend to show that the Communists were years ahead of us in this IBM field.

Once again, therefore, lulling unsupportable information is presented to the American people by the Department of Defense with respect to our relative position of strength as against that of the Communists.

In this case the matter in question could not be more important, as was well discussed in a recent editorial in the Kansas City Times. This editorial read in part:

> What we really need to be concerned about is whether the United States or Russia is ahead in the development of an intercontinental ballistics missile. Such a weapon probably would be the supreme factor, even decisive, in atomic-hydrogen war with the Communist powers. Our own safety depends mainly on keeping up our balance of convenional air might and investing without stint in the all-important missiles project. If we do this determinedly and without relaxation, the issue of which country's airpower is the greater becomes academic.

Once again the strength of a nation depends upon the will of its people. How can that will function properly if the people are misinformed?

Mr. President, I ask that at this point an editorial from the magazine Aviation Week of May 30 be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EVASIONS OF THE DEFENSE DEPARTMENT

(By Robert Hotz)

The Washington press corps and the American people to whom they report have been given another sorry demonstration of the careless, inaccurate, and evasive manner in which the Department of Defense publicly handles matters of life and death concern to every citizen.

The occasion of this latest demonstration was a press conference held by Defense Secretary Charles E. Wilson last week in the Pentagon during which he confirmed details of the types and numbers of Russian bombers and fighters exclusively reported by Aviation Week in its May 23 issue as having participated in the recent aerial display over Moscow.

Here are some examples of what we and other veteran Pentagon reporters consider to be evidence of this careless attitude toward vital facts by top-level Defense Department civilian officials.

On May 13 the Defense Department issued a brief, vague statement on the Moscow air display mentioning four types of Soviet planes. Aviation Week reported on May 23 that these types appeared in operational numbers and a new supersonic day fighter was seen in formation of 50 planes. Our story was widely reprinted on the front pages of daily newspapers and broadcast on radio and television on the same day. On May 24, the next day, Secretary Wilson issued a statement confirming the appearance of the 50 new supersonic fighters and confirmed the numbers of all-weather fighters, turboprop bombers, twin-jet bombers and four-jet bombers cited by Aviation Week as visible in the Moscow fly-by.

QUESTIONS AND ANSWERS

When asked by Aviation Week's military editor why these facts were not in the original Department of Defense statement, Mr. Wilson replied:

"The statement on May 13 was a very general one."

Mr. Wilson was asked by Aviation Week's Washington editor if he planned to release

publicly the pictures of these Russian planes flying over Moscow that are now available in the Pentagon. He replied:

"Hadn't thought about it."

When asked if he had changed his mind from a year ago when he stated the Russians were concentrating on building a purely defensive air force, Wilson said:

"Well, 10 airplanes isn't very many airplanes to fight a war with and there isn't any question that the first big development in Russia was on the MIG's the defensive airplane and they built a lot of them. They probably kept building them too long from our point of view. We would rather have spent the money on an improved and better one quicker. That is the technique over here."

Mr. Wilson knows or should know that the MIG–15 went out of production in Russia late in 1952 after 15,000 were produced. This was the year before Mr. Wilson made his defensive statement.

He also knows or should know that we are still building the F–86 Sabre series that was the MIG–15's contemporary.

He should know that we did not get into production on the F–100, successor to the Sabre, until late in 1953.

He also knows or should know that by July 1954, Lt. Gen. Earle Partridge, commander of the Far East Air Forces, reported that the MIG–17, the Soviet successor to the MIG–15, was already in squadron service with Red air force units opposite FEAF in Siberia. The first F–100 combat wing was equipped late in 1954; grounded for several months due to technical troubles, and became operational early in 1955.

MISQUOTES PRESIDENT

Mr. Wilson also misquoted President Eisenhower in his formal prepared statement. Mr. Wilson said the President said at his news conference last week "'it is just not true' that we no longer have air superiority." What the President actually said was: "* * * we may not have as many B–52s as we should like at this moment. I don't know the exact number, but to say that we have lost in a twinkling all of this great technical development and technical excellence as well as the number in our total aircraft is just not true."

Nobody has stated we have lost anything in a twinkling. What Aviation Week and other critics of the Defense Department attitude on Russian airpower have said is that the 1955 Moscow air display offered definite proof that during the past 3 years our once wide margin of technical superiority had been whittled to a very slim margin and that Russians are moving at faster rates of development and production now than are the United States Air Force and naval aviation. Neither Mr. Wilson nor anybody else in the Pentagon or White House has taken direct issue with that statement.

The May 13 Department of Defense statement noted that the Russian bomber display "observations establish a new basis of our estimate of Soviet airpower." In his May 24 statement, Mr. Wilson said on the same subject: "These are facts which are not new to the Department of Defense but which are currently causing public discussion about the relative air superiority of the United States."

Mr. Wilson is still apparently confused about how many twin jet Badgers flew which year. He said: "They displayed more than 40 new medium bombers known for the first time last year (1954) as a prototype." Actually, in the 1954 Moscow air display the Russians flew a formation of nine of these twin jet medium Badgers, indicating at that time that they were out of the prototype stage and into production.

Events of the last 3 years have proved that Mr. Wilson has been wrong on every major evaluation he has made on Russian airpower developments since he took office in 1953. His performance at the Pentagon press conference last week on this issue of vital importantce to every American did not inspire any new confidence in his accuracy or candor on the rapid rise of Russian jet airpower.

Nor did it inspire any confidence that Mr. Wilson's new requirement that all Defense Department public statements must make a constructive contribution will be administered either wisely or well.

The American people deserve more precise and accurate facts, more candor and a much deeper sense of public responsibility on the part of top-level Defense Department leaders before they should place much faith in official utterances on the Russian airpower controversy.

GRANTING OF STAYS OF EXECUTION BY FEDERAL JUDGES—AND FEDERAL WRITS OF HABEAS CORPUS

Mr. WATKINS. Mr. President——

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The time is under the control of the majority leader and the minority leader.

Mr. WATKINS. Mr. President, may I have 1 or 2 minutes?

Mr. KNOWLAND. I yield 2 minutes to the Senator from Utah.

Mr. WATKINS. Mr. President, many States are becoming concerned about the delays and miscarriages of justice that are resulting from our present laws relating to the granting of stays of execution by Federal judges, and to the laws relating to Federal writs of habeas corpus.

Corrective legislative proposals are now before the Congress, such as S. 877, which I introduced, and S. 1753, which was drafted by a committee of the judicial conference, with the aid and assistance of several chief justices of the State courts and representative attorneys general.

My own State is concerned about two glaring cases of the abuse of State judicial action by multiple appeals to Federal courts. Chronologies of these two cases were submitted to me by the Utah attorney general, E. R. Callister and I request unanimous consent to have them printed in the RECORD as a part of my remarks, because of the public interest in this proposed legislation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

BRAASCH AND SULLIVAN

October 22, 1949: Service station attendant murdered in Beaver, Utah.

October 23, 1949: Braasch and Sul'ivan arrested in Las Vegas, Nev., and confessed murder.

October 25, 1949: Charged with first-degree murder.

December 20, 1949: Found guilty of first-degree murder. Sentenced to die on February 16, 1950.

February 3, 1950: Motion for new trial denied.

February 8, 1950: Notice of appeal filed with Utah Supreme Court. Stay of execution granted.

April 4, 1950: Appeal filed with Utah Supreme Court.

March 24, 1951: Conviction affirmed by Utah Supreme Court.

April 30, 1951: Petition for rehearing filed with Utah Supreme Court.

June 19, 1951: Petition for rehearing denied by Utah Supreme Court.

July 11, 1951: Sentenced to die on August 21, 1951.

August 2, 1951: Application for commutation of sentence filed with Utah Board of Pardons.

August 7, 1951: Governor signs reprieve until next meeting of the board of pardons on August 29.

August 29, 1951: State board of pardons refuses to commute death sentence.

September 7, 1951: Utah Supreme Court grants stay of execution pending application to United States Supreme Court for writ of certiorari.

January 7, 1952: United States Supreme Court denies petition for writ of certiorari.

January 14, 1952: Utah Supreme Court sets aside stay of execution.

January 22, 1952: Sentenced to die on February 26, 1952.

January 30, 1952: State board of pardons asked to rehear application for commutation of death sentence.

February 16, 1952: State board of pardons refuses to rehear application for commutation of sentence.

February 18, 1952: Application for writ of habeas corpus filed with Utah Supreme Court.

February 19, 1952: Supreme Court denies application for writ of habeas corpus.

February 23, 1952: United States district court for Utah grants 45 days' stay of execution pending action of application for writ of habeas corpus.

March 14, 1952: Amended petition for writ of habeas corpus filed in United States district court.

March 31, 1952: United States district court orders psychiatric study of defendants.

April 3, 1952: Defendants appear before United States district court on the petition for writ of habeas corpus and hearing held thereon.

April 4, 1952: United States district court grants another stay of execution pending further proceedings in that court. Retains jurisdiction until State remedies are exhausted.

December 23, 1952: Application filed with Utah Supreme Court for writ of habeas corpus.

February 6, 1953: Utah Supreme Court denies application for writ of habeas corpus.

February 25, 1953: Petition for rehearing filed with Utah Supreme Court.

February 26, 1953: Utah Supreme Court denies petition for rehearing. Application made to the United States Supreme Court for writ of certiorari.

October 19, 1953: United States Supreme Court denies certiorari.

November 30, 1954: United States district court grants writ of habeas corpus applied for in that court on February 20, 1952, but orders defendants to remain in custody pending appeal.

February 2, 1955: Findings of fact and order granting the writ filed in United States district court. Case now in process of appeal to Tenth Circuit Court of Appeals.

DON JESSE NEAL

May 23, 1951: Sergeant Owen T. Farley of the Salt Lake City Police was shot fatally in an automobile while he was driving Neal and a woman companion to police headquarters for questioning in a robbery.

October 2, 1951: Trial begun in Utah Third District Court.

October 4, 1951: Jury returned verdict of guilty of murder in the first degree.

October 16, 1951: Motion for new trial denied and Neal sentenced to die on December 13, 1951. Notice of appeal filed with Utah Supreme Court and stay granted pending appeal.

February 15, 1952: Appeal filed with the Utah Supreme Court.

October 6, 1952: Case argued before Utah Supreme Court.

March 28, 1953: Utah Supreme Court affirms conviction.

July 20, 1953: Petition for rehearing field with Utah Supreme Court.

October 29, 1953: Petition for rehearing denied.

November 5, 1953: Utah Supreme Court stays execution pending application to the United States Supreme Court for writ of certiorari.

May 4, 1954: United States Supreme Court denies petition for writ of certiorari.

May 15, 1954: Neal sentenced to die on June 19, 1954.

June 4, 1954: Petition for writ of habeas corpus filed in United States District Court for Utah.

June 11, 1954: United States District Court for Utah denied the application for writ of habeas corpus. Appeal made to United States court of appeals, 10th Circuit.

June 16, 1954: Stay of execution granted by United States court of appeals, 10th circuit.

June 22, 1954: United States court of appeals affirms district court's denial of the application for writ of habeas corpus.

June 23, 1954: Neal sentenced to die on August 3, 1954.

July 23, 1954: Utah State Board of Pardons denies appeal for commutation of sentence.

July 28, 1954: Petition for writ of habeas corpus filed with Utah Supreme Court. Denied on same date.

July 31, 1954: Stay of execution granted by United States Supreme Court Justice Tom Clark.

April 4, 1955: United States Supreme Court denied petitions for writ of certiorari of both the Utah Supreme Court's denial of the petition for writ of habeas corpus and of the circuit court of appeals' affirmance of the district court's denial of writ of habeas corpus.

April 8, 1955: Neal sentenced to die on May 9, 1955.

April 19, 1955: Petition for writ of habeas corpus filed in United States district court for Utah.

April 29, 1955: Petition for writ of habeas corpus and stay of execution denied by United States district court.

May 2, 1955: United States district court grants stay of execution.

May 7, 1955: Motion to vacate United States district court's stay of execution taken under advisement by 10th Circuit Court of Appeals and a stay granted by that court.

May 23, 1955: Petition for writ of habeas corpus argued before 10th Circuit Court of Appeals.

May 26, 1955: Petition for writ of habeas corpus denied by 10th Circuit Court of Appeals. Granted a stay of execution until June 15, 1955.

Mr. WATKINS. It will be noted from these chronologies that more than 4 years have elapsed since the commission of the crime in the Neal case. Neal has petitioned the United States Supreme Court 3 times for writ of certiorari, all of which were denied, but is now in the process of again appealing to the United States Supreme Court. More than 5½ years have elapsed since the commission of the crime in the Braasch and Sullivan case.

POSTAL FIELD SERVICE COMPENSATION ACT OF 1955

The Senate resumed the consideration of the bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

Mr. KNOWLAND. Mr. President, I wonder if the majority leader will join with me in asking for the yeas and nays on final passage of the bill, in order that Senators may be on notice.

Mr. JOHNSON of Texas. Mr. President, I join in the request.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the distinguished Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSTON of South Carolina. Mr. President, S. 2061 is the third version of postal pay legislation considered by the Senate this session. First, the Senate approved S. 1, a bill providing a 10 percent or $400 minimum increase. That was the bill we took to conference. Second, the Senate approved the conference agreement providing an average increase of 8.6 percent and sent it to the President. That compromise was vetoed. S. 2061—the third version—provides an average increase of approximately 8 percent. Under this bill, 6 percent is a direct pay increase to each and every postal employee retroactive to March 1. The additional 2 percent results from application of the administration's position classification to be put into effect within 180 days after enactment of the bill.

S. 2061 resolves the objections of the President to the conference agreement on S. 1 as follows:

First, special delivery messengers are raised to the same pay level as city clerks and carriers.

Second, the rural carrier schedule has been revised to maintain the traditional relationship between these employees and others in the department.

Third, the cost has been reduced.

Fourth, amendments have been adopted—in complete harmony with the Post Office Department—to make the bill completely workable without creating unduly difficult administrative problems.

In view of these changes there is every reason to believe S. 2061 is acceptable to the administration. Certainly, we have worked long and hard to produce a bill that will be enacted into law.

Mr. President, I am greatly disappointed that the bill does not provide a larger increase. I am not happy that we were compelled to accept the position classification plan of the administration. However, that is the price we had to pay for a much deserved and meritorious cost-of-living pay increase.

I wish to give a word of assurance to the rank and file postal worker, the distribution clerk, the carrier, the mail handler, the sorting clerk, and the others who expertly keep our letters moving day in and day out.

The committee has made every effort to adopt language which will protect the rights of individual employees, and prevent the assumption of unwarranted power by the Postmaster General. The committee intends to watch this matter very, very closely, and will take immediate action in behalf of our postal employees if it should become necessary, to protect their rights and privileges under the civil-service laws now on our statute books.

Mr. President, I ask for the passage of the bill.

Mr. BUTLER. Mr. President, is the bill open to amendment?

The PRESIDING OFFICER. Not yet.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc, and that the bill, as thus amended, be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 4, line 11, after the word "than", to strike out "twenty" and insert "forty"; in line 12, after the numerals "17", to strike out "ten" and insert "twelve"; in line 13, after the numerals "18", to strike out "two" and insert "four"; on page 15, line 22, after the word "city", to insert "or special"; at the top of page 83, to strike out:

"POSTAL FIELD SERVICE SCHEDULE

"Level	Per annum rates and steps						
	1	2	3	4	5	6	7
1	$2,880	$2,980	$3,080	$3,180	$3,280	$3,380	$3,480
2	3,085	3,190	3,295	3,400	3,505	3,610	3,715
3	3,330	3,445	3,560	3,675	3,790	3,905	4,020
4	3,660	3,785	3,910	4,035	4,160	4,285	4,410
5	3,880	4,005	4,130	4,255	4,380	4,505	4,630
6	4,190	4,330	4,470	4,610	4,750	4,890	5,030
7	4,530	4,685	4,840	4,995	5,150	5,305	5,460
8	4,890	5,060	5,230	5,400	5,570	5,740	5,910
9	5,280	5,465	5,650	5,835	6,020	6,205	6,390
10	5,800	6,000	6,200	6,400	6,600	6,800	7,000
11	6,380	6,600	6,820	7,040	7,260	7,480	7,700
12	7,020	7,260	7,500	7,740	7,980	8,220	8,460
13	7,730	7,980	8,250	8,510	8,770	9,030	9,290
14	8,500	8,780	9,060	9,340	9,620	9,900	10,180
15	9,350	9,650	9,950	10,250	10,550	10,850	11,150
16	10,300	10,600	10,900	11,200	11,500	11,800	12,100
17	11,400	11,700	12,000	12,300	12,600	12,900	13,200
18	12,500	12,800	13,100	13,400	13,700	14,000	14,300
19	13,600	13,900	14,200	14,500			
20	14,800						

And insert in lieu thereof:

"POSTAL FIELD SERVICE SCHEDULE

"Level	Per annum rates and steps						
	1	2	3	4	5	6	7
1	$2,880	$2,980	$3,080	$3,180	$3,280	$3,380	$3,480
2	3,090	3,195	3,300	3,405	3,510	3,615	3,720
3	3,330	3,445	3,560	3,675	3,790	3,905	4,020
4	3,660	3,785	3,910	4,035	4,160	4,285	4,410
5	3,880	4,005	4,130	4,255	4,380	4,505	4,630
6	4,190	4,330	4,470	4,610	4,750	4,890	5,030
7	4,530	4,685	4,840	4,995	5,150	5,305	5,460
8	4,890	5,060	5,230	5,400	5,570	5,740	5,910
9	5,280	5,465	5,650	5,835	6,020	6,205	6,390
10	5,800	6,000	6,200	6,400	6,600	6,800	7,000
11	6,380	6,600	6,820	7,040	7,260	7,480	7,700
12	7,020	7,260	7,500	7,740	7,980	8,220	8,460
13	7,730	7,990	8,250	8,510	8,770	9,030	9,290
14	8,500	8,780	9,060	9,340	9,620	9,900	10,180
15	9,350	9,650	9,950	10,250	10,550	10,850	11,150
16	10,300	10,600	10,900	11,200	11,500	11,800	12,100
17	11,400	11,700	12,000	12,300	12,600	12,900	13,200
18	12,500	12,800	13,100	13,400	13,700	14,000	14,300
19	13,600	13,900	14,200	14,500	14,800		
20	14,800						

On page 84, after line 5, to strike out:

"RURAL CARRIER SCHEDULE

	"Per annum rates and steps						
	1	2	3	4	5	6	7
Carriers in rural delivery service:							
Fixed compensation per annum	$1,590.00	$1,630.00	$1,670.00	$1,710.00	$1,750.00	$1,790.00	$1,830.00
Compensation per mile per annum for each mile up to 30 miles of route	63.00	65.00	67.00	69.00	71.00	73.00	75.00
For each mile of route over 30 miles	21.50	21.50	21.50	21.50	21.50	21.50	21.50
Temporary carriers in rural delivery service on routes to which no regular carrier is assigned:							
Fixed compensation per annum	1,590.00						
Compensation per mile per annum for each mile up to 30 miles of route	63.00						
For each mile of route over 30 miles	21.50						
Temporary carriers in rural delivery service on routes having regular carriers absent without pay or on military leave	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Substitute carriers in rural delivery service on routes having carriers absent with pay	(1)	(1)	(1)	(1)	(1)	(1)	(1)"

1 Basic compensation authorized for the regular carrier.

And insert in lieu thereof:

"RURAL CARRIER SCHEDULE

	"Per annum rates and steps						
	1	2	3	4	5	6	7
Carriers in rural delivery service:							
Fixed compensation per annum	$1,566.00	$1,611.00	$1,656.00	$1,701.00	$1,746.00	$1,791.00	$1,836.00
Compensation per mile per annum for each mile up to 30 miles of route	65.00	67.00	69.00	71.00	73.00	75.00	77.00
For each mile of route over 30 miles	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Temporary carriers in rural delivery service on routes to which no regular carrier is assigned:							
Fixed compensation per annum	1,566.00						
Compensation per mile per annum for each mile up to 30 miles of route	65.00						
For each mile of route over 30 miles	22.00						
Temporary carriers in rural delivery service on routes having regular carriers absent without pay or on military leave	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Substitute carriers in rural delivery service on routes having carriers absent with pay	(1)	(1)	(1)	(1)	(1)	(1)	(1)"

1 Basic compensation authorized for the regular carrier.

On page 86, line 15, after the word "schedule", to insert a comma and "and basic salary is paid, together with other forms of compensation provided by this act, shall replace all existing forms of compensation for such postmasters"; on page 87, line 22, after the word "shall", to strike out "remain in such" and insert "not be reduced in"; on page 91, after line 2, to strike out:

"RETROACTIVE BASIC SALARY INCREASES

"SEC. 306. (a) The basic salary in effect immediately prior to the effective date of this section, of each employee paid under the act of July 6, 1945, as amended (39 U. S. C., secs. 858, 859, 861a, 862, 863–866, 868, 869), or under the Classification Act of 1949, as amended, shall be increased by 6 percent effective March 1, 1955 (rounded to the nearest dollar in the case of per annum rates and to the nearest one-half cent in the case of hourly rates, a half-dollar or one-quarter of a cent being rounded to the next highest dollar or one-half cent, respectively). Such increase shall be applied (1) in the case of each rural carrier to his fixed compensation, his compensation per mile, and any additional compensation allowed him for serving a heavily patronized route, and (2) to the amounts specified in sections 3 (c), 3 (d), 12 (a), 12 (e), 15 (f), and 17 (d) of the act of July 6, 1945 (Public Law 134, 79th Congress), as amended.

"(b) Retroactive salary shall be paid under this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or of the municipal government of the District of Columbia on the date of enactment of this act, except that such retroactive salary shall be paid a retired postmaster, officer, or employee for services rendered during the period beginning March 1, 1955, and ending with the date of his retirement, or in accordance with the provisions of the act of August 3, 1950, for services rendered by a deceased postmaster, officer, or employee during the period beginning on March 1, 1955, and ending with the date of his death."

On page 92, line 13, after the word "level", to strike out "PFS–6" and insert "PFS–5;" in line 16, after the word "level", to strike out "PFS–10" and insert "PFS–9;" on page 93, line 4, after the word "level", to strike out "PFS–11" and insert "PFS–10;" at the beginning of line 16, to strike out "PFS–6" and insert "PFS–5;" in line 19, after the word "shall", to insert "not;" in line 20, after the word "level", to strike out "PFS–6" and insert "PFS–5;" on page 94, after line 5, to strike out:

"SEC. 403. For the purpose of establishing eligibility for step increases under section 401, the Postmaster General is directed to preserve for employees presently in the automatic grades, other than the maximum automatic grades, their present anniversary dates: *Provided*, That no employee whose anniversary date occurs before the anniversary date of a senior employee shall be advanced ahead of such senior employee. The anniversary date of any employee whose present anniversary date cannot be preserved without advancing ahead of such senior employee shall be that date which results in the shortest additional waiting period for such employee. Each employee in a maximum automatic grade or a single salary grade shall begin the waiting period for his anniversary date on the effective date of his transfer into the appropriate schedule contained in section 301, 302, or 303 of this act."

And insert in lieu thereof:

"SEC. 403. In order to retain to the maximum possible extent promotion credits earned by employees under the act of July 6, 1945, as amended, and in order to prevent the advancement by step-increases of junior employees ahead of senior employees, employees whose basic salaries are adjusted on the effective date of the schedules in this act shall establish credit toward advancement by step increases under section 401 in the following manner:

"(1) Each employee in the automatic grades who had not reached the maximum grade for his position under the provisions of the act of July 6, 1945, as amended, shall retain the anniversary date established for his next automatic promotion under such Act unless the amount of increase in basic salary which he receives upon adjustment to the appropriate schedule is equal to or greater than the difference between the salary for his automatic grade and the next higher automatic grade for his position under such act.

"(2) Employees in the automatic grades who do not retain their anniversary dates under paragraph (1), above, employees who had reached the maximum grades for their positions, and employees who occupied positions for which single rates were established under the act of July 6, 1945, as amended, shall begin the waiting period for advancement to the next step for their positions on the date of adjustment to the schedules in this act."

On page 103, line 4, after the word "level", to strike out "PFS–8" and insert "PFS–7"; at the beginning of line 9, to strike out "PFS–8" and insert "PFS–7"; on page 104, line 9, after the word "level", to strike out "PFS–8" and insert "PFS–7"; in line 17, after the word "level", to strike out "PFS–9" and insert "PFS–8"; on page 105, line 24, after the word "employees", to insert "and to employees in post offices of the third class"; on page 110, after line 3, to insert:

"TITLE VII

"RETROACTIVE BASIC SALARY INCREASES

"SEC. 701. (a) The basic salary in effect immediately prior to the effective date of this section, of each employee paid under the act of July 6, 1945, as amended (39 U. S. C., secs. 858, 859, 861a, 862, 863–866, 868, 869) or under the Classification Act of 1949, as amended, shall be increased by 6 percent effective March 1, 1955 (rounded to the nearest dollar in the case of per annum rates and to the nearest one-half cent in the case of hourly rates, a half-dollar or one-quarter of a cent being rounded to the next highest dollar or one-half cent, respectively). Such increase shall be applied (1) in the case of each rural carrier to his fixed compensation, his compensation per mile, and any additional compensation allowed him for serving a heavily patronized route, and (2) to the amounts specified in sections 3 (c), 3 (d), 12 (a), 12 (e), 15 (f), and 17 (d) of the act of July 6, 1945 (Public Law 134, 79th Cong.), as amended.

"(b) Retroactive salary shall be paid under this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or of the municipal government of the District of Columbia on the date of enactment of this act, except that such retroactive salary shall be paid a retired postmaster, officer, or employee for services rendered during the period beginning March 1, 1955, and ending with the date of his retirement, or in accordance with the provisions of the act of August 3, 1950, for services rendered by a deceased postmaster, officer, or employee during the period beginning on March 1, 1955, and ending with the date of his death."

On page 111, at the beginning of line 11, to strike out "Title VII" and insert "Title VIII"; at the beginning of line 13, to change the section number from "701" to "801," and in the same line, after the aforementioned amendment, to strike out "The" and insert "At the beginning of each fiscal year, the"; in line 16, after the word "receipt", to insert "for the preceding calendar year"; in line 23, after the figures "$1,500", to insert "except as provided in section 303 (g)"; on page 112, at the beginning of line 2, to change the section number from "702" to "802"; at the beginning of line 13, to change the section number from "703" to "803"; at the beginning of line 21, to change the section number from "704" to "804"; on page 113, at the beginning of line 3, to change the section number from "705" to "805"; at the beginning of line 14, to change the section number from "706" to "806"; at the beginning of line 18, to change the section number from "707" to "807"; at the beginning of line 23, to change the section number from "708" to "808"; on page 114, at the beginning of line 2, to change the section number from "709" to "809"; and after line 5, to strike out:

"SEC. 710. (a) This section shall take effect on the date of enactment of this act.

"(b) Section 601 of this act shall take effect on any Saturday following the date of enactment of this act designated by the Postmaster General but not later than the first Saturday of the first calendar month which begins more than 60 days after such date of enactment.

"(c) The remainder of this act shall take effect on the first day of the first pay period which begins after the date of enactment of this act.

"(d) (1) The adjustment of the basic salary of each employee to the basic salary established for the position he was occupying on the effective date of this act shall be completed within 180 days after the effective date of section 304 (b).

"(2) The applicable salary schedules, provisions, and limitations contained in the act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, or the Classification Act of 1949, as amended, as the case may be, shall continue in effect with respect to each such employee until the date on which his basic salary is adjusted under such section 304 (b).

"(3) Such adjustment of basic salary of each such employee shall be made effective as of the effective date of section 304 (b) and payments of basic salary on the basis of such adjustment shall be decreased by the amounts of basic salary received by such employee during such period under the applicable provisions of such act of July 6, 1945, as amended, or the Classification Act of 1949, as amended, as the case may be."

And, in lieu thereof, to insert:

"SEC. 810. (a) This section shall take effect on the date of enactment of this act.

"(b) This act, except title VII and this section, shall take effect on the first Saturday of the calendar month which begins more than 180 days after the date of its enactment.

"(c) Title VII shall take effect on the first day of the first pay period which begins after the date of enactment of this act."

So as to make the bill read:

"Be it enacted, etc., That this act may be cited as the 'Postal Field Service Compensation Act of 1955.'

"TITLE I—DEFINITIONS, COVERAGE, AND EXEMPTIONS

"DEFINITIONS

"SEC. 101. For the purposes of this act—

"(1) 'Department' means the Post Office Department established by section 388 of the Revised Statutes (5 U. S. C., sec. 361), and the postal field service of the Post Office Department;

"(2) 'postal field service' includes all operations and organization units of the Department, other than the departmental operations and organization units in the headquarters offices of the Post Office Department at the seat of the Government, and includes postal inspectors assigned to the headquarters offices of the Post Office Department at the seat of the Government;

"(3) 'employee', unless the context otherwise indicates, includes postmasters, officers, supervisors, and all other persons employed in the postal field service, regardless of title, other than persons who provide services for the Department on a fee, contract, job, or piecework basis;

"(4) 'position' means the duties and responsibilities assigned to an employee, other than duties performed on a fee, contract, job, or piecework basis;

"(5) 'key position' means an existing position, described in section 203 of this act;

"(6) 'salary level' means the numerical standing in the Postal Field Service Schedule assigned to a position in the postal field service;

"(7) 'basic salary' means the rate of annual or hourly compensation specified by law, exclusive of overtime, night differential, and longevity compensation;

"(8) 'basic compensation' means basic salary plus longevity compensation; and

"(9) 'persons' has the meaning prescribed for such word in section 1 of title 1 of the United States Code.

"COVERAGE

"SEC. 102. This act applies to all positions and employees in the postal field service.

"TITLE II—RANKING OF POSITIONS

"ADMINISTRATION

"SEC. 201. (a) The Postmaster General shall determine the personnel requirements of the postal field service, and fix the number of supervisors and other employees in such service, except that not more than one assistant postmaster may be employed at any post office. He shall define the various positions other than the key positions specified in section 203 of this act and the standard positions of postmaster in a fourth-class office and rural carrier. He shall assign each such position to its appropriate salary level in the Postal Field Service Schedule. He shall ascertain the appropriate salary level of a position (1) by comparing the duties, responsibilities, and work requirements of the position with the duties, responsibilities, and work requirements of key positions described in section 203 of this act, and (2) by ranking the position in relation to the key position most closely comparable in terms of the level of duties, responsibilities, and work requirements.

"(b) In ranking positions, the Postmaster General shall apply the principle of equal pay for substantially equal work and give effect to substantial differences in difficulty of the work to be performed, in the degree of responsibility to be exercised, in the scope and variety of tasks involved, and in the conditions of performance.

"(c) There shall not at any one time be more than 40 employees in positions assigned to salary level 17, 12 employees in positions assigned to salary level 18, 4 employees in positions assigned to salary level 19, or 15 employees in positions assigned to salary level 20.

"(d) The Postmaster General's determinations under this section shall be the basis for the payment of compensation and for personnel transactions.

"APPEALS

"SEC. 202. Any employee, either individually or together with one or more other employees with a similar grievance, may appeal at any time, in person or through the representative specifically designated for that purpose, to the United States Civil Service Commission to review (1) if such employee is in a position other than a key position described in section 203 of this act, any action taken by the Postmaster General under section 201 of this act, in order to determine whether his position has been placed in its appropriate salary level in accordance with such section, and (2) if such employee is in a key position described in section 203 of this act, any administrative action taken or determination made under this act, in connection with such employee, in order to determine whether such employee has been placed correctly in a key position on the basis of and in accordance with the descriptions of key positions and the assignments of such positions to salary levels specified in section 203 of this act. The Commission shall act upon such appeal at the earliest practicable time, and its decision on such appeal shall be certified forthwith to the Postmaster General who shall take action in accordance with such certificate.

"KEY POSITIONS

"SEC. 203. Key positions in the postal field service consisting of standard, related tasks commonly performed in that service are described and assigned to salary levels in the Postal Field Service Schedule, as follows:

"(1) Position: Janitor—Level 1.

"Basic function: Cleans, sweeps, and removes trash from work areas, lobbies, and washrooms.

"Duties and responsibilities:

"(A) Sweeps and scrubs floors and stairs, dusts furniture and fixtures, cleans washrooms and washes windows (except exterior glass in high buildings).

"(B) Moves furniture and helps erect equipment and fixtures within offices of the building.

"(C) In addition, may perform any of the following duties:

"(i) Cleans ice and snow from the sidewalks and driveways, and tends the lawn, shrubbery, and premises of the post office.

"(ii) Washes walls and ceilings.

"Organizational relationships: Reports to a foreman or other designated supervisor.

"(2) Position: Elevator operator—Level 2.

"Basic function: Operates a freight or passenger elevator.

"Duties and responsibilities:

"(A) Operates elevator.

"(B) Cleans cab of elevator and polishes metal fittings.

"(C) In addition, may perform any of the following duties:

"(i) Pushes handcarts of mail on and off elevator or assists in loading or unloading material carried on elevator.

"(ii) Tends the heating plant or performs cleaning duties in the vicinity of the elevator.

"Organizational relationships: Reports to an elevator starter or other designated supervisor.

"(3) Position: Order filler—Level 2.

"Basic function: Selects, assembles, and makes ready for shipment items requisitioned by postal field establishments.

"Duties and responsibilities:

"Is assigned any of the following duties:

"(A) Separates sheets of the requisition form, fastens copies to clipboards and places on appropriate conveyor line.

"(B) Clarifies writing on carbon copies of requisitions in order to minimize errors in filling requisitions.

"(C) Sets up and prepares shipping containers.

"(D) Places in cartons on convey lines the quantities of items requisitioned from an assigned station, indicating action taken opposite each item.

"(E) Fills and labels bulk shipping orders and moves bulk material to dispatch area.

"(F) Replenishes from stock items stored in individual stations and keeps stations neat and orderly to facilitate filling of requisitions.

"(G) Transports bulk and individual shipments on hand trucks.

"(H) Assembles materials for each requisition where conveyor lines converge.

"(I) Places cartons on assembly table for coordination and packaging.

"(J) Checks requisition copies and items to assure that proper action has been taken.

"(K) Directs items not requiring packing to dispatch area.

"(L) Combines shipments to reduce packing.

"(M) Transmits bulk slips and shipping labels to the appropriate person.

"(N) Labels bulk and individual packages with printed labels to avoid hand labeling.

"(O) Prepares labels by use of appropriate rubber stamps.

"(P) Seals cartons with stapling machine or tape.

"(Q) Packs supplies for shipment.

"(R) Stacks and trucks completed orders.

"Organizational relationships: Reports to a foreman or other designated supervisor.

"(4) Position: Clerk. Third-class post office—Level 2.

"Basic function: Sorts incoming and dispatches outgoing mail for a small number of points of separation and destination; provides a limited number of services at public windows.

"Duties and responsibilities:

"(A) Sorts incoming mail for general delivery, lock boxes, and one or more delivery routes.

"(B) Postmarks and prepares mail for dispatch by train or other mail route; closes, locks, and affixes labels to pouches and mail sacks.

"(C) Performs services at a public window, such as selling stamps, stamped envelopes, or other routine functions.

"(D) As the needs of the service require, may perform other related duties incidental to the operation of the post office.

"Organizational relationships: Reports to a postmaster.

"(5) Position: Guard—Level 3.

"Basic function: Makes rounds of the post office building, and punches clocks at designated stations.

"Duties and responsibilities:

"(A) Patrols buildings, punching watchman's clock where furnished, checking door and window locks, noting and reporting fire hazards and other irregularities, such as running water and unclosed doors and windows.

"(B) Sounds fire alarm.

"(C) Preserves order in corridors and, when necessary, detains persons for interrogation by postoffice inspectors or local police.

"(D) In addition may perform any of the following duties:

"(i) Gives directions to the public in building lobby.

"(ii) Raises and lowers the flag.

"(iii) Retrieves lost and found articles and delivers them to the appropriate place.

"(iv) Obtains names of victims, doctors, police, and witnesses in the event of accident.

"(v) Guards property entrances and prevents damage to property by the public.

"(vi) Tends the heating plant of the building.

"(vii) Operates elevators on a relief basis.

"(viii) Does incidental cleaning and laboring work.

"Organizational relationships: Reports to a lieutenant of the guard, a building superintendent, or other designated supervisor.

"(6) Position: File clerk—Level 3.

"Basic function: Sets up and maintains files on one or more subject matters.

"Duties and responsibilities:

"(A) Prepares new file folders and maintains existing folders in correct order as prescribed in the established filing system.

"(B) Transmits folders or information contained therein to authorized personnel (for example, forwards personnel folders to requesting supervisors, or copies data from folders to satisfy requests).

"(C) Opens, sorts, and searches file material, and maintains files in up-to-date condition.

"(D) In addition, may perform any of the following duties:

"(i) Types from rough draft or plain copy.

"(ii) Answers telephones.

"(iii) Prepares requistions for supplies.

"(iv) Operates a mimeograph machine.

"Organizational relationships: Reports to a designated supervisor.

"(7) Position: Typist—Level 3.

"Basic function: Types material such as forms, correspondence, and stencils from rough draft or plain copy.

"Duties and responsibilities:

"(A) In accordance with instructions and information furnished by supervisor, types forms, standard reports, and documents such as invitations to bid, orders, contracts, invoices, personnel actions, and related materials.

"(B) Types correspondence and memoranda from rough drafts or general information.

"(C) Cuts stencils for instructions, circulars, and other general uses.

"(D) In addition, may perform any of the following duties:

"(i) Transcribes from a dictating machine.

"(ii) Operates a mimeograph machine.

"(iii) Files, checks requisitions, prepares vouchers, and answers the telephone.

"Organizational relationships: Reports to a designated supervisor.

"(8) Position: Mail handler—Level 3.

"Basic function: Loads, unloads, and moves bulk mail, and performs other duties incidental to the movement and processing of mail.

"Duties and responsibilities:

"(A) Unloads mail received by trucks. Separates all mail received by trucks and conveyors for subsequent dispatch to other conveying units, and separates and delivers working mails for delivery to distribution areas.

"(B) Places empty sacks or pouches on racks, labels them where labels are prearranged or racks are plainly marked, dumps mail from sacks, cuts ties, faces letter mail, carries mail to distributors for processing, places processed mail into sacks, removes filled sacks and pouches from racks, closes and locks same. Picks up sacks, pouches, and outside pieces, separates outgoing bulk mails for dispatch and loads mail onto trucks.

"(C) Handles and sacks empty equipment, inspects empty equipment for mail content, restrings sacks.

"(D) Cancels stamps on parcel post, operates canceling machines, carries mail from canceling machine to distribution cases.

"(E) Assists in supply and slip rooms and operates addressograph, mimeograph, and similar machines.

"(F) In addition, may perform any of the following duties:

"(i) Acts as armed guard for valuable registry shipments and as watchman and guard around post office building.

"(ii) Makes simple distribution of parcel post mail requiring no scheme knowledge.

"(iii) Operates electric fork-lift trucks.

"(iv) Rewraps soiled or broken parcels.

"(v) Performs other miscellaneous duties, such as stamping tickets, weighing incoming sacks, cleaning and sweeping in workrooms, offices, and trucks where such work is not performed by regular cleaners.

"Organizational relationships: Reports to a foreman or other designated supervisor.

"(9) Position: Garageman—Level 3.

"Basic function: Performs a variety of routine services incidental to the proper maintenance of motor vehicles.

"Duties and responsibilities:

"(A) Lubricates trucks in accordance with lubrication charts and type of truck.

"(B) Changes crankcase oil and filter cleaners and cleans case in conformance with instructions and vehicle mileage.

"(C) Changes tires and makes necessary repairs.

"(D) Washes and steam-cleans trucks.

"(E) Assists automotive mechanics.

"(F) Fuels and oils trucks.

"(G) Cleans garage, garage office, swing room, and washroom, as assigned.

"Organizational relationships: Reports to a foreman of mechanics or other designated supervisor.

"(10) Position: Motor vehicle operator—Level 4.

"Basic function: Operates a mail truck on a regularly scheduled route to pick up and transport mail in bulk.

"Duties and responsibilities:

"(A) Picks up and delivers bulk quantities of mail at stations, branch offices, and terminal points; as required, picks up mail from collection boxes and deposits mail in relay boxes.

"(B) Operates truck in conformity with time schedules and rules of safety, and in accordance with instructions regarding the route for which responsible.

"(C) Ascertains the condition of the truck prior to leaving and upon returning to the garage; reports all accidents, mechanical defects noted, and mechanical failures while on route.

"(D) In addition, may perform any of the following duties:

"(i) Drives a tractor and semitrailer on occasion, unloading bagged mail and packages at post offices and picking up mail for delivery to a central point.

"(ii) Prepares daily trip reports showing work performed.

"(iii) Makes minor mechanical repairs to truck in emergencies while on route.

"Organizational relationships: Reports to a superintendent of motor vehicles or other designated supervisor.

"(11) Position: City or special carrier—Level 4.

"Basic function: Is responsible for the prompt and efficient delivery and collection of mail on foot or by vehicle under varying conditions in a prescribed area within a city. As a representative of the postal service, maintains pleasant and effective public relations with route patrons and others, requiring a general familiarity with postal laws, regulations, and procedures commonly used, and with the geography of the city.

"Duties and responsibilities:

"(A) Routes or cases all classes of mail in sequence of delivery along an established route. Rearranges and relabels cases as required by route adjustments and changes in deliveries.

"(B) Withdraws mail from the distribution case and prepares it in sequence

for efficient delivery by himself or a substitute along an established route. Prepares and separates all classes of mail to be carried by truck to relay boxes along route for subsequent delivery.

"(C) Enters change of address orders in change of address book and on appropriate form. Readdresses mail to be forwarded and marks for appropriate handling other mail addressed to route patrons who have moved. Sorts such mail into throw-back case for convenient handling by clerks.

"(D) Delivers mail along a prescribed route, on a regular schedule, picking up additional mail from relay boxes. Collects mail from street letter boxes and accepts letters for mailing from patrons. Such sevice may be rendered on foot or by vehicle and in some instances may consist exclusively of parcel post delivery or collection of mail.

"(E) Delivers and collects charges on customs, postage-due, and c. o. d. mail matter. Delivers and obtains receipts for registered and certain insured mail. Receipts for such matter, except insured mail, at the post office before beginning route and accounts for it upon return by payments of the amounts collected and delivery of receipts taken.

"(F) Deposits mail collected in the post office upon return from route; faces such mail for stamp cancellation.

"(G) Checks, and corrects if necessary, mailing cards presented by advertisers bearing names and addresses of patrons or former patrons of the route.

"(H) Furnishes patrons with postal information when requested, and provides change of address cards and other postal forms as requested.

"(I) Reports to supervisor all unusual incidents or conditions relating to mail delivery, including condition of street letter boxes and timecards.

"(J) Regular city carriers assigned to foot delivery routes are required to become proficient in the casing of mail on at least one other foot delivery route.

"(K) Substitute city carriers may be assigned to perform clerical duties and may be required to pass examinations on schemes of city primary distribution.

"(L) Special-delivery carriers receive special-delivery mail for delivery and sign c. o. d. and registered items at post office before beginning route; deliver on foot and by vehicle special-delivery mail to patrons; obtain signatures when required; collect amounts and fees on c. o. d.'s; in case of absent patrons, exercise judgment in determining whether to leave mail or leave notice and return mail to post office; return receipts and moneys collected to authorized personnel at post office.

"(M) In addition, may perform any of the following duties:

"(i) Checks hotels and other such establishments to insure that mail for residents undeliverable as addressed is not improperly held.

"(ii) Delivers stamps or other paper supplies to contract or classified stations.

"(iii) Serves at carriers' delivery window.

"(iv) Receives and registers, where practical, all letters and packages of first-class matter properly offered for registration and gives receipt therefor.

"(v) Makes delivery on other routes as assigned.

"Organizational relationships: Reports to a postmaster or assistant postmaster, or other designated supervisor.

"(12) Position: Distribution clerk—Level 4.

Basic function: Separates mail in a post office, terminal, airmail field, or other postal facility in accordance with established schemes, including incoming or outgoing mail or both.

"Duties and responsibilities:

"(A) Makes primary and one or more secondary distributions of incoming mail by delivery point (for example, classified or contract station or branch or other delivery unit, general delivery, lockboxes, rural or star route, or city carrier route) based on a knowledge of the distribution scheme established for that office.

"(B) Makes primary and one or more secondary distributions of outgoing mail for dispatch (for example, by city, State, region, train, highway or railway post office, or airmail flight) based on a knowledge of the distribution scheme prescribed by the Postal Transportation Service.

"(C) In addition, may perform any of the following duties:

"(i) Maintains records of mails.

"(ii) Examines balances in advance deposit accounts.

"(iii) Faces and cancels mail.

"(iv) Ties mail and inserts facing slips.

"(v) Opens and dumps pouches and sacks.

"(vi) Operates canceling machines.

"(vii) Records and bills mail (for example, c. o. d., registered, and so forth) requiring special service.

"(viii) Renders service at public windows.

"Organizational relationships: Reports to a foreman or other designated supervisor.

"(13) Position: Window clerk—Level 4.

"Basic function: Performs a variety of services at a public window of a post office or post office branch or station. As a representative of the postal service, maintains pleasant and effective public relations with patrons and others requiring a general familiarity with postal laws, regulations, and procedures commonly used.

"Duties and responsibilities:

"(A) Sells postage stamps, stamped paper, cards, internal revenue stamps, migratory bird stamps, and postal savings stamps and certificates.

"(B) Accepts from and, after proper identification, delivers to patrons parcel post, insured, c. o. d., and registered mail; makes collection of required postage, issues necessary receipts, and issues general delivery mail to patrons.

"(C) Verifies second-, third-, and fourth-class mailings, computing and maintaining on a current basis mailers' credit balances.

"(D) Assigns special delivery and registered mail for delivery.

"(E) Checks and sets post office stamp-vending machines, postage meters, and large mailers' stamp permit meters.

"(F) Receives, follows up, and recommends action on patrons' claims and complaints.

"(G) Issues and cashes foreign and domestic money orders and postal savings certificates.

"(H) Rents post office boxes, receives rental payments, conducts reference checks, and completes related forms.

"(I) Provides information to the public concerning postal regulations, mailing restrictions, rates, and other matters involving postal transactions.

"(J) In addition, may perform any of the following duties:

"(i) Makes emergency carrier relays.

"(ii) Assists in alien registration and census matters.

"(iii) Separates and distributes mail.

"Organizational relationships: Reports to a postmaster, assistant postmaster, or other designated supervisor.

"(14) Position: Automotive mechanic—Level 5.

"Basic function: Repairs mail trucks, including the removal and installation of complete motors, clutches, transmissions, and other major component parts.

"Duties and responsibilities:

"(A) Diagnoses mechanical and operating difficulties of vehicles, repairing defects, replacing worn or broken parts.

"(B) Adjusts and tunes up engines, cleaning fuel pumps, carburetors, and radiators; regulates timing, and makes other necessary adjustments to maintain in proper operating condition trucks that are in service.

"(C) Repairs or replaces automotive electrical equipment such as generators, starters, ignition systems, distributors, and wiring; installs and sets new spark plugs.

"(D) Conducts road tests of vehicles after repairs, noting performance of engine, clutch, transmission, brakes, and other parts.

"(E) Operates standard types of modern garage testing equipment.

"(F) In addition, may perform any of the following duties:

"(i) Removes, disassembles, reassembles, and installs entire engines.

"(ii) Overhauls transmission, rear end assemblies, and braking systems.

"(iii) Straightens frames and axles, welding broken parts where required.

"(iv) Makes road calls to make emergency repairs.

"(v) Makes required truck inspections.

"Organizational relationships: Reports to a foreman of mechanics or other designated supervisor.

"(15) Position: Transfer clerk—Level 5.

"Basic function: Arranges for transfer of mail at junction points between trains and other mail units and observes the separation, loading and unloading of mail by railroad employees to make certain that this is done properly.

"Duties and responsibilities:

"(A) Provides for the most expeditious transfer of mail from observations of the operation of trains, star route, or mail messenger vehicles, Government-owned vehicles and platform vehicles.

"(B) Examines outgoing and incoming cars to determine maximum utilization of space and proper adherence to railroad safety requirements; reports findings, when necessary, to the district superintendent.

"(C) Decides whether outbound cars in full authorizations should be held beyond the first available dispatches in order to obtain fuller loading and maximum utilization of the space paid for, making certain that this will not unduly delay the arrival of the mail at destination.

"(D) Studies the routing and loading of mail dispatched from his station in storage cars in order to recommend changes which would bring about economies in line haul and terminal charges and effect earlier arrival. Gives similar attention to incoming mail to assure that dispatching divisions are using best routing and loading methods; reports facts to the district superintendent.

"(E) Maintains close liaison with foremen of appropriate incoming and outgoing trains and vehicles to assure prompt receipt and expeditious dispatch of mail.

"(F) Keeps informed on local holding orders for each outgoing dispatch and requests that departure of unit within these limitations be withheld when scheduled connections are delayed.

"(G) Prepares list of railroad cars (except railway post office cars) in which mail is loaded, and maintains record of mail loaded and unloaded in outgoing and incoming trains. Serves notice on railroad company to cancel operation and purchases lesser storage unit in its place when necessary. Prepares official diagram and appropriately labels outgoing cars to indicate destination or next relay point.

"(H) Inspects the loading and unloading of storage mail to secure individual piece count of lesser storage units (30 feet and less); estimates volume when more than 30 feet.

"(I) Observes and reports to designated supervisor any failure of the railroad company to afford protection for the mail.

"(J) Qualifies periodically through examination on knowledge of distributing schemes, postal regulations, space rules, and train connections.

"(K) In addition, may perform any of the following duties:

"(i) Receipts for, transfers, and delivers registered mail between trains or between train and post office.

"(ii) Distributes mail prescribed for distribution in transfer office.

"Organizational relationships: Reports to a foreman or other designated supervisor.

"(16) Position: Distribution Clerk, R. P. O. or H. P. O.—Level 5.

"Basic function: Distributes mail in railway or highway post office prior to departure and while en route.

"Duties and responsibilities:

"(A) Determines the fastest or most expeditious dispatch of mail from the standpoint of assignment. In emergencies, such as floods, storms, wrecks, strikes, and missed connections, redistributes the mail so as to reach destination by the most expeditious alternative means, for example, by other railway post office or highway post office, air mail route, or star route.

"(B) Distributes mail rapidly into letter case or pouches and sacks.

"(C) Hangs pouches and sacks in racks and places labels in holders provided; labels letter cases in accordance with official diagram.

"(D) Prepares mail for dispatch, involving labeling and tying of letter mail in packages for distribution in pouches, closing and locking sacks and pouches, and maintenance of proper separations for connections en route.

"(E) In addition, may perform any of the following duties:

"(i) Receives and dispatches mail en route.

"(ii) Unloads mail and equipment at terminal of run.

"(iii) Examines car to ascertain that no mail is left.

"(iv) Convoys registered mail to post office and connecting lines.

"(F) qualifies through examination periodically on knowledge of distributing schemes, postal regulations, space rules, and train schedules.

"Organizational relationships: Reports to a foreman in charge of the railway post office car or highway post office.

"(17) Position: Claims clerk, paying office—Level 5.

"Basic function: Examines claims for loss or damage of insured or c. o. d. mail matter and determines and approves for payment the amount found to be due under postal regulations.

"Duties and responsibilities:

"(A) Receives and reviews prescribed claim papers to ascertain whether:

"(i) All necessary items of the appropriate claim form have been properly completed.

"(ii) Proof of value has been properly determined.

"(iii) Appropriate check has been made of applicable records.

"(iv) Other necessary information has been supplied.

"(B) Determines whether amount of claim exceeds amount of loss and the proper amount payable is within the limits of the indemnity.

"(C) Conducts necessary correspondence in connection with the claim.

"(D) Approves amount to be paid, and directs disposition of damaged articles.

"(E) Maintains prescribed record of claims.

"Organizational relationships: Reports to an assistant postmaster or other designated supervisor.

"(18) Position: Postmaster, small third-class office—Level 5.

"Basic function: Is responsible for all operations of a small third-class post office, including actual performance of mail processing and window service, disbursement of funds and preparation of required reports. This office has no employees other than the postmaster and a replacement to serve during his leave; has annual receipts of approximately $1,700; has no rural delivery service within its jurisdiction.

"Duties and responsibilities:

"(A) Conducts the activities of the office in such manner as to provide prompt and efficient postal service to the patrons of the office.

"(B) Maintains direct contact with the public and gives personal attention to complaints.

"(C) Sorts incoming mail for boxholders and general delivery; faces, cancels, sorts by destination, ties and sacks outgoing mail.

"(D) At a window delivers general delivery mail, issues and cashes money orders, delivers c. o. d. and customs mail, accepts and delivers parcel post, registered and insured mail, sells stamps and stamped paper, and collects box rents.

"(E) Prepares and submits estimates of operating allowances as required.

"(F) Makes deposits of accountable funds; requisitions stamps and stamped paper; requisitions supplies; pays authorized bills.

"(G) Maintains required office records; prepares and submits necessary reports in accordance with instructions.

"(H) Maintains files for the office.

"Organizational relationships: Administratively responsible to a district manager.

"(19) Position: Claims clerk, common and contract carriers—Level 6.

"Basic function: Audits carriers' claims for the transportation of mail to insure their accuracy and correctness of form prior to certifying them for payment.

"Duties and responsibilities:

"(A) Checks original or draft of claims submitted by carriers using space procurement data, records of air carrier flights and weight allocations, reports of railroad space utilization, emergency space procured, and other pertinent reports and data submitted by the districts.

"(B) Corrects errors in drafts of claims and returns them to the carrier for resubmission in final corrected form.

"(C) Expedites the processing of claims by continuous coordination with the carriers to minimize the incidence of error on claims submitted.

"(D) Rechecks resubmitted claims prior to certifying them for payment.

"(E) Maintains records pertinent to carrier claims such as unscheduled air carrier flights, weight allocations for mail on flights of air carriers, and air line flight schedules.

"(F) Accumulates data and prepares periodic and special reports on subjects related to the purchase and use of railroad space, and air carrier weight allocation.

"Organizational relationships: Reports to the supervisor in charge of the fiscal section in a Postal Transportation Service division office or other designated supervisor.

"(20) Position: Postmaster, third-class office—Level 6.

"Basic function: Is responsible for all operations of a third-class post office, including actual performance of mail processing and window services, disbursement of funds and preparation of required reports. This office has one part-time clerical employee; has annual receipts of approximately $4,700; has no rural delivery service within its jurisdiction.

"Duties and responsibilities:

"(A) Supervises and conducts the activities of the office in order to provide prompt and efficient postal service to patrons.

"(B) Maintains direct contact with the public and gives personal attention to complaints.

"(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil service regulations.

"(D) Sorts incoming mail for boxholders and general delivery; faces, cancels, sorts by destination, ties and sacks outgoing mail.

"(E) At a window delivers general delivery mail, issues and cashes money orders, delivers c. o. d. and customs mail, accepts and delivers parcel post, registered and insured mail, sells stamps and stamped paper, and collects box rents.

"(F) Makes required deposits of accountable funds; requisitions stamps and stamped paper; requisitions supplies; pays authorized bills and makes salary disbursements.

"(G) Prepares and submits annual estimates of manpower needs and operating allowances as required.

"(H) Maintains required office records; prepares and submits necessary reports in accordance with instructions.

"(I) Maintains files for the office.

"Organizational relationships: Administratively responsible to a district manager.

"(21) Position: Foreman, mails—Level 7

"Basic function: Supervises a group of employees engaged in carrying out assigned tasks connected with the processing of incoming or outgoing mail.

"Duties and responsibilities:

"(A) Lays out work for employees; insures attendance to duties and proper performance of assignments; shifts employees from one assignment to another to meet fluctuations in workload; answers questions respecting work progress.

"(B) Trains new employees and provides continuous on-the-job training for all employees under his supervision.

"(C) Reports unusual difficulties to a general foreman and suggests solutions. Personally resolves problems of a routine nature.

"(D) Keeps required records for such matters as time, mail on hand, and mail processed.

"(E) Recommends personnel actions respecting subordinates; maintains morale among the employees in the group; adjusts complaints; supplies leadership necessary to secure maximum interest and effort from men and promotes cooperation and harmony.

"Organizational relationships: Administratively responsible to a general foreman or other designated superior. Supervises approximately 20 or more employees.

"(22) Position: Postmaster, third-class office—Level 7

"Basic function: Is responsible for all operations of a third-class post office, including actual participation in processing of mail and window services, disbursement of funds and preparation of required reports. This office has two clerical employees and annual receipts of approximately $6,000, and rural delivery service within its jurisdiction.

"Duties and responsibilities:

"(A) Supervises the activities of the office in order to provide expeditious handling of the mails, and efficient and courteous postal service to patrons.

"(B) Maintains direct contact with the public and gives personal attention to complaints.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Department and Civil Service Regulations; selects personnel and trains them in their respective positions.

"(D) Directs the activities of employees; arranges working schedules of employees and is responsible for the administration of the Efficiency Appraisal System.

"(E) Distributes incoming mail for carrier delivery, boxholders and general delivery; faces, cancels, distributes, ties and sacks outgoing mail; performs general delivery window services; issues and cashes money orders; delivers c. o. d. and customs mail; accepts and delivers parcel post, registered and insured mail; sells stamps, stamped paper, savings bonds, postal savings stamps and certificates, migratory and documentary stamps, and collects box rents.

"(F) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies; issues checks for employees' salaries and other official disbursements.

"(G) Prepares annual estimates of manpower needs and operating allowances for submission as required.

"(H) Prepares reports of a recurring nature, reflecting various transactions of the office, such as personnel salary summaries, retirement and withholding tax data, cost estimates, money order and bond summaries and schedules of disbursement.

"(I) Maintains all files for the office.

"Organizational relationships: Administratively responsible to a district manager.

"(23) General foreman: R. P. O.—Level 8.

"Basic function: Directs mail service operations in a railway post office train with two or more authorized cars. Supervises a crew of foremen and clerks whose primary function is the distribution and exchange of mails en route.

"Duties and responsibilities:

"(A) Provides for the proper distribution, exchange, and dispatch of mail regularly assigned for handling in the railway post office cars. Makes decisions concerning the most expeditious dispatch, rerouting and utilization of alternative connections involving irregularly received mail and also in emergency situations.

"(B) Directs mail service operations in the railway post office train including:

"(i) Rapid distribution of all classes of mail in accordance with official diagrams and via most advantageous routing.

"(ii) Handling, recording, and protection of registered mails.

"(iii) Makeup and exchange of mail at intermediate and terminal offices.

"(iv) Proper utilization of space in each railway post office car with relation to other storage space in train and, except as charged to transfer clerks, for proper handling of all storage mail in train.

"(v) Loading and unloading of railway post office cars to assure maximum use of available storage space without additional cost.

"(vi) Proper usage of mail equipment and supplies.

"(vii) Maintenance of distribution schemes and schedules of mail routes in corrected condition.

"(C) Supervises the activities of foremen and clerks in the cars and reassigns them to various duties as may be required to complete maximum distribution. Instructs clerks on proper practices and procedures and reports failures to meet operating standards to the district superintendent.

"(D) Inspects condition of railway post office cars and reports to the railroad company unsatisfactory situations.

"(E) Completes trip report form covering service operations, including particulars of train operation, roster of clerks on duty, mails received, worked, and dispatched, and mails not worked; prepares a list of all cars on train in which mail is carried, a record of the mail, and a report of any irregularities in service. Observes and reports to district superintendent any failure of the railroad company to afford protection to the mail.

"(F) May personally distribute letter mail for one or more States, and maintain record of pouches received and dispatched.

"Organizational relationships: Administratively responsible to a district superintendent or other designated superior. Directs, through one or more subordinate foremen, clerks assigned to the run.

"(24) Position: Assistant Postmaster, small first-class post office—Level 8.

"Basic function: Serves as the overall assistant to the postmaster, providing general direction and supervision over mails, finance, personnel, and other related activities. This office has approximately 16 employees, annual receipts of approximately $63,000, and 8 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

"(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

"(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

"(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

"(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

"(F) Gives assistance and direction to key subordinate employees in planning and executing the mail handling, finance, and administrative programs of the post office.

"(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

"(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

"(I) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

"(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

"Organizational relationships: Administratively responsible to the postmaster.

"(25) Position: Postmaster, second-class office—Level 8.

"Basic function: Is responsible for all operations of a second-class post office, including actual participation in processing of mail and window services, disbursement of funds and preparation of required reports. This office has approximately six employees, annual receipts of approximately $16,000, and has rural delivery service within its jurisdiction.

"Duties and responsibilities:

"(A) Supervises and coordinates the activities of the office in order to provide expeditious handling of the mails, and efficient and courteous postal service to patrons.

"(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; selects personnel and trains them in their respective positions.

"(D) Directs the activities of employees: arranges working schedules of employees; recommends promotions of employees; is responsible for the administration of the Efficiency Appraisal System.

"(E) Distributes incoming mail for carrier delivery, boxholders and general delivery; faces, cancels, distributes, ties and sacks outgoing mail; performs general delivery window service; issues and cashes money orders; delivers c. o. d. and customs mails; accepts and delivers parcel post, registered and insured mail; sells stamps, stamped paper, savings bonds, postal savings stamps and certificates, migratory and documentary stamps, and collects box rents.

"(F) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies; issues checks for employees' salaries and other official disbursements.

"(G) Prepares annual estimates of manpower needs and operating allowances for submission as required.

"(H) Prepares reports of a recurring nature, reflecting various transactions of the office, such as personnel salary summaries, retirement and withholding tax data, cost estimates, money order and bond summaries, and schedules of disbursement.

"(I) Maintains all files for the office.

"Organizational relationships: Administratively responsible to a district manager.

"(26) Position: General foreman, mails—Level 9.

"Basic function: Directs foremen in the distribution of all or part of incoming mails, outgoing mails, or both, at a first-class post office.

"Duties and responsibilities:

"(A) Lays out work for foremen at the beginning of a tour and issues instructions.

"(B) Oversees work in progress to prevent accumulation of mail.

"(C) Insures that mail is distributed in accordance with established orders and instructions.

"(D) Shifts men from one foreman to another to keep mails moving.

"(E) Reports difficulties and suggests corrective measures to superior.

"(F) Maintains required records.

"(G) Assures that adequate on-the-job training is carried out to promote employee proficiency.

"(H) Reviews and forwards recommendations of foremen respecting discipline, promotions, or changes in assignments; approves time and leave requests; submits manpower estimates.

"Organizational relationships: Administratively responsible to a superintendent or assistant superintendent or other designated superior. Directs, through approximately four foremen, employees as assigned.

"(27) Position: Postmaster, small first-class office—Level 9.

"Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approxmately 16 employees, annual receipts of approximately $63,000, and city delivery service consisting of 8 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

"(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

"(D) Directs the activities of employees; arranges working schedules of employees; recommends promotions of employees and is responsible for the proper administration of the Efficiency Appraisal System.

"(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

"(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

"(G) Prepares reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

"(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

"(I) Directs the maintenance of files for the office.

"(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

"Organizational relationships: Administratively responsible to a district manager.

"(28) Position: Building superintendent—Level 10.

"Basic function: Directs the janitorial, maintenance, and operating services of a large post-office building and branches and stations covering an aggregate area of approximately 700,000 square feet, including security, heating and ventilating, mechanical and electrical equipment, and elevator services.

"Duties and responsibilities:

"(A) Plans and prepares work schedules and supervises the custodial forces in cleaning, heating, guarding, operating, and repairing the post office building and equipment.

"(B) Makes frequent inspections to determine maintenance needs of the building and equipment, and to determine the efficiency of the janitorial and maintenance force.

"(C) Prepares and answers correspondence relating to custodial service.

"(D) Plans and supervises maintenance or alteration work under contract.

"(E) Supervises the office force in the preparation of vouchers, requisitions and reports incidental to custodial service, and in the maintenance of required accounts and records.

"(F) Recommends transfers, promotions, and disciplinary measures for custodial personnel.

"(G) Inspects mechanical equipment to determine repair needs and adherence to standards of preventive maintenance.

"Organizational relationships: Administratively responsible to the postmaster or other designated superior. Directs through a general foreman of laborers and a chief engineer, approximately 100 employees, including electricians and other skilled trades.

"(29) Position: Postmaster, first-class office—Level 10.

"Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately 27 employees, annual receipts of $129,000, and 11 city delivery and rural carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

"(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

"(C) Appoints all personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that all personnel are carefully selected and adequately trained for their respective positions.

"(D) Directs the activities of all employees; supervises arrangement of working schedules of employees; recommends promotions of employees; and is responsible for the proper administration of the Efficiency Appraisal System.

"(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

"(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

"(G) Prepares reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

"(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

"(I) Directs the maintenance of files for the office.

"(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

"Organizational relationships: Administratively responsible to a district manager.

"(30) Position: Tour superintendent, incoming or outgoing mails—Level 11.

"Basic function: Directs general foremen in the distribution of incoming mails or outgoing mails on a tour at a large first-class post office.

"Duties and responsibilities:

"(A) Provides for the prompt and complete operation of a tour activity, such as incoming mails, outgoing mails, or all first- and third-class outgoing mails.

"(B) Reassigns employees as necessary to meet peakload demands; provides direction to subordinate foremen, coordinating the portions of work assigned to them.

"(C) Answers questions of subordinate foremen regarding operating problems; refers policy questions to his superior with appropriate recommendations.

"(D) Reviews requests for personnel actions by subordinate foremen, recommending final action to superior.

"(E) Reviews estimates of manpower required, consolidating for recommendation to superior.

"Organizational relationships: Administratively responsible to an assistant superintendent of mails or other designated superior. Directs, through general foremen, employees assigned to the tour.

"(31) Position: Postmaster, first-class office—Level 11.

"Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately 53 employees, annual receipts of $314,000, 6 Government-owned vehicle units, no classified stations, and 25 city and rural delivery routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

"(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

"(D) Directs the activities of all employees; supervises arrangement of working schedules of employees; recommends promotions of employees and is responsible for the proper administration of the Efficiency Appraisal System.

"(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

"(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

"(G) Prepares numerous reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

"(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

"(I) Directs the maintenance of files for the office.

"(J) May personally handle window transactions and perform work elsewere in the office as the workload requires.

"Organizational relationships: Administratively responsible to a district manager.

"(32) Position: Postal inspector—Level 12.

"Basic function: Is responsible in an assigned territory, usually including all classes of post offices, for inspection and investigative programs covering all phases of the postal service. In heavily populated areas may be assigned a majority of the time to selected types of work as determined by the inspector-in-charge.

"Duties and responsibilities.—Assigned Territory:

"(A) Inspects post offices and related postal units to insure compliance with postal laws and regulations, protection and proper expenditure of postal revenues and appropriated funds, and evaluates and reports to administrative officials on operational efficiency.

"(B) Maintains close working relationship with regional officials and submits to them factual information and recommendations on conditions and needs of the postal service; acts as counselor to postmasters and other postal officials and employees in explaining instructions, regulations, applicable laws and decisions.

"(C) Investigates violations of postal laws, including, but not limited to, armed robbery, mailing of bombs, burglary, theft of mail, embezzlements, obscene literature and pictures, and mail fraud.

"(D) Determines the validity and seriousness of charges against postmasters and other officers and employees and makes pertinent recommendations.

"(E) Investigates local and area operating problems and recommends corrective action, and within his prescribed jurisdiction, initiates necessary corrective acton, including restoration of service immediately in disaster areas caused by hurricanes, tornadoes, floods, and other catastrophes.

"(F) Maintains liaison activities (i) with military installations to insure adequate postal service for the military forces; (ii) with Federal and State civil defense authorities at the area level; (iii) with branches of Federal and State law enforcement agencies.

"(G) Ascertains postal needs for post offices and stations, rural and city delivery, changes in schedules, quarters, equipment, manpower, and procedures and reports findings and recommendations to appropriate officials.

"Selected cases:

"(H) Investigates the loss, theft, destruction, and damage to mail matter through technical analyses of complaints and other specialized procedures.

"(I) Investigates money-order forgeries; investigates complaints of use of the mails to defraud and to operate lotteries.

"(J) Investigates personal injuries, motor-vehicle and other accidents; develops evidence for defense of suits under the so-called Federal Tort Claims Act; recommends out-of-court settlements.

"(K) In any criminal investigation, develops evidence, locates witnesses and suspects; apprehends and effects arrests of postal offenders, presents facts to United States attorney, and collaborates as required

with Federal and State prosecutors in presentation before United States commissioner, grand jury, and trial court.

"(L) Surveys postal service on an area basin to ascertain and recommend ways of improving service and effecting economies.

"(M) Makes investigations of a variety of other matters and performs related duties as assigned.

"Organizational relationships: Responsible to the inspector-in-charge or the assistant inspector-in-charge of the division. Supervises trainees and other inspectors as assigned.

"(33) Position: Postmaster, first-class office—Level 12.

"Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services. This office has approximately 72 employees, annual receipts of $797,000, 6 Government-owned vehicle units, no classified stations, and 17 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of the mails and to provide efficient and courteous postal service to patrons.

"(B) Represents the Post Office Department in its relationships with the public in the area.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

"(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

"(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

"(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

"(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

"Organizational relationships: Administratively responsible to a district manager.

"(34) Position: Station superintendent, large classified station—Level 13.

"Basic function: Directs the operations of a large classified station, including the distribution, delivery, and dispatch of mail and all required window services to the public.

"Duties and responsibilities:

"(A) Plans and supervses the distribution of incoming and outgoing mails, the delivery service, including special delivery, and the dispatch of outgoing mail.

"(B) Supervises services to the public at windows, including sales of stamps and stamped paper, money orders, postal savings stamps and certificates, migratory and documentary stamps, registry and issuance of mail; handling of c. o. d. items; general delivery and box mail.

"(C) Supervises city and rural carriers and determines that delivery schedules are maintained; consults in the adjustment and establishment of routes to reflect changes in volume, patronage, or population; and recommends establishment or changes in location of collection boxes.

"(D) Directs and maintains required records for personnel of station; verifies and approves timecards for payroll purposes; makes manpower estimates and reports; trains new supervisors and employees in various aspects of station operations.

"(E) Requisitions supplies and equipment, stamps, stamped paper, and accountable forms from main post office, reissuing to subordinates as required. Is responsible for entire fixed credit of station and for operation within the allowance granted.

"(F) Maintains effective relations with large mailers and the public; simplifies handling of mail, and takes appropriate action to meet complaints.

"(G) In addition, may perform any of the following duties:

"(i) Supervises the cleaning and custodial maintenance of the station building.

"(ii) Makes necessary arrangements for special services such as alien registrations, special census reports, or handling of special purpose mailing.

"Organizational relationships: Administratively responsible to a superintendent of mails or other designated superior. Directs, through subordinate supervisors, approximately 1,000 or more employees.

"(35) Position: Assistant postmaster, first-class office—Level 13.

"Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. The office has approximately 450 employees, annual receipts of $2,700,000, 50 Government-owned vehicle units, 1 classified station or branch, and 130 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

"(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

"(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

"(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

"(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

"(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

"(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

"(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

"(I) Carries out special assignments for and as directed by the postmaster.

"(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

"Organizational relationship: Administratively responsible to the postmaster.

"(36) Position: Postmaster, first-class office—Level 13.

"Basic function: Is responsible for all operations of a first-class post office, including the direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately 180 employees, annual receipts of $1 million, 21 Government-owned vehicle units, 3 classified stations, and 65 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organize the post office to insure expeditious handling of the mails and to provide efficient and courteous postal service to patrons.

"(B) Represents the Post Office Department in its relationships with the public in the area.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

"(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

"(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

"(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

"(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

"Organizational relationships: Administratively responsible to a district manager.

"(37) Position: Assistant postmaster, first-class office—Level 14.

"Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately 1,200 employees, annual receipts of $8,460,000, 117 Government-owned vehicle units, 16 classified stations and branches, and 290 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

"(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

"(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

"(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

"(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

"(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

"(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

"(H) Represents the postmaster in relationship with the public in the area, including representation with employee organizations.

"(I) Carries out special assignments for and as directed by the postmaster.

"(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

"Organizational relationships: Administratively responsible to the postmaster.

"(38) Position: Postmaster, first-class office—Level 14.

"Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately 450 employees, annual receipts of $2,700,000, 50 Government-owned vehicle units, 1 classified station or branch, and 130 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

"(B) Represents the Post Office Department in its relationships with the public in the area.

"(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil-service regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

"(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

"(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

"(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

"(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the supply center or the Department.

"Organizational relationships: Administratively responsible to a regional director or other designated superior.

"(39) Position: Assistant postmaster, first-class office—Level 15.

"Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative and service functions of the post office. This office has approximately 3,200 employees, annual receipts of $16,900,000, 200 Government-owned vehicle units, 34 classified stations and branches, and 1,000 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

"(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

"(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

"(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

"(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

"(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

"(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

"(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

"(I) Carries out special assignments for and as directed by the postmaster.

"(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

"Organizational relationships: Administratively responsible to the postmaster.

"(40) Position: Postmaster, first-class office—Level 15.

"Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations and branches. This office has approximately 700 employees, annual receipts of $4,470,000, 77 Government-owned vehicle units, 8 classified stations and branches, and 200 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

"(B) Represents the Post Office Department in its relationships with the public in the area.

"(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil-service regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

"(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

"(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

"(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

"(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the supply center or the Department.

"Organizational relationships: Administratively responsible to a regional director or other designated superior.

"(41) Position: General Superintendent, PTS Division—Level 16.

Basic function: Directs all activities of a division of the Postal Transportation Service of average size and complexity in terms of numbers of employees and in expenditure of funds, or in terms of the importance of the mail gateways in the division, the volume and complexity of the mail-handling operations, and concentrations which create congestions. Is responsible for the transportation, transfer, distribution, and dispatch of mail in transit, and for the efficient and economical operation of the division.

"Duties and responsibilities:

"(A) Directs and coordinates the activities of subordinate district superintendents in planning and effectuating the transportation and processing of transit mail within, entering, or emanating from the division; confers with officials of commercial carriers regarding mail handling and transportation, schedules, security of mail in transit, and rates.

"(B) Provides, through his assistants, general supervision over the activities of the employees of the division. Establishes manpower controls, effective employee relations, and inspections of personnel activities, both informally and as required by regulations.

"(C) Exercises administrative control over the district superintendents and, through them, the constituent field units such as transfer offices, airmail fields, terminals, railway post-office lines, highway post-office lines, and contract carriers such as star routes and mail-messenger routes, and related operating units, maintains financial control of the division, reporting on expenditures and requirements as directed.

"(D) Maintains liaison with airlines, railroads, trucklines, and other contract carriers; contacts major publishers, mail-order houses, and other large-volume patrons with respect to mass-mailing problems.

"(E) Coordinates division activities with those of contiguous divisions and with other segments of the Post Office Department within the area.

"Organizational relationships: Administratively responsible to a regional director. Directs, through an assistant and district superintendents, up to 3,300 employees.

"(42) Position: Assistant postmaster, large first-class office—Level 16.

"Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately 8,000 employees, annual receipts of $48 million, 400 Government-owned vehicle units, 50 classified stations and branches, and 1,400 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

"(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

"(C) Directs a continuous-audit program concerning the accountability of responsible finance employees of the office.

"(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

"(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

"(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

"(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

"(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

"(I) Carries out special assignments for and as directed by the postmaster.

"(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

"Organizational relationships: Administratively responsible to the postmaster.

"(43) Position: Postmaster, first-class office—Level 16.

"Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately 1,200 employees, annual receipts of $8,460,000, 117 Government-owned vehicle units, 16 classified

stations and branches, and 290 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

"(B) Represents the Post Office Department in its relationships with the public in the area.

"(C) Appoints all personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that all personnel are carefully selected and adequately trained in their respective positions.

"(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

"(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

"(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

"(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

"Organizational relationships: Administratively responsible to a regional director or other designated superior.

"(44) Position: General superintendent, largest PTS division—Level 17.

"Basic function: Directs all activities of the largest divisions of the Postal Transportation Service in terms of numbers of employees and in expenditure of funds, as well as in terms of the importance of the mail gateways in the division, the volume and complexity of the mail and mail-handling operations, and concentrations which create congestions. Is responsible for the transportation, transfer, distribution, and dispatch of mail in transit, and for the efficient and economical operation of the division.

"Duties and responsibilities:

"(A) Directs and coordinates the activities of subordinate district superintendents in planning and effectuating the transportation and processing of transit mail within, entering, or emanating from the division; confers with officials of commercial carriers regarding mail-handling and transportation schedules, security of mails in transit, and rates.

"(B) Provides, through his assistants, general supervision over the activities of the employees of the division. Establishes manpower controls, effective employee relations, and inspections of personnel activities, both informally and as required by regulations.

"(C) Exercises administrative control over the district superintendents and, through them, the constituent field units such as transfer offices, air mail fields, terminals, railway post office lines, highway post office lines, and contract carriers such as star routes and mail messenger routes, and related operating units; maintains financial control of the division, reporting on expenditures and requirements as directed.

"(D) Maintains liaison with airlines, railroads, trucklines, and other contract carriers; contacts major publishers, mail-order houses, and other large volume patrons with respect to mass mailing problems.

"(E) Coordinates division activities with those of contiguous divisions and with other segments of the Post Office Department within the area.

"Organizational relationships: Administratively responsible to a regional director. Directs, through an assistant and district superintendents, approximately 3,300 or more employees.

"(45) Position: Assistant postmaster, largest first-class office—Level 17.

"Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately 20,000 employees, annual receipts of $140 million, 1,100 Government-owned motor-vehicle units, 66 classified stations and branches, and 3,200 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

"(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

"(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

"(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

"(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

"(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

"(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

"(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

"(I) Carries out special assignments for and as directed by the postmaster.

"(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

"Organizational relationships: Administratively responsible to the postmaster.

"(46) Position: Postmaster, first-class office—Level 17.

"Basic function: Is responsible for all operations of a first-class post office, including direction and supervison of mails, finance, buildings, personnel, and related services in the main post office and stations and branches. This office has approximately 3,200 employees, annual receipts of $16,900,000, 200 Government-owned vehicle units, 34 classified stations and branches, and 1,000 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

"(B) Represents the Post Office Department in its relationships with the public in the area.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

"(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

"(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

"(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

"(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the supply center or the Department.

"Organizational relationships: Administratively responsible to a regional director or other designated superior.

"(47) Position: Postmaster, large first-class office—Level 18.

"Basic function: Is responsible for all operations of a large first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office and stations and branches. This office has approximately 8,000 employees, annual receipts of $48 million, 400 Government-owned vehicle units, 50 classified stations and branches, and 1,400 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

"(B) Represents the Post Office Department in its relationships with the public in the area.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

"(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

"(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

"(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

"(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the supply center or the Department.

"Organizational relationships: Administratively responsible to a regional director or other designated superior.

"(48) Position: Postmaster, largest first-class office—Level 19.

"Basic function: Is responsible for all operations of one of the largest first-class offices, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations and branches. This office has approximately 20,000 employees, annual receipts of $140 million, 1,100 Government-owned vehicle units, 66 classified stations and branches, and 3,200 carrier routes within its jurisdiction.

"Duties and responsibilities:

"(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

"(B) Represents the Post Office Department in its relationships with the public in the area.

"(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

"(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

"(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

"(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

"(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the supply center or the Department.

"Organizational Relationships.—Administratively responsible to a regional director.

"(49) Position: Regional director—Level 20.

"Basic function: Directs the management of all postal activities within the jurisdiction of an assigned region in accordance with basic departmental policies and with functional direction and guidance from Assistant Postmasters General.

"Duties and responsibilities:

"(A) Develops and formulates policies and practices for the region within basic policies and instructions of the Postmaster General.

"(B) Manages post office operations.

"(C) Administers routing, distribution, and transportation of mail within and in transit through the region.

"(D) Arranges for the provision of adequate facilities and equipment for all postal functions in the region.

"(E) Administers the personnel program of the region, including employment, placement, training, evaluation of positions, employee relations, and other personnel functions.

"(F) Authorizes and issues allowances for all expenditures and exercises budgetary controls.

"(G) Administers cost reduction programs and provides industrial engineering services to operating segments of the region.

"(H) Maintains effective public relations with the general public, large mail users, and with Federal, State, and municipal authorities.

"Organizational relationships: Administratively responsible to the Deputy Postmaster General. Directs, through subordinate officials, approximately 30,000 to 35,000 employees in some 3,000 offices within the region.

"DUAL EMPLOYMENT AND EXTRA DUTIES

"SEC. 204. (a) An employee may be appointed to more than one position and shall be paid compensation at the rate provided by law for each position, without regard to the provisions of sections 1763, 1764, and 1765 of the Revised Statutes, as amended (5 U. S. C., secs. 58, 69, and 70).

"(b) As the needs of the service require, an employee may be assigned from time to time to perform, without change in compensation, duties, and responsibilities other than the duties and responsibilities specifically set forth in his position description; however, if any employee is assigned for more than 30 days in any calendar year to duties and responsibilities of a salary level which is higher than the salary level to which his position is assigned, except to perform service in a relief capacity for a supervisor granted compensatory time pursuant to section 603, he shall be paid for the period of his assignment in excess of 30 days a basic salary computed in accordance with the provisions of section 502.

"REPORT OF THE POSTMASTER GENERAL

"SEC. 205. (a) The Postmaster General shall transmit to the Congress, on or before January 15, 1956, a comprehensive report of operations under this title. Such report shall include, among other matters, the following—

"(1) information, in summary and in detail, with respect to actions by the Postmaster General taken under section 201, with specific reference to the definitions of positions, the designations of the respective salary levels to which such positions are assigned, and the reasons for such actions;

"(2) a statement showing the number of employees determined to be in each key position under section 203, and the occupational titles of such employees immediately prior to the conversion of such employees under section 304 (b);

"(3) a statement with respect to the operation of the appeals system prescribed by section 202, including the number of such appeals by employees, a general discussion of the reasons for such appeals, the actions taken thereon and the reasons therefor; and

"(4) such other information and evidence as is necessary to enable the Committees on Post Office and Civil Service of the Senate and the House of Representatives to carry out the responsibility for supervision and review of the administration of this title, in accordance with section 136 of the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong.).

"(b) The report submitted by the Postmaster General under subsection (a) of this section shall be delivered to the President of the Senate and to the Speaker of the House of Representatives on the same day, and shall be referred to the Committees on Post Office and Civil Service of both Houses. The report shall be printed as a House document.

"TITLE III—BASIC SALARY SCHEDULES

"POSTAL FIELD SERVICE SCHEDULE

"SEC. 301. (a) There is established a basic salary schedule for positions in the postal field service which shall be known as the Postal Field Service Schedule, and for which the symbol shall be "PFS." Except as provided in sections 302 and 303 of this act, basic salary shall be paid to all employees in accordance with this schedule.

"POSTAL FIELD SERVICE SCHEDULE

"Level	Per annum rates and steps						
	1	2	3	4	5	6	7
1	$2,880	$2,980	$3,080	$3,180	$3,280	$3,380	$3,480
2	3,080	3,195	3,300	3,405	3,510	3,615	3,720
3	3,330	3,445	3,560	3,675	3,790	3,905	4,020
4	3,660	3,785	3,910	4,035	4,160	4,285	4,410
5	3,880	4,005	4,130	4,255	4,380	4,505	4,630
6	4,190	4,330	4,470	4,610	4,750	4,890	5,030
7	4,550	4,685	4,840	4,995	5,150	5,305	5,460
8	4,890	5,060	5,230	5,400	5,570	5,740	5,910
9	5,280	5,465	5,650	5,835	6,020	6,205	6,390
10	5,800	6,000	6,200	6,400	6,600	6,800	7,000
11	6,380	6,600	6,820	7,040	7,260	7,480	7,700
12	7,020	7,260	7,500	7,740	7,980	8,220	8,460
13	7,730	7,980	8,250	8,510	8,770	9,030	9,280
14	8,500	8,780	9,060	9,340	9,620	9,900	10,180
15	9,350	9,650	9,950	10,250	10,550	10,850	11,150
16	10,300	10,600	10,900	11,200	11,500	11,800	12,100
17	11,400	11,700	12,000	12,300	12,600	12,900	13,200
18	12,500	12,800	13,100	13,400	13,700	14,000	14,300
19	13,600	13,900	14,200	14,500	14,800	.....	.....
20	14,800	.....	.....	.....	.....	.....	.....

"(b) The basic salary for hourly rate employees shall be computed by dividing the per annum rates prescribed in the Postal Field Service Schedule (1) by 2,080 in the case of hourly rate employees other than substitutes, and (2) by 2,016 in the case of substitute employees.

"RURAL CARRIER SCHEDULE

"SEC. 302. (a) There is established a basic salary schedule which shall be known as the Rural Carrier Schedule, and for which the symbol shall be 'RCS', for carriers in the rural delivery service, which is based in part on fixed compensation per annum and in part on specified rates per mile per annum. Basic salary shall be paid to rural carriers in accordance with this schedule.

"RURAL CARRIER SCHEDULE

	"Per annum rates and steps						
	1	2	3	4	5	6	7
Carriers in rural delivery service:							
Fixed compensation per annum	$1,566.00	$1,611.00	$1,656.00	$1,701.00	$1,746.00	$1,791.00	$1,836.00
Compensation per mile per annum for each mile up to 30 miles of route	65.00	67.00	69.00	71.00	73.00	75.00	77.00
For each mile of route over 30 miles	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Temporary carriers in rural delivery service on routes to which no regular carrier is assigned:							
Fixed compensation per annum	1,566.00	.....	.....	.....	.....	.....	.....
Compensation per mile per annum for each mile up to 30 miles of route	65.00	.....	.....	.....	.....	.....	.....
For each mile of route over 30 miles	22.00	.....	.....	.....	.....	.....	.....
Temporary carriers in rural delivery service on routes having regular carriers absent without pay or on military leave	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Substitute carriers in rural delivery service on routes having carriers absent with pay	(1)	(1)	(1)	(1)	(1)	(1)	(1)

[1] Basic compensation authorized for the regular carrier.

"(b) A rural carrier serving one triweekly route shall be paid on the basis of a route one-half the length of the route served by him. A rural carrier serving 2 triweekly routes shall be paid on the basis of a route one-half the combined length of the 2 routes.

"(c) The Postmaster General may pay such additional compensation as he may determine to be fair and reasonable in each individual case to rural carriers serving heavily patronized routes not exceeding 61 miles in length. He may not pay additional compensation to a carrier serving such a route in an amount which would exceed $4,700, when added to the basic salary for the maximum step in the Rural Carrier Schedule for his route. In case any such heavily patronized route is extended in length, the rural carrier assigned to such route at the time of such extension shall not be reduced in pay.

"(d) The Postmaster General may pay additional compensation to rural carriers who are required to carry pouch mail to intermediate post offices, or for intersecting loop routes, in all cases where it appears that the

carriage of such pouches increases the expense of the equipment required by the carrier or materially increases the amount of labor performed by him. Such compensation shall not exceed the sum of $12 per annum for each mile such carrier is required to carry such pouches.

"(e) In addition to the other compensation, rural carriers shall be paid the authorized fee for making special delivery of mail. Such fee shall not be paid when (1) no special-delivery service is rendered, (2) delivery is made into a rural mail box, or (3) delivery is made to the addressee or his representative on the rural carrier's route.

"FOURTH-CLASS OFFICE SCHEDULE

"SEC. 303. (a) There is established a basic salary schedule which shall be known as the Fourth-Class Office Schedule, and for which the symbol shall be "FOS", for postmasters in post offices of the fourth class which is based on the gross postal receipts as contained in returns of the post office for the calendar year immediately preceding. Basic salary shall be paid to postmasters in post offices of the fourth class in accordance with this schedule, and basic salary so paid, together with other forms of compensation provided by this act, shall replace all existing forms of compensation for such postmasters.

"FOURTH-CLASS OFFICE SCHEDULE

"Gross receipts	Per annum rates and steps						
	1	2	3	4	5	6	7
$1,300 to $1,499.99	$2,514	$2,598	$2,682	$2,766	$2,850	$2,934	$3,018
$900 to $1,299.99	2,304	2,381	2,458	2,535	2,612	2,689	2,766
$600 to $899.99	1,886	1,949	2,012	2,075	2,138	2,201	2,264
$450 to $599.99	1,467	1,516	1,565	1,614	1,663	1,712	1,761
$250 to $349.99	1,048	1,083	1,118	1,153	1,188	1,223	1,258
$200 to $249.99	838	866	894	922	950	978	1,006
$100 to $199.99	629	650	671	692	713	734	755
Under $100	419	433	447	461	475	489	503

"(b) The basic salary of postmasters in fourth-class post offices shall be readjusted for changes in gross receipts at the start of the first pay period after the beginning of each fiscal year. In adjusting a postmaster's basic salary under this section the basic salary shall be fixed at the lowest step which is higher than the basic salary received by the postmaster at the end of the preceding fiscal year. If there is no such step the basic salary shall be fixed at the highest step for the adjusted gross receipts of the office. Each increase in basic salary because of change in gross receipts shall be deemed the equivalent of a step-increase under section 401 of this act and the waiting period, for purposes of advancement to the next step, shall begin on the date of adjustment.

"(c) The basic salaries of postmasters at newly established offices of the fourth class shall be fixed at the lowest salary rate. Whenever unusual conditions prevail at any post office of the fourth class the Postmaster General may advance such office to the appropriate category or class indicated by the receipts of the preceding quarter. Any fourth-class office advanced to the appropriate category or class pursuant to this subsection shall not be reduced in category or class until the start of the first pay period after July 1 of the calendar year following the calendar year in which it was so advanced, at which time it shall be assigned to the category or class indicated by the receipts for the preceding calendar year.

"(d) Persons who perform the duties of postmaster at post offices of the fourth class where there is a vacancy or during the absence of the postmaster on sick or annual leave, or leave without pay, shall be paid the same basic salary to which they would have been entitled if regularly appointed as such postmaster.

"(e) The Postmaster General may allow to postmasters in fourth-class post offices additional compensation for separating services and for unusual conditions during a portion of the year, in lieu of an allowance for clerical services for this purpose.

"(f) At seasonal post offices of the fourth class, the Postmaster General may authorize the payment of the basic salary prorated over the pay periods such office is open for business during the fiscal year.

"(g) Where the gross postal receipts of a post office of the third class for each of 2 consecutive calendar years are less than $1,500, or where in any calendar year the gross postal receipts are less than $1,400, such post office shall be relegated to the fourth class and the basic salary of the postmaster shall be fixed in the manner provided in subsection (b) of this section.

"CONVERSION

"SEC. 304. (a) Each employee whose basic salary is paid under the Act of July 6, 1945 (59 Stat. 435), as amended, or under the Classification Act of 1949 (63 Stat. 954), as amended, and who on or prior to the effective date of this section has earned but has not been credited with a higher automatic salary grade increase under the Act of July 6, 1945, or a higher within-grade step-increase under the Classification Act of 1949 for his position, or whose basic salary would have been increased on July 1, 1955, by reason of changed postal receipts, shall be given credit for such increase before his basic salary is adjusted under subsection (b) of this section.

"(b) The basic salary of each employee in effect immediately prior to the effective date of the Postal Field Service Schedule, the Rural Carrier Schedule, and the Fourth-Class Office Schedule, shall be adjusted to the basic salary in the schedules in the following manner:

"(1) If the basic salary of the employee is equal to any step established for his position in the appropriate schedule, such step shall be established as the employee's new basic salary.

"(2) If the basic salary of the employee is less than the entrance step established for his position in the appropriate schedule, such entrance step shall be established as the employee's new basic salary.

"(3) If the basic salary of the employee falls between any two steps established for his position in the appropriate schedule, the higher step shall be established as the employee's new basic salary.

"(4) If the basic salary of the employee is greater than the highest step established for his position in the appropriate schedule, such basic salary shall be established as the new basic salary of the employee.

"ADDITION OF LONGEVITY STEP-INCREASES

"SEC. 305. (a) When the basic salary of an employee, except an employee whose basic salary immediately prior to the effective date of the Postal Field Service Schedule was fixed by the Classification Act of 1949, is established under section 304 of this Act, each longevity step-increase which such employee has earned prior to the effective date of his schedule shall become a part of his basic compensation and shall constitute a longevity step-increase under section 404 of this act.

"(b) In the case of an employee whose compensation immediately prior to the effective date of the Postal Field Service Schedule was fixed by the Classification Act of 1949, all creditable service under section 404 shall be counted in order to determine such employee's eligibility for longevity step-increases under such section.

"TITLE IV—STEP-INCREASES

"AUTOMATIC ADVANCEMENT BY STEP-INCREASES

"SEC. 401. (a) Except as to a substitute employee in the Postal Transportation Service whose position is allocated to salary level PFS–5 as a distribution clerk in a railway or highway post office, each employee whose position is allocated to the Rural Carrier Schedule, the Fourth-Class Office Schedule, or salary level PFS–9 or a lower salary level of the Postal Field Service Schedule, who has not reached the highest step for his position, shall be advanced successively to the next higher step for his position at the beginning of the first pay period following the completion of each 52 calendar weeks of satisfactory service, if no equivalent increase in basic salary from any cause was received during such period of 52 calendar weeks. The benefit of successive step-increases shall be preserved, under regulations prescribed by the Postmaster General, for employees whose continuous service is interrupted by service in the Armed Forces.

"(b) Each employee whose position is allocated to salary level PFS–10 or higher salary level of the Postal Field Service Schedule shall be advanced to and including step 4 of his salary level in the manner provided in subsection (a) of this section. Advancement of such employee to steps higher than step 4, exclusive of longevity, step-increases, shall be granted by the Postmaster General on the basis of superior performance under regulations issued by him, but no such employee is eligible for more than one step-increase within the time period specified in subsection (a) of this section.

"(c) Each substitute employee in the Postal Transportation Service, whose position is allocated to salary level PFS–5 as a distribution clerk in a railway or highway post office, shall be advanced in the manner prescribed for other employees under subsection (a) of this section, but such substitute shall not be advanced beyond step 4 of salary level PFS–5.

"CREDITABLE SERVICE FOR ADVANCEMENT

"SEC. 402. Each employee in the postal field service is eligible to earn step-increases in accordance with this act. Except for temporary rural carriers serving in the absence of regular rural carriers on leave without pay or on military leave, credit shall not be allowed for time on the rolls under a temporary appointment for 1 year or less unless such time on the rolls is continuous to the date of appointment to a position of unlimited duration.

"ADJUSTMENT OF SERVICE CREDIT

"SEC. 403. In order to retain to the maximum possible extent promotion credits earned by employees under the act of July 6, 1945, as amended, and in order to prevent the advancement by step-increases of junior employees ahead of senior employees, employees whose basic salaries are adjusted on the effective date of the schedules in this act shall establish credit toward advancement by step increases under section 401 in the following manner:

"(1) Each employee in the automatic grades who had not reached the maximum grade for his position under the provisions of the act of July 6, 1945, as amended, shall retain the anniversary date established for his next automatic promotion under such act unless the amount of increase in basic salary which he receives upon adjustment to the appropriate schedule is equal to or greater than the difference between the salary for his

automatic grade and the next higher automatic grade for his position under such act.

"(2) Employees in the automatic grades who do not retain their anniversary dates under paragraph (1), above, employees who had reached the maximum grades for their positions, and employees who occupied positions for which single rates were established under the act of July 6, 1945, as amended, shall begin the waiting period for advancement to the next step for their positions on the date of adjustment to the schedules in this act.

"LONGEVITY STEP-INCREASES

"SEC. 404. (a) There are established for each employee longevity steps A, B, and C. For each promotion to a longevity step—

"(1) each postmaster at a post office of the fourth class shall receive an amount equal to 5 percent of his basic salary, or $100 per annum, whichever is the lesser, and

"(2) each employee (other than a postmaster at a post office of the fourth class) shall receive $100 per annum.

In computing the percentage increase under this subsection the amount of the increase shall be rounded to the nearest dollar. A half dollar or one-half cent shall be rounded to the next highest dollar or cent, respectively.

"(b) Each employee shall be assigned to—

"(1) longevity step A at the beginning of the pay period following the completion of 13 years of service;

"(2) longevity step B at the beginning of the pay period following the completion of 18 years of service; and

"(3) longevity step C at the beginning of the pay period following the completion of 25 years of service.

"(c) (1) There shall be credited, for the purposes of subsection (b)—

"(A) all time on the rolls, except time on the rolls as a substitute rural carrier, in the postal field service or in the Post Office Department;

"(B) all time on the rolls in the custodial service of the Department of the Treasury continuous to the date of the transfer of the employee to the custodial service of the Post Office Department in accordance with Executive Order No. 6166, dated June 10, 1933;

"(C) all time on the rolls as a special-delivery messenger at a first-class post office; and

"(D) all time on the rolls as a clerk in a third-class post office for which payment is made from authorized allowances.

"(2) In determining longevity credit for the purposes of subsection (b) in the case of an employee whose continuous service in the postal field service or in the departmental service of the Post Office Department shall have been interrupted by service with the Armed Forces or to comply with a transfer during war or national emergency as defined by the United States Civil Service Commission, all time engaged in such service with the Armed Forces or on such transfer shall be credited pro rata for each week of such service. All service specified in this subsection, whether continuous or intermittent, shall be credited on the basis of 1 week for each whole week the employee has been on the rolls, except that credit shall not be allowed for time on the rolls under a temporary appointment for 1 year or less unless such time on the rolls is continuous to the date of appointment to a position of unlimited duration.

"(d) Employees on the rolls on the effective date of this section who are entitled to promotion credit for longevity purposes under section 2 of the act approved May 3, 1950 (64 Stat. 102; 39 U. S. C. 889), shall retain all rights and benefits established or continued under such section to the same extent as though such section had remained in effect.

"(e) Increases under this section shall not be deemed equivalent increases within the meaning of section 401.

"TITLE V—GENERAL COMPENSATION RULES

"APPOINTMENTS

"SEC. 501. The Postmaster General may appoint any person who has been employed in a civilian capacity in any branch of the Government to any position in a regional or district office or to any professional or scientific position and may place such person in any step in the salary level of the Postal Field Service Schedule which is less than one full step above the highest basic salary which such person received from the United States.

"PROMOTION

"SEC. 502. (a) Any employee who is promoted or transferred to a position in a higher salary level of the Postal Field Service Schedule shall be paid basic salary at the lowest step of such higher salary level which exceeds his existing basic salary by not less than the amount of difference between the entrance step of the salary level from which promoted and the entrance step of the salary level immediately above the salary level from which promoted. If there is no step in the salary level to which the employee is promoted which exceeds his existing basic salary by at least the amount of such difference, such employee shall be paid (1) the maximum step of the salary level to which promoted, or (2) his existing basic salary, whichever is higher.

"(b) Regular clerks and carriers in first- and second-class post offices are not eligible for promotion to positions of higher salary levels in their respective offices unless they are in the maximum steps of their respective salary levels. If for any reason such clerks and carriers in such maximum steps are not available those clerks and carriers in the lower steps in such offices shall be eligible for such promotion.

"COMPENSATION OF CERTAIN TEMPORARY EMPLOYEES

"SEC. 503. Each temporary employee who is hired for a continuous period of 1 year or less for a position under the Postal Field Service Schedule shall be paid a basic salary at the entrance step for the salary level of the position to which he is appointed.

"PROHIBITION ON REDUCTION OF FORMER COMPENSATION

"SEC. 504. (a) Nothing in this act shall be deemed to reduce the per annum or hourly basic compensation of any employee on the rolls on the effective date of the Postal Field Service Schedule, the Rural Carrier Schedule, or Fourth-Class Office Schedule to an amount less than his basic compensation immediately prior to adjustment to such schedules.

"(b) For the purposes of this section, 'basic compensation' includes basic compensation under the Classification Act of 1949.

"TITLE VI—PAY ADMINISTRATION

"PAY PERIODS AND COMPUTATION OF RATES

"SEC. 601. (a) Employees in the postal field service shall be paid compensation in 26 installments. Each such installment shall be the compensation for a pay period of 2 weeks.

"(b) As basic compensation for a full pay period, an employee, other than an hourly rate employee, shall be paid an amount equal to one twenty-sixth of his annual basic compensation. As basic compensation for a portion of a pay period, such employee shall be paid basic compensation computed in accordance with subsection (d) of this section for the number of days and hours of service for which he has credit.

"(c) As basic compensation for the pay period, an hourly rate employee shall be paid an amount equal to the product of his hourly rate of basic compensation and the number of hours of service for which he has credit.

"(d) For purposes of computing rates of compensation other than annual rates the following rules shall govern:

"(1) To compute an hourly rate of basic compensation for employees other than substitute employees, the annual rate of basic compensation shall be divided by 2,080.

"(2) To compute an hourly rate of basic compensation for substitute employees, the annual rate of basic compensation shall be divided by 2,016.

"(3) To compute the daily rate of compensation for postmasters, postal inspectors, and rural carriers, the annual rate of compensation shall be divided by 312.

"(4) To compute the daily rate of basic compensation for annual rate employees other than postmasters, postal inspectors, and rural carriers, the hourly rate of basic compensation shall be multiplied by the number of daily hours of service required.

"(e) Except for lump-sum payments for accumulated leave upon the termination of employment, an annual rate employee shall not be paid more than one twenty-sixth of his basic compensation as basic compensation for a pay period.

"(f) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

"(g) When a pay period for employees to whom this act applies begins in one fiscal year and ends in another, the gross amount of the earnings of such employees for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period.

"HOURS OF WORK

"SEC. 602. Except as otherwise provided in this act, employees shall not be required to work more than 8 hours a day. The work schedule of employees shall be regulated so that the 8 hours of service shall not extend over a longer period than 10 consecutive hours.

"COMPENSATORY TIME, OVERTIME, AND HOLIDAYS

"SEC. 603. In emergencies or if the needs of the service require, the Postmaster General may require employees to work more than 8 hours in 1 day, or on Saturdays, Sundays, or holidays. For such service he shall grant employees in the 'PFS' Schedule compensatory time, or pay such employees overtime compensation under the following rules:

"(1) Each employee in or below salary level PFS-7 shall be paid for all work in excess of 8 hours in 1 day at the rate of 150 percent of his hourly basic compensation.

"(2) (A) Each employee in or below salary level PFS-7 who performs work on Saturdays or Sundays shall, under regulations prescribed by the Postmaster General, be granted compensatory time in an amount equal to the excess time worked within 5 working days, except that, in lieu of such compensatory time, the Postmaster General may, if the exigencies of the service require, authorize such employee to be paid, for work performed on Saturdays and Sundays during the month of December, at the rate of 150 percent of his hourly basic compensation.

"(B) If the work performed by such employees on Saturdays and Sundays is less than 8 hours, such service, in the discretion of the Postmaster General, may be carried forward and combined with similar service performed on other Saturdays and Sundays. The employees may be allowed compensatory time for such combined service or any part thereof at any time, except that, whenever at least 8 hours of such service has been accumulated, the employees shall be allowed 8 hours compensatory time on 1 day within 5 working days next succeeding the Saturday or Sunday on which the total accumulated service was at least 8 hours.

"(3) For time worked on a day referred to as a holiday in the act of December 26,

1941 (5 U. S. C., sec. 87b), or on a day designated by Executive order as a holiday for Federal employees generally, each employee in or below salary level PFS–7, under regulations prescribed by the Postmaster General, shall either be granted compensatory time in an amount equal to such time worked within 30 working days, or be paid premium compensation at a rate equal to his hourly basic compensation for the time so worked. For work performed on Christmas day, premium compensation shall be paid at a rate equal to 150 percent of the employee's hourly basic compensation.

"(4) Each employee in or above salary level PFS–8 who performs overtime or holiday work as described in this section, under regulations prescribed by the Postmaster General, shall be granted compensatory time in an amount equal to such overtime or holiday work.

"NIGHT WORK

"SEC. 604. Employees who perform work between the hours of 6 o'clock post meridian and 6 o'clock ante meridian-standard or daylight saving time, depending upon which time is observed where such work is performed, shall be paid extra compensation for each hour of such work at the rate of 10 percent of their hourly basic compensation. The differential for night duty shall not be included in computing any overtime compensation to which such employees may be entitled.

"EXEMPTION OF CERTAIN EMPLOYEES FROM CERTAIN PROVISIONS RELATING TO PAY ADMINISTRATION

"SEC. 605. (a) Sections 602, 603, and 604 of this act do not apply to the heads of regional or district offices and such other employees of the headquarters staff of regional and district offices as the Postmaster General designates, or to postmasters, rural carriers, post office inspectors, traveling mechanicians, and traveling examiners of equipment and supplies.

"(b) Sections 602 and 603 of this act do not apply to substitute employees and to employees in the Postal Transportation Service assigned to road duty.

"(c) Section 602 of this act does not apply to employees in post offices of the third class.

"(d) The provisions of section 603 of this act relating to compensatory time and overtime compensation for work on Saturdays or Sundays do not apply to hourly rate regular employees and to employees in post offices of the third class.

"SUBSTITUTE EMPLOYMENT

"SEC. 606. (a) Subject to subsection (c) of this section, the Postmaster General shall prescribe the conditions under which substitute positions may be established.

"(b) Each substitute, hourly rate, and temporary employee who reports for duty in compliance with an official order shall be employed for not less than 2 hours following the hour at which such employee is ordered to report.

"(c) In the case of positions which are the same as or equivalent to the positions enumerated in the act entitled 'An act to provide for the appointment of substitute postal employees, and for other purposes,' approved June 4, 1936, as amended (39 U. S. C., sec. 834), the ratio of classified substitute employees to regular employees shall not be more than 1 classified substitute to 5 regular employees or fraction thereof with respect to each such position, except that in offices having fewer than 5 regular employees there may be 1 substitute clerk and 1 substitute carrier, and 1 substitute in the motor vehicle service.

"EMPLOYEES IN THE LOCAL TRANSPORTATION SERVICE

"SEC. 607. (a) The Postmaster General shall organize the work of employees in the Postal Transportation Service who are assigned to road duty into regularly scheduled tours of duty. Such tours of duty shall aggregate an average of not more than 8 hours a day for 252 days a year, including an allowance of 1 hour and 35 minutes for work to be performed on layoff periods. He shall not grant allowances of time for work performed on layoff periods to employees other than employees engaged in the distribution of mail.

"(b) Employees in the Postal Transportation Service assigned to road duty, except substitute employees, who are required to perform work in excess of the scheduled time of their regular tours of duty as established by the Postmaster General shall be paid at the rate of 150 percent of their hourly basic compensation for such overtime work. In arriving at the amount of overtime to be paid at any time during the calendar year, any deficiencies accrued up to that time during the same calendar year shall be offset against any overtime work by the employee.

"(c) Substitute employees in the Postal Transportation Service assigned to road duty shall be paid on an hourly basis for actual work performed according to the time value of each trip of such road duty, including an allowance of time for all work required on layoff periods.

"(d) In addition to compensation provided under this act, the Postmaster General, under regulations prescribed by him, may pay not more than $9 per day as travel allowances in lieu of actual expenses, at fixed rates per annum or by such other method as he deems equitable to regular and substitute employees in the Postal Transportation Service who are assigned to road duty, after the expiration of 10 hours from the time the initial run begins.

"(e) Substitute employees in the Postal Transportation Service shall be credited with full time while traveling under orders of the Post Office Department to and from their designated headquarters to take up assignments.

"EQUIPMENT MAINTENANCE ALLOWANCE FOR SPECIAL-DELIVERY CARRIERS

"SEC. 608. (a) In addition to the compensation provided under this act regular and substitute special delivery carriers at first-class post offices shall be paid an automotive equipment maintenance allowance at the rate of 7 cents per mile or major fraction thereof for miles traveled under the direction of the Department in making delivery of special-delivery mail or at the option of the Postmaster General at the rate of 90 cents per hour spent in making delivery of special-delivery mail. Payments for equipment maintenance shall be made at the same periods and in the same manner as payments of regular compensation.

"(b) The Postmaster General may provide or hire vehicles under an allowance basis for use in the delivery of special-delivery mail whenever the needs of the postal field service so require.

"EQUIPMENT MAINTENANCE ALLOWANCE FOR RURAL CARRIERS

"SEC. 609. (a) In addition to the compensation provided in the Rural Carrier Schedule, each rural carrier shall be paid for equipment maintenance a sum equal to 9 cents per mile for each mile or major fraction of a mile scheduled. The Postmaster General may pay such additional equipment maintenance allowance as he determines to be fair and reasonable, not in excess of $3 per day when combined with the equipment maintenance allowance provided by the preceding sentence, to rural carriers entitled to additional compensation under section 302 (c) of this act for serving heavily patronized routes. Payments for such equipment maintenance shall be made at the same periods and in the same manner as payments of regular compensation.

"(b) Any employee in the postal field service who is assigned to serve any rural route, and who furnishes the vehicle used in the performance of such service, shall be paid the equipment maintenance allowance provided for the route so served, in addition to his compensation.

"ALLOWANCES FOR POSTMASTERS IN FOURTH-CLASS POST OFFICES

"SEC. 610. Postmasters of fourth-class post offices shall be paid as allowances for rent, fuel, light, and equipment an amount equal to 15 percent of the basic compensation earned in each pay period, at the same time and in the same manner as their regular compensation.

"TITLE VII

"RETROACTIVE BASIC SALARY INCREASES

"SEC. 701. (a) The basic salary in effect immediately prior to the effective date of this section of each employee paid under the act of July 6, 1945, as amended (39 U. S. C., secs. 858, 859, 861a, 862, 863–866, 868, 869), or under the Classification Act of 1949, as amended, shall be increased by 6 percent effective March 1, 1955 (rounded to the nearest dollar in the case of per annum rates and to the nearest one-half cent in the case of hourly rates, a half-dollar or one-quarter of a cent being rounded to the next highest dollar or one-half cent, respectively). Such increase shall be applied (1) in the case of each rural carrier to his fixed compensation, his compensation per mile, and any additional compensation allowed him for serving a heavily patronized route, and (2) to the amounts specified in sections 3 (c), 3 (d), 12 (a), 12 (e), 15 (f), and 17 (d) of the act of July 6, 1945 (Public Law 134, 79th Cong.), as amended.

"(b) Retroactive salary shall be paid under this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or of the municipal government of the District of Columbia on the date of enactment of this act, except that such retroactive salary shall be paid a retired postmaster, officer, or employee for services rendered during the period beginning March 1, 1955, and ending with the date of his retirement, or in accordance with the provisions of the act of August 3, 1950, for services rendered by a deceased postmaster, officer, or employee during the period beginning on March 1, 1955, and ending with the date of his death.

"TITLE VIII—MISCELLANEOUS PROVISIONS

"SEC. 801. At the beginning of each fiscal year, the Postmaster General shall divide post offices into four classes on the basis of gross annual postal receipts for the preceding calendar year. He shall place in the first class those post offices at which such receipts are $40,000 or more. He shall place in the second class those post offices at which such receipts are $8,000 or more, but less than $40,000. He shall place in the third class those post offices at which such receipts are $1,500 or more, but less than $8,000. He shall place in the fourth class those offices at which such receipts are less than $1,500, except as provided in section 303 (g).

"ASSIGNMENT OF EMPLOYEES

"SEC. 802. With the consent of the employee, the Postmaster General is authorized to detail any employee, including any employee of the departmental service, between the postal field service and the departmental service to such extent as may be necessary to develop a more efficient working force and more effectively to perform the work of the Department. Each such detail shall be made for a period of not more than 1 year and may be made without change in compensation of the employee so detailed.

"INCREASES IN BASIC COMPENSATION NOT 'EQUIVALENT INCREASES'

"SEC. 803. Any increase in rate of basic compensation by reason of enactment of this act shall not be considered as an 'equivalent increase' in compensation within the meaning of section 701 (a) (A) of the Classification Act of 1949, in the case of employees who transfer or are transferred to a position coming within the purview of the Classification Act of 1949.

"POSTAL EMPLOYEES OF THE CANAL ZONE GOVERNMENT

"SEC. 804. The Governor of the Canal Zone is authorized to adopt applicable provisions of this act for postal employees of the Canal Zone Government, as of the respective effective dates of such applicable provisions.

"REFERENCES IN OTHER LAWS WITH RESPECT TO PUBLIC LAW 134, 79TH CONGRESS

"SEC. 805. (a) Whenever reference is made in any other law to the act of July 6, 1945 (59 Stat. 435), as amended, such reference shall be held and considered to mean this act. Whenever reference is made in any other law to a 'grade' of such act of July 6, 1945, such reference shall be held and considered to mean the corresponding basic salary step in any schedule contained in this act.

"(b) The application of this act to any position or employee shall not be affected by reason of the enactment of subsection (a).

"APPLICABILITY OF ACT TO GUAM

"SEC. 806. This act shall have the same force and effect within Guam as within other possessions of the United States.

"REGULATIONS OF POSTMASTER GENERAL

"SEC. 807. The Postmaster General is hereby authorized to issue such regulations as may be necessary for the administration of this act.

"CIVIL SERVICE ACT AND RULES, VETERANS' PREFERENCE ACT OF 1944

"SEC. 808. This act shall not be construed to modify the application of the Civil Service Act and Rules or the Veterans' Preference Act of 1944 to the postal field service.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 809. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

"EFFECTIVE DATES

"SEC. 810. (a) This section shall take effect on the date of enactment of this act.

"(b) This act, except title VII and this section, shall take effect on the first Saturday of the calendar month which begins more than 180 days after the date of its enactment.

"(c) Title VII shall take effect on the first day of the first pay period which begins after the date of enactment of this act."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I have a few more committee amendments to offer. These amendments represent merely a change in wording throughout the bill. They result from the close study which has been given to the measure during recent days by a great many different people. They are for the purpose of making the bill a better bill. They are noncontroversial and should be adopted. A great many of them were called to the committee's attention by the Post Office Department.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The amendments offered by Mr. JOHNSTON of South Carolina are as follows:

On page 8, line 4, strike out "packaging" and insert "packing."

On page 86, line 15, strike out "is" and insert "so."

On page 89, line 17, after "adjusted", insert ", as of such effective date."

On page 111, at the end of line 10, insert the following: "For the purposes of this subsection, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia."

On page 115, line 13, after "title VII", insert ", section 607 (d)."

On page 112, after "authorized", in lines 21 and 22, insert "and directed."

On page 115, lines 14 and 15, strike out "the first Saturday of the calendar month which begins more" and insert in lieu thereof the following: "such date as may be specified by the Postmaster General, but not later."

On page 115, line 17, after "title VII" insert "and section 607 (d)."

On page 115, after line 19, insert the following:

"(d) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, changes in the rates of compensation which result from the enactment of title VII shall be deemed to be effective as of the first day of the first pay period which begins on or after the date of enactment of this act."

On page 110, line 4, after the center heading "Title VII" insert: "Salary increases."

"'(c) (7) The compensation schedule for the Crafts, Protective and Custodial Schedule shall be as follows:

'Grade	Per annum rates						
CPC-1	$2,080	$2,170	$2,260	$2,350	$2,440	$2,530	$2,620
CPC-2	2,600	2,690	2,780	2,870	2,960	3,050	3,140
CPC-3	2,700	2,790	2,880	2,970	3,060	3,150	3,240
CPC-4	2,990	3,080	3,170	3,260	3,350	3,440	3,530
CPC-5	3,200	3,290	3,380	3,470	3,560	3,650	3,740
CPC-6	3,440	3,530	3,620	3,710	3,800	3,890	3,980
CPC-7	3,690	3,825	3,960	4,095	4,230	4,365	4,500
CPC-8	4,100	4,235	4,370	4,505	4,640	4,775	4,910
CPC-9	4,530	4,665	4,800	4,935	5,070	5,205	5,340
CPC-10	4,970	5,105	5,240	5,375	5,510	5,645	5,780

"'(2) Charwomen working part time shall be paid at the rate of $2,960 per annum, and head charwomen working part time shall be paid at the rate of $3,140 per annum.'

"(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

"(1) If the officer or employee was receiving basic compensation immediately prior to the effective date of this section at one of the scheduled or longevity rates of a grade in the General Schedule or the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding scheduled or longevity rate in effect on and after such date;

"(2) If the officer or employee was receiving basic compensation immediately prior to the effective date of this section at a rate between two scheduled or two longevity rates, or between a scheduled and a longevity rate, of a grade in the General Schedule or the Crafts, Protective, and Custodial Schedule, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date;

"(3) If the officer or employee, immediately prior to the effective date of this

On page 111, between lines 12 and 13, insert the heading "Classes of Post Offices."

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from South Carolina [Mr. JOHNSTON].

The amendments were agreed to.

Mr. BUTLER. Mr. President, I offer amendments to the bill.

The PRESIDING OFFICER. Does the Senator wish to have the amendments read, or does he prefer to have them printed in the RECORD without their being read.

Mr. BUTLER. I should like to have them printed in the RECORD, without being read.

The amendments proposed by Mr. BUTLER were ordered to be printed in the RECORD, as follows:

On page 1, line 3, before "this act", insert "titles I to VIII, inclusive, of."

On page 1, line 8, before "this act", insert "titles I to VIII, inclusive, of."

On page 3, line 8, strike out "This act applies" and insert "Titles I to VIII, inclusive, of this act apply."

On page 113, line 20, before "this Act" insert "titles I to VIII, inclusive, of."

On page 115, line 13, strike out "title VII" and insert "titles VII and IX."

At the end of the bill add a new title as follows:

"TITLE IX—CLASSIFIED AND OTHER EMPLOYEES

"SEC. 901. This title may be cited as the 'Federal Employees Pay Act of 1955.'

"SEC. 902. (a) Section 603 (b) and section 603 (c) of the Classification Act of 1949, as amended, are amended to read as follows:

"(b) The compensation schedule for the General Schedule shall be as follows:

'Grade	Per annum rates						
GS-1	$2,700	$2,790	$2,880	$2,970	$3,060	$3,150	$3,240
GS-2	2,990	3,080	3,170	3,260	3,350	3,440	3,530
GS-3	3,200	3,290	3,380	3,470	3,560	3,650	3,740
GS-4	3,440	3,530	3,620	3,710	3,800	3,890	3,980
GS-5	3,690	3,825	3,960	4,095	4,230	4,365	4,500
GS-6	4,100	4,235	4,370	4,505	4,640	4,775	4,910
GS-7	4,530	4,665	4,800	4,935	5,070	5,205	5,340
GS-8	4,970	5,105	5,240	5,375	5,510	5,645	5,780
GS-9	5,440	5,575	5,710	5,845	5,980	6,115	6,250
GS-10	5,910	6,045	6,180	6,315	6,450	6,585	6,720
GS-11	6,380	6,595	6,810	7,025	7,240	7,455	
GS-12	7,550	7,765	7,980	8,195	8,410	8,625	
GS-13	8,970	9,165	9,380	9,595	9,810	10,025	
GS-14	10,250	10,465	10,680	10,895	11,110	11,325	
GS-15	11,530	11,780	12,030	12,280	12,530		
GS-16	12,800	13,015	13,230	13,445	13,660		
GS-17	13,800	14,015	14,230	14,445	14,660		
GS-18	14,800						

section, was in a position in any one of the grades of the General Schedule or the Crafts, Protective, and Custodial Schedule and was receiving basic compensation at a rate in excess of the maximum longevity rate of his grade, or in excess of the maximum scheduled rate of his grade if there is no longevity rate for his grade, or was receiving an existing aggregate rate of compensation determined in accordance with section 208 (b) of the act of September 1, 1954 (Public Law 763, 83d Cong.), at such time, he shall be paid at a rate equal to the rate at which he was paid immediately prior to such effective date increased by an amount equal to the amount of the increase made by this section in such maximum longevity rate or maximum scheduled rate until he (A) leaves such position or (B) is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such act, as amended; or

"(4) If the officer or employee is a part-time char employee and was receiving basic compensation immediately prior to the effective date of this section at a rate in excess of the rate provided for his position in section 603 (c) (2) of the Classification Act of 1949, as amended, he shall be paid at a rate equal to the rate at which he was paid immediately prior to such effective date increased by an amount equal to the amount of the increase made by this section in the rate for like positions under such section.

"(5) If the officer or employee, immediately prior to the effective date of this section, is in a position in grade 16 or 17 of the General Schedule, and is receiving a rate of basic compensation in excess of the maximum scheduled rate of his grade as provided in this section, he shall continue to receive basic compensation without change in rate until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with such act, as amended.

"(c) Each officer or employee (1) who with his position has been transferred, at any time during the period beginning January 1, 1950, and ending on the date of enactment of this section, from the Crafts, Protective, and Custodial Schedule or the General Schedule to a prevailing rate schedule pursuant to the Classification Act of 1949 or title I of the act of September 1, 1954 (Public Law 763, 83d Cong.), (2) who at all times subsequent to such transfer was in the service of the United States (including the Armed Forces of the United States) without break in such service of more than 30 consecutive calendar days, (3) who is on such date of enactment being compensated under such prevailing rate schedule, and (4) whose rate of basic compensation is less on the effective date of this section than the rate to which he would have been entitled on such effective date if such transfer had not occurred (unless he is receiving such lesser rate by reason of an adverse personnel action resulting from his own fault), shall be paid basic compensation at a rate equal to the rate which he would have been receiving on such effective date (including compensation for each within grade and longevity step-increase which he would have earned) if such transfer had not occurred until the day immediately following such effective date, until (A) he leaves the position which he holds on such effective date, or (B) he is entitled to receive basic compensation at a higher rate under prevailing rate schedules; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such prevailing rate schedules.

"SEC. 903. The Civil Service Commission shall make (1) a study of the effects and desirability of eliminating present grades 6, 8, and 10 of the General Schedule of the Classification Act of 1949, as amended, including the desirability of changes in the salary ranges of the remaining grades of the General Schedule that should accompany the elimination of grades 6, 8, and 10, and (2) a study of the effects and desirability of establishing for supervisors whose compensation is fixed under the Classification Act of 1949, as amended, and who regularly have responsibility for the supervision of employees whose compensation is fixed and adjusted in accordance with prevailing rates, rates of compensation not less than 5 percent above the highest rate of basic compensation being paid to any such prevailing rate employee regularly supervised. The Commission shall submit a report to the Post Office and Civil Service Committee of the Senate at the earliest possible date, setting forth its findings and such recommendations as it may deem advisable.

"SEC. 904. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed pursuant to section 62 (2) of the Bankruptcy Act (11 U. S. C. 102 (a) (2)), section 3656 of title 18 of the United States Code, the second and third sentences of section 603, section 604 (5), or sections 672 to 675, inclusive, of title 28 of the United States Code, or who are appointed pursuant to section 792 (b) of title 28 of the United States Code, are hereby increased by 8 percent.

"(b) The limitations of $10,560 and $14,355 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the paragraph under the heading 'Salaries of Supporting Personnel' in the Judiciary Appropriation Act, 1955, or in any subsequent appropriation act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this section.

"(c) Section 753 (e) of title 28 of the United States Code (relating to the compensation of court reporters for district courts) is amended by striking out '$6,000' and inserting in lieu thereof '$6,480'.

"SEC. 905. (a) Each officer and employee in or under the legislative branch of the Government (other than an employee in the office of a Senator) whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 8 percent of the aggregate rate of his basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, sction 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948, the provisions under the heading 'Increased Pay for Legislative Employees' in the Second Supplemental Appropriation Act, 1950, and the act of October 24, 1951 (Public Law 201, 82d Cong.).

"(b) Section 2 (b) of the act of October 24, 1951 (Public Law 201, 82d Cong.), is amended by striking out '$11,646' and inserting in lieu thereof '$12,578.'

"(c) (1) The aggregate amount of the basic compensation authorized to be paid for administrative and clerical assistance and messenger service in the offices of Senators is hereby increased by—

"(A) $5,220 in the case of Senators from States the population of which is less than 3 million;

"(B) $6,120 in the case of Senators from States the population of which is 3 million or more but less than 5 million;

"(C) $6,960 in the case of Senators from States the population of which is 5 million or more but less than 10 million; and

"(D) $7,080 in the case of Senators from States the population of which is 10 million or more.

"(2) The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is hereby repealed.

"(3) Notwithstanding the third proviso in such paragraph, any increase in the compensation of an employee in a Senator's office shall take effect on the effective date of this section or on the date such employee became employed, whichever is later, if (A) the certification filed by such Senator under such proviso so provides, (B) such certification is filed in the disbursing office of the Senate not later than 15 days following the date of enactment of this act, and (C) the amount of such increase does not exceed the amount of the increase which would be payable in the case of such employee if he were subject to the provisions of subsection (a) of this section plus any additional amount which may result from fixing the rate of basic compensation at the lowest multiple of $60 which will result in an increase not less than the amount of such increase which would be payable under subsection (a).

"(d) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses), the Parliamentarian of the Senate, the Parliamentarian of the House of Representatives, the Legislative Counsel of the Senate, the Legislative Counsel of the House of Representatives, and the Coordinator of Information of the House of Representatives are hereby increased by 8 percent.

"(e) The provisions of subsection (a) shall not apply to employees whose compensation is paid from the appropriation contained in the paragraph designated 'Folding documents' under the heading 'Contingent expenses of the Senate,' or the appropriation contained in the paragraph designated 'Folding documents' under the heading 'Contingent expenses of the House,' in the Legislative Appropriation Act, 1955 (Public Law 470, 83d Cong.). The limitations contained in such paragraphs are hereby increased by 8 percent.

"(f) The official reporters of proceedings and debates of the Senate and their employees shall be considered to be officers or employees in or under the legislative branch of the Government within the meaning of subsection (a) and the provisions of law referred to in such subsection.

"(g) The additional compensation provided by subsection (a) and the provisions of law referred to in such subsection shall be considered a part of basic compensation for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.

"(h) (1) The provisions under the heading 'Increased Pay for Legislative Employees' in the Second Supplemental Appropriation Act, 1950, section 2 (a) of the act of October 24, 1951 (Public Law 201, 82d Cong.), and section 4 (a) of this act are hereby amended by striking out '(other than an employee in the office of a Senator).'

"(2) The basic compensation of each employee in the office of a Senator on the effective date of this subsection is hereby adjusted to the lowest multiple of $60 which will provide basic compensation, plus additional compensation payable under subsection (a) and the provisions of law referred to in subsection (a), not less than the amount of basic compensation, plus additional compensation under the provisions of sections 501 and 502 of the Federal Employees' Pay Act of 1945, as amended, and section 301 of the Postal Rate Revision and Federal Employees' Salary Act of 1948, which he is receiving on the effective date of this subsection.

"(i) The aggregate amount of the basic compensation authorized to be paid for administrative and clerical assistance and messenger service in the office of each Senator shall be the amount authorized under provisions of law in effect immediately prior to the enactment of this act for Senators from States the population of which is less than 3 million increased as follows:

"States having a population of:	Amount of increase
Less than 3,000,000	$6,000
3,000,000 but less than 4,000,000	9,000
4,000,000 but less than 5,000,000	12,000
5,000,000 but less than 7,000,000	15,000
7,000,000 but less than 9,000,000	18,000
9,000,000 but less than 11,000,000	21,000
11,000,000 but less than 13,000,000	24,000
Over 13,000,000	27,000

"SEC. 906. Section 66 of the Farm Credit Act of 1933 (48 Stat. 269) is hereby amended to read as follows:

"'SEC. 66. No director, officer, or employee of the Central Bank for Cooperatives, or of any production credit corporation, production credit association, or bank for cooperatives shall be paid compensation at a rate in excess of $14,800 per annum.'

"SEC. 907. (a) The rates of basic compensation of officers and employees in the Department of Medicine and Surgery in the Veterans' Administration whose rates of basic compensation are provided by Public Law 293, 79th Congress, approved January 3, 1946, as amended, are hereby increased by 8 percent.

"(b) Section 8 (d) of Public Law 293, 79th Congress, as amended, is amended by striking out '$12,800' and inserting in lieu thereof '$13,824.'

"SEC. 908. The rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946, as amended, are hereby increased by 8 percent.

"SEC. 909. Nothwithstanding any other provision of this title, no rate of compensation which is $14,800 or more per annum shall be increased by this title, and no rate of compensation shall be increased by this title to an amount in excess of $14,800 per annum.

"SEC. 910. (a) This title, except subsections (h) and (i) of section 905, shall become effective as of the first day of the first pay period which begins after February 28, 1955, but no payment shall be required to be made under this title before the first day of the first pay period which begins more than 60 days after enactment. Subsections (h) and (i) of section 905 shall take effect on August 1, 1955.

"(b) Pay increases comparable to those provided by this title but granted by administrative action pursuant to law may be made retroactively effective on the same basis as if they had been provided by this title.

"(c) The rate of compensation of any employee who was changed from a position, the compensation of which immediately prior to such change was fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates, to a position under the Classification Act of 1949, as amended, and placed in the appropriate step of one of the scheduled grades under such act during the period beginning with the effective date, and ending with the date of enactment, of this act shall be adjusted retroactively in accordance with the rate provided in this section for the step in which he was placed at the time of such change.

"(d) The rate of compensation of any employee who was promoted from one grade under the Classification Act of 1949, as amended, to the appropriate step of a higher grade under such act and placed in the appropriate step of such higher grade during the period beginning with the effective date, and ending with the date of enactment, of this act, shall be adjusted retroactively in accordance with the rate provided in this act for the appropriate step of such higher grade.

"(e) The retroactive salary increase payable under the provisions of this title to any employee who transfers from one establishment of the Government to another between the effective date of this title and the first day of the first pay period for which payment is made under this title shall be chargeable to the appropriation or funds of the establishment from which the employee transferred for the period from the effective date of this title to the date of such transfer.

"(f) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, changes in the rates of compensation which result from the enactment of this act shall be deemed to be effective as of the first day of the first pay period which begins on or after the date of such enactment."

Mr. BUTLER. Mr. President, the Senate is thoroughly familiar with the language of the amendment I have just proposed. In fact it is not my language. It was originally offered by the Post Office and Civil Service Committee and passed by the Senate several weeks ago. I respectfully call attention to S. 67.

This amendment is identical with S. 67, with one exception. It changes the average increase for all nonpostal employees from 10 percent to 8 percent. This change would permit classified and nonclassified Federal workers to enjoy the same percentage of pay increase as the postal workers are granted in the measure we have under consideration today. And, Mr. President, it is in complete accord with the sentiment of the Senate as expressed during the debate and by the passage of S. 67.

The distinguished chairman of the Post Office and Civil Service Committee and many other Senators on both sides of the aisle have eloquently explained the desirability of a uniform percentage increase for all of Uncle Sam's workers. It would be repetitious and time consuming for me to attempt to reiterate those valid arguments.

It is sufficient to say that since 1947 the percentage increase of postal employees over other workers has been slightly higher than 3 percent and that my amendment merely attempts to provide equal treatment for all Government employees. By our vote on S. 67 we heartily endorsed this principle.

I may also say, Mr. President, that by amending the measure before us to include the thousands of nonpostal workers, we will save the time of our Post Office and Civil Service Committee and the Senate itself. It will be unnecessary for either the committee or the Senate to consider further pay legislation at this session of Congress.

I sincerely hope that the Senate will reaffirm its previously established position by voting for the amendment I have just proposed. In so doing we will discharge our obligation to thousands of our constituents who are loyal and efficient workers for the United States Government. They have every right to expect fair and equal treatment with their coworkers in other branches of the executive department.

Mr. KNOWLAND. Mr. President, I rise to make a point of order on the amendment.

I wish to say to the distinguished Senator from Maryland that I am sure the members of the Committee on Post Office and Civil Service and other Members of the Senate are interested in making an equitable salary adjustment for the classified employees. However, they are the subject of separate legislation.

My point of order, Mr. President, is that the amendment offered by the Senator from Maryland is not germane to the bill, which deals with the field service of the Post Office Department. Since the bill deals with the Post Office Department, the amendment is not germane under the unanimous consent agreement entered into yesterday.

Mr. BUTLER. Mr. President, I completely agree with the statement made by the minority leader that it is desirable to enact legislation which would equalize the pay of all Federal employees. I do not understand how my amendments can be nongermane to the issue before the Senate, which is a proposal to increase the pay of certain Federal employees. I do not understand how anything could be more germane to the pending bill than the amendments I am proposing.

The PRESIDING OFFICER. The Chair is ready to rule on the point of order.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to join with the Senator from California [Mr. KNOWLAND] in his statement. I do not believe that the amendment proposed by the Senator from Maryland is germane to the bill under consideration. I want it clearly understood that I will insist that classified employees receive the same percentage increase as postal employees. I must remind the Senate, however, that it has already passed Senate bill 67, providing a 10 percent increase in the salaries of all classified employees, and that bill is now pending in the House Committee on Post Office and Civil Service. I have been assured that it will receive quick action as soon as the postal bill has been sent to the President.

Mr. BUTLER. If the Senator from South Carolina is willing to have the purpose of this amendment carried out later, why is he not willing to have it done now?

Mr. JOHNSTON of South Carolina. The amendment is not germane. We have already passed a bill increasing the salaries of classified employees.

Mr. BUTLER. The House has not taken any action on that bill, and has not shown any disposition to take any action on it. I am very anxious that the classified employees be accorded the same treatment postal employees receive.

Mr. JOHNSTON of South Carolina. When we went into conference with the House on the previous postal-pay bill, we were assured that the House would treat the classified employees in the same way they would treat the postal employees. However, they said they would wait to see what the President would do with the previous bill before

taking any action on a bill raising the pay of the classified employees.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The Senator from California [Mr. KNOWLAND] has made a point of order against the amendment of the Senator from Maryland [Mr. BUTLER] on the ground that, under the unanimous-consent agreement, it is not germane to the bill.

The bill before the Senate is a bill granting an increase in compensation to certain field employees of the postal service. It does not apply to any other class of Government employees. The unanimous-consent agreement entered into provides that only germane amendments may be entertained. The Chair is of the opinion that the amendment offered by the Senator from Maryland is not germane to the pending bill. Therefore, the Chair sustains the point of order, and asks that there be printed in the RECORD a statement giving in more detail the Chair's ruling on the point of order.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senate bill 2061 is entitled "A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department."

Section 102 of the bill provides that—

"This act applies to all positions and employees in the postal field service."

The unanimous-consent agreement, under which the bill is now being considered, provides that—

"No amendment that is not germane to the provisions of the bill shall be received."

In view of the fact that the provisions of the pending bill are expressly limited and restricted to positions and employees in the postal field service, any amendment that adds positions and employees in another department, agency, division, or bureau of the Government increases the scope or coverage of the bill beyond the limitation prescribed therein. For that reason it is not germane to the provisions of the bill and therefore in contravention of the unanimous-consent agreement.

On June 12, 1952, the Senate was considering the bill S. 2594, the Defense Production Act of 1952, under a unanimous-consent agreement, providing, among other things, for germaneness of amendments. An amendment was offered dealing with a housing project, against which a point of order was made by the late Senator Maybank, of South Carolina, chairman of the committee, on the ground that it was not germane.

The Vice President (Mr. BARKLEY, of Kentucky) sustained the point of order on the ground that the bill then under consideration was a measure extending the Defense Production Act and the Rent Control Act, and did not deal with housing projects.

An appeal was taken to the Senate, and the ruling of the Chair was sustained on a yea-and-nay vote.

In the recent so-called censure case involving the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Indiana [Mr. JENNER] submitted a parliamentary inquiry whether a resolution of censure concerning any other Member of the Senate would be germane.

The President pro tempore (Mr. BRIDGES, of New Hampshire) said:

"The Chair is of the opinion that an amendment of censure affecting any other Senator than the junior Senator from Wisconsin would not be germane."

The Chair therefore sustains the point of order.

Mr. BUTLER. Mr. President, I hope the distinguished Senator from South Carolina and my good friend, the distinguished Senator from Kansas [Mr. CARLSON], the minority member of the Committee on Post Office and Civil Service, will give this matter early consideration. I think we should do this job in one piece and not treat classified employees on a basis different from that applied to postal employees.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, I wish to join the distinguished chairman of the Committee on Post Office and Civil Service in assuring the senior Senator from Maryland that immediately after action is taken on the pending bill we will immediately do something to take care of the classified employees. They are entitled to consideration, and we have their interests at heart.

The Senate Post Office and Civil Service Committee has unanimously reported Senate bill 2061.

All the Republican Members support this bill because it carries out substantially the wishes of President Eisenhower and the Post Office Department for an immediate pay raise for the postal employees. It calls for a general pay increase, as recommended by the Postmaster General, retroactive to March 1, and provides for many other benefits long sought by the administration.

The bill in its present form omits the unworkable and unfair features of the previous bill, Senate bill 1, sponsored by the chairman of the committee, which the President rightfully returned without his approval. It is almost identical with H. R. 4644 as reported by the House Post Office and Civil Service Committee after many weeks of hearings, and is essentially Senate bill 1489, the bill which I offered originally as a substitute for Senate bill 1.

The committee has now met each of the President's three requirements:

First, he said that the previous bill created "new discriminations or inequities which would affect many thousands of postal employees." Specifically it discriminated against rural letter carriers, special delivery messengers, and many supervisors and postmasters. In Senate bill 2061 practically all of these discriminations are removed. In fact the committee's report on the bill states:

This measure adopts with only minor modifications the basic classification plan and pay schedules recommended by the Postmaster General.

Second, the President said that the previous bill created "grave administrative problems such as the establishment of thousands of individual pay rates. It forced awkward and unfair administrative practices." These objectionable features have been eliminated in the new bill by the adoption of the provisions proposed by the administration.

Third, the President said that the previous bill imposed "a heavier burden upon the taxpayer than is necessary to establish salary rates throughout the Department which will compare favorably with rates for similar work elsewhere in Government and in private industry." The total cost of the present bill has been reduced to $166 million, a saving of $14 million compared with the previous bill. While the cost is still somewhat higher than that recommended by the President, he has said:

It has always been recognized that in the consideration of pay legislation, there can be a reasonable difference of opinion as to what constitutes an appropriate increase. But there can be no compromise with the principle of fairness, and any pay legislation much be fair to all to whom it applies.

I believe the present bill is now in the area of a reasonable difference of opinion as to cost. But most important of all, it is fair to all to whom it applies.

This will be an historic piece of legislation for the 500,000 postal employees. This administration has recognized that postal employees for many years have suffered under a haphazard system of wage determination which has wrecked their morale, stifled their incentive, and interfered with the efficiency of their service.

Their wages have been based on criteria which are unrelated to the requirements of their jobs. Their pay has not been in proper relationship to the pay of their fellow workers.

This bill acknowledges the extraordinary importance of straightening out the complex, inequitable, and at times ridiculous, salary structure in our postal department.

This bill corrects these inequities. It establishes for postal workers a proper relationship between their pay and the cost of living, between their pay and the requirements of their jobs, and between their pay and the pay of their fellow workers.

If an employee is called upon to assume work of a greater responsibility and difficulty, he will be assured of a corresponding increase in pay.

The bill contains a great many allied benefits, such as automatic annual step increases for all categories of employees, biweekly pay periods, longevity pay for substitutes, an increase from $6 to $9 a day in the authorized maximum travel allowance for postal transportation service clerks on road duty, and many other features for which employees have wanted a long time.

The bill preserves the rights of all employees. It injures none. It grants added rights, such as the right to appeal, which has not heretofore existed.

This measure is the culmination of months and years of study and analysis of what is wrong with the pay system in the postal service. The first Hoover Commission in 1950 recommended a system of pay determination for the postal service which is reflected in this bill, S. 2061. In the 83d Congress, the Advisory Council to the Senate Post Office and Civil Service Committee recommended a system of pay determination which is also reflected in S. 2061.

More than 2 years ago the present administration initiated a careful analysis of previous studies, and supplemented them with its own intensive study of the postal pay structure. In the last Con-

gress and in this session of the present Congress the administration has earnestly sought legislation of the kind represented by S. 2061.

A successful end to this effort is now at hand. I believe this measure has the support of the overwhelming majority of the postal employees and their associations. In my opinion, it fulfills the recommendations of the President and has the general approval of the Post Office Department. I urge its passage by the Senate. It is recognition of our and the President's responsibility to the American people in adopting his pay-increase plan which recognizes the increased cost of living, but does not obscure the fact that the proposed schedules will be used in the future for recruitment and promotions and to the advantage and betterment of the postal service.

Mr. President, if I may have the attention of the chairman of the committee, I should like to suggest that I think a correction should be made in the bill or, at least, a statement should be made as to one section of the bill. It is found on page 18, line 3, and relates to special-delivery carriers.

For many years the Post Office Department has had a group of workers known as special-delivery messengers. I would not wish the Senate to conclude action on the bill without inviting attention to what I believe might turn out to be a grave injustice to the group of special-delivery messengers. I have an amendment prepared to correct the situation. I do not intend to offer it, but I should like to have the RECORD show that so far as I am concerned, the term "special-delivery carriers" does not take care of, displace, or replace, special-delivery messengers, who have been so designated for many years. Here is a group of employees who have worked faithfully. They are not a large group. There are probably 6,000 such messengers, but their contribution to the postal service is inestimable.

I should like to ask the distinguished chairman of the committee if he does not agree with me that in keeping with the President's request for enactment of pay legislation which is fair to all of our loyal postal field employees this group should be taken care of and should not be interfered with in any way or discriminated against with respect to their present organization and that the pay level should not preclude the designation of name or position.

Mr. JOHNSTON of South Carolina. Mr. President, I have a great many telegrams from members of this group of postal employees with reference to the situation referred to by the Senator from Kansas. I have here a telegram which will illustrate the situation, and which I should like to read at this time:

DETROIT, MICH., *May 31, 1955.*

Hon. OLIN D. JOHNSTON, *Chairman,*
Senate Post Office and Civil Service Committee, Washington, D. C.:

One hundred and twenty-five special delivery messengers in Detroit, Mich., Post Office, with postal service ranging from one to more than 30 years, unanimously endorse Senate bill 2061 and congratulate all members of the Senate Post Office and Civil Service Committee, including yourself, for having at long last recognized the principle of equal pay for equal work. It is most discouraging to be constantly referred to as special delivery messengers and receive considerably less pay than letter carriers. We are full-grown men who wear uniforms identical with those worn by letter carriers. We deliver the United States mails under identical conditions which confront letter carriers including rain, snow, heat and an occasional unfriendly neighborhood dog. We are special delivery letter carriers and want to be so classified in the departmental job description. Senate bill 2061 corrects a long-standing injustice. We are grateful for your support.

ARTHUR O. WOLIN.

Mr. President, I ask unanimous consent that two additional telegrams on the same subject may be printed in the RECORD at this point in my remarks.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

BAY CITY, MICH., *May 31, 1955.*

Senator OLIN JOHNSON,
Civil Service and Post Office Committee, Senate Building, Washington, D. C.:

Urge that you report out bill S. 2061 also urge that special delivery messenger name be changed to carrier.

TED PIOTROWSKI,
Special Delivery Messenger,
CLARK BRADY,
Secretary.

OMAHA, NEBR., *May 31, 1955.*

Senator OLIN JOHNSTON,
Senate Office Building,
Washington, D. C.:

We the undersigned special delivery messengers in the Omaha Post Office earnestly urge support of S. 2061 without amendment. Fulfills long-time desire to be classified with city carriers.

MIKE HECK.
WILLIAM ANSON.
GLENN FRISCH.
MAX HOLDORF.
MERRILL KELLEY.

Mr. JOHNSTON of South Carolina. Mr. President, I would say to the Senator from Kansas that I have discussed the matter with the chairman of the House committee, who said he would look into the question thoroughly.

Mr. CARLSON. Mr. President, I appreciate very much the statement of the Senator from South Carolina, chairman of the Post Office and Civil Service Committee. I know that he, too, is interested in seeing that no injustice is done in this situation.

Mr. JOHNSON of Texas. Mr. President, I am prepared to yield back my time, and to suggest the absence of a quorum, if that be agreeable to the minority leader.

Mr. KNOWLAND. Mr. President, I am prepared to yield back my time now, and I think there should be a quorum call.

The PRESIDING OFFICER. All time is yielded back.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the passage of the bill. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

I further announce that if present and voting the Senator from New Mexico [Mr. ANDERSON], the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Connecticut [Mr. BUSH], and the Senator from Nebraska [Mr. HRUSKA] are absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

I also announce that the Senator from New York [Mr. IVES], the Senator from Maine [Mrs. SMITH], the Senator from New Jersey [Mr. SMITH], and the Senator from Minnesota [Mr. THYE] are necessarily absent.

The Senator from Pennsylvania [Mr. DUFF], the Senator from California [Mr. KUCHEL], and the Senator from North Dakota [Mr. LANGER] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from South Dakota [Mr. CASE], the Senator from New York [Mr. IVES], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Maine [Mrs. SMITH], the Senator from New Jersey [Mr. SMITH], the Senator from Colorado [Mr. ALLOTT], the Senator from Nebraska [Mr. HRUSKA], the Senator from Pennsylvania [Mr. DUFF], the Senator from California [Mr. KUCHEL], the Senator from North Dakota [Mr. LANGER], and the Senator from Minnesota [Mr. THYE] would each vote "yea."

The yeas and nays resulted—yeas 73, nays 0, as follows:

YEAS—73

Aiken	Butler	Daniel
Barkley	Byrd	Dirksen
Barrett	Capehart	Douglas
Beall	Carlson	Dworshak
Bender	Case, N. J.	Eastland
Bennett	Chavez	Ellender
Bible	Clements	Ervin
Bricker	Cotton	Flanders
Bridges	Curtis	Fulbright

George	Lehman	Payne
Goldwater	Long	Potter
Gore	Magnuson	Purtell
Green	Malone	Robertson
Hayden	Mansfield	Russell
Hickenlooper	Martin, Iowa	Saltonstall
Hill	Martin, Pa.	Scott
Holland	McCarthy	Smathers
Humphrey	McClellan	Sparkman
Jackson	McNamara	Stennis
Jenner	Millikin	Symington
Johnson, Tex.	Monroney	Thurmond
Johnston, S. C.	Morse	Watkins
Kefauver	Mundt	Welker
Kerr	Neely	Wiley
Kilgore	Neuberger	Williams
Knowland	Pastore	Young

NOT VOTING—18

Allott	Hennings	Murray
Anderson	Hruska	O'Mahoney
Bush	Ives	Schoeppel
Case, S. Dak.	Kennedy	Smith, Maine
Duff	Kuchel	Smith, N. J.
Frear	Langer	Thye

Mr. KNOWLAND. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from California is recorded as having voted in the affirmative.

Mr. CAPEHART. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Indiana is recorded as having voted in the affirmative.

Mr. McCARTHY. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Wisconsin is recorded as having voted in the affirmative.

Mr. PURTELL. Mr. President, am I recorded?

The PRESIDING OFFICER. The Senator is recorded.

Mr. PURTELL. How am I recorded?

The PRESIDING OFFICER. The Senator from Connecticut is recorded as having voted in the affirmative.

Mr. MUNDT. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from South Dakota is recorded as having voted in the affirmative.

Mr. BEALL. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maryland is recorded as having voted in the affirmative.

Mr. PAYNE. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maine is recorded as having voted in the affirmative.

Mr. JOHNSON of Texas. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Texas is recorded as having voted in the affirmative.

Mr. HOLLAND. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Florida is recorded as having voted in the affirmative.

Mr. HOLLAND. I thank the distinguished Presiding Officer.

Mr. GOLDWATER. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Arizona is recorded as having voted in the affirmative.

Mr. COTTON. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from New Hampshire is recorded as having voted in the affirmative.

Mr. SALTONSTALL. Mr. President, I should like to make an inquiry. How am I recorded?

The PRESIDING OFFICER. The Chair wishes to advise the senior Senator from Massachusetts that he is recorded as having voted in the affirmative. [Laughter.]

Mr. KEFAUVER. Mr. President——

The PRESIDING OFFICER. The senior Senator from Tennessee is not recorded.

Mr. KEFAUVER. I vote "yea."

Mr. BUTLER. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maryland is recorded as having voted in the affirmative.

Mr. BENNETT. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Utah is recorded as having voted in the affirmative, if he voted. [Laughter.]

Mr. YOUNG. Mr. President——

The PRESIDING OFFICER. The junior Senator from North Dakota is not recorded.

Mr. YOUNG. I vote "yea."

The PRESIDING OFFICER. The junior Senator from North Dakota is now recorded as having voted in the affirmative.

The Secretary will recapitulate the vote.

The vote was recapitulated.

The PRESIDING OFFICER. On this question the yeas are 78 the nays 0. So the bill is passed.

Mr. KUCHEL subsequently said: Mr. President, I have been detained downtown on business. I regret very much that I was not in the Chamber to vote in favor of the apparently unanimously agreed-upon postal pay bill. I believe my record with respect to adequate salaries for employees of the Federal Government is well known. However, in view of the fact that I regret having missed the 78 to 0 vote in favor of the postal pay bill, I make this brief statement.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. FORRESTER, and Mr. REED of Illinois were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 625. An act to provide for the adjustment of tolls to be charged by the Wayland Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 3879. An act to amend section 2 of the act of March 2, 1945, pertaining to the Columbia River at Bonneville, Oreg.;

H. R. 4646. An act to amend section 4421 of the Revised Statutes, in order to remove the requirement as to verifying under oath certain certificates of inspection, and for other purposes;

H. R. 4817. An act relating to the payment of money orders;

H. R. 5223. An act to continue until the close of June 30, 1956, the suspension of duties and import taxes on metal scrap, and for other purposes; and

H. R. 5224. An act to amend title 14, United States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel, and preserve their rights, privileges, and benefits.

MUTUAL SECURITY ACT OF 1955

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business for the purpose of considering the convention on Great Lakes fisheries between the United States of America and Canada.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

TREATY FOR REESTABLISHMENT OF AN INDEPENDENT AND DEMOCRATIC AUSTRIA—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The Chair lays before the Senate a message from the President of the United States, transmitting Executive G, 84th Congress, first session, being the State Treaty For the Reestablishment of an Independent and Democratic Austria, signed at Vienna on May 15, 1955.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from the treaty and that the President's message, together with the accompanying papers, be referred to the Committee on Foreign Relations, and that the President's message of transmittal be printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the State Treaty For the Reestablishment of an Independent and Democratic Austria, signed at Vienna on May 15, 1955.

There is further transmitted for the information of the Senate the report made to me by the Secretary of State regarding the aforesaid treaty.

The Austrian State Treaty represents the culmination of an effort by the Western Powers extending over a period of more than 8 years to bring about Soviet agreement to grant Austria its freedom. The restoration of Austria's freedom and independence has been a major objective of United States policy since the pledge of Austrian liberation made by the Governments of the United States, the United Kingdom, the Union of Soviet Socialist Republics and France in the Moscow Declaration of November 1, 1943. Until last April, the Soviet Union, while professing a desire for Austrian independence, by its actions and policies blocked the redemption of that pledge. The reversal in policy by the Soviet Government following its failure to prevent ratification of the Paris Pacts has now permitted the conclusion of an Austrian treaty and has won for freedom another important triumph. Moreover, it has emphasized clearly the significance of Western unity to the future of freemen in every part of the world.

The treaty provides for the termination of the occupation and the reestablishment of Austria, within the borders as they existed on January 1, 1938, as a sovereign, independent, and democratic state. All occupation forces will be withdrawn within 90 days of the coming into force of the treaty, and so far as possible not later than December 31, 1955.

After 17 years of occupation, the Austrian Government and people are naturally anxious that ratification of the treaty may be effected as quickly as possible. The pledge of the Moscow Declaration will have been fulfilled only upon entry into force of the treaty and the consequent withdrawal of foreign occupation troops from Austria. I urge, therefore, that the Senate take early and favorable action with respect to the Austrian State Treaty.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 1, 1955.*

(Enclosures: 1. Report of the Secretary of State. 2. Austrian State Treaty. 3. Treaty summary. 4. Soviet-Austrian agreement of April 15, 1955.)

The PRESIDING OFFICER. The Chair lays before the Senate the treaty referred to by the Senator from Texas.

CONVENTION ON GREAT LAKES FISHERIES BETWEEN THE UNITED STATES OF AMERICA AND CANADA

The Senate, as in Committee of the Whole, proceeded to consider the convention, Executive B (84th Cong., 1st sess.), a convention on Great Lakes fisheries between the United States of America and Canada, signed at Washington on September 10, 1954, which was read the second time, as follows:

The Government of the United States of America and the Government of Canada,

Taking note of the interrelation of fishery conservation problems and of the desirability of advancing fishery research in the Great Lakes,

Being aware of the decline of some of the Great Lakes fisheries,

Being concerned over the serious damage to some of these fisheries caused by the parasitic sea lamprey and the continuing threat which this lamprey constitutes for other fisheries,

Recognizing that joint and coordinated efforts by the United States of America and Canada are essential in order to determine the need for and the type of measures which will make possible the maximum sustained productivity in Great Lakes fisheries of common concern,

Have resolved to conclude a convention and have appointed as their respective Plenipotentiaries:

The Government of the United States of America:

Walter Bedell Smith, Acting Secretary of State of the United States of America, and

William C. Herrington, Chairman of the Delegation of the United States of America to the Great Lakes Fisheries Conference; and

The Government of Canada:

Arnold Danford Patrick Heeney, Ambassador Extraordinary and Plenipotentiary of Canada to the United States of America, and

Stewart Bates, Chairman of the Delegation of Canada to the Great Lakes Fisheries Conference,

who, having communicated to each other their respective full powers, found in good and due form, have agreed as follows:

ARTICLE I

This Convention shall apply to Lake Ontario (including the St. Lawrence River from Lake Ontario to the forty-fifth parallel of latitude), Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, Lake Superior and their connnecting waters, hereinafter referred to as "the Convention Area". This Convention shall also apply to the tributaries of each of the above waters to the extent necessary to investigate any stock of fish of common concern, the taking or habitat of which is confined predominantly to the Convention Area, and to eradicate or minimize the populations of the sea lamprey (Petromyzon marinus) in the Convention Area.

ARTICLE II

1. The Contracting Parties agree to establish and maintain a joint commission, to be known as the Great Lakes Fishery Commission, hereinafter referred to as "the Commission", and to be composed of two national sections, a Cananian Section and a United States Section. Each Section shall be composed of not more than three members appointed by the respective Contracting Parties.

2. Each Section shall have one vote. A decision or recommendation of the Commission shall be made only with the approval of both Sections.

3. Each Contracting Party may establish for its Section an advisory committee for each of the Great Lakes. The members of each advisory committee so established shall have the right to attend all sessions of the Commission except those which the Commission decides to hold in camera.

ARTICLE III

1. At the first meeting of the Commission and at every second subsequent annual meeting thereafter the members shall select from among themselves a Chairman and a Vice-Chairman, each of whom shall hold office from the close of the annual meeting at which he has been selected until the close of the second annual meeting thereafter. The Chairman shall be selected from one Section and the Vice-Chairman from the other Section. The offices of Chairman and Vice-Chairman shall alternate biennially between the Sections.

2. The seat of the Commission shall be at such place in the Great Lakes area as the Commission may designate.

3. The Commission shall hold a regular annual meeting at such place as it may decide. It may hold such other meetings as may be agreed upon by the Chairman and Vice-Chairman and at such time and place as they may designate.

4. The Commission shall authorize the disbursement of funds for the joint expenses of the Commission and may employ personnel and acquire facilities necessary for the performance of its duties.

5. The Commission shall make such rules and by-laws for the conduct of its meetings and for the performance of its duties and such financial regulations as it deems necessary.

6. The Commission may appoint an Executive Secretary upon such terms as it may determine.

7. The staff of the Commission may be appointed by the Executive Secretary in the manner determined by the Commission or appointed by the Commission itself on terms to be determined by it.

8. The Executive Secretary shall, subject to such rules and procedures as may be determined by the Commission, have full power and authority over the staff and shall perform such functions as the Commission may prescribe. If the office of Executive Secretary is vacant, the Commission shall prescribe who shall exercise such power or authority.

ARTICLE IV

The Commission shall have the following duties:

(a) to formulate a research program or programs designed to determine the need for measures to make possible the maximum sustained productivity of any stock of fish in the Convention Area which, in the opinion of the Commission, is of common concern to the fisheries of the United States of America and Canada and to determine what measures are best adapted for such purpose;

(b) to coordinate research made pursuant to such programs and, if necessary, to undertake such research itself;

(c) to recommend appropriate measures to the Contracting Parties on the basis of the findings of such research programs;

(d) to formulate and implement a comprehensive program for the purpose of eradicating or minimizing the sea lamprey populations in the Convention Area; and

(e) to publish or authorize the publication of scientific and other information obtained by the Commission in the performance of its duties.

ARTICLE V

In order to carry out the duties set forth in Article IV, the Commission may:

(a) conduct investigations;

(b) take measures and install devices in the Convention Area and the tributaries thereof for lamprey control; and

(c) hold public hearings in the United States of American and Canada.

ARTICLE VI

1. In the performance of its duties, the Commission shall, in so far as feasible, make use of the official agencies of the Contracting Parties and of their Provinces or States and make use of private or other public organizations, including international organizations, or of any person.

2. The Commission may seek to establish and maintain working arrangements with public or private organizations for the purpose of furthering the objectives of this Convention.

ARTICLE VII

Upon the request of the Commission a Contracting Party shall furnish such information pertinent to the Commission's duties as is practicable. A Contracting Party may establish conditions regarding the disclosure of such information by the Commission.

ARTICLE VIII

1. Each Contracting Party shall determine and pay the expenses of its Section. Joint expenses incurred by the Commission shall

be paid by contributions made by the Contracting Parties. The form and proportion of the contributions shall be those approved by the Contracting Parties after the Commission has made a recommendation.

2. The Commission shall submit an annual budget of anticipated joint expenses to the Contracting Parties for approval.

ARTICLE IX

The Commission shall submit annually to the Contracting Parties a report on the discharge of its duties. It shall make recommendations to or advise the Contracting Parties whenever it deems necessary on any matter relating to the Convention.

ARTICLE X

Nothing in this Convention shall be construed as preventing any of the States of the United States of America bordering on the Great Lakes or, subject to their constitutional arrangements, Canada or the Province of Ontario from making or enforcing laws or regulations within their respective jurisdictions relative to the fisheries of the Great Lakes so far as such laws or regulations do not preclude the carrying out of the Commission's duties.

ARTICLE XI

The Contracting Parties agree to enact such legislation as may be necessary to give effect to the provisions of this Convention.

ARTICLE XII

The Contracting Parties shall jointly review in the eighth year of the operation of the Convention the activities of the Commission in relation to the objectives of the Convention in order to determine the desirability of continuing modifying or terminating this Convention.

ARTICLE XIII

1. This Convention shall be ratified and the instruments of ratification shall be exchanged at Ottawa.

2. This Convention shall enter into force on the date of the exchange of the instruments of ratification. It shall remain in force for ten years and shall continue in force thereafter until terminated as provided herein.

3. Either Contracting Party may, by giving two years' written notice to the other Contracting Party, terminate this Convention at the end of the initial ten-year period or at any time thereafter.

In witness whereof the respective Plenipotentiaries have signed the present Convention.

Done at Washington, in duplicate, this tenth day of September 1954.

For the Government of the United States of America:

WALTER BEDELL SMITH.
WM. C. HERRINGTON.

For the Government of Canada:

A. D. P. HEENEY.
STEWART BATES.

Mr. HUMPHREY. Mr. President, since it is the practice of the Senate to require a yea-and-nay vote on treaties, and a large number of Senators are present, I think we can expedite action on the convention. I shall make a brief statement about it.

Mr. KNOWLAND. Mr. President, will the Senator yield so that I may ask for the yeas and nays?

Mr. HUMPHREY. I yield for that purpose.

Mr. KNOWLAND. Mr. President, on the question of agreeing to the resolution of ratification I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, this convention with Canada on Great Lakes fisheries is designed to do two things:

First. To control and, if possible, to eradicate, the lamprey eel, which has already destroyed the trout in Lakes Huron and Michigan and is now moving into Lake Superior; and

Second. To stimulate coordinated research concerning the problems of Great Lakes fisheries which are of common concern to the United States and Canada.

The convention establishes an international commission to carry out the lamprey-eradication program and to conduct general fisheries research.

I emphasize that the Commission is given no regulatory powers whatever over Great Lakes fishing operations. That matter is left entirely up to the eight Great Lakes States which now exercise jurisdiction over these matters. The Commission is empowered to make recommendations, but its recommendations dealing with matters now under State jurisdiction will have to be transmitted to the States, for such action as they see fit to take.

In this respect, the present convention differs radically from an earlier convention on the same subject, which was signed in 1946, but never was acted upon by the Senate. The 1946 convention was withdrawn from Senate consideration by the President when the present convention was submitted; and the issue of international regulation of Great Lakes fisheries, which was presented by the 1946 convention, is no longer before the Senate.

In the process of negotiating the present convention, the Departments of State and Interior held extensive consultation with all interested State agencies and private organizations; and the convention comes before the Senate with the unanimous endorsement of all the States concerned. It also has widespread support among conservation groups and commercial fishermen.

At a hearing which was held by a subcommittee of the Foreign Relations Committee only one witness appeared in opposition to the treaty, and his chief objection was that the treaty was unnecessary.

The preponderance of the evidence, however, shows that the treaty is urgently necessary, Mr. President. The lamprey eel has virtually wiped out the trout in Lakes Huron and Michigan and is now rapidly increasing in numbers in Lake Superior. This creature can be controlled by means of electrical barriers placed across the streams up which it must go to spawn; but for these control measures to be effective they must obviously be applied on streams on both sides of the international boundary. Thus, joint action by the Canadian and American Governments is required.

For some reason, the lamprey eel has never established itself in Lake Erie, and it is no problem there. The fishermen of Ohio long opposed a Great Lakes fisheries treaty because they feared it would be the opening wedge to Federal or international control of fishing operations which are now under State jurisdiction. The distinguished senior Senator from Ohio [Mr. BRICKER], however, has recently forwarded to me a telegram from the Ohio Commercial Fishermen's Association reiterating their opposition to Federal control and endorsing the present treaty "as a cooperative gesture to the neighboring Great Lakes fisherman." The telegram was received too late for inclusion in the subcommittee's hearings, and I now ask unanimous consent that it be inserted in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

LORAIN, OHIO, *April 27, 1955.*

Hon. JOHN BRICKER,
United States Senate,
Washington, D. C.:

The Ohio Commercial Fisherman's Association representing the commercial fishing industry in Ohio approves and endorses an international treaty to eradicate or control the lamprey eel in the Great Lakes. We take this stand as a cooperative gesture to the neighboring Great Lakes fisherman. We know the lamprey has not, and will not be a problem in Lake Erie. We strenuously oppose any treaty or agreement of wide scope and we especially oppose Federal fishery controls of any degree in Lake Erie. We urge any agreement be limited to lamprey control only. Complete confidence in fish management and research by Ohio department of natural resources is present and our opposition to any degree of Federal fishery control exclusive of the lamprey eel in Lake Erie is reiterated.

NELSON G. PARSONS,
President, Ohio Commercial Fisherman's Association.

Mr. HUMPHREY. Mr. President, the hearings already contain statements from Governor Lausche, of Ohio; the Ohio Wildlife Council; and the Ohio Department of Natural Resources, expressing similar sentiments.

Mr. President, it is estimated that the pending convention will cost the United States approximately $750,000 a year for the first 3 years, and something less thereafter. By contrast, it is estimated that American fishermen alone lose $3.5 million a year through the depredations of the lamprey eel. Surely, this convention represents a good investment to protect a valuable natural resource. I urge the Senate to give its overwhelming approval to the ratification of the convention.

Mr. POTTER obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Michigan yield to me?

Mr. POTTER. I yield.

Mr. JOHNSON of Texas. I should like to announce that after the Senator from Michigan makes his statement, there will be a yea-and-nay vote on the question of agreeing to the resolution of ratification of the convention. I hope all Senators will take note of this announcement.

Mr. POTTER. Mr. President, I assure my colleagues that my remarks will be brief.

Some time ago, as a Member of the House of Representatives, I addressed that body on the problem caused by the lamprey eel, a parasite which has to a great extent destroyed the fishing in the Great Lakes. I fortified my remarks on that occasion by presenting an exhibit

of the so-called sea lamprey. Many of of colleagues in the Senate have not had an opportunity to view such a specimen, so I now have at the clerk's desk two samples of the sea lamprey, one a jar containing young sea lamprey; and the other, the larger jar, containing a sea lamprey after 8 months of growth.

Mr. President, ratification of this convention or treaty is very desirable, for it is long overdue. The Great Lakes are probably the only international bodies of water which are not subject to international treaty.

The provisions of the convention have been eloquently stated by the junior Senator from Minnesota [Mr. HUMPHREY].

The convention relates to two main problems. The first problem is to eradicate the sea lamprey, of which a specimen is now on exhibit at the clerk's desk.

The second problem involves the long-term work of research in regard to controlling and eradicating the sea lamprey and in regard to rehabilitating fisheries on the Great Lakes.

Mr. President, I reiterate and emphasize that ratification of the convention is long overdue.

To those who have concern regarding the effect of the treaty on State fishing laws and regulations, I state that the treaty will have no effect of that sort.

The primary purpose of the convention is to control the sea lamprey and to make it possible to conduct a unified research program in regard to the fisheries of the Great Lakes.

Mr. HUMPHREY. Mr. President, will the Senator from Michigan yield to me?

Mr. POTTER. I yield.

Mr. HUMPHREY. I wish to express my sincere personal appreciation to the Senator from Michigan for his very helpful cooperation in regard to this matter, and I also desire to express the appreciation of the committee for the very helpful testimony which representatives of various Michigan agencies gave before the subcommittee.

Mr. POTTER. I thank the Senator from Minnesota.

Mr. BRICKER. Mr. President, will the Senator from Michigan yield to me?

Mr. POTTER. I yield.

Mr. BRICKER. Let me state that it is my understanding that although there was some opposition to the treaty by representatives of Ohio groups, the opposition was not to control the predatory eel. Instead, the opposition was really to "putting the foot in the door," as we might say, as regards treaty control of fishing in the Great Lakes.

Mr. POTTER. That is correct. Let me say that I appreciate the courtesy of the Senator from Ohio in making available the telegram which the Senator from Minnesota has already had printed in the RECORD.

Mr. BRICKER. I was glad to do so.

Mr. President, let me say that although the sea lamprey does not constitute a problem in Lake Erie, nevertheless we are glad to join in the movement for control of this predatory eel.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). If there is no objection, the convention will be considered as having passed through its various parliamentary stages, up to the point of agreeing to the resolution of ratification.

The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive B, 84th Congress, 1st session, a convention on Great Lakes fisheries between the United States of America and Canada, signed at Washington on September 10, 1954.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification.

On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], and the Senator from Missouri [Mr. HENNINGS] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

I further announce that if present and voting the Senator from New Mexico [Mr. ANDERSON], the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Montana [Mr. MURRAY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Connecticut [Mr. BUSH], and the Senator from Nebraska [Mr. HRUSKA] are absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

I also announced that the Senator from New York [Mr. IVES], the Senator from Maine [Mrs. SMITH], the Senator from New Jersey [Mr. SMITH], and the Senator from Minnesota [Mr. THYE] are necessarily absent.

The Senator from Pennsylvania [Mr. DUFF] and the Senator from North Dakota [Mr. LANGER] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from South Dakota [Mr. CASE], the Senator from New York [Mr. IVES], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Maine [Mrs. SMITH], the Senator from New Jersey [Mr. SMITH], the Senator from Colorado [Mr. ALLOTT], the Senator from Nebraska [Mr. HRUSKA], the Senator from Pennsylvania [Mr. DUFF], and the Senator from Minnesota [Mr. THYE] would each vote "yea."

The yeas and nays resulted—yeas 79, nays 0, as follows:

YEAS—79

Aiken	Bennett	Byrd
Barkley	Bible	Capehart
Barrett	Bricker	Carlson
Beall	Bridges	Case, N. J.
Bender	Butler	Clements
Cotton	Johnson, Tex.	Neuberger
Curtis	Johnston, S. C.	O'Mahoney
Daniel	Kefauver	Pastore
Dirksen	Kerr	Payne
Douglas	Kilgore	Potter
Dworshak	Knowland	Purtell
Eastland	Kuchel	Robertson
Ellender	Lehman	Russell
Ervin	Long	Saltonstall
Flanders	Magnuson	Scott
Fulbright	Malone	Smathers
George	Mansfield	Sparkman
Goldwater	Martin, Iowa	Stennis
Gore	Martin, Pa.	Symington
Green	McCarthy	Thurmond
Hayden	McClellan	Watkins
Hickenlooper	McNamara	Welker
Hill	Millikin	Wiley
Holland	Monroney	Williams
Humphrey	Morse	Young
Jackson	Mundt	
Jenner	Neely	

NOT VOTING—17

Allott	Frear	Murray
Anderson	Hennings	Schoeppel
Bush	Hruska	Smith, Maine
Case, S. Dak.	Ives	Smith, N. J.
Chavez	Kennedy	Thye
Duff	Langer	

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to.

Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

HELLS CANYON DAM AND MIGRATORY SALMON RUNS OF THE COLUMBIA BASIN

Mr. NEUBERGER. Mr. President, one of the most delicate tasks confronting the United States today is to develop the resources necessary for the economic prosperity of a nation of 165 million people and yet, at the same time, to conserve and save some of the wilderness values that are so essential to our spiritual and emotional well-being.

In no region is this task more dramatically symbolized than in the Pacific Northwest. The Northwest needs vast new hydroelectric-power facilities because falling water is the Northwest's only industrial fuel. Furthermore, it is the cheapest industrial fuel in the land—this water which surges eternally downhill through the canyons and gorges of the region.

But the rivers of the Northwest are the spawning ground for the most valuable and the most inspiring fish runs in the United States: the salmon migrations of the Columbia River Basin.

These migrations mean a great deal to the Northwest's people. They sustain a commercial fishery worth at least $10 million annually on the lower stretches of the Columbia near such communities as Astoria, Portland, Clatskanie, and The Dalles in my State of Oregon. They also provide sports fishing which exhilarates men who fish for fun and pleasure. Rudyard Kipling once wrote that the most wonderful experience of his life was fishing for Columbia salmon. "I have lived," he exulted after this adventure.

Furthermore, along the upland rivers of the Northwest lie wilderness realms that must be protected from commercial invasion if we are to preserve a few museums of the past—a handful of solitudes that perpetuate the great fastnesses through which Lewis and Clark trekked, on their way to the sea 150 years ago this autumn.

So when people in the Northwest who love the outdoors and who love wildlife have talked of damsites for power production, they have not thought exclusively in terms of kilowatts. They have asked this question:

> Where can hydroelectricity best be generated without destroying fish runs and scarring scenic grandeur?

That has been a $64 question, Mr. President.

GOP REVERSES CONSERVATIONISTS' SCHEDULE OF WISEST USE OF RIVERS

For many years the question has been answered in simple terms. It was obvious that the damsite which could most readily be developed according to these specifications was Hells Canyon on the Snake River. This is a narrow chasm, a full mile in depth, where the reservoir will flood out no magnificent forests, no forage fields for grazing animals, no colorful scenery. And the impact of the dam on fish life would be comparatively negligible.

In addition, Hells Canyon would make possible approximately 1,200,000 kilowatts of water power, thus rendering unnecessary for a considerable period certain other dams which might have an adverse effect on scenic and recreational values.

Conservationists also pointed out that one river had to be kept forever free of man-made obstructions if the Chinook salmon runs were to survive. This, of course, was the Salmon River of Idaho, where not less than 30 percent—and perhaps as much as 50 percent—of the extremely valuable spring Chinook salmon runs migrate and then spawn the next generation and cycle of fish.

On top of all this, it was agreed that the river which, next to the Salmon, had to be kept clear of new dams as long as possible was the Clearwater River, at the source of which foam and champ the two most majestic wilderness streams of the Northwest, the Selway and the Lochsa.

So this was the schedule of the conservationists:

First. The best dam for not destroying scenic and wildlife values was Hells Canyon on the Snake.

Second. The river never, never to be dammed was the Salmon.

Third. The river never to be dammed further, if possible, was the Clearwater.

But today, Mr. President, the Republican Party leadership has set out determinedly to reverse completely this schedule, regardless of the cost to commercial fishermen, to sports fishermen and to men, women, and children who hope to preserve some few realms of the wilderness where exploitation does not exist.

This attitude is particularly true of the Republican Party leadership in my own State of Oregon. It is an incredible attitude, in view of the many Oregon communities that are so totally reliant on commercial fisheries and on the income from the tourist trade to maintain their prosperity and jobs.

It is an attitude which was forecast as early as May 5, 1953, when the ex-Governor of the State of Oregon, Secretary of the Interior Douglas McKay, withdrew the Government's claim to the magnificent power site at Hells Canyon. When McKay made this unwise decision, a letter was sent by his Department to the Federal Power Commission. That letter declared in part:

> There appears to be no reason why other projects in the basin could not be used with the same logic as that proposed for Hells Canyon. Of these other projects there is Mountain Sheep and Nez Perce on the Snake River, several dams on the Salmon and more on the Clearwater River.

Now, what does this mean, Mr. President? Its meaning is very evident to anyone who knows a salmon egg from an elderberry. It means that the Interior Department, under the ex-Governor of Oregon, is willing—nay, eager—to have the Salmon and Clearwater Rivers choked off by dams, if this will help to save the Hells Canyon site on the Snake for the Idaho Power Co., with which this administration is so friendly. What other meaning can be placed on the Interior Department statement, if we are to accept the English language at its face value? And it is additionally significant that the Nez Perce site on the Snake is below where the Salmon and the Snake Rivers unite, so this project, too, would result in strangling the Salmon's vast salmon pilgrimages.

REPUBLICAN GOVERNOR WOULD SACRIFICE SALMON AND WILDERNESS GRANDEUR

That was Republican doctrine in May of 1953. It is still Republican Party official doctrine now. How do I know?

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. NEUBERGER. I yield.

Mr. MORSE. I wish to commend my colleague for calling attention to the effect of the administration's proposal with regard to the development of dams by the private utilities and the effect of that program upon the fishing industry and upon wildlife in the Pacific Northwest. I believe it needs to be emphasized in the RECORD at this point, because my colleague is performing a great service in the speech he is now making. I would have every conservationist in America pay heed to the speech.

Is it not correct that the Hells Canyon Dam, which the Senator and I are urging by means of Senate bill 1333, would be a dam which would produce a minimum of injury to the fishing industry, for the reason that the water in and above Hells Canyon site is not a spawning ground for salmon, as the Salmon River is? And is it not so that the dams which McKay and Patterson urge as alternatives to Hells Canyon would do irreparable damage to the salmon runs up the Salmon River?

Mr. NEUBERGER. My colleague is absolutely correct. Of course, I remember that when the senior Senator from Oregon introduced S. 1333 and became its principal sponsor, he mentioned the obvious fact that Hells Canyon was a desirable damsite, because it is located above the mouth of the Salmon River. In other words, at Hells Canyon vast quantities of cheap hydroelectric power, plus important flood control benefits, can be obtained without blocking off the important watercourse up the Salmon River, where from 30 percent to 50 percent of the valuable Chinook salmon run must spawn.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. NEUBERGER. I yield.

Mr. MORSE. Does the Senator agree with me it is very important that the conservationists of the Pacific Northwest realize the fact that their real enemies, so far as the devastating effect on the fishing industry is concerned, are Secretary McKay and Governor Patterson and the others, who are proposing dams on the rivers where the salmon run, in lieu of the high multiple-purpose dam at Hells Canyon, which would not cause any injury to the fishing industry?

Mr. NEUBERGER. That is definitely the situation. The administration is so eager to save the Hells Canyon site for the Idaho Power Company that it will suggest as alternatives any possible set of dams no matter what their effect may be on fishing, on wildlife, and on scenic values generally.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. NEUBERGER. I yield.

Mr. MORSE. Is the Secretary of the Interior, the former Republican Governor of Oregon, the only Republican leader or spokesman in our State who favors a program which would cause such great damage to the interest of the conservationists?

Mr. NEUBERGER. No, he is not; but he is one of the most prominent and influential and important, of course. The Senator asked me to yield exactly at the point in my speech where I detail the precise words of another important Republican leader who advocates dams which would in effect cause great damage to fish and wildlife.

Mr. MORSE. I shall listen with great interest.

Mr. NEUBERGER. For example, on April 6, 1955, the Governor of Oregon, the Honorable Paul L. Patterson, testified at Portland against S. 1333, our bill authorizing a high multipurpose Federal dam at Hells Canyon. In one portion of his testimony, the Governor of Oregon argued that superior flood control could be obtained by damming the Salmon and the Clearwater Rivers rather than the Snake River. Listen to his words:

> If it is flood control which is paramount in the committee's consideration, then I would call your attention to the fact that the difference in the cost of Hells Canyon Dam and the John Day Dam would go a long way toward building the dams on the Clearwater and Salmon Rivers, which contribute more than 80 percent of the Snake River's floodwaters in the Columbia; and that the Hells Canyon high dam would have no effect whatever on the spring runoff from the Clearwater and the Salmon.

The Governor later, under questioning, tried to quibble his way out of the Salmon River Dam commitment because he must have realized that the blockad-

ing of the Salmon would just about eliminate the commercial fishing industry in his State. But the foregoing words are his own considered, written testimony before the Senate Committee on Interior and Insular Affairs. He put himself on record as favoring the damming of the Salmon and Clearwater Rivers to achieve flood control. Let me emphasize one phrase of Governor Patterson's. It is this one:

> The Hells Canyon high dam would have no effect whatever on the spring runoff from the Clearwater and the Salmon.

The Governor of Oregon, the Honorable Paul L. Patterson, is absolutely right about that. I, too, regret that Hells Canyon high dam will not retard the champing floodwaters which course down the Salmon and the Clearwater Rivers every spring. But, Mr. President, every single consideration does not devolve upon flood control—or even upon waterpower, important though that may be.

In drawing up S. 1333, my senior colleague [Mr. MORSE] and I also had other considerations in mind. Two of these considerations were, in order, first, protection of the valuable salmon migrations of the Columbia River system; and, second, safeguarding the wilderness solitudes which give birth to the Clearwater and its feeder streams. Therefore, we deliberately saw to it that in S. 1333 we were promoting a dam which did not—and I repeat the word "not"—throttle the Salmon and the Clearwater Rivers. We knew there was additional flood-control storage to be achieved on those rivers—lots of it. But we were not thinking only of flood control, as apparently the Governor of Oregon is doing these days. We were thinking, too, of Astoria and of those other downstream communities which must pack many thousands of pounds of firm pink salmon or else stagnate economically and suffer the outward migration of their young people in quest of jobs.

And we were thinking of recreationists, of people who cherish vacations in the outdoors, and we were not willing to flood out the majestic timbered fastnesses that are the bassinet of the Clearwater River system. So, Mr. President, we who are sponsoring S. 1333 plead guilty to the charge leveled against us by Governor Patterson—we did not plan a dam which would retard the floodwaters of the Salmon and the Clearwater Rivers.

But, conversely, we say, in reply to Governor Patterson: "Sir, are you so eager to see the Hells Canyon damsite bestowed upon the Idaho Power Co. that you will promote alternate sites which threaten to wipe out fish runs vital to many families in the State of which you are the chief executive?"

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. NEUBERGER. I yield.

Mr. MORSE. I attended the Portland hearings at which Governor Patterson testified and at which the junior Senator from Oregon did such a fine job of cross-examination and brought out the Governor's statement of preference really for what amounts to the Idaho Power Company's proposals in regard to the dam. So that the record may be straight and so that the conservationists of the Pacific Northwest will understand who it is who is fighting to protect the conservation interests—and it does not happen to be the present Governor of the State of Oregon—let me put this question:

If we build the high dam at Hells Canyon which the Governor of Oregon has testified against, we will build a dam which not only will develop the maximum potential of electric power at that reach of the Snake River, but will give to the people of the State of Oregon maximum flood-control protection, and, at the same time, protect the fishing industry of the State of Oregon. Is not that correct?

Mr. NEUBERGER. The Senator is quite correct. By building Hells Canyon Dam we will also postpone for many, many years into the future the time when there might be compelling economic pressure to draw on the remaining power resources of the Clearwater River and of the Salmon River. In other words, it is a balanced project. It offers vast quantities of power and no adverse impact in any substantial degree on either scenery, fishing, or wildlife. Yet that is the project which the ex-Governor of Oregon and the present Governor of Oregon would abandon to the Idaho Power Co.

Mr. MORSE. Mr. President, will the Senator yield for another question?

Mr. NEUBERGER. I shall be happy to yield.

Mr. MORSE. The opponents of Hells Canyon, as a matter of argumentative pattern, usually suggest as an alternative dams on the Salmon River and Clearwater River. But is it not true that the findings of the conservationists show that these dams would have a devastating effect upon the fishing industry in those particular waters, because they are the spawning waters, the waters which the salmon must traverse in order to get to their spawning grounds, and would do irreparable damage to the fishing industry?

Mr. NEUBERGER. That is correct.

Mr. MORSE. Therefore, the opponents of Hells Canyon Dam must meet us head-on in regard to the effect of their program on not only the fishing industry, but on the recreation and wildlife assets that would accrue from the building of Hells Canyon Dam as contrasted with the damage that would result by building the alternatives to the Hells Canyon Dam which opponents use in justifying their advocacy of the Idaho Power Co. dam.

Mr. NEUBERGER. That is absolutely correct. When ex-Governor McKay and Governor Patterson say they suggest the damming of the Salmon and Clearwater Rivers they are saying that the death knell of commercial salmon fishing means nothing at all to them.

Mr. MORSE. The Senator will recall that one of the arguments of the Governor in his testimony at Portland was the fallacious one that Oregon would not receive very much benefit from a high Hells Canyon Dam. But the Governor failed to point out that the State of Oregon would receive much less benefit from a dam on the Salmon River, so far as power potentials are concerned. Is not that true?

Mr. NEUBERGER. Not only is that true, but I did not hear him say anything about the benefits the State of Oregon would get from the Idaho Power Co.'s dams.

Mr. MORSE. It is true, is it not, that in our bill we guarantee 500,000 kilowatts of power to be set aside for the benefit of the territory adjacent to the Snake River, which includes the whole chain of eastern counties in the State of Oregon, but that there is nothing in the program of the Idaho Power Co. which guarantees a single kilowatt of power to the State of Oregon. Is not that correct?

Mr. NEUBERGER. That is true. Further, the Governor of Oregon would relinquish the Hells Canyon site to the Idaho Power Co. which for the electricity it furnishes to farmers, housewives, and industry has the highest rate structure of any private power company or any electric operation in the Pacific Northwest.

CONSTRUCTION OF LOW-HEAD DAMS BY THE IDAHO POWER CO.

Mr. MORSE. And, of course, would really defeat our purpose in attempting to induce more private enterprise to come into the Pacific Northwest, because it could not afford to pay the prices for power the Idaho Power Co. would charge. Several companies are standing by, each one of them willing to invest several millions of dollars in plants to develop the commercial fertilizer area of the Pacific Northwest which awaits development if cheap power can be made available to those fertilizer beds. The Idaho Power Co.'s rates would make it uneconomical for them to build those plants. So they are saying to us, in effect, "Give us a high dam at Hells Canyon and we will bring to Idaho and the adjacent States benefits to the tune of a good many millions of dollars." Is not that correct?

Mr. NEUBERGER. That is true. In support of what the Senator has said, all we have to do is to look at the recent record.

In the first 10 years after low-cost Bonneville power became available, which were the years 1939 to 1948, Oregon and Washington had a 329 percent gain in industrial payrolls, as contrasted with the national average of 284 percent. That was the only period in the history of those States when there was a greater gain in industrial employment than the national average. It coincided with the first decade when low-cost public power from the Bonneville system went over the transmission lines.

Yet in the same period Idaho had a relative small increase in industrial employment. While Oregon and Washington were witnessing great gains in population, Idaho barely held its own when compared with the national rate of gain.

Mr. MORSE. I think the conversationists of our section of the country will be deeply thankful for the record which the junior Senator from Oregon is making today in his great speech. I want him to know that I intend to stand shoulder to shoulder with him in the

fight to protect the conservation interests of our State.

We have an alternative. On the one hand, we can build a high dam at Hells Canyon and protect the conservation interests. On the other hand, we can follow McKay and Patterson, of Oregon, and the Governors of Idaho and Washington, who are, in effect, pleading the case of the Idaho Power Co. to sell the conservation interests down the Snake and Columbia Rivers.

I do not intend to sell the conservation interests of our section of the country down those rivers. I shall continue to support the junior Senator from Oregon in the great fight he is making to protect the conservation interests of the Columbia and Snake Rivers.

Mr. NEUBERGER. I know that the conservationist and recreation groups will value the support of so interested and influential a Member of the Senate as is the senior Senator from Oregon.

We have read editorials and letters and resolutions from various fisheries groups protesting the construction of Ice Harbor Dam on the lower Snake River. These people undoubtedly have a valid point. It is possible that Ice Harbor might have some unfavorable effect upon salmon migrations upstream. Yet the impact of Ice Harbor Dam upon these runs would be as Council Crest in Portland is to a great peak in the Himalayas, when we compare the effect of Ice Harbor with the damming of the Salmon River itself.

HIGH-CONTROL DAMS BLOCK OFF SALMON RUNS TO SPAWNING GROUNDS

In referring to dams across the Salmon, both Governor Patterson and Secretary McKay have discussed flood control; this would mean relatively high structures for storage. To thus seal off the principal fish-spawning sanctuary of the entire Columbia River Basin would be to risk the destruction of the whole Chinook salmon spring fishery, an outcome not even remotely associated with the erection of Ice Harbor.

"Civilization and salmon don't mix," I was told long ago by a fine United States Forest Ranger named Grady Miller, who still lives in Enterprise, Oreg. But it is the task of us who serve in Government to make our fisheries resources last as long as possible. By building Hells Canyon Dam, we can avoid for a good many years the necessity of seeking alternative hydroelectric power production and flood control on the Salmon and Clearwater Rivers. That is a predominant reason why Senator MORSE and I are sponsoring S. 1333 for Hells Canyon.

Mr. Patterson and Mr. McKay, conversely, would rule out Hells Canyon by relinquishing that site to the Idaho Power Co. Then, they would atone for this by building dams on the two rivers of paramount importance to fish and recreation—the Salmon and the Clearwater. Mr. Patterson and Mr. McKay undoubtedly are perfectly sincere and honorable about their position, but it is a position which can only result adversely for people interested in sports fishing, commercial fishing, and outdoor recreation in the wilderness. Why barricade streams of such importance to salmon pilgrimages when sites like Hells Canyon, not involving these considerations, are presently available?

Is the welfare of the Idaho Power Co. more basic and important than the livelihood of thousands of commercial fishermen and the pleasure of thousands of campers, hikers, and sports fishermen? This utility corporation must be a mighty Caesar, indeed, to feed on resources so essential to the people of our Northwest region.

Of course, we must realize that private power companies, in spite of their crocodile tears in the 1930's about the fish ladders at Bonneville, never have really cared sincerely for the future of wildlife. Although Rudyard Kipling became enthusiastic long ago over the marvelous fishing in the Clackamas River of Oregon, a series of private utility dams on that stream have just about ended the wonderful spring Chinook runs of the Clackamas. Nor should we forget the power-company dam that closed off the prodigious spawning runs of Blueback salmon into Oregon's Wallowa Lake. And what of the fact that the Oregon Game Commission and Fish Commission are fighting even now to save the fish runs of the Deschutes River from a proposed private power dam which would shut off these hegiras?

At Bonneville Dam the Federal Government spent $7,200,000 for a series of costly fish ladders to save the migrating salmon. This was possible because Bonneville is a low dam with a comparatively short drop in the spillway, which does not necessarily kill downstream-traveling fingerlings. But the Pacific Northwest is dotted with private power dams that are lacking utterly in proper protective equipment for pilgrimaging salmon.

The United States Fish and Wildlife Service is the author of the statement that "the Salmon River is by far the most productive for fish of any of the tributaries in the Columbia River." What do the ex-Governor of Oregon, Mr. McKay, and the present Governor of Oregon, Mr. Patterson, have to say to the commercial and to the sports fishermen of Oregon about their desire to see dams thrust across the Salmon River for power and flood control?

OUTDOOR RECREATION AND SPORT FISHING DESERVE PROTECTION

Mr. President, I may be a "nut" on conservation, as some of my critics claim. I admit that I belong to the Wilderness Society and the Izaak Walton League. I admit that I have fought hard against commercial developments or exploitation inside the boundaries of Dinosaur National Monument, of the Olympic National Park, and of the Three Sisters Wilderness Area. I will continue to fight on that frontier because that is the way I think and feel. The wilderness and the outdoors mean a lot to me. My wife, Maurine, and I are among the few people who have traveled the whole rugged Lolo Trail, where Meriwether Lewis and William Clark experienced their sternest hardships. On that lonely trail, we came upon the original rock cairns which guided these first of all westbound Americans through the Bitterroot Mountains. As I stood there in that wilderness, I rejoiced in my heart that we Americans had spared at least one isolated spot; that, somewhere, there was a fortress of the outdoors free of scars from ax and saw, bulldozers, dynamite, or piledrivers.

I do not share the philosophy of Douglas McKay and Paul Patterson. If it meant my complete and total elimination from political life, I never would say, as they seem to be saying, that the country does not need high Hells Canyon Dam because we can get flood control and power on the Salmon and the Clearwater Rivers, instead, and what difference does it make that some fish and wildlife and scenery are wiped out in the process?

On May 3, 1955, the gill-net fishermen at the mouth of the Columbia River had their largest opening-day catch in 10 years. And the fish counters at Bonneville Dam tallied the third largest single day's count of fish in history. This resulted from a marvelous 1955 spring run of Chinook salmon. But remember the statement of the Fish and Wildlife Service that from 30 percent to 50 percent of the spring salmon pilgrimage spawns up the Salmon River. How many fish do you think, Mr. President, those gill-net fishermen in Oregon would have caught on May 3, 1955, if the proposals of Oregon's leading Republicans had been in effect—the proposals to dam the Salmon River? I dare say there would not have been enough salmon in the nets of those men to keep the stores and shops and offices in their hometowns prosperously open more than a few months of the year.

The senior Senator from Oregon [Mr. MORSE] and I are fully aware that there is power production and flood control to be obtained by wedging a dam into the chasms of the Salmon and Clearwater Rivers. But we realize what this would do to fish runs and to scenery. We also realize that comparable benefits can be obtained on the Snake River at Hells Canyon, without this ruinous damage to salmon migrations and to outdoor grandeur. That is part of the basic philosophy underlying our bill S. 1333—waterpower and flood control, to be sure, but peril to fish runs and to the majestic wilderness, no.

OREGON STATE AGENCIES HAVE OPPOSED DAMS WHICH GOVERNOR SUGGESTS

I am aware, Mr. President, that the man who is Governor of Oregon must be very busy, indeed. It is an occupying job, although being a United States Senator takes a good deal of time, too. But I regret that neither the past Governor of Oregon, Mr. McKay, nor the present Governor of Oregon, Mr. Patterson, appear to be all aware of the stand taken by State agencies and commissions under their own direction.

I think I might bring them up to date.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. MORSE. I cannot begin to express to my colleague the feeling of appreciation I have for his being in the Senate, and joining with me, shoulder to shoulder, in the various fights in which we are trying to protect the people's interest and heritage in the natural resources of the Nation.

I have not had an opportunity to call this matter to his attention, but I feel certain he will be pleased to have me do so.

The junior Senator from Oregon is recognized as being one of the outstanding authorities on conservation problems in the United States. He is so recognized by the conservationist leaders of the Nation, who have written to me about the position which the junior Senator from Oregon has taken on conservation matters.

I am sure the Senator will be interested to know that on May 27, 1953, I spoke at some length in the Senate in opposition to the sellout by Secretary of the Interior McKay to the Idaho Power Co. when he announced that the Department of the Interior was not going to continue to intervene in the Hells Canyon Dam matter before the Federal Power Commission, even though the Secretary of the Interior knew at that time that the greatest collection of data and evidence in support of Hells Canyon Dam was to be found in two files. One of them was the file of the Bureau of Reclamation of the Department of the Interior, to be specific, whose engineers had for years recommended the building of a high dam at Hells Canyon. The other was the file of the United States Army Corps of Engineers, which organization likewise for years had recommended the building of a high dam at Hells Canyon.

In my speech on May 27, 1953, I referred to the findings of the Department of the Interior and the Corps of Engineers in regard to the fish problem. I call the Senator's attention to what I said on that occasion, when I critized the Department of the Interior for its run-out on the American people by its failure to protect their interests in the Hells Canyon Dam issue. The Secretary of the Interior could be charged with the knowledge that the scientific data in his own files showed the Hells Canyon Dam plan to be superior to the low-head plan of the Idaho Power Co.

It is very interesting that the examiner for the Federal Power Commission in his recent report had to admit the soundness of the position which the two Senators from Oregon have taken on this matter, from the standpoint of engineering, from the standpoint of the supply of cheap power, and from the standpoint of cost.

On May 27, 1953, I said this on the floor of the Senate:

> Certainly, the Department of the Interior knows that projects on the Salmon and Clearwater Rivers entail great difficulties because of interference with fish runs. The statement also suggests that Nez Perce might provide the power revenue needed to defray the irrigation costs of Mountain Home.

Back in 1953, as the junior Senator from Oregon has pointed out today, the Secretary of the Interior was trying to alibi his inexcusable position on Hells Canyon by suggesting a dam on Nez Perce.

I went on to say:

> In the selected information already cited—

That is, the information out of the files of the Interior Department itself which was printed as a House document in 1952—

> the Department of the Interior in 1952 stated:
>
> "Since Nez Perce would effectively block off the salmon run from the Lower Snake River to the Salmon River, Nez Perce should not be built at this time, nor until a solution to the salmon situation is found. The Hells Canyon Dam portion of this plan can proceed, however. Hells Canyon is an essential part of this best plan. Also Hells Canyon avoids the Salmon River fish problem."

I recommend to the Secretary of the Interior that he do a little bookwork, a little study, on the data to be found in his own files in the Department of the Interior. If he will do that, he will find his own experts in the Department have been on record for years as forewarning the American people exactly what the junior Senator from Oregon is forewarning them about today.

Mr. President, if the kind of program that the Secretary of the Interior is now supporting should be carried out, the fish runs on the Salmon would be destroyed. That has been a matter of official documentation before the Congress of the United States for some years, but the Secretary of the Interior, and obviously the present Governor of Oregon, would like to forget that. They would like to forget what the experts have proved in regard to this matter.

Again I wish to commend my junior colleague, who is my senior, let me tell you, Mr. President, in the matter of conservation. My junior colleague from Oregon is to be congratulated for warning the people of Oregon where their former Governor and present Governor will lead them if they follow their bait in regard to this Hells Canyon issue.

I am very happy that at long last I have a colleague from Oregon standing with me on the floor of the Senate as a teammate, fighting to the end in support of the people's interest in this matter.

I congratulate my colleague for pointing out again what the loss of Hells Canyon and attempted substitution of other dams would do to the conservation interests, whereas the high Hells Canyon Dam would not do an iota of damage to the conservation interests.

Mr. NEUBERGER. I wish to commend my distinguished colleague for anticipating, more than 2 years ago, the great damage which would be done to the fish runs by giving, in effect, Hells Canyon to the Idaho Power Co. I should like to say that the Secretary of the Interior has perhaps been reading too many minutes and reports of utility companies, and not enough reports by distinguished biologists in the employ of the Fish and Wildlife Service, who are technically under his own direction.

In November of 1953, the Corps of United States Army Engineers held a series of hearings at Orofino, Idaho, on the proposals to dam the Clearwater River. These hearings were inspired by the groups which hoped that this would lift the "heat" off the Hells Canyon site, so that Hells Canyon then could be wrapped up in tinsel and given as a Christmas present to the Idaho Power Co. Happily, there were men interested in the outdoors and in wildlife who did not take this political subterfuge lying down.

At that hearing Mr. C. J. Campbell, representing the Oregon State Game Commission, said that his organization was opposed to the proposed dams on the Clearwater River "against valuable runs of migratory fish." He stressed the fact that "no one knows a way to successfully pass migratory fish both up and down stream past dams of the height of these three."

The Oregon State Game Commission, charged by Oregon law with protecting fish runs of recreational value and importance to Oregon, submitted additionally a formal statement announcing its firm opposition to the proposed dams on the Clearwater and the Salmon Rivers. The statement was as unequivocally against these dams as were other statements by Mr. McKay and Mr. Patterson favorable to these dams.

The difference was this: The game commission was thinking of protecting salmon migrations, but Oregon's Governors, past and present, were thinking of some political alternative which would make it expediently palatable to surrender the Hells Canyon site to the Idaho Power Co.

The game commission pointed out that no fisheries agencies had devised methods of passing fish up and down dams of the height contemplated for the Clearwater River. The commission added:

> Any diversion structure on the Salmon River would require, among other things, screening against downstream migrant fish on a scale never before accomplished.

Let me explain what is meant by that. It may be possible to get migrating adult salmon up and over the high dams planned for the Salmon River by building elaborate and intricate fish ladders. But when the fingerling salmon go downstream on their way to the distant sea they often are swept down and over the roaring spillways—in fact, this occurs most of the time. Drops of the height of the Salmon River projects would kill most of these baby fish by the terrific impact of the fall, thus wiping out the fish runs of greatest value in the Columbia Basin. "Since the Middle Snake area is one of the few remaining strongholds of the Columbia migratory fish runs, all possible effort should be made," urged the Oregon State Game Commission, "to maintain it in status quo until all upstream potentialities are exhausted or until answers to fish passage problems are obtained." And the commission concluded:

> The Oregon State Game Commission does not object to dams per se, but in this instance must oppose the construction of the planned dams in the Middle Snake area until current research has provided the answers to maintaining migratory fish in the face of such structures.

The Oregon State Fish Commission has precisely the same responsibility to

commercial fishing that the game commission has to sports fishing. It reported to the Corps of Engineers:

The Oregon Fish Commission is opposed to the construction of any dams in the Middle Snake area which will block the migratory path of the very valuable salmon and steelhead (trout) runs.

In the Middle Snake area, the principal spawning grounds are, of course, the Salmon and the Clearwater Rivers. Over a decade ago I was assigned to write some articles for such national magazines as the Saturday Evening Post and Harper's about the fish pilgrimages in the Columbia Basin, for these are the most marvelous migrations of this kind on earth. A Chinook salmon may be spawned in a last, lingering headwater of one of the Columbia's remote tributaries, like the Salmon River. Yet that fish, as an adult, will return 5 years later from the Pacific Ocean to lay or fertilize eggs in the exact tributary where it was spawned. This anadromous urge has baffled scientists for decades. Upon that urge depends the continuation of the fabulous salmon runs of the Columbia Basin.

FAMOUS BIOLOGIST WARNED AGAINST DAMMING SALMON RIVER

When I was writing the articles which I have mentioned I traveled to the remote headwaters of the rivers where these fish runs spawn. I also spent many hours talking with one of the greatest biologists this country ever has produced, Dr. Ira Noel Gabrielson, then Director of the Fish and Wildlife Service, now head of the National Wildlife Management Institute. Dr. Gabrielson, one of the illustrious graduates of Oregon State College, constantly emphasized one theme. He said the last of all rivers to be blocked off in the Pacific Northwest, if the fish migrations are to endure, was the Salmon River of Idaho. When this river was plugged, warned he, the valuable spring Chinook runs, which include the tastiest and biggest fish, would possibly be one and the same with the dinosaur and the dodo bird: extinct.

Mr. President, I never have forgotten that. All my advocacies of further power development in the Northwest are predicated upon what Dr. Gabrielson told me: "Leave the Salmon River clear and free for fish pilgrimages, if at all possible." That is why I am a cosponsor of Senate bill 1333, which would build the dam at Hells Canyon, far above the union of the Salmon and the Snake Rivers, and in no way impeding the passage of fish up the Salmon. And that is why I oppose with all the force and vigor at my command the willingness of Douglas McKay and Paul Patterson to circumvent the Hells Canyon project by damming the Salmon and Clearwater Rivers.

I have been concerned for many years with maintaining the spawning grounds in the Salmon River Basin. In the September 13, 1941, issue of the Saturday Evening Post, there appeared an article of mine, entitled "The Great Salmon Mystery." This article, quoting B. M. Brennan, the then veteran director of the Washington State department of fisheries, emphasized the need for keeping open the Salmon River. The article reads in part as follows:

Brennan believes that the next step in the protection of the Columbia salmon runs must be to bring Idaho into a tristate compact with Washington and Oregon for the management of the fisheries in the basin. This has never been done in the past, because the Columbia does not wash Idaho soil at any point, yet the Columbia's largest tributary, the Snake, threads across Idaho for 750 miles. And of the Snake's largest tributary Brennan recently declared: "The Salmon River in Idaho is the only major Chinook salmon spawning ground remaining in the entire upper Columbia River watershed that is generally unaffected by dams, water diversions, pollution, and other hazards to the future abundance of salmon."

Both private and Government dams are athwart the Snake itself, although some of these are above the impassable barrier of Shoshone Falls. Idaho is one of the principal irrigation States and its farmers constantly demand water for their land and kilowatts to pump it there. But the Salmon is a wilderness river and to date its peaks and crags have stood off civilization's encroachments. Along with its various forks, the Salmon flows in chasms nearly a mile deep. It empties into Hells Canyon, where the Snake has trenched a 6,100-foot gash which is the deepest abyss on the continent. Most of the Salmon's course is through the fastnesses of the Nez Perce, Idaho, Challis and Salmon National Forests. No boats, only fish on their way to spawn, have ever traveled the Salmon upstream, and so it is known in Idaho as "the river of no return."

WITH DRAWN SWORDS, IF NEED BE

A graying Scotsman, Hugh C. Mitchell, Oregon's head fish culturist says, "I wouldna be surprised if the Salmon is now the gr-reat spawning spot of the Northwest. We must protect that river with drawn swords, if need be." Keeping the Salmon River open and uncontaminated is a No. 1 order of business among fishermen and wild-life enthusiasts. Federal experts, now surveying this wilderness river, believe it is fully as important from a Chinook propagation standpoint as the main stem of the Columbia. Lloyd Royal, biologist for the State of Washington, contributes the added fact that most of the Columbia River steelhead trout passing Bonneville Dam, and 185,174 did so last year, go up the Salmon to lay their eggs. With these circumstances in mind, the Washington legislature memoralized Congress to appropriate funds at once for the preservation of fish-spawning areas in Idaho.

Mr. President, another article entitled "The Great Salmon Experiment," and published in Harper's magazine of February 1945, quoted the Fish and Wildlife Service as follows:

The piecemeal destruction of the Columbia River spawning grounds has proceeded to such a point that no more tributary streams can be sacrificed if the largest salmon river in the United States is to continue to contribute material to the Nation's food supply.

But fish sanctuaries are not the only reason why I favor Hells Canyon over and above the proposed sites on the Salmon and the Clearwater Rivers, Mr. President.

In my opinion, the Selway-Bitterroot Wilderness Area in Idaho is a great national asset. Untrammeled and untouched, it still beckons to us in our frenzied way of life—it beckons from afar, all the way back to Lewis and Clark and to Chief Joseph. I am opposed to flooding any part of that wilderness area with dams on the Clearwater until every other potential power site in the Northwest has been tapped. The Selway and the Lochsa Rivers unite at the settlement of Lowell, Idaho, to form the Middle Fork of the Clearwater. They are lovely streams—crystal clear, alive with fish, picturesque in setting. I do not want dams or commercial developments here, and neither do 2,000 members of the Coeur d'Alene Wildlife Federation of Idaho.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD a letter to the Corps of Army Engineers from the Coeur d'Alene Wildlife Federation, opposing the Clearwater dams which would destroy scenic and recreational values.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COEUR D'ALENE WILDLIFE FEDERATION,
Coeur d'Alene, Idaho,
November 19, 1953.

CORPS OF ENGINEERS,
United States Army Office of District Engineer, Walla Walla, Wash.:

We, the directors, officials, and members of the Coeur d'Alene Wildlife Federation, do hereby formally protest the proposed construction of storage dams on the tributaries of Snake River, mainly the Salmon and Clearwater Rivers.

The resultant destruction of the fisheries resource that accompanies man-made obstructions in previously undeveloped streams is augmented in this area by the prospects of inundation of vitally needed winter ranges for Idaho's largest elk herds.

Both of these resources would be forever lost to the people of Idaho and others in the United States that travel here to enjoy the unspoiled splendors of this dwindling primitive paradise. The temporary financial reimbursement to the business interests of the Clearwater and Salmon Rivers communities would soon vanish with the completion of these structures which as yet have not been proven necessary or at most vital, in the interests of regional welfare. The wildlife values alone are more than enough argument against these structures. The additional responsibility of maintaining areas for the enjoyment and recreation of many thousands of citizens annually should not be overlooked. The withdrawal of each primitive area, of each recreation spot, merely serves to concentrate the pressure on others. With dozens more dam sites being surveyed it is obvious that the public and private interests will not be satiated until every canyon in the country is blocked—and for what?

In view of the reasons herein set forth, the Coeur d'Alene Wildlife Federation, which represents a membership of 2,000, does forcefully and unalterably oppose all of the proposed storage reservoir sites in the Salmon and Clearwater drainages.

Respectfully yours.

FRANK CULLEN.

ARMY ENGINEERS RECOGNIZE PRIORITY OF SALMON RUNS

Mr. NEUBERGER. Mr. President, even the Corps of Engineers has taken greater cognizance than have ex-Governor McKay or Governor Patterson, of the fish runs to be jeopardized by the Salmon and the Clearwater projects. Listen to these excerpts from the report of the engineers board on the proposed dams:

The district engineer concludes that the Clearwater River is the principal and most frequent flood-producing stream in the Snake River Basin and that floods on this

stream must be controlled. While the Salmon River is the second major flood-producing stream in the area and even exceeds the flood-producing capacity and flood frequency of the Snake River above the Salmon, it is additionally one of the principal spawning areas for salmon and steelhead trout. Its importance to the salmon industry is such that full solution of its flood control and power-generation problems should not be undertaken until proven methods of passing migratory fish past high dams are available. The district engineer, therefore, concludes that no development for flood control or power generation on the Salmon River should be recommended at this time.

Mark well those words of the Engineer Corps, Mr. President. Occasionally the Engineers Corps is spoken of as a cold, harsh organization interested only in pouring concrete across rivers and inlets. Yet the Engineer Corps properly recognize the fact that, despite the vast importance of the Salmon River to power generation and to flood control, its role in the migration of fish is greater still, and that this role must not be disturbed or imperiled. How ironic it is that, while the supposedly cold and impersonal Army engineers demonstrate profound concern for the Salmon's vital fish runs, the past and present Governors of Oregon cavalierly suggest that the Salmon River be plugged with dams, so they will not have to face up to the brutal political issue of public versus private control of Hells Canyon.

I am not afraid to face that issue, however, Mr. President, nor is my senior colleague [Mr. MORSE].

HELLS CANYON DAM ALONE PROVIDES POWER AND FLOOD CONTROL WITHOUT DESTROYING SALMON RUNS OR SCENIC VALUES

In S. 1333 we have proposed the most reasonable and logical compromise for orderly development of the resources of the Columbia basin. At Hells Canyon we will bring into production a huge bloc of perpetual and low-cost hydroelectric power—for farms, for homes, for stores, for factories. We will do so without marring scenic grandeur; we will do so with only a relatively minor adverse impact upon migrating fish. We will push far into the future the time when it may be urgently necessary to scar the Clearwater's wilderness with a dam reservoir or to thrust a concrete barrier in the path of the fish pilgrimages which turn up the Salmon River, thus giving true symbolism to that river's expressive name.

By passing S. 1333, the Congress of the United States will rescue the fish runs of the lower Columbia River—fish runs vital to Oregon—from the desire of the two most recent Governors of Oregon to save Hells Canyon for the Idaho Power Co. by wiping out the spawning beds of those runs on the sources of the Salmon and Clearwater Rivers.

Bernard De Voto, a westerner by birth, one of the most distinguished historians of the West, a winner of the Pulitzer prize for his understanding writings about the West, once conceived a phrase: The West against itself. He was referring to the willingness of certain western public officials to win the favor and support of absentee-dominated financial interests by agreeing to the unwise exploitation of the West's resources, to the detriment of the West's future prosperity. Will that attitude continue to characterize the Republican Party today?

I stand by our bill, S. 1333, calling for a Federal dam at Hells Canyon, a high dam dedicated to multipurpose development. I oppose vigorously the alternative projects recommended by ex-Governor McKay and Governor Patterson across the scenic Clearwater and the fish-filled Salmon Rivers. I believe in my heart that the rank and file members of the Republican Party in the State of Oregon stand wholeheartedly beside us in being unwilling to bail out the Idaho Power Co. with a sacrificial offering of the great Chinook salmon runs of the Columbia River basin.

Mr. HUMPHREY. Mr. President, first of all, I wish to commend the junior Senator from Oregon [Mr. NEUBERGER] and his senior colleague [Mr. MORSE] upon their splendid presentation in behalf of Hells Canyon Dam. I realize the many years of hard work and concentrated attention the senior Senator from Oregon [Mr. MORSE] and, more recently, the junior Senator from Oregon [Mr. NEUBERGER] have devoted to the proposal for this project.

Let me assure the junior Senator from Oregon that although I do not come from a part of the country which would be directly affected by the constructive proposal advanced in the bill jointly sponsored by the senior Senator from Oregon and the junior Senator from Oregon, I strongly support their measure because I happen to be one who believes that what is good for one section of America is good for all sections.

We are indebted to the Senators from Oregon for their constructive and enlightened leadership in conservation and the development of our great natural resources. It is a blessing to the Senate and to the country that we have men of their vision and, let me say also, their persistence and dedication to resource development.

Mr. NEUBERGER. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Minnesota yield to the Senator from Oregon?

Mr. HUMPHREY. I yield.

Mr. NEUBERGER. I wish to thank the distinguished Senator from Minnesota for his kind words. I should also like to say that there is no one who could, in speaking those words, give greater pleasure, I know, to both my senior colleague and myself.

I remember that in 1954, when I was talking to a group of sportsmen in Oregon, they were greatly enthused about the profound interest of the Senator from Minnesota in conservation matters; and they were particularly grateful for his efforts, as I remember, to prevent diversion of the duck-stamp funds, and for his long fight to protect the flyways and the nesting grounds and wildlife sanctuaries which are so important to the wildfowl of the North American continent, which migrate so miraculously each year between the Arctic and the tropics. I remember that those sportsmen, located nearly 2,000 miles from the State of Minnesota, spoke in deep appreciation of what the Senator from Minnesota had done for conservation and wildlife protection, not only in our own country, but also in the entire North American Continent.

Mr. HUMPHREY. I thank the Senator from Oregon.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I am happy to yield to the senior Senator from Oregon.

Mr. MORSE. Mr. President, I do not wish this opportunity to pass without saying a word in regard to the wonderful cooperation and support the Senator from Minnesota [Mr. HUMPHREY] has given me during my years in the Senate when we have had the privilege of serving together.

At this time I wish to say that the distinguished junior Senator from Minnesota has always recognized, as I do, that when we help build the economic strength of any area of the country, we help build the economic strength of the entire Nation. I do not know of a better example I could give of that than the Hells Canyon Dam, because if we build the Hells Canyon Dam, we shall develop the phosphate beds of Idaho and Utah—phosphate beds which, without the availability of cheap power, will remain undeveloped. The development of those beds will reduce the cost of phosphate fertilizer to the farmers in the State of Minnesota from $10 to $20 a ton.

As the Senator from Minnesota knows, the farmers throughout the Midwest need all the phosphate fertilizer which can be developed for them. So that situation is a good example of how helping one section of the country, in connection with an important project, such as Hells Canyon Dam, has a tremendously beneficial effect elsewhere in the country. So when the Senator from Minnesota supports the Senators from Washington and the Senators from Oregon in the Hells Canyon Dam fight, he is really striking very effective blows in defense of the economic interests of the farmers of the State of Minnesota and the Midwest. However, I know that his support of us is not dependent upon that kind of special benefit to his State, but is based upon a philosophical principle, namely, that as Senators we represent in the Senate the Nation as a whole; and when we help the economy of one section of the United States we help the entire United States.

I thank the Senator very much for the wonderful support he has given us in this fight.

Mr. HUMPHREY. I thank the Senator from Oregon.

Mr. MORSE subsequently said: Mr. President, earlier this afternoon my colleague, the junior Senator from Oregon [Mr. NEUBERGER] and I engaged in a discussion of the Hells Canyon Dam issue.

I ask unanimous consent to have printed in the body of the RECORD, immediately following our discussion on that subject, and as a part of the discussion, a series of resolutions which have

been passed in the Pacific Northwest in support of the position taken by the two Senators from Oregon in regard to the Hells Canyon Dam.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LOCAL UNION NO. 942,
UNITED BROTHERHOOD OF
CARPENTERS AND JOINERS OF AMERICA,
Fort Scott, Kans., April 28, 1955.

At a meeting of Local Union No. 942, United Brotherhood of Carpenters and Joiners of America, Fort Scott, Kans., on the above-designated date, a large number of the members of the said union being present, the following resolution was introduced and adopted by unanimous vote of members present:

"*Resolved*, That Local Union No. 942, United Brotherhood of Carpenters and Joiners of America of Fort Scott, Kans., gives its approval to and recommends that the Congress pass Senate bill 1333, by Senator WAYNE MORSE, of Oregon, providing for the erection of a federally financed high dam at Hells Canyon. It is our judgment that the development of river resources is for the best interest of all people."

HENRY E. BROWN,
President.

RESOLUTION OF UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA, LUMBER AND SAWMILL WORKERS LOCAL UNION NO. 2649, RIGGINS, IDAHO, MAY 2, 1955

Whereas there is now pending before Congress of the United States, a bill proposing authorization of a high dam at Hells Canyon on the Snake River; and

Whereas members of this union are primarily interested in the greatest development, for the greatest good, to the most people; and

Whereas we have followed the many arguments put forth by opponents to this project, led by a well-financed and well-organized private monopoly; and

Whereas, such opposition does not give a true picture of public feeling in the issue under consideration: Now, therefore, be it

Resolved, That Lumber and Sawmill Workers Local Union, No. 2649, A. F. of L., Riggins, Idaho, wishes to be placed on record of being in full support of full development of the Hells Canyon site, and urge the enactment of Senate bill No. 1333 for authorization by Congress for the federally financed high dam at Hells Canyon.

Respectfully submitted.

LEONARD J. HAMRICK,
President.
A. J. SARRIUGARTE,
Recording Secretary.

RESOLUTION OF THE MIAMI VALLEY CARPENTER'S DISTRICT COUNCIL OF DAYTON, OHIO

Being aware of the fact that the greatest good for the most people in any given area can only be obtained by Government-sponsored projects, and that Senate bill 1333, which was introduced by Senator MORSE, of Oregon, and sponsored by a large number of other Senators from other parts of our country, has been introduced in favor of a high dam development in the Hells Canyon area: Be it

Resolved, That we, the members of Miami Valley Carpenters District Council of the United Brotherhood of Carpenters and Joiners of America, Dayton, Ohio, go on record as recommending a federally financed high dam, which would develop the full hydroelectric potential of the site; and

Whereas it would provide water for irrigation, navigation, and maximum amount of flood control; and

Whereas we feel that private interests would fail to develop an area which would cover the greater number of possibilities that may be obtained from a project of this manner; and

Whereas the private interests are only interested in skimming off the cream of a development of this source and not interested in the greatest potentiality of the citizens of the surrounding area: Therefore be it further

Resolved, That we, the members of Miami Valley Carpenters District Council and taxpayers of this Nation, go on record in support of Senate bill 1333 and the erection of a federally financed high dam at Hells Canyon.

CENTRAL TRADES AND LABOR COUNCIL,
Kalispell, Mont., May 4, 1955.

DEAR SIR: I am taking the liberty of enclosing a copy of a resolution that has been unanimously approved by the Central Trades and Labor Council, of Kalispell, Mont., and I respectfully request your serious consideration of this resolution.

I believe the resolution is self-explanatory and that the creation of the Hells Canyon Dam will be most helpful now, not only to those in the Pacific Northwest but also to all of the people of the United States.

A copy of this resolution has been forwarded to all members of the Senate Committee on Interior and Insular Affairs, as well as to all members of the House Committee on Interior and Insular Affairs.

Trusting your committee will give this resolution of ours very serious attention, I am,

Sincerely yours,
NOEL M. GIES, *Secretary.*

RESOLUTION FAVORING PUBLIC CONSTRUCTION OF HELLS CANYON DAM

Whereas there has been introduced in the Senate of the United States by the Honorable WAYNE L. MORSE, senior Senator from Oregon, with the cosponsorship of 29 other distinguished Senators, a bill known as S. 1333, to authorize the Federal Government to construct, operate, and maintain a public multipurpose dam, to be known as Hells Canyon Dam, on the Snake River between Idaho and Oregon; and

Whereas the Idaho Power Co. now has pending before the Federal Power Commission a request for authority for private construction of three low-head private electric-power dams on the Snake River at or near the site proposed for the public construction of the multipurpose Hells Canyon Dam, and such private construction would practically prevent the construction of the Hells Canyon Dam; and

Whereas public construction of the multipurpose Hells Canyon Dam promises immense and widespread benefits for industry, agriculture, and individuals in the Pacific Northwest, and the enrichment of our entire Nation, by providing a large supply of low-cost electric power, by aiding flood control, irrigation, soil conservation, and river transportation, and by furnishing new recreational facilities; and

Whereas the Federal Government, through its appropriate administrative agency, the Department of the Interior, is alone capable of developing the greatest remaining multiple damsite in the country for the realization of all the beneficial purposes that are envisioned; and

Whereas in contrast the private construction of three smaller dams by the Idaho Power Co. at Hells Canyon would virtually deprive the American people of the vast benefits to be derived from the public construction of multipurpose Hells Canyon Dam, and would mean immediate gain for one private power company at the sacrifice of opportunities for the future growth and development of private enterprise on a much broader scale: Now, therefore, be it

Resolved, That the Central Trades and Labor Council of Kalispell, Mont., go on record as favoring the immediate enactment of Senate bill 1333 for the public construction of Hells Canyon Dam, as essential for the full development of the rich natural resources of the Snake River Valley, which, without such construction, would be impossible, and as a public undertaking that properly belongs to all American citizens acting in concert through their Federal Government; and be it further

Resolved, That the Central Trades and Labor Council of Kalispell, Mont., is firmly and basically opposed to any grant of authority to the Idaho Power Co. or other privately owned utility to construct electric power dams at or near Hells Canyon, on the Snake River; and be it further

Resolved, That a copy of this resolution be sent to the Honorable JAMES E. MURRAY, senior Senator from Montana and chairman of the Senate Committee on Interior and Insular Affairs; to the Secretary of the Interior, the Honorable Douglas McKay; and to the Federal Power Commission, in order that they may be advised of the position taken by this Central Trades and Labor Council of Kalispell, Mont.

GEORGE H. GOHN,
Chairman.

Attest:

NOEL M. GIES, *Secretary.*

LOCAL NO. 2554, A. F. OF L.,
PLYWOOD AND VENEER WORKERS,
Lebanon, Oreg., May 3, 1955.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

SENATOR MORSE: I am writing this letter as instructed by the labor union I represent, Local No. 2554, Plywood and Veneer Workers, A. F. of L., chartered by the United Brotherhood of Carpenters and Joiners of America, to support bill 1333 in favor of a high dam on the Snake River in Idaho. We have a membership of 836.

Respectfully,

KIZER COX,
Business Agent and Financial Secretary.

MILLMEN'S UNION, LOCAL 550,
UNITED BROTHERHOOD OF
CARPENTERS AND JOINERS OF AMERICA,
Oakland, Calif., May 4, 1955.

JAMES E. MURRAY,
Chairman, Interior and Insular Affairs
Committee, Washington, D. C.

DEAR SIR: At a special called meeting of our local union held April 25, 1955, a motion was passed to request your support of Senate bill No. 1333, introduced by the Honorable WAYNE MORSE, of Oregon, and 29 other Senators, authorizing a Federal dam at Hells Canyon.

The bill proposes a federally financed high dam which would develop the full hydroelectric potential of the site. In addition it would provide water for irrigation, navigation, and a maximum of flood control.

Thanking you for full consideration on this bill, we remain

Respectfully yours,
M. D. CICINATO,
Recording Secretary.

LOCAL UNION, NO. 1697,
UNITED BROTHERHOOD OF
CARPENTERS AND JOINERS OF AMERICA,
Stevenson, Wash., May 5, 1955.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: This local No. 1697 of the United Brotherhood of Carpenters and Joiners of America goes on record that by motion from

the floor and unanimous vote by the body that we as a union are for Senate bill 1333, for Government construction of the high Hells Canyon Dam and full Government development of the Northwest power potential.

Fraternally yours,

FRANK FINCH,
Recording Secretary.

LOCAL UNIONS NOS. 701, 701B, 710A,
INTERNATIONAL UNION OF
OPERATING ENGINEERS,
Portland, Oreg., April 6, 1955.

At the Eleven Western States Conference of Operating Engineers held in Los Angeles in 1953, the delegates representing approximately 40,000 members elected unanimously in favor of the Government building a high Hells Canyon Dam.

L. E. EGAN,
Vice President, Eleven Western States Conference of Operating Engineers.

RESOLUTION OF UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA, LOCAL UNION NO. 684, KALISPELL, MONT., MAY 5, 1955

Hon. WAYNE L. MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: You will undoubtedly recall meeting me in Kalispell in August 1953 at the Montana State Federation of Labor convention.

I was appointed as a committee of one to draw up a resolution for our Central Trades and Labor Council, a copy of which I am enclosing with this letter, together with a copy of a letter sent to each one of the Committee on Interior and Insular Affairs from both the Senate and the House. A clipping from today's local paper is also enclosed.

Since the adoption of this resolution by Central Trades and Labor Council, the Building and Construction Trades Council and the Metal Trades Council have unanimously endorsed this resolution, which I thought might be of interest to you.

If at any time I can be of service to you, do not hesitate to call on me, for I will always be more than glad to assist in anything that I can.

With kindest personal regards to you, I remain,

Sincerely yours,

GEO. H. GOHN,
Business Manager, Local No. 684.

LOCAL UNION NO. 1697,
UNITED BROTHERHOOD OF
CARPENTERS AND JOINERS OF AMERICA,
Stevenson, Wash., May 5, 1955.

NATIONAL HELLS CANYON ASSOCIATION,
Portland, Oreg.

DEAR SIRS: This local 1697 of the United Brotherhood of Carpenters and Joiners of America goes on record that by motion from the floor and unanimous vote by the body that we as a union are for Government construction of the high Hells Canyon Dam and full Government development of the Northwest power potential.

Fraternally yours,

FRANK FINCH,
Recording Secretary.

Whereas after a careful study of both sides of the question of 1 high dam at Hells Canyon, or 3 low dams on the Snake River, as the arguments appeared in the daily press; and

Whereas we have in mind the most benefit to the most people, and after due consideration of both sides of the question, we are convinced that it would not be to the best interest of the majority of the people living in the States of Montana, Idaho, Oregon, and Washington to build three low dams on the Snake River: Therefore be it

Resolved by Kellogg Marsh Grange, No. 136 (Washington) in session the 19th day of March 1955, That we instruct and urge our Senators and Representatives in Congress to work for a high dam on the Snake River at Hells Canyon.

GERTRUDE BRITSCH,
Secretary.
C. A. BRITSCH,
Master.
A. G. ZIEBELL,
R. C. FRANSKIE,
Resolutions Committee.

RESOLUTION OF CARPENTERS' LOCAL UNION NO. 345, MEMPHIS, TENN.

Whereas this local union is located in an area which has known the damage and human suffering caused by flooded streams; and

Whereas its members have seen the great benefits to both workers and property owners from the construction of dams to be used for the development of electric power and also to be used as flood control projects; and

Whereas we believe that the erection of the Hells Canyon Dam will be of like benefit to the territory in which it is located: Now, therefore, be it

Resolved, That this local union go on record as urging the passage of Senate bill No. 1333, and approving of the erection of a federally financed high dam at Hells Canyon; be it further

Resolved, That a copy of this resolution be sent to the National Hells Canyon Association, Senators and Congressmen from Tennessee, and to Senator JAMES E. MURRAY, Chairman, Interior and Insular Affairs Committee, with the plea that these persons use every honorable means to accomplish the passage of Senate bill No. 1333.

Respectfully submitted.

H. WELCH,
H. A. KELLUM,
C. N. HAINES,
J. R. GREEN,
H. E. BLACKMAN.

Adopted by Carpenters' Local Union, No. 345, April 15, 1955.

LA GRANDE, OREG., *May 11, 1955.*

GENTLEMEN: In order for your committee to be advised of the position of Lumber and Sawmill Workers, Local Union, No. 2851, which is made up of some 300 men working in the lumber industry in the city of La Grande, Union County, Oreg., we wish to submit for the record the following resolution as directed by action of our local membership:

"Whereas there is before Congress a bill for authorizing Federal construction of a high dam in Hells Canyon on the Snake River; and

"Whereas the members of our union are much concerned about proper development and use of our water resources; and

"Whereas the future economy of this area will depend on an abundance of hydroelectric power, sold at a rate which will encourage enterprise; and

"Whereas any program which provides less than full development of the Snake River Canyon is not in the best interest of this or future generations; and

"Whereas all private power schemes so far proposed will make power come at a high cost and fall far short of making full use of the water resources by failing to provide maximum flood control and storage which would help downstream generators: Now, therefore, be it

"*Resolved,* That we urge your committee and the Congress to do everything within its power to secure passage of Senate bill 1333 at the earliest possible date, for we cannot afford to allow these water resources to be wasted or only partly developed at this time, leaving the future generations with the mistakes to correct."

Very truly yours,

LOCAL UNION, NO. 2851, LUMBER AND SAWMILL WORKERS, A. F. OF L.
WARREN E. CARROLL, *President.*
JACK BROWN, *Recording Secretary.*

RESOLUTION OF WILBUR GRANGE, NO. 798, PATRONS OF HUSBANDRY, FAVORING THE BUILDING OF HELLS CANYON DAM

Whereas bill S. 1333 authorizes Federal construction of a high dam at Hells Canyon; and

Whereas we favor the building of a high dam at Hells Canyon; we urge that fish ladders be built at the time of construction of Hells Canyon Dam: Therefore be it

Resolved by Wilbur Grange, No. 798, meeting in regular session this 26th day of March, That we favor bill S. 1333 and urge our Congressman to support the bill, S. 1333.

Adopted by Wilbur Grange, No. 798, at Wilbur, Wash.

EUGENE BAHR, *Master.*
LILLIAN RETTKOWSKI,
Secretary.

SEATTLE, WASH., *April 19, 1955.*

NATIONAL HELLS CANYON ASSOCIATION,
Portland, Oreg.

DEAR SIRS: Shipwrights, Ship Joiners, and Boat Builders, Local 1184, United Brotherhood of Carpenters and Joiners of America, at their regular meeting on April 15, 1955, unanimously went on record in support of Senate bill 1333, providing for a Federal-built dam at Hells Canyon.

Our membership is fully aware of the necessity of this project in order that the fullest possible use can be made of the natural resources of the Northwest.

Sincerely,

JOHN B. WIGEN,
Business Representative.

LOCAL UNION NO. 2785,
LUMBER & SAWMILL WORKERS,
The Dalles, Oreg., April 21, 1955.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR: This is to certify that local No. 2785 of the Lumber & Sawmill Workers of this city as well as those throughout the Northwest heartily endorse the introduction of your Senate bill 1333 for the construction of Hells Canyon Dam.

We will constantly be with you and your coworkers in your vigilant fight until its construction becomes a reality.

Yours respectfully,

ARTHUR V. MEANS,
President.
ELMER J. EDGERTON,
Secretary.

RESOLUTION OF LUMBER & SAWMILL WORKERS LOCAL, NO. 3050, SALEM, OREG.

Whereas Hells Canyon represents the last great natural dam site in the Nation; and

Whereas the McKay proposal would turn the dam site over to private utilities; and

Whereas by turning the dam site over to private utilities, the full possibilities of the site for navigation, irrigation, and flood control would be lost forever; and

Whereas there is much to be done on flood control on all the Nation's major rivers and, if left entirely to the Federal Government, the full potential of said major rivers could be utilized; and

Whereas what happens at Hells Canyon will have a great bearing on how these resources will be developed: Therefore be it

Resolved, That Lumber and Sawmill Workers Local, No. 3050, go on record as favoring

a Government-built dam at Hells Canyon; and be it further

Resolved, That the United States Government keep full control over all rivers and streams.

Respectfully submitted.

WILLIAM C. BARNWELL,
President.
HARRY LEUPINGER,
Recording Secretary.

RESOLUTION OF COLUMBIA COUNTY POMONA GRANGE, RAINIER, OREG.

Whereas a bill authorizing the construction of a high Hells Canyon Dam has been introduced in Congress; and

Whereas we believe that in order to have an integrated power system of maximum value that this dam be constructed as called for in this bill, for the following reasons:

First. That it will tie in with the Northwest power pool to insure needed power for this area, and for national defense; and

Second. That it will serve as a large storage basin, thereby helping to regulate an even flow of water right on down through the Columbia chain of power dams and proposed dams, serving to increase the output of each dam and make a steady and greater power supply that cannot be had by any other means; and

Third. That it will help to supply cheap power for agriculture and industry and encourage industry, and make jobs for thousands and thousands of people, these added industries, this added payroll, added homes, and all other benefits all building a foundation on a substantial basis for securing added tax money for the operation of Federal, State, and county governments; and

Fourth. That it will be developing a natural resource by the people and for the people who own it, and will pay a return to all the people, eventually paying back the full cost of construction, and thereafter be a financial source of income for governmental operation; and

Fifth. That we know from past experience the value of a liberal supply of power at a low cost, and realize the last war could have had a different ending for America, had it not been for the speedy output of boats and war materials, all of which was directly dependent on our supply of low-cost power in the Northwest; and

Whereas we realize that our Congress will be under pressure, and at the point of focus of the highest paid, most powerful lobby in America, and feeling that our congressional delegation are in need of home support for this measure: Therefore be it

Resolved, That we, of the Columbia County Pomona Grange, urged the passage of the above-said bill.

The above resolution was approved at a regular meeting of the Columbia County Pomona Grange, held May 7, 1955, at the Vernonia Grange hall.

WALTER I. TRACY,
Master.
ELSIE E. TRACY,
Secretary.

LOCAL UNION NO. 3091,
UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA,
Vaughn, Oreg., May 23, 1955.

Senator WAYNE L. MORSE,
Senate Office Building:

DEAR SIR: It was moved at our last meeting that I be authorized to write you asking you to support the Gore bill, S. 1048, and bill 1333, in support of a high dam in Hells Canyon.

Respectfully yours,
L. D. MONTGOMERY,
Recording Secretary.

P. S.—If you can, would you please put me on your mailing list?

Thank you. L. D. M.

LOCAL NO. 2597,
LUMBER AND SAWMILL WORKERS,
Portland, Oreg., May 20, 1955.

Senator WAYNE L. MORSE,
United States Senator from Oregon.

DEAR SIR: Local 2597, Lumber and Sawmill Workers Union of Portland, Oreg., has instructed me to write you and tell you that we are fully in accord with the construction of a multipurpose high dam federally financed at the Hells Canyon site.

Sincerely yours,
JOSEPH OLIVER,
Recording Secretary.

SAFEGUARD OUR RESOURCES

"Whereas redtape, delay, and filibuster tactics by FPC, Department of the Interior, and others, and in our minds with the assistance and influence of the Power Trust lobbies' free and excessive spending of money, has resulted in a serious situation which affects the Northwest and the Nation as a whole; and

"Whereas that we join with the vast majority of the people that believe we are beyond the point of being satisfied with wishful thinking and are firmly convinced that it is high time for action that will authorize and instigate construction of the high Hells Canyon Dam; and

"Whereas that we are disgusted with the delay and seeming inclination of the FPC to favor 1 or more of 3 dams to be constructed by the eastern-controlled so-called Idaho Power Co.; and

"Whereas that we believe it is high time to demand protection of our future demands in order to develop industry, produce phosphate products, provide for development facilities that will be in the interest of our national security and our national economy; be it further

"*Resolved*, That we certainly see this high Hells Canyon Dam construction as a vital necessity in protecting and increasing the downstream power potentials; and be it further

"*Resolved*, That there is no justification in providing private profit at the expense of proper and full development of natural resources which rightfully belong to the people."

Directed by Pierce County Pomona Grange, No. 16, in regular session, May 14, 1955.

FRANK SMALANLER,
Master.
LUCILLE OCKFEN,
Secretary.

P. O. Box 243,
Lebanon, Oreg.

RESOLUTION

Whereas the State Grange of Oregon and the Linn County Pomona Grange have repeatedly announced their support of a federally constructed dam at Hells Canyon, and their opposition to the partnership plan; and

Whereas our Senators, WAYNE MORSE and RICHARD NEUBERGER, and our Congresswoman, EDITH GREEN, have worked hard to carry out the known wishes of the Grange in these matters, often in the face of hostile comment: Therefore be it

Resolved by Linn County Pomona Grange, No. 12, That we do appreciate and uphold our Senators and Congresswoman for their efforts in behalf of a federally erected Hells Canyon Dam, and that the Secretary of Linn County Pomona Grange be instructed to transmit this resolution to each of our Senators and Congresswoman GREEN.

Resolution adopted May 19, 1955.

LINN COUNTY POMONA GRANGE,
G. R. TRUAX, *Master,*
WENONAH WILEY, *Secretary.*

DESCHUTES COUNTY
POMONA GRANGE, No. 25,
ROUTE 2,
Redmond, Oreg.

Whereas a bill authorizing the construction of a high Hells Canyon Dam has been introduced in Congress; and

Whereas we believe that in order to have an integrated power system of maximum value that this dam be constructed as called for in this bill, for the following reasons:

First. That it will tie in with the Northwest power pool to insure needed power for this area, and for national defense; and

Second. That it will serve as a large storage basin, thereby helping to regulate an even flow of water right on down through the Columbia chain of power dams and proposed dams, serving to increase the output of each dam and make a steady and greater power supply that cannot be had by any other means; and

Third. That it will help to supply cheap power for agriculture and industry and encourage industry, and make jobs for thousand and thousands of people, these added industries, this added payroll, added homes, and other benefits all building a foundation on a substantial basis for securing added tax money for the operation of Federal, State, and county goverments; and

Fourth. That it will be developing a natural resource by the people and for the people who own it, and will pay a return to all the people, eventually paying back the full cost of construction, and thereafter be a financial source of income for governmental operation; and

Fifth. That we know from past experience the value of a liberal supply of power at a low cost, and realize the last war could have had a different ending for America, had it not been for the speedy output of boats and war materials, all of which was directly dependent on our supply of low-cost power in the Northwest; and

Whereas we realize that our Congress will be under pressure, and at the point of focus of the highest paid, most powerful lobby in America, and feeling that our congressional delegation are in need of home support for this measure; so, therefore be it

Resolved, That Sixes Grange go on record as heartily supporting this Hells Canyon bill, and that we forward copies of this resolution to Senators WAYNE MORSE and RICHARD NEUBERGER and to Congressman HARRIS ELLSWORTH, requesting their undivided support of this bill, and also that a copy of this resolution be sent to every Pomona Grange in the State of Oregon, requesting their support.

ALBERT BRITTON,
Master, Sixes Grange.
FRANK NORRIS, Jr.,
Secretary, Sixes Grange.

Adopted by Deschutes County Pomona Grange, No. 25, while in regular session May 14, 1955.

HOMER H. BROWN, *Master.*
HELEN H. BROWN, *Secretary.*

ORDER FOR RECESS UNTIL 10 O'CLOCK A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it take a recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

Mr. HUMPHREY. Mr. President, the unfinished business before the Senate is the foreign-aid program, better known as the Mutual Security Act of 1955. I wish to invite the attention of my colleagues to the very fine report which was prepared by the Senate Committee on Foreign Relations, with the assistance of its competent and expert staff. The report discusses the pending legislation, namely, the authorization, Senate bill 2090, for the foreign-aid program for the coming fiscal year. It gives documentary evidence of the urgent need for the continuation of this particular endeavor on the part of our Government.

I also urge that careful attention be paid to the breakdowns of the various amounts authorized, and to the many graphs and charts in the report.

I suppose the American people often ask themselves the question, "When will the program of foreign aid by the Government of the United States come to a halt?" Our people have paid heavy taxes, and our Government has expended literally billions of dollars in a program known as mutual security.

The answer to the question as to when we shall be able to halt our efforts in the field of foreign aid is pretty much predicated upon the condition of the world in which we live. We in the United States have an unusual responsibility in the present situation of world affairs. We are literally the leaders of the free nations and free peoples of the world. We have not sought this leadership; we did not conspire to have the mantle of leadership fall upon us; but, whether by divine destiny or by accident, the fact is that we are world leaders, and we have a grave responsibility for peace, security, and freedom in the world.

But, Mr. President, I have always felt that we should look upon our mutual security program, in all its aspects, not as a means of charity, not merely as a means of assistance to other people. It is essentially self-defense. We Americans need to understand that the Communist conspiracy is worldwide in scope, and is held together and directed by a worldwide apparatus. It is entirely impossible to meet the threat of international Communist aggression and subversion by considering only those things which are immediate or within the confines of our own geographical and legal jurisdiction. We cannot meet a worldwide conspiracy by parochial and provincial programs and attitudes. If democracy is to survive in this world, it must also have a worldwide program. If democracy is to progress, if the areas of freedom are to be extended, we in the areas of democratic living, in the areas of free nations, must have a coordinated, comprehensive program which touches every area of the world.

We have been designing that kind of program for the past several years. Since the end of World War II our Government has taken on increasing responsibilities in the field of international cooperation and international relationships. We have had to rebuild our own military defenses. We had to assume the terrible responsibility of halting Communist aggression in Korea. We had to step into the breach, so to speak, in the Mediterranean, at the time of the Greek-Turkish aid program. We had to meet the threat of Communist and Soviet imperialism in West Berlin when Berlin was cut off from the free world. We have had to organize collective security pacts, regional organizations for common defense. We have done this in the North Atlantic Treaty Organization, the Rio Pact, and the Southeast Asia Collective Defense Treaty. We have created a fabulous network of alliances which lead toward collective security.

Mr. President, I believe the best test and the best means of measurement of the success of what we have been doing is to look at what is now happening in the world. The Soviet Union today is indicating, at least outwardly, that it is deeply concerned about Western World strength. The Soviet leaders are at least outwardly expressing a desire to talk and to negotiate. In my humble judgment, none of these happenings would have taken place had we not created conditions of strength and areas of strength. There is no way of meeting communism except by being fortified with economic, diplomatic, military, political, and moral strength.

I should like to quote from the committee report at page 6:

> The positive results of these past programs are impressive. Western Europe has been rehabilitated economically. It has been strengthened militarily. Communist aggression has been checked in the Far East, and the basis for the further generation of military strength in that area has been laid. There is every reason to expect that the Asian economic phase of the program will be as successful and as beneficial to the United States as the preceding phases. The American people can well be proud of the determination with which they have followed their enlightened self-interest since World War II. The results now provide convincing refutation of criticisms that the program was a giveaway, a pouring of American wealth down foreign ratholes.
>
> These results, in fact, are the strongest argument for vigorous continuation of the program. It is certainly unwise to abandon a policy that is paying dividends.

This program has paid dividends, Mr. President. I speak specifically of the mutual security program. It has paid dividends to the American people by stimulating our own industry, our own production, and our own distribution. It has paid dividends to the American people by challenging our own imagination, our own inventiveness, our own ingenuity. It has paid dividends to the American people by bringing us into closer contact with the other areas of the world and by bringing people closer together in mutual understanding and mutual respect.

It has paid dividends in many other ways. It has paid the great dividend of serving notice upon the totalitarian nations that the American people will not stand idly by and see areas of freedom crushed and absorbed.

Therefore I stand here today, as a member of the Committee on Foreign Relations, to support vigorously S. 2090, the Mutual Security Act of 1955. I realize that there may be those who will find some weaknesses here and there in the bill. There will be honest differences of opinion. There will be differences with respect to funds which are authorized for different areas of the world, and with respect to functions under the program. However, I will not be in any way diverted by such details from my own overall support of the mutual security program.

The truth is that after several years of operation under this program we have each year more carefully pieced together a workable program. We are doing everything in our power to protect the integrity of the program in terms of the personnel that operate the program, as well as in the use of the funds made available.

A moment ago I mentioned the fact that we had been confronted with many challenges. As an American I am proud that we had the fortitude and courage to meet those challenges. While there were many doubting Thomases and while there were many who thought more of their own pocketbooks, their current checking accounts, and their current bank balances, I am glad there were more Americans who were willing to place principle above the dollar sign, and that the majority of Americans were willing to place security and safety and the protection of their country and its relationship to the rest of the world above their current or temporary leisure.

We met the threat in the Mediterranean, and as a result Greece and Turkey today stand as powerful allies and free nations. We met the threat of Communist aggression in the encirclement of Berlin, and today Western Germany stands as an ally of the United States. Those who were vanquished and defeated we treated in a spirit of kindliness and compassion and friendship, and today our two former enemies, Germany and Japan, are, in fact, real allies of the Western Free World and of the United States.

By doing good deeds and by standing on right principles, we have been able to get positive results. Let us consider Italy, for example. For years she was under Fascist control, and was literally led to destruction by a Fascist dictatorship. We helped Italy, and so did other countries, particularly through some of the agencies of the United Nations. We helped Italy regain her own self-reliance, her own self-confidence, her own self-respect. Only recently we were privileged to have visit in America the Prime Minister of Italy, who was graciously and enthusiastically received by the American people.

Therefore, if we look at this program in the main and in its totality, we realize that it has led to constructive results in the interest of world peace and world security.

What I have said should not lead anyone to believe that the task is completed, I do not believe there are any immediate answers to complex problems. I do not believe there is any panacea or any cure-all for the great economic, political, and moral ills which confront the world today. As one United States Senator, I do not believe there will be any quick or easy or cheap answer to Soviet aggression. There is no simple answer to

aggression in all of its economic, political, and ideological ramifications, or to the subversion that comes with communism.

Therefore, it is all the more necessary for us to support a continuation of the mutual security program. I think we Americans must gear ourselves and our economy for the long pull. We must be prepared constantly to reevaluate what we do, but to have an objective in mind, namely, to roll back the tide of world communism by the use of our economic power and our political power and our great heritage of political independence and liberty.

Many people believe that the holding of conferences may ease the tension. That is possible, but the holding of conferences will not immediately lead to the solution of the difficulties. That is all the more reason we need to continue what we have been doing. We could not make a greater mistake or a more tragic error in international policy than to weaken our military defenses at this hour or to weaken our mutual security program at this hour, or in any way to limit or restrict or weaken our foreign policy. If there ever was a time when our Nation must have its full strength, ready and mobilized and at work, it is in the summer, fall, and winter months of the coming year. It will be a period when great decisions will have to be made; and in such a period our leadership must be prepared and equipped with the full support of the American people, with proper legislative enactments, with an understanding and responsive public attitude, and with a willingness on the part of the American people to make any sacrifices which may be necessary. Thus our leaders can be sure of making the right decisions at the right time.

I have been reading some comment in the press and I have received many letters which have indicated to me that, in light of the fact that the Soviet Union and its leadership seem to be a little more peaceful, at least in their statements, and that the Soviet Union seems to be having some internal troubles, perhaps now we could relax; and possibly we could cut the costs of Government.

Mr. President, if we were to fall into that trap we would be guilty of gross dereliction of public duty and public responsibility. Frankly, the authorizations under the Mutual Security Act are not what we might call Government expenditures or Government costs. They are costs or expenditures for the common defense of this land of freedom and the other areas of freedom throughout the world. I think we should look upon the program we are now considering as an investment in our future, as an investment in the ultimate emancipation of mankind, as an investment in the creation of more wealth, and of better standards of living throughout the world, because, as I proceed to discuss the program in some detail, I think it will be revealed that the major portion of it is dedicated to economic rehabilitation and to better social standards throughout the world, to helping those who cannot help themselves, to improving markets throughout the world. I believe the dollars we put into the program represent the best investment we can make in expanded commerce.

How often do we hear it said that we should have more trade with other people? Mr. President, we cannot trade with impoverished people. The beginning of trade is to build up the economic climate in the poor nations so that they will have the means to consummate trade. We have our great industrial system and our great agricultural industry which can produce goods not only in fantastic quantities, but of high quality. We are looking for markets throughout the world. Where will new markets be found for American agricultural products and for American industrial commodities? They will be found in Asia, in Africa, in the Near East, where millions and millions of people live. It seems to me to be quite elemental and, basically, quite fundamental, too, that for new markets for American commerce we should look to the areas where there is such great need and where there is tremendous capacity for absorption of goods and services.

Mr. President, we have recently passed a reciprocal-trade bill. The bill is still in conference, but it will be back for us to take final action upon it, and the President will sign the bill. The reciprocal-trade program is no better than the amount of trade consummated under its terms.

I look upon the Mutual Security Act of 1955 as a further investment in the expansion of world trade. If it has the will and the ingenuity, which I am sure it possesses, the United States of America will be able to get its fair share of this new-found commerce and this new-found economic activity.

Let me, therefore, Mr. President, direct my attention, first, to the European aspects of the pending bill. As they review the record I would call to my colleagues' attention the fact that the report on the bill gives descriptive information and detailed analyses.

Let us take, for example, the European sector. I am happy to be able to state as one member of the Senate Committee on Foreign Relations that this bill does not include a great deal of money for Europe. This is, I would say, one of the finest tributes to the effectiveness of what has been taking place. Western Europe is already producing above prewar levels. It is enjoying a boom. Western Germany, which was laid waste as the result of World War II, is again on the economic march. The French, the British, the Belgians, the Dutch, the Danes, and the Norwegians, citizens of countries which have been allied or joined with us are today making unbelievable economic progress and experiencing great economic growth.

So, Mr. President, our program for Europe in fiscal 1956 is authorized in the sum of $95 million. That is a far cry from the days when we talked of European economic aid in figures of three or four billion dollars.

I have had the privilege of serving only one full term in the Senate, but I can recall that in the second year of my first term we were then discussing an economic-aid program for Europe for 1 year which ran well over $4 billion. Today Western Europe is getting back on its feet, standing its own ground; and the very fact that European nations speak up and make their own decisions and even disagree at times with their friend, the United States of America, is a sign of good health.

I have always looked upon the political independence and willingness of European nations to say what they feel, and of their leaders to express their own point of view in recent months and recent years, as the best sign of our times. It clearly demonstrates that they now feel strong again after the terrible tragedy of World War II.

What does the $95 million for Europe encompass? First of all, there is $4 million for what we call direct-forces support. That is aid directly for the maintenance of troops.

There is $70 million for defense support. This money is to be used to back up the military supplies and the military strength created in Western Europe.

Then there are what we call joint-control areas, representing an outlay or an authorization by our Government of $21 million.

Let me break down the direct-forces support, Mr. President. Four million dollars is authorized for direct-forces support. This goes to Yugoslavia for common-use items such as aviation fuel, for consumption by the military forces.

I think it is to the credit of the United States, at least from what I read in the newspapers, that Marshal Tito, of Yugoslavia, is not acting as a satellite of the Soviets. We shall, of course, look over very carefully any reports which come from the conference between the Soviet leaders and the Yugoslavian leaders. But under this proposal we are contemplating for the fiscal year 1956 an expenditure of $4 million in direct-forces support in Yugoslavia where there are more than 30 divisions of trained troops essential for Western European collective security.

I remind my colleagues, Mr. President, that Yugoslavia has joined with Greece and Turkey in a further alliance to strengthen Western Europe and the Mediterranean area against Communist or Soviet aggression.

For defense support in Europe there is authorized $70 million. Of this amount, $28 million goes to Spain and $36,500,000 to Yugoslavia. For a technical-exchange program in Western Europe, $5,500,000 is authorized.

Let me describe for a moment what we mean by defense support, using Spain, for example, with the $28 million allocated to her.

As the committee report outlines, in Spain the principal emphasis will be upon the improvement of transportation facilities, particularly railroads; upon the development of thermal power sources, to supplement hydroelectric facilities which are affected by drought; and upon an agricultural program likewise aimed at reducing the effects of drought areas. The principal compo-

nents of the Spanish program are as follows:

	Millions
Improvements in railroad lines supplying joint military bases	$6.9
Transmission lines and substation and switchgear for the power industry	6.0
Irrigation and reclamation equipment to make possible resettlement of underemployed agricultural workers	5.0
Imports of United States cotton	5.0

Of the local currency counterpart of $26 million, 60 percent will be used for local currency costs of the United States base construction program. As is well known, the United States is establishing some large military bases in Spain as a part of our Western defense system.

Ten percent of the local currency counterpart will be used for general United States purposes, and 30 percent of the funds will be used for agreed projects in transportation and defense production.

I think the money which the United States is placing in the Iberian Peninsula as a part of the common defense of Western Europe is money well expended. I call the attention of the Senate to the fact that a large amount of American surplus agricultural commodities has been utilized in Spain, to the benefit of the Spanish people—and a fine and noble people they are—and to the equal benefit of collective security in the construction of the bases and military equipment in the Spanish defense system.

Referring back to the Yugoslav defense support, I mentioned the figure $36.5 million. I have gone into this detail because I believe the American people deserve to know what the money is intended for. In the Yugoslav program, $1 million is planned for technical exchange; $35.5 million is planned for commodity imports, the most important of which would be bread grains, chiefly wheat. For that item, $11 million is planned.

For cotton, $5.5 million is intended; and for machinery and vehicles for eliminating transportation and industrial bottlenecks, $7 million.

I think it is interesting to note that those commodities will come from America. So not only will we help strengthen the Western European security, but also we will utilize the production of the farms and factories of the United States in a very constructive manner.

Speaking further of defense support in Europe, I mentioned that $5.5 million was planned for technical exchange on a regional basis. This money is to be used primarily to promote economic expansion through the development of improved management techniques, the encouragement of competitive business practices, and the promotion of improved collective-bargaining practices.

We have directed the Department of State and the Foreign Operations Administration to do these things: To emphasize free collective bargaining and the development and encouragement of the free trade-union movement; to emphasize the growth of private industry in the countries of Western Europe; and also to emphasize the importance of modern management techniques.

So the $5.5 million will be used primarily in this particular area of activity.

I point out that the technical exchange program carried on under the Mutual Security Act in Europe and elsewhere, and the exchange of persons programs carried on under the Smith-Mundt and Fulbright Acts are not exactly identical; they are separate programs to themselves. Both the purposes and methods of these programs are different. In view of the fact that the mutual security program is now to be administered by the State Department, which also administers the Smith-Mundt and Fulbright programs, it becomes more important than ever that this distinction be kept firmly in mind.

Finally, I mentioned some $21 million for assistance in joint-control areas. This item is related primarily to assistance for Berlin, but it also includes a small technical exchange program in Austria.

I shall make no further comment upon the European aspects of the mutual security program, because it is one of the minor points of the bill.

I should like to direct my attention now to the important aspect and the important part of the bill, namely, the Asian program.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield for a unanimous-consent request, with the understanding that what transpires will appear at the conclusion of his remarks?

Mr. HUMPHREY. I am glad to yield upon that understanding, and also because I have now reached a new topic in my speech.

(At this point Mr. HUMPHREY yielded to Mr. JOHNSON of Texas, who moved the consideration of the bill (H. R. 5559) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and the bill was considered and passed.

(On request of Mr. JOHNSON of Texas, and by unanimous consent, the proceedings relating to H. R. 5559 were ordered to be printed in the RECORD following Mr. HUMPHREY's speech.)

Mr. HUMPHREY. Mr. President, I wish to direct my attention for a moment to the sections of S. 2090 which relate to programs in the Asian area.

The total nonmilitary program for Asia under the Mutual Security Act of 1955 amounts to $1,451,000,000. Needless to say, this is a very substantial sum of money.

Of the $2,130,000,000 authorized by the bill for programs other than military assistance, $1,451,000,000, or 68 percent of the entire amount, is for Asia.

This amount consists of:

Direct forces support, $285,700,000.

Defense support, $827,800,000.

Development assistance, $71 million.

Technical cooperation, $66,500,000.

President's Fund for Asian Economic Development, $200 million.

Furthermore, Mr. President, I should note that some of the funds appropriated to United Nations agencies will undoubtedly be utilized, in large part, in the Asian area.

One might ask, first of all, what we mean by the Asian territory, or what we mean by Asia, since there are parts of Asia under Communist domination.

As the committee report points out, Asia means the territory from Afghanistan on the west eastward across south Asia to Vietnam and Indonesia and northward to Japan and Korea.

It has a population of approximately 771 million, or about one-third of the total population of the world, and it has an average per capita gross national product of $105, compared to $148 in the Near East and Africa, $300 in Latin America, and $2,200 in the United States.

I mention these per capita gross national product figures, Mr. President, because earlier in my discussion I pointed out that I felt this program was really a long-term investment in better commerce and better trade. I think it becomes pretty obvious that if the per capita gross national product in the Asian area is only $105, we are going to have some difficulty stimulating the kind of foreign trade American industry and agriculture need. Therefore, we propose to use the mutual security program to buttress, to strengthen, to enlarge, and to enrich the economies of these areas or countries in the Asian region, and thereby not only strengthen them against Communist subversion and infiltration, but also strengthen them in terms of trade or economic relationships with other nations, particularly the United States of America.

Other facts pertaining to the Asian area will indicate the importance of this program. The Asian area has some of the world's greatest and richest natural resources, particularly such strategic items as tin, rubber, oil, and manganese. This area is the source of 32 percent of United States supplies of chromite, 37 percent of United States supplies of manganese ore, 69 percent of United States supplies of tin, and 22 percent of the supplies of tungsten.

The Asian area has the world's longest common boundary with the Soviet Union and Communist China, and it is currently the primary target of Communist infiltration, subversion, and military pressure.

I wish to emphasize that particular observation because I am firmly convinced that although we may have a period of so-called relaxed tensions between the Soviet Union and the United States and other countries, yet the objective of the Soviet Union and of world communism remains the same, namely, to take over area after area, nation after nation, and region after region throughout the world. I have cautioned the Senate before, and in doing so again, I hope at least to express a word of advice, namely, that as we negotiate—and that we will—we should recognize that the design of world communism is to move into areas of the world where conditions are inviting. The conditions which are conducive to Communist growth are certainly to be found in the most fertile and most elaborate form in

the Asian and African areas. Given the characteristics of those areas, namely, poverty, political inexperience, and military weakness which is underlined because of the nearness of Communist power, the surprising thing is not that those areas are in difficulty, but, rather, that they are not in a state of chaos. I think we would do well to look at these areas and really feel somewhat gratified that conditions in them are not much worse than they are.

Frankly, Mr. President, many of the new nation-states in Asia have been making considerable progress. In fact, in light of their difficulties and problems, their progress is nothing short of phenomenal.

Nationalism is one of the new dominant forces in the Asian area. If that nationalism is directed into channels of constructive good for the people of the countries concerned, it, too, can be a psychological force in behalf of the freedom, independence, and liberty of the people.

At this point let me direct my attention to a breakdown of the $1,451,000,000 authorized in the pending bill for the Asian regions of the world.

Mr. President, I have used before the terms "direct forces support." By that is meant direct aid to military forces. The bill authorizes $285,700,000 for direct forces support in Asia. That will be distributed as follows: To Pakistan, $20 million; to Formosa, $37 million; to Korea, $180 million; to the Philippines, $2,300,000; to Thailand, $8,200,000; and to Cambodia, Laos, and Vietnam, $38,200,000—making a total of $285,700,000. This assistance will be administered by the Department of Defense, and will be given directly to the military forces of the countries concerned.

I am sure we recognize that some of these countries are associated with us in the Southeast Asia Collective Defense Treaty. Surely we have made a strong commitment to Formosa. Surely we have an obligation and a commitment to Korea; and surely we have a keen and a paternal interest in a nation such as the Philippines. I imagine that in recent days all of us have recognized the importance of military strength in the areas of Indochina which are still in free hands, namely, Cambodia, Laos, and Vietnam. So, Mr. President, I repeat that of the total amount authorized by the bill, $285,700,000 is for direct forces support in Asia.

The next item is what we call defense support, and for it there would be authorized the sum of $827,800,000.

Mr. President, I have heard many persons say they believe the bill places far too much emphasis upon military aspects. At first glance and on cursory reading, one would think so. But I call attention to the fact that the $827,800,000 proposed to be authorized for defense support, is essentially money which will be used to strengthen the fabric of the economy of these countries. The money will not be used for guns and munitions, as such. Instead, the money will be used for the improvement of the industrial base and the agricultural base, and to promote the health of the economy of these countries. Many of these countries are being called upon to raise large contingents of troops which would overtax their financial resources. Therefore, our defense support funds are to be utilized to add extra strength to the countries which are associated in common defense and collective security.

More than three-fourths of the total proposed for defense support for Asia is for Cambodia, Laos, Vietnam, and Korea. I certainly believe that those countries are entitled to our support as they struggle to maintain themselves independent and free. If anyone thinks this item extravagant, I ask him to think in these terms: What would be our position, and how costly would it be for us, if all of Vietnam, Korea, Cambodia, and Laos were to lose their freedom?

We often hesitate to think in terms of alternatives. Too frequently we think only of the direct cost involved. In this instance, the direct cost will be $827,800,000. That is a substantial sum of money; but, Mr. President, I respectfully suggest that the loss of South Vietnam, the loss of South Korea—for whose freedom and independence more than 30,000 Americans gave their lives—or the loss of the associated states of Cambodia, Laos, and Vietnam, in the Indochina area, would be a great tragedy to the United States of America, both from the point of view of political prestige and from the point of view of the strategic defense of the United States of America, and particularly from the point of view of our economic welfare. So the amount of money requested to be authorized in this instance is not at all extravagant; in fact, it may be an irreducible minimum.

I stated that the money would go into what I consider to be constructive and productive uses in the economies of these countries. For example, imports estimated to be financed through Korean defense support or direct forces support funds include raw cotton, $40 million; fertilizer, $61 million; petroleum, $47,200,000; coal, $34,800,000; machinery and vehicles, $52 million; and clothing, $85,200,000. These are items that country needs.

Of course, Mr. President, what happens in Korea is also happening in Pakistan, the Philippines, Formosa, and Thailand, where great quantities of foodstuffs and fiber and other materials are needed for the care and the welfare of the people.

The item in the bill which constitutes direct economic assistance, but without any title to it which could in any way deceive or in any way be misinterpreted, is what we refer to as development assistance. The development assistance component of the Asian-aid program amounts to $71 million, of which $70 million is for India, and $1 million is for Nepal.

The development assistance recommended for India, under the provisions of this bill, has been carefully planned in light of the fact that India's 5-year plan, which has been extremely well prepared, is now entering its last year. Mr. President, it is as important that India's 5-year plan be a success as it is that there shall be prosperity in the United States, because India is, in Asia, the counterpart to Communist China. Despite the fact that we have our differences with India, and despite the fact that from time to time the leaders of India seem to cause us great difficulty and irritate many Americans, the fact is that throughout the world India is being judged or is being compared in terms of her economic and political progress as contrasted with that of the great forces to her north, namely, the forces of China.

Is it not encouraging Mr. President, that a nation of more than 350 million people, with an independence of less than 10 years' duration, has been able to maintain its political stability and to conduct nationwide elections, in which almost 100 million people participated? But is it not equally encouraging for us to note that a recent study made by Stanford University proves that India's program of industrialization is well ahead of that of Red China? Despite the fact that Red China was able to take over hundreds of millions of dollars' worth of resources which we had once given to China before the Communists took over and despite the further fact that Red China has used the discipline of the police state to mobilize her forces, India, working on the principles of representative government and private investment plus government investment, has been able to outstrip China in the race for industrial progress.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "India Ahead," which was published in yesterday's Washington Evening Star.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INDIA AHEAD

An economic study just completed at Stanford University presents impressive evidence that India's program of industrialization is well ahead of Red China's. What the study shows is that democratic techniques in the production of such things as cotton yarn, cloth, cement, and finished steel are yielding more rewarding results than the harsh totalitarian methods of communism—methods that deliberately and systematically impose bitter hardship on the masses.

Assuming its accuracy—and there appears to be no reason for doubt on that score—the Stanford study thus may be regarded as a significant and encouraging report on one of the most crucial tests in Asia. The test revolves around Prime Minister Nehru's effort to demonstrate that India, by adhering to democracy, can do a much better job for its people, can achieve a more prosperous and far happier way of life, than can Communist China with its detestable Marxist system of force, regimentation, and police-state terrorism.

This is a test that all of Asia and the free world at large have reason to watch with the utmost interest and anxiety. Say what one will of Mr. Nehru's exasperating "neutralism," he is nonetheless a champion of human liberty and a man intent upon proving that the peoples of the Far East will be better off if they emulate India's system instead of Red China's. To that extent, therefore, to the extent that it fully supports him, the Stanford study certainly constitutes a piece of good news.

Mr. HUMPHREY. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks

an article entitled "India Said To Top China In Industry," published in the New York Times of May 22, 1955.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDIA SAID TO TOP CHINA IN INDUSTRY—UNITED STATES ECONOMISTS FIND REDS LAGGING IN PRODUCTION

WASHINGTON, May 22.—India is ahead of Communist China in the race toward industrialization, two Stanford University economists reported today.

In the current issue of Problems of Communism, published by the United States Information Agency, Yuan-li Wu and Robert C. North compare the per capita output of various commodities in the two Asian countries.

The economists, both members of the Asiatic and Slavic studies department at Stanford, report that India produces more cotton yarn, cloth, finished steel, and cement per capita, although she used democratic planning techniques, while the Chinese used totalitarian methods.

"So far, the more rapid pace of industrialization in China has not been able to rival India's present stage of development on a per capita basis, even within the industrial sector in which China has concentrated its investment program," they report.

Peiping, according to their analysis, still is leveling down the living standard in the avowed hope of being able to level up at a later stage. India, on the other hand, has been more considerate of her people.

The article contrasts India's 5-year plan, calling for slight but gradual improvements in per capita consumption, with the Chinese plan for accelerated industrial expansion with the extremely low consumption standard reduced even further.

MAIN POINTS ARE OUTLINED

They make these main points:

India has deliberately chosen a slower rate of capital investment so as not to impose an unbearable burden on the people.

The Indian plan is one of broad development, rather than of concentration on heavy industry. The peaceful land reform in India also has led to impressive gains in agricultural production.

Forced labor, a mainstay of Chinese industrialization, has been avoided in India.

India has been getting more foreign economic assistance than China.

"India looks upon economic development as the way toward a better life for its people," the authors say. "Why? one must ask. Has China adopted the opposite policy of 'austerity' and 'bitter struggle' when its people are also in immediate and often desperate need?

"One factor is ideology. The regime is committed to the achievement of Bolshevik-style collectivism, and hence cannot afford too great tolerance for the kind of individualism which a small peasant-proprietor economy is likely to encourage.

"It is likely, too, that Communist China finds it desirable to strengthen as rapidly as possible its relative independence, power, and capacity for initiative within the Sino-Soviet alliance. And in terms of the cold war and Red Chinese ambitions in Asia, Peiping undoubtedly sees the need for building an industrial complex capable of supplying modern weapons and military equipment for the use of its armed forces."

Mr. HUMPHREY. Mr. President, I have in my possession—and I refer to it only for purposes of an adequate record—a bulletin entitled "Problems of Communism," published by the Special Materials Section of the United States Information Agency. In this particular issue, the May-June issue, there is a report on China and India, entitled "Two Paths to Industrialism." This report gives elaborate and detailed documentation as to the accomplishments in India, as compared to what has been happening in China.

Mr. President, I have before me an article entitled "Famine Hits 180 Million in Red China," published in the Washington Post and Times Herald of May 29, 1955. I ask unanimous consent to have that article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FAMINE HITS 180 MILLION IN RED CHINA

NEW YORK, May 28.—More than 180 million persons are starving in half the Chinese mainland and farmers are trading their implements and children for food, according to a report of the Chinese News Service, based on stories in Communist newspapers.

The food shortage was caused by last year's floods, an abnormally cold winter, wholesale Communist requisitions of grain, and heavy taxation, the service said.

Newspapers from Anhwei, Kiangsi, Hunan, Kwangsi, and Changchiang were quoted as saying livestock was being butchered by the hungry peasants, thousands of whom were trying to keep alive by eating grass.

The Ta Tao News Agency reported that more than 60 of the 98 counties in Kwantung Province were in dire need and that government relief rations had been cut from 7 ounces of rice a day per person to 5.

In some provinces the Communists have set up roadblocks to turn back starving peasants seeking food in the cities.

Mr. HUMPHREY. Mr. President, I bring this to the attention of the Senate to point out that while, at times, it seems that we have grave difficulties in the Asian area, particularly with the highly sensitive new-born nation of India, the truth is that the money we have invested, the money and the aid we have made available to the Indian authorities and the Indian people, using that country as one example, have produced constructive results. I ask my fellow Americans one question, "Do you want a pat on the back and a note of gratitude every time we expend or invest or lend a dollar? Or do you want accomplishments, constructive results which will make possible the maintenance, preservation, and extension of freedom?"

I can answer that question for myself. I should like, of course, to have every country send a note of thanks and appreciation to our Government and our people for what we do. But I would rather that something good be done with the aid which we afford. I have noticed that all too often the countries or peoples who send us great bouquets of gratitude for our foreign aid are the ones who do the least with the foreign aid. What is most important today is that the funds which are made available from the resources of the people of the United States through our Government, be used for constructive good, to build up the economy and strengthen the political institutions of representative government, to give meaning to the new-found independence and nationalism of the countries of Asia, Africa, the Near East, and, in fact, all over the world, including the Latin-American areas. That is what we are really looking for. Let us not be so immature, so adolescent, so juvenile, as to want to have someone say "Thank you" every time we provide some aid. I must warn my colleagues that if that is what we are expecting, we shall be sorely disappointed.

Parents ought to know something about this problem. Mothers and fathers must frequently wait a long time before receiving thanks which are long overdue. I believe that a great nation like the United States ought to know that in our position of wealth and power we encounter a certain amount of envy and jealousy. Sometimes we do a great deal to aggravate such envy and jealousy by our comments and our actions. We are not in a popularity contest. Our foreign policy is not a part of the art of making love. What we are really trying to do is to give leadership in the world, economically, politically, and socially, so that other peoples may stand on their own feet and be free and independent peoples and nations.

If we can realize such returns, as one American I will not be disturbed even if other peoples say unkind words about us as we help them. Many a patient who starts to get well curses the doctor. One of the first signs of recovery of health is the extent to which the patient abuses the doctor, and sometimes his own family and friends. Frequently we find those who are prostrate, who have lost almost all hope of living, to be very docile, very accommodating, very generous and gracious to the doctor and to members of their families who are helping them. But when they begin picking up their crutches and beating the doctor over the head, that is a good sign that recovery is well on the way. I think we must be prepared, in a certain sense, not always to be thanked, but to find our thanks in the accomplishments of those we help.

The development assistance program is a part of the policy in connection with the investment we are making for the long-term good of the United States of America and the free areas of the world. I should like to note that of the money which will be made available to India, for example, for the coming year, some $30 million, will be used in the purchase of surplus agricultural commodities. The local currency proceeds from these transactions will be used for local costs of irrigation, flood control, and power projects. It is very revealing to note that under this program the Government of India will receive aid in the form of fertilizer to the extent of $4 million; deep irrigation wells, $4 million; river valley development to assist in the further expansion of irrigation, $2 million; construction of electric power facilities, $5 million; steel industry, $15 million; transportation—particularly rehabilitation of their railroad system—$6 million; and malaria control, $4 million.

We have been able to utilize our surplus commodities for a humane purpose, and, at the same time use for constructive, progressive development in India the local currency used to purchase such commodities.

Mr. President, at this point I should like to have the comments of the Senate

committee report printed in the RECORD. I do not believe there will be found a more succinct or concise, and yet persuasive, argument in behalf of the aid program as it relates to India, than the committee report outlines. I ask unanimous consent that it be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The development assistance component of the Asian aid program amounts to $71 million, of which $70 million is for India and $1 million for Nepal.

The development assistance recommended for India in this bill has been thought out with great care and ties in with India's 5-year plan which is itself extremely well prepared. The bulk of the expenditures called for by this plan are financed from India's own resources. American assistance is a small, but crucial fraction of the total. The biggest item of American aid will be $30 million in surplus agricultural commodities, the local currency proceeds from which will be used for local costs of irrigation, flood control, and power projects. Other assistance will consist of:

	Millions
Fertilizer	$4
Deep irrigation wells	4
River valley devolopment to assist in the further expansion of irrigation	2
Construction of electric power facilities	5
Steel	15
Transportation, principally rehabilitation of Indian railways	6
Malaria control	4

The $1 million development assistance program proposed for Nepal this year is intended to supplement a technical cooperation program and to begin meeting the needs for better transportation and communication facilities and for development of isolated areas.

India has almost half the population of non-Communist Asia, one of the lowest per capita incomes in the world ($56 a year), a literacy rate of 20 percent, and a life expectancy of 32 years. It is resolutely embarked on one of the most important experiments in history to make self-government work and to bring about economic development in the context of a free society.

It is a tribute to the steadfast purpose of the Indian people and to their deep attachment to democratic processes that this experiment is succeeding despite the appalling difficulties. Economically, industrial production has increased by one-third since 1948, and agricultural production is 16 percent above the prewar average. Politically, the Communist Party continues to make little headway. It received a surprisingly small percentage of the vote in the recent elections in the state of Andhra.

The Indian 5-year development plan is now entering its last year. The progress which has been made so far has been only by dint of the most resolute efforts. There will be general elections in 1956, and it is important that the rate of progress in the first 4 years of the plan be maintained, not only for the sake of India alone but also for the sake of the other free nations of Asia who are comparing the progress made by India in a free economy with that made by China in a totalitarian economy.

The committee is aware that from time to time demands are heard in the United States that assistance to India should be stopped in view of India's foreign policy of attempting to steer a middle course between the United States and the Soviet Union. The committee feels that such action on the part of the United States would be a mistake. India is a free, sovereign nation which, in its domestic policy, follows a firm anti-Communist line. Its foreign policy is one which seems to India best designed to protect and promote India's interests. Despite their differing policies toward the Soviet Union, the United States and India share a common devotion to free representative forms of government. A strong free India is an immeasurable influence for a strong free Asia. Certainly, it is far preferable for India to be neutral than to become a member of the Soviet bloc. The committee recommends approval of the full amount requested for India, which is approximately the same as last year, and which will be used to a considerable extent in the form of loans.

Mr. HUMPHREY. One of the other parts of the Asian aid program is technical cooperation. I notice that the distinguished senior Senator from Illinois [Mr. DOUGLAS] has taken an interest in this program, in particular. I was present in the Senate on the day when he delivered one of the finest addresses I have ever heard on the subject of technical assistance. I wish I could incorporate at this point a review of some of the projects and programs which the Senator from Illinois discussed, but I shall not duplicate the RECORD. The information is already in the RECORD. I believe the address was delivered some time in the month of April. I commend to Members of the Senate a re-reading of the fine speech of the Senator from Illinois on the subject of technical cooperation.

The technical-cooperation program proposed for Asia amounts to $66½ million. This is exclusive of the United Nations activities.

I ask unanimous consent that the breakdown of that program, country by country, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

The technical cooperation program proposed for Asia amounts to $66,500,000, distributed as follows:

	Millions
Afghanistan	$2.0
India	15.0
Nepal	1.0
Pakistan	9.0
Formosa	3.0
Indonesia	8.0
Japan	1.0
Korea	8.0
Philippines	6.5
Thailand	5.5
Cambodia, Laos, Viet-Nam	7.5
Total	66.5

This money will be used mainly for the continuation of programs already underway. By major field of activity, it is divided as follows:

	Thousands
Agriculture and natural resources	$18,672
Industry and mining	8,904
Transportation	1,540
Labor	1,410
Health and sanitation	9,196
Education	12,670
Public administration	7,695
Community development, social welfare, and housing	3,973
General and miscellaneous	2,080
Other costs	360
Total	66,500

Of the total, $26,408,000, or more than one-third, will be used for supplies and equipment. This relatively high proportion is explained by the almost total lack in some countries of local supplies and equipment and of local resources with which to procure supplies and equipment.

Technical cooperation in Asia in the current fiscal year amounts to $45.5 million. The $66.5 million authorized by the bill would thus mean an increase of $21 million. This is largely accounted for by new programs of $8 million in Korea and $7.5 million in Cambodia, Laos, and Viet-Nam. In previous years technical-cooperation-type activities in these countries have been financed out of other funds. Attention should also be called to the inclusion of $1 million in the fiscal 1956 program to finance a productivity center in Japan.

Aside from these new programs, which seem to the committee to be justified, the increase for all the rest of Asia is only $5 million, which the committee feels is reasonable.

Mr. HUMPHREY. I point out that this money will be used mainly for the continuation of programs already underway. Those programs are in the field of agriculture, industry, transportation, health and sanitation, education, public administration, community development, social welfare and housing, development of management and free labor throughout the countries to which we are extending this technical assistance.

I happen to have a soft spot in my heart for the technical assistance program and a firm resolution in my mind about it. It is what I call a thoroughly American program and provides for doing that which comes naturally. We Americans are essentially builders. We like to see things grow. We like to use our imagination and creativeness for the common good. We have given evidence of it in industry and in the arts and in technology, and, of course, in agriculture.

I am under the impression that most of us come from rural areas. At least whenever I talk to people they always like to remind me that they are country folk, too, or that they once lived in the country. That is a part of the American tradition. All Americans like to think in terms of what we call the extension service, or the county agent. The extension service is a part of America. It is as American as Bunker Hill, the Statue of Liberty, or the Liberty Bell, or the Constitutional Convention. What we have done in the pending bill is to take the principle of the extension service and move it onto the international scene.

I know of no program which has built more goodwill, created more positive results, and brought about greater benefit to more people than the technical assistance program. We get more out of every dollar we spend on this program than from any other program America has authorized or supported.

If I have any complaint to make about the pending bill it is that we are not authorizing enough money for this program. I think we are authorizing as much as the administration has been able to program; but I said in the committee, and I repeat on the floor, that, in my opinion, the administration could have programed a great deal more. They

have a big enough field in which to do it. I am convinced that every dollar we put into what we call the technical assistance program in the underdeveloped and underprivileged areas will not only make for good will and peace and security, but will yield millions of dollars in good business between the people of the United States and the people of other nations.

I wish that more emphasis could be placed on technical cooperation. I want to serve a word of warning now for those who review this RECORD. The RECORD may not be closely reviewed by our colleagues, but I know that the administrative agencies of the Government go over the CONGRESSIONAL RECORD very carefully. They hire people for that purpose. I want to serve a word of warning that I shall be carefully watching the administration of the technical assistance program. I hope that the new Administrator of the Foreign Operations Administration—incidentally, we are changing the name of that agency to the International Cooperation Administration, and setting up the agency as an autonomous unit in the State Department—I hope that the new Administrator will realize that some Senators and some Members of the other body are deeply concerned about the technical assistance program.

I am a charitable person. I like to think kindly of every man. However, I want to serve warning now that if I think anyone is monkeying around with this program and not giving it the support, the imaginative development, and the imaginative helpfulness it needs, he will hear from the junior Senator from Minnesota; and I am sure he will also hear from the present Presiding Officer, the Senator from Illinois [Mr. DOUGLAS], and the Senator from Louisiana [Mr. LONG], and the Senator from North Dakota [Mr. YOUNG], who because he comes from an agricultural State, knows the principle of the extension service, the principle of self-help through trained technicians, and knows that that extension service has produced great dividends beyond human calculation.

I call to my colleagues' attention the fact that the bill does provide a substantial sum of money for the so-called bilateral programs in various countries. It is my hope that they will continue to grow as we are privileged to reduce the economic assistance in terms of defense, and that we will expand more and more the technical cooperation program.

Mr. President, this is the beginning of the good life. People can really become emancipated when they learn to use modern science and modern technology, and to mix their labor with the land and their brainpower with their God-given resources of water and timber and land and minerals. There is no program I know of which does more along that line than the technical-assistance program.

I have called the attention of the Senate to the fact that this program encompasses almost every country in Asia which is on the side of freedom or which is fighting for its own national independence.

There is a new section in the bill. It is called the President's Fund for Economic Development. It relates particularly to the Asian area. It is a fund of $200 million. I would be less than candid if I did not say that some members of the committee, indeed, I think most members of the committee, were a little bit dubious as to whether we should turn over this amount of money to any President. I want my words to be interpreted objectively and not in a partisan sense. We were dubious whether we should turn over $200 million to any President. We did not know whether we should turn that amount of money over without any strings attached to it at all, so to speak, and with no protection or standard or criteria established for its use, except the broad language that it shall be used for the economic development of the Asian region as a whole.

However, I reconciled my doubts on this matter in favor of the President of the United States, the Chief Executive. I gathered that there had not been set forth a specific blueprint of action for the use of the money. In fact, there may be good reasons why there should not be such a blueprint, from a strategic and psychological point of view. However, I want to make it clear that in the bill, as a result of the deliberations of the committee, we are asking for a report from the Chief Executive every 6 months on the progress he makes with this program. We ask him for a progress report with respect to what projects are underway and how the money is being utilized. I am sure that in the executive sessions of our committee the President, through the appropriate agent—in this instance the Secretary of State or the administrator of the program—will present to us the blueprint for future action.

There may be some reason why it should not be made available for general discussion, but I have not been able to discover any such reason. I usually find that most of the secrets we guard are kept only from our own people and that our enemies know all about them, anyway. Sometimes I think we would be better off if we told our own people a little more about what we were doing and what course we were following.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. Mr. President, usually a Senator can find out what the secrets are by reading the nationwide magazines or the daily newspapers. That has been my experience. After we have been told that some information was classified top secret, and have had it whispered in our ears, I have found that same information spread in photographic detail in a magazine or newspaper.

Mr. HUMPHREY. I believe the Senator from Louisiana is basically correct. I would not say that it is any indication as to the ineffectiveness of the secrecy program. Rather, it is in high tribute to the great journalistic reporting capacities and abilities of the members of the fourth estate. They are able to find out information which even the most carefully trained investigators are unable to ascertain. I must say that we do make it a little difficult for them, but at the same time in doing so we sharpen their techniques. A certain relaxation of the rigid standards might cause a little softness on their part, and therefore it might be well not to slow up or to restrict the secrecy program.

Mr. SPARKMAN . Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. Of course, I agree fully with what has been said by both the Senator from Minnesota and the Senator from Louisiana. I think it could be illustrated by many incidents which have occurred. But with reference to the particular fund which the Senator from Minnesota has been discussing, is it not fair to say that as of now perhaps it is impossible to give a blueprint?

Mr. HUMPHREY. It is; yes.

Mr. SPARKMAN. Because we are starting out on an uncharted course.

Mr. HUMPHREY. I think it is fair to say that.

Mr. SPARKMAN. Is it not true, also, that there is envisaged in this program perhaps a coordination of the technical assistance and the economic development programs, in that under the technical assistance program undoubtedly surveys will be made to determine useful projects which might be developed to help the economy of a country which the country itself is not able within its own resources, and this fund is to make it possible for the President of the United States to step in and assist both by loan and by grant in working out such projects?

Mr. HUMPHREY. Yes. The Senator's explanation is very helpful and is thoroughly in line with the discussion which took place in committee.

Furthermore, the fund is designed for capital investment in the non-Communist Asian areas and thus to lift the general level of the economic activity in those areas. As the Senator from Alabama has pointed out, we might find that this money provided in the President's special fund can be the difference between really effective progress and mere piecemeal limited efforts.

In other words, this fund can be utilized to support the technical assistance projects but not in the technical assistance areas as such. It may be used for improvement of transportation systems, investment in a plan, or something else which may be necessary for the general economic progress of a country.

Mr. SPARKMAN. For the building of plants which will give employment to the people in the processing of their own natural resources?

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. Which, in turn, would increase the purchasing power of those people. I may say it is not altogether an altruistic move on our part, because we certainly look forward to the opportunity of helping to sell to those people goods which are manufactured in our own country.

Mr. HUMPHREY. I wish to thank the Senator for that observation. I think it is one of the most important observations that can be made in terms of our own self-interest in this matter. We actually do business on the basis of this program.

Mr. SPARKMAN. Mr. President, will the Senator indulge me for another moment?

Mr. HUMPHREY. Certainly.

Mr. SPARKMAN. The Senator made reference to the misgivings that many of us had with reference to turning virtually a blank check over to any President. Is it not true that the committee did write into the provision some conditions to safeguard the fund, although, as the able Senator has so well pointed out, it had to be left largely to the discretion of the President to handle?

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. Is it not true, for instance, that we put a limitation on the amount which would have to be disbursed in the form of loans rather than grants? In other words, that the whole amount cannot be granted?

Mr. HUMPHREY. At least 50 percent of it must be in repayable loans, and not more than 25 percent can be used in any one country.

Mr. SPARKMAN. Then, of course, as the Senator has pointed out, we have required that after the program is started a report of what has been done and what is projected for the future must be submitted each 6 months.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. Does not the Senator consider this particular part of the program and various other elements making up what so many persons refer to as economic assistance, of course, including technical assistance, a highly important part of the program in the fight which we are carrying on, the cold war, against the onrush of communism?

Mr. HUMPHREY. I consider it a basic part of our struggle against Soviet imperialism and communism. I think any attempt to weaken the program at this time would be like tapping one of our own arteries or veins and weakening our own bodies.

Mr. SPARKMAN. Weakening our strength and inviting communism to enter and make up for the strength sapped away from potential allies of the free world.

Mr. HUMPHREY. That is true.

I wish to thank the Senator for his observation. He has had many years experience in the field of foreign relations and has been an active participant in the preparation of the program which is now before the Senate.

Mr. President, I ask unanimous consent that the committee report relating to the President's Fund for Economic Development, amounting to $200 million, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

9. PRESIDENT'S FUND FOR ASIAN ECONOMIC DEVELOPMENT (SEC. 8 (K))

A new element is added to the mutual security program this year in the form of a special fund of $200 million for the President, to be available for obligation until June 30, 1958, and to be used primarily for projects contributing to economic development of the Asian region as a whole.

There is a great need for capital investment throughout non-Communist Asia, but the area is relatively poor and finds it very difficult either to attract outside private capital or to amortize bankable loans in sufficient volume; nor can it generate enough capital internally. The level of economic activity does not provide a large enough margin beyond immediate subsistence requirements, and the institutions for pooling what local capital does accumulate are either nonexistent or poorly developed.

For the same reasons, all stemming from basic poverty, the area's capacity to absorb capital is limited. Large investments would have disrupting inflationary effects.

The committee particularly calls attention, however, to limitations which it wrote into the section authorizing the fund. These limitations are that not less than 50 percent of the appropriations made to the fund shall be available only for furnishing assistance on a loan basis, and that not more than 25 percent of the funds may be allocated for assistance to any one nation.

The bill also amends section 534 of the Mutual Security Act of 1954 to extend to the Asian development fund the requirements of that section for the President to report semiannually to Congress detailed information on the use of the fund. The committee expects that these reports will not only contain precise specific information on past expenditures and obligations, but also, to the extent that the national interest permits, plans and projections for future obligation and expenditure.

The bill also provides that "the President shall give preference to projects or programs that will clearly contribute to promoting greater economic strength in the area as a whole or among a group or groups of countries of the area."

It is the hope of the committee that through the wise use of this fund, the President can take advantage of opportunities to stimulate economic activity on a regional basis and that the results of the projects for which the fund is used will be cumulative and will themselves lead to other investment and further development. It should be noted, however, that the fund will be administered on a bilateral basis and that the United States will retain full control over its uses.

Among examples of projects for which the fund might be used are regional development of water and mineral resources, transportation and communications projects, and regional training centers.

This broad authorization of $200 million to the President for these purposes should be viewed in the context of other United States aid programs in Asia in recent years. Last year, for example, Congress authorized $700 million—3½ times as much—to be used under very broad authority to accomplish the policies and purposes of the Mutual Security Act in southeast Asia and the Western Pacific. And previously, over a period of 5 years, Congress authorized a total of more than $2.5 billion for the President to use in his discretion in the general area of China.

It seems to the committee that an investment of $200 million in the President's discretion for purposes of peaceful economic development in Asia is at least as justified and worthwhile as the earlier investment of much larger sums in the President's discretion for purposes of military assistance and direct forces support.

In point of fact, the President's discretionary power under this bill, though undeniably great, is less than it was under the Mutual Security Act of 1954. The $700 million fund authorized by that act for southeast Asia and the Western Pacific has already been noted. In other respects, the authority given the President under this bill and under the 1954 act is substantially the same. His authority to transfer funds from one section to another is unchanged, and his authority for special use of $150 million under section 401 is also unchanged in total.

Mr. HUMPHREY. I wish to emphasize the fact that this section of the report deals with the restraints and restrictions, or, at least, the counsel and advice about the use of the fund by the President.

I think it should be further noted that considerable discretionary authority is lodged in the President by the mutual security bill. However, it is not so great as it was last year, even with the $200 million special fund herein authorized. I read from page 12 of the committee report:

In point of fact, the President's discretionary power under this bill, though undeniably great, is less than it was under the Mutual Security Act of 1954. The $700 million fund authorized by that act for Southeast Asia and the Western Pacific has already been noted. In other respects, the authority given the President under this bill and under the 1954 act is substantially the same. His authority to transfer funds from one section to another is unchanged, and his authority for special use of $150 million under section 401 is also unchanged in total.

I wanted to have the record clear with respect to the discretionary authority of the President, because we should have a complete understanding of what we are doing. We must keep in mind that in an unstable world situation where changes come so rapidly, we must place trust in the Chief Executive, in the office of the President, to apply the funds which are made available so as to assure the safety, freedom, and security of ourselves, as well as our various allies. No matter what our partisan differences may be, when we come down to the crucial field of national security, common defense, and foreign policy, we must place our trust where the Constitution requires it to be placed, namely, in the office of the Presidency.

Mr. President, I move along to the part of the bill which relates to the Near East and Africa.

The total program is $309 million.

For direct forces support, $27,500,000.

For defense support, $102,500,000.

For development assistance, $73 million.

For technical cooperation, $41 million.

For United Nations Relief and Works Agency for Palestine Refugees, $65 million.

The aggregate total for this region is $309 million.

I mentioned the item of direct forces support, of $27,500,000. Twenty million dollars of it goes to Turkey; $7,500,000 to Iran. The largest single item is approximately $12 million for fuel, which is, of course, a very important item in the economy of any country.

I am sure every American will agree with me that whatever funds we have been able to place in Turkey for purposes of military aid have been funds well expended. Turkey has become a valiant and powerful ally.

For defense support, which, as I have previously described, relates to the economic welfare and economic strength of a country, Greece will obtain $15 million; Iran, $37,500,000; Turkey, $50 million, or a sum total of $102,500,000.

Here, again, I may say that the Near East area is of crucial importance. It is the bridge between Asia and Europe. Certainly we want to do everything pos-

sible, in light of the success which has been attained in Iran, Greece, and Turkey, to keep those areas of the world strong and to further their progress, production, and general economic and social well-being.

I should like to note that the $15 million of defense support for Greece is all for the importation of wheat, again from our surplus stocks. This will be sold in the civilian economy, with the local currency proceeds going into the Greek defense budget. Without this aid, as the committee report points out, it appears doubtful that the Greek armed forces could be maintained at a level commensurate with NATO force goals. So I am certain that it will be agreed that aid to Greece is well deserved.

The defense-support program in Iran will consist of $15.4 million in sugar and wheat, and $22.1 million in industrial items. Again, the local currency which will be paid for those goods will be used to meet the local costs of defense construction projects and to give help to the country in the support of its military forces.

Iran will not begin to receive oil revenues on a full scale until 1957. When the oil revenue begins to come back in full force, I am quite confident that the financial situation in Iran will not necessitate any amount of American economic aid.

Mr. President, I ask unanimous consent that the portions of the committee report relating to defense support for Turkey may be printed at this point in the RECORD as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

In Turkey, defense support of $50 million will be used primarily for transportation and agricultural equipment and for machinery for development of small industrial plants. The local currency counterpart generated by these imports will be used in the Turkish defense budget to make up the difference between what the Turks themselves are able to spend and what is required to meet the defense levels set by NATO.

Although the Turkish economy has made substantial progress since United States aid began in 1947, it has been handicapped by high defense expenditures. Agricultural production suffered last year because of unfavorable weather conditions. Heavy capital investments, combined with defense spending, have contributed to inflation and to a large foreign exchange deficit. Yet the Turkish armed forces are the eastern anchor of NATO and the western anchor of Middle East defense. The Turks have themselves taken the lead in developing Middle Eastern defense alliances. They are firmly committed to collective security, and it is clearly in the interests of the United States to continue to help the Turks support their armed forces and particularly to help them through their present economic difficulties.

Mr. HUMPHREY. Mr. President, as to development assistance in the Near East, $73 million has been authorized. This development assistance is for six Near East countries—Egypt, Israel, Jordan, Lebanon, Libya, and Syria. There is a very serious question as to whether the funds for this area are adequate. I believe the amount of the funds should be enlarged. I caution my fellow Americans that the Near East is potentially one of the richest plums in all the power politics of the modern world. Soviet Russia is close at hand, and its geographic proximity aggravates the danger of the situation.

Certainly we should look upon this area as a very vital part of the whole security system which we have created. No security system is any stronger than every link; or, as the old saying goes, a chain is no stronger than its weakest link. If in any part of the great free world system of collective security there is a weak link, the whole system will become lost, or at least jeopardized.

I am fearful that because of the passions and emotions which rage around the Israeli-Arab difficulties, the State Department and the Foreign Operations Administration have not been willing to come to grips factually and objectively with the needs in that area of the world. I think that both the Israeli area and the Arab States are in need of greater economic assistance. I think the money we will put into those areas will come back to us a thousandfold in the form of long-term security and long-term economic gains for all parties and peoples.

This year's authorization represents a substantial reduction from last year's, a little more than $40 million. Last year $115 million was authorized; this year's authorization is $73 million. So I am fearful that unless we look at the situation a little more carefully—and I hope we shall in the Senate debate—we may very well find some of our friends, particularly the State of Israel, in grave difficulty because of the lack of adequate assistance.

I further point out that a nation which aspires to freedom and representative government, as Israel does, and as it has been able to maintain it for 7 years, is a very powerful factor in the so-called cold war. There is no more important force than precept and example.

In the Near East area, an example of representative government, of free economic institutions, and of free political institutions is a perpetual weapon in the struggle between tyranny and freedom. I wish we would place a little more emphasis upon the psychological needs, the psychological factors and forces.

I shall never forget what Mr. Chester Bowles said before the Committee on Foreign Relations not long ago. He was giving a definition of power. I can only paraphrase the eloquence of his remarks. Mr. Bowles said that all too often our leaders define power in terms of dollars, guns, divisions, economic resources, industry, production, statistical tables relating to per capita wealth, and so forth. Then he went on to point out:

Senator GEORGE and members of the committee, in recent months I have asked several prominent Americans for their definition of power. Their answers have included the Strategic Air Command, Army, Navy, NATO, SEATO, industrial capacity, access to raw materials, communications and geography. Two additional factors which, in my opinion, are essential elements of power have usually been omitted. These two elements are people and ideas.

The changes which lately have been taking place in Asia and Africa are a dramatic illustration of this. In the last 8 years 1.2 billion people—half the population of the world—have changed their form of government without the benefit of atom bombs, jet fighters, flattops, steel mills, or modern transportation systems. Indeed in most instances, the preponderance of power as defined in these narrow terms, was largely arrayed against them.

I commend at least this portion of Mr. Bowles' testimony to the attention of all Senators, because I cannot help feeling that we Americans do not place the proper emphasis upon the impact of ideas and people. We have become so used to appropriating and appropriating, and talking in terms of our production and goals, in connection with tangible, materialistic factors, that we have forgotten the impact of people and of ideas.

If any country on the face of the earth ought to understand the meaning of ideas and people, it is the United States. The full power of George III and the British Empire was arrayed against this Nation 180 years ago. We were a small country, with only a few people—at least, not a sufficient number to entitle us to be called a major power—and none of the modern weapons of war of that period. But we had an idea—an idea that tore down the monarchies of half the countries of Europe. There were many persons in the new Nation who believed in it and were dedicated to it. We should keep these very human, spiritual, and intangible forces constantly in mind.

Mr. President, I have mentioned the total sum of money for development assistance. I ask unanimous consent that the portion of the report relating to Egypt, Israel, Jordan, Lebanon, Libya, and Syria, be included at this point in my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

In Egypt, the program is designed to help the Egyptian Government carry out its overall 10-year, $2 billion economic development plan which is aimed principally at achieving maximum agricultural production, increasing the amount of arable land, expanding industrial production, and introducing new industries. United States assistance will consist chiefly of equipment for highway construction and port improvement, and construction of grain silos, irrigation pumping stations, and power plants.

In Israel, surplus agricultural commodities will account for a large part of the development assistance program, about half of which will probably be on a loan basis. Although Israel has made significant economic progress, and American assistance has been reduced, it is not yet feasible to terminate that assistance.

In Jordan, a country of low productivity and high population in relation to resources, the development assistance program will be concentrated on highway and water development, particularly well drilling.

In Lebanon, the program would concentrate on agricultural development, improvement of village water supplies, and public roads. A primary object is to encourage local capital formation through reducing the need for expenditures on food imports and through improving transportation facilities. It is contemplated that most of the assistance for Lebanon would be on a loan basis and that part of it would be in the form of commodities.

Libya—which provides the site for the United States Air Force Base at Wheelus Field near Tripoli—is one of the poorest and at the same time most important countries in the area. The development assistance program and the technical cooperation program will be operated together, wherever appropriate, in order to obtain maximum results, particularly in water exploration and development work and improved agricultural practices.

Although the United States has no agreements for either development assistance or technical cooperation in Syria, the bill includes funds for economic aid should Syria desire it in connection with unified planning of the project for utilizing the waters of the Jordan and Yarmuk Rivers. Maximum use of this water for irrigation might prevent full development of its hydroelectric power potential in which case Syria might need external credit for thermal power development.

Mr. HUMPHREY. Mr. President, as to technical cooperation in the Near East and Africa, $41 million is authorized. I shall not elaborate further upon the importance of technical assistance. What I have said about technical assistance programs in Asia surely applies to the Near East. Those who have visited the near eastern section of the world know that poverty is one of the notable factors. Conditions of bad health and of the most abject form of misery and poverty are prevalent everywhere.

It appears to me that by the careful application of scientific know-how, technologic know-how, technologic assistance, training people to help themselves and to retrain themselves, we can, working with them, do much, and they can do much, working with us, to ameliorate the terrible conditions of social infection and personal tragedy.

Very frankly, I hope that our Government will be a little more dramatic and a little more imaginative about what we can do and what people in these areas of the world, who are beset by economic and social difficulties, can do.

Every time I pick up a newspaper I read either about the Russians having more bombers than we have or we having more bombers than they have. It depends on what column one is reading or when the last time was we had heard from the Pentagon.

I am convinced of one thing: Bombers are important for national security.

I have supported a national security program. I believe in a stronger one than that which our present leadership espouses. I did not vote for any cut in our Air Force program. I think such a cut was a mistake. But I also believe in one other thing: I believe that we Americans would do well to build our strength quietly, conscientiously, persistently, without any ups and downs. Let us move ahead methodically, building the military strength that a great Nation needs. Let us quit talking about it so much. Let us quit threatening to drop atom bombs. If we dropped half as many atom bombs as we have threatened to drop, we would not have a stockpile of them.

Let us proceed to point out what is really a part of our life. We are not Spartans or gladiators. We are doers of good, honest deeds. We really represent onward marching Christians, and we should live up to the nobility of that term. We ought to be talking about enabling little children to lead better and fuller lives. We ought to be talking about turning barren soil into fertile fields. We ought to be talking about how, working together as brothers and sisters, we can make a better world.

The Communists cannot talk about that, because they believe in bombers, guns, and atom bombs. They have more physicists than we have. But we have more decent motives than they have. We ought not to talk in their terms. We ought not to talk about how we can close our doors to their people. We frequently ape what this Government does. My plea is that in the programs we authorize we ought to emphasize the things we do best, the things that come naturally, the things that our parents taught us to believe in.

We have a wonderful tradition and history. It is one of constant emancipation. It is one of human liberty. It is one of social progress. It is one of expanding frontiers. It is a great history and tradition of more education for more people, better health for more people, better facilities for social welfare and recreation for more and more people, better jobs, and lifting the burden of labor from the backs of those who are the toilers in the fields and in the shops.

This is the great moral, spiritual, and psychological lesson of America. Every time we invest in technical cooperation, in student-exchange programs, in all the many great projects which are now underway, by our own efforts and through the United Nations, we really put our best foot forward.

Instead of rattling the saber, I suggest that we reveal to the world a very contrite and compassionate heart and a firm will. I shall never forget the lines of Lincoln when he spoke of our great country as being the last best hope on earth. He said:

> With malice towards none, with charity for all, with firmness in the right, as God gives us to see the right.

Most people can go through life without any malice, and most people can go through life with a spirit of charity, but it takes a real man to go through life with firmness in the right and still have a spirit of charity.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. The Senator from Minnesota has referred quite ably to the program described as technical cooperation. I wonder if it would not be well to state for the RECORD the fact that technical cooperation really envisions two things, as people usually think of them. It embraces assistance through the United Nations in the technical-assistance field. I believe that contribution amounts to about $24 million. Is that correct?

Mr. HUMPHREY. That is the amount authorized in the bill.

Mr. SPARKMAN. That is our participation in the technical-assistance program through the United Nations, and $146,500,000 represents what is commonly known as the point 4 program. Is that not correct?

Mr. HUMPHREY. That is correct in reference to the Near East and Africa point 4 program. I should like to use that terminology. That was the original name. I always have difficulty keeping up with people who change their names.

Mr. SPARKMAN. I wish to make it clear that we carry on a two-phase program. That is, we do our part through the United Nations in a very fine technical-assistance program which is carried on by that organization; but, not content with that, we also engage in bilateral agreements, whereby we offer to share with underdeveloped areas our skills and techniques, in order to help them help themselves. A great many persons, not only in this country, but in other countries of the world, do not recognize the program when it is mentioned by the term "technical cooperation." They know it as the point 4 program. It was known by that name ever since 1949, I believe, when the then President delivered a message in which he recommended a bold new program in offering our techniques and skills to other peoples.

Mr. HUMPHREY. I think this program was one of the really great accomplishments, and I might even call it an invention, of the past decade. I resent the fact that, because of what I consider to be petty developments, an attempt was made to change the name. It indicates to me a sort of picayunish, partisan pettiness. I think we might just as well call it what it really is—point 4. If people want to change their names, they ought to go to court.

Mr. SPARKMAN. I am sure the Senator from Minnesota has had the same experience I have had. In talking with people in the countries affected, they always refer to the program as the point 4 program. They know it by no other name. I agree with the Senator when he refers to the pettiness, the littleness, of insisting on changing the name simply because the other name, which happened to become well known throughout the world, was applied by a previous administration.

Mr. HUMPHREY. I thank the Senator from Alabama.

Mr. President, I ask unanimous consent to have a breakdown of the point 4 program for the Near East and Africa, by countries and by major activity, printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Near East and Africa—Technical cooperation

BY COUNTRY

Near East and Africa:	*Millions*
Egypt	$4.0
Ethiopia	3.4
Greece	1.5
Iran	10.0
Iraq	2.3
Israel	2.0
Jordan	2.8
Lebanon	2.5
Liberia	1.8
Libya	2.0
Turkey	2.5
Dependent overseas territories	4.0
Regional	2.2
Subtotal	41.0

BY MAJOR ACTIVITY

	Thousands
Agriculture and natural resources	$10,706
Industry and mining	3,726
Transportation	3,089
Labor	850
Health and sanitation	5,211
Education	7,866
Public administration	2,640
Community development, social welfare, and housing	3,857
Other	3,055
Total	41,000

Of the Near Eastern program, $7,291,000 is proposed for supplies and equipment.

Mr. SPARKMAN. Mr. President, unless the Senator intends to take up other areas at this time, I suggest that the whole table be placed in the RECORD.

By the way, I think one thing should be emphasized. This is a $3½ billion bill, is it not?

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. But of that amount, only $146 million will go to this program, which probably makes a greater contribution to long-range peace-building than does any other part of the total program of the bill; and when this particular program is broken down, so as to show the amounts going to the various countries, we observe how relatively small is the amount for each one.

Mr. HUMPHREY. I certainly agree with the Senator from Alabama that, dollar for dollar, we obtain more results from this program than we do from any other program we have been able to develop to date.

Mr. President, another item for the Near East and Africa is the Palestine refugee program, at a cost of $65 million. I certainly support the committee's recommendation, and hope Congress will do so, for an authorization in the amount of $65 million. This particular activity is administered by the United Nations Relief and Works Agency for Palestine Refugees in the Near East. The committee report explains in detail the purposes of the project, and I ask unanimous consent that the detailed information contained in the committee report be printed at this point in the RECORD.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

28. PALESTINE REFUGEES (SEC. 8 (F))

The bill contains an authorization for $65 million to be contributed to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). A standby authorization of $30 million was made for the same purpose last year, but it was not necessary to request appropriations and the authorization will lapse June 30, 1955.

This is the first request for new funds since fiscal 1953 when $60,063,250 was appropriated. Of that amount, it is estimated that $6.4 million will remain unexpended as of June 30, 1955. Additional funds have not been necessary sooner because to date UNRWA has been restricted largely to relief activities and funds intended to be used for rehabilitation projects have been carried over. The UNRWA relief program has cost about $25 million a year. Relief will continue at about the same rate during fiscal 1956, and $16.5 million of the requested United States contribution will be set aside for this part of the program.

The remainder of the proposed United States contribution, $48.5 million will be devoted to rehabilitation projects, which the administration hopes will be realized during the coming fiscal year.

A permanent solution of the Arab refugee problem can only be found through rehabilitation and resettlement, and the committee has repeatedly expressed its deep concern over the lack of progress in this direction. The committee was, therefore, encouraged to learn that final negotiations are nearing completion for two large-scale resettlement projects. One of these will provide for 60,000 to 70,000 people in Sinai at an estimated cost of $50 million. The other is the Jordan River Valley development which will benefit about 150,000 refugees at an estimated cost of $90 million. Both of these projects will take a number of years to complete but the administration is hopeful that a start can be made on them during the course of fiscal 1956, and UNRWA has tentatively budgeted $61.5 million for this purpose.

The committee believes that if projects of this character can be brought to fruition, a great contribution will have been made to reducing the tensions that now disturb the area.

In view of the great benefits which would flow from such a development, the committee feels the United States contribution here proposed of 70 percent of the total is justified, but at the same time it believes that greater effort might be made to increase worldwide participation in the program.

Mr. HUMPHREY. Finally, Mr. President, I come to what I consider to be an area both close to home and close to the hearts of the American people, namely, the Western Hemisphere. The total program proposed for the Western Hemisphere amounts to $52,500,000. Earlier today, I discussed this matter with the junior Senator from Florida [Mr. SMATHERS], who indicated to me that it was his intention later to submit some amendments for the expansion of what we call development assistance. My feeling is that slowly but surely—and I believe it is a little too slowly, although I hope it is very surely—we are beginning to appreciate the strategic importance as well as the economic and political importance of our Latin-American neighbors, the countries in Central America and South America. We should be keenly interested in what is current in these countries, because of their geographical position, if for no other reason, but also because they are in the New World, and because they came into being as new States at about the same time that our country became a sovereign, free state.

Our Government was the first to recognize our friends and neighbors to the south as sovereign, independent countries. They broke away from the old system of aristocracy and monarchy. They are a part of the New World and the new era. It is gratifying to me to realize that we have a continuing interest in their economic and political well-being. But I repeat that much more needs to be done. I regret that more attention has not been paid to these areas. Very frankly, Mr. President, our relationships with the Latin American countries after World War II simply subsided and went from bad to worse. We virtually ignored their existence. It has only been in recent days that attention has been paid to them by us.

So I think we owe a debt of gratitude to the junior Senator from Florida [Mr. SMATHERS] for arousing keen interest in the Senate in this situation. He has joined with others, but he has given leadership to the work. I am of the opinion that the State Department is well aware of his keen interest in it.

Mr. SMATHERS. Mr. President, will the Senator from Minnesota yield to me at this point, to permit me to make an observation.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Minnesota yield to the Senator from Florida?

Mr. HUMPHREY. I yield.

Mr. SMATHERS. First, Mr. President, I wish to say that I appreciate very much the kind and generous remarks of the Senator from Minnesota regarding my efforts and regarding the countries of South America and Central America. Let me say frankly, however, that none of the things which have been done in that connection would have been done without the very able assistance of the Senator from Minnesota and all the other Senators whom I happen to see at this time on the floor.

Earlier, it was my privilege to talk with the able chairman of the committee, who expressed the same feeling about the importance of our relationships with the countries of Central America and South America that has been expressed by the Senator from Minnesota. I am sure the Senator from Minnesota hits upon a sensitive point, however, when he states that including all the grants and measures of assistance we have adopted, we have never yet done for Central American or for South America more than 1.5 percent of the total amount we have done for the other areas of the world.

As the Senator from Minnesota has pointed out, it does not make a great deal of sense for us to be fighting communism and the conditions which breed communism, such as chaos, poverty, and ignorance, 7,000 or 8,000 miles away from home, and at the same time to let those conditions prevail in our own backyard, so to speak.

So I appreciate the great assistance the Senator from Minnesota has given in connection with this program, and I thank him for his remarks.

Mr. HUMPHREY. I thank the Senator from Florida.

Mr. President, I think I am at liberty to say that the Senate Committee on Foreign Relations spent more time, this year, than in any other periods, at least those with which I am acquainted, on the Latin American program. I think there is a growing interest and a growing concern in regard to our relationships with the countries of Latin America.

At this time I shall simply submit a brief statement of the facts in connection with this part of the program, because I know that other Senators will wish to speak on this point.

For the Western Hemisphere, the total program, which, of course, relates to our Latin American friends and neighbors, is made up of $21 million for development assistance, and $31,500,000 for

technical cooperation, or a total of $52,500,000. That is a little more than half of what we are contributing to Western Europe this year, after having spent billons of dollars in Western Europe. I remind my colleagues that we have gone through a trying experience resulting from certain developments in Guatemala, and we have witnessed some other difficulties in that area. I cannot help but say—and I say it in all kindness and charity—that one of the countries which will receive some aid under the program is Guatemala, but it did not get much aid from us before it went Communist. In other words, three countries were mentioned, as I recall, for development assistance. They were Haiti, Guatemala, and Bolivia. One of those countries had a devastating hurricane, and they received a little help from us. Another of those countries went Communist, and then it finally received a little help from us. Bolivia is fighting for its very life, and much of its industry is being handled by State ownership. Other countries are trying to make the political institutions in which we believe work; and I hope we will not wait until one of them is almost wrecked by another hurricane, or until another of them goes Communist, or until another one of them has other serious difficulties. I believe we should be of help to these countries before disaster strikes them and before helping them costs so much more than it would previously have cost us to be of any real assistance to them.

Mr. LONG. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I am glad to yield. First, I should like to say that our friend, the Senator from Louisiana [Mr. LONG], has been in the forefront of the effort to strengthen our relationships with Latin-America; and I am sure the Senator from Florida [Mr. SMATHERS] will agree with me when I make that statement.

Mr. LONG. I thank the Senator from Minnesota for yielding to me.

Mr. President, I wish to say that this particular aid program is only a small fraction of what is being done by the United States, both directly and indirectly, to aid Latin-America. The greatest aid by the United States has come in terms of loans, which have been good loans, and have been repaid; and also much of our aid to Latin-America has been in terms of American investments—good, modern, up-to-date, capitalistic help—to raise the standard of living of the people of those countries. I am sure the Senator from Minnesota would not wish to overlook mentioning the fact that it is along those lines that much of the support from this country has come, and that it has paid off.

Although one area of Guatemala went Communist for a brief period, I am sure the Senator from Minnesota realizes that was not in accordance with the will of the people of that area, but that, to the contrary, when the people there learned what had happened, they rose up and threw out communism, which is contrary to the ideology in which they believe.

Mr. HUMPHREY. The Senator is correct. I thank him for his word of caution and balance in connection with my comments. I am just coming to the subject of the flow of capital into the Latin American areas. I should like to state the figures which the staff of the Foreign Relations Committee was kind enough to gather for the purposes of this RECORD. I think we need the full picture, including not only Government assistance and aid, but loans by private capital, and other forms of aid.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SMATHERS. Before the Senator from Minnesota discusses the subject of private capital, let me point out that in his remarks he spoke of the hurricane which hit the Island of Haiti. I had the opportunity to be down there shortly thereafter, and to observe the tremendous damage which had been done to that island, particularly to the agricultural crops which are so essential to the economy of the island.

As I understand, in this program there is not now specified any money for Haiti. The way it is approached in the report is this: It is suggested in the report that the State Department, or whichever agency will be in charge of trying to obtain this money, ask for it from a contingent fund. Whether it would be available from such a fund, no one can possibly say. If another emergency such as the Korean emergency should arise, and all the money from the emergency or contingency fund should be needed to meet it, there would be no money at all available for Haiti.

Let me say to the Senator from Minnesota that it is my hope, sometime tomorrow, to offer a very modest—and I think sensible—amendment, which would correct that particular project so far as Haiti is concerned.

I wish to join with the Senator from Minnesota in commending the Senator from Louisiana [Mr. LONG]. He has done a great deal to improve relationships between our country and the countries of Central and South America.

However, I am sure the Senator would recognize that there is considerable difference in the treatment of various countries. We say to some countries, "We will give you billions of dollars," and we say to other countries, "We will make a loan to you, but you must pay it back."

The fact of the matter is that most of the loans which have been made to Latin American countries have been repaid. They have been good loans. But there is not a great deal of justification for us, with our bounty and generosity, saying to one section of the world, "We will give you all this for the sole purpose of fighting the conditions which breed communism," and then saying to another section of the world, "Even though you have such conditions, we will not give you anything, but we will lend you what you need." That is a discrimination which I am sure the Senator from Minnesota as well as the Senator from Louisiana would like to eliminate.

Mr. HUMPHREY. I thank the Senator for his observation.

Mr. President, I ask unanimous consent that the statement pertaining to Bolivia and Guatemala be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Western Hemisphere—Development assistance

Bolivia	$16,000,000
Guatemala	5,000,000

Bolivia's present reform government came to power in 1952 in what had long been one of the poorest, most exploited, and most politically volatile countries in the world. Bolivia's poverty does not result from lack of resources but from maldistribution of wealth and backward land tenure and social systems. The present Government of Bolivia has attacked those problems vigorously and on the whole realistically.

The Bolivian Government's efforts to improve the conditions of its own people were severely handicapped by the precipitous decline in world tin prices from about $1.20 a pound to 80 cents a pound in early 1953. Bolivia has to import more than half its food, and tin exports alone account for two-thirds of its foreign-exchange earnings.

In this situation, economic conditions in Bolivia deteriorated rapidly and a real threat of political chaos developed. In November 1953, a United States assistance program was started to relieve the immediate threat of famine and to help remove the basic cause of the crisis by increasing agricultural production and diversifying economic activity generally.

This program, which is tied in with the Bolivian Government's own development plans, has made considerable progress, and for the first time in many years there is legitimate ground for optimism as to the future of Bolivia. The country has not yet reached the point where it could continue without foreign help, however.

The development-assistance program for Bolivia for fiscal 1956 includes $10 million in food and agricultural imports, principally bread grains ($7 million) and fats and oils ($2 million), and $6 million in machinery and vehicles, chiefly agricultural and road-building equipment. Local currency accruing from the sale of the commodities will be used to carry out additional portions of the Bolivian development plan.

GUATEMALA, $5 MILLION

The new Government of Guatemala, which overthrew the Communist-dominated Arbenz regime last year, came into power in a country which had always been poor but which had been further impoverished through the systematic looting carried on by the preceding government. The situation has been further complicated by a decline in the price of coffee, which is Guatemala's principal export.

It is obviously in the interests of the United States to help demonstrate to the people of Guatemala that they can make more economic progress under an anti-Communist than under a Communist government. For this purpose, the development assistance authorization in the bill includes $5 million for Guatemala to be used principally for financing the construction of roads and other public-works projects. These activities will not only alleviate unemployment but should also stimulate economic activity generally by opening up hitherto isolated sections of the country. Part of the money will also be used for completion of Roosevelt Hospital in Guatemala City.

The committee has some doubts that the $5 million authorization in the bill for Guatemala is sufficient. It is possible, depending upon future developments, that perhaps as much as $10 million more may be required to help the Castillo Armas liberation government repair the economic damage left by the Communist regime. In this connection, the committee calls attention to the authorization in section 8 (a) of $100 million for a worldwide contingency fund and urges the administration not to hesitate

to use this fund to provide additional assistance to Guatemala, should such action prove necessary.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. Before I yield, I ask to have printed in the RECORD at this point as a part of my remarks the figures relating to the technical cooperation program, or the point 4 program, showing, first, the amount which each country will receive; and, secondly, the activities involved.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Western Hemisphere—Technical cooperation, $31.5 million

BY COUNTRY

Latin America:	*Millions*
Bolivia	$2.5
Brazil	3.5
Chile	2.4
Colombia	1.5
Costa Rica	1.0
Cuba	0.6
Dominican Republic	0.4
Ecuador	1.6
El Salvador	1.0
Guatemala	1.8
Haiti	1.5
Honduras	1.1
Mexico	1.8
Nicaragua	0.9
Panama	1.3
Paraguay	1.5
Peru	2.7
Uruguay	0.4
Venezuela	0.2
Dependent overseas Territories	1.1
Regional	1.2
Subtotal	30.0
Organization of American States	1.5
Total	31.5

BILATERAL PROGRAMS BY MAJOR ACTIVITY

	Thousands
Agriculture and natural resources	$10,711.5
Industry and mining	2,440.1
Transportation	1,492.6
Labor	1,009.7
Health and sanitation	5,734.3
Education	4,197.5
Public administration	1,912.6
Community development, social welfare, and housing	944.5
Other	1,557.2
Total	30,000.0

Mr. HUMPHREY. I carefully note that the total amount of funds for the point 4 program, or the technical cooperation program, for the Western Hemisphere, is $31.5 million—$30 million to various countries, country by country, and $1.5 million for the Organization of American States, which conducts a sort of multilateral program of its own in the Latin American countries.

It is interesting to note that the greater share of the funds for the point 4 program goes into agricultural and natural resource development. The next largest amount goes into health and sanitation. The next largest amount is for education. I think the programs are well directed and well planned.

The first point 4 program, or technical cooperation program, was in the Latin American countries. I believe that was under the Institute of Inter-American Affairs.

I now yield to the Senator from Alabama.

Mr. SPARKMAN. I appreciate the courtesy of the Senator from Minnesota in yielding.

One thing which I wished to bring out was the fact that so far as the point 4 program is concerned, we really cut our teeth—if that expression may be used—in Latin America. However, I believe that the program antedates even the time mentioned by the Senator from Minnesota. I think it goes back to the Good Neighbor policy, in the early days of the Roosevelt administration.

Mr. HUMPHREY. I think that is true. I believe it is fair to say that Cordell Hull, as Secretary of State, had a great influence in developing better relations with our Latin American neighbors.

Mr. SPARKMAN. That was a part of his program.

The particular point I wish to make—and this is in line with the very fine suggestion made by the very able Senator from Louisiana [Mr. LONG] to the effect that a great deal of the best help we have been able to give to Latin American countries was in the form of capital loans to help them develop various projects—is that before we were able to determine the economic feasibility of those particular projects or loans we had used the point 4 program and the surveys made under that program in order to obtain the facts relating to such projects. In other words, has not the point 4 program in Latin America been basic, fundamental, and essential for carrying out the loan program mentioned by the distinguished Senator from Louisiana?

Mr. HUMPHREY. I am sure one could say frankly that there is a direct relationship. When the Army Engineers are authorized to make a survey for a flood control project, that is equivalent to the point 4 program, which does the pioneer work and starts the development. Later comes the mass of capital which is needed. In this instance much of it is private capital, to carry out agricultural and industrial expansion and development.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. Is the Senator able to tell us the amount of loans, dollarwise, that have been made to Latin American countries under the so-called Good Neighbor Policy, through the Export-Import Bank and various other agencies?

Mr. HUMPHREY. If the Senator will bear with me, I should like to read the statistical material. I wish to be accurate. Some of these figures involve estimates, in terms of some of the overall figures.

The average annual rate of flow of private capital to Latin American countries—Central America and South America—is approximately $650 million a year. This figure is derived as follows:

The United States private investment average, from 1951 to 1953, was $436.3 million. The average for the Export-Import Bank and International Bank for Reconstruction and Development, from 1950 to 1954, was $218 million.

So there is an average annual rate in recent years of approximately $650 million of new capital in Latin America. This figure does not reflect private investment from non-United States sources. The Economic Commission for Latin America estimates European investments in that area at more than $100 million a year, mainly in short- and medium-term loans connected with trade operations.

Coming directly to private investment, the total as of December 31, 1953, in Latin America was $6,175,000,000 of United States private investment.

Mr. LONG. Over what period of time?

Mr. HUMPHREY. That was up to 1953.

Mr. LONG. Starting at what date—1932 or 1933?

Mr. HUMPHREY. That was the total value of American investments in that area.

The flow of net new capital investment plus re-invested earnings in 1951 was $449 million; in 1952, $601 million; in 1953, $259 million.

The flow of United States investment per capita in the period 1951 to 1953 was $7.65.

Coming to the Export-Import Bank and the International Bank, the total cumulative authorized credits in the case of the Export-Import Bank, through April 1955, were $2,466,000,000; for the International Bank, through March 1955, $553,000,000, or an aggregate of $3,019,000,000, through April of 1955. Of the amount disbursed from those loan authorizations—this is cumulative—up through December 31, 1954, or the first of 1955, the Export-Import Bank disbursed out of its total authorization of $2,466,000,000, $1,406,000,000, and the International Bank, out of its authorized credits of $553,000,000, actually disbursed $316,000,000, or a total of $1,722,000,000.

The annual rate from 1950 to 1954 of the Export-Import Bank disbursements was $162,000,000 every year, and from the International Bank, $56,000,000, or a total of $218,000,000 each year. In order to make these figures more understandable and to show them in greater detail, I ask unanimous consent that the table listing the credits authorized by the Export-Import Bank and the International Bank for reconstruction and development be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Credits authorized by Export-Import Bank and IBRD

[Figures shown in millions]

	Credits other than exporter credit lines		Exporter credit lines	Total credits
	Latin America	Other areas		
Export-Import Bank: Cumulative total: February 1934–December 1953	$2,152	$4,328	----	$6,480
1954:				
January–June	40	37	----	77
July–December	116	156	$21	293
Total	156	193	21	370

Credits authorized by Export-Import Bank and IBRD—Continued

[Figures shown in millions]

	Credits other than exporter credit lines		Exporter credit lines	Total credits
	Latin America	Other areas		
Export-Import Bank—Con.				
1955:				
January-March	151	18	58	227
April	7	28	37	72
Total authorizations February 1934–April 1955	2,466	4,567	116	7,149
IBRD:				
Cumulative total: May 1947–December 1953	437	1,344	-------	1,781
1954:				
January-June	29	104	-------	133
July-December	82	68	-------	150
Total	111	172	-------	283
1955:				
January-March	5	100	-------	105
April (not available)	-------	-------	-------	-------
Total authorizations, May 1947–March 1955	553	1,616	-------	2,169

Source: Compiled from information received from Export-Import Bank and IBRD.

Mr. HUMPHREY. I wish to add one final word. Mr. Norman Paul, the Deputy Director of the Foreign Operations Administration, testified before our committee that more than 37 percent of all United States private investment abroad was in Latin America. It appears to me that that is one of the soundest investments we have ever made. We have not heard of any people complain that those investments were poor investments.

I would justifiably feel that the investment of private capital in Latin-American countries is not only a good investment, but is good economics and good international policy and good national security.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. It seems to me that the experience we have had in Latin-America so far has been much better than anyone thought it would be when we first started to develop these investments. Many people then thought that the loans under the Export-Import Bank would be unsound investments. However, the record has been so good and the repayment schedule has been so good that today these loans are regarded as very conservative, Wall-Street-banker type investments.

Mr. HUMPHREY. That is correct.

Mr. LONG. As a matter of fact, the experience under them has been so good, and we have had such a low loss record, that the Export-Import Bank has become more conservative than I would have recommended that it become. I would have felt that occasionally we should have taken some long risks on the loans, in order to help people develop their country, and in order to go along with them in their endeavors to help them pull themselves up by their bootstraps, so to speak.

The experience we have had under the Export-Import Bank would indicate that we should do more of that type of thing. It costs so much less in the long run to get our money back.

That is what appeals to the junior Senator from Louisiana, in terms of development expenditures in other countries. If we pick a project wisely, it will pay off, whether it be a railroad in Turkey or a steel mill in India. The people of such countries will make money by the use of modern tools imported from the United States. If we make grants in some instances, but in most instances insist on loans at low interest rates, with long periods for repayment, the people who receive them will prosper, and out of their profits they will be able to repay us.

I wonder whether that appeals to the Senator from Minnesota, and whether he believes we ought to begin to enter upon a policy of lending money to the people of other countries on long terms; and if they cannot meet their payments on time, give them a moratorium, perhaps, and even let the interest payments lapse for a while, if necessary, until they are again able to pay us.

Mr. HUMPHREY. I believe that emphasis is appropriate, and it is becoming the considered judgment of Congress that more and more emphasis should be placed upon loans. Some of our colleagues sometimes say that a country occasionally defaults on a loan. So what? In the main, we are still better off than under grants. Most of the countries are desirous of having loans made to them, particularly if they can get long-term loans at reasonable rates of interest, and can know that the loans will not be foreclosed on a technicality.

I believe we ought to emphasize that point, and that we should impress it upon the representatives of the State Department and of the International Cooperation Administration. We should make plain to them that we want the loan program emphasized.

We do stress that point in the bill and in the report. For example, of the $200 million Presidential fund for Asian development, at least 50 percent must be in loans.

I should like to read from page 22 of the committee report:

> The bill repeals the requirement in the Mutual Security Act of 1954 that 30 percent of development assistance funds be available only for furnishing assistance on a loan basis.
>
> In fact, something more than 30 percent of these funds were used on a loan basis in the current fiscal year, and it is expected that an even greater percentage will be so used in fiscal 1956. The committee was impressed, however, with the argument that a percentage figure written into the law militates against the placement of a greater percentage of loans. Experience under the 1954 act shows that some recipient countries want to limit their borrowing to 30 percent, whereas if that figure were not in the law, they would be more readily agreeable to a higher percentage.

We removed that percentage figure, and the committee report more or less lays down the general admonition to the administration: "Emphasize loans more and more." When loans are made the banking facilities of the Export-Import Bank are utilized. That is the technical facility. I think we ought to emphasize ever more and more the loan aspect of the program.

I read an item on the ticker to the effect that the Senator from Michigan [Mr. POTTER] spoke quite vigorously on the importance of emphasizing long-term international loans. I commend the Senator, and say that the more we impress this fact upon our responsible officials, and the more we let countries around the world know we want to help them, but that we would like to help them on businesslike terms, the better off we will be.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from Illinois?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Now that we are on the subject of loans, even though this may be a slight departure from the subject matter of the bill, I should like to ask the Senator whether he has given any attention to the loan which the Export-Import Bank recently announced it was going to make to Mr. Peron's government in Argentina. I believe it is a loan of $150 million.

Mr. HUMPHREY. I regret to say that I have not.

Mr. DOUGLAS. The Peron government, as I understand, received a loan from us in 1950. The result was that the Government of Argentina became immediately more hostile to the United States. The whole record of the Peron government has been one of hostility to the United States ever since it came into existence.

I hold no brief for the American & Foreign Power Co., but it has had its property confiscated by the Argentine Government without payment for it, if my information is correct.

I believe that the Otis Elevator Co. and the Swift Co. have suffered severe disabilities at the hands of the Argentine Government.

In times past I have always opposed military intervention by our Government to protect American investors. I did that in the case of Nicaragua in the 1920's and I think I had some influence in getting my fellow marines out of Haiti. I do not believe in military intervention to protect American investors. I believe when American capital goes abroad it must necessarily take risks. However, I do not believe there is any obligation upon us to give money to nations which adopt policies hostile to America and unjust to American business. I believe the least we can do is not to make loans to such governments.

I have asked the State Department for an explanation on this point, and their reply is that recently there has been a change in the policy of the Peron government and that that government is now more friendly to the United States.

I would trust the friendship of Peron just as much as I would trust the friendship of an extremely unreliable man. I believe the Export-Import Bank were simpletons to make the loan to his government. I hope the Senator from Minnesota will give the matter attention and from the vantage point of the Commit-

tee on Foreign Relations turn the heat on the Export-Import Bank.

Mr. HUMPHREY. I thank the Senator for his graphic description of what has transpired. I may say it is very persuasive. I do not feel that one of the qualifications for getting a loan is to see how offensive one can be to the American people and the American Nation. It appears to me that good manners and reasonable attitudes are minimum essentials, and notice should be taken of it if the government seeking the loan engages in confiscation. I think a country which has spent so much time as we have talking about the evils of socialism ought to see to it that our lending agencies are not engaged in fortifying governments that move periodically to confiscate something that may be in their way.

Mr. DOUGLAS. I am not defending the corporation to which I referred. I think they had to take their chances when they went to Argentina, and I am not advocating that we militarily intervene, but I do say we should not lick the boots of those who confiscate our property.

Mr. HUMPHREY. I think the Senator has placed a very valid qualification upon the foreign-aid program and the loan program. I am sure I should like to pursue with the Senator the inquiry which he is making at the State Department with reference to the Export-Import Bank. The Senator will be interested to know that there is no money in the bill for Argentina.

Mr. DOUGLAS. I understand that. I realize that my question was somewhat apart from the bill, but it was germane to the issue of loans.

Mr. HUMPHREY. Mr. President, I had concluded the analysis of the bill as it relates to the geographic areas, and I wish now to sign off with the mention of the international aspects, under the United Nations.

The United Nations programs mean a great deal to our country. I think it should be clearly understood that the foreign policy of our Nation is based upon active participation in the United Nations. Within a few days we shall be celebrating the 10th anniversary of the signing of the United Nations Charter.

The Mutual Security Act authorizes $222,500,000 for certain international activities on a nonregional basis.

There is United Nations technical assistance in the amount of $24 million.

United States bilateral technical assistance, interregional expenses, $9 million.

Intergovernmental Committee for European Migration, $12,500,000.

United Nations Refugee Fund, $1,400,000.

Escapee program, $6 million.

United Nations Children's Fund, $14,500,000.

NATO civilian expenses, $3,700,000.

Ocean freight for shipment of American relief goods and surplus agricultural commodities, $15 million.

Battle Act administration, $1,200,000.

Mutual Security Act administration, other than Defense Department, $35,200,000.

The President's special contingency fund, $100 million.

Those items amount to an aggregate total of $222,500,000.

Those are the other items which lead to the overall figure for the authorization under this bill of $3,408 million for the Mutual Security Act programs for the fiscal year 1956.

Mr. President, I commented a moment ago on the item of $24 million for United Nations technical assistance. It should be clear that this sum is for an 18-month period. We are trying to get the program on a calendar-year basis rather than on a fiscal-year basis. The United Nations works on a calendar-year basis, and we find ourselves sort of a sore thumb, so to speak; we stand out on our own and make it rather difficult for the United Nations program of technical assistance to be charted and planned properly when the United Nations is uncertain as to our contributions. This will mean that for calendar year 1956 a contribution of $15,500,000 is authorized, and for the last six months of this calendar year, $8,500,000.

Mr. President, I strongly support the United Nations technical assistance program. I think it is doing great work. In fact, Mr. President, the statement of the Deputy Assistant Secretary of State for International Organization Affairs, in his testimony before the committee, was most revealing, and, I may say, rather exciting, as to the accomplishments under technical assistance. The United Nations program for technical assistance accomplishments are listed in several pages of testimony. I shall not burden the RECORD with all of it, but I point out the accomplishments, country by country, such as Ethiopia, Iraq, Pakistan, and, of course, the Far East in general, countries such as India and Japan.

In the Latin America areas we include Haiti, Colombia, and Bolivia. In the Near East, Israel.

I again refer to the report of the Senator from Illinois [Mr. DOUGLAS] in his compilation of the programs of United Nations Technical Assistance. Let us make it clear that the United Nations Technical Assistance program is separate and distinct from our own bilateral program.

Mr. President, I ask unanimous consent that a portion of the comments in the executive branch presentation book concerning interregional expenditures under bilateral technical assistance be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NONREGIONAL—UNITED STATES BILATERAL TECHNICAL ASSISTANCE, INTERREGIONAL EXPENSES, $9 MILLION

The projects are of two general types. First, are activities required to implement continuing training programs such as the provision of orientation and language training for participants; contracts with land-grant colleges, universities, and professional societies to provide training to FOA participants; and preparation of visual aids, technical literature, and technical exhibits.

Second, are projects of a developmental nature and of a less routine character such as training of foreign nationals in the peaceful uses of atomic energy; contracts with American universities to train foreign nationals in the processes and techniques of national economic development; and preparation of manuals and other materials on the processes of industrial development of a country.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the portion of the report dealing with migrants, refugees, and escapees, be made a part of the RECORD, along with the explanation of the United Nations Children's Fund.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

26. MIGRANTS, REFUGEES, AND ESCAPEES (SEC. 8 (d))

Three separate programs deal with the problems of migrants, refugees, and escapees. The Intergovernmental Committee for European Migration (ICEM), composed of 24 nations, concerns itself with the movement of persons from Europe to ease population pressures. Included among these persons are refugees and escapees.

The United Nations Refugee Fund (UNREF) is set up on a temporary basis under the terms of a U. N. General Assembly resolution to deal with the relatively small residue of World War II refugees who were previously the concern of the United Nations Relief and Rehabilitation Administration (UNRRA) and later of the International Refugee Organization (IRO).

Persons who have escaped from Communist-controlled areas during the years since World War II are dealt with by the United States escapee program.

All three programs provide for the temporary care and permanent settlement of certain groups of people. The committee was concerned with the possibility of duplication and overlapping, and considered the feasibility of combining all or some of these programs. Such a move appears impractical at this time in view of the different numbers of nations participating in the various programs, and in view also of the different problems the programs are designed to meet. Nevertheless, the committee hopes that the executive branch will continue to explore ways of simplifying administration, and in the meantime exercise the utmost vigilance to assure well-coordinated efforts.

Intergovernmental Committee on European Migration (ICEM) (sec. 8 (d) (2))

The bill authorizes appropriation of $12,500,000 for contributions to ICEM, compared to $11,189,190 authorized and $10 million appropriated in fiscal 1955.

The task of ICEM is to assist the movement of persons from overpopulated countries in Europe such as Italy, Austria, the Netherlands, Germany, and Greece to countries willing to receive them, principally Argentina, Australia, Canada, Brazil, and the United States. During the span of ICEM operations, the number of migrants moved annually has increased from 77,600 in 1952 to an estimated 142,000 in 1955 and 174,400 in 1956.

ICEM operations are financed by contributions of its 24 members, made on 2 different bases. Administrative expenses are fixed on a percentage scale by which the United States pays 31.32 percent of the administrative budget. Operational expenses are financed by voluntary contributions which include reimbursements by governments receiving migrants. ICEM's budget for calendar 1956 is $54,736,618, of which $2,545,507 is for administration and $52,191,111 for operations. The contemplated United States contribution of $12,500,000 is less than one-fourth of the total budget and is broken down into $790,989 for administration and $11,709,011 for the operations.

United Nations refugee fund (sec. 8 (d) (3))

The bill authorizes appropriation of $1,400,000 for contribution to the United Nations Refugee Fund (UNREF), compared to $500,000 authorized but not appropriated for fiscal year 1955.

UNREF is the latest of temporary agencies set up to deal with the problem of the post-World War II refugees. These now number only about 300,000, but they include so-called difficult cases—persons who for reason of health or age must be permanently institutionalized. Most of them are in Austria, Germany, Greece, and Italy—all areas which are already overpopulated and which have found it beyond their resources to maintain and assimilate these refugees without external assistance.

The proposed United States contribution will be about one-third of the $4,200,000 UNREF budget for calendar year 1955. The committee endorses the administration's stated intention to limit payment of the United States contribution to approximately that percentage of total government contributions paid into the central account of UNREF.

The table below shows that by far the greatest proportion of the 1955 UNREF budget will be devoted to seeking permanent solutions to the refugee problem.

United Nations Refugee Fund—Proposed program for calendar year 1955

Country	Total estimates	Permanent solutions	Emergency assistance	
			Placement difficult cases	Supplementary assistance
Austria	$1,693,000	$1,440,000	$253,000	
Germany	420,000	420,000		
Greece	820,000	700,000	95,000	$25,000
Italy	399,000	280,000	98,000	21,000
Turkey	31,000		22,000	9,000
China	391,000		90,000	301,000
Iran	21,000		9,000	12,000
Egypt	25,000		15,000	10,000
Middle East	24,000		6,000	18,000
Undistributed (contingency)	10,000			10,000
Subtotal, integration projects		2,840,000		
Emigration activities	250,000	250,000		
Administrative costs	110,000	110,000		
Total	4,200,000	3,200,000	594,000	406,000

UNREF was established by the U. N. General Assembly in 1954 for a 4-year period. Any refugees remaining at the end of that time, for which an estimated $16 million program has been drawn up, will become the sole responsibility of the country of residence.

The committee feels that United States support of UNREF involves the important principle of the right of asylum. The United States is relatively remote from the turbulent areas which have produced refugees, and it has a responsibility to help the free nations which were geographically accessible to absorb this flow without economic dislocation. The committee wants to stress, on the other hand, that this humanitarian effort does not in any way relieve the nations in which the refugees reside of the final and ultimate responsibility for finding a solution to this problem.

Escapees (sec. 8 (d) (4))

The bill authorizes $6 million in appropriations for the continuation of the escapee program, which was begun in 1952 under the so-called Kersten amendment. This amendment, which is now contained in section 401 of the Mutual Security Act of 1954, permits the President to use up to $100 million of funds appropriated under the act for—

"Any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia or the Communist-dominated or Communist-occupied areas of Germany and Austria, or any Communist-dominated or Communist-occupied areas of Asia and any other countries absorbed by the Soviet Union."

In the past, the escapee program was financed from military assistance funds under authority of section 401. This year, inasmuch as the escapee program is not an "unforeseen contingency" of the type for which section 401 was provided, a separate appropriation has been authorized.

The escapee program is declining gradually but steadily. It amounted to $7.2 million in fiscal 1954 and $6.3 million in 1955, compared to $6 million proposed in 1956.

The reduced activities reflect a lightening of the caseload, as illustrated by the table below.

Caseload projection

	On hand Dec. 31, 1954	Additions to caseload	Reductions in caseload	On hand Dec. 31, 1955	Additions to caseload	Reductions in caseload	On hand Dec. 31, 1956
Office of Field Coordination	4,374	+776	−1,992	3,158	+100	−1,853	1,405
Austria	6,097	+4,149	−5,520	4,726	+2,220	−5,280	1,666
Germany	5,889	+2,836	−3,999	4,726	+382	−2,218	2,890
Greece	4,675	+469	−1,716	3,428	+271	−1,640	2,059
Italy	3,124	+870	−1,806	2,188	+336	−1,350	1,174
Trieste	2,981	+1,117	−3,229	869	+1,085	−1,767	187
Turkey	265	+60	−262	63	+72	−96	39
Iran	661	+28	−174	515	0	−255	260
Middle East	257	+15	−95	177	0	−107	70
Total [1]	28,323	+10,320	−18,793	19,850	+4,466	−14,566	9,750

[1] In addition, it is estimated that 17,000 refugees in the Far East will receive assistance in 1956.

It will be noted that the rate of resettlement outstrips the rate of new escapees, and that a gross reduction of 14,566 will be made in the caseload during calendar 1956.

27. UNITED NATIONS CHILDREN'S FUND (SEC. 8 (E))

This bill authorizes appropriations in fiscal 1956 of $14.5 million for United States contributions to the United Nations Children's Fund (UNICEF). Of this amount, $4.8 million is to complete payment of United States contributions for calendar 1955, bringing the total United States contribution for that year to $9 million. The remainder of the authorization ($9.7 million) is for the entire calendar year 1956.

Because of the discrepancy between United States and United Nations fiscal years, the United States has been making its contributions late in the U. N. year, and it is the purpose of this 18-month authorization to put United States payments on a more current basis. The Senate has consistently supported UNICEF's work, and this work can be carried out more efficiently if contributions are known sufficiently far in advance to permit adequate planning.

Total United States contributions to UNICEF have amounted to $9.8 million in calendar 1953 and $8.3 million in 1954, with $9 million proposed for calendar 1955 and $9.7 million for calendar 1956. At the same time, the percentage of United States contributions to the central fund has decreased from 71 percent in 1952 to 61 percent in 1954, with 60 percent proposed in 1955 and 57.4 percent in 1956.

Established as an emergency program for children in war-devastated areas, UNICEF has now shifted the emphasis in its activities to long-range child welfare operations in underdeveloped countries. Whereas 76 percent of its efforts were concentrated in Europe in the period 1947–50, the European program amounted to only 7 percent of the total in 1954. Conversely, assistance in Africa increased from 0.4 percent to 1 percent in the same period. Comparable figures for Asia are 10 percent and 47 percent and for Latin America 3 percent and 22 percent.

The committee takes this opportunity to endorse again the work of UNICEF and to recommend that the Senate authorize the full amount requested.

Mr. HUMPHREY. Mr. President, I wish to emphasize in particular the United Nations Children's Fund. I think it has done great good. I was particularly pleased to see that our committee authorized the full amount the administration requested. The program has endeared itself to the hearts of millions of Americans because of the fine activities which have been conducted under its auspices.

The matter of refugees and escapees is one of the most perplexing problems before us, and we again authorize funds for those programs in the sums which I mentioned earlier.

Mr. President, I conclude my remarks today by an appeal to support the bill. I do not say that the action of the committee is the final one. I suppose there will be those who can make a strong case for further increases or for further decreases. But, whatever we do, let us keep one thing in mind: We have entered upon a great, long-range program of trying to build peace, security, and freedom for ourselves and for other nations of the world.

I think that what is authorized by the pending bill is as much a part of the defense of America as is any air force we can put in the skies, or any army or navy which we can create. These programs are all interrelated and interdependent—they involve everything from the prosperity and the productivity of our own economic system to the well-being and increased productivity of countries thousands of miles away.

It is with this thought in mind, and in this spirit, that I support the plea made yesterday by the chairman of the committee, the distinguished senior Senator from Georgia [Mr. GEORGE], the President pro tempore of the Senate, who is now presiding, that the United States back up its international efforts with a continuation of mutual security.

I recall that the Senator from Georgia said this was no time to let down, that this was the time to stand our ground, and continue to build strength.

Whatever doubts I may have had with respect to any area, I have reconciled in support of what I believe to be in the best interests of our country—the continued building of strength in the areas of freedom and the backing up of our negotiators and leaders as they go to the conferences, without any indication at all that there is a lack of will or a lack of determination on the part of the American Nation or the American people.

Mr. President, I hope the Senate will pass the bill which is now under consideration.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF THE ARMED SERVICES

During the delivery of Mr. HUMPHREY'S speech,

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 390, H. R. 5559.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 5559) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5559) which had been reported from the Committee on Finance, with amendments, on page 1, at the beginning of line 7, to strike out "repealed" and insert "amend by striking out 'July 1, 1955' and inserting in lieu thereof 'July 1, 1957' "; and after line 8, to insert:

SEC. 2. (a) Paragraph 412 of the Tariff Act of 1930 is hereby amended by inserting before "wood flour" the following: "hardboard, whether or not provided for elsewhere in this act, and whether or not cut, stamped, or shaped for boxes or other articles, 33⅓ percent ad valorem;".

(b) For the purposes of section 350 of the Tariff Act of 1930, as amended, the rate of duty existing on January 1, 1945, for hardboard provided for in paragraph 412 of such act, as amended by subsection (a) of this section, shall be deemed to have been 33⅓ percent ad valorem: *Provided, however,* That so long as any foreign trade agreement that shall have heretofore been entered into pursuant to section 350 of the Tariff Act of 1930, as amended, and any amendments thereto, that is applicable "to manufacturers of wood or bark, or of which wood or bark is the component material of chief value, not specially provided for" in paragraph 412 of the Tariff Act of 1930 that are not specifically described in said foreign trade agreement, shall remain in force and effect, the rate of duty for hardboard provided for in paragraph 412 of such act, as amended by subsection (a) of this section, shall be 16⅔ percent ad valorem, with like effect as though that rate had been included in said foreign trade agreement, excepting that said rate shall be subject to being increased or decreased hereafter by foreign trade agreements entered into pursuant to amendments to said section 350 of the Tariff Act of 1930, as amended, or other statutes that shall authorize the President to proclaim modifications of existing duties and other import restrictions, or additional import restrictions, or the continuance for minimum periods of existing customs or excise treatment of any article. Such hardboard, when the product of any nation or area designated by the President pursuant to section 5 of the Trade Agreements Extension Act of 1951, shall be subject to a duty of 33⅓ percent ad valorem.

(c) The amendment made by this section shall be effective with respect to hardboard, whether or not provided for elsewhere in the Tariff Act of 1930, as amended, and whether or not cut, stamped, or shaped for boxes or other articles, entered or withdrawn from warehouse, for consumption on and after the 30th day following the date of enactment of this act.

Mr. JOHNSON of Texas. Mr. President, yesterday the Senate was prepared to consider this measure, which had been cleared by the distinguished minority leader. The bill was reported unanimously by the Committee on Finance; but at the request of the distinguished senior Senator from Pennsylvania [Mr. MARTIN] consideration of the bill was postponed until today. I have now been notified that it is agreeable to him that the bill be considered.

The bill is most urgent, and the distinguished chairman of the Committee on Finance [Mr. BYRD] wishes to make a brief explanation of it.

Mr. BYRD. Mr. President, H. R. 5559, as passed by the House, extended for 2 years the time to accord free entry into the United States of bona fide gifts from members of the Armed Forces of the United States on duty abroad. It has been customary to make this extension on the basis of a 2-year period.

In addition, the Committee on Finance adopted unanimously an amendment classifying hardboard imported into the United States. It is presently classified for tariff purposes under paragraphs 1402 and 1413 of the Tariff Act of 1930. When the 1930 act was passed, hardboard was a relatively unknown product. When first developed, it had some of the qualities of paperboard and was administratively classified as a paper product. However, later developments resulted in the production of hardboard, which not only had the principal properties of wood, but was also a counterpart of wood in general usage.

Hardboard is composed of lumber scrap and waste which would otherwise be destroyed and lost as a beneficial product.

The same classification was adopted by the House a year ago. The bill then came to the Senate. The distinguished Senator from Colorado [Mr. MILLIKIN], the chairman of the committee at that time, moved to refer the matter to the Tariff Commission. Two of the three members of the Tariff Commission agreed to the reclassification as being proper, because of the fact that hardboard is unrelated to paperboard and is not a paper product. So the Committee on Finance adopted an amendment to the bill, making this classification.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GEORGE. Mr. President, I do not rise to urge any further amendment to the bill. There may have been made some trade treaties which bound the United States not to make reclassifications which would result in an increased tariff. Perhaps that matter has been taken into consideration by the State Department. But none of the agreements which bind us not to take from the free list any article on the free list, or to reclassify so as to result in higher duties, can mean, properly interpreted, that we will not make a reasonably sound, fair, equitable classification of an article which has been misclassified, or the failure to classify, which has resulted in its being put into another bracket.

That is this case, in my opinion. It is not for the purpose of embarrassing a State, or for the purpose of challenging any of the reciprocal agreements entered into by our Government with other countries under the Trade Agreements Act, that this amendment is offered.

When this particular product was first used or first made, the Tariff Act of 1930 did not classify it or attempt to classify it; but there is, of course, in all tariff-making, a basket provision into which all other like products are put. After this product was made and after it got into use, it was classified as a paper product. That was an erroneous classification. The true classification always should have been as a wood product, because it is wood, and nothing but wood, and the board is made without the use of chemicals or any outside assistance. It results from the mere pressure of a wood product itself into the board form.

Therefore, I have no doubt that anyone who thinks that the passage of the bill might constitute an infringement of any of our reciprocal trade agreements stands upon perfectly firm ground when he says this is not a reclassification for the purpose of affecting a duty rate; it is simply the making now of a correct classification of a product which was not in existence at the time when the tariff law itself was enacted.

I therefore hope that the bill as amended will pass.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act to extend for a period of 2 years the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes."

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill (H. R. 5559) was passed.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

NINETY-PERCENT PRICE SUPPORTS ON FARM PRODUCTS

Mr. YOUNG. Mr. President, on May 27 the Secretary of Agriculture, Ezra Taft Benson, delivered a speech at Hutchinson, Kans. The occasion was Kansas Wheatfield Day.

The Secretary's speech contained the usual condemnation of 90-percent price supports. He also took a crack at the proposed two-price, or certificate, plan for supporting wheat prices. He went out of his way to make unfavorable mention of Representative CLIFFORD HOPE and other Republican Congressmen from Kansas who recently voted to reinstate 90-percent supports.

Aside from these points, the speech was one of his better ones. Secretary Benson devoted considerable attention to the need for providing better price-support differentials for good milling wheat.

One of the chief causes of our large surplus of wheat today is that the Federal Government is providing high support levels for very poor quality wheat—sometimes even higher than for the best wheat produced in America.

Such a policy, if continued, would destroy any price-support program for wheat, whether it was based on 90-percent supports or flexible supports. The Secretary of Agriculture has authority to correct this situation, and I hope he will.

Mr. President, the speech, which, as I have said before, was one of the Secretary's better ones, was marred by an unfortunate reference to one of the top agricultural leaders of this Nation and a great Republican—Representative CLIFFORD HOPE, of Kansas.

In referring to past endorsements of the idea of flexible supports, the Secretary of Agriculture had this to say:

> Representative CLIFFORD HOPE, of Kansas, then chairman of the House Agriculture Committee, teamed with Senator GEORGE AIKEN, of Vermont, the chairman of the Senate Agriculture Committee, in drafting and pushing to enactment the Agricultural Act of 1948. The very heart of the Hope-Aiken law was the provision for flexible price supports ranging between 60 and 90 percent of parity for the basic commodities, with a minimum level of 72 percent when acreage allotments or marketing quotas were in effect.

Nothing could be further from the truth. Representative HOPE had nothing to do with the writing or promoting of the Aiken flexible price-support law of 1948.

The statement by the Secretary simply is not based on facts. During the session of Congress in 1948 the House Agriculture Committee, under the leadership of its chairman, Representative CLIFFORD HOPE, secured passage by the House of Representatives of a 1-year extension of 90-percent price supports.

In the same year the Senate Agriculture Committee, under the leadership of the senior Senator from Vermont [Mr. AIKEN], worked out and secured approval by the Senate of a flexible price-support program ranging from 60 to 90 percent of parity.

These conflicting price-support viewpoints of the two Houses of Congress went to conference during the closing days of the 80th Congress. I was one of the Senate conferees, so I think I know something about the history of this legislation.

For the better part of 2 days and 2 nights the House conferees, led by Representative HOPE, refused to accept any part of the flexible price-support program approved by the Senate. Finally, at about 2 o'clock in the morning of the last day of the session—which was the first day of the Republican Convention in Philadelphia—the conferees reached agreement.

The agreement provided for a 1-year extension of 90-percent supports, and permitted the Aiken flexible price-support program to go into effect the following year.

Mr. President, I recall very well the many heated arguments which the House-Senate conferees had on the proposed price-support legislation. Representative HOPE and all of his conferees were very much opposed to the flexible price-support provision of the Senate bill.

The only possible way in which the House could get a majority of their conferees to accept the Senate bill with the flexible price-support provision was for one of their Members to resign as a conferee. The late Representative Murray, of Wisconsin, resigned, and a new conferee was appointed. Thus, early in the morning of the last day of the session, the Aiken-Hope Act was approved by the House-Senate conferees and by Congress.

This is the record with respect to the adoption of the Aiken flexible price-support program by Congress. On many occasions Secretary Benson has expressed a lack of understanding and knowledge of the facts with respect to agricultural programs.

Representative CLIFFORD HOPE became a Member of the House of Representatives in 1927. He has been a member of the House Committee on Agriculture ever since. Through his sympathetic and keen understanding of farm problems and his devotion to duty, he soon became recognized as one of the great agricultural leaders of this Nation.

He is an honest and sincere person, one who has always been tolerant of the views of others.

For 20 years or more, Representative HOPE has spearheaded the Republican drive for farm votes in every presidential election. He has been a top adviser to many Republican candidates for President. He took part in the last presidential campaign, that of 1952. It has been largely through his efforts that most of the Midwest and Plains States have so often been in the Republican column.

My guess is that the farmers of Kansas will reelect him to Congress so long as he desires to serve in that body. The people of Kansas are to be congratulated for the great contribution they have made to all the agricultural interests of the Nation by sending CLIFFORD HOPE to Congress.

Mr. President, I am quite familiar with the history of the enactment of the Aiken flexible price-support law. I had some part in writing it. I supported it.

When the measure went to conference with the House, 4 of the 7 Senate conferees were determined that if there were to be any agricultural legislation during the session of 1948, the Aiken flexible price-support provision would be a part of it.

I was 1 of the 4 Senate conferees who refused to agree to any conference report which did not contain the flexible price-support program approved by the Senate.

That was my position, right or wrong. I may have made a grave mistake, but I did so in all sincerity of purpose.

I maintained this position at that time for 2 major reasons. First, the only permanent price-support legislation on the books at that time was that providing for price supports ranging from 52 to 75 percent of parity. Thus, the Aiken Act, providing 60 to 90 percent supports, was a great improvement over the Agricultural Act of 1938.

My second major reason for supporting the Aiken Act of 1948 was that it appeared at that time that we were entering into a long period of peacetime years. We had no idea that we would soon be engaged in another war—the Korean war—with a still further inflation of prices.

We all hoped then that the prices of the things the farmers and others had to buy would return to somewhere near pre-World War II levels. The Aiken Act would have provided price supports for wheat at approximately $1.30 to $1.50 a bushel.

If the prices of many of the things that farmers had to buy had returned to pre-World War II levels, they would have represented a fair price to farmers. They could have gotten along very well with wheat prices ranging from $1.30 to $1.50 a bushel.

It soon became apparent, however, that the prices of things farmers had to buy were going to continue to rise. The cost of farm operations continued to increase, and it was for this reason that in 1949 I became a cosponsor with the distinguished Senator from Georgia [Mr. RUSSELL] on legislation which would continue 90-percent supports. That shall be my position until we find a better way of making possible decent and fair prices for basic agricultural commodities.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

Mr. WILEY. Mr. President, I have prepared some remarks in relation to

the bill now being considered, the mutual security or the collective security bill. I ask unanimous consent that the statement I have prepared be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY IN SUPPORT OF MUTUAL SECURITY ACT OF 1955

I wish to express my support for the Mutual Security Act of 1955. Due to other commitments, I was unable to take part in as much of the Foreign Relations Committee's consideration of the bill as I would have liked. Other members are, therefore, better able to speak on the details of the legislation. I do wish, however, to associate myself with the remarks of the able and distinguished chairman of the committee.

I have supported the mutual security program since its beginning, for two major reasons. First, it is the best way to fight communism without resort to arms—and we hope we can carry on without resort to forceful means.

Second, it is also a good way to help ourselves and to keep our country a strong and going concern. Not only has the program enhanced our military security; it has helped the worker, the farmer, the businessman, and the manufacturer of America.

In the 10 years since the war, the mutual assistance program has cost the United States over $40 billion. Of this, about $12 billion was in military aid, over $16 billion in economic and technical assistance, and the rest in various other programs, like UNRRA, winding up lend-lease, and Greek-Turkish aid. These figures are staggering. Grant foreign aid has averaged over the past 10 years about $4 billion a year. It has been declining in recent years so that average is not truly descriptive. But it serves to illustrate my point. About $4 billion a year has been used to buy the manifold production of the American people for use and consumption in foreign lands. The sum has bought wheat and cotton from the farmer, coal from the miner, and machines and other products from the manufacturer, much of which otherwise would not have been bought.

It has often been charged that this program is a giveaway or a do-good boondoggle. But, let us never overlook the fact that the program has been of great benefit in many ways to the people of the United States.

President Eisenhower, in his message to us, emphasized that $3 out of every $4 he asked for will be spent in the United States. These dollars will not even leave the United States. They will go straight into American pockets. The other dollars will go overseas and do their work for us abroad, through offshore procurement contracts which will help build a military production base in nations allied with us. But even these dollars will ultimately come back to us when they are used to purchase needed commodities here. So, every one of these dollars will help keep our factories humming, tractors and harvesters going, and our economy on a healthy expanding curve.

This may all sound selfish and cold, and I do not mean to detract from the Christian principles which also lead us to help those less fortunate than we are. Our first duty as Senators is, however, to look out for the safety and well-being of the United States, and I submit to you that this bill will do just that. We should never overlook the fact that an average of $4 billion a year has been diffused through our economy with resulting benefits to millions of American workers, farmers, and manufacturers.

Now to look for a minute at the other side of the coin—the greater safety which we get as a result of ever-stronger allies across the seas. Every passing day science shrinks the world a little more. On Armed Forces Day not long ago, a young man flew from California to New York and back to California—all during daylight hours. We rejoice over technological developments which make this possible, but there is a sinister, dangerous side to such developments. They bring the big heart of America closer also to the evil forces that seek to stop its beat.

As the world shrinks, we must look for our security beyond our borders. Formosa, Greece, the Philippines, Germany—all these once remote countries have become essential to our defense. Their military strength is part of our protection. Again, it is our national interest that requires us to continue to help them maintain and increase that strength which is so vital to us.

Our self-interest dictates that we go even further. The economic and technical assistance that is part of this bill will encourage stable governments, sound economies, and prosperous people in friendly countries. That may not sound as if such assistance will redound to our benefit immediately. But, over the long haul, we will gain materially from the achievement of these aims for two very important reasons.

In the first place, we have found that a stable, developed country is a much better customer of the United States than an underdeveloped country. Our best buyers last year were Canada, the Netherlands, and the United Kingdom. Every Canadian bought an average of $181.97 worth of our production; every Netherlands citizen $39.65, and every Englishman spent an average of $13.46 on American products. In sharp contrast stand Pakistan, India, and Indonesia which purchased 42 cents, 43 cents, and 88 cents worth, respectively, for every one of their inhabitants. So, I believe that in a very important way, we are investing in our own future when we help the underdeveloped areas of the world with economic and technical assistance. We are lending a hand to future customers for our expanding economy. This is a good business proposition which every thinking American should endorse.

In the second place, we are learning to our dismay that our natural resources are not unlimited. There are many vital resources in which we are in short supply. Our access to these resources must remain secure and not be imperiled by subversion and unrest. In order to remind the Senate just how dependent we are on imports for some strategic materials, I cite these figures: We are importing now 100 percent of our natural rubber, 100 percent of industrial diamonds, 100 percent of tin, 99 percent of chromite, 95 percent of manganese, 92 percent of cobalt, 90 percent of platinum, 85 percent of both mercury and antimony, and 72 percent of our tungsten. And as we deplete our own resources our dependence on the rest of the free world will become heavier. So our interests demand that we not only make these sources of essential materials secure but that we also encourage the development of additional resources for the future. Our economic and technical assistance is working toward these ends.

Our economic and technical assistance, I believe, therefore, is a hardheaded proposition based on our self-interest primarily, as it should be to justify the expenditure of the American taxpayers' money.

I have so far discussed the mutual security program from the point of view of the benefits accruing to American citizens in terms of money in their pockets, greater military safety, and greater future economic gains. I do not want to overlook the many fine humanitarian acts we are performing by this legislation. I refer to the funds for refugees, escapees, for the Palestine refugees, for ocean freight subsidies to encourage private American relief shipments, and for the United Nations International Children's Fund.

As one who has been deeply impressed and moved by the splendid work of the Children's Fund, I want to commend it to my colleagues in particular. There is nothing more heart rending and pathetic than a hungry and sick child. We are fortunate not to have many in the United States and to be able to take care of those we have. The Children's Fund by stretching its inadequate means is attempting to minister to the needs of children in many parts of the world. It is a tribute to the fund that it has done so much with so little. Last year more than 28 million children benefited from its activities through vaccination against tuberculosis, through protection from malaria and other insect-borne diseases, through treatment for yaws, through food supplements, and through the maternal and child health centers in rural areas assisted by the fund.

The $14,500,000 approved by the committee as our 18-month contribution beginning July 1, 1955, is only .004 percent (four-one thousandths of 1 percent) of the total aid funds provided in this bill. Four-tenths of every penny spent from this year's funds will go to a hungry or sick child. The significance of the Children's Fund work certainly cannot be measured in terms of the dollars we contribute. We could hardly do less.

The amount for children's welfare work is larger this year because it covers an 18-month period in an effort to provide for the full calendar year of 1956, as well as the remainder of 1955. Those of us who have had the honor of serving as United States delegates to the United Nations General Assembly know what uncertainty our fiscal year operations have created in some of the U. N.'s calendar-year activities. These programs have had to be planned without any definite notion of what the United States would put up. Since we are the largest contributor to the special programs of the U. N., like the Children's Fund and Technical Cooperation, a pall of indecision hampers these programs until our contribution becomes known, usually long after the planning state is finished and the U. N. fiscal year begun. Authorizing and appropriating for our Children's Fund contribution for the calendar year anead will help to make its operations more effective and stable. More money will go to the children instead of to the revamping of plans. I cannot, therefore, urge too strongly that the full 18-month amount of $14,500,000 be authorized and appropriated.

In closing, I should like to say a few words about the world situation at the present time. The free world's relations with the Soviet Union are in a state of flux. The Communists seem to be dangling olive branches in all directions—a peace treaty for Austria, new disarmament proposals before the U. N., talks about a cease-fire in the Formosa Straits, unification for West Germany, and a Big Four meeting. Most thoughtful observers agree that this represents a change of tactics and not of heart on the part of the Communist world. The Soviet Union and China are buying time. They hope to lull us into a false sense of security which will lead us to relax the efforts and sacrifices required of us for the long haul. So long as there is no freedom behind the Iron Curtain, so long as the peoples there cannot decide their own destiny, we cannot be sure that the Soviet Union will not dangle guns instead of olive branches in front of us tomorrow. It is incumbent upon us to remain steadfast in our purpose to reinforce the free world militarily, politically, and economically.

If, as we all fervently pray, there is to be a breathing spell in the cold and hot wars, let us use that time wisely. Any faltering on our part now would be taken as a sure sign in the world's capitals that our foreign policy is determined by the attitude of the Soviet Union—that our concern and preparations for the future depend on whether Moscow is

blowing hot or cold. I beseech my colleagues, Mr. President, to bear this in mind as they cast their votes on this bill.

One last word. The distinguished chairman of the committee referred to the importance of united Senate action on this, the most vital foreign policy measure we will have before us this session, as a sign to the world that the American people are united behind their President as he moves forward in his search for peace and security in the highest councils of the world. I want to associate myself entirely with these remarks. Let us, therefore, weigh our vote carefully and give our President a firm vote of confidence to lend the strength of the American people to his words and actions in the hopeful but uncertain days ahead.

Mr. LONG. Mr. President, I send an amendment to the desk, and ask to have it printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the desk.

Mr. LONG. Mr. President, the amendment I have proposed would reduce the amount of foreign aid, under titles I, II, and IV, to $2,236,000,000, or a reduction of $1 billion in the overall authorization.

I have supported the foreign-aid program in past years, and I expect to vote for it on this occasion, but it has been my feeling that year by year we should undertake to have less and less outright grants, and that the amount of money that we give to foreign nations, both for arms and economic assistance, should be steadily reduced.

There are reasons why we should reduce the appropriation this year and authorize a lesser amount than we have in previous years. There is no war going on at the present time. World tension is somewhat less. Aid we have given foreign countries in the past presumably should have had a good effect, with the result that there should not be as great a need for economic development. Nor should there be as great a need for implements of war, in that there is not at present the attrition of an open war. Therefore, it seems to me the policy of Congress should be one of gradual reduction of foreign aid.

For those reasons I have offered the amendment which is now at the desk.

Mr. President, I cannot overlook the fact that there is already on hand an unexpended balance of $8,728 million. It would be my proposal that this bill should provide about $2,408 million in addition. Therefore, there would be on hand for foreign aid an unexpended amount well in excess of $11 billion, including an unobligated sum of more than $2,408 million. That would represent only a slight reduction from the amount appropriated last year, a reduction of only a few hundred million dollars. It would mark a trend in Congress toward reduction of foreign aid expenditures.

Mr. President, I have heard the argument that we should back the President, and I am in accord with that argument. I do not believe that a gradual reduction in foreign aid could be interpreted as not supporting the President, particularly a reduction which was in line with the trend of Congress in steadily reducing the amounts appropriated for foreign aid. I do not think such action would indicate that Congress lacked faith in the President. Quite the contrary, because there is granted in the bill unprecedented authority and discretion to the President. This shows we have put more trust in the President than we have in any other piece of legislation, providing $200 million to be spent by the Executive more or less without consulting the Congress, but which amount must be accounted for every 6 months to explain what was done with the money.

I expect to offer the amendment tomorrow. If the amendment is not agreed to I expect to offer an amendment making a lesser reduction. I think the Congress would be unwise in appropriating even more money this year than was appropriated last year for foreign aid.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I am glad to take this opportunity to discuss very briefly the pending foreign-aid bill.

As the Senate knows, when the committee voted to report the bill, prior to the preparation of the report on it, I voted against the bill. I did so for three principal reasons. I am very happy to say that the report on the bill clears up my major objection. I shall vote for the bill in its final form, when we come to the final vote on it.

Mr. President, no other Member of the Senate, I believe, has a stronger record in support of foreign aid than I do; but I wish to make clear that I think our foreign-aid program must be moved more and more in the direction of a loan program to these countries, rather than a grant program. As I said in debate yesterday afternoon with the chairman of the committee, who at this moment is presiding over the Senate as its President pro tempore, I think the step forward which we take by means of this bill, as regards increasing the percentage of loans, is due primarily to the leadership of the Senator from Georgia [Mr. GEORGE].

Mr. President, when I speak of foreign aid by way of loans, I speak of it in a somewhat different way than do most of my colleagues. I wish to discuss briefly a theory of mine in the field of foreign policy for our country, one which I say most respectfully I think we shall have to come to in the years immediately ahead if we are to establish political freedom in the sections of the world which have to be won over to the side of freedom. I refer to exporting enlightened capitalism and exporting economic freedom of choice for the individual.

After all, Mr. President, political freedom cannot be separated from economic freedom. Without economic freedom, there can be no political freedom. That is why I have been heard to say before that one cannot cite a single civilization in all of history in which the people were the economic servants of the state and at the same time were the political masters of the state. The two are irreconcilable. Therefore, Mr. President, in our foreign-aid program it seems to me we must work in an increasing degree, each time we pass a foreign-aid bill, toward the goal of a loan program which really will result in investing enlightened capitalism in the backward areas of the world.

Let us consider this hypothesis of mine, which some call an ideal or a theory. Let us consider how it could be put into practice. In that connection, let us refer to India.

As I said this morning, before the Committee on Agriculture and Forestry, when I testified in support of the bill S. 1770, which my junior colleague from Oregon [Mr. NEUBERGER], the two Senators from Washington, and I have introduced—a bill calling for a so-called two-price program for wheat—what we should be doing with a great deal of our surplus food supply is investing it in the areas of the world where stomachs are empty and where natural resources await development, so that the people themselves can build up an economy which will make them self-sustaining.

So let us refer for a moment to India. We know that from time to time India finds itself in a very critical situation because of widespread hunger, due to bad weather, which results in crop failures. I see no reason why our surplus wheat cannot be used as the "coin of the realm" in developing what we might call an investment program in such areas of the world. India needs powerplants; India needs river development; India needs highway development.

In my judgment, we need to change the old figure of speech, "The flag follows the dollar"—a figure of speech describing a policy which, of course, led to dollar diplomacy and economic exploitation abroad by American investors. In its place we should adopt a new figure of speech, "The dollar follows the flag." The latter is quite a different concept, because if the dollar is to follow the flag, that means the flag must get in first. How would I put the flag into these backward areas? Certainly not by military exploitation. Certainly not by military conquest. Certainly not by the use of arms. I would put the flag in first by way of economic-treaty agreements between the United States and the countries in which the fight for freedom must be won.

What I am talking about is one of the great concepts of foreign policy of the late Arthur Vandenberg. It was Arthur Vandenberg who pointed out to us many times that, after all, we must win the fight for freedom on the economic front, or we shall not win it at all. That is why I think it is so important that we recognize the need for economic treaties between the United States Government and the Governments of India, Thailand, Burma, Indonesia, South Africa—yes; every area in which the fight for freedom must be won. Such agreements would strengthen economic freedom and opportunity in backward areas of the world. Under such economic treaties American investors would be urged and

invited to come in and invest their money and to help build up the economic resources of those countries. In return, the people would enjoy a higher standard of living and learn to sustain themselves. It means, of course, that if the dollar is to follow the flag, the dollar must be invested under economic treaties which provide for fair and reasonable profits, and the assurance of no exploitation. It means that the old decadent concept of economic imperialism and exploitation must be brought to an end. It means we must recognize, after all, that if we are to have political brothers around the world, if we are to have political allies around the world, we must have economic brothers and economic allies.

I am talking about an ideal. Some criticize it as only an ideal, although it is a practicality, as every ideal is. Once an ideal is put to work, it becomes a practicality. What we must do is to urge American investments, under economic treaties with foreign countries. The rest of us, as a people, would support such investments by way of a Federal insurance principle. The American investor would no longer resort to self help. He no longer would ask for American arms to come in and protect his property, which might be nationalized or confiscated.

One of the arguments made in decades gone by in justification of economic exploitation by Americans, by the British, the Dutch, the French, and other nations of western civilization, particularly in Asia and other backward areas of the world, has been that investors had to go in and make their economic killing quickly and get out, because they never knew when the foreign power would confiscate or nationalize their property.

It was the old story. It was very difficult to determine which came first, the hen or the egg, because the economic policies of exploitation were causative of nationalization and confiscation.

We must raise our sights into the future and see the importance of economic treaties, whereby investments will be made, and will be encouraged, and the entire American population will stand behind the investments economically. We would insure the investments. That represents a pretty good expediture of a defense dollar. I cannot imagine a defense dollar which offers a greater hope of paying a dividend in terms of peace than that kind of economic investment.

Under such an economic treaty, if a country violates the terms of the treaty, and the treaty sets out the terms and conditions under which American investments will be made, what do we do? Do we send over jet bombers? Do we threaten with hydrogen bombs? Do we send a fleet into one of the harbors of the offending country and threaten that unless they yield to our superior military strength the flag will follow the dollar? Not at all, Mr. President, because under the theory I am discussing, the dollar will have already followed the flag, the flag being symbolized by the economic treaty which has been entered into between the United States and the foreign country. Then, by the very treaty itself, there is an understanding and a commitment that we will take the alleged violating country into a juridical tribunal for a determination, by way of judicial processes, as to whether or not American rights have been violated.

Our Government becomes subrogated, so to speak, to the rights of the individual investor in that situation. It no longer is a case between the foreign government and the American investor. It is a case between the foreign government and the United States Government, because under our insurance principle we have made whole the investor. Then our Government represents the American people in the case involved in the juridical process.

Impossible, say some. Let us try it. I think we would be surprised to find in what a different light we would be judged in India, Burma, and other parts of the world, if we demonstrated this kind of economic statesmanship.

As the Presiding Officer, the President pro tempore [Mr. GEORGE] knows, when the proposed legislation was before the committee I again raised my voice in support of the larger horizon, the higher ideal, the more objective goal. I commended the chairman and the committee for the fact that the bill goes somewhat in the direction of the theory I am defending, in that it would increase the loans and decrease the grants.

But loans are not enough, Mr. President. We must go further, in the years immediately ahead, if we are to establish political freedom in those parts of the world, by exporting a system of enlightened capitalism which will automatically take root and blossom into a higher standard of living in India and other parts of the world. Such a program will succeed if we take advantage of this kind of investment opportunity.

I know it is said that such a system cannot work. It was pointed out in the Committee on Agriculture and Forestry this morning, when I again urged the use of surplus wheat in this country as a form of investment dollars abroad in a country such as India, that the State Department is opposed to dumping surplus food in various parts of the world.

Mr. President, I am not frightened by the word "dumping." I do not care what the State Department calls it. I respectfully point out, however, that there are great potential opportunities for investing surplus wheat abroad, to meet hunger situations as they arise. It requires some statesmanship, vision, and courage. I think we ought to look forward to another year of the foreign-aid program, in which we shall carry to the next step the loan principle. The chairman of the committee has done a magnificent job in more firmly establishing it in the pending bill.

I am hoping that the American people will recognize that the economic theory I have been advancing in this phase of American foreign policy will pay off, to our self-interest. Of course it will pay off to our self-interest if it enhances the chances of peace. I have not the slightest doubt that peace will be more firmly established when economic freedom is more firmly established. Let us not forget how much we are outnumbered in the world already. Let us not forget how much more outnumbered in the world our great grandchildren and our great, great grandchildren are going to be. The American people in our generation must face the fact that we are becoming more and more a minority group in the world. With each passing century the prospects are perfectly clear, that we are to become a smaller and smaller group in terms of world population.

That is why it is so important, in my judgment, that we leave a heritage of economic freedom in parts of the world where the fight for freedom must be won. That is why it is so important, as I see the problem, that we win those people over to the side of economic and political freedom. The difficulty with so many Americans is that they talk only in terms of freedom. We seem to think that we can sell political freedom to empty stomachs. It cannot be done.

It cannot be done, Mr. President, because we cannot separate the economic welfare of a people from their political conceptions. If we are to try to sell the superiority of our political system—and it is superior to any other political system in the world—we must carry in our sales kit economic freedom of choice. We will never do it unless we follow a foreign economic policy which really helps to develop the economic resources of other people.

I do not believe that fact can be stressed too much. However, I am frank to say what I have to say does not have direct application to the bill before us. It is the best bill we can get this year. We have taken a step toward the goal I am pleading for by increasing the percentage of loans in the bill, in contrast to out and out grants.

If these loans are wisely made, we can export some enlightened capital through them. We can help to develop great economic resources with our funds in many parts of Asia. For example, such funds can assist in the building of dams, power plants, or waterworks. In fact, employing these funds in drilling wells will, in many instances, constitute excellent investments of enlightened capitalism.

However, I wish to stress that the bill does not go far enough. We must work toward a broader program of fewer grants and more investments, and then have the investments by private enterprise backed up by the American people, with the United States taking over when these economic treaties are violated by a foreign power. Incidentally, I believe there will be few violations. I believe there will be very few indeed.

We have heard a great deal about expropriation of oil company property in Mexico. I was critical and still am critical of what the Mexican Government did in that situation. However, I do know that the expropriation of oil in Mexico would never have occurred if American, British, and Dutch oil interests had not followed an inexcusable and shocking program of oil exploitation in Mexico. Mr. President, I have traveled through the jungles of Mexico. I have seen what these oil companies did. I have seen what some American oil companies did. I have seen what remained

of the narrow-gage railways that were laid through the Mexican jungle, with which to reach deep into great oil fields. I recall the waste of precious gas by these companies. They gave no thought to the fact that such gas could have supplied years and years of benefits for the native Mexicans. They followed drilling policies that were inexcusably wasteful, and which could be best described, as the Mexicans described them, as economic rape of the country.

That has been the policy of the American, British, and the Dutch oil companies in Mexico. What happened? The people became aroused, and Mexico confiscated the oil properties.

Two wrongs never make a right, and Mexico did not make a right by the course of action she followed. In my opinion, she engaged in what I think is an inexcusable course of cónduct for a nation. There were other remedies which Mexico could have followed, instead of a confiscation program.

However, Mr. President, what I wish to point out is that if the program I am outlining this afternoon—in broad brush strokes, to be sure—were followed, we would have very few instances of confiscation and expropriation, such as Mexico engaged in. I say that because we would provide a remedy. We would have a treaty which would provide for fair profits. We would have a treaty which would assure that a much larger investment would go to a country for the benefit of the people of that country. Then, in case of an alleged violation or failure to keep an agreement, the offending party could be taken before a juridical tribunal of the United Nations for a legal determination of the respective rights of the countries involved.

Mr. President, this is not a new vision of mine. I held to this point of view in 1945. I held to the point of view when, on the floor of the Senate in 1945, I offered my resolution urging compulsory jurisdiction by the world court in any dispute with any nation in which the other nation was willing to go with us into the judicial atmosphere of that courtroom to settle our differences by the applications of rules of reason.

If Senators will check the arguments I made in support of the world court resolution—and I shall always be proud of the fact that it passed the Senate by a vote of 60 to 2 after a very interesting debate—they will find that I tried to point out then the importance of our setting up a system of international justice through law, which was being so eloquently spoken for by the great Vandenberg in those days. In that way economic issues can be settled in the world court, on the basis of free men bringing their disputes to a judicial tribunal which settles their differences by way of juridical processes.

There is no hope for peace until we come to such an era in the history of mankind. We must work toward that goal consistently. We will not reach that goal overnight, and I believe we have made strides toward that goal in the pending bill. However, there is a much longer road yet to travel.

Therefore I hope that when we come before the Senate next year with a new foreign-aid bill, we will have included in it a section which will provide for the kind of procedure I have outlined here this afternoon.

I am delighted to be able to say this to the Presiding Officer, the distinguished President pro tempore. One of the reasons for my casting a dissenting vote in committee was because I felt it gave me an educator's opportunity to point out that this is not a perfect bill. We have not gone as far as I think we must go in the interest of economic freedom abroad. However, I have accomplished my purpose, and I am proud to stand on the floor of the Senate today and join with the Presiding Officer and my other colleagues on the committee in support of a bill which I believe in part overcomes my two objections, which I shall name very briefly.

As the Presiding Officer knows, I led the fight in committee against the provision in the bill which gives to the President such sweeping powers as the bill gives him, in placing at his disposal under his discretion huge sums of money for expenditure abroad. I refer to the $200 million Asiatic fund.

When the matter first came before the committee, and before we had our debate in committee and our final decision, there were no checks placed on the President. Now we do have some checks.

I must say quite frankly I wish the checks could be made more specific. However, what is in the bill is at least a recognition of our system of checks and balances. The distinguished Presiding Officer, the chairman of the committee, was kind enough to say that there was merit in the principle for which I was fighting, but that we were confronted with a very realistic and difficult situation in world affairs, as we find them today, and therefore the President cannot know in advance what he is going to spend $10 million for or what he is going to spend $20 million for, and that, therefore, very broad powers seem to be necessary. However, with the assistance of the Presiding Officer, there has been written into the report language which makes very clear that the President will have to make a report to congressional committees every 6 months, including a listing of his expenditures.

I believe that is a very salutary check. My position on this matter of checks and balances is the same no matter whether X, Y, or Z happens to be the President of the United States, and is irrespective of which political party he belongs to.

It has been my position for 10 years in the Senate that not once to my knowledge in those 10 years have I gone along with an unchecked Presidential grant. Whether the President was a Democrat or a Republican, I have stood up on the floor of the Senate time and time again and warned of the danger of giving arbitrary discretionary power to any President. I did not teach the checks-and-balance system of government for so many years only to forget all about it when I came into politics. I happen to believe that the checks-and-balance system is no political cliché in American political life.

It happens to be one of the greatest safeguards of the freedom of our individual citizens. That is why, Mr. President, I shall always raise my voice urging the maximum checks that are feasible and possible in an important situation. Thus, in this instance, as the Presiding Officer knows, I spoke out rather frankly and bluntly against giving so much unchecked spending power to the President. I am not talking about the President who now holds office. I am speaking about any President—the President of the United States.

I wish to point out that it is dangerous to give to a President of the United States the power to spend abroad hundreds of millions of dollars unless we know for what he is going to spend it, because, in my hypothetical, I think it is highly conceivable that a President who might wish to abuse his power—and all men are frail—might follow a course of foreign policy through such expenditures as might jeopardize the peace. I will not say any more about that. But we can spend hundreds of millions of dollars and can hasten the possibility of war. But I think that in this bill checks have been written which at least call upon the President to report to the Congress and make clear the purpose for which he has spent the money.

There was a third point, Mr. President, which has disturbed me very much. It is a delicate point. I propose to handle it with dignity and with delicacy.

I do not like to go as far as we seem to find it necessary to go in our foreign-aid bill in the direction of unearmarked funds. I recognize that the whole theory of the bill is that we must set aside foreign-aid funds for different sections of the world. I should like to invite the attention of the Senate to what would happen if we followed that plan on the domestic front, in the way we appropriate funds in the foreign-aid bill. I wonder what would happen if it were proposed that Federal-aid grants should be made available to the South to the tune of $500 million, or to the Pacific Northwest to the tune of $250 million, or to the East in the amount of $300 million or any other amount.

We know very well, Mr. President, that we could not get any such blanket appropriation through the Congress, and we should not. I happen to believe we are dealing with the taxpayers' money whether we are dealing with it on the domestic front or on the foreign front, and I think the American people might have a very different reaction if they knew, for example, that some of these earmarked funds were for certain purposes about which they could not possibly be informed in the terms of this bill. So I think that as rapidly as we can in future foreign-aid bills we should try to work in the direction of earmarking the funds for specific project purposes. If we are going to develop an irrigation system in Egypt, for example, we should say so. We should say in the bill that so many millions of dollars will be appropriated for that purpose.

If in Korea, for example, we propose to spend several millions of dollars for the building of dams, we should say so.

My criticism, Mr. President, is not a criticism of the committee. It is a criticism of the State Department. I think it sells us too many pigs in a poke. I think it sells us too many proposals which are drafted in the most general way, leaving to executive discretion the decision of specific expenditures. I think that is risky and dangerous. Again, Mr. President, I recognize the merits of the arguments against me on that point, that it is difficult at this time to know for what we are going to need the funds. But it does create some dissension in our country when it becomes known that funds are being used for certain purposes, such as for military purposes in Iran.

It was a year ago, about last August 3, I think, that on the floor of the Senate I discussed the problem from a slightly different angle when I raised my voice in protest of the funds then in the bill to provide for military assistance to Iran. I think it is a mistake, the Middle East being the tinderbox it is, that any of the funds are to be used for military assistance in the Arab States or in Israel. We may as well face the fact that this is a tinder-box situation, and I think it is as important there, if not more important there than anywhere else in the world, to stress the first point I made in my speech this afternoon, namely, economic freedom, economic development, the development of the resources of that section of the world. I am just as much interested in building up the economic productive power of the Arab States as I am in building up the productive power of Israel. I take cognizance of the fact that Israel is the only area in the entire Middle East in which enlightened capitalism is the form of the economy of the nation. I take note of the fact that it is the only democratic country in the Middle East. I take note of the fact that the other countries to which we are giving aid—and some of it is military aid—are not democracies. They are not nations in which economic freedom of choice exists for the individual. But, nevertheless, Mr. President, I am as much interested in coming to the economic assistance of the people of the Arab States as I am in coming to the assistance of the people of Israel. But I wish to point out that the major part of the problem of the Middle East is to be found on the economic front. The solution is not to be found in stirring up animosities which are bound to be stirred up by giving military aid to a nation such as Iran, because I am not wooed by the argument that military aid is necessary in order to handle internal disorder on the part of dissident groups. I have a lurking suspicion that if I were a resident of Iran or any other country in which the free choice of the citizen does not exist I would probably belong to one of those dissident groups. I think that is true also of my colleagues in the Senate, because my colleagues in the Senate, even though we have political differences and although our differences are in degree as to economic theory and political theory, we are all of one mind when it comes to the relationship between economic freedom for the individual and political freedom.

So, Mr. President, as the chairman and the members of the Foreign Relations Committee know, I expressed in committee a dissenting voice over the failure to earmark in this bill the expenditures in the Middle East, because I think the American people are entitled to know the purpose of those expenditures.

As part of this third point, Mr. President, I also felt that more funds should have been made available to the South American Republics. On this point I speak as the chairman of the Subcommittee on South American Affairs of the Foreign Relations Committee. I recognize that there is a limit to the funds which can be made available, and yet it is of the greatest importance to the security of the United States that we keep freedom strong on this continent.

Freedom is very weak in certain parts of South America. In recent months we have witnessed a threat of communism in one of the Latin American countries. I think it is in our own national self-interest that we spend more money, primarily by way of loans to the South American countries, for the development of their economic resources.

I say to the American people that I do not think there is the slightest basis in fact for the propaganda in the United States that if we build up economic freedom abroad, we lower the standard of living of Americans at home. The contrary is true.

It is now pretty generally known that there is ample expert economic testimony to the effect that if in the next 25 years we could raise the standard of living of the millions of people of India by only 5 percent, it would result in such an impetus to international trade, of which we would be the primary beneficiaries, that we would thereby enjoy prosperity in the United States, the like of which we have never enjoyed to date.

Do not forget, Mr. President, that when we invest American dollars under the economic-trade treaty theory which I am again advancing this afternoon, much of it comes home to the benefit of our own people. When it is invested in India, we do not lose dividends from it. The dividends come home. When we build up the standard of living of the people in the backward areas, where the fight for freedom has to be won, we increase prosperity at home, because international economic trade is bound to flow from a higher standard of living in India. The moment India has the wherewithal to buy in foreign trade, we shall see the result in American manufactures.

So for the reasons I have outlined this afternoon, I dragged my feet on the bill, so to speak, in the Committee on Foreign Relations. I felt I should register my protest because the bill does not go as far, idealistically, as I think it should go. It offers me the opportunity on the floor of the Senate, of which I have just availed myself, to set forth my reasons as to why I think it is necessary for the United States to move faster down the road of exporting enlightened capitalism abroad.

In closing, I think the Senate is indebted to the chairman of the committee and to my colleagues on the Committee on Foreign Relations for the highly objective attitude the committee took in preparing a bill which I think represents, unquestionably, the most favorable bill on which a majority vote can be had in the Senate.

I think some additional funds should be made available to the South American Republics; but I think most of any additional funds ought to be based strictly on a loan principle. I think the United States should be willing to lend money to the South American Republics on a long-term basis and for specific projects, projects which really will have a very clear chance of raising the economic standards of the communities in which the projects will be built.

For the reasons I have set forth, I shall continue, so long as I am a Member of the Senate, to try to work for the kind of foreign economic policy I have outlined; and when the bill comes to a vote, I shall vote for its passage.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, the Senate will convene at 10 o'clock tomorrow morning. I have been informed that 4 or 5 amendments are at the desk. I hope that Members who read the RECORD will be prepared to be present and to vote on the amendments as they are called up. I have asked the Senate aides to notify the authors of the amendments of the order of the Senate entered today for the early hour of convening tomorrow. It is hoped that the Senate may be able to conclude consideration of the bill tomorrow.

I expect the Committee on Appropriations during the week to report the Department of Health, Education, and Welfare appropriation bill and also the independent offices appropriation bill. I am hopeful that the reports on those bills will be filed on Friday, and that the bills may be considered in the early part of next week.

The housing bill has been reported by the Committee on Banking and Currency. The report has been filed and will be made available to all Members.

In the event the Senate acts on the two appropriation bills—and, of course, appropriation bills always have priority on our schedule—it is intended to have the Senate proceed to the consideration of the housing bill.

That is the schedule at the moment. If any bills which are not controversial are reported and placed on the calendar, then, when they have been cleared by the minority leader and his ranking colleagues, and if they are acceptable to the leadership on this side of the aisle, it will be the intention to reserve the right to call them up so as to try to keep the calendar reasonably clear for other bills which will be reported.

APPOINTMENTS TO SERVICE ACADEMIES

The PRESIDENT pro tempore. The Chair has been requested to announce the following appointments made by the Vice President:

To the Board of Visitors to the Military Academy: the Senator from Oregon [Mr. MORSE];

To the Board of Visitors to the Naval Academy: the Senator from Nevada [Mr. BIBLE]; and

To the Board of Visitors to the Merchant Marine Academy: the Senator from New Jersey [Mr. CASE].

RECESS TO 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, if no other Senator desires recognition, then, pursuant to the order previously entered, I move that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 57 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, June 2, 1955, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 1, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, humbly and reverently we are again turning unto Thee in prayer, lifting up our hearts in adoration and thanksgiving, in confession and supplication.

Grant that our President, our Speaker and all the Members of the Congress who are engaged in the high vocation of statecraft may be wise and obedient servants of Thy holy will.

May they seek to do Thy will faithfully and courageously without fear or favor and regardless of circumstances or consequences.

Inspire us with a deep and sincere longing to always bring our own human will into oneness with Thy divine will for "our wills are ours, we know not how, our wills are ours, to make them Thine."

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 625. An act to provide for the adjustment of tolls to be charged by the Wayland Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 3879. An act to amend section 2 of the act of March 2, 1945, pertaining to the Columbia River at Bonneville, Oreg;

H. R. 4646. An act to amend section 4421 of the Revised Statutes, in order to remove the requirement as to verifying under oath certain certificates of inspection, and for other purposes;

H. R. 4817. An act relating to the payment of money orders;

H. R. 5223. An act to continue until the close of June 30, 1956, the suspension of duties and import taxes on metal scrap, and for other purposes; and

H. R. 5224. An act to amend title 14, United States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel, and preserve their rights, privileges, and benefits.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 414. An act to authorize an examination and survey of the coastal and tidal areas of the eastern and southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides;

S. 528. An act to revive and reenact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950;

S. 928. An act to provide research and technical assistance relating to air-pollution control;

S. 1093. An act to fix and regulate the salaries of schoolteachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes;

S. 1187. An act to amend section 5221 of the Revised Statutes, relating to voluntary liquidation of national banks;

S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks;

S. 1189. An act to permit national banks to make 20-year real-estate loans, 9-month residential-construction loans, and 18-month commercial-construction loans;

S. 1250. An act to declare Pike Creek above the easterly side of the highway bridge at Sixth Avenue in the city of Kenosha a nonnavigable stream;

S. 1289. An act to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes;

S. 1300. An act to declare a certain portion of the waterway at Greenwich, Conn. (in which is located the Greenwich Harbor), a nonnavigable stream;

S. 1318. An act to modify the project for the Denison Reservoir on Red River in Texas and Oklahoma in order to provide for a highway bridge across Lake Texoma;

S. 1340. An act to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.;

S. 1419. An act to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service;

S. 1469. An act to declare the portion of the waterway at Bridgeport, Conn., known as the west branch of Cedar Creek, a nonnavigable stream; and

S. 1736. An act to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5502. An act making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KILGORE, Mr. ELLENDER, Mr. MCCLELLAN, Mr. MAGNUSON, Mr. GREEN, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. MCCARTHY to be the conferees on the part of the Senate.

COMMITTEE ON ARMED SERVICES

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have permission to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. POWELL (at the request of Mr. MULTER) was given permission to address the House for 30 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

Mr. MOLLOHAN asked and was given permission to address the House for 5 minutes today, following the legislative program and special orders heretofore entered.

SUBCOMMITTEE ON EDUCATION OF THE COMMITTEE ON EDUCATION AND LABOR

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that the Subcommittee on Education and Labor of the House Committee on Education and Labor may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE FLAGS OF ALASKA AND HAWAII

Mr. BARTLETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BARTLETT. Mr. Speaker, I request this time to make a protest against a situation which has existed here in Washington for the past 7 years, a situation so repugnant to the people of Alaska and, I am sure, to the people of Hawaii, that my time will be far too short a time to express the indignation which has been growing through the years.

We are a proud people in Alaska and the Hawaiians, too, are proud as well they should be. We have sacrificed and will sacrifice in the future in the interest of national defense. We pay our taxes with as good grace as any other citizens. We love our country and revere its flag.

But in spite of our patriotism, our loyalty, and our love for our country, we are discriminated against in a most

flagrant manner. Our humiliation is beyond measure and description. So I sum up our protest in a simple question, why are not the flags of Alaska and Hawaii carried into Griffith Stadium as are the flags of the 48 States in the military pageantry preceding the congressional baseball game?

JUNE DAIRY MONTH

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, as a Member of Congress representing the congressional district which produces more cheese and milk than any other congressional district in the United States, I have continually worked to promote the use of dairy products. In my congressional office, every day is dairy day.

June has been designated as dairy month. June dairy month serves to dramatize the contribution of dairy producers not only to our Nation's health but to every segment of our economy. American dairy farmers and their families have made a real contribution to our Nation's welfare.

June Dairy Month is meeting with terrific acceptance all over the United States. The efforts of the Department of Agriculture, State Departments of agriculture, the land-grant colleges, agricultural extension service and other agencies in cooperating for the proper observance of National Dairy Month is particularly noteworthy this year. Dairy organizations have reported that never before in their history have they received the cooperation accorded them by all agencies this year.

Testimony before the House dairy subcommittee indicates that the dairy industry is approaching the end of surpluses in the very near future. Increased per capita consumption of dairy products is the main basis for this optimistic outlook for the dairyman's future.

Commodity Credit Corporation statistics show that in the marketing year which ended March 31, 1955, the price support program resulted in Government purchases of 4.8 percent of the total milk produced, as compared with 9.3 percent in the previous marketing year. This decline came in spite of greater milk production.

Domestic civilian consumption of milk increased by 6 billion pounds, or almost 2,800,000,000 quarts of milk, in the 1954–55 marketing year. The rapidly increasing population in the United States accounted for almost 2 billion pounds of the gain. Economists figure that about one-third of the additional 4-billion-pound gain was the result of retail price drops and the balance the effect of increased sales promotion by the dairy industry.

Americans increased their per capita consumption of milk by 4.3 quarts in the marketing year, and they also ate .64 pound more butter and .58 pound more cheese. Slight drops in per capita purchases of evaporated milk and ice cream in 1954 were reported, but in the first 3 months of 1955 consumers are eating 5 percent more ice cream than they did the year before.

The industry faces the task of selling an additional 6.3 billion pounds of milk in 1955. Further increases in population will again account for almost one-third of this. If we can convince consumers to add one more glass of milk per week to their present dairy foods diet, then the surplus situation will be licked.

I commend the activities of the American Dairy Association for its sales campaign for dairy foods. Dairymen are investing in the future and are beginning to see the real fruits of their present investments in the American Dairy Association. In the contributing of $5 million to the sales campaign of the American Dairy Association, the dairy producer is developing a comprehensive merchandising program for dairy distributors and retail outlets. The effect of this program today, although great, will be multiplied many times in the future.

If the increased trend of dairy consumption can be maintained through the tremendous efforts of our dairy farmers, we will face June dairy month 2 years in the future with the greatest agricultural success story this Nation has ever seen.

The dairy farmers deserve the support of this Congress and of every department of our Federal Government in their present efforts.

HIGHWAY TRANSPORTATION

Mr. AYRES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. AYRES. Mr. Speaker, we have just heard the able gentleman from Wisconsin [Mr. LAIRD] state that he represented a district that produced more dairy products than any district in the United States. I represent a district that produces more automobile and truck tires than any district in the United States.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Connecticut.

Mr. MORANO. I represent a district that produces more hats than any other district in the United States.

Mr. AYRES. I presume other Members could get up here and state that they produce particular products in their own districts.

Mr. NICHOLSON. Mr. Speaker, if the gentleman will yield, we grow cranberries, the only place in the United States that produces them, in substantial volume.

Mr. AYRES. Now, the gentleman has cranberries in his district, and it is the only place in the United States that raises cranberries, which brings up the point that I am inserting in the RECORD today a statement discussing the importance of the trucking industry to the dairy products, the hats, and the cranberries, because if it were not for tires and the great trucking industry, you gentlemen who have basic products in your communities would not be able to get them to market. I trust you will all read in the RECORD tomorrow the extension of remarks by the gentleman from Ohio [Mr. AYRES].

SOUTHERN CALIFORNIA INTEREST IN THE COLORADO RIVER STORAGE PROJECT

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, I took the well yesterday to explain that the interest of southern California in the Colorado River storage project was not a selfish one but only one to preserve the rights to certain waters of the Colorado River which it had acquired by contract, by appropriation, and by the Colorado River compact. I reiterated that California observes that compact and must insist that the upper-basin States do so in the planning and operation of their projects. Our opposition is not based on selfish interests as was stated yesterday by one of the gentlemen who spoke following me, but is only and solely with the desire to protect and preserve our existing rights. I want to make that clear to the House so that during this entire controversy, as it may be waged here, there will not be motives impugned to us that are other than honest, sincere, and purely in a desire to protect the 6 million residents of southern California who must depend upon Colorado River water for the lifeblood of their economy, their homes, their agriculture, and their industry.

BANKING MERGERS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MERGERS ENCOURAGED BY TAX LAWS

Mr. PATMAN. Mr. Speaker, financial and banking journals are estimating that there will be 350 more banking mergers this year notwithstanding the fact that we have 50 percent fewer banks than we had in 1929.

The same thing is going on in other businesses and industry. There is one principal reason why there are so many banking mergers and that is because there is a premium upon mergers under our present tax laws. If the owners sell out, if they make a sale of the bank or business or industry, they pay a minimum tax—capital gains—of 25 percent whereas, if they merge, they do not have to pay any tax at all. So there is a premium on merging.

TAX LOSS SOLD AS ASSET

In addition to that, if a concern accumulates a tax loss over the years, that tax loss all at once becomes a great asset. Certain concerns even offer to buy them. They are advertised for in the newspapers. Concerns are advertising for other concerns that have tax losses; in other words, "sell your tax losses to us and make money."

SUBCOMMITTEE ON TERRITORIES

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent that the Subcommittee on Territories be permitted to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

UPPER COLORADO RIVER COMPACT

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, I want to supplement the remarks of my colleague [Mr. HOSMER] concerning the upper Colorado River question and the fact that California entered into a compact in good faith with the upper States and has adhered to that compact, for the amount of water we believe is necessary to take care of a growing population of some 6 million people, as compared to the possibility of diverting that water in an area that does not have even one-half or one-third of that population.

We have no desire to curtail the development of irrigation and reclamation and conservation of soil in the upper Colorado States, but we do believe that since we entered into this compact a number of years ago and we have adhered to it that our water supply from the Colorado River should not be curtailed or threatened. We are now seeking to defend what we have agreed to and what they have agreed to in order to protect the industrial, domestic, and agricultural assets of the great empire in southern California.

CAPT. MOSES M. RUDY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. LANE, FORRESTER, and REED of Illinois.

BIRTHPLACE OF DAVY CROCKETT

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, a few days ago the gentleman from North Carolina, my good and able friend, Mr. JONAS, made reference to the birthplace of Davy Crockett as having been in North Carolina. In the interest of historical accuracy I want to state that Davy Crockett was born in what is now Greene County, Tenn., but actually he was born in neither North Carolina nor Tennessee. He was born in the State of Franklin, which existed as a State from 1784 until 1788.

The State of Franklin is lost in the memory of many people, but it was organized as a sovereign State and exercised all the functions of a State, legislative, judicial, and executive. The Governor of the State of Franklin was John Sevier, who led the over-the-mountain men at the Battle of Kings Mountain. He later became the first Governor of the State of Tennessee.

The early governments in this area constitute an interesting and important phase of history. The State of Franklin was preceded by what is known as the Watauga Association. The Watauga settlement, the Noli-Chuckey settlement—of which one of my great, great, great grandparents was a founder—together with the other early settlements in what is now east Tennessee, went together and organized the Watauga Association.

The Watauga Association was governed by a commission of 13, elected by the people. This commission exercised the legislative, judicial, and executive functions of government, and it was referred to by Theodore Roosevelt, in his book The Winning of the West, as the first free government to be established on the American Continent.

The establishment of the State of Franklin was an outgrowth of the early settlements to find a suitable government to administer their affairs. It was not known at that time what State, if any, may have had jurisdiction over all of this area, and the people found themselves without any form of government until they organized one of their own.

It was during the life of the State of Franklin that Davy Crockett was born, in 1786, near the confluence of Limestone Creek and Noli-Chuckey River, in what is now Greene County, Tenn. His place of birth is designated by a limestone marker which bears the following inscription:

On this spot Davy Crockett was born August 17, 1786.

His place of birth was visited last Sunday by Mr. Fess Parker, who so ably portrays Davy's life in the movies. But on Sunday, May 22, his place of birth was visited by a great American, our distinguished Speaker, the Honorable SAM RAYBURN, who was a guest of east Tennessee on that day as the Commencement Day speaker at Tusculum College, Greeneville, Tenn., the oldest college west of the Alleghany Mountains, which conferred upon him a degree of doctor of laws. The splendid address which Speaker RAYBURN delivered upon that occasion, as well as his long and distinguished career in public life, amply justified the fullsome citation which was given him by Tusculum College on that occasion. East Tennessee, where Speaker RAYBURN was born, is justly proud of him.

Davy Crockett was honored when Speaker RAYBURN visited the place of his birth.

After I retired, a few nights ago, my mind in some way turned to Davy Crockett, and the following words, which could hardly be called a song, which I jotted down, occurred to me:

DAVY CROCKETT, OH!

Davy Crockett, Oh! He died in the Battle of the Alamo.
He left the hills of Tennessee; left the bears and the wildcats too,
To fight for liberty which he won, away out yonder under the sun.

Davy Crockett, Oh! He died in the Battle of the Alamo
He fought Old Mexico and Santa Ana, too.
He fought in the dark, damp Alamo by night and day,
And now Texas is part of the USA.

Davy Crockett, Oh! He died in the Battle of the Alamo
Freedom shrieked when Davy fell.
He fought furiously and furiously well.
He fought for freedom and glory, too.

Davy Crockett, Oh! He died in the Battle of the Alamo
Come on boys, let's go, Davy is dying in the Alamo.
Yes, Davy Crockett fought and died in the Battle of the Alamo
In the Battle of the Alamo.

RELOCATION TEST FOR THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN], conferred with the Speaker and myself about a memorandum in relation to the relocation test for the executive branch of the Government that is scheduled to start at noon on June 15 and to run until the afternoon of June 17.

The memorandum I have in my hand is from Arthur S. Flemming, Director to the President, and given by the President to our distinguished friend from Massachusetts. I will read the memorandum in full:

MAY 31, 1955.

Memorandum for Hon. JOSEPH W. MARTIN.

This is just a reminder of the discussion that took place at the conference with the President last week relative to the relocation test for the executive branch of the Government that is scheduled to start at noon on June 15 and to run until the afternoon of June 17.

It is my understanding that you are planning to talk with Speaker RAYBURN relative to the possibility of hearings by committees of the House of Representatives being held to a minimum on these 3 days so that there can be maximum participation in the relocation test by the heads of the departments and agencies and their immediate deputies.

We deeply appreciate your willingness to cooperate with us on this matter.

ARTHUR S. FLEMMING.

The Speaker and I sincerely hope, and we are confident, that the chairmen of all committees will cooperate as outlined in the memorandum and program their hearings so that heads of departments and agencies and their immediate deputies will not have to testify on any 1 of those 3 days.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

INTER-AMERICAN HIGHWAY

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, last month in company with four other Members of the House of Representatives, GEORGE FALLON, Maryland; THOMAS STEED, Oklahoma; WALT HORAN, Washington; WALTER NORBLAD, Oregon; and Senator HOLLAND, Democrat, of Florida, I journeyed to Central America, at the request of the Departments of State and Commerce, because of our interest in the building of the inter-American highway. On that journey, it was unanimously agreed that Senator HOLLAND would speak for our group wherever it were necessary to make a statement. This he did. This morning's Washington Post and Times Herald contains an article by a columnist named Pearson to the effect that the Senator and I had engaged in words—that we had a tiff as to who would present to President Somoza, of Nicaragua, a desk set sent to him by Vice President NIXON, of the United States, in token of friendship and an expression of his appreciation of the courtesies extended to him during his recent visit to the Central American Republics. I am here to say that no such argument as indicated in that column ever took place. It was never dreamed of. This morning's article was the first I ever heard of it. I want the RECORD to show that our journey to the Central American governments was in the interest of the United States and was not a junket. We went there to perform our task, and did it.

In view of the fact that we are building an inter-American highway between the United States and those republics to the Panama Canal, I ask unanimous consent, Mr. Speaker, that I may extend these few remarks on this subject so that the American public may know the facts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, I want the country and the Members of the House of Representatives to know that no argument took place as indicated in the article by Mr. Pearson. The trip was one of good will both on the part of we who represented the United States Government and those of the Central American Republics. Complete harmony existed throughout the entire journey from start to finish.

At this point I wish to include as a part of my remarks a short letter from my colleague, Congressman TOM STEED, the gentleman from Oklahoma, a member of the Public Works Committee of the House, and one of the five Members making the journey to Central America, as well as one from my colleague the Honorable GEORGE H. FALLON, of Maryland, also a member of the party:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 1, 1955.

DEAR GEORGE: Since I was present throughout the entire proceedings, I felt compelled to send you this note of regret that the article in today's Drew Pearson column regarding the presentation of Vice President NIXON'S gift to President Somoza at Managua recently was so far from the true facts.

In this instance, as was true throughout our 5-day trip, only the most cordial relations existed between all members of the delegation.

Strangely enough, both you and Senator HOLLAND most generously urged the other to take the lead in making the presentation, which is just the contrary of the situation as reported. At no time was there the slightest misunderstanding or friction of any kind. No group was ever more thoughtful or considerate of each other than this one. In fact, the cordiality of all those making the trip was unusually outstanding and impressive.

For such a wholly untrue picture to have been given of this affair is completely unfair and does injustice to two of the finest gentlemen I have ever had the privilege of knowing, Senator HOLLAND and yourself.

Sincerely yours,

TOM STEED.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 1, 1955.

Hon. GEORGE A. DONDERO,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN DONDERO: I read with regret an article appearing in Drew Pearron's column of today stating that there was some unpleasantness between Senator HOLLAND and yourself in regard to the presentation of a desk set to President Somoza, of Nicaragua.

I might emphatically state that on that occasion, like all other occasions, it was decided that Senator HOLLAND would be the spokesman for the group. I might also state that I was present when you most cordially, in your very pleasant and gracious manner, suggested that Senator HOLLAND make the presentation to the President. I might further say that the same harmony and pleasantness prevailed not only with our group but with the representatives of all countries we visited during the trip.

I felt it incumbent upon me to drop you this note, inasmuch as Mr. Pearson has apparently been given misinformation.

Sincerely yours,

GEORGE H. FALLON.

CONSENT CALENDAR TO BE CALLED ON TUESDAY AND SUSPENSION OF RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Consent Calendar scheduled for Monday under the rules of the House may be called on Tuesday, and also that the Speaker on that day may recognize Members for suspensions of the rules.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

APPROPRIATIONS FOR EXECUTIVE OFFICE OF THE PRESIDENT AND SUNDRY GENERAL GOVERNMENT AGENCIES, 1956

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 256) waiving all points of order against the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, all points of order against the bill are hereby waived.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, I rise to urge the adoption of House Resolution 256, which will make in order the consideration of the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

House Resolution 256 would simply waive all points of order against this appropriation bill. The Committee on Appropriations felt that this simple type of rule would be all that was needed to expedite the consideration of the bill.

The committee report on this bill, Mr. Speaker, shows some figures which I think the House membership will find interesting. While the Committee on Appropriations recommends for fiscal year 1956 the amount of $21,890,700, which is $7,313,850 more than was appropriated last year, nevertheless the amount recommended is $5,810,000 less than was originally submitted in the budget estimate for this appropriation bill for fiscal year 1956.

According to the committee report on H. R. 6499, the increase of $7,313,850 in this year's recommended appropriation is due to the addition of a recommended appropriation of $8 million for "Payment

of Korean claims" by the Foreign Claims Settlement Commission. This is a new addition, and there have been no previous appropriations to take care of these claims. However, it is interesting to note that the $8 million which is recommended in this bill is $4,200,0000 less than was requested in the budget estimate.

Up to the present time war claims had been financed from the assets of enemy countries in the war claims fund, but in this particular instance there are no North Korean assets available, and the appropriation is thus made necessary.

The bill contains recommended appropriations for the Executive Office of the President, the American Battle Monuments Commission, the Subversive Activities Control Board, as well as for the Foreign Claims Settlement Commission.

Mr. Speaker, this bill is the customary appropriation bill to take care of the functions I have listed above. I hope that the House Members will adopt the rule which will allow for the consideration of the bill without the possibilities of points of order being made against it. I move the adoption of House Resolution 256 so that we may proceed to the consideration of the bill H. R. 6499.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield.

Mr. GROSS. Why was it deemed necessary to waive all points of order on this bill?

Mr. MADDEN. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. The general provision refers to other appropriations than those provided for in this bill. The provisions are included in this bill so as to avoid putting them in each appropriation bill. This has been the custom for many years.

Mr. GROSS. Does this provide for the upgrading of any employees by this process?

Mr. MADDEN. No; it does not.

Mr. Speaker, I reserve the remainder of my time.

Mr. ALLEN of Illinois. Mr. Speaker, there is no opposition on this side to the rule, and I reserve my time.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. ANDREWS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes; and, pending that motion, I ask unanimous consent that general debate on the bill be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Pennsylvania [Mr. FENTON] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6499, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Alabama [Mr. ANDREWS] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. FENTON] will be recognized for 30 minutes.

The gentleman from Alabama [Mr. ANDREWS] is recognized.

Mr. ANDREWS. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, the President has just issued to the press one of the most important statements made during his administration.

He has appealed to Congress to balance the budget.

No more imperative, no more urgent request could come from the White House. And there is no appeal, the disregard of which would be fraught with more serious consequences.

Never before has any Nation been so deeply in debt as the United States is today. Never before has our financial situation as a Nation been more desperate.

And the distressing feature of it is that this sky-rocketing national indebtedness comes at the end of a long period in which year after year we have spent more money than we had. Continuously, year after year, our expenditures have exceeded our revenues.

We realize, of course, that so far as national defense is concerned we had no alternative. In the most dangerous period of our national existence it was necessary to provide for national defense and self-preservation.

But, along with these necessary and essential expenditures for national safety, we have continued to spend money we did not have for things we could get along without.

As a result our debt has mushroomed to astronomical proportions, our financial situation has grown every year more untenable, the cost of living has risen to unprecedented peacetime proportions, and the purchasing power of the dollar has dropped to the lowest point since our currency was established.

All reporting financial agencies call attention to the fact that for the last 10 years money has grown steadily less valuable in terms of commodities.

Those on fixed incomes, whether salaries, annuities, or interest must accept a steadily dwindling standard of living. Those who have planned ahead through the purchase of insurance to arrange their fiscal affairs, establish estates and to provide for dependents find themselves every year in a more precarious situation.

And this is just the beginning. Authorities on finance are now warning money has consistently depreciated in the last 10 years and will continue to decline in value for the next 10 years. Fiscal agencies are advising investors to get money into commodities, into something that will appreciate as the dollar depreciates.

Mr. Chairman, the greatest duty devolving upon this Congress is to balance the budget.

Members of the House find on their desks this morning copies of the bill H. R. 6558. The bill has been very carefully considered. It has been in process of preparation for a number of years. It has been reviewed by experienced authorities on finance and on the technique of legislation.

It will balance the budget.

There are few responsibilities confronting this Congress that are more important than that.

The metropolitan newspapers of the Nation are this morning carrying in headlines the carefully considered request of the President to balance the budget. The alternative is fiscal disaster. Carried to its eventual conclusion it means repudiation of Government bonds. It means printing press money—carried in baskets—as in Germany. It means an incredible handicap in our defense against communism—the debacle which Stalin predicted and for which the Politbureau is waiting.

There is little time left. There is no course open but to balance the budget.

Mr. ANDREWS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this is one of the smallest appropriation bills that will come before the House this year. It contains appropriations for 14 Government agencies. These agencies formerly were handled by the Committee on Independent Offices and through the years have been reduced a little each year, and they have about reached the point where there is not much left to take from them. The total amount of the budget request for the next fiscal year was $27,700,700. The committee has allowed in this bill $21,890,700, which is a decrease from the budget request of $5,810,000 and an increase over the amount appropriated for these agencies in 1955 of $7,313,850.

The first item in the bill provides for the compensation of the President, which, as you know, is fixed by statute at $150,000. That amount is allowed in this bill.

The next item is for the White House Office. We have allowed an increase of $160,500 over the amount appropriated in 1955. This increase is due to additional staff to coordinate public works planning.

The next item in the bill is for the Executive Mansion and grounds. We have allowed the amount requested by the budget, which is the same amount contained in the 1955 appropriation bill, $366,200.

The next item is for the Bureau of the Budget, which has a slight decrease from 1955, recommended by the Bureau, of $33,500. In 1955 the amount of the appropriation was $3,382,500, which supported 433 positions. In the budget for next year we have allowed $3,349,000, a decrease of $33,500 under the 1955 appropriation and $63,000 under the 1954 appropriation. This item for next year

for the Bureau of the Budget will support 425 positions, which is 8 less than 1955 and 21 less than 1954.

The next agency is that of the Council of Economic Advisers. We have increased their appropriation over 1955 by $40,000 and decreased it $15,000 from the amount estimated for this agency in 1956. This reduction was made possible by the fact that one of their functions has been transferred from the Council of Economic Advisers to an agency in the White House. That activity had to do with public works planning and is now in another unit under the Office of the White House. This agency expects to have a balance of $25,000 unexpended at the end of this fiscal year.

The next item in the bill is for the National Security Council. That shows an increase of $25,000 over the amount appropriated for the fiscal year 1955.

The National Security Council, in my opinion, is one of the most important agencies of this Government. The Council was established pursuant to Public Law 253 of the 80th Congress, approved in 1947, and by Reorganization Plan No. 4, effective in 1949, the Council was transferred to the Executive Office of the President.

The statutory function of the Council is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the military services and other departments and agencies of the Government to cooperate more effectively in matters involving the national security. Subject to direction by the President, it is the responsibility of the Council to assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, to consider policies on matters of common interest to the departments and agencies of Govenment, and to make such recommendations and such other reports to the President as it deems appropriate or as the President may require.

This slight increase in the appropriation for the National Security Council is due primarily to the necessity of employing additional guards. This service in the past has been rendered by another Government agency. The most secret papers in this country are in the custody of this Council and of necessity must be under guard 24 hours a day every day in the year.

The next agency for which this committee has recommended appropriations in this bill is that of the Office of Defense Mobilization. That shows a slight reduction under the budget request of $95,000. This cut was made by the committee because, in the opinion of this committee, it was not necessary for the ODM to have the services of as many consultants as the Bureau of the Budget requested. It allows for a slight increase for travel and a slight increase for consultants but not as much as requested by the Bureau of the Budget.

The amount recommended for the Office of Defense Mobilization is $2,125,000, which is a reduction of $36,000 from the 1955 appropriation and a reduction of $95,000 from the budget request.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. GROSS. Plans are underway to stage a defense mobilization program on June 15, 16, and 17, as I understand it. Did the committee develop in the hearings anything in respect to what would be done if this country were attacked in the matter of meeting places for Congress and housing for Members of Congress?

Mr. ANDREWS. We had quite a lengthy discussion about the plans, but most of it of necessity had to be off the record.

Mr. GROSS. What the gentleman from Alabama is saying to the gentleman from Iowa is that he cannot tell us anything about it?

Mr. ANDREWS. That is right.

Mr. GROSS. But plans are being made for the meeting of Congress at some point distant from Washington, I take it?

Mr. ANDREWS. That is my understanding.

Mr. GROSS. With respect to the employees in the Office of Defense Mobilization, it is my understanding that there were this year some 254 employees. Is that correct?

Mr. ANDREWS. I think that is right.

Mr. GROSS. It is my understanding that out of that 254 some 97 are in grade 12 or above and 6 of the 254 are grade 18 employees. Does not the gentleman think this is a rather lush setup from the standpoint of highly graded civil-service employees?

Mr. ANDREWS. I think the record will show, and it is in the testimony, that this agency has the highest per capita salary of any agency in Government, but most of the employees are experts or consultants or specialists in their fields. Our information is that their services are needed because of the technical planning that is necessary to carry on the functions of this office.

Mr. GROSS. I call the attention of the gentleman to one employee in this agency who in 1949 was a transportation analyst and paid $6,700 a year. In 1954 he became a research director, bomb damage analysis, at $12,000 a year, or approximately double the salary. Does the gentleman think the gentleman referred to here is an expert?

Mr. ANDREWS. I think the question the gentleman raises there is a matter for the Civil Service Commission, not for this committee. This committee does not say what grade an employee will have.

The bill includes $60,000 for the President's Advisory Committee on Government Organization, the same amount as was available to them in 1955, and the same as the budget estimate.

The next item is for the Emergency Fund of the President. We have allowed this year for the first time since fiscal year 1951 the total amount requested for this item. Last year the budget request was for $1 million and the committee allowed $750,000.

The purpose of this fund is to furnish the President with funds necessary to meet emergencies affecting the national interest, security, or defense, which may arise at home or abroad during the fiscal year. The President may be faced at any time with sudden emergencies and unforeseen problems which affect the national interest or security and which do not fall within the scope of the regular activities of any one of the Government agencies. The President must have sufficient funds at his disposal to deal swiftly and effectively with the problems and emergencies when they arise.

I have always thought that the President should be given $1 million minimum for his Emergency Fund. Many governors of this country have emergency funds of $1 million. I think if you will take a look at the record you will find that the President last year and the year before has spent this money very judiciously and wisely, and in most instances in cases of real emergency.

The record shows that last year he spent $50,000 of his $750,000 with the Office of Defense Mobilization, $80,000 to finance a conference at Rio de Janeiro for the State Department, and $100,000 to finance a Commission on Pensions headed by General Bradley. Of the $750,000 appropriated last year, the President spent only $230,000, and expects to return to the Treasury at the end of this fiscal year the balance of the $750,000.

There is an item in here for the Subversive Activities Control Board. The committee allowed the budget request of $300,000, which is $15,000 more than the total amount of money that the agency had available last year. The workload of that agency, as you know, depends entirely upon the number of petitions filed by the Department of Justice. They expect to file, during the fiscal year 1956, 20 petitions. There are 10 petitions pending there at this time. So if the Department of Justice files 20 new petitions, there will be a total workload for the fiscal year 1956 of 30 petitions.

There is an item in the bill for the Foreign Claims Settlement Commission. That is one agency of government which I thought would be out of existence at this time. When the Chairman of that Commission was before our Independent Offices Subcommittee in 1954, I asked him when he thought he would be able to lock up his office, lock, stock, and barrel. He said, without question, we will lock up our shop and discontinue business on March 31, 1955. I told him, off the record, if he did I would give him a medal, because he would have the first Government agency I would ever see close up in 11 years that I have served in the Congress. Here is a request before the committee for $550,000 for administrative expenses. The committee reduced that amount $100,000, and we allowed $450,000 for administrative expenses. There are two types of claims for which the money has been requested. One is for the payment of World War II claims, which are estimated to be $16,714,800. This money will come from a fund established by the Alien Property Fund and is not appropriated money. Congress passed Public Law 615 last year, which provides for the payment of Korean claims on the same basis as World

War II claims. There was a budget request for $12 million. The committee cut that request $4 million, making it $8 million, because we did not feel that within the time limitations there would be $12 million worth of claims processed.

Another agency for which this committee recommends funds in the bill is the American Battle Monuments Commission. We made a slight reduction in the amount appropriated for construction purposes solely on the basis of the thought that the committee had, that that money could not be spent during the next fiscal year. That agency, as you know, is headed up by General North, who, I think, has done one of the finest jobs of any man in the Government. He started out this program with 14 cemeteries overseas, and the end is in sight for the construction of those 14 cemeteries. His original estimate was $35 million, and he has cut it down $2 million.

That concludes the items contained in the bill before you.

Mr. FENTON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the chairman of our subcommittee, the gentleman from Alabama [Mr. ANDREWS], has explained in very thorough detail the items in this appropriations bill, H. R. 6499.

This appropriation bill has to do with general Government matters, principally the Executive Office of the President; emergency fund of the President; American Battle Monuments Commission; Foreign Claims Settlement Commission, and Subversive Control Board.

There was a budget estimate of $27,700,700 for fiscal year 1956 for all the items in this bill. The Committee allowed $21,890,700, or a decrease of $5,810,000. However, this was an increase over the 1955 funds of $7,313,850. This increase of $7,313,850 over the current funds is due to war claims authorized by Public Law 615 of the 83d Congress.

The funds for the Executive Office of the President was cut only $110,000. The budget estimate was $8,780,700 and the committee allowed $8,670,700. The cut was made in two items, $15,000 in the Council of Economic Advisers, and $95,000 in the Office of Defense Mobilization.

We allowed the budget estimate of $1 million for the President's emergency fund. No funds were requested for expenses of management improvement since it is estimated that there will be $549,000 in the fund at the beginning of fiscal year 1956. This is on account of these funds being available until expended from year to year.

I was very much impressed with the testimony of Brig. Gen. Thomas North, Secretary of the Commission on American Battle Monuments.

The committee allowed the full budget estimate for the salaries and expenses in the amount of $920,000, broken down as follows:

First. Departmental, $57,000.

Second. World War I memorials and cemeteries, $241,900.

Third. World War II memorials and cemeteries, $615,100.

Fourth. Mexico City National Cemetery, $6,000.

This item takes care of 8 World War I cemeteries, containing the graves of approximately 31,000 of our men, and 14 World War II cemeteries, containing the graves of 93,100 of our men. It also takes care of 1,563 graves in the Mexico City National Cemetery, of which 700 are from the War of 1847 with Mexico, and veterans and others of their families who have a right to be buried there.

In addition to the care and maintenance of these cemeteries and graves, these funds take care of 18 large memorial structures plus service buildings.

To continue construction of our World War II cemeteries to completion, which is estimated to be at the end of calendar year 1956, there was a budget request for $4,500,000. The committee was informed that at the end of fiscal year 1955 there would be an unobligated balance of $3 million, which would give them a total of $7,500,000 for fiscal 1956.

The committee allowed $3 million, a cut of $1,500,000. The committee thought that this amount plus the unexpended balances would be adequate to continue the construction for fiscal 1956. General North explained to us the various delays that they encounter and as our report says:

> There is no intention on the part of the committee to impede the construction program in any way.

Foreign Claims Settlement Commission: These claims are of two types, namely: World War II claims and Korean war claims.

Payments for war claims previously had been financed from assets of enemy countries in the war claim funds; however, an appropriation is made necessary for the Korean war claims because there are no North Korean assets available.

The budget request was for $12,200,000 and the committee allowed $8 million which was authorized by Public Law 615 of the 83d Congress. In this estimate was the amount allowed for administering the claims, $200,000.

Since there will be a great many claims coming in later on, it was thought by the committee that $8 million would suffice for 1956, which includes $150,000 for administrative expenses.

The World War II claims as heretofore explained, comes out of funds, under Public Law 774 of the 83d Congress, which amended the War Claims Act of 1948, from war claim funds. There was a request in this item for $16,714,800, together with $350,000 for administrative expenses. The committee allowed them the use of $300,000 for administration.

The budget request for the Subversive Activities Control Board was $300,000, which the committee allowed because of the importance of keeping guard against communism.

Mr. Chairman, this is by far the smallest general appropriation bill we will be called upon to consider. There are some very, very important commissions for which we appropriate, and while the committee decreased the budget estimate by $95,000 in the Office of Defense Mobilization, I think as our chairman has said, they can get along with the amount we allowed, although I must admit that particular agency is one of the very, very important agencies of our Government at this time. I think the job they are doing under Dr. Fleming is worthy of recognition. I think they have done a splendid job, as do others of us who are in high unemployment areas. They are trying to do a good job for the country as a whole.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mr. GROSS. Under the President's Advisory Committee on Government Organization, it is my understanding an attempt was made to get a super-grade position; is that correct?

Mr. FENTON. I believe they asked for one additional grade.

Mr. GROSS. Is it contained in this bill?

Mr. FENTON. It is not.

Mr. GROSS. I notice that the appropriation for the President's Advisory Committee on Government Organization has increased from some $13,000 when it was originally established until now it is something like $60,000 a year. Is that correct?

Mr. FENTON. That is right. We think if they come up with some really important reorganization plans it will be well worth the money.

Mr. GROSS. It has been in existence 2 or 3 years, as I understand. Has this committee come up with any reorganization plans or organization plans worthy of note?

Mr. FENTON. This committee?

Mr. GROSS. Yes.

Mr. FENTON. The gentleman, of course, is aware of the various reorganization plans that have already gone into effect.

Mr. GROSS. The Hoover Commission plans, but not this committee.

Mr. FENTON. They go over the Hoover Commission plans as presented by that Commission, and, of course, advise the President on those various plans.

Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I take this time only to commend the committee on the report and the recommendations they are bringing in today. The gentleman from Alabama [Mr. ANDREWS] served for 8 years as a very able member of the Subcommittee on Independent Offices. When that committee grew so large with so many agencies that it seemed necessary to divide it into two subcommittees, he became chairman of the new subcommittee which is presenting this bill to us today; so it is no surprise that the committee brings in a commendable report. That is true also of the other members of the subcommittee. Their backgrounds of experiences have enabled them to bring us this bill. As I say, Mr. Chairman, I took this time only to say I believe they have presented a well-considered and good report.

Mr. FENTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. WILSON].

Mr. WILSON of Indiana. Mr. Chairman, I rise for the purpose of paying due respects to the distinguished chairman of this subcommittee, the gentleman from Alabama [Mr. ANDREWS]. I sat through the entire hearings on this bill and I appreciate the very thorough interrogation and airing that my colleague from Alabama [Mr. ANDREWS] indulged in so far as this bill is concerned. I think it is a fine bill and deserves the support of every Member of the House.

Mr. FENTON. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I favor the pending appropriation legislation and want to compliment members on both sides of the subcommittee for the thorough job that has been done.

We who have responsibility under the committee system for policy abroad must, of course, first see that adequate appropriations are made to take care of matters that are necessary at home. We who are members of the Foreign Affairs Committee who pass on matters that affect our United States foreign policy, must likewise take part of the burden of seeing that the appropriations and the authorizations are made for those necessary items of United States domestic and local policy. That is the reason that we on the Foreign Affairs Committee should be here supporting appropriation bills of this kind,

Likewise, we members should also support resolutions that are based on a bipartisan foreign policy on the ground that our American policy is the United States policy rather than a Republican or a Democratic policy.

In that vein I would like to comment on the resolution that has been offered by the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK] yesterday, in which he urges the United States Congress to speak strongly against Communist imperialism and against other forms of colonialism which constitute a denial of the inalienable rights of man in foreign countries and in subject territories. The age of colonialism is fast receding, and we Americans should restate our strong opposition to colonialism and imperialism in any form.

When we in America realize that we live in this great world of 2,500,000,000 people and are simply 165 million people, we should then be interested to see that our United States policy and our program stand squarely for freedom, equality, and liberty in all countries. That firm stand has been one of the greatest protections this country has had during its history. The people who founded the country have been the ones who stood strongly against colonialism, and we in this Congress should restate this policy by the McCormack concurrent resolution.

If Members have not seen this particular resolution I refer them to page 7291 of the RECORD of yesterday where the resolution had been outlined at the time the majority leader gave a 10-minute address to the House, entitled "The United States and Colonialism." May I ask the gentleman from Massachusetts, What is the number of the resolution if it has been given a number yet?

Mr. MCCORMACK. I am unable to answer that. It was introduced yesterday and I imagine that copies of it are now available in the document room.

Mr. FULTON. I will support that resolution on a bipartisan basis, and hope that the Members of Congress will study this proposal and likewise approve such a firm position of the United States against colonialism and imperialism of all kinds.

Mr. FENTON. Mr. Chairman, I yield such time as he may desire to the gentleman from North Carolina [Mr. DEANE].

Mr. DEANE. Mr. Chairman, in support of H. R. 6499, making appropriations for the Executive Office of the President and sundry general Government agencies, including the American Battle Monuments Commission, for the fiscal year ending June 30, 1956, I want to take this time to especially commend the American Battle Monuments Commission, under the chairmanship of that distinguished American, Gen. George C. Marshall, for the splendid job the Commission is doing in maintaining, supervising, and developing our war memorial cemeteries and memorials overseas.

The testimony before the committee indicates that the Commission now has under its supervision 8 World War I cemeteries and 6 World War I memorials overseas, and 15 World War II cemeteries and memorials in foreign lands and 1 which will be in Hawaii.

The American Battle Monuments Commission is performing an everlasting service to our beloved dead. I recall a few years ago visiting the World War II memorial cemetery in Honolulu. It is indeed a tremendous experience to study the row upon row of white crosses, and I would like the RECORD to show that we of the House of Representatives commend General Marshall and the American Battle Monuments Commission for the outstanding service they are rendering in preserving and maintaining the last resting place for thousands upon thousands of American heroes.

As a part of my statement, Mr. Chairman, I wish to include the remarks of a distinguished predecessor of mine from the Eighth Congressional District of North Carolina, the Honorable J. Walter Lambeth, who had the honor to serve on the National Commission from our Government which dedicated the American War Memorial at Bellicourt—Aisne—France on August 9, 1937. Today as we appropriate funds with which to carry on the work of the American Battle Monuments Commission, which has supervision over this great World War I memorial cemetery and memorial in France, I feel it most appropriate that we include at this place in the RECORD the inspiring and soul-stirring address given by Mr. Lambeth at Bellicourt on August 9, 1937:

REMARKS OF HON. J. WALTER LAMBETH AT DEDICATION OF THE AMERICAN WAR MEMORIAL AT BELLICOURT (AISNE) AUGUST 9, 1937

I

We have returned to France to write the postscript to the last chapter of our participation in the World War.

We are nearing the end of a solemn pilgrimage dedicating monuments on the battlefields of France and Belgium, where American soldiers fought side by side with their British and French allies in the greatest drama—yea, tragedy—of human history; beginning on August 1 at Montfaucon, where the largest concentration of American troops in the military history of our Republic went forward to complete victory, and ending this afternoon at Cantigny, where our forces made their first attack and another glorious victory was won by our gallant soldiers.

We come this morning to dedicate the monument here at Bellicourt. While not one of the largest of the memorials, it is nonetheless impressive in the same dignity and simplicity which have characterized these monuments. The architect was Dr. Paul P. Cret, who has been the consulting architect of the Commission. Doctor Cret was born a Frenchman, but has lived for many years in Philadelphia and is now an American citizen, having served with distinction, first with the French Army and later with the First Division of the American Army. How well he has wrought his work in the field of creative genius and how superb has been his talent and the infinite care with which he has prepared and approved the designs, every member of our official party and everyone who has viewed the work, or who will, in the years to come, look upon these monuments, will bear witness. The sculptor was Mr. A. Bottiau.

The central feature of the monument is the coat of arms of the United States (shield and eagle). On the left side is a figure representing Valor: a young man resting after the battle with the trophy of flags, the laurel of victory, conquered arms.

On the right side: A figure represents Remembrance or the pious memory kept of those who gave their lives. A woman is shown in mourning garb, praying in front of a funeral urn shaded by willows.

II

It is fitting, therefore, that my remarks this morning center about the dual theme of the artist: Valor and Remembrance.

Peaceful the scene which greets the eye today where desolation and destruction reigned supreme 19 years ago. On September 29, 1918, these fields were enveloped by autumn mists and lowhanging clouds.

General Hill and General Lhéritier have already spoken to you of the strongly intrenched position of the enemy in this sector. In the St. Quentin canal tunnel, beneath the very spot on which we stand, was located one of the most completely fortified positions of the vaunted Hindenburg line, hitherto considered impregnable by friend and foe alike. This soil is sacred to all Americans, particularly to the citizens of New York, Tennessee, and the Carolinas, for here during the period from September 24 to 30, that line was broken through by the American Second Corps comprising the 27th and 30th Divisions of our Army, supported gallantly by their British and Australian cousins. While it cannot be said that the battle fought here was the decisive engagement of the World War, in the sense of Gettysburg or Waterloo, it is a fact of military record and history that here for the first time the Hindenburg line was smashed, and thereafter the enemy was intermittently retreating.

The 27th and 30th Divisions, in the true sense of the word, never served with the AEF, but trained and served with the British Army through the summer of 1918. Previous to this engagement, they took part in operations near Ypres. In the early part of September they entered the lines north of St. Quentin as a part of the British Fourth Army.

The Hindenburg line followed roughly the St. Quentin Canal and made use of that obstacle as a primary feature in its defense.

The tunnel of this canal, 6,500 yards long, was constructed by Napoleon. The Germans used it as a huge underground shelter and storehouse. Very large reserves of men and munitions were kept in this tunnel and entered the lines by means of many smaller tunnels driven from its sides.

Toward the middle of September the British began to drive in outposts of the Hindenburg line in order to establish a good line of departure for a general attack. They were only partially successful in their efforts.

The II Corps went into the line on September 24 and 25 and was designated to be used as a spearhead to break the Hindenburg line. The 30th Division on the south took over a sector west of Bellicourt; the 27th Division to its left went into the line in an adjoining sector just west of Bony.

The 30th Division undertook a night operation on September 26 in order to drive in the remaining outpost positions. The 118th Infantry made the attack and succeeded in advancing some 300 to 400 yards.

On the 27th Division front the 106th Infantry made preliminary attacks, advancing with extreme difficulty because of the strength of the strong points known as the Knoll, Guillement Farm, and Quennemont Farm. These strong points were on the reverse slope of the ridge and had successfully resisted all previous attacks. The 27th Division continued the attack to September 27 Great difficulty was experienced in advancing.

Both divisions went over the top on the 29th, drove ahead through Bellicourt on the 30th, and in particularly severe fighting overran in a few hours the greater portion of the Hindenburg line. The 27th Division met great resistance, but considerable gains were made. The infantry had to fight largely without the protection of a barrage and had little effective help from the tanks. The troops attacked boldly and incessantly, suffering tremendous casualties. The afternoon of September 29 Australian troops passed through the 27th and 30th and continued the drive.

The divisions were relieved early on September 30, although some of the 27th stayed in the line and continued the attack with the Australians during September 30 and October 1. Losses were tremendously heavy.

Following the battle the 27th and 30th Divisions received many commendations for their heroic conduct. General Pershing, Field Marshal Haig, as well as the commander of the Australian Corps, were warm in their praise of the splendid fighting of the Americans and the results they had achieved.

After this attack the 2d Corps was withdrawn for a short rest, while the British continued the pressure, and on October 5, after the Germans had been pushed back about 3½ miles, the divisions went back into the line, the 30th Division being in the front line and the 27th remaining in reserve.

The 30th Division was in every sense of the word a "shock" division. It had trained under that great soldier, General Pershing, on the Mexican border in 1916. It never disappointed, it always accomplished every task assigned to it and achieved all its objectives. On this spot they carried in a single dash over the entire front what was undoubtedly the strongest part of the Hindenburg line. In this sector the 27th Division on the left with the 30th Division on the right attaeked on the morning of September 29, and were the first to crash through the Hindenburg line.

I can add but very little to the statement made by our Commander in Chief, General Pershing, who, writing of the many heroic divisions of his Army, carefully considered every word and every phrase. General Pershing wrote (vol. II, p. 304): "The 30th Division did especially well. It broke through the Hindenburg line on its entire front and took Bellicourt, and part of Noroy, by noon of the 29th.

"The 27th Division, due to no fault of its own, had been unable to take full advantage of the accompanying barrage, which was laid down over 1,000 yards ahead of the line from which the troops started the attack. Despite the handicap, it took the enemy trenches of the Hindenburg line south of Bony, captured the Knoll, and established its line south from that position to a point just west of Gillemont Farm."

As an example of the many unheralded feats of valor performed on this spot, I will read two citations of men who were awarded our highest military decoration, the Congressional Medal of Honor. Time and space will permit no more:

It was at the Knoll during this fighting that 1st Lt. William B. Turner, 27th Division, performed the heroic deeds for which he was awarded the Congressional Medal of Honor. Under terrific artillery and machinegun fire he led a small group of men in the attack after they became separated in the darkness from their company. Singlehanded he rushed an enemy machinegun that suddenly opened fire on his group, and killed the crew with his pistol. He then pressed forward to another machinegun nest, 25 yards away, and killed one gunner before the remainder of his detachment arrived and put the gun out of action. With the utmost bravery and disregard for 3 wounds he had received, he continued to lead his men over 3 lines of hostile trenches, killing several of the enemy in hand-to-hand combat. After his pistol ammunition had been exhausted, this gallant officer seized the rifle of a dead soldier, bayoneted several members of a hostile machinegun crew, and shot the other. Upon reaching the fourth-line trench, which was his objective, Lieutenant Turner with nine men remaining in his group captured it and resisted a hostile counterattack until he was finally surrounded and killed.

Sgt. Milo Lemert, 30th Division, seeing the left of his company held up, located the enemy machinegun emplacement which had been causing numerous casualties. In spite of heavy fire he rushed it singlehanded, killing the entire crew with grenades. A third machinegun emplacement opened fire upon him from the left and with similar skill and bravery he destroyed this also. Later, in company with another sergeant, he attacked a fourth machinegun nest, being killed as he reached the parapet of the emplacement. His courageous action in destroying in turn four enemy machinegun nests prevented many casualties in his company and materially aided it in achieving its objective.

In recounting the valorous deeds of the 27th and 30th Divisions, it should not be forgotten that these men were at all times during the war separated from the AEF proper. They received their supplies and munitions through the British and operated under British higher command. For this all the more credit is due them. They afforded to our British cousins a shining example of the best type of American soldier. And because of their deeds here, our flag wears a new luster.

III

I come now to discuss the second theme of the monument, remembrance.

In 1920 I had the honor of delivering an address in my home county at Lexington, N. C., upon the occasion of the presentation of certificates of honor by the French Government to the nearest relatives of the men who made the supreme sacrifice in this battle. At that time I said: "Some critics have been so thoughtless as to say that France is not truly appreciative of the deliverance which these men and their allied comrades brought to that fair country. They do not know the heart of France. These diplomas bear witness to the gratitude of our former allies."

I remember that in December 1918 I was on leave in a province of southern France untouched by the horrors of war. My journey brought me to a little village where no American soldier had been before. As I walked along the narrow street, from a doorway a voice speaking perfect English invited me to enter. It was the voice of a woman past middle age. As I sat in her little room she poured forth the gratitude of her heart. She told me how for months they had prayed for the Americans to come and how one day when the allies were fighting with their backs to the wall our men came; but they were only boys, smiling and singing, with flowers spiking the muzzles of their guns. Tears rolled down her cheeks and she shook her head as she told me how the people feared it would be of no avail. And then on that July day in 1918 the blessed news came that the enemy had been halted on the Marne. Her face glowed as she finished the narrative of how they marched on and on, never stopping until the enemy was on his knees crying "kamarade."

My friends, I believe that the blood of English, French, and Americans shed on the soil of France will unite and cement our democracies into a friendship which can never be broken.

Our Government, through the Commission under whose auspices this beautiful memorial of valor and remembrance has been erected, provides perfect physical care and upkeep of the cemetery in nearby Bony; but I am told that the children of this community along with their elders come to that cemetery with each reviving spring to pay a proper tribute of respect on our American Memorial Day. For this we thank you, and I give you now the proxies of their loved ones at home who preferred that they sleep until the glorious resurrection where they fell with their faces to the enemy. In other words, you will give to that hallowed spot the same care and devotion which would be given to them if they had been taken back to the soil of our native land.

"If I should die, think only this of me;
That there's some corner of a foreign field
That is forever England. There shall be
In that rich earth a richer dust concealed;
A dust whom England bore, shaped, made aware,
Gave, once her flowers to love, her ways to roam,
A body of England's breathing English air,
Washed by the rivers, blest by suns of home.

"And think, this heart, all evil washed away,
A pulse in the eternal mind, no less
Gives somewhere back the thoughts by England given;
Her sights and sounds; dreams happy as her day;
And laughter, learnt of friends; and gentleness,
In hearts at peace, under an English heaven."

Paraphrasing this beautiful poem written by the young English poet and soldier, Rupert Brooke, who breathed the fine idealism which this cynical world now needs so much to recapture, I might say that this spot upon the soil of a foreign land will be forever America. And that here the grass will grow a little greener, the grain a trifle more golden, the flowers a bit lovelier, because mingled in the good earth of France is the dust of young American heroes.

"These endured all and gave all that honor and justice might prevail and that the world might enjoy freedom and inherit peace." (Inscription on chapel, American Cemetery—Fére-en-Tardenois.)

IV

Why did the men who fought here together with 2 million of their comrades come across the wide Atlantic to unfurl the battle flag of our Republic upon European soil for the first time? The answer ought to be ob-

vious, but a new generation has arisen and a cynical school of thought, particularly in America, has promoted the idea that we were drawn into the war by special interests; that we sent the flower of our youth into battle to make international credits more secure and to assure the continuance of our foreign munitions trade, which at that time was creating an artificial prosperity in America; that we were beguiled by propaganda which came from overseas and entangled us in other people's quarrels for their benefit; that the black dollar mark was smeared across the red, white, and blue of the Stars and Stripes; that Congress was duped into declaring war; and that our action was influenced altogether by material considerations.

It has become the fashion for sensation mongers and phrase twisters to assert in many forums that we did not enter the World War for the reasons stated by President Wilson in his war message of April 2, 1917. Let me quote a few excerpts from that message:

"There is one choice we cannot make, we are incapable of making: we will not choose the path of submission and suffer the most sacred rights of our Nation and our people to be ignored or violated. The wrongs against which we now array ourselves are no common wrongs; they cut to the very roots of human life.

* * * * *

"We have no selfish ends to serve. We desire no conquest, no dominion. We seek no indemnities for ourselves, no material compensation for the sacrifices we shall freely make. We are but one of the champions of the rights of mankind. We shall be satisfied when those rights have been made as secure as the faith and the freedom of nations can make them.

* * * * *

"But the right is more precious than peace, and we shall fight for the things which we have always carried nearest our hearts—for democracy, for the right of those who submit to authority to have a voice in their own governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free. To such a task we can dedicate our lives and our fortunes, everything that we are and everything that we have with the pride of those who know that the day has come when America is privileged to spend her blood and her might for the principles that gave her birth and happiness and the peace which she has treasured. God helping her, she can do no other."

This thesis merits the execration certainly of the 4 million who served under the banner of their captain, Woodrow Wilson. I remember well that day, December 14, 1918, when he arrived in Paris, aged beyond his years, carrying the burden of the world upon his shoulders, to begin the terrific and all but impossible task of writing the treaty of peace. Clever, sneering cynics may now smear him, but history will write his name among the stars.

The time has come when this calumny must be refuted upon every possible occasion, and I can think of none more suitable than this. Here in the presence of official representatives of our Government, distinguished members of the Battle Monuments Commission, chiefs of veterans' organizations, including those who were disabled, our friends of France, and above all in the presence of a Gold Star Mother, I am profoundly grateful for this opportunity to help keep the record straight.

Of course, in such a complex situation there were many factors involved, but I assert with all the conviction of my soul that no country ever entered a war with purer or more unselfish motives than America came into the Great War in 1917. If I did not believe this with all my heart, I would be here to apologize and to do penance. We sought no territory, we sought only to protect the rights for which "any man who is fit to live is not afraid to die" (inscription on memorial to Quentin Roosevelt, by Theodore Roosevelt).

Our sympathies had early been drawn to the Allied cause; first by the rape of little Belgium and the disregard of sacred treaty obligations, and later by the ruthless submarine warfare, culminating in the sinking of the *Lusitania*. During those first 3 years, often against a hostile press and bitter political criticism, President Wilson had clung tenaciously to the pathway of peace. During that time we had been subject to conspiracies at home and plots to involve our neighbors Japan and Mexico in war against us.

The policy of the German Government early in 1917 to apply unrestricted submarine warfare to the ships of all nations, to sink vessels without warning, no matter what flag they raised or what they carried, really forced us finally to make the momentous decision. That this was expected by the enemy is completely supported by the memoirs of Count von Bernstorff, German Ambassador to the United States, who said: "Nothing except the abandonment of the U-boat campaign could have prevented war."

When Germany made the fateful decision to apply unrestricted submarine warfare in a final desperate effort to choke supplies to the Allies from overseas, in the belief that she could bring the war quickly to an end before we could hurl our forces into the trenches of Europe, Count von Bernstorff cabled at once from Washington: "War inevitable in view of the proposed action."

Bethmann Hollweg, former German Chancellor, told a Reichstag investigating committee after the war: "I am of the belief that no doubt existed in the minds of the public on the whole, or in the minds of the political parties, that the U-boat campaign would ultimately bring the United States into the war on the side of the Allied Powers."

Of course, there were other considerations, but this was the major factor in the equation. Among the other factors, in addition to those which have been already recounted, were the traditional friendship of America for France, as well as the political philosophies then locked in mortal combat. Today they still contend and the issue hangs tremulously in the balance. Our country has always been a democracy and our natural sympathy lies, in peace and war, with those countries which like ourselves enjoy the blessed birthright of liberty and freedom. Nineteen years after the war ended, we find this conflict raging still throughout the world, and we rejoice in the continued understanding and friendly relations of the three democracies who once fought side by side in France and Belgium.

Let it also be said that those critics who would rewrite the history of that period have never said what would have been the consequence, not only to Europe but to America as well, had we not assisted in bringing the war to an early and conclusive victory for the Allied cause.

We do not come to France to claim that America won the war. Equal credit is due all the Allies. It is a fact that the French and British had waged with grim determination for 3 long years superb defensive warfare, holding back the enemy from Paris and the Channel ports, with occasional thrusts into his lines. They were tired, they were weary, as our own troops would have been under similar circumstances. The American soldiers who fought here, and in other strategic sectors along the western front, brought a freshness of spirit, an enthusiasm and audacity amounting sometimes to recklessness, which served to thrill our Allies and reinvigorate their morale. As Marshall Pétain said at Montfaucon: "A great Nation (the United States of America) resorts to arms, and places on the scale its enormous political influence, and all its military and economic power. The moral effect of this news, is immense. It comes as a mighty comfort in the difficult times that the Allies face." And further: "Invisible in the lines, the American Army, however, is there and its presence asserts itself in the confidence that it inspires to the Allies." And again he says: "The time when it was necessary to defer activities is now past; that when general offensives can be launched has arrived."

Thereafter, that combination of seasoned veterans among the Allied soldiers and the fresh enthusiasm and audacity furnished by the Americans brought the war to a speedy and triumphant end. The enemy was soon brought to his knees, and sought an armistice.

But with what terrible sacrifices of blood and treasure the victory was won.

Casualties of all belligerents in the World War

[Compiled by the U. S. War Department, checked upon Feb. 25, 1924; corrected June 30, 1953]

	Killed and died	Wounded	Prisoners missing	Total casualties
Allies	5,152,115	12,831,004	4,121,090	22,089,709
Central Powers	3,386,200	8,388,448	3,629,829	15,404,477
European total	8,538,315	21,219,452	7,750,919	37,494,186
United States	126,000	234,300	4,500	364,800

While our casualties were relatively light, it is a fact that our troops engaged in some of the fiercest fighting; and considering the time and numbers in the frontline, we suffered severely. For instance, Company L, 120th Infantry, 30th Division, lost 33 killed in action and 102 wounded, or casualties of approximately 50 percent.

Direct cost of the World War, 1914–18

(Figures were taken from Whitaker's Almanac and Encyclopedia Britannica)

Allies	$164,318,000,000
Central Powers	75,611,500,000
European total	239,929,500,000
United States	37,500,000,000
Grand total	277,429,500,000

There are no reliable statistics as to indirect costs which, of course, were colossal.

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What we are more interested in now is not who won the war but who is going to win the peace: The brave men who fought and died here, gave or risked their lives in order to make the world safe for democracy, and to end war. Did these men die in vain? It is for us, their countrymen, for the statesmen of the world, and—above and beyond all—for the mighty and irresistible force of public opinion to give the answer by subordinating all selfish and nationalistic ambitions to the unquenchable thirst of the peoples of the world for peace. It is for us to take this occasion to rededicate our lives, our fortunes, and all that we hold dear, to the same principles for which these men died; to continue to strive by processes of reason, through peaceful means, to assure

the perpetual blessings of liberty and freedom, not only to our own nations, but by the example of democratic success to inspire others to follow in the same path.

But as we survey the world situation, the picture is dark. On 3 continents war is either now being waged or has been waged during the past 12 months. Nations are arming themselves at an alarming rate and are crushing their citizens beneath an unbearable burden of taxation.

In his seventh annual report made on May 3, 1937, the president of the Bank of International Settlements at Berne, Switzerland, remarked that in the larger, as well as in most of the smaller, countries of Europe expenditures for armaments had been increased in 1936 to a higher level than ever before in peacetime. The report continues: "It has been calculated that for the world as a whole the level of armaments expenditure in 1936 was, on a gold basis, three times as high as in 1913 and more than twice as high as in the years 1924–30. Moreover, the amount of money involved in the orders placed for armaments in 1936 was in many countries in excess of the current armaments expenditure in that year."

In its report of February 15, 1937, on the Rising Tide of Armament, the Foreign Policy Association of New York gave impressive figures illustrative of the trend toward rearmament in the seven great powers: Great Britain, France, Germany, Italy, Japan, Soviet Russia, and the United States, and added that very few of the smaller countries had remained immune from the effects of the armament race precipitated by their powerful neighbors. This report concluded significantly: "The rate of military expenditure is today more than three times as high as in 1913, and is still increasing. How long can this trend continue without disastrous results?"

The German Institute for Business Research estimates at $6 billion the period 1928–34, and at over $15 billion in 1936.

From these various sources we obtain a startling idea of the move toward heavier armaments. Accurate comparative figures are difficult to compile because of the hesitancy of certain powers to reveal their actual operations, fluctuation of currencies, variation of national costs, conducting of military construction as work relief projects and otherwise dissimulating war outlays.

We are impressed, however, to know that the latest available data reveal that all but one of the 7 major powers were spending more than 20 percent and some of them 50 percent of their national budgets on armaments.

To read the daily accounts of tragic events in the Far East and in Spain, to witness in the cinemas the glorification of military pageants and reviews, to contemplate the havoc that would be wrought by the latest destruction machines and methods, make one wonder whether we have profited from past experience except to perfect our weapons.

Finance ministers complain that their budgets cannot be balanced and that their currencies will collapse if the present pressure continues. Rulers as well as propagandists appeal to patriotism when oppressive taxes must be levied to pay for war materials, when butter must be sacrificed for cannon, and when funds sorely needed for alleviating the suffering of the masses must be forced into the molds whence come engines of war.

Think what it would mean to the uplifting of the masses who are underfed, ill-clothed, and poorly housed if these vast sums could be spent upon programs which would provide for them better standards of living.

I remember immediately after the armistice your great Prime Minister, the Tiger of France, Clemenceau, said "c'est beaucoup plus difficile de faire la paix que de faire la guerre." (It is vastly more difficult to make peace than to make war.) How prophetic was his utterance has been demonstrated by events of recent years in various parts of the world.

It is said that an officer of the Southern Army stood at the bier of that great soldier, Stonewall Jackson, saluted stiffly, and said: "General Jackson, when you come into the presence of Alexander, Hannibal, Caesar, Napoleon, and Washington, tell them that we still know how to make war." I wonder what the diplomats, statesmen, politicians, and citizens of the countries for which these heroic dead gave up their lives in the belief that they were fighting a war to end wars—I wonder what we would say if today we stood in the presence of the spirits of the millions who died in that titanic conflict from 1914 to 1918 and were asked this question in a mighty chorus by those millions: "Have you learned how to make peace?"

Recently in company with two of my colleagues I visited the Alps to behold for the first time the icy and rugged peaks of Mont Blanc, that monarch of mountains. For some time the summit was invisible because of the clouds which hung low over it. Standing on a high eminence facing Mont Blanc a tremendous figure of Christ points to its summit. When the clouds lifted and the sun burst forth, we were able to see the peak perfectly outlined against the sunset sky. Thus, we trust that the shadows and threats of war will yet pass away and the precepts of the Prince of Peace will yet rule the nations.

These monuments are erected not only to mark battlefields and cemeteries, but they stand as giant fingers of warning to all who see them, that war is man's supreme folly, and that differences between nations should be resolved by the arbitrament of reason, and not by resort to brute force. Let us take a solemn vow in this sacred place to hold our dead forever in precious memory by clinging resolutely to the path of peace.

In the name of the Government and people of the United States I dedicate this monument to the sublime valor of the brave men living and dead who fought here so gloriously, not only as a souvenir of our eternal remembrance but as a symbol of the unbroken friendship of France and America, and—most of all—as an expression of our common yearning for peace and good will unto all men.

Mr. Chairman, I feel that it is very easy to forget our rows of white crosses stretched across the world, and as we pause for a moment to pay our respects to these deceased heroes of ours, we should likewise think in terms of how we might bring about an answer to wars. I believe as we study this record today and the testimony given, we will see the results of trying to fight for an answer.

Mr. ANDREWS. Mr. Chairman, I yield the remainder of my time to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, at the outset I want to say for myself that it has been a pleasure to serve on this committee under the able chairmanship of the gentleman from Alabama [Mr. ANDREWS] and to have served with the other members of the committee on both the majority and the minority sides. We got along very well, and I think the work of the committee speaks for itself.

However, I take this time to call your attention to one subject matter of government which is covered in this appropriation, and that was referred to by the gentleman from Iowa [Mr. GROSS] a while ago, the President's Advisory Committee on Government Organization.

The Congress authorized the creation of the first so-called Hoover Commission some several years back which was to study the setup of the administrative and executive branches of the Government of the United States and to make recommendations to the President and the Congress for the purpose of reorganizing the executive branch of the Government to achieve greater efficiency and economy in government. The first Hoover Commission was terminated in 1949 and a great many of its recommendations for sound operating procedures in the Government were later adopted by the Congress and the executive branch—recommendations which carried out the mandate of Congress that I have just outlined. Then, in 1953, the 83d Congress created a second Commission and in Public Law 108 of that Congress directed it to carry out the declared policy of the Congress "to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government." In this declaration of policy, or in the specific instructions to the Commission which followed, nothing was said directing the Commission to force its way into the policymaking field.

Prior to the establishment of the present Commission and with the advent of the present administration there was created the President's Advisory Committee on Government Organization. In the colloquy between Mr. Nelson Rockefeller and myself at the time he appeared before this subcommittee, there was an explanation given by Mr. Rockefeller as to the difference in the functions of the two bodies; to the effect that after the Hoover Commission makes its field studies and surveys and its task forces compile their data and make their recommendations to the President and to Congress, then the President's Advisory Committee on Government Organization makes a study and recommends to the President how best to carry out those plans.

As the result of that colloquy we went a little further, which prompts me to call to the attention of the House and the American public something which I have noticed in the recent recommendations of the Hoover Commission and which I think must be given some thought by the Members of the Congress of the United States and by the American public generally. I asked Mr. Rockefeller what he meant when he referred to the policy decisions made by the Hoover Commission and the subsequent recommendations made by the President's Advisory Committee on Government Organization and asked where the policy determination was made. Mr. Rockefeller answered that the first Hoover Commission studies set up under the preceding administration, the Truman administration, did not go into basic policy matters but simply made studies for the amalgamation of functions of the departments on an organizational basis.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FENTON. Mr. Chairman, I yield 5 minutes additional to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. I thank the gentleman from Pennsylvania very much for this additional time.

The present Hoover Commission goes into basic policies of government. As examples, they are preparing to bring out recommendations which would wipe out the water policies and the power policies established over the years by the Congress of the United States. They would change policies established by the Congress of the United States in operating naval shipyards for the construction and repair and maintenance of combat vessels, policies followed down through the years.

I asked Mr. Rockefeller—this is shown at pages 114 and 115 of the hearings—if this was not going into basic policy which, constitutionally, belonged to the Congress. He said that was not within his province to answer; that these studies were being made by the present Hoover Commission; however, the recommendations were being made and he frankly admitted they went into basic policy. I then asked him what need there would be in the future for congressional committees to make studies of our system of government or how the responsibility of the Congress under the Constitution should be carried out in writing the laws for the administration of the Government. It was interesting to see the amusement on the gentleman's face, but no reply. It was finally admitted in some discussion off the record that a continuation of this policy could perhaps obviate or eliminate any need for congressional committees to do the job which the Constitution places on the shoulders of Congress.

Mr. Chairman, this attempt at usurping the functions of the Congress in establishing basic policy governing the operations of the Federal Government is serious enough in itself. However, the nature of the policy recommendations by the present Commission makes the matter doubly serious. The great prestige attached to the work of this Commission, in large part a carryover of the reputation earned by the original Commission, will cause tremendous pressure for the adoption of their recommendations. Unfortunately, a great many of these recommendations such as I have cited, particularly in the basic policy field, make it quite clear that the second Hoover Commission is trying to live up to its popular name. The policies they recommend certainly smack of the philosophy of government exemplified by Mr. Hoover during his administration as President of the United States and are far more suited to his era than to this enlightened age. Should those policies be adopted b ythe Congress or the executive branch as the case may be we would be in a fair way to returning to the days of Hoover or even farther back to the dismal McKinley administration with their do-nothing-government type of thinking.

It is not surprising that a Commission appointed by a Republican President and the Republican leadership of the 83d Congress and with its task forces heavily dominated by people from the world of big business and conservative Republicanism should come up with this type of recommendation, but it is frightening. While 5 of the members of the original Commission were reappointed, including Mr. Hoover, the composition of the remainder of the 7 members was significantly different—so different that the majority thinking of the Commission is obviously far to the right of the original group. This change in majority philosophy carried over even more noticeably into the makeup of the various task forces, dictated by Mr. Hoover, as typified by the task force on water resources and power, heavily weighted by corporation executives, corporation lawyers, corporation consulting engineers, and other individuals rabidly opposed to Federal power and water development programs. With such a setup we could only expect a terrific contrast between the findings of the present body and the determinations of the original Commission appointed under the Truman administration and in which the voice of the liberals was allowed to be heard. To anyone who takes the time to read and compare the various reports the contrast is quite shocking. I certainly hope that the Members of Congress who are sincerely interested in fulfilling their constitutional obligation to establish national policy will take the time to read and compare with a view to preventing the return to Neanderthal government espoused in the latest reports.

I say to the Congress of the United States that the present distortion by the present administration of the basic theory under which the Hoover Commission was set up is a threat to democratic government in this country. I warn the people of this country and the Members of Congress of this situation as I call it to their attention.

Mr. FENTON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read the bill.

Mr. ANDREWS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. ANDREWS. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2061. An act to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

SMITHSONIAN INSTITUTION

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 259, Rept. No. 704), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6410) to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AMENDMENT OF FLOOD CONTROL ACT

On behalf of Mr. O'NEILL, Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 261, Rept. No. 706), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 192) to amend Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1946 (Rappahannock River).

After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

INTER-AMERICAN HIGHWAY

On behalf of Mr. DELANEY, Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 260, Rept. No. 705), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

INVESTIGATION OF HOUSING

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 203) authorizing the Committee on Banking and Currency to conduct studies and investigations, and to make inquiries relating to housing, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Banking and Currency, acting as a whole or by subcommittee, is authorized and directed to conduct full and complete studies and investigations and make inquiries with respect to any matter or matters in the field of housing coming within the jurisdiction of such committee, including, but not limited to, (1) the current rate of construction of residential dwelling units in relation to housing requirements and demands, and the role of Government-assisted mortgage programs with respect thereto, (2) the rate of default and foreclosures of Government-insured mortgages, and the disposition of such properties, (3) the refinancing and extension of Government-insured project mortgages, (4) the status and adequacy of the several Government mortgage insurance funds, (5) the disposition of Government-owned war and related housing, (6) the operation of the slum clearance and urban renewal programs, and (7) the operation and activities of the National Voluntary Mortgage Credit Extension Committee. The committee shall not undertake any investigation of any matter which is under investigation by another committee of the House.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purposes of carrying out this resolution, the committee or any subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the United States, its Territories and possessions, and the Commonwealth of Puerto Rico, whether or not the House is in session, has recessed, or has adjourned, to hold such hearings and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or by any member designated by such chairman, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths or affirmations to witnesses.

With the following committee amendment:

Page 1, line 3, strike out "and directed."

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and now yield myself such time as I may consume.

Mr. Speaker, experience has demonstrated that the executive branch of the Government is most decidedly not the fountainhead of all knowledge or wisdom in regard to housing. There is certainly ample precedent for the type of investigation contemplated by House Resolution 203. Congress has played a vital, even a paramount role in the development of our postwar national housing program. The studies conducted in 1944 by the Subcommittee on Housing of the Special Committee on Postwar Planning in the other body under the chairmanship of the late distinguished Senator from Ohio, the Honorable Robert A. Taft, laid out in a broad general manner the housing program which we have pursued since V–J Day. In 1947 the Congress appointed a Special Joint Committee on Housing composed of members of the Banking and Currency Committee of both bodies. This committee was ably headed by the distinguished gentleman from New York [Mr. GAMBLE]. This committee filed a report in the spring of 1948. In it it recommended the following:

First. An expanded public-housing program;

Second. A new program for slum clearance and urban redevelopment;

Third. An expansion of the Government activities in the field of housing research;

Fourth. Direct loans to farmers to improve our rural housing; and

Fifth. Further liberalization of the private housing insurance program being carried out by the Federal Housing Administration and the Veterans' Administration.

The recommendations were, however, carried into effect by the enactment of the Housing Act of 1949, and of the Housing Act of 1950.

In 1949 the House Committee on Banking and Currency found itself called upon to provide a solution to another housing problem. During World War II because of the acute housing shortage near war plants and defense installations, the Federal Government was required to construct and operate hundreds of thousands of permanent and temporary housing units. These came to be known as Lanham housing because of the fact they were built under authority of a law which had been introduced in the Congress by the Honorable Fritz Lanham, of Texas. It had been the intent of the Congress in enacting the Lanham Act that the Lanham units should be disposed of as soon as possible following the end of hostilities. In the years between 1945 and 1949, however, neither the Housing and Home Finance Agency nor the Public Housing Administration had been able to come up with a disposal plan which was acceptable to all parties concerned—veterans, tenants, property owners, and the local communities where the units were situated. A subcommittee of the House Banking and Currency Committee headed by the gentleman from Arkansas [Mr. HAYS] was appointed. This subcommittee, working in close cooperation with a subcommittee of the Committee on Government Operations, traveled in several areas of the United States, held hearings and inspected the housing concerned in the autumn of 1949. It was my privilege to represent the Government Operations Committee at several hearings of the Hays committee which were held in California. As always, Mr. HAYS, the gentleman from Arkansas, did a fine job. The recommendations made by the Hays subcommittee in regard to Lanham housing disposition were embodied in the Housing Act of 1950. Because of the outbreak of the Korean conflict in June 1950, it was necessary to suspend the disposal program, but it was reactivated in 1953, and is now being carried out largely as recommended by the Hays subcommittee.

During 1951 and 1952, Members of Congress received an increasing amount of mail complaining about defective housing built under the FHA and VA housing programs. These letters told of leaky roofs, crumbling foundations, improper drainage and a host of other physical defects. The agencies concerned, the Federal Housing Administration and the Veterans' Administration, seemed to be unable to do anything about this scandalous situation. Once again the Committee on Banking and Currency moved to solve the problem. The gentleman from Kentucky [Mr. SPENCE], appointed a subcommittee headed by the gentleman from Alabama [Mr. RAINS], to survey the problem and make recommendations to the full committee for correcting it. The Rains subcommittee worked on the problem throughout 1952. It held hearings both here and throughout the country. It inspected many GI and FHA homes. It had the benefit of a study of the VA housing program made by the select committee on veterans benefits headed by the gentleman from Texas [Mr. TEAGUE]. The Rains subcommittee

made its recommendations to the full Banking and Currency Committee in January 1953. A number of them were put into effect by administrative action of the VA or FHA. One of the most significant recommendations of the Rains subcommittee—that each home buyer of an FHA or VA house be given a warranty that his house had been built in conformity with the plans and specifications on file with the appropriate agency—was embodied in the Housing Act of 1954.

The gentleman from Alabama [Mr. RAINS], is the author of the resolution now before us. It is our understanding that he will head the subcommittee of the Committee on Banking and Currency which will investigate the matters presented in the resolution. The gentleman from Alabama, with whom I have the privilege of serving on the Committee on Banking and Currency, is one of the great experts in the House in this field. He has demonstrated in many, many ways his ability to conduct an investigation in the best interests of the country and in a manner which will bring credit to the Congress.

I know of no substantial controversy over this resolution. It seems to me very clear that it should be passed by an overwhelming vote.

I reserve the remainder of my time, Mr. Speaker.

The SPEAKER. The gentleman from Illinois [Mr. ALLEN] is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, I agree with the gentleman from Missouri [Mr. BOLLING]. I know of no controversy over this legislation.

I reserve the balance of my time, Mr. Speaker.

Mr. BOLLING. Mr. Speaker, I yield 10 minutes to the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Speaker, I doubt that I shall use the entire 10 minutes.

I appreciate the remarks of the gentleman from Illinois [Mr. ALLEN] that there is no substantial controversy over the resolution. As a matter of fact, I think it came out of the Committee on Banking and Currency without any substantial opposition, and likewise out of the Committee on Rules.

For the RECORD, I would like to make a few statements about the housing problem.

In the first place, Mr. Speaker, I would like to call to the attention of the House the part that the housing industry plays in our national economy and in so doing emphasize the importance of the studies and investigations that House Resolution 203 would authorize. We are all generally familiar with the number of new housing starts since the cessation of World War II, but the economic importance of this industry and the Government's stake in its success is often overlooked.

This industry provides work for millions of construction workers—carpenters, electricians, plumbers, masons, metal workers, excavators, architects, engineers, and surveyors. It supports millions of workers in industries directly related to housing such as furniture and fixtures, electrical appliances, heating, cooking, lumber producers and manufacturers, mining and metal producers and fabricators, oil, gas and electricity, textile, paper and paint, stone, clay and glass and transportation. It supports a great proportion of the wholesale and retail outlets ranging from lumber yards to department stores. It directly affects all phases of State, county, and municipal requirements in the fields of education, health, sanitation, transportation, police and fire protection, and its value represents the major source of tax revenues to these governments. And to the American homeowner it still represents the largest and most important investment he makes during his life. In 1954 the estimated dollar value of new residential construction—including cost of land—was $13.4 billion, an all-time high, and the first quarters of 1955 has exceeded the first quarter of 1954 by 34.8 percent. This represents new construction only and does not include the value of existing homes which have been sold.

What part does Government mortgage programs play in the construction of housing units? In 1954 the FHA and GI programs combined were used to assist in financing the construction of 49 percent of all new homes built—approximately 1 out of every 2 houses built. This astonishing percentage emphasizes the importance of these programs, not only to the housing industry but to the whole economy. In other words, the Government's mortgage insurance and guaranty programs in supporting one-half of all new housing construction is the most important single factor in the decisions made by builders and construction and mortgage lenders, which, in turn, directly affects our national economy through the multitude of related industries which produce, transport, store, and distribute the materials and products used in construction.

Since its inception in 1934, the FHA has insured housing loans amounting to $37,221,784,960. This total covers mortgage loans on 4,605,477 housing units, 3,933,494 of which were home mortgages and 671,983 were on units in multiple-unit rental projects. It also includes 18,360,709 property improvement loans amounting to $8,478,039,951.

At the present time approximately $20 billion of FHA mortgage loans are still outstanding, and the FHA is insuring or committing to insure new mortgage loans at the current rate of approximately $4 billion annually.

These statistics should serve to indicate the importance of this industry to our overall economy, the rate which Government mortgage programs play in the field of housing, and the absolute necessity of the Congress to constantly exercise its duty of continually keeping abreast of the operation and impact of these programs.

In view of the importance of the housing industry to the national economy, it appears desirable that a study be made of all phases of the housing industry to determine at what levels housing construction during the immediate future may be supported and continue to be a sustaining contributing factor to the national economy.

The principal cause for alarm by those who believe that the current rate of construction is an unhealthy one is primarily based upon the fact that the number of new net family formations during the period 1955–58 is estimated at approximately 800,000 annually, and that current mortgage credit terms should be contracted to bring starts more in line with economic demand for housing. Replacement of existing dilapidated structures is estimated to require an additional 100,000 to 200,000 new units annually during this period. Nevertheless 1955 housing construction will result in an estimated 1,400,000 new units at the current rate of construction. It is true that mortgage terms, that is the equity of downpayment requirements, rate of interest, and the term of the mortgage loan, have a great effect on the volume of new construction. These are the factors which have been attacked by those who express great apprehension over the volume of current construction. However, mortgage terms are not the only factors nor necessarily the basic factors in determining a healthy economic demand for new housing. Assuming a sufficient supply of mortgage funds to sustain the current level of 1,400,000 units other considerations entering into the overall economic facts of this volume of construction are the average price of newly constructed homes, the average mortgage loan, the relation of total mortgage debt to total consumer expendable income and other factors. For instance, the same volume of mortgage financing will support the varying levels of construction depending upon the prices of newly constructed houses. If the building industry is directing more and more construction in the moderate- and middle- income ranges more units will be constructed during any given period with the same volume of mortgage financing than if such construction is weighted heavier in the higher-price field. If such is the case the usual factors considered as supporting the underlying demand for new construction, that is net new-family formations and replacement of uninhabitable dwellings, can be increased to support a greater volume of construction by reaching into lower-priced homes and thus result in a greater market for housing. Since Government-assisted mortgage financing is the principal factor in financing construction these programs are of tremendous importance to the social and economic stability of the country and a study of the entire housing market at this time should be conducted to assure its economic soundness.

During World War II the Government constructed a great amount of both temporary and permanent housing units needed to assist the war effort. In the early postwar period the House Banking and Currency Committee conducted a study and investigation of the disposition of Government-owned war housing which culminated in the enactment of title VI of the so-called Lanham Act in 1950. Shortly thereafter the Korean war broke out and an administrative moratorium was placed upon the disposition of many of these units to conserve their use during the Korean conflict. There remained as of December 31, 1954, a total of 75,064 permanent dwelling units and

52,276 temporary housing units costing $614 million still in the hands of the Federal Government. It is evident that, if these units are ever to be disposed of, a vigorous effort must be made in that direction as soon as possible. The time has come for a reappraisal of this whole subject in order to redetermine the best and most efficient manner in which these units can be disposed of.

Considerable attention has been drawn lately to the status and adequacy of the FHA mortgage insurance funds. I believe that a possible harmful misconception of the FHA insurance program may result from these expressions and a true understanding of the theory and operation of the FHA mortgage insurance system should be made available to the Congress and the general public in order to properly assess the adequacy of the insurance reserves which are the first line of reliance in meeting FHA insurance obligations. There are several FHA insurance funds. The mutual mortgage insurance fund is the fund supporting the 1 to 4 family units insured under section 203, and the other funds support principally special mortgage programs such as section 207, 213, 220, 221 and title VI. The section 203 insuring program is by far the biggest FHA insuring activity. Fundamentally, the 1 to 4 family FHA mortgage insurance program is founded on these basic concepts.

First. It is a mutual mortgage-insurance system in which the user—home owner—pays a premium calculated on an actuarial basis to pay for the administrative costs of the system and the insurance risk.

Second. The reserves established by the premium income together with investment income thereon should be sufficient to meet the ultimate liabilities of the program and if more than sufficient the user is refunded that part of his premium payments not required for the purpose.

Third. Upon FHA acquisition of a mortgage property through assignment upon default or foreclosure there is not an immediate cash demand upon the FHA. In such event the FHA issues to the insured lender a debenture with a maturity of 20 years guaranteed as to principal and interest by the Federal Government paid out of the insurance fund or by the Federal Government if the fund is not sufficient for that purpose. The term of the debenture is designed to carry over any downward business cycle which we have yet experienced. During the term of the debenture the FHA should have ample opportunity to manage or otherwise dispose of the project without suffering substantial losses or further depreciating an already depreciated mortgage market. Our recent experience with the HOLC tends to support the fundamental soundness of this position. The average life of a FHA insured mortgage was at latest report less than 8 years. The important factors in the FHA exposure are not only the total volume of insurance outstanding but the total volume of real estate value which this insurance supports together with the average maturity of insured mortgages, insurance reserves, and the total amount of insured mortgages which are in a real risk position. It is axiomatic that the risk on a mortgage loan whether insured or conventional is greatest in the early years of its existence. As equity builds up, especially under our system of amortized mortgage payments, the risk of loss even in an adverse market is substantially lessened. I think it is important that the Congress, business and the public have a proper understanding of the FHA mortgage system and this can best be accomplished by a studious reappraisal of its operation and functions at this time.

A study of the housing market including all phases such as rate of construction, total mortgage financing, rate of default and foreclosures, adequacy of FHA insurance reserves, and the management and disposition of foreclosed properties can be most effective at this time because it can be accomplished during a healthy economic period with consequent objectiveness which would not be possible in a period of falling markets.

WHERRY ACT HOUSING

The Comptroller General of the United States filed a report in April 1955 he made on four Wherry Act housing projects located in Virginia. The report was made upon the request of Senator BYRD, the Chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures in a letter to the Comptroller dated January 26, 1955. Basically the report was requested to ascertain the right of local communities to tax Wherry projects stemming from the fact that the four projects studied had an allowance in their rent schedule—paid taxes under protest, received refunds in some cases based on court decisions holding property nonassessable.

The report shows that the FHA approved an allowance for taxes in the rent schedule, that the sponsors may either escape payment of taxes or obtain refunds for those paid. In one case the sponsor has refused to apply the refund to either repayment of principal, reserves return to tenants, or to reduce rentals. In one case a rental increase was obtained based upon cost of construction exceeding contemplated cost—which is contrary to FHA regulations.

The report states that title to the land of all four projects is held by Federal Government, and title to the improvements is either held by the sponsor, or leased to the sponsor if vested in the Government. The land is leased to the sponsor on a long term leasehold. The legality of local taxation of a sponsor's possessory interest is now before the United States Court of Appeals for the Third Circuit in an appeal from the decision in *Sheridanville, Ind.* v. *Borough of Wrightstown* (125 F. Supp. 743).

With respect to the tax question the Comptroller feels that in any case, taxes should only be assessed upon the basis of municipal services rendered in view of the fact that the installations provide many of the normal municipal services and others, such as utilities are contracted for with private companies. He further states the only satisfactory solution to the tax question is legislation.

WHERRY DATA

This housing is insured under FHA title VIII upon the basis of certification of the military department concerned, or the Atomic Energy Commission, based upon need for housing. The projects are constructed and operated as private rental housing. Rentals are controlled by FHA after consultation with military officials.

As of November 30, 1954, FHA had insured 255 mortgages amounting to $632,978,066 on 78,680 housing units. In addition, there were outstanding commitments for $37,498,600 on 13 projects comprising 4,658 housing units.

QUESTIONS RAISED BY REPORT

First. Complete review of the tax status of these projects. Number of States who either are, or have attempted, taxing the sponsor-mortgagor's possessory interest in the land and improvements whether title to the underlying land is vested in the United States. A legislative solution to this problem which will be equitable to all concerned.

Second. Steps can be taken to revise rent schedules where tax allowance is included, but no taxes are paid, or taxes have been paid and refunded. What disposition can be made of tax refunds.

Third. Future participation in Government insured mortgages programs of mortgagors who have received rental income which included tax allowance, and either has not paid taxes or has been refunded taxes paid, and has retained such income for its own benefit.

Fourth. The manner in which all FHA insured project mortgage rental schedules are determined, and manner, right to, and basis of revision.

REFINANCING SECTION 608 MORTGAGES

In view of the windfalls connected with the financing of many 608 projects and the tax treatment of the distribution of such windfalls as capital gains rather than ordinary income decided in the Gross Martin case, Congress should review the provisions of law applying to the refinancing of 608 mortgages. A few years ago prior to the windfall disclosures, a statutory provision was enacted which would permit the refinancing of 608 mortgages on a term basis extending up to 12 years beyond the unexpired term of the mortgage. The provisions generally applicable to refinancing insured mortgages limit the term to the then unexpired term of the mortgage.

The refinancing provision applicable to 608 mortgages appears in section 223 (a) (6). The reason for the need of extending the term in the case of 608 mortgages was based upon the fact that in the case of many of these mortgages a point would be reached where the rental income from the project after taxes would not be sufficient to meet the amortization payments because the depreciation allowance for tax purposes would decrease proportionately with the life of the mortgage resulting in lower net income after taxes while amortization payments remained constant. This situation could result in such mortgages going

into default—thus the reason for the refinancing provision.

In connection with depreciation generally, it would be feasible for the Congress to ascertain what effect the existing depreciation allowances have on the financing of the FHA project mortgages and the manner in which mortgage-loan amortization is computed.

TRANSFER OF GOVERNMENT HOUSING TO COLLEGES

In recent years several bills have been referred to the committee authorizing the transfer to colleges of Government-owned permanent housing for students of the college concerned. In view of the special circumstances connected with such housing such as the inadvisability of disposition to the general public where the premises are adjacent to college property, the limited funds available to many colleges for investing in property which puts them at a competitive disadvantage with other bidders for the property, the continued need for student housing accommodations especially for veterans and their families, a review of all projects being used for such purposes should be undertaken to enable the Congress to establish a policy applicable to the disposition of such housing.

Mr. Speaker, this resolution should be adopted.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. McCORMACK). The question is on the committee amendment.

The committee amendment was agreed to.

The resolution was agreed to; and a motion to reconsider was laid on the table.

CONSERVATION, DEVELOPMENT AND UTILIZATION OF THE WATER RESOURCES OF ALASKA

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 251 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3990) to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and at this time I yield myself such time as I may consume.

Mr. Speaker, House Resolution 251 makes in order the consideration of H. R. 3990, a bill, which, as I understand it, is designed to provide an authorization for a matter which previously has been taken care of in appropriation bills.

Apparently it became the desire of those concerned to accomplish this in the more usual fashion.

H. R. 3990 would authorize that there be appropriated not more than $250,000 in any 1 fiscal year for the purpose of making investigations of projects for the conservation, development, and utilization of water resources of Alaska, and to report thereon with appropriate recommendations from time to time to the President and to the Congress.

There was some opposition to this proposed legislation before the Committee on Rules.

However, this rule provides for 1 hour of general debate and permits amendments. Therefore, I urge the adoption of the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, the able gentleman from Missouri [Mr. BOLLING] has explained the resolution and the provisions of the bill. I know of no one on this side of the aisle in opposition to it.

Mr. Speaker, I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, there being no further requests for time, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. ENGLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3990) to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska.

The SPEAKER. The question is on the motion offered by the gentleman from California.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3990, with Mr. HOLIFIELD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. ENGLE] is recognized for 30 minutes and the gentleman from Nebraska [Mr. MILLER] for 30 minutes.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. ALLEN of Illinois. May I inquire whether the gentleman from California told the gentleman from Nebraska [Mr. MILLER] that this bill was coming up at this time?

Mr. ENGLE. Yes. We sent notice to the committee about 20 minutes ago when I found out the bill would be on the floor, asking that the gentleman from Nebraska be notified, and he will be here in a moment.

Mr. ALLEN of Illinois. He is not opposed to this bill? He favors it, does he not?

Mr. ENGLE. Yes. He voted for it in the committee.

Mr. ALLEN of Illinois. I see no reason for not continuing with the consideration of the bill. I called and asked him to come over. So I suggest the gentleman go ahead.

Mr. ENGLE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I propose to address myself to this bill for a few minutes. In that time I am sure that the ranking minority member, who has been notified that this bill is now on the floor, will be here.

First I should like to speak of the legislative history of this bill. Secondly, I will discuss the facts upon which the bill is based. Third, I shall speak on the provisions of the bill itself.

First with reference to the legislative history of this bill.

This bill came to the House Committee on Interior and Insular Affairs by an executive communication sent to the Speaker, the Honorable SAM RAYBURN, under date of February 9, 1955, and signed by Mr. Orme Lewis, Assistant Secretary of the Interior, in which he requested the introduction of this bill and provided a copy of the proposed bill with the request sent to the Speaker. This is commonly known as an executive request for legislation.

This measure was introduced by the gentleman from Alaska [Mr. BARTLETT]. It has been the practice, I know, with some committees of this House for the chairman of the committee to introduce bills which come to the committee as a result of executive communications. As far as I am concerned, however, where the bill relates exclusively and specially to the area represented by a sitting Member, I believe it is the prerogative of that Member, whether he sits on my side of the aisle or the other, to introduce such legislation.

As a consequence of that, from time to time this House will see bills introduced by members of our committee or Members of the House based upon executive communications.

Where the executive communication involves a fundamental question of policy and does not relate exclusively or particularly to the district of a sitting Member, then I regard it as a prerogative of the chairman of the committee to introduce that legislation.

I make this explanation so that no special significance will be attached to the fact that this bill, although based upon an executive communication, was introduced by the gentleman from Alaska [Mr. BARTLETT]. I am in favor of this bill.

With reference to the executive communication itself, Mr. Lewis in his letter points out that the Congress has for a number of years provided funds for the

conduct of "engineering and economic investigations, as a basis for legislation, and for reports thereon to Congress, relating to projects for the development and utilization of the water resources of Alaska."

As I previously stated, Mr. Chairman, this bill is a bill to authorize the Secretary to investigate and to report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska. What I am emphasizing here is that over a period of years this program has been going forward but on the basis of appropriations made by the Appropriations Committee. These funds have ranged in annual amounts from $100,000 to $250,000 and have been in addition to those made available, through appropriations to the Geological Survey, for collection of basic water data. The program which has been conducted under these annual appropriations has proved to be of such merit that it should be placed on a permanent basis.

In carrying out the directive of the appropriation acts, this Department has compiled a wealth of information on potential water-resource developments in Alaska. Much of this information, even though of a reconnaissance nature, was made available in the Reconnaissance Report on the Potential Development of Water Resources in Alaska, which was printed as House Document 197, 82d Congress. This report fully supports the need for permanent legislation such as is now proposed to assist this Department in aiding in the development of Alaska.

The data obtained from these investigations also served as the basis for a report to the Congress on the Eklutna power project which has recently gone into partial operation. This project will serve a very urgent need for power in the Anchorage area as is evidenced by the fact that the entire output of this plant has already been allotted. Also, in various stages of completion are reports on, among others, the Swan Lake project near Ketchikan, the Blue Lake project near Sitka, and Dorothy Lake project.

While one of the most urgent needs in Alaska is, as the priority given the preparation of these reports indicates, development of its hydroelectric power resources to assist in the industrial development of the Territory, our general reconnaissance report mentioned above makes it clear that this is by no means exclusive of those other aspects of water-development work—irrigation, flood control, and domestic water supply—which are familiar in the western part of the United States and are commonly included in multiple-purpose projects.

Mr. Chairman, this is a summary of the statements made by Mr. Orme Lewis in his request accompanying the draft of this bill, as submitted to the Speaker and transmitted to our committee. The Bureau of the Budget cleared this executive communication before it came up. So, Mr. Chairman, the measure before you today is an administration measure having the support of the Department of the Interior and the clearance of the Bureau of the Budget, and which was pursuant to the executive communication introduced by the delegate from Alaska [Mr. BARTLETT].

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I am very glad to yield to my friend, the gentleman from Iowa, a former member of our committee.

Mr. GROSS. This then is permanent legislation; is that correct?

Mr. ENGLE. This is permanent legislation. It is a permanent authorization to proceed to make these investigations provided that the Committee on Appropriations, in its wisdom, sees fit to allow the necessary funds. It does not make it mandatory. It does not require anybody to do these investigations. It authorizes investigations which would then be the basis for the Committee on Appropriations to appropriate the money and, I repeat what I said previously, and that is for the last 7 years the Committee on Appropriations has been making these appropriations and this is a continuation then in the nature of permanent legislation authorizing those appropriations. Each one of the preceding appropriations, as I am sure the gentleman knows, would have been subject to a point of order, if points had not been waived by a special rule because there is no authorizing legislation at the present time.

Mr. GROSS. So this has been going on for some 7 years or more; is that correct?

Mr. ENGLE. Yes; I believe it is 7 years that appropriations have been made annually, as Mr. Lewis states in his report, of $100,000 to $250,000 annually to make these studies and surveys.

Mr. GROSS. The letter from the Department says a wealth of information has already been accumulated with respect to the water resources in Alaska. How much more can be added to that? How much longer must this go on?

Mr. ENGLE. The Territory of Alaska is almost as big as one-fifth of the United States. It is bigger than the State of Texas, which my friends from Texas hate to admit, I know. So it can go on for a long time. What Mr. Lewis says is that the money which has been spent will not be effectively used unless these studies are continued and carried to their final conclusion, and he mentions a number of projects which are currently under study.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. HAYS of Ohio. Did I understand the gentleman to say that this was an administration measure?

Mr. ENGLE. It is an administration measure in the sense that it is here on the basis of a communication and request from the executive branch.

Mr. HAYS of Ohio. I thank the gentleman.

Mr. ENGLE. I am emphasizing that for the reason that some criticism of this measure has come from the other side of the aisle. Now, Mr. Chairman, I would like to proceed for just a moment to say something further about this legislation.

We recently had a bill before this House to grant statehood to Alaska, along with Hawaii. One of the major arguments made against that legislation was that Alaska is insufficiently developed economically to warrant statehood at this time. Would it not be strange if we said to the people of Alaska, "You are not sufficiently advanced and matured economically for admission to statehood, but we will deprive you of the service generally afforded throughout the 48 States of this Union. We will deprive you of what every State of this Union has, all 17 Western States under the reclamation law, and thereby deprive you of the opportunity for the industrial development and power development and water development so necessary for you to acquire economic maturity necessary to become a State."

On the one hand, to refuse statehood because of the lack of economic development, and on the other hand to refuse to give to this Territory a position of parity on this type of investigation with that which is now received by all 17 of the Western States, it must be remembered that 98 percent of the area of Alaska is in Federal ownership—98 percent of it. Therefore, this little handful of money which is authorized under this bill for investigation of water development in Alaska, 98 percent conceivably could be used for the investigation of water resources on property belonging to the United States Government itself, and the remaining 2 percent of these operations on Alaska, geographically, which are in territorial status; that is, which belong to, and taxable by, the Territory of Alaska. Granted that most of the people live in that 2-percent area; granted also that large portions of the 98 percent might never be susceptible of any great amount of development; nevertheless, this is a bill which we should pass in fairness to the people of Alaska, in fairness to ourselves in carrying out these investigations that have already gone forward as far as they have.

I now yield to the gentleman from Idaho.

Mr. BUDGE. I was going to suggest to the able chairman of the committee that today is probably not the best day to consider this legislation. Members of the committee were led to believe that the legislation would not be before us until later in the week. I suggest to the chairman that he move that the Committee rise, and that consideration be continued until a later time.

Mr. ENGLE. The gentleman is in no different position than I am. I had the idea that this would come along later, but the leadership moved the matter ahead. Legislation which preceded it on the calendar was moved forward, and so here we are. I believe that we can dispose of this legislation just as well today as tomorrow. I notice the gentleman is here; and also the gentleman from Pennsylvania, Mr. SAYLOR, who also had some criticism of the bill.

Mr. BUDGE. I would reply to the gentleman, if he would yield, that all of us on this side are somewhat tardy in our arrival because we had not understood that the bill would be on the floor today. I would ask the gentleman if he would object to a motion that the Committee rise at this time and proceed

with the consideration of the matter tomorrow.

Mr. ENGLE. I would not want to make a decision like that without talking to the leadership. In fact, we are trying to get along with everybody.

Can the gentleman say what he would be able to say tomorrow what he cannot say today? Is there any intelligent reason which would make it better to consider the bill tomorrow than today?

Mr. BUDGE. I would reply to the gentleman, if he yields to me for that purpose, simply by saying that a number of Members who are interested in this legislation who are not present, and I have no means of knowing whether they could be present if a call of the House were ordered. Since the impression was definitely given that the legislation would come up later in the week and the schedule as given us for the week certainly does not seem to be pressing, I think it would be proper for the gentleman to move that the Committee do now rise.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ENGLE. Mr. Chairman, I yield myself 3 additional minutes that I may answer the gentleman.

The whip notice I received listed this bill and several others for Wednesday, Thursday, and Friday. The fastest way for the gentleman to find out whether they could be here this afternoon would be to make a point of no quorum. I am not suggesting that. Perhaps Members are not here because they may not be interested. But I cannot think of any reason why the bill cannot be proceeded with today. As soon as I understood the bill would be called up I immediately called the committee and notified the gentleman from Nebraska and other Members.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. SISK. I would just like to say for the benefit of the gentleman from Idaho that I only knew about 20 minutes ago that this bill was coming up, and certainly this was not something that just one side knew about. I knew it was on the calendar for this week, but I think there was no particular favoritism played with reference to one side or the other knowing about the bill coming up.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Alaska.

Mr. BARTLETT. And I would like to say I did not know about it either. I was preparing to go into another subcommittee at 2 o'clock; as a matter of fact, by the time I got here the rule had been adopted.

Mr. ENGLE. May I suggest in closing that I know of no reason that would be good tomorrow that would not be good today.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. SAYLOR. I do not think anybody ever expressed the fact that one side or the other knew about this. I think it came as much a surprise to Members on this side as on the other, and I am very frank to tell the chairman of the committee that as soon as he gets through making his speech I am going to move that the Committee rise.

Mr. ENGLE. That, of course, is the gentleman's privilege.

Mr. Chairman, as I said, this bill is here because the Interior Department with clearance by the Bureau of the Budget sent a request with a proposed bill to the Speaker. It was by him referred to our committee for study and introduction. Pursuant to that request it was introduced by the gentleman from Alaska [Mr. BARTLETT] and, after study, voted out by our committee, and is before you now.

It is based upon the proposition that for 7 years these investigations have been going forward on a year-to-year basis with appropriations annually by the Appropriations Committee ranging from $100,000 to $250,000 a year. This bill would be a permanent authorization. If the Appropriations Committee sees fit in the future to appropriate further funds to continue these investigations, it may. It does not require them to be made; it requires the building of no project, but it is permanent authorization on the books so the Appropriations Committee can act legally in making these appropriations.

PERTINENT POINTS ON H. R. 3990

First. This bill would authorize the Secretary of the Interior to investigate projects for the conservation, development, and utilization of water resources of Alaska and make appropriate recommendations and reports to the President and to the Congress.

Second. The bill does not authorize the construction of any project. Any Federal construction would have to be specifically authorized by the Congress.

Third. The information which would be made available under this bill is needed by the Secretary of the Interior to assist him in carrying out his responsibilities in the administration of the Territory.

Fourth. This legislation has no relation to the Federal reclamation program and does not put Alaska under the Federal reclamation program. In the past the Commissioner of Reclamation has been designated to carry on these studies and investigations. Because of the experience of the Bureau of Reclamation in this field and the qualifications of the Bureau personnel to accomplish this work, this responsibility assigned to the Commissioner of Reclamation is completely apart from his responsibility for administering the Federal reclamation program.

Fifth. This legislation does not provide that the investigations must be accomplished by the Bureau of Reclamation. The Secretary could designate the Office of Territories or set up a separate office.

Sixth. The studies are needed regardless of how later construction was accomplished. If the studies show favorable power of development, private industry would perhaps be interested in development.

Seventh. Whether development is by private enterprise or by the Federal Government, there could be no bigger boom to the economy of Alaska than the initiation of development of that Territory's power resources.

Eighth. Emphasis has been placed on the power possibilities of Alaska because it appears that power development is one of the important means of accelerating development of Alaska. There are also important possibilities of development of irrigation, drainage, and other water uses.

Ninth. Alaska contains unused resources such as undeveloped mineral deposits, fertile lands, forests, and potentialities for developed low-cost power, which are becoming scarce in the United States.

Tenth. The continuation of an affected rate of investigation will encourage industrial development, aid in the use of other Alaskan resources, and assist in permanent settlement of the Territory.

Eleventh. There is a great need for some additional assistance and encouragement for development in the Territory of Alaska.

PAST OPERATIONS

First. This bill would not establish a new activity in Alaska but would continue on a permanent basis the investigations and studies which have been carried on by the Secretary during the last 7 years on a year-to-year basis. The authority for these investigations has been the Interior Department annual appropriation acts.

Second. In the past, the Commissioner of Reclamation has been designated to carry on these studies and investigations and the annual appropriations have ranged from $100,000 to $250,000.

Third. As a result of the past 7 years of work, the Department has compiled a wealth of information on potential resources in the Territory. One extremely valuable document is entitled "Reconnaissance Report on the Potential Development of the Water Resources in Alaska" and has been printed as House Document No. 197, 82d Congress. This report points out the need for development of the water resources to assist the Secretary in carrying out his responsibility in administering the Territory. The Department has also completed a reconnaissance report on the Susitna River Basin which inventories the potentialities in this basin. Specific project reports, which are in various stages of completion, include the Swan Lake project, Blue Lake project, Dorothy Lake project, Laying project, Wickersham project, and the Yukon-Taiya project. The Yukon-Taiya project is a very attractive power development which has international significance as the storage sites are located in British Columbia. It is considered of utmost importance that the studies of this project be completed in order that the interests of the United States be properly reported.

Fourth. Although the investigations and studies would relate primarily to power development, there are some irrigation possibilities in Alaska and it is expected that irrigation will be needed as the economy of the Territory expands. One of the projects which is under study by the Department is primarily

for irrigation. It is the Matanuska Valley project for the irrigation of some 13,000 acres.

POTENTIAL WATER RESOURCE DEVELOPMENT

First. The inventory of Alaska's water resources to date indicates that 50 million kilowatt-hours of firm electric energy could be produced annually from the hydroelectric power sites on major streams only. Sixty- to seventy-thousand acres can be economically irrigated as the needs, due to expanding population, require additional agricultural production. The studies to date have, for the most part, been of a reconnaissance nature. What is needed now is more detailed investigation of specific projects. It is important that the investigations be continued at an affected rate in order to encourage industrial development, accelerate use, encourage industrial development, aid in the development of other natural resources and contribute toward permanent settlement.

Mr. MILLER of Nebraska. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and on a division (demanded by Mr. SAYLOR) there were—ayes 11, noes 29.

So the motion was rejected.

Mr. SAYLOR. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 77]

Baker	Gubser	Poage
Barden	Halleck	Powell
Betts	Heselton	Preston
Bolton, Oliver P.	Hoffman, Mich.	Prouty
Byrd	Horan	Radwan
Canfield	Hyde	Reed, Ill.
Cellar	Jackson	Reed, N. Y.
Chatham	James	Richards
Chelf	Jenkins	Riehlman
Chiperfield	Kearney	Rogers, Colo.
Clark	Kelly, N. Y.	Sadlak
Colmer	Kilburn	Sheehan
Davis, Tenn.	King, Pa.	Sheppard
Dawson, Ill.	Knutson	Siler
Delaney	McCarthy	Simpson, Pa.
Dingell	McCulloch	Spence
Dolliver	McMillan	Taylor
Donohue	Mack, Wash.	Thompson, Mich.
Donovan	Marshall	Williams, N. Y.
Dorn, N. Y.	Miller, N. Y.	Wilson, Ind.
Eberharter	Morrison	Withrow
Gamble	Mumma	Wolcott
Gathings	Perkins	Zablocki
Green, Pa.	Philbin	
	Pillion	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HOLIFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H. R. 3990) to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska, and finding itself without a quorum, he directed the roll to be called when 362 Members responded to their names, disclosing a quorum to be present, and he handed in the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, before the quorum call had been made, the chairman of the full committee, the gentleman from California [Mr. ENGLE] had made a very fine explanation of this measure. I am sorry a larger group was not present to hear the gentleman from California.

The bill before you is one to provide for permanent legislation to study the utilization of water resources in Alaska. We have been doing it for 7 years. It is nothing new. It has been carried on without authorization and law. The bill is here because on February 9, 1955, Mr. Lewis, Assistant Secretary of the Interior, sent a letter to Mr. RAYBURN, the Speaker of the House, asking that the legislation be referred to the proper committee and be given consideration by that committee.

It is an administration measure. It is nothing new. For 7 years we have been appropriating from $100,000 to $250,000 each year to study the water resources of the great Territory of Alaska. You who are interested in water and power should know they have sites in Alaska that dwarf Hells Canyon, Echo Park, TVA, Bonneville, and all of them put together. There is some feeling among our committee members that perhaps the Department of the Interior some day wants to build a TVA in Alaska. I do not think that is true. I think it is necessary that we do have research and investigation of our great water resources. Alaska is a great virgin Territory where some day I envision that industry may well be developed handling pulp for paper and minerals and other things that may come out of the Territory. This is nothing more than making the legislation permanent and authorizing by law the very things that have been done for 7 years.

There are some who think it will mean the establishment of another division, but the Secretary in his report states that he will use the individuals who have been up there, completing the Eklutna project. I have been a little suspicious at times not only of the Department of the Interior, but the Department of Agriculture and all departments of the Government trying to get a little bigger all the time, a little more authority, a little more power. I do not think they would do that in this case because they are carrying on the same program now and have been doing it without benefit of permanent legislation.

I think we need to study the basic water data not only in Alaska but also throughout the United States. This bill proposes to keep the work going in Alaska.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from New York.

Mr. KEATING. Did I understand the gentleman correctly that this has been carried on for approximately seven years?

Mr. MILLER of Nebraska. About seven years. From $100,000 to $250,000 has been spent out of the general investigative funds of the Department of the Interior; yes, this work has been carried on for 7 years.

Mr. KEATING. And that we are now authorizing and appropriating to the Department of the Interior funds for this purpose as general funds.

Mr. MILLER of Nebraska. As general funds.

Mr. KEATING. What is the reason for the change in procedure? Why is this present bill necesary?

Mr. MILLER of Nebraska. It could go on, but the department in its executive communication to the Speaker suggested that it ought to be permanent legislation.

There are some who contend that the Army engineers are doing the same work, likewise the Geological Survey; but the big job here, certainly, I think, is in the Department of the Interior dealing with the water resources. The pending legislation would make it possible to carry on that work without coming to Congress and the Appropriations Committee each year and getting authorization to carry it on.

Mr. KEATING. This bill authorizes not in excess of $250,000 a year to be spent for this purpose.

Mr. MILLER of Nebraska. That is right; and unexpended balances are left in the Treasury.

Mr. KEATING. Would it not be more likely to be concluded in the foreseeable future if we granted this authorization on a year-to-year basis rather than enacting this measure making it permanent?

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from California.

Mr. ENGLE. The answer to that question is that such authorizing legislation is subject to a point of order unless points of order are waived by special rule. During the past 7 years this money has been appropriated in each instance through legislation on an appropriation bill, which was subject to a point of order had one been made or had points of order not been waived. Such would presumably be the case in the future unless this bill is passed. That is why the Bureau of the Budget suggests that the authorization be made permanent.

Mr. MILLER of Nebraska. Let me say in conclusion that in my humble opinion the statement in the executive communication to the effect that it will not add new employees to the Department of the Interior is correct. I think in the light of the communication sent by the executive department to Speaker RAYBURN, that making this authorization permanent is in order. Congress granting it, likewise has the power to take it back at any time.

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. FENTON. Is it not a fact that the Geological Survey, which is an agency of the Department of the Interior, is charged with all these various functions?

Mr. MILLER of Nebraska. No; Geological Survey is interested mostly in the development of mineral surveys. They are doing some work on water, but that is only a very small part of what is necessary to get the water survey that is needed.

The Corps of Engineers are also doing some survey work in Alaska just as they are in every State; also the Department of Agriculture. I do not think the Department of Agriculture is in Alaska yet, but it may be that some day they will be there.

Mr. FENTON. It is my impression that the Geological Survey is charged with this very same duty.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. FULTON. When this is a general blanket authority might this not be a precedent for other departments and agencies? For example, why not make the same blanket authorization for the Department of Engineers so they can make all the studies they want without coming to Congress?

Mr. MILLER of Nebraska. When authorized in appropriation bills from year to year the language is always subject to a point of order unless points of order are waived. This makes it permanent legislation so it will not be subject to a point of order.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 8 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, I would like to tell the members of this committee something about what has happened in Alaska within the past 7 years. If you will read the letter from Orme Lewis, Assistant Secretary of the Interior, stating why this legislation should be passed, you will find it contains a statement that part of their force is already near Eklutna, Alaska, working on that project. I think the members of the committee who are asked to pass on this permanent legislation should know what we have been heading into and what they are pointing with pride as the basis for asking the Congress to appropriate each year a quarter of a million dollars.

The Bureau of Reclamation came before the Committee on Interior and Insular Affairs of the House a few years ago with a proposition that they wanted to build a power project after they had made a complete survey with some of the funds you already appropriated near Eklutna, Alaska. They said that they could build this project for $14 million. The members of the committee were rather skeptical, having had a great many dealings with the Bureau of Reclamation, and they asked the Bureau to go back and check their figures. They did and came back and said they had made a slight error, slight only as far as the Bureau of Reclamation is concerned, because a 50 percent error is nothing to them. Six hundred percent is nearer their average. They said that now they could build it for $21 million. Our committee, after having asked them very carefully whether or not they could build that project, authorized it and put in the bill a provision that no more than $21,400,000 could be expended.

The very first contract that the Bureau of Reclamation let for half of the project was in excess of that amount. The only reason somebody was not sent to jail was because the Attorney General said he could not find any law to authorize putting anybody in jail because they let a contract for more money than the Congress authorized.

I can also tell the members of the committee that before the Bureau of Reclamation was through with that project, it did not cost $14 million, it did not cost $21 million; it cost $34 million, together with this startling fact: The Bureau did not own the water that they were going to use to generate the power.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Colorado.

Mr. ASPINALL. Is it not true that the final cost of the project was $29 million rather than the $34 million that the gentleman is using?

Mr. SAYLOR. Thirty-four million dollars was the amount that was in the final bill. The final cost that they came out with was the $31 million.

Mr. ASPINALL. It is to the credit of the Bureau of Reclamation and the Department of the Interior that they spent only $29 million.

Mr. SAYLOR. Here is how they got out of that. We did not own the water that they were going to use to generate power; so they had to go up there and enter into a contract and give the city of Anchorage who owned all the water rights a reduced rate for 40 years on the power that they are getting so that they would be able to get out with less than they originally indicated.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Is the gentleman against this bill now before us? It seems to me the reasons he has given would be all the more logical for passing this bill.

Mr. SAYLOR. The Army engineers are now up there doing this work, the Interior Department already has the Geological Survey up there doing this work. This is no more than a matter of duplication.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I likewise am against this bill on the basis it is a blanket authorization. I would like to ask the gentleman a question. This gives the authorization ahead of time, then the reports only come to the Congress and other Federal agencies after the investigation is made by the Department of the Interior?

Mr. SAYLOR. That is correct.

Mr. FULTON. They can investigate anything they want to?

Mr. SAYLOR. They can investigate anything they want to if you pass this bill. This is a blanket authority given to the Department of the Interior that no other department has ever had.

Mr. FULTON. This would be a bad precedent for other Government departments if we grant general continuing yearly authority to the Department of the Interior for this purpose. Is it not better for the Congress to take a "look see" when authority is asked to investigate as customary on rivers and harbors and matters of that kind?

Mr. SAYLOR. Absolutely.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. ENGLE. It is a fact, is it not, that the Bureau of Reclamation now has the authority in the 17 Western States to make these general investigations under the same kind of authority as provided in this bill for that purpose?

Mr. SAYLOR. They have the right under the general law at the present time to make these surveys in the Western States, and they are now trying to get authority which they do not have, but they have not held up a record which anybody would like to look at with pride, and ask this Congress forever and 2 days thereafter, to authorize them to spend a quarter of a million dollars a year on these projects.

Mr. ENGLE. And is it not a fact, too, that any project which they do investigate must be specifically authorized by the Congress before it can be constructed?

Mr. SAYLOR. That is correct. I have heard that same old argument, and every time the Interior Department comes forward with a project they come up with a nice bill of goods, and somebody will be coming down here and asking this committee to authorize it, because they spent all of that money beforehand on investigations.

Mr. FULTON. Mr. Chairman, will the gentleman yield further?

Mr. SAYLOR. I yield.

Mr. FULTON. Is it not a fact that the figure of $250,000 a year is simply a round figure drawn out of a hat, because the Department does not know what these investigations are going to be? It is a round figure for $250,000 a year put in at the committee level only, and should not be instituted.

Mr. SAYLOR. There is no doubt about that, because when the Bureau sent their bill up here they had absolutely no amount in it. They wanted blanket authority to spend any amount they wanted, and the only reason we have the sum of $250,000 here is that the gentleman from Washington [Mr. WESTLAND] offered that as a committee amendment.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the Delegate from Alaska.

Mr. BARTLETT. Is it not true that Anchorage, for its legal right, receives now only 16 million kilowatts out of a total annual production of 137 million kilowatt-hours?

Mr. SAYLOR. That may be, but they got all they were hoping for, and the Interior Department had to go up there

and buy the water from Anchorage, and the Delegate from Alaska knows that.

Mr. BARTLETT. The gentleman will not question the fact that Anchorage had a legal right to that water?

Mr. SAYLOR. Not at all. But you know and I know, that representatives of the Interior Department appeared before the committee and testified for that bill for Eklutna when they came there originally, and nobody ever told the Delegate from Alaska that the city of Anchorage owned that water, and nobody told the committee that the Bureau of Reclamation did not have the right to build that project in the first instance.

Mr. BARTLETT. Will not the gentleman admit that Anchorage and the REA out of Anchorage are receiving from Eklutna cheaper power than they ever had before?

Mr. SAYLOR. That may be, but that does not give any reason for voting for this bill.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Chairman, last week the House had before it a proposition to extend the activities of the Bureau of Reclamation throughout the 48 States of the United States. The House—and I think wisely—did not make that extension of the activities of the Bureau of Reclamation.

Mr. Chairman, I appear before you today in opposition to this legislation, because I feel that an historic agency such as the Bureau of Reclamation should not be extended at this time into fields beyond its present area jurisdiction and also into fields beyond its present activities. The Bureau of Reclamation has been and still is a truly western organization. It was set up for one purpose and one purpose only, to irrigate the arid lands of the 17 Western States.

Now we engage upon a new proposal, going into Alaska, where the Delegate from Alaska stated before the Committee on Rules there was to be no study of irrigation and that it was simply to build power projects. The Corps of Army Engineers has been in Alaska for a great many years. It receives substantial appropriations. I think the appropriations for construction this year will be in excess of $200 million. Then, of course, the Geological Survey that studies water resources has been in Alaska for a great many years. The Department of Agriculture this year has over $7 million of appropriations in Alaska. The subject of water in Alaska is being as thoroughly studied as it can be studied.

It has taken me a number of years, the 5 years I have been in Congress, to convince the Bureau of Reclamation that it should get back into the irrigation business where it has been historically ever since 1902. Now, it has reached the point where its operation and maintenance expenses for power purposes are more than double what they are for irrigation and reclamation purposes.

I am proud of the agency. As a westerner, I know that it has contributed a lot to the wealth of our West. I want to keep it an agency that operates in the arid States, so long as the need for that type of operation exists. After that the Bureau should be dissolved.

I sincerely hope that the House today will keep the Bureau within the limits within which it has operated both as to area and purpose for the last 53 years. If the development sought here is necessary, then the work should be done by the Corps of Army Engineers. I shall offer later in the day an amendment to permit this work to be done by the Corps of Army Engineers if the study is to be made.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield.

Mr. EDMONDSON. I have just been examining the letter from Mr. Orme Lewis, Assistant Secretary of the Interior, which is included in the report, wherein he states that these purposes to be carried out by the Bureau of Reclamation are by no means exclusive of irrigation, flood control, and domestic water supply; that all of those things will also be functions of the Bureau of Reclamation and legitimate fields for activity in Alaska. So does not the gentleman think that his statement that all that they are interested in up there is power is a statement that fails to give full faith and credit to the statement of his own Assistant Secretary of the Interior on the subject?

Mr. BUDGE. I would say to the gentleman that I was simply quoting the words of the Delegate from Alaska [Mr. BARTLETT].

Mr. ASPINALL. Mr. Chairman, will the gentleman yield at that point?

Mr. BUDGE. I am glad to yield to the gentleman.

Mr. ASPINALL. The Delegate from Alaska did not reply as my friend from Idaho has indicated. The Delegate from Alaska stated that irrigation was not a primary objective in this study. That was the statement made before the Committee on Rules.

Mr. BUDGE. Such is most certainly not my recollection but I shall not quibble about that. If we are to extend the act to Alaska or to any other part of the United States, then it should be done by legislation which specifically does that. If the House wants to extend the Reclamation Act to Alaska and to all of the other 48 States, that is one thing. But to come here and simply ask that yet another agency be allowed to investigate in Alaska is a matter to which I cannot give my support.

Mr. ENGLE. Mr. Chairman, I yield 10 minutes to the Delegate from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, I am happy to follow into the well my distinguished chairman, the gentleman from California [Mr. ENGLE], and the gentleman from Nebraska [Mr. MILLER], in an effort to protect what is essentially an administration bill.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield for a question?

Mr. BARTLETT. I am very happy to yield to my friend from Colorado.

Mr. ASPINALL. I wonder if my distinguished friend can tell the Committee just why it is that this authority is channeled through the Secretary of the Interior.

Mr. BARTLETT. Mr. Chairman, the answer to that is simple. The Secretary of the Interior is the Cabinet officer chiefly responsible for Alaska and all other Territories. That is why the authority is sought for the Secretary in this bill. It is not sought for the Bureau of Reclamation. The Secretary of the Interior could delegate the work to the Office of Territories, if he desired. It happens that when this activity started in Alaska 7 years ago he sent people who were skilled in water matters there, and I would assume that he would continue to do that. He would not send anthropologists, who might be familiar with Indian work, to conduct this kind of work. But the Secretary as the Cabinet officer having primary Federal executive jurisdiction, will have the administrative authority and, indeed, the administrative responsibility.

I would like to tell the Committee how this work got underway. In the fiscal year 1949 a provision was inserted in the appropriation bill at the instance of the distinguished gentleman from Iowa [Mr. JENSEN] in the amount of $150,000 or thereabout to institute this work. Those appropriations have been carried forward ever since, rising to a maximum of $250,000 in the fiscal year 1953, and $100,000 for each of the last 2 years.

Of course, a point of order could have been made on some occasions against that appropriation, but everyone seemed to be for it then. No point of order was made because on both sides of the aisle it was agreed that the water power resources, including flood control and irrigation, ought to be investigated. The reason this authorization legislation is now before this Committee is that this year in the President's budget message it was suggested that no further appropriation ought to be made unless there were basic authorizing legislation.

This has no relation at all to the Federal reclamation program. It does not provide, as I noted heretofore, that these investigations are going to be made by the Bureau of Reclamation. The studies are needed, notwithstanding how and by whom construction may later be accomplished.

I want to emphasize this: There is no quarrel between public and private power in the Alaska field. There is no private capital willing to undertake construction of power facilities. It is a big job. The Department has published a volume which I call to your attention. As you note, it is a big document, House Document No. 197 of the 82d Congress. In it the statment is made that there is a potential in the hydroelectric field of 50 billion kilowatt-hours a year.

If some of these projects are constructed it would be our hope and our belief that more people would go to Alaska because there is the great untapped reservoir of cheap electric power in the United States of America. People would go there to engage in industry, in business, to mine, to farm. As more people went there, there would be increasing need for irrigation, and this is the point I want to emphasize in connection with the statement made by the gentleman from Idaho. When we have more people there, there will be more need for

irrigation. The Anchorage area, for example, has an average annual precipitation about identical with that of the country around Los Angeles; the Fairbanks area only half of that amount.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Idaho.

Mr. BUDGE. Why would the gentleman object to the Army engineers doing this work in the Territory, in view of the fact that they have been there for so many years and have such a large construction program going on in the Territory now?

Mr. BARTLETT. I would prefer not to for two reasons: One reason would be that if this bill is not passed it is a certainty that the work of the Interior Department in this field in Alaska would not be continued in the next fiscal year. There would not be time for the Corps of Engineers to take up the slack.

More importantly, however, I prefer it this way because the administration does. By that I mean some of these decisions certainly must be made by the Executive Department. This matter was discussed among the departments. It was coordinated at the Bureau of the Budget. The chairman of our committee [Mr. ENGLE] has already informed you that the Bureau of the Budget, after this board-meeting activity, has suggested that the Department of the Interior is the proper department to do this work.

Mr. ENGLE. I call attention to what Mr. Orme Lewis said, on page 3 of the report. He said:

> Our information indicates that there has been little or no duplication of effort between the work of this Department in Alaska and that of the Corps of Engineers. The corps has, for the most part, carried on river-basin surveys and river and harbor work. This Department has utilized data made available to it by the Corps of Engineers and has translated these studies plus additional data collected by its staff into project feasibility reports as a basis for recommending legislation.

On December 1, 1953, a letter from the Director of the Bureau of the Budget, Mr. Dodge, said, and I quote:

> It is believed to be necessary that basic authorizing legislation should be recommended and submitted to the Bureau of the Budget so that the views of other Federal agencies can be obtained and then submitted to the Congress in the usual manner for its consideration.

They went through all that. That was in 1953. The Bureau of the Budget has cleared this. This is the way they say it should be done as between these agencies. Of course, it is their business to take care of that kind of coordination.

Mr. BARTLETT. The gentleman is precisely right.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. HOSMER. If this is good for Alaska, is it likewise good for Hawaii; and if so, why is Hawaii not mentioned in the bill?

Mr. BARTLETT. I cannot answer that question for the gentleman. This is a specific bit of legislation for Alaska only. What the needs are in Hawaii relating to this, I do not know.

Mr. HOSMER. Would the same principle apply, if the need is found, or the same conditions are found in Hawaii?

Mr. BARTLETT. I should certainly think so—by all means.

Mr. HOSMER. And American Samoa and Guam and the Virgin Islands, too?

Mr. BARTLETT. I have the impression that the gentleman is asking a facetious question, but my answer will be very serious—yes; anywhere under the American flag where we can make a wise investment of public money to bring about an increase in business and an increase in industry and a betterment of the population. I think that is what we ought to do.

Mr. HOSMER. Including the 31 nonreclamation States as well?

Mr. BARTLETT. Those States, I am confident, can take care of themselves.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. FULTON. The question I had raised previously was on the amount of authorization of $250,000. When it is apparent that the amount previously appropriated has been $100,000 for each of the last 2 fiscal years, why is this present authorization increased from that amount almost 2½ times?

Mr. BARTLETT. I cannot give the gentleman a precise answer, but may I make a suggestion?

Mr. FULTON. If the gentleman can justify it in all fairness, I would like to have him do so.

Mr. BARTLETT. Yes, I can justify it in all fairness, because during the years this work has been under way since the fiscal year 1949, 8 projects have been investigated and reports on them have been made or are in process of being made. According to this reconnaissance report to which I referred a few minutes ago, there are 200 additional power sites in Alaska. Two hundred, mind you, in need of investigation, and I do not figure it is a mistake at all or a confession of weakness on my part to say I think an annual appropriation of $250,000 over a period of a good many years to complete that investigation is little enough although if the administration asks for only $100,000 in any one particular year, I suspect we will not get more than that.

Mr. FULTON. I want to congratulate the gentleman on his statement although I do disagree with him.

Mr. BARTLETT. I thank the gentleman.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. SISK. I just want to ask a question with reference to what the gentleman from Pennsylvania has said. Actually, this legislation does not necessarily authorize the appropriation of $250,000 but simply sets that as the maximum that can be spent in any one year. Is that not correct? Perhaps only $50,000 may be used or it might be $100,000 depending on what the Department needed. But the maximum amount that they can use is $250,000.

Mr. BARTLETT. I thank the gentleman.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. MASON. My question is with reference to the method. Ordinarily, in appropriation bills, everything in those bills has been authorized by the proper committee of the Congress. Now they would change that entirely so far as this is concerned, and would make this an automatic permanent authorization over the years without any action of any commitee in the House but the Committee on Appropriations.

Mr. BARTLETT. I know the gentleman's knowledge is much more extensive than mine about these matters, but my belief has been all the way through that we are, by means of this proposed bill, bringing this situation into harmony with the existing situation in other fields.

Mr. MASON. If any legislative committee of this body proposes and authorizes the expenditure and then it is approved by Congress, that legitimately and properly goes into appropriation bills, and no point of order can be made against it. But if it has not been approved by a committee of this House and has not been authorized, then of course a point of order can be made against it. Why can they not do this in the regular method that we have for authorizations and appropriations?

Mr. ENGLE. That is precisely what this bill does. The Bureau of Reclamation at present has authority to make general investigations, subject to the amount of money appropriated by the Committee on Appropriations. All this does is to say that they can do the same thing in Alaska but the limit is $250,000. This bill exactly parallels existing authority in the Bureau of Reclamation in the 17 Western States, for Alaska, but limits the amount that can be spent or appropriated to $250,000. Perhaps the members of the Committee on Appropriations will say, "We will give you only $150,000." They must justify the amount to be expended the same as the Army engineers must justify their estimates. It does just exactly what the gentleman is talking about.

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself 2 minutes.

I want to bring into focus the arguments being made on this bill. The Department of the Interior has been spending from $100,000 to $250,000 a year on just this type of work. This is simply legislation to authorize spending the money. Heretofore it has been done without any authorization.

Mr. MASON. And therefore points of order can be made against it in an appropriation bill, if it has not been authorized.

Mr. MILLER of Nebraska. But a point of order has never been raised.

Mr. MASON. But it could have been raised.

Mr. MILLER of Nebraska. The appropriation bill this afternoon waived all points of order. I think perhaps the bill that carried this appropriation had all points of order waived against it.

This is an administration bill. It is for the conservation and development of the water resources of Alaska. I recommend to my colleagues in the House that

they adopt this legislation. I think it is the proper way to proceed, instead of trying to put the money into an appropriation bill, then waiving points of order, and not proceeding under the proper procedure; that is not the proper way to legislate. The Appropriations Committee will determine the amount of money for this purpose.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. NICHOLSON. How many electric power dams have they built in Alaska now?

Mr. MILLER of Nebraska. There is only one now, the Eklutna Dam, which will soon be in operation. That was thoroughly investigated. The money was spent over many years. I think perhaps some overspending took place because they had not had sufficient investigation of the project before it started.

Mr. NICHOLSON. Will that take care of the people and the business in that Territory?

Mr. MILLER of Nebraska. Oh, no. While this does not necessarily confine it to power dams, there are possibilities for power dams up there that would make Bonneville, TVA, and Echo Park look like dwarfs. It is estimated there are 50 billion kilowatt-hours that might be developed in Alaska. This bill is not for electric power.

Mr. Chairman, I yield the remainder of my time, 8 minutes, to the gentleman from California [Mr. ENGLE].

Mr. ENGLE. Mr. Chairman, I yield myself 2 minutes that I may yield.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. FULTON. Why does this authorization, which is a blanket authorization, come in here for $250,000 when previously for each of the last 2 fiscal years the amount appropriated by the Committee on Appropriations was simply $100,000 a year?

Mr. ENGLE. Because the Secretary of the Interior in his letter to us said that appropriations had run from $100,000 to $250,000 a year. I think the gentleman from Alaska [Mr. BARTLETT] has the amount. In 1952 the appropriation was $243,000; in 1953 it was $250,000; in 1950 it was $200,000.

I emphasize the proposition that this is a ceiling on the authorized appropriations.

Mr. FULTON. But what was it for the last 2 years? Will the gentleman read those figures?

Mr. ENGLE. The gentleman asked me a question and I am trying to answer it.

I think what we took was the figure suggested by the Interior Department in its request to us for this legislation. We took the maximum figure that had ever been used in any one year. We could have taken another figure, we could have made it $200,000 or $175,000, but we felt that the Appropriations Committee was competent to handle the amount from year to year, so we just put in the limit suggested by Orme Lewis in his report.

Mr. FULTON. Is it not a fact that the appropriation for the current fiscal year is $100,090 for this very purpose?

Mr. ENGLE. I do not believe the appropriation in the current bill is anything.

Mr. FULTON. I do not mean for the coming year; I mean the year we are just going through.

Mr. ENGLE. For the past year it is $100,000. Then the Bureau of the Budget said they were not going to clear any more as a budget matter until we got this thing put into some kind of order so they could.

The gentleman says this is blanket legislation. It is no more blanket legislation than the Bureau of Reclamation has had all the time for the 17 Western States. It is difficult for me to believe that this great area of Alaska, trying to develop its industries and resources, needs any less than we give the smallest State in the Far West. We give this benefit to the Far West and do not limit it to $250,000 or any amount. The Bureau of Reclamation can use all the money the Appropriations Committee gives them, and they give them several million dollars a year, yet I believe the gentleman does not call that blanket authority.

Mr. FULTON. Will the gentleman yield further that I may clarify my position?

Mr. ENGLE. Certainly.

Mr. FULTON. Some of us on the floor are not against developing Alaska with full amounts of money, but we want the legislative committees of this House to go over each of these localized investigations, look at them, and then after the Appropriations Committee has another look at it to see that they are justified, go ahead; that is a matter of control, not of reducing the amount.

Mr. ENGLE. Let me remind the gentleman that we are the legislative committee involved in this instance, and we have said that we do not want to look at every little bitty item on every river every time the Interior Department comes in before the Appropriations Committee which we know is tight-fisted enough that they will look at it. These investigations have to be justified there, that committee has to study them and decide what they are permitted to do. We think that tight-fisted group is the proper one to decide whether or not to grant any money or what amount of money considered reasonable and right.

We think as an authorizing committee that this is a reasonable amount of authorization. It is not an excessive authorization.

Mr. FULTON. Does not the gentleman think there is reasonable doubt as to whether this Congress should extend this authorization, this blanket authorization, beyond the continental limits of the United States to Territories? Should not the legislative committees watch carefully where they are not close enough to see what is going on? The other Members of Congress cannot watch.

Mr. ENGLE. Let me say to the gentleman from Pennsylvania that in my humble judgment this is the way to handle the matter rather than have the issue come up each year.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. BUDGE. A lot of speculative reasoning has been heard here this afternoon as to why this bill is before us. I served on the Appropriations Committee in the preceding Congress. The reason this legislation is before us today is because the conferees from the other body opposed the duplication being superimposed upon Alaska where you have the Corps of Army Engineers doing this work and then you have the Bureau of Reclamation doing the same work; therefore, the department has now asked for specific authorization. That is the reason this legislation is before us at this time, and I hope that it does not pass.

Mr. ENGLE. Let me say to the gentleman that the agency of Government responsible for determining conflict of authority of executive agencies is the Bureau of the Budget. The Bureau of the Budget has cleared this legislation. The Bureau of the Budget has requested just exactly that kind of a review in a letter written in December 1953. That review has occurred. This is the decision of the administration downtown. This is what they requested. It is their responsibility to see that that overlapping and duplication does not occur. They said, this is the way to do it. We agreed with them and I cannot understand why the gentleman does not agree a little more with some of those folks downtown.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Some point has been made of the fact there is a $250,000 figure in this bill. You will notice in reading the bill that it originally called for such sums to be appropriated as may be necessary to carry out the provisions of this act. The committee in discussing the matter felt there should be a ceiling on the amount that could be appropriated. So it was at the suggestion of the committee that the $250,000 limit was put in there because we did not want them to spend more than that amount. That does not mean that that amount is going to be spent. We wanted to hold the lid down.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Why do not the members of this committee, the legislative committee, want to look into each of these authorizations as they come up before the Appropriations Committee gets it, so that when we do get it as we go along we average Members on the floor will know it has been scanned carefully by the legislative committee. That is the usual thing. I likewise feel that there is a real question here whether this should be extended beyond the continental limits of the United States.

Mr. ENGLE. The gentleman says that that is the usual thing. I dislike to disagree with him so pointedly, but it is not the usual way. The Army engineers are in Alaska today. They pro-

ceed under a general authority. The Bureau of Reclamation with reference to its general investigations throughout the Far West proceeds under a general authority, only subject to justification before the Appropriations Committee. That is precisely what we have in the 17 Western States for everybody else, even the smallest of them, Nevada. Why should we not give this to Alaska?

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Alaska.

Mr. BARTLETT. I would like to ask the gentleman if any administration witness came before the committee and informed the committee that if this bill were not enacted some other agency would take up the slack and do the job in place of the Secretary of the Interior?

Mr. ENGLE. No; they did not and, further than that, the Bureau of the Budget has in accordance with the letter in December 1953, gone all through this. That has been decided downtown.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That, for the purpose of encouraging and promoting the development of Alaska, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to make investigations of projects for the conservation, development, and utilization of the water resources of Alaska and to report thereon, with appropriate recommendations, from time to time, to the President and the Congress.

With the following committee amendment:

Page 1, line 9, after the words "President and", insert "to."

The committee amendment was agreed to.

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: On page 1, line 4, after the comma, strike out the remainder of line 4 and all of line 5 to and including the word "Secretary" and insert in lieu thereof "the Corps of Army Engineers."

Mr. ENGLE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ENGLE. The point of order is that the amendment is not in order inasmuch as it seeks to insert an entirely different agency into this legislation which deals exclusively with the Department of the Interior. This legislation relates to one particular department of the Government, and the gentleman's amendment seeks to insert another in its place and stead and is therefore not germane and is subject to a point of order.

The CHAIRMAN. Does the gentleman from Idaho wish to reply to the gentleman from California?

Mr. BUDGE. I do, Mr. Chairman.

Mr. Chairman, it appears to me that the amendment is germane. It substitutes an existing Government agency for another existing Government agency. It carries out the stated purposes of the legislation simply by a substitution of the agency to do the things which are called for in the legislation. I consider it germane.

The CHAIRMAN. The Chair is ready to rule.

The gentleman's amendment substitutes a department of the Government which does not come under the jurisdiction of the Committee on Interior and Insular Affairs, and therefore the Chair must rule that it is out of order. The Chair sustains the point of order.

PROGRAM FOR THE REMAINDER OF THE WEEK

Mr. MARTIN. Mr. Chairman, I move to strike out the last word, and I do this for the purpose of inquiring of the majority leader as to the program for tomorrow and the remainder of the week.

Mr. McCORMACK. I will be happy to. After the completion of this bill, tomorrow we will take up H. R. 5715, which is on the program for this week, and there is a rule reported out of the Committee on Rules today on a bill introduced by the gentleman from Virginia [Mr. SMITH] which relates to the Salem-Church Reservoir, Rappahannock River Basin, which relates to the power pool elevation, whether it be 240 or 220 feet.

Mr. MARTIN. That is legislation that has already passed the House.

Mr. McCORMACK. It has heretofore. But, in any event, after H. R. 5715, H. R. 192, which I referred to, will come up tomorrow, and then we will go over until Monday.

Mr. MARTIN. I thank the gentleman.

The Clerk read as follows:

SEC. 2. Prior to the transmission of any such report to the Congress, the Secretary shall transmit copies thereof for information and comment to the Governor of Alaska, or to such representative as may be named by him, and to the heads of interested Federal departments and agencies. The written views and recommendations of the aforementioned officials may be submitted to the Secretary within 90 days from the day of receipt of said proposed report. The Secretary may thereafter transmit to the Congress, with such comments and recommendations as he deems appropriate, his report, together with copies of the views and recommendations received from the aforementioned officials. The letter of transmittal and its attachments shall be printed as a House or Senate document.

With the following committee amendment:

Page 2, line 9, strike out "may" and insert "shall immediately."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 15, strike out all of section 3 and insert the following:

SEC. 3. There are hereby authorized to be appropriated not more than $250,000 in any one fiscal year: *Provided*, That any amount of any annual appropriation left unexpended at the end of any fiscal year shall be returned to the Treasury.

Mr. FULTON. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON to the committee amendment: On page 2, line 19, strike out "$250,000" and insert "$100,000."

Mr. FULTON. I would like to explain briefly what this amendment does. The committee originally had before it a bill with no limitation of amount whatever. The section then read:

There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Then the committee introduced an amendment which put a limitation of $250,000 per year of authorization on this particular type of investigation work by the Interior Department. The bill came before the House today, and the committee has just introduced its amendment to make the limitation $250,000 per year. My bill would limit this authorization to $100,000 per year.

My amendment reduces the committee amount $250,000 to $100,000 a year. The reason for that is this. In the last fiscal year the amount appropriated for this purpose was $100,000. In the fiscal year previous to the last fiscal year the amount appropriated was likewise $100,000. There have been some curtailments of funds in each of our districts. I know that when we ask the Army engineers to look at any creek or river in our districts to see if there should be flood control work or navigation work done on it, we in this Congress must go before the specific legislative committee, the Public Works Committee, and the Subcommittee on Rivers and Harbors of that committee, for that authorization. I realize that there is a general authorization for this particular type of work to be done within certain Western States, and that is closely watched by Members of this Congress from individual smaller districts than a big area such as Alaska, which is one-fifth the size of the whole United States continental area. Here is an extension of a doctrine which goes beyond the continental limits of the United States and sets a precedent of advance authorization so that the legislative committee of this House is permanently bypassed.

The questions which this House faces are, first, shall we increase the amount for these projects of investigation in Alaska by 2½ times over the amount of money appropriated in the 2 prior fiscal years; and secondly, shall we extend this general blanket authority which the Department now has in 17 Western States beyond the continental limits of the United States?

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. MASON. Every time the Army Engineers have come into my district or into the gentleman's district or any other district to make a survey or an investigation, first there had to be an authorization by a legislative committee and then an appropriation made to cover it. That is done every year. Why should it not be done the same way in this case?

Mr. FULTON. The purpose is that the legislative committee may have the opportunity to look into the matter of

authorization and policy. We do not want those gentlemen to give up that function.

Mr. MASON. We have two checks, through the legislative committee and the Committee on Appropriations. Some of us who are not members of either one of those committees like to have two checks before we approve something.

Mr. FULTON. So I hope that the House will adopt the $100,000 figure as provided in my amendment to the committee amendment, which figure was the customary figure for the last 2 years. And in default of that I hope the House will defeat this measure.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. MILLER of Nebraska. The Appropriations Committee will make the final decision whether the sum is to be $250,000 or less.

Mr. FULTON. That is right. But with legislative committee authorization, we get two screenings. The Members who have the legislative authority should look into these projects so that the rest of us may know what is going on.

Mr. MILLER of Nebraska. Let me say to the gentleman that in the foreign aid bill which will come before the House we will be spending more money for this sort of work in Israel and in other countries, than we will be spending here.

Mr. FULTON. If the gentleman will show me any good project in Alaska, I shall be 100 percent for it. I voted for statehood for Alaska. I want Alaska to develop. But I do not want to give blanket continuing authority to any agency to this sort of investigation nor have you gentlemen permanently give up the authority of the legislative committee which you now have.

Mr. MILLER of Nebraska. I hope the gentleman will move to cut the appropriations for foreign aid which bill will be before us shortly, and where they are proposing to spend more money for this kind of work in one country, Israel, than we are spending in our own country.

Mr. FULTON. As the gentleman knows, I am a member of the Committee on Foreign Affairs and I have on this floor introduced amendments to cut foreign aid where I thought it was wise to do that. Israel, a loyal ally, should not be singled out for attack, as she is doing a fine job, and her people are to be complimented for their wonderful progress, and loyalty to democratic ideals and the western world. But unless we, on the Committee on Foreign Affairs, go over each authorization and are able to say to the rest of the Members that we have studied them, and then the Committee on Appropriations does the same thing, I do not believe the House should approve such authorizations nor that Congress should pass them. Without that particular kind of study and scrutiny I do not think we should have any of this kind of legislation spending the United States taxpayers' hard earned tax money unless the particular legislative committee having policy jurisdiction has first scrutinized the particular proposals of the executive department and authorized them, because we have full confidence in the legislative committees, with the detailed examination for savings being made by the appropriate subcommittee of the Appropriations Committee.

Mr. MILLER of Nebraska. May I say to the gentleman that there are 87 people assigned to the Republic of Israel from the Department of the Interior to study reclamation projects. They are spending far more there than is provided in this bill, for what I do not know.

Mr. FULTON. The Foreign Affairs Committee will make adequate study of the mutual security program, including the good State of Israel, and will make recommendations for authorization to this Congress as the legislative committee, prior to the action by the Appropriations committee on the appropriations bill. We should continue this same general procedure in this case.

Mr. ASPINALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, perhaps the committee which has studied, considered, and has had the responsibility for this bill made a mistake when it tried to advise this Congress what it thought would be a sufficient sum to authorize for the work they think is necessary to be done in Alaska.

Last year when we had before this committee the question of authorizing flood-control and small-watershed projects in the upper reaches of the rivers of the United States, we gave blanket authorization to the amount of expenditure for the work. The section was worded almost as the section now under debate is worded. The authorization in the watershed bill carries a blanket authorization of between five and eleven billion, and leaves it up to the Appropriation Committees of the different bodies of Congress and the Congress itself to make the determinations each year.

As I remember the discussion on the floor of the House, when that bill was before us in the 83d Congress, the gentleman from Pennsylvania [Mr. SAYLOR] was the only one who took exception to the blanket authorization provision. Not another dissenting voice was heard on the floor of the House.

All we have sought to do here is not to tell the Congress that $250,000 annually is necessary, but, rather, to advise the House of Representatives that in our opinion that is the maximum which the Appropriations Committee should consider.

I listened intently to the remarks of the gentleman from Illinois [Mr. MASON], and I have to take exception to what he said for the simple reason that there is no appropriation to the Corps of Engineers for the current fiscal year to come into my district to make any specific studies. I have just recently requested them to go into the district and make an investigation on a particular flood situation and report back. They were able to respect my request because that is a part of their general authority, and the Congress of the United States has seen fit to appropriate money for such services. There is no study of such investigations before the investigations are made. The only time we come before the Congress of the United States for funds for the construction of projects, either for the Bureau of Reclamation, Department of the Interior, or for the Army engineers, is when they make a prior investigation and determine that a project is necessary and should be built. Then they must come before the committees having jurisdiction and first have them authorized. Following such authorization, the Appropriations Committee must see fit to appropriate the funds in such amounts annually as the welfare of the Nation will permit.

That is all we are asking for in this bill, simply to give to the Department of the Interior, not to the Bureau of Reclamation, which has jurisdiction over such Bureaus as the Bureau of Reclamation and the Bureau of Geological Survey, the right and the responsibility of conducting these studies.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from New York.

Mr. KEATING. I have asked the gentleman to yield in order to propound a parliamentary inquiry to the Chair.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. I intend to support the amendment offered by the gentleman from Pennsylvania, but I have a further amendment to the committee amendment following the figure as it appears in that bill, $250,000. Would it be appropriate to offer that after the committee has acted on the amendment offered by the gentleman from Pennsylvania?

The CHAIRMAN. The Chair would say that if it is to insert language after the figure it would be in order after the amendment offered by the gentleman from Pennsylvania has been voted on.

Mr. KEATING. It is to change language after the figure but in the same section. I just wanted to be sure I was not precluded from offering it.

The CHAIRMAN. It would be in order after the amendment was disposed of, and the Chair will recognize the gentleman.

Mr. ASPINALL. Mr. Chairman, I would ask my colleagues to vote against the amendment to the amendment which is before the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON] to the committee amendment.

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 24, noes 66.

So the amendment was rejected.

Mr. KEATING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEATING to the committee amendment: On page 2, line 19, after "$250,000" strike out "in any one fiscal year" and insert "in the fiscal year beginning July 1, 1955."

Mr. KEATING. Mr. Chairman, this is a somewhat more conservative amendment than the one offered by the gentleman from Pennsylvania, and I hope it will appeal to the Members as deserving of a more favorable vote than the amend-

ment previously offered. It has occurred to me during this debate that we are acting a little bit in the dark. I am entirely in accord with the idea that we should have authorizing legislation before we make these appropriations. It obviously is not right to put in appropriation bills amounts which are not authorized, and I am very much opposed to the Committee on Appropriations legislating in any field. However, I regret to see us taking the step of authorizing for all time in the future an expenditure of $250,000, particularly in the light of the defeat of the previous amendment. We are here giving the very top authorization extending it indefinitely into the future. It seems to me it would be more prudent, at least until we know more about it, to move a little bit more slowly and the House has worked its will on the figure of $250,000, and decided to leave it in the bill. But it strikes me that until we know more about these projects and the need for them, and know more about the merit of the allegation that there is duplication here between the Department of the Interior and the Corps of Engineers, it would be wiser to limit this to a 1-year period and then have a look at it again next year.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. MASON. Then, your language really means in substance that we are authorizing for 1 year $250,000 for this purpose.

Mr. KEATING. A top limit of that amount.

Mr. MASON. Yes, well that is all I want to do. I do not care whether it is $100,000, $200,000, or $300,000, but I do care that the Congress through its regular legislative committees should pass on it each year.

Mr. KEATING. I agree with the gentleman. That is the very purpose of this amendment.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Michigan.

Mr. MEADER. I would like to ask the gentleman how anyone in this House today could say how much in the way of investigation should be required in Alaska 5 years from today.

Mr. KEATING. I think that is a good point. Apparently a majority felt that way in providing for the top figure of $250,000 now. I supported the amendment offered by the gentleman from Pennsylvania [Mr. FULTON], because $100,000 is the figure that was actually spent in the last 2 years. But it strikes me it is inadvisable to try to authorize such a large figure for many years in advance. As a matter of fact, it could well develop that it would have to be a larger figure as well as a smaller figure.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. NICHOLSON. Did I understand your amendment was just for fiscal 1955?

Mr. KEATING. That is right. It is limited to 1 year.

Mr. NICHOLSON. The fiscal year will be over on June 30.

Mr. KEATING. It is for the fiscal year beginning July 1, 1955.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. DAWSON of Utah. Is it not a fact that we are not legislating for 10 years from now. The $250,000 is merely a ceiling. We are simply saying that the appropriation shall not be in excess of $250,000. If we want to go above that we will have to come before this body to increase it.

Mr. KEATING. That would be necessary. I would hope we would be able to go below that figure. Of course, the gentleman might well say the Committee on Appropriations will take care of that, and I would hope that they would. However, there is a certain obligation on us in the initial authorizing legislation to arrive at a reasonable figure. As long as we have decided to keep the $250,000 figure in, we should limit it to 1 year.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

The CHAIRMAN. The time of the gentleman from New York [Mr. KEATING] has expired.

Mr. ENGLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is supposed to limit this bill to 1 year's operation. I am not sure that I heard the amendment correctly. Did the gentleman strike out the last two lines?

Mr. KEATING. No. It strikes me it would apply to the appropriation left unexpended this year and to any left unexpended at the end of this season.

Mr. ENGLE. The answer to this amendment is, of course, that we will have to be right back here next year with another bill and do this all over again. The administration will no doubt send up another request for another bill next year, and we will be back to do it all over again.

There has been in some of the arguments here this afternoon an assumption that there is something unique about this particular bill, that we are clothing the Secretary of Interior with some strange and extraordinary authority that does not exist in other agencies or in other parts of this country. The fact is that the Army engineers spend very close to $10 million a year on general investigations with nothing but the broadest sort of authority, only as limited and prescribed by the Appropriations Committee.

The general investigations conducted by the Bureau of Reclamation cost annually on the average $6 million. They are general investigations without any legislative committee pinpointing each particular stream or each particular project that should be studied. That is a part of our current method of operation.

This legislation gives precisely the same authority to the Bureau of Reclamation in Alaska but limits it to $250,000 a year. The bill that came up recommended by the administration carried no such limitation; your committee put that in.

Let me repeat, we are not adding any extra power that requires the limitation of this amendment. The amendment would limit the operation to 1 year. We might as well not pass this bill. We have put on, of course, the dollar limitation of $250,000; that is limitation enough.

In all probability we would have done just as well had we left Alaska, which is one-fifth the size of the whole United States, in the category with all the rest of the 17 Western States where there is no limitation except what the Appropriations Committee, in its wisdom and subject to the testimony it receives sees fit to place.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. Yes; I shall be glad to yield.

Mr. BUDGE. I am rather surprised that the chairman would object to accepting this amendment in view of the fact it would simply permit the Congress to take another look next year, and the Department to take another look also.

If the gentleman will permit, I would like to ask him this question: Does the gentleman not feel that he is injecting the Bureau of Reclamation into a new field when for 53 years they have been irrigating the arid lands of the West, but now he would send them into the Territory of Alaska? Is that not a new proposal?

Mr. ENGLE. It is new to the extent that they are going into the 8th year or 10th year, or whatever it is, of investigations. The Department of the Interior is the agency of the Government that has jurisdiction of Alaska. Alaska is not under the Department of Defense where the Army engineers are; it is not in the Department of Commerce; it is in the Department of the Interior. The Department of the Interior has jurisdiction of the Bureau of Reclamation. Therefore the administration downtown, the executive agency, sent up here and asked us to authorize these investigations on a permanent basis.

I would like to say to those who want to put on all these limitations that it is just the same as though you asked the corps of Army engineers to come before a legislative committee and justify every item.

All we are doing is giving Alaska precisely what the 17 Western States have, and Alaska should have it without the limitation imposed by this amendment.

I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. KEATING].

The question was taken; on a division (demanded by Mr. KEATING) there were—ayes 40, noes 61.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. SAYLOR. Mr. Chairman, I ask unanimous consent to return to section 1 of the bill. I have an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 1, line 5, after "authorized", insert "through the exclusive use of the Geological Survey."

Mr. SAYLOR. Mr. Chairman, the purpose of this amendment is following the Assistant Secretary's directive that this work is now being done by the Geological Survey to see to it that this money is used by the Geological Survey for basic research on water policy. It is to make sure that the Bureau of Reclamation does not get this money to continue itself in Alaska doing things which it has not done heretofore except by allowance of the Congress for 7 years. This is a fine example of what happens.

The Bureau of Reclamation is the greatest group of people I have ever bumped into in the United States Government that look to things for precedent. I can say to you that anything this Congress does, regardless of whether it is in a bill or anywhere else, the Bureau of Reclamation will seize on it and try to use it as a precedent for their bills.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Under what department is the Geological Survey?

Mr. SAYLOR. Under the Department of the Interior.

Mr. MILLER of Nebraska. This bill says nothing about the Reclamation Bureau. It says "under the authority of the Secretary of the Interior."

Mr. SAYLOR. That is correct and I am making sure that this fund which you apparently have decided is going to the Department of the Interior will be used by the branch of Government which the Congress of the United States has historically said has charge of the basic water policy and basic water research. That is what this amendment does. It is saying that the Bureau of Reclamation must look to the Geological Survey in Alaska just as they look to it in other States for the places they can get their basic information from.

If you do not think that the Department of the Interior and the Bureau of Reclamation are those who look for policy in any statement that the Congress makes, I would like to call your attention, and especially the attention of the gentleman from Colorado [Mr. ASPINALL] because he is very familiar with this matter, to a project he had in his district which was known as the Collbran project. Because of extenuating circumstances the Bureau of Reclamation came forward with an entirely new formula for determining feasibility. The committee was impressed with the necessity of putting that project through and authorized the project, but in the report they specifically specified that the formula that was used for the Collbran project should not be taken as a precedent for any other project. I can say to the Members of the House that the Bureau of Reclamation ever since has come to the Congress and pointed out that all of these new projects that would not be feasible under the old standards are now brought up under the Collbran formula as a method of making them feasible. So my amendment will tie down the funds which are now appropriated for the Department of the Interior and use them for the exclusive purpose of the Geological Survey.

Mr. ENGLE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. Chairman, I sometimes think that my friend from Pennsylvania has developed such a spleen against the Bureau of Reclamation that he forgets there was a change a couple of years ago, that that organization is no longer a Democratic operated organization but that there is a Republican Secretary of the Interior.

I want to say that the gentleman's amendment would straitjacket the Secretary of the Interior. This bill does not say who shall do it, particularly; it allows that discretion in the Secretary of the Interior.

I call attention to what Mr. Orme Lewis said in his letter of February 9, 1955, in which this legislation, with clearance from the Bureau of the Budget, is requested.

He said:

These funds have ranged in annual amounts from $100,000 to $250,000 and have been in addition to those made available, through appropriations to the Geological Survey, for collection of basic water data.

The Secretary of the Interior uses whatever agency most appropriately fits for the purpose to be accomplished. In some instances, with reference to certain types of water data, he would use the Geological Survey. In other instances, where the Bureau of Reclamation, with its trained engineers, dealing in power and the irrigation field, could be more properly used, he would use them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was rejected.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. HOLIFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Commitee, having had under consideration the bill (H. R. 3990) to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska, pursuant to House Resolution 251, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. BUDGE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BUDGE. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BUDGE moves to recommit the bill H. R. 3990 to the Committee on Interior and Insular Affairs.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the nays appeared to have it.

Mr. MASON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 79, nays 278, not voting 77, as follows:

[Roll No. 78]

YEAS—79

Adair	Dowdy	McVey
Alexander	Fino	Magnuson
Alger	Flynt	Mason
Andersen, H. Carl	Ford	Matthews
	Fulton	Meader
Andresen, August H.	George	Morano
	Gross	Nicholson
Ashmore	Gwinn	O'Hara, Minn.
Auchincloss	Hand	Osmers
Avery	Harrison, Nebr.	Ostertag
Becker	Harvey	Phillips
Bosch	Herlong	Rees, Kans.
Bow	Hoeven	Rogers, Fla.
Brownson	Hoffman, Ill.	St. George
Budge	Hope	Saylor
Byrnes, Wis.	Hosmer	Schenck
Cederberg	Jensen	Schwengel
Chase	Johansen	Short
Church	Jonas	Taber
Clevenger	Jones, N. C.	Talle
Cole	Kean	Utt
Corbett	Kearns	Van Pelt
Coudert	Keating	Velde
Cretella	Knox	Vursell
Cunningham	Laird	Weaver
Curtis, Mo.	Latham	Wharton
Dies	LeCompte	Widnall

NAYS—278

Abbitt	Bowler	Dawson, Ill.
Abernethy	Boyle	Dawson, Utah
Addonizio	Bray	Deane
Albert	Brooks, Tex.	Dempsey
Allen, Calif.	Brown, Ga.	Denton
Allen, Ill.	Brown, Ohio	Derounian
Andrews	Broyhill	Devereux
Anfuso	Buchanan	Diggs
Ashley	Buckley	Dixon
Aspinall	Burleson	Dodd
Ayres	Burnside	Dollinger
Bailey	Bush	Dondero
Baldwin	Byrne, Pa.	Dorn, S. C.
Barden	Cannon	Doyle
Barrett	Carlyle	Durham
Bass, N. H.	Carnahan	Edmondson
Bass, Tenn.	Carrigg	Elliott
Bates	Chelf	Ellsworth
Baumhart	Chenoweth	Engle
Beamer	Christopher	Evins
Belcher	Chudoff	Fallon
Bennett, Fla.	Clark	Fascell
Bennett, Mich.	Cooley	Feighan
Bentley	Coon	Fenton
Berry	Cooper	Fernandez
Blatnik	Cramer	Fine
Blitch	Crumpacker	Fisher
Boland	Curtis, Mass.	Fjare
Bolling	Dague	Flood
Bolton, Frances P.	Davidson	Fogarty
	Davis, Ga.	Forand
Bonner	Davis, Wis.	Forrester

Fountain	Long	Rodino
Frelinghuysen	Lovre	Rogers, Colo.
Friedel	McConnell	Rogers, Mass.
Garmatz	McCormack	Rogers, Tex.
Gary	McDonough	Rooney
Gavin	McDowell	Roosevelt
Gentry	McGregor	Rutherford
Gordon	McIntire	Scherer
Granahan	Macdonald	Scott
Grant	Machrowicz	Scudder
Gray	Mack, Ill.	Seely-Brown
Green, Oreg.	Mack, Wash.	Selden
Griffiths	Madden	Shelley
Hagen	Mahon	Shuford
Hale	Mailliard	Sieminski
Haley	Martin	Sikes
Harden	Merrow	Simpson, Ill.
Hardy	Metcalf	Sisk
Harris	Miller, Calif.	Smith, Kans.
Harrison, Va.	Miller, Md.	Smith, Miss.
Hays, Ark.	Miller, Nebr.	Smith, Va.
Hays, Ohio	Mills	Spence
Hayworth	Minshall	Springer
Hébert	Mollohan	Staggers
Henderson	Morgan	Steed
Hess	Moss	Sullivan
Hiestand	Multer	Teague, Calif.
Hill	Murray, Ill.	Teague, Tex.
Hillings	Murray, Tenn.	Thomas
Holifield	Natcher	Thompson, La.
Holmes	Nelson	Thompson, N. J.
Holt	Norblad	Thompson, Tex.
Holtzman	Norrell	Thornberry
Huddleston	O'Brien, Ill.	Tollefson
Hull	O'Brien, N. Y.	Trimble
Hyde	O'Hara, Ill.	Tuck
Ikard	O'Konski	Tumulty
Jackson	O'Neill	Udall
Jarman	Patman	Vanik
Jennings	Patterson	Van Zandt
Johnson, Calif.	Pelly	Vinson
Johnson, Wis.	Pfost	Vorys
Jones, Ala.	Pilcher	Wainwright
Judd	Poff	Walter
Karsten	Polk	Watts
Kee	Powell	Westland
Kelley, Pa.	Price	Whitten
Keogh	Priest	Wickersham
Kilday	Quigley	Wier
Kilgore	Rabaut	Wigglesworth
King, Calif.	Rains	Williams, Miss.
Kirwan	Ray	Williams, N. J.
Klein	Reece, Tenn.	Willis
Kluczynski	Reuss	Wilson, Calif.
Krueger	Rhodes, Ariz.	Winstead
Landrum	Rhodes, Pa.	Wolverton
Lane	Riley	Wright
Lanham	Rivers	Yates
Lankford	Roberts	Young
Lesinski	Robeson, Va.	Younger
Lipscomb	Robsion, Ky.	Zelenko

NOT VOTING—77

Arends	Green, Pa.	Pillion
Baker	Gregory	Poage
Bell	Gubser	Preston
Betts	Halleck	Prouty
Boggs	Heselton	Radwan
Bolton, Oliver P.	Hinshaw	Reed, Ill.
	Hoffman, Mich.	Reed, N. Y.
Boykin	Horan	Richards
Brooks, La.	James	Riehlman
Burdick	Jenkins	Sadlak
Byrd	Jones, Mo.	Scrivner
Canfield	Kearney	Sheehan
Celler	Kelly, N. Y.	Sheppard
Chatham	Kilburn	Siler
Chiperfield	King, Pa.	Simpson, Pa.
Colmer	Knutson	Smith, Wis.
Davis, Tenn.	McCarthy	Taylor
Delaney	McCulloch	Thompson, Mich.
Dingell	McMillan	
Dolliver	Marshall	Thomson, Wyo.
Donohue	Miller, N. Y.	Williams, N. Y.
Donovan	Morrison	Wilson, Ind.
Dorn, N. Y.	Moulder	Withrow
Eberharter	Mumma	Wolcott
Frazier	Passman	Zablocki
Gamble	Perkins	
Gathings	Philbin	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Taylor for, with Mr. Colmer against.

Mr. Reed of New York for, with Mr. Chatham against.

Mr. Riehlman for, with Mr. Morrison against.

Mr. Kearney for, with Mr. Sadlak against.

Mr. Miller of New York for, with Mr. Marshall against.

Mr. Reed of Illinois for, with Mr. Eberharter against.

Until further notice:

Mrs. Kelly of New York with Mr. Halleck.
Mr. Delaney with Mr. Arends.
Mr. Celler with Mr. Baker.
Mr. McMillan with Mr. James.
Mr. Byrd with Mr. Thomson of Wyoming.
Mr. Boggs with Mr. Gamble.
Mr. Green of Pennsylvania with Mr. Mumma.
Mr. Gregory with Mr. Scrivner.
Mr. Sheppard with Mr. Dolliver.
Mr. Moulder with Mr. Betts.
Mr. Preston with Mr. Chiperfield.
Mr. Frazier with Mr. McCulloch.
Mr. Donovan with Mr. Sheehan.
Mr. Donohue with Mr. Horan.
Mr. Dingell with Mr. Kilburn.
Mr. Jones of Missouri with Mr. Wolcott.
Mrs. Knutson with Mr. Simpson of Pennsylvania.
Mr. McCarthy with Mr. Gubser.
Mr. Boykin with Mr. Dorn of New York.
Mr. Zablocki with Mr. Canfield.
Mr. Passman with Mr. Williams of New York.
Mr. Perkins with Mr. Wilson of Indiana.
Mr. Philbin with Mr. Hoffman of Michigan.
Mr. Davis of Tennessee with Mr. Siler.
Mr. Richards with Mr. Smith of Wisconsin.
Mr. Bell with Mr. Heselton.
Mr. Gathings with Mr. Withrow.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks in the RECORD on the bill just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. ROOSEVELT asked and was given permission to address the House for 20 minutes on Monday next, following the legislative program and any special orders heretofore entered.

Mr. BURNSIDE asked and was given permission to address the House for 30 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

Mr. JONES of North Carolina asked and was given permission to address the House for 1 hour on Tuesday next, following the legislative program and any special orders heretofore entered.

Mr. BOYLE asked and was given permission to address the House for 5 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

Mr. SHORT asked and was given permission to address the House for 5 minutes today, following the legislative program and any special orders heretofore entered.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that on tomorrow during general debate, the Committee on Interstate and Foreign Commerce may have permission to sit.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

THE LATE PETE JARMAN

Mr. RAINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Speaker, I was unavoidably absent from the House Chamber when my colleagues from Alabama, and other Members of the House of Representatives, paid their tribute of respect to the life and memory of our departed friend and colleague, Pete Jarman.

Even though I was among the friends who watched with sorrowing hearts as he was lowered to rest in a leafy bower in beautiful Arlington Cemetery, it is difficult for me now, to realize that Pete has departed the land of the living. Only a few days before Pete's untimely death my wife saw and talked with him here in the Capitol. That evening she told me of having seen and talked with Pete, and made the remark that he looked better than she had ever seen him, and that he seemed in robust health. It is one of the inscrutable mysteries and lamentable tragedies of human life that so often one who is at the zenith of his wisdom and mental powers is stricken down by death like a flower before the icy winds of winter. But, of death and its coming no man can tell.

Leaves have their time to fall,
And flowers to wither at the north wind's breath,
And stars to set; but all thou,
Thou has, all seasons for thine own, O death,
We know when moons shall wane,
When summer birds from far shall cross the sea,
When autumn's hue shall tinge the golden grain,
But who shall teach us when to look for thee.

And the part in us that does not die is our deeds, our accomplishments, our achievements.

Pete Jarman had a long and distinguished career of public service to his State and Nation. He was elected to public office by the people of the State of Alabama and his congressional district many times. I knew him first when he was secretary of the State of Alabama. His friendliness, his devotion to duty, his strong will and firm determination led him from that position in the State capitol to a seat in this august body in the 75th Congress. He served the people of the Sixth Congressional District of Alabama with approval and approbation for six terms, and at the end of his service here in the Congress with us, he received from the President

of the United States, the highest appointment which can come in the Foreign Service of our country, that of an Ambassador. From his colleagues in the State Department and in the Foreign Service, I have learned he was also eminently successful in his service as Ambassador of our Nation to the great sovereign Land Down Under. A minute reprobation of his accomplishments would require many pages in telling. Suffice to say here, he was a man of action, determination, and his life is an open book, filled with worthy attainments in the service of his State and country. Pete has departed this life, but no man can wholly die whose life is measured in such achievements and such accomplishments.

At the beginning of the Christian era, there lived a Latin poet by the name of Horace. He must have had in his thoughts a life and character like that of our departed friend, when he wrote the immortal classic, Odes from Horace, from which I quote:

I have raised a monument more lasting than bronze
Loftier than the royal peak of pyramids.
No biting storms can bring it down:
No impotent north wind
Nor the unnumbered series of the years,
Nor the swift course of time.
I shall not wholly die.

In a news story not too long before Pete's death, a contemporary writer said, that—

Jarman's secret of success is courage, charm, and know how. He is a winner. He goes along until the pinch comes, and then moves out in front.

Henry Van Dyke summed up Pete Jarman's philosophy in these beautiful words:

Let me live my life from year to year
With forward face and unreluctant soul,
Not hastening to nor turning from the goal;
Not mourning for the things that disappear
In the dim past, nor holding back in fear
From what the future veils; but a whole
And happy heart, that pays its toll
To youth and age, and travels on with cheer.
I shall grow old, but never lose life's zest
Because the road's last turn will be the best.

And now he has found that the last turn of the road is the best. For around that turn of the road he has entered the gates of the Celestial City, and is now reunited with the loved ones who have been waiting for him. I am sure that the guardian of the gates said to him: "Well done, good and faithful servant."

It is a truism running like a golden thread through the biography of many men in America, that behind every great man, every good and noble deed, is a good and noble woman. This was true in the life of Pete Jarman. In his successes, his attainments and his achievements, his faithful and charming wife, Beryl, was always beside him, helping and sharing. They were truly partners in their work and accomplishments. To her, great credit is due. To her my heartfelt sympathy in her time of sorrow.

Mr. Speaker, as we contemplate the passing from this world of our friends, our feeling is often one of depression and melancholy. But it should not be, since we are firm in our faith that there is immortality and life after death.

The greatly beloved Peter Marshall, known to all of us, a few years ago in the old New York Avenue Presbyterian Church here in Washington, closed a stirring Easter Sunday message with these words:

I tell you they have not died,
They live and breathe with you;
They walk now, here at your side,
They tell you things are true:
Why dream of poppied sod,
When you can feel their breath,
When flow'r and soul and God
Know there is no death.

I tell you they have not died,
Their hands clasp yours and mine:
They are now but glorified,
They have become divine,
They live, they know, they see,
They shout with every breath:
All is eternal life.
There is no death.

WHY DO NOT PRIVATE POWER COMPANIES BUILD THE UPPER COLORADO RIVER PROJECT?

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, on the Snake River, and in other places, the Interior Department is willing to let private power companies build hydroelectric power projects with their own money.

On the upper Colorado River the reverse is true. There the administration insists on building a series of great power dams with the taxpayers' money.

What is the reason that the Interior Department, presumably speaking for the administration, is following two policy roads at the same time?

The answer is simple:

The Snake River project at Hells Canyon is economically feasible. Any private power company would be willing to build it, because it would pay dividends to stockholders.

The proposed multibillion dollar upper Colorado River project is not economically feasible. No private power company would undertake it. The cost would be exorbitant. The power would have to be sold at rates in excess of what the market could pay. Stockholders would lose their shirts.

If the proposed power developments in the upper Colorado River project were practical and feasible, you could bet your bottom dollar that a private power company, or a group of companies, would want to build them.

Size and dollar cost are not deterrents to private power companies in the upper Colorado River project. The estimated construction cost of Echo Park Dam is $176 million. That is precisely what the Federal Power Commission estimates it would cost to build the Hells Canyon project proposed by the Idaho Power Co.

Four other dams in the upper Colorado project are estimated to cost from $16 to $82 million. Only the proposed Glen Canyon Dam would cost more, an estimated $421 million. But certainly with the immense southern California, Nevada, and Arizona market waiting for more power, this development could be financed by private companies. Glen Canyon Dam, as an independent unit, could be a feasible project. The upper basin States, however, want to use it as a cash register to pay off ridiculous irrigation projects, and, indeed, to defray the cost of the other dams in the project which cannot even pay for themselves.

The administration spokesmen have consistently advocated a partnership program in the development of power and water resources in the West. They are claiming that it has been a success and has been well received. As recently as May 11, this year, Secretary of the Interior McKay told the National Industrial Association that during the last two years "applications to the Federal Power Commission for permits to survey potential hydroelectric developments represented a larger total of kilowatts than was covered by the applications during the prior seven years."

The Secretary further said:

At the end of last year the volume of such permits outstanding was by far the greatest in the history of the Commission.

Where are the permits to build the power dams proposed in the upper Colorado River project?

There aren't any. If this project is ever built it will be built by the Bureau of Reclamation with taxpayers' money.

The private power companies have provided a neat explanation to Congress as to why they do not want to build the upper Colorado River project.

A statement signed by 10 upper basin power companies said:

Because of the relationship of the water-storage features of this project to the Colorado River compact, the vast areas encompassed, the magnitude and multiple purpose objectives incorporated—including non-reimbursable features—we believe the hold-over reservoirs and powerplants should be built by the Federal Government.

When the upper basin power companies speak of the Colorado River compact, they are saying in effect: These immense storage dams involve interpretations of the compact which could result in irreparable damage to the financial structure of such projects. These conflicting interpretations of the compact are now before the United States Supreme Court. We do not know what the Court will say. Nobody builds anything on a piece of ground in which title is in doubt.

Nobody, except the Interior Department, that is. The Interior Department and its Reclamation Bureau are perfectly willing to use the taxpayers' money to build the biggest reclamation and power projects ever conceived, knowing they would operate at tremendous losses.

The private companies, however, are willing to distribute the power produced by the Federal project. They told Congress as much in a statement delivered to the Senate Interior Committee.

In that statement the companies announced their willingness to enter into contracts whereby they would deliver the power and charge only a reasonable amount for transmission.

Their statement said that they believed the financial feasibility of the project depended upon the sale of the power to them, but, of course, the cost of the power must not exceed the cost of power from alternate sources.

It was a nice way for these private companies to say they did not care to build the project, because it would be a white elephant. But if the Government wants to squander the money of the taxpayers, they would be happy to take the power, if the price is right.

They know, also, that the price would not be right. It would have to be higher than the market. If the Government elected to sell the power below cost to the private utilities, then the taxpayers would have to pick up an additional bill of enormous size.

These private utilities know, also, that they can build steam plants to produce power cheaper than the upper Colorado project could produce it.

That is what they have been doing, building steam plants adjacent to the largest coal deposits in the country.

If the hydroelectric plants proposed in the upper Colorado project would be paying propositions, they would have been built long ago by the private utility companies.

The taxpayers of the Nation—most of them far removed from the sparsely settled upper basin of the Colorado—will be the goats if the project is built.

FEDERAL SOIL CONSERVATION PROGRAM

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. MOLLOHAN] is recognized for 5 minutes.

Mr. MOLLOHAN. Mr. Speaker, one would think that by now the validity of the Federal soil conservation program—and as a corollary, the Soil Conservation Service—had been as clearly demonstrated and as firmly established as national defense, itself. From 1935, when it was first launched by a Democratic Congress, to the present administration, the Soil Conservation program had bipartisan support in Congress and the Soil Conservation Service was kept free of politics. The result was a magnificent contribution to the stability, the prosperity, and the future well-being of a strong America.

During the past 20 years, the SCS has helped to recover and restore to fertility more than 140 million acres of our farmland previously devastated and lost to the Nation through ignorance, selfishness, or greed.

Moreover, it has succeeded in paying real dollars-and-cents dividends in a ratio of $1 in the value of every improved acre for every 10 cents of meager investment which Congress has made in this essential program.

Proof of the popular support which the program has enjoyed in both parties can best be demonstrated by the comments of General Eisenhower, when, in his campaign speech in Omaha in 1952, he observed that the only trouble with the program of the Soil Conservation Service was that it was moving too slowly.

Since that time, however, it would seem—as the editorial in the Charleston Gazette so succinctly sets forth—the soil-conservation program and the Soil Conservation Service have not continued merely to move slowly. They have moved backwards. Nevertheless, the Secretary of Agriculture consistently flouts the will of Congress to play his political games to the detriment of the conservation program and the disruption of the Service.

Even while new dust bowls scatter our precious soil to the four winds, and precious water becomes a problem of increasing concern to thousands of communities, the Secretary persists in his stubborn efforts to break the once efficiently organized and effectively functioning Service into 48 piddling little units that cannot possibly serve the needs of the Nation. Mr. Benson, it would seem, has still to learn that neither flood control nor soil erosion respects State lines.

Mr. Speaker, in my opinion, the following editorial which appeared in one of West Virginia's great newspapers, the Charleston Gazette, on May 17, 1955, is both timely and persuasive:

ATTEMPT TO DISMEMBER SOIL SERVICE REAL THREAT TO CONSERVATION AND FUTURE ECONOMY OF NATION

Conservation stands at the crossroads. The Eisenhower administration preaches conservation to lull a trusting public into an apathy even more dangerous than that which is woefully inherent to the average citizen. In the meantime private mineral, lumber, and grazing interests gather support for carefully laid plans to ravage our national forests with at least the acquiescence of the administration. The United States engineers propose substantially to destroy at least one national monument. Morale in the Fish and Wildlife Service and the Forest Service is at a lower ebb than at any time since these organizations grew out of their formative periods.

Only vigorous opposition in Congress prevented the administration and the United States engineers from completely hamstringing the small watersheds bill, one of the most constructive and badly needed pieces of legislation passed by any recent Congress.

The selfish greed of the land-grant colleges and their agricultural extension services for greater power and ultimate control of the Nation's entire agricultural program have been fostered and encouraged by the administration. Congress alone can prevent the dismemberment of the Soil Conservation Service, the ultimate destruction of the soil conservation districts, and the eventual relegation of the vital program of soil and water conservation to just another routine extension service authority.

If there ever was a time when every conservationist worth his salt should be standing on his hind feet and fighting to preserve our national forests, parks, and monuments for all the people, it is now. As for the administration's plan to decentralize soil and water conservation and create 48 individualized programs—going in all directions at once, some perhaps reasonably effective, others conducted with lackadaisical disinterest—this threatens the very foundation of our future economy and jeopardizes the health and subsistence of coming generations.

Selfish interests, governmental and private, seem to be in stronger position than ever before to take over and practice the doctrine of "the public be damned." There are many real conservationists, belonging to both parties, in Congress who have consistently opposed the administration's conservation policies and will continue to do so. They need the encouragement and support of an aroused citizenry.

LET US NOT BE DELUDED BY COMMUNIST TECHNIQUES

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. SHORT] is recognized for 5 minutes.

Mr. SHORT. Mr. Speaker, within the past few days the news has carried two items of great significance. One has to do with the release of only 4 of the 15 American flyers, illegally held by the Chinese Communists as prisoners of war—in violation of the solemn covenants which they entered into in the cease-fire agreement at Panmunjom.

The other item has to do with the 62 naval vessels which the Russian Communists are at long last returning to us. These and many other vessels were turned over to the Russian Communists during World War II as a part of lend-lease, with the firm promise that they would be returned to us at the end of hostilities. However, 10 years after World War II hostilities ceased, the Russians still retain 148 of our naval vessels.

These two events are significant because they forcefully call to our attention once again the fact that the Communists—whether they be Chinese, Russians, or any other variety—never live up to their agreements. Their signature on a treaty is worthless. They will perform only so much of their treaty as they think is in their own selfish interests and at such time as it pleases them to do so. I think that we should keep these facts well in mind with the approach to the so-called Meeting at the Summit.

I hope that we will not allow ourselves to be deluded as to the ultimate objective of international communism. That objective is world domination, and the United States of America is included in their plans.

Permit me, Mr. Speaker, to quote briefly from a book entitled "The Great Globe Itself," written by our former able Ambassador to the Union of Soviet Socialist Republics, and later our Ambassador to France, the Honorable William C. Bullitt, who quotes from Lenin on pages 94 and 95 of this book, which every Member should read if he has not already done so. I am quoting from Lenin's Collected Works, volume 24, page 122, of the Russian edition, quoted with approval by Stalin in his book, Problems of Leninism:

> We are living not merely in a state, but in a system of states; and it is inconceivable that the Soviet Republic should continue for a long period side by side with imperialist states. Ultimately one or the other must conquer. Meanwhile a number of terrible clashes between the Soviet Republic and the bourgeois states is inevitable.

Again, Lenin wrote in 1920 in The Infantile Sickness of Leftism in Communism:

> It is necessary * * * to use any ruse, cunning, unlawful method, evasion, concealment o' truth.

Mr. Speaker, let no one be deceived by the artifice, chicanery, trickery, by the

subterfuge, and by the downright falsehoods and lies of the Communists, because that is their chief technique, and we should not become too gratified or too hopeful because they at long last are releasing only four of the prisoners of war which they have illegally held.

On page 96 of The Great Globe Itself, Ambassador Bullitt has this to say, and I hope it could be emblazoned across the skies and drilled into the mind and heart of every American when the former Ambassador states:

> Peace to the Soviet Government is not peace as we understand peace but an armistice in which to prepare attack.

That is the heart of the whole matter. They spar for time. Like a groggy prizefighter, they hold on until the bell rings. And we stupidly relax our efforts and let them get their second wind.

Let us not forget that Lenin was the apostle of the technique of 3 steps forward and 1 in reverse. It would appear that at present the Communists are in the process of taking that one step in reverse because of internal problems. The 14 mad dogs in the Kremlin have plenty of headaches these days. All is not going smoothly and well inside Soviet Russia and her satellite countries. If ever this Nation needed to be firm, it is now. I have great faith in Eisenhower and Dulles. God give them wisdom, strength, and courage to stand their ground.

Mr. Speaker, I ask unanimous consent to include as a part of my remarks an editorial on Broken Pledges which appeared in today's Washington Daily News.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

(The editorial is as follows:)

BROKEN PLEDGES

In welcoming back to freedom four American fliers, we are apt to forget that—

The men have been illegally held by Red China.

Their detention and that of 11 other fliers is a violation of the Korean truce agreement.

Red China should be denounced for holding them rather than thanked for releasing them.

Being a civilized Nation, our first interest is to get our fellow countrymen released. If part of the price of doing that is to restrain our natural emotions, then we are big enough and honorable enough to do so.

Two years ago this spring President Eisenhower challenged the Communist rulers to prove their peaceful professions by concluding an honorable armistice in Korea and agreeing to a Korean settlement which would unite that country by free elections.

"Any armistice in Korea that merely released aggressive armies to attack elsewhere would be a fraud," the President said.

The armistice was signed, but it has been a fraud in many ways. Red China's military might backed the Communist victory in Indochina. Red China stepped up attacks on Nationalist China. The Korean truce has been repeatedly violated. Red China consistently has blocked a final Korean settlement and jeered at the idea of free elections.

At Geneva a year ago the Communists persisted in the same attitudes which have frustrated United Nations efforts to unify Korea since 1947.

Maybe the time has come again, before we are too overwhelmed by talk about peace, to ask: "How about a Korean settlement?"

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE in two instances and to include extraneous matter.

Mr. DEANE, the remarks he will make in Committee of the Whole and to exclude extraneous matter in connection with the bill H. R. 6499.

Mr. QUIGLEY and to include extraneous matter.

Mr. CRUMPACKER and to include a letter.

Mr. LAIRD and to include a speech by the Honorable JOHN W. BYRNES, of Wisconsin.

Mr. RAY and to include an editorial.

Mr. MCDONOUGH in two instances and to include extraneous matter.

Mr. HOSMER and to include extraneous matter.

Mr. LECOMPTE on the life and services of Chief Judge Harold Stephens.

Mr. AYRES.

Mr. MILLER of Nebraska.

Mr. RODINO (at the request of Mr. MULTER) and to include extraneous matter.

Mr. DOLLINGER and to include extraneous matter.

Mr. EVINS (at the request of Mr. BASS of Tennessee) and to include extraneous matter.

Mr. LAIRD and to to include an address by Mr. HOPE.

Mr. SHELLEY (at the request of Mr. BOLLING) in two instances and to include extraneous matter.

Mr. DODD.

Mr. FLOOD.

Mr. ABBITT and to include an address.

Mr. DAVIS of Georgia and to include extraneous matter.

Mr. BOW and to include extraneous matter.

Mr. GWINN in two instances.

Mr. PELLY in three instances and to include extraneous matter.

Mr. LESINSKI.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. POFF, for Thursday and Monday, June 2, and 6, on account of official business.

Mr. KRUEGER, for from June 2 to June 8, on account of official business.

Mr. JAMES (at the request of Mr. GAVIN), for an indefinite period, on account of illness.

Mr. GUBSER (at the request of Mr. MARTIN), for 10 days, on account of illness.

Mr. GATHINGS (at the request of Mr. MILLS), for today and tomorrow, on account of official business.

Mr. WILLIAMS of New Jersey, through June 6, on account of official business outside of the United States.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 414. An act to authorize an examination and survey of the coastal and tidal areas of the Eastern and Southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides; to the Committee on Public Works.

S. 928. An act to provide research and technical assistance relating to air pollution control; to the Committee on Interstate and Foreign Commerce.

S. 1093. An act to fix and regulate the salaries of schoolteachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 1187. An act to amend section 5221 of the Revised Statutes relating to voluntary liquidation of national banks; to the Committee on Banking and Currency.

S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks; to the Committee on Banking and Currency.

S. 1189. An act to permit national banks to make 20-year real-estate loans, 9-month residential construction loans, and 18-month commercial construction loans; to the Committee on Banking and Currency.

S. 1250. An act to declare Pike Creek above the easterly side of the highway bridge at Sixth Avenue in the city of Kenosha a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

S. 1289. An act to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 1300. An act to declare a certain portion of the waterway at Greenwich, Conn. (in which is located the Greenwich Harbor), a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

S. 1318. An act to modify the project for the Denison Reservoir on Red River in Texas and Oklahoma in order to provide for a highway bridge across Lake Texoma; to the Committee on Public Works.

S. 1340. An act to authorize the conveyance by quitclaim deed of certain land to the Brownsville Navigation District of Cameron County, Tex.; to the Committee on Public Works.

S. 1469. An act to declare the portion of the waterway at Bridgeport, Conn., known as the West Branch of Cedar Creek, a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

S. 1736. An act to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations; to the Committee on Banking and Currency.

S. 2061. An act to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 625. An act to provide for the adjustment of tolls to be charged by the Way-

land Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 3879. An act to amend section 2 of the act of March 2, 1945, pertaining to the Columbia River at Bonneville, Oreg.;

H. R. 4646. An act to amend section 4421 of the Revised Statutes, in order to remove the requirement as to verifying under oath certain certificates of inspection, and for other purposes;

H. R. 4817. An act relating to the payment of money orders;

H. R. 5223. An act to continue until the close of June 30, 1956, the suspension of duties and import taxes on metal scrap, and for other purposes; and

H. R. 5224. An act to amend title 14, United States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel, and preserve their rights, privileges, and benefits.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 625. An act to provide for the adjustment of tolls to be charged by the Wayland Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 3879. An act to amend section 2 of the act of March 2, 1945, pertaining to the Columbia River at Bonneville, Oreg.;

H. R. 4646. An act to amend section 4421 of the Revised Statutes, in order to remove the requirement as to verifying under oath certain certificates of inspection, and for other purposes;

H. R. 4817. An act relating to the payment of money orders;

H. R. 5223. An act to continue until the close of June 30, 1956, the suspension of duties and import taxes on metal scrap, and for other purposes; and

H. R. 5224. An act to amend title 14, United States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel and preserve their rights, privileges, and benefits.

ADJOURNMENT

Mr. FASCELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 51 minutes p. m.) the House adjourned until tomorrow, Thursday, June 2, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

856. A letter from the Commissioner, Emergency Procurement Service, General Services Administration, transmitting a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 30 million pounds of palm oil now held in the national stockpile, pursuant to section 3 (e) of the Strategic and Critical Materials Stock Piling Act (60 Stat. 597; 50 U. S. C. 98b (e)); to the Committee on Armed Services.

857. A letter from the National Shipswriter, Navy Club of the United States of America, transmitting the annual report of the Navy Club of the United States of America as of April 30, 1955; to the Committee on the Judiciary.

858. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Bureau of Mines and Defense Minerals Exploration Administration, Department of the Interior, for the fiscal year ended June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

859. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 688. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 689. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. WALTER: Committee on the Judiciary. H. R. 3333. A bill to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter; without amendment (Rept. No. 690). Referred to the House Calendar.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3587. A bill granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California; with amendment (Rept. No. 703). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 259. Resolution for consideration of H. R. 6410, a bill to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto; without amendment (Rept. No. 704). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 260. Resolution for consideration of H. R. 5923, a bill to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway; without amendment (Rept. No. 705). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 261. Resolution for consideration of H. R. 192, a bill to amend Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1946 (Rappahannock River); without amendment (Rept. No. 706). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 1245. A bill for the relief of Marianne Anita Zelinka; without amendment (Rept. No. 691). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1275. A bill for the relief of Gennaro Savarese; without amendment (Rept. 692). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1463. A bill for the relief of Rudolfo M. Gomez (Capaz); without amendment (Rept. No. 693). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1540. A bill for the relief of Mrs. Joan Craig Newell; without amendment (Rept. No. 694). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1541. A bill for the relief of Mrs. Maria Dicran Simon; without amendment (Rept. No. 695). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1648. A bill for the relief of Sister Luigia Pellegrino, Sister Angelina Nicastro, and Sister Luigina Di Martino; without amendment (Rept. No. 696). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1997. A bill for the relief of Linda Beryl San Filippo; without amendment (Rept. No. 697). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2073. A bill for the relief of Bengt Wikstam; with amendment (Rept. No. 698). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2495. A bill for the relief of Antoni Rajkowski; without amendment (Rept. No. 699). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2721. A bill for the relief of Mihai Indig; with amendment (Rept. No. 700). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2756. A bill for the relief of Frank Scriver; without amendment (Rept. No. 701). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 6086. A bill for the relief of certain relatives of United States citizens or lawfully resident aliens; with amendment (Rept. No. 702). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 6582. A bill to authorize the Secretary of Agriculture to establish a system of price reporting for basic forest products for farmers, to provide for the expansion of research in the marketing of such products, and for other purposes; to the Committee on Agriculture.

By Mr. BROOKS of Louisiana:

H. R. 6583. A bill to amend the Uniform Code of Military Justice; to the Committee on Armed Services.

By Mr. BUDGE:

H. R. 6584. A bill to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen; to the Committee on Agriculture.

By Mr. DAVIS of Georgia:

H. R. 6585. A bill to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes; to the Committee on the District of Columbia.

By Mr. McCORMACK:

H. R. 6586. A bill to amend section 7 of the War Claims Act of 1948, with respect to claims of certain religious organizations functioning in the Philippine Islands; to the Committee on Interstate and Foreign Commerce.

By Mr. MAILLIARD:

H. R. 6587. A bill to amend the Classification Act of 1949 with respect to the exclusion of crafts, trades, and labor positions therefrom; to the Committee on Post Office and Civil Service.

By Mr. RAY:

H. R. 6588. A bill to establish dates for celebrating certain public legal holidays; to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 6589. A bill to amend the Refugee Relief Act of 1953, as amended; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H. R. 6590. A bill to prohibit the employment by the Government of the United States of persons who are disloyal or who believe in the right to strike against the Government of the United States, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ALGER:

H. R. 6591. A bill relating to the transportation of personal motor vehicles for military or civilian personnel; to the Committee on Armed Services.

By Mr. ASHLEY:

H. R. 6592. A bill to require compliance with the National Labor Relations Act as a condition of receiving Government contracts; to the Committee on Education and Labor.

By Mr. BUCKLEY:

H. R. 6593. A bill to authorize and direct the Architect of the Capitol to transfer to the District of Columbia jurisdiction over certain portions of the United States Capitol Grounds and other grounds belonging to the United States for use in connection with the widening of Independence and Constitution Avenues and the rechannelization of Union Station Plaza; to the Committee on Public Works.

By Mr. CRETELLA:

H. R. 6594. A bill to liberalize the provisions of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

By Mr. FORAND:

H. R. 6595. A bill to amend certain provisions of law relating to the estate tax; to the Committee on Ways and Means.

H. R. 6596. A bill to amend the Universal Military Training and Service Act; to the Committee on Armed Services.

By Mr. HIESTAND:

H. R. 6597. A bill to provide research and technical assistance relating to air pollution control; to the Committee on Interstate and Foreign Commerce.

By Mr. HYDE:

H. R. 6598. A bill to provide for the creation of an Office of Administrator for Legal Assignments for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KEOGH:

H. R. 6599. A bill to provide that the tax on transportation of property shall not apply to amounts paid for ferry service; to the Committee on Ways and Means.

By Mr. KILDAY:

H. R. 6600. A bill to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes; to the Committee on Armed Services.

H. R. 6601. A bill to provide for the suspension of certain benefits in the case of members of the Reserve components of the Army, Navy, Air Force and Marine Corps ordered to extended active duty in time of war or national emergency, and for other purposes; to the Committee on Armed Services.

By Mr. LIPSCOMB:

H. R. 6602. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of the payment and receipt of back alimony; to the Committee on Ways and Means.

By Mr. MACK of Washington:

H. R. 6603. A bill to amend the act entitled "An act authorizing Federal participation in the cost of protecting the shores of publicly owned property," approved August 13, 1946; to the Committee on Public Works.

By Mr. MOSS:

H. R. 6604. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. O'HARA of Illinois:

H. R. 6605. A bill to provide for protection of the shores of the United States against erosion; to the Committee on Public Works.

By Mr. BUDGE:

H. J. Res. 328. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. MILLER of New York:

H. J. Res. 329. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. FULTON:

H. Con. Res. 150. Concurrent resolution expressing the sense of the Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism; to the Committee on Foreign Affairs.

By Mr. DINGELL:

H. Res. 258. Resolution to commend Representative ADAM CLAYTON POWELL for the statesmanship displayed by him at the recent Afro-Asian Conference; to the Committee on Foreign Affairs.

By Mr. HAYS of Ohio:

H. Res. 262. Resolution to authorize the Subcommittee on Printing to make studies and inquiries relative to unnecessary Government printing and paper work; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States, relative to Federal research of problems relating to chronic alcoholism; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 6606. A bill for the relief of Ignacz Englender and Mrs. Olga Englender; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 6607. A bill for the relief of James A. Franklin; to the Committee on the Judiciary.

By Mr. DODD:

H. R. 6608. A bill for the relief of Peter Monaco; to the Committee on the Judiciary.

By Mr. HALEY:

H. R. 6609. A bill for the relief of Dorothy May Ackermann; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 6610. A bill for the relief of the Strategical Demolition Torpedo Co., Inc.; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 6611. A bill for the relief of Mrs. Margherita Angela Savio Artiano; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H. R. 6612. A bill for the relief of John Virag; to the Committee on the Judiciary.

By Mr. O'BRIEN of Illinois:

H. R. 6613. A bill for the relief of Yuji Doi and Mrs. Matsuyo Yamaoka Doi; to the Committee on the Judiciary.

By Mr. PHILLIPS:

H. R. 6614. A bill for the relief of Annilari Parchment; to the Committee on the Judiciary.

By Mr. RIVERS:

H. R. 6615. A bill for the relief of Catherine Demetre Stouka and daughter, Irene Lycourgas Skia; to the Committee on the Judiciary.

By Mr. VINSON:

H. R. 6616. A bill to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions; to the Committee on Armed Services.

By Mr. WALTER (by request):

H. R. 6617. A bill for the relief of Boris Kowerda; to the Committee on the Judiciary.

By Mr. WINSTEAD:

H. R. 6618. A bill for the relief of Etha Dora Johnson; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

299. By Mr. HERLONG: Petition of Mrs. H. A. McDonald and others of Ocala, Fla., urging Congress to get alcoholic-beverage advertising off the air and out of the channels of interstate commerce and thus protect the rights of States to prevent advertising within their borders; to the Committee on Interstate and Foreign Commerce.

300. By the SPEAKER: Petition of the secretary-treasurer, California Association of Airport Executives, Inc., Fullerton, Calif., relative to urging passage of the amendments to the Federal Airport Aid Act as proposed in Senate bill 1855; to the Committee on Interstate and Foreign Commerce.

301. Also, petition of the State secretary, Grand Council of Virginia, Order Fraternal Americans, petitioning consideration of their resolution relative to destruction of the present immigration and naturalization laws, and condemning any effort to amend the McCarran-Walter Act; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Commencement Address by Hon. Edward Martin, of Pennsylvania, at the Eastern Baptist College, St. Davids, Pa.

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 1, 1955

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered at last Saturday's commencement exercises at the Eastern Baptist College at St. Davids, Pa.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS OF HON. EDWARD MARTIN, OF PENNSYLVANIA, AT THE EASTERN BAPTIST COLLEGE, ST. DAVIDS, PA., May 28, 1955

I deeply appreciate the high honor of being invited to address you this morning.

Never in the history of our country has the place of our colleges been as important as it is today.

We cannot praise too highly the tremendous contribution of the small colleges of America toward the maintenance of the American way of life. If we are to continue as a land of liberty and opportunity the small colleges must be preserved and protected.

They must be supported on a financial basis adequate to sustain their historic part in developing leadership for our country.

They must be kept free from dependence upon government. They must be kept free from bureaucratic regimentation and control. They must have freedom in their cultural, spiritual, and academic policies.

The small colleges of America are the guardians of the religious tradition in education. They have produced leaders in business and industry, science, education, military affairs, government, and the church.

No dictator will rise among us so long as our small colleges teach young men and young women to lead clean, decent, God-fearing lives and to appreciate the real meaning of patriotic Americanism.

We live in a time of desperate challenge. Great problems confront us.

Your generation will be called upon to assume responsibilities of vast magnitude. You will be called upon to assume the burden of a world torn by two conflicting ideologies.

One preaches the Word of God, sustained and strengthened by faith in the divine teachings of the Holy Bible.

The other plots in darkness to enslave mankind under a cruel tyranny that denies God and would tear down all that we hold sacred.

One believes in freedom under God as the source of all human progress. That philosophy, to which we adhere, upholds the dignity and sanctity of the individual. The other would destroy all freedom and all religion except worship of the state. In the Communist philosophy the individual exists only to serve the purposes of the government.

Within the lifetime of all of us here today revolutionary changes have taken place.

The swift pace of modern scientific development has touched upon every aspect of human activity. The old concepts of time and space have been swept away. Research into the secrets of nature has made possible the destruction of civilization should the world become involved in total war.

I bring these grim facts to your attention only to emphasize my firm belief that the future of mankind depends upon a clear understanding of the eternal and unchanging truths that govern the destinies of men and nations.

Let us, therefore, consider some things about the American Government and the American way of life.

The Founding Fathers erected a great landmark in human progress when they proclaimed that the right to "life, liberty, and the pursuit of happiness" are divine endowments, bestowed upon all mankind by the Creator of the universe. They built the foundation of our Republic on faith in God. They placed their reliance upon the ideals that have guided men of good will on the path of honor and righteousness since the dawn of Christianity.

Their plan embraced the fundamental proposition that governments derive their just powers from the consent of the governed.

They knew, however, from their profound study of history, that great democracies of the past had failed because the moral fiber of the people had become undermined by greed and corruption—because the people demanded their rights but failed to appreciate their obligations.

They knew that tyranny and dictatorship had always overwhelmed free people who ignored the sound principle that government has nothing to give except that which it first takes from the people.

They feared that the people through their own votes would rob the Public Treasuries—that they would fail to recognize that no government can give security—that anything given by government is counterbalanced by some loss of freedom.

Therefore, in framing the Constitution, the Founding Fathers sought to protect the rights and personal liberty of every individual from oppression by government and by their own acts. They established a constitutional Republic under which the people govern through their duly elected representatives. They adopted a Bill of Rights, placing definite limitations on the power of the chosen representatives of the people.

These fundamentals of the American system of government are well known to you. I mention them only because I believe that the principles and precepts of the Founding Fathers should be told over and over again until every citizen, young and old, understands and appreciates what America means and the reasons for its greatness.

As graduates of a fine, Christian college you are qualified by background, education, and experience to take leadership in the big job of teaching Americans the reasons we have become such a powerful Nation.

We must teach the glories of the American way of life and what it has accomplished. We must arouse among our people a deeper recognition of personal responsibility for good government. We must teach our people to be self-reliant, tolerant, and unselfish.

Our people should be taught in the schoolroom, from the lecture platform, the pulpit, the legislative halls, and the courts the difference between our republican form of government and the Communist system of Soviet Russia.

We must emphasize that freedom of the individual, as ordained by God, is the firm foundation of our national strength.

Americans are guided by the sacred principles of their religious faith. In the Communist philosophy there is no God; therefore there is no morality, no truth, no honor, no justice.

In the United States we the people are the Government. In Soviet Russia the people are ruled by the iron hand of tyranny. They have no choice, no voice, and no vote. They have no rights, no privileges, no freedom.

Under our Republic, government is the servant of the people. Under the distorted concepts of godless communism, government is the absolute master of the people—the will of the dictator is all powerful.

Many reasons have been advanced to explain why the United States has become such a great and powerful country. If we make an analysis, we find that we have no more intelligence. We have no greater natural resources. We have less territory than many of the competing nations.

Then why is it that in 200 years we have carved out of a wilderness a nation that is the world leader in material, cultural, and spiritual attainment?

Why is it that with only about one-sixth of the world's population and territory, we produce one-third of the world's goods?

To my mind, it can all be summed up in the fact that we have freedom of the individual—that here the dignity of man is recognized because he was created in the image of God.

Recognizing those ideals, we have lived under a system of government which has left personal ability and productive capacity unshackled. It gives to each man the rewards of his ingenuity and hard work.

There is another side. A great thinker once was asked why North America has advanced so much more in material progress than South America. South America, as you know, has some of the richest natural resources ever uncovered in the world. They have hard-working people. The answer was that those who came to South America were in search of gold, while those who settled North America were searching for God.

We are so fortunate that our country was built on the everlasting premise that God is sovereign and that the law comes from God.

In all the history of our country, great men—dedicated men of the cloth—have preached the word of God and the way of Christ.

There have always been great preachers to stand in the pulpits and guide the spiritual lives of our people.

There have always been church leaders and educators of great moral courage to fight against evil conditions that bring corruption into private lives and public affairs. Those men knew that the moral standards of government cannot rise above the spiritual strength of the individual citizen.

They did not hesitate to take an active part in public affairs and to fight for clean, decent, honest government in order to protect the liberties of the people.

They taught that obedience to the laws of God and man is the foundation of good citizenship.

No matter what career you may choose as your life work, I suggest that you study the lives and achievements of the great teachers and preachers who dared to fight for the principles of government in which they believed. Their example of militant Christianity can guide us today in meeting our duties and responsibilities as Americans.

I ask you to remember that religious duty and civic duty are interwoven.

Without the sustaining power of religion the United States could never have become the greatest and most powerful Nation of all time.

Without religion the blessings of freedom which we now take for granted could never have been ours.

Through religion unity of purpose was achieved; the will to help one another was strengthened.

Without religion there can be no lasting peace.

We must develop a stronger and more willing spirit of public service, civic-mindedness and moral leadership. We all should take part in government.

You all know about the three R's in early education—reading 'riting, and 'rithmetic. There have now been added three more R's—reality, responsibility, and reverence.

Things in the world are real. Let each of us prepare to do something to make a better world. Let us accept our full share of responsibility in our communities, the State, the Nation, in civic affairs, and in the church. We must appreciate decency, courtesy, and reverence.

If we are to retain our individual freedom, all Americans must be alert. We must realize that it is our Government.

What endangers our Government?

It is bigness. Twenty-five years ago we had 600,000 employees in the Federal Government. Today, even after a reduction of 200,000, we have 2,300,000 on the Federal payroll. The cost of the Federal Government 25 years ago was $3 billion a year. It is now $67 billion. The national debt 25 years ago was $25 billions. It is now $280 billion.

In 15 years private and public debt in the United States has multiplied by three.

These are things which should have your attention because the solvency and stability of our Government has a direct relationship to freedom of religion and the progress of education.

But regardless of American shortcomings, we are the hope of the world. In our prayers let us thank God that we are Americans.

In closing let me recall the words of Woodrow Wilson who said, and I quote:

"Freedom and free institutions cannot long be maintained by any people who do not understand the nature of their government."

For a better understanding of the nature of the American Government, let us teach that the three great supports in the tripod upholding the American way of life are:

1. Faith in God, in ourselves and in our fellow men.

2. Faith in our constitutional form of Government.

3. Faith in our plan of economy.

You can serve our country by teaching Americans what our Government really is and what American freedom means to us and to the world.

Program of Congress

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, June 1, 1955

Mr. WILEY. Mr. President, last Saturday night, May 28, it was my privilege to deliver an address broadcast from station WGN, Chicago, as a part of a regular series of reports to people of the Midwest.

My subject was the program of the 84th Congress for its 1st session.

I ask unanimous consent that the text of this talk be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CONGRESS' PROGRAM FOR 1955

(Address by Hon. ALEXANDER WILEY, of Wisconsin, over station WGN, Chicago, May 28, 1955)

I would like to talk to you tonight about the work of your United States Congress in Washington.

I am going to set forth the things which I think your Senators and Representatives should be doing in the months remaining in this first session of the 84th Congress.

I am going to spell out a detailed legislative program.

I will tell you the bills that I am personally for; how I intend to vote on them.

I will mention such important subjects as—

The problem of the city person and the farmer;

Problems of national defense; the matter of small business;

The problems of our young people and of our old people; the health of America, and many other issues.

I'M FOR IKE'S PROGRAM

Basically, I am for the legislative program of Dwight D. Eisenhower. It is a forward-looking, dynamic program.

It conforms to the best principles of the Republican Party—but it is big enough, broad enough—to win the enthusiastic support of millions of independent voters as well.

What America wants is an All-American program, not just a Republican program. And that is what Dwight D. Eisenhower offers.

America doesn't believe in extremism of the right of extremism of the left.

It doesn't believe in stand-pat reaction or in wild-eyed radicalism.

America wants stability; it wants continuity; but it wants a modern program for the future, it doesn't want narrow-minded partisanship.

In domestic affairs, America wants Eisenhower moderation. In international affairs, it wants Eisenhower leadership in the world-wide alliance against communism.

Now let's get down to cases on what Congress' program should include.

INVINCIBLE DEFENSE

Now, first and foremost, is the matter of adequate defense. The No. 1 challenge to the Congress is the survival—I repeat—the survival—of America in the face of the worldwide Communist peril.

That is why Congress should closely evaluate and strengthen the present and future adequacy of our Army, Navy, and Air Force. In this dangerous atomic age, we cannot be "second best."

The Soviet Union is making alarming progress in her atomic development, in her long-range bombers.

And, so, I am personally in favor of accelerating our most crucial military programs. I think that we must still further strengthen our United States strategic aviation, heavy, and medium jet bombers.

I think that we should speed up our effort for the development of intercontinental missiles, both guided missiles and so-called ballistic missiles.

I think that we should speed up our program for atomic development—for nuclear-powered ships, above the sea and below the sea.

I think we should speed up our research into atomic powered airplanes.

I don't believe in wasting a dime, but I do believe that every single cent which is necessary for the most modern American defense and offense should and will be paid. Why? Because, it is a matter of our own survival.

STANDBY CONTROL POWERS

That is why we've got to get civil-defense "on the road."

It is why we've got to pass standby control powers for any emergency which may arise. I don't believe in leaving plans unmade until the last minute—when it may prove too late.

JUVENILE DELINQUENCY

Now, secondly, on problems right here at home, I want to turn to the problem of young people and old people.

This session of Congress, in my judgment, should not close without passing juvenile delinquency control legislation. I personally have sponsored such bills. I think that it is essential that a comprehensive program be set up so as to end the situation which has arisen with an appalling number of youngsters getting into trouble.

As a matter of fact, a million of our children are getting into trouble with the law every year. A third of a million end up in the Nation's courts.

That doesn't mean, of course, that the youngsters of America aren't fundamentally sound and wholesome. On the contrary, 95 percent of our youngsters never get into trouble at all. But the 5 percent that do get into trouble, merit our careful attention.

So, we need strong coordinated action, by home, church and school, by Federal, State, and local governments to help protect our young people. As a member of the Senate Subcommittee on Juvenile Delinquency, I pledge my continued efforts toward those ends.

OLD-AGE SECURITY

Now, I want to turn to the other end of the age scale. I want to turn to the problems of our old folks.

Ten percent of our population is aged 65 years or older. Too many of our old people find themselves on the scrap heap, so to speak. They can't find jobs because of prejudice against old age. They have problems of inadequate recreation, of health; they have problems of housing.

That is why I am a cosponsor of legislation to set up a new commission on the problems of the aged.

I think old people are a great human resource which we can ill afford to squander.

I think that men's and women's older years can be their best years. I recall the words of the poet: "Grow old with me; the best is yet to be."

I think that there is no real limitation on man. Chronological age does not matter one bit compared to men's thinking and their spirit. As we are young at heart, we are young in mind and body, and I am for a square break for old folks.

That is why I've introduced bills to liberalize social security. It is why I've offered the Wiley bill to extend old-age pensions to attorneys at law.

It is why I'm in favor of giving higher incentive to older folks to continue to work in their later years, without losing their modest pensions.

RAISE MINIMUM WAGE

Now, let me turn to the problems of the laboring man.

I think that the minimum wage ought to be increased. Right now it is only 75 cents an hour.

There is an unfortunate tendency for industries to shift from the North to the South merely to get the benefit of cheaper wage rates in Dixie.

Now, I am for fair competition between sections and States. But I have seen industries pack up and leave my own State of Wisconsin and leave other Midwestern States, and I certainly don't want to see more of

them leave our Northern States because of unfair southern wage differentials.

I think workers in the South are entitled to decent wages. "The laborer is worthy of his hire."

And I think workers in Wisconsin, as well as in Illinois or in other States, are entitled to a decent minimum wage. You can't raise a family these days on $30 or so a week for a 40-hour week, and so I definitely believe that the minimum wage should be increased.

PROTECTING CONSUMERS

I've referred thus far to the problems of defense, of old people and young people and workers.

Now, what about the consumer? I am in favor of definite protection of the consumer.

That is why I will continue to fight against the effort which would destroy controls over natural gas. If these controls were destroyed, natural-gas rates—which are already high—would skyrocket. That must not happen. It will not happen, if consumers get busy and write to the Congress, urging fair protection and fair controls on gas rates.

JUSTICE FOR THE FARMER

Now, what about the farmer? There are several key points I want to mention as regards the farm program.

First of all, I believe that farm parity should be increased. I think that the farmer's income has been nosediving, and that the time has come—in the national interest—to halt that nosedive.

I think that the dairyman has been having a particularly serious problem making ends meet. And I see no reason why the dairyman should not get the same amount of parity return as do the producers of the so-called six basic crops.

After all, there is nothing more basic nor more essential than milk: nature's first food, nature's best food.

And I think that it is a shame that some of our dairy farmers have had to sell out, have had to auction off their livestock and close their farms.

The dairyman is entitled to a just price, as are other United States farmers.

Toward that end, I have introduced a bill to establisn in Madison, Wis., the capital of my State, a dairy research laboratory. I think that such a laboratory could prove a tremendous boon for the dairymen of our country, and for every American as well.

It could help improve America's health; it could help improve the stability of our dairy industry. And that is why I have introduced the bill for a dairy research laboratory, in hope my listeners will give it their support.

SMALL BUSINESS ADMINISTRATION

Now, what about the problem of the small-business man?

On June 30, the Small Business Administration will die unless it is renewed.

I am very definitely in favor of renewal of this agency's authority to exist. If anything, we need more small businesses in America, rather than fewer.

As you and I know, there is a tendency toward mergers in our country today. There is a tendency for more and more relatively large corporations to swallow up smaller ones.

In addition, right now, tax rates tend to discriminate against the small businessman. He can't raise sufficient capital. And if he earns a profit, he can't keep it, because Uncle Sam grabs it up.

I think that the Federal Small Business Administration can do and has done a vital job, to protect smaller enterprises, and that is why I am very definitely in favor of continuing it.

SEAWAY CHANNELS

Now, what about the problem of internal improvements in our country?

One of the most important such problems is the matter of the Great Lakes connecting channels. This is the legislation for $100 million to, in effect, complete the Great Lakes-St. Lawrence Seaway.

By enacting this bill, by deepening the connecting channels, above Lake Erie, we will have a 2,400 mile long artery into the heartland of the North American Continent.

We will have a fourth great coast on the oceans. The Great Lakes—the heartland of America—will have 27-foot deep water access to the ports of the world.

That is why the deepening of the connecting channels—as proposed in the Wiley bill—must be authorized.

Moreover, once the proposed Cal-Sag Canal is completed, as I believe it should be, we are going to see an artery right down through the midpart of North America, so that shipping can move from the Great Lakes to the Mississippi down on the gulf coast. This, too, will strengthen America internally. I am definitely in favor, therefore, of completing the Calumet-Sag Waterway.

MISCELLANEOUS BILLS

Now, friends, in the few minutes remaining to me, I'll like to mention a few of the other subjects which I believe your Congress should advance.

Let me just refer to them briefly:

1. Roads—The Congress should, I believe, enact the President's broad-visioned program for highway improvement. We can't continue with horse and buggy roads which are already choked with traffic.

2. Second, anticommunism: We should strengthen our internal-security laws by closing certain loopholes which now exist and by putting more teeth into anti-Red statutes. That means, for example, passing the Wiley bill to increase the penalties against seditious conspiracy.

3. Third, crime: There are several key anti-crime bills which we of the Kefauver crime committee had recommended but which Congress has not enacted. These bills—against gambling, tax evasion by gangsters, interstate bookmaking, and the like should definitely be enacted without further delay.

4. Taxes: There should be further liberalizing of the tax laws. That's one reason why I've offered a bill to permit parents to deduct the heavy cost of educating their youngsters in college. And, too, there should be more tax deductions, for working mothers.

5. Now, fifth, reservists: Congress should definitely provide a fairer break for our reservists who have been treated very arbitrarily in the past by the Pentagon.

Many World War II veterans were called back into the colors for the Korean conflict even though other men, without any prior service were not called at all. Reservists are the backbone of our defense and must be treated fairly.

6. Education: Congress should make available oil revenues from the rich outer Continental Shelf for purposes of bolstering United States national defense and for purposes of school aid.

7. Health: Pending bills to provide a Federal program for expansion of United States medical schools, training and research centers, should definitely be enacted in the interest of better health for all.

Meanwhile, Congress should continue its various investigations:

Its probing of subversive forces.

Its investigations of monopoly.

Its investigations of the causes of juvenile delinquency.

Its investigations of Canadian stock swindlers, a probe of frauds and racketeers, conducted in the interest of the investing public, which I personally have been spearheading.

And other probes against graft and corruption should likewise continue.

CONCLUSION

Well, friends, I want you to know that I've enjoyed submitting this legislative program to you.

I hope that you've found it helpful.

It would be a pleasure to get your reaction to it; just write me what you think Congress should do prior to its scheduled adjournment.

This is ALEX WILEY signing off from Washington, D. C.

Independence Day

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. GWINN. Mr. Speaker, Spiritual Mobilization, 1521 Wilshire Boulevard, Los Angeles 17, Calif., is, for the fifth consecutive year, urging an observance of Independence Day which calls attention to the spiritual foundations of the Government of the United States of America and to the inherent relationships between religious faith and freedom.

The Government of the United States of America was the first in history established on the recognition of the fact that man is free only as he seeks freedom according to divine laws. The signers of the Declaration of Independence acknowledged that the freedom they proclaimed was a gift from their Creator. The Declaration of Independence is a proclamation of conviction in the supreme worth of each man as a child of God. It heralded the birth of a Nation in which each man might claim his birthright of freedom under God. It proclaimed that there is no freedom but freedom under God. Thereafter people would have the right to be what they ought to be and to possess what they ought to possess.

"The freedom under God observance of Independence Day" was originated, under Spiritual Mobilization's sponsorship in 1951, through a 175th anniversary committee. The Honorable Herbert Hoover and Gen. Douglas MacArthur were among the committee's 89 distinguished members. Focusing attention on the religious significance of America's heritage, this annual nationwide effort enlists the support of clergymen, public officials, businessmen, clubs and organizations, publishers, and broadcasters. Governors and mayors throughout the country each year, issue official proclamations for a "Freedom under God observance of Independence Day."

Individuals are urged to take part in the "Freedom under God observance of Independence Day"—

By commemorating the birth of our country with personal dedication to the spiritual concepts set forth by our Founding Fathers;

By reading and pondering the Declaration of Independence in an effort to understand and value its profound meanings;

By recognizing that God is the source of freedom and that "men are endowed by their Creator with certain unalienable rights";

By fortifying freedom with faith in God, faith in one's self, faith in other men;

By writing editors, columnists, commentators and public officials their opinions on happenings which infringe on individual liberty;

By personally taking the responsibility for meeting a community need or for helping another stand on his own feet;

By applying religious principles to every problem they face.

Spiritual mobilization assists individuals and groups in contributing to the "Freedom under God observance of Independence Day" by making available on request a variety of material and literature designed to inject the "Freedom under God" theme into the observance of Independence Day. It would be difficult to conceive of a more fitting and, in these critical times, a more significant day than July 4 on which each of us may once again rededicate ourselves to the purposes for which our forefathers pledged their lives, their fortunes, and their sacred honor.

We hope that everyone will act within their own sphere of influence to help carry out this "Freedom under God observance of Independence Day, 1955."

Independence Day of Armenia, May 28, 1918

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. LESINSKI. Mr. Speaker, much of the tension in the world today arises from the fact that so many nations have been deprived of their freedom and independence. Under such conditions there can be no real or lasting peace. The United States by espousing the cause of self-determination for all nations both great and small has become a beacon of hope for those enslaved or subject to alien domination.

As the leader of the free, the United States, is striving to ease those international tensions that have their roots in the denial of liberty to so many millions in Europe and Asia and thus bring back genuine peace to our world.

Among those nations which today are deprived of their independence is Armenia. Armenia's political independence was lost late in the 14th century, and from then until 1918 the Armenians had not known what it meant to be free. For more than 500 years their historic homeland was overrun and parcelled out among its conquerors—Persians, Russians, and Ottoman Turks. During all that time they suffered many hardships and lost heavily in worldly goods; often they were subjected to wholesale massacres. Early in World War I their very existence as a people was threatened in a massacre unprecedented in modern history. One million Armenians lost their lives in that atrocious butchery. But the survivors of those horrors did not lose heart. Early in 1918 in a portion of their homeland then part of the old Russian Empire, they declared their national independence on May 28, 1918.

It is that day which is being celebrated today in all Armenian communities where there is freedom to celebrate national holidays. Armenian independence was supported by the United States and we gave our moral and financial assistance to the struggling government of that counry. We tried to help it in every way possible. At one time we were even asked to be a mandatory over Armenia but, not being as fully conscious of our world leadership as we are today, we declined it. Besides, the course of international events proved fatal to Armenian independence. Late in 1920 the new Republic of Armenia became an easy victim of aggressive Turkish nationalism and expanding Russian communism.

Since then Armenian independence has vanished, but the Armenian people and their sympathetic friends continue to celebrate that independence day in the hope that someday, and perhaps soon, they may regain their independence. I heartily join in this memorable celebration.

Peace Talks for United Nations Meeting

EXTENSION OF REMARKS
OF
HON. JOHN F. SHELLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. SHELLEY. Mr. Speaker, inasmuch as the 10th anniversary of the founding of the United Nations will be commemorated in June of this year by a special session of the general assembly in the district which I have the honor to represent in San Francisco, the birthplace of the U. N., I want to call the attention of the House to a meritorious suggestion recently advanced to further the purposes of that historic occasion. Dr. Persio C. Franco, a former diplomatic representative of the Dominican Republic now living in the United States, has suggested in a letter to the New York Times that all living recipients of the Nobel peace prize be invited to attend the commemorative sessions as a mark of our continuing devotion to the cause of world peace.

It seems to me personally that this idea has merit beyond the simple recognition of the personal attainments of these distinguished people. Should the United States officially accept and sponsor the proposal by Dr. Franco, the act would present further tangible evidence to the world of our unswerving purpose to bring peace to the world through peaceful means—the basic ideal to which the majority of United Nations are dedicated and for which it was founded. The Nobel peace prize has gained universal recognition as a symbol of man's efforts to attain that end despite seemingly endless setbacks. The outstanding citizens of many countries who have received the award have already contributed much to the cause of peace. Their presence at the coming U. N. sessions in San Francisco would certainly lend emphasis to the fact that we as a nation and the other member countries of the U. N. who honestly subscribe to its principles have not allowed the frustrations we have experienced to make us forget the goal we had in mind when President Roosevelt conceived and President Truman put into execution the plans for the establishment of the United Nations.

Mr. Speaker, I intend to urge Secretary of State Dulles and Ambassador Lodge to place the United States squarely behind this proposal. I can think of no better way to impress upon the world our wholehearted sincerity in clinging to the hope for a permanent peace among nations without recourse to the sword or nuclear weapons. I submit Dr. Franco's letter to the New York Times for printing with these remarks so that the Congress and the people of the United States may lend their voices in support of his well-conceived plan:

WASHINGTON, *May 24, 1955.*

To the EDITOR OF THE NEW YORK TIMES:

The paramount objective of the United Nations—the most important concern of all mankind—is the creation of peace among the peoples of the world. The men who have been awarded the Nobel peace prize have made exceptional contributions toward the attainment of that objective. Of them the following are still living:

Sir Norman Angell, British, born 1874, received the prize in 1933; Dr. Carlos Saavedra Lamas, Argentinian, born 1880, prize 1936; Viscount Cecil of Chelwood, British, born 1864, prize 1937; Cordell Hull, American, born 1871, prize 1945; Prof. Emily Green Balch, American, born 1867, prize 1946; Lord Boyd Orr of Brechin, British, born 1880, prize 1949; Ralph J. Bunche, American, born 1904, prize 1950; Albert Schweitzer, French, born 1875, prize 1952; Gen. George C. Marshall, American, born 1880, prize 1953.

I suggest that they be invited to attend and address the assembly to be held next June 20–26, at San Francisco in commemoration of the tenth anniversary of the founding of the United Nations; also Pearl Buck, American, and Gabriela Mistral, Chilean, who won the Nobel literature prizes for 1938 and 1945, respectively; and Emilio Bello Codesido, Chilean, who is the dean of Pan Americanists. He is the sole survivor among the delegates to the first and second international Conferences of American States, held in Washington and Mexico City in 1889 and 1901, respectively.

These eminent men and women could speak to the assembly in behalf of all peoples of the world, including those that are not officially represented in the United Nations.

PERSIO C. FRANCO.

A United Nations Police Force

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. RODINO. Mr. Speaker, in the fall of this year the United Nations General Assembly will consider whether to hold a conference for a review of the United Nations Charter. It is almost certain that such a conference will be

held. The Senate Foreign Relations Committee has been conducting extensive hearings to find out if the United States should propose any revisions of the charter at that time.

It seems to me that the question of a United Nations police force should loom large in any review of the charter. It is one of the major problems in organizing the nations of the world to provide for the security under which all could live in peace.

Under the charter, all members of the United Nations assumed the obligation to make armed forces available to the Security Council, in accordance with a special agreement or agreements. The agreements were to be negotiated between the Security Council and individual members or groups of members and to be subject to ratification. Negotiations were initiated in the United Nations soon after its establishment to determine what forces the Big Five Powers should make available, but a deadlock soon developed between the Soviet Union and the western countries as to the balance of forces to be provided by each major country. It soon became apparent that the Soviet Union had no intention of approving any agreements and would use its veto to block approval, and that further negotiations in the Security Council would be fruitless.

In 1950 at the height of the Korean war the United Nations General Assembly passed what has become commonly known as the "uniting for peace" resolution. In it the Assembly recommended that each member maintain within its armed forces elements so trained, organized, and equipped that they could be made available, in accordance with its constitutional processes, for service as United Nations units, upon recommendation of either the Council or the Assembly. This marked a step forward in providing that the Assembly should exercise concurrent jurisdiction with the Council in recommendations on the creation and use of armed forces, but progress along the path opened up by the resolution has been slow—indeed, almost negligible. It was to be expected that there would be no response from the Communist bloc to such a recommendation. Even among the free world nations, however, a demonstrated willingness to contribute forces to the United Nations for the maintenance of peace has been almost totally lacking.

The United States was called upon to furnish a grossly disproportionate share of the manpower and equipment toward the winning of the Korean war. Even taking into consideration the economic difficulties and military commitments elsewhere which kept many of the free nations from joining in the common effort, much more could and should have been done by the other members of the U. N. It is inequitable and unjust for many U. N. members to bask in the security provided by belonging to the United Nations and not to fulfill the responsibilities which membership imposes upon them. Moreover, if one member-state shirks its responsibility and is able to do so with impunity, then another may do the same thing and soon the whole system of collective security disintegrates.

Perhaps there should be an amendment to the charter which would provide that members would contribute a certain quota of their forces based on population for use by the United Nations. If this were not acceptable, maybe some system could be devised whereby members making decisions on war and peace in the United Nations could be limited to those which are willing to contribute forces for carrying out the decisions. This could have the effect of inducing some members to contribute which might not do so otherwise. Since the Communist countries would almost certainly refuse to join in a U. N. police force, this would bar them from sharing in the decision-making. In Korea, the Soviet Union aided the aggressors, and at the same time participated in the decision-making in the United Nations, involving the organization in paradoxes of principle and procedure which placed a severe strain on cooperative efforts to resist the aggression.

There are many knotty problems of policy and method which would be encountered in a serious attempt to establish a United Nations police force. Would a two-thirds vote in the Assembly be an effective procedure for deciding to use the police force? Should there be a definition of aggression in the Charter so that it would be unmistakably clear when it was lawful to use such a force? These are examples of the questions which would have to be answered. However, one thing is clear: until overwhelming power is put behind just law there will be no lasting peace. And in the atomic age peace has become sheer necessity for the survival of mankind.

Although regional arrangements, such as the North Atlantic Pact, are effective within their limited range, it is important to go further and devise an international framework within which all nations of good will could be allowed, and would be expected, to do their share in sustaining the forces of international law and order.

Memorial Day Address

EXTENSION OF REMARKS
OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1955

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Memorial Day address given by our colleague, the Honorable JAMES M. QUIGLEY, of Pennsylvania, on Monday, May 30, 1955, at Camp Hill and New Oxford, Pa.:

We are gathered here today on this sacred ground to remember our dead and to pay special tribute to those men and boys who were born and grew up in this area and who then went forth to offer their lives so that we and our country might live. It is proper that we should do this—for this is the purpose of Memorial Day. This is the reason for the holiday.

Unfortunately, this day will come and go, and have little or no significance for many Americans. The meaning of Memorial Day will be lost in the roar of racing automobiles, the cheering at the doubleheaders, in the excitement of the season's first picnic. Too many Americans will be so wrapped up in their pursuit of happiness that they will not remember even for a moment that good, brave men met death that we might continue to live in America with the reasonable hope of meeting up with happiness somewhere along the way.

Fortunately, however, there are many good Americans who will remember. Throughout the length and breadth of this land—in small towns and big cities—men and women will gather today, as we are gathered here. In simple but dramatic ceremonies, our honored dead will be remembered. And the honor thus bestowed upon our war dead should serve to remind all of us of why they died, and to help us to be more firmly resolved that they did not die in vain. For Memorial Day will indeed become a shallow thing when it fails to remind all of us of our duties as citizens. Duties which are always with us. Duties which may be more colorful and romantic in time of war but are nonetheless vital and unavoidable in time of peace. This is indeed the true value of Memorial Day that, remembering those who sacrificed even life itself, for the American ideal, the living may take courage and strength in their defense and development of that ideal.

America can be proud that it was the first Nation of the world to set aside a day on which to pay tribute to those who died in defense of their country. It is not fitting, however, that we should remember only those who died and at the same time to forget those who are still suffering from wounds received in service, particularly the paraplegics, the amputees, and the mentally ill. These men and their families have paid and are paying even a higher price than those who met death on the battlefield.

It is true that in indirect ways—such as the sale of poppies these, our living dead, are remembered on this day. It is also true that throughut the year our veterans' organizations and their auxiliaries do a grand job of easing the burden of our hospitalized veterans. But, sad to note, by and large this Nation as a whole does a pretty thorough job of forgetting those veterans who were unable to march home from the wars. This forgetfulness is not to our credit as a people.

I trust that we will live to see this defect in our Nation's character corrected. It has been my hope for sometime that the day will come when this Nation will have a day set apart to memorialize and pay tribute to our disabled war veterans. I visualize that on this day, dedicated to the disabled, good men and good women, led by their former comrades in arms and fellow veterans, will flock to the various veterans hospitals to visit and to cheer and to pay tribute to those to whom we owe so much and remember so seldom.

I express this hope fully conscious that in many respects this country can't stand another holiday. Our holiday accident rate for example is indeed a crime and a disgrace. I make the suggestion for this special day for the disabled even though I share the feeling that we in America already have too many special days and special weeks for a vast variety of purposes, good, bad, and indifferent. Nevertheless I urge the establishment of just this 1 more day, for just this 1 more purpose because I believe that by and through such a day we can, in a small way, fulfill our duty to those less fortunate and at the same time focus public attention on the great work of rehabilitation that remains to be done in this field.

I do not presume to suggest when such a day should be observed. Initially my thinking was that it should be the anniversary of V–J Day, because while the Civil

War gave us Memorial Day and World War I Armistice Day, now almost 10 years since its end, no special day of remembrance has been effectively set aside to commemorate World War II. However, I am no longer certain that V–J is the ideal day. This change in my thinking is caused in part by the fact that just a year ago tomorrow the President signed into law an act of Congress which caused Armistice Day as this country has known it since the end of World War I to go out of existence and to be commemorated henceforth as Veterans' Day. This presidential and congressional action was in a sense a recognition that Memorial Day and Armistice Day tended to duplicate one another. I suppose it was this recognition of duplication and a desire to avoid triplification more than anything else which prevented the successful establishment of a special day to commemorate World War II.

In any event, on the basis of the action of Congress this Nation will now officially remember its war dead, of all wars and of every battlefield on 1 day out of the year. That day is today, Memorial Day. Likewise from now on this Nation will officially remember its veterans, of all wars and every battlefield, 1 day out of the year and that day will be November 11. In the light of this development I seriously suggest that from now on November 11—Veterans' Day—would be the ideal day to give special honor and special remembrance to those veterans who have sacrificed in an especially hard way for the defense of our country.

If such a day is to become a reality, it will need more than my dreaming. But all it really needs, is a few people who believe that it is a dream worth dreaming and with a willingness to do something about it. After all, Memorial Day was the result of the efforts of a few women and we as a nation are grateful to a Philadelphia Sunday-school teacher for giving us Mother's Day. There is no reason why we could not this morning light the spark that could spread throughout the entire country, the burning desire to do more for our disabled. From the town of Camp Hill starting at this moment, there could go forth an ideal, a spirit which could eventually add much of character and beauty to our national life.

Such a project would indeed be worth our efforts. Few of us, in our lifetimes will have an opportunity to participate in an effort more worthwhile. I humbly but honestly submit this my dream, for your consideration and action. A Memorial Day for our living dead would bring forth a public acknowledgment of our unpayable debt to those in the beyond who fought and died that this ceremony here today is not just so many hollow words, but a hallowed tribute to them and to all who fought and sacrificed in the defense of our great Nation.

It is within our power to make this a Memorial Day that will never be forgotten.

Holiday Highway Accident Toll Mounts—Speeding Automobiles Called Misguided Missiles

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. EVINS. Mr. Speaker, as usual, the aftermath of the Memorial Day holiday tells a sickening story of death and destruction on the highways of the Nation. Latest reports, which may be revised upward, indicate that some 360 persons were killed on the road in automobiles during the weekend just past when the Nation observed Memorial Day.

We call this holocaust which plagues our Nation with each national holiday season, a series of accidents. It would seem to me, Mr. Speaker, that there is very little "accident" connected with the driver who sends his car down the highway at terrific speeds or a driver who ignores traffic regulations drawn up for his safety or who drives while intoxicated. These drivers are not involved in accidents; they are involved in almost certain destruction. The accident victims are those whom these murderous drivers encounter or who are so unfortunate as to be passengers in these missiles—these misguided missiles of death.

A recent compilation of highway casualty statistics has been supplied by an esteemed friend and is a reliable and accurate report which, Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD. These statistics may startle, but they should be read.

The tables are as follows:

Actions of drivers resulting in deaths and injuries—1954

	Persons killed	Percent	Persons injured	Percent
Exceeding speed limit	12,380	45.7	659,000	43.1
On wrong side of road	4,970	18.3	131,480	8.6
Did not have right-of-way	3,060	11.3	351,670	23.0
Cutting in	100	.4	45,880	3.0
Passing on curve or hill	140	.5	3,060	.2
Passing on wrong side	320	1.2	32,100	2.1
Failed to signal and improper signaling	410	1.5	58,100	3.8
Car ran away—no driver	30	.1	3,060	.2
Drove off roadway	1,980	7.3	79,510	5.2
Reckless driving	3,440	12.7	142,200	9.3
Miscellaneous	270	1.0	22,940	1.5
Total	27,100	100.0	1,529,000	100.0

Age of drivers in accidents—1954

	Drivers in fatal accidents	Percent	Drivers in nonfatal accidents	Percent
Under 18 years	1,440	3.4	53,310	2.6
18–24 years	8,800	20.7	348,570	17.0
25–64 years	29,920	70.4	1,584,960	77.3
65 and over	2,340	5.5	63,560	3.1
Total	42,500	100.0	2,050,400	100.0

Operating experience of drivers in accidents—1954

	Drivers in fatal accidents	Percent	Drivers in nonfatal accidents	Percent
Less than 3 months	550	1.3	28,710	1.4
3 to 6 months	260	.6	16,400	.8
6 to 12 months	550	1.3	34,860	1.7
1 year or more	41,140	96.8	1,970,430	96.1
Total	42,500	100.0	2,050,400	100.0

Types of motor vehicles involved in fatal and nonfatal accidents—1954

	Vehicles in fatal accidents	Percent	Vehicles in nonfatal accidents	Percent
Passenger car	33,400	78.3	1,767,700	84.4
Commercial vehicle	7,290	17.1	215,750	10.3
Taxi	210	.5	58,650	2.8
Bus	470	1.1	33,500	1.6
Motorcycle	770	1.8	12,600	.6
All others	510	1.2	6,300	.3
Total	42,650	100.0	2,094,500	100.0

Condition of vehicles involved in fatal and nonfatal accidents—1954

	Vehicles in fatal accidents	Percent	Vehicles in nonfatal accidents	Percent
In apparently good condition	40,640	95.3	2,025,300	96.7
Brake defective	510	1.2	33,500	1.6
Steering defective	130	.3	6,300	.3
1 or 2 lights out	260	.6	4,200	.2
Taillight out or obscured	40	.1	2,100	.1
Other defects in equipment	600	1.4	16,800	.8
Puncture or blowout	470	1.1	6,300	.3
Total	42,650	100.0	2,094,500	100.0

Weather conditions prevailing in accidents—1954

	Fatal accidents	Percent	Non-fatal accidents	Percent
Clear	25,930	84.2	1,021,360	80.0
Fog	370	1.2	12,770	1.0
Rain	3,640	11.8	183,840	14.4
Snow	860	2.8	58,730	4.6
Total	30,800	100.0	1,276,700	100.0

Days of occurrence of accidents—1954

	Persons killed	Percent	Persons injured	Percent
Sunday	6,530	18.4	313,600	16.0
Monday	4,370	12.3	260,680	13.3
Tuesday	3,660	10.3	231,280	11.8
Wednesday	3,940	11.1	237,160	12.1
Thursday	4,080	11.5	245,000	12.5
Friday	5,470	15.4	307,720	15.7
Saturday	7,450	21.0	364,560	18.6
Total	35,500	100.0	1,960,000	100.0

Hours of occurrence of accidents—1954

	Persons killed	Percent	Persons injured	Percent
12 to 1 a. m	2,060	5.8	58,800	3.0
1 to 6 a. m	6,390	18.0	176,400	9.0
6 to 7 a. m	780	2.2	31,360	1.6
7 to 8 a. m	600	1.7	64,680	3.3
8 to 9 a. m	710	2.0	72,520	3.7
9 to 10 a. m	780	2.2	62,720	3.2
10 to 11 a. m	960	2.7	73,620	3.8
11 to 12 a. m	1,100	3.1	90,160	4.6
12 to 1 p. m	920	2.6	90,160	4.6
1 to 2 p. m	1,170	3.3	95,280	4.9
2 to 3 p. m	1,710	4.8	110,620	5.6
3 to 4 p. m	1,850	5.2	141,120	7.2
4 to 5 p. m	1,880	5.3	174,440	8.9
5 to 6 p. m	2,130	6.0	165,400	8.4
6 to 7 p. m	2,020	5.7	121,520	6.2
7 to 8 p. m	2,420	6.8	111,720	5.7
8 to 9 p. m	2,200	6.2	94,080	4.8
9 to 10 p. m	1,950	5.5	82,320	4.2
10 to 11 p. m	1,810	5.1	72,520	3.7
11 to 12 p. m	2,060	5.8	70,560	3.6
Total	35,500	100.0	1,960,000	100.0

Direction of travel of cars involved in accidents—1954

	Persons killed	Percent	Persons injured	Percent
Going straight	27,760	78.2	1,305,360	66.6
Turning right	570	1.6	33,320	1.7
Turning left	1,770	5.0	99,960	5.1
Backing	390	1.1	33,320	1.7
Skidding	2,240	6.3	70,560	3.6
Car parked or standing still	1,170	3.3	117,600	6.0
Slowing or stopping	430	1.2	239,120	12.2
Miscellaneous	1,170	3.3	60,760	3.1
Total	35,500	100.0	1,960,000	100.0

Almost 40 percent of the deaths occur on weekends.

Saturday was the most dangerous day of the week.

Crossing between intersections was the greatest cause of pedestrian casualties.

Drivers under 25 were involved in more than their proportionate share of accidents.

Three out of five deaths occur during the hours of darkness.

Ninety-five percent of the vehicles involved were in good mechanical condition.

Minimum Wage

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. LANE. Mr. Speaker, I wish to include herein my statement before the House Committee on Education and Labor favoring increase of the minimum wage to $1.25:

Mr. Chairman and members of the committee, the present minimum wage of 75 cents an hour is a law without a friend, because every sincere American is ashamed of it.

Those who do take advantage of it to avoid paying labor its just compensation don't qualify as citizens, or as human beings.

They are very close to being Communists, because they treat their workers as slaves.

It is a pity that we cannot bring them into court and sentence them to make restitution for this virtual nonpayment of wages, or, better yet, give them a 1-year term at the hard labor of trying to exist on $30 a week.

As long as the law freezes the wages of certain workers at starvation levels, the reputation of the United States will suffer from scorn and abuse, against which there is no defense.

Economic justice, equality of opportunity, at $30 a week?

I am positive that, if every Member of Congress could acquire the rugged field experience of trying to keep body and soul together on $30 a week, legislation to increase the minimum wage to $1.25 per hour would be passed immediately, and without a dissenting voice.

And a heavy burden of guilt would be lifted from our conscience.

Seventeen years have passed since the Fair Labor Standards Act (and we wince at that misnomer) was passed, 17 years of tremendous economic progress, 17 years during which the minimum wage, against opposition that it is almost impossible to imagine in this age of economic enlightenment, barely managed to get up to 75 cents per hour. In 1950, 5 years ago.

The great majority of employers pay their employees well. They are a credit to themselves and the Nation.

The few who pay substandard wages are being subsidized in fact, by the reputable enterprises who must make up the deficit.

Honorable business concerns must not only pay their own share in providing social and community services, but are forced to pick up the tab for the exploiters of labor. This is a rank injustice, which can only be corrected by raising the minimum wage, and thus providing some protection for both workers and responsible firms.

Any canvass of labor-surplus areas will reveal how vagrant industries search for these localities, and then start up operations with the sole intent of paying the lowest wages possible. Under the guise of providing employment, they force standards down, and depress the communities they profess to help.

They use the slave-labor minimum-wage law to cannibalize business.

They are an insult and a menace to everything that we value in our system of free and progressive enterprise.

The minimum budget necessary for a single American to support himself is $2,500 a year.

This is at the rate of $1.25 minimum hourly rate.

An average worker, with a family to support, would require more.

Anything less than this has a deteriorating effect upon the health, morale, and productivity of individuals and communities.

Compared with the steady increase in our gross national product, it is a contradiction leading to extremes and tensions that we must avoid if we are to keep our economy healthy and our people strong and confident.

An employer or a corporation claiming inability to pay workers more than $1.25 an hour has no right to hire human beings.

They can and should be made to pay a decent wage or suffer the consequences.

I am opposed to the decision that the hearings on this important legislation will not cover extension of the law to additional employers. This is a loophole that enables some irresponsible employers to escape from their obligations.

In conclusion, I heartily endorse the proposal to amend the Fair Labor Standards Act in a manner to raise the legal minimum wage from 75 cents to $1.25 per hour.

I believe that this increase should take effect just as soon as possible, and during this session of Congress because the laws of this Nation should promote the public welfare, and must never be misused as a shield to protect scavengers.

Real Nice Holiday, Yes?

EXTENSION OF REMARKS
OF
HON. JOHN H. RAY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. RAY. Mr. Speaker, under the permission granted to extend my remarks, I include in this statement a copy of a timely and vigorous editorial. It interested me and I hope all Members of the House will find it worthy of serious consideration. The editorial makes two points: First, that our so-called national holidays, other than those with religious significance, be celebrated on Mondays; and, second, that we simplify and improve the calendar along the lines of the world calendar printed with the editorial.

The second point is dealt with in the bill, H. R. 3588, introduced by the Delegate from Hawaii [Mrs. FARRINGTON] and referred to the Committee on Foreign Affairs. It proposes a slightly different form of world calendar from that printed in the editorial but the difference is not substantial.

One approach to the first problem presented in the editorial appears in House Concurrent Resolution 55, introduced by the Member from New Jersey [Mr. HAND] and referred to the Committee on the Judiciary. Since I desire to present to the committee a quite different treatment of the holiday-on-Monday problem, I have today introduced H. R. 6588, which reads as follows:

Be it enacted, etc., That, to all intents and purposes and in the same manner that they are now made public holidays by law, each of the holidays hereinafter named shall be celebrated on the day shown in the following list: New Year's Day, on the first Monday in January; Washington's Birthday, on the third Monday in February; Memorial Day, on the last Monday in May; Fourth of July, on the first Monday in July; Labor Day, on the first Monday in September; Armistice Day, on the second Monday in November; Thanksgiving Day, on the last Monday in November.

SEC. 2. This act shall take effect on January 1, 1956.

I hope all Members will give prompt and serious study to all of these bills and express their views to the appropriate committees.

The editorial follows:

REAL NICE HOLIDAY, YES?

We're assuming, of course, that things went smoothly for you throughout these past 3 days. No road accidents—no untimely squalls at your vacation spot—nobody forgot the can opener—and no seventh son of a seventh son of a sea cook talked you into just one more nibble at his special 8-to-1 martinis. Oh, brother.

So now how about us increasingly vacation-minded citizens sitting down and trying to figure out how we can achieve more of these refreshing 3-day breaks in the year's routine?

In this year of 1955, actually, we're not faring badly holidaywise.

Labor Day, of course, always falls on a Monday and thereby is the automatic windup of a triple-decker weekend.

The Fourth of July also will land on a Monday. And Armistice Day, by arriving on a Friday this year, will provide a 3-day-off spell for some of us.

But, as our present calendar operates, those 1955 breaks are just that—accidental. Next year, for instance, Fourth of July will come on a Wednesday. Try and squeeze a big holiday out of those 24 hours.

So what do we do? Well, more and more thoughtful citizens are pointing out that Congress can remedy this situation if it would, and quite simply. The setting of national holidays is one of our lawmakers' stated though seldom exercised chores.

CONGRESS CAN DO IT

Congress could do us all a handsome favor by decreeing that all United States holidays (excepting those with deep religious significance) shall hereafter and henceforth fall on Mondays. If you, too, would like to enjoy more of these Saturday-Sunday-Monday vacations per annum, why not write your Representative to that effect? Chances are he may feel the same way about it, and will welcome your support.

That's the fastest way to achieve some extra holidaying. But it still doesn't solve the whole problem of irregular and messed-up dates. That headache is basic, and its base is the obsolete, modified Gregorian calendar with which our Western world has been struggling since 1582.

Actually, today's date troubles go all the way back to Julius Caesar (100–44 B. C.). His astronomers tried their best, and so did Pope Gregory XIII's 16th century scientists, and some 1,760 adjusters. Theirs is the calendar we're using right now.

This time-measurer is not only a producer of erratic holidays, but doesn't jibe at all with modern business periods and bookkeeping methods. Its months are irregular and its yearly quarters are even more so.

On the other hand, a scientifically streamlined time chart on the order of the proposed World Calendar, printed below, would eliminate many of our year-measuring woes permanently.

BUSINESS BENEFITS

This modern calculator would begin every year and every quarter-year on a Sunday. Each quarter would have the same number of days—91. Each month would contain 26 weekdays, plus Sundays. Once set, a holiday would stay in its proper place—none of this casual flap-landing on any one of the week's 7 days.

Congress, if it will be so kindly, can provide us with more fine holidays like the one just past, and in quick order. In due time, we hope, the U. N. or some more effectual international body will start the wheels moving toward a much needed, brandnew calendar for our modern business world.

The proposed world calendar

FIRST QUARTER

January							February							March						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30

SECOND QUARTER

April							May							June						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30
																				**W

THIRD QUARTER

July							August							September						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30

FOURTH QUARTER

October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30
																				*W

*The year-end world holiday, W or Dec. 31 (365th day), follows Dec. 30 every year.

**The leap-year world holiday, W or June 31 (an extra day), follows June 30 in leap years.

Retirement Benefits for Panama Canal Pilots

EXTENSION OF REMARKS
OF
HON. JOHN F. SHELLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. SHELLEY. Mr. Speaker, I have recently introduced H. R. 3946, a bill which has been referred to the Post Office and Civil Service Committee. In my opinion the passage of this bill by the Congress is essential if we are to do justice to a group of maritime employees of our Government. I refer to the Panama Canal pilots who safely navigate all vessels through the Panama Canal. These men have an outstanding record of experience, safety, and skill. Nowhere in the world today is there a body of water which requires all of the skills of the navigator for such an extended passage as the Panama Canal. Nowhere is there a more complicated system of locks. And nowhere has the safety record for passage of all types of vessels, including our mammoth air carriers, been excelled.

The group of men who have complete and full responsibility for the movement and navigation of vessels in Panama Canal waters are all employed as pilots by the Panama Canal Company. These employees are subject to the retirement provisions of the Civil Service Retirement Act of May 29, 1930. The bill I have introduced would permit present and future employees who serve as pilots in the Panama Canal to derive the same benefits under that act as are presently granted to certain investigative personnel. In other words, an employee of the Panama Canal Company, would be eligible to retire after rendering 20 years of service if he has reached the age of 50 and if at the time of making application for retirement he is employed as a Panama Canal pilot.

There are many reasons why I attach importance to this proposal and I shall enumerate a few of them:

First. The average starting age for a qualified Panama Canal pilot is 36. This is because of the long years of experience in navigation, including a period as master of an oceangoing vessel, that is required for these jobs. Because of this high entrance age and the hazards of his duties it is now almost impossible for these people to reach the present retirement age without first becoming disabled.

Second. A Panama Canal pilot must navigate vessels of heavy tonnage through particularly precarious and narrow waters for passages that extend up to 20 continuous hours and which are often at night, all of which subjects him to long periods of excessive strain and tension.

Third. The duties of these pilots require that they work under the extensive glare and heat of a strong tropical sun. The reflection from the water and direct glare and heat of this tropical sun causes severe sunburn sores to develop around the mouth and lips. The incidence of skin cancer among these pilots is very high.

Fourth. Eminent medical authorities have commented on other hazards of life in the tropics. The whole oxidation process of persons from temperate zones slows up, resulting in a condition of chronic fatigue, headaches, and faulty elimination of toxins from the body. Life there is a constant race between heat production and heat dissipation which produces the effects first mentioned because of an increase in unburned wastes of the body-toxins.

Because of lack of muscle tone in the tropics there is organic deterioration and consequently shorter life. This is supported by insurance company statistics on life expectancy in the tropics and by the increased rates which they charge Americans on the Canal Zone.

This station in the tropics is also unfavorable for tuberculosis and there is a high incidence of rheumatic conditions and chronic nephritis. In addition due to the tropical climate there are innumerable parasitic fungi and almost all of these pilots are suffering or have suffered from disagreeable and sometimes dangerous skin conditions.

Fifth. The incidence of skin cancer, tuberculosis and other diseases represents a great hazard for these American pilots. Moreover, the strain and tension of their duties which must be performed for long hours both night and day in excessive heat and humidity adds to the perils of their jobs. The fact that they are engaged in hazardous and perilous duties is evidenced by actual statistics. From this small group of approximately 80 men, and not including men who left for personal reasons before age 50, there have been 26, or 32 percent, who have left their jobs since 1949. Thirteen of these 26 retired for physical disability; 4 died; 4 retired with reduced annuities before reaching age 62; and only 5 of the 26 were able to reach the retirement age of 62 without physical disability. Thus it can be seen that of those pilots who have given up their jobs at 50 or above, 80 percent were unable to reach the full retirement age provided by present law.

I believe these statistics and the reasons I have set forth here justify legislation to protect this group of fine public servants who are giving of their health and their very lives to serve their Government in this strategic tropical area.

Mr. Speaker, I might also add that the Marine Director of the Panama Canal Company some time ago expressed the view that legislation to effectuate the purposes of my bill would not meet any objection from the company.

I hope that this bill will be favorably considered so that this small but vital segment of our maritime staff can attain fair retirement to which they are so justly entitled.

Freedom for Lithuania

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. DODD. Mr. Speaker, it is fitting that on the occasion of the 37th anniversary of the declaration of independence by the people of Lithuania, numerous Members of the Congress of the United States expressed their sincere expressions of encouragement and support to the American citizens of Lithuanian descent, and joined them in the fervent hope that the day may not be too far distant when this brave little country will once again enjoy true liberty and freedom.

A number of Members spoke on the floor of the Senate and in the House of Representatives.

Other Members addressed mass meetings in various cities where observances of this significant anniversary were held.

Other Members of Congress voiced their sentiments in statements to the Lithuanian American Council, a nation-

wide organization of Americans of Lithuanian descent, or to its press agency, the Lithuanian American Information Center in New York City.

We were particularly proud in having had in the Senate and in the House on the days of the observance of Lithuanian independence, two eminent Lithuanian American religious leaders, both members of the Lithuanian American Council, to offer the invocations—the Very Reverend Monsignor John Balkunas, of Maspeth, Long Island, N. Y.; and the Very Reverend Francis M. Juras, of Lawrence, Mass.

In addition to this observance in the Congress of the United States, the governors of 12 States and many mayors of cities urged other millions of Americans to join in observing this significant anniversary.

With confidence that the people of Lithuania will soon regain their natural rights to life, liberty, and the pursuit of happiness, Mr. Speaker, I have prepared the following statement on the observance of Lithuania's Independence Day and her right to freedom. Under unanimous consent, I ask that the statement be printed in the CONGRESSIONAL RECORD.

The statement follows:

LITHUANIA: VICTIM OF U. S. S. R. AGGRESSION

On June 15, 1940, just 15 years ago, Lithuania, a peaceful and freedom-loving nation was overrun by barbaric Soviet Russian hordes and through terror and fraud, reduced to a slave state of the vast Communist empire.

This sad anniversary is a warning to all free peoples of the evils of the pernicious world Communist conspiracy. It should inspire us with a determination to guard zealously our own liberties and should serve as a reminder of our obligations toward unfortunate and defenseless peoples, victims of Soviet aggression.

THE SOVIET MILITARY PREPAREDNESS FOR AGGRESSION

The notorious secret agreement, between the German Third Reich and the U. S. S. R., following the defeat and partition of Poland, actually sealed the fate of Lithuania.

When on September 1, 1939, Hitlerite Germany attacked Poland, Soviet Russia began massing her armed forces along the Polish frontiers and in front of the Baltic States. Lithuania had no common borderline with Russia at the time.

With the deterioration of relations between Germany and Poland, the Government of Lithuania, in January 1939, proclaimed its decision to preserve absolute neutrality and strictly adhered to such a decision.

When the German armies, after 2 weeks of continual advance, occupied a substantial part of Polish territory, the Soviet Union on September 17 suddenly invaded Poland from the opposite side.

Poland fell before the two aggressors who divided the spoils between them.

As a result of this deal, Lithuania found herself on the southeastern border of the Russian-occupied territory.

The Soviets were carrying out a premeditated plan of aggression which was later confirmed in secret agreements with Hitler's government.

It was in compliance with that plan that the Soviets soon demanded the admission of Russian army garrisons into Lithuania.

Under Soviet Government pressure, a Lithuanian delegation summoned to Moscow, on October 10, 1939, signed the so-called pact of mutual assistance, in accordance with which a month later, 20,000 Soviet troops entered Lithuanian territory and occupied 4 separate bases there.

After the establishment of the Soviet army garrisons in Lithuanian, Latvia, and Estonia, the Soviets moved a part of their armed forces from the Baltic States and placed them along the Finnish frontier in preparation of the assault on Finland, which began in November 1939 and lasted 3 months.

It is interesting to recall that, according to Soviet propaganda, the excuse for the aggression against Finland was the alleged intention of Finland under the influence of western capitalists—the United States and England—to invade the Soviet Union.

THE SOVIET QUEST FOR A PRETEXT TO INVADE LITHUANIA

Concluding the peace treaty with Finland, Russia again began to concentrate her armies along the Lithuanian frontier and, in March 1940, she had from 12 to 15 divisions there.

Two months later the Soviet timetable of conquests called for preparation to swallow the three Baltic Republics.

The Soviet Government first spread false accusations against the Lithuanian Government and, in May 1940, sent General Loktionov, Deputy Commissar of War of the Soviet Union, to Lithuania to direct the Soviet campaign of provocations.

Immediately upon his arrival in Kaunas he presented a note to the Minister of Defense and the Minister of Foreign Affairs, accusing the Lithuanian authorities of kidnapping Soviet soldiers from established military bases.

The Lithuanian Government immediately appointed a special commission to investigate the charges, and invited the Soviet Government to appoint representatives to participate in the investigation and to produce the allegedly kidnapped soldiers for questioning. The Soviet Government refused to cooperate but, instead, kept repeating the trumped-up charges.

The Lithuanian commission, after thoroughly investigating all evidence, found these charges to be absolutely groundless. It was established that one soldier, attempting to desert the Soviet Army, had hidden in the home of his fiancee, but later returned to his base.

In 1954, a number of witnesses now in this country, presented detailed accounts of these alleged disappearances of Russian soldiers to the congressional committee investigating the Soviet aggression against the Baltic States. The real intention of the Soviet Government was apparent: to seize Lithuania by first inventing fictitious motives for doing so; to sway world opinion to her side. When the Lithuanian Government tried to clear away the misunderstandings between the two governments, Moscow paid no attention whatever.

The Government of Lithuania sent its Prime Minister, A. Merkys, and the Minister of Foreign Affairs, J. Urbsys, to Moscow to try to settle the matter directly. The Kremlin disregarded completely all explanations and efforts.

Finally on June 14, 1940, the Soviet Commissar for Foreign Affairs, V. Molotov, presented to the Lithuanian Government the Soviet ultimatum in which the following demands were set forth:

(A) To bring to trial the Minister of the Interior, K. Skucas, and the Director of the Department of Security, A. Povilaitis.

(B) To form a new government in Lithuania, satisfactory to the Soviets.

(C) To assure free entry into Lithuania of unlimited numbers of Soviet Russian armed forces.

The deadline for the reply of the Lithuanian Government was set at 10 a. m. of June 15; thus, scarcely 10 or 11 hours was allowed to consider the ultimatum.

MILITARY OCCUPATION OF THE COUNTRY

On June 15, 1940, at 2 in the afternoon, the Minister of Foreign Affairs, J. Urbsys, sent a telegram from Moscow explaining that the Chairman of the Council of People's Commissars and Foreign Commissar of the Soviet Union, V. Molotov, had presented a detailed plan as to how the Soviet army units, with the purpose of occupying Lithuania, would proceed.

Among other things, the Soviets demanded that the Lithuanian authorities should instruct the Lithuanian armed forces and people not to interfere in any way with the movements of the Soviet army in order to avoid possible misunderstandings and conflicts. The Soviet Government also stated that General Pavlov of the Soviet army will meet with Lithuania's General Vitkauskas, June 15 at 8 p. m. in the railway station of Gudagoj, to arrange for the orderly operations of the Soviet army.

As the Lithuanian delegation prepared to meet with General Pavlov, Red army troops were already on Lithuanian territory speeding in the direction of larger cities and communication centers. The previously established Soviet garrisons in Lithuania, also moved out to occupy certain localities. In full combat formations, the invaders arrogantly disregarded completely the Lithuanian Government authorities and the native inhabitants. About 12 complete divisions, from two hundred to two hundred and fifty thousand soldiers, swamped Lithuania whose peacetime armed forces comprised only about 28,000 soldiers.

The President and the Minister of Defense of Lithuania left the country. Mr. A. Merkys, as Acting Prime Minister, remained to head the government.

In its negotiations with Moscow, the government of Lithuania acted at all times in conformance with the obligations under the treaties with Soviet Russia. Thus, this sudden and surprising Soviet ultimatum came as a shock to the Lithuanian people. It was utterly impossible to organize in so short a time any substantial resistance against the masses of Russian armed forces already on Lithuanian soil.

A number of eye-witnesses before the congressional committee of the 83d Congress told of the behavior of the Soviets in Lithuania. The following facts were established without a doubt from documents and interrogated witnesses:

1. In complete disregard of the sovereign rights of Lithuania and even in violation of agreements which they themselves had forced on Lithuania, the Soviets employed unlimited numbers of armed forces for the occupation of Lithuania.

2. The Soviet military attaché, Major Korotkich, was placed on the General Staff of the Lithuanian Army to carry out purges in the higher ranks of Lithuanian officers on the first day of the occupation. He ordered the disarmament of the Lithuanian National Guard (Sauliu Sajunga) and the dismissal of a number of officers. The Chief of the Second Department of the General Staff, Colonel Dulksnys, was arrested and on July 18 deported to Soviet Russia.

3. The entire Lithuanian Army was immediately put under the control of the occupation authorities. As soon as the Soviets arrived on June 15, an order grounded all Lithuanian airplanes. The hangars were closed the following day and placed under guard of Soviet armored detachments.

4. Military quarters had to be vacated to billet Soviet Army personnel. Soviet demands were harsh and instant. Lithuanian military units were often ordered to leave their quarters almost immediately and in many instances personal belongings were hastily left behind, and nights were spent in the open.

5. Military installations of the Lithuanian army (radio and telegraph transmitters, telephone switchboards, railway depots, etc.) were seized for the Soviet Army without any notification to Lithuanian authorities.

6. Immediately upon the occupation of the country, the Lithuanian frontiers with

Germany were placed under rigid control, in an attempt to seal Lithuania off from the rest of the world.

7. Strong-armed guards were placed at the state bank and government office buildings. The Ministry of the Interior agencies were placed under strict control.

8. Lithuanian Army newspapers and other literature, published during Lithuania's independence were suppressed and banned from military libraries. In their stead appeared Communist propaganda literature besmirching the government and the institutions of independent Lithuania in an effort to antagonize the Lithuanian soldiers against their officers.

9. The Soviet military authorities soon forced the Lithuanian Government to extradite all Polish officers and men who had been interned in Lithuania after the defeat of Poland.

This same pattern of occupation was followed by the Soviets in their aggression against Latvia and Estonia.

PREPARATIONS TO ABOLISH LITHUANIA'S INDEPENDENCE

Many Soviet civilian officials, predominantly specially trained members of the Communist Party Soviet Secret Police (NKVD) charged with the final incorporation of Lithuania into the U. S. S. R. accompanied the Soviet occupation forces. One of their main objectives was to conceal the real intentions of Soviet Russia. In numerous statements in the press and in public speeches they reiterated that the Soviet Union had no intention of destroying the independent status of Lithuania, and that the presence of Russian forces in Lithuania had in no way constituted a peril to Lithuania's freedom. However, they worked feverishly to bring about the annexation of Lithuania into the Soviet Union.

Meanwhile, the special emissary, Vice Commissar for Foreign Affairs V. G. Dekanozov (liquidated following Beria's execution in 1954), came by plane to Kaunas and set up headquarters in the office of the Soviet Legation, and assisted by the Soviet envoy, Pozdniakov, began to rule the country. Orders now came from Dekanozov.

His first task was the formation of a new government, obedient to Moscow. He dictated the names of new ministers to the Acting Prime Minister, A. Merkys. Justas Paleckis, who had previous contacts with the Soviet Union, was to become the President of the Republic. To allay the fears of the native inhabitants, several prominent Lithuanian patriots were purposely included in the list of new ministers.

June 18, 1940, Paleckis delivered a message to the Lithuanian nation:

"The new government will continue to maintain normal relations with all countries. The first task of the government will be the establishment of sincere and friendly relations with the Soviet Union with which Lithuania has a close alliance based on the mutual assistance pact."

The new government was controlled by the Kremlin bosses, whose orders were carried out by their chief emissary, Dekanozov, and the Red army. Step by step, everything that had been achieved during her days of independence was turned to ruins in Lithuania. Practically all organizations, political, social, cultural, and economic, were suspended. Great numbers of employees of the various government agencies and economic enterprises were jobless overnight.

It was to be expected that the Communist emissaries would lift the ban on the Communist Party which during Lithuania's independence days was illegal. An order of the Minister of the Interior on June 25, 1949, placed the Communist Party of Lithuania on the official register of societies and associations.

Pursuing the plan of Lithuania's subjugation still further, the Kremlin agents made Paleckis's government proclaim on July 6, 1940, an electoral law to govern the elections to the so-called People's Diet to be held on July 14.

An order of the Director of the State Security Department, dated July 7, dissolved all non-Communist parties and most of their leaders and active members were arrested. The Communist Party remained the only recognized party, which to mislead the people, assumed the name of "the Union of Working People of Lithuania." The "Union" alone was given the right to nominate candidates for the elections.

Seventy-nine members were to be elected to the "People's Diet." The same number of candidate were nominated and, as the nomination was reserved for the Communist Party and its affiliated organizations only, predominantly Communists and their sympathizers, persons without any reputation or any standing at all, were put on the list. Some well-known Lithuanians became candidates against their will as their names were included without their knowledge or consent. This was done to mislead the voters.

The fictitious "Union of Working People" proclaimed to the Lithuanian nation its political platform which, among other promises, contained the following:

"On this historical day, July 14, we must go to the polls in united and closed ranks and elect the worthy candidates able to express the real will and aspirations of the people and to strengthen the true friendship with the great Union of the Soviet Socialist Republics, which is the one and only guarantee for the prosperity and free development of our country."

The "Union" further declared that it stands—

"For the friendship and the strong and indestructible alliance of the Lithuanian Republic and the Soviet Union.

"For the cancellation of bank debts of poor people and small holders.

"For all possible assistance by the government to the landless peasants and smallholders and for the allotment of sufficient land for them.

"For freedom of speech, press, and associations for the defense of interests of the working people."

The platform denounced as false the rumors anticipating the enforcement of the Soviet system in Lithuania:

"Enemies of the Lithuanian people and their stooges, supporters of the old regime, are circulating provocative rumors about terror against those who are faithful to their religion, about the closing of churches, about the alleged forced organization of collective farms, etc. These rumors are thoroughly unfounded and willfully fabricated."

Among the numerous slogans concluding the text of the platform the following are most significant:

"Long live free Lithuania."

"Long live the brotherly friendship and strong alliance with the great and invincible Union of the Soviet Socialist Republics."

These promises were meant to fool the people and entice them to the polls. During the short "election campaign" no mention was made regarding the intention to destroy the sovereignty of Lithuania and its incorporation into the Soviet Union. Numerous speakers, including members of the new government repeatedly referred to a "free Lithuania," "friendly relations," or "alliance with the Soviet Union."

The elections took place on July 14, 1940, under the close supervision of the Kremlin emissaries and the Red army. The Lithuanian people resisted passively by abstaining from voting or, if they went to the polls, they replaced the ballot with a blank piece of paper.

The duty to vote was especially emphasized. The voters were watched in polling places, and since each voter had to present his identification papers to be stamped, an abstention could not pass unnoticed. Those who had no stamps on their passports risked severe consequences later on.

Absenteeism on the day of elections was so evident that the Communist Party decided to take additional measures. President Paleckis, by a decree, extended the voting another day, at the same time warning the people of their duty to vote. The results were poor. Moscow announced that, according to figures published by the Supreme Electoral Commission, 95.51 percent of the voters presented themselves at the polls. But, it appears from confidential statements made by the Minister of the Interior, M. Gedvila, that only 16 or 18 percent of the ballots deposited were valid.

The new "Diet" elected under such circumstances, convened on July 21. The only business on the agenda was the passing of a resolution requesting that Lithuania should be admitted into the Soviet Union. That the entire show was directed by Moscow, is also proven by the fact that similar decisions, on the same day and exactly in the form described, were made by the "People's Diet" in the other two Baltic States, Latvia and Estonia.

The manner in which the 'Diet' was elected and the measures undertaken by the Kremlin to accomplish the annexation of Lithuania were bared before the Congressional Committee on Communist Aggression by many witnesses of different professions and places of residence in Lithuania. Their testimony revealed the tricks of deception the Communists employed.

When the Soviet-German war broke out and the Communists were driven out of Lithuania, a number of members of the "People's Diet" and the government made public a joint statement disclosing the true facts concerning the distortion of the will of the Lithuanian nation.

Their statement is quoted here:

"Meeting at Kaunas, on August 30, 1942, we, members of the former Lithuanian Government and the "People's Diet," state publicly:

"1. In violation, by use of force, of the solemn obligations given to the Republic of Lithuania to respect, in all circumstances, her 'sovereignty and also integrity and territorial inviolability' (paragraph 2 of the Treaty of Nonaggression of September 28, 1926, between the Republic of Lithuania and the U. S. S. R.), the Government of the Soviet Union, on June 15, 1940, occupied Lithuania by its armed forces.

"2. The Lithuanian Government which was created according to the provisions of the Moscow ultimatum and which had obtained assurances that the independence of Lithuania will be respected, later, under pressure from Moscow, was reorganized, without any knowledge or consent of the Acting Prime Minister, Prof. V. Kreve-Mickevicius, by securing its majority for the Communists, headed by M. Gedvila, for the purpose of making it a tool in Moscow's hands.

"3. The Moscow Government ordered the Lithuanian Government, thus reorganized to carry out elections to the 'People's Diet' in order that it should later on, request the incorporation of Lithuania into the Soviet Union.

"4. The 'People's Diet' could not and did not proclaim the will of the Lithuanian people because:

"(a) The composition of the 'People's Diet' was made up in advance by the Communist Party, directed by Moscow's representative, V. G. Dekanozov, and by the Soviet Minister to Lithuania, N. G. Pozdniakov. Only the Union of Working People of Lithuania was allowed to select candidates who were nominated by the Communist Party. The number of candidates was exactly the same as the number of members elected to the 'People's Diet.'

"(b) As the composition of the 'Diet' was made up in advance, it declared, in order

to enhance the effect, that 95.51 percent of all the electorate had voted, while actually, as confirmed by the Supreme Election Commission and by the statement made by the former People's Commissar, M. Gedvila, and by the President of the U. S. S. R. Supreme Soviet, J. Paleckis, at secret meetings, only 16 to 18 percent of valid voting cards were submitted at the polls.

"(c) A number of members of the 'Diet,' who were not members of the Communist Party, were compelled by threats to become members of the 'Diet' and to vote for incorporation into the Soviet Union.

"(d) When the voting on the incorporation into the Soviet Union took place the votes of the members were not counted; all strangers present at the meeting voted together with them.

"5. Not a single member of the 'People's Diet' could express a protest against the use of force as, under the circumstances, such protest would have involved danger to his life. Moscow's representatives and the members of the Soviet Legation openly threatened all those members of the 'Diet' and their families who would have dared to announce their intention not to vote for incorporation into the Soviet Union.

"6. We, former members of the 'People's Diet,' raise a public protest against the methods of violence and of falsifications which were directed by the Bolshevik Government against the Republic of Lithuania and the Lithuanian nation during the elections to the 'Diet' as well as during its session. Neither we nor the other members of the 'Diet' could express and did not express the will of the Lithuanian nation for incorporation in the Soviet Union.

"7. The 'People's Diet' itself stated in its declaration of July 21, 1940, 'Now the people, helped by the mighty Red army, did away with the yoke of Smetona's oppressors and established in their own country the Soviet Government. If the people have been able to establish in their own country the only just order, the Soviet order, it is all due to the Soviet Union.' In this way the 'People's Diet' itself admitted the Red army's influence in its decisions and the decisions of other government authorities.

"Signed by former Members of the People's Diet: Dr. A. Garmus, L. Dovydenas, H. Kacinskas, R. Juknevicius, V. Birzietis, P. Mickus, Mrs. S. Vainekiene, Miss P. Milanciute, the former Acting Prime Minister and Minister of Foreign Affairs of the People's Government, Prof. V. Kreve-Mickevicius, the former Commissar for Social Care and Forest Industry of the L. S. S. R., Jurgis Glusauskas.

"KAUNAS, *August 30, 1942.*"

The procedure of elections to the "People's Diet" was described, among many other witnesses, in a deposition by the former People's Commissar, J. Glusauskas, who escaped from bolshevism and is now residing in Australia, he stated:

"On July 14, 1940, I was appointed to watch the voting to the 'People's Diet' in the district of Mariampole. At that time I was the chief of police of the city of Kaunas and its district. The task assigned to me was to render help wherever necessary.

"When I arrived in Mariampole, I found everything ready for the election. I learned that the supervisor of the election there was a high official of the Soviet secret police (NKVD), a Russian, who had at his disposal a number of Russian soldiers and some army trucks. Therefore, all that was left for me to do was to observe what was going on.

"Several hours before the closing of the polls, it was announced that only 5 or 10 percent of those eligible to vote had cast their ballots. The NKVD officer was greatly concerned over such a situation. Finally, the following instructions were given: 1. All chairmen of electoral districts were ordered to record higher percentages of votes than actually were cast. As a result of this order, in an hour, all reports showed a 40 to 60 percent vote, and when the polls were about to close the percentage suddenly leaped to 99. 2. The NKVD personnel had instructions to tour villages and bring in voters by force. But because only a few trucks were available, this measure did not prove successful. Also, there was very little time left for voting.

"I consider the elections to the 'People's Diet' were a deception for the following reasons:

"1. Actually only 5 to 15 percent of electors voted, and therefore did not represent the will of the Lithuanian people.

"2. Candidates for the 'People's Diet' were nominated by the central committee of the Communist Party without their knowledge or consent. The list of candidates was presented by the Working People's Union which was the Communist Party itself. There were exactly as many candidates as members of the 'Diet' to be elected. There was no choice but to vote for those nominated by the Communist Party.

"3. No lists of electors had been prepared so that it was impossible to determine the percentage of the votes cast. This circumstance offered a good opportunity to falsify the results of the elections.

"4. It was publicly made known that persons failing to appear at the polls will be regarded as 'enemies of the people.' Everybody knew that such a branding meant deportation to the forced labor camps in Siberia or other remote places in Russia.

"Conclusion: All decisions of the 'People's Diet' are null and void as the 'Diet' itself could not and did not represent the will of the Lithuanian people.

J. GLUSAUSKAS.

"ADELAIDE, *November 15, 1953.*"

The Communist information agencies reported that the table of the election returns was prepared "in conformity with the data on population of Lithuania compiled by the Central Bureau of Statistics of Lithuania."

The former director of this bureau, Domas Micuta, now in the United States, submitted a statement which says: "The elections were directed by Pozdniakov through the Supreme Electoral Commission. The Central Bureau of Statistics of Lithuania never had anything to do with this commission and did not participate in the preparation of the table of election returns or its publication."

Adolfas Klimas, now residing in the United States, member of the staff for computing the election returns, stated the following in his deposition: "I was employed, as many other former employees of the old Lithuanian Diet were, to work on the technical staff of the so-called 'People's Diet.' I was to prepare for publication stenographic transcripts of the sessions of the 'People's Diet,' to supervise their publication and distribution, to translate into the Russian language and to prepare Lithuanian translations of various Russian orders, instructions, etc., which were sent from Moscow.

"On July 14 and 15, the election days to the 'People's Diet,' I was assigned, together with a number of other employees, to receive telephone reports of election returns coming from various electoral districts. Seventy-nine members of the 'Diet' were to be elected in 8 electoral regions. There was only one list of candidates, all nominated by the Communist Party. The election commissions did not pay any attention whether the votes cast were valid or not. They took for granted that everyone appearing at the polls was in favor of the candidates listed on the ballot.

"While taking the election reports over the telephone, I, as well as my colleagues, recorded several instances when the vote in a particular locality exceeded 100 percent. I learned that soldiers of the Soviet army had the right to take part in the elections and voted together with Lithuanian citizens. However, we were instructed to keep the percentages in such cases somewhat below 100 percent when computing the election returns.

"I often received from Andrius Bulota, an attorney in the office of the 'Diet,' all sorts of orders and resolutions sent from Moscow, and my job was to translate them into Lithuanian. Then A. Bulota would read the translations, make corrections to adjust them to the specific conditions in Lithuania. As a rule, such orders and resolutions passed the 'People's Diet' without any discussion. Though there were some non-Communist members in the 'Diet' not one of them dared to question the propositions; they remained silent."

The falsification of election returns was witnessed by the Chief of Information and Statistics Department of the Supreme Soviet of Lithuania, Pranas Valiulis, now in Western Germany, who stated:

"The election commissions did all they could to increase the percentages of the ballots cast trying to please the omnipotent Communist Party and the People's Government, as well as the Moscow masters. Alterations in the election results could be made easily by simply marking the ballots for those who failed to appear at the polls. To make up for the shortage in the ballot box, as many ballots as were necessary could be stuffed in. Members of the election commissions were all persons devoted to the Communist Party. When the votes were counted nobody, except members of the official commissions were present, which means that there was no control at all of the commission's work. The fact that falsifications in computation of the returns were made was confirmed to me by the assistant attorney general, Vytautas Balciunas."

Thus, it is evident that this so-called "election" had in no way expressed the will of the people of Lithuania. Moreover, even if the election had been conducted in a way prescribed by the laws of the country or in accordance with the principles of democratic procedure, this so-called "People's Diet" would not have any power whatsoever to make decisions affecting the sovereignty and independence of the Republic of Lithuania because no proposition of this kind was submitted to the voters. For the same reason, this so-called "election" cannot be considered a plebiscite on the question of Lithuania's incorporation into the Soviet Union.

Moscow's resolution forced upon the so-called "People's Diet" to request Lithuania's admittance to the "family of nations of the Soviet Union" was an act of violence and coercion against the Lithuanian nation.

SOVIETIZATION OF LITHUANIA

And yet, the delegation of 19 persons appointed by the "People's Diet" was taken to Moscow to petition the Soviet Government to incorporate Lithuania into the Soviet Union.

On August 3, 1940, the Supreme Soviet of U. S. S. R. decided to "receive favorably the petition of the Lithuanian Diet and to admit the Soviet Socialist Republic of Lithuania into the Union."

Then, step by step, the Soviet system was introduced in Lithuania. Land, industry, business enterprises, and private property were nationalized, people's rights subverted, the standard of living reduced. Lithuania was entirely shut off from western civilization and culture. Arrests and deportations gradually took on such dimensions that there was no doubt but that Lithuania was doomed by the Kremlin masters to total physical destruction.

The attitude of the United States Government in regard to the present status of Lithuania is universally known. The United States has never sanctioned the forced incorporation of Lithuania and the other two

Baltic nations, Latvia and Estonia, into the Soviet Union, and continues to recognize them as sovereign states. Many other free democracies also regard the Baltic nations as temporarily deprived of their independence by an act of aggression which has neither legal nor moral justification.

On this occasion, and as we approach a Four Power Conference, let us all remember these historical facts. The conscience of the free world will not be clear until Lithuania, Estonia, and Latvia are free.

Why Not?

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. PELLY. Mr. Speaker, the Pacific Northwest is the natural airline terminus for world trade and travel routes. Of great interest to me, as a Representative from the city of Seattle and Kitsap County, is the application of Pan American Airways for a certificate to fly from Seattle to Europe over the polar route.

Already such service is available to Los Angeles through a service inaugurated a year ago by Scandinavian Airlines System. That this polar route offers unlimited possibilities for swift and safe operation is indicated in a statement by the president of Scandinavian Airlines System, welcoming Pan American into the field and assuring them that the traffic potential is so encouraging as to justify two carriers over this route.

Pan American's application asks for CAB authority to operate from Seattle, Portland, San Francisco, and Los Angeles to London and other European capitals via the top of the world. It is important that the United States continue to build a strong civil air transport system in the interest of both national defense and an expanding commercial economy. I hope the Civil Aeronautics Board acts promptly to put Pan American in competition with our enterprising and resourceful Scandinavian friends.

The Seattle Post-Intelligencer of May 24 carried a thoughtful and illuminating editorial on the Pan American application. Under unanimous consent, I include this editorial with my remarks:

WHY NOT?

Seattle has a chance to have a direct connection to Europe over the Polar Route—and we are for it.

We see no good reason why a route from the west coast to Europe, and now exclusively in the hands of foreign flag carriers, should not have a little United States competition.

Furthermore, the present Arctic flights from the coast do not include Seattle. The Scandinavian Airlines System presently operates between Los Angeles via the Polar Route, and a British airline operate between San Francisco and London and beyond. Also, there will soon be Canadian service between Vancouver, British Columbia, and Amsterdam.

Now Pan American Airways has asked the CAB for permission to fly from four coast cities—Seattle, Portland, San Francisco, and Los Angeles—to London and European points via the top of the world.

Pan American says it is all set to go in experience, equipment, and stations manned and operating in Iceland, England, and other north countries in Europe.

It now wants to put Seattle on the route. It sounds good to us because, as we've said here before and often, we want Seattle to have everything it can reasonably claim in the way of air transportation.

The Administration Highway Bill

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. AYRES. Mr. Speaker, the highway problem now occupies the thoughts of many people in and out of Government. As I have given considerable thought to this and related problems I want to begin by saying that neither the Gore bill nor the Cabinet Policy Committee report, in my opinion, will become law. The peace and prosperity the country is enjoying under President Eisenhower's leadership is not going to be disrupted by petty politics no matter who practices such. He will be just as quick to criticise his own Cabinet's action if he thinks it wrong as he will be to speak out against those who are playing petty politics.

The most recent example of his steadfast integrity occurred in connection with the postal-pay veto when many were urging him to give ground for the sake of political expediency. Ike's reply was that he had gone as far as he could go in good conscience and he would not yield 30 cents for political purposes. Whether he was right or wrong he did not budge an inch, or rather he did not budge six-tenths of 1 percent. In the history of this administration one thing stands out clearly: President Eisenhower's leadership is of concern to both parties. His policies have been so universally accepted by the electorate that the Republicans are fearful he might not seek reelection and the Democrats are shaking in their boots lest he does. Now I say, Mr. Speaker, let every Republican and thinking Democrat get behind our President particularly when we are talking about something as vital and essentially nonpolitical as our highways. My constituents are becoming increasingly concerned about the confusion that has resulted from the efforts of the administration to create the new and better highways the Nation needs. I share their concern, primarily because what has always been essentially a nonpolitical subject has, in recent months, become increasingly political. Politics, while necessary and desirable in our national life, has no place in the solution of grave economic problems relating to our national transportation system. Needless to add, no amount of politics as usual will build a single inch of new highway.

Today, we have the spectacle of politics in the highway program not only in Congress, and in the executive branch, but also in the transportation industry itself where, it is evident from the report of the President's Cabinet Policy Committee, forms of transportation that compete with interstate motor carriers are seeking to legalize selective rate cutting and otherwise tamper with our highway transportation. If, while we try to solve the problems of meeting our increasing national demands for highway transport, we allow the trucking industry to go down under the weight of the attacks on it, we will surely be indulging in foolishness. We also have the spectacle of opposition for opposition's sake here in Congress. It seems that every time the administration comes forward with a piece of constructive thinking, the postal raise, minimum wages, farm policies, to name just a few in addition to the highway program, opposition is raised and a new measure is proposed, often without any motive behind it other than sheer opposition.

Our Nation has far outgrown its highway system. We now have over 58 million vehicles on our highways. What we desperately need is less talk about this "plan" or some other "report" and more action to get the four-lane highways we must have within the next 10 years or so. We certainly could do with less politics in and out of competing forms of transportation. The trucking industry itself has not met the challenges to it with any great degree of acumen. Competition between various forms of trucking such as contract and for-hire carriers, as well as the apparent lack of interest in the other fellow's problem, has created an atmosphere in which the truck industry itself is responsible, in a great measure, for its present plight. When we consider those who are concerned with truck ownership, production or maintenance, the total truck employment figure is gigantic indeed. Unfortunately, when we attempt to abscribe to this mass group any real concern for the general welfare of the motor-carrier industry, we are faced with divergent viewpoints and wasted effort. In other words, the industry concerned with its own salvation has found it impossible, by reason of internal stress and politics, to tell a coherent story to the public. If this industry were not of a major concern to our general domestic welfare, then I suppose we could say, "who cares about the future of the trucking industry?" Unfortunately, this industry is so closely tied to the public welfare that no one can say "put your own house in order before you come to Congress."

I recently had the pleasurable experience of visiting in California, and a respected member of the trucking industry with many years of experience put this problem to me in substantially this fashion: There is a relatively limited number of responsible people in the trucking industry to whom Congress can look for leadership in the solution of their problems in the State and Federal jurisdictions in which they operate. Unfortunately, special groups tend to obtain special favors for themselves from legislators. These groups are not interested

in the problems of their neighbors who are in the same business of hauling the Nation's commerce. They are inclined to take the attitude: "Well, we got ours, so who cares about the others?" As a friend of the trucking industry, I want to tell it publicly to get its house in order. I want to say the same thing to the Nation's rail carriers. The Nation's rail carriers ought to awaken to the needs of motor transport. Instead of trying to stifle motor transport competition, they ought to be asking Congress to do something about legislation to build new four-lane highways. Safety requires we do something. Last year, 36,000 people were killed on the open roads. National defense needs are such that if a major emergency were to befall any one of our cities tomorrow, the chances of its civilian population surviving in any great measure would be far less than 5 or 10 years from now with super highways available for evacuation.

Over and beyond the confusion and politics which seem to have taken over our highway program, we have a situation in some of the States which has placed an intolerable burden upon interstate commerce. I refer to so-called third-structure tax laws which have destroyed reciprocity as to highway commerce between some of the most important producing and distributing centers in the Nation. Here again, through confusion and the dissipation of funds for road construction, we have the serious threat that highway commerce will not be able to survive all the various operations that are being performed on it. I say let us stop the bickering and get the highways built. We can do it by issuing special bonds which will insure completion of a program in 10 years. Increased revenue from increasing traffic would go far toward retiring such bonds in record time. While we are waiting for the bonds to mature, the Federal gasoline tax would carry the burden. This would be eminently sensible, for it is clear that the proceeds from the Federal gasoline tax have been dissipated in many ways not related to highway improvement. Under such a proposal, the States could devote their funds to the building of roads which are outside the scope of the Federal program. Thus we would have a State and a Federal road system growing to proper proportions side by side.

The trucking industry of this Nation, I am assured, is fully cognizant of the needs and the benefits of all our citizens to be derived from highways which would meet the demands of our growing traffic. All it needs is to be treated fairly. It asks no special privileges, nor would I or anyone else I know grant any. In treating such a vital industry fairly, we must understand that attempts to give railroads a competitive advantage over trucking by changing our national transportation policy and virtually nullifying rate regulation in favor of rail carriers may result in a situation where the cure is worse than the disease. When we get the roads we need, will there be a strong, dynamic trucking industry around to haul the goods we use? Let us use good sense and have done with confusion. In my judgment, Congress should pass the administration highway bill promptly, reject the recommendations of the Cabinet Committee, and tell the States they cannot third-structure interstate trucking out of existence. When this is done, we will have accomplished our national highway objectives.

Americans Fight for Freedom

EXTENSION OF REMARKS
OF
HON. JAMES M. QUIGLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. QUIGLEY. Mr. Speaker, for the past 88 years Memorial Day services have been conducted at the National Cemetery at Gettysburg. It has become one of the most solemn and traditional observances of the day.

There were two things about this year's ceremonies which were highlights to me. One was the voluntary presence in this essentially northern observation of the band of the Mount Vernon High School from Alexandria, Va. The other were the pertinent remarks of the principal speaker, the Honorable Harold E. Stassen. Under leave to revise and extend my remarks, I include the speech given by Mr. Stassen:

MEMORIAL DAY ADDRESS DELIVERED BY HAROLD E. STASSEN AT THE GETTYSBURG NATIONAL CEMETERY, MAY 30, 1955, AT 3:15 P. M.

Mr. President, Mrs. Eisenhower, Congressman QUIGLEY, my fellow citizens assembled for this 88th memorial service at Gettysburg, I am certain that every citizen joining in this vast assembly would wish me to express on their behalf a deep appreciation to the President and Mrs. Eisenhower for their presence and for the fact that their home address at Gettysburg has led to their attendance today at this memorial service initiated by President Lincoln. Today is an occasison that will long be remembered in Gettysburg.

Nearly 100 years ago President Abraham Lincoln, in words now an immortal part of our American heritage, helped to dedicate this final resting place for those who gave their lives during the first cruel days of July 1863. Even as Lincoln spoke, our Nation was racked by a civil war; and the outcome of that tragic conflict was still uncertain.

Today we know the ultimate victory. We know the brave men who paid the final price of freedom at this spot did not die in vain. Their cause survives. The principles they fought for have endured and prospered mightily. This Nation, under God, has not perished from the earth. This Nation, under God, has prospered and held freedom.

It is fitting that each year a special time, Memorial Day, be set apart for us, the living, to pluck the mystic chords of memory lest we forget the meaning of the distant drums. Only a few survive who hearkened to the battle bugles call in Lincoln's time, less than a platoon left who know the deeds of yesterday at first hand. For most of us the agonizing struggles of the Civil War are but pages in a history book.

Since those grim days other Americans, in other wars, in other lands, have fought—and many died—that liberty might live. The names of far-off battlefields twist our tongues—alien places undreamed of by those who lie in this hallowed earth. Yet, no matter what the changes—in time, or place, or weapons—the fundamental cause for which America has fought remains the same: Freedom.

So all may know that if need be we will fight again in freedom's cause, we bear today a great and heavy load of arms. Our partners overseas do the same. We have watched, too often in the recent past, a tyrant's armies move, first attacking weaker nations close at hand and then, emboldened by aggression's seeming triumph eventually attacking us.

We have learned this lesson: A world not safe for little nations is not secure for big ones. Until the immoral law of force gives way to the force of moral law, those who love and cherish liberty must have power to deter its deadly foes.

Liberty is not guarded by arms alone; it survives and flourishes through the spirit—the dedicated lives of those who know that liberty is worth its price. Should that price be patriot's blood and women's tears, let knowledge of this fact be more than sorrow. Man was born to be free; and will forever strive forward to fill this destiny.

Therefore, with courage and with sober hope, under the inspiring leadership of the now President, let us take up our great unfinished work. Upon the principles of liberty and justice for all, we can, with patience and with perseverance, build up a decent trust among all nations. Thereby this Nation under God, working in faith and valor with our partners across the seas, may erect the noblest monument that could be raised to those we honor here this day: A living monument of peace and freedom.

Los Angeles County 1953 Agriculture Production Exceeds Any State in the Union—Valued at More Than $1,400,000,000

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. McDONOUGH. Mr. Speaker, southern California has become one of the most important agricultural centers in the United States, according to the latest figures released by the Agricultural Committee of the Los Angeles Chamber of Commerce, and is in the unique position of shipping, as a section of a State, more produce during the year 1953 than any other entire State in the United States with the exception of the whole State of California.

Los Angeles County alone, according to Mr. F. R. Wilcox, chairman of the Agricultural Committee, reached a total value for agricultural production for 1954 of $1,427,000,000, an amount almost $2 million greater than 1953.

The phenomenal growth of population, business, and industry in Los Angeles County and in all of southern California is well known, but to most people, it is not regarded as an agricultural area. Yet it has now become one of the leading agricultural communities in the whole world, and its tremendous produce added to that of the rest of the State has brought a record of 1 carlot of fresh fruits or vegetables rolling from the 58

counties of the State every 1½ minutes during 1953, the last year for which these figures were available.

The following is the press report on the agricultural record of Los Angeles County and southern California:

COUNTY'S FARM PRODUCTION IN 1954 NEAR RECORD

Agricultural production in Los Angeles County in 1954 reached the second highest peak in history, exceeded only by the record year of 1952.

F. R. Wilcox, chairman of the Los Angeles Chamber of Commerce Agricultural Committee, said yesterday the total value for 1954 was $1,427,000,000, or almost $2 million greater than 1953.

"The county, in addition to its great business, industrial, and population growth, thus continues to be one of the leading agricultural communities in the world," Wilcox said.

He said latest available figures, those of 1953, show that southern California shipped more produce that year than any State except California itself. One carlot of fresh fruits or vegetables rolled from the 58 counties of the State every 1½ minutes during 1953.

The Dairy Industry Faces the Facts

EXTENSION OF REMARKS
OF

HON. MELVIN R. LAIRD

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1955

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to include a speech by my colleague, the Honorable JOHN W. BYRNES, of Wisconsin, in this morning's CONGRESSIONAL RECORD.

Congressman BYRNES spoke at the Alice in Dairyland celebration at the dairy festival in Kewaunee, Wis., on May 28, 1955. Congressman BYRNES' speech shows a clear insight into the problems facing the dairy industry:

THE DAIRY INDUSTRY FACES THE FACTS

It has given us a real lift to get back here today and take part in this most magnificent program. The people of Kewaunee, and all of those who have worked so hard to make this dairy festival such a success, are to be congratulated.

I know you are all anxiously awaiting the climax of this celebration—the crowning of our regional Alice in Dairyland. I am, too. I know you will agree with me when I say that anyone of the beautiful young ladies we have seen tonight would make a splendid representaitve of our State's principal industry. I wish them all luck. Win or lose, we can be proud of them all.

In the meantime, while we await the decision of the judges, I hope you will be able to listen to me without too much impatience. I want to say a few words tonight about the future of the dairy industry. It is a subject which should be of prime interest to every resident of the State of Wisconsin. I'm sure it is of interest to you; otherwise you would not be here tonight participating in this program.

Sometimes, however, there are many of us who forget how closely the prosperity of our State and its people is allied with the fortunes of the dairy industry. We tend to take for granted the marvelously complex economic system we have built up around the dairy cow. Sixty-five percent of our farm cash income comes from the sale of milk, cattle, and calves. This income—close to $800 million—represents between 15 and 20 percent of our State's income from all sources. But that is only half the story. Thousands of other people, besides the dairy farmer himself, are engaged in work directly dependent upon the vast flow of milk from Wisconsin's diary cows—in manufacturing dairy products from milk, in distributing them, in transporting them and in merchandising them. Thousands of others are engaged in providing supplies, equipment, and services, not only for the dairy farmer but for the dairy processor and manufacturer. Still thousands more supply products and services to those employed directly in the dairy industry. In all its ramifications, the dairy industry is undoubtedly the largest single industry in our State. There is not one of us in this auditorium tonight who does not have a personal stake in its prosperity.

Yet, we all know, many of us too well, that the dairy industry is going through a most difficult period. In essence, it is the same problem which faced the industry in 1949—when the post-World War II adjustment to peacetime conditions began. In 1949, dairy surpluses piled up and milk prices went down. Recovery took place only when the shooting in Korea began and a wartime economy took over. We want no more of that kind of solution for this or any other problem. We certainly are not going to rely on wartime shortages and post-war inflation to solve the problem for us. Today, we seek to readjust the dairy industry to peacetime conditions and to put it on a firm basis for the years ahead.

Abraham Lincoln once advised us, if we wanted to decide which way we're going, to look back where we'd been. What was the situation which confronted the dairy industry just a little more than a year ago?

Milk production was booming toward new highs. The Government was in the dairy business with both feet. Surplus dairy products were piling up in Government warehouses at tremendous rates. Consumption of dairy products was not keeping up. In fact, it was trending dangerously downward, particularly in the case of butter. Net income of dairy farmers had declined by more than $200 million, in spite of the fact that dairy supports were at 90 percent, the highest level permitted under the law. The dairy industry was critically sick.

Drastic measures were then taken by the Government. The Secretary of Agriculture reduced milk supports to 75 percent, as he felt the law required him to do under the circumstances. Many of us, while recognizing the need for a lower support level, felt that the step was too drastic, too sudden, too severe. Regardless of our feelings then, I believe it is time for us to ask ourselves honestly if this shock treatment was not perhaps what the patient needed. Certainly, this action has set in motion a significant reaction which has put new life into a very sick industry.

It's true that the patient has suffered much in the past year. Dairy income was down again, about 4 percent, but not so much as in the previous year when 90-percent supports prevailed and not nearly so great as the prophets of doom at the bedside had predicted. But the other clinical evidence was all good. Milk production has leveled off. In fact, it is down, the first 3 months of this year, over the corresponding period of a year ago. Government purchases of dairy products have fallen sharply. Consumption of dairy products, particularly butter, is up. Surpluses previously acquired have moved into the channels of consumption—into people's stomachs rather than spoiling in warehouses.

I certainly do not want to mislead anyone. The patient is still ailing, but all signs indicate that the invalid, instead of going down hill, is convalescing rapidly. There will be crises ahead, no doubt, but there is every hope that he will recover in the near future—if the patient and his friends continue to face the facts about his own condition.

What are those facts?

The first and most basic one, I believe, is that the industry will be sick just as long as production of milk and its products outpaces consumption, regardless of the level of Government support. It is axiomatic that milk surpluses, no matter who stores them, act as a depressing influence upon the farmer's price for milk.

If we face this major fact—that our problem is bringing production and consumption into balance, then we must go on and face other facts which are part and parcel of a sound program for the future.

These facts, in my opinion, are:

First, Government alone cannot bring permanent prosperity to the dairy industry. It can only help. It can also harm. Our program should stress helpful rather than harmful actions by our Government.

Second, the problem of surplus production, paradoxically, must be met partially by increased production on the farm through greater efficiency. This means higher volume at lower costs.

Third, the great hope, and the soundest solution, lies in the field of increasing per capita consumption of milk and its products. This responsibility lies principally with the dairy industry itself.

Let me speak first of the role of government.

There are those who want the Government, in effect, to take over the dairy industry. They call loudly for rigid, high supports for dairy products. They do this in the face of the evidence that high supports have failed miserably in the past to solve the dairy problem, and, in fact, aggravate it by encouraging higher production and discouraging consumption. These people have changed their tune somewhat in the past few months. They are still calling for a return to high supports, but they now tell us it cannot be done unless the Government controls milk production. I will discuss in a moment what that would mean, but for now, I want merely to point out the existence of this school of thought—that thinks the Government should be entirely responsible for the dairy industry.

I say to you that we cannot build a sound dairy industry for the future if that industry is dependent upon the Government for its income and its markets. The Government cannot solve the basic problem—bringing consumption in line with production. It can only take crude and costly steps, which are generally self-defeating, to remove surplus production from the market.

This does not mean that the Government has no role in helping to bring about a permanently sound dairy industry.

Government, I believe, should, as it is now doing, provide realistic supports for the milk producer to prevent drastic fluctuations in price and production. Such supports are vitally necessary for stability within the industry.

Government should, as it is now doing, take aggressive steps in the field of research for new and better dairy products and better marketing methods.

Government should, as it is now doing, encourage and promote the consumption of dairy products, both within and without the Government. Great strides have been made in increasing milk consumption in our veterans' hospitals and in the Armed Forces, while the school-milk program is growing by leaps and bounds.

Government should, as it is now doing, provide technical assistance to farmers, helping them to produce more economically, to rid themselves of dairy diseases, such as in the accelerated brucellosis eradication program, and to assist them to become better all-round producers.

Government should—and real aggressive action is needed in this field which has been neglected—help to eliminate the barriers to increased milk consumption; artificial barriers which have sprung up through marketing orders, sanitary regulations, and milk price regulation in various States and localities.

These are all proper and helpful fields for Government action. But, please note that none of them contemplate turning over the dairy industry to complete control from some desk in Washington—as the advocates of high supports and milk production controls propose. They are geared instead toward attacking the dairy problem at its source—by encouraging more efficient production by efficient producers and by increasing per capita consumption of dairy products.

The possibilities of harm through Government action are just as great as the potential for good. I need mention only one at this point. It is a sad commentary that some who purport to speak for the dairy farmer are supporting legislation which would put feed crops at mandatory, high support levels while keeping dairy products on a flexible basis. I see no good in such legislation for the dairy farmer. It is a move to increase his cost of production at a time when one of his great needs is to reduce that cost. A dollar paid out for higher feed has the same number of cents as a dollar received for milk.

Let us talk a bit about production. I have already mentioned that the advocates of milk production controls have come out of hiding and are now openly proposing that the Government tell each and every dairy farmer how much milk he shall produce in return for high Government-supported prices.

I think that the Wisconsin dairy farmer, if he faces the facts, will overwhelmingly reject such a proposal. It is a proposal for nothing more nor less than a Government-run monopoly. It is a proposal which would strike hard at the efficient milk producers of our Nation because it would freeze them in old production patterns, limiting their sales not by what they can efficiently produce but by what the Government tells them they can sell. I need not tell you that the most efficient milk producers in the country are the Wisconsin dairy farmers.

The Wisconsin dairy farmer knows the importance of volume. He constantly strives to increase production at reduced cost. A production drop, he knows, costs as much as a drop in price. Let me put it another way. He knows that a reduction in his volume of milk reduces his income just as much as a drop in the price of milk. Every advance he makes in dairying efficiency—the upgrading of his herd, improvements in feeding and milking, better handling and transporting of his milk—is designed for volume production. Production controls would end the march toward efficient production. What farmer would strive for more volume when the Government would prevent him from selling his extra milk, or penalize him for doing so?

May I point out another fact to the Wisconsin farmer? Any system of production controls would necessarily have to exempt the backyard producer—the one- and two-cow farmer—or the administrative job of handling the controls would be impossible. To us in Wisconsin, it probably seems incredible, but the fact is that almost half the farms in the Nation producing milk fall in this category. That means that the full burden of production controls would fall upon the large and efficient producers. It would fall particularly hard upon the farmers in our State where dairy herds of 20 or more account for 53 percent of the cows in our State and where we pride ourselves on efficient production of milk.

No, I say the answer to the dairy problem does not lie in production controls. Rather, one part of the answer lies in the opposite direction. It lies not in limiting efficiency, but in promoting it. The dairy farmer cannot be helped by persuading him to accomplish less with his labor. A test at Michigan State showed that milk production costs could be cut by 45 percent through the use of all available techniques, such as better-producing cows and improved practices, without increasing farm help or farm acreage. Any dairy farmer who achieves only part of this efficiency increase automatically improves his economic position considerably.

That is why I said earlier that the partial answer to the problem of too much production is, paradoxically, increased production by individual producers. For, part of the reason for too much production is too many farmers engaged in milk production, in other parts of the country, who have no economic justification for being in the business of producing milk. They have been able to operate inefficiently and get by because of artificially high prices for milk, either through Government supports, marketing orders, or local regulations. As we produce more efficiently in Wisconsin and as we break down these artificial barriers to the flow of milk into other States, we in Wisconsin can expect to capture the markets now held by inefficient producers. These other areas can then return to crops for which their farms are more suited. This is happening to a slight extent already. Wisconsin milk production is down only slightly for the first 3 months of this year, but production nationwide is down almost 2 percent.

May I point to a final fact which faces the dairy industry—the fact that our brightest future lies in increasing the consumption of dairy products. This is a fact which we have been late to recognize. I have no doubt, however, that the industry is now well aware of the need to go out and sell its products. This festival is a significant contribution to that sales campaign.

Great progress has been made already. We are increasing the consumption of dairy products through giant advertising and merchandising plans sponsored by the dairy farmers themselves. My kids are singing "Davy Crockett, King of the Wild Frontier," because Davy Crockett is selling milk, butter, and cheese on the television. Our own Alice in Dairyland is promoting the sale of dairy products. You good people here are doing more than your share. The industry itself has come alive. We can expect more and better results as this gigantic promotion program takes hold of the American people, as it has begun to do already.

We begin with a tremendous advantage. We have an ideal product to sell. It is nature's finest food. It is inexpensive. It tastes good. That is a combination that can't be beaten. The American people need to be made aware that milk and its products are the source of over 100 different nutrients—vitamins, minerals, fats, sugars, and high-quality proteins. They need to be reminded that the 15 percent of their food dollar which they spend on dairy products brings them 25 percent of their food. They need to have brought to their attention the thousand and one different ways in which dairy products can be used to better the taste of their diets. That is the road to increased per capita consumption.

These jobs—and the job of better distribution of dairy products—are the responsibility of the industry and the dairy farmer, assisted by Government. It is a job which must be done.

I am supremely confident of the future of the dairy industry—so important to all of us in Wisconsin—if the industry continues to face up to the facts.

An understanding of the basic problem, a recognition of the proper role of Government, increased production efficiency and increased per capita consumption—these are the needs. These are the facts we face.

We have made great progress from the serious situation which confronted us only a year ago. We have a long way to go. But I believe strongly that we are moving toward the time, as the Secretary of Agriculture put it recently, when the support price will no longer be the ceiling price, as has been the case too long. Our goal, he said, is to have the farm price of milk move up in the market rather than on the statute book.

I am convinced we can reach that goal—if we continue to face the facts.

Memorial Day, Lawrence, Mass.

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1955

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address I delivered on the Memorial Day observance on Campagnone Memorial Common, Lawrence, Mass., with exercises in memory of those who served as soldiers, sailors, and marines in defense of the Union, during the War of the Rebellion, followed by the traditional military parade to Bellevue and Immaculate Conception Cemeteries, where the dead of all other wars were honored. The exercises were jointly sponsored by American Legion Posts, Nos. 15 and 275, this year.

With each passing year, we approach Memorial Day with greater reverence.

The boy who stood near one of those trees in 1938, 1925, or 1907, holding on to his father's hand as he watched the uniformed veterans on Memorial Day, may be in the gallant company of the heroic dead whose sacrifices we honor in 1955.

As each generation, in turn, grows up to defend the freedoms of our Nation.

To die, if need be, winning time for us to help create a civilization that shall be worthy of all God's children.

On Memorial Day we put aside for a moment the routine tasks that make our lives seem so small in meaning and in purpose.

We think of the boy next door, who had no wealth, or fame, or position to protect, but who went forth in the splendor of his manhood to give up his whole being that we might be spared for another chance.

What inspired him with such faith and courage?

Through home, and church, and school, he learned that the finest people are those who free themselves from the imprisonment of self.

Who are not afraid to spend their energies, their minds, and their hearts, to make life just a little better than it was before.

To our soldier dead, the bright, clean flag that they followed into battle, represented all the brave men who had gone before them; it spoke of their mothers and fathers who had provided opportunities for them in this new world; and it promised all the greatness yet to be, if Americans become fully awake to the responsibilities of freedom.

Living each day, not only for material gain, but to extend our horizons in all directions, searching for the peace based on understanding and fellowship.

Every man has his shortcomings, whether he knows them or not.

And the same applies to groups, to cities, States, and the Nation itself.

We are aware of much that is cheap and shoddy in our way of life; of action for action's sake with no constructive end in view.

In our dealings with other nations, we sometimes rush in with economic aid and military equipment, thinking that these two items will solve the whole problem, instead of trying to understand the character and the culture of the nations that we are trying to befriend.

Our impulsiveness leads us to expect quick results.

This is a factor that we must also bear in mind during forthcoming negotiations with the Russian Communists, that could result in some lessening of international tensions.

Whatever may be their long-range objectives, we can be sure that their present behavior is prompted by necessity rather than a genuine desire for peace.

Things are not going too well within the Communist Empire.

This, plus the fact that the free world is steadily building its economic and military strength, as it applies the lessons of teamwork, is responsible for the sudden change in tactics on the part of the Kremlin.

Some Americans may jump to the false conclusion that the Communists have suddenly reformed, forgetting the mousetrap plays that the Soviets employ to tempt nations into moves that will weaken and defeat them.

Armed Forces Day, which was observed on May 21, stressed the theme of power for peace.

It is that power which has made some impression on the Communists.

It is a realistic force that they plan to undermine by the olive-branch technique, until such time as they can lull the free world into the careless mood where stealthy subversion may enslave us from within.

While we are duty bound to examine every Soviet proposal that might, just might lead to a settlement of outstanding problems, we should look beyond the bait and guard ourselves against boobytraps.

At no time can we ever relax our vigilance.

The menace in our time is communism.

In the future it may come in another form; through our own worship of materialism or indifference to problems right here at home.

Having freedom is one thing; what we do with it is another.

A spoiled child, wanting to have its way in all matters, believes that it is enjoying a special freedom. But that child grows up alone because it fails to show consideration for the rights of others.

Just as no free people can live in isolation.

We remember George Washington, who shared the suffering of his men during that bitter winter at Valley Forge.

Abraham Lincoln, worried by a divided nation, the inhuman lot of the slaves, and the tragedy of brother fighting against brother that burdened his heart with anguish.

Woodrow Wilson, leading the crusade to save democracy and to win the right of self-determination for all peoples.

Franklin D. Roosevelt, lifting the Nation and the world from despair by his confident leadership and his faith in the future.

Behind these Presidents, supporting and inspiring them, were the millions of unknown Americans whose sacrifices we honor today.

In every city and hamlet throughout the Nation we shall decorate their graves on this Memorial Day and in every year to come as long as man shall live. Not only in the cemeteries that carpet the western hills of our city, but in the bivouacs of the dead from Concord to Korea; in the islands of the far Pacific; and along the hedgerows of France, that tenderly embrace the mortal remains of young Americans who fought and died in freedom's name.

Today we commune with them.

Praying that we may live up to the high standards they have set before us.

Heartened by the alert and every-ready pilots of our Strategic Air Command; by the soldiers and sailors who make tyrants hesitate to embroil the world in war.

Hopeful, as we look at our schools where youngsters are learning those imperishable truths that will nourish the future.

From university to scientific laboratory, from factory to market place, and in every activity, the eager American is pioneering, pressing forward to conquer poverty, disease, ignorance, and intolerance.

Not for himself alone, but that all men shall benefit from progress. With the dedication of a Dr. Salk, who freely offered his discovery to liberate parents and children in all lands from the fear and suffering of a dread affliction.

Soldiers for peace as well as for war.

Winning victories for mankind.

In sadness, mellowed by pride, we mourn for our soldier dead because they gave up the great gift of life, to defend us.

Wondering if we can ever justify their faith in us.

Missing their unwavering courage that we need to overcome the dangers that challenge us the living.

But wait, we do not have to reach back and recapture the past.

Our heroic dead are not separated from us, in the ever-lengthening distance between 1950, 1918, 1898, 1864, 1775.

They are the invisible host of brave men who, having done their duty, encourage us to do ours, being closer to us than we realize.

Freedom is not a passing experiment.

Courage is never dated.

On this Memorial Day we are aware of a precious heritage that lives and breathes in us.

Thankful to God for having blessed our country with men who were unafraid to open the way on which we must follow through.

Indebted to the valiant Americans who have not really gone and will never be forgotten.

Because they walk with us in spirit and forever.

Protecting the Educational Opportunities of Our Young Men

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1955

Mr. PELLY. Mr. Speaker, I have received a protest from the Washington State Bar Association which I think merits the attention of the Members of the House.

Recently in the Committee of the Whole House when we were discussing the Reserve manpower bill it was obvious Congress desires in peacetime if possible to protect the educational opportunities of our young men. Now I have a case in point which shows how rigid and arbitrary our military can be.

Three graduating law students of the University of Washington who are attached to the District of Columbia National Guard as Reserve officers applied for induction delay so they could take their bar examinations. They were ordered to report June 15 and the examinations are to be given July 18, 19, and 20. Their request was rejected and they were told either to report as ordered or to resign and be drafted.

I certainly think the future careers of our young men should be considered. To me the Washington State Bar Association is right, and I have urged the District National Air Guard to reconsider its decision. My colleague from the State of Washington [Mr. MACK], in whose district one of the young men lives, has joined me in protesting and urging that a 60-day delay be given these three students in reporting for military service. We have pointed out that the Government already has an investment in their training which should be protected, but more important they should be permitted to take their bar exams now rather than after they complete their military service. Otherwise their future careers may well be jeopardized.

Increase Minimum Wage to $1.25

EXTENSION OF REMARKS
OF
HON. ISIDORE DOLLINGER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1955

Mr. DOLLINGER. Mr. Speaker, legislation to increase the minimum hourly wage now holds the spotlight. This vitally important question is being considered by the Committee on Education and Labor. Millions of underpaid workers are looking hopefully to Congress for relief and for a decent living wage.

As early as 1949 I introduced a bill to establish a $1 minimum hourly wage; in 1953 I introduced a bill providing for $1.25, and reintroduced it in 1955. The fact that a minimum wage of at least $1 per hour was needed to meet living costs in 1949 points up the futility and worthlessness of the President's proposal that the minimum wage be increased to only 90 cents, for living costs have steadily increased.

The workingmen of our prosperous country should be given a minimum wage of at least $1.25 per hour in order that they can maintain a decent standard of living.

I appeared before the committee today and made my plea in behalf of our low-income workers, and am inserting in the RECORD a copy of my statement:

Mr. Chairman and members of the Committee on Education and Labor, on January 5, 1955, I reintroduced my bill to establish a $1.25 minimum hourly wage, and for other purposes.

I am pleased to have this opportunity to speak in behalf of the underpaid workers of our country, for they need our help.

The President of the United States has recommended a 90-cent minimum wage. This is grossly inadequate. Decent living standards cannot be maintained on less than $1.25 per hour.

Living costs have increased 14 percent since January 1950—but for the lowest in-

come group, which suffers the greatest price rise, living costs have increased by at least 18 percent. During this time that the 75-cent level has remained, productivity has increased at least 20 percent. The gap between what a man is paid and a man produces widens and the glaring injustice of the 75-cent minimum wage is apparent.

The low-wage earner has been staggering under an overwhelming burden of high taxes and ever rising living costs and no relief by way of increased earnings has been given him. Low-income families have been suffering privations; they cannot afford adequate medical care or many of the necessities that we have come to take for granted as part of the American way of life. During the past 2 years, under the Republican administration, the rich have become richer while the poor man's lot has become more and more intolerable—low-income families have had to battle for a meager existence.

Although corporation and stockholder profits are up, labor is called upon to pay most of the tax bill. Corporations and those in high-income brackets were provided loopholes in the tax law under this administration, but the wage earner has not been granted an increase in personal income-tax exemption. On the other hand, hidden taxes have increased and in most States people are now called upon to pay sales taxes. Thus the tax burden is being shifted more and more to the shoulders of the low- and middle-income families.

We must come to the rescue of the laboring people of the country. The wage earner should be adequately paid for his labors and efforts; this is only his just share of the profits reaped as a result of his labors.

An adequate minimum wage would mean a boost to the health, morale, and general economic welfare of millions of workers and their families; it would bolster the purchasing power of the low-income groups where the need for higher living standards is the greatest. This, in turn, will increase the demand for goods and services throughout the Nation and benefit all.

I urge your committee to take a realistic view and to recognize the plight of the workingman. Justice demands that you set a minimum wage of $1.25 per hour. I trust that you will favorably report legislation providing for that sum. Anything less would be wholly inadequate, futile, and a betrayal of the workingmen who must rely upon us for protection.

The Late Chief Judge Harold M. Stephens

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. LECOMPTE. Mr. Speaker, yesterday as I attended the last rites pronounced over my friend, Chief Judge Harold M. Stephens, I constantly thought of the great contribution this unselfish man had made to the welfare of his country through his devotion to fair and constructive interpretation of law. He was an eminent and successful practicing lawyer, but he was willing to devote the greater part of his life to the judiciary, and he became one of the very great jurists of this age.

For 20 years he served on the bench of the United States Court of Appeals for the District of Columbia Judicial Circuit, and since 1948 he has been Chief Judge. During his service he inaugurated many innovations, notably the Federal Register. This service alone is of sufficient importance to distinguish him. Many Executive orders have practically the force and effect of legislative enactments, but without the Federal Register it might be difficult to locate and analyze some administrative orders.

Judge Stephens was devoted to the law at all times, but had a fine sympathetic feeling toward all parties involved. He gave unstintingly of his time to every case that came before him.

In his private life he was a most lovable man, devoted to his friends and his faithful wife and companion of a lifetime. We will not soon see his like again.

Citizenship Day 1955

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. BOW. Mr. Speaker, President Eisenhower has issued a proclamation calling upon all citizens to recognize September 17, the anniversary of the signing of the Constitution, as Citizenship Day.

Under joint resolution adopted in 1952, the Congress has set aside this day as one of recognition of all citizens who have come of age and all who have been naturalized within the year preceding.

I join the President in urging suitable recognition of our new citizens and of the anniversary of the Constitution.

I feel, however, that the anniversary of our American Constitution, one of the greatest written documents of all times, deserves greater recognition than is provided under the resolution and the proclamation of the President. I feel that it should be a legal holiday devoted to the Constitution. For this purpose, I have introduced House Joint Resolution 95, which is now waiting consideration of the Committee on the Judiciary, and which I hope may soon have the approval of that committee.

Under leave to extend, I include the President's proclamation and the text of House Joint Resolution 95:

PROCLAMATION 3098
CITIZENSHIP DAY, 1955

By the President of the United States of America, a proclamation

Whereas by joint resolution approved February 29, 1952 (66 Stat. 9), the Congress of the United States has designated the 17th day of September of each year as Citizenship Day in commemoration of the signing of the Constitution of the United States on September 17, 1787, and in recognition of all our citizens who have come of age and all who have been naturalized during the year; and

Whereas in this time of world uncertainty and unrest it is most appropriate that every one of our citizens, whether native-born or foreign-born, give special thought to the priceless blessings secured to us by our Constitution; and

Whereas the aforesaid resolution authorizes the President to issue annually a proclamation calling for the observance of Citizenship Day with appropriate ceremonies:

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, call upon the appropriate officials of the Government to display the flag of the United States on all Government buildings on Saturday, September 17, 1955, and urge the people of the Nation to display the flag on that day at their homes and other suitable places.

I also urge Federal, State, and local officials, as well as religious, civic, patriotic, educational, and other organizations, to arrange for appropriate ceremonies on Citizenship Day, in schools and churches and other appropriate places, to the end that all of us may gain a deeper appreciation of our rights and responsibilities as citizens of the United States.

And I also call upon all our citizens to renew and reaffirm their allegiance on that day to the principles and ideals embodied in the Constitution—the foundation of our strength and the symbol of freedom and justice for all.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 1st day of June in the year of our Lord 1955, and of the independence of the United States of America the 179th.

DWIGHT D. EISENHOWER.

By the President:
[SEAL] JOHN FOSTER DULLES,
Secretary of State.

[F. R. Doc. 55-4560; Filed, June 3, 1955; 1:38 p. m.]

House Joint Resolution 95

Joint resolution to make Constitution Day a legal holiday

Resolved, etc., That the 17th day of September in each year, being the day celebrated and known as Constitution Day, is hereby made a legal holiday to all intents and purposes and in the same manner as the 1st day of January, the 22d day of February, the 30th day of May, the 4th day of July, the first Monday of September, the 11th day of November, the fourth Thursday of November, and Christmas Day.

Letter From Georgia Women's Democratic Club Favoring 4-Year Terms for Representatives

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. DAVIS of Georgia. Mr. Speaker, I am in receipt of a letter from Mrs. David S. Hogg, legislative chairman of the Georgia Women's Democratic Club, Atlanta, Ga., advising me that on May 26 that organization adopted a resolution advocating that the term of office of Members of the United States House of Representatives be changed from 2 years, the present length of a term, to a term of 4 years.

The Georgia Women's Democratic Club is affiliated with the National Democratic Party, and concerns itself with questions of national as well as local importance. I have been advised that this organization has for some time given

study and consideration to the question of the length of the term for Members of the United States House of Representatives, and the resolution adopted on May 26 is the result of that study.

I take pleasure in giving to my colleagues in the House this information regarding the action of the Georgia Women's Democratic Club.

Federal-Aid Highway Program

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. PELLY. Mr. Speaker, I have just read H. R. 7072, the new Federal Aid Highway bill, written and introduced by the Democratic members of the House Public Works Committee. I have no differences with many, in fact most, of the basic provisions of this new bill, H. R. 7072. However, I am most emphatically opposed to the financing provision of this bill. The President's program calls for financing the expanded program by means of a bond issue to be paid off from the increased revenue occurring from the gasoline tax which is expanding year after year. On the other hand the proponents of this new bill have set up a tax structure for the financing of their proposed bill that is in my judgment completely unrealistic and grossly unfair. The discriminatory tax placed burdens out of all proportion on certain segments of industry. Briefly they propose to raise the present 2 cents a gallon Federal gas tax to 3 cents, a 50-percent increase, and the present 2 cents a gallon tax on diesel fuel to 6 cents, a 200-percent increase. This tax is obviously grossly unfair to the users of our airways and the operators of gasoline- and diesel-powered small craft, as well as the users of diesel fuel for heating purposes, not to mention the general public already struggling with a tax burden out of all proportion to earned income.

Aside from these fuel taxes, H. R. 7072 comes up with a startling new proposal, the levying of a special tax on truck tires in sizes 8.50 by 18 and larger. I am informed that this size tire weighs approximately 100 pounds or more. The tax is to be 50 cents a pound on tires and tubes. Then, too, for the purposes of this act, every time the owner of a tire has occasion to have it retreaded or recapped, he pays an additional 20 cents per pound tax on the overall weight of this same tire.

This is an exorbitant tax. Heavy truck tires presently sell for approximately $1 a pound, to which there is added a 10-percent Federal excise tax. Under the new proposal the sponsors of this bill would add 50 cents per pound. Thus on a 100-pound tire now selling at $100 there would be the present $10 excise tax, plus the proposed new 50-cents-per-pound tax, making the cost of the tire $100 plus $10 plus $50, or $160, and with an additional tax of $20 every time the tire is recapped. In addition, all of the money derived from the new tire tax is to be earmarked for use on the Interstate Highway System, which in the case of my State of Washington would involve Highway 99, running north and south from Vancouver to Blaine, Wash., and Highway 10, running east and west from Seattle to Spokane, Wash. Logging is one of the chief industries in the State of Washington, yet owing to the location of the camps in relation to the mills, logging trucks seldom use the interstate highways. Nevertheless, logging-truck owners would be compelled to pay this exorbitant $50 or more tax on every tire purchased under this bill. The average logging truck has a complement of 16 tires, so that for every set of tires purchased an additional tax of $800 or more would be assessed, this in addition to the already substantial excise tax.

Referring once again to the staggering increase proposed in the gasoline and diesel-fuel tax, in the case of the former 50 percent and of the latter 200 percent, consider the plight of the airlines, the owner of private airplanes and small craft, the farmer operating tractors and stationery power-driven farm equipment. All these individuals would pay their tax without ever using the highways for which the tax was levied.

In my opinion this constitutes a perfect example of a discriminatory tax bordering on confiscation, and should most definitely be deleted from any legislation brought before the distinguished Members of this House. I strongly urge the financing of this program be based on the sound business practices suggested in the administration's recommendation.

American Motion-Picture Industry Promotes International Goodwill

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. McDONOUGH. Mr. Speaker, the motion-picture industry of the United States has been and is doing much to further international goodwill and understanding between the United States and the other nations of the world.

Not only have motion pictures carried the message of our American way of life to every corner of the globe, but the motion-picture companies have sent units to all parts of the world in their film-making efforts.

The men and women who have traveled to far lands have acted as individual goodwill representatives of the United States, and have, in their relationships with peoples of other nationalities and backgrounds, impressed upon them the effectiveness of American methods and the ability of the American people to work in harmony with the people of other nations to accomplish a united purpose.

Foremost among those who have paved the way for the path of good international relations is the motion-picture director, Mark Robson. Mr. Robson 3 years ago took a company of American film workers into the remote areas of Samoa to make the motion picture Return to Paradise. He instructed his coworkers to enter into the civic life of the capital city. Spending 4 months with the Samoans, Robson and his company were model emissaries for this country—so much so that they were given a ceremonial farewell feast by the natives of six villages.

Last year, Robson extended his operations to Japan, where he filmed much of the motion picture The Bridges at Toko-Ri. To the Japanese, he brought a true view of the Americans at work. He integrated his production crews with those of Tokyo studios, and Americans worked alongside Japanese in perfect harmony. He exchanged professional views in public meetings with the Japanese film creators, and made a number of personal appearances in Tokyo theaters to praise the efficiency of the Nipponese studio workers. Robson's visit resulted in an added respect for American methods and conduct.

Later in the year, the director completed a motion picture that was made in England and Germany. In the latter country, where our public relations often are in the critical stage, he performed in the best diplomatic tradition by utilizing West Germany's motion-picture facilities to the fullest extent and always considering that nation's film experts on a par with our own.

In another case, Producer-Director John Huston endeared himself recently to the natives of the Canary Islands by staging special public sports events for the people while he was making the film Moby Dick in that part of the world. He created enormous goodwill also in the Azores, where he filmed another portion of his motion picture. In India last month, Mr. Huston provided the same effective international relations through his appearances at official functions and his superb press relations.

By the time the year ends, it is estimated that 40 feature motion pictures will have been made by American companies on foreign soil. If past experience is a criterion, the people who participate in these productions may be numbered among America's best missionaries of goodwill.

Bananas on Pike's Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate

public money to grow bananas on Pike's Peak as to approve the central Utah irrigation project.

The central Utah project is a part of the proposed multi-billion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the central Utah project would be $4,700 an acre.

The project would produce agricultural products now supported by the taxpayers and in great surplus in this country. Among these are grains, dairy products, and wool.

Limiting the Powers of Congress

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 1, 1955

Mr. GWINN. Mr. Speaker, the other day a proposal in Congress to reduce personal taxes by a meager $20 a head was called fiscal irresponsibility. That was true because of worse fiscal irresponsibility by Congress for more than 20 years right up to this minute. It has been making appropriations for grants-in-aid, loans, subsidies, and gifts. It has authorized spending, borrowing, and running deficits that make the proposed reduction in taxes impossible—irresponsible. During the fiscal year 1956 the Federal Government expects to spend about 20 percent of its budget on domestic programs with so-called economic and social objectives. Included in these programs are aids to agriculture, aids to business, aids to tenants and homeowners, aids to labor and other programs providing general economic or social benefits. The total for these programs according to the Tax Foundation is $12¼ billion. It takes at least 1,400,000 Federal employees to operate our extraneous, unconstitutional functions of government. They cost in salaries and other overhead more than $6 billion. Nine hundred thousand employees could perform all the legitimate constitutional nonmilitary functions of government—and do a better job.

Americans are quick to express their displeasure of and opposition to the Communist concept of state ownership of land and resources. They would consider any comparison between our country and Russia as odious and tantamount to treason. But a look at the facts will show that such a comparison is possible and that the only difference is one of method and degree. It is common knowledge that in the last 15 years this inflation, which is directly attributable to reckless and irresponsible fiscal practices of the Federal Government, has decreased by 50 percent the value of our dollar assets, bank deposits, Government bonds, insurance policies, and social-security claims. Since the Federal Government has the power to so devalue the worth of our money, it can be said that the Government has confiscated one-half of every dollar earned and owned by every American. In the early days of the New Deal the Federal Government confiscated every ounce of gold that was being used or to be used as the medium of exchange. Future ownership of gold was declared a crime, and payment of obligations in gold was forbidden. Taxes, hidden and direct, require a third of our individual income. More than half of the net income of corporations is taken. The Federal Government owns about 25 percent of the land area of the United States. In addition are all the Government housing projects and some 2,500 business properties estimated at about $50 billion. Add to this the electrical-power projects that will soon produce a fourth of our power. Add to this irrigation projects of $2⅓ billion. Then there is the Government insurance business, impossible to estimate, insuring farmers against crop failures, workers against unemployment, orphans, widows, and old people against want. Along with innumerable other controls and regulations, the Federal Government exercises such compulsions as to fix wages according to the judgment of that Government. Farmers are instructed from Washington what crops are to be planted and what the extent of the harvest shall be. In recent times the Government has determined the rent a landlord should charge and the profits a business could make. This was accomplished by specific controls in addition to the taxing power which deprives the owner of his rights to property and his disposition of the same. Through the borrowing power the United States Government has mortgaged every man, woman, and child in the Nation to the extent of over $1,700, or a total of $285 billion, and entered into other contingent obligations estimated at $244 billion, many of which are not on the books and not yet determinable.

Thus, what the Federal Government does not own outright, which is communism, it regulates and controls, which is socialism, American variety. So far as the individual is concerned, there is little difference between taking ownership of property and taking control of it. What value does property have to a man if he cannot manage it or enjoy the fruits of it or dispose of it as he sees fit?

The conclusion is inescapable, that the Government, through its outright taking, taxing, regulatory and controlling powers, has confiscated and transferred to itself at least one-half of the value of all private property in the United States. This is obviously a conservative estimate. When income is taken by Government up to 91 percent as at present, that means individual responsibility to manage ourselves and our property is suspended.

Something has to be done about it. Or we shall have unlimited governmental irresponsibility in the management of our affairs permanently fastened upon us.

Indeed, is it not a fact that any people who tolerate mere men exercising unlimited powers over them have become themselves temporarily irresponsible? No sensible organization of men turns loose its officers to do anything they like and spend whatever they please. Their powers are always specified and limited in scope and spending to carry out the stated purposes of the organization. Congress is in that ridiculous position of being unlimited in functions and spending power.

Do we need another decade—even another day—to demonstrate that Congress is incapable of correcting its own helplessness without the people's help?

Much of our trouble stems from the Marxian system of taxation established by Congress. With its heavy progressive income tax and its confiscatory death tax, this system is fast driving us into complete socialism.

As a means of eliminating this evil, Senator EVERETT M. DIRKSEN and Congressman CHAUNCEY W. REED have introduced in the Senate and House an amendment to the Constitution limiting the power of Congress to tax incomes, inheritances, and gifts—Senate Joint Resolution 23 and House Joint Resolution 182.

Congressman REED, when he introduced the amendment in the House on January 31, 1955, summarized its provisions as follows:

> First. As to income taxes: The amendment limits income taxes on both individuals and corporations to a maximum rate of 25 percent, but permits Congress by a vote of three-fourths of the Members of each House to exceed that rate provided the top rate does not exceed the bottom rate by more than 15 percentage points. For example, if the bottom rate were 20 percent, the top rate could not exceed 35 percent. If the top rate does not exceed 25 percent, however, there is no restriction at all on the bottom rate. It could, for instance, be 1 percent or one-half of 1 percent. Subject to the foregoing limitations, the rates on corporate incomes may vary from those on individual incomes.
>
> Second. Death and gift taxes: The amendment gives to the States the exclusive power to impose death and gift taxes.

The Reed-Dirksen proposal recognizes some basic first principles that the Marxian tax system we now have does not. First, there is a point of diminishing returns in the collection of taxes. Low rates may produce more revenue than high rates. Second, the great bulk of income taxes in a progressive rate system is collected from the lowest tax brackets; and, third, that as between separate governmental taxing units, the one closest to the people can perform most efficiently and economically.

The first principle is best illustrated by the use of Henry Ford as an example. In 40 years Mr. Ford's fortune increased from $1,000 to $1 billion. If the Ford Motor Co. had been subjected to a 50-percent income tax during that 40-year period it could never have come into existence. We have proved to the world that mass-produced, low-per-unit-cost products yield more profits and pay more taxes than high-per-unit costs and high rates of taxes.

To illustrate: During the 1920's the high World War I tax rates were drastically lowered. The following table shows that although maximum rates

were lowered and personal exemptions increased the revenue yield was greater:

Year	Total internal-revenue collections	Maximum rate (percent)	Personal exemptions
1925	$2,584,140,000	40	$2,500
1926	2,836,000,000	24	3,000
1927	2,865,864,000	24	3,500
1929	2,939,054,000	20	3,500
1930	3,040,146,000	20	3,500

The reason for this is obvious. The great bulk of revenue comes from the first and lowest bracket of the income taxpayers. About 85 percent of all taxes collected comes from the lowest bracket, viz. the 20-percent bracket. Only 3 percent, or about $2 billion, is provided by rates in excess of 34 percent.

It is obvious from the foregoing that if the Government continues to require large revenues, the lowest income producers will be required to provide by far the greatest share of taxes.

Real relief can be effected only by drastically reducing expenditures or by reducing the higher bracket tax rates so as to increase incentive and investment in productive enterprise. As Congressman REED points out, this would increase the national income which constitutes the tax base and thereby increase the revenue.

A very important effect of the amendment is the restoration to the States of the fiscal ability to meet the needs of their people. The States have lost that power to a great extent and consequently have either been forced to rely on the various grants-in-aid programs, or have surrendered to the Federal Government the responsibility for the performance of services that are primarily of State and local concern. This shift of power and responsibility is in clear violation of our constitutional concept that the unit of government closest to the people can most capably serve them. The Constitution provides for a neat division of powers, reserving to the States the bulk of sovereignty and granting only explicit and very limited powers to the Central Government.

This balance has been upset by the reckless and unsound use of the unlimited taxing power granted to the Federal Government by the 16th amendment and the Court interpretations of it. By preempting the tax sources the Central Government has been successful in arrogating to itself virtual control over the lives, property, and liberties of the American people. The States exist too much by sufferance and function too often as agents for the distribution of the Federal largesse. The extent of the shift of sovereignty is indicated by the fact that 20 years ago the States and localities collected 75 percent of all tax revenues in the Nation, while today the Federal Government collects 75 percent. The pen is indeed mighter than the sword, but the power of the purse is invincible.

The Reed-Dirksen proposal reverses this trend toward centralizing government power by restoring to the States some of the sources of tax revenues. The amendment returns to the States the exclusive power to levy death and gift taxes. These taxes constitute a small item in the Federal tax picture—about 1 percent—but represent a considerable revenue to the States. The right to control the transfer and devolution of property is one of the historical attributes of sovereignty, and clearly belongs to the States. Secondly, the amendment's limitation on confiscatory rates in the higher income-tax brackets guarantees to the States that the wealth created within their boundaries will remain there to create more wealth and consequently produce more and greater tax revenues for the States.

The amendment is a compromise, recognizing that in emergency situations the Federal Government must have great fiscal powers. But it also assures the American people of fiscal and, consequently, political sanity in normal times. That is the least we can do for the Nation's 66 million taxpayers.

The following is an address delivered on the floor of the Senate, January 21, 1955, by Senator EVERETT M. DIRKSEN, of Illinois, introducing Senate Joint Resolution 23, the Reed-Dirksen amendment:

THE PROPOSED CONSTITUTIONAL AMENDMENT LIMITING CONGRESSIONAL POWER TO TAX INCOMES, INHERITANCES, AND GIFTS

Mr. DIRKSEN. Mr. President, in January 1953 the Honorable CHAUNCEY W. REED, of Illinois, introduced in the House, and I introduced in the Senate a joint resolution proposing an amendment to the Constitution of the United States limiting the power of Congress to tax incomes, inheritances, and gifts—House Joint Resolution 103 and Senate Joint Resolution 23.

This amendment would limit income taxes to a maximum rate of 25 percent, but would permit Congress by a vote of three-fourths of the Members of each House to exceed that rate at any time without limit. Where the top rate exceeded 25 percent, however, it could be no more than 15 percentage points above the bottom rate. For example, if the bottom rate were 15 percent, the top rate could not exceed 30 percent. If the bottom rate were 20 percent, the top rate could not exceed 35 percent. If the top rate did not exceed 25 percent, however, there would be no restriction at all on the bottom rate. It could, for example, be 1 percent, or one-half of 1 percent.

This amendment would also deprive Congress of the power to impose death and gift taxes and would leave these means of raising revenue exclusively to the States, where they belong, and where competition among the States would tend to keep the rates within reasonable bounds.

Representative REED and I are introducing this joint resolution again this year.

The proposed amendment has met with wide approval. Important national organizations have endorsed it, including the American Bar Association, the American Legion, the National Association of Manufacturers, the Western Tax Council, the Committee for Constitutional Government, the Life Insurance Policyholders Protective Association, the National Economic Council, and the National Small Business Men's Association.

I cannot emphasize too strongly the importance of this amendment. Its objective is to save our American incentive system, commonly spoken of as the private-enterprise system, on which our very form of government depends.

Our present system of taxation, with its heavy progressive income and inheritance taxes, will eventually destroy this system and result in the substitution of some form of socialism.

Karl Marx, in his Communist manifesto of 100 years ago, fully recognized the importance of these taxes as a means of destroying the private-enterprise system by including in the 10 planks in his platform the following:

First. A heavy progressive or graduated income tax.

Second. Abolition of all right of inheritance.

For the past two decades the Federal Government has been following the course prescribed by Marx by imposing a heavy progressive or graduated income tax, and while not abolishing the right of inheritance the Federal Government has been increasing the rates of the death tax until the top rate is now 77 percent.

The progression in income-tax rates from the beginning rate of 20 percent on incomes of $2,000 and under to 91 percent on incomes of more than $200,000 is progression of a most extreme character. It not only confiscates the larger incomes, but it bears most heavily on the middle incomes, the group at which Marx particularly aimed in his advocacy of heavy graduated income taxes.

Reason and the experience of other nations, and most recently that of England, demonstrate beyond all question that unless our policy of taxation is changed the system of society under which this country has prospered and grown great will come to an end and some form of socialism or communism will supplant it.

How, one may ask, will the proposed amendment keep the rates down? The answer is this: The amendment would make it in the interest of every taxpayer, first, to keep the top rate down to 25 percent—as compared with the present rate of 91 percent; and, second, to keep the bottom rate no higher than 10 percent—as compared with the present rate of 20 percent. It is expected that the beginning rate will ultimately be much less than 10 percent.

The proposed amendment is just as important for the small-tax payer as for the large. This united self-interest of all taxpayers is relied on as a force that would keep the tax rates within reasonable bounds. There are 66 million individual income-tax payers in the United States. Most of them vote.

It should be noted that the proposed amendment merely limits the degree of tax-rate progression. It does not prescribe the top rate that Congress may impose. Hence, it cannot be argued that the amendment impairs the Government's power to raise needed revenue during either war or peace.

The proposed amendment will reduce the burden of taxation on those with the smaller incomes. A fact not generally realized is that the great bulk of the revenue from the individual income tax comes not from the taxpayers with large incomes, but from those with small incomes. That is so simply because the small incomes, in the aggregate, constitute the bulk of the national income. For example, only 3 percent—about $2 billion—of the total estimated Federal revenue of about $60 billion for the fiscal year ending June 30, 1955, is produced by the individual income-tax rates above 34 percent, which is 14 percentage points above the present beginning rate of 20 percent.

Contrast these figures with the effect of an increase of only $100 in the present $600 personal exemption and credit for dependents. Such an increase would result in a reduction of 7 million in the number of income-tax payers and a revenue loss of $2.5 billion. This is one-half billion dollars more than the total revenue received from the individual income-tax rates above 34 percent.

Accordingly, if we are to have enormous expenditures and correspondingly large reve-

nue, the great bulk of the revenue must come from persons of small and moderate means.

The only possible way to give relief to the small-tax payers is either (1) by reducing the need for revenue through cutting expenditures, or (2) by increasing revenue through a drastic reduction of the present confiscatory higher bracket rates so as to increase incentive and investment in productive enterprise. This would increase the national income, which constitutes the tax base, and thereby increase the revenue.

Any immediate loss in revenue through the elimination of the higher individual rates would undoubtedly be only temporary. Eventually, the lower rates would produce greater revenue than the higher rates now in force.

That the present confiscatory rates of the individual-income tax are not approved by a large majority of the American people is shown by Gallup polls. The vote of those having an opinion was 2 to 1 in favor of a 25-percent top limit in the September 1951 poll, and 3 to 1 in the July 1952 poll.

As I have already stated, the proposed amendment also deprives Congress of the power to impose death and gift taxes and leaves these means of raising revenue exclusively to the States, where they belong, and where competition among the States would tend to keep the rates within reasonable bounds. Under existing laws the tax on the estates of decedents runs to a high of 77 percent, and the tax on gifts to 57.75 percent. These rates are manifestly confiscatory, and they have very harmful economic effects. They not only seriously impair the incentive to work, save, and invest in productive enterprise, but they are extremely destructive of capital and, in the long run, will destroy the accumulations of capital that are so necessary for industrial activity and expansion, with the resulting beneficial effects on our economy.

Moreover, the heavy taxation of large estates compels the rich to seek comparatively safe liquid investments in order to provide for the heavy taxes that will be imposed upon their estates at death, thus further reducing the capital available for risky business ventures.

The harm done to the economy by the present high rates of death and gift taxes is out of all proportion to the revenue produced, and cannot be justified by any argument based on fiscal needs. Even with the very high rates now in force, the revenue from these taxes is comparatively trivial. In 1953 it was $891 million from the two sources. This was a little over 1 percent of the total budget of $74 billion—enough to pay the Government's expenses for about 4 days. The gift tax is merely auxiliary to the estate tax, and both should be dealt with alike.

Of particular concern is the destructive effect of the heavy estate taxes on small business. The conclusions of the Select Committee on Small Business of the United States Senate in its report published in June 1953, was that "estate taxes often lead to the disappearance of small- or medium-sized independent businesses or their merger with the dominant segment of an industry."

Let me add that this statement represents not only my own views but those of Representative REED, who joins me in making the statement.

The following is an address delivered on the floor of the House, January 31, 1955, by Congressman CHAUNCEY W. REED, of Illinois, introducing House Joint Resolution 182, Reed-Dirksen amendment:

LIMITING THE POWER OF CONGRESS TO TAX INCOMES, INHERITANCES, AND GIFTS

Mr. REED of Illinois. Mr. Speaker, 2 years ago in the 1st session of the 83d Congress, the Honorable EVERETT W. DIRKSEN, Senator from Illinois, and I introduced in the House and Senate a joint resolution proposing an amendment to the Constitution of the United States limiting the power of Congress to tax incomes, inheritances, and gifts—House Joint Resolution 103 and Senate Joint Resolution 23. Senator DIRKSEN and I are introducing the same resolution again this year.

The principal provisions of the amendment may be summarized as follows:

First. Income taxes:

The amendment limits income taxes on both individuals and corporations to a maximum rate of 25 percent, but permits Congress by a vote of three-fourths of the Members of each House to exceed that rate, provided the top rate does not exceed the bottom rate by more than 15 percentage points. For example, if the bottom rate were 20 percent, the top rate could not exceed 35 percent. If the top rate does not exceed 25 percent, however, there is no restriction at all on the bottom rate. It could, for instance be 1 percent or one-half of one percent.

Subject to the foregoing limitations, the rates on corporate income may vary from those on individual incomes.

Second. Death and gift taxes:

The amendment also gives to the States the exclusive power to impose death and gift taxes.

It should be observed that the amendment merely limits the degree of tax rate progression. It does not prescribe the top rate that Congress may impose. Hence, it cannot be argued that the amendment impairs the Government's power to raise needed revenue during either peace or war, except, of course, with respect to the revenue derived from the estate and gift taxes, which is only about 1½ percent of the total. In other words, the amendment does not limit the amount of revenue that may be raised, but limits merely the manner in which it may be raised.

Its purpose and effect are merely to eliminate in large measure from our system of taxation its socialistic features; namely, first, the heavy progressive feature of the income tax; and, second, the confiscatory death tax, which will eventually dry up the sources of private capital and lead to the establishment of socialism with the accompanying loss of the people's liberty.

In a statement to the Temporary Economic Committee prior to World War II, Adolph Berle, Jr., Assistant Secretary of State, made the following significant prophecy:

"The Government will have to enter into direct financing of activities now supposed to be private, and a continuance of that direct financing must be (mean) inevitably that the Government will ultimately control and own those activities. * * * Over a period of years the Government will gradually come to own most of the productive plants of the United States."

I am convinced that Mr. Berle's prophecy will come true unless action to prevent it is taken before it is too late.

Legislation by Congress is obviously insufficient; for the work of a good Congress may be easily undone by that of a radical Congress.

The need of reform would seem to be obvious and I know of no way of giving permanence to such reform except through a constitutional amendment.

The ultimate objective of the amendment is a top individual income tax rate of 25 percent and a beginning rate of much less than 10 percent.

In determining whether such an objective is realistic it will be helpful to consider the possible tax effect of a budget of more reasonable proportions than the present one. The budget estimate of expenditures for the fiscal year ending June 30, 1955, is $63.504 billion. According to the Federal Budget in Brief Government expenditures for the comparatively recent fiscal years of 1948 to 1951, inclusive, were as follows:

	Expenditures in billions
1951 (which included a full year of the Korean war)	$44.058
1950	39.606
1949	39.507
1948	33.063

Prior to 1942, which was a war year, the largest expenditure of the Federal Government in any year was $18.4 billion in 1918, which was also a war year.

Let us suppose now the following changes in the budget receipts as estimated for the fiscal year 1955:

1. A reduction in the individual income tax rates to 10 percent on incomes up to $10,000 and 25 percent on the amounts in excess of $10,000, and

2. Elimination of estate and gift taxes.

These changes would reduce the budget receipts to $47 billion, which is $3 billion greater than the budget expenditures for the fiscal year 1951 which included a full year of the Korean war. It is $7.5 billion greater than the budget expenditures for the fiscal years 1950 and 1949.

A beginning rate of 5 percent, instead of 10 percent, on individual incomes would reduce the receipts to $41.5 billion. This is $2 billion above the 1950 and 1949 expenditures, to say nothing of the $33 billion expenditures in 1948.

It would, of course, take some years to secure the adoption of the amendment, since it must be approved by two-thirds of both Houses of Congress and ratified by the legislatures of three-fourths of the States.

About 85 percent of the estimated revenue from the individual income tax, which produces over half of the total revenue of the Federal Government, is produced by the first bracket rate of 20 percent when applied to the entire amount of taxable income in all brackets. Only 3 percent—about $2 billion—is provided by the rates in excess of 34 percent.

Accordingly, if we are to have enormous expenditures and correspondingly large revenue, the great bulk of the revenue must come from persons of small and moderate means. The only possible way to give relief to such persons is either, first, by reducing the need for revenue through cutting expenditures; or, second, by increasing revenue through a drastic reduction of the present confiscatory higher bracket rates so as to increase incentive and investment in productive enterprise. This would increase the national income which constitutes the tax base and thereby increase the revenue.

Any immediate loss in revenue through the elimination of the higher individual rates would undoubtedly be only temporary. Eventually the lower rates would produce greater revenue than the higher rates now in force.

Another important effect of the amendment which has not been sufficiently stressed would be to restore to the States the power to be financially independent and to free themselves from Federal domination. The Federal Government should not be permitted to hog the revenue and hand back part of it to the States on conditions.

It should be remembered that with minor exceptions every dollar spent by the Federal Government comes from the same sources of revenue that are available to the States. The States should raise the revenue and spend it themselves. Responsibility for the raising of revenue is one of the best checks upon extravagant and unwise expenditures. It's too easy to spend money raised by someone else.

Moreover, the States and municipalities are better fitted than the Federal Government to perform the services which are primarily of State or local concern and they

would do so at much less cost. Performance of these services by the Federal Government has meant the maintenance at great cost of a vast horde of bureaucrats on the Federal payroll, many of whom could readily be dispensed with.

To summarize, the proposed amendment—

First. Largely eliminates from our Federal system of taxation its socialistic features and thereby puts an end to the use of the taxing power as means of forcing us into socialism;

Second. Does not impair the power of the Federal Government to raise revenue;

Third. Does not shift the burden of taxation from the rich to the poor;

Fourth. Aims at reducing eventually the taxes of everyone so that the top rate will not exceed 25 percent and the bottom rate will not exceed 10 percent, with the prospect that it will be much less;

Fifth. With lower rates will increase the national wealth and over the years the Federal revenue;

Sixth. Will restore to the States the power to be financially independent and to free themselves from Federal domination.

In the final analysis, the problem resolves itself into the simple issue of whether we are to have in this country a system of society based upon, first, private enterprise and our constitutional form of government, or, second, socialism. Both reason and the experience of other countries lead to the conclusion that our present system of confiscatory income and death taxes, if long continued, will ultimately result in the establishment of socialism in place of our present system.

The changes in the impact of Federal taxes on the great bulk of the taxpayers involved in the proposed amendment are, as I pointed out, comparatively minor. Their beneficial effect, however, would be far-reaching and decisive.

The changes in the income-tax provisions proposed in connection with and partially effected by the 1954 Revenue Code, such as reductions in the tax on dividends and increases in certain deductions and exemptions, are costly in revenue and will have only minor effect on the economy. The major evil to be corrected is the one at which the proposed amendment is aimed.

I cannot emphasize too strongly that this amendment is vastly different from the amendment which has been going through the State legislatures, an amendment which limits the power of Congress to impose income, death, and gift taxes to a maximum rate of 25 percent with no right to suspend the limitation except in time of war. That amendment is altogether too rigid and would seriously impair the Government's power to raise needed revenue from the income tax in time of peace.

The text of the resolution introduced by Congressman REED is as follows:

House Joint Resolution 182

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE—

"SECTION 1. The sixteenth article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration. The maximum top rate (a term which shall mean the aggregate of all top rates) of all taxes, duties, and excises which the Congress may lay or collect on, with respect to, or measured by, income shall not exceed 25 percent: *Provided, however,* That the Congress by a vote of three-fourths of all the Members of each House may fix such a maximum top rate in excess of 25 percent, for periods either successive or otherwise, not exceeding one year each, if such rate so fixed does not exceed the lowest rate (a term which shall mean the aggregate of all lowest rates) by more than 15 percentage points. Subject to the foregoing limitations, the rates of tax applicable to the incomes of individuals may be different from the rates applicable to the incomes of corporations, which term shall include also associations, joint stock companies, and insurance companies. The determination of income subject to tax shall be by uniform rules of general application which shall not vary with the size of the income.

"SEC. 3. The Congress shall have no power to lay or collect any tax, duty, or exercise with respect to the devolution or transfer of property, or any interest therein, upon or in contemplation of or intended to take effect in possession or enjoyment at or after death, or by way of gift.

"SEC. 4. Sections 1 and 2 shall take effect at midnight on the 31st day of December following the ratification of this article. Nothing contained in this article shall affect the power of the United States after said date to collect any tax on, with respect to, or measured by, income for any period ending on or prior to said 31st day of December laid in accordance with the terms of any law then in effect.

"SEC. 5. Section 3 shall take effect at midnight of the day of ratification of this article. Nothing contained in this article shall affect the power of the United States after said date to collect any tax with respect to any devolution or transfer occurring prior to the taking effect of section 3, laid in accordance with the terms of any law then in effect."

Government: It's Better Than You Think

EXTENSION OF REMARKS

OF

HON. MELVIN R. LAIRD

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1955

Mr. LAIRD. Mr. Speaker, this morning I was privileged to attend the annual award ceremony of the United States Department of Agriculture, which was held at the Sylvan Theater on the Washington Monument Grounds at 10:30 a. m.

A very worthwhile and inspiring address was made by our colleague, Hon. CLIFFORD R. HOPE, of Kansas. Congressman HOPE has served on the House Agriculture Committee longer than any other Member and it was indeed fitting that he be chosen to address this annual award ceremony.

I ask unanimous consent that the address be made a part of the RECORD today:

GOVERNMENT: IT'S BETTER THAN YOU THINK

The annual presentation of the Department of Agriculture awards to those who have made an outstanding contribution to Government is an ideal occasion on which to talk about Government, about how good our Government really is. On the basis of my experience, I long ago concluded that Government is better—far better—than most realize, and I believe it is unfortunate that people generally are not aware of this fact. I am certain the cause of good government would be better served if we found more opportunities—like this one—to emphasize the good, the decent, the constructive aspects of Government.

It is all too seldom that one hears a good word for the Government or for those who work for it. I'm speaking now of Government as a whole, the executive and administrative agencies of which you are a part, the judiciary and the Congress. All are essential parts of the governmental structure set up by our forefathers. They are equal and coordinate, and one cannot be attacked and seriously weakened without affecting the entire structure.

It is not strange that we hear so few good words for Government when nearly every magazine, paper, or book one picks up or broadcast one hears trumpets the latest wrongdoing of Government. Certainly if anyone ever speaks or writes well of Government or politics he rarely makes the headlines or the front page. The Congress, the departments, and agencies can turn in a creditable performance day after day, week in and week out, with never a kind word or a pat on the back for a job well done. Yet let there be one slip, and the roof falls in.

To listen to some, you could well believe that Congress is completely under the control of sinister rightist pressure groups and their well-paid hirelings. From others you could assume that Congress is influenced only by leftist forces who deliberately seek to wreck the country by wild spending schemes and unsound economic and social reforms. That Congress might have a mind and will of its own escapes attention.

From the comments and criticism which we hear of Federal agencies, one could well get the idea that Government personnel is made up of men and women who work for Government only because they are incapable of finding a job outside of Government. I believe the greatest injustice paid to any group of workers in the country is the Nation's failure to appreciate and think well of the efforts of those who work—and work hard—for Government.

I believe that our political and governmental institutions are good and I believe this irrespective of the scandals that can be uncovered or the articles that can be written and the speeches given to the contrary. I base my conclusion on 28 years of experience in the Congress and in working with Federal agencies.

But too many people accept the idea that 1 scandal, 1 piece of wrongdoing in Government is constructive proof that all is bad. The rotten apple is assumed to have spoiled the entire barrel. Too many believe that inefficiency and corruption in politics and Government is like an iceberg—that the largest part of it is submerged and lurks beneath the water unseen.

I do not believe the analogy is relevant. Instead it seems to me that disclosures of wrongdoing is proof that the processes of Government are working well, that Government cleanses itself. Very little that is corrupt goes undetected. For this reason I believe that the disclosure of wrongdoing should give us greater not lesser faith in the goodness of our governmental institutions.

For proof that Government is better than generally believed one can look to the great bulk of work involving knotty, intricate, complex problems that gets done by Government in a routine way without fuss or fanfare. As we all know, most work of Government gets done well and only a small fraction of the total causes headlines.

While some seem to believe that the Federal service is staffed with lazy and incompetent personnel those of us who know Government see differently. We know the Government worker as a person who believes in

what he is doing, who works hard to do the best job of which he is capable, who is a good citizen, and who contributes fully to the community in which he lives. My conclusion that Government is better than generally realized is based to a great extent on my personal acquaintance with hundreds of Government workers who are dedicated to their jobs and who are a credit to our Government.

I believe that anyone who has an opportunity to see the Federal Government in action will form a favorable opinion of it and its employees. Let me give you an example. Mr. James C. Worthy came to Washington early in the Eisenhower administration to take a position as administrative assistant to the Secretary of Commerce. He left an important position with one of the largest business enterprises in America. Last January when, after rendering eminent service to the Government, he resigned to return to his old company, he made this statement in the course of an address entitled "The Federal Service, Its Problems and Its Future," and I quote, "I shall always be thankful for the friends I have made here, in high positions and low; friends who have made my task easier and my life richer. I have come to have a tremendous respect, not only for the appointive officials of this administration, but for the members of the career service. I hope that as I go back to private life I will be able to help correct some of the mistaken impressions which prevail in certain quarters about the kind of people who work for Government. I can say in all sincerity that for hard work and patient devotion it would be hard to find their equal in any line of endeavor."

It is a tragedy that more people do not realize how good our Government is. I say it is a tragedy, because it keeps us from realizing the extent to which the American dream is coming true. Nearly two centuries ago the Founding Fathers established here a Government dedicated to freedom and to the belief in God and the dignity of man. It was their thought that here under freedom and self-government man would achieve his highest being, his highest standard of living, peace and contentment. An essential aspect of the dream was that man would always search for the truth and his basic tools would be freedom of speech and thought. As mankind today looks ahead into the unknown future, its greatest source of courage and hope should be the realization that it has made unparalleled progress toward making this dream come true. American self-government and freedom has been an outstanding success. Self-government has been, in fact, one of our greatest achievements, and we are making more rapid progress than the pessimists want us to believe. I believe it is important to recognize this progress, to recognize how well we have done and to turn deaf ears to the cynics.

And one of the important things we cannot overlook is that this Government, set up 175 years ago for 13 small colonies along the Atlantic seaboard with about 3 million inhabitants, is functioning well today for the mightiest Nation the world has ever known, with 165 million people and with a myriad of problems which could never have been foreseen by the Founding Fathers.

Although I believe government and politics is much better than the critics ever suggest, I must make it clear that I am not opposed to criticism—that is, constructive criticism of things that are wrong and that need correcting. Criticism has been a most essential factor in the progress we have made in government and politics. Instead of less criticism, we need more, providing it is of the right kind.

In our scheme of things the purpose of criticism is to correct and improve—to eliminate the improper so that the good can endure and develop. The purpose of criticism, like free speech, of which it is a part, is to help us as a self-governing free people to find that which we can believe in—that which we can regard as true.

Criticism, whether it is of art, of science, or of politics, should serve in the search for truth. Its end is not criticism for the sake of criticism, but truth. To a disturbing extent, however, criticism in this country is losing touch with this purpose. Today criticism too frequently is based on blind obstructionism, out-and-out appeal to emotional prejudice, irrational name calling, and a desire to destroy someone's character just because he happens to disagree, even though it can be out of intelligent disagreement the truth might emerge.

For another thing we have become overly opinionated—too sure what we believe now is the eternal, everlasting truth. The overly opinionated only search for facts and arguments to prove that they are right. So we use the right to criticize to prove that we are right and not as a conscientious means to search out the truth. Said another way, I believe there is a growing tendency to place too much emphasis on proving that we are right rather than in finding what is right.

I think the growing tendency for criticism to generate into irresponsible bombast and smear keeps us from fully realizing all the good there is in our culture and in our Government and political life. Once in a while we should be able to help those who are doing all they can to improve government and its processes with a word of encouragement—a word to the effect that they are making progress and that their work is worthwhile.

For years now serious-minded people have concerned themselves with the Federal Government as an employer. I believe this objective would be helped by placing greater emphasis on the good in government; on the fact that government is good—is better than we think. People—all people—have a basic inner need for believing their work is important and their effort is appreciated.

On this point let me quote again from Mr. Worthy's able and significant address. He said, and I quote, "The Government worker will exert himself to the utmost, if necessary under severe difficulties, if he feels that those in authority recognize the importance of what he is doing and are giving him the support he needs. But if the value of his work is questioned—or worse, if he is attacked directly or by implication as an unnecessary burden on the public payroll—he is deprived of the chief incentive he has for diligent, conscientious effort."

What is a better way to raise the morale of government, improve the government service, than to place ever greater emphasis upon the great things government is doing?

You who work for the Government have every reason to be proud of your work and the country has every reason to be proud of you. The giving of these annual awards certainly is a symbol representing the good in government and for this hour at least we can all be certain beyond any shadow of doubt that government is good, is better than most think.

What I have been saying applies to Federal Government service generally. I want to devote the rest of my time to saying something about the men and women who work in the Department of Agriculture. During my more than 28 years in Washington I have been thrown in closer touch with them both here and in the field than with any other group of Government employees and I have come to have for them a feeling not only of respect but admiration.

I presume that there is no department of Government which is any broader in the scope of its activities or which touches the daily life of the people as closely as the Department of Agriculture.

I am sure there is a general feeling on the part of the public that the Department of Agriculture is primarily an agency to help farmers find a solution for their problems, and so it is. But very few realize how much the increased efficiency in agriculture which has been brought about through the Department's activities is reflected in benefits to the public.

The standard of living of any country depends upon what proportion of its population is needed to produce the necessities of life—food and clothing particularly. In the most backward nations it still requires 80 or 85 percent of the people to produce these bare necessities. Here in America the industry of agriculture has become so efficient that only about 13 percent of our people now live on farms and some of these are engaged in agriculture only part time.

This means that all the rest of our people except those engaged in the transportation and distribution of agricultural commodities are free to produce, transport, and distribute the goods and supplies which add to the amenities of life and enable us to maintain what we call the American standard of living. It has given us all the luxuries and conveniences of modern life like good roads, automobiles, air transportation, radio, television, air conditioning, our far-flung educational system, and our churches with their wide religious and welfare activities.

Let me point out also that in spite of the small number now engaged in agriculture the people of America as a whole are better fed, and better clothed than those of any other nation past or present. More than that such great advances have been made in the preservation, precooking, and improved packaging of food products that I am informed that American housewives spend about one-third as much time in the preparation of foods in the home as was the case only a few years ago.

All of these things to which I have made reference are not due entirely to the work of the Department of Agriculture. They are due in part to the fact that we have farmers who are able and willing and intelligent enough to take advantage of the great discoveries which have been made in agricultural research. They are due in part to merchanization, they are partly due to the progressive work of agricultual distributors and food processors. But all of these activities tie in with the work of the Department of Agriculture and were it not for its activities and the leadership which it has furnished, much of what has been done would not have been accomplished. So it is no exaggeration to say that although the Department of Agriculture was set up primarily to deal with the problems of farmers that the general public and the nonfarming population have received greater benefits than farmers from its work and activities.

Yours is a Department of great traditions of which you may well be proud. In the earlier days of its history its scientific and research activties constituted a greater proportion of the Department's work than now. Changes in the structure of agriculture itself, particularly in the fields of marketing and finance have enlarged the activities of the Department beyond the fields of research and education so that they now include such subjects as credit, price stabilization, crop insurance, regulatory matters, and others which are important in these times. All of which means that the Department has been kept up to date as a service institution.

No one can study the early history of this Department without getting a thrill from the work of men like Harvey W. Wiley, Peter Collier, L. O. Howard, Theobald Smith, Charles Warden Stiles, Marion Dorait, William Orton, Seaman A. Knapp, and Gifford Pinchot, to mention only a few of many.

And in passing it should be said that the research work done by some of these men while primarily for the benefit of agriculture

brought about some of our greatest advances in general science as well as in the field of medicine. Thus again illustrating the benefits which the public in general has received from the Department of Agriculture.

Yes, there were giants in the early days of the Department and there are giants now in all of its varied fields of activity. Some of them are here today to receive this recognition of the great service which they as public servants have rendered on behalf of a better America and a better world. There are others here who have received well merited recognition on previous occasions of this kind and there are others whose outstanding work will bring them here as recipients of these awards in the future.

These awards recognize the achievements of men and women who have rendered outstanding and extraordinary public service. They will serve as an inspiration and an incentive to everyone in the Department for continued efficient and faithful work in the field in which he is engaged. They will bring to light in future years the work of others whose devotion to duty should receive recognition and last but not least, they furnish assurance and call attention to the fact that there is no more honest, loyal, hard working and dedicated group in our Nation than the career employees of the Federal Government.

Address by Hon. John C. Watts, of Virginia, at Democratic Dinner on May 27, 1955

EXTENSION OF REMARKS
OF

HON. WATKINS M. ABBITT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 1, 1955

Mr. ABBITT. Mr. Speaker, it was my pleasure to attend a Democratic dinner in my Congressional District—Fourth District of Virginia—last Friday night, May 27. The guest speaker was the Honorable JOHN C. WATTS, Member of the House of Representatives from Kentucky. Mr. WATTS is one of the outstanding Members of the House, an able legislator, a wise counselor, and a man I am honored to call my friend.

Mr. WATTS brought a real message to the group assembled and, under leave to extend my remarks, I am including herein the speech delivered by Congressman WATTS:

Mr. Toastmaster, Congressman ABBITT, and fellow Democrats, a democratic meeting is an occasion of joy in itself and a pleasure for me to attend. I deem it a high privilege that you have afforded me the opportunity to visit and participate in your Jackson-Jefferson Day dinner. I can think of no finer place to pay honor and homage to those two great Democrats than in the Fourth District of Virginia, that has never failed to go Democratic except possibly at a time when Democrats were not permitted to vote immediately following the Civil War.

This section of Virginia is very much like the section of Kentucky that I have the honor of representing in that the people are alike; they generally think alike; and their economy is principally agricultural or businesses related or dependent on agriculture. I assure you that I feel very much at home and welcome in your midst. As a matter of fact, most Kentuckians do and should feel at home in Virginia, for most of us in Kentucky can trace our ancestry back to those hearty pioneers from Virginia who settled in Kentucky. I often wonder if Kentucky would ever have been settled if Cumberland Gap had not existed or been discovered. The ties of friendship and relationship between the peoples of your State and my State are very close and may be said to be as close, although not similar, as the ties between the two colored boys who discovered each other on the field of battle in Korea.

I cannot miss this opportunity to pay a sincere compliment to your splendid Representative, WATT ABBITT, and for that matter to the entire Democratic delegation from Virginia. They are as fine a group of hard-working, intelligent, honest, conscientious Representatives as any State has ever had.

I do not know for sure what first attracted me to your Representative and my friend, WATT ABBITT. It might have been his engaging personality; his willingness to help a freshman Member of Congress; his keen appraisal of legislation; his devotion to you—the people he represents; or it might have been the fact that his first name is practically the same as my last name. But irrespective of why I was first attracted to him, I want you to know that the longer I know him the better I like and appreciate not only his friendship but his ability as a competent legislator. I am sure you all know and appreciate his true worth, but I can't help telling you how fortunate you have been in your selection of a Representative. He works and fights effectively for the welfare of his people. He is in the forefront on legislation that affects tobacco and peanuts. Recently, when the House had before it H. R. 12, and the candy manufacturers undertook and almost succeeded in having peanuts declared a nonbasic commodity, it was the effective efforts of WATT ABBITT that did as much if not more to save the peanut program than any other one person. He lined up city boys, country boys, or anyone else that would listen to him and, mind you, it took an almost solid vote of the Democratic Party to save this program. You could count on your fingers the support that peanuts received from the Republicans. If Congressman ABBITT ever casts a vote that you do not quite understand, or you think you would not have cast if you were in his place, just remember that there are many things that must be taken into consideration before a Member casts his vote. Oftentimes all of the circumstances are not always known to the public generally.

We are gathered here tonight to commemorate two great Democrats—Thomas Jefferson, of Virginia, who is the founder of our party, and Andrew Jackson, who indelibly stamped it with many of its principles. The South is and has always been the backbone of the Democratic Party and, in turn, the Democratic Party has always been the home, the hope, and the sanctuary of the South. It was not until the Roosevelt era that the peoples of the North fully realized and appreciated the great principles and lofty ideals of the Democratic Party.

As we head into the important 1956 presidential election, we again see the attempts being made by certain individuals to drive a wedge between Democrats in the South and Democrats in the North.

It is true that not all Democrats are agreed on all of the issues within our party. In that respect, our political-party system differs from the British. In Britain, most issues are fought out between the two major parties. But here in the United States we debate issues within parties as well as between parties. And I think that is healthy.

Since the Democratic defeat in 1952, our party has clearly revealed that there is a far wider area of agreement between Democrats in the North and South than there is in disagreement. And even in the areas of disagreement, we have seen, since the elections last November, a closing of this gap over former party differences.

For this, we can give much credit to the able leadership of two great southern statesmen—Senator LYNDON JOHNSON, now majority leader in the Senate, and our beloved SAM RAYBURN, Speaker in the House of Representatives.

But despite this strengthened unity, we will continue to hear from those who would like to see our party split—egging us on from the sidelines.

Our Republican friends might do well to recall the words of Abraham Lincoln, who was visited by a delegation after he received the Republican nomination for President. The delegation spokesman said: "Mr. Lincoln, we don't think you need to do any campaigning. All you have to do is stand back and let the Democrats fight among themselves. They'll destroy one another, and then you'll get elected easily."

Mr. Lincoln replied: "The trouble with your argument is that Democrats are like cats. They may sound like they're fighting, but when they get through all you have is more Democrats."

But this time we Democrat's don't even sound like we are scrapping. Democrats from every section of the country have responded to the able leadership in the Senate and in the House, and we have created a new unity based on our common belief in the Democratic philosophy and in our belief in the program and policies we have enacted and support.

Since 1952, the Democratic Party has been building for the future on the solid rock of the Democratic South. Southern statesmen are leaders in the Congress, and leaders of the important committees in the House and Senate.

In the Senate the following committees are headed by southerners: Agriculture and Forestry, ALLEN J. ELLENDER, Louisiana; Appropriations, CARL HAYDEN, Arizona; Armed Services, RICHARD B. RUSSELL, Georgia; Banking and Currency, J. W. FULBRIGHT, Arkansas; Finance, HARRY F. BYRD, Virginia; Foreign Relations, WALTER F. GEORGE, Georgia; Government Operations, JOHN L. MCCLELLAN, Arkansas; Labor and Public Welfare, LISTER HILL, Alabama; Post Office and Civil Service, OLIN D. JOHNSTON, South Carolina.

And in the House southern Democrats are equally imposing: Agriculture, HAROLD D. COOLEY, North Carolina; Armed Services, CARL VINSON, Georgia; Banking and Currency, BRENT SPENCE, Kentucky; District of Columbia, JOHN L. MCMILLAN, South Carolina; Education and Labor, GRAHAM A. BARDEN, North Carolina; Foreign Affairs, JAMES P. RICHARDS, South Carolina; Interstate and Foreign Commerce, PERCY PRIEST, Tennessee; Merchant Marine and Fisheries, HERBERT C. BONNER, North Carolina; Post Office and Civil Service, TOM MURRAY, Tennessee; Rules, HOWARD SMITH, Virginia; Veterans' Affairs, OLIN E. TEAGUE, Texas; Ways and Means, JERE COOPER, Tennessee.

Yet the Republicans would have us believe that our party is the party of irresponsibility; that we are Socialists and even border on the pink. If these great southern Democrats who head our committees are irresponsible or are Socialists, then in all seriousness I say that Webster better change the definition of those words. The Republicans had better stop worrying about creeping socialism in the Democratic Party and start worrying about galloping Hooverism in their own party.

The Democratic Party has gained in strength everywhere since 1952, but it has gained most in the Southern States. If the Presidential election were held today, there is no doubt that the South would be solid once again, for the true home of the South is in the Democratic Party.

We are fortunate indeed that our party is big enough to accept and welcome more than one point of view.

Now, we have often heard the South described as conservative. But I think that

word has been grossly misinterpreted by a good many people. I do not mind the South being called "conservative"—for we southerners try to conserve for the people what we sincerely believe belongs to the people.

For example, we are trying to conserve the great benefits of the Tennessee Valley Authority, which we paid for out of the people's money. We fought to preserve for the benefit of our people the results of atomic research paid for by the taxpayers, while the Republicans fought to turn it over to a chosen few. We have fought to preserve from exploitation our natural resources to the detriment of our people.

We also believe in conserving our freedom through adequate manpower, an adequate Air Force, and adequate defenses of all kinds in the face of the ever-growing Communist threat.

We question the wisdom of cuts in defense, especially when we learn that the administration has changed military plans 9 times in the last 9 months; when we read that the President himself changed his mind on defense manpower cuts twice in 3 weeks; when Defense Secretary Wilson and Secretary of State Dulles publicly contradict each other on the reasons for the cutbacks; and when Army Secretary Stevens and Army Chief of Staff Ridgway disagree on the effects of the manpower cuts.

We also fought to conserve for the farmer his right to earn a living without fear of mortgage foreclosure—and we fought for a decent tax break for the majority of the people, while the Republican administration calmly gave the tax bonanza to big business and corporations.

The Republicans keep on saying that they want to cut out unnecessary Government spending.

Who doesn't want to cut out unnecessary spending? It's like defining that word conservative. We would like to know just what is unnecessary spending.

It seems that there is rather general agreement among all Americans that there is need for a new highway program. But one of the odd aspects of the Eisenhower highway proposal is the provision which would obligate the United States Treasury for $20 billion in bonds to be issued by a new Government corporation, without counting this outlay as part of the national debt. It is my information that the Eisenhower method of financing his road program would cost $2.7 billion more in interest than it would to finance the program by the same method that other governmental expenditures are financed. The Republicans may call this cutting out unnecessary Government spending, but I doubt if anyone will agree with them.

Virginia's own Senator HARRY BYRD, who can hardly be called a spendthrift, had this to say about the Eisenhower highway program:

"Such procedures violate financing principles, defy budgetary control and evade Federal debt law.

"When the Government contracts a bona fide debt, but arbitrarily removes it from classification as public indebtedness, it creates fiscal confusion and disorder, and destroys confidence in Government credit.

"You cannot avoid financial responsibility by legerdemain, and you cannot evade debt by definition."

It is perhaps a good political maxim that a party cannot live by its past alone. It must make good every day, and in every administration. And that's just what the Democrats are doing.

Democrats have given the President timely support in many contests he has had with dissidents in his own party. On the other hand, Democratic criticism, which has been aimed at policies, and not at personalities, or motives, has served to alert the President to the dangers to his own administration.

An example of this took place shortly after the Republicans took office in 1953 when they instituted the hard-money policy of higher interest rates. Democrats in Congress warned that such a policy would surely slow down our economy and even perhaps contribute to a recession. Some months later the administration reversed its policy, and even had to admit that the Democratic criticism was justified.

Similarly, when the administration abandoned the Democratic policy of maintaining a broad defense productions base, substituting a few large producers where many smaller ones had existed before, another southerner, Senator ESTES KEFAUVER, called the public's attention to the dangers of the administration's new policy, and some corrective measures were taken.

Faced with the hard test of events and an alert Democratic Congress, we have brought home the truth to the people, and the administration has time and again shifted from dangerous courses it was following in the field of foreign affairs.

We have, on the whole, made a remarkable record for Democratic responsibility, through unity within our own party. But there is, in all this, no room for Democratic self-congratulation.

There is room only for increased determination to give our country the very best we have. And certainly the South has shown that it is more than able and willing to do so.

Thanks To Irrigation, We're Eating Well

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA

Wednesday, June 1, 1955

Mr. MILLER of Nebraska. Mr. Speaker, today I want to talk about a subject that is not discussed very often in the Halls of Congress. In fact, it is quite disturbing since it is a vital part of our daily lives and receives so little attention from all of us.

That subject is nutrition—the science that deals with food at work. As you may know, I am a medical doctor and will speak today, not as a Member of Congress, but as your family physician.

My guess is you could not tell me what you have had to eat the past week. With many of the weighty problems we have to discuss, I wouldn't be too surprised if less than half of my colleagues remembered what they had for lunch.

How many of us maintain a balanced diet? Before we can answer this question, we must first determine what a balanced diet is. Naturally each of us, under varying conditions, might require a different diet but nutritionists have agreed that certain basic foods should be included each day.

These are:

First. Leafy green and yellow vegetables—at least one serving, if not more;

Second. Citrus fruits, tomatoes, raw cabbage—at least one serving, if not more;

Third. Potatoes and other vegetables and fruits—two or more servings;

Fourth. Fluid milk or its protein and mineral equivalent in processed forms such as cheese and ice cream—3 or 4 cups for children and 2 or more cups for adults;

Fifth. Meat, poultry, fish, eggs, dried peas, beans—at least one or two servings.

Sixth. Bread, flour, cereals, whole grain, enriched or restored—some every day; and

Seventh. Butter, fortified margarine—some every day.

We must have at least the minimum requirements of these foods if we are to be in the best of health and vitality. If we eat the right foods, it does more than keep us alive, it can even help us to stay young longer. An individual well fed from babyhood has a more likely chance to enjoy a long life.

Getting back to the basic seven foods, the question arises as to why should we eat those foods.

We know of more than 40 different chemical substances that the body is known to require from food. It is not necessary to know all of the body's needs for you can be reasonably sure of getting all of them if your daily meals contain certain key nutrients.

These nutrients are protein, calcium, iron, iodine, vitamins in general, vitamin A, vitamin B family, vitamin C, vitamin D, and body fuels.

First, let us examine the recommended dietary allowances. The National Academy of Sciences, also known as the National Research Council, has supplied me with their figures. They have been studying this specific problem since 1940.

Now, let us examine each requirement and determine which of our many foods are rich in their respective nutrient.

The National Research Council recommends 65 grams of protein for the average man between the ages of 25 to 65; for women it is slightly less except during pregnancy and lactation, when it is considerably more. Protein requirements of children between the ages of 10 and 20 vary from 70 to 100 grams.

Protein is a complex and varied substance. It is the main substance in all of the body's muscles and organs, skin, hair, and other tissues. Protein in different foods is made up of varying combinations of at least 22 simpler materials known as amino acids.

You get top-rating proteins in foods from animal sources—meat, poultry, fish, eggs, milk, and cheese. As was pointed out in the basic seven some of these foods are needed each day. Other good sources of proteins are soybeans, nuts, and dry beans and peas.

The best food to supply the recommended allowances for calcium is, of course, milk. However, the quantities of calcium are so minute that you can hardly get enough without using a good deal of milk in some form.

Also rich in calcium are some of the leafy green vegetables—preferably turnip tops, mustard greens, and kale.

It is also important that we receive a good supply of iron in our daily diet. Iron is one of the essential materials for red blood cells and without it the blood could not carry oxygen from the lungs to each body cell.

The food richest in iron is liver. However, here we have the element of taste. Unfortunately too many turn up their noses when you mention liver and surveys show that a large majority of people eat little or no liver at all.

Therefore, we must look to other sources for our iron requirements. Here again leafy green vegetables are rich in iron content. Some of the other foods that add iron are egg yolks, meat in general, peas and beans of all kinds, dried fruits, molasses, bread, and other cereal foods made from whole grain or enriched flour.

THE SIGHT VITAMIN

The sight vitamin, or vitamin A, is especially important for normal vision and helps to keep the skin and linings of the nose, mouth, and inner organs in good condition.

Good sources of vitamin A are liver, egg yolks, butter, whole milk, and cream. You can also get a substantial amount of vitamin A from carotenes, which are yellow-orange substances that the body converts. Green, yellow, and some red vegetables are excellent sources of carotene.

The Bureau of Human Nutrition and Home Economics of the Department of Agriculture recommends that we eat heartily of foods that provide vitamin A since it can be stored in the body and may be drawn upon if in any emergency this vitamin is wanting in the diet.

The next three substances which are recommended by the National Research Council are thiamine, riboflavin, and niacin—all members of the vitamin B family.

When this vitamin was first discovered it was thought to be just one, but later when it was found to be quite complex it was broken down into about a dozen different ones—each with a particular duty and importance.

A lack of these substances causes beriberi and pellagra. The latter of these dietary deficiency diseases once was quite common in the South and in many instances death resulted. Now, reported deaths from pellagra have declined markedly in the United States. The disease is still quite common in many overpopulated areas.

What we have in the United States are borderline cases. If you know a chronic grouch, a shiftless person, a housewife with vague complaints, or a nervous man, chances are they may be showing effects of insufficient B vitamins.

Getting enough of these helps with steady nerves, normal appetite, good digestion, good morale and healthy skin.

Unfortunately too few foods contain a real wealth of the B vitamins, so it is necessary for your diet to contain many foods which contribute some in order to build an adequate supply.

As a doctor, I feel it is quite interesting to note that recently we have identified folic acid and vitamin B–12. These two substances are now being used medically with some success in treating two hard-to-cure diseases—pernicious anemia and sprue.

Since very few foods are rich in the B-vitamin group, at least 26 States have made it mandatory for flour to be enriched with this group. It is estimated that diets of city families are now 12 percent higher in iron, 16 percent higher in thiamine, 3 percent more in riboflavin, and 13 percent higher in niacin than they would have been without the enrichment of bread and flour.

THE TISSUE BUILDER

Ironically, the first vitamin separated from food was one of which very few actually get the recommended daily allowance. It is ascorbic acid—more commonly known as vitamin C.

You cannot keep tissues throughout the body in good condition without vitamin C. When your diet is low in this vitamin, gums are tender and bleed easily, joints swell and hurt and muscles weaken. In advanced stages it is called scurvy.

In this country scurvy is very rare, but many people do not get enough vitamin C for their best state of health. Since it cannot be stored in any appreciable quantity, you need some food rich in vitamin C daily.

All of the citrus fruits are plentiful sources of vitamin C. Other good sources of vitamin C includes tomatoes and tomato juice, fresh or canned; fresh strawberries and cantaloups; also raw green foods such as cabbage, green peppers and green lettuce.

Much of the vitamin content of these foods is lost when it is prepared for the table by cooking and, therefore, it is best to eat them with the minimum of preparation.

THE SUNSHINE VITAMIN

Vitamin D picked up the "sunshine" nickname because the sun's rays, striking the skin, have power to change certain substances in the skin into vitamin D.

An individual should get some of this vitamin regularly and especially during childhood since it works with minerals to form straight, strong bones, and sound teeth.

Since most of us make good use of sunshine to fill our vitamin D requirements, the recommended daily dietary allowance for it appears to be a little low. However, the sun's reaction on the skin more than makes up the difference.

It must be remembered that it does take direct sunlight and the sun loses its effectiveness if it is cut off by clouds, smoke, fog, dust, or ordinary window glass.

A few foods such as egg yolk, butter, salmon, tuna, and sardines help out with vitamin D and it is added to some milk.

WE'RE EATING WELL

Fortunately we are able to produce enough of all of the crops needed to insure a balanced and varied diet. The National Research Council's figures would be sheer folly if we could not produce the food to meet its requirements.

Today half the world is hungry and the vast majority of the other half does not enjoy a proper diet.

If everyone ate the same diet as the average person does in the Far East the world is presently producing enough to feed several billion more mouths.

If everyone had the same standard of diet as the average European, the world is producing enough to feed everyone if the food were properly distributed.

But if everyone enjoyed the high-level diet that we in the United States do the world would have to produce enough more to feed an additional several hundred million.

Perhaps this is the reason for so much unrest in the world today. All one needs to do is look at where all of our trouble spots are—Korea, China, Indochina, areas in the Near East—and our intelligence reports tell of unrest behind the Iron Curtain.

These are the same areas where the people do not have enough to eat. A hungry person wants food in his belly—he does not want your prayers or promises.

Periods of starvation have not been confined to the Biblical times. As recent as just prior to World War II thousands died of starvation in China, India, and Burma.

Our national diet today can best be described as the kind people choose when the supply of food is ample and they have the money to buy it.

Each of us now eats more of the dairy products—except butter—eggs, poultry, vegetables, and fruit, but fewer potatoes and grain products than people did at the beginning of the century.

The sharpest increase in per capita consumption of food comes in fruits and vegetables. In the past few decades the use of citrus fruits has tripled, that of carrots has quadrupled, and that of lettuce has nearly doubled.

EAT MORE BEEF

I represent the Fourth Congressional District of Nebraska, and I am quite proud of the fact that this district has more cattle than any one of the other 435 congressional districts in the United States.

Not only am I proud because of the number but also because of the tremendous contribution this meat makes to the American diet. The American people have always been meat eaters. Meat has been the principal item of diet for the human race from the beginning of time.

As a physician, I can tell you that the human body is especially adapted to the consumption and digestion of meat and animal products. There is no food which nature has endowed so lavishly with the necessary proteins, vitamins, minerals, and fats.

In fact, meat is the masterpiece of nature's laboratory. It contains 22 amino acids, 10 of which the body needs to keep healthy. People who are big meat eaters are large in stature and have great energy. The Hindus, Chinese, Japanese, and the inhabitants of Okinawa, who eat little meat, are small in stature.

For many years I operated a hospital in Kimball, and at that time there was a feeling among medical men that patients should be given fish and chicken instead of red meat. Recent experiments have shown that red meat is not harmful but can contribute to the patient's recovery by supplying many of the vitamins, minerals, and acids so necessary to tissue repaid and health.

Perhaps some of you are wondering what irrigation and reclamation has to do with producing more red meat. I can only refer you to a statement made by Dr. B. T. Shaw, who is the Administrator of the Agricultural Research Service of

the Department of Agriculture. In testimony before the House Appropriations Committee he said:

In 1949 the Nation was consuming about 16 billion pounds of red meat, and by 1954 consumption of red meat increased to about 25 billion pounds.

He goes on to point out that, if the per capita consumption of meat continues at the rate of 1954, it will require 7 million more head of cattle, 3 million more sheep, and about 10 million more hogs to supply the increased meat that would be needed by 1962.

To provide pasture and feed for these additional animals it would require another 35 million acres of land. This land is not available, but irrigated pastures could do much to alleviate this coming situation. You can pasture several times more animals on an irrigated acre than you can on a dryland pasture.

According to the Department of Agriculture, the consumption of beef has nearly doubled since 1930.

PRODUCTION INCREASES

In addition to the importance of these crops to our diet, increased production also has been a determining factor in the increase in consumption.

We would not have been able to experience this increase in per capita consumption had it not been for irrigation.

For example, about three-fifths of our fruits and tree nuts, one-half of our commercial vegetables and one-third of the potato crop are grown on irrigated land.

Irrigation has enabled growers to take advantage of the favorable soil and climate in our Western States to make the growing of fruits and vegetables one of the leading industries of the West.

To show what percent of the commercial fruits and vegetables that are produced in the irrigated West, I have asked the Department of Agriculture to give me the pertinent figures.

Here are the figures they have supplied me:

Almonds	100
Apricots	100
Asparagus	62
Avocadoes	72
Strawberries	50
Broccoli	79
Cantaloups	80
Carrots	75
Cauliflower	61
Celery	54
Sweet cherries	85
Lemons	100
Dates	100
Figs	100
Grapes	95
Lettuce	91
Honeydews	100
Filberts	100
Walnuts	100
Olives	100
Onions	56
Peaches	58
Pears	89
Peas	42
Plums	87
Prunes	100
Rice	52
Spinach	57
Tomatoes	51

Many of the crops are produced in the late fall, winter, and early and middle spring. As recently as 20 to 25 years ago these crops were not available in the winter months.

Certainly, new methods of processing, better transportation and the introduction of frozen foods has helped considerably to provide us with these specialty and seasonal crops the year around. However, without irrigation to grow these crops in the first place they would not be available.

We can be quite thankful to irrigation and reclamation for making it possible for us to have the necessary crops to give us a nutritious and balanced diet.

We in the United States eat better than anyone else in the world. Because of this we are a strong Nation.

Our youth excel in practically every international sport. They have strong, well-developed bodies which make possible the new records in athletics which they achieve.

Their bodies are strong and well developed because they enjoy a balanced diet—a diet containing plenty of fresh fruits and vegetables, milk, and meat.

There are some who complain about the cost of Federal reclamation projects. In the past 50 years, approximately $2.6 billion has been allocated to irrigation. It has been estimated that these irrigation projects have returned to the Treasury more than $4 billion in new taxes. These Federal projects have repaid about $600 million of the original cost and are returning an average of $60 million a year to the Treasury.

Water is the lifeblood of the arid West. Water, placed on good soil at the proper time, can bring a feeling of security, of confidence, and new wealth to the community.

If we are to eat well in the future, we will need to produce more crops. The population of our country increases about 3½ million each year. They will need food. Little of the food produced on irrigated lands adds to our present supply of surplus foods. We should be thankful that we have a surplus.

Because of irrigation, we are eating well. We will continue to eat well if we wisely develop the feasible irrigation projects in our land.

SENATE

THURSDAY, JUNE 2, 1955

(Legislative day of Monday, May 2, 1955)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Rabbi Benjamin Schultz, executive director, American Jewish League Against Communism, Inc., offered the following prayer:

Almighty God, in these days we turn for strength to Thee. Assailed by slogans and shibboleths, we ask for power to discern. Lead us to convictions based on solicitude for America, its defense, and its survival. Inspire us to be guided by our true convictions and not by unworthy pressures.

Keep our leaders from the temptation of momentary political advantage, real or imagined. There is no compromise with the right. That opportunism which averts its face from human pain, from injustice, from cruelty, cannot be the chosen course of any nation knowing God. Preserve us from godless cynicism in the dress of diplomacy.

They cry peace, peace, but there is no peace. No peace for us while men cry out under the whip of the oppressor. No calm for mankind while one-third of earth cowers in terror.

Make us alive, dear God, to the truth: That life today is war—war everywhere between good and evil, war in hope of the good triumphant. It is war without arms; subtle, spiritual, emotional war. Give us clarity of perception to understand our foe, as he unfortunately studies and understands us.

Enable us to see not the easy way, but the right one. Help us to realize that facile appeasement, like some cosmic drug, may relieve a tension, but poison a world.

We pray for true peace, a peace of health, a peace of justice, a peace of God. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 1, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Mrs. Lulie M. Frick, to be postmaster at Atlas, Mich., which nominating messages were referred to the Committee on Interstate and Foreign Commerce.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSIONS

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Antitrust and Monopoly Legislation Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary, considering Communist infiltration of defense plants, was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials,

the introduction of bills, and the transaction of other routine matters, subject to the usual 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON ADMINISTRATION AND ENFORCEMENT OF REGISTRATION PROVISIONS OF SUBVERSIVE ACTIVITIES CONTROL ACT

A letter from the Attorney General, transmitting, pursuant to law, his report on the administration and enforcement of the registration provisions of the Subversive Activities Control Act, as amended, for the period June 1, 1954, through May 31, 1955 (with an accompanying report); to the Committee on the Judiciary.

NOTICE OF PUBLICATION OF PROPOSED DISPOSITION OF PALM OIL

A letter from the Commissioner, General Services Administration, Emergency Procurement Service, Washington, D. C., transmitting, pursuant to law, a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 30 million pounds of palm oil now held in the national stockpile (with an accompanying paper); to the Committee on Armed Services.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Grand Council of Virginia, Order of Fraternal Americans, at Norfolk, Va., protesting against any proposed world government; to the Committee on Foreign Relations.

Two resolutions adopted by the Grand Council of Virginia, Order of Fraternal Americans, at Norfolk, Va., relating to the treatymaking power and the present immigration and naturalization laws; to the Committee on the Judiciary.

A resolution adopted by the Grand Council of Virginia, Order of Fraternal Americans, at Norfolk, Va., relating to the improvement of free public schools; to the Committee on Labor and Public Welfare.

A copy of a minute adopted at a meeting of the Delaware County Bar Association, at Media, Pa., favoring the confirmation of the nomination of C. William Kraft, Jr., to be a judge of the United States District Court for the Eastern District of Pennsylvania; to the Committee on the Judiciary.

RELIEF FOR DOMESTIC SUGAR INDUSTRY—RESOLUTION

Mr. CARLSON. Mr. President, I have received a resolution approved by the Chamber of Commerce of Garden City, Kans., relative to relief legislation for the domestic sugar industry.

Garden City is one of the large sugar-beet-producing areas, and under existing marketing provisions of the Sugar Act of 1948, the expansion of the industry is impossible.

I ask that the resolution be referred to the proper committee, and be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas the sugar industry is vital to the economic well-being of the Garden City area as well as the entire High Plains and Rocky Mountain States; and

Whereas the present quota and rigid marketing provisions set forth in the Sugar Act of 1948 deny the sugar industry the historic right to grow with our Nation; and

Whereas these conditions adversely affect not only the sugar industry but tend to create a depressed agricultural economy in the area in which Garden City has a keen interest: And be it

Resolved, That the Congress of the United States be and hereby is petitioned to provide for immediate quota increases for the domestic industry; and that the Congress be and hereby is petitioned to restore to the domestic industry its historic right to share in all future increases in United States sugar requirements; and be it further

Resolved, That the Garden City Chamber of Commerce heartily endorses and urges immediate action on Senate bill 1635 and House bill 5406, companion measures introduced to provide just relief to the sugar industry; and that the secretary-manager of the Garden City Chamber of Commerce is hereby instructed to forward copies of this resolution to the Kansas congressional delegation, the Secretary of Agriculture, the Secretary of State, and the Secretary of the Interior.

Passed by the board of directors of the Garden City Chamber of Commerce May 23, 1955.

HARRY B. ETLING,
President.
ROBERT B. DWYER,
Secretary-Manager.

FLOOD PROTECTION AND PLANNING FOR TOPEKA, KANS.

Mr. CARLSON. Mr. President, I have received a resolution approved by the board of directors of the North Topeka Drainage District regarding local flood protection and planning for Topeka, Kans.

The Soldier Creek cutoff is an important project in the protection of Topeka from flood damage and I sincerely hope that Congress will give early approval to the requested appropriation.

I present the resolution, and ask that it be referred to the appropriate committee, and be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Whereas Soldier Creek has in the past, by overflowing, caused considerable damage to property by flooding in the area of North Topeka; and

Whereas there has never been more than 25 percent of the rainfall in the Soldier Creek drainage area as has fallen in other similar areas; and

Whereas the United States Army has formulated and Congress has authorized a plan known as the Soldier Creek cutoff, which, if carried out, will remove this creek from the densely populated areas and increase the channel capacity and velocity of said stream; and

Whereas President Eisenhower, in his budget, has recommended $60,000 for local Topeka flood protection and planning; and

Whereas the board of directors of the North Topeka drainage district has authorized and directed its engineer to make the necessary survey, plans, and estimates of costs to obtain the right-of-way for said project, as rapidly as possible, in order that an election may be held to vote on a bond issue to pay the expense of acquiring the necessary right-of-way for said project and perform other assurances to make said project possible: Now, therefore, be it

Resolved, That the North Topeka drainage district petition Congress to make an appropriation for the necessary surveys and plans for the said Soldier Creek cutoff project; and be it further

Resolved, That a copy of this resolution be mailed to the following persons: Senator ANDREW SCHOEPPEL, Senator FRANK CARLSON, Congressman WILLIAM AVERY, Congressman CLARENCE CANNON, and Congressman JOHN J. RILEY.

Adopted by the board of directors of the North Topeka drainage district May 2, 1955.

KELLY LEWIS,
Chairman.
HOWARD JACKSON,
Secretary.
L. M. PARAMORE,
Treasurer.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. SALTONSTALL, from the Committee on Armed Services:

S. 107. A bill to provide for the conveyance of a portion of the Fort Devens Military Reservation, Mass., to the Commonwealth of Massachusetts; without amendment (Rept. No. 407); and

S. 2078. A bill to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions; without amendment (Rept. No. 406).

By Mr. RUSSELL, from the Committee on Armed Services:

H. R. 4294. A bill to amend section 640 of title 14, United States Code, concerning the interchange of supplies between the Armed Forces; without amendment (Rept. No. 409).

By Mr. DUFF, from the Committee on Armed Services:

H. R. 3825. A bill to make retrocession to the Commonwealth of Massachusetts of jurisdiction over certain land in the vicinity of Fort Devens, Mass.; without amendment (Rept. No. 408).

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on Federal employment and pay for the month of April 1955. In accordance with the practice of several years' standing, I request unanimous consent to have it printed in the body of the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, APRIL AND MARCH 1955, AND PAY, MARCH AND FEBRUARY 1955

(Figures in the following report are compiled from signed official personnel reports by the various agencies and departments of the Federal Government. Table I shows total personnel employed inside and outside continental United States, and pay, by agency. Table II shows personnel employed inside continental United States. Table III shows personnel employed outside continental United States. Table IV gives by agency the industrial workers employed by the Federal Government. For purposes of comparison, figures for the previous month are shown in adjoining columns. Table V is a separated report on foreign nationals who are not counted in tables I, II, III, and IV.)

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for April 1955 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In April numbered—	In March numbered—	Increase (+) or decrease (−)	In March was—	In February was—	Increase (+) or decrease (−)
Total [1]	2,361,166	2,355,810	+5,356	$832,665	$754,395	+$78,270
Agencies exclusive of Department of Defense	1,178,776	1,174,295	+4,481	410,517	383,042	+27,475
Department of Defense	1,182,390	1,181,515	+875	422,148	371,353	+50,795
Inside continental United States	2,140,281	2,134,994	+5,287			
Outside continental United States	220,885	220,816	+69			
Industrial employment	717,281	717,290	−9			
Foreign nationals	340,050	341,484	−1,434	29,564	25,139	+4,425

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside continental United States by agencies.

Table III breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1955, and comparison with March 1955, and pay for March 1955, and compairson with February 1955*

Department or agency	Personnel				Pay (in thousands of dollars)			
	April	March	Increase	Decrease	March	February	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	74,234	73,318	916		23,232	20,652	2,580	
Commerce [1]	44,840	44,502	338		18,248	16,173	2,075	
Health, Education, and Welfare	39,537 [2]	38,901	636		15,088	13,370	1,718	
Interior	51,215	50,546	669		20,123	17,102	3,021	
Justice	30,278	30,225	53		13,307	[2] 11,804	1,503	
Labor	4,989	4,923	66		2,239	1,954	285	
Post Office	506,896	504,434	2,462		161,933	165,419		3,486
State	20,673	20,758		85	7,585	6,349	1,236	
Treasury	82,946	82,826	120		33,309	29,127	4,182	
Executive Office of the President:								
White House Office	281	279	2		152	131	21	
Bureau of the Budget	431	427	4		273	243	30	
Council of Economic Advisers	32	31	1		21	20	1	
Executive Mansion and Grounds	70	69	1		25	23	2	
National Security Council [3]	26	26			17	15	2	
Office of Defense Mobilization	282	288		6	161	146	15	
President's Advisory Committee on Government Organization	5	5			3	3		
President's Commission on Veterans' Pensions	3	8		5	1		1	
Independent agencies:								
Advisory Committee on Weather Control	11	16		5	6	3	3	
Alexander Hamilton Bicentennial Commission	5	4	1		2	1	1	
American Battle Monuments Commission	808	797	11		103	90	13	
Atomic Energy Commission	5,982	6,036		54	3,082	2,693	389	
Board of Governors of the Federal Reserve System	589	590		1	273	235	38	
Civil Aeronautics Board	532	537		5	295	254	41	
Civil Service Commission	3,835	3,879		44	1,716	1,526	190	
Commission of Fine Arts	10	10			1	1		
Commission on Intergovernmental Relations	59	59			25	23	2	
Defense Transport Administration	17	17			9	8	1	
Export-Import Bank of Washington	144	143	1		82	71	11	
Farm Credit Administration	1,089	1,096		7	536	481	55	
Federal Civil Defense Administration	727	713	14		379	310	69	
Federal Coal Mine Safety Board of Review	8	8			4	4		
Federal Communications Commission	1,068	1,080		12	560	494	66	
Federal Deposit Insurance Corporation	1,105	1,097	8		512	417	95	
Federal Mediation and Conciliation Service	354	352	2		240	208	32	
Federal Power Commission	612	620		8	329	288	41	
Federal Trade Commission	574	581		7	327	300	27	
Foreign Claims Settlement Commission	163	173		10	83	67	16	
Foreign Operations Administration	[4] 6,457	6,395	62		3,115	2,719	396	
General Accounting Office	5,705	5,734		29	2,528	2,201	327	
General Services Administration	25,690	25,756		66	8,692	7,564	1,128	
Government Contract Committee	16	14	2		5	4	1	
Government Printing Office	6,814	6,834		20	2,966	2,525	441	
Housing and Home Finance Agency	10,821	10,815	6		4,878	4,047	831	
Indian Claims Commission	13	14		1	10	9	1	
Interstate Commerce Commission	1,791	1,802		11	901	783	118	
Jamestown-Williamsburg-Yorktown-Celebration Commission	3	3			2	1	1	
National Advisory Committee for Aeronautics	7,284	7,294		10	3,375	2,910	465	
National Capital Housing Authority	276	278		2	98	87	11	
National Capital Planning Commission	21	21			11	10	1	
National Gallery of Art	315	316		1	99	89	10	
National Labor Relations Board	1,141	1,150		9	626	538	88	
National Mediation Board	113	110	3		80	70	10	

[1] April figure includes 685 seamen on the rolls of the Maritime Administration and their pay.

[2] Revised on basis of later information.

[3] Exclusive of personnel and pay of the Central Intelligence Agency.

[4] Subject to revision.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1955, and comparison with March 1955, and pay for March 1955, and comparison with February 1955*—Continued

Department or agency	Personnel				Pay (in thousands of dollars)			
	April	March	Increase	Decrease	March	February	Increase	Decrease
Independent agencies—con.								
National Science Foundation	167	257		90	103	85	18	
National Security Training Commission	5	6		1	4	4		
Panama Canal	15,461	15,401	60		3,412	3,378	34	
Railroad Retirement Board	2,364	2,401		37	889	784	105	
Renegotiation Board	538	536	2		366	316	50	
Rubber Producing Facilities Disposal Commission	19	21		2	14	11	3	
St. Lawrence Seaway Development Corporation	24	28		4	16	11	5	
Securities and Exchange Commission	677	687		10	385	342	43	
Selective Service System	7,121	7,113	8		1,712	1,492	220	
Small Business Administration	741	745		4	362	366		4
Smithsonian Institution	646	635	11		232	202	30	
Soldiers' Home	1,010	988	22		204	179	25	
Subversive Activities Control Board	32	33		1	22	20	2	
Tariff Commission	199	198	1		104	99	5	
Tax Court of the United States	141	142		1	86	69	17	
Tennessee Valley Authority	20,576	21,007		431	9,604	8,463	1,141	
United States Information Agency	9,909	9,809	100		2,472	2,243	229	
Veterans' Administration	178,256	178,378		122	58,863	51,416	7,447	
Total, excluding Department of Defense	1,178,776	1,174,295	5,582	1,101	410,517	383,042	30,965	3,490
Net increase, excluding Department of Defense			4,481				27,475	
Department of Defense:								
Office of the Secretary of Defense	1,923	1,950		27	1,050	920	130	
Department of the Army	465,077	463,070	2,007		155,529	137,058	18,471	
Department of the Navy	409,053	409,839		786	156,708	138,118	18,590	
Department of the Air Force	306,337	306,656		319	108,861	95,257	13,604	
Total, Department of Defense	1,182,390	1,181,515	2,007	1,132	422,148	371,353	50,795	
Net increase, Department of Defense			875				50,795	
Grand total, including Department of Defense	2,361,166	2,355,810	7,589	2,233	832,665	754,395	81,760	3,490
Net increase, including Department of Defense			5,356				78,270	

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during April 1955, and comparison with March 1955*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	73,096	72,135	961	
Commerce [1]	41,816	41,572	244	
Health, Education, and Welfare	38,989	38,359	630	
Interior	45,244	44,621	623	
Justice	29,734	29,709	25	
Labor	4,874	4,815	59	
Post Office	504,552	502,090	2,462	
State	5,804	5,850		46
Treasury	81,959	81,829	130	
Executive Office of the President:				
White House Office	281	279	2	
Bureau of the Budget	431	427	4	
Council of Economic Advisers	32	31	1	
Executive Mansion and Grounds	70	69	1	
National Security Council [2]	26	26		
Office of Defense Mobilization	282	288		6
President's Advisory Committee on Government Organization	5	5		
President's Commission on Veterans' Pensions	3	8		
Independent agencies:				
Advisory Committee on Weather Control	11	16		5
Alexander Hamilton Bicentennial Commission	5	4	1	
American Battle Monuments Commission	17	18		1
Atomic Energy Commission	5,965	6,019		54
Board of Governors of the Federal Reserve System	589	590		1
Civil Aeronautics Board	528	533		5
Civil Service Commission	3,823	3,868		45
Commission of Fine Arts	10	10		
Commission on Intergovernmental Relations	59	59		
Defense Transport Administration	17	17		
Export-Import Bank of Washington	144	143	1	
Farm Credit Administration	1,078	1,084		6
Federal Civil Defense Administration	727	713	14	
Federal Coal Mine Safety Board of Review	8	8		
Federal Communications Commission	1,040	1,051		11
Federal Deposit Insurance Corporation	1,104	1,096	8	
Federal Mediation and Conciliation Service	354	352	2	
Federal Power Commission	612	620		8
Federal Trade Commission	574	581		7
Foreign Claims Settlement Commission	163	173		10
Foreign Operations Administration	1,682	1,662	20	
General Accounting Office	5,653	5,683		30
General Services Administration	25,584	25,647		63
Government Contract Committee	16	14	2	
Government Printing Office	6,814	6,834		20
Housing and Home Finance Agency	10,687	10,680	7	
Indian Claims Commission	13	14		1
Interstate Commerce Commission	1,791	1,802		11
Jamestown-Williamsburg-Yorktown Celebration Commission	3	3		
National Advisory Committee for Aeronautics	7,284	7,294		10
National Capital Housing Authority	276	278		2
National Capital Planning Commission	21	21		
National Gallery of Art	315	316		1
National Labor Relations Board	1,119	1,128		9
National Mediation Board	113	110	3	
National Science Foundation	167	257		90
National Security Training Commission	5	6		1
Panama Canal	557	472	85	
Railroad Retirement Board	2,364	2,401		37
Renegotiation Board	538	536	2	
Rubber Producing Facilities Disposal Commission	19	21		2
St. Lawrence Seaway Development Corporation	24	28		4
Securities and Exchange Commission	677	687		10
Selective Service System	6,923	6,914	9	
Small Business Administration	741	745		4
Smithsonian Institution	644	633	11	
Soldiers' Home	1,010	988	22	
Subversive Activities Control Board	32	33		1
Tariff Commission	199	198	1	
Tax Court of the United States	141	142		1
Tennessee Valley Authority	20,576	21,007		431
United States Information Agency	2,297	2,299		2
Veterans' Administration	176,983	177,108		125
Total, excluding Department of Defense	1,119,294	1,115,029	5,330	1,065
Net increase, excluding Department of Defense			4,265	
Department of Defense:				
Office of the Secretary of Defense	1,867	1,896		29
Department of the Army	376,604	375,417	1,187	
Department of the Navy	377,697	378,679		982
Department of the Air Force	264,819	263,973	846	
Total, Department of Defense	1,020,987	1,019,965	2,033	1,011
Net increase, Department of Defense			1,022	
Grand total, including Department of Defense	2,140,281	2,134,994	7,363	2,076
Net increase, including Department of Defense			5,287	

[1] April figure includes 685 seamen on the rolls of the Maritime Administration.
[2] Exclusive of personnel of the Central Intelligence Agency.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during April 1955, and comparison with March 1955*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,138	1,183		45
Commerce	3,024	2,930	94	
Health, Education, and Welfare	548	542	6	
Interior	5,971	5,925	46	
Justice	544	516	28	
Labor	115	108	7	
Post Office	2,344	2,344		
State	14,869	14,908		39
Treasury	987	997		10
Independent agencies:				
American Battle Monuments Commission	791	779	12	
Atomic Energy Commission	17	17		
Civil Aeronautics Board	4	4		
Civil Service Commission	12	11	1	
Farm Credit Administration	11	12		1
Federal Communications Commission	28	29		1
Federal Deposit Insurance Corporation	1	1		
Foreign Operations Administration	[1] 4,775	4,733	42	
General Accounting Office	52	51	1	
General Services Administration	106	109		3
Housing and Home Finance Agency	134	135		1
National Labor Relations Board	22	22		
Independent agencies—Continued				
Panama Canal	14,904	14,929		25
Selective Service System	198	199		1
Smithsonian Institution	2	2		
United States Information Agency	7,612	7,510	102	
Veterans' Administration	1,273	1,270	3	
Total, excluding Department of Defense	59,482	59,266	342	126
Net increase, excluding Department of Defense			216	
Department of Defense:				
Office of the Secretary of Defense	56	54	2	
Department of the Army	88,473	87,653	820	
Department of the Navy	31,356	31,160	196	
Department of the Air Force	41,518	42,683		1,165
Total, Department of Defense	161,403	161,550	1,018	1,165
Net decrease, Department of Defense			147	
Grand total, including Department of Defense	220,885	220,816	1,360	1,291
Net increase, including Department of Defense			69	

[1] Subject to revision.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during April 1955 and comparison with March 1955*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	2,803	2,845		42
Commerce	2,232	2,173	59	
Interior	8,232	8,210	22	
Treasury	6,261	6,353		92
Independent agencies:				
Atomic Energy Commission	137	133	4	
Federal Communications Commission	12	13		1
General Services Administration	960	922	38	
Government Printing Office	6,814	6,834		20
National Advisory Committee for Aeronautics	7,284	7,294		10
Panama Canal	7,502	7,422	80	
Tennessee Valley Authority	17,413	17,820		407
Total, excluding Department of Defense	59,650	60,019	203	572
Net decrease, excluding Department of Defense			369	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 207,800	[2] 206,899	901	
Outside continental United States	[1] 43,400	[2] 42,935	465	
Department of the Navy:				
Inside continental United States	237,299	238,129		830
Outside continental United States	6,880	6,922		42
Department of the Air Force:				
Inside continental United States	157,367	157,293	74	
Outside continental United States	4,885	5,093		208
Total, Department of Defense	657,631	657,271	1,440	1,080
Net increase, Department of Defense			360	
Grand total, including Department of Defense	717,281	717,290	1,643	1,652
Net decrease, including Department of Defense			9	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose service are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of April 1955 and comparison with March 1955*

Country	Total		Army		Navy		Air Force	
	April	March	April	March	April	March	April	March
Austria	171	171					171	171
England	7,536	7,492					7,536	7,492
France	23,416	22,599	16,216	15,657			7,200	6,942
French Morocco	5,586	4,109	203	203	858	821	4,525	3,085
Germany	127,601	125,305	103,879	101,716	1,957	1,965	21,765	21,624
Japan	156,221	155,898	94,441	[1] 94,441	18,527	18,481	43,253	42,976
Korea	17,187	23,222	17,187	23,222				
Libya	785	967					785	967
Ryukyus	246	244			246	244		
Saudi Arabia	556	690					556	690
Spain	121	142					121	142
Trinidad	624	645			624	645		
Total	340,050	341,484	231,926	235,239	22,212	22,156	85,912	84,089

[1] Revised on basis of later information.

NOTE.—The Germans are paid from funds provided by German Governments. The French, English, and Austrians reported by the Army and Air Force are paid from funds appropriated for personal services. All others are paid from funds appropriated for other contractual services.

STATEMENT BY SENATOR BYRD

Executive agencies of the Federal Government reported regular civilian employment in the month of April totaling 2,361,166. This was a net increase of 5,356 as compared with employment reported in the preceding month of March.

This was the third increase in succession and it was the sixth increase in 33 months since July 1952. The other monthly increases were in June, October, and November of 1954 and February and March of 1955.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1955, which began July 1, 1954, follows:

Month	Employment	Increase	Decrease
1954—July	2,387,833		5,187
August	2,375,988		11,845
September	2,355,170		20,818
October	2,359,325	4,155	
November	2,385,024	25,699	
December	2,368,072		16,952
1955—January	2,353,588		14,484
February	2,353,908	320	
March	2,355,810	1,902	
April	2,361,166	5,356	

Total employment in civilian agencies during the month of April was 1,178,776, an increase of 4,481 over the March total of 1,174,295. Total civilian employment in the military agencies in April was 1,182,390. This was a net increase of 875 as compared with 1,181,515 in March.

Civilian agencies reporting the larger increases were the Post Office Department with an increase of 2,462, the Department of Agriculture with an increase of 916, the Department of the Interior with an increase of 669, and the Department of Health, Education, and Welfare with an increase of 636.

A decrease of 431 was reported by the Tennessee Valley Authority.

While the Army reported an increase of 2,007 in civilian employment, the Navy reported a decrease of 786, and the Air Force reported a decrease of 319 in civilian employment.

Inside continental United States civilian employment increased 5,287 and outside continental United States civilian employment increased 69.

Industrial employment by Federal agencies in April totaled 717,281, a decrease of 9 as compared with March.

These figures are from reports certified by the agencies, as compiled today by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,361,166 civilian employees certified to the committee by executive agencies in their regular monthly personnel reports included some foreign nationals employed in United States Government activities abroad, but in addition to these there were 340,050 foreign nationals working for United States military agencies overseas during the month of April who were not counted in the usual personnel report. The number in March was 341,484. A breakdown of this employment for April follows:

Country	Total	Army	Navy	Air Force
Austria	171	------	------	171
England	7,536	------	------	7,536
France	23,416	16,216	------	7,200
French Morocco	5,586	203	858	4,525
Germany	127,601	103,879	1,957	21,765
Japan	156,221	94,441	18,527	43,253
Korea	17,187	17,187	------	------
Libya	785	------	------	785
Ryukyus	246	------	246	------
Saudi Arabia	556	------	------	556
Spain	121	------	------	121
Trinidad	624	------	624	------
Total	340,050	231,926	22,212	85,912

EXECUTIVE REPORTS OF A COMMITTEE

Mr. SYMINGTON. Mr. President, as in executive session, from the Committee on Armed Services I submit a unanimous report on a group of military nominations. These include the nominations of the members of the Joint Chiefs of Staff and the Chairman of the Joint Chiefs of Staff, as follows:

Adm. Arthur William Radford, United States Navy, for appointment as Chairman of the Joint Chiefs of Staff in the Department of Defense.

Gen. Nathan Farragut Twining, United States Air Force, for reappointment as Chief of Staff, United States Air Force, with the rank of general, for a period of 2 years ending June 30, 1957.

Gen. Maxwell Davenport Taylor, United States Army, for appointment as Chief of Staff, United States Army.

Mr. President, at this time I should like to say that the people of Missouri are very proud, indeed, that Gen. Maxwell Taylor has been appointed to this high position, because he is a resident of Keytesville, Mo.

Rear Adm. Arleigh Albert Burke, United States Navy, to be Chief of Naval Operations in the Department of the Navy, with the rank of admiral, for a term of 2 years.

The list also includes the nomination of Brig. Gen. John Bartlett Hess, United States Army, for appointment as Chief of Finance, United States Army and as major general in the Regular Army of the United States, in addition to the nominations of 4 major generals and 9 brigadier generals in the Army.

Mr. President, I request that these nominations be placed on the Executive Calendar as unanimously reported by the Committee on Armed Services.

The PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar, as requested by the Senator from Missouri.

Mr. SYMINGTON. Also from the Committee on Armed Services, I report favorably a group of routine nominations in the Army, Navy, and Air Force, consisting of 758 promotions in the Air Force in the grades of lieutenant colonel to first lieutenant; 154 appointments in the Regular Army in the grades of captain to second lieutenant, and 10 appointments in the Navy in the grades of lieutenant to ensign.

All of these names have already appeared in the CONGRESSIONAL RECORD, so to save the expense of printing on the Executive Calendar of this large group, I ask unanimous consent that these nominations be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDENT pro tempore. Without objection, the nominations will lie on the desk, as requested by the Senator from Missouri.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON (by request):

S. 2128. A bill to provide for reasonable notice to the agency of applications to the courts of appeals for interlocutory relief against orders of the Civil Aeronautics Board, the Federal Communications Commission, the Secretary of Agriculture, the Federal Maritime Board and the Atomic Energy Commission; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. SMITH of New Jersey:

S. 2129. A bill for the relief of Patrick K. Y. Yip and his wife Loretta Y. F. Hsu Yip; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2130. A bill for the relief of Nicholas John Beltsos; to the Committee on the Judiciary.

By Mr. BARKLEY:

S. 2131. A bill for the relief of Marlene Schoepf; to the Committee on the Judiciary.

By Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request):

S. 2132. A bill to amend subsection 303 (c) of the Career Compensation Act of 1949 relating to transportation and storage of household goods of military personnel on permanent change of station;

S. 2133. A bill to amend the Uniform Code of Military Justice;

S. 2134. A bill to equalize certain retirement benefits for members of the uniformed services, and for other purposes;

S. 2135. A bill to provide for the suspension of certain benefits in the case of members of the Reserve components of the Army, Navy, Air Force, and Marine Corps ordered to extended active duty in time of war or national emergency, and for other purposes;

S. 2136. A bill to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes; and

S. 2137. A bill to authorize the appointment of an assistant chaplain at the United States Military Academy and to fix the compensation of the chaplain and assistant chaplain thereof; to the Committee on Armed Services.

(See the remarks of Mr. RUSSELL when he introduced the above bills, which appear under a separate heading.)

By Mr. HOLLAND:

S. 2138. A bill for the relief of Dorothy May Ackermann; to the Committee on the Judiciary.

By Mrs. SMITH of Maine:

S. 2139. A bill to provide that no fee shall be charged a veteran for furnishing him a copy of his discharge or a copy of his certificate of service; to the Committee on Armed Services.

By Mr. MARTIN of Pennsylvania (for himself and Mr. DUFF):

S. 2140. A bill to provide for a preliminary examination and survey in the State of Pennsylvania for the purpose of determining possible means of improving water supplies in such State; to the Committee on Public Works.

By Mr. HENNINGS:

S. 2141. A bill for the relief of Joe Lee (Lee Jow); to the Committee on the Judiciary.

By Mr. LEHMAN (for himself, Mr. IVES, Mr. SMITH of New Jersey, Mr. CASE of New Jersey, Mr. PURTELL, Mr. BUSH, Mr. SALTONSTALL, and Mr. KENNEDY):

S. 2142. A bill to amend the act of July 1, 1952, so as to obtain the consent of Congress to interstate compacts relating to mutual military aid in an emergency; to the Committee on the Judiciary.

(See the remarks of Mr. LEHMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. 2143. A bill for the relief of Manda Pauline Petricevic; to the Committee on the Judiciary.

S. 2144. A bill authorizing the Secretary of the Interior to convey by quitclaim deed certain real property of the United States to the Fairview Cemetery Association, Inc.; to the Committee on Interior and Insular Affairs.

By Mr. IVES:

S. 2145. A bill for the relief of George Poulio; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 2146. A bill to amend the act providing for the naturalization of certain persons serving in the Armed Forces of the United States after June 24, 1950, in order to provide for the naturalization of certain additional persons serving in the Armed Forces after such date; to the Committee on the Judiciary.

By Mr. HILL (for himself, Mr. MURRAY, Mr. NEELY, Mr. DOUGLAS, Mr. LEHMAN, Mr. KENNEDY, and Mr. MCNAMARA):

S. 2147. A bill to authorize grants to States for the purpose of assisting States to provide all children an equal opportunity for vaccination against poliomyelitis, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

NOTICE TO CERTAIN AGENCIES OF APPLICATIONS TO COURTS OF APPEALS

Mr. MAGNUSON. Mr. President, by request of the Judicial Conference of the United States, I introduce, for appropriate reference, a bill to provide for reasonable notice to the agency of applications to the courts of appeals for interlocutory relief against orders of the Civil Aeronautics Board, the Federal Communications Commission, the Secretary of Agriculture, the Federal Maritime Board and the Atomic Energy Commission.

I ask unanimous consent that there be printed at this point in the RECORD a letter from Henry P. Chandler, Director of the Administrative Office of the United States Courts, outlining the purpose of and need for this proposed legislation.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2128) to provide for reasonable notice to the agency of applications to the courts of appeals for interlocutory relief against orders of the Civil Aeronautics Board, the Federal Communications Commission, the Secretary of Agriculture, the Federal Maritime Board and the Atomic Energy Commission, introduced by Mr. Magnuson (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

ADMINISTRATIVE OFFICE OF THE
UNITED STATES COURTS,
Washington, D. C., May 23, 1955.

Hon. RICHARD M. NIXON,
Vice President of the United States,
United States Senate,
Washington, D. C.

DEAR MR. VICE PRESIDENT: On behalf of the Judicial Conference of the United States, I transmit herewith for the consideration of the Congress a draft of a bill to amend subsection (d) of section 1006 of the Civil Aeronautics Act of 1938 in reference to the notice to be given on applications to courts of appeals for interlocutory relief against orders of the Civil Aeronautics Board, and subsection (b) of section 9 of the act of December 29, 1950, in reference to the notice to be given on applications for interlocutory relief against orders of the Federal Communications Commission, the Secretary of Agriculture, the Federal Maritime Board, and the Atomic Energy Commission.

The bill enclosed was approved by the Judicial Conference at a meeting held March 24 and 25, 1955, upon a report and recommendation by the Committee of the Conference on Revision of the Laws, consisting of Circuit Judge Albert B. Maris, of the Third Circuit, chairman, and District Judges Clarence G. Galston, of the Eastern District of New York, and William F. Smith, of the District of New Jersey.

The statutes referred to in their present form require 5 days' notice to the agency concerned and specified above of applications for interlocutory relief. The effect of the bill which is herewith submitted would be to require reasonable notice but not notice of a specified number of days. The present requirement of 5 days' notice sometimes in urgent cases prevents a court of appeals to which application is made for interlocutory relief from acting with sufficient promptness in the circumstances. The agencies concerned were consulted by the Committee on Revision of the Laws and indicated that while they would be strongly opposed to permitting interlocutory relief to be granted by courts of appeals without any notice they would not object to eliminating the 5-day waiting period if the requirement of notice was retained. Consequently, the Committee recommended and the Judicial Conference approved the provision of the enclosed bill that interlocutory relief in the nature of a temporary stay may be granted by a court of appeals upon reasonable notice without a fixed time limit.

The proposal to do away with the inflexible provision for a waiting period of 5 days emanated from the Judicial Council, consisting of the members of the Court of Appeals of the District of Columbia Circuit in which many of the suits to enjoin or stay actions of the administrative agencies involved are brought. Inasmuch as the offices of the agencies are in the District of Columbia, very short notice to them and to the Attorney General may suffice in urgent cases. The requirement in the bill that reasonable notice should be given would leave the discretion to determine the length of the notice in the court of appeals in which the interlocutory relief is sought which it would seem is where it should be.

Thus, the bill submitted would provide for notice reasonable under the circumstances without specifying a fixed time. This is believed to represent a sound policy in the situation. Accordingly, the bill is recommended to the Congress for consideration, and it is hoped that it may be enacted.

Sincerely yours,

HENRY P. CHANDLER.

SUNDRY BILLS RELATING TO THE ARMED SERVICES

Mr. RUSSELL. Mr. President, on behalf of myself and the Senator from Massachusetts [Mr. SALTONSTALL] by request, I introduce, for appropriate reference, sundry bills relating to the armed services.

Each of these bills was requested by the Department of Defense and is accompanied by a letter of transmittal from the appropriate military department, explaining the purpose of the bill. I ask unanimous consent that the letters of transmittal be printed in the RECORD, immediately following the listing of "Bills introduced."

The PRESIDENT pro tempore. The bills will be received and appropriately referred; and, without objection, the letters of transmittal will be printed in the RECORD.

The bills, introduced by Mr. RUSSELL (for himself and Mr. SALTONSTALL), by request, were received, read twice by their titles and referred to the Committee on Armed Service, as follows:

S. 2132. A bill to amend subsection 303 (c) of the Career Compensation Act of 1949 relating to transportation and storage of household goods of military personnel on permanent change of station.

The letter accompanying Senate bill 2132 is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., May 11, 1955.

Hon. RICHARD M. NIXON,
United States Senate,

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "To amend subsection 303 (c) of the Career Compensation Act of 1949, relating to transportation and storage of household goods of military personnel on permanent change of station."

This proposal is a part of the Department of Defense legislative program for 1955, and the Bureau of the Budget has advised that there would be no objection to its transmittal to the Congress for consideration. The Department of the Army has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

This proposal would amend section 303 (c) of the Career Compensation Act of 1949 to provide that members of the uniformed services may be authorized, in connection with a change of station, nontemporary storage of baggage and household effects in Government facilities, or in commercial facilities whenever such storage is considered to be more economical to the Government. However, the proposal does impose two limitations; namely, that the weight stored plus the weight transported in connection with the change of station may not exceed the maximum weight limitation fixed by regulations, and also that such storage shall not be authorized for a period longer than 1 year following separation from the service, except that the respective Secretaries may authorize continuation in cases where a member is confined to a hospital or undergoing medical treatment on the date of separation.

Principally, nontemporary storage of baggage and household goods is necessary to store such goods of military personnel who are moved overseas and particularly in those cases where movement of household goods to the overseas station is restricted for military or for other reasons. As an example, shipment of household goods to the Far East Command currently is limited to 2,000 pounds or 25 percent of the authorized allowance, whichever is the greater.

Although section 303 of the Career Compensation Act of 1949 provides for the temporary storage of baggage and household goods, it makes no specific provision for nontemporary storage of such goods. The section therefore has been interpreted as prohibiting direct expenditures for nontemporary storage in commercial facilities. Consequently, such storage is affected in Government depots, resulting in considerable expense because of the necessity for packing, crating, and transporting the goods to Government depots. The proposed legislation is distinctly an economy measure since, if enacted, it would make possible the utilization of commercial storage facilities, either local or closer at hand than Government depots, thus eliminating to a large degree packing and crating as well as reducing costs for the transportation haul. The proposed legislation also is in line with current policies for performance of services on a contractual basis to broaden the mobilization base and for the extension of military contracts to small businesses.

LEGISLATIVE REFERENCES

Similar legislation to authorize the nontemporary storage of household goods in commercial facilities was proposed to the Committee on Appropriations, United States Senate, on June 20, 1952, as an amendment to section 632, H. R. 7391 (Public Law 488), 82d Congress, but was not enacted.

COST AND BUDGET DATA

Although it is impossible to accurately estimate the fiscal impact of this proposal, if enacted, it is known that unit expenditures for this purpose would decrease. Estimated

cost per hundred pounds for packing, crating, transporting, and storing household goods during fiscal year 1955 is as follows:

Government facilities	$16.35
Commercial facilities	13.34

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

S. 2133. A bill to amend the Uniform Code of Military Justice.

The letter accompanying Senate bill 2133 is as follows:

DEPARTMENT OF THE NAVY,
Washington, D. C., May 18, 1955.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation, "To amend the Uniform Code of Military Justice."

This proposal is a part of the Department of Defense legislative program for 1955, and the Bureau of the Budget has advised that there would be no objection to its transmittal to the Congress for consideration. The Department of the Navy has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this proposed legislation is to improve the administration of military justice in the Armed Forces. The Judge Advocates General of the Army, Navy, and Air Force, and the General Counsel of the Department of the Treasury appointed a board of officers to make recommendations upon changes to the Uniform Code of Military Justice. This board was convened on June 4, 1953 and, as a result of its proceedings, submitted a report containing certain recommended amendments to the Uniform Code of Military Justice. This legislative proposal is based upon the recommendations of that board of officers as approved by the several Judge Advocates General and the General Counsel of the Department of the Treasury, and those additional recommendations submitted by the Department of Defense. In essence this proposal is designed to eliminate some of the procedural difficulties and delays which have arisen under the Uniform Code of Military Justice since May 31, 1951, and to provide for more prompt and more efficient administration of military justice both from the standpoint of the individual and the Government.

The principal features of the proposed legislation are as follows:

1. Single officer courts: The proposed legislation, which is based upon rule 23 of the Federal Rules of Criminal Procedure, would permit an accused to waive trial by a multiple-member special court-martial and to elect trial before a single qualified officer. The adpotion of such a procedure will result in a reduction in both time and manpower normally expended in trials by special courts-martial. The rights of the accused in such cases are protected by the requirement that the officer acting as a special court-martial have the basic qualifications of a law officer under article 26 (a).

2. Records of trial: At the present time the use of a summarized record of trial is permitted in trials by special courts-martial when the accused is acquitted of all charges and specifications or when the sentence does not extend to a bad-conduct discharge. On the other hand all records of trial by general courts-martial are complete verbatim accounts of the proceedings thereof even though the sentence adjudged by such court is one that could have been adjudged by a special court-martial, the proceedings of which would have been reported in a summarized record. The proposed bill would correct this situation by providing for a complete verbatim record in only those cases which because of the sentence adjudged must be reviewed by a board of review under article 66 or in which the sentence adjudged by a general court-martial in excess of a sentence that a special court-martial could have adjudged. All other records of trial would contain such matter as may be required by regulations prescribed by the President.

3. Review of records of trial: The present law requires all general court-martial cases to be forwarded to The Judge Advocate General even though the sentence of the court is such that, if adjudged by a special court-martial, the record of the special court-martial would not have been so forwarded. The proposed bill would correct this situation by providing that general court-martial cases in which the sentence as approved does not include a bad-conduct discharge or does not exceed a sentence that could have been adjudged by a special court-martial, shall be transmitted and disposed of in the same manner as similar special court-martial cases.

The present law requires that all sentences extending to a dismissal or a punitive discharge, or confinement for 1 year or more be reviewed by a board of review. The proposed legislation provides that cases now required to be reviewed by a board of review only because the sentence includes a punitive discharge or confinement for 1 year or more will be examined in the Office of The Judge Advocate General in accordance with article 69 rather than by a board of review where the accused has pleaded guilty and has affirmatively stated that review by a board of review is not desired. The enactment of this provision would materially lessen the number of cases which need be reviewed by boards of review and will thereby diminish the overall time required to process court-martial cases. As this procedure upon review would be employed only in those cases where the accused has pleaded guilty and has affirmatively stated that a review by a board of review is not desired, it is believed that his substantial rights will not be prejudiced thereby.

The present law requires that in any case reviewed pursuant to article 69 in which The Judge Advocate General finds all or part of the findings or sentence incorrect in law or fact, he must refer the case to a board of review for corrective action. In a great many cases the irregularities concerned involve matters well settled in the law and in those cases the board of review's action amounts to no more than an application of these well-settled principles. This situation results in an unnecessary burden on the boards of review and unduly increases the time required to process court-martial cases. To eliminate this unnecessary reference to a board of review the proposed legislation authorizes The Judge Advocate General to correct the irregularity or injustice, vesting in him the same powers and authority with respect to those cases that a board of review has. It will be noted that The Judge Advocate General remains authorized to refer any article 69 cases to a board of review in his discretion, and it is required that any finding or sentence incorrect in law or fact be corrected either by a board of review or by The Judge Advocate General.

4. Powers of The Judge Advocate General: The proposed legislation authorizes the Judge Advocate General to dismiss the charges when the board of review or the Court of Military Appeals directs a dismissal, or when the Court of Military Appeals or the board of review orders a rehearing which The Judge Advocate General finds impracticable. It is believed that The Judge Advocate General is, in many cases, in the best position to dismiss the charges himself or to determine whether or not a rehearing is impracticable. Further, the administrative necessity of forwarding the record to the convening authority would, in many cases, be eliminated.

5. Review by the United States Court of Military Appeals: The proposed legislation reduces the time within which an accused may petition the United States Court of Military Appeals for a grant of review from 30 to 15 days. It is believed that the 30-day period is unnecessarily long and has often delayed the disposition of cases in which petitions were not filed inasmuch as the accused need not perfect his appeal within this period but need only file notice of appeal. This 15-day period is more nearly in accord with that specified in rule 37 of the Federal Rules of Criminal Procedure. The chief judge of the United States Court of Military Appeals has stated that it is necessary for the court to deny approximately 85 percent of the petitions received in the court for want of good cause. To correct this situation, the proposed bill provides that the Court of Military Appeals need consider petitions for grant of review only when counsel who represented the accused at trial or before the board of review, or appellate defense counsel appointed by The Judge Advocate General if the accused was not represented by counsel before the board, or civilian counsel retained by the accused certifies that in his opinion a substantial question of law is presented and that the appeal is made in good faith.

6. Execution of sentences: Currently about 385 days elapse between the date an accused is tried by court-martial and the date his sentence is ordered executed after review by the United States Court of Military Appeals. As a result many prisoners who have completed their period of confinement or who are eligible for parole cannot be released from the service until their cases have been completely reviewed. Further, as an unsentenced prisoner is not subject to the same treatment as a sentenced prisoner, the administration of confinement facilities is unduly complicated. In some instances, delays in completion of the required review have led to complex administrative problems and loss of morale. Consequently the proposed legislation provides that a convening authority may order executed all portions of a sentence except that portion involving dismissal or dishonorable or bad-conduct discharge, thus eliminating the differences between sentenced and unsentenced prisoners.

7. Vacation of suspension: Under the present code, vacation proceedings are necessary to vacate the suspension of a sentence imposed by a special court-martial if it includes a bad-conduct discharge, or of any general court-martial sentence. The proposed bill would make unnecessary a hearing to vacate the suspension of a general court-martial sentence that could have been adjudged by a special court-martial unless it includes a bad-conduct discharge, thereby making the necessity of the hearing turn upon the gravity of the sentence rather than the type of court-martial.

8. New trial: To protect more fully the rights of an accused, the proposed legislation extends the time within which an accused may petition for a new trial to 2 years from the date the convening authority approves the sentence. Further, the board of review, the United States Court of Military Appeals, and The Judge Advocate General would be permitted to grant more comprehensive relief than is now possible.

9. Voting and rulings: The proposed bill provides that a law officer shall rule with finality upon a motion for a finding of not guilty. It is anomalous to allow the lay members of a court-martial to overrule the law officer on a question which is purely an issue of law.

10. Punitive articles: The present code does not provide specific statutory authority for the prosecution of bad-check offenses. The proposed legislation inserts an additional punitive article which contains provisions similar to the bad-check statutes of the District of Columbia and the State of Missouri, including a provision that a failure to pay the holder of a bad check the amount due within 5 days shall be prima facie evidence of an intent to defraud. One of the difficulties arising under existing law is the necessity to prosecute bad-check offenses under 1 or 3 separate articles (121, 133, or 134), none of which may be considered as a bad-check statute. Because of technical difficulties that arise as a result of the unfortunate pleading of the wrong article, an obviously guilty person sometimes escapes punishment. The proposed legislation is desirable, because of the many difficulties inherent in obtaining a conviction of an accused for a bad-check offense without proof of specific intent, to provide specific statutory authority for the prosecution of bad-check offenses.

11. Nonjudicial punishment: Good military discipline requires that a commanding officer be given greater authority in imposing nonjudicial punishment. Consequently, the proposed legislation provides that a commanding officer may confine an enlisted member of his command for a period not to exceed 7 days, and impose a forefeiture of one-half of 1 month's pay. Under article 15, officers may be punished for minor offenses such as traffic violations by imposition of forefeitures and they are thereafter not handicapped professionally by a trial by court-martial. However, in order to achieve an effective monetary punishment for enlisted members in similar cases, it is necessary to resort to a trial by court-martial, resulting in a permanent black mark on the enlisted man's record in the form of a conviction by court-martial. The change contemplated by the proposed legislation would permit prompt and effective disposition of such minor offenses. In addition, a commanding officer exercising general court-martial jurisdiction may impose on an officer or warrant officer of his command forfeiture of one-half of his pay for 3 months instead of 1 month as now provided in the code. The 1-month limitation has proved unsatisfactory to commanders in the field, and is not cured by the fact that an officer can be tried by a special court-martial. An officer's present and future value within his command is seriously and permanently impaired by the publicity attendant to trial by court-martial. When such an event occurs prompt transfer of the officer after trial is imperative, regardless of the outcome. Such a procedure is costly in time, money, and manpower, and seldom serves the best interests of the service. It is believed to be essential that commanding officers retain their present powers to try officers by special court-martial as exceptional circumstances warrant. However, it is considered desirable to increase the punitive powers of article 15 so that an adequate punishment can be imposed upon an officer for a relatively minor offense.

12. Miscellaneous: To facilitate administration of confinement facilities under United Nations or other allied commands, the proposed legislation authorizes the confinement, in United States confinement facilities, of members of the Armed Forces of the United States with the members of the armed forces of friendly foreign nations.

In addition, the proposed legislation makes other changes in the present code of a technical nature, designed generally to improve the administration of military justice within the framework of the existing code.

COST AND BUDGET DATA

The enactment of this proposal will cause no increase in the budgetary requirements for the Department of Defense but will result in economies in the utilization of manpower.

Sincerely yours,

THOMAS S. GATES, Jr.,
Acting Secretary of the Navy.

SECTIONAL ANALYSIS OF A BILL TO AMEND THE UNIFORM CODE OF MILITARY JUSTICE

Subsection (a) amends article 1 by defining the term "convening authority."

Subsection (b) amends article 12 to provide that a member of the Armed Forces of the United States may be confined in United States confinement facilities with members of the armed forces of friendly foreign nations.

Subsection (c) amends article 15 (a) (1) (C) to provide that a commanding officer exercising general court-martial jurisdiction may impose on an officer or warrant officer of his command forfeiture of one-half of his pay per month for a period not exceeding 3 months.

Subsection (d) amends article 15 (a) (2) (E) to provide that a commanding officer may confine an enlisted member of his command for a period not to exceed 7 consecutive days.

Subsection (e) amends article 15 (a) (2) to provide that a commanding officer may impose on an enlisted member of his command forfeiture of one-half of 1 month's pay.

Subsection (f) amends article 16 to provide that a special court-martial shall consist of three or more members, or of a law officer only, if, prior to the convening of such court, the accused so requests in writing upon the advice of counsel and the convening authority consents thereto and the identity of the law officer is known to the accused in advance of the date of trial.

Subsection (g) amends articles 22 (b) and 23 (b) to provide that a convening authority not subordinate in command and rank to the accuser shall be "competent authority" within the meaning thereof, and that a court may, in any case, be convened by superior competent authority when deemed desirable by him.

Subsection (h) amends article 25 (a) to provide that the officer acting as a special court-martial shall have the qualifications specified for a law officer in article 26 (a).

Subsection (i) amends article 26 (b) to provide that the law officer may consult with the court on the form of the sentence as well as on the form of the findings.

Subsection (j) extends the provisions of article 37 to include staff officers serving convening authorities and commanding officers.

Subsection (k) amends article 39 to provide that a law officer may enter a closed session of the court to assist in putting the sentence in proper form.

Subsection (l) amends article 41 (b) to provide that the one officer special court-martial may only be challenged for cause.

Subsection (m) amends article 51 to provide that the officer acting as a special court-martial shall determine all questions of law and fact arising in the course of the trial, and adjudge an appropriate sentence in the event of conviction.

Subsection (n) amends article 51 (b) to provide that the law officer shall rule with finality on a motion for a finding of not guilty.

Subsection (o) amends article 52 to make the provisions thereof inapplicable to special courts-martial consisting of one officer only.

Subsection (p) amends article 54 to provide that there shall be a verbatim record of trial in each case where the sentence adjudged requires review of the case by a board of review or in which the sentence adjudged by a general court-martial is in excess of a sentence that a special court-martial could have adjudged, and that such records shall be authenticated in accordance with regulations prescribed by the President. It amends the article also to provide that if a verbatim record is not required under this article, the accused may purchase such a record under regulations which the President may prescribe.

Subsection (q) amends article 57 (b) to authorize the President to prescribe periods during which a sentence to confinement may be interrupted. Further, such periods are to be excluded in computing the service of the term of confinement.

Subsections (r) and (z) amend articles 65 (a) and 69 to provide that the record of trial of a general court-martial which adjudged a sentence not extending to a bad-conduct discharge, or not exceeding the sentence that could have been adjudged by a special court-martial, shall be transmitted and disposed of as the Secretary of the Department may prescribe by regulations. Further, article 69 is amended to provide that The Judge Advocate General in his discretion may refer any case reviewed by him to a board of review as now provided in article 69, or he himself may have the power and may take such action in the case as a board of review can take under article 66 (c) and (d). He need not affirm a finding of guilty or a sentence found correct in law and fact.

Subsections (s) and (u) amend articles 65 (b) and 66 (b) to provide that cases involving a dishonorable or bad-conduct discharge or confinement for 1 year or more where the accused has pleaded guilty to each offense of which he has been found guilty and has affirmatively stated that review by a board of review is not desired need not be reviewed by a board of review. The effect of this amendment is to cause such cases to be reviewed under article 69.

Subsection (t) amends article 65 (c) to provide that upon the review of summary courts-martial and special courts-martial not involving a bad-conduct discharge a supervisory authority may, in addition to his authority to return the record to the convening authority for action, take any action on the record that is authorized for the convening authority. Further, lawyers of the Navy are made eligible to review records of trial by summary and special courts-martial.

Subsection (v) amends article 66 (e) to authorize The Judge Advocate General to dismiss the charges when the board of review so directs or when he finds that the rehearing ordered by the board of review is impracticable.

Subsection (w) amends article 67 (b) (3) to provide that the Court of Military Appeals must consider petitions for grant of review only when counsel who represented the accused at trial or before the board of review, or appellate defense counsel appointed by The Judge Advocate General if the accused was not represented by counsel before the board, or civilian counsel retained by the accused certifies that in his opinion a substantial question of law is presented and that the appeal is made in good faith.

Subsection (x) amends article 67 (c) to provide that an accused shall have 15 days, from the time he is notified of the decision of the board of review, to petition the Court of Military Appeals for a grant of review. The board of review shall not be deprived of jurisdiction over his case until the petition or other document is received in the Court of Military Appeals.

Subsection (y) amends article 67 (f) to authorize The Judge Advocate General to dismiss the charges when the Court of Military Appeals so directs or when he finds that the rehearing ordered by the Court of Military Appeals is impracticable.

Subsection (aa) amends article 71 to provide that all portions of a sentence of a court-martial may be ordered executed by the convening authority when approved by

him, except that portion of a sentence involving dismissal, dishonorable, or bad-conduct discharge. No sentence involving death or a general or flag officer may be ordered into execution until finally approved in accordance with the Code. Further, no pay or allowances shall accrue to a prisoner after the date the convening authority approves a sentence of death.

Subsection (bb) amends article 72 (a) to provide that a hearing in vacation proceedings is unnecessary where the sentence of a general court-martial, as approved, does not extend to a bad-conduct discharge, or does not exceed the sentence that could have been adjudged by a special court-martial.

Subsection (cc) amends article 73 to extend the time within which an accused may petition for a new trial to 2 years from the date the convening authority approves the sentence, and to provide that the court of military appeals and the board of review may, in addition to determining whether a new trial in whole or in part should be granted, take appropriate action under article 66 and article 67, respectively. Further, The Judge Advocate General is authorized to grant a new trial in whole or in part, or to vacate or modify the findings and sentence in whole or in part.

Subsection (dd) amends article 95 to remove all distinctions between confinement and custody.

Subsection (ee) inserts an additional punitive article similar to the bad-check statutes of the District of Columbia (title 22, D. C. Code, sec. 1410) and the State of Missouri (Revised Statutes of Missouri 561.460, 561.470, 561.480).

Section 2 fixes the effective date of the amendments as the first day of the 10th month after the date of approval of the act.

S. 2134. A bill to equalize certain retirement benefits for members of the uniformed services, and for other purposes.

The letter accompanying Senate bill 2134 is as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, May 19, 1955.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation, "to equalize certain retirement benefits for members of the uniformed services, and for other purposes," and a sectional analysis thereof. The uniformed services are defined in the draft of legislation to mean the Army, Navy (including Reserve components), Air Force, Marine Corps (including Reserve components), Coast Guard (including Reserve components), Coast and Geodetic Survey, or Public Health Service.

This proposal is a part of the Department of Defense legislative program for 1955 and the Bureau of the Budget has advised that there would be no objection to the presentation of this proposal for the consideration of the Congress. The Department of the Air Force has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of title I of the proposed legislation is to authorize on a uniform basis retired personnel of the uniformed services to be advanced on the retired lists to the highest grade in which satisfactory service has been rendered while on extended active duty, and to authorize payment of retired pay computed on the basis of such grades.

Under current law personnel retired for physical disability and Reserve component personnel awarded retired pay at age 60 under title III, Public Law 810, 80th Congress, are entitled to retired pay computed on the basis of the grade in which serving, or on the basis of such higher temporary grade in which he may have served satisfactorily at any time during his entire period of service.

In addition to these general-type provisions, there are other existing laws of limited application which authorize retirement in the highest grade held. The more important of these provisions are as follows:

(a) Sections 411, 511, and 516 of the Career Compensation Act of 1949 authorize award of retired or retirement pay in higher temporary or permanent grades to members of the uniformed services. Sections 411 and 511 apply only to personnel who were retired prior to October 1949. Section 516 is applicable only to retired personnel who are recalled to active duty following retirement. No authorization, however, is contained in those sections for advancement on the retired list of officers or enlisted personnel to grades corresponding to the rates of pay authorized.

(b) Public Law 305, 79th Congress, authorizes the retirement of any officer of the Regular Navy or the Regular Marine Corps, or the Reserve components thereof, who has completed more than 20 years of active service, at least 10 years of which was active commissioned service, in the highest grade, permanent or temporary, satisfactorily held. In addition, it requires the retirement of any officer of the Regular Navy or Marine Corps, serving in a rank below that of fleet admiral, at age 62 in the highest rank, permanent or temporary, held while on active duty. This latter provision does not require a determination of satisfactory service.

(c) Advancement on the retired list to the highest temporary grade in which any Army or Air Force officer served satisfactorily on active duty for 6 months or more during the period September 9, 1940, to June 30, 1946, is provided for in section 203 (a) of Public Law 810, 80th Congress. Advancement on the retired list to the higher temporary grade in which serving at the time of retirement is provided by section 203 (f) of Public Law 810, 80th Congress, for any Army or Air Force officer of the grade major general or below who retired between August 7, 1947, and January 1, 1957. This latter provision is without regard to determination of satisfactory service.

(d) Section 203 (c) of Public Law 810, 80th Congress, amends the act of August 21, 1941, to provide for the advancement of an Army or Air Force warrant officer on the retired list to the highest temporary officer, or warrant officer grade in which such warrant officer served satisfactorily during the period September 9, 1940, to June 30, 1946, with retired pay based on such higher grade. The advancement is effective when the warrant officer concerned completes 30 years' service, including the sum of his active service and service on the retired list.

(e) With respect to enlisted personnel of the Army and Air Force, section 203 (e) of Public Law 810, 80th Congress, provides for advancement of the person concerned to the highest temporary commissioned, warrant, or enlisted grade satisfactorily held by him during the period September 9, 1940, to June 30, 1946, with retirement pay based on such higher grade. The advancement is effective when the person concerned completes 30 years' service, including the sum of his active service and service on the retired list.

(f) Public Law 188, 77th Congress, as amended, authorizes placement on the retired list of officers, warrant officers, and enlisted personnel of the Navy and Marine Corps, and their respective Reserve components, in the highest rank or grade satisfactorily held while on active duty prior to June 30, 1946, under temporary appointments or advancements made pursuant to that act.

(g) The fifth paragraph of section 5 of the act of July 1, 1918 (40 Stat. 717), as amended (34 U. S. C. 423) provides authority to order retired officers of the Navy and Marine Corps to active duty in time of war or emergency, and requires their promotion on the retired list to the grade or rank, not above lieutenant commander or major, which they would have attained had they remained on the active list. Retention of this authority to order retired officers to active duty is obviously necessary and desirable. However, the promotion requirements of this paragraph are based primarily on seniority and do not fully accord with the principle of promotion by selection. Therefore, the repeal of this paragraph is recommended. The sixth paragraph of section 5 of the act of July 1, 1918, supra, authorizes the temporary advancement on the retired list to higher grades or ranks, not above lieutenant commander or major, of retired officers of the Navy and Marine Corps on active duty, and provides that upon relief from active duty, such officers shall revert to the grade held on the retired list prior to temporary advancement. This provision merely sets up an additional promotional authority, and does not restrict or in any way affect the temporary-promotion law of 1941. Its repeal is recommended because it is obsolete.

It is the view of the Department of Defense that legislation, applicable to all armed services, which would authorize advancement of personnel on the retired lists to the highest grade satisfactorily held at any time during a member's career, with entitlement to retired pay computed on the basis of that grade, is necessary and desirable. The attached proposed draft of legislation will accomplish this objective and at the same time provide certain safeguards designed to insure against unwarranted or untimely accrual of benefits. The limitations contained in the proposal are as follows:

(a) Advancement to any grade is conditioned on the individual concerned having served in such grade on active duty under an order or enlistment not limiting such duty to a period of less than 30 days.

(b) Advancement from enlisted status to warrant or commissioned status and from warrant officer to commissioned status is deferred until completion of 30 years including the sum of their active service and service on the retired list or in the Fleet Reserve or Fleet Marine Corps Reserve.

(c) Personnel who are currently receiving retired pay computed on the basis of those pay scales which were in effect prior to October 1, 1949, and who receive an advancement in grade under the proposal will not be entitled to receive retired pay computed on the basis of the increased pay scales of the Career Compensation Act unless they exercise their right of election under section 411 of that act.

(d) Provision is made to prohibit retroactive accrual of retirement pay. If this were not done, a relatively few individuals, who have been retired heretofore, and who will receive an increase in the rate of their retired pay, would be entitled to a considerable amount of retroactive pay.

(e) A provision is also included which will remove the limiting effects of the fifth and sixth paragraphs of section 5 of the act of July 1, 1918, supra, which provides that retired officers of the Navy and Marine Corps recalled to active duty cannot be promoted to a grade or rank above lieutenant commander or major.

The purpose of title II of the proposed legislation is to remedy the results of the situation existing prior to August 1, 1953, at which time there was no authority for Reserve officers of the Army and Air Force who had completed more than 30 years' active service to be retired for length of service until they had attained age 60.

Prior to August 1, 1953, the normal retirement authority for Reserve officers who had completed "not less than 20 or more than 30 years" of active Federal service of which at least 10 years was active Federal commis-

sioned service was provided in section 202, Public Law 810, 80th Congress. The limiting language "or more than 30 years" resulted in a situation in which some Reserve officers completed in excess of 30 years active service prior to completing 10 years active Federal commissioned service and accordingly were, prior to August 1, 1953, ineligible to retire under that section. The only recourse of such individuals was to be released from duty as a commissioned officer and reenlist, or be reappointed as warrant officer, and retire in that status. In such cases the individuals concerned were entitled to be advanced on the retired list to the highest grade in which they had served satisfactorily during the period September 15, 1940, to June 30, 1946. In many cases this grade was 1 or 2 grades lower than the grade in which they could have been retired under section 202 of Public Law 810.

This inequity was remedied with respect to Reserve officers who retired on and after August 1, 1953, by Public Law 126 of the 83d Congress, which removed the "or more than 30" year limitation.

It is the view of the Department of Defense that equity requires that those officers who retired prior to August 1, 1953, and who were penalized by the fact that they had completed more than 30 years' active service at time of retirement should be given benefits equivalent to those afforded officers retired subsequent to August 1, 1953. Title II of the enclosed proposed legislation would accomplish this objective by providing the following:

(a) Advancement of the individuals concerned on the retired list to the grade in which they would have been retired, but for the fact they had completed more than 30 years' service, with entitlement to retired pay based on that grade, effective from the original date of retirement; and

(b) Authorizing payment of the difference between the amount of the lump-sum payment for accrued leave which they actually received, and the amount which they would have received had they not been required to revert to enlisted or warrant status in order to be retired.

Section 304 of the proposed legislation would amend section 316 (j) of the Officer Personnel Act so as to provide that any officer serving in the grade of rear admiral or below by virtue of a temporary appointment made under any provision of law, if retired while so serving, would be retired with the rank of the grade in which serving and, if entitled to retired pay, with retired pay based on the active-duty pay to which entitled at time of retriement. This provision would be applicable to any officer so retired after August 7, 1947. Section 316 (j) as presently worded permits officers who retire while serving under temporary appointments made under Title III of the Officer Personnel Act to retire with the rank held at time of retirement and with retired pay based on their active-duty pay. The proposed amendment would extend this benefit to officers who retire while serving under temporary appointments made under the act of July 24, 1941, as amended.

LEGISLATIVE REFERENCES

H. R. 165 and H. R. 2003 are bills which have been introduced in the 84th Congress. Those bills deal with segments of this proposal and the Department of Defense respectfully recommends that the Congress take no further action on them pending consideration of this proposal.

COST AND BUDGET DATA

It is estimated that the enactment of this proposed legislation would result in an increased cost of approximately $2,315,000 for the Department of the Army; $138,590 for the Department of the Navy; $145,000 for the Department of the Air Force; and $16,000 for the Marine Corps, a total increased cost of $2,614,590 for fiscal year 1956.

Sincerely yours,

HAROLD E. TALBOT.

SECTIONAL ANALYSIS OF A BILL TO EQUALIZE CERTAIN RETIREMENT BENEFITS FOR MEMBERS OF THE UNIFORMED SERVICES, AND FOR OTHER PURPOSES

Section 1 gives the short title of the act.

Section 2 defines "uniformed service." The phrase "(including Reserve components)" is used with respect to the Navy, Marine Corps, and Coast Guard in this section and at other places in the bill, as those terms are not defined in a statute to include the reserve components. However, the terms "Army" and "Air Force" are defined in the appropriate organization acts to include the reserve components, the regular components, and those members appointed without specification of component.

TITLE I

Section 101 provides that a commissioned officer or former commissioned officer, other than a commissioned warrant officer, of a uniformed service, heretofore or hereafter retired as a commissioned officer or granted retired pay, disability retirement pay, or retirement pay of a commissioned officer, is entitled to be advanced on the retired list. Members of the regular components, members of the Reserve components, and those members appointed without specification of component are covered by this legislation. The advancement would be to the highest permanent or temporary grade in which the officer served on active duty while on the active list or under a call or order which did not specify a period of active duty of less than 30 days. The right to advancement to the permanent grade is not dependent upon a finding that his service was satisfactory, but the right to advancement to the temporary grade is so dependent.

Section 102 provides for the advancement to a higher warrant-officer grade (and pay grade) on the retired list of a warrant officer or former warrant officer, including a commissioned warrant officer, who is retired or to whom retired pay, disability retirement pay, or retirement pay of a warrant officer is granted after completing 20 years of active Federal service. The right to advancement to the permanent grade is not dependent upon a finding that his service was satisfactory, but the right to advancement to the temporary grade is so dependent.

Section 103 provides that an enlisted member of the Regular Army or Regular Air Force who is retired after completing 20 years of active Federal service, and who is transferred to the Army Reserve or the Air Force Reserve, is entitled to be advanced to the highest permanent or temporary enlisted grade in which he served at any time. Service in the higher grade must have been satisfactory, as determined by the appropriate Secretary, and must have been during an enlistment or call or order which did not specify a period of active duty of less than 30 days.

Section 104 provides a similar right of advancement for an enlisted member of the Regular Navy or Regular Marine Corps who is transferred to the Fleet Reserve or Fleet Marine Corps Reserve after completing 20 years of active Federal service.

Section 105 provides that a warrant officer or former warrant officer, including a commissioned warrant officer, or enlisted member or former enlisted member of a uniformed service, shall, upon his request, be advanced on the applicable retired list to the highest permanent or temporary commissioned or warrant grade (and pay grade) in which he served on active duty for any period, if he has completed 30 years of service, including active service and service while on the retired list or while a member of the Fleet Reserve or Fleet Marine Corps Reserve. However, he shall be advanced to the highest temporary commissioned or warrant grade (and pay grade) only if he served satisfactorily in that grade, as determined by the appropriate Secretary. In either case, the member must have served in the higher grade under a call or order which did not specify a period of active duty of less than 30 days.

Section 106 authorizes the member who has been advanced in grade or rating under this title to draw the retired pay, disability retirement pay, retirement pay, or retainer pay of the grade or rating to which advanced. If the member was entitled to such pay under a law in effect before October 1, 1949, the pay of the higher grade or rating will continue to be paid under that law, unless, under the Career Compensation Act of 1949, he is entitled to have it computed under that act.

Section 107 provides that title I of this act does not deprive any person of a higher grade or rating, or of the higher pay, to which he is entitled under any other law. This would protect the rights of a person granted retired pay under other provisions of law, such as section 302 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948, who never served on active duty in the grade to which he is entitled under that act. This section further provides that title I does not entitle a person to retired pay, disability retirement pay, retirement pay, or retainer pay unless he is entitled thereto under some other law.

TITLE II

Section 201 provides that any person who was discharged or released from active duty as a commissioned officer of a reserve component of the Army or the Air Force after June 29, 1948 and before August 1, 1953 after completing more than 30 years' active Federal service, at least 10 of which were active commissioned service, and who thereafter served as an enlisted man or warrant officer in the Regular Army or Regular Air Force prior to being retired, is entitled, at his election, to be advanced on the applicable retired list to the grade he would have been retired in, or advanced to, if he had been retired under section 5 of the act of July 31, 1935 (49 Stat. 507), as amended (10 U. S. C. 971b), at the time of his discharge or release from active duty as a commissioned officer. His advancement would be effective as of August 1, 1953, but he would be entitled to retired pay from the date of his retirement at the rate prescribed by section 5 of the act of July 31, 1935 (49 Stat. 507), as amended (10 U. S. C. 971b), for the higher grade. This section will afford relief for those persons who were discharged or released from active duty as commissioned officers between the dates indicated and and who, at that time, were ineligible for retirement under section 5 of the act of July 31, 1935, as amended by section 202 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948, because they had completed "more than 30 years' active Federal service." The prohibition upon the retirement under that act of non-Regular officers having more than 30 years' active Federal service was removed by Public Law 126, 83d Congress, which became effective August 1, 1953.

Section 202 provides that the appropriate Secretary may pay any person covered by this title for leave unused at the time of his discharge or release from active duty as a commissioned officer based upon the pay and allowances to which he was entitled at the time, less any amount paid to him in settlement of unused leave at the time of his discharge or release from active duty as a commissioned officer and less any amount paid to him at the time of his retirement for unused leave carried over from his period of duty as a commissioned officer.

TITLE III

Section 301 provides that a member of a uniformed service who is retired, or who is entitled to retired pay, disability retirement pay, retirement pay, or retainer pay, and who is serving on active duty on the effective date of this act, is not entitled to advancement on the retired list under this act until he is released from active duty.

Section 302. Self-explanatory.

Section 303 clarifies the authority of the Secretary of the Navy to order retired officers or warrant officers on the retired lists to active duty during times of war or national emergency declared by the Congress or the President.

Section 304 would amend section 316 (j) of the Officer Personnel Act of 1947, as amended, so as to authorize officers who retire while serving under a temporary appointment made under any provision of law to be retired in the temporary grade in which serving at time of retirement and if entitled to retired pay, with a retired pay based on the active duty pay to which entitled at time of retirement. Section 316 (j) as presently worded permits officers who retire while serving under temporary appointments made under title III of the Officer Personnel Act to retire with the rank held at time of retirement and with retired pay based on their active duty pay. This section would extend this benefit to officers who retire while serving under temporary appointments made under the act of July 24, 1941, as amended.

Section 305:

Subsection (a) repeals sections 414 and 504 (d) of the Officer Personnel Act of 1947.

Subsection (b) repeals the old authority of the Secretary of the Navy which has been clarified by the amendment set forth in section 303.

Section 306 specifies the effective date of this act.

S. 2135. A bill to provide for the suspension of certain benefits in the case of members of the reserve components of the Army, Navy, Air Force, and Marine Corps ordered to extended active duty in time of war or national emergency, and for other purposes.

The letter accompanying Senate bill 2135 is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., May 18, 1955.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There are forwarded herewith a draft of legislation and sectional analysis, "To provide for the suspension of certain benefits in the case of members of the reserve components of the Army, Navy, Air Force, and Marine Corps ordered to extended active duty in time of war or national emergency, and for other purposes."

This proposal is a part of the Department of Defense legislative program for 1955 and the Bureau of the Budget has advised that there would be no objection to the presentation of this proposal for the consideration of the Congress. It is recommended that this proposal be enacted.

PURPOSE OF THE LEGISLATION

The purpose of this proposed legislation is twofold. First, it is to provide permanent authority for members of the reserve components who are drawing retirement, disability compensation, or retired pay by virtue of prior military service, to waive such pay in order to receive active duty, active duty for training, and training pay as reservists. The existing authority for such waivers, contained in the act of September 27, 1950 (ch. 1053, 64 Stat. 1067), will expire on September 27, 1955 (10 U. S. C. 369 (b) note). That act permits members of reserve components to elect, with reference to periods of active duty, active duty for training, drill, training, instruction, or other duty for which they may be entitled to receive compensation, to receive either (1) the compensation for such duty, including travel or other expenses incident thereto when authorized, and subsistence and quarters, or commutation thereof, or (2) the pension, retirement pay, disability allowance, disability compensation, or retired pay. Second, the proposed legislation would suspend the pension, retainer pay, disability allowance, disability compensation, or retired pay of members of the reserve components of the Army, Navy, Marine Corps, and Air Force who are ordered to extended active duty in excess of 30 days in time of war or national emergency and who are found physically qualified to perform active duty, and would authorize the payment, in lieu thereof, of the pay and allowances provided by law for active military or naval service.

The Reserve components now have many members who have minor disabilities which were incurred in prior service and for which they are drawing disability benefits. In time of critical need for trained manpower, their disabilities are not of such magnitude as to prevent useful duty with the Armed Forces. This program has worked well and been of such value during the period of temporary legislation, that enactment into a permanent law to provide continuing authority for personnel with minor disabilities to serve in all of the Reserve components is essential to the full utilization of trained Reserve personnel.

Some reservists receiving disability compensation from the Veterans Administration, who were ordered to extended active duty and found physically qualified to perform that duty declined to waive their disability compensation in favor of active duty pay and allowances. When the reservist refuses to waive his disability compensation he may not receive active duty pay for his services and no expenses for or incident to travel, subsistence, quarters, or commutation thereof, may be incurred on his behalf. This action on the part of those reservists greatly limited their availability for service and has caused, in some instances, financial hardships for themselves and their families. Enactment of the proposed legislation would suspend rather than waive the disability compensation of the reservist while he is on extended active duty in time of war or national emergency. Upon termination of active duty the compensation or other benefit would be resumed and paid as provided by law.

COST AND BUDGET DATA

The enactment of this proposal will cause no increase in the budgetary requirements for the Department of Defense.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

SECTIONAL ANALYSIS OF A BILL TO PROVIDE FOR THE SUSPENSION OF CERTAIN BENEFITS IN THE CASE OF MEMBERS OF THE RESERVE COMPONENTS OF THE ARMY, NAVY, AIR FORCE, AND MARINE CORPS ORDERED TO EXTENDED ACTIVE DUTY IN TIME OF WAR OR NATIONAL EMERGENCY, AND FOR OTHER PURPOSES

Section 1: This section provides that entitlement to receive a pension, retainer pay, disability compensation, or retired pay shall be suspended in the case of Naval and Marine Corps reservists who are ordered to extended active duty in excess of 30 days in time of war or national emergency and such reservists shall receive the prescribed pay and allowances for active duty unless the disability compensation, retainer pay, or retired pay is greater than the prescribed pay and allowances for active duty.

Section 2: This section provides that entitlement to receive a pension, retirement pay, disability allowance, disability compensation, or retired pay shall be suspended in the case of Army or Air Force reservists who are ordered to extended active duty in excess of 30 days in time of war or national emergency and such reservist shall receive the prescribed pay and allowances for active duty unless the disability compensation, retirement pay, or retainer pay is greater than the prescribed pay and allowances for active duty.

Section 3: This section amends section 3 of the act of September 27, 1950, by making the act permanent law.

Section 4: This section provides for the deletion of the term "disability allowance" wherever that term appears in the basic act.

S. 2136. A bill to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes.

The letter accompanying Senate bill 2136 is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., May 18, 1955.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation, "To amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes."

This proposal is a part of the Department of Defense legislative program for 1955 and the Bureau of the Budget has advised that there would be no objection to the presentation of this proposal for the consideration of the Congress. It is recommended that this proposal be enacted.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to provide authority for the payment of travel and transportation allowances to all members of the uniformed services who are retired for physical disability or placed on the temporary disability retired list; or are retired for any other reason, or are discharged with severance pay, after serving at least 8 years continuous active duty, to homes of selection in accordance with uniform administrative regulations, by amending sections 303 (a) and 303 (c) of the Career Compensation Act of 1949 (63 Stat. 813, 814; 37 U. S. C. 253). The authority for travel and transportation allowances including transportation of dependents and movement of household goods at Government expense for members of the Regular services to homes of selection was contained in administrative regulations and was recognized by the Comptroller General of the United States as legally sufficient. Those regulations were based principally on the decision of the Comptroller General (4 Comp. Gen. 954; 30 id. 169) that a member of the Regular service was regarded as not having a home during the period of his service and therefore was authorized to select a home to which he may perform travel thereto within a reasonable time after retirement. One year after retirement was considered as reasonable and thus the 1-year rule was established.

After the enactment of the Career Compensation Act of 1949, it was considered proper under the broad terms of section 303 (a) of that act to authorize travel and transportation allowances to Reserve members in the same manner as had previously been authorized for members of the Regular services since a high percentage of members of the reserve components retire after many years of service and who, like members of the Regular services, have long since ceased to have homes to which to return upon retire-

ment even though technically the records show that the homes were designated upon entry on active duty. Also it frequently happens that Reserve members retired for disability cannot, without detriment to health, live at the places listed as their homes of record. Consequently, in the Joint Travel Regulations, effective April 1, 1951, there was provided authority to select a home. These regulations were authorized to be issued under section 303 (h) of the Career Compensation Act of 1949. It was believed at the time of the promulgation of these regulations that section 303 (a) provided ample authority therefor since that section authorized regulations to be prescribed by the Secretaries concerned, without limitation in this respect, for the travel and transportation expenses of all members of the uniformed services upon separation from the service, placement on the temporary disability retired list, releases from active duty, or retirement, from the last duty station to home, or place from which ordered to active duty, and in addition authorized the respective Secretaries concerned to prescribe "the conditions under which travel and transportation allowances shall be authorized."

However, the Comptroller General of the United States in decisions (B–116568, September 21, 1953; B–116568, March 10, 1954; and B–117430, March 19, 1954) held that section 303 (a) of the Career Compensation Act of 1949 did not contain authority for promulgation of regulations which would authorize travel and transportation allowances for members of the reserve components to their homes selected upon retirement. These decisions stated that entitlement for such allowances for a Regular member appeared to have no application in the case of a reservist who had a home from which he was ordered to active duty and to which he may be expected to return upon release from active duty, whether by retirement or otherwise. The effect of these decisions, depriving members of the reserve components of the services of the right to select their homes on retirement in the same manner as members of the Regular services, works a distinct hardship on them and is highly discriminatory, especially as to those with many years of active service. The proposed legislation is designed to correct this inequity by providing affirmative authority for travel and transportation allowances including transportation for dependents and movement of household effects at Government expense for members of the uniformed services who are retired for physical disability or placed on the temporary disability retired list; or are retired for any other reason, or are discharged with severance pay, immediately following at least 8 years of continuous active duty, to homes of selection in accordance with uniform administrative regulations.

The proposed legislation also would validate payments in the accounts of disbursing officers made to or on behalf of members of such Reserve components for travel and transportation allowances to home of selection since April 1, 1951, the effective date of the Joint Travel Regulations, by amending sections 303 (a) and 303 (c) of the Career Compensation Act of 1949 to make them retroactive to April 1, 1951.

COST AND BUDGET DATA

Enactment of this proposal would result in no increase in the budgetary requirements of the Department of Defense.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

S. 2137. A bill to authorize the appointment of an Assistant Chaplain at the United States Military Academy and to fix the compensation of the Chaplain and Assistant Chaplain thereof.

The letter accompanying Senate bill 2137 is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., May 11, 1955.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation, "To authorize the appointment of an assistant chaplain at the United States Military Academy and to fix the compensation of the chaplain and assistant chaplain thereof."

This proposal is part of the Department of Defense legislative program for 1955 and the Bureau of the Budget has advised that there would be no objection to the presentation of this proposal for the consideration of Congress. The Department of the Army has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this proposed legislation is to authorize the appointment by the Secretary of the Army of an assistant chaplain at the United States Military Academy and to provide that the chaplain and the assistant chaplain shall, while so serving, be compensated in accordance with the Classification Act of 1949 (63 Stat. 954), as amended (65 Stat. 612), and the chaplain shall be entitled, while so serving, to receive the same basic allowance for quarters as is now or may hereafter be provided by law for a major, United States Army, and the assistant chaplain shall be entitled, while so serving, to receive the same basic allowance for quarters as is now or may be hereafter provided by law for a captain, United States Army.

The proposed legislation will authorize the appointment of a chaplain and assistant Chaplain at the United States Military Academy by the Secretary of the Army without regard to the civil service laws for a term of 4 years, and such chaplain and assistant chaplain shall be eligible for reappointment. The appointment of an assistant chaplain is believed necessary in view of the increase in the size of the cadet corps since 1896 and the attendant increase in the duties of the chaplain at the Military Academy.

While the present law provides that the duties of chaplain at the Military Academy be performed by a clergyman to be appointed by the President it is believed that the appointment of the chaplain and assistant chaplain by the Secretary of the Army seems more appropriate and is in line with efforts to limit Presidential functions to instances where compelling reasons support action by the President rather than subordinate officials.

Further, it is believed that the proposed basis for the salaries of the chaplain and assistant chaplain will not only afford flexibility but will also permit the Army, under standards approved by the Civil Service Commission, to relate their salaries to their duties and responsibilities. On this basis, it may be noted that the salaries of chaplains at Veterans' Administration hospitals have been fixed within the range of GS–14 (entrance rate, $9,600) to GS–11 (entrance rate, $5,940).

The salary of the chaplain, United States Military Academy, is fixed by statute (act of February 18, 1896 (29 Stat. 8), as amended (10 U. S. C. 1137), at $4,000 per annum, with the incumbent being entitled to the same allowances with respect to public quarters, fuel, and light as those allowed a captain. It is further provided, by the same statute, that while serving under any reappointment, the chaplain shall receive $5,000 per annum and shall be entitled to the same allowances. Under the provisions of several Federal employees pay acts, the salary of the chaplain has been increased in 1945 to $4,520 per annum; in 1946 to $5,152.80 per annum; in 1948 to $5,482.80 per annum, which is his present salary.

The salary of $5,482.80 per annum, currently being received by the chaplain, is not, however, his effective salary, as compared with the salaries of other clergymen. It is standard practice of his church for parishes to assume responsibility for payment of assessments to the church pension fund. Such practice is not feasible at the United States Military Academy where the chaplain must pay this assessment from his personal funds. This assessment was raised 50 percent on January 1, 1950, and now amounts to $959.25 per annum. Since a rectory and upkeep thereof are generally furnished civilian ministers, the actual salary of the chaplain, United States Military Academy, compares with a clergyman's salary in civilian life of approximately $4,500. In addition, civil-service retirement deductions are withheld from his pay, in accordance with pertinent law, in the amount of $329.16 per annum. While it is returnable with interest if he serves less than 20 years, this further reduces by that amount his current effective salary.

The chaplains, United States Military Academy, of the past have almost, without exception, gone on to become nationally known figures, most of them having become bishops, deans, or rectors of large metropolitan churches. It is essential that this high standard be maintained at the United States Military Academy. The required chapel attendance and the abrupt change from civilian life to the military requires a chaplain of the very highest order as a link between the civilian life and the military. He must be a man who can deliver sermons which are inspirational to the cadets and in harmony with the inspiring atmosphere of the cadet chapel. He must be a man who understands young men and can develop in cadets, during their formative years at West Point, character and the personal attributes so essential to an officer in a lifelong career in the Armed Forces. In other words, he must be a man of the proper qualifications and, therefore, the remuneration offered must be ample to obtain a man of such qualifications. It is not believed that the Military Academy can continue to attract outstanding clergymen if the remuneration falls below that received by chaplains in larger universities and ministers of larger city parishes.

In 1947, when the authorities at West Point were engaged in seeking a chaplain, many of the candidates whose names were submitted by the various major denominations withdrew their names from consideration when they learned the amount of the salary. Clergymen, particularly those with families, who are well established at churches of the caliber from which the chaplain of the United States Military Academy should be selected, cannot afford to uproot themselves and give up higher salaries and perquisites. The present effective pay of the chaplain is well below that of the upper 20 percent of the ministers of his faith, over 1,100 of whom receive remuneration greater than the take-home pay of the chaplain, United States Military Academy. The chaplains of 3 of the larger eastern universities receive salaries of $10,000; $10,000 with living quarters; and $6,500 with living quarters.

This legislative proposal is not intended to include the Air Force Academy.

LEGISLATIVE REFERENCE

This proposal was submitted to the 83d Congress by the Department of the Army on June 25, 1954, as a part of the Department of Defense legislative program for 1954. It was introduction as H. R. 9698 but no further action was taken thereon.

COST AND BUDGET DATA

The enactment of this proposed legislation would result in an annual increased cost to the Department of Defense of approximately $7,500, which can be absorbed from existing appropriations.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

INTERSTATE COMPACTS RELATING TO MUTUAL MILITARY AID IN AN EMERGENCY

Mr. LEHMAN. Mr. President, on behalf of myself, my colleague, the senior Senator from New York [Mr. IVES], the Senators from New Jersey [Mr. SMITH and Mr. CASE], the Senators from Connecticut [Mr. PURTELL and Mr. BUSH], and the Senators from Massachusetts [Mr. SALTONSTALL and Mr. KENNEDY], I introduce for appropriate reference a bill to amend Public Law 435, relating to compacts between certain States for mutual military aid in the event of an emergency.

An identical bill is being introduced today in the House by Representative CELLER, of New York, chairman of the House Judiciary Committee.

Public Law 435 gave approval to a compact between New York and New Jersey entered into in 1950, and entitled "An interstate compact for mutual military aid in an emergency." It provided for cooperation between the signatory States in the use of military and police forces available to such States in the event of an attack, insurrection, sabotage, and so forth. Section 2, of Public Law 435, provided that other States contiguous to the two original contracting States, could adhere to the compact without further approval by Congress. Subsequently, Pennsylvania did so adhere to this compact.

The question subsequently arose whether States having a common border with one of the signatories of this compact, but not with the others, could adhere to this same compact. This question arose when Connecticut indicated a desire to adhere to the compact. Connecticut has, of course, a common border with New York, but not with New Jersey and Pennsylvania. In any event, both New Jersey and Pennsylvania objected to the adherence of Connecticut to the compact, and New York State entered into a separate compact with Connecticut, identical in terms with that authorized under Public Law 435. Consent must now be sought from Congress for this new compact.

The amendment proposed by the bill being introduced today would add a new subsection to Public Law 435, authorizing additional compacts to be entered into, identical in terms with that approved by Public Law 435, by States contiguous to either New York or New Jersey, with New York and/or New Jersey. Such compacts would be binding only on the States entering into them, and not on any other States. These new compacts could only be entered into among States which have common borders with New York or New Jersey, but either of these two States could adhere to any such new compact, regardless of contiguity.

Thus, the proposed legislation would authorize and give consent to the recent compact entered into between New York and Connecticut, and would permit Massachusetts to adhere to this compact, if any or all of these States so desired.

This amendment would also make it possible, without further submission to Congress, for New Jersey to enter into an identical, but separate, compact with Delaware, which Pennsylvania could join, if either or both of these States so desired.

I am introducing this bill on the suggestion, and at the request of the officials of New York State—specifically, of the judge advocate general of the New York National Guard and State judge advocate, Col. Charles G. Stevenson. This proposal has the approval of the office of the Governor of New York.

The bill I am introducing was drafted by Colonel Stevenson and the counsel to the House Judiciary Committee, in consultation with Representative CELLER and myself.

Mr. President, I have a letter from the Governor of New Jersey, in reply to a letter I addressed to him commenting on this proposal. I ask unanimous consent that the bill and letter, together with a joint statement by me and Representative CELLER, to be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill, letter, and joint statement will be printed in the RECORD.

The bill (S. 2142) to amend the act of July 1, 1952, so as to obtain the consent of Congress to interstate compacts relating to mutual military aid in an emergency, introduced by Mr. LEHMAN (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That a new subsection (b) be added to section 2 of Public Law 435, reading as follows:

"(b) Without submission, the Congress consents to the entering into a compact identical in terms with the compact set forth in section 1 of this act, between the State of New York or the State of New Jersey, or both, and any State or contiguous States sharing a common boundary with either New York or New Jersey."

And that the present terms of section 2 be renumbered as subsection (a) of that section.

The letter and joint statement, presented by Mr. LEHMAN, are as follows:

STATE OF NEW JERSEY,
Trenton, May 19, 1955.

Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.

DEAR SENATOR LEHMAN: I have your letter of May 16, 1955, with respect to the proposed amendment of Public Law 435, 82d Congress.

I regret the delay in replying to earlier communications which reached me through Senator CASE. Upon receipt of Senator CASE's first letter I sought the reaction of my staff. Some concern was then felt as to whether the proposed amendment, in its original form, would have resulted in contractual obligation on the part of the State of New Jersey with such other States as might enter into an agreement with the State of New York. It seems to me that the problem which disturbed us has been eliminated by the redraft of the proposed amendment under which a new subsection (b) is added to section 2 of the statute and under which I think it clear that no obligation could be imposed upon the State of New Jersey by virtue of any compact made between or among other States. I accordingly have informed Senator CASE that I see no objection to his sponsorship of the amendment.

Sincerely,

ROBERT B. MEYNER,
Governor.

JOINT STATEMENTS BY SENATOR LEHMAN AND REPRESENTATIVE CELLER

MUTUAL MILITARY AID COMPACTS FOR NEW YORK, NEW JERSEY, AND ADJOINING STATES

Eight Members of the Senate headed by Senator LEHMAN, and Congressman CELLER in the House, have simultaneously introduced bills granting the consent of Congress to permit the States of New York and New Jersey, and States sharing a common border with either of them, to enter into mutual military aid compacts. In the Senate, Senator LEHMAN was joined by Senator IVES of New York, Senators SMITH and CASE of New Jersey, Senators PURTELL and BUSH of Connecticut, and Senators SALTONSTALL and KENNEDY of Massachusetts.

The proposed legislation, which is an amendment to Public Law 435 of the 82d Congress, will permit the States adjoining New York and New Jersey to enter into compacts to:

1. Provide mutual military aid in cases of emergency; and

2. Allow fresh pursuit, across State borders, of enemies, saboteurs, or other dangerous persons.

At the time Public Law 435 was being considered, the Congress was of the opinion that such mutual military aid compacts should not be extended without limitation, and therefore restricted its consent to the abovementioned States. The question subsequently arose, however, whether States having a common border with one of the signatories of the compact, but not with the others, could adhere to this same compact without the consent of all the participating States. This problem presented itself when New Jersey and Pennsylvania declined to join in an agreement permitting Connecticut to become a party to the original compact, even though it share a common boundary with the State of New York. In view of this objection, it became necessary for New York to enter into a separate compact with Connecticut. Consent must now be sought from Congress for this new compact.

The present bill will amend Public Law 435 by adding a new subsection to permit identical compacts between other States in this area of the country, without the necessity of obtaining (1) prior congressional consent, or (2) the consent of the signatories to the original compact. Such compacts would bind only the States entering into them and not any other States.

This legislation is being introduced on the suggestion, and at the request of, the Office of the Governor of the State of New York.

GRANTS TO STATES TO PROVIDE VACCINATION AGAINST POLIOMYELITIS TO ALL CHILDREN

Mr. HILL. Mr. President, the Senate Committee on Labor and Public Welfare has the responsibility of passing upon proposed legislation concerning the Salk

polio vaccine. Thus far, the proposals which have received the most attention have been designed either to assure the availability of the vaccine to children who cannot afford to pay or to provide controls, either mandatory or discretionary, over distribution and use of the vaccine.

The Democratic Members of the committee regard the President's proposal as gravely defective. That proposal has as its purpose the provision of vaccine for those children whose parents are found unable to pay. The amount of money the President asks for would provide vaccine for only approximately 11 million out of the 51 million children in the country who should be inoculated as rapidly as the vaccine becomes available. This necessarily would result in lining up many of the children of America in their schools and dividing them publicly between objects of charity and those whose parents can afford to pay for the vaccine. We do not believe that a boon to all humanity should be converted into an instrumentality of humiliation of multitudes of American children.

Consequently, it is our intention to approve legislation which will, without a means test, make the Salk vaccine available to every American child. This measure will make it possible for any community to secure free vaccine, paid for by the Federal Government, for all its children within approved age groups so long as it gives reasonable assurances that free vaccinations will be available to all children in such age groups whose parents desire the free vaccination. In communities making these assurances, free vaccine will also be available to family doctors for administration to their private patients within the priority age group.

Payment for the vaccine by the Federal Government provides a means of assuring its fair and just distribution and use and renders proposals calling for other means of control over such distribution and use less immediately necessary.

We are introducing a bill to provide this legislation.

The statement I have read is signed by all the Democratic members of the Committee on Labor and Public Welfare: Senators HILL, MURRAY, NEELY, DOUGLAS, LEHMAN, KENNEDY, and MCNAMARA.

Mr. President, out of order, I introduce the bill for appropriate reference, and, as chairman of the Committee on Labor and Public Welfare, I announce at this time that I am calling a meeting of the committee at 10 o'clock on next Monday morning, to consider the bill and the President's proposal.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2147) to authorize grants to States for the purpose of assisting States to provide all children an equal opportunity for vaccination against poliomyelitis, and for other purposes, introduced by Mr. HILL (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

HOUSING ACT OF 1955—AMENDMENT

Mr. MONRONEY (for himself and Mr. KERR) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF REFUGEE RELIEF ACT OF 1953—ADDITIONAL COSPONSORS OF BILL

Pursuant to the order of the Senate of May 31, 1955,

The names of the following Senators were added as cosponsors of the bill (S. 2113) to amend the Refugee Relief Act of 1953, as amended, introduced by the Senator from Utah [Mr. WATKINS] on May 31, 1955: the Senator from New Jersey [Mr. SMITH], the junior Senator from Utah [Mr. BENNETT], the Senator from Maine [Mr. PAYNE], the Senators from Connecticut [Mr. PURTELL and Mr. BUSH], the Senator from Maryland [Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], the Senator from Ohio [Mr. BENDER], the Senator from Minnesota [Mr. THYE], the Senator from Colorado [Mr. ALLOTT], and the Senator from Kansas [Mr. CARLSON].

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Address delivered by him at a Memorial Day gathering in West Allis, Wis.

Address delivered by Senator SMITH of Maine before the National Womens Press Club of Washington, D. C., on April 21, 1955.

Address delivered by Senator SMITH of Maine at Overseas Press Club annual awards dinner, in New York City, on April 19, 1955.

By Mr. BRICKER:

Address entitled "Today's Problems Can Be Tomorrow's Accomplishments," delivered by George C. McConnaughey, Chairman, Federal Communications Commission, at the annual convention of the National Association of Radio and Television Broadcasters, Washington, D. C., May 24, 1955.

NOTICE OF HEARING ON CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. DANIEL. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 9, 1955, at 9 a. m., in room 424, Senate Office Building, upon the following nominations:

J. Edward Lumbard, of New York, to be United States circuit judge, second circuit, vice John Marshall Harlan, elevated to Supreme Court;

Sterry R. Waterman, of Vermont, to be United States circuit judge, second circuit, vice Harrie B. Chase, retired, and

Kenneth P. Grubb, of Wisconsin, to be United States district judge, eastern district of Wisconsin, to fill a new position.

At the indicated time and place all persons interested in the above nominations may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Idaho [Mr. WELKER].

THE POLIO VACCINE PROGRAM—EDITORIAL FROM THE WASHINGTON POST AND TIMES HERALD

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial, appearing this morning in the Washington Post and Times Herald on the polio vaccine situation.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BELATED CAUTION

The detailed statement about the polio vaccine situation which President Eisenhower made at this news conference on Tuesday would have been admirable had it been issued 6 weeks ago. It explained the need to make haste slowly in the distribution of a vaccine which had never before been manufactured on a large scale. And it set forth a clear program of priorities for vaccination while the vaccine remains in short supply—the same program that was recommended by Secretary Hobby and approved by the President 2 weeks ago. There is nothing in the present situation which could not, and should not, have been foreseen.

"Remember," said Mr. Eisenhower in explaining the delay in the vaccination program, "we are dealing in this field with the lives of our children and our grandchildren." It is something that should never have been forgotten. It now seems all too evident, however, that the mass immunization program was undertaken before the scientists knew all that they needed to know about the way viruses behave in large-scale manufacture and about the precautions that should be taken in making vaccine. It would have been better to wait until science developed the testing techniques which the President says have now been perfected.

The blame for this unhappy haste falls on a great many shoulders. The press was certainly guilty of overdramatizing the polio menace and of inflating the Salk discovery beyond its actual significance. The National Foundation for Infantile Paralysis and the National Institutes of Health were guilty of yielding to popular impatience by releasing the vaccine before there was adequate knowledge of the problems involved in producing it commercially. The Department of Health, Education, and Welfare was guilty of letting distribution of the vaccine commence without any plan for giving it first to those most in need of it; the Department's incredible procrastination and indecision created nationwide confusion and anxiety.

So far as distribution goes, there are still serious ambiguities in the President's statement. Some States, he says, may provide free vaccination for all children, while other States may provide it only for children whose parents are unable to pay. Some may furnish free vaccine to schools and clinics, while others may furnish it to private physicians. The President has asked Congress to enact legislation making $28 million available to the States for the purchase of vaccine to assure that no child is denied it by reason of its cost. But he has fixed no standard for eligibility for free vaccine and made no provision for free inoculation; different

States may have entirely different ideas as to what constitutes inability to pay. The lesson of experience is that ambiguity is the mother of confusion. If Congress appropriates the requested $28 million, it will no doubt want to provide appropriate criteria for the use of the money?

CAMPAIGN CONTRIBUTIONS AND THE NEED FOR AMENDMENT OF THE CORRUPT PRACTICES ACT

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial, which appeared this morning in the Washington Post and Times Herald on the subject of campaign contributions and the need for amending the Corrupt Practices Act in respect thereto. I also ask unanimous consent to have printed in the body of the RECORD a speech, delivered yesterday by Mr. Philip Graham, publisher of the Washington Post and Times Herald, on the general subject of the needed reforms in respect to campaign donations.

There being no objection, the editorial and address were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of June 2, 1955]

How To Finance Campaigns

About 67 percent of the people, according to a recent Gallup poll, agree with Senator HENNINGS that the laws on campaign spending should be tightened. A large majority of those expressing an opinion believe, quite rightly, that the present limits on campaign expenditures are broadly ignored. They want a law that will be respected. What many do not realize is that the present restrictions can never win respect, for the reason that campaigns in the 1950's cannot be conducted for the small sums allowed. Even the most economical campaigns cost many times the $3 million allowed for national committees, the $10,000 to $25,000 allowed senatorial candidates, and the $2,500 to $5,000 allowed congressional candidates.

One of the major purposes of Senator HENNINGS' bill before a Senate Rules Subcommittee is to boost these obsolete limitations. He would allow national committees to spend up to $12 million, senatorial candidates up to $50,000 or 10 cents per vote cast in the last election, and candidates for the House up to $12,500 or 10 cents a vote. Even these new limits, however, are far out of line with what many candidates and political committees have found to be necessary to get the issues adequately before the people. In a large State an active candidate using radio, television, and air travel is almost certain to spend $250,000 or more. Some estimates place the cost of the 1952 presidential campaigns as high as $100 million. These vast expenditures are an emphatic argument for practical steps to shorten campaign periods along with other efforts to reduce political costs. Realism compels the acknowledgment, however, that such reforms will take some time to accomplish on a meaningful scale.

Meanwhile a great deal could be done, in our opinion, by shifting the focus from the price tag alone to the source of campaign funds. Effective democratic contests require liberal use of television, radio, printing, telephone, and similar facilities to inform the people. There is no evil in the use of money for these purposes, unless the effect is to leave the winning candidate under questionable obligations. The frightening thing, as pointed out by Philip L. Graham, the publisher of this newspaper, in a speech at the University of Chicago last night, is that so much of the financial support for political candidates comes from the underworld, special interest groups, and people expecting to be rewarded by public positions. At present candidates are virtually forced to rely upon these sources for want of any other.

Mr. Graham cited a Gallup Poll showing that only 1 family out of 20 made any political contribution in 1954. Yet 33 percent indicated that they would have given $5 if they had been asked. If 16 million families gave $5 each for the support of candidates of their choice, this would be a total of $80 million to finance the 1956 campaigns. Such an outpouring of funds for political purposes from the rank and file would do more to undercut the special interests and favor-seekers than any law Congress could pass.

The country needs a better Corrupt Practices Act with realistic limits on campaign spending. But the best way to beat corruption is to finance good candidates through small contributions from the rank and file. A skillfully planned movement of this kind should bring about a double rejuvenation of democracy at the grassroots.

The High Cost of Politics

(By Philip L. Graham, publisher of the Washington Post and Times Herald, at the annual dinner, School of Business, University of Chicago, Knickerbocker Hotel, Chicago, Ill., June 1, 1955)

Ever since the 6th of August 1945, the ruling facts of our times have been fairly clear.

In stark oversimplification they are these:

1. Modern science has revolutionized warfare. It has done this so completely that war now is obsolete as a method for settling human conflicts.

2. Obviously, what is needed is some new world political arrangement that effectively eliminates the exercise of war.

3. However, the historical forces which divide mankind are so powerful that little or no progress has been made in this direction. Instead two powerful Nation-State systems oppose each other bitterly and totally, and at least appear to conduct their affairs as though war were still a practical alternative to diplomacy.

4. Progress toward the elimination of war will apparently begin only when the free nations become so united and strong that the Communist apparatus will see no chance of world domination.

5. The proper course for freemen is therefore one calling for the highest degree of skill in the conduct of affairs of incredible complexity. We must continuously strengthen our alliances; intelligently tackle the fantastic scientific and technological problems of keeping militarily strong; foster a healthy American economy; give support to the creation of a better life elsewhere in the world; maintain and develop our regard for individual liberties; and so on and so on.

Those, in broad outline, are the operative facts of our times. This is the framework within which the question of human survival will be decided.

I would like to suggest that in one respect at least we are facing up to this situation as though we were a nation of lunatics. I would also like to suggest that unless we change our habits we shall probably achieve the fate we deserve.

Now my suggestion has one refreshing aspect. It will not require this assemblage of potential cardiac cases to raise your blood pressure in anger against anyone except yourselves. I do not suggest that we can solve all our problems by denouncing Yalta, 90 percent of parity, the Dixon-Yates contract, Owen Lattimore, or high taxes.

What I put to you is simply this: We face problems that involve life and death for all of us; yet we insist on having the lowest sort of opinion of the very people we entrust with those problems; and we force them to operate under conditions which do everything to repel decent men.

Who are these people who bear this great responsibility, and whom we treat so stupidly? They are, of course, the politicians. They include Dwight D. Eisenhower, Adlai Stevenson, 96 Senators, 435 Congressmen, 48 Governors, the 750,000 other elective officials, and the Cabinet officers and tens of thousands of appointive officials and political workers who must live under our existing system of politics.

These are the people whose day-by-day actions will very largely determine the greatest conflict in the history of the world. Yet how do we tell them we regard them? We tell them that we consider them just a little above outlaws. Thus this spring in a nationwide Gallup poll, 7 out of 10 people with an opinion stated that they would not like to see their children enter politics as a life's work.

Let us suppose that instead of running a great Nation we were running a pickle works and that our pickle sales were dropping every month. Clearly we would not begin by telling our sales department that all salesmen were stupid and crooked and unnecessary. Yet we do treat problems which are rather more urgent than pickle sales in just that fashion. And if we continue to do so we probably have as much chance of survival as the buggy manufacturers had of licking Henry Ford.

Since you who are here tonight are men of experience, it will be obvious that fundamental problems call for fundamental solutions. And truly the problems presented by our present system of politics are fundamental. They are not going to be solved by palliatives. It will do us no good at all to resolve that for the next 30 days we shall never place the word "dirty" directly next to the word "politician." It will do us no good to make speeches or to write editorials saying we need better men and women in politics and a higher public regard for politicians.

Yet there is something—something fundamental and lasting—that can be done about the present situation. It is possible; it is urgently necessary; and it is eminently practical.

Moreover, if this thoroughly "doable" thing is, indeed, done, it should constitute the single most important political reform of our times.

But before we discuss the solution, let us diagnose the basic problem in a bit more detail. For the problem is deeper than merely a question of public attitudes. Although they are considerably more esteemed than politicians, nevertheless farmers, labor leaders, industrialists, and even newspaper people are frowned upon by a goodly number of their fellow men. Yet these people at least can operate in an environment permitting them to maintain their self-respect.

So while it is a serious matter that politicians rank close to lepers in the popularity polls, it is a much more serious matter that we force politicians to live in a system which goes a long way toward depriving them of self-respect.

The fundamental defect in our present system of politics—as is so often the case in life—has something to do with money. It has specifically to do with our habits regarding contributions for political campaigns. Even putting the best possible face on the situation, it can only be described as morally squalid, ethically shocking, and spiritually revolting.

As of 1955 the principal characteristics of our system of political finance can be accurately described in the following manner:

1. We maintain a bold-faced, official lie about the cost of political campaigns and the amounts of political contributions.

2. We almost universally fail to respond to—or even to recognize—the duties of the individual citizen in a free society.

3. We consequently force politicians to live in close connection with the filthy power of gangsters and the acquisitive power of special interest groups and favor seekers.

First, let me briefly expand on the way we maintain an official lie about political expenditures. We do this by having a Federal law which limits expenditures by a candidate for Congress to a maximum of $5,000, by a candidate for the Senate to $25,000, and by a national political committee to $3 million. Now a Senator, even in a small State, cannot run for $25,000 and in a State like Illinois he cannot run for $250,000. But the law remains on the books, the myth is maintained by a series of long-practiced manipulations and evasions, and so we force the able man entering politics to launch his career with an initial act of blatant hypocrisy. And to endure this indignity every time he runs again.

In fact, few if any people actually know what modern political campaigns do cost. One of the most respected Members of the Senate has told me that in his State (about the size of Illinois) over $3 million was spent in a recent gubernatorial election.

But the existing system perpetuates the fraudulent impression that political expenditures are but a fraction of what they are. Thus in the 1952 presidential campaign a total of $17,500,000 was reported by the national committees of the two major parties. Some students of the matter estimate that actual expenditures came closer to $100 million.

The limitations of $25,000 for the Senate and $5,000 for the House are patently laughable. For there are counties in this country where even a sheriff's race costs from 10 to 20 times more than $25,000.

So from those highlights you can see how monumentally deceitful a system of laws and reporting we maintain about campaign expenditures.

Next, let us look at how seriously the average person defaults in his duties as an individual citizen. And in doing so let us remember that with the new American economy—with our new wide distribution of wealth—we have a society wherein the average voter is in fact financially able to meet his obligations of citizenship.

We can examine the default of the citizenry by studying the 1954 congressional elections. There were 1,054 congressional candidates. Expenditures officially reported totaled $13,700,000, and we can be sure that actual expenditures were much higher.

After that campaign the Gallup Poll asked people whether they had made a political contribution, not only in congressional races but for any of the many other campaigns that year. Assuming that such contributions would be made on a family basis, the answers were computed by families. This showed that only 1 family out of 20 had made any political contribution. If the answers were computed in terms of individual citizens, this would mean that only about 2 out of every 100 citizens made any contribution.

Since the default of the individual is so obvious, let us see what forces have rushed in to fill the vacuum.

No tidy compilation of statistics is available, but anyone at all familiar with politics can document the situation for you. There are three major sources of political funds:

1. The underworld: The sums raised by the gangsters are much larger than anyone imagines. In 1948, for example, it was reported to our newspaper that the numbers operators in Washington had raised $100,000 to be spent against two Senators who had tried to investigate local gambling. One of the most profitable businesses in the United States is the illegal race wire service to illegal horse-betting establishments. It makes millions every year, has survived every sort of attempt to break it up, and clearly must be the largest single source of political funds in the country.

2. The second important source of political funds can broadly be called special-interest groups. This includes the vast array of individuals and organizations who have something direct to gain from government. They are far different from the underworld in that their aims and purposes are wholly legitimate, if sometimes a bit acquisitive or selfish. So important is this source of funds that it is practically impossible to find any Congressman or Senator, however high-minded, who has not lost his freedom of decision in some particular area. A recent, but natural and understandable, addition to this group can probably be found among some few foreign governments who are dependant upon us for monetary or political assistance. While difficult of precise proof, it seems probable that in some few cases a small part of our foreign aid has come back to us in the form of political contributions. And when one realizes that $100,000 carefully spent in a few small States can place a sizable portion of the United States Senate under obligation, it is easy to understand the temptation that exists for all special-interest groups.

3. The third group of established political contributors probably contributes the least in total amount, though their contributions are still important. They can be described as the hopefuls. They are people who contribute in the expectation of receiving high public office. Their existence explains to a large extent why in the 1954 election less than 1,000 people contributed more than one-fifth of the total amount reported by both major national political committees. Their total gifts represented $1,850,000. And although the law—that same unenforced, hypocritical law—limits individual contributions to $5,000 to any one candidate or committee, it is believed that some resourceful contributors have managed to locate or create enough committees to permit contributions of over $100,000 in a single campaign.

So dominating is the need for political money that this form of outright sale of positions of public trust is universally accepted. It had to be practiced by that old professional, President Truman, and it has also had to be practiced by that idealistic amateur, President Eisenhower.

In bygone days this particular practice probably did little harm. Government was then relatively unimportant and a rich knucklehead here or there in high office could do little harm. Today, of course, this is radically altered. There are few unimportant high public posts. And both this administration and its predecessor have been weakened by the system which we average citizens have forced upon our political leaders.

The overall problem, I would like to repeat, is both serious and simple. We need the highest possible sort of people in politics because of the awesome decisions they must make. And we shall not have this until we get rid of the rotten financial foundation upon which our political system now rests, and thus begin to demonstrate toward politicians some of that decent concern which practitioners of the arts of free government deserve.

The political financial problem, we should realize, is going to grow in size. This is inevitable because of our growth in population and growth in power of communications. Obviously politics will be expensive in a nation of 165 million with rapidly widening suffrage.

We are many, many years from 1789 when our Constitution was ratified by fewer than 100,000 people—by only some 2 percent of the population.

How to deal with this growing problem is a matter of mounting concern. To give you an idea of its dimensions let me point out that to put a presidential candidate on just one TV network for a single half-hour costs between $50,000 and $100,000.

To some these costs indicate only that modern mass communications are expensive. But that is not in fact the case, if we judge them on a per capita basis. Using mass media a candidate today probably spends much less to reach the individual voter than it cost Thomas Jefferson to feed all those horses that pulled his stagecoach, or even Theodore Roosevelt to pay for his campaign train.

The high cost of politics is a direct result of a high population and an expanding right of suffrage. And superficial attempts to solve the problem by having politicians pass rules as to what other politicians can get free TV time are only going to create new problems. Even stronger language can be employed against the suggestion, now 50 years old but constantly revived, that the Government should appropriate funds for this purpose.

There is one step toward reform now being studied by the Senate which deserves support and encouragement. That is the effort by a committee, headed by Senator HENNINGS of Missouri, to write more realistic laws about political contributions. This is the 60th congressional committee to review this subject in the last 50 years. Insofar as they are working toward full and honest accounting of all political contributions, they are working toward a desirable end. However, although present limits on expenditures will be considerably raised, the Senate hearings so far indicate that the new limits will still invite evasions by being unrealistically low. In any event, the work of Senator HENNINGS and his colleagues represents some of the most constructive work in many years. And success in their labors will be a stepping-stone toward better government.

But the major problem still remains. That is, how can we raise enough honest, untainted money to permit our politicians to run for office without becoming obligated to corrupt or selfish forces? And in doing this, how can we help to create a higher regard for the importance of politics in the American future?

The answer is, I think, not too difficult. It can be accomplished quickly enough to be effective in the 1956 campaign. And there is not a person in this room who cannot do something toward achieving this fundamental political reform.

Here are the basic facts. In the Gallup poll I referred to a few minutes ago, only 1 family out of 20 made any political contribution in 1954. But Gallup also put this question: If asked, would you give $5 to the party you prefer?

Thirty-three percent of the families—about 16 million families—said yes. A little over half said no, while some 13 percent had no views. Now $5 from 16 million families equals $80 million, and even a fraction of that amount of new, untainted money would revolutionize American politics. Moreover, it is ridiculously defeatist to assume that the other 66 percent of our families cannot be convinced of their proper obligations of good citizenship.

The problem then is how to convince millions of Americans of an obvious fact—that good citizenship requires political contributions by each individual to the party or candidates of his choice. Good citizenship requires this just as much as it requires contributions to one's church, one's community fund, the Red Cross, or other causes.

The weak at heart may tell us that even such an obvious truth cannot be quickly taught. That is not only nonsense, it is nonsense that we can prove to be nonsense.

Let's take a parallel though perhaps more difficult problem. The threatened European grain famine after World War II. The ravages of war and a severe drought had destroyed much of the European grain supply.

Obviously millions of people were going to starve to death within 6 months. And almost everyone knew that nothing could be done about it. The only possible rescue was to get us to eat less wheat in America, and this seemed impossible because rationing controls could not be imposed in the short time available.

But a few people were unresigned to failure. They assumed that the American people would respond to duty if they only knew what their duty was. So through a barrage of public service advertising, conducted by the advertising council, the people were informed. Early in 1946 a Gallup poll showed that almost nobody knew of the need to save grain. By April 1946, almost 9 out of 10 Americans knew of the problem. And most of them were doing their duty. As a result our grain shipments reached unprecedented totals and reached Europe quickly. And not a single European died from the famine that summer—the summer that the late Ernest Bevin described as the great European famine that did not happen.

The use of public service advertising is now so widespread that most of us forget that it is a new and vitally useful social tool. In the past 12 years it has been an essential part of the savings bond program, has reduced traffic accidents, prevented forest fires, created blood banks for the armed services, and aided a hundred other causes.

In 1952 public service advertising told Americans over and over again of their duty to register and vote, and helped set new records for registration and voting.

One does not have to be an Einstein to see how great a function public service advertising could perform in helping to build a new and decent foundation under our system of political finance. Through television, magazines, radio, newspapers, billboards, car cards—even matchboxes—the average decent American could be reminded and reminded again of the importance of good government. Of how good government depends on each citizen's supporting, as he can, the party or candidate of his choice. And by doing this, we can gain the larger objective of giving public recognition to the fact that there should be no more noble calling in a free society than that of public life.

A complete, well-coordinated campaign of public service advertising can create proper citizen support for political campaigns. It can do so quickly. By doing so it can, as I have said, create the most important political reform of the century.

What is needed to make this happen? What is needed to make it work? Nothing more than the support of you and other decent citizens like yourselves.

This country has in the advertising council a nonprofit, nonpartisan, public service group that annually administers $100 million worth of public service advertising donated by American business. The advertising council could provide a practical means for conducting such an educational campaign. It can be a campaign to further good government by reminding every citizen of his duty to support the party and candidates of his choice.

For my part I hope it is done. For your part, I hope you join in making it a success.

For our part, for the common concern of this country, we must end the fantastic system under which we treat our politicians as unsavory characters while at the same time we charge them with preserving our very civilization.

Mr. MORSE. Mr. President, I hope all Members of Congress will read Mr. Graham's speech. I am satisfied that if they do, they will have the substantiating argument in support of a position which many of us have taken for the past several years when we have urged modification and amendment of the Corrupt Practices Act. Mr. Graham performed a great educational service to the American people in the speech he made yesterday on the general subject of political campaign contributions. If we really want free men to serve in the Congress, then the American people, in order to protect that freedom, must accept the responsibility, family by family, in relation to campaign contributions, as brought out yesterday by Mr. Graham in his exceedingly able speech.

Mr. MAGNUSON. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. MAGNUSON. I wish to support what the Senator from Oregon has said. I myself have suggested, in speaking in my State, as has the Senator from Oregon in many speeches he has made, that the interest of the average citizen in political matters should be just as great as his interest in civic matters generally, such as the Red Cross and other community enterprises, and in the other fine things which are parts of the American way of life.

I read with great interest Mr. Graham's speech. As the Senator from Oregon has pointed out, Mr. Graham has made a real contribution, because if the American people will take the same kind of interest in political matters that they take in their various community enterprises, such as those dealing with health problems, schools, and so forth, they will go a long way toward clearing up this situation.

Mr. MORSE. Mr. President, in line with the suggestion of the Senator from Washington, I wish to state that the Corrupt Practices Act, insofar as it applies to contributions to political campaigns, at the present time is conducive to lying and falsehood. It makes lying legal. That should be stopped, and the act should be amended, because under it only a small percentage of the actual expenses in political campaigns are reported. Certainly that is a shocking betrayal of the public trust. We should overhaul the act so as to put an end to that situation.

Mr. MAGNUSON. Not only that but it is the most impractical act ever placed on the statute books.

Mr. MORSE. There is no question about that.

Mr. GOLDWATER. Mr. President, I desire to comment on the remarks of the distinguished Senator from Oregon [Mr. MORSE], and to agree with him on the necessity of changing the law which applies to the reporting of political contributions. I hope everyone in the country will read Mr. Graham's speech of yesterday, because in it he touches on a point which I believe to be of vital import to the future of American politics. If all the American people do not participate in politics, either at the party level or in the making of contributions, then the country can well come under the control of small but powerful groups, whether they be in labor unions or in management.

So I desire to thank the Senator from Oregon for making it possible for Mr. Graham's speech to be widely read. I hope the American people will most sincerely consider the points made in the speech and the facts set forth in it. It is time that we make the conducting of politics a responsibility of all the people, rather than permit it to be managed and controlled by small groups.

Mr. SALTONSTALL. Mr. President, I desire to join in the statement which has been made by the Senator from Arizona [Mr. GOLDWATER]. I read in full the speech made by Mr. Graham. I discussed the matter with him as we sat together at a dinner some weeks ago. I believe that what he suggested in his speech can be accomplished in a fair and impartial manner.

Mr. SYMINGTON. Mr. President, I congratulate the senior Senator from Oregon [Mr. MORSE] for placing the magnificent speech by Mr. Phillip Graham in the RECORD. I think we all should think about the suggestions Mr. Graham makes. The people of Missouri take great pride in the fact that my distinguished senior colleague [Mr. HENNINGS] is in the forefront of those engaged in studying the entire problem. We know that, with his guidance and help, as well as that of other outstanding Americans, there is a reasonable prospect that improvements in the law which the distinguished senior Senator from Oregon referred to will be brought about.

Mr. MARTIN of Pennsylvania. Mr. President, I should like to comment briefly on the reference to the address delivered by Mr. Graham, as it relates to greater contributions to political work. I am very much impressed by the comments of the distinguished Senator from Oregon and the distinguished Senator from Arizona.

Last February the Gallup poll indicated that the American people wished to contribute to political effort, but they do not get the opportunity. I am glad to say that in 1952, in my own State of Pennsylvania, which for many years has been making large contributions to both political parties, there were contributions to the Republican Party from more than 100,000 Pennsylvanians.

Mr. MAGNUSON. Mr. President, I am pleased that our distinguished brethren on the other side of the aisle feel kindly and cooperative toward the Graham proposal. It has been my experience, during about 25 years in politics in the Pacific Northwest, that the distinguished "loyal opposition" spent about twice as much as the Democrats. Therefore, as a practical matter, I favor the proposal.

Mr. GOLDWATER subsequently said: Mr. President, during the morning hour the senior Senator from Washington [Mr. MAGNUSON] said:

> It has been my experience, during about 25 years in politics in the Pacific Northwest, that the distinguished "loyal opposition" spent about twice as much as the Democrats.

That was in reference to an excellent speech which was delivered in Chicago yesterday by Mr. Graham, publisher of the Washington Post and Times Herald.

In order to keep the record straight, I should like to read very briefly from a statement made this year before the subcommittee of which the Senator from Missouri [Mr. SYMINGTON] is a member, namely, the Subcommittee on Privileges and Elections of the Committee on Gov-

ernment Operations, by the chairman of the Republican State Central Committee of Michigan. I think if the Senator from Washington failed to receive campaign funds from the Democratic Party, he had better take a lead from the Democratic Party of Michigan.

I read:

In a study prepared by a researcher for the National CIO–PAC entitled "The CIO and the Democrat Party," published by the University of Chicago Press, 1952, on page 131 there is set forth a statement that in the year 1950, Michigan CIO unions contributed $200,000 directly to statewide Democrat candidates. This study shows that 64 percent of all the Democrat funds in the 1950 campaign came directly from the CIO.

Because the charge has been made that these are voluntary funds, I continue briefly from the statement:

I charge and will now prove that there is nothing voluntary in Michigan about the way that the PAC receives its funds. I refer to the audit report filed by Emil Mazey, secretary-treasurer of the UAW–CIO, for the period from June 1, 1950 to May 31, 1951. The report contains a summary of receipts and disbursements. While it shows that the PAC made no contributions into the general fund of the union, the union on the other hand for the 12-month period ending May 1951 paid to the PAC $120,434.56.

I read briefly further:

In the report by Emil Mazey, secretary-treasurer of the UAW–CIO for the period from June 1, 1951, to May 31, 1952, the following disbursements from the general funds of the union for political activities are set forth:

They total $1,380,872.60.

To complete my very brief reading from the statement, I quote further as follows:

In the report filed by Emil Mazey, secretary-treasurer of the UAW–CIO for the 12-month period ending December 31, 1954, the following disbursements from the general fund of the union, the source being union dues, and the amounts being used for political purposes—in Michigan—all for the Democrat Party, both on a State and national basis, were as follows:

This is serious, Mr. President. They total $2,611,980.05.

I concur in the speech made by Mr. Graham in Chicago yesterday, and I sincerely hope that he intended in his speech to include funds such as these from all sources, namely, funds extracted involuntarily from Democrats and Republicans alike, even though the funds go for the promotion of only one party. I oppose that practice whether the party concerned is the Republican Party or the Democrat Party.

I ask unanimous consent that the statement be inserted in full in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY JOHN FEIKENS, CHAIRMAN, REPUBLICAN STATE CENTRAL COMMITTEE OF MICHIGAN, BEFORE THE SUBCOMMITTEE ON PRIVILEGES AND ELECTIONS OF THE SENATE COMMITTEE ON RULES AND ADMINISTRATION, ON S. 636, MAY 17, 1955

I regard it a privilege to appear before this committee to testify on S. 636. The subject matter is especially interesting to me in my capacity as chairman of the Republican State Central Committee of Michigan.

By way of introduction, I am not unmindful of the provisions of the Federal Corrupt Practices Act to which reference will be made hereinafter. I would like to point out that in Michigan we presently have a law which provides that "No officer, director, stockholder, attorney, agent or any other person acting for any corporation or joint stock company, whether incorporated under the laws of this or any other State or any foreign country, except corporations formed for political purposes, shall pay, give or lend, or authorize to be paid, given or lent, any money belonging to such corporation to any candidate or to any political committee for the payment of any election expenses whatever." (Sec. 196.14, Laws Relating to Elections—Revision of 1953.)

I would like to say that while I agree with the intent of this bill to seek better reporting methods, I do not believe that the problem is attacked head on either on a national level or on a State level such as in Michigan, by simply providing for more particularized reporting of campaign expenditures.

Present laws in the State of Michigan already provide that every candidate and every treasurer of a political committee shall file reports in the office of the county clerk of the county in which such candidate or treasurer resides within a specified number of days after each election, said report to give in detail every item of money received and disbursed. A political committee is defined as every combination of two or more persons who shall aid or promote the success or defeat of a candidate or a political party or principle or measure. (Secs. 196.4 and 196.19, Laws Relating to Elections—Revision of 1953.)

While this has been the law for a number of years, many political committees recently operating in the State of Michigan, as I will hereinafter refer to them, have not complied with this law, even though I have repeatedly sought aid from the attorney general of Michigan for its enforcement.

I might also state that while I am interested in your intent to limit the amount of campaign expenditures, it seems to me that the approach which is taken in the proposed bill again does not address itself to the heart of the matter.

In delineating my argument I will, of course, constantly refer to the situation as I find it to exist in Michigan, and I want to say at the outset that my remarks are limited to my knowledge of conditions in my own State. I believe it necessary to say that I want no privilege for expenditures by corporations. I believe that our present laws ought to be strengthened further in this regard and they ought also to be broadened so as to include all special-interest groups, any of which compel contributions to political parties, or to candidates as a condition of employment or as a matter of doing business, either in the pursuit of a profession or in the exchange of goods and services for value. In that connection, I wish to call the committee's attention to legislation presently before the Michigan Legislature, already approved by the senate and now pending before the house. This proposed senate bill 1401, I believe goes to the heart of the matter much more directly than does United States Senate bill 636, for it provides that "no person in the employ of another nor a person seeking employment shall be required to support financially or otherwise, any candidate or political committee as a condition of employment" and that "no organization which any person in the employ of another is required as a condition of employment to join, remain in, or support financially or otherwise, shall offer or spend any money or thing or service of value in support or opposition of any candidate, political committee, or political party."

Proposed amendments to this Michigan bill which we support would include all activities involved in the exchange of goods or services for value as coming within the prohibition of the law.

It is my firm belief that no person, whether he works for a corporation or whether he is engaged in business relationships with it, or whether he is an employee, ought to be compelled to contribute to a political party. Some of the antagonists of our proposed Michigan legislation argue that the bill is aimed at labor unions. Let me categorically state that my position is not directed against labor unions as such, nor is that the position of the Republican Party of Michigan. We are proud to be sponsors in Michigan of the most liberalized unemployment compensation and workmen's compensation laws in the United States. As a party, we are opposed to any right-to-work legislation. We are interested in minimum-wage legislation and we have as a party repeatedly voiced our position in favor of fair-employment practices legislation.

But we do believe that the present election system in Michigan, both as it affects candidates running for Federal office as well as State office, is such that greater restrictive controls are necessary and I repeat again that I refer to the proposed legislation in Michigan only because I think it goes far more directly to the heart of the problem than does the legislation before this committee. Many of its provisions could be made applicable to the areas covered by the Federal statutes.

In describing the election system in my State, I must point out that we are running into totalitarianism on the part of certain groups. In support of this statement I charge and can prove that the political bosses of the labor organizations in our State are compelling individuals as a condition of their employment to contribute to the Democrat Party.

I want this committee to understand that though much of this statement is given over to discussing involuntary support of a political party by labor unions through dues collected that I recognize the very real possibility that large business institutions may inferentially or by implication make political contributions a condition of good business relations. Extraction of funds by a corporation from those with whom it does business, even where such a contribution does not pass through the hands of officers or agents of that corporation, need not necessarily add up to a voluntary action by the contributor, and if such is the case I say without equivocation that the spirit of the proposed Michigan law would be violated. I do not believe that involuntary group or individual contributions from any source should be allowed. This committee will have before it incontrovertible evidence that unions in my State collect dues on the basis of union membership, which is a necessary condition of employment. The committee will have before it evidence that such dues, without express permisison of those duespayers, divert to a separate organization formed for political purposes part of the money thus collected. In diverting this money to the second organization for political support of a party those who direct the finances of the union have violated the fundamental rights of free American citizens and have committed their support of a political party without any obligation to be found in the union-membership requirements of the individual. I believe this committee will agree with the position I take that if this is permitted to continue it can work to the disadvantage of both political parties and might, indeed, make a mockery of the rights of individuals once they have joined the union.

I charge and can prove that the political bosses of labor unions, particularly those of the CIO, use for political candidates on partisan political purposes vast amounts of

union dues, money gathered for the purpose of advancing the cause of labor.

I charge and can prove that these funds are not used for the Republican Party in Michigan or its candidates.

I charge and can prove that many employees in Michigan who are rank-and-file members of the union are Republicans and are having such dues money taken from them contrary to their desires.

I wish to take these charges and support them with proof.

First of all—with regard to the charge that there are thousands of union members who are faithful Republicans. With your permission, I should like to draw to your attention a large study produced only last year, 1954, by election research experts at the University of Michigan and published under the name, The Voter Decides. The survey shows that 41 percent of the union members in the 1952 election preferred the Republican Party.[1] Another study of political attitudes in an industrialized city (Elmira, N. Y.) was undertaken some years ago by members of the faculty of Columbia University. This study showed that 40 percent of the unskilled union members in this city were Republican. Fifty percent of the skilled union members were Republicans.[2]

In a study published in April of last year by two leading members of the faculty of the University of Illinois, Professors Hudson and Rosen, their investigators found that 57 percent of the union members they studied definitely opposed the union telling them for whom to vote and also opposed even voluntary donations to finance union political activities.[3]

I should also like to cite a national survey made by Elmo Roper several years ago where he asked union members whether they agreed or not with the union when it took a position on candidates or political matters. According to Roper, whose objectivity has never been questioned, only 23 percent of union members generally agreed with their union on political candidates.[4]

For 20 years, Gallup has been checking after each presidential election how many union members voted for the Republican Party. He shows a steady growth in Republicanism among union members at the same time that the union leaders are using more and more of their members' money compulsorily for the Democrats:

	Percent voting Republican [5]
1936 (Landon)	20
1940 (Willkie)	28
1944 (Dewey)	28
1948 (Dewey)	26
1952 (Eisenhower)	39

A recent study of local 222 of the Oil Workers Union, CIO, showed that 44 percent of the members thought their union should not take part in politics. More than half of the members of this union who had an opinion said it was wrong for the union to endorse any political candidates. Then the members of this CIO union were asked the question: "Do you think a member should vote for political candidates endorsed by the local union?" Sixty-six percent of the members answered: "No; unless I agree with the union." Only 17 percent answered: "Yes."[6]

Another university research man has studied the teamsters local 688, of St. Louis. The union members were asked whether they approved of the union collection of a dollar from each union member to help friendly candidates. Even with this question loaded with the words "friendly candidate," more than 40 percent of the union members said "No."[7]

Another recent survey was done among the members of local 517 of the Oil Workers Union–CIO in Lemont, Ill. Forty-three percent of these union members told University of Chicago research people that the union should not be active in politics at all. Nearly two-thirds of the members did not want the union lined up with any particular political party.[8]

With reference to our own Michigan situation, among many letters that I have received from members of the UAW–CIO, I have one dated March 1, 1955, from Walter J. Brauninger, who writes me in part as follows: "I am following the newspaper accounts of GOP criticism of the UAW–CIO's political activity with more than usual interest. I am a member of the UAW and I am a Republican. There is no doubt that I am a union member, because I shall be discharged from my job as a lathe operator at the American Broach & Machine Co. when I fail to pay my dues. But there is some doubt in my mind whether I am a Republican. I voted for Mr. Leonard and a slate of Republican candidates, in secret ballot, without fear and with a free conscience. But at the same time I helped to elect Mr. Williams and I helped to defeat my own man, Mr. Leonard. I did this by paying dues to my union which, in turn, devoted its extensive radio and TV programs and its official publication, the United Automobile Worker, to the cause of the Democratic Party. My union sold me."

I will now support my charge that vast sums of money raised through the use of union dues are used solely for Democratic candidates for State and National offices in Michigan. In a study prepared by a researcher for the National CIO–PAC entitled "The CIO and the Democrat Party," published by the University of Chicago Press, 1952, on page 131, there is set forth a statement that in the year 1950, Michigan CIO unions contributed $200,000 directly to statewide Democrat candidates. This study shows that 64 percent of all the Democrat funds in the 1950 campaign came directly from the CIO. The study shows that this $200,000 came from funds contributed by union members under maintenance-of-membership and union-shop clauses.

Let me digress for a moment. I am not unmindful that the CIO Political Action Committee does not, insofar as its charter is concerned at least, fall within the prohibitions of the Federal Corrupt Practices Act, for in its literature published by the committee there are asked and answered several pertinent questions: "Is the PAC a political party?" Answer: "PAC is not a political party. The CIO convention has consistently declared the CIO-PAC is directed to continue to act on an independent, nonpartisan basis, giving support to the progressive forces in the two major parties, basing its judgment of candidates upon their records and platforms." Question: "Where does the PAC get its money?" Answer: "PAC funds come from the voluntary contributions of CIO members."

I charge and will now prove that there is nothing voluntary in Michigan about the way that the PAC receives its funds. I refer to the audit report filed by Emil Mazey, secretary-treasurer of the UAW-CIO, for the period from June 1, 1950, to May 31, 1951. The report contains a summary of receipts and disbursements. While it shows that the PAC made no contributions into the general fund of the union, the union, on the other hand, for the 12-month period ending May 1951 paid to the PAC $120,434.56.

These funds paid into PAC came from union dues. These dues were collected under maintenance-of-membership and union-shop clauses. All CIO unions then and now have such union-shop clauses in their contracts with employers. Thus rank-and-file members were forced to contribute to PAC to be members in good standing of their union. Membership in good standing is a requisite to continued employment. If a man does not pay dues he cannot keep his job. In addition, this same report shows $44,546.42 used for news broadcasting, $39,801.65 for radio, $223,198.60 for the educational fund, all of which items were directly tied into political campaigning and political statements, and these funds were largely used in Michigan.

In the report by Emil Mazey, secretary-treasurer of the UAW–CIO for the period from June 1, 1951, to May 31, 1952, the following disbursements from the general funds of the union for political activities are set forth: PAC $200,398.85, editorial $454,079.88, radio $116,399.21, research $139,627.31, educational fund $327,977.46, citizenship fund $142,389.89, for a total expenditure in that 12-month period of $1,380,872.60.

In the report filed by Emil Mazey as secretary-treasurer of the UAW–CIO for the 6-month period ending November 30, 1952, we find this statement as to the citizenship fund: "Our citizenship fund was established at the last convention for the purpose of strengthening democracy by encouraging members and citizens generally to register and vote in community, State, and national elections, and to carry on organizational and educational programs directed toward the achievement of an ever higher understanding of citizenship responsibility * * *. Five cents of each per capita tax we receive is set aside in the citizenship fund to be used for the above objective. These funds are used to cover salary and expenses of staff members for promotion of legislation, getting out the vote, reapportionment drive, radio and television, literature, donations to State and county councils, and so forth."

In this 6-month report, we find the following expenditures: Editorial department, $281,640.11; Political Action Committee, $66,098.41; radio, $34,536.02; research, $68,122.14; educational fund, $182,014.11; citizenship fund, regular, $885,683.86; citizenship fund, PAC expense, $125,821.74; for a total expenditure for political purposes for this 6-month period of $1,643,907.39.

In the report filed by Emil Mazey, secretary-treasurer of the UAW-CIO for the 12-month period ending December 31, 1954, the following disbursements from the general fund of the union, the source being union dues, and the amounts being used for political purposes—in Michigan—all for the Democratic Party, both on a State and national basis, were as follows: Editorial, $590,603.13; radio, $23,613.86; research, $160,390.75; educational fund, $678,882.98; citizenship fund, regular, $774,046; citizenship fund, PAC department expense, $384,443.33; for a total of $2,611,980.05.

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[1] Campbell, Gurin, and Miller, The Voter Decides (Evanston: Row, Peterson & Co., 1954), p. 73.

[2] Berelson, Lazarsfeld, and McPhee, Voting (Chicago: University of Chicago Press, 1954), p. 47. (The city studied was Elmira, N. Y.)

[3] Ruth Alice Hudson and Hjalmar Rosen, Union Political Action: The Member Speaks, Industrial and Labor Relation Review (April 1954), p. 408.

[4] Roper Survey: Does Labor Vote What Leaders Say? New York Herald Tribune, June 2, 1952.

[5] Public Opinion News Service, for release Jan. 8, 1954.

[6] Doris E. Mersdorf, local 222: A Study of Factors Associated With the Willingness of Its Membership To Define Political Action as a Union Function, a dissertation submitted to the faculty of the division of social sciences in candidacy for the degree of master of arts, department of political science, 1953, pp. 28–29.

[7] Arnold M. Rose, Union Solidarity: The International Cohesion of a Labor Union (Minneapolis, University of Minnesota Press), p. 84.

[8] How the Members of Lemont Local 517 OWIU–CIO Have To Say About Their Union: Report of a Survey of Membership Attitudes, University of Chicago, p. 23.

I might add that while I am certain that Emil Mazey was not telling the whole story, he did say at least at the recent convention of the UAW-CIO in Cleveland, as noted in the Detroit Free Press of March 28, 1955, that the union spent $250,000 in radio and television shows in Michigan and in connection with the PAC department expense item referred to in the citizenship fund, he said that that amount went to support political activities of such groups as the Wayne County and Michigan CIO Council. In that news article he admitted that union dues were being so used.

In an analysis which was prepared for the Republican Party after the 1954 campaign, the study revealed the following:

Radio (sponsored by the CIO)

Total number of year-round programs	29
Total number of stations	26
Total number of communities	25

Of these, 13 are daily, 16 are weekly, 8 are national programs, 21 are State-local programs, and 11 have Guy Nunn as moderator.

Cost for air time only (annual), $227,794.

Talent cost and production cost not known.

The UAW-CIO has one television program—aired by WJBK, which has a potential Michigan audience of 4,500,000. The station has been in frequent difficulties because of the appearance of none but Labor-Democrat candidates. Add this cost to the radio.

TELEVISION

One weekly half-hour show, Detroit.

Cost of air time only, $32,760.

Talent and production costs not known.

Then there are the shop newspapers, an examination of which shows that 80 percent of the space is used for building the Labor-Democrat political party and defaming the Republican Party. The CIO alone prints about 30 different newspapers in Michigan. The total weekly circulation amounts to 300,000.

UNION NEWSPAPERS

Thirty CIO shop newspapers, weekly circulation, 300,000.

Estimated cost for printing and mailing only, $300,000.

It would appear that our estimates are in fact lower than the figures set forth in the report of Mr. Mazey. There is other evidence also that the unions in Michigan are using union funds for Democratic candidates and the Democratic Party. Governor Williams received $1,000 on October 20, 1954, from the Railroad Brotherhood; Lieutenant Governor Hart received a direct contribution from the UAW-CIO of $5,000 on September 28, 1954; Secretary of State James M. Hare received a direct contribution from the UAW-CIO of $1,000 on October 8, 1954; Attorney General Kavanagh received a direct contribution from the UAW-CIO of $1,000 on October 14, 1954; State Treasurer Sanford Brown received a direct contribution of $1,000 on October 8, 1954, from the CIO-PAC. The aforementioned, needless to say, are all Democrats.

In this connection, I wish to report that John H. Thorpe, secretary-treasurer of the Michigan Federation of Labor, is quoted in the Detroit News on May 11, 1955, as having said: "I got many thanks from Brother PAT (Senator MCNAMARA) who said it ($1,000 check) was badly needed for his campaign expenses," adding that the Michigan Federation of Labor had contributed $10,650 during MCNAMARA's race.

The minutes of a meeting of the Detroit and Wayne County Federation of Labor, September 15, 1954, show that Butchers Local 630, according to Delegate Casey, contributed $500 to the McNamara campaign.

None of the funds hereinbefore referred to have been used to support Republican candidates in Michigan. This is in accordance with the announced policy of the Michigan CIO council president, Gus Scholle, who, according to the Detroit News of February 26, 1950, stated that the CIO would never support Republican candidates.

Incidentally, in the 1954 State campaign, the Democrat State Central Committee filed a report of their expenditures totalling approximately $89,000. In that report it is stated that on May 24, 1954, they received $10,000 from the UAW-CIO; on September 21, 1954, $10,000 from the UAW-CIO, and on October 15, 1954, $8,000 from the UAW-CIO PAC. The aforementioned first two items obviously come from the general fund of the union and it is noted that they are distinguished from the funds received from the PAC. During the same period, the Republican State Central Committee expended for its entire operation for the year 1954, including the campaign for all offices at State level, and national level, approximately $450,000. I can say from personal experience that we were not able to match the opposition party in our expenditures and as has been pointed out heretofore, the great amounts that were used against us came from the labor unions and were not reported as such. On the basis of the evidence presented, I can categorically state that we were outspent by the opposition party on a ratio of $5 to our one.

I might also add that it is now clear on the basis of the evidence herein set forth that the PAC also receives its funds from union dues. To give further support to that position, however, I quote from Ford Facts, the news organ of Local 600, UAW-CIO, February 26, 1955, page 4: "At a meeting at Solidarity House on Thursday, February 3, 1955, CIO local officers unanimously agreed on a budget presented by the Wayne CIO Council to cover a tricounty area for the coming spring elections of February 21, 1955, and April 4, 1955, and it was also agreed that the elections were of such importance that the local unions contribute 15 cents per member based on the month of December 1954 to help raise the needed campaign budget.

"In connection with the preceding paragraph, approval is sought for the following action of the executive board of February 8, 1955:

"1. That Local 600 contribute to the Wayne Council CIO-PAC 15 cents per member based on December 1954 membership.

"2. That the general council PAC committee be brought out on lost time to work on the primary spring election for a period from Tuesday, February 15, 1955, through Monday, February 21, 1955, and to be paid 1 week's salary and expenses flat."

I should point out that as a result of this 15-cent assessment by the unions, there was raised in Wayne County alone approximately $75,000, as reported by the Detroit newspapers.

In summary, then, we have a pattern in Michigan where tremendous sums of money raised for the legitimate purposes of unions are being used for support of one political party. Further, those sums are required and compelled to be paid by rank-and-file workers, regardless of their political views. This is evil and totalitarian, regardless of what political party such funds support.

I therefore suggest that this committee examine into the ways and means in which present Federal legislation can be strengthened to prevent this evil, whether it exists on the part of labor organizations or corporations or any other groups of any kind.

I wish also to thank this committee for their patience in listening to this massive data. I hope that the evidence presented here will be of some assistance in this complex field.

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article entitled "Public Would Revise Law To Limit Election Funds," written by George Gallup, director, American Institute of Public Opinion, and published in the Arizona Republic.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PUBLIC WOULD REVISE LAW TO LIMIT ELECTION FUNDS

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N. J.—A solid majority of the American public is convinced that the present Federal laws limiting the amount of money spent for election campaigns are not lived up to and that reform in the way of stricter statutes is long overdue.

The general public's view is shared by the Nation's outstanding citizen-leaders, a poll of those listed in Who's Who in America shows, although the public is stronger for reform than are the top citizens of the country.

Federal election legislation now permits a candidate for the Senate to spend money in his campaign up to a maximum of $25,000 in some cases, and $10,000 in others. Candidates for the House are limited to either $2,500 or, in some cases, $5,000.

National political committees are limited to $3 million in any one calendar year.

Institute reporters from Maine to California talked to representative citizens in all walks of life in conducting today's survey. The public was asked:

"There are present laws limiting the amount of money spent for campaigns for Congress. By and large, do you think these laws are lived up to, or not?"

The vote of the general public:

	Percent
Yes, lived up to	16
No	57
No opinion	27

The next question:

"Do you think the present laws about campaign spending should be made more strict, or not?"

The vote of the general public:

	Percent
Yes, more strict	67
No	12
No opinion	21

Sentiment is relatively uniform on the two questions among major groups in the population. Of particular interest is the fact that both Republicans and Democrats see virtually eye-to-eye on the need for stricter laws.

The Nation's top citizens were asked:

"Do you think the present laws limiting campaign expenditures are too strict, about right, or not enough?"

The largest group, 39 percent, said the present laws should be made more strict.

A California editor summed it up: "The present law is loose enough that you could drive an elephant through the holes in it."

A New York executive said "further tightening would lead to more evasion," and a Missouri educator commented that "Inflation makes a dollar limitation meaningless and today's TV costs are high."

A Massachusetts educator advocated having each party receive an equal allowance for expenditures from the public treasury.

Senator THOMAS C. HENNINGS, JR., Democrat, Missouri, chairman of the Senate subcommittee on privileges and elections, has introduced a bill to revise the Federal election laws in order to prevent corrupt practices in elections.

One provision of the bill would require regular reports and summaries of expenditures by candidates.

This requirement has the endorsement of 3 out of every 4 of the Nation's top citizens, as follows:

"Would you favor or oppose revising laws concerning campaign expenditures to make it mandatory that the expenditures of political committees, on behalf of a candidate, be reported?"

The vote of those in Who's Who:

	Percent
Favor	76
Oppose	5
No opinion	19

The Hennings bill also would establish a ceiling in presidential elections, determined by multiplying the total vote cast for President in a recent election by the sum of 20 cents. This would mean a present-day limit of over $12 million.

THE LATE HAROLD M. STEPHENS

Mr. BENNETT. Mr. President, the junior Senator from Utah arises to mark the passing of Chief Judge Harold M. Stephens, of the United States court of appeals, a Utahan whose distinguished service in the halls of justice of this country has brought great honor to him, to his State, and to the country whose justice he administered.

At the age of 31 he was made judge of the third judicial court, in Salt Lake City; and at the conclusion of his 4-year term, he returned to private practice, and to the graduate study of law at the University of California and Harvard Law School. In 1933 he came to Washington to serve as Assistant Attorney General.

His sense of justice and fair play were much in evidence during his career as a Government prosecutor; and his frank acknowledgment that men were being indicted and sent to jail for violating Executive orders that were difficult to find in print led to the creation of the Federal Register, which now publishes all official regulations.

Judge Stephens was noted for his genius for developing orderly processes and procedures for the trying of cases and hearing of motions. His unflagging sense of duty and tremendous stores of energy made him a tower of strength on the Federal bench. Last year he personally handled 1,776 of the 2,500 motions and petitions filed in the court of appeals, and presided over 745 3-judge hearings on motions. He was responsible for establishing a motions-calendar system which has been successful in eliminating the previous delays and uncertainties existing in this phase of our appellate system.

He was a member of the United States Judicial Conference, where his influence and skill as a jurist were employed to aid in the improvement of the entire Federal judicial system.

Judge Stephens was always alert to injustice, and his sense of fairness caused him to investigate with exacting thoroughness each case that came before him. His opinions are noted for their detail and painstaking examination into the technicalities of the law which had a bearing on the cases.

His objectivity and reputation for independent pursuit of the facts and law won respect even from those who at times disagreed with his conclusions.

Judge Stephens had a passion for giving every man "his day in court"; and his service on the bench is living evidence of his philosophy that "those who knocked on the door of courts of justice should be heard."

Those of us who knew him personally will remember him as a brilliant jurist, a warm and understanding friend, and a fine, courteous gentleman. I extend to Mrs. Stephens, his fine wife and constant companion, my profound sympathy in her sorrow; but I am sure that her grief will be tempered by her memory of this great man and his life of distinguished service and devotion to the principles of American justice.

The judge's passing not only leaves a void in our hearts, but also leaves on the appellate bench a vacancy that will be hard to fill—for he was truly a man who left his mark upon the history of our land.

TWO HUNDREDTH ANNIVERSARY OF BIRTH OF NATHAN HALE

Mr. BUSH. Mr. President, I desire to invite the attention of Senators to the fact that on June 6, next Monday, Connecticut will celebrate the 200th anniversary of the birth of Nathan Hale.

Nathan Hale, born in South Coventry, Conn., on June 6, 1755, was a distinguished citizen of my State. This youthful hero of the Revolutionary War has been an inspiration to generations of Americans. It was he who, as he was about to be hanged, with his hands tied behind his back, uttered to his British captors that immortal sentence, "I only regret that I have but one life to lose for my country."

I ask unanimous consent that an article entitled "Nathan Hale Set Supreme Example of Patriotism for All Americans," published in the New Haven (Conn.) Register of May 22, 1955, be printed in the RECORD at this point following these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO HUNDREDTH ANNIVERSARY OF BIRTH—NATHAN HALE SET SUPREME EXAMPLE OF PATRIOTISM FOR ALL AMERICANS

Numerous Connecticut communities, including New Haven, will note the 200th anniversary of the birth of Nathan Hale in June with exercises at which civic and historical organizations will pay homage to the youthful martyr-hero who unflinchingly gave his life for his country during the Revolution.

It is difficult as we roam through pages of history to come upon a person as dauntlessly fearless of death and as true to an ideal as was Nathan Hale. He was a key figure in one of the most remarkable epochs in the history of mankind—the rise of the American Nation. He represents the exemplification of youth, loyalty, and heroism.

Born in South Coventry on June 6, 1755, he was raised in a home where love of God and freedom were considered main factors in human existence. At Yale he distinguished himself as a leader and graduated in 1773.

His first job was teaching in the district school in East Haddam. Not long afterward he went to New London to teach in the Union School. One day, late in April 1775, a post rider galloped into New London with the news of the fight at Lexington. That night Hale gave a rousing speech in defense of liberty at Miner's Tavern.

WENT TO CAMBRIDGE

When the tempest of the Revolution was gathering force he left the schoolroom and enlisted in the 7th Connecticut Regiment, which went to Cambridge. General Washington later sent the regiment to New York. Hale rose to captain in Knowlton's Rangers.

Following the Battle of Long Island, General Washington needed accurate data as to the probable future action of the British commander, General Howe. He asked for a volunteer to go behind the British lines to get that information, and Hale volunteered. In accepting the mission of spy, Hale said:

"For a year I have been attached to the Army, and have not rendered any material service while receiving a compensation for which I make no return. I think I owe my country the accomplishment of an object so important and so much desired by the commander of her armies."

Accordingly, disguised as a schoolmaster whose sympathies were with the British and instructed to write his notes in Latin and conceal them in his shoes, Hale set out for Long Island, being rowed across the Sound and landing in Huntington.

After accomplishing his mission of getting plans and drawing sketches of the British fortifications Hale tried to get back to the American lines. He reached the shore successfully and in the twilight saw a boat not far away. Hale waved to it and drew near but instead of patriots it bore sailors of the British warship *Nigar*.

SENTENCED TO HANG

Taken to New York, Hale was searched and the papers found. Brought before General Howe the hero revealed his mission and identity and was sentenced to be hanged.

The night before the execution Hale asked for a clergyman and a Bible, and both were denied. At dawn, the 21-year-old youth faced his death courageously and unafraid and uttered the words known to every school boy in America, "I only regret that I have but one life to lose for my country."

In New Haven, at the statue of Hale, in front of Connecticut Hall where he roomed as a student, exercises will be held by the university and the General David Humphreys branch of the Sons of the American Revolution on Friday, June 3.

The following day, June 4, the historic Hale homestead in South Coventry where Hale was born will be the scene of the most elaborate ceremonies planned. Hale's homestead was restored by the late George Dudley Seymour, of New Haven.

Also planned are ceremonies in East Haddam at the school where Hale taught; in New London where he also taught in the schoolhouse now located in Ye Ancient Cemetery; in Hartford at the statue of Hale in front of the public library; and in Norwalk at the site of the Nathan Hale fountain where the hero started his spy mission, crossing Long Island Sound.

MANY HALE ITEMS

Members of the State legislature in Hartford are expected to pay homage to Hale during the anniversary week. A statue of him stands in the rotunda of the State Capitol and many rare Hale items are in the State library.

Out-of-State exercises are planned in New York City and Washington, D. C.

In New York exercises will take place on the site where Hale was tried and the probable place where he was hanged. The trial by the British took place in what is now the fashionable Beekman Hill district, and the hanging on the East Side site not far from there. The exact location of the execution, however, is not known, although many authorities believe it to be the site of the United Nations Building.

In the Nation's Capital, before a statue of Nathan Hale located on the south side of the Department of Justice, Constitution Avenue near Ninth Street, high Government officials from Connecticut will hold brief ceremonies.

This statue was dedicated in April 1948. At that time Louis L. Hemingway, of New Haven, placed a wreath at the base of the monument, and Charles Seymour, then president of Yale, made the presentation address.

Dr. Seymour will give the principal address this year in South Coventry. The address of welcome will be delivered by Gov. Abraham

Ribicoff. The Reverend Joseph H. Twichell will give the invocation and the Reverend Truman O. Ireland, the benediction.

COVENTRY PROGRAM

A highlight of the program will be the dedication of a Revolutionary flag with a brief address on behalf of Yale students, by Edward Kent, chairman of the Yale News. Two noted Nutmeg fife and drum corps will provide music, the Mattatuck drum band of Waterbury, one of the oldest in the Nation, and the Stony Creek fife and drum corps. A flag raising will be conducted by a color guard from the Governor's foot guard, and songs of the Revolutionary period, including one written by Timothy Dwight before he became president of Yale in 1795, will be rendered by a group of Yale students.

Members of the Antiquarian and Landmarks Society of Connecticut, sponsors of the event, with Orrin P. Kilbourn, of West Simsbury, chairman, will add color to the festivities by dressing in authentic costumes of the period.

In New Haven the Reverend Harris Starr, former president of Gen. David Humphreys Branch, SAR, will give the benediction at the Hale statue at Yale. Two outstanding Yale students of the senior class, one from the Army ROTC and one from the Navy ROTC, who have won SAR medals, will lay a wreath at the base of the hero's statue. George Kebabian, president of the SAR, is in charge of the Elm City exercises.

The courage and patriotism of Nathan Hale has been cited by President Eisenhower in a letter commending the forthcoming anniversary. The text of President Eisenhower's letter which was sent to Kilbourn, follows:

"Please convey my greetings and good wishes to all celebrating the 200th anniversary of the birth of Nathan Hale.

"The courage and the words of this young patriot of the Revolutionary War are significant in American history. His story provides a supreme example of the willingness of an individual to risk death and to sacrifice himself for the common good, a quality essential to the strength and preservation of a nation. I hope this anniversary will serve to remind citizens throughout our country of this fact.

"Sincerely,

"DWIGHT D. EISENHOWER."

DELINQUENT TAXPAYERS

Mr. WILLIAMS. Mr. President, on February 4, 1955, as appears in the CONGRESSIONAL RECORD on page 1166, I referred to an inquiry to the Commissioner of Internal Revenue in which I had requested an itemized breakdown of all delinquent taxes as of December 31, 1954. It developed that prior to that time such data had never been compiled, but that for the first time the Bureau was then in the process of tabulating this information under a newly installed accounting system. This information has been received, and, as was previously announced, it showed total delinquencies of $1,614,494,286, representing 1,725,474 different accounts. While it is thought that this represents an all-time high in delinquent accounts, in the absence of a previous tabulation a comparison is not available.

In order that in the future Congress can determine the trend of these tax delinquencies, I ask unanimous consent to have incorporated in the body of the RECORD a letter signed by Mr. O. Gordon Delk, Acting Commissioner, giving a breakdown of the $1,614,494,286 by class of tax, followed by a chart showing a further breakdown of these delinquent accounts by districts. With this tabulation, Congress can in the future determine not only the trend of delinquent accounts, but also the relative positions of the different collection districts.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Is there objection?

There being no objection, the letter and tabulation were ordered to be printed in the RECORD, as follows:

UNITED STATES TREASURY DEPARTMENT,
COMMISSIONER OF INTERNAL REVENUE,
Washington, March 14, 1955.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: On December 28, 1954, we informed you that we would have more complete information as to our delinquent account position as of December 31, 1954, as the result of changes in our accounting system and reporting methods.

That information has now been obtained and tabulated. It shows that we had 1,725,474 accounts in formal delinquent status on December 31, and that the amount involved was $1,614,494,286. These accounts were divided according to class of tax through which the liability arose as follows:

Class of tax	Number	Amount
Individual income	1,249,292	$936,100,234
Corporation income	26,158	321,102,437
Taxes withheld	357,315	233,551,540
Excise taxes	58,171	70,115,910
Estate and gift	1,455	33,113,404
Unemployment	32,844	17,681,679
Carriers	239	2,829,082
Total	1,725,474	1,614,494,286

We are enclosing a photostat which shows not only how these 1,725,474 accounts are divided as to class of tax, but also how many of each are found in each district.

The list of delinquent accounts includes both active and inactive accounts. The latter are those on which collection activity has been deferred pending the outcome of court decision, audit examination, or other contingent action. There are 276,586 such accounts involving $552,238,441, or 16 percent of all accounts in delinquent status and 34 percent of all the liability for these accounts. These accounts are inactive and are not in the hands of our collection officers for collection. The following table shows the breakdown of these inactive accounts by classification:

Classification	Number	Amount
Offer in compromise cases	40,495	$193,585,254
Proof of claim cases	55,937	145,277,879
Audit adjustment cases	61,570	120,167,269
Tax Court cases pending	1,763	35,751,745
Postponement bond and escrow agreement cases	797	28,832,409
Military cases	109,979	14,763,588
Foreign cases	6,045	13,860,267
Total	276,586	552,238,441

"Offer in compromise" cases are those on which collection activity has been deferred awaiting action on the offers.

"Proof of claim" cases are claims against estates in probate, and corporations or individuals in bankruptcy. The collection or settlement of these cases must await the outcome of the pending action.

"Audit adjustment" cases are those on which collection activity has been deferred until the examination of the taxpayer's return has been completed.

"Tax Court cases pending" are those in which collection activity has been deferred pending court decision.

"Postponement bond and escrow agreement" cases are those in which taxpayers have put up bonds or entered into escrow agreements to guarantee ultimate settlement.

"Military" cases are accounts owed by persons now, or on the latest available information, in the military service. The payment of these accounts has been deferred by law on the grounds of hardship such payment would put upon the debtors.

"Foreign" cases are all of those with addresses in foreign countries and which are collected through the State Department rather than by collection officers.

For your further information we are enclosing a photostat showing how these cases are spread among the 64 districts.

In addition to the accounts in formal delinquent status we find that on December 31, 1954, there were 382,150 accounts amounting to $207,153,556 which were of delinquent age but which had not been formally moved into the delinquent classification. Generally these accounts were in process of being brought into formal delinquent status under the new accounts system.

The data presented in this letter are the first compiled under the revised system of accounting for outstanding delinquent accounts.

Very truly yours,

O. GORDON DELK,
Acting Commissioner.

Inventory of taxpayers' delinquent accounts by class of tax as of Dec. 31, 1954

Internal Revenue, regions and districts [1]	Summary		Withholding individual income tax		Individual income tax		Corporation income tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Boston region	95,452	$70,446,867	21,931	$15,313,081.01	66,608	$36,871,940.61	1,639	$14,065,541.83
Augusta (Maine)	3,478	2,582,660	1,001	519,900.24	2,100	1,189,299.12	55	535,804.58
Boston (Mass.)	57,082	41,306,294	13,851	10,381,003.84	38,827	20,151,784.02	1,065	8,485,162.03
Burlington (Vt.)	1,424	644,129	570	216,620.92	708	282,843.19	16	17,623.25
Hartford (Conn.)	22,554	15,271,158	3,869	2,698,024.06	17,375	9,614,242.15	333	2,217,377.75
Portsmouth (N. H.)	2,854	3,252,731	940	419,090.32	1,711	1,465,480.61	46	1,152,741.76
Providence (R. I.)	8,060	7,389,895	1,700	1,078,441.63	5,887	4,168,291.52	124	1,656,833.46

See footnotes at end of table.

Inventory of taxpayers' delinquent accounts by class of tax as of Dec. 31, 1954—Continued

Internal Revenue, regions and districts [1]	Summary		Withholding individual income tax		Individual income tax		Corporation income tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
New York region	253,954	$469,723,965	81,382	$63,810,454.10	145,165	$269,037,300.03	8,057	$105,800,318.05
Albany (14th N. Y.)	13,822	15,061,055	4,215	3,275,781.50	8,286	7,625,453.17	239	3,085,817.29
Brooklyn (1st N. Y.)	88,274	106,522,490	26,584	17,101,259.12	54,170	60,904,062.05	2,012	16,978,092.36
Buffalo (28th N. Y.)	21,869	12,368,574	4,266	2,184,547.53	16,333	7,206,628.22	184	2,159,434.13
Puerto Rico	2,020	273,843	1,173	137,688.06	490	126,556.38		
Lower Manhattan (2d N. Y.)	48,155	171,309,518	20,161	16,115,345.69	20,601	102,827,332.99	2,707	46,789,577.59
Syracuse (21st N. Y.)	12,486	5,650,017	2,801	1,426,107.76	8,775	2,550,531.22	76	1,179,929.32
Upper Manhattan (3d N. Y.)	67,328	158,538,468	22,182	23,569,724.44	36,510	87,796,736.00	2,839	35,607,557.36
Philadelphia region	412,480	294,629,132	71,627	50,619,128.85	315,615	149,851,140.02	6,752	61,848,441.20
Baltimore [2] (Md. and D. C.)	120,870	68,663,284	11,349	5,872,262.18	105,762	39,118,121.93	845	20,710,973.84
Camden (1st N. J.)	16,986	10,638,780	3,271	1,881,907.63	12,675	6,205,807.73	201	1,401,191.17
Newark (5th N. J.)	122,953	92,962,952	33,143	22,327,854.61	76,098	41,472,566.86	4,829	20,408,396.10
Philadelphia (1st Pa.)	95,824	63,450,420	16,991	15,027,004.90	74,363	42,436,595.51	366	2,916,008.74
Pittsburgh (23d Pa.)	40,973	28,955,774	4,473	3,532,908.04	35,022	13,699,600.06	301	10,666,970.09
Scranton (12th Pa.)	9,414	7,948,754	1,870	1,687,892.71	6,970	4,462,207.33	114	1,039,847.61
Wilmington (Del.)	5,460	22,009,168	530	289,298.78	4,725	2,456,240.60	96	4,705,053.65
Cincinnati region	179,676	132,948,093	24,579	14,575,703.54	145,960	85,386,231.51	1,999	25,104,137.10
Cincinnati (1st Ohio)	26,545	15,128,835	3,248	1,719,632.66	22,499	10,497,806.71	160	1,569,955.35
Cleveland (18th Ohio)	49,841	42,963,755	7,537	5,097,657.02	39,960	27,208,079.68	860	9,001,421.33
Columbus (11th Ohio)	13,054	6,652,735	1,056	535,523.45	11,591	5,145,082.32	66	742,474.58
Toledo (10th Ohio)	6,072	3,317,067	873	376,266.02	4,925	2,147,669.99	66	685,057.88
Indianapolis (Ind.)	23,475	19,133,272	3,255	2,376,987.18	19,039	8,728,036.05	285	6,431,868.19
Louisville (Ky.)	12,161	11,834,161	1,654	775,113.74	9,476	8,205,003.98	123	2,219,136.32
Parkersburg (W. Va.)	15,917	12,931,609	2,822	1,712,535.21	11,942	9,798,088.97	174	914,675.92
Richmond (Va.)	32,611	20,986,659	4,134	1,981,988.26	26,528	13,656,463.81	265	3,539,547.53
Atlanta region	134,578	139,122,640	29,100	13,107,197.31	93,547	98,959,567.08	1,463	15,123,947.02
Atlanta (Ga.)	26,021	20,972,739	4,432	1,806,171.93	19,737	14,264,823.16	259	2,096,883.54
Birmingham (Ala.)	19,506	19,488,687	4,275	2,097,487.26	13,703	12,014,075.82	134	3,434,738.89
Columbia (S. C.)	14,246	7,201,701	3,385	930,405.03	9,431	4,695,179.23	122	793,553.48
Greensboro (N. C.)	22,459	26,395,319	4,812	1,839,036.66	15,298	18,848,543.85	231	4,486,037.17
Jackson (Miss.)	5,563	4,717,712	1,382	604,946.65	3,612	2,567,183.64	63	1,002,705.10
Jacksonville (Fla.)	31,020	47,883,435	7,414	4,194,076.60	20,700	37,469,907.90	474	2,347,203.18
Nashville (Tenn.)	15,763	12,463,047	3,400	1,635,073.18	11,066	9,099,853.48	180	962,825.66
Chicago region	241,495	152,141,051	38,927	22,825,542.32	190,592	85,208,093.78	2,110	32,309,386.94
Chicago (1st Ill.)	136,532	81,659,860	20,091	11,988,780.05	110,700	43,360,110.15	1,087	19,443,705.86
Springfield (8th Ill.)	14,192	9,101,127	4,183	1,724,207.43	13,573	5,487,723.59	132	644,411.24
Detroit (Mich.)	68,809	44,787,225	11,163	7,517,298.65	53,897	25,812,700.00	616	8,651,278.82
Milwaukee (Wis.)	16,962	16,592,839	3,490	1,595,256.19	12,422	10,547,560.04	275	3,569,991.02
Omaha region	68,671	64,041,543	15,404	7,522,029.56	48,188	39,447,348.64	884	12,788,008.38
Aberdeen (S. Dak.)	3,092	1,255,504	690	267,908.59	2,195	791,207.85	13	62,609.11
Cheyenne (Wyo.)	2,445	1,629,689	657	240,571.49	1,619	745,494.85	31	112,518.24
Denver (Colo.)	9,888	7,552,576	2,438	1,164,550.95	6,619	5,201,092.59	87	606,483.92
Des Moines (Iowa)	5,810	9,737,729	1,665	719,858.27	3,623	6,873,829.83	117	1,878,049.92
Fargo (N. Dak.)	2,352	1,353,482	800	296,884.50	1,373	838,528.98	34	97,421.67
Kansas City (6th Mo.)	8,155	9,021,864	1,644	828,344.28	5,993	5,754,404.42	121	2,208,771.04
St. Louis (1st Mo.)	11,539	12,267,505	1,739	842,120.44	9,025	7,952,304.53	190	2,999,403.71
Omaha (Nebr.)	3,932	4,180,447	748	510,734.06	2,908	2,587,076.21	64	755,003.04
St. Paul (Minn.)	10,916	9,725,868	2,807	1,802,585.97	7,219	4,903,164.48	157	1,670,582.68
Wichita (Kans.)	10,542	7,316,879	2,216	848,471.01	7,614	3,800,244.90	70	2,397,165.05
Dallas region	94,081	75,608,535	24,428	11,746,689.73	61,904	45,632,858.86	943	12,009,814.60
Albuquerque (N. Mex.)	5,491	2,824,810	1,822	705,144.71	3,308	1,815,596.30	30	129,632.83
Austin (1st Tex.)	22,355	20,202,903	5,111	2,740,083.94	15,514	12,801,896.85	260	3,076,651.87
Dallas (2d Tex.)	31,244	23,748,778	8,694	4,663,513.26	20,247	14,326,097.22	241	3,052,389.71
Little Rock (Ark.)	5,431	2,315,863	1,683	418,331.27	3,257	1,549,544.53	52	143,042.67
New Orleans (La.)	19,566	17,472,965	4,087	1,637,780.76	13,680	10,290,855.03	244	3,621,318.60
Oklahoma City (Okla.)	9,994	9,043,216	3,031	1,581,835.79	5,898	4,848,868.93	116	1,986,778.92
San Francisco region	245,087	215,832,461	49,937	34,031,713.74	181,713	125,705,753.61	2,311	42,052,842.20
Boise (Idaho)	3,115	2,083,834	1,012	454,040.29	1,829	1,081,854.77	23	355,683.30
Helena (Mont.)	3,214	2,863,290	1,027	426,447.09	1,951	2,057,991.72	36	65,879.30
Honolulu (Hawaii)	4,682	4,620,939	1,167	756,564.36	3,052	2,380,633.16	45	1,196,419.24
Los Angeles (6th Calif.)	86,733	88,047,147	15,654	12,546,086.15	66,491	43,038,017.62	955	26,675,012.28
San Francisco (1st Calif.)	85,750	66,858,096	16,764	10,184,342.93	64,662	41,904,125.08	726	10,430,898.87
Phoenix (Ariz.)	8,957	5,510,061	1,953	1,251,672.28	6,447	3,468,462.70	66	226,019.70
Portland (Oreg.)	14,799	15,351,352	3,771	1,901,160.48	10,054	11,554,649.66	123	1,035,802.33
Reno (Nev.)	4,576	6,043,359	1,376	1,429,653.45	2,873	3,944,060.97	25	247,283.46
Salt Lake City (Utah)	5,554	4,649,780	1,603	889,372.27	3,649	3,251,479.12	43	260,892.44
Seattle (Wash.)	27,707	19,804,603	5,610	4,192,374.44	20,705	13,024,478.81	269	1,558,951.28
Total	1,725,474	1,614,494,287	357,315	233,551,540.16	1,249,292	936,100,234.14	26,158	321,102,437.32

Internal Revenue, regions and districts [1]	Excise taxes		Estate and gift taxes		Carriers (CTA)		Unemployment (FUTA)	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Boston region	3,273	$2,615,242.78	14	$264,642.21	1	$1.39	1,986	$1,316,416.63
Augusta (Maine)	177	191,481.19	1	665.35			144	145,509.77
Boston (Mass.)	2,128	1,439,090.86	4	3,324.45			1,207	845,929.01
Burlington (Vt.)	76	10,392.68	5	92,186.48			49	24,462.48
Hartford (Conn.)	614	608,401.03					363	133,113.01
Portsmouth (N. H.)	78	27,748.84	2	145,986.58	1	1.39	76	41,681.50
Providence (R. I.)	200	338,128.18	2	22,479.35			147	125,720.86
New York region	10,596	17,581,470.52	258	7,090,284.00	35	1,725,833.07	8,461	4,678,305.23
Albany (14th N. Y.)	571	616,813.18	47	173,283.81			464	283,906.05
Brooklyn (1st N. Y.)	3,005	3,350,304.94	184	6,756,103.72			2,319	1,432,757.81

See footnotes at end of table.

Inventory of taxpayers' delinquent accounts by class of tax as of Dec. 31, 1954—Continued

Internal Revenue, regions and districts [1]	Excise taxes		Estate and gift taxes		Carriers (CTA)		Unemployment (FUTA)	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
New York region—continued								
Buffalo (28th N. Y.)	678	$529,733.48	10	$121,009.40			398	$167,221.24
Puerto Rico							357	9,598.56
Lower Manhattan (2d N. Y.)	2,208	4,068,165.58	3	1,907.74	1	$134,640.86	2,474	1,372,547.55
Syracuse (21st N. Y.)	575	329,334.32	14	37,979.33			245	126,135.05
Upper Manhattan (3d N. Y.)	3,559	8,687,119.02			34	1,591,192.21	2,204	1,286,138.97
Philadelphia region	10,826	11,640,711.58	475	16,667,529.59	17	60,345.66	7,168	3,941,835.10
Baltimore [2] (Md. and D. C.)	1,945	1,680,546.42	69	856,957.94	4	2,860.42	896	421,561.27
Camden (1st N. J.)	581	926,132.04	3	14,867.09			255	208,874.34
Newark (5th N. J.)	4,230	6,135,233.88	358	862,868.58			4,295	1,756,031.97
Philadelphia (1st Pa.)	3,078	2,199,549.84	3	197,777.08			1,023	673,483.93
Pittsburgh (23d Pa.)	735	432,000.37	35	356,281.64		(−2.26)	407	268,016.06
Scranton (12th Pa.)	194	71,545.53	2	29,815.26	13	57,487.50	251	599,958.06
Wilmington (Del.)	63	195,703.50	5	14,348,962.00			41	13,909.47
Cincinnati region	4,767	5,425,026.96	73	1,283,836.08	7	524.02	2,291	1,172,633.79
Cincinnati (1st Ohio)	448	474,564.94	7	802,411.28			183	64,464.06
Cleveland (18th Ohio)	1,044	1,322,072.81	19	159,530.78	5	516.47	416	174,476.91
Columbus (11th Ohio)	184	148,362.45	6	22,384.42			151	58,907.78
Toledo (10th Ohio)	148	54,135.50	4	37,482.92			56	16,454.69
Indianapolis (Ind.)	710	1,297,429.37	21	198,605.00			165	100,346.21
Louisville (Ky.)	542	371,839.37	1	2,663.28			365	260,404.31
Parkersburg (W. Va.)	575	215,908.41	5	49,947.16	2	7.55	397	240,445.78
Richmond (Va.)	1,116	1,540,714.11	10	10,811.24			558	257,134.05
Atlanta region	6,905	7,879,926.57	95	1,719,893.85	153	1,004,983.99	3,315	1,327,124.18
Atlanta (Ga.)	1,049	1,487,527.75	13	176,457.91	123	1,001,612.92	408	139,261.79
Birmingham (Ala.)	782	1,071,143.42	13	669,543.58			599	201,698.03
Columbia (S. C.)	956	585,019.75	10	49,200.51			342	148,253.00
Greensboro (N. C.)	1,585	987,165.40	13	56,712.55			520	177,823.37
Jackson (Miss.)	388	511,593.05					118	31,283.56
Jacksonville (Fla.)	1,358	2,782,645.89	37	597,453.20	24	895.56	1,013	491,252.67
Nashville (Tenn.)	787	454,831.31	9	170,436.10	6	2,475.51	315	137,551.76
Chicago region	7,043	9,461,759.89	98	968,190.98	13	35,588.05	2,712	1,332,489.04
Chicago (1st Ill.)	3,260	5,734,844.97	46	318,712.39	11	35,571.93	1,337	778,134.65
Springfield (8th Ill.)	902	593,923.50	22	471,096.04	1	3.75	379	179,761.45
Detroit (Mich.)	2,383	2,450,056.50	22	90,838.96	1	12.37	727	265,039.70
Milwaukee (Wis.)	498	682,934.92	8	87,543.59			269	109,553.24
Omaha region	2,688	2,884,741.03	59	714,036.75			1,448	685,378.64
Aberdeen (S. Dak.)	150	119,486.22					44	14,292.23
Cheyenne (Wyo.)	99	54,826.50	8	468,385.99			31	7,891.93
Denver (Colo.)	422	410,642.78	6	15,179.86			316	154,625.90
Des Moines (Iowa)	286	212,949.80	3	1,963.47			116	51,077.71
Fargo (N. Dak.)	98	101,453.11	4	5,658.49			43	13,535.25
Kansas City (6th Mo.)	250	136,137.41	8	37,993.98			139	56,212.87
St. Louis (1st Mo.)	361	284,752.64	5	56,658.11			219	132,265.57
Omaha (Nebr.)	146	217,887.37	4	71,534.39			62	38,211.93
St. Paul (Minn.)	438	1,187,377.16	6	35,722.69			289	126,435.02
Wichita (Kans.)	438	159,228.04	15	20,939.77			189	90,830.23
Dallas region	4,621	4,213,266.67	104	712,044.14	4	537.31	2,077	1,293,323.69
Albuquerque (N. Mex.)	239	122,049.33	3	16,428.13			89	35,958.70
Austin (1st Tex.)	943	1,227,753.58	29	74,782.31			498	281,734.45
Dallas (2d Tex.)	1,406	889,500.00	39	403,672.93	2	113.80	615	413,491.08
Little Rock (Ark.)	321	161,217.76			2	423.51	116	43,303.26
New Orleans (La.)	1,044	1,398,796.87	32	213,947.78			479	310,265.96
Oklahoma City (Okla.)	668	413,949.13	1	3,212.99			280	208,570.24
San Francisco region	7,452	8,413,763.53	279	3,692,946.08	9	1,268.83	3,386	1,934,173.01
Boise (Idaho)	209	118,267.55	4	57,739.24			38	16,248.85
Helena (Mont.)	152	289,620.76	11	13,131.67			37	10,219.46
Honolulu (Hawaii)	247	145,697.76					171	141,624.48
Los Angeles (6th Calif.)	2,188	3,457,766.60	110	1,480,338.75	1	4.95	1,334	849,920.65
San Francisco (1st Calif.)	2,646	2,414,653.25	100	1,510,987.82	7	1,231.07	845	411,856.98
Phoenix (Ariz.)	272	261,234.76	14	169,925.93			205	132,745.63
Portland (Oreg.)	551	693,948.99	12	13,234.99			288	152,555.55
Reno (Nev.)	218	150,845.04	5	221,145.97			79	50,370.11
Salt Lake City (Utah)	185	110,537.50	6	101,335.17			68	36,163.50
Seattle (Wash.)	784	771,191.32	17	125,106.54	1	32.81	321	132,467.80
Total	58,171	70,115,909.53	1,455	33,113,403.68	239	2,829,082.32	32,844	17,681,679.31

[1] District designation prior to July 1, 1953 shown in parentheses.
[2] Baltimore district includes Maryland and the District of Columbia.
[3] Seattle district includes Washington and Alaska.

The PRESIDING OFFICER (Mr. MORSE in the chair). Morning business is concluded.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. MAGNUSON. Mr. President, in view of the fact that the amendment which I contemplate offering is somewhat complicated, and in view of the fact that the distinguished Senator from Georgia [Mr. GEORGE] and other members of the committee wish to study the question further, I shall not offer my amendment at this time, but will do so later in the day.

Mr. POTTER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Michigan will be stated.

The LEGISLATIVE CLERK. On page 5, beginning with the word "change", in line 12, it is proposed to strike out down through the period in line 14 and insert in lieu thereof the following: "strike out '30 percent' and insert in lieu thereof '75 percent'."

On page 13, after the semicolon in line 6, it is proposed to strike out down through the period in line 7 and insert in lieu thereof the following: "in the next to the last sentence strike out '30 percent' and insert in lieu thereof '75 percent'; and delete the last sentence."

Mr. POTTER. Mr. President, the purpose of my amendment is to reinstate the loan features in the development assistance portion of the bill. In the existing law there is a provision that at least 30 percent of the funds to be used under title II, or the development assistance portion of the law, shall be on a loan basis. The committee has deleted that provision. The reason given by the committee in the report for the deletion is that during the past year more than 30 percent of the funds dispensed for this particular item has been on a loan basis; but I submit that the reason why more than 30 percent of the funds for development assistance was on a loan basis was that we had written into the law that at least 30 percent should be on a loan basis.

I am greatly concerned that by striking this language from the law we would be taking away from the Administrator the authority to negotiate loan contracts with recipient countries.

It is interesting to note that, on a dollar basis, the item of development assistance is a more or less minor item, as compared with other items in the bill. Altogether, the amount involved in development assistance totals $165 million, of which $71 million is for Asia. Of the $71 million for Asia, $70 million is for India. Africa is allocated $73 million, and I believe $21 million is authorized for South and Central American countries. The South and Central American countries which would receive the aid would be Bolivia and Guatemala.

My amendment would reinstate the loan feature in the bill, and raise the loan requirement to 75 percent. The committee felt that the 30 percent requirement would act as a deterrent upon the administration in negotiating more loan contracts. That being the thinking of the Committee on Foreign Relations, I propose to raise the loan requirement to 75 percent. That would still leave 25 percent for special cases. I am thinking about some of the African recipient nations, and possibly Guatemala, in Central America.

The basic reason for offering this amendment is the psychological effect it would have upon recipient nations. My experience abroad has been limited. Nevertheless, I have constantly been questioned about the attitude of the United States with relation to the recipient nations. It has been described as the attitude of a rich uncle. We have been accused of adopting a paternalistic attitude toward other nations. That is particularly true with respect to the countries of South America. They want to be partners. There is no better way to develop a partnership than to operate on a contract basis, between equals. One of the best ways to do that, rather than to consider them as dependents, is to provide for loans, under a system whereby we enter into an agreement recognizing certain economic difficulties which the other countries may have, but placing the transaction on an equal basis between nations. One of the large items in the development assistance program is $70 million, for the great country of India. No one will question the fact that India has vast resources, many of them undeveloped. A part of this program will be devoted to the development of the resources of that great country. However, it is inconceivable to me that we should refuse to enter into a contract or agreement with India providing that the funds to India shall be given on a loan basis.

The language of the bill gives great leeway for the repayment of the loans. They may be repaid in local currency or in goods, and the time of repayment can be waived for an indefinite period. In other words, such latitude is given that the Administrator can enter into a contract with a nation on an equal basis. We can make the terms of the contract in such a way that the contract will not put economic pressure on the recipient country. I believe the psychological effect of such a provision would be exceedingly great.

The American people have taken great pride in the fact that because of their economic system and technical know-how they have developed a country of great abundance. However, we must reflect on history. We cannot know whether in another 100 years or 500 years, or even 1,000 years, the United States may be a dependent nation, and countries with great resources, like India may be nations of abundance.

I know that if we ever found ourselves in such a position, and had to receive assistance from another nation, Americans would not want their country to be treated as an object of charity, but would want America to be treated as an equal and as a partner.

My amendment would not take one nickel away from the program. It would accomplish the very thing the committee felt should be accomplished, namely, bringing more of the dollars authorized by this bill under the loan program. I submit that unless the amendment is adopted, the hands of the administration will be tied in dealing with the recipient countries. It will have to say to them, "Congress has said that you are not to ask for loans but, rather, that the money is to be given to you in grants."

Mr. President, this is a very minor portion of the bill. We all know that the so-called indirect military support provided for in the bill, which amounts to more than a billion dollars, is essentially economic aid. We know that even much of the so-called direct military support is in essence economic aid. I am talking about an item which is only 4.7 percent of the total amount involved in the bill. It is designated as development assistance or economic assistance. It amounts to only $165 million. The largest portion of that amount would go to India. I submit that we would not be unkind or miserly or stingy if we required that 75 percent of the $165 million be granted on a loan basis.

When I speak of loans I am not speaking of them as a banker would; neither am I speaking of contracts in the sense that a business concern would. I am speaking about a contract between nations, when one nation considers the other nation a partner in the development of the resources of an area. I believe we would be doing a great favor to the countries which would receive the assistance. I believe that is what they would want.

It is interesting to note that whenever the Soviet Union aids a country, which has been infrequently—though the propaganda machinery magnifies each occasion—the aid is given on a loan basis. I know of no instance of the Soviet Union having aided another country except on a loan basis. Not too long ago the Soviet Union provided steel mills for India. A great deal of publicity accompanied that action. Throughout the Communist world much was heard about the generosity of the Soviet Union. However, those steel mills were not a gift. They were a loan.

I well recall when India asked for wheat. It asked for wheat on a loan basis. "Oh, no," we said, "we will give it to you."

Mr. President, that is not the way to make friends. One of the greatest criticisms leveled against the United States in its international dealings is that it is a wealthy country, and that it tries to buy people and nations. We know we have no designs on other nations other than to seek their friendships. Whether it be an individual or a nation, we cannot buy friendship. We secure friendship by mutual respect. We secure friends by dealing with them as equals.

By eliminating the loan features from the bill we are, in effect, saying to a recipient country, "No, we will not deal with you as an equal. You are a dependent. You will always be a dependent. Therefore we will give this money to you. Let us take care of you."

I submit that my amendment should be adopted, and I wish to ask the distinguished chairman of the committee, who has contributed so much to the development of our foreign policy, to take the amendment to conference. I have no pride of authorship so far as the figure of 75 percent is concerned. Perhaps the percentage should be 50 percent, or 90 percent. But I submit that Congress would make a grave mistake if it passed the bill after striking out the loan features of the economic aid provisions.

I have talked with some of the members of the administration about the question, and there has been a division in their ranks on the point of whether aid should be extended on a loan or on a grant basis. I am sure the Senate will find that this amendment would not be strenuously opposed, but would be received wholeheartedly by certain members of the administration who work in this field.

I know that in the hearings before the committee the question was discussed, and it was the wisdom of the committee that this provision should be deleted from the bill. In the bill of last year there was a provision under which the percentage of loans was the highest ever attained in our foreign aid program. If now we should strike this provision from the bill, I submit, Mr. President, though I am aware it is not wise to prophesy, that the percentage of loans would be much less than the 30 percent which the present law prescribes.

Mr. President, I intend to ask for the yeas and nays on my amendment, but I

shall wait until after the Senator from Georgia has spoken.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. JOHNSON of Texas. I appreciate very much the Senator's cooperation with the leadership, but the Senator from New Jersey [Mr. SMITH] has a statement on the bill which he would like to make, and he is prepared to make his statement at this time. The distinguished Senator from Louisiana [Mr. LONG] plans to address the Senate at some length a little later. Several committees are meeting.

Unless the Senator from Michigan insists otherwise, I should like to have his amendment pending and, before any action is taken on it and before the time is concluded, I think we will have a live quorum.

Mr. POTTER. That is perfectly agreeable to me.

Mr. JOHNSON of Texas. The leadership will protect the Senator. We will have notification sent to him, and there will be a live quorum before it is time to consider his amendment.

Mr. POTTER. That is perfectly agreeable. I know the distinguished majority leader is always most cooperative with all Members of the Senate. I shall be very happy not to force a vote on my amendment at this time.

Mr. JOHNSON of Texas. The Senator cannot be in two places at once. I am anxious to protect his rights on the floor, but I am more anxious for him to be at the Appropriations Committee meeting, and I shall see that he is protected during his absence from the floor.

Mr. President, I should like to inquire how much time the Senator from New Jersey desires.

Mr. SMITH of New Jersey. Thirty minutes on the bill.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 30 minutes.

Mr. SMITH of New Jersey. Mr. President, the chairman of the Committee on Foreign Relations has given the Senate the broad outlines of the Mutual Security Act of 1955 which the committee recommends to the Senate. The details of the program as approved by the committee are covered in the committee report. Two speeches have been made on the floor with reference to the bill. I regret that I was not able to be present. Therefore, Mr. President, I am asking the privilege of making my remarks at this time.

ASIA

The senior Senator from Georgia [Mr. GEORGE] has noted the changing emphasis of our aid programs over the last 7 years and observed that a large portion of the funds authorized this year are for economic type assistance to Asia. Indeed, of the some $2 billion of the nonmilitary funds in the bill, $1.4 billion is for Asia—one of the most underdeveloped areas of the world and one of the most populous. In Asia, the per capita share of the gross national product averages only $108 per person per year. In the United States the per capita share is more than 20 times as great—$2,200.

These are the countries which we are trying to assist as they progress slowly toward a better standard of living so that they may preserve their freedom. The big immediate contest in the world today is the cold war between the atheistic materialism of totalitarian communism and the freedom, independence, and self-determination for which these underdeveloped countries are yearning. I propose to direct the bulk of my remarks toward these problems which we face in Asia. I then propose to discuss in some detail the principal new element in this year's mutual-security program—the "President's Fund for Asian Economic Development." This is contained in section 8 (k) of the pending bill as amended and reported by the committee. This section reads as follows:

(a) The Congress of the United States reaffirms the policy of the United States to contribute to international peace and security through assisting the peoples of free Asia in their efforts to attain economic and social well being, to safeguard basic rights and liberties, and to protect their security and independence. The Congress hereby recognizes that fundamental to these goals is an expanding economic growth of the free Asia area based upon self-help and mutual cooperation and full utilization of already existing resources and knowledge. The Congress expresses the willingness of the people of the United States to support the foregoing objectives to the extent to which the countries in the area continue to make effective use of their own resources and external resources otherwise available to them.

(b) In order to carry out the purposes of this section, there is hereby authorized to be established a fund, to be known as the President's Fund for Asian Economic Development (hereinafter referred to as the fund), and there is hereby authorized to be appropriated to the President for the fund an amount of $200 million, such amount to remain available until June 30, 1958.

(c) The President is authorized to utilize the appropriations made available for the fund to accomplish in the free Asian area the policies and purposes declared in this act and to disburse them on such terms and conditions, including transfer of funds, as he may specify to any person, corporation, or other body of persons however designated, or to any foreign government, agency, or organization or group of governments or agencies as may be appropriate: *Provided, however,* That not less than 50 percent of the funds appropriated pursuant to this section shall be available only for furnishing assistance on terms of repayment in accordance with the provisions of section 505, and not more than 25 percent of said funds may be allocated for assistance to any one nation.

(d) In utilizing the fund the President shall give preference to projects or programs that will clearly contribute to promoting greater economic strength in the area as a whole or among a group or groups of countries of the area.

It is my belief that there has been too much defeatism in this country with respect to the future of free government in Asia. Let me emphasize that every country we assist in this area is free and independent. Not one is a dictatorship; not one has its foreign policy determined by outsiders, including the United States; not one of these countries is under the domination of the Kremlin as of today. But these countries are in danger because they are underdeveloped and overpopulated and have not yet been able to release their full creative powers.

It has been inspiring to witness the growth of freedom and independence among the nations of the Far East and Asia. Since the war no less than 10 nations in this great arc of freedom extending from Korea to Afghanistan have become free. It is an impressive list—South Korea, the Philippine Republic, Indonesia, Laos, Cambodia, Vietnam, Burma, India, Pakistan, Ceylon. Not one of these nations obtained its freedom from Russia. In fact, during this postwar period, when the democratic nations of Western Europe have freed more than 500 million human beings from the controls of colonialism, the Communist regimes have enslaved 800 million people. Communism is putting people in bondage faster than the free-world nations have been able to confer self-government on former colonial areas.

The democratic nations of this earth mean what they say when they talk of the right of self-determination—the right of peoples to govern themselves. We would assist those who have at last achieved that right in their efforts to preserve and strengthen their freedoms. A great wave of independence and nationalism has swept over the former colonial lands of Asia. Yet there linger age-old suspicions of western colonialism. As these suspicions have decreased, a new fear has been raised in the form of Communist colonialism. The young free nations of Asia do not intend to permit this new colonialism to be successful. Their new independence and nationalism will be strong weapons against any new colonialism by the Communists. Indeed, one of the strongest anti-Communist weapons that exists is the strength of nationalism. No nation given its freedom since the war has succumbed to communism. But in order that nationalism and freedom, independence, and self-determination may flourish, these underdeveloped nations must have economic and know-how assistance and the support of the Western free nations.

It seems essential that the American people realize that a nation free to determine its own form of government is a nation on the side of democracy in the cold war. If a nation is free, it has a right to disagree with the United States. Free nations are not to be measured in their freedom by a yardstick made in the United States. The test of an independent nation is not whether it agrees with the United States, but whether it is free to disagree with us—or with any other nation for that matter. When a nation has that kind of independence we know it is not in danger of casting its freedoms away.

It is in the interest of the United States to help these Asian states remain free, because free nations are strong nations. We can help them by working with them in partnership.

PRESIDENT'S FUND FOR ASIAN ECONOMIC DEVELOPMENT

I now wish to speak on the President's fund for Asian economic development, which is a new feature in the bill.

One aspect of the program which I want particularly to emphasize concerns the President's fund for Asian economic development to which I have referred.

Section 8 (k) of the pending bill authorizes the appropriation to the President of $200 million to be used by him to promote conditions in Asia that will advance the economic strength and know-how of the area. This part of the pending bill gives real life and meaning to the point I have been emphasizing—the need for us to encourage nationalist strength in Asia based upon a relationship of partnership rather than of paternalism.

Last March, Mr. President, in a speech on the floor I outlined in some detail the need for closer economic cooperation by the Far Eastern Colombo Plan Powers. I suggested that a Far Eastern Economic Conference might well help to initiate improved regional cooperation. I said:

> Such a conference, if it does nothing else, may put into motion a process of economic cooperation which could go far in alleviating the more pressing Asiatic problems. It should be emphasized that this matter will require Asian initiative and concerted action on a regional basis.

In recent months we have witnessed a considerable increase in Asian initiative, imaginative planning, and feeling of independence and confidence. Recent conferences at Bandung, Baguio, and Simla are all examples of what I believe is a new and heartening change in free Asia.

The President's Fund for Asian Economic Development is an imaginative attempt to demonstrate our interest, confidence, and willingness to assist these underdeveloped countries in their own efforts to improve their economic conditions.

There are more than 700 million free people in this area—the arc of Free Asia, as Mr. Stassen has described it. These free nations lie in a swift-moving current between the Communist world and the free states of the West. The direction in which that current moves may determine whether freedom will survive. The strong, nationalist spirit and the yearning for freedom, independence and self-determination which is now stirring within most of these nations make the people view anything foreign or especially western with suspicion. Unfortunately, the scars of Western colonialism have been etched deep in the minds of Asia. Carlos Romulo has remarked:

> The Asian has been rendered deaf and blind to the Communist menace by his determination that the white man shall not rule again.

The United States by tradition never was a part of that colonialism that still blinds many Asians to the fundamental difference between democracy and communism. This Nation, therefore, is in an excellent position to help Asia on a partnership basis to develop its own strength.

A TWO-WAY PARTNERSHIP

The President's fund will help Asia in this two-way partnership. First, it will encourage the growth of the partnership that must exist among the free Asian nations themselves—the kind of partnership that worked so well in Europe under the so-called Marshall plan. The Colombo plan nations are now moving toward joint development of Asian resources. They well know that great strength in Asia can be developed by encouraging trade among themselves and by the creation of complementary economies. Japan and Korea need the raw materials and food grains of South Asia. South Asia needs the industrial products of Japan and Korea. Partnership among these nations will be to their mutual advantage. The President's fund is designed to encourage projects that will help the Asian area to grow in strength as a unit.

The second type of partnership that will be helped by the President's fund can be the partnership of the United States, working with other free Western nations, and the free nations of Asia. The United States has capital and know-how which we can lend to our friends. The intra-Asian partnership now developing around the Colombo nations can be strengthened by this kind of partnership which we can offer.

What is needed, then, is cooperation between the threatened underdeveloped nations on the one hand, and the United States on the other. This Nation has grown great through freedom and now has the strength to help newly free nations.

It was less than 200 years ago that we were struggling to establish our freedom. We were first given help by France where the concept of liberty and freedom was strong. And then, in later years, England, the nation from which we wrested our freedom, came to our help with the capital to build our railroads and many other great industries.

We see a similar development today. The colonial nations of the 19th century are gradually giving up their colonial empires—sometimes willingly, sometimes under protest. What is happening is that the concept of individual liberty and self-government which took root in Europe and the Americas in the 17th and 18th centuries is now taking root in Asia. The new nationalism of Asia and the yearning for greater freedom, independence, and self-determination is as strong as the older nationalisms of Europe and America. There may be some differences, but fundamentally it is the movement of man toward a destiny he can only achieve if he can live as a freeman.

The Communists have no more understanding of this desire of nations to be free than they have of the right of free speech, or of the inherent power that exists in an economy based on free enterprise and the release of the creative energies of individual men and women.

The partnership of which we are speaking is not the kind of thing that we can write into law. But it is the concept which must guide the men responsible for the day-to-day administration of this new program. We must emphasize that our aid programs must be cooperative, partnership ventures. We offer assistance to these nations not because they are the white man's burden. We offer them help because it is in our interest as well as their interest for them to be strong enough to resist Communist threats from within as well as from without and to protect the sacred freedom of each individual human being. We know from experience that communism advances either by the use of force or by playing on a nation's internal difficulties in such a way as to create turmoil, strife, and weakness suited to the designs of Moscow or Peiping. If the nations of Asia can maintain their defenses against the possibility of external aggression and maintain and increase their internal economic and know-how strength, they can, in cooperation with other free nations, thwart efforts to destroy freedom.

But the United States is not able and would not want to impose these conditions from without. The strongest urge to be free and to stay free comes from within a nation. And peoples who are threatened are usually in a far better position to judge the threat and to know what to do about it than people looking on from the outside.

PRESIDENT'S FUND NOT A DEVICE FOR DOMINATION

The President's fund is not a device for domination of these areas. It is a method of helping them to help themselves. But I must emphasize that we do not propose to help these nations solely for altruistic reasons. We help them because we know that strong, free nations in Asia will not be tempted by the prolific, attractive, totalitarian promises of communism. We also know that strong, free, well-developed nations in Asia will be able to trade with this country. Many of our most important raw materials come from this part of the world. We will be able to trade many more of our industrial products with South Asia if the nations in that area have been able to develop their own resources so that they can sell too, and buy, from us.

REGIONAL AID

There may be objections here to the President's fund for Asia on the ground that Asian nations recently gathered at Simla, India, apparently misunderstood and rejected the idea of regional aid. Why, it will be asked, should the United States seek to give help on a regional basis when the states of the area have indicated they are not at this time interested in multilateral aid?

The answer is simple. Although the language of the bill is broad enough to permit programs and allocations on a regional basis, it is not contemplated that assistance would be in the form of a gift to some regional organization to use as it might see fit. Assistance from the fund is to be on a country-by-country basis. In other words, our assistance will be given to Japan, or Thailand, or India, or other countries, as the case may be. The criteria for assistance from this fund, however, will not be whether a dollar of assistance will solely help the individual country receiving the dollar. The criteria instead will be whether the project for which the dollar is allocated will benefit more than one country.

In other words, if Laos proposes the construction of a dam on the Mekong River to supply waters for irrigation purposes only in Laos, assistance from this fund would not be available. If, however, it can be shown that the dam in Laos would benefit other states such as Thailand and Cambodia, as well as Laos, we

would view that as a proper use of the President's fund. Similarly let us consider a training project in Japan. If the training project were solely for the training of Japanese nationals, assistance could not be sought from the President's fund. But if the funds were given to Japan to set up a training program open to nationals of other Asian states, that would be a proper request for consideration by the fund.

The effect of the President's fund, then, will be to establish a regional test as to whether assistance from the President's fund should be given to a particular country. The fund, therefore, should encourage individual countries to think of their development projects on a regional basis rather than a unilateral basis. If country X insists that no project be undertaken within its boundaries which would also have a favorable impact in the region, then there would be no assistance available from the President's fund. But those states that think in terms of mutual assistance—of helping not only themselves, but their neighbors as well—those states would be given consideration in the administration of the fund.

We know that States which have recently gained their independence tend to be almost exclusively concerned with internal development and internal crises. Nevertheless, it is true that chaos, crisis, and instability in one country are likely to have a serious impact on neighboring countries. It is also true that prosperity and growth in one country have a favorable impact on that country's neighbors.

This relationship has now been recognized by the nations of free Asia. In the press communique released at Simla on May 13, the conference nations stated:

> The conference was of the view that there are certain types of projects which readily lend themselves to regional treatment. Devotion of additional aid funds to programs of this kind would be welcome.

The communique also stated:

> The conference recognized that the development of every country in the region was linked with the development of the region as a whole.

The President's fund will tend to get nations of this area to think not solely of their separate interests, but of their common interests as well. We have emphasized time and time again the common threat these nations face from communism. It is time for us to emphasize the common advantages that will flow from increased prosperity in all of Asia. The President's fund will direct attention to the positive aspects of our help to Asia. It underlines the hope in the future, not simply the dangers.

LIMITATIONS ON THE FUND

There may be objections to the President's fund because there are few strings attached to it—that we are virtually giving the President a blank check. There may be insistence that we try to spell out when and where the money is to be spent and the conditions under which we will grant the aid. If we try to limit these dollars to products manufactured in America, if we try here to decide whether the funds should go into fertilizer plants, river developments, cement works, highways, tube wells, or housing developments we doom the project to frustration.

The strength of a plan such as this is found largely in the flexibility with which it is administered. We cannot hope here to load this fund down with restrictions, and then ask the President to use it on a partnership basis.

The Committee on Foreign Relations sought to balance the advantages of giving the President a comparatively free hand in the administration of this Asian Development Fund with the requirement that Congress keep a close watch on the projects that may be developed. The committee report explains the changes that were made, and I think they represent a reasonable compromise. A time limit of 3 years has been placed on the availability of the funds. This means that the administration has a reasonable amount of time to work out helpful projects, but that no blank check of indeterminate date is to be available for the Executive. The committee has asked also that 50 percent of the funds should be on a loan basis—thus encouraging the development of projects which will have self-liquidating features and which will imply the self-help spirit necessary for success.

Mr. President, I digress from my text in order to comment on a matter to which the Senator from Michigan [Mr. POTTER] referred a few moments ago. So far as the fund is concerned, the committee felt a 50–50 percent basis should be established, which would mean 50 percent of the funds would be used for loans, and 50 percent for grants. It does not mean that the amount is limited to 50 percent if countries can afford to pay more, but the plan is to give flexibility in helping countries which need aid. The committee has also provided that no single country is to receive more than 25 percent of the fund. That seems to be a reasonable limitation. It would be our hope that in time we might view the loan part of the fund as a revolving fund, continuously available for worthwhile, self-liquidating projects in Asia.

THE STAGGERING CRISIS

We must not overlook the staggering crisis that is facing us. I remind my colleagues that what is going on today is a fierce struggle for the freedom of the underdeveloped countries of the world. We are in danger of losing that struggle. If that were to happen, all of free Asia might disappear behind the Iron Curtain. Most of the underdeveloped countries now in immediate danger are to be the recipients in the partnership program which is basic to this new fund. We simply cannot place too many limitations on exactly how the fund is to be spent. To do so would be to defeat its purpose. We have a golden opportunity here to meet the insidious challenge of Communist colonialism and infiltration. This infiltration is the cleverest Communist type that can be imagined.

In meeting this challenge, our military aid is important. But it is by definition negative. The economic and ideological aspects of this program are the positive means at our disposal. In the end this great struggle is one of economics and ideas. We must assist these young democracies in their fervent aspirations for greater freedom and for a better life, and in their efforts to become equal in every way with the other countries of the world, not to be looked down on, not to be exploited by anyone.

Unless we do this, unless we take up this challenge, we will lose this struggle in the Far East, and will be in great jeopardy everywhere else in the world.

In deciding on this new fund, we must realize that we are dealing with a very unique situation threatening our own security for the future. We must face the responsibility which is ours. It would be foolish, and indeed utterly tragic, to throw out this concept, which seems to be the right approach in dealing with the competition over the underdeveloped countries. These countries believe the United States is their great hope to get away from colonialism, imperialism, and the sufferings of the past.

We may lose this struggle with the Communists unless we move in on this question of the future of these underdeveloped countries and help those millions of people to help themselves in their yearning for independence and a higher standard of living.

This problem of economic development and know-how in Asia is a long-range problem. We cannot expect miracles overnight. The best we can expect is that the people of this great area may be given hope for the future and that the reasonableness of their hope will be evidenced by gradual improvements in their health, their standards of living, and their education.

In conclusion, Mr. President, one of the most powerful mainsprings of man's existence is the assurance that his sons and his sons' sons will be better off than he is. One of the most disruptive forces of society is man's fear for the future of his descendants.

As I view this program of assistance for Asia, it seems to me that it carries on the noble tradition of those pioneer missionaries who, influenced by the Christian faith, sought to build men's bodies and minds so that their souls might rest in the peace that comes when they can know that mankind moves forward and upward under the guidance of Almighty God.

Mr. President, I yield the floor.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that, without the time being charged to either side, the absence of a quorum may be suggested.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection, it is so ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Pastore
Barrett	Holland	Payne
Bender	Hruska	Potter
Bricker	Jackson	Robertson
Cotton	Johnson, Tex.	Saltonstall
Curtis	Kerr	Smith, Maine
Dirksen	Knowland	Smith, N. J.
Ellender	Long	Sparkman
George	Martin, Pa.	Thye
Green	Millikin	Williams

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The PRESIDING OFFICER. A quorum is not present.

Mr. JOHNSON of Texas. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BARKLEY, Mr. BEALL, Mr. BENNETT, Mr. BIBLE, Mr. BRIDGES, Mr. BUSH, Mr. BUTLER, Mr. BYRD, Mr. CAPEHART, Mr. CARLSON, Mr. CASE of New Jersey, Mr. CHAVEZ, Mr. CLEMENTS, Mr. DANIEL, Mr. DOUGLAS, Mr. DUFF, Mr. DWORSHAK, Mr. EASTLAND, Mr. ERVIN, Mr. FLANDERS, Mr. FREAR, Mr. GOLDWATER, Mr. HICKENLOOPER, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JENNER, Mr. JOHNSTON of South Carolina, Mr. KEFAUVER, Mr. KILGORE, Mr. KUCHEL, Mr. LANGER, Mr. LEHMAN, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MARTIN of Iowa, Mr. MCCARTHY, Mr. MCNAMARA, Mr. MONRONEY, Mr. MORSE, Mr. MUNDT, Mr. NEELY, Mr. NEUBERGER, Mr. PURTELL, Mr. RUSSELL, Mr. SCOTT, Mr. SMATHERS, Mr. STENNIS, Mr. SYMINGTON, Mr. THURMOND, Mr. WELKER, Mr. WILEY, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. POTTER].

Mr. POTTER. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, after a brief statement by the distinguished chairman of the Committee on Foreign Relations and by the author of the amendment the Senator from Michigan [Mr. POTTER], perhaps of not more than 10 minutes, I hope we may have a vote on the amendment. I yield 5 minutes to the Senator from Georgia.

Mr. GEORGE. Mr. President, I may need a little more than 5 minutes on the pending amendment, although I do not believe I will take more than that.

Mr. JOHNSON of Texas. I shall be very happy to yield additional time to the Senator from Georgia.

Mr. GEORGE. I should like to ask Senators to remain in the Chamber, because if a yea-and-nay vote is had, it will come very early, and their remaining in the Chamber would save time in calling for a quorum.

Mr. President, for the first time the pending bill definitely moves toward a loan program and away from an altogether giveaway program. In moving in that direction, however, we had to adopt what we regard as a sound policy and a sound means of approaching that goal.

The Senator from Michigan [Mr. POTTER] has offered an amendment which calls for all mutual-assistance programs to be operated on a loan basis of 75 percent. Mr. President, if we approach the matter in that way, we might as well abandon the whole program. I say that because it will mean that the countries which need assistance, and which are unable to borrow and repay 75 percent of a loan, will not participate and only those countries which can repay loans will take advantage of the program.

Mr. President, the committee considered this matter with a great deal of care. We found that the FOA Administrator this year has made loans totaling more than 30 percent. I refer to development loans. We also found—and it was stated by the Administrator—that any limitation on the percentage required for loans would operate directly against the effort of the Administrator to increase the loans to any given country.

For instance, if under the old law we had a 30-percent requirement for loans, as soon as the 30 percent was borrowed, the recipient country would say, "Now, the balance is a grant." That is inevitable. It is the same old story of the boy who went to town to sell a load of wood. The customer said to him, "What do you want for that, boy?"

He said, "My dad said it's worth $2, but I should take a dollar if I couldn't get $2."

Identically, the same principle is involved. If a country is required to pay 75 percent or 40 percent or 30 percent or any other given percentage, as soon as it complies with the requirement, of course, it will say, "We are through borrowing, and all the balance must come as a grant."

We are trying to avoid that situation. One of the primary purposes of this bill is to shift over to a loan basis. But the amendment offered by the Senator from Michigan would, in my judgment, defeat it.

Mr. SALTONSTALL. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. In a moment.

I know the adoption of the amendment would defeat the whole purpose of this type of legislation, because the very countries which most need the help, and which we most need to help, in our own defense, are the ones that cannot borrow and pay back 75 percent of the money.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Did the committee get the impression from the Administrator that it was his purpose to make loans wherever it would be feasible and still carry out the purpose of the legislation?

Mr. GEORGE. Oh, yes. We have written it into the report, and that principle is accepted. Let me read what the Administrator himself had to say on that subject:

> The removal of this provision was intended to permit more, rather than less, lending in the future. The administration found that negotiating for a high percentage of loans for individual countries was difficult this year because of a stated percentage in the statute, which they all tend to interpret as being applicable to them.
>
> During the current year statutory minimums have in fact been exceeded (over $220 million out of all types of assistance), and it is the stated intention of the administration to put more aid on a loan basis next year.
>
> A percentage minimum of 75 percent is in any event an unreasonable target. The whole philosophy behind development assistance is to furnish it to countries which have the greatest need, not to those best in a position to repay. In fact, countries such as India, Iran, and Lebanon have been able to take considerably more than 30 percent of their development assistance on a loan basis this year. Others cannot reasonably be expected to assume even 30 percent of loans. Jordan and Guatemala are typical examples of countries in desperate economic need. They were not asked to assume any loans this year, and could not be expected to do so next year.
>
> The only way in which the average of loans could be raised to anywhere near 75 percent within 1 year, if we still follow the policy of aid where it is most needed, would be to put it on such a loose and indefinite basis that it would not insure repayment within a reasonable period, and at the same time would damage the normal operations of credit institutions such as the World Bank, Export-Import Bank, and commercial banks.

In other words, if in the case of India we said, "You must pay 75 percent"—although India probably will pay 75 percent—we might be exhausting the credit of that country if it desired to approach another lending institution for aid.

Mr. President, I invite attention to the fact that in some instances during the current year development assistance on a loan basis has reached about 41 percent, on the average, under the present law. If the law can be operated as the committee has worked it out in this bill with a great deal of care and in the report, and in accordance with the commitment given to us by the administrators, we shall rapidly approach a full loan basis in all countries which have the capacity to borrow at all.

In the case of Iran, for instance, a loan of $32 million was made out of the authorized amount of $65 million.

In the case of Israel a loan of $20 million was made out of an authorized total of $40 million. That is 50 percent.

India's loan is somewhat in excess of $45 million, nearly $50 million. Under the present law the total of loans made as against authorizations is in excess of the minimum fixed in the act; and the administrators, from the beginning, have urged that there be no minimum because it tended to defeat their efforts to

obtain a larger percentage of loans rather than to make grants.

I earnestly hope, Mr. President, that the amendment will be defeated. While its objective is the same as that which the committee has worked out in the bill, the committee, after long consideration, is of the opinion that the proper way of proceeding is to give the Administrator an opportunity to obtain a greater percentage of loans, if it is possible to do so.

Mr. BARKLEY. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. The whole theory of the bill is one of mutual assistance, which, of course, means mutuality of interest and security. Is it not true that many countries whose economy and stabilization from a military and economic standpoint are essential to our security would be among those who could not qualify for a loan?

Mr. GEORGE. Undoubtedly that is true.

Mr. BARKLEY. And, therefore, the possibility of mutuality would be destroyed.

Mr. GEORGE. Unquestionably. The whole effort we are making in certain areas of the world would be defeated by a requirement that all amounts authorized under this title should be made on a loan basis of 75 percent.

Mr. ELLENDER. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. ELLENDER. Is it not a fact that the amendment affects only the development-assistance program, which amounts to $165 million, and not the whole bill?

Mr. GEORGE. It also affects transferred funds.

Mr. ELLENDER. But only the development-assistance program.

Mr. GEORGE. Yes.

Mr. ELLENDER. The amount of money proposed to be authorized for this program is $165 million, and the amendment does not affect the other funds.

Mr. GEORGE. It does not affect the military funds.

Mr. ELLENDER. Or any other funds.

Mr. GEORGE. It affects any money transferred to any mutual-assistance program or any part of it.

Mr. POTTER. Mr. President, I yield myself 10 minutes. I should like to tell the Senate exactly what my amendment would do. It has nothing to do with military assistance. It has nothing to do with defense support. It has nothing to do with technical assistance. It applies only to the $165 million designated for development assistance, which is commonly referred to as economic assistance.

Mr. President, I certainly do not intend to try to match the eloquence of the distinguished Senator from Georgia, or his great knowledge and leadership in this field, but I believe I can match him in sincerity of purpose, so far as the amendment is concerned.

The very argument the Senator from Georgia made as to the loans which have been made relates to the fact that the existing law for development assistance contains a provision that 30 percent of the funds shall be on a loan basis. That the loans entered into this year were, as he stated, in excess of 30 percent is the result of the fact that the existing law has a provision for 30 percent on a loan basis.

But the committee deleted that provision; and at present, in the bill now under consideration, there is no provision for loans for economic or development assistance.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. KNOWLAND. I understand the Senator wished to have the yeas and nays ordered on his amendment. Before some of the large number of Senators who are now in the Chamber leave——

Mr. POTTER. The yeas and nays have been ordered.

The PRESIDING OFFICER. The Chair will state that the yeas and nays have been ordered.

Mr. POTTER. The amendment would not take away one nickel from the funds provided by the bill. It would apply only to the 4.7 percent of the total authorization which is allocated for development assistance; and it would require 75 percent of the $165 million, allocated for that purpose, to be on a loan basis rather than on a grant basis.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. POTTER. I yield.

Mr. LONG. Is there anything in the Senator's amendment which provides that additional loans could not be made to a poor nation, in the event it should fail to repay?

Mr. POTTER. Of course not.

Mr. LONG. In other words, if a nation such as Guatemala could repay its loan, we could renew the loan to them, and they would at least owe something.

Mr. POTTER. That is correct. The loans under existing law are not of the same type as bank loans. They are based on agreements whereby the borrower can pay them back in kind or can pay them back in foreign currency. They are very generous loans. They are not the kind of loans we would wish to enter into as businessmen. But they have one advantage, namely, that in dealing with the recipient nations, we deal with them as partners. We have something to say in respect to such loans. We have a voice because of the contractual agreement we have with the nation, which we would not otherwise have in the spending of the funds.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. MUNDT. As I understand, the Senator's amendment applies only to that provision of the bill which deals with what might be called economic or development aid. In no sense does it mean that the national defense phases are to be on a loan basis.

Mr. POTTER. Not one iota.

Mr. MUNDT. Such loans are not the kind which are necessarily drawn up with provision for a rigid series of repayments, and interest rates; they are the types of loans which a country can repay by supplying us with strategic materials, raw materials, or manufactured products which we may need.

Mr. POTTER. I shall be glad to read to the Senator exactly how the loans can be repaid. This is the provision in the existing law, and the same latitude would be given by my amendment. The existing law, which would be reinstated by my amendment, is as follows:

SEC. 505. Loan assistance: (a) Assistance under this act may be furnished on a grant basis or on such terms, including cash, credit, or other terms of repayment (including repayment in foreign currencies or by transfer to the United States of materials required for stockpiling or other purposes) as may be determined to be best suited to the achievement of the purposes of this act.

Certainly that is not restrictive language.

Mr. MUNDT. By amending the foreign-aid program this way, very conceivably we might be rendering the countries better service than by give-away programs, because the type of program which the Senator from Michigan is proposing would maintain the self-respect of the recipient countries.

Mr. POTTER. The Senator is absolutely correct. One of the great criticisms of the United States with respect to this program has been the "Rich Uncle" philosophy, that we will take care of a country if it is a dependent nation. By putting the funds on a loan basis, we will be treating the recipient nations as partners. Certainly the psychological effect is much to be desired. It removes the paternalistic influence which now exists.

Mr. MUNDT. It seems to me that the Senator from Michigan has offered a very constructive amendment. It is difficult for me to understand how there can be much fault found with the philosophy behind it. Instead of dealing with the smaller countries as poor relations, we shall be welcoming them into the family as partners, and providing them with what they may need in money, aid, or supplies. In those circumstances, we shall be glad to help them, because they are desirous of helping the free world. It is important that they maintain their sovereignty, dignity, and self-respect, and this they would do if we made to them loans which they could repay at any time they were able to do so, and in whatever method they chose.

It is beyond my understanding how the Senate could disagree with the type of philosophy which would substitute a businesslike program for a perpetual humanitarian spending program on a global basis, which, if it should become permanent policy, as the bill proposes, would mean increased taxes for the taxpayers of America to build in other countries, plants, educational institutions, irrigation ditches, and dams which they might require. Certainly the United States cannot maintain that kind of giveaway program forever.

Mr. POTTER. The Senator is absolutely correct. We have been criticised, and rightly so, by our own citizens for the giveaway program. I believe that economic assistance should be given where it is needed. The amendment does not take one nickel away from the bill. It merely provides that the United States

will enter into contracts with recipient nations, and that we will expect them to return the funds to us when they can, if they can; but, at least, there will be contractual agreements between partners, rathers than a position of dependency, which happens when the funds are given on a grant basis.

Mr. MUNDT. It seems to me the Senate could find some encouragement for this kind of approach by studying the relationships between Great Britain and the United States and between Finland and the United States. In both cases we have advanced money on a loan basis; and in both cases we are receiving payments not only on the interest but also on the debts. Both Finland and Britain are firm friends of the United States and they are valiant defenders of freedom.

This shows that such an arrangement will make friends. It is far better than a mere giveaway program, such as we have been engaged in, and as to which the results certainly have left something to be desired.

The PRESIDING OFFICER. The 10 minutes which the Senator from Michigan allotted to himself have expired.

Mr. POTTER. I yield myself 5 additional minutes.

Of the $165 million included in the development-assistance portion of the bill, $70 million is provided for India. With the great resources which India has, certainly the United States should be able to enter into a loan contract with that great country rather than to give her the money. Nehru, the leader of India, made great proclamations when the Soviet Union advanced to India on a loan basis funds for the building of a steel plant. I think it would be wise for the United States to place its relations with India on a partnership basis and to say, "We will expect some of the money back when you are able to pay it."

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. KUCHEL. On page 22 of the report, the following appears:

> The bill repeals the requirement in the Mutual Security Act of 1954 that 30 percent of development assistance funds be available only for furnishing assistance on a loan basis.
>
> In fact, something more than 30 percent of these funds were used on a loan basis in the current fiscal year, and it is expected that an even greater percentage will be so used in fiscal 1956. The committee was impressed, however, with the argument that a percentage figure written into the law militates against the placement of a greater percentage of loans. Experience under the 1954 act shows that some recipient countries want to limit their borrowing to 30 percent, whereas if that figure were not in the law, they would be more readily agreeable to a higher percentage.

Is it not true, therefore, that the report of the committee shows that the intention of the committee is, not to eliminate the loan provision, but to provide a means of increasing the loan percentage about 30 percent, whereas the Senator's proposal, on the other hand, would require that it be 75 percent?

Mr. POTTER. I respectfully disagree with the Senator, because the fact that there were loan agreements above 30 percent last year was due to the fact that there was a 30-percent provision in the law. I know, from the language of the report, that it is claimed that without that provision, it might have been possible to have negotiated a higher percentage of loans; but it seems to me there should be a requirement to that effect in the law. That is why I propose to increase the figure to 75 percent.

Mr. KUCHEL. Would the Senator agree that the committee did not delete this provision on the theory that it wanted to eliminate the loan feature?

Mr. POTTER. Even though that may have been in the mind of the committee, the provision was deleted. That being so, when our officials deal with recipient nations, they will be told, "Well, the Congress deleted the loan provision. You cannot make a loan with us. It is going to be on a grant basis." A lever is taken out of the bill.

Mr. KUCHEL. I must say to the Senator that that part of the committee report which I read, namely, "The committee was impressed, however, with the argument that a percentage figure written into the law militates against the placement of a greater percentage of loans," is exceedingly persuasive to me.

Mr. MUNDT. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield to the Senator from South Dakota.

Mr. MUNDT. If the Senator from California will read the last paragraph under the subhead "Loans" on page 22 of the report, I think he will find it would be very helpful. That paragraph reads:

> The committee's objective in rejecting the 30-percent loan requirement is to facilitate the use of an even greater percentage of the funds available in the form of loans. The committee attaches great importance to the maximum possible use of loans, and strongly urges the executive branch to move in this direction as rapidly as practicable.

If we desire to urge the executive branch to move in the direction indicated here, the amendment gives us the opportunity to urge the executive branch to move in that direction 75 percent of the time. I can think of nothing better which an administrator could have that would enable him to handle the fund in terms of loans instead of a giveaway than a mandate from Congress that 75 percent of the money shall be handled on a loan basis. Otherwise, we are going to find Gresham's law of money operating in this field as it operates in the usual field of currency and business—the poorest loan becomes the standard for all loans just as bad money always drives good money out of circulation.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. POTTER. Mr. President, I yield myself 5 additional minutes.

Mr. MUNDT. If we grant money to country A, with no limitation that 75 percent of it must be in loans, country B will say, "You gave that to country A. Why not give it to me?" Then we give it to country B. So country C, on the other side of the Mediterranean, will say to us, "How come? Because we are on the north side of the Mediterranean instead of the south side, certainly you are not going to penalize us?" Gresham's law of money will come into operation; the donations to a few countries lead to the donation to all.

There must be put into effect some kind of limitation if we are ever going to stop overburdening the taxpayers of America, who need highways, irrigation projects, schools, and hospitals. The American taxpayers should not be taxed so they must forego getting the schools and other necessities they need, but which they are asked to help build in Europe, India, Latin America, or somewhere else. We will have to dispose of our foreign-aid money on more business-like arrangements, unless we are going to run the program hopelessly into the ground.

I ask that the Senate accept the very constructive amendment which the Senator from Michigan has advocated.

Mr. POTTER. Mr. President, I am willing to yield back the remainder of my time.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. The distinguished Senator from Georgia desires 3 minutes. I wanted to serve notice to that effect on the Senator from Michigan a while ago, because at the time I had the original conversation with him, I was asked to yield the time.

Mr. POTTER. I yield to the Senator from Delaware, and then I shall reserve the remainder of my time.

Mr. WILLIAMS. Mr. President, is it not a fact that prior to incorporating the 30-percent provision into the existing law about 2 years ago, practically none of the money was used in the form of loans, and only afterward, a couple of years ago, when Congress wrote the 30-percent provision into the law, were loans made in accordance with the provision? If we repealed that provision, we would go back to the original 100-percent giveaway, would we not?

Mr. POTTER. That is correct. The very argument used in the report as a basis for striking the provision from the law is an argument in favor of my amendment, for the 30-percent provision is the very thing that brought about the loan agreements.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. POTTER. I yield to the Senator from Nevada.

POWER BEHIND THE PEACE CONFERENCE

Mr. MALONE. I should like to ask the distinguished Senator from Michigan a question. Based upon the premise that we need additional billions of dollars to build B–52's or the latest design sonic-speed bombers, which will fly from 5,000 to 7,000 miles and return without refueling, we need certain materials to build such airplanes and their production will be expensive. The greatest weight strength ratio metal known is titanium and such planes can only be produced through its use. We are producing 2,500 tons per year when we need 150,000. Because such construction would be expensive, the national-defense organization itself has hesitated to recommend that moneys be appropriated for adequate production of the metal for such purposes.

Last year the Senator from Nevada offered an amendment to a bill of the same type as that now before the Senate providing that unallocated or unexpended money, which I understand is again approximately $9 billion, and the additional money to be appropriated under the bill at that time, be transferred to the administrator of national defense so as to provide for building the necessary bombers, sonic-speed ,B–25's or whatever may be the latest design. Since the building of such aircraft is expensive, the only way airplanes can be built that will fly from 5,000 to 7,000 miles and return without refueling, as well as fighters, interceptors, and necessary guided missiles and bases, is by transferring the unallocated balance and new money to the administrator of national defense for that purpose.

FOR THE AMENDMENT AND AGAINST BILL

I want to tell the Senator from Michigan that I am going to vote for his amendment and against the bill, and this year I intend to again offer the same amendment I offered last year.

I should like to ask the Senator from Michigan if he agrees with me that history has shown that the only way there can be success at an international peace conference is to have the necessary strength behind us at the conference?

Mr. POTTER. The Senator from Nevada is absolutely correct. I think he will agree with me that nations are not different from individuals in certain respects. I, as an individual, if I am dependent upon another individual, get a most uncomfortable feeling. But if I can enter into a business agreement, even though that business agreement may be in my favor, I have a feeling of partnership.

To a considerable extent in our foreign-aid programs I think there has been apparent the philosophy that we can buy friends with dollars. The Senator from Nevada knows, as well as I do, that we cannot buy the friendship of individuals or of nations with dollars. Friends are won by mutual respect.

I say that mutual respect can be gained by entering into a contractual agreement, even though the agreement may be all one-sided. At least there is a partnership arrangement, rather than the paternalistic attitude of handing out grants.

APPARENT WE CAN WIN THERE WILL BE NO FIGHT

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. POTTER. I yield.

Mr. MALONE. I think the Senator is exactly right, that a nation is not different from an individual, in that if one is likely to lose a battle, he will not start it.

Mr. President, the Senator from Michigan has just said that nations are like individuals. I take it that he means that if the power of the United States were so great that there would be no doubt that we would win any battle in which we became engaged, probably there would not be such a battle or such a war, if we did not start it—and of course we would not start it.

Of course, there is no record that anyone ever attacked Jack Dempsey as he was walking down the street, if it was known who he was, because there would be a doubt as to who would win.

I say to the Senator from Michigan that an economic supplemental report, which will be ready soon, to the Senate Report No. 1627 of 1954, which showed that the Western Hemisphere can be defended and that we can become self-sufficient in the production of the critical materials necessary to fight a war or live in peace.

If we should treat our taxpayers as well as we treat the foreigners and protect American jobs and investments then on the basis of fair and reasonable competition we will build up and stabilize our own economy.

If we had the number of bombers we need—perhaps 2,000 or 3,000 B–52's, the latest design—bombers which are able to fly 5,000 to 7,000 miles and drop their bombs, and return home without refueling; and if we had the number of interceptor and fighter—perhaps 10,000 to 15,000—planes we need, and guided-missile bases around North America and all the atomic-energy submarines we need—submarines which can go twice as fast as the older types—then does the Senator from Michigan believe it would be necessary for us to try to buy friends? Would we not have the necessary strength to spearhead the defense of any area necessary for the protection of this Nation?

Mr. POTTER. Mr. President, I believe that we have, although perhaps not a responsibility, at least a desire, which is a part of the American nature, to help peoples and countries who are in need. But I believe we should do so on a businesslike basis, rather than on a handout basis.

Mr. KNOWLAND. Mr. President, will the Senator from Michigan yield to me?

Mr. MALONE. Mr. President, I should like to complete my questions of the Senator from Michigan.

Mr. KNOWLAND. I think what I will state will be of help to both Senators.

Mr. MALONE. It merely interrupts my line of questioning.

Mr. POTTER. I yield to the minority leader.

Mr. KNOWLAND. I wish to point out to the Senator from Michigan something which perhaps he does not know, namely, that in the committee, although it is true that the so-called percentage amendment was rejected, it was rejected by a divided vote. Personally, I did not vote to reject or strike out the amendment.

Mr. POTTER. I thank the minority leader for that contribution to the debate. Let me say I also know that some responsible officials who are administering this program are desirous of having the loan feature retained in the bill.

Mr. MALONE. Mr. President, will the Senator from Michigan yield further to me?

Mr. POTTER. I yield.

ASSIST OUR NEIGHBORS

Mr. MALONE. I was trying to develop the point the distinguished Senator from Michigan had brought into the debate, namely, that we do owe our neghbors something. We should give them any help we can give them—just as in the case of a person living in a community. I believe in that principle. In the community in which we live, we contribute to the Red Cross and to the other worthy causes which will assist the community. But we do not mortgage or sell our home and give the money to the community, do we?

Mr. POTTER. We contribute according to our ability.

Mr. MALONE. At the present time the United States has a national debt of $275 billion, and in addition, our country has the distinguished record, if I may term it such, of having guaranteed approximately $140 billion or $150 billion of other debts. The United States is also responsible for the guaranteed amounts exactly the same as the national debt.

Instead of having a national debt of $275 billion, we, as a nation, owe approximately directly $420 billion, an amount which added to the States and municipal debts is well in excess of the assessed value of the taxable property of the Nation.

Yet, the Members of Congress often seem impatient, when the vote is delayed through debate.

So we are virtually "selling our house" to help foreign people who, in turn, when we build industrial plants for them, first recognize our potential enemies, such as Communist China, and then sell to our potential enemies everything they need for either peace or war.

Such sales of materials are constantly being made to both Russia, the Iron Curtain countries, and to Communist China. Most of the nations we have aided have already recognized Communist China, and now the heat is on for us to not only recognize her, but to admit her to the United Nations. Many of our top officials are committed to, and are arguing for the recognition of Communist China by the United Nations, leaving Chiang Kai-shek's regime in the United Nations until he dies or resigns.

Of course the precedent has been set in Korea, Indochina, and India of dividing them in two parts, and now it is proposed that we do the same in the case of China.

USE OUR MONEY FOR NATIONAL DEFENSE

So I agree that this money should at the very least be handled on a loan basis.

But why not use the money for our national defense, so that there will be no question who would win any battle.

As a consequence, fights or wars involving us will not start. Does not the Senator from Michigan agree with me?

Mr. POTTER. Mr. President, other Senators will offer an amendment which will deal more directly with the suggestion the Senator from Nevada has made.

I am convinced that, particularly when we are dealing with the economic aid to be authorized under this bill, as much as possible of it should be handled on a loan basis. This amendment is very simple in every respect, and I cannot conceive that there will be opposition to it.

Mr. BARRETT. Mr. President, will the Senator from Michigan yield to me at this point?

Mr. POTTER. I promised to yield to the distinguished Senator from Louisiana [Mr. ELLENDER], who wishes to make a brief statement. But first I yield to the Senator from Wyoming, and then I shall yield to the Senator from Louisiana.

Mr. BARRETT. I thank the Senator from Michigan.

I intend to support the Senator's amendment; but it seems to me that the amendment is a very modest one. So I should like to ask a question about it.

As I understand the amendment of the Senator from Michigan, it will affect only approximately $125 million of the $165 million for development assistance, under this authorization bill.

Mr. POTTER. The 75-percent formula is to be applied to the $165 million, and would produce approximately the figure the Senator from Wyoming has stated.

Mr. BARRETT. That would mean that the amendment would affect approximately 3½ percent of the total authorization provided by the pending bill; is that correct?

Mr. POTTER. That is correct.

Mr. BARRETT. I take it that the Senator from Michigan intended to restrict all the funds which will be available for economic assistance. How much of the remainder of the $3,400,000,000 is, in fact, economic assistance?

Mr. POTTER. Mr. President, the question of the Senator from Wyoming of course is pertinent because we know that in the military-support portion of the bill, which authorization amounts to more than $1 billion—a majority of it is, in essence, economic assistance. We also know that even in the case of the technical assistance program, a certain proportion of it is, in essence, economic assistance. I am fearful that even in respect to the military assistance portion of the bill, a portion of it is economic assistance.

In my amendment I have entirely left alone the military phases. My amendment applies to only a small piece of this giant pie; in other words, the amendment applies only to the economic assistance portion, or to approximately 4 percent of the total authorization.

Altogether, the 75-percent loan feature applies to the $165 million portion of the bill.

Mr. BARRETT. If the Senator will yield further, I certainly agree with him that his amendment would place restrictions on a relatively small amount, approximately $125 million, whereas I am sure that if the information were available to the Senate we would know that at least 10 times that amount, or perhaps more than that, is, in fact, economic assistance, even though it may be called something else.

Mr. POTTER. The Senator is correct.

Mr. ELLENDER rose.

Mr. POTTER. How many minutes does the Senator from Louisiana desire?

Mr. ELLENDER. Three minutes.

Mr. POTTER. I yield 5 minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, it is my judgment that the Senate should adopt this amendment. I have an amendment which I shall propose later, to strike out the entire authorization of $165 million for development assistance, and in due time I propose to show why that should be done.

This fund of $165 million is to be used as economic aid to supplement the technical aid program. When the technical aid program was placed upon the statute books the distinguished Senator from Georgia [Mr. RUSSELL] offered an amendment which was accepted by the then chairman of the Foreign Relations Committee, Senator Connally. That amendment read as follows:

SEC. 509. The advancement of technical assistance or the preparation of plans for projects as authorized under this title does not constitute any obligation whatever on the part of the Government of the United States to make any loans or grants for the execution or construction of any project or for the completion of any program devised under this title. The President or the person administering this title under his direction shall give written notice to each recipient of funds or beneficiary under this title that such assistance in planning or programing shall not be construed as an obligation on the part of the United States to make funds available for the construction or execution of any project.

This language was modified later, and what now appears in the technical assistance portion of the law is this:

Nothing in this act is intended nor shall it be construed as an express or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any nation or nations, or to any international organization.

Mr. President, in spite of that language, what is happening in connection with the program for technical aid? I have found on my inspection trips abroad that when many of these programs were started and various countries were invited to join, they accepted only on condition that funds would be available for economic development. I could cite instance after instance in which our offer of technical assistance was unacceptable to a host country unless we also agreed to provide funds to actually construct and equip the projects that our technicians determined were necessary to raise the economy of the country and improve the health of its people.

As I have stated, this development-assistance fund, which is used in conjunction with technical aid, lends itself to a violation of the spirit of the law which we wrote upon the statute books. It is nothing more than economic aid—Marshall plan aid—which our planners are seeking to extend throughout the world. The name has been changed, but the function still remains economic aid, and therefore, Mr. President, I hope the Senate will approve the pending amendment. Even if the Senate does approve the amendment, which provides only that not less than 50 percent of the development assistance funds shall be made available as loans, in due time I shall offer an amendment to strike the entire $165 million fund from the bill.

Mr. GEORGE. Mr. President, if the Senator from Michigan has concluded, I should like 2 or 3 minutes.

Mr. JOHNSON of Texas. Mr. President, if agreeable to the Senator from Michigan, I will yield back all my time except 5 minutes, which I will yield to the Senator from Georgia.

Mr. MUNDT. Mr. President, I should like 2 minutes.

Mr. POTTER. I yield 2 minutes to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I did not intend to go into this subject any further. However, I take as my text an article just offered for the RECORD by the Senator from Connecticut [Mr. BUSH] for printing in the RECORD. He quoted the immortal words of a great American who said that he regretted that he had but one life to lose for his country.

I remind Senators that we have only one country to lose for the life of the world. I think we must give some serious attention to what we are doing lest we lose our own freedoms and weaken our security without really achieving permanently helpful results abroad.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. MUNDT. If I can rely on the generosity of the Senator from Michigan for an additional minute, I shall be glad to yield.

Mr. POTTER. I can yield no further time.

Mr. MUNDT. Then I decline to yield.

Mr. MALONE. Mr. President——

Mr. MUNDT. I am sorry. I decline to yield.

Mr. POTTER. Mr. President, I yield 2 additional minutes to the distinguished Senator from South Dakota.

Mr. MUNDT. Then I yield to the Senator from Nevada.

Mr. MALONE. Who executed Mr. Hale?

Mr. MUNDT. I do not wish to enter into a discussion about Nathan Hale.

Mr. MALONE. Was it the British?

Mr. MUNDT. I wish to say something about the entire giveaway program. We should reappraise the entire giveaway program at this stage of the game. Remember, this program is now not something which will expire at the end of a certain period, as ECA was supposed to expire after July 1. This new program may never expire. We are now starting on a program to tax the American people permanently for foreign economic assistance. If we are not going to do it on a loan basis, we had better consider seriously the fact that we have only one country to lose for the people who live here.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. JENNER. Does not the Senator know that both the Secretary of State and Mr. Stassen have recently said, in public statements, that this program must become a permanent part of America's foreign policy.

Mr. MUNDT. I remember the statement made by Mr. Stassen in that connection. That is a statement which I think should give every Senator pause. We are doing this with our eyes open. Mr. Stassen says this program is permanent. It is not temporary.

I regret exceedingly that this amendment applies only to $165 million of giveaway money. I wish it applied to

the $1,278,000,000 found on page 2, which is also giveaway economic aid.

The language in this report is pretty tricky. It is devised to fool the folks back home. The $1,278,000,000 comes under the head of "Military assistance." Let us assume, for the sake of argument, that that is all for guns, planes, tanks, and so forth. I doubt it.

Then we come to an item of $1 billion for "defense support." That is the new phrase for economic aid. That is what it is. The term "defense support" is just sugarcoating on the pill. It is clothing and shoes and food and supplies. However, defense is the word to conjure with. Therefore, we call it "defense support."

The next one is called development assistance. As this program goes on year after year we will find that eventually it will be called defense-development assistance, instead of plain development assistance. It will be called defense-development assistance to fool the folks back home. We might as well face the fact that this is a global giveaway program. It is a giveaway program of at least $1,165,000,000, as to which the Senator from Michigan [Mr. POTTER] now modestly suggests that 75 percent of the $165 million only should be on a loan basis. I say we should establish a real formula, a real criterion, and give a warning notice that America will not, forever, as Mr. Stassen says, continue this program and tax Americans to build schools and irrigation ditches all over the world.

I say Senators should seriously reflect on the effect on the countries that will get this money. In South America all the countries are now listed. We are giving something to all of them. The framers of the bill almost forgot Venezuela, but finally the committee included it for a few postage stamps down near the bottom of the list. They decided to give it 0.2 percent. I ask all Senators to watch that amount grow. Do any Senators think that Venezuela will be content to get 0.2 percent when some of its neighbors get as much as 2.7 percent? Naturally, Mr. President, the people of Venezuela are going to say, "How come we get only 0.2 percent, when other countries get 2.7 percent? What is wrong with Venezuela?"

How are we going to answer that, unless we have a rule of thumb or a criterion and say that part of it will be on a loan basis? If we are going to stay on the giveaway basis, we will have to set up a formula, and perhaps provide that we will give $5 to every man, woman, and child all over the world. We are not going to make friends for America by cutting the world up into little camps and saying to one little camp, "We will give you only 0.2 of 1 percent," and say to another little camp, "We are going to give you 2.7 percent."

Mr. President, this is a device for dividing our friends, not for making friends.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MUNDT. I cannot yield. My time has again expired. The Senate apparently is much more liberal with its money than with its minutes.

The PRESIDING OFFICER. The Senator from Michigan [Mr. POTTER] has 1 minute remaining.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from South Dakota.

Mr. DOUGLAS. Mr. President, I should like to ask the distinguished Senator from South Dakota who drafted the program? Was it the Democratic Party or the Republican Party?

Mr. MUNDT. The Senator from Illinois is interested in politics, primarily politics, and only politics, because he has a former governor who is trying to get back into politics. I am interested here in foreign relations, not politics. I believe it would be better if the Senator from Illinois would keep political discussions for political arenas, and not indulge in them in this arena of foreign policy.

Mr. JOHNSON of Texas. Mr. President, I am prepared to yield back all my time except 5 minutes, if the Senator from Michigan is prepared to yield back all his time.

Mr. POTTER. I yield back my remaining time.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the Senator from Georgia.

Mr. GEORGE. Mr. President, I would be the last man to inject politics into this debate. If Senators wish to defeat the bill, I ask them to defeat it openly, not underground. Senators are perfectly consistent when they say, as two Senators have said, "We are going to vote for the amendment and against the bill." That is consistency. That is perfect honesty, and it is following the rule.

Mr. President, this bill came from the executive branch of the Government. The earnest recommendation of the administration spokesman was that no limitation be put upon the development assistance funds, because development assistance is not granted upon the ability of a country to repay, but, rather, it is granted primarily upon the needs of a particular nation and upon the vital necessity of assisting it.

We provide no development assistance funds for Central or South America, I may say, with the exception of two countries, Bolivia and Guatemala. Surely no Senator who is advised of the facts believes that Bolivia would be able to repay 75 percent of a development assistance program. The primary purpose of assistance to Bolivia is to provide food for the people until they can develop their agriculture.

The administrators told us—and it is a fact of record—that in every instance where loans could be increased, they were increased. Let us take the case of India. India repaid 65 percent of the money she received under this program, although there is no such requirement in the law. However, when we write into the bill a requirement that the limitation must be 75 percent, we are taking assistance from countries that need it and giving the money to countries who are able to borrow it. Those countries should not get any grants if they can borrow the money.

We are doing our level best to make it possible for the administration—and we believe in it on this side of the aisle—to make loans, and then, so far as possible, to put the whole program on a loan basis.

That is all there is to this matter. The amendment does not apply merely to the $165 million item. My friend, the Senator from Michigan [Mr. POTTER] is in error in that respect. It applies to any funds which may be transferred from any other funds for development assistance purposes. It might be technically possible to evade that plain commitment of law by transferring funds to the development assistance program and calling it something else.

If we were to have the development assistance program operate on a loan basis of 75 percent, it would be at least honest and fair to say that any funds transferred into the development assistance program, and any part of the special fund which the President could put into that program, should also be on a 75-percent repayment basis.

The purpose of the bill is to make it possible to increase the loans. We cannot do that by inserting a provision that certain countries must exhaust themselves in their capacity to borrow from any lending institution in the world by obligating itself to pay back 75 percent of this type of money, whereas a country next to it, whose existence and continuance is vital to the defense of this country, and vital to the defense of the free world, is not able to pay back 75 percent.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. KNOWLAND. Mr. President, I offer an amendment to the amendment, to strike out "75 percent" and to insert in lieu thereof "50 percent."

The PRESIDING OFFICER. The amendment is in order.

Mr. POTTER. Mr. President, I will accept that amendment.

The PRESIDING OFFICER. The Chair advises the Senator from Michigan that he cannot accept the amendment, because the yeas and nays have been ordered on the amendment of the Senator from Michigan.

Mr. POTTER. Mr. President, I ask unanimous consent that my amendment may be modified by substituting 50 percent in lieu of 75 percent.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. JENNER. I object.

Mr. KNOWLAND. Mr. President, I do not expect to take more than 5 minutes, but I think the Senate should have an opportunity to vote on my amendment to the amendment offered by the Senator from Michigan.

In the first place, the vote in the committee to strike out the 30-percent provision was a divided vote. There were 11 members of the committee present at that particular time. The vote to strike out the provision was 7 to 4. So there was a division of opinion within the committee. I believe the Senator from

Iowa [Mr. HICKENLOOPER] came in later. He indicated that he would have been opposed to the amendment. So that would have made a 7 to 5 vote had he been present.

If Senators will turn to page 12 of the bill they will see the limitation which the committee itself wrote into the bill in regard to the President's fund of $200 million.

Mr. GEORGE. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. GEORGE. The Senator knows that was done in order to prevent placing a blank check at the disposal of the President.

Mr. KNOWLAND. That is correct, except the language reads as follows:

> That not less than 50 percent of the funds appropriated pursuant to this section shall be available only for furnishing assistance on terms of repayment in accordance with the provisions of section 505, and not more than 25 percent of said funds may be allocated for assistance to any one nation.

So I think it is not inconsistent with the action which the committee took in regard to the other amendment.

It appears to me that there is a considerable amount of merit in the argument that 75 percent may be too high. Personally, I hope we can get to 75 percent or to 100 percent as soon as may be possible in the case of loans for the development fund. But I recognize the validity of the argument of the Senator from Georgia and of those who represent the administration that too high a percentage would be damaging, just as too low a percentage, such as the amount written into the bill last year of 30 percent, would be damaging. Some countries might say, "When we have borrowed up to 30 percent the remainder should be a gift."

But it seems to me that a 50-percent provision would show that the Congress was moving into a more firm position in regard to loans rather than grants, and would indicate that some progress was being made from year to year.

I believe the distinguished Senator from Michigan was quite correct when he said that had it not been for the 30-percent provision in the law there would not have been the progress in regard to loans which has been apparent up to this time.

The PRESIDING OFFICER. The Chair understands that to the unanimous-consent request of the Senator from Michigan the Senator from Indiana entered an objection, but that the Senator from Indiana has now indicated his desire to withdraw his objection. Is there objection now to the unanimous-consent request of the Senator from Michigan to modify his amendment?

Mr. GEORGE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from New Mexico [Mr. CHAVEZ].

Mr. CHAVEZ. Mr. President, I have some definite ideas with reference to foreign aid. There is no question of my wishing to help foreign nations, but, Mr. President, the idea of making friends by dollar diplomacy is not good for the country. Instead of trying to make friends with foreign nations by appropriating money and giving it to them, would it not be better if the dignity of those countries was protected by recognizing that they have some responsibility? If they wish to borrow some money, all right; but let us insist that they pay. We have to pay. The appropriation for the Defense Department is $31,500,000,000, which is practically $5 billion more than the amount appropriated for all the other Departments of Government. That is an expense for which the American taxpayer will have to pay on the barrelhead. We are not making any friends by giving handouts. If they knew they had some responsibility, their dignity would be preserved. I care not whether it be a country of Latin America, Europe, or Asia, the American taxpayer should not be responsible for its upkeep. We have been buying opinion, and I do not think that is the proper thing to do.

Uncle Sam's country is so good that it is not necessary to spend the American taxpayers' money in order to make friends. Let us treat other countries with decency, with respect, no matter how poor they may be, but let us not give them handouts. I think it is unfair to the American people and it is unfair to foreign countries to follow such a policy. What respect can Latin America and Central America have for us when our approach is "We are going to give you so much money." Would we accept it under such conditions? Would not the average family like its boys and girls to have a little responsibility and work at Garfinckel's or Hecht's for a respectable sum of money for their own upkeep, or should money be handed out to them?

Mr. President, I am in favor of the pending amendment.

Mr. KNOWLAND. Mr. President, I wish to make a slight correction in my statement regarding the vote of the committee. The clerk of the committee informs me that the vote in the committee to strike out the provision for a limitation of 30 percent was 8 to 6. So it was a divided vote to that extent.

Mr. AIKEN. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. AIKEN. That vote, however, did not indicate a desire for a 75-percent provision.

Mr. KNOWLAND. No; that is quite correct. But I think the committee itself pretty generally agreed that the policy should be toward loans rather than grants.

Mr. AIKEN. The Department also agreed with that point of view.

Mr. KNOWLAND. Yes; that is correct.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. The pending question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND] to the amendment offered by the Senator from Michigan [Mr. POTTER], is it not?

The PRESIDING OFFICER. That is the pending question.

Mr. JOHNSON of Texas. Under the unanimous-consent agreement, the majority leader controls the time in opposition to the amendment, does he not?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. If no Senator wishes to speak in opposition to the amendment, I am prepared to yield back my time.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from North Dakota [Mr. LANGER].

Mr. LANGER. Mr. President, for the first time in the history of America Canadian money is worth more than is the money of the United States. Such a thing never happened until we instituted our foreign-aid program.

I investigated the situation, and I found that Canada has given Great Britain nothing. Every time it sent money to England it got security at 100 cents on the dollar. That is the situation in Canada in spite of that country's relationship with England. Yet, Mr. President, we have been pouring out great sums of money.

I shall support the amendment, because I think it is a step in the right direction.

The PRESIDING OFFICER. The Chair understands that the Senator from Texas and the Senator from California are ready to yield back their time——

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I wish to make it clear that I am supporting the chairman of the committee and what I think is the majority view. We decided that the best way to approach this development-assistance program was not to have any limitation whatever on the division of loans and grants. I have been very much interested in the undeveloped countries of the world. I think we must have flexibility if we are going to deal with them and give them the aid which is necessary. Therefore, Mr. President, I oppose the amendment.

The PRESIDING OFFICER. The Chair now understands that the Senator from California and the Senator from Texas yield back the remainder of their time.

Mr. GEORGE. Mr. President, I merely wish to repeat that this particular change in the bill was recommended by the administration. It was an administration proposal. It came to the committee with the full backing of the administrative officers who appeared before us. The majority of the committee were convinced that it was the best way to increase the amount of loans from any given fund, and the best way to accomplish that objective precisely. It was the controlling consideration with the committee in placing a limitation upon the $200 million special fund, and restricting the power of the President to do as he pleased with so large a sum as $200 million without any restrictions. The limitation is that 50 percent of the total amount shall be used on loan, and that not more than 25 percent shall go to any particular country in the Asian area.

That was strictly a method of limiting the grant of the $200 million fund only.

I hope the amendment will be rejected because, in my judgment, to agree to the amendment would put the bill on the way to becoming a loan program. Any effort to do that otherwise than by means now adopted will retard our efforts.

Mr. KNOWLAND. Mr. President, I ask that the yeas and nays be ordered on the amendment to the amendment.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the senior Senator from Indiana.

Mr. CAPEHART. Mr. President, we are speaking about $165 million out of a total of $3,408,000,000. I have always been a strong advocate of lending. I have said on many occasions that I have never seen any necessity for giving away money; the money should always be disbursed in the form of loans. I still stand on that ground.

However, in this instance we are not talking about making 100 percent loans; we are talking about 75 percent loans—and then only 75 percent of the total of $165 million. We are not speaking of a loan of 75 percent in each individual transaction.

If we were talking about 75 percent of each individual transaction being a loan, and 25 percent being a gift, the proposal might be effective.

But, frankly, what I should like to propose, and may well do later, is an amendment that the $165 million must be 100 percent in the form of a loan.

However, I shall not vote for the amendment offered by the senior Senator from Michigan, for the simple reason that, in my opinion, as one who has negotiated transactions in which money has been involved as loans, it is better to specify no amount at all than it is to specify, as in the bill, 30 percent or 75 percent.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. KNOWLAND. I yield 1 additional minute to the Senator from Indiana.

Mr. CAPEHART. I think it would be more proper to say that the funds shall all be advanced in the form of loans. But unless that is to be done, I do not believe the hands of the administrator should be tied to the point where he must get back 75 percent. He may be able to get more, and it may be good business to get more in some instances. In other instances he may have to take less.

In any event, if there is to be a limitation of 75 percent, 50 percent, or 30 percent, it ought to be on each and every transaction, not 75 percent of one item. Otherwise we shall make enemies instead of friends, because one nation would get 75 percent as a loan, while another nation would get it as a gift.

The proper way to handle the situation is to advance all the funds as loans, or else to leave the amount at zero and to let the administration try to negotiate as they see fit.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the distinguished senior Senator from Vermont.

Mr. AIKEN. Mr. President, what we are undertaking to decide is whether in the future the United States will depend on military force alone for the protection of her people, or whether we shall invest a modest amount in the strengthening of the peoples of other countries, who naturally would be friendly to us and sympathetic to our Government and our objectives.

We shall have to decide—and we are helping to decide the question today—whether the United States in the future is to be a military nation, while it lasts, by putting every boy into the military service for no one knows how long, and making certain that he will go to foreign countries in the defense of our own country; or whether we shall, as I have said, through a modest investment in the strengthening of friendly nations try to bring about and perpetuate a lasting peace.

We do not like to spend money outside this country. However, it was not many years ago when we were investing $7 billion annually for this program. The amount has been reduced in the bill to $3,500,000,000.

I hope that neither the amendment offered by the Senator from Michigan nor the amendment offered by the Senator from California will be approved. As the Senator from Georgia [Mr. GEORGE] has so ably pointed out, even reducing the requirement for loans from 75 percent to 50 percent would not help the countries which need the help most; and the nations which are able to pay 65 or 75 percent are already being required to do so, if we have been correctly informed.

I hope the amendments will be rejected.

The PRESIDING OFFICER. Is the Chair to understand that all time has now been yielded back?

Mr. JOHNSON of Texas. No, Mr. President; I yield 5 minutes to the junior Senator from Kentucky.

Mr. BARKLEY. Mr. President, at some later point in the discussion of the bill, I hope to express my views regarding the entire program at a little more length than I shall at this time.

To me, there is no more specious argument being urged against the measure, or any part of it, than the argument that we are trying to buy the friendship of nations and of people. We are not trying to buy their friendship; we already have their friendship. We are trying to make it possible for them to make their friendship effective, not only through military aid, but also through economic aid and aid proffered by the very section of the bill to which the amendment is offered. If we are justified in requiring that 75 or 50 percent of the fund shall be on a loan basis, it is difficult to resist the argument that the entire amount should be on a loan basis.

I imagine that after World War I, the United States never had a greater friend than the nation and the people of Czechoslovakia, a new republic, created out of the travail of that war, and whose first president was Thomas G. Masaryk. I remember hearing Woodrow Wilson say that Mr. Masaryk was the greatest man with whom he came in contact at the Versailles Conference, which resulted in the peace treaty. The people and the Government of Czechoslovakia were our friends. But they fell. I believe that if the people of Czechoslovakia could vote now, and could have their votes counted as cast, they would still be our friends, and among the best.

But they are under the domination of the ruthless, godless enemies whom we are fighting, and whom we are trying to aid our friends to fight, in order that they may help us also to win the fight.

So we are not trying to buy friendship; we are trying to make the friendship effective. Not only in any great world crisis, but in combating the gradual process of Communist infiltration, it will be futile for us to give military aid unless the recipient nations are economically strong enough to use such aid. We have had some experience in giving military aid to countries whose people were being subverted. I do not wish to name at this moment any country in which that has taken place, but we have had that experience.

Mr. President, I should also like to advert to the criticism of the Senator from Indiana against Mr. Stassen. It is not incumbent upon me to defend this administration, or any member of it, but I recall that when Mr. Stassen was before the Committee on Foreign Relations I myself asked him whether we ought to deceive the American people into the belief that this was a 1-year proposition, or whether we ought to tell them frankly that so long as the present threat against us exists, we must continue the aid. I believe they should be told. In response to that question Mr. Stassen answered in the affirmative. We do not think the aid program is permanent. It is not. We hope the time may come in the very near future when we will be able to abandon the program because we will not need it. But so long as the threat is at our door, so long as we do not have world peace, we must endure the burdens which it is necessary to carry in order to fortify the free world against a threat which may be withdrawn at one place and projected in another.

I hope the amendment will be defeated.

Mr. KNOWLAND. Mr. President, I do not disagree with what the Senator from Kentucky [Mr. BARKLEY] has said relative to the importance of giving assistance so long as the threat to the free world endures. I do not disagree with the statements made by the distinguished Senator from Vermont on the necessity of some economic assistance, and of not relying on military assistance alone. But I submit the amendment to the amendment which I have offered does not run contrary to either of their contentions.

In the first place, the particular section with which we are now dealing does provide economic assistance. The only thing the amendment does is to say it is the policy of the legislative arm of the Government of the United States, in the 84th Congress, that at least 50 percent of the fund in this particular title should be expended in the form of loans, whereas the public policy stated

by the legislative arm of the Government in the 83d Congress was that but 30 percent should be in the form of loans.

So, in my judgment, my amendment does not in any manner destroy economic assistance or the necessity for it, as indicated by the Senator from Vermont, nor does it destroy the fact that so long as danger exists, both military and economic, aid will be needed.

This particular amendment does not cut the total amount in the proposed legislation by a single dollar, but it does try to develop, from the viewpoint of the legislative arm of the Government, that we believe that as soon as possible the administration's own position, which is that we should extend the loan phase of the program, should be supported by legislative enactment of the Congress of the United States.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Michigan.

Mr. POTTER. Is it not true that this is not a new gimmick; that the loan provision is in the existing law, so that the language which would be restored by the adoption of this amendment is identical to the language which is in the existing law?

Mr. KNOWLAND. The Senator is correct. What we are trying to do by the proposal is to say that under the Constitution the legislative arm of the Government, composed of the Senate and the House of Representatives, is given all legislative power. The Constitution does not say we have one-third of the legislative power. It does not say we have 50 percent of the legislative power. It does not say we have 90 percent of the legislative power. Article I of the Constitution says:

> All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Last year, by votes of the Senate and the House, a 30-percent provision was written into the law. This year, to be sure, the administration, as it had a perfect right to do, suggested it preferred not to have the 30 percent limitation in the law. That matter was taken up in the committee. By a vote of 8 to 6, the committee supported the administration's point of view, but there was an honest difference of opinion in the committee.

The Senator from Michigan offered an amendment calling for a figure of 75 percent, which was a considerable increase from the 30 percent provision of last year.

In order to make an adjustment of the very reasoned arguments against making the figure as high as 75 percent, and somewhere between that amount and 30 percent, I offered the amendment providing for 50 percent, because I felt it was a reasonable amendment, and because the committee itself, in the section dealing with the $200 million fund of the President of the United States, wrote that at least 50 percent of the amount would have to be ultimately loaned.

Mr. POTTER. Mr. President, will the Senator yield at that point?

Mr. KNOWLAND. I yield.

Mr. POTTER. Would not the objections which the chairman of the Committee on Foreign Relations has made to the loan feature of the $165 million item also apply to the $200 million in the President's fund? If the argument with regard to the $165 million has merit, it certainly would apply to the $200 million fund which was provided by the committee.

Mr. KNOWLAND. If the amendment, whether it provided for 75 percent, or 50 percent, as proposed in the amendment I have offered, or the original 30 percent written into the law last year, applied to all the funds, I think valid arguments could be made against it, because military assistance to certain countries certainly could not be on a loan basis. But the amendment applies only to the approximately $165 million of the amount under the particular title to which the Senator has referred.

Mr. President, it seems to me there is nothing revolutionary about the proposal. There is nothing contrary to the established policy which the 83d Congress itself wrote into the law. It seems to me in writing the details of a bill we have a legislative responsibility to perform, and it is not unusual for us to exercise our independent legislative judgment.

Mr. LONG. Mr. President, will the Senator from Texas yield me 3 minutes?

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the Senator from Louisiana.

Mr. LONG. Mr. President, I shall vote against the amendment providing that 50 percent of the funds in question must be loaned.

The pending bill provides for economic aid to many countries. Military aid is provided in the bill, but, as the committee well points out, the emphasis is on economic aid and economic development of Asia.

Mr. President, it seems to me that, with respect to Asia, sooner or later we will have to decide which trend we are going to follow. Are we to follow the trend which was established with regard to Latin America, or follow the approach of the Marshall plan? There are three times as many people in Asia as there were people in countries affected by the Marshall plan. I think we did much good for Latin America through the offices of the Export-Import Bank, and in other ways.

In the case of foreign aid, why not do the same thing the Government does for a down-and-out farmer who may have lost his fruit crop because of a freeze? The Government lends him money. It is probable that no bank would make a loan to a down-and-out farmer who has lost his fruit crop by reason of a freeze. Nevertheless, the Government will make a loan to a farmer on a long-term basis. If the farmer does not pay the loan off, no one looks askance. Why should we look at a sovereign nation as more deserving than a bankrupt farmer? When the loan is made to a farmer, we expect him to pay it back. If he is unable to, it is all right; but if he can pay it back, that is all right too.

We have our agents going to different nations and telling them they ought to build railroads, or dig deep wells, or erect manufacturing plants or establish small industries, and otherwise develop their economies. Our agents tell those countries they can get money under the point 4 program. Should our agents tell them that the money will be given to them from Uncle Sam's Treasury, or tell them that they can borrow the money with which to develop their economies. It seems to me this Government should decide whether we will help develop Asia in the way we helped countries under the Marshall plan, or as we helped Latin America.

For that same reason I shall support the amendment, because I think it is a step in the right direction, although I shall vote against the 50 percent provision, for I would prefer that 75 percent be earmarked for loans.

Mr. MUNDT. Mr. President, will the Senator from Louisiana yield to me?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Louisiana yield to the Senator from South Dakota?

Mr. LONG. I yield.

Mr. MUNDT. I think the Senator from Louisiana answered my question in his concluding sentence. In other words, I understand that it is his purpose to vote against the pending amendment, in order that we can provide that at least 75 percent of the funds shall be placed under this program.

Mr. LONG. That is my hope.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. Mr. President, the minority leader has stated a strong case for his amendment to the amendment of the Senator from Michigan. I think I am correct when I say that in the committee the minority leader and I voted on the same side, in terms of striking from section 201, which is under the heading "Development Assistance," the following proviso:

> Except that 30 percent of the funds appropriated pursuant to this subsection shall be available only for furnishing assistance on terms of repayment in accordance with section 505.

Section 505 sets forth the details.

Mr. President, when I voted to sustain that 30 percent limitation, I thought it was wise to do so, in order that the act would contain a directive that the administrators should loan at least 30 percent, rather than leave it in the form of grants. In the committee there was considerable discussion of this matter.

Mr. President, consistency has been referred to. Let me say that I do not believe one proves he is correct, merely by showing that he is being consistent, when he may be consistently wrong.

I have reexamined the vote in the committee, and I have reached the conclusion that the argument of the ad-

ministrators of the Foreign Operations Administration was a valid one. They argued that this provision of section 201, which it is now proposed to change from 30 percent to 50 percent, should be stricken out, because in their negotiations with foreign countries the percentage limitation was oftentimes looked upon as a ceiling. They testified before our committee that in the case of some countries they would like to have up to perhaps 75 percent or 80 percent of the funds handled as loans, and yet with the 30 percent provision—and sometimes up to 50 percent—looked upon by our negotiators, as well as by the other countries, as a ceiling.

I am surprised that the minority leader does not have faith in those who are administering the program. After all, they seem to be men who were selected by his responsible leader and by our responsible leader. The men who are administering the program have stated to our committee that it is their objective to get more and more of the funds for development assistance into the form of loans. The committee stated its desire to have more and more of the funds handled as loans; and I was one of the members of the committee who insisted that the administration direct its attention to long-term loans at low rates of interest. The officials replied that in some countries loans could be negotiated, and in some countries both loans and grants would be required, and in some countries more loans and less grants would be required, and in other countries less loans and more grants would be required. The responsible officials stated that they needed to have authority for flexibility, in order to get the job done.

Mr. President, we are not talking about billions of dollars. This particular section relates to approximately $160 million plus. I am convinced that the pattern which was revealed to our committee indicates beyond a shadow of a doubt that the present tendency in connection with this program is for more and more of the funds to be in the form of loans. But I believe it would be unwise to shackle the hands of our administrators, particularly in the case of Asian aid, because for many of those countries a grant frequently is necessary in order to make a loan an acceptable financial device.

In this case, do we wish to prove that we are good bankers, or do we wish to prove that we are competent foreign-policy strategists and performers? Are we seeking results, or are we seeking a paper record showing that so many dollars are on loan at a certain rate of interest?

Frankly, Mr. President, I am worried about the interest rate which the administration may determine to charge. I think it is best to permit those who are administering the program to come back before us and be subject to scrutiny about their performance in accordance with their word of honor; and their word of honor to us was that they would press to have more and more and more of this money utilized as loans.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 more minutes.

Mr. HUMPHREY. I thank the Senator from Texas.

Mr. President, the administrator pleaded with the members of the committee—and I leave it to the chairman of the committee to correct me, if what I am saying is not the truth—not to put them in an economic straitjacket. The officials told us that if we would permit them to have flexibility they could have more of the money put into loans, and could do a better job with the dollars authorized by Congress.

Mr. President, no Member of the Senate believes more strongly than I do in the loan principle. I say most respectfully that I spoke in favor of that principle before our good friend, the Senator from Michigan, made his statement on this matter. I spoke in favor of that principle before the program was authorized. Let me point out that earlier this year the distinguished Senator from Montana said he thought more of this money should be in the form of loans. But, Mr. President, we must trust someone. Those who are running the program say they know what they must have. They say they know they can do a better job with the taxpayers' dollars if we do not impose inflexible rules.

Mr. President, we must resolve any doubts we have in favor of the pledge of honor, given to 15 members of the Foreign Relations Committee, as to how the money will be used. I am willing to give the administrators a chance to prove to us that we can rely upon their pledge of honor. In 6 months' time they will have to report to Congress, under the provisions of the bill. In 6 months' time they will have to tell us what they have been doing. Why not let them proceed for 6 months, so that we can see whether we can really trust the word of the administrators? Mr. President, I ask my Republican friends this question: If a Democratic Senator is willing to trust their administrators, why do not my Republican friends trust them?

Mr. CHAVEZ. I do not trust them.

The PRESIDING OFFICER. The time of the Senator from Minnesota has again expired.

Mr. ELLENDER. Mr. President, I should like to ask a question.

Mr. JOHNSON of Texas. Mr. President, I control the time in opposition to the amendment.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. ELLENDER. I thank the Senator from California.

Mr. President, I have listened to the arguments which have been advanced by my friend, the Senator from Minnesota [Mr. HUMPHREY]. I wonder why the committee did not take the same position in regard to the fund of $200 million, which the bill will allow the President to dole out?

Mr. HUMPHREY. Mr. President, I can answer that question.

Mr. ELLENDER. Because, as I understand, in that case it seems to me that it is equally desirable that we provide "that 30 percent of the funds appropriated pursuant to this subsection shall be available only for furnishing assistance on terms of repayment in accordance with section 505."

Mr. HUMPHREY. Mr. President, the Senator from Louisiana has a valid point, and I shall give him a valid and honorable answer.

First, the $200 million fund is not programed, and every Member of the Senate knows it. The $200 million is an Asian regional fund, a special fund that the President will be able to use to meet contingencies which as yet are not known. That matter was argued in the committee. Some members of the committee were very much disturbed that such loose authority was proposed to be given to the President.

I say again that I reconciled my doubts in favor of the Chief Executive. I, too, have plenty of criticisms of the Chief Executive, but, Mr. President, I reconciled my doubts in his favor.

What is the difference between the $200 million fund and the funds for development assistance? The funds for development assistance are for planned programs, and we know exactly where the money will go.

The PRESIDING OFFICER. The time of the Senator from Minnesota has again expired.

Mr. JOHNSON of Texas. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 more minutes.

Mr. HUMPHREY. Mr. President, already negotiations are under way, under the terms of this future authorization, for loans under section 201. Those funds are an entirely different set of funds. The $200 million of the President is something that is as yet unplanned, uncharted, unscheduled, unprogramed. It is a contingency fund, to meet what may be a disastrous situation in the Asian region. In other words, we have given to the President the extra money he may need to meet a catastrophe, to meet a shift in Soviet policy, or to meet an immediate situation which may arise in that area. What we did in connection with that fund, in order to tie down the President's hands a little more, was to require a loan basis. But when it comes to the section we are now discussing, section 201, this is programing that was done 3 or 4 months ago. So we know where the money is to go. We have been in negotiations with certain countries.

My plea to my colleagues is: Do not be so suspicious. First of all, the State Department and the Foreign Operations Administration told our committee that they could lend much more than 30 percent if they were left alone. They told

us that the last limitation we wrote into the law tied their hands. They told us they could have had many more millions of dollars out on loan if we had not inserted a percentage figure in the law.

I have thought this problem through carefully. I voted wrong once in committee, and I wish to correct my vote. If we write into the act the kind of limitation language now proposed, all we shall be doing will be compounding a misdeed. We shall be indicating that we have no regard for, no trust and no faith in, those administering the program; and possibly we shall be tying them down to uneconomic negotiations.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	McNamara
Barkley	Goldwater	Millikin
Barrett	Green	Monroney
Beall	Hayden	Morse
Bender	Hickenlooper	Mundt
Bennett	Hill	Neely
Bible	Holland	Neuberger
Bricker	Hruska	Pastore
Bridges	Humphrey	Payne
Bush	Ives	Potter
Butler	Jackson	Purtell
Byrd	Jenner	Robertson
Capehart	Johnson, Tex.	Russell
Carlson	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Scott
Chavez	Kerr	Smathers
Cotton	Kilgore	Smith, Maine
Curtis	Knowland	Smith, N. J.
Daniel	Kuchel	Sparkman
Dirksen	Langer	Stennis
Douglas	Lehman	Symington
Duff	Long	Thurmond
Dworshak	Magnuson	Thye
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Young
Frear	McCarthy	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND] to the amendment of the Senator from Michigan [Mr. POTTER]. On this question the yeas and nays have been ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. The vote is on the amendment of the Senator from California [Mr. KNOWLAND] to the amendment of the Senator from Michigan [Mr. POTTER]; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MAGNUSON. Mr. President, I do not wish to take any time of the Senate. I ask unanimous consent to have printed in the RECORD at this point, before the vote, a statement which I have prepared pertinent to the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ADMINISTRATION POLICY IN NEAR EAST

Debate on the mutual security program furnishes an appropriate opportunity to make a statement about the policy which the administration is now pursuing in the Near East.

I have had strong reservations about that policy for some time. I am referring to the fact that the Department of State is now furnishing arms to Iraq without requiring that Government to abandon its war against Israel. In my view—and many share this view—this prejudices the chances of obtaining an Arab-Israel peace.

There is much sentiment in the country for a bipartisan foreign policy. It is desirable to maintain a united front so that we may effectively mobilize all our resources in defending freedom from Communist aggression. But I doubt whether our current policy in the Near East responds to our best national interest, and I am therefore impelled to put my misgivings into the record.

This is not the first time I have had occasion to criticize the Department of State's policy in the Near East. Several years ago when there were powerful interests in the Department who were opposed to the establishment of the State of Israel and who almost succeeded in scrapping the U. N. partition decision, I was one of those who continually challenged that policy. That was during the days of a Democratic administration. I did not hesitate to criticize the State Department when Democrats were making mistakes. I see no reason why I should hesitate to speak out today, when it is the Republicans who are making the blunders.

Our purpose in the Near East today is to fill the vacuum in that region and strengthen it against Communist aggression or subversion. But we will not succeed in this purpose unless we enlist all the states in that area. We will not be able to do that effectively, unless these states make peace and reach regional defense arrangements.

In my view, the policy of shipping arms to Iraq strikes a blow at an effective defense arrangement in the Near East, not only because it endangers Israel, but because it alienates the other Arab States.

So far as Israel is concerned, the reason for that country's alarm is clear and manifest. If we arm Iraq or any other Arab State and we exclude Israel from our defense planning, we play into the hands of those who do not want an Arab-Israel peace; we raise the hopes of Arab extremists that they can have another round against Israel; we don't take advantage of the defense potential of the Israel army, which is by far the strongest force in the region next to Turkey; and we keep the entire region in the kind of tension and turmoil that the Communists welcome and exploit.

But Israel is not the only country in the Near East that resents our current policy. There has been a violent reaction in Egypt where the Iraq-Turkish treaty—negotiated with our blessing—was bitterly attacked. Egypt rejected an arms agreement with us, and today Egypt is more neutralist than it ever was before.

It is a mistake to think that the Arab-Israel conflict is the only source of disagreement and tension in the Near East. There are many. There are tensions within the Arab world, hostilities between families, jealousies and rivalries between states and their rulers. Our program to arm Iraq must surely be resented in Syria which may someday lose its independence and be swallowed up if Iraq's expansionist plans are ever carried out. Indeed, at this very moment there is growing tension inside Syria, as a result of apprehensions over Iraq's ambitions to dominate the fertile Crescent.

Iraq has always wanted to annex Jordan, and Saudi Arabia is in a continuing feud with both countries and it has also rejected our arms overtures. Was it really a sound decision to prefer Iraq over her Arab neighbors and to send her weapons which could be used not only against Israel but against other Arabs? Did we really gain friends this way, or did we lose more than we gained.

Now I believe that we must do everything to win the friendship of both the Arab peoples and the Israelis. But we can accomplish that by economic assistance and point 4 and do it much more effectively than by passing out guns to the palace guard. We are not likely to win many friends among the Arab peoples if we put guns into the hands of soldiers whose real enemies are the diseases endemic in their neighborhood. We should be giving the Near East the kind of weapons that will lengthen lives, not shorten them.

If anyone could prove to me that the sending of arms to Iraq would really strengthen the region against the Kremlin, I would not be on the floor here today. But the most vigorous exponents of this policy have always been frank to concede that our military buildup in the region is really political. They have repeatedly assured us that the guns we are sending to Iraq could not injure Israelis and we may assume that a military force unable to affect Israel would not be likely to cause tremors in the Kremlin. Then what is the reason for this program? Well, we are told that the reason is to secure stability; to shore up existing regimes, and to win them over to our side.

But this is dangerous policy, because we can never be sure that our arms are going to the right people. All of us remember that Mr. Dulles tossed a revolver on the desk of Prime Minister Naguib in Cairo when he visited the Middle East about 2 years ago. It was a gift from President Eisenhower. This was a curious symbol of American friendship. There are better ways of interpreting America's meaning to the peoples of Egypt. But, apart from that, we are entitled to ask, what became of that pistol? Naguib is no longer in power. He has been deposed by Nasser. He has gone the way of many Arab rulers. And that emphasizes the real danger. When our guns are used to shore up existing dictatorial regimes, which do not rest on the consent of the governed, what guaranty do we have that we are supporting the right regimes? Which coup d'etat is the right coup d'etat? How can we be sure that our guns won't be used to repel democratic change and to repress the majority? I question whether this is really the way to win the friendship of the Arab people.

One could elaborate on this issue at length. A review of the violent political changes in the Near East would demonstrate the futility and the danger of an arms program for the area at this time. Iraq's own record is not encouraging. That state has had seven military coup d'etats since 1936. It was the one state in the Near East which was so much dominated by Nazi influence that it went over to the Nazi side in 1941 and its army, which has never given any respectable account of itself, either in World War II or in the Iraqui invasion of Israel, had to be subjugated by small allied detachments. The Iraqui have never seemed to get over the effects of Nazi propaganda for they have always been virulently anti-Israel and anti-Jewish. They still refuse to sign an armistice agreement with Israel. The ancient Jewish population of Bagdad was the victim of mass murders in 1941—Jews have been publicly hanged in Iraq within recent years—and in 1951, the entire Jewish community of 120,000 which lived in the area far longer than the Arabs—fled to Israel, leaving homes and possessions behind.

While we vote to send arms to Iraq—arms which are paid for by all our taxpayers—we

should bear in mind that some of our taxpayers are not permitted to enter Iraq. No Jews—whether they be Israelis, or whether they be British Jews or whether they be American Jews—are permitted to go into this country.

I would most strongly urge the Department of State to take another look at this arms policy. I hope that it will decide to withhold further arms shipments to that country until it has publicly declared that it is ready to live at peace with Israel. There has been not the slightest sign of an improvement in Iraq's attitude since we began to send our arms to that country. On the contrary, their leaders appear to be more belligerent than ever and they make no secret of their determination to reverse their defeat of 1948. Moreover, there is already evidence that these arms shipments will not achieve their alleged purpose, for the first consignment brought us a reaction of disappointment.

Let me read a dispatch from Bagdad which appeared in the New York Times on January 14, from which I quote:

"Considerable disappointment was expressed here when the first United States shipment, said to have been composed exclusively of vehicles and engineer equipment, arrived at Basra December 19. Opposition Deputies in Parliament wanted to know why heavy weapons had not been delivered and they charged that the United States program had been cut to $25 million a year.

"The Government replied that United States material would be initially devoted to increasing the mobility and improving the communications of Iraq's forces. Negotiations on larger items are now in progress, it was said."

The way to repel the Communist menace is to give the average man and woman some stake in society, to give him food and clothing and shelter and education and some technical knowhow. If this is what America will stand for to the people of the Middle East, then we need not worry about Communist aggression and subversion. But if America stands for nothing but guns—all the military aid we can send at this time will be of no avail in the continuing war against the Communist propagandist and saboteur.

Finally, I would like to serve notice on the administration that it is my intention, as a member of the Appropriations Committee, to oppose any further appropriations for military aid to the Arab States, unless and until there is some clarification and improvement in the present situation. I hope that I will be joined in this position by Members on both sides of the aisle. For I believe that many of us in both parties are agreed that our country's highest interests in the Middle East will be best served by a positive policy which emphasizes the paramount need for peace and cooperation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND] to the amendment of the Senator from Michigan [Mr. POTTER]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MALONE (when his name was called). Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MALONE. The amendment of the Senator from California to the amendment of the Senator from Michigan reduces the amount which must be in the form of loans from 75 percent to 50 percent. Is that correct?

The PRESIDING OFFICER. That is a correct statement.

The Chief Clerk resumed and concluded the call of the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

I also announce that the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Arkansas [Mr. MCCLELLAN]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from Arkansas would vote "yea."

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

If present and voting, the Senator from Colorado [Mr. ALLOTT] and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "nay."

The result was announced—yeas 33, nays 50, as follows:

YEAS—33

Barrett	Eastland	Martin, Iowa
Bible	Ellender	Martin, Pa.
Bricker	Frear	Millikin
Bridges	Goldwater	Morse
Butler	Hickenlooper	Potter
Byrd	Hruska	Robertson
Chavez	Jenner	Russell
Cotton	Kerr	Thurmond
Curtis	Knowland	Thye
Dirksen	Kuchel	Williams
Dworshak	Langer	Young

NAYS—50

Aiken	Hill	Mundt
Barkley	Holland	Neely
Beall	Humphrey	Neuberger
Bender	Ives	Pastore
Bennett	Jackson	Payne
Bush	Johnson, Tex.	Purtell
Capehart	Johnston, S. C.	Saltonstall
Carlson	Kefauver	Scott
Case, N. J.	Kilgore	Smathers
Daniel	Lehman	Smith, Maine
Douglas	Long	Smith, N. J.
Duff	Magnuson	Sparkman
Ervin	Malone	Stennis
Flanders	Mansfield	Symington
George	McCarthy	Welker
Green	McNamara	Wiley
Hayden	Monroney	

NOT VOTING—13

Allott	Gore	O'Mahoney
Anderson	Hennings	Schoeppel
Case, S. Dak.	Kennedy	Watkins
Clements	McClellan	
Fulbright	Murray	

So, Mr. KNOWLAND's amendment to Mr. POTTER's amendment was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Michigan [Mr. POTTER].

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Have the yeas and nays been ordered on the Potter amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered on the Potter amendment.

Mr. JOHNSON of Texas. I understand that all time on the Potter amendment has been yielded back. Is that correct?

The PRESIDING OFFICER. All time on the Potter amendment has been yielded back.

Mr. JOHNSON of Texas. The yea-and-nay vote will now be on the question of agreeing to the Potter amendment. Is that correct?

The PRESIDING OFFICER. The yea-and-nay vote will be on the Potter amendment.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Minnesota will state it.

Mr. HUMPHREY. Is the Potter amendment the 75-percent loan limitation amendment?

The PRESIDING OFFICER. The Senator is correct. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. POTTER]. The Secretary will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

I also announce that the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Arkansas [Mr. MCCLELLAN]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from Arkansas would vote "yea."

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY],

the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Indiana [Mr. CAPEHART] are detained on official business.

On this vote the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting the Senator from Colorado would vote "nay" and the Senator from Kansas would vote "yea."

The result was announced—yeas 29, nays 52, as follows:

YEAS—29

Barrett	Ellender	Millikin
Bible	Goldwater	Mundt
Bricker	Hruska	Potter
Butler	Jenner	Robertson
Byrd	Knowland	Russell
Chavez	Langer	Thurmond
Cotton	Long	Welker
Curtis	Malone	Williams
Dworshak	Martin, Pa.	Young
Eastland	McCarthy	

NAYS—52

Aiken	Hickenlooper	Morse
Barkley	Hill	Neely
Beall	Holland	Neuberger
Bender	Humphrey	Pastore
Bennett	Ives	Payne
Bush	Jackson	Purtell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Scott
Daniel	Kefauver	Smathers
Dirksen	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Duff	Kuchel	Sparkman
Ervin	Lehman	Stennis
Flanders	Magnuson	Symington
Frear	Mansfield	Thye
George	Martin, Iowa	Wiley
Green	McNamara	
Hayden	Monroney	

NOT VOTING—15

Allott	Clements	McClellan
Anderson	Fulbright	Murray
Bridges	Gore	O'Mahoney
Capehart	Hennings	Schoeppel
Case, S. Dak.	Kennedy	Watkins

So Mr. POTTER's amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3990. An act to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska; and

H. R. 6499. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H. R. 3990. An act to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska; to the Committee on Interior and Insular Affairs; and

H. R. 6499. An act making appropriations for the Executive office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes; to the Committee on Appropriations.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ELLENDER. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Louisiana.

The LEGISLATIVE CLERK. It is proposed, on page 4, line 6, to strike out "$70 million" and insert "$35 million."

On page 4, line 8, strike out "$102 million" and insert "$51,250,000."

On page 4, line 10, strike out "$827,800,000" and insert in lieu thereof "$413,900,000."

Mr. ELLENDER. Mr. President, the amendment which has just been stated is one of a series of amendments which I propose to offer, which together will cut from the bill a total of $1,013,650,000.

For the past several days I have been quite busy trying to make a complete study of the pending bill, in all its implications, and the Senate Foreign Relations Committee's report and other data which were available to me.

Mr. President, several months ago when it was stated that the administration proposed an economic-aid program for Asia, as I recall, there was quite a flurry among Senators and Representatives, many of whom publicly announced their opposition to such a program They took the position that they did not desire to have our Government start in Asia what had been going on in Europe since 1948; in other words, they did not feel that our Government should embark upon an economic-aid program for Asia.

A careful study of the bill will indicate that the greater portion of the funds authorized represent nothing but economic-aid expenditures. In the series of amendments which I propose to offer to the pending bill—amendments which seek to curtail the total authorization by $1,013,650,000—I have not touched the $1,278 million which is included in the bill for direct military aid. As Senators will note from the bill, and also the report, there has been no allocation made of this direct military aid authorization. There is practically no information in the report to indicate how these funds are to be used, and nothing to show to which countries they will be allocated. I concluded that since most of the data in connection with the direct military aid are of a secret nature, and has not as of this moment been revealed to us, it would be difficult for me to now suggest any specific cuts in the direct military aid authorization. It is my intention, however, to give that phase of the program very careful scrutiny when our Appropriations Committee is called upon to appropriate funds under the authority contained in the pending bill.

Mr. President, as I have stated, I have a series of amendments to offer. In these opening remarks, I shall make a general statement which will be pertinent to all of them. I shall ask the indulgence of the Senate while I discuss some of the background concerning our present foreign aid program, and present my case in support of all of the amendments which I shall offer to the bill. I hope to do this within an hour, but if I am unable to do so, I shall ask the leadership to permit me to finish my statement, provided, of course, it will not require more time than would be allotted to me if I presented each amendment and requested 1 hour on each amendment. If the leadership will cooperate with me, I can assure the Senate that I will conclude this opening statement within an hour or an hour and a half.

Mr. President, it has been my privilege to travel all over the world. As a representative of the Committee on Appropriations, I have visited every country where we have undertaken foreign aid programs, and I have witnessed all of these various programs in operation. I know from first-hand experience how they work.

I believe I can state without fear of contradiction that our army of foreign-aid representatives abroad are very desirous of making this program a permanent one. As was stated in debate a while ago, the position is now being taken that our foreign policy from here on demands that we operate on a permanent basis a program similar to the one which we are now discussing; in other words, that a foreign aid program is part and parcel of our foreign policy, and that if we are to continue to maintain the friendship of the countries of the free world, we shall be obliged to continue to assist them economically.

Mr. President, among the programs that I shall seek today to curtail is, first, the development assistance program, which was under consideration a moment ago, when the Senate rejected an amendment to force loans up to 75 percent on any moneys which were made available under it. I shall offer an amendment to eliminate development assistance—which is just another name for economic aid—from the program altogether.

As I pointed out earlier in the debate on the pending bill, when the Senate enacted the so-called point-4 program, it was distinctly understood that in making technical assistance available to any country, that country should not assume and expect that if we stated that a certain program was necessary, we would thereafter furnish the money to carry through the program.

I read from the CONGRESSIONAL RECORD the amendment which was proposed by the distinguished Senator from Georgia, Senator RUSSELL, and adopted by the Senate, which stated clearly and concisely that under no conditions should our representatives abroad state to the host countries, in getting them to partic-

ipate in the technical-aid program, that we, in turn, would assist them financially in carrying out any program which we might recommend as a means of improving their economies. As a result of my inspection trips abroad, I pointed out to the Senate on several occasions, and I also reported directly to the Administrator of the technical-aid program 3 years ago, that, putting it mildly, our technical-aid program was then being misused. I showed by specific examples, country by country, that, in order to induce certain foreign governments to sign contracts for undertaking technical-assistance programs, some of our representatives had made promises that we would assist those countries in actually carrying out the programs if the host governments did not have the funds.

As evidence of that, Mr. President, I cited many instances in which colleges, hospitals, and other capital investment projects were erected with technical aid funds; in other words, I pointed out that economic aid projects were being undertaken under the label of technical assistance.

When I made those findings known, what happened? The technical-assistance program was divorced from capital-investment undertakings, but simultaneously the Mutual Security Act was amended and a section was added to it authorizing this so-called development assistance.

The net result has been, Mr. President, that our representatives abroad have been able to continue to give assurances to countries that, if they contract to carry on the technical aid programs, they can expect to share in the economic aid funds provided under this development-assistance program.

That is why, Mr. President, at the appropriate time today I shall offer an amendment which would have the effect of eliminating the authorization for the entire amount of $165 million for development assistance.

I want to remind the Senators that not only is this $165 million of development assistance funds to be used in that fashion, but there are other funds provided in the bill, such as funds for direct forces support and for defense support, which are to be used, by means of transfer or by the generation of counterpart funds, in order to furnish the actual construction costs of projects worked up by our technical assistance experts.

Mr. President, I am now and have always been, a strong advocate of the technical aid program. I think it is a marvelous program. If through our helping hand the underdeveloped nations of the world can be encouraged to develop their God-given natural resources and make use of them properly, as we have done in this country, I do not know of anything which would bring more contentment to this world, and which would assure mankind that the millenium of peace we so often talk and dream about is just ahead.

Mr. President, the United States has spent, since World War II, almost $50 billion in trying to assist our friends across the seas. I voted for the so-called Marshall plan because I thought it was a good program, and I still think it was a good program. Under the Marshall plan we gave generously to assist those nations which had been overrun in World War II by a cruel enemy. As a result of the long, devastating war years their economies had gone to pieces. When I voted for the program—and I am sure that I speak not only for myself, but for the other Senators who voted for it—it was our desire to restore the standard of living of our friends across the seas to its prewar level, and we hoped to raise their industrial capacity and their agricultural production to such a point that, if ever the time came when we would need them to help us maintain peace and order in the world, they would be in a position to lend us a helping hand.

Mr. President, I wish to read from the record a short excerpt from the statement of the first Administrator of the foreign aid program, Mr. Hoffman, when he appeared before the Senate Appropriations Committee in 1949. Many of us felt at that time that the amount we were being asked to contribute to this undertaking was too large. Many of us thought that the time element should be considered. So when Mr. Hoffman came before the Committee on Appropriations on June 8, 1949, we questioned him very closely. I, for one, asked him how much money it would require in order to put our friends in Europe back on their feet.

He replied:

From $17 billion to $18 billion.

I asked him:

How long will it take?

He replied:

About 4 years, maybe 4½ years.

I asked him:

What is the goal?

Mr. Hoffman stated that if we could raise the industrial production of the countries of Western Europe, assuming prewar production as 100 percent, to 125 percent, we could end the program.

Why did he say that? Let me read his exact words, as shown on page 35 of the hearings before the Senate Appropriations Committee when it had under consideration the foreign-aid appropriation bill of 1950, H. R. 4830.

Mr. Hoffman said:

I would like to make one final point.

He is speaking now to the committee—

It may at first glance seem paradoxical, but I look upon the European recovery program as our best hope for bringing Government spending down to a point where taxes will not be so oppressive—to a level at which our free economy is not in danger.

I say this because I see no way in which our tax burden can be reduced substantially unless the threat of war and the consequent necessity for maintaining an abnormal Military Establishment is reduced.

Listen to this, Mr. President:

This economy cannot go on indefinitely spending $15 billion or more a year for military defense.

Yet, as the distinguished Senator from New Mexico stated a moment ago, we have been spending over twice that much, in recent years.

I read further:

The surest way I know of to reduce the danger of war so that we may reduce our Military Establishment is to carry on the recovery program, to the point where a free and self-sustaining and unified Europe is able to play its full role in cooperation with the United States and other free countries in maintaining the peace and prosperity of the world.

Mr. President, as I have said, when I voted for the original ECA bill, I did so on the premise that if it were possible for us to place the countries of Western Europe back on their feet and make it economically possible for them to lend us assistance in the future in our efforts to maintain world peace, then our own sacrifice in depriving ourselves in order to give to our allies would be worthwhile.

But what has happened under the European recovery program? Not only did these countries reach the 125 percent of prewar production goal, placed by Mr. Hoffman, in 4½ years, but they actually achieved it at the end of 3 years. Was any effort made to stop the program once the goal had been reached? Oh, no. Instead, our planners on the Washington level and our planners in the field sought to make the program even bigger. But instead of using the old program of ECA or direct economic aid, it was changed into a military-aid program. As I stated a moment ago, if anyone reads this bill carefully he will find that all of the $3,500,000,000 authorization, except $1,278,000,000 for military aid, is in the nature of economic aid. Under the defense-support provisions, we send goods to a country—for instance, we send them to the Near East, to Africa, and Asia—and those countries sell the goods to their own people, and thus create a fund, known as a counterpart fund, which is used to build dams, repair their railroads, erect hydroelectric plants, and the like.

As is pointed out on page 17 of the Senate Foreign Relations Committee report on the pending bill, in describing defense support:

This type of aid consists primarily of machinery and commodities (including surplus agricultural commodities). When the goods are sold in the country being aided, the local currency received in the transactions is used for further defense purposes—sometimes for budget support or sometimes for other projects designed to increase the country's capacity to maintain armed forces of the desired size.

And again on page 9, the committee report states, in describing the defense-support program:

It differs from economic assistance not so much in form as in purpose.

Mr. President, the Lord only knows that we cannot maintain a foreign economic aid program and expect to remain solvent, particularly when every dollar we have been making available to our friends across the seas is borrowed money.

It may be of interest to the public to know that in the past 24 years we have balanced the budget on only 3 occasions, and 2 of those were in years immediately following World War II. The budget was balanced then because World War II had ended, and we did not spend the

money which had been appropriated for carrying on the war. When the war was ended, the unspent money was returned to the Treasury. The third time the budget was balanced was in 1950, when the Korean war came on. It will be recalled that Congress imposed a 10-percent increase in the tax on individual incomes and a 5-percent increase in the tax on corporate incomes, as well as increases in various excise taxes. The additional income could not be spent immediately, because it was to be used to pay for the cost of the Korean war. The result was that it was possible to balance the budget for that year. But it was budget balancing in name only; it was not anything that we could really boast about.

Mr. President, I ask again, how long can we continue borrowing money to finance overseas give-away programs? Can we afford to make this program a part of our foreign policy, to be continued indefinitely? In my humble opinion, if we embark on a permanent economic-aid program, we will in the long run destroy our own way of life. We do not have to undergo another war, in order to have our economy destroyed. If we keep on piling up debts, we will eventually pile the debt so high that the carrying charge will become so great as to destroy incentive. It does not require any great imagination to foresee what will happen to our democratic way of life when that occurs.

Mr. President, I came to the Senate in 1937; this is my 19th year here. The amount of money Congress appropriated during the first year I served in the Senate—the amount required to run every department and agency of the Government, including the armed services, the State Department, and all the other Government agencies—was only a few hundred million dollars more than the amount now required merely to pay the interest on the national debt. All that has occurred in the past 19 years. In other words, the present carrying charge on our huge national debt, which is climbing and climbing and ever rising higher, is now almost as much as the amount Congress appropriated 19 years ago for the operation of every department and agency of the Government.

Mr. President, let us see how our neighbors have fared as a result of the economic aid we have made available to them. I have before me a table showing the degree of their recovery. The table I have assumes, for 1938, an index of industrial production equal to 100. I point out to my good friend, the Senator from Indiana [Mr. CAPEHART], that at the end of the year 1954, the average industrial production index for all the countries of Western Europe was not 125 percent as Mr. Hoffman had aimed for, but 154 percent of prewar. Mr. President, it does seem to me that since we have assisted our friends across the seas in making so splendid a recovery, we should be able to count on them to cooperate with us in assisting the underdeveloped free countries of the world. They should come forward now and volunteer to do so, particularly in view of the fact that, in spite of the enormous debt burden resting upon us today—a debt which, as I have said, amounts to $277 billion—we are now spending for our defense purposes, in other words, in order to take care of our own military establishments, both here and abroad, 68.3 percent of our entire budget.

Take Formosa. Today who is worrying about Formosa? Only Uncle Sam. There is no one else out there. We are the only ones who seem to be interested in maintaining Korea's independence. We are the only ones who are assisting Chiang Kai-shek by furnishing him with implements of war, tanks, boats, a small navy, and other types of assistance. No one else seems to be bothered about the acute situation in the Far East.

We had what has been called "a little skirmish" in Korea. In that connection the other day I listened to former President Truman on television on Ed Murrow's program. His sweet little daughter was asking him questions. She asked him what was the toughest decision he had to make while he was President, and he replied, "The decision to send our boys to Korea."

Mr. President, our country is a member of the United Nations. All of our friends in Western Europe, whom we have been helping for many years, also belong to that great organization. But when the Korean emergency arose we were the ones who had to carry the ball. When it was all over, we had assumed more than 90 percent of the cost of that war, and we furnished more than 90 percent of the foreign soldiers who fought in Korea.

Who assumed the responsibility in Indochina? It was Uncle Sam. We ended by paying more than 80 percent of the cost of the war in Southeast Asia.

Mr. President, we cannot keep picking up the check for the rest of the free world, and hope to remain solvent. If ever the economy of the United States is destroyed, there will be nothing but darkness in this world. We cannot afford to continue to carry the entire load, particularly after having spent so much of our resources and having added so much to our debt burden in order to bring prosperity to the countries of Western Europe. Our allies, Mr. President, should now be at our side helping us to develop the economies of the underdeveloped nations of Asia. That is why I am asking that the Congress curtail that part of the pending authorization, which is devoted to purely economic aid.

Efforts should be made immediately to get our friends to assist us in this tremendous long-range undertaking.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LONG. Can my colleague inform me how much the amendment he has offered would reduce the authorizations of the pending bill?

Mr. ELLENDER. The pending amendment would reduce the authorization for defense support by about half a billion dollars. But, as I stated in my opening remarks. I have a series of 5 amendments which, if adopted by the Senate, would reduce the amount of the bill by $1,013,650,000.

I invite the attention of my colleague to the fact that because that portion of the bill dealing with direct military aid is not allocated either in the bill or the committee report and because we have not been told where it is to be used and actually know nothing about it—there is nothing in the RECORD about it—I left that out entirely, so that we could deal with that question before the Appropriations Committee when those in authority come before us to justify the one and a quarter billion dollars for direct military aid. So the amendments I am now proposing, and which would cut over a billion dollars from the bill, deal solely with economic aid programs, which are labeled in the bill "defense support" and "development assistance."

Mr. LONG. If I correctly understand, the Senator is not offering his amendments en bloc, but he is offering 1 of a series of 5.

Mr. ELLENDER. The Senator is correct.

Mr. President, a moment ago I cited examples of the industrial progress made by the Western European nations. I should like to give the figures for other countries of Western Europe.

Take Belguim, as an example. As of 1954 her industrial advancement was 144 percent; Denmark, 165 percent; France, 148 percent; Greece, 167 percent. When I was in Greece last fall it had gone up to 172½ percent. That was a few months ago. The figures I am now giving are for 1954.

Mr. LONG. Does the Senator mean that Greece, for example, has advanced her industrial production 68 percent over the former level, in 1938 or 1944, or does he mean 168 percent?

Mr. ELLENDER. In computing the industrial production index of a country, 1938, the year before the war, is represented as 100. In other words, we start with 100 percent as the pre-war level. As I stated a moment ago, this is an old table—it represents the 1954 level. I was in Athens last November, and I was told by our representative there that Greece had made a great recovery, and that her industrial production had increased by 72½ percent over the pre-war figure—that her present industrial production index is 172½ percent of prewar.

Mr. LONG. In other words, Greece is now 72½ percent more productive than before the war.

Mr. ELLENDER. That is correct.

Mr. LONG. Still we are sending her economic aid.

Mr. ELLENDER. That is correct. I should like to state that I feel sorry for the Greeks. They are good, fine people. Here recently they experienced a little earthquake, and because of the earthquake they are asking us for $15 million. In other words, when anything happens to them, they say, "Come and help us." I am glad to help them but I believe our European allies ought to be willing to help them also.

Mr. LONG. Does my colleage agree with me that there is practically nothing the bill would do that these people could not do for themselves if they had the determination and energy to do it?

Mr. ELLENDER. I am convinced of that. I am convinced also that if the leaders of those countries were briefed

on our own economic picture, on the tax burden and the debt burden on the backs of the American people, they would say to us what was said to me by two kings whom I visited last year; namely, that for us to be making available to anyone borrowed money was just plain foolishness. During the conversation I was told by these two rulers that not only was it foolish, but that if we continued such spending, sooner or later our economy would be destroyed, and if ever that occurred, the whole world would be in darkness. I am in complete agreement with that statement.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the senior Senator from Louisiana yield to the junior Senator from Louisiana?

Mr. ELLENDER. I yield.

Mr. LONG. Does not my colleague agree with me that the charts which are produced to indicate that, if we had not given these countries a few million dollars, the great economic recovery would never have occurred, are misleading because those countries would have recovered anyway by hard work on their own part, and the aid we gave them accounted for only a small portion of their recovery, perhaps only 5 percent?

Mr. ELLENDER. The trouble with the program was that we went too fast with it. We gave these countries too much money. Let us take the case of Austria. I was in Vienna last November. Senators may not believe this, but the Austrian Government had in its treasury, of these counterpart funds, a half billion shillings which they did not know how to spend. They could not spend that money in accordance with the rules and regulations set by us. The money is still there.

Let us take Norway. Norway is a fine country, and the Norwegians are fine people. We let the Norwegians have $411 million, as I remember, in round figures. What did Norway do with it? $309 million of that money was used to pay off their debt. In other words, what we did was to send borrowed United States dollars to Norway so that Norway could retire some of its debt. I say that is foolishness.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LONG. Was Norway successful in paying off her whole debt with the money she received from us?

Mr. ELLENDER. I do not know, but she used either $289 million or $309 million—I do not remember the exact figure—of the money that we sent her to pay off her debt.

Let us take Italy, and consider the progress made there in industrial production. As of 1954, it was 171 percent of prewar; in the Netherlands it was 172 percent; in Norway, 180 percent; Turkey, 232 percent; the United Kingdom, 147 percent.

Now let us examine the progress made in agricultural production. The same method has been used in arriving at these figures. That is, we assume that for 1938 the index of agricultural production was 100 percent. As of 1954, agricultural production in Belgium had increased 14 percent; in Denmark, it had increased 22 percent; in France, 18 percent; in Greece, 26 percent.

Mr. President, all those countries are relatively small in area, and almost every acre of their land has been under intensive cultivation even prior to World War II. Notwithstanding that intensive cultivation, through our assistance and through advice from our agricultural experts, they have been able to increase their production of food and fiber percentagewise to the extent that I have indicated.

Let us examine the situation in Turkey. That is a fine country. The Turks are fine people. They are great soldiers, and they are hard workers. As I indicated a while ago, the industrial production of Turkey as of 1954 was 232 percent of prewar, and, Mr. President, her agricultural production as of 1954 was 164 percent of prewar. Yet in spite of that increase in industrial production and in agricultural production, Turkey will be given quite a large sum from the defense support funds authorized in the pending bill—$50 million. And in addition, Turkey will be given $20 million of direct forces support.

I am not asking that the entire $50 million of defense support funds allotted to Turkey be eliminated. However, I say we should give Turkey only half of what is suggested in the pending bill, in the hope that our friends in Europe will put up the other half. That is the theory on which my amendment is grounded.

I am convinced that it is sheer folly for us to inaugurate a program of this magnitude on a permanent basis, as is being suggested by our leaders on the Washington level, both in the Senate and at 1600 Pennsylvania Avenue.

Mr. President, I could cite more figures of production increases, but I do not want to delay a vote on the pending amendment. I ask unanimous consent to have printed in the RECORD at this point the table from which I have been reading.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Country	Per capita Defense expenditures	Defense expenditures as percent of total budget	National debt	Industrial production [1]	Agricultural production [1]
Belgium	$47	23.5	$5 billion	144	114
Denmark	30	20.0	$1.2 billion	165	122
France	86	34.4	$14.6 billion	148	118
Greece	15	35.9	Not available	167	126
Italy	18	20.9	$6.2 billion	171	124
Netherlands	38	22.3	$5.8 billion	172	119
Norway	47	28.0	$1.6 billion	180	115
Portugal	8	32.4	$462 million	[2]	134
Turkey	16	43.4	Not available	232	164
United Kingdom	95	36.3	$73.5 billion	147	129
Germany	40	21.2	$9.6 billion	142	118
Spain	12	36.5	$1.8 billion	136	106
United States	287	68.3	$276 billion		

[1] Prewar = 100.
[2] Not available.

Mr. ELLENDER. What I have sought to point out, Mr. President, is that by the expenditure of these vast sums we were able to increase the productive capacity of our friends across the seas to a point far beyond our expectations at the time the program was initiated. All of us expected—I know I did—that once these countries reached their goal, then if we ever needed them in order to help us carry the burden of maintaining our freedom and as well as their own, they would join hands with us and assist us.

Mr. President, in addition to the money we spent on our European allies by way of grants and loans under ECA and other programs, the NATO agreement was entered into.

Surely when that agreement was entered into, and in the light of the healthy conditions, economically and agriculturally, in which our friends found themselves at that time, I thought, and I am sure many other Senators also thought, that those countries would conscientiously try to carry out their part of the agreement. However, what happened with respect to the cost of the NATO undertaking? Not only did we have to take care of our own defense obligations here at home until it hurt, and not only did we take care of Korea and Formosa and southeast Asia, almost single handedly, but we also had to provide from 20 to 30 percent of the money necessary for the countries of Western Europe to carry out their part of the NATO agreement.

That, Mr. President, is going beyond all reason, and in view of what has happened in the past, I am very hopeful that Congress will see the light and try to shift some of the foreign-aid burden to the friends we have assisted. There is no reason why they should not assume a part of that burden.

Let us consider southeast Asia. Who is in danger there? Is not Australia in danger? Australia is a country as big as our own, even though it does not have the population we have. Surely Australia ought to be able to contribute something toward helping in this undertaking. New Zealand ought to be able to do likewise. Surely the British, with so many interests in that area—in Malaya, Hong Kong, and in other places—ought to be willing and able to assist us in carrying the load.

However, whenever we knock on the door there is no one at home. Seemingly we are the only nation that is destined to carry the whole load. If we continue doing it ourselves, and if we listen to the planners on the Washington level and to

our representatives who administer the program throughout the world, we will continue to carry it alone from now on.

Mr. CAPEHART. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. CAPEHART. Would the Senator recommend that we confine the aid recommended in this bill entirely to Asia, Latin America, and possibly the Near East and the Middle East?

Mr. ELLENDER. That is what we are doing.

Mr. CAPEHART. There are other areas.

Mr. ELLENDER. There may be military aid going to other areas. I am not prepared to discuss that phase of it, for the simple reason that there is nothing in the record to show where the direct military aid is to be used, or how it is to be used.

Mr. CAPEHART. If the Senator means the military assistance under section 2, amounting to $1,275,000,000, quite a bit of that goes to Europe.

Mr. ELLENDER. The Senator is correct, I believe. I hope to be able to deal with that when the proponents come before the Appropriations Committee for the money to carry out the program. It will be noticed also that the development assistance funds for the Near East and Africa are unallocated. I understand that the reason why these funds are not allocated is because in the Near East there seems to be a little tug of war going on between Israel and the Arabs, as to who shall get how much. Whether that is true or not I do not know. I was informed that it might not be a good idea to let the Arabs know how much Israel is getting, or to let Israel know how much is being given to the Arabs.

Mr. CAPEHART. I thought the Senator made a good factual case with regard to production and prosperity in Europe, and that the nations in that area might well give up American aid, including military as well as economic aid, and that it might go to Asiatic countries, or to Latin America or other countries which need help. Would not that be the proper procedure?

Mr. ELLENDER. I agree with the Senator, but I would go further than that and have them not only carry their own load militarily, but help us to carry the load for military and economic aid in the Near East, in Africa, and in Asia.

Mr. CAPEHART. In other words, words, what the Senator is recommending is that we may as well eliminate aid to those who may no longer need it, and they might help us in carrying the load in Asia, the Middle East, and the Near East.

Mr. ELLENDER. That is the essence of my argument and it is the theory on which is based all the amendments I am offering.

Mr. CAPEHART. I think the Senator has made an excellent factual case for his position.

Mr. ELLENDER. I thank the Senator.

Mr. President, I could go on and deal further with this general problem and give more facts, but I should like now to address myself for a few minutes to the impact which all these vast expenditures abroad have had on our own economy.

As I pointed out, our debt today is approximately $277 billion. I am wondering if Senators realize the size of it. When we say $277 billion no one knows what it means. The figures are so huge, so astronomical, that we cannot conceive of the size of our national debt.

Some time ago I did a little figuring on this subject. Suppose that tonight, at midnight, the 96 Senators who adorn this body were to start counting our debt. Suppose each Senator worked 24 hours a day—that is about what we are working at this time—without stopping for anything, and assume that each Senator counted at the rate of two 1-dollar bills a second, or 120 1-dollar bills a minute. How long do Senators think it would require them to count our national debt?

I do not expect an answer, because I am sure that Senators have not figured it out on this basis. But if all 96 Senators were to start counting our debt tonight at midnight, and assuming that each Senator would count at the rate of 120 1-dollar bills per minute, and worked 24 hours a day, it would take 47 years to count the debt.

I made another calculation, Mr. President. Suppose we were to take these dollar bills, attach them together, and make a ribbon of them. How many times would that ribbon of dollar bills go around the world? I do not expect Senators to answer that question now, either——

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Has the Senator from Louisiana consumed an hour?

The PRESIDING OFFICER. Approximately an hour.

Mr. JOHNSON of Texas. I wonder how much time the acting minority leader would like to yield at this time?

Mr. CAPEHART. Mr. President, I yield 25 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Chair would like to inquire of the Senator from Louisiana whether he wishes to have his amendments considered en bloc.

Mr. ELLENDER. No, Mr. President. What I propose to do——

Mr. JOHNSON of Texas. Mr. President, a parliamentary statement. I understand the minority leader controls the time in opposition to the bill, and I understand that the Senator from Louisiana is opposed to the bill. The acting minority leader has agreed with me that he would yield up to 30 minutes, so I should like to have 25 minutes of that time yielded to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I have five amendments to the pending bill and I have a sixth one which I may offer. That would give me a total of 6 hours time. But I do not intend to consume that much time. I wish to conclude my general statement on all my amendments, and then reserve about 5 minutes for each amendment to explain each of them before the vote is taken.

Mr. JOHNSON of Texas. As I understand, after the Senator has consumed his 30 minutes, there will be, as he calls up each amendment, an hour to each one.

The PRESIDING OFFICER. The Chair would like to inquire again of the Senator from Louisiana, with reference to his pending amendment which is divided into three portions, whether he wishes it considered en bloc.

Mr. ELLENDER. Yes, Mr. President. I misunderstood the Chair's inquiry.

The PRESIDING OFFICER. Without objection the amendments will be considered en bloc.

Mr. ELLENDER. Mr. President, as I stated a while ago, suppose we take the $1 bills represented by our $277 billion national debt and make a ribbon of them. How many times would that ribbon circle the globe? I do not expect Senators to answer that question, because they have not figured it, but it would go around the world a thousand times; it would reach a hundred times the distance from the earth to the moon.

Mr. President, we are today voting on legislation that will add more and more to our already astronomical national debt. Yet we expect also to keep solvent and to maintain our way of life. I fear that it will be impossible for us to do so.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LONG. Putting it another way, the latest figure I saw was that in terms of purchasing power our debt is more than $100 billion greater than that of all the other countries of the world combined.

Mr. ELLENDER. I do not know the exact figure, but I know that our entire debt is much more than the combined debts of all the other nations of the world

Mr. President, what is the effect that all this activity is having on our own economy? We have been living for many years in a state of emergency. We have been neglecting the conservation of our own soil. We have been neglecting to build dams where they should have been built years ago, so as to protect and conserve our soil. We have been neglecting the maintenance of our harbors, and of our waterways, and of other public works projects.

We seem to have forgotten that the land in this country which is suitable for cultivation—arable land—is limited. The experts tell us that today 462 million acres are arable. It is from those acres that we are able to give to the people of our time the standard of living which they are now enjoying.

It has been stated that in addition to the 462 million acres, another 45 million might be recovered—15 million acres released from the feeding of horses and mules, and another 30 million acres from reclamation.

So the entire amount of arable land we can ever hope to have in this country is only 507 million acres.

If our population is to continue to increase at the present rate, which is now

some 2,700,000 persons a year, it is estimated that by 1975, only 20 years from now, the population will be 221 million. If the people of that generation—that is, of 1975—are to have the same standard of living as we enjoy today—or, let us say, as we enjoyed in 1950—165 million more acres than we now have will be required. But the amount of our arable land is decreasing year by year while the population is increasing.

Right now, as I have just indicated, it is estimated that we are losing, through flows into the gulf and the oceans, precious topsoil in the amount of about 500,000 acres annually. It goes without saying that with an increasing population and a decreasing amount of land it will not be many years before the United States will be a have-not nation. There will be a shortage in the production of food and fiber to meet the needs of our population.

Mr. President, what has caused my heart to ache the most has been to go abroad and to see our funds being used to carry on projects in foreign lands, under giveaway programs similar to the one now before us, while we are denied funds to carry on these same kinds of projects here at home.

While we undertake ambitious flood-control, irrigation, and hydroelectric-power programs in other lands, we have a backlog of authorized flood-control projects here at home totaling $5.2 billion. Our backlog of authorized public-building projects totals $2.3 billion. According to the President's Advisory Committee on a National Highway Program, in the next 10 years there will be a gap of $54 billion between highways needs and highway facilities. In public-school construction alone we are faced with an $11 billion backlog.

Mr. President, I shall not take the time of the Senate to read from the short memorandum which I have prepared to show what we plan on doing in various countries under the pending bill to carry on public-works projects similar to those which are being denied to our own people here at home. I shall ask unanimous consent that the statement be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXHIBIT IX

Spain: Financing improvement in railway lines ($6.9 million), improving Cadiz port facilities ($0.7 million), civilian airfields ($0.6 million).

Irrigation and reclamation of barren lands ($5 million), machinery for construction of irrigation dams and main canals (0.8 million), and expansion of fertilizer industry ($1 million).

Electric transmission lines, etc. ($6 million).

Yugoslavia: $35.5 million in defense support. About one-half will be used for purchase of United States surplus commodities, the counterpart funds thus generated to be used for internal improvement. (No breakdown as to these.) The remaining one-half will be used as follows: Transportation, including the purchase of United States earth-moving and highway equipment, $4 million; port and terminal facilities, $1 million; $2 million to supply spare parts, repairs, and critical equipment to industrial sectors "neglected thus far as a consequence of the foreign exchange shortage." Remaining defense support funds to be used for "critical defense sectors"—$4 million in direct force support—for aviation fuel and other items, $1 million in technical aid.

Egypt: United States and Egypt signed in November 1954 a development assistance agreement involving $40 million in United States funds, $7.5 million in form of loan. The funds would be used as follows: Highway improvement, $10,089,000; potable water supply, $7.5 million; improvement of waterways, $4.3 million; equipment for machine workshops, $1.4 million; railroad improvement, $16.2 million. There is in 1956 fiscal year justification book no indication of how much of these amounts the United States will attempt to defray next year; the development assistance involved is contained in a regional total (Near East and Africa) which is not broken down. However, it is indicated that fiscal year 1956 work will include construction on the Cairo-Aswan Highway, port improvement, grain silo construction, irrigation pumping stations, and powerplants. The high Aswan Dam, a reclamation and power project, is not included in the budget justification, but the statement is made that "it is considered by the Egyptian Government to be the most important project for the long-range development of their country." The United States has aided in the dam's planning.

The statement is also made that the United States has contributed $60 million to the Egyptian technical assistance and economic development program to date. Fiscal year 1956 will find the United States contributing $4 million for technical aid to Egypt plus a "substantially larger sum for special economic aid." It is expected that about half of the special economic funds will be in the form of commodity imports to generate local currency, including a significant amount of wheat.

Ethiopia: No development assistance schedule per se, but $1.4 million out of a proposed $3.4 million in technical assistance will be in supplies and equipment.

Greece: Defense support, $15 million, to be used to purchase wheat for the civilian economy. Local currency proceeds to be used for budgetary support. Technical assistance is contemplated in the amount of $1.5 million, $400,000 of which will be for supplies and equipment.

Iran: Defense support funds (primary local currency proceeds generated by sale of agricultural commodities) will be made available in the amount of $37.5 million. This will include $17.5 million for defense construction projects, $3.5 million for technical cooperation requirements (evidently supplies and equipment which the host government would normally supply) and $16.5 million for budgetary support.

In addition, $10 million would be made available for technical aid, $1.2 million of which involves the purchase of supplies and equipment.

Iraq: A total of $2.3 million in technical assistance would be made available, $138,000 of which involves the purchase of supplies and equipment.

Israel: No breakdown; contained in regional total, but both development assistance and technical aid will involve public-works projects of some nature.

Jordan: No development assistance breakdown, but it is indicated that the largest portion of these funds (contained in regional breakdown) will be used for highway and water development. The $2.8 million technical-aid program includes $399,000 in supplies and equipment. It should be noted that the statement is made that United States development assistance in the past has made possible the reclaiming of 5,000 acres of desert land, construction of new irrigation systems, and the building of some 83 kilometers of useful highways. An additional 69 kilometers are under construction. "Basic engineering fundamental to the proposed irrigation of the Jordan Valley is virtually complete."

Liberia: A $1.8 million technical-assistance program is contemplated for fiscal year 1956; $223,000 would be in the form of supplies and equipment.

Libya: Development assistance for fiscal year 1956 included in regional total—no breakdown available. However, during fiscal year 1955, 27,000 tons of grain were granted to Libya under title II of Public Law 480; the grain is being distributed free or in partial payment for work on public works undertaken by the Libyan Government.

Technical assistance for fiscal year 1956 totals $5 million; $3.7 million is in the form of supplies and equipment.

Saudi Arabia: No program for fiscal year 1956; in December of 1954, however, FOA authorized funds to the United States Geological Survey in the amount of $170,000 to complete work on a project previously underway in Saudi Arabia to compile geographic and geologic maps; prepare final reports on water and mineral resources of Saudi Arabia, to analyze chemical and mineralogical material collected in the field.

Syria: No aid requested thus far, but funds have been made available under the regional development assistance total (referred to previously above) in case Syria desires to participate in unified planning for full utilization of the water of the Jordan and Yarmuk Rivers.

Turkey: For fiscal year 1956, $50 million in defense support is proposed; this amount will be used to generate counterpart. The counterpart will be used for budgetary support, and for trucking, highway, and agricultural equipment and spare parts and for machinery needed in the development of smaller industrial plants. Some dollar funds will be placed in the Turkish Industrial Development Bank to provide dollar exchange for private producers in the industry and mining fields who desire imports from the United States.

Technical assistance totaling $2.5 million is proposed for fiscal year 1956; $580,000 would be used for equipment and supplies.

Direct forces support totaling $20 million is also proposed, to be used for petroleum, machinery, raw and semifinished products for direct consumption by the Armed Forces.

Overseas territories (Near East and Africa): Only $4 million in technical assistance scheduled for fiscal year 1956; however, justification points out that a series of projects have been completed in the Belgian Congo and recommendations have been made to Congo authorities as to setting up new divisions for vocational education, agricultural extension and agricultural economics. These have been accepted.

During fiscal year 1954 $10.3 million in surplus commodities were imported into the European metropolitan countries, with the counterpart used in the overseas territories. This amount included $5 million in France, $5 million in the United Kingdom, and $0.3 million in Italy. Eight million dollars of the total was programed for development assistance and the remainder for technical aid. These funds, it should be noted, did not become available until fiscal year 1955 and "are being use to implement fiscal year 1954 programs developed for this area." The fiscal year 1956 program will continue the expenditure of these funds.

Afghanistan: Two million dollars in technical assistance is to be made available during fiscal year 1956; $208,000 of this is for supplies and equipment. A large portion of this will be used for continued planning on the Helmand Valley development program, including health and sanitation, coal resources development, education, and community development. Assistance will also be rendered in the fields of public administration and to spur the development of small business.

India: Development assistance for fiscal year 1956 totals $70 million. Ten million dollars will be used for agriculture and natural resources, including $4 million for fertilizer, $4 million for deep irrigation wells and $2 million for valley development to assist in expanding irrigation. Five million dollars is earmarked for construction of electric power facilities with $15 million scheduled for the purchase of steel. Six million dollars will be used to better transportation facilities, primarily the rehabilitation of Indian railways. Four million dollars is earmarked for malaria control.

Of the remainder (roughly $30 million), the funds will be used to purchase agricultural commodities to be sold in India. Sales proceeds (counterpart) will be used for "agreed economic purposes such as local costs of irrigation, flood control, power, etc." (Emphasis supplied.)

Technical assistance in the amount of $15 million is also scheduled for fiscal year 1956; $4 million will be in supplies and equipment.

Nepal: One million dollars is proposed for technical aid, plus $1 million in development assistance. These latter funds will be earmarked for "development of the Rapti Valley," with the breakdown as follows: $300,000 for irrigation, land reclamation, etc.; $500,000 for transportation and communication equipment; and $200,000 for development of hydroelectric power.

Pakistan: Defense support, $63 million. This will be used primarily for improvement of transportation facilities and expansion of mining operations. It should be noted that past defense-support aid has helped rehabilitate railroads, construct irrigation dams and reclaim land, flood control. Surplus food has also been sold under Public Law 480, with the proceeds used for defense support.

The defense-support item also bears the notation that a "new long-term development plan drawn up by the Ford Foundation" will provide a comprehensive framework for future industrial and investment projects.

Technical cooperation in the amount of $9 million is scheduled; $3 million will be for supplies and equipment.

THE PRESIDENT'S $200-MILLION ASIAN ECONOMIC DEVELOPMENT FUND

The justification for this item lists illustrative projects. These include:

Development of the Mekong River project in Thailand, Laos, and Cambodia. This is primarily a flood-control, power-development, and irrigation plan. It would also involve navigation improvement.

Development of fisheries, including capital investment in refrigeration and other facilities, "on a country-to-country basis."

Natural-gas development, including resources in Pakistan. This would include construction of fertilizer plants in west Bengal and expansion of an existing plant at Hyderbad.

Minerals development, including exploration in the Philippines, Afghanistan, and other areas. Also contemplated is expansion of roads, short-line railroads, and harbor facilities.

Transport and communication projects, including the betterment of inland water navigation and perhaps the purchase of modern tugs, barges, and other inland water craft.

Financing of local industrial projects.

Construction of regional training centers as to agricultural techniques, management training, etc. Also contemplated is a testing laboratory for agricultural implements, operated on a regional basis.

Bolivia: The fiscal year 1956 plan totals $16 million; it will be used to implement a 1953 program which includes the purchase of roadbuilding machinery, fertilizer, transportation improvement (including highways), and similar projects.

Guatemala: Five million dollars in development assistance is proposed for fiscal year 1956. This will be used for public-works projects, including highways and roads, completion of the Roosevelt Hospital, etc.

Mr. ELLENDER. Mr. President, I was in Damascus, Syria, last September. I was told that every effort was being made by our technicians to have Syria take part in our program. Syria has declined; she does not want to take part. Notwithstanding the fact that Syria has refused our offer, money is provided in the bill before us today in the event that Syria can be persuaded to join in the program. I read from page 20 of the committee report:

> Although the United States has no agreements for either development assistance or technical cooperation in Syria, the bill includes funds for economic aid should Syria desire it in connection with unified planning of the project for utilizing the waters of the Jordan and Yarmuk Rivers. Maximum use of this water for irrigation might prevent full development of its hydroelectric-power potential in which case Syria might need external credit for thermal power development.

In Saudi Arabia, our representatives, those ambitious men who are anxious to spend the borrowed funds of this Government, tried to induce King Saud to agree to a program for technical assistance in Saudi Arabia. They thought he would probably sign a contract.

Even while the signing of a contract was being discussed, our Government was sending trucks, bulldozers, and machinery of the value of several hundred thousand dollars into Saudi Arabia, in the hope that King Saud could be induced to sign a contract. But he refused. As a result all the machinery had to be moved out of Saudi Arabia and sent somewhere else, at considerable cost to our Government. As I recall, most of it eventually found its way into Jordan.

I cite this, Mr. President, not to show the waste in our foreign-aid program—for this is just a tidbit compared to what we have wasted elsewhere—but to show how overzealous our representatives are in trying to get rid of the American taxpayers' money.

Mr. President, I am not offering these amendments because I am opposed in principle to our extending the good hand of friendship to our allies across the seas, or to any nation which is seeking to aid the free world in its battle against communism. I have only sought to call to the attention of the Senate the road which we seem to be traveling. We have been generous in our aid in the past; we extended that aid in good faith, in the sincere belief that mutual strength requires mutual sacrifice. We have sacrificed a great deal—in money, in fiscal stability, and even in American blood. Now we are being asked to do more—and not on a short-term or emergency basis, but as a long-range proposition.

Even more important, we are being forced to neglect vitally important functions here at home, functions which have a direct and important bearing on our future national welfare. Meanwhile, we have seen our partners in peace grow from economic poverty to economic health. Yet they have not sought to join forces with us in our effort to raise living standards in underdeveloped countries and in building a sound foundation upon which a determined effort to repel Communist aggression can be built.

I feel, Mr. President, that it is neither just nor fair for us to embark upon public works projects in foreign lands, while we refuse to perform similar functions here at home. I believe it is foolhardy for us to continue to supply arms and weapons of war as well as American dollars to nations which refuse to spend a proportionate part of their budget for their own defense. I think it is a violation of our duty as trustees of the welfare of the American people to continue to impose back-breaking taxes upon our citizens, in order to perform domestic governmental functions for nations which are fully able to do more for themselves. Just a few months ago, in France, riots took place because tax collectors sought to collect the taxes which the Government of France imposed. The tables of foreign tax rates which are made available to the Congress seem to mean nothing, for the taxes levied are not collected—at least in France. Yet our taxpayers must groan and pay so that we can help France meet her NATO obligations, so that we can do the things that an enlightened France should be doing for herself in Indochina, and in Africa.

I frankly am concerned, Mr. President. I am worried and in fear that the seeds we are sowing today will produce fearsome results tomorrow. I wish to urge the Congress with all the strength I have to give sober thought to the situation we now face. We are losing our soil due to floods and erosion; we are failing to keep our navigable waterways up to par. We are dragging our feet on our highways, despite the fine bill which passed the Senate only a few weeks ago. Our schools, our hospitals, all are in urgent need of more funds. Whether these funds come from Federal or State coffers makes no difference; they all represent tax dollars, and we have been unable to provide the funds these functions require because so much of our tax money flows into foreign lands.

I think that it is time we got some help from our European allies, from the United Nations—and when I say help, I mean real help—not token contributions and half-hearted assistance. Our Nation has generally opened its coffers—extended its help—and yet we have met with no attempt on our allies to help us carry this burden.

They must be made to realize further aid will not be forthcoming unless we draw a firm line and say "here, we must stop." We must tell our friends and neighbors that we have done all we can, and that it is time for them to pitch in and help us get the job done.

Every now and then we read in the press reports that foreign dignitaries have stated that the United States has to continue foreign aid programs in order to maintain its prosperity. This is not true—these programs are not the basis of our present good times. Yet, if these foreigners believe that foreign spending is a road to prosperity, why do they not try it for a while. Perhaps, by taking a dose of this so-called magic

medicine, they might be able to cash in on this prosperity and do themselves and this country a good turn at the same time.

We are at a crossroads, Mr. President. We face a tremendous challenge. This program, the bill the Senate has before it today, bears all the earmarks of making permanent a program which I am sure most of us originally believed was but an emergency measure. If this is what the Senate wants, then this is what the Senate has. However, as a United States Senator, I cannot in good conscience go back to Louisiana and tell my people that we cannot complete flood-control structures because we must build levees and dams in foreign lands. I cannot tell my State's farmers that we cannot better help them conserve their soil because we must conserve soil in foreign lands. I cannot go back home and face my constituents and tell them that they can expect no real tax relief because we must use their tax dollars in order to perform domestic functions for foreign lands which either do not collect the taxes they have levied, or do not levy enough to pay their own way.

Mr. President, referring now to my amendment which is now before the Senate, I wish to point out again that it will reduce by one-half the amount which the committee bill seeks to provide in defense-support authorizations. At present it is $70 million for Europe; my amendment would reduce the amount to $35 million. For the Near East and Africa, my amendment would reduce the $102,500,000 in the bill to $51,250,000; and for Asia, the defense-support program would be reduced from $827,800,000 to $413,900,000.

If my amendment should be agreed to, it will mean that the authorization in the bill for this one phase of the program, defense support, will have been reduced in the amount of $500,150,000.

I am very hopeful that the amendment will be agreed to, because at the present time we are carrying on in an indirect way economic aid in Asia, the Near East, and parts of Europe, and the committee bill seeks to expand that economic-aid program and put it on a permanent basis.

In voting on this reduction, I ask my colleagues to take into consideration that as of June 30, 1955, according to official estimates, there will be $8.728 billion of unexpended funds remaining in mutual-security program appropriations. If we give them, as recommended by the committee bill, another $3.408 billion, this will mean that a total of $12.216 billion in foreign aid funds will be available to our planners for use in fiscal year 1956. I can well imagine the waste that will follow when this huge pie is dissipated all over the world. Why, Mr. President, as of March 1, 1955, there was unobligated a total of $4.1 billion in foreign aid funds, but we are told that as of June 30, 1955, there will remain only $100 million in unobligated balances. Just think, in 4 months they will obligate $4 billion of our money—$1 billion per month. What a picnic our exponents of a global PWA program must be having.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 12 minutes remaining.

Mr. ELLENDER. I shall conclude my remarks at this time. I again urge the Senate to adopt the amendment which I have offered and which will mean a saving of over one-half billion dollars to our taxpayers.

Mr. JOHNSON of Texas. Mr. President, if it will be agreeable to the senior Senator from Nevada [Mr. MALONE], I should like to yield 5 minutes to the junior Senator from Ohio [Mr. BENDER]. The amendment offered by the senior Senator from Louisiana has not yet been acted on, and I understand the Senator from Nevada has an amendment he wishes to propose.

Mr. MALONE. I shall offer an amendment, and I expect to use a minimum amount of time.

Mr. JOHNSON of Texas. Is it agreeable to the Senator from Nevada to permit me to yield 5 minutes to the Senator from Ohio?

Mr. MALONE. It is agreeable to me.

Mr. BENDER. Mr. President, I am supporting the mutual security program. I always supported it in the House when I was a Member there, and I shall do so here, but I should like to offer some opinions about the problems we face in the Near East, and what we are doing to meet those problems.

I have been a strong believer in our program of economic assistance to Israel and the Arab States. Several years ago, when the late Senator Taft introduced legislation in the Senate to provide financial assistance to Israel, I was one of the first Members of the House to announce my support of that proposal. I am glad that that program was approved, for that is one example of how our foreign assistance is helping a people to meet the most critical financial difficulties and to build a sound economy. I am glad that we are continuing economic aid to Israel in the current program now before us.

Mr. President, I have always been deeply troubled by the continuing Arab-Israel conflict and I have felt that we should move most carefully in that area of the world lest we unwittingly contribute to a deterioration of the situation. That is why I have been opposed to the sending of arms into the Middle East prior to an Arab-Israel peace. Here again I have found myself in agreement with the late Senator Taft. In 1953, a month before he died, Senator Taft, who was a close student of Near Eastern problems, declared:

> It is not our desire to stimulate an arms race. Money so spent could be far better used in resettling refugees, building schools, and developing land resources.

Senator Taft felt that arms should not be sent into the area, to either the Arab States or Israel, until peace within the region was achieved, and he said:

> It is my belief that with skill and determination, peace may be established and an effective anti-Communist front developed through progressive economic cooperation.

Unfortunately, Senator Taft's views did not prevail and, at this moment, we are sending military assistance to Iraq. I believe that this is a mistake, from the standpoint of peace in the Near East and from the standpoint of America's own best interest. I am afraid that this program endangers Israel. It may lead to a costly arms race. It may make it far more difficult to secure peace there. It may play into the hands of the Kremlin.

Mr. President, I have a long and continuing interest in this problem, for I was one of the earliest Members of Congress to take a position in favor of the establishment of a Jewish state in Palestine.

Late in 1942 we first learned of the extent and horror of the Nazi program to liquidate the Jews of Europe. I remember vividly that about that time the Jewish people of the city of Cleveland gathered together in the Cleveland public auditorium to try to arouse the conscience of the world against Hitlerism. The Jews of Europe—literally millions of them—were being wiped out by Nazi barbarism. The Nazi virus was spreading everywhere. It was sweeping Europe and beyond. It was infecting the Arabs in the Middle East and, on June 1, and 2, 1941, these was a cruel pogrom in Iraq, where hundreds of Jews were killed and many were wounded. The British, yielding to Arab pressure, were stopping Jewish immigration to Palestine, and the one road to escape from the Nazi death factories was being closed off. Iraq would not even grant transit visas to Jewish women and children, refugees from Poland, who were seeking to make their way as legal immigrants to Palestine. There were many Christians as well as Jews at that meeting in the Cleveland auditorium. I was there and I joined in the protest, and I warned against British policy in the Middle East and the disastrous consequences it might have for the Jewish people.

Mr. President, I am sorry to say that our Department of State was cooperating with the British in blundering appeasement back in those days. I earnestly pray that we shall not repeat the mistakes we made at that time.

I want to make it perfectly clear that I do not wish in any way to reflect on the motives of our Secretary of State, and the able officials who surround him. I believe Mr. Dulles is conscientiously and sincerely working for peace throughout the world and the building of free world defense. I believe that he is deeply interested in the peace of the Near East. I know that he regards himself as a friend of Israel, that he wants to see Israel survive and progress, and that he would like nothing better than to bring about an Arab-Israel peace. I take the floor today, not to impugn the intentions or to attack the policies pursued by our distinguished Secretary. My intention is to offer constructive suggestions for the modification and revision of our policy in order to attain our goals.

I believe that the basic criticism of Western policy in the Near East, a policy of both the British and our own Government, is that we seem to take the Arabs' war against Israel for granted, and that we are too prone to accept that war as a normal and natural feature of the Middle East landscape. I do not believe

that we have done enough to make it clear to the Arabs that we most strongly disapprove of that war and that we want it brought to an end as soon as possible.

In any consideration of the problems of the Near East, we ought to keep certain fundamental facts in mind.

It was the Arab States which rejected the U. N. partition resolution of 1947, and which went to war against that resolution in an attempt to stop Israel from coming into being. They failed in that invasion attempt and they have never, to this day, given up their hope of defeating Israel. So they keep up the most intense kind of boycott and blockade of Israel. They maintain a continuing propaganda war against Israel, and they now try to rewrite history by pretending that it was Israel that flouted the U. N. resolution and that they, the Arabs, are its valiant defenders. But they make no secret of their unorthodox position. They are at war with Israel. They are officially at war with Israel. They seek to justify the Suez blockade of Israel on these grounds.

In a speech delivered here in Washington on January 29, 1955, the Egyptian Ambassador repeatedly affirmed that "a status of war" is maintained. This is a most peculiar arrangement, for the Arabs apparently feel perfectly free to maintain a status of war with Israel, but should Israel respond to their belligerency, they cry out in indignant protest. Apparently, this is a limited liability war, wherein one side only is permitted to do the fighting, while the other side is obligingly expected to do the losing. These unprecedented circumstances furnish the background for recent events in the Negev, the southern part of Israel.

The Egyptians are now occupying this narrow Gaza strip on the western coast of Palestine. Originally, this area was to have been part of the Arab State under the U. N. 1947 partition resolution. But that Arab State never came into being because the other Arab States were opposed to the creation of both the proposed Arab State and the proposed Jewish State. They wanted to divide Palestine among themselves. So Egyptian armies marched into Palestine in violation of the U. N. resolution and in defiance of a solemn decision of the U. N. Security Council. They seized the Gaza strip. They tried to take the whole Negev. They tried to take Tel-Aviv, and they got to the hills just south of Jerusalem. They would have seized much more territory, but the Israelis stopped them and turned them back. Today their armies still occupy this little strip of territory known as Gaza, an area in which they have no legal title of any kind.

The Egyptians would still like to have all the southern part of Israel if they could. Their leaders make no secret of it. They admit it. They announce it. They have publicly declared, in fact, that we ought to make Israel give up part of the Negev, an area which was given to Israel under the 1947 U. N. partition resolution. They would like to have this territory turned over to Egypt as payment to her in order to induce her to join in our Middle East defense plans. What a low opinion the Egyptians must have of our diplomacy if they think that they might pressure us to force Israel to cede territory to Egypt as a bribe to win her over to the West. In the meantime, however, the Egyptians would like to prevent the Israelis from settling in the Negev and consolidating their position there. So, from day to day, there is infiltration of the area, and raids and counterraids, and some installation or water main is blown up and some settler or guard is killed. The strategy is clear. It is to try to terrorize Israeli settlers and to force them to stop their colonization and their development inside their own territory, which Egypt would like to have for herself.

This situation will not be ended merely by trying to fix the blame for each raid and each reprisal. Wars are not brought to an end by neutral scorekeepers. This situation will be ended only when the Arab States are ready to abandon their status of war with Israel and accept her repeated offers to negotiate a settlement of outstanding differences.

I do not believe the Western Powers can compel the Egyptians to change their position, but I do insist that it is wrong, it is unmoral, it is indefensible, for the Western powers to shut their eyes to Arab belligerency and to give the Arabs the impression that we condone their anti-Israel strategy and policy as normal, natural and understandable behavior.

Mr. President, one of the major weapons in the Egyptian war against Israel is the Suez blockade, and I want to talk about it for a moment because I find a reference to the Suez Canal in the hearings of the Senate Foreign Relations Committee on the foreign aid bill. Ships bound to and from Israel are denied the facilities of the Suez Canal. This means American ships and British ships as well as Israeli ships. This is a highhanded and illegal practice, which the U. N. Security Council condemned as far back as September 1, 1951, when that body adopted a formal resolution ordering Egypt to stop the blockade. For Israel, this is a serious economic problem.

One of the first blows struck by the Arabs in their economic blockade against Israel was Iraq's refusal to let oil flow to the great refinery at Haifa. As a result, operation of that installation, the second largest in the Middle East, was virtually suspended and its output lost to the Western world. In recent years it has been operated at a fraction of its capacity, using crude oil imported from distant places. Egypt has played her part in this squeeze for she does not allow Israel to bring oil through the Suez even though American tankers may be involved. Accordingly, Israel must pay much higher costs for transporting its imported crude oil. It has been estimated that the Suez blockade costs Israel an additional $11 or $12 million a year. This has some significance to us here in the Senate because our country has been properly and commendably assisting Israel with economic aid, and we have been compelled to put out more money than we otherwise would have if the Egyptians had not pressed this blockade policy.

For many months, Egypt and the United Kingdom were in a bitter dispute over control of the Suez base. We helped settle that dispute. We acted as a friend of both states and played an important part in bringing about an Anglo-Egyptian agreement.

Mr. President, that was the time to insist that Egypt end the Suez blockade of Israel. If we were prepared to help Egypt and the British in their negotiations, we should have been ready to insist that Egypt meet her obligations to the international community, and agree to abide by the U. N. Security Council resolution of September 1, 1951.

There are others in this Chamber who recognized the importance of this issue. Last August, a group of distinguished Congressmen, including the Senator from Massachusetts [Mr. SALTONSTALL], the Senators from New York [Mr. IVES and Mr. LEHMAN] and Representatives BRAY and JAVITS, went to the Secretary of State to talk about this particular problem. After their conference, Senator SALTONSTALL declared:

> By blockading shipping through the Suez Canal bound to and from Israel, Egypt is violating a binding decision of the United Nations Security Council in 1951 which ordered Egypt to reopen the Canal to friendly navigation. I expressed to Secretary Dulles the position that the United States should utilize the influence it has obtained through its cosponsorship of the Anglo-Egyptian Suez agreement to bring about a commitment by Egypt to end the blockade. This is a matter of central importance to United States prestige in the Middle East and the general security situation in that area.

Speaking for the delegation, the Senator from Massachusetts also raised the question whether military aid should have been promised to the Arab countries as long as they refused to negotiate peace treaties with Israel, maintained a state of belligerency, and employed such openly hostile practices as an economic boycott and blockade. Such military aid having been promised, he pointed out, the United States should at least take specific, concrete action to guarantee that the security of Israel shall not be weakened by these military agreements between the United States and Arab nations, and that the precarious balance of power in the Middle East shall not be upset.

I feel that this was not merely a responsibility we owed to Israel, a friendly democratic state. This was a responsibility we owed to the U. N. where, as the greatest democratic power in that organization, we have a duty to insist that orders by the Security Council be carried out. I am raising this issue at this point because the transcript of the hearings on this legislation makes it clear that we were holding back our economic aid to Egypt throughout this entire period in order to induce her to take a conciliatory position in the Anglo-Egyptian negotiations. On page 48 of the transcript of the hearings, the administration's spokesman, Mr. Harold Stassen, reveals that our economic-aid program has now been expanded in Egypt because, he says:

> There was a delay in the beginning of the Egyptian program at the time of the intense dispute over the Suez.

And Mr. Stassen continues:

> You could not very well improve an economy at a time there was an intense issue over the Suez. When the Suez was settled, then we expanded the Egyptian program.

But, unfortunately, only one aspect of the Suez issue was supplied. The British-Egyptian dispute may have been settled, but apparently the Egyptians did not agree to keep this great international waterway open to international shipping, as they are obligated to do. Or, if they did agree, they soon forgot about it. Just as soon as the British and Egyptians signed, we released money that we were holding back, and during the current year, the administration allocated $40 million for Egypt and there is more in the coming program.

What about the Suez? Will the Egyptians keep up their blockade just as in the past? Last fall the Israelis sent a ship through the canal. The Egyptians seized it. At the U. N. Security Council the Egyptians were told to release it and let it proceed on its way. But that was many months ago. The Egyptians still have that ship. No one says or does anything about it.

Mr. President, I do not want to give the impression that I am opposed to economic aid to Egypt. On the contrary, I believe in our programs of economic and technical assistance to underdeveloped countries, and I feel that we can do much to help Egypt and other Arab States, and to win the friendship of the Arab peoples, and to fight communism in that area by a program of economic aid. But while I favor economic aid to this area, I emphasize that I am strongly opposed to sending arms into the Near East in advance of peace.

Our attitude in this matter appears most paradoxical. We hold up economic aid to Egypt so long as it is in a dispute with the British. But the existence of the critical Arab-Israel conflict does not deter us from offering military aid to the Arab States, and at this moment we are sending military aid to Iraq, which has been so violent in her hostility toward Israel that she has never even signed an armistice with that country.

Mr. President, I am not going to take the time to review Iraq's attitude toward Israel or toward the Jews who once lived in Iraq or toward the Assyrians or the Kurds. The record is well known.

It seems to me that it would be sensible and principled and fair to say to Iraq, "We are ready to give you military assistance and training so that you can be able to defend yourself against the Communist threat, but we insist that you call off your war against Israel."

Civilized countries which belong to the United Nations and adhere to its charter are not entitled to carry on sideline wars.

Mr. President, I am going to vote for the proposed legislation, but I would do so with greater confidence if I were certain that the Western World was making a determined effort to win a peace settlement in the Middle East. The Israelis must be bewildered by our policy. They are a democratic people. They are ready to stand with the West. Here we are, arming their enemies but refusing arms to them. More than that, we are actively promoting a system of alliances in the area and Israel is excluded from membership. I call attention to the recent Turkish-Iraqi Pact. Article 5 provides:

> This pact shall be open for accession to any member state of the Arab League, or any other state actively concerned with the security and peace in this region and which is fully recognized by both of the high contracting parties.

This means that anybody can join this new pact except Israel. Israel is recognized by Turkey and has the friendliest relationships with Turkey. But it is not recognized by Iraq. We may not have joined this alliance, but we have been actively promoting it and have been arming both of its principles, the while Israel is barred from membership. Moreover, while we have an arms agreement with Iraq, the British are supplying arms to Jordan, Israel's eastern neighbor. The Egyptians have the means to buy large amounts of military equipment. To the Israelis, the situation is fraught with peril, for Israel is isolated and alone, and if it were attacked tomorrow, no one would be obligated to come to its assistance. This is a most unhealthy situation, and it does not make for a peaceful settlement, because the vulnerability of the Israelis must be a source of tempting encouragement to the Arabs.

Mr. President, since we have embarked on a program of bringing the Arab States into our western defense system, it seems to me that we should be giving very serious consideration to a defense agreement with Israel. Such a defense agreement would let the Arabs know, once and for all, that we will not permit another round of fighting in that area, and that we expect the Middle East to accept Israel as a partner in development and defense. Such an agreement would strengthen the defense system of the free world because it would bring to our side trained and disciplined armed forces which believe in democracy and which are ready to fight for it.

Many people have expressed themselves along these lines. Recently I came across a splendid article by Dr. Daniel Poling, a great Christian clergyman, editor of the Christian Herald, and chaplain of the Chapel of the Four Chaplains—and a good Republican, if I may say so. The article was published in the February issue of the American Legion magazine. I want to include this excellent statement as part of my remarks today. But before I conclude, I should like to quote several striking paragraphs:

> It will avail us little if in the rear of our position of strength from Turkey to Pakistan, we simply tolerate the continuation of the present hot-and-cold war on the Arab-Israel frontiers. I believe we should take steps to make it possible for both the Arab States and Israel to play their part in the defense of the Middle East by supplying them with arms and technical military assistance. But it would be criminal folly to do so before the uneasy armistice along these borders has been replaced by a genuine peace. You don't give a gun license to a man who keeps on saying he's going to shoot his neighbor before he has to go at the burglar.

Dr. Poling concludes as follows:

> We must never allow Israel to feel that she has been abandoned to her fate. Beyond all else Israel has something priceless to offer the world—faith in resurrection. I do not believe that history is always on the side of the biggest battalions. Otherwise all our principles and values would long since have succumbed to the pressure of the barbarians. In adversity, we do not think of abandoning Chiang Kai-shek, who fought at our side in the most desperate struggle in our history. Similarly with Israel, whose citizens, then the Jews of Palestine, were numbered among our faithful allies.
>
> I do not agree with those doleful souls who pessimistically think that the Arab-Israel quarrel is here to stay till doomsday. The history of the Middle East flatly contradicts that fatalistic assumption. Turk and Arab now live peaceably as neighbors after centuries of Ottoman rule. I see no reason why Jew and Arab cannot do the same after time has healed the rancors and wounds of the recent past.
>
> For the defense of the Middle East we need the cooperation of all its peoples. Next to the Turks, Israel's capacity for self-defense has already been amply demonstrated in time of war, and simple concepts of geography dictate her participation in the overall alliance. We can, I believe, through a system of mutual guarantees, eradicate Arab fears of Israeli aggression. But, first of all, we must persuade all concerned that we do mean business, that we won't play favorites, and that we believe our record in the Middle East is clean and fair.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Louisiana [Mr. ELLENDER].

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, with the understanding that the time will not be charged to either side on the Ellender amendments.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I understand that the Senator from Louisiana [Mr. ELLENDER], desires to have the yeas and nays ordered on the question of agreeing to his amendments.

I now ask for the yeas and nays on that question.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, how does the time stand now?

The PRESIDING OFFICER. The Senator from Texas has 54 minutes remaining.

Mr. JOHNSON of Texas. Mr. President, at this stage I have no requests for time.

If the Senator from Louisiana desires to use some of his time, that will be satisfactory, for I have no further requests for time. Does the Senator from Louisiana care to speak now?

The PRESIDING OFFICER. Is the Senator from Louisiana prepared to yield back the remainder of his time?

Mr. ELLENDER. Mr. President, I understand that no other Senator desires to speak on the amendments.

I wish to reiterate that these amendments would cut in half the amount proposed to be authorized for the defense-support program which, as I have demonstrated, is, in my humble judgment, purely economic aid.

I ask unanimous consent to have printed at this point in the RECORD a statement in further explanation of the amendments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

DEFENSE SUPPORT AID

The amendment would cut in half the amount authorized for this program, as follows:

	Amounts authorized in committee bill	Amounts authorized by Ellender amendment
Europe	$70,000,000	$35,000,000
Near East and Africa	102,500,000	51,250,000
Asia	827,800,000	413,900,000
Total	1,000,300,000	500,150,000

"The general purpose of defense support is to enable a country to maintain a higher level of defense activity that would otherwise be possible. This type of aid consists primarily of machinery and commodities (including surplus agricultural commodities). When the goods are sold in the country being aided, the local currency received in the transactions is used for further defense purposes—sometimes for budget support or sometimes for other projects designed to increase the country's capacity to maintain armed forces of the desired size" (p. 17).

"The purpose of defense support is to make it economically possible for countries receiving military assistance to maintain larger military establishments than would otherwise be the case. It differs from economic assistance not so much in form as in purpose" (p. 9).

The $1,000,300,000 authorized in the Senate bill is allocated as follows:

Cambodia, Laos, and Vietnam, $379,300,000: About two-thirds of this amount will be used to help defray the internal expenses of the armed forces (p. 9).

Korea, $272 million: About two-thirds of this amount will be used to finance imports of industrial raw materials and consumer goods. The local currency accruing from the sale of these items will be used to support the Korean Government's budget. Imports estimated to be financed through Korean defense support or direct forces support funds include raw cotton, $40 million; fertilizer, $61 million; petroleum, $47.2 million; coal, $34.8 million; machinery and vehicles, $52 million; and clothing, $85.2 million (p. 9).

Pakistan, $63 million: Here the defense-support program will be aimed primarily at economic development (p. 9).

Philippines, $19,700,000: As in Pakistan, this program will be aimed primarily at economic development (p. 9).

Formosa, $62 million: The emphasis will be more on maintaining economic stability through financing the import of salable commodities to generate counterpart for armed forces budgetary support (p. 9).

Thailand, $31,800,000: Here, too, the emphasis will be more on maintaining economic stability through financing the import of salable commodities to generate counterpart for armed forces budgetary support (p. 9).

Spain, $28,000,000: The principal emphasis will be upon improvement of transportation facilities, particularly railroads, upon development of thermal-power sources to supplement hydroelectric facilities which are affected by drought, and upon an agricultural program likewise aimed at reducing the effects of drought. Principal components of the Spanish program are:

	Millions
Improvements in railroad lines supplying joint military bases	$6.9
Transmission lines and substation and switch gear for the power industry	6.0
Irrigation and reclamation equipment to make possible resettlement of underemployed agricultural workers	5.0
Imports of United States cotton	5.0

Of the local currency counterpart of $26 million, 60 percent will be used for local currency costs of the United States base-construction program, 10 percent will be used for general United States purposes, and 30 percent for agreed projects in transportation and defense production (p. 17).

Yugoslavia, $36,500,000: One million dollars is planned for technical exchange and $35.5 million for commodity imports, the most important of which would be bread grains (chiefly wheat), $11 million; cotton, $5.5 million; and machinery and vehicles for eliminating transportation and industrial bottlenecks, $7 million (p. 17).

Regional technical exchange program in Western Europe, $5,500,000; This program is aimed at promoting economic expansion through the development of improved management techniques, the encouragement of competitive business practices, and the promotion of improved collective-bargaining practices. The United States-financed program is only a fraction of the activities financed by the Europeans themselves, and a substantial portion of United States expenditures will be for the costs of small staffs to work with the Europeans in planning and arranging for activities which, in themselves, will be totally financed by Europeans (p. 18).

Greece, $15 million: "All for the import of wheat which would be sold in the civilian economy with the local currency proceeds going into the Greek defense budget. Without this aid, it appears doubtful that the Greek armed forces could be maintained at a level commensurate with NATO force goals. The committee feels that this assistance is especially necessary in view of the severe losses suffered by Greece in recent earthquakes" (p. 18).

Iran, $37,500,000: "The defense-support program in Iran will consist of $15.4 million in sugar and wheat and $22.1 million in industrial items. The local currency generated by these imports will be used to meet local costs of defense construction projects ($17.5 million), to provide budgetary support partially offsetting the increased costs of the Iranian Armed Forces ($16.5 million), and to finance a part of the local currency requirements of the technical-cooperation program ($3.5 million). Iran will not begin to receive oil revenues on a full scale until 1957, and in the meantime continued foreign assistance is necessary to help the Government meet its minimum obligations for defense and the civilian economy. Without such foreign assistance, the bright prospects for the future, which have developed in the last 2 years, would be jeopardized and the Communists would have a much better opportunity to recoup their losses in Iran" (p. 18).

Turkey, $50 million: "Will be used primarily for transportation and agricultural equipment and for machinery for development of small industrial plants. The local currency counterpart generated by these imports will be used in the Turkish defense budget to make up the difference between what the Turks themselves are able to spend and what is required to meet the defense levels set by NATO. Although the Turkish economy has made substantial progress since United States aid began in 1947, it has been handicapped by high-defense expenditures. Agricultural production suffered last year because of unfavorable weather conditions. Heavy capital investments, combined with defense spending, have contributed to inflation and to a large foreign exchange deficit" (pp. 18–19).

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Louisiana [Mr. ELLENDER].

Mr. JOHNSON of Texas. Mr. President, is the Senator from Louisiana prepared to yield back the remainder of his time, so that the yea-and-nay vote can now be taken?

Mr. ELLENDER. Yes.

Mr. JOHNSON of Texas. Then, Mr. President, I shall yield back the remainder of my time.

Mr. SPARKMAN. Before that is done, Mr. President, will the Senator from Texas yield one-half minute to me?

Mr. JOHNSON of Texas. I am glad to do so; and I yield one-half minute to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized for one-half minute.

Mr. SPARKMAN. Mr. President, merely for the purpose of stating the committee's position, I wish to say that the question of the amounts authorized was carefully considered by the committee. I think I can say that we went into it most thoroughly. We are opposed to any reduction, and certainly we are opposed to the amendments of the Senator from Louisiana.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield one-half minute to me?

Mr. JOHNSON of Texas. I yield.

The PRESIDING OFFICER. The Senator from California is recognized for one-half minute.

Mr. KNOWLAND. Mr. President, I wish to join the Senator from Alabama and the committee in opposition to these amendments. In my opinion they would be detrimental to the defense phases of the program, because the defense support is certainly a key part of the defense program in the collective-security system.

I believe the committee felt—and so recorded itself by an overwhelming vote—that such a reduction as is proposed by the Senator from Louisiana should not be made; and the committee supported the amount contained in the bill.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time, on the condition that the Senator from Louisiana will yield back the remainder of his time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. JOHNSON of Texas. Mr. President, the yeas and nays have been ordered, and I ask that the roll be called.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc of the Senator from Louisiana on page 4, in lines 6, 8, and 10.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Arkansas [Mr. MCCLELLAN]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from Arkansas would vote "yea."

The Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from South Dakota [Mr. CASE]. If present and voting, the Senator from Arkansas would vote "nay" and the Senator from South Dakota would vote "yea."

I further announce that if present and voting, the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Kansas would vote "yea."

Also, the Senator from South Dakota [Mr. CASE] is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting, the Senator from South Dakota would vote "yea," and the Senator from Arkansas would vote "nay."

The result was announced—yeas 27, nays 56, as follows:

YEAS—27

Barrett	Ellender	Malone
Bricker	Ervin	McCarthy
Butler	Frear	Mundt
Byrd	Goldwater	Robertson
Chavez	Hruska	Russell
Curtis	Jenner	Thurmond
Daniel	Johnston, S. C.	Welker
Dworshak	Langer	Williams
Eastland	Long	Young

NAYS—56

Aiken	Beall	Bible
Anderson	Bender	Bush
Barkley	Bennett	Capehart
Carlson	Jackson	Neely
Case, N. J.	Johnson, Tex.	Neuberger
Cotton	Kefauver	Pastore
Dirksen	Kerr	Payne
Douglas	Kilgore	Potter
Duff	Knowland	Purtell
Flanders	Kuchel	Saltonstall
George	Lehman	Smathers
Green	Magnuson	Smith, Maine
Hayden	Mansfield	Smith, N. J.
Hennings	Martin, Iowa	Sparkman
Hickenlooper	Martin, Pa.	Stennis
Hill	McNamara	Symington
Holland	Millikin	Thye
Humphrey	Monroney	Wiley
Ives	Morse	

NOT VOTING—13

Allott	Gore	Schoeppel
Bridges	Kennedy	Scott
Case, S. Dak.	McClellan	Watkins
Clements	Murray	
Fulbright	O'Mahoney	

So Mr. ELLENDER's amendments were rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the bill (S. 414) to authorize an examination and survey of the coastal and tidal areas of the eastern and southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides.

The message also announced that the House had passed the bill (S. 654) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

Mr. MALONE. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. At the appropriate place in the bill it is proposed to insert a new section, as follows:

SEC. —. All available funds already authorized and, in addition, the $3,408,000,000 to be authorized by this bill are hereby transferred to the National Defense Administrator to be expended in the construction and maintenance of long range sonic speed bomber fighters and interceptors, guided missiles and atomic energy driven submarines, including the necessary bases and accessories for their efficient operation.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Senator will state it.

Mr. JOHNSON of Texas. As I understand, the distinguished Senator from Nevada [Mr. MALONE] is entitled to speak for 1 hour on his amendment, and I control 1 hour of debate in opposition to the amendment. Is that correct?

The PRESIDING OFFICER. The Senator from Texas is correct.

Mr. JOHNSON of Texas. I am prepared to yield back 30 minutes of my time if that is agreeable to the Senator from Nevada and if he is prepared to yield back 30 minutes of his time.

Mr. MALONE. That is agreeable to me. I yield back 30 minutes.

Mr. JOHNSON of Texas. I yield back 30 minutes. I ask the Senator from Nevada to permit me to yield to several Senators very briefly in order to make some insertions in the RECORD.

Mr. MALONE. I am glad to do so, provided the time is not charged to me.

Mr. JOHNSON of Texas. The time will be charged to me. I first yield to the Senator from Maine [Mrs. SMITH].

SENATOR SMITH OF NEW JERSEY AND SENATOR SMITH OF MAINE, DOCTORS OF LAWS

Mrs. SMITH of Maine. Mr. President, yesterday one of the distinguished Members of this body, the senior Senator from New Jersey [Mr. SMITH], was appropriately honored by his alma mater where he was a student of law—Columbia University—with the degree of doctor of laws.

Knowing that this body is most proud of the senior Senator from New Jersey and grateful to Columbia University for the honor it has bestowed on one of its illustrious graduates, I ask that the citation made in the awarding of that degree be inserted in the body of the RECORD, and I invite the attention of every Member to the citation.

There being no objection, the citations were ordered to be printed in the RECORD, as follows:

HOWARD ALEXANDER SMITH

Dr. KROUT. HOWARD ALEXANDER SMITH is presented for the degree of doctor of laws. Columbia shares Senator SMITH with Princeton, for he trod these very steps in the early years of the century as a youthful student of law. Princeton had prepared him in the liberal arts. A lawyer, a man of the people, a master of the science of politics and government, his varied career has found him always busy, ever generous, constructive in works and in philosophy, never dismayed by foreboding events. The Rocky Mountain region was for years his home. To join Herbert Hoover's United States Food Administration he returned to the East. The years that followed were devoted largely to relief of human suffering in Europe. But return to his beloved Princeton was inevitable, and his years as lecturer on international affairs and as an official of his alma mater were fruitful indeed. Today, as for more than a decade, he represents our neighbor State in the United States Senate. He does so with unchallenged integrity, with eloquence and with wisdom born of long experience.

President KIRK. HOWARD ALEXANDER SMITH: That our framework of National Government, so carefully and wisely formulated by our forefathers, should have endured to become ever stronger is due not alone to the sagacity of the founders. That men of complete devotion to our heritage so often are called by the electorate to high councils in government is defense sufficient against the willful individuals who endeavor to do us and our institutions harm. You have been a man of devotion. Yours is a career in the best tradition of our legal profession and American politics. The university which shared in your training delights

today to testify to the success of your service.

Mr. JOHNSON of Texas. I should like to associate myself with the statement of the Senator from Maine on our beloved friend, the Senator from New Jersey [Mr. SMITH]. I believe Columbia University, in honoring him, honors itself. I am glad he is back with us today, and I hope that as a result of his presence the passage of the pending bill may be expedited.

Mr. SMITH of New Jersey. Mr. President, I desire to express to my distinguished colleagues my deep appreciation for their kind words. I could not quite hear whether the citation referred to by the distinguished Senator from Maine [Mrs. SMITH] also included the citation made in awarding the same degree to her. The Senator from Maine enjoys the highest esteem and affection of all her colleagues. I am proud to have shared with her the honors at Columbia University yesterday. I ask unanimous consent that her citation may be printed in the RECORD also.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

MARGARET CHASE SMITH

Dr. KROUT. MARGARET CHASE SMITH is presented for the degree of doctor of laws. Columbia honors this gracious lady for many reasons. She pioneers in the Nation's Capital as the first woman Senator from her native State of Maine; indeed, first of an Eastern State. A distinguished Member since 1948 of the "most exclusive gentlemen's club in the world," Senator SMITH reaffirms the growing realization, wisely recognized by her astute constituents, that ability and proven performance, rather than sex, provide the reasonable standards for political selection. Chosen first in 1940 to represent the Second Maine District in the 76th Congress, she gained quickly the respect of her colleagues of the 48 States. Elections in Maine have bothered her little since. In days that are active, she thinks less of elections than of people. The women of our Nation—happily a populous group—consider Senator SMITH as their Senator-at-large, but the record shows that she discriminates not in their favor, opposing always unfair privilege. Scholarly is the word for her utterances, moderation and integrity of the individual her philosophy, relentless industry her trait. Fear she does not know as men have learned who thunder empty phrases. She merits well, sir, the salute of this university.

President KIRK. MARGARET CHASE SMITH: With fine hand and clear mind, you are writing your chapter of history. You represent more than the people of Maine in our halls of state. You represent those Americans who, seeing well the present danger, will meet it without sacrifice of the precious principles which are our common heritage. Columbia hails you as an outstanding citizen.

Mr. WILEY. Mr. President, I wish to join in the complimentary remarks the distinguished Senator from Texas has made. I wish also to compliment the distinguished Senator from Maine [Mrs. SMITH], who also received her honorary doctorate at Columbia University. I am glad to see that it has not affected either one of them seriously.

Mr. JOHNSON of Texas. I did not have the information that the Senator from Maine also had been honored by Columbia University. I am happy to know that she was, because for many years I have treasured her friendship and have had high respect for her as a public servant.

Mr. WILEY. This is the first time the Senator from Texas has admitted that he is not up on important questions.

Mr. JOHNSON of Texas. I thank the Senator from Wisconsin for his usual graciousness.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1956—ADDITIONAL CONFEREES

Mr. KILGORE. Mr. President, I ask unanimous consent that the Chair appoint additional conferees on H. R. 5502, the State, Justice, and Judiciary appropriation bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and appoints the Senator from Arizona [Mr. HAYDEN], the Senator from Florida [Mr. HOLLAND], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Montana [Mr. MANSFIELD], the Senator from South Dakota [Mr. MUNDT], the Senator from Maine [Mrs. SMITH], the Senator from Illinois [Mr. DIRKSEN], and the Senator from Iowa [Mr. HICKENLOOPER] additional conferees on the part of the Senate.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief announcement for the information of the Senate. I understand that the Senator from Louisiana [Mr. LONG] has an amendment to offer, that the Senator from California [Mr. KNOWLAND] has an amendment, that the Senator from Wisconsin [Mr. MCCARTHY] has an amendment, and that the senior Senator from Louisiana [Mr. ELLENDER] has a series of amendments. Under the unanimous-consent agreement we could have as much as 2 hours' discussion on each amendment, but because the Senators are anxious to cooperate and conclude consideration of the bill within a reasonable time, I am informed that the Senator from Nevada [Mr. MALONE] will take only 30 minutes, that the junior Senator from Louisiana [Mr. LONG] will probably take in the neighborhood of 30 minutes, and we hope not much more than that time will be taken in connection with the Knowland amendment. I have not been able to contact the Senator from Wisconsin [Mr. MCCARTHY]. The senior Senator from Louisiana [Mr. ELLENDER] states that on each of his amendments he will consume less than the time allotted. Therefore, Mr. President, if Senators can remain, it is possible, and very likely, I think, that we can pass the bill this evening. The leadership is prepared to ask the Senate to remain in session until a reasonable hour, 9, 10, or maybe 10:30 o'clock, if the bill can be passed. Otherwise we shall have to pass it on Friday or Saturday. The bill should be acted on by the Senate, because there is other proposed legislation scheduled for consideration beginning next week. Therefore I appeal to Senators to cooperate, and I thank all the Senators who are willing to reduce their time. I am especially thankful to the Senator from Nevada.

GLOBAL GIVEAWAYITIS VERSUS NATIONAL SECURITY

Mr. MALONE. Mr. President, I oppose this bill to give additional billions of taxpayers' dollars to foreign nations.

I have been given to understand that there are approximately $9 billion unexpended dollars already authorized for this purpose and carried over from previous appropriations, which, added to the $3,408,000,000 provided in this bill would equal more than $12 billion available to be spent in foreign nations which even now, according to our administrative officials, are trading with our potential enemies.

Most of these beneficiaries of our foreign aid have recognized Communist China and are working, with the support of some of our own people, to bring about Communist China's admission to the United Nations.

EUROPE ON AMERICAN DOLE SINCE 1948

Mr. President, we have been sending money to Europe since 1948. Even before that time there was a loan of $3¾ billion to Britain. It would no doubt embarrass the Senate if I were to read what I said regarding that loan in 1948. When the loan was made I was not a Member of the Senate, but I was aware of the promises that were made when the first loan was extended. And as a Member of the Senate I have been aware of the promises which have been continually made since that time as to what would be done by those nations in the event we gave them new grants and credits such as those under the Marshall plan, the ECA, MSA, the FOA, and other trick agencies with trick names that are always cooked up a little ahead of the public's understanding as to what is happening to their tax money.

BIG PROMISES; SKIMPY PERFORMANCE

We have had big, beautiful promises, Mr. President, every time we have been sold a multi-billion-dollar bill of goods, but in return we have received only meager and minimum performance—and sometimes none at all—from the countries which have received these billions.

FREE MONEY, FREE FOOD, FREE GOODS FLOW OUT TO FOREIGN COUNTRIES

We have sent money continually to those nations to buy our goods. We are now sending to foreign nations, without cost, for the most part, agricultural products which we have bought and stored in the United States. We are sending them free defense materiel, most of which, I am sorry to say, is obsolete. That is all done in the interest of prosperity and peace.

Mr. President, the history of individuals and nations has been that they are heroes as long as the money holds out. When the money is gone we look around, and our so-called friends have disappeared.

WHY WASTE WEALTH ON FOREIGN NATIONS WHILE OUR OWN NATIONAL DEBT REMAINS HIGHEST IN WORLD?

Mr. President, ever since I took my oath of office in 1947 as a United States Senator I have opposed wasting America's wealth, oil, and resources on foreign nations while our national debt remains the highest in the world, our budgets go unbalanced, and our taxes remain at wartime levels.

Not only do we owe approximately $275 billion, but a few years ago a Communist British subject came to this country and persuaded our then President that the more we owed the more wealthy we would be. Those two persons are dead, but we have this $275 billion debt which we must face.

FOREIGN HANDOUTS CONTINUE WHILE UNITED STATES TAXPAYERS OWE $400 BILLION

In addition to that, we have guaranteed the payment of some $140 billion to $150 billion through other methods of allowing offshoot organizations to either bond themselves or pay out money for which the taxpayers of this Nation are just as responsible for payment as they are for the payment of the national debt in case of any default. That adds up to over $400 billion owed by our taxpayers.

Some people say they owe it to themselves, so that they should not worry. But I have been in debt to a bank, Mr. President. It was only a community bank, but it sometimes became embarrassing if I did not pay the interest on the debt. A man could go broke under those circumstances, and we can go broke as a nation.

GOVERNMENT SHOULD PUT SECURITY ABOVE WORLD SOCIAL OBLIGATIONS

The first duty of the Government, as I see it, is to look to its own welfare and security, to its own resources and economy.

If it be true, as it is alleged, that we can defend the Western Hemisphere, then, before we put out additional sums, and before we argue whether we are going to defend this or that area, should we not determine what our objectives are?

Are we trying to discharge our social obligations throughout the world, or are we trying to arrange for the security of this Nation?

That is the first decision to make. I have made my decision. I think we should determine what will contribute to the security of this Nation. A stable economy is the first point to establish. Instead, for the past 22 years successive administrations have been afflicted with what I call global giveawayitis.

GLOBAL GIVEAWAYS BEGAN IN 1934 WITH GIFT OF UNITED STATES MARKETS

In 1934 a New Deal administration and a New Deal Congress embarked on a program of giving away our markets to foreign countries, under the so-called Trade Agreements Act.

In 1940 we moved into a war economy, and the national debt limit was raised from $45 billion to $49 billion. That was about the time that our distinguished visitor from England, Lord Keynes, convinced our President that the more we were in debt, the more wealthy we were. So we threw all caution to the winds and started voting more bonds.

SOVIET RUSSIA EARLY BENEFICIARY OF UNITED STATES BILLION-DOLLAR AID

In 1941 we started giving money, goods, and munitions to foreign countries, including Soviet Russia, to which we extended an initial lend-lease credit of $1 billion. Later we were to increase this to $11,242,000,000, of which $465 million was handed to Russia after the war.

Our wartime foreign aid totaled $49 billion plus, of which Britain got the most, $35 billion plus, with Russia ranking second.

The war ended, but foreign aid has never stopped.

I predicted in 1947, when I was a freshman in the Senate, that it was not likely to stop, and it has not.

In a floor speech on April 21, 1947, I said:

> I object on principle to a policy which seeks to stampede us into further huge loans and gifts and actions which all agree will in all probability result in establishing a definite policy trend for this Nation.

That was a very modest statement, but it has proved to be correct.

GLOBAL GIVEAWAY DISEASE CHRONIC

Giving our goods and wealth away to foreign nations has become more than a trend; it is a disease. The disease is chronic. Every year about this time we break out in a new rash to give away more billions, and to give them away in a hurry. We are in so much of a hurry that we hardly understand what the legislation is about.

In the same speech, I pointed out that no adequate information or reliable information was being made available about the program, and that no opportunity was being given for the thorough investigation which is certainly justified before Congress embarks on such a policy or program.

CONGRESS KEPT IN DARK BY FOREIGN-AIDERS

That is as true now, Mr. President, as it was then. In the bill we are asked to hand out $3,530,000,000 to foreign countries for assistance of various types.

We are told the amount of money some countries will receive, and that there will be several hundred million which the President can spend anywhere and in any way he chooses. But we have no specific information about any program, what kind of military assistance, or what type of economic projects we intend to pay for in the various countries.

In other words, Mr. President, we are making out a check for $3,530,000,000 to the President to spend in foreign countries, and to spend just about as he pleases.

The distinguished Senator from Louisiana reported on the Senate floor yesterday his experiences in attempting to obtain information on the foreign-aid program from Mr. Harold Stassen, the administration's Santa Claus.

DOES FOA DIRECTOR HIMSELF KNOW WHAT FOA IS DOING?

Mr. President, can we get information from a man who probably does not have it himself? I doubt if he has a list of all the projects financed since he has been at the head of the FOA, and the ECA before that.

The distinguished Senator from Louisiana said that he had been attempting for the past 3 months "to obtain facts about the unexpended balances, also about the kind of projects in foreign lands which were being considered in order to compare them with projects in our own country which are being denied funds." He has not obtained the information.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. LANGER. Does the Senator remember that it was only about a year ago when the FOA discovered that it had a billion dollars more than its books showed it had? That was how they kept track of their affairs on mutual aid at that time.

Mr. MALONE. Congress is not allowed to inspect the books. Everyone else in the world will know about the affairs of the FOA except those who furnish the money.

INQUIRY TO DIRECTOR STASSEN GOES UNANSWERED

On May 6, I requested somewhat similar information from Mr. Stassen. In a letter to Mr. Stassen, I asked the following information:

A list of all authorizations for hydroelectric, irrigation, reclamation, and flood-control projects made by the FOA.

A list of all authorizations to foreign countries made for mining and minerals developments, and for the procurement of mining equipment.

A list of all guaranties, in whole or in part, of private investment in foreign countries.

And allotments made to foreign countries by FOA to finance purchases of American-made products, farm commodities, and coal, broken down as to countries and to commodities.

INFORMATION SOUGHT NOT CLASSIFIED

Mr. President, it will be noted that none of these requests for information in any way involved military information or other material which might be classified.

All of it was material which should be readily accessible in the files of the Foreign Operations Administration, if it keeps files of its handouts to foreign nations.

All of the information should be at the fingertips of Mr. Stassen and his aides in making up their own budgets and in keeping accounts of their own expenditures.

SENATOR MALONE QUESTIONS AMOUNT OF AID REACHING SOVIET RUSSIA

Mr. President, there are other questions which the Senate might well ask of Mr. Stassen before voting this $3½ billion in new aid.

One such question might well be what amount of this aid, in his estimation, winds up in Soviet Russia.

NEWSPAPER REPORT CITED

The May 27, 1955, issue of the New York Journal of Commerce touches on this vaguely in an article headed "Oils Firm as Russia Buys in Europe." I shall quote the first four paragraphs:

> The Russian bear, according to trade reports, apparently has switched his taste from honey to edible, vegetable oils, and

what are described as "huge" shipments of United States cottonseed oil sent to certain West European countries which have been transshipped behind the Iron Curtain.

Mr. President, I do not blame Russia or the Iron Curtain countries. Why blame them for something for which Congress is responsible? Those countries are simply a little smarter than we are; that is all.

I have said on the floor that European nations are the worst offenders, but that I had a high regard for the European nations. I admire the English people, especially, on two counts: First, they have brains; second, they are for England. Ours is the only nation which produces people who are not for it.

SOVIET BUYING INCREASES COSTS IN WORLD MARKET

I continue to quote from the New York Journal of Commerce:

Heavy buying by the Soviet and Soviet-bloc nations to fill their edible oils larder has contributed to a strengthening of the fats and oils market worldwide, sources reported, and is a factor in the current firm price structures here of cottonseed, soy, corn, and peanut oils.

While periodic Russian buying of CCC oil in large quantities from nations to which the United States has sent supplies at comparatively low prices has long been suspected, it has been hard to pin down—particularly as to quantity.

However, as trade circles point out, such comparatively small countries as the Netherlands, which has been taking large supplies from the United States, cannot logically be assumed to consume such quantities and the Soviet represents a willing market for transshipment.

MALONE ASKS WHAT STUDIES MADE OF FOREIGN-AID DIVERSION TO REDS

Mr. President, this is an obviously guarded report, but the implication is quite clear. The implication is that agricultural products being dumped in foreign-aided nations are going in some amounts behind the Iron Curtain.

Has the Foreign Relations Committee, which made the report urging continuation of this program and the authorization of new billions to finance it, made any study of the types and amount of foreign aid which ends up in Communist Russia or Communist-bloc countries?

Has it made any study of transshipments of such commodities by aided countries to the Reds?

Has it ever asked Mr. Harold Stassen or his agency whether it has made such a study, and if it has, what the agency has reported?

Does anybody know where our foreign aid is winding up, or that portion of it which is movable? Some of it, I remember, wound up in the hands of the Red Chinese aggressors in Korea.

RED AGGRESSORS IN KOREA FOUGHT WITH MATERIAL MADE IN U. S. A.

I made a statement while the war was in progress in Korea that 75 percent of the material being shot at our boys over there had been financed by their fathers at home through all kinds of foreign aid and other shenanigans, just as we armed Japan by sending oil and scrap iron out through the Golden Gate prior to 1941. No one could stop it; many of us tried.

Where will the aid we are asked to authorize today wind up? Will someone kindly tell me? I should like to know.

Mr. Stassen has never replied to my letter, nor has he acknowledged it. It is obvious to me that he does not want Members of the Senate to have this information. Or perhaps he thinks it is none of our business. Maybe he just does not know.

CONGRESS AND PEOPLE ENTITLED TO KNOW WHERE FOREIGN-AID DOLLARS GO

I think it is our business. I think that the Constitution of the United States intended it to be our business to know what we were authorizing funds for. I think it is vital to know what we expect to buy with the taxes we collect from the people in our 48 States, who are being denied the roads, projects, schools, and jobs they need, in order that there may be built projects and roads in foreign countries to provide payrolls and jobs for foreigners.

Every dollar and every dime this Government pays out, Mr. President, must come ultimately from our taxpayers.

Three billion, five hundred and thirty million are a lot of dollars. They are dollars the American people would like to keep in their pockets, or to pay out to their States and municipalities for public works, services, and projects that would benefit their own families, communities, or localities.

Three billion, five hundred and thirty million dollars works out to $21.51 for every man, woman, and child in the United States; to more than $100 for a family of five.

That is a big contribution, Mr. President, to foreign prosperity and welfare, when America needs so many things at home.

DEBT AND DEFICITS CONTINUE WHILE FOREIGN AID GOES ON FOREVER

But it is only a fraction of what the American people have paid out to foreign countries since the war.

As I said earlier, foreign aid has never stopped. Under one name or another, it has continued ever since it started, while our deficits continued and our national debt increased to the astronomical peak of over $275 billion to which there must be added the $240 billion or $250 billion that we have guaranteed.

Last year we temporarily lifted the debt ceiling $6 billion until tax collections came in, with a proviso that on June 30 the debt limit of $275 billion should be adhered to. Now I understand we shall again be faced with the same request. This administration is following the line of the last two administrations: "Make good time with debts. The more you owe, the wealthier you are."

UNCLE SAM FINANCING A GREEDY WORLD

The Secretary of the Treasury says that this year he will again ask for a higher ceiling on the debt limit. He will not have to if this bill giving taxpayers' dollars to foreign nations, some of them, like India, neutral, if not hostile, and most of them lacking the will to defend or help themselves, is defeated.

Foreign nations will not have that will, either, so long as we play the rich uncle, ready with handsome handouts whenever any one of them comes begging. Some of these nations, I am happy to say, are too proud to beg. So when that occurs Mr. Stassen's office forces our dollars on them. It is a strange and greedy world, and we are financing it.

Since World War II we have financed it to the tune of $52,383,000,000, to which this bill proposes to add $3,530,000,000 more. We have continued to finance it under a variety of excuses.

WORLD AID SLOGANS CHANGE WHILE BILLIONS TO FOREIGN AREAS NEVER CEASE

First the slogan was relief and rehabilitation. We all remember UNRRA. Under UNRRA we helped relieve and rehabilitate Soviet Russia and her satellites, and to some extent the Chinese Communists.

Rehabilitated Russia bit the hand that fed her, and the rehabilitated Red Chinese took over China.

There was the British loan, and some of us will remember William Dexter White, the Soviet spy, explaining to the Senate Committee on Banking and Currency that if we would loan England $3,750,000,000, England would be "willing to assume the risk of selling her products in fair competition with the exporters of other countries."

As I reported in the Senate in April, 1947, Mr. White told us that "England is willing to commit herself to our program of fair currency and trade practices in order to encourage an expansion of world trade."

BRITISH SLOGAN FACTORY IN CONSTANT PRODUCTION

The London bankers invented the phrase "dollar shortage." They invented the phrase "reciprocal trade." Mr. Butler, Chancellor of the Exchequer in 1952, invented the phrase "Trade, not aid." The people in London just beat us on the slogans; all we do is repeat them and keep on paying the money.

In the 1947 floor speech I referred to earlier, I asked:

What is the result? (of Mr. White's assurances). British discrimination against American trade has continued in full force just as before. Her actions constitute a conspiracy of restraint against the American exporters just as surely as did those of Nazi Germany. The rigid system of licensing which is operated by the British Government is directed specifically against our trade in view of the fact that we are the great exporting Nation of the world.

I digress to say, Mr. President, that the same promises are being made today, 9 years later, and they will continue to be made.

I resume reading from that floor speech:

The sterling-bloc system is one by which the British pound is artificially overvalued—

I said this in 1947—

by more than twice and by which American goods can be successfully kept out of great world markets, which the British seek to dominate and control.

EMPIRE PREFERENCE DISCRIMINATION CONTINUES UNDER GATT

The empire preferential rate system is recognized by that great organization in Geneva known as the General Agreement on Tariffs and Trade. So a bill will come before the Senate, I suppose, which it will be said will permit the Sen-

ate to pass on the General Agreement on Tariffs and Trade. But will the Senate pass on it? I want to say to my colleagues they are not going to pass on anything.

There is a reorganized GATT, under the name OTC—Organization for Trade Cooperation. If the Senate turns it down, it will not touch GATT. If the Senate approves it, it will approve GATT. Very clever. They are just as clever as they were under the first President who started this business over 22 years ago.

WARNINGS IN 1947 EQUALLY SOUND TODAY

Every word I said in 1947 is equally true now, 8 years later, despite the promises of Mr. White, the Soviet spy; but we are still extending aid to Britain.

Relief and rehabilitation was followed by a new slogan, recovery, which became the Marshall plan. Soviet Russia was originally invited in, but declined.

The Marshall plan was supposed to be a 4-year plan, was supposed to cost the American taxpayer $17 billion, and end forever at the end of the 4 years. They just had a running start at the end of 4 years. That Marshall plan was just a start. And Marshall had just as much to do with it, I might add, as did the Members of the Senate.

When the 4 years were up it was necessary to invent a new slogan, and the giveaway bureaus were quick to come up with one. The new slogan and theme song became "rearmament" and "mutual security."

New letterheads were printed and Congress kept pouring out funds.

PROGRAM OF GLOBAL HANDOUTS ENDLESS

We have heard in the debate today that it is the program of the United States of America to continue to put taxpayers' money in countries all over the world. There is no question about it. I said it in 1947, and it is so today, 8 years later.

The old term "mutual security" has been retained in the pending bill, but I note the report of the Committee on Foreign Relations refers to the principle of collective security.

Other nations collect and we secure them.

UNITED STATES SHOULD LOOK TO OWN SECURITY FIRST

Mr. President, before we vote this $3,530,000,000 we should first look to our own security.

Recently a flight of heavy Russian jet bombers over Moscow, similar to our B–52's, caught our diplomats by surprise. It apparently has caught the Pentagon by surprise also.

Mr. President, let no one get the idea that there are no scientists in Russia. They have most of the oldtime scientists from Germany, whom they used in Russia to start the program off.

In any event since the flight plans for production of United States heavy bombers have been upped from 11 wings or 330 B–52's to 500 B–52's, we do not have 1 wing of the giant long-range Boeing aircraft now.

SENATE REPORT OF YEAR AGO WARNED OF UNITED STATES PLANE PRODUCTION LAG

A year ago estimates of the cost of one of these bombers approximated $6 million. Details of the need for increasing our strength in this type of warplane may be found on page 26 of Senate Report 1627, prepared by the Subcommittee on Minerals, Materials, and Fuels Economics of the Committee on Interior and Insular Affairs.

Many of my colleagues will recall that in debate on the 1954 foreign-aid bill I introduced an amendment to divert unexpended funds for foreign aid and authorizing last year's foreign-aid funds to strengthen our Air Force. The total amount available under such a program would have aggregated $10 billion. Let not anyone tell us that we do not need a great deal of money to build the long-range, supersonic speed bombers, fighters, interceptors, and guided-missile bases.

The amendment was defeated last year.

In other words, Mr. President, we preferred to spend our taxpayers' money on neutralist and other foreign countries to building up our strength at home, and in so doing permitted Soviet Russia to catch up or surpass us in B–52 type bombers. That is what we hear out of the Pentagon. Do not blame Russia; blame the Senate.

FUNDS ASKED THIS YEAR FOR FOREIGN AID WOULD BUILD 441 UNITED STATES B–52 HEAVY BOMBERS

Today's Wall Street Journal places the present estimated cost of a B–52, including tools and production equipment, at $8 million.

At $8 million the $3½ billion we propose in this bill to squander in jungles and swamps of Asia and the deserts of Africa and the Near East would buy 441 B–52's, or finance 14⅔ wings of 30 B–52's each.

For my part, I would prefer to see this money spent at home on building muscle for America. I think the taxpayers would too.

Russia, Red China, and the Communist satellites, on the other hand, would doubtlessly prefer this money to be spent on weak little countries in the shadow of the Red hammer and sickle, who, even if they had the will to defend themselves, could present no military obstacle to Red might.

What has kept these countries from being overrun is Russia's fear of America's airpower and nuclear weapons. Frittering our strength away in foreign countries will only lessen that fear, while it ripens Southeast Asia and the Near East for Soviet plucking.

Mr. President, this is an international social welfare bill that will not add one whit to our national defense.

Before we vote on it we should make up our minds whether we are trying to discharge our social obligations throughout the world, or whether we are interested in defending the United States of America—and then get to it.

If we intend to distribute the wealth and taxes of the American people throughout the world at the expense of jobs and investments in America, let us be honest about it and tell the people of our country about it; let us tell the unemployed, the ruined mine, mill and factory owners in our own country, our farmers with declining incomes, our small-business enterprises with their backs to the wall.

Let us tell them that this is an international scheme to distribute throughout the world the wealth of this country, as obtained from the taxes paid by the American people.

Let us tell them that the social welfare of the peoples of Asia, and Africa, and old Europe comes first, and the American taxpayer must be satisfied with the leavings.

Mr. President, while we propose to tap the American taxpayer for $3,530,000,000 more in foreign aid, let us examine one of the uses to which the British put the Marshall plan.

I ask unanimous consent that there be printed at this point in the RECORD a recent article by George E. Sokolsky, which appeared in the New York Journal-American and many other newspapers throughout the United States.

There being no objection the article was ordered to be printed in the RECORD, as follows:

AMERICAN AID USED WISELY IN BRITAIN

(By George E. Sokolsky)

LONDON.—There has been some talk in Congress about the use by the British of the counterpart funds for the reduction of their national debt. The talk was unfavorable. The point must be made that while the Marshall plan was very popular among the British it has run its course, and the defense aid which followed it is of value but not of the same value as the Marshall plan because of changed conditions. Also the insistence upon giving some aid in the form of agricultural material out of the stockpiles of such products as grapefruit, which is an unusual food here, does sometimes make for complication.

It is freely admitted here that some of the counterpart funds were used to reduce the national debt. It is suggested that it was a use that did not neutralize the benefit of dollar aid by creating an inflation. In a word, unless defenses were set up, the huge influx of dollars could have stimulated inflation. On the other hand, American public opinion was insistent that Marshall plan money should not subsidize the budgets of receiving countries.

PAID INTO SPECIAL ACCOUNT

It was put to me this way. This was the origin of the "special account," namely, the system by which sterling counterpart (the proceeds of selling the dollar goods by which aid was brought into the country) was paid into a special account at the Bank of England and drawings out of the account could only be made by the treasury with the approval of the United States.

One of the objects specified in the Marshall plan agreement was the extinction of debt. And as an act of deliberate policy, the British Government decided, with the approval of the American authorities, to dispose of the sterling in the special account in this way and not to spend it on the capital investment which was the pattern adopted for counterpart in continental countries. The British concept of their economy is to protect the balance of payments while avoiding inflation, and the surprising thing is that they have done it. They used our assistance under the Marshall plan to do it, but what must be said of them that cannot be said of some other countries is that they used our aid well and to their permanent advantage; it did not go down the drain.

On the continent of Europe, counterpart funds were used to increase the number and volume of state or privately owned investment projects. In Great Britain investments were restricted to maintain the internal economic balance in order to avoid inflation. Even so there were too many state investments coming out of war conditions and it

was not considered politically or economically advisable to use Marshall plan counterpart funds to aid private investments.

USED TO EXTINGUISH NATIONAL DEBT

The total of sterling counterpart funds amounted to about 560 million pounds or about $1,500 million. The United States got 5 percent of this and after making some deductions for small items the bulk of this amount was used to extinguish the national debt. Special arrangements were made that this use did not increase inflation. The debt reduction consisted of special non-interest-bearing notes in which the counterpart was invested by the Bank of England where it was lodged in a special account. It did not increase cash circulation. The Marshall aid period was 1948–51 and the amount of counterpart applied to debt extinction in each year was as follows:

	Pounds
1948–49	107,000,000
1949–50	92,000,000
1950–51	275,000,000
1951–52	55,000,000
Total	529,000,000

This amounts to $1,481,200,000.

It is not understandable why there should be any secrecy about such a matter and it undoubtedly has been published elsewhere. When I left on this trip it was spoken of as a great secret. The British have to avoid inflation because their economy rests on a fine hair. They are about 50 million people who live on islands that can produce food for about 15 million people, which, quite apart from the serious question of raw materials, metals, woods, fibers, food, takes on an importance here which it cannot have in the United States where we stockpile butter and wheat. The British can import ample food now but they want to keep it that way and all their economic maneuvering is designed to that end.

BRITAIN CUTS TAXES WHILE UNITED STATES TAX DOLLARS SENT ABROAD

Mr. MALONE. Mr. President, our foreign-aid program has helped to reduce Britain's debt, while our own national debt has increased under both the present and previous administrations.

And while American tax rates are continued, and will continue while we pour billions of dollars into further foreign aid, Britain, for one, has been able to materially reduce its own taxes, partially because of the generosity of the Congress with the money of the American taxpayers.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a recent editorial entitled "British in the Black," which was published in the New York Journal-American and other Hearst newspapers.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITISH IN THE BLACK

Mr. and Mrs. American Taxpayer, we imagine, must be looking with a mixture of envy and astonishment at their British counterparts who have just received a sizable income tax cut, which will remove 2,400,000 persons from the tax rolls and increase personal and child allowances.

The envy and astonishment are understandable, particularly since Chancellor of the Exchequer Butler estimates a revenue surplus of $414 million this year, while our Government is limping along on a deficit as usual.

And Mr. and Mrs. Taxpayer have the right to ask how come this country, which is running in the red, continues to give millions to Britain, which is in the black?

They ought to put this question real hard to their Senators and Representatives in Congress, but they ought not, we think, take a peevish attitude toward the British. It won't do Mr. and Mrs. Taxpayer any good to work up ill feeling against the blasted British, when the responsibility is right here at home.

The attitude to take, it seems to us, is to try to find out why this Nation can't operate in the black, too. That involves an examination of how expenses can be cut in running this Government (the reports of the Hoover Commission indicate a huge amount of bureaucratic duplication and waste).

It involves also an examination of the millions that are being sluiced abroad. How much have they been and are they being wasted? Are they really working for us in what we want to accomplish? How much are they buying real security and how much is down the drain?

These are areas where Mr. and Mr. Taxpayer have a justifiable concern. If they express that concern often enough and vigorously enough, maybe some day we will be a surplus nation, too.

We wind up with the following lyric of dubious hope:

"Poor little taxpayer, don't you cry,
You'll have a tax cut by and by—maybe."

MALONE ADDRESS IN SENATE IN JULY 1948 RECALLED

Mr. MALONE. Mr. President, in July 1948 I had the following to say at one point in the debate in the Senate:

It is impossible to stabilize trade or currencies in Europe as long as they continue the established practice of manipulating the value of their currencies in favor of their own particular countries, and as long as the empire-minded nations, with particular reference to Great Britain, follow their established practice of directing trade to the mother countries at empire-preferential rates and the use of the sterling bloc.

I also said:

There is grave question as to whether the Congress of the United States can create additional purchasing power by making appropriations for gifts to foreign nations above the amount required to meet the cost of our own Government each year, unless there is a comparable increase in our production. This was thoroughly illustrated in the $3,750,000,000 loan to England in 1946, when almost immediately they complained that, due to subsequent inflation, their estimate of the amount which could be purchased with the loan was almost cut in half.

The PRESIDING OFFICER (Mr. HRUSKA in the chair). The time of the Senator from Nevada has expired.

Mr. MALONE. Mr. President, I have been charged with some of the time which has been used by other Senators, and I believe I have about 4 minutes remaining.

Mr. MANSFIELD. Mr. President, I yield 4 more minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 4 more minutes.

Mr. MALONE. I thank the Senator from Montana.

GLOBAL GIVEAWAYS INCLUDE NOT ONLY BILLIONS BUT UNITED STATES JOBS, INDUSTRIES, MARKETS

Mr. President, in our obsession to give out wealth and goods to foreign nations, we are also giving away our jobs, industries, and markets. In this connection I desire to call attention to several pertinent newspaper reports of this matter. We have only to examine any newspaper to find similar articles. The one I hold in my hand happens to have been published in the New York Journal of Commerce on yesterday, June 1. The headline on page 13 reads as follows: "Did Imports Injure Watch Firms?"

In short, Mr. President, we find that one who wishes to obtain a job in the United States must be able to argue for it on a national-security basis.

Another headline in the New York Journal of Commerce of June 1 is "Trade Act Conference Set—George Backs Liberals."

The article goes on to say:

Senate and House conferees are tentatively scheduled to meet later this week to see if some agreement on the Eisenhower reciprocal trade program is finally within reach.

The article states that announcement had been made by one of the Senate conferees that he would throw his support to the House Democratic conferees, led by Representative JERE COOPER, of Tennessee, who "is battling for elimination, or at least drastic revision, of a series of protectionist amendments adopted when the Senate passed the bill May 4."

AIDED NATIONS MANIPULATE CURRENCY, TRADE, TO AMERICA'S DISADVANTAGE

On the same page we find the following headline: "Turkey Tightens Import Control."

The article goes on to show how that is done. In fact, today every nation in the world, with one or two exceptions, has exchange controls and import permits or export permits, or both. The other nations manipulate the price of their currency, in terms of the dollar, and do so for trade advantage. They engage in every possible manipulation against the United States of America.

In closing, Mr. President, I wish to say that the economic approach is only one means of destroying the United States. The advocates of the pending bill or similar ones come in through the doors, through the windows, and up through the cellar floor.

CUSTOMS BILL A SCHEME TO LOWER TARIFFS

Mr. President, in the New York Journal of Commerce for May 25, 1955, we find the following headline: "Customs Bill Foes Minimize Importer Aid."

Mr. President, we know what the customs bill is. It has been before the Senate year after year. When we take out all the fishhooks, we find it is simply a means of changing the valuation, so as to lower the import fees or tariffs. That is all it is. It is advocated in the name of simplification.

If those who advocate such a move wish to simplify, all they need to do is follow the law. But, instead, they are willing to propose almost any means, so long as it looks or sounds good. They use the phrase "customs simplification," and the phrase "dollar shortage," and the phrases "reciprocal trade" and "trade, not aid," and 400 or more other catch words and phrases, which have been invented by those who wish to divide with other nations the wealth of the United States of America. Mr. President, the proposal before us today, by

means of the pending bill, is only the most recent of such schemes.

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Montana is recognized for 2 minutes.

Mr. MANSFIELD. Mr. President, I have listened with great interest to the remarks of the distinguished senior Senator from Nevada [Mr. MALONE]. I should like to call his attention to the fact that in the course of the hearings on this particular measure, it was suggested to the Defense Establishment that perhaps it would be better for the funds under the defense title, which is title I, to be incorporated in the regular Defense Establishment budget. It was thought by the Defense Establishment officials and by the committee as a whole that to do so would be unwise, because in the way presently proposed we would achieve more for defense among our allies, and would do so at far less cost, and would also be able to achieve far greater cooperation with those with whom we are trying to make tenable agreements.

The committee went into this proposal very thoroughly, and it was the unanimous opinion of the committee that we should not consider at this time the amendment proposed by the Senator from Nevada.

So I hope the Senate will reject the amendment of the Senator from Nevada.

Mr. FLANDERS. Mr. President——

Mr. JOHNSON of Texas. Mr. President, does the Senator desire to use now the 3 minutes he has requested?

Mr. FLANDERS. Yes.

Mr. JOHNSON of Texas. Then, Mr. President, I yield 3 minutes to the distinguished Senator from New Hampshire.

Mr. FLANDERS. No, Mr. President, I ask the Senator from Texas to move me across the Connecticut River.

Mr. JOHNSON of Texas. Mr. President, I must apologize to the Senator from Vermont. I have just returned to the Chamber; and this is one of the few times when, in relying on the acting minority leader—on whom I know I can always rely—I have been misinformed. He said "New Hampshire." It seems that I understand the Senator from Vermont better than some Members on his side of the aisle do.

So, Mr. President, I am very glad to yield 3 minutes to the distinguished junior Senator from Vermont.

Mr. FLANDERS. I thank the Senator very much, indeed.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The Senator from Vermont is recognized for 3 minutes.

Mr. FLANDERS. Mr. President, in listening to the several Senators who have discussed this question, it has seemed to me that there is a radical difference of opinion which needs to be considered.

It seems to be the opinion of many Members that the only threat from the other side of the Iron Curtain is a military threat. I wish to urge a contrary opinion, which is that the great advances and the most dangerous efforts from the Soviet side of the curtain are coming from the political angle. The greatest advances have been made politically, always with the background of armed might, but with the political policies and successes making the actual advances.

We made one great political effort in Europe with the Marshall plan. Without the Marshall plan, today France would be Communist; Italy would be Communist; and they would not have become Communist by force of arms. They would have become Communist by political action, in which the Soviet Government is skilled beyond the imagination of any one of us who sit here, politicians though we may be.

We must oppose the Communist menace both militarily and politically; and if we do not realize the political menace, we shall wake up to find ourselves surrounded by a Socialist world, in Latin America, Europe, Asia, and Africa, without a shot being fired. We shall then sail the seas and trade with other nations only by the permission of a stronger power. Let us not for a moment discount the ability and strength of the Soviet political offensive.

The pending bill applies both to the military and to the political objectives. We must not, in the national interest, minimize the political purposes and the political effectiveness of the bill. We may very properly require of the administration that it give an account of the usefulness and effectiveness of the bill, and an account of the details of the expenditure of the funds provided to it for fighting our battle on the political front; but let us not cramp the administration. Let us encourage it and support it in its work on this most critical aspect of the Communist conquest of the world.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I should like to ask the distinguished chairman of the committee and other members of the committee if they desire any time.

The PRESIDING OFFICER. The Chair reminds the Senator that the Senate is still in the process of developing a quorum.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. LONG. Mr. President, I object, unless we have an understanding that there will be a quorum call thereafter.

Mr. JOHNSON of Texas. There will be quorum calls all during the afternoon.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. How much time remains to the opponents of the pending amendment?

The PRESIDING OFFICER. The Senator from Nevada [Mr. MALONE] has exhausted his time. The Senator from Texas has 5 minutes remaining.

Mr. MALONE. Mr. President, I should like to have a minute or two to tell what the amendment is about.

Mr. JOHNSON of Texas. I yield 2 minutes to the Senator from Nevada.

Mr. MALONE. Mr. President, in the interest of saving time, I shall not ask for a yea-and-nay vote on the amendment. However, I wish to say that the amendment I have offered proposes to transfer all available funds already authorized and, in addition, the $3,408,000,000 to be authorized by this bill to the National Defense Administrator, to be expended in the construction and maintenance of long-range sonic speed bomber fighters and interceptors, guided missiles, and atomic-energy-driven submarines, including the necessary bases and accessories for their efficient operation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

Mr. ELLENDER. Mr. President, I send an amendment to the desk and ask that it be stated.

Mr. JENNER. Mr. President——

Mr. JOHNSON of Texas. Mr. President, I understand the Senator from Indiana [Mr. JENNER], would like to make a motion to recommit the pending bill, and would like to make the motion now, if it is agreeable to the Senator from Louisiana.

Mr. ELLENDER. That is agreeable to me.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. JENNER. Mr. President, I move that S. 2090 be recommitted to the Committee on Foreign Relations.

Mr. JOHNSON of Texas. Mr. President, as I understand, the Senator from Indiana has 1 hour of debate on his motion, and I control 1 hour of debate in opposition to the motion. If it is agreeable to the Senator from Indiana, I should like to yield 5 minutes of my time to the distinguished Senator from North Dakota [Mr. YOUNG].

Mr. JENNER. That is agreeable to me.

MILITARY PAYMENT CERTIFICATES IN THE FAR EAST

Mr. YOUNG. Mr. President, nobody has ever seriously claimed that our soldiers like to be drafted. If they did the volunteer system would be quite sufficient to man the services. We have a draft Military Establishment today simply because the United States is faced by a mortal enemy, the Communist Axis, and we have to draft men whether they like it or not.

We all understand this.

But, Mr. President, I find it hard to understand how the United States Government can justify drafting a man and then sweating him out of part of his pay.

It appears that that is exactly what we are doing in the Far East—specifically in Japan, Korea, and the Philippines.

My understanding of the situation is this:

American servicemen stationed in these three countries are not paid in dollars at all. They are paid in a special sort of currency known as military payment certificates.

By United States agreement with each of these countries, an American serviceman must exchange these military payment certificates for the local currency at the official rate of exchange.

That is to say, despite the fact that a black market is flourishing right down the street, wherever the serviceman happens to be in these countries, the soldier or the sailor cannot swap his dollar pay for currency in the black market. It would obviously be to the soldier's private and personal advantage to do so, but he is not permitted to do it.

In the first place he is not paid in dollars at all.

In the second place his military payment certificate pay—"monkey money" is the phrase commonly used to describe it—can be exchanged only at the official rate. I suppose that his allotments for back home would be deposited in dollars in the United States bank of his choice, but I am talking about the portion of his pay that he gets in the country in which he serves. Since he can only exchange this certificate money at official rates, he loses anywhere from 15 percent to 50 percent of this share of his pay.

As I understand, we do this at the demand of the countries in question because they have currency restriction laws and are trying to control black-market operations. Of course, by doing this we are adding a hidden subsidy to those governments, who are only too eager to get dollars. To all other forms of foreign aid we add this hidden subsidy, but, in this instance, we sweat it out of a serviceman's pay.

I am told that $17 million a month is spent in Japan in servicemen's pay and a considerable share—how much, I cannot guess—goes to buy yen at the official rate.

How much of our military expenditures—apart from the pay of personnel—goes through the same operation I do not know either, but I am told that the United States forces in Japan alone require $50 million worth of yen a month.

Various accounts are given of the efforts of the Government to handle this soldier's pay problem. In Korea, for instance, the official rate of exchange is 180 hwan to the dollar. In the open market the rate in April, a few weeks ago, was somewhere between 750 and 800 hwan to the dollar. The contrast is startling. It is said that in the effort to square the situation the United States authorities bought Korean money in a sort of open market transaction and then sold it to United States personnel, as long as the supply lasted, at 500 hwan to the dollar. This apparently eased the situation on our people somewhat, but the easement did not last long.

In the case of the Philippines it has been contended, I believe, that dollars turned loose on the black market have a tendency to move to Hong Kong and from there to the Chinese Communists. Nobody wants to add to the Chinese Red's stock of dollar exchange, but why put the squeeze on American servicemen in the process?

In substance, I suppose that the sum total of our foreign policy these days is this: Anything to bolster the free world.

In the course of this bolstering, we send troops around the globe, give money and goods to foreign governments, educate alien scholars, train technicians, build roads, and do a thousand other things at the expense of the American taxpayer. If, while doing these other things, we accede to the rules of the countries where our forces are stationed in respect to currency restriction, then it ought to be done on the level. A serviceman should get his pay at the open market rate of exchange. Let the United States Government get this exchange openly by direct negotiation with the governments of the countries and quit this sort of hidden subsidy.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from New York [Mr. LEHMAN].

Mr. LEHMAN. Mr. President, I have prepared some remarks on the question of foreign aid to Israel and the Middle East, but the hour is late. Therefore, I ask unanimous consent to have my statement printed in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN ON FOREIGN-AID PROGRAM WITH REGARD TO ISRAEL AND THE MIDDLE EAST

We have before us a bill providing for certain military and economic aid to the countries of the free world—to help them help themselves build up strength to resist the encroachments of communism, to create conditions of greater internal stability and to discourage aggression from without, and when I say aggression, I mean—as we all have in mind—the threat of Communist aggression.

I should like to address a few words to the situation in the Middle East. This is an area to which the American people have, in my judgment, devoted insufficient attention. Less has been said about it and less has been thought about it than of most other areas of the world. Yet the Middle East is one of the most critical areas of the world, in my opinion. It is critical in the sense of its strategic importance. It is critical in the sense of its potentialities for disturbing the peace of the world. It is critical also because of the tensions which exist there.

I do not at all agree with all the aspects of our present policy in that area. Since the present administration took office in 1953, the situation in that area has grown worse. The tensions have increased. The dangers to world peace have increased. Conflicts have increased.

There has been some progress and some improvement—mostly in the economic sphere. In the political sphere the most marked change has been the improvement in relations between England and Egypt as a result of the Suez settlement. Whether this represents a real forward step in strengthening the free world remains to be seen. It has reduced tension as between Egypt and the Western World.

But the tensions surrounding the little democracy of Israel, in the very heart of the Middle East, have increased.

The little democracy that we helped to establish—that we were the first to recognize—has survived and even prospers. The economic situation of Israel has greatly improved, year by year. The help which Israel has received from outside her borders—some of it in the form of governmental aid from the United States—reflects itself in the increased level of production in that country and in the steady reduction of that country's unfavorable trade balance.

Democracy itself thrives in Israel. In a few months there will be an election—a free election—a brilliant demonstration of democracy in the midst of a feudalistic area. There is no other country in this part of the world in which free elections are held—with the exception of Turkey—which is not really part of the Middle East. Israel is the show-window of democracy in this part of the world. It is to our utmost advantage, to our greatest self-interest, to preserve and promote the welfare of Israel, the well-being of its people, the strength of its democracy.

But meanwhile our Government has not effectively discouraged the irredentist hopes of Israel's Arab neighbors, few of whom disguise their desire and expectation that Israel will one day—soon perhaps—cease to exist.

While with one hand we have helped Israel economically, at the same time we have done nothing, or virtually nothing, to really discourage the irreconcilable attitude adopted by Israel's neighbors. We have not insisted that they accept Israel and make peace with Israel.

We have proclaimed a policy of so-called impartiality which, in the face of facts, is something less than impartiality.

Our attitude has given strength to the hope of Israel's neighbors that they may one day engage in a second round, without fear of reprisal from the United States.

We have undertaken a program of providing arms for one of the nearby Arab States, Iraq. We have been and are shipping arms to Iraq.

I am opposed to this policy. I am opposed to it with all my heart. I am opposed to any provision of arms to Iraq. I do not believe that the provision of arms to any of the Arab States strengthens the conditions of stability in that area. I do not think it strengthens the cause of peace. I do not think it enables any of those countries more adequately to resist Communist aggression. Supplying arms to Arab States can only help to upset the balance of strength in that area and lead to an arms race. Such a program can only help to endanger the existence of Israel.

But if we are going to continue to furnish arms to Iraq—as long as we have furnished arms to Iraq—I believe strongly that we should furnish arms to Israel, too. I believe strongly that we should provide Israel with a flat guaranty of her territorial integrity. I believe that we should say to the world that we will defend Israel against external aggression. That, in my judgment, is an obligation we owe to a sister democracy—to a country which holds the hope for democracy and for progress in the Middle East.

I note that the bill before us—the foreign-aid bill—does not provide any specific amount for Israel. It provides an amount for economic aid to the Middle East. I hope that our officials will deal justly with Israel. I hope that Israel will be given all the economic aid that her position justifies. I hope that economic aid will not be used as a

means of applying political pressure to Israel in favor of her Arab neighbors.

I hope that our Government will furnish Israel a security guaranty, as I have said, and that we will do everything in our power to urge the Arab States to enter into permanent peaceful relations with Israel.

I strongly support the Johnson plan for a Jordan River Valley authority to develop the potentialities inherent in the Jordan River for power and irrigation—for the benefit of all the peoples of this area. For sponsoring the study that led to this report and for its good support of the whole Johnson project, I commend the Department of State. Of this aspect of our foreign policy in the Middle East, I wholly approve.

I hope the other aspects of our policy will be brought into line with our policy on the Johnson plan. I hope we will do everything within our power to hold the Arab States and Israel together, to call off the Egyptian blockade at the Suez Canal, to ease all possible points of tension between Israel and her neighbors, to encourage economic interchange between Israel and her neighbors, leading finally to the establishment of peace in that area.

In this way we will best serve the interests of the United States. In this way we will best serve the cause of peace, strength, and world security.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the distinguished Senator from Florida [Mr. HOLLAND].

PERSONAL STATEMENT BY SENATOR HOLLAND

Mr. HOLLAND. Mr. President, I wish to speak briefly to a point of personal privilege.

Yesterday morning, Mr. Drew Pearson, in his column Washington Merry-Go-Round, made a completely false report to the effect that the distinguished Representative from Michigan, Mr. GEORGE DONDERO, and I engaged in a petty wrangle as to who would present to President Somoza, of Nicaragua, a gift which had been sent to him by Vice President NIXON. This incident was alleged to have occurred during the visit to Central America recently made by a congressional delegation in connection with the dedication of two new links in the Inter-American Highway.

I note that Representative DONDERO made an effective reply to the false report contained in the Pearson column, which reply is reported on page 7383 of the CONGRESSIONAL RECORD of yesterday. I also note that Mr. DONDERO attached to his statement letters from two other Representatives who were present during the trip to Central America, namely, Representative TOM STEED, of Oklahoma, and Representative GEORGE H. FALLON, of Maryland. The statement of Mr. DONDERO and the letters of Mr. STEED and Mr. FALLON correctly reflect the situation which was falsely reported by Mr. Pearson. Mr. DONDERO and I each requested the other to speak for all of us in presenting Vice President NIXON's gift to President Somoza, and the atmosphere of complete good will and mutual accord which was present on that occasion was also present throughout our visit to Central America.

It was disappointing, however, to find Mr. Pearson so completely irresponsible in reporting a matter which, while small in itself, was part of a successful nonpartisan effort to build greater good will between our country and our neighbors in Central America and to give greater impetus to the early completion of the Inter-American Highway.

The trip to Central America was organized by the Departments of State and Commerce in the effort to build greater friendship in the Central American area, and to help speed the highway to completion. The Members of Congress who made the trip were the invited guests of the Departments of State and Commerce and were also designated to represent the several committees of the two Houses of Congress which are charged with handling the Inter-America Highway. The two new links of the highway which were dedicated are in highly sensitive locations, one at the border between Nicaragua and Costa Rica, where bloody violence raged but a few months ago, and the other in Guatemala, where only recently communism has been forcibly replaced by a Democratic administration which is friendly to the United States, and which has the active support of all the republics of the Western Hemisphere.

The uniformly friendly reaction to our visit extended by the Latin-American press and by the public in the three friendly nations most directly affected, that is, Nicaragua, Costa Rica, and Guatemala, showed clearly that our mission had succeeded in accomplishing good results. I have already made an informal report of our visit, which is printed on pages 6452–6455 of the CONGRESSIONAL RECORD of Tuesday, May 17, 1955. It is unfortunate that Mr. Pearson, alone, in his typically destructive manner, should have engaged in what appears to be a deliberate effort to falsely picture members of the delegation as engaged in petty bickering, when, as a matter of fact, the delegation performed its mission without friction of any kind and with the single-minded purpose of performing a worthwhile service to the cause of inter-American unity and solidarity.

Mr. President, in closing, I cannot speak too highly of the completely constructive, cooperative, patriotic, and warmly friendly attitude which was unfailingly manifested throughout our mission by each of the able Members of the House of Representatives who was a member of our delegation, namely: Mr. GEORGE A. DONDERO, of Michigan; Mr. GEORGE H. FALLON, of Maryland; Mr. WALT HORAN, of Washington; Mr. WALTER NORBLAD, of Oregon; and Mr. TOM STEED, of Oklahoma.

I thank the distinguished majority leader.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Indiana [Mr. JENNER] to recommit the bill.

Mr. JENNER. Mr. President, there has just been called to my attention a press release with reference to the conference between Tito and representatives of the Kremlin. It is quite a long release, but I think it may be of interest to the Senate, since we are discussing mutual-security funds. Tito will receive some of these funds. I do not know how much, and I do not think anyone else knows. The release says:

> The declaration was read to a press conference of some 150 newspaper correspondents. It contained no really concrete recommendations, although it was 2,000 words long.
>
> It did recommend that—
>
> 1. Communist China "receive its legitimate representation in the United Nations" and that its "legitimate rights" on Formosa should be "satisfied."

Mr. President, I am sure that there are Senators present who would want to increase aid to Tito.

In the Mutual Security Act of 1955, the Congress is confronted with a proposal for the spending of $3,530,000,000 of our earnings, for foreign nations.

Before voting any such fund, the Members of this body are bound by their solemn oath to consider certain facts.

The Members of Congress know that they have, in fact, lost the legislative power.

The nonelected officials of the executive branch draft most of the legislation, and even build up the public support for it.

The members of our committees work hard, but their time is spent usually in making changes in details of the executive department's proposals.

So long as the executive branch has 2½ million employees and the Congress has a few thousands, that practice will continue, though it is contrary to the Constitution.

There still remain, however, some powers which the Congress cannot delegate, without loss of all right to exist.

Congress cannot escape full responsibility for raising and equipping the Armed Forces.

It must draft American youth if they are called to serve in their country's Armed Forces.

And Congress cannot escape full responsibility when it takes by compulsion part of the earnings of our people to give them to governmental agencies.

Through the power of the purse, Congress is responsible for the right of Americans to keep what they earn and spend it as they wish.

No part of the earnings of a free people can be taken from them and used for Government activities unless such diversion is an absolute necessity.

Congress alone is the judge.

Congress cannot permit the executive branch to decide how much money it would like to take from our people, and spend for its own ends.

That is the sign of arbitrary government.

We cannot forget that responsibility, unless we are willing to surrender our rights and duties as a coordinate branch of a government limited by a constitution.

The Members of this body cannot vote three and a half billions of the earnings

of our people, to be spent to help foreign nations, without considering the following basic facts:

First. The executive branch will have on hand as of June 30, 1955, the sum of $8,828,000,000 appropriated for mutual security activities, but not yet spent.

That is enough for 3 years work.

Second. The sum we are asked to vote this year will be largely for expenditures 3 or 4 years from now—unless the rate of spending is to be greatly stepped up.

But spending in fiscal 1958 is the responsibility of a Congress not yet elected.

We are committing a Congress, not yet elected, to expenditures on a program conceived years ago, which they may or may not be willing or able to continue.

The Constitution expressly forbids one Congress to bind another Congress not yet elected.

If we ignore that prohibition, we are saying that elections do not matter.

We are saying that American people are no longer sovereign.

Third. The American Government is operating this year with an expected deficit of $3 billion or more.

This authorization for $3½ billion, above the agency's present $8.8 billion, which is unexpended, is approximately equal to the current deficit.

Meanwhile, the foreign nations we have aided are balancing their budgets and cutting taxes.

Fourth. The cumulative debt of the United States is now nearing $280 billion.

We have reached the stage where we are borrowing money to pay the interest on 20 years of riotous giving.

If we add new billions to the deficit in a year of peace and record prosperity, what is the outlook for our financial stability in a war or an economic depression?

I need not remind you, Mr. President, that, in addition to the formal debt, we have contingent liabilities for homes, farms, business loans, and social-security credits, which add an untold number of billions to our fiscal responsibilities.

We know the Soviet theorists have always counted on destroying our economy as a means of weakening our military potential.

Are we certain that this huge increase in our national debt in peacetime is not in itself a serious military hazard?

The Soviet strategists will know only too well how to take advantage of such weakness.

Fifth. In 1948 when the program for gifts to foreign nations was started, we were told in the most solemn fashion, by Mr. Acheson, General Marshall, Senator Connally, and other advocates, that this was an emergency effort, to carry Europe over the tribulations of war devastation, and that it would last, at most, 4 years.

This morning I made reference to the fact that Harold Stassen had said that foreign aid had now become a permanent part of our Government's policy. I think the Senator from Kentucky said he had asked the question, and that Mr. Stassen had replied, "Well, as long as the great problem of communism confronts us."

But that was not what Mr. Stassen said. Let me quote what he said:

> The time when foreign aid was an emergency program is a thing of the past. It has shown its success, and we must now regard it as an integral, permanent part of our policy.

Now we are asked to appropriate for 3 years ahead to what will be the 10th year of operations.

We are informed by Mr. Stassen that the program is a permanent part of our foreign policy, and that foreign spending will never be abandoned.

Sixth. The foreign spending program was quietly extended from Europe to European colonies in Asia, then to Asian nations, and next year, in fairness, it will have to be extended to Africa.

I suppose we shall have to extend aid to Mars and Venus as soon as we perfect our rockets and space ships.

Is Congress here voting a commitment to carry on indefinitely the spending of perhaps three billions a year for the benefit of foreign nations?

Are the American people ready, willing, and able to promise three and a half billions a year to support the economy and the military establishments of 50 or more nations?

It is cruel and unjust to make promises to other nations which we may not be able to perform.

It is the ultimate stupidity in foreign policy.

Seventh. What is the military strategy implicit in this proposal for financial support for other nations?

That is, perhaps, the most important question of all.

The American people have always understood the underlying strategic pattern of their national defense from the days of Indian fighting and the early years of the Republic, when sailing ships could win our wars, to the later years when we needed a complete theory of seapower and bases for seapower in the age of steam.

They knew Billy Mitchell and Charles Lindbergh heralded the new air age.

Does anyone know the military theory on which this mutual security program rests for its results?

It is not right or proper to conceal the Nation's basic strategy of survival from its people.

Grand strategy cannot be kept from the enemy.

It must not be kept from Americans.

Eighth. The mutual security program obviously has not won for us any additional air bases.

Mutual security was proposed in mid-1947 and debated all during the fateful year when the Soviet Union was planning the final attack by the Red Chinese on the Nationalist Government of free China.

But let us recall why American security was so deeply involved in the civil war in China.

The northern border of China is in contact, over almost the entire width of Asia, with the southern border of Siberia.

Air bases in north China would have been air bases a few flying minutes from the industrial heart of Soviet Russia, from the steel and machinery plants Stalin erected in the Siberian wastes to protect them from invasion through Europe.

With China free and strong the back door to Russia was wide open.

The Russians never forgot their danger for a moment.

China in the hands of the Nationalists meant that American planes could be based a stone's throw from the Soviet Union's munitions industry.

American armies were already operating on the mainland.

The American Navy had a strong naval base at Tsingtao in the north, opposite Korea.

How well the Communists would have behaved without any mutual security spending, if only we had held onto those friendly air bases along the rim of Red Siberia.

It is very curious that the American people were seduced into abandoning their friendly allies on the Soviet border, in the very year when mutual security was started.

The newspapers did not tell us the real issue.

They fed us intellectual sleeping pills, political hasheesh, about the Red Chinese agrarian reformers.

It is very curious that Secretary Acheson should have shifted the discussion of American security from Asia to Europe in those critical years.

We lost the chance to have friendly air bases in north China.

We were not permitted to accept the offer of bases in Spain, a near island, protected by her Pyrenees.

We were given air bases in England and France which we could have had equally well, without mutual aid spending.

Ninth. The mutual security program was obviously not designed to protect our security against atomic attack.

The richest prize of uranium ore fell to the Soviet Union when it was given East Germany at Yalta.

That enabled the Soviet Government to obtain a contract from the Socialist Government of Czechoslovakia for its valuable uranium mines.

Soviet Russia obtained its atom scientists when we approved forced labor for the Germans at Potsdam.

The loss of China meant the building of atom plants in Sinkiang, west China, that desert area which is the farthest spot on the globe from reach of our planes.

We hear a great deal of talk, at present, about protection against atomic war, but the best protection would have been to keep China and Czechoslovakia out of the hands of the Communists, and to protect the German scientists from enslavement.

I do not wish to dwell on past mistakes, except as they are significant in the present.

We totally missed the military issues in 1947 and 1948 when we started mutual aid—ERP.

I wish to be sure we are not equally blind to our military situation today.

Tenth. This program obviously does not rest on the military strategy of winning allies with fighting hearts.

The Koreans are held down to a 2- or 3-day supply of ammunition.

Remember, our fighting men will pay the penalty if the Communists suddenly attack through North Korea, as General Chennault predicts, and the Koreans cannot return their fire.

The Nationalists have not been given jet fighters equal to the Communist planes being assembled opposite Quemoy. They are not being given weapons of attack and amphibious equipment.

What a silly theory, that they must wait, like sitting ducks, until the Communists hit them, and never, never, never hit the Communists on the mainland.

Free China is bound hand and foot by a treaty which says, in effect, that she cannot defend her own people on the mainland unless the United Nations—including Soviet Russia—is willing to support her.

In her defense treaty with us, Free China is not to attack the mainland except with our consent.

Under the U. N. Charter, we are forbidden to start a move against anyone for any reason unless it has the approval of the U. N., which includes Red Russia, with the veto. That puts Free China in a neatly constructed boobytrap, in which it cannot move against Red China unless Red Russia approves.

What does this arrangement mean to our security?

It means that America will stand by, idle, while the Red Chinese take over, one by one, the remaining islands off the China coast. Then the Reds will be completely free to move arms and supplies up and down the coast of Asia at their own sweet will.

We must stand idle while they render homeless an army of 500,000 free Chinese, eager to fight Communists in defense of their own homes. This dismantling of this free Chinese rampart against Communist advance in the Pacific will bring the Communists one critical step nearer to Pearl Harbor and California.

When the barriers in the western Pacific are no longer manned by free Chinese, new barriers will have to be set up in short order, manned by Americans.

This foreign aid program does not solve the strategic problem of Vietnam. Oh, yes, the bill provides many millions in aid to the Vietnamese, but what is that aid to be? Is it to be almost everything they really need? Is it to be guns without ammunition or tanks without parts? Or defense weapons like those we gave poor little Korea in 1950, which consisted of light weapons and $200 worth of bailing wire, and also gave Formosa more recently?

The newspapers are filled with dismal reports of conditions in Vietnam. Political influence is split between French and Vietnamese, between the emperor and the premier, between supporters of Premier Diem and supporters of various sects. The Communists have left their soldiers, without uniforms, in the villages to form local guerrilla forces in free areas, as they did in China.

The small Vietnamese army, being slowly trained and equipped by the Americans, will perhaps be able to hold the cities, but certainly cannot cope with the planned uprisings in the villages which will occur before the time for nationwide elections next year.

That is a dismal, hopeless picture, is it not, my friends?

The answer is "No." It is not dismal. It is not hopeless.

The answer to the confusion in Indochina is to be found in Washington, in the curious absence of a national strategic policy.

The right strategic policy for defense of Vietnam is not hard to find, even through the obscurity of the propaganda fog.

The only sound military policy, to save Indochina from planned Red conquest, is to equip the soldiers of Chiang Kai-shek with a model air force, including the best jet planes, and with the best amphibious equipment our industries can produce. They will keep the Red Chinese in order.

Free China is held down by its mutual defense treaty with us, which, as I have just stated, prevents her from moving onto the mainland unless Red Russia consents.

But that treaty does not mean merely the permanent enslavement of the Chinese. It means the permanent enslavement of the people of Indochina, because the Nationalist Chinese could keep the Red armies so busy they could not supply Ho Chih Minh. It may mean the enslavement of the rest of Korea, or the recall of our men to service if the Free Chinese cannot hold the Red divisions from rushing north to Korea, as they did in 1950–51.

When the Chinese Reds strike at Vietnam next year, we shall hear demands from Government officials that we send American forces into Vietnam. We shall have loud protests from our allies that we must not help because that might start a world war.

We shall have another carefully dramatized Dien Bien Phu, to show, in an atmosphere of heroics, that it is impossible to stop the Reds. Then we shall have more wringing of hands by our officials because more millions of free people are going behind the Iron Curtain.

The Red Chinese will shoot in cold blood most of the 700,000 refugees from north Vietnam whom our Navy transported to the south, if the pitiful refugees do not first kill themselves.

The blame for our stupidity and weakness will be trumpeted all over Asia, while our officials say, "We couldn't do anything. Our allies would not let us help, because a little show of courage might start a world war."

If this sounds familiar, it is where we came in, in Vietnam, a year ago. Let us not be fooled if that act is played out before us again, Mr. President. The time to stop Red China's 1956 invasion of Vietnam is now.

The place is in Washington, and the means have long been pointed out by our best military men, and I refer to men like Van Fleet, Clark, Chennault, and Radford.

We must establish a peaceful blockade of the Red China coast until every American held by the Chinese is freed, and Red China learns once more to respect the American flag, without any "please" from a secretary of the U. N.

Big news. Four American fliers were freed just yesterday by Red China. Big news. Red China held those boys, in violation of the peace negotiated at Panmunjom. Where are the other American fliers who have been imprisoned by Red China? What has happened to this country?

We must equip Nationalist forces to threaten the Reds with amphibious guerrilla attacks at times and places of their own choosing.

The Nationalist Government of China reports that Chinese Communist publications admit famine has now spread to half of mainland China.

The Communists estimate that 180 million mainland Chinese are suffering from hunger. Starvation is widespread, not in the cities, but among farmers. That can mean only one thing. The government's forcible grain collections must be so severe that they take from the farmers the very food they need to live. We are witnessing all over again the cruel Soviet famine from forced collectivization of the farmers. Reports say farmers are selling or abandoning their farms.

What does that little fact mean? It is as grim, Mr. President, as any death's head. It means that famine will be greater next year.

Is this the time for appeasement, Mr. President? Is this the time to buy the good will of anti-Communist nations, while we meekly accept the abuse of Chou En-lai?

We know from students of Soviet politics that the Russian leaders are not happy over the threat of Red China 10 or 20 years from now. They are not going to give the Red Chinese the arms and equipment with which to make themselves the fighting leaders of all Asia.

It is a safe forecast that the Chinese Reds cannot today produce their own arms, and they will not long continue to get them from Red Russia, unless they learn humility. It is true that Red China is building up a vast and threatening arms concentration opposite Quemoy. But that is the typical Communist strategy. By concentrating planes and guns in that area of high visibility, they keep all the capitals of the world in a state of jitters, for fear a world war might break out. The Red Chinese believe that if they are allowed to attack, they will get Formosa. If they are not allowed to attack, they will get Formosa by another Yalta. If they do not get Formosa just yet, they will have had the fun of keeping the world in turmoil and spreading fear and appeasement.

This is bogey-man stuff, Mr. President. It should frighten children, but it should not frighten adults.

The air bases opposite Formosa are Red China's showcase. Obviously the Red Chinese are going to put their best planes and guns at the spot where the

whole world is looking. But we cannot build our national defense on such tricks.

Mr. President, why do we never ask ourselves the right questions? How much airpower do the Red Chinese have in places where we are not looking? Do they have effective control of south China, of west China, of the countryside? Or is everything they possess kept on display in Manchuria, in North Korea, and near Amoy, so we shall be hypnotized with fear? Are south and west China the soft underbelly of the Chinese mainland seething with rebellion? I believe they are, Mr. President. I believe that the proof of this fact lies in the way the propaganda of the pro-Communists is skillfully directed to make us scared to death of Red China, without asking questions. I believe that the propaganda designed to put Nationalist China under wraps is all the proof we need that Red China is tottering from internal rebellion. It is totally unable to resist a properly planned pincers squeeze, with no risk of war.

I repeat, Mr. President, we have no military defense of the free world in Asia. Does any Member of this body seriously believe that spending untold billions of dollars will achieve security for the United States, if it is tied to such folly?

I repeat that a military strategy is available to us, as of now. It includes only the two simple steps: American arms and training for nations in Asia, and an American peaceful blockade of the China coast until all our men are released and until the Red Chinese learn international manners.

I am not a military expert, Mr. President. I have never attempted to act like one.

I say that our military security planning is hamstrung by an administrative monstrosity. I say the security, perhaps the very survival, of the United States, depends on our ability to rescue our military planning from the global welfare boondoggling confusion into which it has been locked.

Our spending in Europe has left us almost as vulnerable as we are in Asia.

Austria has just committed herself to a neutralist policy. But neutralism is not neutrality. A nation which is neutral retains its sovereign right to go to war with either side. A nation which is neutralist has surrendered its sovereignty. It cannot go to the aid of neighbor nations, no matter how shocking the attack made against them.

Germany was outraged at the Austrian treaty. She was surprised and angry at the clause which forbids return of German property above a minimum so low that it means all German industrial and financial property there is lost. The German Minister at Vienna was hastily recalled home, and then went on a long vacation.

The senior Senator from California [Mr. KNOWLAND] has warned us that Soviet Russia plans a belt of neutralist states from Sweden to the Mediterranean. The Soviet leaders will persist until they have set up, if they can, a circle of neutralist states in Europe, in the Near East, and across south Asia to Japan. All these neutralist states are subtracted from the free world. No one talks seriously of a belt of neutralist states including Poland, the other Soviet satellites in Europe, and Red China. But our danger is greater than that. The Soviet Russian plan for a belt of neutralist states really means the Soviet Union has invented a new kind of satellite. These neutralist states will never resist the Soviet Union, no matter what it does. They will never be able to do so.

What has all our mutual defense spending done to protect us against this subtle expansion of the Soviet Union? What has it done to unite the two parts of dismembered Germany? What, Mr. President, in simple terms, is the military strategy on which our mutual security spending rests?

Is there the slightest reason to think we have learned anything since 1947–48, when this global spending plan began?

I repeat that the barriers to a strategy for our national security lie not in Peking, or London, or Paris, but in Washington. They are embedded in the treaties and agreements for mutual defense and in the governmental machinery for control of military aid.

Our spending is not geared to any plan for our security as a Nation. It is an insult to the intelligence of the American people to speak of military aid as if it were a label to be pasted on a package, regardless of the contents.

I have pointed out, in a speech with the title "Let Us Safeguard America First" that our military planning has been hamstrung since Harry Hopkins decided in 1939 that welfare was "small potatoes" and that in foreign policy and military policy he would meet such interesting people.

Harry Hopkins controlled our military policy through international agencies for control of munitions assignment. Dean Acheson took over and exercised the same predominance through misuse of the doctrine of civilian control.

Now, Harold Stassen controls much of our military policy through the FOA, together with the international-minded lawyers in the Defense Department.

Two of these international-minded lawyers have recently departed from our midst, namely, Mr. John Adams and Mr. Struve Hensel.

But we cannot be too happy about that small gain, because Mr. Stassen has recently elevated himself to a new position, at the summit of the summit, from which he will have more control over our military policy than ever before.

Have you noticed, Mr. President, what very interesting fields of activity Mr. Stassen will control in that attractive-sounding new position, the Secretary for Peace?

Mr. Stassen will have control of "peaceful" uses of atomic energy, including the training of foreign experts, but note this little fact. There is no essential difference between the knowledge acquired for peaceful use of atomic energy, and military uses of such energy. There is certainly no difference in the first 85 percent of the technology.

So Mr. Stassen is now to train foreign scientists and technicians, including those from Iron Curtain countries, in at least 85 percent of the knowledge essential for military uses of atomic energy.

What part will our professional military men and our Cabinet Secretary for Defense play in these very, very dangerous activities?

Mr. Stassen is also to be responsible for disarmament. But "disarmament" is another field of action filled with danger to our national security. The American plan for U. N. limitation of atomic weapons was worked out by Dean Acheson and David Lilienthal. It presupposes our willingness to submit our basic decisions of national security to the U. N., which includes the Soviet Union, to permit full inspection of our defense and atomic plans, and to trust that full inspection will be carried out honestly with respect to our potential enemies.

We were saved from imposition of that dangerous plan, for a world-control of our Military Establishment, only by the Soviet veto.

Is the new disarmament program to start from the old concept? Will our Military Establishment and our military security be even more tightly locked into U. N. and subject to decisions by a world body in which Communist power is paramount by reason of the veto?

Will our Defense Department and our professional military men be free to oppose such a potential danger? Will they be free to propose quite different plans?

In his third activity, Mr. Stassen is apparently to direct the new program for aid to Asia. But that, too, is competitive with our military security.

Aid to Asia belongs with the schemes to stop the onrush of communism in the free world by spending money for a world WPA in needy areas. Is that a tried and tested basis for our national security, Mr. President?

Our military establishment is under a Secretary of cabinet rank whose powers and duties are set down in statute law. Mr. Stassen will operate with funds and agents we cannot see. He will be handicapped by no statutory restrictions on his powers or his funds. I am very doubtful whether any agency operating under statutory restrictions can compete with him.

You may tell me, Mr. President, that Mr. Stassen is leaving the mutual security program, but I am not sure. This may be only a strategic retreat.

It looks to me strikingly like the way in which Harry Hopkins separated himself from lend-lease and gave it to Mr. Stettinius. Senators will recall that circumstance.

But we did not notice that Hopkins gave Stettinius all the areas of lend-lease which he wanted Congress and the public to see. He kept to himself, vast, indefinite, and secret powers which have distorted our foreign and military policies to this very day.

Mr. Stassen tells us he has teams of experts from the State Department, the Department of Defense, and the Atomic Energy Commission working for him.

This is an appropriation, Mr. President, as truly as if it were made by Congress. The President has general funds and secret funds from which he can give Mr. Stassen what he needs.

He is asking for a special fund of $100 million in this bill. The President's fund of $200 million for Asian development is subject to only slight limitation.

To sum up, Mr. President, this appropriation of more than $3 billion is a financial hazard in the present state of our budget. I have said that I cannot find that this expenditure would contribute in any way to our military security.

So far as I can find, from long and diligent research, this mutual security program has seriously interfered with our national security by tying our defense planning into knots which in turn bind it close to U. N., including the Soviet Union.

I have said that the new Secretary of Peace, who is to administer some of the funds here appropriated, has three new programs, each and all of which pose new dangers to our security by tying our military operations more tightly into world agencies which operate above our law.

We are responsible in this body for raising and supporting the Armed Forces needed to defend our country.

We are responsibile for devising administrative machinery which will strengthen, not weaken, our security.

I believe we cannot in conscience vote for this vague, indefinite, potentially dangerous bill.

Therefore, I propose, Mr. President, that S. 2090 be recommitted to the Committee on Foreign Relations and the Committee on Armed Services, with the request that they report two separate bills.

One bill should assign all funds and powers which relate to defense and to military security, to the Secretary for Defense, who is a Cabinet officer with statutory authority, so that we can see whether his responsibility is discharged.

The second bill should assign all other funds and powers to the Secretary of State, a Cabinet officer with statutory power, so that we, as the representatives of the people, can see whether his responsibilities are discharged, or to some other official, whose agency and whose powers and duties are defined in the statute law.

This idea of a personal government cannot be tolerated. We saw it under Harry Hopkins. I have had enough of it.

The Mutual Security Agency is not short of funds. There will be no delay if the bill is recommitted and if, then, the committees report two bills, one relating to the defense and security of the United States, and the other to aid. Let us not handicap entirely the military defense and security of our country in a world-boondoggling, give-away program. What delay would there be if two bills were reported from the two committees which are supposed to be acquainted with this very important subject? It could not hurt anyone. Almost $9 billion in unspent funds are available. It would take 2 or 3 years to spend that amount of money. The Mutual Security Agency is not short of funds.

Congress can properly ask for more time in which to draft a better bill for an agency which has a backlog of nearly nine billions.

Congress must, I believe, ask for time to draft a better bill for the protection of the military security of the United States.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable to the Senator from Indiana, and if he will yield back his remaining time——

Mr. BUTLER. Mr. President, will the Senator from Texas yield me about 4 minutes before he yields back the remainder of his time?

Mr. JOHNSON of Texas. Does the Senator from Maryland desire to speak on the motion to recommit?

Mr. BUTLER. No; I do not.

Mr. JOHNSON of Texas. The Senator from Indiana desires to have a quorum call and a yea-and-nay vote on his motion to recommit, and I am trying to accommodate him. A number of other Senators wish to offer amendments to the bill. If we could have a vote on the motion to recommit, the Senator from Maryland could obtain some time from other Senators who will offer amendments, if that is agreeable to him.

Mr. BUTLER. That is agreeable to me.

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the article to which I referred in my speech.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STASSEN'S VIEW—FOREIGN AID REGARDED AS FIXED POLICY

(By Henry Raymont)

Harold E. Stassen, retiring foreign-aid director, said yesterday that old time conservative capitalism in the United States has evolved into a "peoples' capitalism" shared by all.

This, he said, has confounded the Communists.

He also said in an exclusive interview that the most significant development in the postwar idealogical struggle between the Communist and capitalistic philosophies is that the free world is well ahead of the Communist nations in providing a better life for the average man.

To maintain this advantage, he continued, the United States must press forward with its program of economic cooperation with Asia and Latin America as a permanent feature of its foreign policy.

"The time when foreign aid was an emergency program is a thing of the past," he asserted. "It has shown its success and we must now regard it as an integral, permanent part of our policy."

Stassen formally surrenders his foreign aid post June 30, and at the request of President Eisenhower, will devote all his energies to developing basic United States disarmament policy.

Beginning with the Marshall plan, Stassen recalled that the United States embarked on an "honest effort to share its wealth and power with the free nations of the world."

He said that through its enlightened postwar policies, both under Democratic and Republican administrations, the United States has helped bring about these conditions:

Europe is in the midst of an unprecedented industrial upsurge.

Asia is making tremendous progress in expanding food production.

Latin America has made vast strides in developing natural resources and stabilizing monetary policies.

Plans are forming to begin more elementary forms of economic aid to Africa.

Meanwhile he saw the Communist nations suffering severe economic setbacks. He cited the internal convulsions of the Soviet Union—which resulted in the Kremlin shakeup—and pointed out that Russia has had to import sugar for home consumption.

Likewise, he said, Communist China is suffering grave food shortages.

Mr. JENNER. Mr. President, I yield back the remainder of my time.

Mr. JOHNSON of Texas. How much time is remaining in opposition?

The PRESIDING OFFICER. Forty-nine minutes remain to the opposition to the motion.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be taken out of my time on the motion.

The PRESIDING OFFICER. Without objection, it is so ordered. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, with regard to the motion of the Senator from Indiana, I merely wish to say, that the Committee on Foreign Relations made a long and thorough study of the subject. It studied the recommendations of the highest ranking military authorities of our Nation and of all the civilian authorities from the President down. The bill represents the best judgment of the committee as a whole. I do not believe anything could be gained by having the bill recommitted.

Furthermore, it is my understanding that the Committee on Armed Services, by a vote of the committee, decided that it did not care to have the bill referred to it after the Committee on Foreign Relations had completed its work on it. Therefore I urge most strongly, and the Committee on Foreign Relations urges most strongly, that the motion be rejected.

Mr. JOHNSON of Texas. Mr. President, how much time remains to my side?

The PRESIDING OFFICER. Forty-four minutes.

Mr. JOHNSON of Texas. I understand the Senator from Indiana desires to have the yeas and nays on his motion.

Mr. JENNER. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana [Mr. JENNER] to recommit the bill. All time has been yielded back; the yeas and nays have been ordered and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator

from Arizona [Mr. HAYDEN], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from Kentucky would vote "nay," and the Senator from Nevada would vote "yea."

I further announce that, if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BENDER], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from Indiana [Mr. CAPEHART] and the Senator from Vermont [Mr. FLANDERS] are detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BENDER], the Senator from Vermont [Mr. FLANDERS], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "nay."

On this vote the Senator from Nevada [Mr. MALONE] is paired with the Senator from Kentucky [Mr. CLEMENTS]. If present and voting the Senator from Nevada would vote "yea," and the Senator from Kentucky would vote "nay."

The result was announced—yeas 16, nays 62, as follows:

YEAS—16

Barrett	Hruska	Mundt
Curtis	Jenner	Welker
Dworshak	Johnston, S. C.	Williams
Eastland	Langer	Young
Ellender	Long	
Goldwater	McCarthy	

NAYS—62

Aiken	Hennings	Morse
Anderson	Hickenlooper	Neely
Barkley	Hill	Neuberger
Beall	Holland	Pastore
Bennett	Humphrey	Payne
Bible	Ives	Potter
Bricker	Jackson	Purtell
Bush	Johnson, Tex.	Robertson
Butler	Kefauver	Russell
Byrd	Kerr	Saltonstall
Carlson	Kilgore	Scott
Case, N. J.	Knowland	Smathers
Cotton	Kuchel	Smith, Maine
Daniel	Lehman	Smith, N. J.
Dirksen	Magnuson	Sparkman
Douglas	Mansfield	Stennis
Duff	Martin, Iowa	Symington
Ervin	Martin, Pa.	Thurmond
Frear	McNamara	Thye
George	Millikin	Wiley
Green	Monroney	

NOT VOTING—18

Allott	Clements	Malone
Bender	Flanders	McClellan
Bridges	Fulbright	Murray
Capehart	Gore	O'Mahoney
Case, S. Dak.	Hayden	Schoeppel
Chavez	Kennedy	Watkins

So Mr. JENNER's motion to recommit was not agreed to.

Mr. LONG. Mr. President, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the junior Senator from Louisiana.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 12. Notwithstanding the foregoing provisions of this act, such provisions shall not be construed to authorize the appropriation for the fiscal year 1956, for the purposes of titles I, II, and IV of the Mutual Security Act of 1954, as amended, of amounts (exclusive of unexpended balances of prior appropriations authorized to be continued available under such provisions) aggregating in excess of $2,918,040,000.

Mr. LONG. Mr. President, I am prepared to yield back all but 15 minutes of my time, if the opposition will do likewise.

Mr. JOHNSON of Texas. Mr. President, I am prepared to yield back a similar amount of time. On this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. As I understand, each side now has 15 minutes on the Long amendment.

The PRESIDING OFFICER. All time except 15 minutes on each side has been yielded back.

Mr. JOHNSON of Texas. Mr. President, I hope all Senators will remain in the Chamber, because there will be a yea-and-nay vote at the end of 25 or 30 minutes of discussion on the amendment.

Mr. LONG. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 10 minutes.

Mr. LONG. Mr. President, this is a simple amendment. It is based upon the theory that it would be a mistake for us to increase the foreign-aid program in any single year.

The purpose of the amendment is to reduce the overall appropriation authorized by the bill by $318 million. I have arrived at that figure because I believe a ceiling should be set on the military aid and the economic aid, other than the point 4 program. If we authorize a larger figure than that for which my amendment provides, we shall be appropriating more money for foreign aid next year than was appropriated last year.

Senators know that budgets are prepared years in advance. Recommendations for appropriations must be studied more than a year in advance. The world situation has improved since these recommendations were made.

Unless the proposed authorization becomes law, this will be the first year the Senate and the House of Representatives have not seen fit to reduce the amount recommended by the administration for foreign military aid. It will be the first year since 1951 in which the Senate will have appropriated more for that purpose than it provided in the previous year.

I am not proposing to reduce the amount provided in title III, which is the so-called point 4 technical assistance program. I am completely prepared to concede that title III, the technical assistance program, is here to stay; and that the United States will be providing more technical assistance throughout the world so long as any of us have the pleasure to serve in the Senate.

On the other hand, I think most Senators recognize that the large amounts of funds for foreign aid generally have not yet been wholly expended. I believe most Senators share my desire that, year by year, there should be a gradual reduction in the foreign-aid program.

How does it happen that, although the administration has requested less money this year than it requested last year, yet the Senate is prepared to vote on final passage for a committee bill which authorizes $318 million more than was proposed to be authorized last year in the bill reported by the committee.

The reason is that last year the committee that studied the foreign aid bill, which called for about $3,567,000,000, cut out almost $500 million before the bill was reported to the Senate. Then the Senate saw fit to adopt an amendment which I offered to reduce the amount another $500 million, which made the overall reduction almost $1 billion below the administration's request. Of course, much of that amount was restored by the House; nevertheless, some of the cut remained.

It seems to me we should insist that there be no expansion of the foreign-aid program, which already has on hand a balance approximating $9 billion beyond what was in the previous year. To do so would be to prolong the life of the program and to call for greater appropriations year by year. For that reason, I hope that Senators will agree with me that it would be a mistake for the Senate to appropriate more money this year for foreign aid than was appropriated last year.

As of March 31, 1955, there was on hand, unexpended, $9,909,800,000. If the bill shall be passed, even with the amendment I propose, there will be an additional $3,090,000,000 added to that amount. In other words, there would be approximately $13 billion unexpended.

The expenditures under the foreign-aid program are being made at the rate of $4,800,000,000 a year. Certainly that is sufficient to carry on the program.

My amendment proposes a reduction of less than 10 percent—a very modest reduction. It would be the smallest reduction that Congress has made since the foreign military aid program was established.

For example, in 1951, $8,500,000,000 was requested. Congress authorized $7,483,000,000, a reduction of $1 billion.

In 1952, $7,900,000,000 was requested. Congress authorized $6,447,000,000, a reduction of $1,500,000,000.

In 1953, $5,474,000,000 was requested. Congress authorized $5,057,000,000, a reduction of $325,000,000.

In 1954, last year, a request was made for $3,676,000,000. Congress authorized $3,252,000,000, a reduction of $425 million.

If my amendment shall be agreed to, for a reduction of $318 million, the cut will be the smallest that Congress will have made in the history of the foreign military-aid program.

I submit that my amendment proposes a very modest reduction, far less than that which was made last year.

The argument has been made that we should support the President. I believe we should support the President, but also we should discharge our own responsibilities. President Eisenhower has given us his views, but he expects us to accept our responsibility. Surely that responsibility is to vote our judgment in these matters.

For example, last year, President Eisenhower recommended $3,500,000,000. After the request was made, the Senate Committee on Foreign Relations, without a single amendment, proceeded to reduce it to $3,100,000,000. In their judgment, the members of the committee thought that was wise. The Senate cut it an additional amount. I saw no evidence that the President felt that we had not supported him.

The mechanics of the program would work in this manner: There would be an overall ceiling on the amount which could be appropriated. The bill would authorize in additional items, more than the ceiling would permit to be appropriated. It would then be the responsibility of those in charge of the program to go before the appropriations committees of both the House and the Senate and explain to them where they believed the reduction of $314 million could best be absorbed. That is the procedure which the Senate adopted, by a vote of 45 to 41, last year, involving a reduction of $500 million, after the committee had already reduced the amount by almost $500 million.

It seems to me that such a procedure would be in order, due to the fact that the committee has not reduced the program by 5 cents. I believe we should proceed to make what would be a very modest reduction, which I believe would bring the amount to that appropriated last year, a reduction of $314 million.

As I say, that would leave an authorized appropriation for this year of $3,090,000,000. There would be on had, in addition, almost $10 billion of unexpended funds.

I hope the amendment will be agreed to. I hope very much the distinguished chairman of the committee will not feel obliged to oppose the amendment.

Mr. JOHNSON of Texas. Mr. President, I yield the Senator from Georgia such time as he may desire.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Senator from Georgia is recognized for 15 minutes.

Mr. GEORGE. Mr. President, the distinguished Senator from Louisiana is predicating his case on the unexpended balances in this bill. Last year the Committee on Appropriations defined "unexpended balances," and gave it a statutory interpretation, and under that statutory interpretation of unexpended balances—and that is the law which is applicable to this bill for this year, at least—the unexpended balances are very small. In fact, according to the testimony of Mr. Hensel, and according to the other testimony which was adduced before the committtee, they are approximately $100 million; and all of that is contracted for, or is allocated, or the Defense Department has placed orders in that amount, in order to expedite the furnishing of arms and military material to the countries to whom we are obligated to furnish them.

When such orders are given, the FOA—that is the name of the organization this year—is called upon and is asked to allocate to the different departments an amount necessary to pay the bill when the "hardware" is delivered. That represents all the unexpended balances here involved.

In order to make that certain, the very last provision of the pending bill provides that unexpended balances in excess of $200 million not continue available after June 30, 1955. If there is more than $200 million, it is not to be reappropriated for the use of the mutual security program. In other words, it is cut off at $200 million.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GEORGE. I am speaking under limited time, but I yield.

Mr. LONG. Will the Senator tell us why the provision was placed in the bill?

Mr. GEORGE. I am trying to tell the Senator. It was placed in the bill because the testimony was undisputed and it was unquestioned that every dollar of this money had been allocated under the statutory definition made by the Appropriations Committee of the Senate, which was binding upon that committee. It was stated there was remaining only $100 million. It was first proposed that only $100 million of the unexpended balances should be carried over. It is true we did reappropriate the unexpended balances, but in accordance with the testimony, and we limited the carryover to $200 million.

So do not worry about the unexpended balances or the unallocated balances. That is all there is to the question. More than $200 million cannot be carried over. There is no way for more than that amount to be carried over. There are no unexpended balances, other than the amounts reserved to take care of military orders placed by the Defense Department in order to expedite the furnishing of arms.

The bill does not provide for a greater amount than did the bill of last year, let me say to the Senator from Louisiana. Much has been said to the effect that the bill does so provide. The pending bill carries the total cost of the Army in Korea. Heretofore a large percentage of the appropriation necessary to support our Armed Forces in Korea has been borne by the Military or Defense Establishment. One hundred twenty-two million dollars of it is an item for infrastructure, the building of bases in Spain. That amount is reappropriated. All that money is to be added, to make the bill appropriate approximately $3,480,000,000.

The unexpended balance is the item which seems to have troubled some of us. There will always be an unexpended balance in this bill, and in every other bill, when orders cannot be filled the first year the appropriation is made. There is a large unexpended balance in the military defense appropriation. It is unavoidable, because orders cannot be filled in a year. Some of them take 2 years. Some of the orders take more than 2 years.

So far as the military items are concerned—and they are a big part of the bill, in fact three-fourths of the bill—it is true that such items do not encompass military "hardware" alone but encompass military "hardware" plus direct support, which includes the clothing soldiers must wear. It means that Korea and Chiang Kai-shek on Formosa can support, all told, nearly 1 million soldiers, which can be used for our defense. Those soldiers cannot be supplied with shoes, coats, hats, and other necessary articles which soldiers in an army must have, unless we see that they are supplied. The pending bill must take care of, if it is to be taken care of at all, the total cost of maintaining an army in Korea, of maintaining all the armed forces in Korea, an obligation to which the Defense Department, during the Korean war and up until this year, has largely contributed.

More than $400 million will go to the armed forces in Korea, or for their benefit or support. There are 500,000 Korean soldiers who are trained to come to our rescue. In Formosa there are another 400,000 to 500,000 troops, or some such number; and there are many soldiers in other parts of the world.

Mr. President, do we want any allies? Do we want any help?

I do not believe it wise for us to undertake to cut the authorization provided by this bill below that recommended by the committee.

So far as the unexpended balances are concerned, I am perfectly willing now, if Senators wish to do so, to provide that only $100 million of unexpended balances shall be carried over; and that will end all the unexpended balances, except for those which will be allocated or held in reserve to meet the bill which this fund will owe to the Defense Establishment which is putting up its own money in order that it may order the necessary "hardware," the necessary munitions, the necessary arms, to support the Armed Forces abroad to which we are making a contribution.

Mr. BARKLEY. Mr. President, will the Senator from Georgia yield to me at this time?

Mr. GEORGE. I am glad to yield.

Mr. BARKLEY. The Senator from Georgia will recall that in the hearings before the committee, the witnesses representing the armed services and the mutual-aid program, as well as the State Department, seemed to have gone into greater detail in outlining the need for all these items than had previously been done in respect to any other bill with which I ever had any connection; and

the Senator from Georgia will also recall that many of the Members of the Senate, including himself and myself, asked Mr. Hensel, particularly, if they had screened this request for authorizations to the point where it represented the minimum assistance we could safely provide to our friends throughout the world. Does the Senator from Georgia recall that that is true?

Mr. GEORGE. Exactly so. We went into it at great length, and made every possible effort to have them explain what is meant by these unexpended balances.

Mr. BARKLEY. Mr. Hensel impressed me as a very able and a very sincere man. Surely he has no ulterior motive in making these recommendations. He has since resigned from the Government, and the President has accepted his resignation.

It seems to me that, as I recall, no bill was ever explained in greater detail or was worked on more thoroughly than the pending bill.

So, Mr. President, I believe, with the Senator from Georgia, that the amendment proposed by our good friend, the Senator from Louisiana [Mr. LONG], should not prevail.

Mr. GEORGE. I thank the Senator from Kentucky.

Mr. WILEY. Mr. President, will the Senator from Georgia yield to me?

Mr. GEORGE. Yes; if I have sufficient time to do so. Let me inquire of the Chair how much time remains to me.

The PRESIDING OFFICER. The Senator from Georgia has only 1 minute remaining.

Mr. WILEY. If the Senator from Georgia will yield only briefly to me, I should like to state, for the record, what Mr. Hensel said.

Mr. GEORGE. Very well; I yield.

Mr. WILEY. Mr. Hensel, then the Assistant Secretary of Defense, said:

A dollar abroad buys more frontline defense than a dollar spent at home.

He also said:

Our security could not be better and more economically preserved if we spent on our own forces the money we are now spending on allied forces.

Let me say that Admiral Radford, Chairman of the Joint Chiefs of Staff, said:

The mutual-defense assistance program is an integral part of our own national-security program.

He also said:

Such a program can hardly be labeled a giveaway program.

A little later he said:

It is more advantageous for us to assist our allies in maintaining their own national forces, especially ground forces, than it is for us to provide United States soldiers.

He also said:

Our security and that of our allies are in reality one and the same.

Mr. GEORGE. I thank the Senator from Wisconsin.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Does the Senator from Louisiana have 7 minutes remaining?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Let me inquire whether the Senator from Georgia desires to have any further time.

Mr. GEORGE. No. I was going to yield to the Senator from California.

Mr. JOHNSON of Texas. I have arranged to have time yielded to the Senator from California.

Mr. President, if the Senator from Louisiana will use his 7 minutes at this time, then we are prepared to yield to the Senator from California the 2 minutes remaining to our side.

Mr. LONG. Very well, Mr. President.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 7 minutes.

Mr. LONG. Mr. President, if I should have the honor to serve for a great many years in the Senate I would never expect to enjoy the esteem with which the Senator from Georgia is held by the Senate, or to approach the eloquence with which he speaks. But in my 7 years of service in the Senate, I have gained a decided impression of the way that such budget items are prepared.

In years gone by I have found that I could agree with the Senator from Georgia because he has advocated, in connection with foreign aid expenditures reductions which I myself have advocated. Last year we agreed that the cost of the foreign-aid bill could be reduced, and the distinguished chairman of the committee and a majority of the committee agreed on the making of such a reduction.

I read now from the CONGRESSIONAL RECORD of August 3, 1954; the distinguished senior Senator from Georgia [Mr. GEORGE] then said:

Therefore, I said to the committee, as I said to the representative of the executive branch of the Government, that if we cut the authorization bill to not exceeding approximately $3 billion in new money, I felt I could go along with it. We did cut it.

The House authorized $3,566,908,000. We cut it down to $3,100,000,000; $10 million has been added on the floor for Latin American countries. I think that was a very wise decision by the Senate. Therefore, we reduced substantially the amount of new money in the bill. That is what we are now asked to authorize.

A little later the Senator from Georgia said:

If we cut the amount by another half billion dollars, perhaps we could get by; but if we cut it by a billion dollars, as I first thought we should cut it, we would serve notice upon the world that the United States at least was withdrawing so far as our NATO program was concerned, so far as all our efforts in Southeast Asia are concerned, and so far as any protection in the Far East, in the Middle East, and in all of Europe is concerned.

At that time the Senator from Georgia was referring to a $1 billion amendment which was being offered by me; and the Senator from Georgia was agreeing that perhaps we could make another $500 million reduction, in addition to the $500 million reduction which he himself had recommended.

So at that time the Senator from Georgia felt that a $1 billion reduction in a bill calling for $3½ billion would not be too great a reduction to make.

Let me point out that the persons who prepared that budget are the same ones who prepared this budget. Although today the Senator from Georgia is more impressed by their testimony than he was then, I have concluded that the officials who prepared this budget did so in about the same way that they prepared the budget last year.

Mr. President, if we can take at face value the assertions of the administration, I believe the administration intends gradually to reduce the amount of the overall foreign-aid program.

Mr. GEORGE. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield.

Mr. GEORGE. Let me say that this budget has been made up in a way in which no other budget for foreign aid has been made up. I sat in on the committee meetings when the first foreign-aid bill was prepared, following which it was brought to the floor of the Senate. We then agreed upon a $17 billion program for a little more than 4 years, and we made the appropriations year by year. The late Senator Vandenburg, who then was chairman of the committee, agreed with me; and that was the position we took.

This budget is a very well prepared one. It is the best prepared and best presented budget I have seen come from the Mutual Security Administration. It is a very thoroughly prepared budget, and is the best of any budget I have seen submitted by any Administration or under any Administrator.

Last year the unexpended balances were in serious question. Actually, about $6 billion was unexpended.

But now that entire picture has changed. The unexpended balances represent nothing on earth except either allocated funds or reserve funds within a statutory definition fixed by the Appropriations Committee, as I have already said, except in the case of approximately $100 million; and then we have assumed all the cost of caring for the Korean soldiers.

Mr. LONG. Mr. President, let me say a word in regard to the allocation or obligation of the funds. It is easy enough for someone to write in a book that it is expected that certain funds will be spent in certain ways. But this Administration has on hand almost $10 billion of unexpended funds, to which we propose to add $3 billion.

Let me say that I had the privilege of serving on the Armed Services Committee when this program was initiated. I recall very well that we were told, sometimes behind closed doors, and sometimes in public, that the great year of danger was 1954, and that we had to appropriate $7 billion or $8 billion in 1 year because we had to aid our friends, and because we were expecting that war would break out in that year. 1954 came and went. We appropriated the money. We armed our allies. In some places they have arms running out of their ears. Yet the experience we have is that, far from the program tapering

off, in some respects it is being expanded. Far from merely arming our allies, we are now asked to buy their uniforms, to feed them, and to pay the soldiers in the field. There is not a nation in the world that cannot put uniforms or some sort of clothing on its own soldiers. There is not a nation in the world that cannot feed its own soldiers. There is not a nation in the world that cannot pay the modest sums which these nations pay to take care of their troops, particularly in peacetime. Yet the United States is picking up the check for all of them. In addition, here comes a great economic program, in the name of foreign aid, and in the name of military support.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. LONG. In just a moment.

We are being asked to build factories in those countries, to rehabilitate their railroads, and to build transmission lines across those countries, all in the name of defense.

This budget can be reduced. If the Senate will accept this amendment, we shall have very good and sound advice from the Foreign Operations Administration itself, and from its able officers, on how we can make the very modest reduction I am recommending.

I now yield to the Senator from Minnesota.

Mr. THYE. The Senator from Louisiana said that any nation could afford to clothe and feed its soldiers. Korea was at war less than 3 years ago. Korea was devastated.

Mr. LONG. Korea is perhaps the exception.

Mr. THYE. She is trying today to rehabilitate herself, and she is facing serious economic problems.

Mr. LONG. Korea is perhaps an exception; but there is involved only $400 million in this bill affecting Korea.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. LONG. I cannot yield further at this time. I must answer the Senator. There is involved only approximately $400 million for Korea, out of an-overall total of $3,400,000,000. There is no reason why this amendment need affect Korea. If it should affect Korea, it would be because, when a modest reduction was made, the administration itself would proceed to recommend that perhaps in some of the Korean items there could be a reduction. I will agree that Korea has a better case than other countries so far as concerns supporting her troops and paying her soldiers.

Mr. THYE. The distinguished chairman [Mr. GEORGE] also referred to Formosa. Every available man who can wear a uniform and serve in the armed forces is in the armed forces of that country. Therefore its economic condition is strained, and if we do not in some sense support that army, it will not stand as a part of our national defense.

Mr. LONG. Some may pick out strong points in this program and emphasize them. Others may pick out weak points, such, for example, as the building of a railroad for India. India could take care of the railroad for herself. If we did not give her any money, she would build it any way.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, may I complete my thought?

Mr. JOHNSON of Texas. I yield 1 additional minute to the Senator from Louisiana.

Mr. LONG. I merely wish to say that there are thousands of items throughout the world involving far greater amounts than does the pending bill, running to the extent of perhaps $50 billion or $100 billion, which would be equally as desirable as items in this bill, if Congress saw fit to make that much money available to our friends throughout the world.

Mr. JOHNSON of Texas. Mr. President, I yield the remaining time, which is less than 3 minutes, I believe, to the distinguished minority leader [Mr. KNOWLAND].

Mr. KNOWLAND. Mr. President, I rise in opposition to the amendment offered by the Senator from Louisiana [Mr. LONG], not only for the very cogent reasons which have been presented by the distinguished Senator from Georgia, chairman of the Foreign Relations Committee, but for some additional reasons as well.

The distinguished Senator from Georgia has had more experience in this body than any of the others of us. He was quite correct when he said that among all the bills which have come to the Senate from the Foreign Relations Committee—certainly during the period of time I have served on that committee, and previously on the Armed Services Committee—there has never been a more detailed breakdown of the facts and figures relating to any bill than that relating to the bill now before the Senate.

We must deal realistically with the situation in the world today. It is quite true, as the Senator from Louisiana pointed out, that the previous administration, as well as this one, had pointed out the necessity of building a system of selective security against the menace of communism in the event the Communists should decide to move in 1952, 1953, or 1954. It is true that they did not move, but, in my opinion, one reason they did not move is that the free world, largely supported by the United States, which furnished leadership, had presented a formidable barrier to their moving. Certainly in 1955, when matters may be coming to a critical head, this is not the time to pull the stopper on the situation in the Far East.

It is extremely important not only that we provide military support for our allies in that part of the world but that they also have the defense support items. As has been pointed out by the Senator from Minnesota [Mr. THYE], it is extremely necessary that there be such defense support items for Korea, because it does no good to give the troops guns if they are not properly clothed. Winterized clothing is necessary in order to meet aggression which may come during the winter months.

Korean troops are in much larger force than a country of that size would normally maintain. The number is far beyond the economic possibility of their maintenance by that nation. There are approximately 600,000 Korean troops there. The fact that they are there provides a stanch part of the defense in the Pacific.

On the island of Formosa there are approximately half a million Army, Navy, and Air Force personnel. Those two small countries together account for 1,100,000 men. Certainly at this particular point in the history of the world it would be most disadvantageous—and it might even be fatal—to pull the stopper on that situation.

The PRESIDING OFFICER. The time of the Senator from California has expired. All time has been exhausted.

Mr. JOHNSON of Texas. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from Kentucky would vote "nay," and the Senator from Nevada would vote "yea."

The Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting the Senator from Arkansas would vote "nay," and the Senator from Massachusetts would vote "yea."

The Senator from Arkansas [Mr. MCCLELLAN] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. If present and voting, the Senator from Arkansas would vote "yea," and the Senator from Wyoming would vote "nay."

I further announce that if present and voting, the Senator from Montana [Mr. MURRAY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BENDER], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from Indiana [Mr. JENNER] is detained on official business.

On this vote, the Senator from Nevada [Mr. MALONE] is paired with the Senator from Kentucky [Mr. CLEMENTS]. If present and voting, the Senator from Nevada would vote "yea," and the Senator from Kentucky would note "nay."

The Senator from South Dakota [Mr. CASE] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from South Dakota would vote "yea," and the Senator from Colorado would vote "nay."

The Senator from Kansas [Mr. SCHOEPPEL] is paired with the Senator from Ohio [Mr. BENDER]. If present and voting, the Senator from Kansas would vote "yea," and the Senator from Ohio would vote "nay."

The result was announced—yeas 27, nays 53, as follows:

YEAS—27

Barrett	Ellender	Martin, Pa.
Bible	Frear	Mundt
Bricker	Goldwater	Robertson
Butler	Hruska	Russell
Byrd	Johnston, S. C.	Stennis
Curtis	Kerr	Thurmond
Daniel	Langer	Welker
Dworshak	Long	Williams
Eastland	Magnuson	Young

NAYS—53

Aiken	Hennings	Monroney
Anderson	Hickenlooper	Morse
Barkley	Hill	Neely
Beall	Holland	Neuberger
Bennett	Humphrey	Pastore
Bush	Ives	Payne
Capehart	Jackson	Potter
Carlson	Johnson, Tex.	Purtell
Case, N. J.	Kefauver	Saltonstall
Cotton	Kilgore	Scott
Dirksen	Knowland	Smathers
Douglas	Kuchel	Smith, Maine
Duff	Lehman	Smith, N. J.
Ervin	Mansfield	Sparkman
Flanders	Martin, Iowa	Symington
George	McCarthy	Thye
Green	McNamara	Wiley
Hayden	Millikin	

NOT VOTING—16

Allott	Fulbright	Murray
Bender	Gore	O'Mahoney
Bridges	Jenner	Schoeppel
Case, S. Dak.	Kennedy	Watkins
Chavez	Malone	
Clements	McClellan	

So Mr. LONG's amendment was rejected.

Mr. McCARTHY. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin will be stated.

The CHIEF CLERK. On page 14, between lines 12 and 13, it is proposed to insert the following:

(f) At the end of the chapter add the following new section:

"SEC. 515. During any period during which any American citizen is held prisoner by Communist China, none of the funds authorized by this act, or by any act authorizing the appropriation of funds for providing financial assistance to foreign countries, shall be obligated or expended for providing assistance to any foreign country which (a) exports or knowingly permits the exportation of materials or products from such country to Communist China, or (b) ships or knowingly permits the shipment of materials or products to any port in Communist China on a vessel carrying the flag of such country or owned or controlled, directly or indirectly, by the nationals of such country."

Mr. JOHNSON of Texas. Mr. President, will the Senator from Wisconsin yield?

Mr. McCARTHY. I yield.

Mr. JOHNSON of Texas. Mr. President, I understand it is agreeable to the Senator from Wisconsin that we yield back all but 3 minutes on each side and ask for the yeas and nays. If it is agreeable to the Senator from Wisconsin, I now ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I yield back all but 3 minutes of my time.

Mr. McCARTHY. Mr. President, it will take me less than 3 minutes to discuss my amendment. However, in case I am questioned, I might require more than 3 minutes. Is that agreeable to the Senator?

Mr. JOHNSON of Texas. I should prefer to yield back all time but 5 minutes.

Mr. McCARTHY. That is acceptable to me.

The PRESIDING OFFICER. The Chair understands that each side has yielded back all but 5 minutes. The Senator from Wisconsin is recognized for 5 minutes.

Mr. McCARTHY. Mr. President, the Senate Investigating Committee under the able chairmanship of the Senator from Arkansas [Mr. McCLELLAN] held hearings 2 or 3 weeks ago with regard to the American uniformed men who are still being held in Communist China. We had before us officials of the Air Corps, the Army, the Navy, and the State Department, and it was admitted by them that 481 uniformed men are still being held by Communist China. This makes the administration claims that there are only from 11 to 15 being held very deceptive in the extreme. Since that time four men have been released, which means that there are still 477 uniformed men being held.

As to civilians, there are apparently 20, although there is an estimate given of 35. That is a total of 477 uniformed men still being held in Communist China, and perhaps 20 or 25 civilians.

My amendment simply provides that no country which ships the sinews of military strength to Red China or permits the shipment of such materials to Red China shall receive any mutual security aid.

Mr. President, I do not believe any argument is required. The amendment is self-explanatory. Either we continue giving aid to countries that ship to Red China while Red China is holding Americans prisoners of war, or we do not.

I wish to say to the majority leader that I appreciate his help in getting the yeas and nays on this particular amendment.

Mr. JOHNSON of Texas. Mr. President, if any Senator desires time to speak in opposition, I shall be glad to yield it to him.

Mr. GEORGE. Mr. President, I rise to oppose this amendment. It sounds plausible and good, but it is a very unwise step to take.

We are making progress in getting prisoners released. Four of them have been released recently. The chances are that in a short time 11 or maybe more may be out of Red China. This amendment would impose a burden upon other peoples in that area who may do some little trading with Red China and to whom we must extend help if we are to maintain anything like stability in the entire Far East.

Suppose, Mr. President, that Japan should buy a little material from Red China. She must buy from someone. Suppose Japan should ship some goods into Red China; soft goods or any other kind of goods. It would be most embarrassing to our whole program in that area if we should take the position that such an act alone and of itself would result in Japan forfeiting all the aid and assistance we might find it necessary to provide her under this program and which should be provided if we are to have any stability in the Far East. That stability must come primarily, let us say, through the Philippines, through Japan, through Korea, through Formosa, and some other countries, including India, if India should become militantly on our side or should even be strictly neutral.

Mr. McCARTHY. Mr. President, will the Senator from Georgia yield for a question?

Mr. GEORGE. I have no time, but I shall be glad to yield.

Mr. McCARTHY. With the great respect I have for the able Senator from Georgia, I hesitate questioning him on the floor of the Senate. However, does the Senator realize that even though the war in Korea has been ended for more than 2 years, according to testimony taken by the committee there were 481—the number is now 477—uniformed men who have not been returned and who are being brain-washed into eternity in Communist dungeons? Does the Senator realize the figure was 944 after the exchange of prisoners, and that now some 463 have disappeared? I wonder if the Senator will agree with me that we should not give money to allies while they are strengthening Red China which, in turn, is torturing into eternity American young men. It would seem to follow as the night follows the day.

Mr. GEORGE. I cannot answer the Senator's question, because it is an argument or a thesis. But I would say that, under this bill, if England does any trading whatever with Red China, then any aid or assistance—military assistance, because there is nothing else going to England—would be cut off. The Senator's amendment would make the program impossible. It is just as well for us to be frank about it and, if we do not want to continue the program, to say so directly.

Mr. McCARTHY. Does the Senator know that under our rules and regulations no American ship can carry goods to Red China and no American businessman can sell goods to Red China?

Mr. GEORGE. That is quite a different thing. But I have no further time.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Two minutes remain.

Mr. JOHNSON of Texas. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. McCARTHY]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote, the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from Kentucky would vote "nay," and the Senator from Nevada would vote "yea."

I further announce that, if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "nay."

I also announce that the Senator from Massachusetts [Mr. KENNEDY] if present and voting, would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BENDER], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from Ohio [Mr. BRICKER] is detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT] and the Senator from Ohio [Mr. BENDER] would each vote "nay."

On this vote, the Senator from Nevada [Mr. MALONE] is paired with the Senator from Kentucky [Mr. CLEMENTS]. If present and voting, the Senator from Nevada would vote "yea," and the Senator from Kentucky would vote "nay."

The result was announced—yeas 18, nays 60, as follows:

YEAS—18

Barrett	Hruska	McCarthy
Curtis	Jenner	Potter
Daniel	Johnston, S. C.	Thurmond
Dworshak	Kerr	Welker
Frear	Knowland	Williams
Goldwater	Langer	Young

NAYS—60

Aiken	Bennett	Byrd
Anderson	Bible	Capehart
Barkley	Bush	Carlson
Beall	Butler	Case, N. J.
Cotton	Jackson	Neely
Dirksen	Johnson, Tex.	Neuberger
Douglas	Kefauver	Pastore
Duff	Kilgore	Payne
Eastland	Kuchel	Purtell
Ellender	Lehman	Robertson
Ervin	Long	Saltonstall
Flanders	Magnuson	Scott
George	Mansfield	Smathers
Hayden	Martin, Iowa	Smith, Maine
Hennings	Martin, Pa.	Smith, N. J.
Hickenlooper	McNamara	Sparkman
Hill	Millikin	Stennis
Holland	Monroney	Symington
Humphrey	Morse	Thye
Ives	Mundt	Wiley

NOT VOTING—18

Allott	Clements	McClellan
Bender	Fulbright	Murray
Bricker	Gore	O'Mahoney
Bridges	Green	Russell
Case, S. Dak.	Kennedy	Schoeppel
Chavez	Malone	Watkins

So Mr. McCARTHY's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ELLENDER. Mr. President, I offer an amendment, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the senior Senator from Louisiana.

The CHIEF CLERK. On page 11, beginning with line 8, it is proposed to strike out through line 25 on page 12, as follows:

(k) Add the following new section:

"SEC. 418. President's fund for Asian economic development: (a) The Congress of the United States reaffirms the policy of the United States to contribute to international peace and security through assisting the peoples of free Asia in their efforts to attain economic and social well-being, to safeguard basic rights and liberties, and to protect their security and independence. The Congress hereby recognizes that fundamental to these goals is an expanding economic growth of the free Asia area based upon self-help and mutual cooperation and full utilization of already existing resources and knowledge. The Congress expresses the willingness of the people of the United States to support the foregoing objectives to the extent to which the countries in the area continue to make effective use of their own resources and external resources otherwise available to them.

"(b) In order to carry out the purposes of this section, there is hereby authorized to be established a fund, to be known as the 'President's fund for Asian economic development' (hereinafter referred to as 'the fund'), and there is hereby authorized to be appropriated to the President for the fund an amount of $200 million, such amount to remain available until June 30, 1958.

"(c) The President is authorized to utilize the appropriations made available for the fund to accomplish in the free Asian area the policies and purposes declared in this act and to disburse them on such terms and conditions, including transfer of funds, as he may specify to any person, corporation, or other body of persons however designated, or to any foreign government, agency, or organization or group of governments or agencies as may be appropriate: *Provided, however,* That not less than 50 percent of the funds appropriated pursuant to this section shall be available only for furnishing assistance on terms of repayment in accordance with the provisions of section 505, and not more than 25 percent of said funds may be allocated for assistance to any one nation.

"(d) In utilizing the fund the President shall give preference to projects or programs that will clearly contribute to promoting greater economic strength in the area as a whole or among a group or groups of countries of the area."

Mr. JOHNSON of Texas. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. Is this the amendment on which the Senator desires to have the yeas and nays, and on which he is agreeable to 5 minutes' time for debate on each side?

Mr. ELLENDER. That is correct.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I will yield back all of my time except 5 minutes, if the Senator from Louisiana will do likewise.

Mr. ELLENDER. I do likewise.

The PRESIDING OFFICER. All time has been yielded back except 5 minutes on each side. The senior Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, earlier this afternoon I made a rather lengthy statement regarding the reasons why I thought the five amendments I proposed to submit should be adopted.

The pending amendment seeks to strike from the bill the item of $200 million which is provided for the President to spend in Asia as he sees fit.

Mr. President, under the law as it now exists, the President has the right to spend $150 million, and that amount is to be taken from moneys which are available and appropriated for mutual-security programs. The bill seeks to cut the $150 million to $50 million, but it restores the $100 million, in the form a direct appropriation to the President's special fund and the bill also adds another $200 million to be available for expenditure by the President for economic-aid programs in Asia.

As I stated earlier this afternoon, I attempted to cut the direct forces support authorization, which is the nature of economic aid, by $500 million. My amendment did not carry. The item we are now considering provides for economic aid pure and simple.

I should now like to read excerpts from the committee report regarding the $200 million fund:

Primarily for projects contributing to economic development of the Asian region as a whole * * *

Not less than 50 percent of the appropriations made to the fund shall be available only for furnishing assistance on a loan basis, and no more than 25 percent of the funds may be allocated for assistance to any one nation.

Among examples of projects for which the fund might be used are regional development of water and mineral resources, transportation, and communications projects, and regional training centers.

It seems to the committee that an investment of $200 million in the President's discretion for purposes of peaceful economic development in Asia is at least as justified and worthwhile as the earlier investment of much larger sums in the President's discretion for purposes of military assistance and direct forces support.

Mr. President, I have read from excerpts taken from the committee report. I believe, as I stated earlier this afternoon, that there are ample funds provided elsewhere in the bill to take care of such developments as are proposed by the President, without his being allotted the

additional sum of $200 million. To say the least, my amendment seeks to cut a relatively small sum from the bill, and I hope the Senate will vote favorably on it.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Georgia desire time to speak in opposition to the amendment? If so, I yield him such time as he may desire.

Mr. GEORGE. Mr. President, I shall speak, unless some other Senator desires to speak. May I ask the Senator from Louisiana to what his amendment relates? Does it propose to eliminate the $200 million special fund?

Mr. ELLENDER. That is all my amendment provides for.

Mr. GEORGE. Mr. President, in the committee we gave to this particular provision a great deal of consideration. It was the earnest desire of most members of the committee that the fund should not be in the form of a blank check, but there was no real opposition to providing the $200 million.

I should like to say, Mr. President, there are a great many matters it is difficult to explain, because they are not supposed to be talked about, since, if they were, there would be disclosed to an enemy, if there be an enemy, certain information. But, beyond all doubt, the President will be called upon to do a great deal for Japan, and he will be able to do it primarily through this fund.

We have restricted the use of the fund. We have required that at least $100 million of the total amount be used in the form of loans. Most of the money can be put out on the basis of commercial loans and in the case of Japan they would be good loans.

We have restricted the use of the fund further by providing that not more than 25 percent of the $200 million shall be either granted or loaned to any one country in the Asian area. Furthermore, the President is required every 6 months to report what he has done with the fund and how it has been used and expended.

There are conditions in the Far East which, when they were explained to the committee in strictly executive session, as they had to be, seemed to the committee to justify the grant of this additional sum of money to be used in the Asian area.

Mr. President, I hope this provision will not be stricken from the bill. I referred to Japan, because I thought that country could be mentioned with a degree of safety; but there are certain other purposes, which I am not at liberty to discuss on the floor of the Senate, for which the fund may be used in the Far East.

I hope the amendment will not be agreed to.

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute remaining to him.

Mr. ELLENDER. Mr. President, I simply wish to say, in answer to my good friend from Georgia, that the $150 million special fund of the President which is now provided for by transfers from any of the Mutual Security programs could be used, I am sure, to the same extent and for the same purposes as could the $200 million of direct appropriations provided in the bill.

The PRESIDING OFFICER. All time has been either exhausted or yielded back.

The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER] on which the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from Nevada would vote "yea."

The Senator from Arkansas [Mr. MCCLELLAN] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. If present and voting, the Senator from Arkansas would vote "yea" and the Senator from Wyoming would vote "nay."

I further announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Masssachusetts [Mr. KENNEDY], and the Senator from Montana [Mr. MURRAY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BENDER], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

If present and voting the Senator from Colorado [Mr. ALLOTT], would vote "nay."

On this vote, the Senator from Nevada [Mr. MALONE] is paired with the Senator from Kentucky [Mr. CLEMENTS]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from Kentucky would vote "nay."

The Senator from Kansas [Mr. SCHOEPPEL] is paired with the Senator from Ohio [Mr. BENDER]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 17, nays 63, as follows:

YEAS—17

Byrd	Hruska	Russell
Curtis	Jenner	Thurmond
Dworshak	Johnston, S. C.	Welker
Eastland	Langer	Williams
Ellender	Long	Young
Goldwater	Mansfield	

NAYS—63

Aiken	George	Millikin
Anderson	Hayden	Monroney
Barkley	Hennings	Morse
Barrett	Hickenlooper	Mundt
Beall	Hill	Neely
Bennett	Holland	Neuberger
Bible	Humphrey	Pastore
Bricker	Ives	Payne
Bush	Jackson	Potter
Butler	Johnson, Tex.	Purtell
Capehart	Kefauver	Robertson
Carlson	Kerr	Saltonstall
Case, N. J.	Kilgore	Scott
Cotton	Knowland	Smathers
Daniel	Kuchel	Smith, Maine
Dirksen	Lehman	Smith, N. J.
Douglas	Magnuson	Sparkman
Duff	Martin, Iowa	Stennis
Ervin	Martin, Pa.	Symington
Flanders	McCarthy	Thye
Frear	McNamara	Wiley

NOT VOTING—16

Allott	Fulbright	Murray
Bender	Gore	O'Mahoney
Bridges	Green	Schoeppel
Case, S. Dak.	Kennedy	Watkins
Chavez	Malone	
Clements	McClellan	

So Mr. ELLENDER's amendment was rejected.

Mr. ELLENDER. Mr. President, I submit an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, in line 15, it is proposed to strike out "Not less than 50 percent of."

Mr. ELLENDER. Mr. President——

Mr. JOHNSON of Texas. Mr. President, will the Senator from Louisiana yield briefly to me?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. I should like to state, for the information of the Senate, that some four or five amendments remain to be passed upon. I do not anticipate that there will be a yea-and-nay vote on more than one of them, and perhaps there will be a yea-and-nay vote on the question of final passage of the bill.

So, Mr. President, if we obtain the cooperation of the Members, we should be able to end today's session a little after 8 p. m.

I have an understanding with the Senator from Louisiana that I will yield back all my time on the amendment except for 2 minutes, on the condition that he will do the same.

Mr. ELLENDER. That is acceptable, Mr. President.

The PRESIDING OFFICER. Both sides have agreed to yield back all time available to them, with the exception of 2 minutes each.

Mr. ELLENDER. Mr. President——

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. ELLENDER. Let me say that I wish to cooperate with my good friend, the Senator from Texas.

Mr. President, the amendment would strike out of the bill the words "not

less than 50 percent of." The amendment affects the $200 million we have been discussing.

Under the bill, 50 percent of the $200 million must be made by loan. My amendment will make the entire $200 million available to the President, provided all of it is handled on a loan basis. That is the object of the amendment, which I submit to the Senate.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from Georgia [Mr. GEORGE].

The PRESIDING OFFICER. The Senator from Georgia is recognized for 1 minute.

Mr. GEORGE. Mr. President, this amendment would make this fund unavailable for the purposes for which the administration expects to use it in the Far East; in fact the amendment would utterly destroy the fund. We have already restricted 50 percent to loans, but we have left the President with some power to dispose of 50 percent of it to meet emergency conditions.

The PRESIDING OFFICER. All time available on the amendment has either been used or been yielded back.

The question is on agreeing to the amendment of the Senator from Louisiana, on page 12, in line 15.

The amendment was rejected.

Mr. ELLENDER. Mr. President, I submit the amendment which I now send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 7, it is proposed to strike out lines 3 to 12, inclusive, and to redesignate subsections (b) to (k), inclusive, as (a) to (j), respectively.

Mr. JOHNSON of Texas. Mr. President, as agreed to previously, I yield back all but 2 minutes of the time available to me on the amendment, on the condition that the Senator from Louisiana will do likewise.

Mr. ELLENDER. Mr. President, that is agreeable to me.

The PRESIDING OFFICER. All time on the amendment of the Senator from Louisiana has been yielded back, with the exception of 2 minutes for each side.

Mr. ELLENDER. Mr. President——

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. ELLENDER. Mr. President, as I indicated awhile ago, in discussing the $200 million amendment, this amendment will eliminate the $100 million direct appropriation to the President's special fund which he could use at his discretion.

Under the law as it now stands the President may use up to $150 million for those purposes he thinks particularly pressing, but he must take this money from other funds provided in the bill. The pending bill would eliminate this transfer authority as to $100 million of the $150 million, and make that amount available as new money, appropriated directly to the President.

I hope the Senate will accept the amendment.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Georgia desire to speak?

Mr. GEORGE. I desire only a minute, Mr. President.

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Georgia.

Mr. GEORGE. Mr. President, within the year the President had to use money which he was able to borrow to hold Iran in being, standing next to Russia, face to face with Russia, and with no means in the world of defending herself. She would have gone to the Communist group if the President had not used a little money. This fund is the only available fund he will have to use in any part of the world, except for transfers.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. ELLENDER. Is it not true that under the law as it now stands—without the benefit of the committee amendment—the President has the use of $150 million, which he can take from other funds we are now authorizing?

Mr. GEORGE. I think he may take some money from other funds, under certain circumstances.

Mr. ELLENDER. That is the law.

Mr. GEORGE. Yes.

The PRESIDING OFFICER. All time is exhausted or has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER].

The amendment was rejected.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement concerning my amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

President's special fund: Eliminates the $100 million of authorization for direct appropriation to the President's special fund, and retains provisions of existing law which permit the President to transfer from other mutual-security funds, up to $150 million, to be used by him "without regard to the requirements of this act (Mutual Security Act) or any other act for which funds are authorized by this act, in furtherance of any of the purposes of such acts, when the President determines that such use is important to the security of the United States." Not to exceed $100 million can be spent on "any selected persons" who are residing in or escapees from behind the Iron Curtain. Up to $50 million can be spent by the President without vouchers to substantiate the expenditures.

The committee bill would appropriate $100 million direct to the special fund, and continue the President's authority to transfer funds from other programs, up to the sum of $50 million.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ELLENDER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be stated.

The LEGISLATIVE CLERK. On page 5, it is proposed to strike out lines 5 to 24, inclusive, and renumber the succeeding sections.

Mr. JOHNSON of Texas. Mr. President, I yield back all my time except 2 minutes, if that is agreeable to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I yield back all my time except 2 minutes.

The PRESIDING OFFICER. All time except 2 minutes on each side is yielded back.

Mr. ELLENDER. Mr. President, I discussed this amendment quite fully earlier in the day. As I stated this afternoon, when the Sentate first enacted the technical-aid program some years ago, the Senator from Georgia [Mr. RUSSELL] offered an amendment which was accepted by Senator Connally, who was then chairman of the Foreign Relations Committee, to the effect that under no conditions should any representative of our Government go to a foreign country and propose development schemes, and then promise to assist financially in the development of such schemes.

Since the technical-aid program is worked in conjunction with the development aid provided for in this bill, it lends itself to the very abuse the Senate sought to eliminate by adopting the Russell amendment. We sought to do away with this possibility—a possibility which has now become a reality—that is, that the administrator of the fund might go to a certain country and propose to give financial assistance in connection with any project proposed if the country should sign an agreement for technical assistance. That is the way this fund might be used, and has been used in the past. Let me quote from page 10 of the committee report:

The $1 million development-assistance program proposed for Nepal this year is intended to supplement a technical-cooperation program and to begin meeting the needs for better transportation and communication facilities and for development of isolated areas.

This is just one example, Mr. President. I am sure there are more.

I wish to emphasize that I am in full accord with our technical-aid program. But when point 4 is combined with development assistance, as it has been, and will be in the future, it no longer represents a real technical-aid program as envisioned by the Congress.

Mr. President, I ask unanimous consent that a further explanation of the amendment be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Amendment eliminating $165 million of development assistance:

The money is broken down as follows:

Asia:	
India	$70,000,000
Nepal	1,000,000
Total	71,000,000
Near East and Africa	[1] 73,000,000
Western Hemisphere:	
Bolivia	16,000,000
Guatemala	5,000,000
Total	$21,000,000

[1] Not allocated by countries.

Uses by countries:

India, $70 million: Thirty million dollars in surplus agricultural commodities, the local currency proceeds from which will be used for local costs of irrigation, flood control and power projects (p. 9).

Other uses:	
Fertilizer	$4,000,000
Deep irrigation wells	4,000,000
River valley development to assist in further expansion of irrigation	2,000,000
Construction of electric power facilities	5,000,000
Steel	15,000,000
Transportation, principally rehabilitation of Indian railways	6,000,000
Malaria control	4,000,000

Nepal, $1 million: One million dollars will be used to supplement a technical cooperation program and to begin meeting the needs for better transportation and communication facilities and for development of isolated areas (p. 9).

Near East and Africa, $73 million: "The existing situation in the Near East makes it inadvisable to specify the amounts of development assistance allocated to individual countries in that area" (p. 19).

"In Egypt, program is designed to help the Egyptian Government carry out its overall 10-year, $2 billion economic development plan which is aimed principally at achieving maximum agricultural production, increasing the amount of arable land, expanding industrial production, and introducing new industries. United States assistance will consist chiefly of equipment for highway construction and port improvement, and construction of grain silos, irrigation pumping stations, and powerplants" (p. 20).

Israel: "Surplus agricultural commodities will account for a large part of the development assistance program, about half of which will probably be on a loan basis. Although Israel has made significant economic progress, and American assistance has been reduced, it is not yet feasible to terminate that assistance" (p. 20).

Lebanon: "The program would concentrate on agricultural development, improvement of village water supplies, and public roads. A primary object is to encourage local capital formation through reducing the need for expenditures on food imports and through improving transportation facilities. It is contemplated that most of the assistance for Lebanon would be on a loan basis and that part of it would be in the form of commodities" (p. 20).

Syria: "Although the United States has no agreements for either development assistance or technical cooperation in Syria, the bill includes funds for economic aid should Syria desire it in connection with unified planning of the project for utilizing the waters of the Jordan and Yarmuk Rivers. Maximum use of this water for irrigation might prevent full development of its hydroelectric power potential in which case Syria might need external credit for thermal power development" (p. 20).

Bolivia: $16 million: "The development assistance program for Bolivia for fiscal 1956 includes $10 million in food and agricultural imports, principally bread grains ($7 million) and fats and oils ($2 million), and $6 million in machinery and vehicles, chiefly agricultural and road-building equipment. Local currency accruing from the sale of the commodities will be used to carry out additional portions of the Bolivian development plan" (p. 21).

Guatemala: "The development assistance authorization in the bill includes $5 million for Guatemala to be used principally for financing the construction of roads and other public-works projects. These activities will not only alleviate unemployment but should also stimulate economic activity generally by opening up hitherto isolated sections of the country. Part of the money will also be used for completion of Roosevelt Hospital in Guatemala City. The Committee has some doubts that the $5 million authorization in the bill for Guatemala is sufficient. It is possible, depending upon future developments, that perhaps as much as $10 million more may be required to help the Castillo Armas liberation government repair the economic damage left by the Communist regime. In this connection, the committee calls attention to the authorization in section 8 (a) of $100 million for a world-wide contingency fund and urges the administration not to hesitate to use this fund to provide additional assistance to Guatemala, should such action prove necessary" (p. 21–22).

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from Georgia.

Mr. GEORGE. Mr. President, I thought everyone agreed that the technical assistance program was a good program. It frequently happens that we go into a backward country and offer a small amount of money to obtain material in order to carry out the program if the country agrees on a certain project. Only a small amount of money is involved.

The entire technical assistance program is not large. It is really pitiably small when we consider the totals involved.

I hope the amendment will be rejected.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is exhausted or yielded back.

The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ELLENDER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be stated.

The LEGISLATIVE CLERK. On page 9, line 5, it is proposed to strike out "$65,000,000" and insert $16,500,000."

Mr. JOHNSON of Texas. Mr. President, if we may have the same understanding as before, I yield back all but 2 minutes.

The PRESIDING OFFICER. All time on either side is yielded back, except for 2 minutes.

Mr. ELLENDER. Mr. President, this amendment seeks to cut from the bill $48,500,000 from the total authorized to assist in providing new homes for Palestine refugees in Jordan. It was my privilege to visit that place. While I admit that the places where the refugees live are awful, yet we are embarking on a program under which we put up 70 percent of two projects which will cost in excess of $150 million.

I think we ought to draw the line somewhere—and now is the time to do it. I do not believe we shall ever satisfy the Arabs by building housing in Jordan. What they want, of course, is to return to Palestine. To my way of thinking, it is a waste of funds for us to obligate ourselves to spend as much as 70 percent of the cost of erecting this $150 million project.

Mr. President, I ask unanimous consent to place in the RECORD at this point a further explanation of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST (UNRWA)

Eliminate $48,500,000 from total authorized for this agency, the amount representing the agency's assessment against the United States for commencing construction in 1956, of permanent rehabilitation centers for Arab refugees.

The agency has budgeted $61.5 million for these rehabilitation centers in fiscal 1956, of which the United States would contribute $48.5 million, or 70 percent of the cost.

The Ellender amendment would not touch the $16.5 million in the bill for the United States' contribution to UNRWA to carry on relief activities in fiscal 1956. The total annual cost to UNRWA is approximately $25 million, with the United States contribution in 1956 amounting to $16.5 million, or approximately 60 percent.

The committee report describes the permanent rehabilitation project as follows: "A permanent solution of the Arab refugee problem can only be found through rehabilitation and resettlement, and the committee has repeatedly expressed its deep concern over the lack of progress in this direction. The committee was therefore encouraged to learn that final negotiations are nearing completion for two large-scale resettlement projects. One of these will provide for 60,000 to 70,000 people in Sinai at an estimated cost of $50 million. The other is the Jordan River Valley development which will benefit about 150,000 refugees at an estimated cost of 90 million. Both of these projects will take a number of years to complete but the administration is hopeful that a start can be made on them during the course of fiscal 1956, and UNRWA has tentatively budgeted $61.5 million for this purpose. The committee believes that if projects of this character can be brought to fruition, a great contribution will have been made to reducing the tensions that now disturb the area. In view of the great benefits which would flow from such a development, the committee feels the United States contribution here proposed of 70 percent of the total is justified, but at the same time it believes that greater effort might be made to increase worldwide participation in the program" (pp. 31–32).

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Georgia such time as he may desire.

Mr. GEORGE. Mr. President, I am sure it would not be wise to cut the very heart out of the refugee program. According to all the reports we receive, this program is just now beginning to become effective. Everyone knows more or less about the problems between Israel and the Arab countries. I certainly hope that this refugee program will not be cut. It is purely a housing program, to take care of refugees who have no homes.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER].

The amendment was rejected.

Mr. CAPEHART. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Indiana will be stated.

The LEGISLATIVE CLERK. On page 14, beginning with the word *"Provided"* in line 25, it is proposed to strike out through the period in line 3 on page 15, and insert in lieu thereof the following:

Provided, That until January 1, 1956, notwithstanding the provisions of any other law, the employment of not to exceed 200 persons at rates of basic compensation in excess of the maximum scheduled rate of GS–9 of the Classification Act of 1949, as amended, transferred from the Foreign Operations Administration to any other agency pursuant to Executive order, may be terminated, but this authority shall not be applicable to persons entitled to veterans' preference for Federal Government employment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART].

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. KNOWLAND. I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, if the Senator from Indiana will yield further, let me say that I had an amendment designated "6–1–55–A," but in view of the amendment offered by the distinguished Senator from Indiana, I shall not offer my amendment tonight, but will support his amendment.

Mr. CAPEHART. Mr. President, this amendment would authorize a waiver of the civil-service laws with respect to the termination of employment of not to exceed 200 persons with rates of basic compensation in excess of the maximum scheduled rate of GS–9 of the Classification Act of 1949, as amended, but would not authorize the waiver of veterans' preference laws.

The operations of the FOA are to be transferred to another agency under the State Department. I believe it is only fair and good business practice and good business management to give the head of the new agency the right to terminate the services of at least 200 of approximately 1,500 employees without reference to civil-service laws. The employees of the FOA are not career employees. They have been hired in the past few years. I know many of them. They are all sorts of people. I feel that in the best interest of economy and in the best interest of good management, and in the best interest of government, we ought to give the new director of the new agency, whoever he may be, the right to reduce his force by 200 employees. I cannot help but feel that that would be the proper procedure to follow.

The administration has asked for this authority. The new director who would head the new FOA-type agency has requested this authority. The administration is in favor of it. It seems to me to be good business to take the action suggested.

I do not wish anyone to say that this proposal has any politics in it, because no politics is involved. I have not the slightest idea what the politics of any of these employees may be. However, I believe we ought to give the new management—and that is what it amounts to—the right to dispense with the services of at least 200 of those now working for FOA. If we are ever to reduce the number of Federal employees, here is an opportunity to do so.

I yield 3 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I wish to make my position clear. I believe this amendment has great merit. It covers one of the most important elements of the bill, and that is the administration of our foreign operations. All the amendment would do would be to provide that when the new administrator takes over—and we expect that the new agency will be reorganized somewhat under the State Department—he will have an opportunity to dismiss 200 of 1,500 employees who are in excess of the GS–9 classification. It would affect only 200 of 1,500 employees. Those employees are presumedly in the top echelon, and it would be their responsibility to carry out the program. As I understand, there are four or five thousand persons in the agency, although I cannot give the exact number.

It is unthinkable to me that an administrator would be asked to accept a responsibility for a vast undertaking of this kind, operating all over the world, and not be given the right to change or alternate or dismiss even one employee.

I think the amendment is a reasonable one. I call the attention of Senators to the fact that when we took a look at the information program a few years ago we gave the new administrator of the new agency the same power over employees above GS–9. No harm was done, but on the contrary, we got a better information program than we ever had before. The new administrator of the information agency was given the opportunity to put some square pegs in square holes and some round pegs in the round holes.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I have only 3 minutes. If I have some time left after I have made my statement, I shall be glad to yield. This is not only a reasonable amendment, Mr. President, but I think it is essential for the purpose of giving the administrator the responsibility, and the right to exercise the responsibility, of selecting at least many of the key personnel in his agency. It would affect only 200 out of 1,500 whose classification is above GS–9.

If I have any time remaining, I shall be glad to yield to the Senator from Washington.

Mr. MAGNUSON. I wonder whether the Senator from Indiana or the Senator from Iowa would agree, for the purpose of the RECORD, that, if we permitted this change, appointments could be made without regard to political affiliations.

Mr. HICKENLOOPER. Does the Senator ask that question in all seriousness, or is it a facetious question?

Mr. MAGNUSON. I am very serious.

Mr. CAPEHART. I do not understand the question.

Mr. MAGNUSON. I ask whether, regardless of political affiliation, the agency would then be free to appoint the employees. Can we agree to that?

Mr. CAPEHART. I still do not understand the question. What does the Senator mean?

Mr. MAGNUSON. I am trying to say that I would hope the agency would appoint at least 50 percent Democrats and 50 percent Republicans.

Mr. CAPEHART. I said a moment ago that I did not have the slightest idea of who these employees are.

Mr. MAGNUSON. The Senator would not object to a few Democrats being put in these jobs, would he?

Mr. CAPEHART. The chances are that they are all Democrats now, because FOA has been in existence for many years. I have no particular objection, though.

Mr. MAGNUSON. I agreed to the last proposal when it was in the Committee on Appropriations, and we made a similar change with reference to the Information Service. However, I have yet to find even one Democrat in that Service or in the State Department.

Mr. HICKENLOOPER. I wish to testify to some personal knowledge on that point. I can assure the Senator that there are plenty of Democrats in the Information Service.

Mr. MAGNUSON. In the State Department?

Mr. HICKENLOOPER. In the Information Service.

Mr. MAGNUSON. This agency will be placed in the State Department.

Mr. HICKENLOOPER. Is the Senator naive enough to believe that the State Department is not filled with Democrats? The overwhelming number of employees in the State Department are Democrats.

Mr. MAGNUSON. I have not known of even one being appointed in this administration. If the Senator will name one Democrat who has been appointed in the State Department by this administration I shall be glad to take back what I have said. I ask the Senator to name one Democrat who has been appointed to the State Department under the Eisenhower administration.

Mr. HICKENLOOPER. I can name dozens of them; but I do not have the names with me.

Mr. MAGNUSON. I am willing to go along in this instance as I did in the case of the Information Service when that matter came before the Committee on Appropriations; but I want the record to show that I hope this will not be a political patronage amendment.

Mr. HICKENLOOPER. I am sure it will not be. That was the effect in the case of the Information Service.

Mr. MAGNUSON. That is all I am asking. I do not want to offer an amendment to that effect. I merely wish to get the assurance of the Senator from Iowa and the Senator from Indiana that the amendment, if agreed to, will not operate as a political patronage proposal.

Mr. CAPEHART. I want to say that I was hopeful that politics would not enter into this matter. [Laughter.] It was not intended to be political.

Mr. MAGNUSON. I am not being political. I am asking for a fair share.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CAPEHART. I will yield myself 1 more minute. Then I shall be glad to yield to other Senators. I should like to say that I was never more sincere in my life than when I offered the amendment. I did not have in mind that the new administrator would discharge or sever from the service Republicans or Democrats. It never entered my mind that he would hire either Democrats or Republicans. It did enter my mind that he ought to have the right to get rid of deadwood or employees he does not need or who are inefficient. My observation has been—and I think it has been fairly extensive—that most of those who work for FOA never have been political and have never held political jobs. They come from business and from universities all over the United States. Most of them do not even know whether they are Republicans or Democrats. That has been my observation of the people who work in that agency. Some Senators may feel that this amendment is political, but I certainly do not think so. If I had had that thought, or if I had thought that the administration was asking for this amendment in order to make it political, I would not have offered it. I do not think it is political at all. I yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, will the distinguished Senator from Indiana give me assurances that at least one employee will be appointed from North Dakota? [Laughter.]

Mr. KNOWLAND. Mr. President, will the Senator from Indiana yield for an insertion in the RECORD at this point.

Mr. CAPEHART. I yield.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a copy of a letter addressed to the Senator from Georgia [Mr. GEORGE] by John Foster Dulles, Secretary of State, who supported language similar to that which I was going to offer in the form of an amendment.

The amendment which I had intended to offer and which lies at the desk, as the distinguished Senator from Iowa has pointed out, would have provided authority in the new agency to terminate the employment of up to 1,500 employees. When the distinguished Senator from Indiana said he felt it would be a more reasonable request that the employment of not more than 200 could be terminated by the administrator, if the administrator felt it was necessary to do so for the proper administration of his agency, I thought, frankly, that that kind of amendment would be accepted by the committee, particularly because the original language suggested by the State Department had been stricken in committee by a rather close vote, and I was still hopeful that perhaps the distinguished chairman of the committee would be able to accept the amendment offered by the Senator from Indiana.

Mr. President, I ask unanimous consent that both the letter I have referred to and the text of my proposed amendment be printed in the RECORD, at this point.

There being no objection, the letter and the amendment were ordered to be printed in the RECORD, as follows:

MAY 18, 1955.

The Honorable WALTER F. GEORGE,
United States Senate.

DEAR SENATOR GEORGE: I am advised that in your committee hearings of the Mutual Security bill for the next fiscal year certain questions have been raised, or will be raised, concerning the administration of the mutual-security program for fiscal year 1956, pursuant to the recent Executive order of the President and his letter to me of April 15, 1955. As you know, the President's decision involves the continuation of the essential functions of the FOA through transfer of those functions to the Department of State and the Department of Defense. It is the purpose of this letter to outline to your committee what is intended with regard to the future administration of the International Cooperation Administration, in order that your committee may have a basis for its decisions respecting certain provisions of the proposed legislation, including the provision for administrative expenses and the provision involving the transfer of personnel from the FOA.

As I said in my opening statement to the committee on May 5, I feel that the way in which these programs have been administered under FOA has been admirable. I expressed the hope that when the functions are transferred to the State Department we can carry on with equal effectiveness.

It is my belief, which is shared by the President's nominee for Director of the International Cooperation Administration, Mr. John B. Hollister, that the present internal organization of FOA should be studied carefully before any changes are made in it. In view of the importance of the programs which the International Cooperation Administration will be responsible for executing, nothing should be done which might weaken the effectiveness of that Administration. It is possible that as the result of consolidations, eliminations, and personnel reductions certain savings can be realized. It is, however, impossible at this time to estimate what the extent of such savings might be or even to indicate plans for consolidation, elimination, or personnel reduction. No reliable blueprint can be made prior to further study of the operation of the program in its new relationship to the Department of State.

From this it follows that the estimate of administrative expenses for fiscal year 1956 contained in the legislation before you is, in my judgment, a sound approximation. The estimate was prepared by the FOA and represents an amount judged necessary to administer the program presented in the President's message of April 20, 1955. In the circumstances it seems to me that reliance should be placed upon Governor Stassen's judgment in this respect. As you know, funds under the bill will be appropriated to the President, and the division of administrative funds will follow the division of functions, including additional operating functions in the Department of Defense.

Section 525 authorizes the administrator to terminate the services of employees grade GS–9 and above without regard to certain aspects of present law. The purpose of this section is to avoid widespread disorganization within the ICA should a reduction in force become necessary. This provision seems essential if the administrator is to maintain an efficient organization with sufficient flexibility to take full advantage of its new relationship to the Department of State.

Two years ago the American personnel of the Department of State and Foreign Service were reduced by 13 percent, some 1,400 people. The process of the reduction resulted, however, in approximately 5,600 people being affected. For every person terminated three others were transferred between units, downgraded, or transferred between posts overseas. For example, an economist in Singapore might bump an economist in London who had a secondary skill in accounting and thus might bump a fiscal officer in Brazil. This process went on for 10 months before reduction was complete. The morale of all employees was affected, none of whom were immune from its effect, regardless of ability. The actual cost to the Government to accomplish the reduction, $3.8 million, was almost a half year's salary of the personnel it was necessary to terminate.

The FOA is composed of numerous small units of specialized personnel located not only in Washington, but in 60 foreign posts. Regular RIF procedures make little allowance for their individual abilities or for their background experience outside of government. These procedures are much more disruptive to an organization of this character than to one which employs large numbers of employees in each of a more limited number of fields.

It is intended in seeking this authority to avoid the sustained disruption of an organization whose continued efficient functioning is of vital importance to the accomplishment of United States foreign policy. It would not be used in a manner which would override the basic principles of maintaining skilled, experienced, and efficient personnel in the International Cooperation Administration.

Sincerely yours,

JOHN FOSTER DULLES.

AMENDMENT INTENDED TO BE PROPOSED BY MR. KNOWLAND

On page 14, line 25, strike out all after the word *"Provided,"* through the word "Preference" on page 15, line 3, and insert in lieu thereof the following language:

"That until January 1, 1956, notwithstanding the provisions of any other law, the employment of any person at a rate of basic compensation in excess of the maximum scheduled rate of GS–9 of the Classification Act of 1949, as amended, transferred from the Foreign Operations Administration to any other agency pursuant to Executive order, may be terminated, but this authority shall not be applicable to any person entitled to veterans' preference for Federal Government employment."

Mr. CAPEHART. Mr. President, I yield a minute to the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I am supporting the amendment offered by the Senator from Indiana, because I think we should turn the functions of the mutual security program over to the armed services and the State Department in as good and clean a condition as may be possible. I am sorry that politics has been injected into the question, although I might have assumed it would be. I think most of the persons working for the FOA are probably neither strong Republicans nor Democrats. However, there are a few square pegs in round holes; there are undoubtedly a few misfit characters without whom, perhaps, the armed services and the State Department would be better off. The new administrator should have the right to clean up the outfit before undertaking to make it operate.

The Senator from Washington [Mr. MAGNUSON] asked if any Senator on this side of the aisle knew of a Democrat who had been hired by Mr. Stassen during

the past 2 years. I should like to ask the Senator from Washington if he knows of any Republican who has been hired within the past 2 years. Many of the employees have no strong political affiliations whatever.

Mr. MAGNUSON. Mr. President, I am not trying to be facetious or political in connection with the matter at all. I know that last year we did the same thing in the case of the Information Service. I know that during the previous Democratic administrations we tried to put into the State Department, in the Information Service, as many competent persons as it might be possible to secure. The present administration has tried to clean out some square pegs from round holes. I agree with the Senator about that. But I have yet to see it take into the policymaking groups members of the opposite political party, as was done during the Democratic administration.

I merely express the hope that if we adopt this amendment it will be entirely agreeable to Senators on the other side of the aisle that the appointees will not necessarily be cleared by the Republican National Committee.

Mr. AIKEN. If the amendment is adopted, I hope that the most competent persons will be kept, regardless of party affiliations.

Mr. CAPEHART. Mr. President, I yield back my time.

Mr. JOHNSON of Texas. Mr. President, the Senator from Indiana has some 12 minutes remaining. If it is agreeable, I will yield back all my time except 12 minutes, if he yields back his time.

Mr. CAPEHART. I should like to keep about 2 minutes, if there is any Senator who wishes to speak. If not, I yield back the remainder of my time.

Mr. JOHNSON of Texas. Mr. President, I yield back all but 12 minutes.

Mr. CAPEHART. I thought we were going to vote. Under the circumstances, I reserve 2 minutes.

Mr. JOHNSON of Texas. I yield to the Senator from Montana [Mr. MANSFIELD] 5 minutes.

The PRESIDING OFFICER. The Senator from Indiana reserves 2 minutes.

The Senator from Montana is recognized for 5 minutes.

Mr. MANSFIELD. Mr. President, this amendment is an insult to Mr. Stassen who has come before the committee and told us he has reduced personnel in the almost 2½ years in which he has been Administrator of the FOA and of its predecessor, the Mutual Security Agency, to the extent of 30 percent.

I think the new administration, which has been in power for almost 2½ years, has had plenty of time to weed out deadwood. I am not going to be so naive as is the Senator from Indiana and say I do not think there is politics involved in the amendment, because there is. What the Republicans want are jobs.

The amendment to the Mutual Security bill now under discussion, would empower a department head to summarily dismiss 200 employees of FOA without veterans' preference in grades GS–10 and above who are transferred. This is clearly an unwarranted invasion of the integrity of the civil-service program.

Mr. CAPEHART. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I shall be glad to yield when I have finished my statement.

There is no existing justification for such blanket disregard for the normal civil-service rights of Federal employees. The purpose can only be to permit the administration to replace personnel with new employees cleared by the Republican National Committee. The grades involved are not limited to policy positions. They go down sufficiently low that they would apply to ordinary routine staff employees without any policy-determining functions.

The first time a provision similar to this appeared in Federal law was in the State and Commerce appropriation bill for fiscal 1951. Senator MCCARRAN proposed an amendment which permitted termination of employment in these Departments regardless of civil service or veterans' preference laws when found to be in the best interests of the United States. This power was considered necessary because of the national security situation and no other authority existed for summary dismissals in such situations.

In 1953 the President issued Executive Order 10450, April 27. Under this order the Departments and agencies have full power to dismiss employees under certain circumstances when required by national security interests. Since this time there has been no justification whatsoever for such blanket authority as is now requested.

In 1953 an effort was made again to insert this termination authority in the State-Justice-Commerce appropriation bills. Since the right to fire veterans was included, the veterans organizations immediately protested vigorously and pointed out that the power was no longer needed since the issuance of Executive Order 10450. On a rollcall vote the effort was defeated. This year the attempt is changed. Veterans are to be excluded—obviously in order to avoid the powerful interference of veterans organizations. In addition, the authority to dismiss is not even conditioned by the customary limitation that it must be in the best interests of the United States. This attempt to destroy the proper protections of the civil-service system for relatively low-level Federal employees should be defeated. It is a patently unnecessary and partisan project.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Minnesota [Mr. HUMPHREY] 5 minutes.

Mr. HUMPHREY. Mr. President, I think the logical argument in rebuttal to the argument made by the Senator from Indiana, the Senator from Iowa, and the Senator from Vermont has already been made; but I feel that the record should be clear.

The amendment offered by the Senator from Indiana does not provide for the reduction of personnel in the Foreign Operations Administration. There were those who listened and who heard words to the effect that the proposal would reduce—and I took down the exact words—would reduce the number by 200. Not at all. What it will do will be to prepare the way for the dismissal of 200 persons who have been trained at Government expense, for whose training the Government has spent thousands upon thousands of dollars, and to open up those 200 positions and make 200 jobs available for Republicans. That is exactly what it will do.

If Senators wish to call the amendment what it really is, then let us say that it is a part of a full employment program for the precinct organizations of the Republican Party. That is exactly what the amendment amounts to. There is no use trying to disguise the proposal at all.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JOHNSTON of South Carolina. At the same time, will it not throw fear into 1,500 persons, all of whom will believe that they will be dismissed?

Mr. HUMPHREY. I say to my good friend from South Carolina that the amendment certainly offers that possibility.

I feel that the Senator from Indiana is much more charitable in a bipartisan way than was the State Department. I wish the State Department would recognize today that the bill which they favor, the administration bill, which has had to be defended on the floor, has had more support from this side of the aisle than from the other side.

I wish the State Department would be a little more charitable when it comes to the matter of preserving the merit system and the civil-service system in the operation of the law.

If it is desired to have a bipartisan foreign policy—and that is a wish I heard expressed day after day from the White House and the Secretary of State—then let bipartisanship be taken out of the personnel administration of the policy.

This is a blatant, open attempt to try to provide the Foreign Operations Administration, under a new administrator—who, by the way, is a known Republican, having a record of not too much sympathy toward even the objectives of the program—an opportunity to give 200 top jobs to the new administrator.

I agree with what the junior Senator from Montana has said. If Mr. Stassen, President Eisenhower, and Secretary Dulles, along with all the corps of assistants of the White House and the State Department, have not been able for 2½ years—almost 3 years—to clear out the so-called square pegs in round holes, or vice versa, there is no use trying to patch up the situation now. If they have not been able to do the job which was necessary to be done to get rid of those who are "unfit and undesirable," then I say it is hopeless to try to give them additional authority.

What we should do is to stand up and protect the civil service, veterans' preference, and merit system. Any policy job can be filled under schedule C as an outright political appointment. Every Senator knows that to be so. Furthermore, any incompetent person can be dismissed. Furthermore, as the Senator

from Montana has pointed out, any employee who is declared to be unfit or undesirable in terms of the national security can be summarily dismissed without a hearing.

Moreover, I might point out, quite candidly, that the administrative expenses provided for in this bill do not contemplate any reduction in force. For the administrative cost of operation of the FOA the bill provides some $400,000 more this year for employment than was provided last year.

So it is pretty obvious, I may say to my friends who wish to get economy into the bill, that no economy is provided in terms of personnel administration. Four hundred thousand dollars more is provided for administrative costs. I submit that no Member present can prove that the employment rolls will be reduced by one person. What will be done will be to discharge trained personnel and to bring in more of Operation Reindeer. Trained personnel in the field, persons who have traveled around in their work on the program, will be discharged. They will be replaced by persons who will say, "My! I would like to see Washington," or maybe Iraq, or maybe India, and maybe Afghanistan.

I honestly feel it is about time that the trained, experienced talent was used. If it has not been possible to train a cadre of competent public officials since the beginning of the mutual security program, the program ought to be stopped now. This is not the time to interfere with the integrity of the service which has made this program possible.

Mr. President, that is all I have to say. I think we ought to set a good example by protecting the integrity of the civil service merit system of our Government.

Mr. CAPEHART. Mr. President, the Senator from Minnesota, in my opinion, was never more wrong in his life. The amendment does not affect veterans' preference, in spite of the fact that there has been an intimation by at least two able Senators that it does. They know that the question of veterans' preference is not affected at all.

There is not a single Senator who does not know that good business practice dictates that when the Foreign Operations Administration is transferred to the Military Establishment and to the Secretary of State, not nearly so many employees will be needed. Good business dictates such a policy to each and every one of us, regardless of how we may feel politically. All that is sought to be done in this instance is to give the head of the Department the right to reduce the personnel by not less than 200, without reference to the civil service.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BARKLEY. Does not the Department already have the right to dismiss any surplus employees?

Mr. CAPEHART. It does not, if the employees are under civil service.

Mr. BARKLEY. It is my understanding that if a Department has more employees than it needs, it can dismiss them.

Mr. CAPEHART. Not under civil service. In other words, what is sought to be done is to get some efficiency in government, and to reduce personnel and expenses.

I again wish to say that when I offered the amendment, I had no idea that a political football would be made of it, as has been done today.

Mr. JOHNSON of Texas. Mr. President, I yield so much of the remaining time as he may desire to the distinguished chairman of the Committee on Foreign Relations.

Mr. GEORGE. Mr. President, I do not desire to take much time to discuss the amendment. It was considered very thoroughly in the committee. I do not remember the exact vote by which the provision was stricken from the bill, but substantially this amendment was eliminated from the bill by a vote of 7 to 4, according to my recollection.

The amendment would not reduce the number of persons employed in the agency. The Senator from Minnesota [Mr. HUMPHREY] is quite correct when he points out that the actual administrative cost or overhead cost will be greater under the bill this year than it was last year. According to Governor Stassen's statement to us, there have been reductions in force of about 30 percent during the 2 or 2½ years in which he has been connected with the organization.

The amendment would not reduce the number of employees. It would not cut down or save expense. It would do but one thing, in the opinion of the committee, and that is to shake the confidence of persons in the civil service in the integrity of that service, because certainly the amendment, if adopted, would be a morale shaker, whereas that would not be the case if the integrity of the civil service system were preserved by the rejection of the amendment. Therefore, I hope the amendment will be defeated.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART]. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote, the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from Nevada would vote "yea."

I further announce that if present and voting the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BENDER], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BENDER], the Senator from South Dakota [Mr. CASE], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea."

On this vote, the Senator from Nevada [Mr. MALONE] is paired with the Senator from Kentucky [Mr. CLEMENTS]. If present and voting, the Senator from Nevada would vote "yea," and the Senator from Kentucky would vote "nay."

The result was announced—yeas 40, nays 40, as follows:

YEAS—40

Aiken	Dworshak	Mundt
Barrett	Flanders	Payne
Beall	Goldwater	Potter
Bennett	Hickenlooper	Purtell
Bricker	Hruska	Saltonstall
Bush	Ives	Smith, Maine
Butler	Jenner	Smith, N. J.
Capehart	Knowland	Thye
Carlson	Kuchel	Welker
Case, N. J.	Langer	Wiley
Cotton	Martin, Iowa	Williams
Curtis	Martin, Pa.	Young
Dirksen	McCarthy	
Duff	Millikin	

NAYS—40

Anderson	Holland	Morse
Barkley	Humphrey	Neely
Bible	Jackson	Neuberger
Byrd	Johnson, Tex.	Pastore
Daniel	Johnston, S. C.	Robertson
Douglas	Kefauver	Russell
Eastland	Kerr	Scott
Ellender	Kilgore	Smathers
Ervin	Lehman	Sparkman
Frear	Long	Stennis
George	Magnuson	Symington
Hayden	Mansfield	Thurmond
Hennings	McNamara	
Hill	Monroney	

NOT VOTING—16

Allott	Fulbright	Murray
Bender	Gore	O'Mahoney
Bridges	Green	Schoeppel
Case, S. Dak.	Kennedy	Watkins
Chavez	Malone	
Clements	McClellan	

The PRESIDING OFFICER. On this vote the yeas are 40 and the nays are 40. So, the amendment is rejected.

The bill is open to further amendment.

Mr. MUNDT. Mr. President, I have an amendment at the desk, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 7, it is proposed to strike out lines 13 and 14 and insert the following:

(b) In section 402, after the word "used" in the first sentence, insert "during the fiscal

year 1955, and not less than $300 million shall be used during the fiscal year 1956,".

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. MUNDT. Mr. President, I hope to be very brief. I have been joined in offering the amendment by the junior Senator from North Dakota [Mr. YOUNG] and the junior Senator from Minnesota [Mr. HUMPHREY].

The amendment will reiterate the position expressed a year ago by the Senate, when it adopted an amendment providing that not less than $350 million of these funds shall be used for the disposal abroad of surplus agricultural products and products made therefrom.

I wish to commend the FOA for a very good job which has been done this year in that regard. They not only fulfilled the mandate of the Senate and of the Congress, but they have actually spent $374 million, or allocated $374 million, of these funds in that manner; and it is planned to have $381 million of them allocated in this manner by the end of the fiscal year.

I have had a talk with the chairman of the Foreign Relations Committee, and I believe it is agreeable to him to have adopted this language which calls for $300 million of the funds in the coming fiscal year to be used for the disposal of surplus agricultural products.

Mr. GEORGE. Mr. President, I understand that this amendment will not increase the total authorizations carried by the bill.

Mr. MUNDT. It will not.

Mr. GEORGE. Mr. President, the effect of the amendment is to utilize $350 million for the exportation of surplus farm commodities. The amendment is agreeable to the chairman of the committee; and if I have a right to do so, I shall be glad to accept the amendment.

Mr. MUNDT. Mr. President, I certainly have no desire to make a speech; I desire only to have my amendment adopted. This bill is based on the concept that the United States should help others to help themselves. My amendment carries this concept one step forward by doing something helpful for American agriculture, thus helping ourselves to help others to help themselves. American agriculture needs this added shot in the arm and our friends can use our foods and fabrics abroad quite as well as they can use our money.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MAGNUSON obtained the floor.

AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO REPORT BILLS AND FILE NOTICES OF MOTIONS DURING RECESS OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, will the Senator from Washington yield briefly to me?

Mr. MAGNUSON. I yield.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Appropriations Committee may be authorized to report bills and file notices of motions to suspend the rule during the recess of the Senate, following today's session.

The PRESIDING OFFICER. Is there objection?

Mr. JENNER. Mr. President, what was the request?

The PRESIDING OFFICER. It is requested by the Senator from Texas that the Appropriations Committee may be authorized to report bills and file notices of motions to suspend the rule during the recess of the Senate.

Is there objection to the request of the Senator from Texas? The Chair hears none. Without objection, it is so ordered.

MUTUAL SECURITY ACT OF 1955

The Senate resumed the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

Mr. MAGNUSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, line 2, it is proposed to strike out "subsection" and insert in lieu thereof "subsections."

On page 4, line 14, it is proposed to strike out the quotation mark.

On page 4, between lines 14 and 15, it is proposed to insert the following new subsection:

(d) In providing assistance in the procurement of commodities in the United States, United States dollars shall be made available for marine insurance on such commodities where such insurance is placed on a competitive basis in accordance with normal trade practice prevailing prior to the outbreak of World War II: *Provided*, That in the event a participating country, by statute, decree, rule, or regulation, discriminates against any marine insurance company authorized to do business in any State of the United States, then commodities purchased with funds provided hereunder and destined for such country shall be insured in the United States against marine risk with a company or companies authorized to do a marine insurance business in any State of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The Senator from Washington is recognized.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. JOHNSON of Texas. I desire to make a brief announcement. I hope all Senators will remain in the Chamber, for there are only two more minor amendments to be acted upon, and then we shall have the yea-and-nay vote on the question of the final passage of the bill.

Mr. MAGNUSON. Mr. President——

Mr. GEORGE. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. GEORGE. Let me say that I shall be glad to accept the amendment, insofar as I have a right to do so as chairman of the committee, and to take the amendment to conference, where the matter can be examined. The amendment will not add in any way to the expense or cost of the bill, as I understand.

Mr. MAGNUSON. Mr. President, I should like to state only one sentence in regard to the amendment: It is the hope of those of us who propose the amendment that the Senate will make it permissive to allow the American marine insurance companies to participate and to bid. I hope that in conference the conferees will agree to include this language, which is proposed in order to achieve that goal.

Mr. President, I ask unanimous consent that a statement explaining the amendment may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

I am offering an amendment to the Mutual Security bill now before us in hope of providing for our American marine insurance companies the right to compete on equal basis with foreign insurance companies for the business of insuring foreign-aid shipments.

Under the law as it is now interpreted by the officials of our mutual aid organization dollars are not allocated for payment of marine insurance on foreign-aid shipments unless they are requested by the recipient country. American insurance agencies have tried unsuccessfully to get a fair share of this business but because of discrimination against them by the recipient countries in favor of their own companies, they have failed in their efforts.

This has deprived the American marine insurance market from opportunity to compete for some of this business and the Mutual Security organization has refused their request to change the regulations so that dollars will be available to pay the insurance premiums to Americans.

There seems to be no other recourse left except to include in this legislation a provision that dollars shall be made available for marine insurance on commodities shipped where the insurance is placed on a competitive basis in accordance with normal practices prevailing before World War II.

I am, therefore, offering the amendment which also provides that where a participating country by statute, decree, rule or regulation discriminates against any marine insurance company licensed to do business in the United States the commodities purchased with funds advanced under the program shall be insured in the United States against marine risks with a company authorized to do business in the United States.

It seems only fair that our marine insurance companies be given the same right to bid on the insurance on foreign-aid shipments as companies from other parts of the world enjoy.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SMATHERS. Mr. President, I offer and send to the desk an amendment proposed by me, on behalf of myself, the Senator from Oregon [Mr. MORSE] and the senior Senator from Indiana [Mr. CAPEHART]. I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5, in line 18, it is proposed to strike out "$21,000,000" and to insert in lieu thereof "$38,000,000."

Mr. SMATHERS. Mr. President, I have discussed the amendment with the able chairman of the Foreign Relations Committee and with other members of the committee. It is my understanding that they have no objection to the amendment. It is designed to change the flow of funds from the contingency fund into a specific development assistance authorization for Bolivia, Guatemala, and Haiti, where today emergency conditions exist. It is essential that a specific authorization for these areas be made, rather than having to rely on the contingency fund which may or may not be available. There is a definite need for a specific additional authorization of $10 million for Guatemala and $4 million for Bolivia, as well as an authorization of $3 million for Haiti to enable those countries to cope with the existing emergency conditions. The amendment merely makes it definite that these funds are to be used for these three countries of Latin America, so that it will not be necessary to rely contingency fund under the bill.

Mr. GEORGE. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I yield.

Mr. GEORGE. I desire to state that I will accept the amendment. I am sure that out of other funds, funds in slightly increased amounts will be provided for the three countries in question.

But if the amendment is agreed to, it will become certain that no contingency under which they would not get some slight increases will arise.

The increased amount would go to Bolivia, Guatemala, and Haiti, which have suffered very severe storm damage within the past few months.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Florida, on behalf of himself, the Senator from Oregon, and the Senator from Indiana.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ELLENDER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 15, line 24, it is proposed to strike out "section" and insert "sections."

On page 16, after line 15, it is proposed to insert the following:

SEC. 549. Statement of congressional policy: It is the sense of the Congress that inasmuch as—

(1) the United States, through mutual-security programs, has made substantial contributions to the economic recovery and rehabilitation of the nations of Western Europe;

(2) due in part to those programs, it has been possible for such nations to achieve complete economic recovery and to regain their military strength; and

(3) certain other friendly nations of the world remain in need of assistance in order that they may defend themselves against aggression and contribute to the security of the free world—

those nations that have been assisted in their recovery should, in the future, share with the United States the financial burden of providing aid to those countries which are still in need of assistance of the type provided under this act.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. GEORGE. Mr. President, if the Senator from Louisiana will yield to me——

Mr. ELLENDER. I yield.

Mr. GEORGE. Let me say that I am sure the amendment is not objectionable. It merely calls upon the countries which, through our aid programs, have gotten on their feet, to participate with us in our efforts to be of service to Asian countries.

Mr. ELLENDER. Yes; that is the purpose of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER].

The amendment was agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

The amendment I have just offered does not affect the funds in this bill; it pertains only to the bill's philosophy, its approach, if you please. This amendment only states that it is the sense of the Congress that the administration of this program—which concerns the mutual safety of the entire free world—should be a cooperative program, with our allies assisting the United States in extending a helping hand to those less fortunate than ourselves.

We have seen the Marshall plan come to an end; today, Europe is well and prosperous. Now, it is time for our European allies to join forces with the United States in building an even stronger shield against Communist infiltration of underdeveloped countries.

I do not believe this is a selfish attitude for us to take. The title of the bill now before us is "The Mutual Security Act of 1955." The emphasis is not on security alone, but upon mutual security. The programs it authorizes are advanced as being beneficial not only to the United States, but to all nations of the free world. The expenditure of funds for development assistance, defense support, direct forces support, and technical assistance (as well as direct military aid) has been advanced as necessary not only to the security of the United States of America, but to the security of France, Britain, Belgium, the Netherlands, Italy, and other members of the community of free nations. Since this is a mutually advantageous program, the burdens of financing it should be spread among all those nations which it seeks to benefit. Let me add that this includes the direct beneficiaries of our bounty, as well as others.

I cannot urge the Senate too strongly to accept this amendment and embody in this legislation the philosophy I have just outlined. I frankly feel that such action is long overdue, but merely because we have failed to so act in the past is no reason for our failing to act today.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DOUGLAS

I am glad to see that the Senate Foreign Relations Committee has approved authorizations for development assistance in the Near East, Africa, and Asia. I hope that these authorizations will be approved in this Chamber. There has been a regrettable tendency to disparage and minimize the importance and value of these development assistance programs. But as I pointed out in the Senate in a longer speech on April 1 of this year, the record will show that our economic aid to countries that have needed it has strengthened and stabilized their economies, toughened their resistance to communism and enlarged the area of free world friendship.

There is now an increasing volume of evidence showing the effectiveness of these programs. There is an excellent example in the case of Israel, to which I wish to refer in a little more detail today. The testimony and the evidence furnished to the Senate Foreign Relations Committee show how American aid has helped that little country to make substantial progress toward economic independence. I point to this record with some satisfaction because 4 years ago, I took the initiative in introducing legislation to grant Israel financial assistance. Up until 1951, Israel was not included in our overseas assistance programs, although she was struggling against very great odds to establish her economy and at the same time to receive and resettle more than 600,000 Jewish refugees who poured into the country from all parts of the globe in the first 3 years of its existence.

I was joined in that legislation by the late Senator Robert A. Taft, the distinguished Republican floor leader, and by 34 other Members of this body. Senator Taft and I differed on many issues, but here we were in agreement. Both of us felt that the entire foreign aid program was too large at that time and had to be reduced for the economic safety of our own country. At the same time both of us felt that the Department of State had not responded adequately to Israel's appeal for help. A majority of the Congress agreed on this issue. The facts confirmed our judgment. In that year more than 200,000 immigrants entered Israel. There was a scarcity of everything that was needed to keep these new immigrants alive. They were unable to produce enough for their own needs, they had little left for export, and they lacked the dollars to buy the barest necessities of life. Israel's trade deficit that year was well over $300 million.

The Congress helped Israel in a concrete way in the 1952 MSA appropriation. We gave her $65 million. It was a small part of what she needed, but it literally saved her from utter financial chaos.

Some Members of the Senate were skeptical about our program that year. They had the friendliest attitude toward the people of Israel, but they were afraid that Israel could never be on a sound, self-sustaining basis. The question was put to me in the hearings before the Senate Foreign Relations Committee and I replied:

"There are some who think that they could not develop a sufficient agricultural and industrial base. My point is that they have made a very plucky try so far and that they ought to be given a chance and that they have a very good prospect of making a success of this."

The record in succeeding years shows that this optimism was justified. In the following year the State Department took a more realistic view of Israel's tremendous needs, and without any prompting from the legislative branch recommended a $72.8 million authorization, which was granted.

Israel made good use of this money. It has absorbed most of the refugees and many of them are now self-supporting. It has expanded its agricultural and industrial plant and it is producing an increasing share of the food for its table and its every-day needs for clothing and shelter. Imports have been coming down and exports have been rising.

If I may be permitted to cite economic data furnished by the administration—I would like to quote from the President's report on the MSP for the period ending December 31, 1954. He informed Congress:

"The Israeli government's program to stabilize its foreign exchange and debt position produced measurable results by the end of 1954. The upward swing in its external indebtedness was brought to a halt, and much of its short-term debt was successfully refunded. Increased industrial and agricultural production brought a substantial rise in export revenues and assisted the drive to reduce import requirements, particularly for food. As a result, Israel's trade gap was appreciably narrowed in 1954, although it still was estimated at about $210 million.

"United States aid under the Mutual Security Program has been only a part of the worldwide assistance which Israel has received since its establishment, and the striking economic gains in the country have been produced primarily by the driving energies of the Israelis themselves. Nonetheless, our aid measures have formed a significant part of Israel's progress and have contributed importantly toward the maintenance of a going national economy. United States development assistance and technical cooperation have played a major role in the tripling of the land area under irrigation since the state was founded, in the doubling of agricultural and industrial production and power-generating capacity, the reduction in the trade deficit by $75 million in 3 years, and the settling of nearly 700,000 immigrants in permanent or semipermanent quarters."

The FOA has considered it possible to reduce our assistance program to Israel. The $72.8 million figure in 1953 was reduced to $53.5 million in 1954 and to $40 million in the current fiscal year—half of it loan and half of it surplus agricultural commodities.

In the program now pending before the Senate, the administration plans to reduce the amount of assistance for Israel still further.

Israel's progress has been most reassuring to her many friends in this country. We hope that it will be continued. Nevertheless, it would be a mistake if our aid program to Israel were cut too sharply or too rapidly. I call your attention once again to President Eisenhower's report to Congress. He said: "Despite its growing achievements, Israel continues to face a troublesome financial situation. Its trade deficit of over $200 million and external debt of over $400 million make it most difficult for it to pay from its own resources for the essential commodities and capital items needed to sustain an adequate rate of development. * * *"

Drastic cuts at this stage could have an adverse result—they could arrest development and prove expensive in the long run.

I am also glad to see that we have been carrying on a constructive program of economic and technical assistance in some of the Arab countries. In my judgment, this is the one sound way to win the Arab peoples to the cause of the West, and I am particularly encouraged to read in the report of the Senate Foreign Relations Committee the news that some progress may soon be made to bring about the resettlement of a substantial number of the Arab refugees. The committee has informed us, on page 31, that final negotiations are nearing completion for two large-scale resettlement projects. One would provide for 60,000 to 70,000 people in Sinai, while the other will benefit about 150,000 in the proposed Jordan Valley development. If a start can be made on both projects in the next 12 months, this administration will be entitled to congratulations.

On the other hand, I deeply regret that this administration thinks it necessary to grant military assistance to Arab countries prior to an Arab-Israel peace.

The transcript of the Foreign Relations Committee hearings on this legislation shows us that military assistance is now being given to Iraq.

We have a military assistance agreement with Iraq and funds are available from unexpended balances not included in this bill. We do not have any positive assurances that military aid will not be extended to other Arab countries in coming months. So far as we know, no military aid is going to Israel—although that country requested help from us 40 months ago, when it officially informed us that it was ready to join in our western plans for the defense of the free world.

The arms program for Iraq is a dangerous gamble and could have disastrous consequences. I note that Mr. Stassen testified on this question before the Senate Foreign Relations Committee. I call attention to his remarks on page 47, where he asserted that we are not furnishing any arms to Israel or to any country that borders on Israel. Apparently the administration feels that it is safe to send arms to Iraq since that country does not border on Israel.

But the absence of a common frontier does not remove either the physical or the psychological dangers that lurk in this policy. Iraq has the closest ties with Jordan, which does have a common frontier with Israel, and which, incidentally, gets arms from our ally, Britain. The lack of a common frontier didn't prevent Iraq from declaring war against Israel in 1948 and from sending its soldiers to join other Arab armies in their unsuccessful invasion of that country. Iraq was always the ideological leader in the Arab struggle to prevent the establishment of Israel, and this is not surprising, because Iraqi leaders came under Nazi influence in the 1930's. It is a melancholy fact that Iraq was the one state in the Middle East where the Nazis were able to stage a pro-Nazi coup during World War II. I say melancholy because the record does not heighten our confidence in the reliability or responsibility of the state we have singled out as the recipient of our arms in this region. The ideological unreliability of Iraq has been notorious. And equally conspicuous was the weakness of the Iraq Army which was quickly overwhelmed by the British in 1941, and which did not cover itself with glory in the war against Israel in 1948.

Iraq's attitude toward Israel and the Jewish people has been so bitterly hostile that Iraq has never abandoned its war against Israel and to this day it refuses to sign an armistice agreement with that country. The Jewish community of Iraq—a victim of pogroms back in 1941—was forced to leave Iraq in a mass exodus in 1951. I spoke earlier of the fact that we voted economic aid to Israel in that year because of its refugee problem. It was during that same period that 120,000 Jewish refugees came there from Iraq—virtually all the members of one of the oldest Jewish communities in history. In April 1951, in the very month that Senator Taft and I introduced our bill providing financial assistance for Israel, 30,000 Jewish refugees arrived in Israel from Iraq. They poured in at the rate of 1,000 every day.

It is of little consequence that Iraq does not have a common frontier with Israel. The conflict between Israel and the Arab States is not merely a frontier dispute. It is a misconception of the entire situation to regard the Arab-Israel conflict as a mere succession of border raids and reprisals, and it is no solution to the basic problem to isolate these incidents as they occur, and to try to fix responsibility for their authorship—unfortunate and tragic as they undoubtedly are.

The primary and continuing cause of the Arab-Israel conflict is the refusal of the Arab States to recognize the existence of Israel and their open and official war against her. So long as the Arab States persist in their war against Israel, a democratic nation firmly alined with the West, it is, I think, a mistake for us to furnish arms to any one of them.

It may be true that these arms won't be used against Israel tomorrow, or next week, or next month. But nobody can guarantee that they won't. And up to this time, I have seen no indication from the administration that it is ready to enter into a defense agreement with Israel or to insist upon its inclusion in a broader regional pact, however logical and appropriate it would be for our two democracies to be partners in such a broad regional defense treaty.

But the real danger is the psychological effect on the Arabs and the implications for an Arab-Israel peace. So long as we pass out arms to Iraq, without requiring her to accept Israel's existence as a fact, we encourage Iraq to believe that the issue is of no importance to us, and that the Arab war against Israel may go on without incurring our disapproval.

I intend to vote for the mutual-security program because I believe that this is a major element in our overall policy to strengthen the free world against Communist aggression. But I wish to place into the record my reservations and exceptions to any proposals to send arms to the Arab States in advance of an Arab-Israel peace. This is a serious blunder, which may some day boomerang against our own best national interests.

Mr. BUTLER subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD prior to the vote on the mutual security bill a statement which I had prepared on section 9 (e), and some excerpts from the CONGRESSIONAL RECORD and newspapers.

There being no objection, the statement and excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

As the author, during the 83d Congress, of legislation known as the cargo-preference bill (Public Law 664), intended to assure that at least 50 percent of any Government-financed or Government-purchased cargoes be transported in privately owned United States merchant vessels, I should like to make 1 or 2 observations with respect to the pending measure.

Section 9 (e) of the bill now before us for consideration would have the effect of nullifying the 50–50 shipping provision with regard to transportation between foreign nations of goods procured with foreign currency. With emphasis upon the terms "foreign nations" and "foreign currency," I find no fault with this provision for the tonnage coming within such a category and normally available to American shipping would be relatively small at the present time. I am confident that there is no desire on the part of American shipping to stretch the application of the 50–50 or cargo-preference law beyond its original purpose, or to precipitate any tenuous relations with the community of free nations. On the contrary, the major attack of what in the opinion of most Americans is a most reasonable reservation for one of our own industries, has originated in foreign countries.

From time to time, I have brought to the attention of the Senate the extent and nature of these criticisms. I regard this matter as so essential to the preservation of the American merchant marine that I include a number of relevant editorials and comments to be reprinted in the body of the RECORD at this point in my remarks.

In studying the report accompanying S. 2090, one will note several references to this subject of cargo preference for American shipping, and I am equally confident that these are not to be construed as a prelude to any change in administration policy. The feasibility and prudence of a minimum 50–50 arrangement have been amply demonstrated and the results have been helpful to our shipping. However, that is not to say that conditions in this vital industry have reached a utopian state. Unfortunately, such is not the case. Continuing vigorous efforts to preserve and strengthen the American merchant marine, as a part of our peacetime national economy and as our fourth arm of defense, must have the intense attention and cooperation of the Congress, the administration, and the industry itself. Jointly this vital objective can be achieved.

STATEMENT BY SENATOR JOHN MARSHALL BUTLER, OF MARYLAND, UNITED STATES SENATE, FEBRUARY 8, 1955

PUBLIC LAW 664—CARGO PREFERENCE LEGISLATION

Mr. BUTLER. Mr. President, in the closing days of the 83d Congress legislation was enacted to broaden and make permanent certain existing cargo preference guaranties to the American merchant marine.

Public Law 664, signed by President Eisenhower on August 26, 1954, affirms a national policy, which had previously been proclaimed time and again by the Congress, of assuring to privately owned United States-flag merchant vessels of at least 50 percent of all oceanborne cargoes purchased for, or given away by, or financed by, the Federal Government.

The policy thus incorporated into permanent legislation previously had been laid down in the Merchant Marine Acts of 1920, 1928, and 1936, and again in the Merchant Ship Sales Act of 1946. The substantial portion of the waterborne export and import foreign commerce which these acts called for as necessary to maintenance of an adequate, privately owned merchant fleet, was made more specific in various military and foreign economic provisions of the past half century.

As far back as 1904 Congress legislated to require that "vessels of the United States and no others" were to be employed in the transportation by sea of coal, provisions, fodder, or supplies of any description, purchased pursuant to law, for the use of the Army or Navy.

Again, in 1934, Public Resolution 17, 73d Congress, required that all cargoes financed by the Export-Import Bank or any other instrumentality of Government should be carried in American bottoms. This resolution still is effective.

In the Economic Cooperation Act of 1948, and the ECA amendments of 1949, the principle of "at least 50 percent" was adopted, and this interpretation of the policy of "substantial portion" was continued in the Korean Aid Act—Public Law 447, 81st Congress—and in all emergency aid and assistance acts since that time, as well as in the Mutual Security Act of 1951.

In all these enactments, it was provided that the 50-percent guaranty should apply only to the extent that such vessels were available at market rates. That same safeguard was included in Public Law 664.

Why is such a guaranty necessary? Why, from earliest time, has it been felt necessary to take specific measures to assure continued existence and operation of an adequate, privately owned merchant fleet? The reasons, basically, are quite simple.

As a maritime Nation, America's progress and prosperity have always been possible only to the extent that shipping has been available to carry its products to foreign shores, and bring back the raw materials lacking here.

Furthermore, as a nation open to attack by water on more than half of its borders, and, more recently, because of the urgent shipping needs of our military forces in action, or in constant danger in stations in many parts of the world, certain facts regarding ocean transportation have become inescapable.

First. Peacetime needs require a merchant fleet capable of carrying our foreign commerce. Otherwise, our economy is at the mercy of foreign shipping, as bitter experience has proven.

Second. World Wars I and II, and the Korean hostilities, have given indisputable evidence that America's Military Establishment, or its defensive setup, cannot operate without a vast auxiliary of merchant shipping. We suffered in World War I, and the free nations were in extreme danger in World War II, because there was not adequate shipping available. Actually, it was not until the spring of 1945 that our Military Establishment could plan its strategic moves with entire confidence that sufficient shipping would be available. It is no secret that World War II was prolonged needlessly, with resulting additional losses in men and in national wealth, because our merchant marine was not nearly adequate to war's requirements.

With all this a matter of record, the third fact then becomes equally clear; namely, that United States-flag vessels cannot compete in the world transportation field—it cannot survive—without some aid from Government. Wages, supplies, safety requirements, all stemming from America's higher standard of living, give the low-cost foreign vessels an insurmountable advantage over American ships.

So we come to the nub of the problem—how best to aid American-flag vessels to meet this competition. Some have suggested that we entrust our commerce, and our national security, to the low cost foreign vessels and stop worrying about how to meet their competition. But one does not hear any such suggestions from informed sources—such as military leaders who have to meet logistic requirements throughout the world, and industrial leaders who must depend upon the United States merchant fleet.

The military leaders have the experience of World War II and Korea fresh in their minds. Industry remembers its experience of years gone by. It remembers when ocean freight rates jumped as much as 2,000 percent, and when American cargoes rotted on docks everywhere because the foreign shipping on which reliance had been placed was nonexistent, or was too busy taking care of their own nations' need to bother about American commerce.

When it comes to a question of how to aid American-flag vessels, there can be only one truly sensible answer.

That answer is—cargoes. Shipping lives, and prospers, by the cargoes it carries. Deprived of those cargoes, as much of America's shipping has been lately, in the face of vastly increased foreign competition, shipping cannot survive. It was to fill this breach—which always will exist except in time of emergency—that the cargo preference, or 50–50 policy, was devised. American shipping does not want handouts from the Government. It wants to earn its way, in the one manner that justifies the existence of shipping anywhere; namely, by carrying cargoes. And certainly it is not too much to ask that cargoes for our own needs, those which we give away, and those which we finance in one way or another, be divided equally as between our own shipping and that of other nations.

Opposed to the school of thought which would entrust our commerce to ships of foreign nations on a false economy basis, is another school which maintains that we should demand not 50 percent, but 100 percent of Government-aid or financed cargoes, for our own flag vessels.

The point out that even with this 50–50 division American-flag vessels have been carrying less—sometimes far less—than a third of our foreign commerce. On the other hand, foreign shipping is in better health than at any time since World War II.

As a matter of fact, Public Law 664, as originally conceived, provided for 100 percent carriage of Government-owned or financed cargoes in American-flag vessels. Mainly because of the adverse effect which such action might have on our allies abroad, I refused to support those demands. But, as between the two schools of thought, as between the policy of guaranteeing our own ships no part of those ocean cargoes paid for or financed by Government, or of guaranteeing them 100 percent of such cargoes, I could have no hesitancy in taking a stand. I would be with those who urge 100 percent. But it is fortunate, indeed, that no such choice is necessary. Commonsense will always require that we do not place reliance on foreign shipping, but, rather, that we take such reasonable measure as will protect our merchant fleet from disappearing from the seas.

It has come to my attention that the Department of Agriculture, which stated that it had no immediate interest in this 50–50 bill when it was before the Senate for consideration, now is having trouble finding space on American vessels for transportation of surplus agricultural products.

If that be a fact, certainly there is no reason to attach any blame to the cargo-preference bill. Rather, there should be genuine satisfaction over the improved, but still far from healthy, state of the American merchant marine, which this bill has certainly helped to accomplish. How much better it is to have our shipping generally busy, rather than rotting at the wharves, as was the case a few months ago before this bill became effective.

My information, however, is that competitive bids have been submitted by American ship operators on every occasion when the Department of Agriculture has asked for bids. Moreover—and this is most important—I am told that American-flag tramp-vessel quotations as of the present time are 20 cents per ton less than even our National Shipping Authority rates.

Rates on United States-flag berth liners, of course, are identical with those of competing foreign vessels. I suggest that the Department of Agriculture may resolve these transportation difficulties by seeking a greater number of competitive bids from American shipping.

It should be kept in mind that Public Law 664 foresaw just such a situation as is now reported—and provided for it. The law makes application of the 50–50 provisions dependent upon the condition that American vessels are "available at fair and reasonable rates for United States-flag commercial vessels." If privately owned United States-flag vessels are not so available, there is no requirement in the law that such vessels be used for the transportation of these surplus agricultural commodities.

Another point to be kept in mind, however, is the desirability of maintaining our tramp fleet in an active, prosperous condition. Anyone familiar with ocean shipping history can recall the numerous instances when American exporters have been forced to pay outrageous rates for space on foreign ships because no privately owned American-flag vessels were available.

Public Law 664, with its assurance of 50 percent of Government-purchased or Government-financed cargoes to United States-flag vessels, is a reasonable measure.

Even under it, our shipping will still be far from the goal, as fixed in the basic merchant marine legislation, of carrying what might reasonably be considered a "substantial portion" of our country's waterborne export and import foreign commerce. Even under this "50–50" law, our ships will not be carrying the 50 percent of all our commerce which can rightfully be claimed as their due.

At least, however, Public Law 664 will help the American merchant marine meet to some extent the terrific competition of foreign shipping operating at one-fourth to one-half of the cost of American-flag vessels. On a realistic basis, this looks like as much as we can hope for. But it is as little as we can afford to take, in the interest of American prosperity and national security.

I will oppose to the utmost any efforts to deprive American shipping of the relatively feeble aid it now enjoys as a result of the operation of Public Law 664.

[From the New York Journal of Commerce of February 16, 1955]

IT DOESN'T COME FREE

There have been indications from Washington recently that some Congressmen—primarily those from the farm States—want to take another look at the so-called cargo-preference law, under which at least one-half of all cargoes financed by the United States Government—whether inbound or outbound—must move in American-flag ships.

This policy, applied to all relief and rehabilitation shipments since the war, on a temporary basis, became the law of the land last year with the enactment of the Butler Tollefson Act. More recently lingering doubts as to its applicability this side of the Federal courts were cleared up when Attorney General Brownell gave it as his considered opinion that the act applies to surplus farm commodities exported by the Government under Public Law 480.

The reason for renewed congressional interest in the issue is obvious. Some foreign countries are reluctant to negotiate purchases of United States surplus farm stocks if one-half the shipment must be carried in American vessels, and at least one of these nations is understood to have turned down such an agreement entirely. In the eyes of some farm State legislators, therefore, the Cargo Preference Act is beginning to look like an obstacle to the administration's farm-surplus-disposal program.

This newspaper has supported the 50–50 principle from the outset, although with misgivings.

We supported it originally because, while realizing it was an extraordinary measure for a great creditor nation to undertake, the circumstances were also extraordinary. UNRRA, the Marshall plan, NATO, and point 4 were all unprecedented programs.

The United States had just emerged from a war which showed clearly that a strong merchant fleet was essential to its mere survival in a clash of great powers. If this merchant fleet were itself to survive, it would have to find work; and if it were not given a half share in these great programs, where, indeed, would it have found it in view of its high operating costs and the worldwide scarcity of dollars to buy its services? Subsidies, paid to a relatively few shipowners, provided only part of the answer.

The cargo-preference policy could not be judged by normal commercial standards because there was nothing either normal or commercial about the programs under which it was adopted. If it prevented foreign owners from earning some dollars they would otherwise have earned, their loss was nothing compared with the gain these programs brought to their national economies, and the policy literally kept American shipping afloat.

So far as Government aid programs are concerned, stockpiling and the like, we see no reason for modifying this policy.

The misgivings we held at the outset we still retain, however. We retain them because we know that nothing comes free.

The 50–50 rule has established a precedent which is not in all respects pleasant. What one nation can do to protect its shipping, another nation can also do. And if one such act detonates others, the outlook for a reasonably free market in shipping—shaped by the old laws of supply and demand—is poor indeed, and so are the prospects of nations which depend heavily on shipping earnings.

The Onassis agreement with Saudi Arabia was one of these portents, but not by any means the only one. There is a danger inherent in going too far—and we believe the United States went as far as it ever should go when it arranged the recent sale of coal to England for sterling on condition that half the cargoes move in American ships.

The deal was advantageous to the British, for it saved them dollars, but the transaction came close to being of a straight commercial type, and the attachment of the 50–50-cargo-preference principle left a burning question in the air as to whether there would be more of the same. Thus far there has not been.

The farm-surplus export program is not of this variety, however.

It is a Government operation; and while we have had as many misgivings about it as about the 50–50 rule, we accept the assurances of President Eisenhower and Secretary Benson that sales will be handled in such a way that they do not disturb ordinary commercial marketings, either of United States citizens or those of friendly foreign countries.

If one accepts those assurances, this program cannot be considered a commercial venture, and there should be no question as to the applicability of the Cargo Preference Act to shipments made under it. The Attorney General is on firm ground in taking this position.

It would be a little ironic, however, if farm interests should take the stand that the Cargo Preference Act should go because it seems to interfere with sales of Government-owned agricultural surpluses. They would be skating on thin ice, indeed.

Let there be no mistake about it. Both the crop-support program and the cargo-preference policy are, in one way or another, forms of subsidy, and there is no occasion whatever for the recipients of either to take a holier-than-thou attitude toward the other.

Both bear the seeds of possible future trouble. It is safe to use them only so long as their potential dangers are kept in mind, and those who administer them do so with restraint.

[From the Northwestern Miller, Minneapolis, Minn., of March 8, 1955]

THE 50–50 LAW

There is a tendency in some quarters to look upon America's abundance of agricultural products as a curse rather than as a blessing. Yet to the world at large these surpluses are a blessing, indeed, for the administration is doing everything within its powers, and within the bounds of prudence, to see that needy people get them.

Part of the plan is that agricultural surpluses may be sold for foreign currency under the provisions of Public Law 480. Because of the inability to procure, or to spend dollars, such countries as Yugoslavia, Pakistan, Turkey, Chile, and Peru are benefiting. Others are listed as possible beneficiaries.

It seems hard to understand, therefore, why one small provision or condition of such deals should arouse bitter criticism abroad. The United States Attorney General, Herbert Brownell, Jr., ruled last December that half of the commodities sold for foreign currency must be moved in American ships under the provisions of the Butler-Tollefson Cargo Preference Act. Known as the 50–50 law, this legislation is aimed at providing business for American ships. American surpluses have made food available to foreigners. What is wrong with moving it in American vessels? The rule has done no harm to overseas maritime nations, for the movement of surplus commodities has resulted in a major increase in freight rates. Because foreign companies' operating costs are much lower than those of American firms, they make that much extra profit.

From the vehement protests uttered abroad one might imagine that the Americans are taking their customers for every penny they have. Admittedly, these customers are paying for the goods, but it is in their own national currencies and the American administration is committed to spending the cash take on projects abroad. Admittedly, again these projects are aimed at strengthening world defense, itself an advantage to the United States. But they are also advantageous to the recipients in spheres apart from mutual defense. Money circulates more freely and the projects themselves are capital gains.

Even when the United States was giving freely and without charge large amounts for the economic rehabilitation of Europe in the early postwar years, there were squeals of protest at even the smallest stipulation imposed by the American administration. The removal of the provision that 25 percent of all wheat shipped under the aid scheme should be in the form of flour was sparked by the protestations of the beneficiaries.

The House Merchant Marine and Fisheries Committee has been hearing about the protests. The firm recommendation is that the committee should not allow the administration to recognize them.

[From the New York Journal of Commerce of May 20, 1955]

SHIPPING OUTLOOK: THE 50–50 LAW

(By Edward P. Tastrom)

Discrimination is a dangerous word to bandy about at any time unless you happen to be talking about the finer things in life, like art or music, when it assumes a certain majesty.

We find it necessary, however, to discuss discrimination today—flag discrimination particularly—and how it is being applied specifically to the United States ever since the Butler-Tollefson so-called 50–50 law was enacted last year.

The criticism that has been leveled against this measure abroad during recent months has mounted steadily. It reached a new peak this week when Sir Colin Anderson, president of the International Chamber of Shipping, told delegates from 35 nations representing some 17 million tons of shipping, who attended the Baltic and International Maritime Conference at Copenhagen, that "one of our biggest problems today is United States flag discrimination."

Since this use of the word in a depreciatory sense before such an important group can only result in a false and misleading statement coming to be accepted as genuine by many, unless challenged, it is time to state a few facts.

First. This law does not provide that American-flag ships are to get 50 percent of certain types of cargo to which it applies. The American-flag ship "must be available" and at "reasonable rates." Otherwise, the shipment can move on a foreign ship, as many of them have been handled. Last year, for example, 82 percent of this country's tramp-borne commerce moved in foreign ships, because the 50 tramps still under

the United States flag were not able to handle the allowed percentage.

Second. The law applies only to overseas cargo paid for or guaranteed as to payment by the United States Government, including American surplus commodities that are sold for local currency and hence must be covered by dollar appropriations out of the United States Treasury. This local currency is either spent by the United States in that foreign country or allowed to stay there as a grant or long-term loan. Regardless of the final disposition, it is a tab that the American taxpayer must meet.

Third. Cargo preference of the type just mentioned has been applicable in one form or another over several years, or ever since this country engaged on its policy of helping friendly nations at the end of the war. American ships had a priority up to 50 percent of all aid cargo. We do not recall any great furor being raised abroad during this period though the surrounding circumstances, basically, were little different than they are today.

Yet, despite this effort to assist United States shipping, the percentage of our dry cargo trade handled by American bottoms has steadily dropped. In 1946, for example, American ships handled 60.9 percent of our exports and 56.3 percent of our imports. The figures for November 1954, the latest available, show American ships handling 24.4 percent of dry cargo exports and 29.1 percent of imports.

This is rather ironic in view of another observation by Sir Colin at the Copenhagen conference that world trade is 20 percent greater than in 1950 and 50 percent greater than prewar.

United States flag shipping certainly hasn't been doing too well in this expanding market.

So we have a situation in this 50–50 law where United States flag shipping is not guaranteed any percentage of cargo but must meet certain conditions: Where the cargo involved is directly tied to the taxpayer's dollar; where the so-called preference has been in effect for years; and where, despite this misnamed discrimination, the fleets of every leading maritime nation have expanded while that of this country has declined.

Surely this has not resulted in any restraint of trade. Competitive forces have been freely at work around the world outside this country as the statistics covering the handling of our waterborne commerce indicate.

Overlooked in all this hullabaloo is the fact that whatever flag a vessel flies, it is placed at no disadvantage with American ships in normal trading with this country. We do not have any special port dues, consular fees, berthing preferences and other dodges to aid our shipping.

This is discrimination in the proper meaning of the word as we see it, for these gimmicks are aimed to divert all cargo to a particular nation's shipping, not 50 percent of taxpayers financed cargo which, in turn, is a small percentage of all cargo moving in and out of our ports.

Our friends abroad have every right, of course, to criticize this statute, but we believe that in labeling it flag discrimination they are putting on a handle that does not fit. In so doing they are letting loose impressions that are not warranted by the simple truth.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. JOHNSON of Texas. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, under the unanimous-consent agreement, we have a division of the time on the bill. I have not received very many requests for time, but there have been several requests of that sort.

Let me inquire how many minutes the Senator from South Dakota [Mr. MUNDT] would like to have me yield to him?

Mr. MUNDT. I should like to have the Senator from California yield me 2 minutes.

Mr. KNOWLAND. Very well, Mr. President; I yield 2 minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 2 minutes.

Mr. MUNDT. Mr. President, first of all, I wish to state how I interpret this bill as a member of the Appropriations Committee, which will be charged with the responsibility of implementing it.

As I cast my vote here, and as I vote in the Appropriations Committee, I shall keep in mind the words of the Senator from Kentucky [Mr. BARKLEY]. A day or two ago he said—and in my opinion he said correctly—that in this case we are passing a maximum authorization bill. We are not definitely promising to spend any specific amount of money.

I think we should not let the idea exist in our country or exist beyond our shores that tonight we are in any way approving or passing a promissory note that has to be redeemed 100 cents on the dollar in its full amount by the Congress as a whole or by the Appropriations Committees.

Personally, I expect to vote for the bill, on the question of final passage, because substantially half of the authorizations under the bill will go for actual military assistance. Some of the rest will go to help countries such as Formosa, Pakistan, Korea, and countries in other areas of the world which desperately need our help, and which definitely manifest their friendship for the United States of America and their faith in freedom.

Mr. President, I think the bill is a bit waterlogged. I shall do what I can in good faith, as a member of the Senate Appropriations Committee, which will deal with this specific fund, to whittle down the areas which I think are inflated, to squeeze some of the water out of the bill, to reduce it from the standpoint of its size in certain areas, and to try to move it in the direction of loans, instead of grants—which, if continued, will endlessly engulf our country in increasing debt and steadily perpetuate an expensive and exhausting practice.

I make this statement primarily as one member of the Senate Committee on Appropriations to make it crystal clear on the record that we are not tonight signing a promissory note and guaranteeing to redeem its maximum limitations 100 percent. We have created a maximum in an area in which the Appropriations Committee and the Congress will exercise their good judgment to determine how much of what we authorize here eventually we shall deliver over there.

This bill establishes the ceiling beyond which we cannot go. It now becomes our responsibility to decide how far we shall go with our appropriations in moving toward this very generous maximum ceiling. We make no commitments on those final monetary figures by our votes on policy here tonight.

The PRESIDING OFFICER. Is further use of time desired?

Mr. JOHNSON of Texas. Mr. President, I am prepared to yield back my time, and will do so after making a very brief statement.

I know that I speak for every Member on this side of the aisle, and I hope for the entire membership of the Senate, when I express great admiration for the magnificent job done by the Foreign Relations Committee, and particularly by its distinguished chairman, in handling one of the most important bills the Senate has considered during this session.

We have long known that no Member of this body is possessed of more wisdom, greater eloquence, better powers of persuasion, or a finer sense of devotion to duty than the great senior Senator from the State of Georgia [Mr. GEORGE]. To him and to his colleagues on that committee on both sides of the aisle I express my gratitude and appreciation for the fine job they have done.

Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded.

The bill having been read the third time, the question is, shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceed to call the roll.

Mr. FREAR (when his name was called). On this vote I have a pair with the junior Senator from Alabama [Mr. SPARKMAN]. If he were present and voting I am informed that he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

The legislative clerk resumed and concluded the call of the roll.

Mr. KNOWLAND. I announce that the distinguished Senator from Nevada [Mr. MALONE] is paired against the bill with the Senator from Kentucky [Mr. CLEMENTS]. The Senator from Nevada is absent on official business of the Senate.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Massachusetts [Mr. KENNEDY] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Sen-

ate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote, the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Nevada [Mr. MALONE]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Nevada would vote "nay."

I further announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], and the Senator from Ohio [Mr. BENDER] are absent on official business.

The Senator from South Dakota [Mr. CASE] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Ohio [Mr. BENDER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Utah [Mr. WATKINS] would each vote "yea."

Mr. HUMPHREY. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator is recorded as voting in the affirmative.

Mr. LEHMAN. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator is recorded as voting in the affirmative.

Mr. WILLIAMS. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The regular order is demanded.

The result was announced—yeas 59, nays 18, as follows:

YEAS—59

Aiken	Hickenlooper	Morse
Anderson	Hill	Mundt
Barkley	Holland	Neely
Beall	Humphrey	Neuberger
Bennett	Ives	Pastore
Bible	Jackson	Payne
Bricker	Johnson, Tex.	Potter
Bush	Kefauver	Purtell
Butler	Kilgore	Robertson
Carlson	Knowland	Saltonstall
Case, N. J.	Kuchel	Scott
Cotton	Lehman	Smathers
Dirksen	Long	Smith, Maine
Douglas	Magnuson	Smith, N. J.
Duff	Mansfield	Stennis
Ervin	Martin, Iowa	Symington
Flanders	Martin, Pa.	Thurmond
George	McNamara	Thye
Hayden	Millikin	Wiley
Hennings	Monroney	

NAYS—18

Barrett	Ellender	Langer
Byrd	Goldwater	McCarthy
Curtis	Hruska	Russell
Daniel	Jenner	Welker
Dworshak	Johnston, S. C.	Williams
Eastland	Kerr	Young

NOT VOTING—19

Allott	Capehart	Clements
Bender	Case, S. Dak.	Frear
Bridges	Chavez	Fulbright
Gore	McClellan	Sparkman
Green	Murray	Watkins
Kennedy	O'Mahoney	
Malone	Schoeppel	

CI——473

So the bill (S. 2090) was passed.

PROGRAM FOR NEXT WEEK

Mr. JOHNSON of Texas. Mr. President, I shall shortly move that the Senate recess until Monday at noon.

For the information of Senators, I should like to say that it is expected that two appropriation bills will be reported by the Committee on Appropriations tomorrow. So far as I know, there is no great controversy on either of the bills. Furthermore, so far as I am informed, there is no plan to have a yea-and-nay vote on either of the appropriation bills, although, of course, Senators may require it. These bills will be considered on Monday.

On Tuesday it is planned to bring up the housing bill and any other bills which may be reported and are on the calendar. However, when the Senate recesses this evening, it will recess until Monday at noon. I assure Senators that I shall be glad to stay here this evening until all Senators have had an opportunity to place matters in the RECORD.

DEATH OF DR. F. MELIUS CHRISTIANSEN

Mr. HUMPHREY. Mr. President, I should like to take a few moments of the Senate's time to pay an appropriate tribute to a very distinguished citizen of the State of Minnesota who passed away yesterday. I refer to Dr. F. Melius Christiansen, director of the St. Olaf choir of St. Olaf College, at Northfield, Minn.

Dr. Christiansen was one of our senior citizens in Minnesota in the fullest sense of that term. For more than 35 years his choir traveled throughout America and in many foreign countries. It brought a message of good will and American life to people in foreign lands, and it brought good cheer and good music to people in our own country.

Dr. Christiansen was knighted by the King of Norway, and he was received by Presidents of the United States. He was known to governors of our States, Members of Congress, leaders of business and professions, and people in all walks of life.

His death is a sad loss to our State and to the great college he so ably represented for more than 35 years.

We in Minnesota have great pride in his many accomplishments. His spirit will live on and his works will live on in the person of his own son, who is the new director of the St. Olaf choir, which I consider to be one of the finest choral organizations in America.

THE HELLS CANYON DAM

Mr. MAGNUSON. Mr. President, I understand that tomorrow morning the subcommittee of the Committee on Interior and Insular Affairs in charge of the bill introduced by several Senators, to authorize the Hells Canyon Dam on the reaches of the Snake River in the State of Idaho, will meet to discuss and probably vote on the bill and its referral to the full committee.

I had intended today to make some remarks regarding the Hells Canyon controversy. However, because of the lateness of the hour, and because it is expected that the committee will vote on the bill tomorrow, I ask unanimous consent that my statement regarding it be printed in the RECORD at this point, in the hope that the committee may give some attention to the statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

FEDERAL POWER COMMISSION EXAMINER PROVES CASE FOR FEDERAL HIGH HELLS CANYON DAM

On May 6 the presiding examiner of the Federal Power Commission made public his long awaited—recommended—finding on the 3-dam license application of the Idaho Power Co. for the Hells Canyon reach of Snake River.

For many years I, together with many of my colleagues, have said time and time again on the floor of the United States Senate that the proposed Federal high dam at Hells Canyon represented the only means by which maximum development of this stretch of Snake River would be attained.

We have said time and time again that its great block of power-at-site and downstream would benefit the region and the Nation. We have said that the 3-dam private plan would sacrifice needlessly most of the potential of the river.

We have pointed out the tremendous economic benefits of such a project in new industries, payrolls and jobs, a broader tax-base.

We have said time and time again that as a key upstream storage project in the Corps of Army Engineers main control plan for the Columbia Basin, the operation of Hells Canyon, integrated with the other Federal projects, would provide not only the greatest feasible production of firm power but also navigation, flood control, recreation, aid to future irrigation, and full development of the great phosphate reserves in eastern Idaho and neighboring States, so important to the Nation's farm economy.

And we have said time and time again that the investment of the American people in the economic stimulation of the Pacific Northwest—by means of development of the Hells Canyon reach of Snake River—would be repaid by the region's power users in 50 years with interest.

Not only that, but in the following 50 years Hells Canyon Dam would pay for itself twice.

After more than a year of hearings before the Federal Power Commission, after the various parties had exchanged briefs and counter briefs, the examiner has shifted the record of facts on this most vital matter to the future of river development in America.

This is what the examiner has to say about the Federal high dam at Hells Canyon:

"The facts seem to point to the inescapable conclusion that with the marked and substantial advantage of the Government's credit, the high dam would be dollar for dollar the better investment and the more nearly ideal development of the middle Snake" (p. 55).

This is precisely what we have been saying since 1949, in the face of misleading propaganda, in the face of half-truths, in the face of talk about creeping socialism, in the face of the myths of an alternative "special interest" plan for development.

If there is one thing that is made clear by the examiner's finding of fact it is this: There is no alternative private plan for development at Hells Canyon.

No such plan exists. Three small dams were hurriedly proposed in order to establish the appearance of an alternative.

A small amount of storage was proposed at one of the three sites—Brownlee.

In the hope that the people of the Northwest would be incapable of rising to protect their own interests, the Idaho Power Co. went into the hearings before the Federal Power Commission, confident that the proceedings would be over before the true nature of their flimsy, improvised nonplan would be revealed in the record.

The Idaho Power Co. failed. Their claims were given the most rigid scrutiny over the months. Government witnesses testified concerning the soundness of engineering and economic planning for the high dam. The examiner could, in all intellectual honesty, come tc no other conclusion to the one which I have just quoted—that high Hells Canyon represents "the more nearly ideal development of the middle Snake."

Where are the major disputations arguments against Hells Canyon now? Let us take a number of the more important ones:

You have heard the opponents say: Hells Canyon dam is unfeasible engineeringly and economically, will never repay its costs from the sale of its power.

Here is what the examiner says in reply:

Finding 136: "The high-dam project is feasible from an engineering standpoint"; and in

Finding 155: "The high-dam project apparently would pay out its reimbursable costs with interest within a 50-year period, i. e., amortization of the Federal investment allocated to power, together with costs of operation and maintenance."

Here is another argument of the opponents: The three-dam plan will produce almost as much power as Federal Hells Canyon Dam, and cheaper.

On this the examiner says:

"That the at-site energy produced by the three dams would be 505,000 kilowatts of prime power" (finding 15); and

"That the Federal Hells Canyon project would produce 924,000 prime kilowatts."

This is a difference of 410,000 kilowatts, the equivalent of another Bonneville, in favor of the Federal dam.

Cost of salable firm power from Hells Canyon project, says the examiner, would be $23.80 per kilowatt-year, and would not affect the going Bonneville rate of $17.50 a kilowatt-year when pooled with the Federal system (finding 148). This means that Hells Canyon power would cost delivered at load center 2.7 mills per kilowatt-hour.

Cost of salable firm power from the three dams would be 6.69 mills per kilowatt-hour (finding 25). This would make such power cost $58 per kilowatt-year, far and above the general going cost of generation and transmission in the Pacific Northwest outside the area served by the Idaho Power Co., and nearly 250 percent higher than Federal Hells Canyon power.

Could anyone in his right mind call this three-dam proposal an alternative plan to Federal Hells Canyon Dam on those two facts alone:

1. A loss of 45 percent of the power potential;

2. Power available at nearly 250 percent higher cost than the Federal project?

Another loud argument against Federal Hells Canyon—and for the three dams—capitalizes on the impending power shortage in the Pacific Northwest, which is indeed a most serious one.

Opponents of Hells Canyon have stated over and over again that the private plan would provide a needed block of power for the Northwest and would get it on the line in 3 years, if necessary; far more rapidly than high Hells Canyon could ever accomplish the job.

The examiner shows little mercy on these contentions. In several findings, and in the general text, he makes the facts eminently clear from the record:

1. That the energy from the three dams could not be used in the Idaho Power Co.'s own service area until about 1975 (finding 20).

2. That surplus energy to the Idaho Power Co. service area would have to be sold elsewhere in the region at prices equal to the costs of producing and transmitting the power (findings 21 and 22).

3. "The prospects, as reflected in this record, for the sale in the Northwest of the large amounts of excess power that would be available from the three projects at rates which would equal the cost of the power are so feeble as to be worthy of no consideration" (finding 27).

The examiner has previously stated (p. 25) that "The cost of the Idaho Power Co. 3-dam output will always exceed the upper limit of the sales price for wholesale power in the Pacific Northwest * * * this will also be so in 1980 when all the additions to capacity in the Northwest will be steam-electric."

No one except those who are forced to buy Idaho Power's electric energy, or use coal-oil lamps, will accept 6.69-mill power in the Pacific Northwest. This power is of no use to us. It will not answer the region's needs for large blocks of low-cost power available to the entire region to help meet normal load growths and attract needed new industry as well.

But by the time 1975 has rolled around, Federal high Hells Canyon Dam, assuming a start of construction in 1956, will have been on the line producing its full at-site and downstream power for 22 years. Not until 1975 would there be a local market for the power from the other two Idaho Power dams at the prices they would charge.

So much for the allegation of the three dams producing any power for the Columbia Basin as a whole, and so much for having it on the line sooner than Hells Canyon.

One of the most misleading and vicious arguments against Hells Canyon Dam has been that there wouldn't be enough water after expansion of upstream irrigation on Snake River to fill the high-dam reservoir during critical years of low flow. Southern Idaho irrigationists have been made the target of this fallacious propaganda which was calculated to strike them at their most sensitive spot, since their very existence depends upon water for their crops.

The examiner gives short shrift to this straw man. In finding 166 he says:

"With ample allowance for all foreseeable upstream water uses, a dependable water supply can reasonably be expected for the efficient and economic operation of the high-dam project during its payout period."

Opponents of the high dam have contended for years that the Idaho Power Co. had a plan for comprehensive development. This they argued when the company proposed and applied to the Federal Power Commission for only the small Oxbow development. They shifted with the next company shift when it talked about five low-head dams—including Oxbow. Once more they shifted when, after several years, the company came out with the 3-dam proposal—including Oxbow, Little Hells Canyon, and Brownlee—the latter with 1 million acre-feet of storage.

Is this really a comprehensive plan? Listen to what the examiner says in finding 48:

"To call completely separable power development units of a single project in order that a license be issued for all of the projects at once and the construction period of one of such separable projects could actually begin at some time after the 4-year period specified in the statute, would be a violation of section 13 of the Federal Power Act."

Moreover, the examiner shows from the record of the FPC proceedings that the 3 dams were planned, designed, and engineered primarily to meet the power needs of the Idaho Power Co. service area (finding 70). And also the 3-dam proposal's transmission system is not designed for a fully integrated operation with the Federal Columbia River power system, nor does the record show any such intention or planning on the part of the Idaho Power Co. (finding 139).

To add to this 3-day—"no-plan"—the examiner himself recommends operation of the Brownlee Reservoir so that it is filling—when it should be emptied—to provide the optimum release for downstream power firm-up. When it should be filling in the summer, it is being drawn down to meet peak loads in the Idaho power service area (art. 40, p. 79).

This is a comprehensive regional development plan in reverse and can truly be termed a "nonplan."

The examiner finds that for the region as a whole the high dam project would stimulate:

(a) Power-load development.

(b) Greater utilization of power in industry, agriculture, commerce, community, and service activities.

(c) New business and employment opportunities.

(d) Expansion of production and productivity.

(e) Development of minerals and other materials important to the regional and national economy, and to the national security.

(f) Strengthening of the regional and national economy (finding 164).

He also lists the benefits which would be available from Federal high Hells Canyon Dam to the Snake River Subbasin which is in such need of cheap power:

1. Industrialization, diversification, and stabilization of its dominantly agricultural economy.

2. Reduction of seasonal unemployment of new industrialization.

3. Fostering of individual initiative, private business and industrial initiative.

4. Increasing employment and business opportunities, broadening the tax base, raising income levels and standards of living (finding 163).

In other recommended findings, the examiner finds that the Federal high Hells Canyon project—with its 3,880,000 acre-feet of storage—will provide greater flood control, navigation, and recreation benefits; that it will stimulate the development of phosphatic fertilizer for the Nation's farmers to a greater extent than the private 3-dam proposal; that it will provide power revenues for future irrigation projects if they are authorized by the Congress; that it will stimulate greater expansion of electro-process industries than the 3-dam proposal.

The examiner then proceeds to reject license applications for Oxbow and Little Hells Canyon Dam. The overwhelming logic of his findings and conclusions—which I have already itemized—would, one would suppose, inevitably result in turning down the entire private scheme.

This is particularly true in terms of section 7 (b) of the Federal Power Act. This section provides that whenever, in the judgment of the Commission, Federal development of a waterway or waterways should be undertaken—any competing private license application should be rejected—and the Commission should make its recommendation to the Congress with whatever data, engineering reports and other material—it deems of use to that body.

But it is at this point that the examiner drives his car into the ditch. He says that he cannot invoke 7 (b). High Hells Canyon is, as he says, "the more nearly ideal development of the middle Snake," but section 7 (b) doesn't apply.

The examiner now proceeds to introduce one of the most outlandish criteria of feasibility that I have ever heard of.

All of us in this body are aware that multipurpose projects must be judged on their merits with the yardsticks of engineering and

economic feasibility. With respect to Hells Canyon, its superiority on both counts is beyond argument.

The examiner breaks away from the Federal Power Act—and the merits of the case—by introducing political feasibility as his novel yardstick in determining whether or not he should invoke section 7 (b) and recommend Federal development.

Here is his peculiar reasoning, stated in his own words on page 56. It is also found in slightly different language in finding 182.

"I conclude," says the examiner, "that on the basis of the facts before me, including the legislative history of the various Hells Canyon bills which have been heretofore presented to the Congress without success, the likelihood of the authorization of and appropriation for an undertaking of the size involved in the high dam project is so remote as to make a recommendation to the Congress under section 7 (b) that such a dam be undertaken by the United States a completely useless action."

He then adds, in justification of his next step, that "nonutilization of power resources could be—in some circumstances—just as shortsighted as less than maximum development."

With political feasibility, his guiding star, the examiner, in high good spirits, then recommends the granting of a license to the Brownlee project—but not before this advance apology to the Congress:

"If the Congress feels that the Commission has not performed its function in the public interest and in accordance with the provisions of this statute, the Commission's power to issue a license may be withdrawn or suspended at any time."

He cites two cases in which this has been done; in 1921 with respect to power sites in national parks and monuments, and in 1928 for some time on the Colorado River and all its tributaries except one.

I wish to point out to the Senate of the United States that the examiner's decision demonstrates that the Federal Power Commission is not the fit repository for policy decisions on the manner in which our rivers should be developed for multiple purposes when private and public plans come into conflict.

The relegation of section 7 (b) to the port of forgotten laws by this examiner's recommended finding for Brownlee project, when every fact points to the superiority of high Hells Canyon, is an illustration of the enormity of the precedent being established here.

This case will be a precedent and a disastrous precedent unless the Congress once more assumes the power of decision over the development of our river systems for low-cost power, flood control, navigation, irrigation, and the other benefits—which are so abundantly derived—when a construction program is carried out in conformity with an overall, basinwide engineering plan.

The examiner has assumed the function of political soothsayer and is attempting to justify his recommended action by gaging the future action of Congress through a crystal ball, on the basis of what Congress has or has not done in the past on Hells Canyon.

This self-assumption of second sight by any creature of Congress, such as the Federal Power Commission, and used to decide whether the act shall be complied with, is taking unconscionable liberties with the law. Moreover, it is taking liberties with the powers delegated by the Congress, itself, to its creature, the Federal Power Commission, powers to be used only as the appropriate provision of the Federal Power Act provides. It is, in effect, defiance of Congress itself.

Fascinated by his uncanny gift of seeing into the future, the FPC examiner is assuming that the representatives of the people of the United States, in Congress, will stand aside while the Idaho Power Co. proceeds with the construction of its Brownlee project, a dam which will produce a mere 221,000 kilowatts of prime power, and provide salable firm power at 7.6 mills per kilowatt-hour. All this in the face of his findings that the Federal Hells Canyon project will produce 924,000 kilowatts of prime power and salable firm power at only 2.7 mills per kilowatt-hour.

If the Congress does not act to remove this matter from the hands of the Federal Power Commission by authorizing Hells Canyon dam, there will be a massive loss to the region and the Nation equivalent to the total output of McNary Dam. The small block of power from Brownlee will be sold only to a restricted area served by the private utility at a unit cost per kilowatt-hour nearly 280 percent higher than the great block of power from the Federal project, a great block of power which would not only serve the Idaho Power area, but the entire region.

If the Congress fails to act, the region will be deprived of 2.88 million acre-feet of valuable upstream storage for power, flood control, navigation—storage which each year is becoming more difficult to obtain, and which when developed in its entirety will account for 65 percent of the total achievement of the Columbia Basin's still unharnessed power potential.

If the Congress fails to act, the region and the Nation will be deprived of power revenues to aid future irrigation development upstream from Hells Canyon. This new land will become more and more valuable as population pressures continue to exert themselves against available food supply.

If the Congress fails to act, farmers from Ohio to California will be deprived of the opportunity which Hells Canyon will provide for cheaper, higher grade phosphatic fertilizer, vitally needed to maintain productivity of their farms and the nutrition of their crops.

If the Congress fails to act there will be withheld from thousands of young persons and others in my region the opportunity for new jobs. This will come about because there would be a total sacrifice of more than 1 million kilowatts of low-cost power—low-cost power necessary to attract new and to expand existing electro-processing and other industries for the region's and America's strength in peace and for defense.

If Congress fails to act, the comprehensive plan for the Columbia Basin will be well on its way to disintegration. Storage will be sacrificed. Integrated operation will be replaced by service area operation. Low-cost power will be sacrificed for high-cost power.

This decision recommended by the examiner, if allowed to stand, simply means that no unauthorized site proposed for Federal development in accordance with a basinwide integrated plan of operation will ever be constructed if a private utility files for a license before Congress can act.

In my State of Washington the people fought for 30 years before Grand Coulee was won.

It has taken years to attain the St. Lawrence Seaway and power development.

It has taken years to realize such great developments as the Tennessee Valley Authority, Hoover and Shasta Dams.

Were they worth waiting for? Ask the people who live in the shadow of these enduring monuments to the fighters for full development.

If the Congresses of the past had been willing to fritter away such sites and such engineering plans simply by applying the gage of political feasibility there would be not a single one in existence today.

The Nation would have sustained a grave loss in its economic strength and in its ability to provide the seed corn for expanded economic activity and expanding free enterprise. The examiner has forgotten this or has chosen not to use history—instead of the misapplied semantics and tortured logic—which characterize his evasion of the real issue implicit in Hells Canyon.

He has forgotten that the Congress can and will act in the public interest at Hells Canyon. For in spite of himself, the examiner on the basis of the record could come to no other conclusion than the one held by myself and those with whom I have fought to save this mighty damsite, namely, that the Federal plan is the only one which can harness the Middle Snake for all of its wide ranging and lasting benefits.

Had there been a Senate vote on the issue of Kettle Falls versus Grand Coulee, I cannot believe there is a single Senator in this great body who would have voted to reject Grand Coulee for the proposed private development at Kettle Falls on the mighty Columbia River.

The analogy between Grand Coulee and Kettle Falls in the 1930's and between Hells Canyon and Brownlee now is perfect.

Hells Canyon is the Grand Coulee of the 1950's. Brownlee is the Kettle Falls of the 1950's.

The facts are marshalled. The issue is plain. The duty and responsibility of the Congress to the people is clear.

The Federal Power Commission examiner has proved the case for high Hells Canyon Dam.

LEIF ERICSSON—ADDITIONAL SPONSOR OF JOINT RESOLUTION

Mr. MAGNUSON. Mr. President, on the day before yesterday I again introduced my annual joint resolution (S. J. Res. 74) authorizing the erection of a statue of Leif Ericsson in the District of Columbia. I have found unusual support for the resolution on both sides of the aisle.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MAGNUSON. I shall be glad to yield in a moment. Apparently among the names of the Senators who have joined in sponsoring the joint resolution the name of the Senator from Kansas [Mr. CARLSON] was inadvertently omitted when the resolution was printed. The Senator from Kansas is very proud of his Scandinavian ancestry, and he has always supported the joint resolution. I wish the RECORD to show that he is also wholeheartedly in support of it and wishes to add his name to it as a sponsor. I ask unanimous consent that his name be added as a cosponsor of the joint resolution.

The PRESIDING OFFICER. Without objection, the name of the Senator from Kansas [Mr. CARLSON] will be added as a cosponsor.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LONG. I am sure the Senator from Washington recalls that one of the earliest experiences of the junior Senator from Louisiana, 7 years ago, was his service on the Committee on Rules and Administration when the effort to find an appropriate place for Leif Ericsson first came up. I am delighted to know that the Senator from Washington is still looking out for Leif Ericsson, and I regret that Lief is still not in his right place.

Mr. MAGNUSON. I thank the Senator from Louisiana. Mr. President, although I do not have the formal support of the majority leader and the minority leader, I can tell by the looks on their faces that they will help me in this matter.

CONGRESSIONAL SOFTBALL TEAM

Mr. JACKSON. Mr. President, I have been requested by the Press Club to organize a softball team from the Senate and from the House. I wish to say that we are having a little problem in completing a 9-man team, and I would welcome the wholehearted support of the majority and minority leaders in getting good representation on Sunday at 2 o'clock. It would be a calamity if the Press Club should prevail over the Congress in the field of softball.

Mr. JOHNSON of Texas. Mr. President, I should like to say that two of the most delightful Members of this body are the two Senators from the State of Washington. I have served with both of them in the House and in the Senate. But they are pouring problems on my back so fast, what with Lief Ericsson and a softball team, that, except for the absence from his post of duty of the distinguished Vice President this evening, we might have suffered a defeat. I am appreciative of the fact that the Vice President had duties elsewhere. Had he been in the Senate, the amendment offered by the Senator from Indiana [Mr. CAPEHART], of course assuming that the Vice President would vote with the minority, would have been adopted. So far as I am concerned, I have no doubt that he would have voted with the minority. They seem to be holding their lines pretty well.

I have not had a chance to consider the suggestion of the senior Senator from Washington or that of the junior Senator from Washington, but they have my support whenever I can possibly give it without fear of disastrous consequences. Since they have gone into these two matters pretty thoroughly, I have every reason to believe that I can support them.

SEGREGATION IN THE PUBLIC SCHOOLS—DECISION OF UNITED STATES SUPREME COURT (S. DOC. NO. 46)

Mr. JENNER. Mr. President, I ask unanimous consent that the opinion of the Supreme Court of the United States in the cases involving segregation in the public schools, which was rendered on May 31, 1955, be printed as a Senate document.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana? The Chair hears none, and it is so ordered.

RECESS TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I move that the Senate stand in recess until Monday next at noon.

The motion was agreed to; and (at 8 o'clock and 44 minutes p. m.) the Senate took a recess until Monday, June 6, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 2 (legislative day of May 2), 1955:

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Coast and Geodetic Survey:

To be commissioned captain

Ralph L. Pfau	Alvin C. Thorson
William M. Gibson	Joseph C. Partington

To be commissioned lieutenant

Alfred C. Holmes

To be commissioned ensign

John H. Bennett	Ralph G. Jourden
Robert J. Black	J. Frank May, Jr.
Oscar L. Doster	Lavon L. Posey
Albert J. Hamlett, Jr.	James E. Sommerer
Page A. Herbert	William M. Tidwell

WITHDRAWAL

Executive nomination withdrawn from the Senate June 2 (legislative day of May 2), 1955:

POSTMASTER

Mrs. Lulie M. Frick to be postmaster at Atlas in the State of Michigan.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 2, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou God of all grace and goodness, whose kind and beneficent providence fills each new day with blessedness, makes us more appreciative and worthy of Thy continuing love and care.

Help us to sense the sanctity and sacredness of the duties which confront us and may we perform them faithfully and as in Thy sight and for Thy glory.

May we have a clear vision of that blessed time when the nations of the earth shall yield themselves in a glad and willing obedience to Thy divine sovereignty.

Show us how we may strengthen our own faith in the ultimate triumph of righteousness and justice when men everywhere shall follow the ways of the Prince of Peace.

Hear us in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5559. An act to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

The message also announced that the Presiding Officer appointed Mr. MORSE a member of the Board of Visitors to the Military Academy, Mr. BIBLE a member of the Board of Visitors to the Naval Academy, and Mr. CASE of New Jersey a member of the Board of Visitors to the Merchant Marine Academy.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 55–18.

COMMITTEE ON EDUCATION AND LABOR

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that the Subcommittee on School Construction of the House Committee on Education and Labor be permitted to sit this afternoon during general debate while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

IMMIGRATION LAWS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, because of the very obvious attempt to play politics with a subject which should not get into the realm of politics, and I say that because of an address that was made last evening, I am inserting in the RECORD an analysis by a technician on the immigration laws of the United States. I respectfully urge you to read it in the interest of knowing what the truth really is.

ITALY REMEMBERS JUNE 2, 1946

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT. Mr. Speaker, after the defeat of the Nazis in World War II, Italy was in a state of ferment. A political vacuum had been created by the failure of Mussolini's despotic experiment, but ready to step into this vacuum was a coalition group of anti-Fascist parties which had been suppressed by Mussolini, but had united underground as the Committee of National Liberation.

At first the government had a difficult and uncertain time. Before December of 1945, several cabinets had already formed and fallen. A number of elements contributed to the unhappy political situation, but two of these were crucial. In the first place Italy at the end of the war found herself in a serious plight economically; and in the second place no decision had been reached as to whether Italy was to remain a monarchy or become a republic. In December 1945, however, Alcide de Gasperi, the Christian Democratic leader, became Premier of Italy, and managed to give Italy a relatively stable government.

Then in 1946, on June 2, the Italian people went to the polls for the express purpose of deciding the kind of govern-

ment they wanted. In this public referendum the issue of monarchy or republic was settled by the people in favor of a republic.

This series of events and subsequent developments in Italy have given the free nations of the West confidence in the Italian people and in their ability to produce strong democratic leadership. The road that Italy has had to traverse since the war has been at times very disheartening. The U. S. S. R., fully aware of Italy's strategic importance, made that country one of its chief targets for subversion. The Communist menace, coupled with the economic problems of unemployment and the crucial need for land reform, have at times made Italy's plight seem quite critical.

But today when we look at Italy we see a country that is well on its way to greater economic and political stability, and that in its relationship with its neighbors and allies is enjoying friendly cooperation and understanding. The North Atlantic Treaty Organization and the Coal and Steel Community are some of the larger international projects in which Italy is a participant and a leader. In the Trieste settlement with Yugoslavia, Italy has shown her desire to negotiate troublesome disputes for the sake of agreement and peace. The friendship between Italy and our own country is continually evident. For instance, this spring there was a visit to our country by Premier Mario Scelba; and this summer we plan to participate in the international trade fairs in Milan and Palermo.

On this June 2, Italy is looking back along the way she has come. May we be among the first to congratulate the Italian people on the remarkable accomplishments that their republican government has made since 1946.

RESPECT FOR A FORMER PRESIDENT

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, the newspapers recently carried a story that former President Harry S. Truman had "declined an invitation" to attend the session at San Francisco later this month celebrating the 10th anniversary of the founding of the United Nations. It now appears that the newspaper did not carry the full story.

Former President Truman, it appears, was invited merely to go along in a certain crowd, as a kind of official guest of Secretary of State Dulles, but without the natural invitation to speak at the ceremonies that is indicated by common courtesy and by Mr. Truman's intimate connection with the founding of the U. N.

It is understandable that Secretary Dulles and the U. N. officials could not complete their program until they were sure about the official representation of the present administration. It might have been difficult for them to ask Mr. Truman, a former President, to speak if the highest-ranking official American spokesman was the Cabinet officer, the Secretary of State.

Now President Eisenhower has announced that his schedule will permit him to address the U. N. celebration. The matter of protocol has been taken care of, for naturally our present Chief Executive will make the first American speech as America's highest present spokesman.

I very much hope, and I strongly urge, that Secretary Dulles will now suggest to the U. N. officials that Harry S. Truman, private citizen of Independence, Mo., be invited to speak.

No human being in all the world had more to do with the founding of the United Nations than Mr. Truman.

The first major decision he had to make as President, when he succeeded Franklin D. Roosevelt on April 12, 1945, was a decision that the scheduled San Francisco conference to establish the U. N. would meet exactly as planned, and that the United States would participate exactly as planned.

It would be very curious—it would be a shameful thing—if Mr. Truman, still in the vigor of his years, should not be called upon by his countrymen to take a part in the ceremonies celebrating the organization which his decisiveness and wisdom helped found.

The initiative, no doubt, must rest with President Eisenhower and Secretary Dulles to make the proper suggestions to the appropriate U. N. officials. The suggestions should be made, and made promptly. I have no doubt that Mr. Truman, even though a private citizen, will have much wisdom to offer.

COMMITTEE ON THE JUDICIARY

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file sundry reports.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FOREST FIRES AND OUR NATIONAL FOREST RESERVES

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked for this 1 minute in order to call the attention of my colleagues to a release by the United States Department of Agriculture reporting damage caused by forest fires on our national forest reserves:

Damage on national forests was estimated at $3.7 million for calendar year 1954, the United States Department of Agriculture announced yesterday.

According to reports from Forest Service field offices 7,369 forest fires—3,425 of them man-caused—burned 107,656 acres of national forest land during 1954. The timber damage was $1,062,489.

The destruction of ground cover, such as grass, trees, and shrubs, resulted in damages of $2,227,455 to watersheds which supply a large part of the water used in the West for industry, irrigation farming, and in the home. These damages appear in erosion of topsoil, excessive silt in streams and reservoirs, flash floods, and in a few instances mudflows. Damage to other nontimber resources such as wildlife, recreation, and forage was $447,033.

The 1954 report shows an across-the-board improvement over the 1953 national forest fire record. During that year 8,353 fires burned 231,314 acres of national forest land, leaving in their wake an estimated damage of $14,489,594.

The Department of Forestry is to be congratulated for this fine record which was made possible through adequate appropriations by the Congress.

INCREASED COMPENSATION FOR POSTAL EMPLOYEES

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service have until midnight tonight to file a report on the bill (S. 2061) increasing the rates of compensation of officers and employees of the Post Office Department.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, may I inquire of the majority leader as to the program for next week.

Mr. McCORMACK. On Monday H. R. 5376, a bill to amend the Rural Electrification Act of 1936.

It is understood if there should be any rollcalls that day, they shall go over until Tuesday.

On Tuesday there is the Consent Calendar and the Private Calendar, and one suspension, S. 2061, the postal pay-raise bill.

After that House Resolution 210, an investigation of the Federal Open Market Committee from the Committee on Banking and Currency.

The first order of business on Tuesday will be the consideration of the postal pay-raise bill under suspension of the rules. After that bill is disposed of the two calendars will be called.

On Wednesday, Thursday, and Friday, not necessarily in the order in which I shall list them, there is H. R. 5923, inter-American highway.

H. R. 6410, Smithsonian Institution, Museum of History Building.

Mr. MARTIN. That is for the construction of a new building?

Mr. McCORMACK. That is my understanding.

Then H. R. 6227, Bank Holding Company Act of 1955, if a rule is reported.

The usual reservations: Conference reports may be brought up at anytime and any further program will be announced later.

AMENDING THE FLOOD CONTROL ACT WITH RESPECT TO RAPPAHANNOCK RIVER

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 261, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 192) to amend Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1946 (Rappahannock River). After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, with the adoption of this resolution, the House will consider H. R. 192. This bill amends existing law, section 10 of the Flood Control Act of July 24, 1946.

It is interesting to note that when the original act left this Chamber it called for a dam 240 feet high. When it reached the Senate, it was reduced to 220 feet. The committee of conference agreed on that.

This act was passed in 1946, and now the Army engineers feel that this is not feasible, and they come back and ask this Congress to consider and pass this resolution, making the dam 240 feet high.

The existing law reads:

Rappahannock River Basin: The project for the Salem Church Reservoir on Rappahannock River, Va., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in his report dated April 8, 1946, at an estimated cost of $17,755,000: *Provided*, That the power pool shall be maintained at an elevation not to exceed 220 feet.

All this does is to change the 220 feet to 240 feet. The bill is reported unanimously by the Committee on Public Works.

Mr. Speaker, I yield the balance of my time to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I know of no objection to the rule or the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. O'NEIL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

DIRECT LOANS UNDER SERVICEMEN'S READJUSTMENT ACT

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 246.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5715) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to my colleague from Illinois [Mr. ALLEN], and yield myself such time as I may use.

Mr. Speaker, this resolution provides for the consideration of the bill, H. R. 5715, to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

It also provides loans for the following purposes:

(A) To purchase or construct a dwelling to be owned and occupied by him as a home;

(B) To purchase a farm on which there is a farm residence to be occupied by the veteran as his home;

(C) To construct on land owned by the veteran a farm residence to be occupied by him as his home; or

(D) To repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home.

This is a continuation and extension of legislation already on the books on behalf of the veterans.

I know of no opposition to the bill either in the Committee on Veterans' Affairs or in the Rules Committee.

Mr. Speaker, I have no requests for time on this side.

Mr. ALLEN of Illinois. Mr. Speaker, the able gentleman from Indiana has explained the legislation as well as the main provisions of the bill.

I know of no opposition to the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MADDEN. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I wish to make a further announcement in connection with the program for next week, and ask that my remarks be made a part of my previous reply to the gentleman from Massachusetts [Mr. MARTIN].

The first order of business on Tuesday will be consideration of the postal pay-raise bill under a suspension of the rules. After disposition of this bill, the two calendars will be called.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I yield.

Mr. GROSS. May I ask the distinguished gentleman from Massachusetts what the program is for the remainder of this week?

Mr. MCCORMACK. After the disposition of these two bills today, we are going over until Monday.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

SURVEY OF HURRICANE DAMAGE

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 414) to authorize an examination and survey of the coastal and tidal areas of the eastern and southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides.

The Clerk read the title of the bill.

Mr. MARTIN. Mr. Speaker, reserving the right to object, I would like to make an inquiry of the gentleman from Rhode Island about this bill. First, however, let me say that I favor the survey and hope it will open the way for greater protection from the hurricanes. In recent years all New England and the residents of the eastern Atlantic shore have suffered tremendous losses.

These losses for the most part fall upon individuals as there is no insurance coverage for damage done by water.

Scores of individuals were wiped out by the hurricanes of recent years. If we can through survey secure better protection it would be a proper service of the Government to its people.

Lately we expanded our weather warning service and this is in the direction of further avoiding catastrophes. As I understand it, this is a request for a survey only?

Mr. FOGARTY. For a survey of the northeastern section of our country and down the Atlantic coast including South Carolina, where the brunt of these hurricanes has been occurring in the last few years. This bill passed by unanimous consent in the Senate a couple of days ago.

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, why is it not broadened to take in places like Kansas, Oklahoma, and Nebraska?

Mr. FOGARTY. I would not object to that at all, but in our section of the country in the last 5 or 6 years these hurricanes seem to have been occurring more often than in the past and something has to be done immediately. It is something new that is occurring.

Mr. MARTIN. I think this is only a coastal survey.

Mr. FOGARTY. A survey of the coastal area.

Mr. MARTIN. I agree with the gentleman from Nebraska that they should have their areas surveyed, too, and of course I would be glad to aid them in their efforts for better protection for their constituents.

Mr. MILLER of Nebraska. Are they going to do something about the Almighty originating these hurricanes? How far will this Congress go? I think I will object so that it can be held up until it will include the rest of the United States.

Mr. MARTIN. Why does not the gentleman get his own bill introduced?

Mr. MILLER of Nebraska. It is easier to hook it up to a bill that is being pushed through.

Mr. MARTIN. I might say to the gentleman that nobody is trying to push this bill through. It has been passed by the Senate and is being considered in the orderly way.

Mr. MILLER of Nebraska. I am going to object until I can look it up.

Mr. McCORMACK. I hope the gentleman will not object because the matter has been cleared and screened. So far as legislation with reference to surveys elsewhere is concerned we all are for it and will enthusiastically support that proposition. I hope my friend will not object on this occasion to the present consideration of the bill. I can assure the gentleman that if anyone introduces a resolution for a survey anywhere else in the country it will gladly receive the support of the leadership on my side, and, I know, of the leadership on the gentleman's side of the aisle.

Mr. MILLER of Nebraska. With the majority leader and minority leader insisting, and with their explanation, I withdraw my reservation. I would like to include the rest of the Nation, and I might at a future time introduce a resolution to make inquiries into the balance of the country.

The SPEAKER. Does the gentleman withdraw his objection?

Mr. MILLER of Nebraska. I do, Mr. Speaker, yes.

Mr. McCORMACK. May I make just this observation: I have been disturbed at the names they give these hurricanes. They always give the name of a member of the gentler sex, and I do not think it is appropriate. If there are any more hurricanes, I hope they will use another name except that of a member of the gentler sex.

Mr. MILLER of Nebraska. I think the names are used according to whether they occur north of the Equator or south of the Equator. If south of the Equator, they use the names of the male of the species; north of the Equator they use the names of the female sex.

Mr. REECE of Tennessee. Mr. Speaker, reserving the right to object, in reference to the peculiarity in connection with the names of hurricanes, I particularly object to the one with the name of Carol.

Mr. PATTERSON. Mr. Speaker, reserving the right to object, what is the difference between this particular bill and the one I introduced that the gentleman is definitely acquainted with?

Mr. FOGARTY. I am not familiar with the bill the gentleman from Connecticut introduced. I may say to the gentleman from Connecticut that we are accepting the Bush bill that passed the Senate on May 31. Its sponsor is the Senator from the gentleman's State. The bill was amended in the Senate to take in as far as South Carolina.

Mr. PATTERSON. I have introduced a bill.

Mr. FOGARTY. Some Congressmen from the New England area have the same bill in.

Mr. PATTERSON. They are not the same. Mine would give the people adequate warning.

Mr. FOGARTY. This is not the same type of bill at all.

Mr. PATTERSON. What does this have to do with?

Mr. FOGARTY. This authorizes a survey to be made by the Army engineers.

Mr. PATTERSON. For what purpose?

Mr. FOGARTY. To ascertain the cause of hurricanes and what can be done to protect the coastline.

Mr. PATTERSON. What is going to be done in the meantime for the protection of the people up there; not only up there but elsewhere?

Mr. FOGARTY. The House very graciously added almost $3 million to the appropriation bill a week or 10 days ago to give the Weather Bureau more funds to enable them to give quicker warnings for hurricanes and tornadoes. I understand that a move is being made in the Senate to increase that by $11 million for the Weather Bureau, and if the bill comes back increased by $11 million, I think the House will accept the amendment of the Senate for research and for quicker warning systems for hurricanes and the like.

Mr. PATTERSON. I was only informed this morning that the amount the House passed last week was very inadequate to take care of any warning system.

Mr. FOGARTY. It may be inadequate, but it is a lot more than before we started negotiations, I will say to the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am delighted that this bill is coming up, because only a week or 10 days ago in New England we had what some people designated a hurricane, with very heavy swells and high seas along the beaches. We think this bill is very necessary.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Speaker, it is with a great deal of satisfaction that I join in support of the passage of S. 414, introduced by the Senator from Connecticut [Mr. BUSH]. I should like to call to the attention of the House that prior to the introduction of Mr. FOGARTY's bill, I introduced a bill, H. R. 3811, identical to the Senate bill. This bill which we are about to pass has certain amendments to conform with changes made in the Senate.

It would be remiss of me to fail to use every legitimate opportunity to point out to the Members of this body that the Governor of the State of New York is holding up an identical authorization for Long Island's south shore.

This involves one of those Federal-State agreements whereby the Army engineers do the work. However, the money is put up equally between the Federal Government and the State. In actuality, the State funds are provided 50 percent by the State and 50 percent by the county—in this case Suffolk County. So far, everybody has done his job except the State of New York. Why? Is it because the Governor feels that the prevailing political party on Long Island is not to his liking? The most vicious thing that any public official can do is to play politics with people's lives. Our shore erosion surveys are a matter of life and death to us on Long Island. The delay in this survey must and shall be directly charged to Averell Harriman, Governor of the State of New York. Public officials have continually called to his attention the need for joining with the Federal Government in a cooperative survey. He has consistently ignored our pleas. Erosion control committees have been set up in almost every community. They have urged the Governor to join in a nonpolitical venture to save Long Island's shores. Their pleas, too, have been ignored.

With specific reference to the bill before the House may I say that upon passage of this measure we have completed but half the job. From here we must make a presentation to the Bureau of the Budget requesting funds of the Appropriations Committee to carry out the intent of our bill. I can only hope and pray that the administration will take a sympathetic attitude to our plight.

Locally, we have an alert board of county supervisors who will undoubtedly, on their own initiative, come up with a positive program for saving lives in the event of an emergency. As I have said repeatedly, this is more than a local project. It is areawide, statewide, and regionalwide. The hurricanes may strike anywhere and without a great deal of advance warning.

In closing, let me repeat that the proposition should be for one and all to join on a completely nonpartisan basis for the common interest. By swimming together we will not drown individually.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in view of the severe damage to the coastal and tidal areas of the eastern and southern United States from the occurrence of hurricanes, particularly the hurricanes of August 31, 1954, and September 11, 1954, in the New England, New York, and New Jersey coastal and tidal areas, and the hurricane of October 15, 1954,

in the coastal and tidal areas extending south to South Carolina, and in view of the damages caused by other hurricanes in the past, the Secretary of the Army, in cooperation with the Secretary of Commerce and other Federal agencies concerned with hurricanes, is hereby authorized and directed to cause an examination and survey to be made of the eastern and southern seaboard of the United States with respect to hurricanes, with particular reference to areas where severe damages have occurred.

SEC. 2. Such survey, to be made under the direction of the Chief of Engineers, shall include the securing of data on the behavior and frequency of hurricanes, and the determination of methods of forecasting their paths and improving warning services, and of possible means of preventing loss of human lives and damages to property, with due consideration of the economics of proposed breakwaters, seawalls, dikes, dams, and other structures, warning services, or other measures which might be required..

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, almost the entire eastern coast faces the threat of these devastating storms. However, it is in the Northeast that the damage has been greatest.

Hurricanes can strike in any of the summer or fall months. They have been concentrated, however, during the months of August and September. The next hurricane season is only 2 months away. There is no assurance whatsoever that the Northeastern States will not experience in 1955 a repetition of the severe damage suffered in August and September of last year. We cannot afford to lose time in arriving at the best solutions to the critical problems which these recurring storms create. I feel that it is vitally necessary that we in Congress act promptly to give an assurance that no time will be lost in meeting the Federal responsibility for leadership in solving the hurricane problems.

Hurricane protection is clearly a Federal responsibility. In principle, it is no different than the measures already established in Federal practice under flood control and beach erosion. It is merely because of legal technicalities that special authorization must be obtained from the Congress to permit the Army engineers to enter this field. It is true, however, that Congress has recognized in the past the magnitude of this problem and has authorized participation by the Federal Government in hurricane flood control at Galveston, Tex., and Lake Okeechobee in Florida. All of the Senators and Congressmen with whom I have discussed this matter have agreed that it is clearly a Federal responsibility. This problem is urgent. If significant steps are not in progress during the coming hurricane season, there will be little confidence throughout the New England area in the interest of the National Government in the welfare of this significant section of the Nation.

As a nation, we cannot afford to permit the loss, every few years, of almost a half-billion dollars in wealth, when for a fraction of this amount the greater part of the loss can be prevented. Several independent engineering firms have made extensive studies of the upper end of Narragansett Bay, R. I., where one of the 20 largest metropolitan centers in the Nation is located. This area is periodically buffeted by hurricane winds which surge 20 miles up the bay and funnel a 13-foot tidal wave to smash into the downtown area of Providence. Gentlemen, unless you have seen a city under water, you cannot grasp the extent of destruction, the dangers to health, the crippling effect on all normal activity, of the ocean gone mad. The preliminary engineering studies which have been made show that protective works are possible which will provide annual benefits valued at from 2 to 12 times the annual costs involved. By the same methods and standards which are used to judge other Federal public works projects, Narragansett Bay protection makes a great deal of sense.

There have been any number of different schemes proposed to solve the problem, and at present there is confusion, even among engineering circles, as to which will be most effective. The people of the affected States, however, are relying upon the objective analysis and superior experience of the Army engineers to resolve which of the many proposals is the one which will do the job best. At this time, Federal leadership is essential to settle this matter and to settle it promptly. Here is the opportunity for Federal leadership that will help to compensate for the failure of Federal agencies to provide adequate warning last August 31.

I have spoken primarily of the problem in Narragansett Bay and the Providence, R. I., area, because that is where the greatest concentration of losses occurred and is likely to occur again. It is also the location where effective results from protective construction can be obtained most quickly.

It should be made clear, however, that the majority of the problems associated with the hurricanes are shared by many communities and by several States. The problem is not an isolated one. The paths of hurricanes are unpredictable more than a few hours ahead. The broad scale planning needed for meeting this problem is one definitely of Federal interest. Action must be taken and it should be taken now. The bill presently before us will permit some form of action in the near future. For this reason I urge all the members to support this bill which will authorize this all-important study. By so doing we shall point the way toward an end to the repeated loss of life and property.

AMENDING THE FLOOD CONTROL ACT WITH RESPECT TO RAPPAHANNOCK RIVER

Mr. JONES of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 192) to amend Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1946—Rappahannock River.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 192, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. JONES of Alabama. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this is a bill to amend the Flood Control Act of 1946 to provide for the increase in height of the Salem Dam on the Rappahannock River, which was authorized to be constructed at a height of 220 feet. The House, as requested by the Corps of Engineers in the report on the project submitted to the House in 1946, recommended that the height of the dam be at 240 feet. The House, in its omnibus Flood Control Act of 1946, passed a bill providing that the Salem Church Project should be constructed at 240 feet, pursuant to the request of the Corps of Engineers, based upon a survey that had been made prior to the enactment of the act of 1946. The bill went to the Senate, where it was provided that it should be constructed at a height of 220 feet. The measure went to conference, and the Senate version prevailed, and the conference report was adopted providing for the construction of the dam at 220 feet. The Corps of Engineers, standing by the original report which they submitted to the House and to the Senate, is of the opinion that a height of 240 feet would make a better dam and would carry out the intentions of its construction to a far greater degree than the prior 220-foot authorization.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. MILLER of Nebraska. I understand that this is an authorization and no money has been appropriated actually for the building of this dam.

Mr. JONES of Alabama. Yes, I am coming to that.

Mr. MILLER of Nebraska. This is in the same category in which there are many, many other projects that have been authorized but for which no money has been appropriated.

Mr. JONES of Alabama. This is a modification of an authorized project that has not received a survey. The authorization originally was for $17 million for the construction of this project. It is not expected that the project will cost any more. Therefore the authorization carries forward the original figures contained in the 1946 act. The project is a multiple-purpose project for flood control, the generation of hy-

droelectric power and for navigation on the lower stem of the river.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield at that point?

Mr. JONES of Alabama. I yield.

Mr. MILLER of Nebraska. How much is represented by the generation of hydroelectric power?

Mr. JONES of Alabama. I believe that information is in the report.

Mr. BECKER. If the gentleman will yield, it is 90 percent for power and 8 percent for flood control.

Mr. JONES of Alabama. The installed capacity will be 54,500 kilowatts. The run of the river power plant at Fredericksburg would be about 21,800.

Mr. MILLER of Nebraska. If the gentleman will yield further, what is the total cost of the project?

Mr. JONES of Alabama. $17 million.

Mr. MILLER of Nebraska. And that includes the 240-foot dam?

Mr. JONES of Alabama. Yes.

Mr. MILLER of Nebraska. What portion of the $17 million will be repaid to the Federal Government eventually?

Mr. JONES of Alabama. Of course, it would be hard to determine the exact repayments since it would be most difficult to determine the stream flow, because there is no other regulating dam. Therefore any figure that I would submit would be a mere speculation.

Mr. MILLER of Nebraska. Of course, under our law the amount expended on flood control is not repayable. If only 8 percent goes to flood control and 92 percent to power I would expect that the power, if generated, would pay back to the Federal Treasury the money plus the interest. That is what I would like to have someone tell me, if that is being done in this bill.

Mr. JONES of Alabama. Of course, the gentleman well knows the procedure by which rates are determined by the disposing agency, the Federal Power Commission, upon the estimate of cost that is allocated to each division or each category of the functions of the dam.

I think if we have an authorized project of 220 feet and then we amend that to 240 feet and make that dam of greater economic benefit to the Federal Government, that is the sound action for this House to take, particularly when it does not increase the cost of the project.

The gentleman is bringing up questions that properly should have been brought up when the bill was being considered or the item was being considered in the Flood Control Act of 1946.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield further?

Mr. JONES of Alabama. I yield.

Mr. MILLER of Nebraska. I have no copies of hearings on the bill. I notice that there are supposed to be transcripts of hearings on file presently.

Mr. JONES of Alabama. Yes.

Mr. MILLER of Nebraska. Which may be obtained from the clerk of the committee. I assume that the hearings would show what portion was allocated to power. Under reclamation law the part of the money advanced for power is returnable at 2½ percent interest.

Mr. JONES of Alabama. If the gentleman has notions that we are going to have to revise and go back through the authorizations computing the division of costs, then it will be necessary for me to get the letter of transmittal of the hearings presented in 1946. The questions the gentleman is raising with me at the moment are not questions that seem to me should be raised at this time, in view of the fact that they should have been raised back when the project was authorized. The situation has not changed. It is the same dam, involving the same economic factors now that they had in 1946. So the committee was not prepared to go back and examine all the details and survey all the reports, because we have numbers and numbers and numbers of these projects before the committee, and we have and will have in the future a great number of projects that will require revision because new economic facts are being brought into play to authorize projects that were authorized several years ago.

We hope in the Committee on Public Works to scrutinize those projects and see that their return will be commensurate with the investment at the hands of the Federal Government and see that those projects are investments that reflect wise and prudent management on the part of the committee and of the House. We have hundreds of authorized projects and they, too, will have to be reviewed in the light of new demands that are made on the projects that have been heretofore authorized.

Mr. Chairman, I think this is a most worthy project, and I hope we do not experience difficulty by having it opposed today.

Mr. BECKER. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I am not going to oppose raising the height of the dam although I think you are making a rather futile gesture here in raising it from 220 to 240 feet. It is my understanding that $8 or $9 billion has been authorized by Congress for various flood control projects for which no money has yet been appropriated. I presume this falls into the same category.

I do want to say this, that if there is money allocated in here for power, I should like very much to see that the power portion be returned to the Federal Government. Under reclamation projects on which power is produced, the principal plus 2½ percent interest is returned to the Federal Treasury.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. JONES of Alabama. About the return anticipated from the power project, it is estimated that the annual power benefits will be $1,641,310.

Mr. MILLER of Nebraska. That is very good. Then I presume much of it will be returned.

I did want to say, too, that we have authorized flood control projects, and I have voted for them. That is nothing more than getting water off the land, protecting property, digging channels deeper so that ships can get up to the industrial areas. But about $11 billion has been appropriated by Congress since it has been in the business of flood control, with no return of interest or principal. We from the 17 arid States come in and ask for money for reclamation projects and in 50 years we have received $2.6 billion for reclamation projects. The best figures we have from economists say that these Federal projects of 17 million acres of land under irrigation now have returned to the Federal Treasury about $4 billion in taxes. They are paying back and they have paid back about $600 million of the money that has been borrowed. Sure, they borrowed the money without interest, but I remind you again that these flood control projects pay no interest at all or pay back not 1 cent of principal so I am just making the plea that when some reclamation projects come before the House committee and the House generally that they will be looked at with a little more feeling of charity. I have before me a map showing the expenditures for the different States prepared by the Library of Congress showing the amount of moneys that have been expended up to June 30, 1952, for flood control projects in the different States, and the money that is returnable which is reclamation money. It makes a very interesting study. I think after we go back into the House, I shall ask permission to place this study in the RECORD so that the Members of Congress can understand that the tremendous amount of money spent for flood control goes over all the 48 States. None of it is returned except that it does protect property, and I think we must do that. But, in comparison, money spent for reclamation projects brings in new wealth, security, new confidence and a healthy and growing dynamic country. So reclamation projects will come before the House from time to time, and I hope will receive the considerate attention of Members of the House.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. JONES of Alabama. I would like to assure the gentleman he will not find us indifferent to the fine projects he describes which may be reported from the Committee on Interior and Insular Affairs.

Mr. MILLER of Nebraska. I thank the gentleman very much.

Mr. BECKER. Mr. Chairman, I yield myself 5 minutes.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. BOW. Do I understand that this is one case where the other body had reduced something that the House had passed?

Mr. BECKER. That is correct. They reduced it in 1946, when the bill went through, from 240 feet to 220 feet.

Mr. BOW. In other words, in the case of dams, they think we are too high.

Mr. BECKER. That is correct.

Mr. BOW. I hope they will have the same feeling on appropriations now going over to the other body.

Mr. BECKER. I hope so, too.

Mr. Chairman, I oppose the passage of this request for a resurvey of the project for a dam on the Rappahannock River. I listened very carefully to the testimony and interrogated many of the witnesses before our subcommittee. When this amendment was proposed before our committee, the first opening was on the basis of the need for water for the people of the city of Fredericksburg. There was no mention of hydroelectric power and no mention of flood control. As a matter of fact, in the entire testimony there was little or nothing of interest on the matter of flood control. If you will look at the report now before us, you will notice that the estimates that are printed in the report of the previous construction estimates total $17 million, which is encompassed in this amendment. However, on the very latest estimates which were testified to by the Army engineers, this project would cost approximately $50 million. As I stated here a few minutes ago, and I made the statement that the testimony was that if this project was built, it would be built on the basis of 92 percent for hydroelectric power and 8 percent for flood control, and that the record of that area of Virginia over the past 50 years will show that there has been little or no flood damage at all for the entire past 50 years or more. If the people of the city of Fredericksburg need water, I am certainly anxious to see them get that water. But I also made a little investigation and interrogated people, and I find that the city of Fredericksburg has at no time made any effort to secure water on its own. I know many places in this country where people, in order to secure water, have to go and dig their own artesian wells and thus secure the finest water that you can get. I am sure that if the city of Fredericksburg needs water, it can dig its own artesian wells and secure all the water it needs. To build this dam in that particular area, I think we must take into consideration that there is electric power there now provided by the Virginia Electric Power & Light Co., which is supplying all the power that is necessary, and this company is able, if necessary, to build additional powerplants if they are needed and if more power is required.

Personally, I am anxious to see more steam plants built in that area, if necessary, because in that way they would, perhaps, use the coal which our coal miners can produce and thus keep our coal miners working. Many Members of the House here today can testify to the fact that in our coal mining areas we have a great deal of unemployment because of a lack of demand for our coal. So I say if more electric power is needed in that area, more steam plants could be used and the Virginia Power & Light Co. could produce it very well.

I would like to point out that in the course of the testimony in relation to the Cooperative Electric Co. in that area, they say they are producing rates now at 6.81 average to the consumer, whereas the Virginia Power & Light Co. produces at a rate of 7.5, a difference of a few mills or a part of a mill. But they also bring out the fact that the electric power company in that area pays the Federal Government some $19 million income taxes, whereas the cooperatives pay not 1 dime.

These things should be taken into consideration. Last but not least, if we are to authorize a survey to go further with the construction of the proposed dam, we are going to inundate the lands of thousands of farmers in that area in Culpeper County. Those people have beautiful farms. You are going to put them completely out of business. I have taken occasion to drive through that area and have seen those farms. They are beautiful places. They are beautifully cultivated. They have made their homes there for generations. There is no reason under the sun why a dam should be built in that area and put those people out of their homes.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. HARRISON of Virginia. As I understand the issue in this bill, it is whether the dam is to be raised 20 feet.

Mr. BECKER. That is true, but I would like to kill the whole thing.

Mr. HARRISON of Virginia. It is authorization for the construction of a 220-foot dam.

Mr. BECKER. That is right, and it has proved nonfeasible on the report of the Army engineers. Now the request has come in to increase it to 240 feet to make a feasible project out of it, and they do not know whether that will do the job.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BECKER. I yield myself 2 additional minutes, Mr. Chairman.

I think, Mr. Chairman, there is much to be considered here in view of the fact that when the original authorization took place the Army engineers made their survey and their estimates, and they proved that a 220-foot dam was unfeasible. Nine years later we come back, after spending $145,000 on the previous survey, and there has to be more money spent to determine whether or not a 240-foot dam is going to be feasible. They do not know whether that will be feasible either.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. PHILLIPS. I wanted to ask about the amount of money that is in this bill. I have been listening for days to estimates set up for projects for a certain amount of money, but when the project was built it turned out to be as much as 10 times the amount. I see this is estimated at $17,755,000. I have figures in my office to show that it will probably run over $50 million.

Mr. BECKER. I have already stated that. The estimate is over $46 million, and now it will be over $50 million.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. JONES of Alabama. This amendment does not change the figure as to the estimate. All it does is to increase the height of the dam.

Mr. PHILLIPS. But the bill is brought before the Congress on the basis of a figure which is probably one-third of what the actual cost would be. Does the gentleman feel that the attitude of the Congress will be the same if they know it is going to cost three times what it says here?

Mr. JONES of Alabama. Of course, the gentleman is better able to answer that question than I am. He is a member of the Committee on Appropriations. He is talking about projects authorized 4 or 5 or 6 years ago.

Of course it would be impossible for us to give an authorization figure that would be useful 5, 10, or 15 years from now.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield briefly?

Mr. BECKER. I yield.

Mr. PHILLIPS. The point the gentleman from Alabama has just made is exactly the point the gentleman from New York and California have been making, that authority to the Appropriations Committee should not be passed by the Congress on the assumption it is going to be $17 million, only to find several years from now that it is going to be $50 million. If that is to be the cost, we should be advised of it right now.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. HAND. Are hearings available? Have they been printed?

Mr. BECKER. Hearings have not been printed. I have in my hand here a mimeographed copy of a report. They have not been available to anyone, and that is the reason I may say in closing why I think there ought to be more time so the Members of the House can read the report and read the testimony of these hundreds of people who came up from Virginia.

This authorization should be killed; the entire project should be killed, for it is absolutely unneeded. For one thing you will be destroying many Virginia farms; for another, there is no need for electric power up there, for they are getting all the power they can use in that area now; and flood control is totally unneeded.

I say the best thing we could do would be to kill the survey and kill the whole proposition.

Mr. JONES of Alabama. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, this morning I appeared before the House Committee on Post Office and Civil Service and the committee unanimously ordered reported H. R. 692, my bill to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for peace."

An identical bill, as you know, was passed by the House in the 83d Congress on August 18, 1954, but Congress adjourned before action could be taken

in the Senate. I look for no objection to H. R. 692 in the present Congress.

With our country in the position of leadership in the free world, with the heavy responsibility that accompanies such leadership, we are cognizant of the ever increasing attacks upon us by forces of godlessness and atheism. It is well indeed that we be reminded of our dependence upon God and of our faith in His support. A cancellation die on the face of the mail bearing the words "Pray for peace" will send this supplication to the four corners of the earth. And in this action we will imitate the humility of our Founding Fathers who were ever mindful that a Supreme Being watches over the destinies of men and nations. This country has been singularly blessed; it has been noted for its charity to distressed sister nations in times of need. The whole world longs for tranquil times. Let us embrace the eloquent words of Alfred Tennyson, "More things are wrought by prayer than this world dreams of," and place upon the face of our mail the significant words "Pray for peace."

Mr. JONES of Alabama. Mr. Chairman, I yield 9 minutes to the gentleman from Virginia [Mr. SMITH], author of the resolution.

Mr. SMITH of Virginia. Mr. Chairman, I take this time in the hope I can simplify the issue involved here to some extent. I would like to reiterate the history of this project.

Mr. Chairman, in the general flood-control bill considered by the 79th Congress this project was included at an estimated cost of $17 million. That bill came to the House and was passed and provided for an elevation of 240 feet. It went over to the other body where an amendment was adopted limiting the height of the dam to 220 feet; in other words, lowering it by 20 feet. It then went back to the Army engineers for further consideration as to an appropriation, as all of these things do. The Army engineers thereupon reported that it was not economically feasible at 220 feet but it was economically feasible at 240 feet. So I introduced this bill which does nothing in the world but restore this dam to what the House adopted in the 79th Congress, namely, the 240-foot elevation. All I am asking the Congress to do in this legislation is to reaffirm what it did before under the authorization and under the report and recommendation of the Corps of Engineers.

All the debate that has gone on this morning about this bill, which I thought would be passed in a few minutes, has been over the question of whether we should destroy the whole thing that the Congress authorized in the 79th Congress. But that is not the question. The question is whether you shall reaffirm and stand by the action of the 79th Congress. I do not know about all of this talk whether it will cost more than the $17 million. I only know what in the hearings on this piece of legislation the Army engineers said. Now, it has been 4 or 5 years since this thing has been done; we do not know whether we can build it for that figure or not; we do not know whether we can recommend it now. So what we would like you to do is to give us an opportunity to reexamine the whole proposition in the light of subsequent developments and subsequent costs.

Mr. Chairman, those of you who are familiar with these projects—and most of you are far more familiar than I am—know that the Army engineers must find this to be economically feasible. If they find upon reexamination that the costs are such that it is not economically feasible, it will be like hundreds of these projects that are laying around here; it will be authorized but not built because it is not economically feasible under the formula described by the Army engineers, unless the appropriation is increased.

I hope that the House will not consider going into the question of repudiating what the 79th Congress did after a most elaborate consideration. For instance, I hold in my hand the report upon which this bill was originally passed, a report from the Army engineers, consisting of 69 printed pages. It goes into every detail of the whole original project. But that is not what we are talking about today. What we are talking about today is whether we shall restore this thing to what the Army engineers said and what this House said was the proper level, 240 feet. That is all there is to it.

Later on when the questions come up of determining how much of an appropriation shall be made or whether there shall be no appropriation, I shall be glad to meet the gentleman from New York at that time, and that will be the appropriate time to discuss the questions which he has in mind.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. BECKER. May I say to the gentleman from Virginia the testimony before the committee in the hearings had the estimate for a 220-foot dam at $46 million. Now, that did not take into consideration the request for the 240-foot dam which would run a great deal more money.

Mr. SMITH of Virginia. On the contrary, it does take into consideration and it is based upon the 240-foot dam. The gentleman is just mistaken. He will find that in the report.

Mr. BECKER. I have the testimony on page 19.

Mr. SMITH of Virginia. I do not know about the testimony.

Mr. BECKER. It says so right here in the testimony and I would like to read it.

Mr. SMITH of Virginia. I do not yield further. I do know that here in the report, a most elaborate report of some 69 pages made by the Army engineers, it was based upon 240 feet. They say so in the report and the estimate was $17 million. If they are wrong I am not here to hold any brief for the Army engineers.

Maybe they make mistakes like the rest of us do sometimes. Maybe they did make a mistake between $17 million and $40 million. I do not think they did. I do not think they are that far wrong. Anyhow, that is what their report says on the legislation we are now considering. And, what somebody may have said the other day at the hearing, I do not know, and I do not recall that figure. But, it is immaterial today, because before anything is done, before a dollar is appropriated, before a spade of dirt is turned, this thing must go back to the Army engineers for a further estimate, and that is all this bill does.

Let me say this in response to the gentleman from New York. He said all this was going to do was to flood Virginia out. I certainly appreciate his solicitude for my constituents, because if it floods anybody, it is going to flood my constituents, and I am not in the habit of getting up here and asking you all to drown my people, because I depend upon them very largely in November every other year, and I do not want them drowned and I am not going to get them drowned. But, I do appreciate the solicitude of my good friend from New York. I can understand and you can understand the natural feelings of people whose property is going to be taken for this dam. It happens with every dam that is built in the United States. If that is a consideration, you could not build any more dams, because you are going to take somebody's land. Although this is a large dam and is raised 20 feet, the engineers' report shows that it will take not over 2,000 acres of tillable land to raise the dam 20 feet more, and that is all there is to it.

Mr. Chairman, there has been a lot of misunderstanding about this. My friend says that there has not been any flood damage on that river. Well, as a matter of fact, in this very lengthy report made by the Army engineers, after due consideration, they give you the floods, the years that they occurred, and the amount of dollar damage that was done in each one of them. It is all here in the book. What I am trying to impress upon my friend is that that is not the question we are discussing today. The only question today is whether we shall put this bill back where the House passed it originally and just say to the Army engineers "Take another look."

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. The figure of $17 million was based upon the 240-foot elevation. Now, if it is necessary to increase the authorization of which the gentleman from New York complains, he will have an opportunity to examine it again, because it will come before the Committee on Public Works, and he can then interpose the objections that he has now. This is not the time to discuss the proposition of the authorization figures.

Mr. SMITH of Virginia. When it comes before the House, as I said before, we will meet here and discuss it then. That is the proper time. Let us not argue this case prematurely, because my friend will run out of material and would not have anything to argue about. So, let us wait and argue it at that time.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Is it the intention of this bill to only increase the capacity of the dam to prevent floods?

Mr. SMITH of Virginia. The purpose of this bill is to restore it to the 240 feet which the Congress passed, because the 220 feet had been decided by the Army engineers not to be economically feasible within the formula prescribed. At 240 feet it was considered feasible. That is all there is to it. It just goes back to what the House did in the 79th Congress.

Mr. SAYLOR. This will not affect the pool that is to be kept in this reservoir at any time; this is only to add 20 feet of storage capacity to help prevent floods lower down the river?

Mr. SMITH of Virginia. And produce more power.

Let us be frank about the thing. Those folks who are opposed to any public power are just naturally opposed to this bill. I want to be entirely frank about this thing. Opposition to this comes from some people whose property is going to be flooded and from the power company in Virginia, which is the Virginia Electric Power Co. They are very much opposed to it. I can appreciate their opposition to it. They are opposed to it. That is where the main part of the opposition is coming from.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BECKER. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I think the Members of the House should know that the figure given in the testimony by the Army engineers just recently for the 220-foot dam is $46 million. I am not opposing this authorization on the basis of whether the cost is $46 million or $70 million.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. JONES of Alabama. Will the gentleman refer us to the page of the hearings at which this figure was submitted by the representative of the Corps of Engineers?

Mr. BECKER. Page 19 of the testimony.

Mr. JONES of Alabama. Is the gentleman quoting from his own question propounded to the witness?

Mr. BECKER. The answer given was that a firm estimate for the lower elevation was $46 million. That is to be found at page 19, at the top of the page.

Mr. JONES of Alabama. Has the gentleman taken into account what preceded the discussion before the interrogation to which he has referred?

Mr. BECKER. Yes, I have.

Mr. JONES of Alabama. Of course, if there is an increase of any amount that is required, that request would come before the committee of which the gentleman is a member. That would be the proper forum in which to discuss the question of increased cost, because these projects have been authorized for a number of years and all of them are going to have to be reexamined in the light of increased cost. Certainly we will have ample opportunity to examine all witnesses with respect to the cost of this project and other similar projects.

Mr. BECKER. Will the genteman show me any testimony in any part of this hearing that indicates any other purpose for this dam than power?

Mr. JONES of Alabama. Of course, the report is full of it.

Mr. BECKER. Where?

Mr. JONES of Alabama. There are 69 pages of the report.

Mr. BECKER. Is the gentleman talking about the report submitted 6 years ago or the recent hearings, 2 weeks ago, before the committee?

Mr. JONES of Alabama. It is the same river, the same dam, the same authorization. The only thing the pending bill does is increase the level of the original figure of 240 feet.

Mr. BECKER. I am not going back to the hearings of 8 or 9 years ago. I am referring to the hearings that we had here recently. That was just 2 weeks ago. They have not even been printed yet. The testimony all through those hearings is to the effect that 90 percent of the purpose of building this dam is power and that less than 8 percent is for flood control. If anybody looks through the record, they will see that there has been very little in the way of flood damage in the vicinity of Fredericksburg, in Culpeper County, in the past 50 years. It has amounted almost to nothing, according to the testimony. I can see no need, when there is sufficient power in that area today, for this dam. There is no shortage of power that calls for spending a minimum of $48 million, and it may run up as high as $75 million before new estimates come in.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield further?

Mr. BECKER. I yield.

Mr. JONES of Alabama. In order to accomplish what the gentleman from New York is evidently trying to do here, it would be necessary to introduce a resolution de-authorizing the project.

Mr. BECKER. May I say to the gentleman that this would be a means of de-authorizing it, by killing it now.

Mr. JONES of Alabama. You do not de-authorize it and you do not kill it. If the gentleman's views were to prevail it would mean that the Federal Government would have less return from its investment. You would get a poorer type of construction, a poorer type of project, which would mean less income for the Federal Government. So to be economical, the thing to do is to proceed with this bill.

Mr. BECKER. I do not think it would be economical at all. I disagree on the question of economy in this respect because there has been over $145,000, I believe from the record I saw here, spent already on surveys in this area. When we authorize this additional survey now at the 240-foot level there will certainly be an additional expenditure, which will be automatic, and we will spend more money. The object now of trying to defeat this bill is to discontinue spending any more money for any additional surveys, because all the testimony has proved the lack of need for this project in that area for power or flood control or for any other reason. Anyone can read this testimony when it goes into print and see how little need there is for this project. It is truly a power project that is not even needed on the basis of demand for electricity, that can be provided by other power interests in that area that are paying over $19 million in taxes to the Government.

Mr. JONES of Alabama. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California.

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, H. R. 2126 and S. 516 to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, have been passed by the House and the Senate respectively and are now in conference, where the differences in the two bills will be reconciled.

I come before this body today to urge the House conferees to give favorable consideration to the language contained in paragraph 2 of the Senate bill, which states:

> Similarly, the fullest cooperation by and with the Atomic Energy Commission and the Civil Defense Administration in research and in determining the future needs of the Nation with respect to potable water and ways and means to provide same shall be carried out in the interest of achieving the objectives of the program.

I believe that the adoption of this section will stimulate the production of atomic energy for peaceful use, for water is an indispensable element in such production. This section is also in line with a previous statement I made to the Los Angeles Department of Water and Power on May 13, 1955, wherein I asked that consideration be given to the invitation of the Atomic Energy Commission for the purchase and use of the energy developed by the experimental reactor being built in southern California by North American Aviation. I believe that the adoption of this section will stimulate closer cooperation between the Atomic Energy Commission and municipal water and power departments all over the country, particularly in Los Angeles.

I would also like to strongly suggest to the conferees that they give favorable consideration to the language contained on page 2, line 24, of the Senate bill, wherein it is stated that "not less than $2,500,000 shall be expended for research and development in Federal or educational institution—State or private—laboratories."

In line with this section, I would like to inform this body that the legislature of the State of California has appropriated funds for the University of California, for research into the development and utilization of saline waters. The additional funds provided in the Senate bill will stimulate research into this very important field in all areas of our country as well as in California, and will help us to find a practical means of increasing and preserving a natural water resource which is so vital to the future prosperity and development of many parts of our country.

Mr. JONES of Alabama. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. SMITH], a member of the committee.

Mr. SMITH of Mississippi. Mr. Chairman, I desire to speak in regard to this bill primarily because an incorrect assumption has been given in the debate about the justification for the passage of this bill as presented to our committee.

A large number of constituents of my colleague, the gentleman from Virginia [Mr. SMITH], several hundred, appeared in behalf of the legislation. Primarily they testified in behalf of the legislation in order to give flood protection to the city of Fredericksburg and to give an additional water supply to that city.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman from New York.

Mr. BECKER. The gentleman says that hundreds of people appeared at the hearing and testified in favor of this?

Mr. SMITH of Virginia. There appeared to be that many. I did not count them, I did not count noses, but there were so many that they were divided up, and half the people in favor of it could not get in the committee room in the morning.

Mr. BECKER. May I correct the gentleman?

Mr. SMITH of Mississippi. Let us get it straight, now.

Mr. BECKER. I think the gentleman's statement is so incorrect that it stands correction. I leave it to the gentlemen on the other side over there. Only 3 people testified in favor of this and there were 200 people there that were cut down so that only about 7 testified.

Mr. SMITH of Mississippi. The gentleman from Virginia, who represents all the people in that area, can best describe who was there, and I leave it to the House.

Mr. BECKER. I think that is an unwarranted challenge, and I resent it.

Mr. SMITH of Virginia. I do not want to get into the middle of a fuss about it, but as a matter of fact a great many people were present at the hearings. The committee was very courteous and asked them to put up several people on either side to testify, and gave them the opportunity. I would say there were about an equal number on either side, but the great area there of Fredericksburg, Stafford County, and Spotsylvania County, were unanimously in favor of it. In the upper regions of the river, where some people were going to be flooded out, a good many people opposed it.

Mr. BECKER. Mr. Chairman, will the gentleman yield for one question?

Mr. SMITH of Mississippi. I do not have authority to settle this, but let the gentleman ask me the question.

Mr. BECKER. I cannot ask you the question because the gentleman from Virginia [Mr. SMITH] is the only one who is able to answer the question.

Mr. SMITH of Virginia. I will gladly answer any question I can, but I am sorry I do not have the floor.

Mr. BECKER. I asked the gentleman to yield so that I could ask the gentleman from Virginia a question.

Mr. SMITH of Mississippi. I yield to the gentleman from New York.

Mr. BECKER. What I would like to say is simply this—that amongst the people you mentioned, and I respect you to the highest degree, sir, and I want you to know that—the only people who testified in behalf of this project was your good self, the gentleman from the REA, and one member of the Legislature of Virginia. That is all who spoke and nobody else at that hearing of the people from that area testified.

Mr. SMITH of Virginia. Let me say to the gentleman that there were a hundred people there, and they selected a member of the Virginia State Legislature, Mr. Gouldman, to speak their piece for them, which was the orderly way to do it, and he spoke for the group.

Mr. SMITH of Mississippi. Mr. Chairman, the fight here is one of those old fights between the people below the dam and the people above the dam. Of course, the people above the dam who think that their land will be taken over are opposed to it, but this idea of nobody being in favor of it is completely incorrect, and the best evidence that it is incorrect is the fact that the gentleman who represents that district in the Congress is supporting this and actively fighting to get this legislation passed. The member of the State Legislature of Virginia, Mr. Francis B. Gouldman, who represents the city of Fredericksburg and the county of Spotsylvania, testified at length about the flood damage that has been visited upon the city of Fredericksburg. Anybody who cares to look at the testimony will find several pages of the testimony with reference to that. Other representatives of the area reported also about the need for an adequate water supply for the city of Fredericksburg, which they could secure by the construction of this dam. There is no question but that very strong evidence was presented in behalf of the dam not only by this gentleman who represented this area in the legislature, but the plant manager of the Sylvania Division of the American Viscose Corp. of Fredericksburg, Va., testified in behalf of the legislation in regard to the need for water and in regard to the need for flood protection for this industry which is vital for the continued employment of the people in Fredericksburg and the surrounding area.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BECKER. Mr. Chairman, I have no further requests for time.

Mr. JONES of Alabama. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1946 (Rappahannock River) be amended by striking out the proviso which reads as follows: *"Provided,* That the power pool shall be maintained at an elevation not to exceed 220 feet."

With the following committee amendment:

Strike out all after the enacting clause and substitute in lieu thereof the following: "That section 10 of the Flood Control Act of July 24, 1946, Public Law 526, 79th Congress, under the title 'Rappahannock River Basin' is hereby amended by striking out '220,' and substituting in lieu thereof '240.'"

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. BECKER) there were—ayes 48, noes 11.

Mr. BECKER. Mr. Chairman, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. BECKER. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman withdraws the point of order.

So the committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and Mr. MCCORMACK having assumed the chair as Speaker pro tempore, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee had had under consideration the bill (H. R. 192) to amend Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1956—Rappahannock River, and pursuant to House Resolution 261, he reported the bill back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER pro tempore (Mr. MCCORMACK). Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO AMEND THE NATURAL GAS ACT

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, the House Interstate and Foreign Commerce Committee is to be commended for yesterday's action in adopting the following provisions from my bill to amend the Natural Gas Act—H. R. 5034:

In the administration of this act, the Federal Power Commission shall consider among other things—

(1) the maintenance of productive capacity of the several domestic fuel industries sufficient to meet the current and long-range fuel needs of the Nation; and

(2) the sound principles of conservation in order to preserve the available reserves of natural gas for purposes which will afford maximum long-range benefits to the public,

with due regard for the conservation policies and regulations of the producing States.

When the Natural Gas Act was enacted in 1938, the situation in the energy field was so far different than it is at the present time that there was no compelling reason to include conservation provisions in the law. Even as late as 1946, the first year of peace after World War II, the natural gas picture presented no cause for alarm. In 1946 discoveries of natural gas reserves were three times greater than total production. The life index of this fuel was set at 32½ years and it was assumed that we had nothing to worry about.

In 8 short years, however, conditions have changed considerably. In 1954 discoveries barely exceeded production, and the American Gas Association reported that the index had dropped to 22½ years. The situation is serious. We must take stock and find ways of conserving our natural gas resources. The decision of the Interstate and Foreign Commerce Committee is one important step toward achieving this objective.

While the Federal Power Commission has made token efforts to conserve natural gas supplies, it could hardly be expected to carry out such a policy on a wide scale because it has never received a congressional mandate to do so. The legislation which I trust will soon come to the floor will remedy this deficiency and enable the Commission to use conservation as a guiding light indetermining the Nation's fuel policy.

Mr. Speaker, there is entirely too much waste of natural gas taking place in various areas of the country. President Truman's Materials Policy Commission warned in 1952 that natural gas should be used as economically as possible because it is a short-life fuel. Here is a question which that Commission asked in its report 3 years ago:

> How can the Nation minimize inferior uses of gas for which more abundant energy resources, notably coal, would serve as well—and, in the long run, at lower real cost to the Nation—in order to maximize special advantage uses in which gas serves its highest economic function in the long run?

The report explained the distinction between special advantage and inferior uses. It stated that special advantage uses are those for which consumers are willing and able to pay a higher price for natural gas than for other fuels, on a contained energy basis, because of its superior convenience or performance in the particular use.

The report pointed out that in certain gas-producing areas of the country there is an economic reason for using gas for industrial purposes, but it condemned use of gas in distant markets where alternate fuels are available. The Federal Power Commission will be on notice to prohibit such shameful waste just as soon as Congress enacts the provisions adopted by the committee yesterday.

The new law will have the dual advantage of giving the coal industry an opportunity to regain some of its traditional markets. The general practice has been for the gas pipelines to vend their product at industrial plants at whatever price is necessary to undersell coal. By eliminating extravagant uses of gas, the FPC will at the same time reopen such industrial markets to coal producers, with the result that many of our idle miners will have an opportunity to get back to work.

I realize that there have been charges of selfishness leveled against the coal industry for its support of legislation to insist upon the economic dispensing of our natural-gas supplies. If it is selfishness for us who represent coal districts to want to give our people an opportunity to earn a living, then there are quite a number of us in this Congress who will willingly admit to being guilty. But I remind you that the conservation of a waning fuel resource is essential to the long-range welfare of the entire Nation, and every single Member of Congress has enough personal interest in tomorrow's America to insist that we take special care of a resource that is fast being exhausted.

SPECIAL ORDER GRANTED

Mr. YATES asked and was given permission to address the House for 10 minutes today, following the legislative business of the day and any special orders heretofore entered.

ADJOURNMENT UNTIL MONDAY

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DIRECT LOANS UNDER SERVICEMEN'S READJUSTMENT ACT

Mr. EDMONDSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5715) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

The motion was agreed to,

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5715, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Oklahoma [Mr. EDMONDSON] will be recognized for 30 minutes, and the gentlewoman from Massachusetts [Mrs. ROGERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, I yield myself 5 minutes.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. ALBERT. I desire to compliment my colleague on bringing out this legislation which bears his name, and which means so much to the veterans of this country, and to congratulate him on a job well done.

Mr. EDMONDSON. I thank the gentleman.

Mr. Chairman, this bill will extend the direct loan program which has been in operation for the past 6 years for 1 additional year. It makes some $150 million available for the next year. This is the same amount that has been available for the present year.

The bill also advances up to $50 million per quarter, but the annual total may not exceed the sum of $150 million. In addition to extending the direct loan program, H. R. 5715 provides that a direct loan may be made for any of the following purposes: First, to purchase or construct a dwelling to be owned and occupied by him as a home.

Second, to purchase a farm on which there is a farm residence to be occupied by the veteran as his home.

Third, to construct on land owned by the veteran a farm residence to be occupied by him as his home.

Fourth, to repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home.

The overall purpose of this legislation is to place the farm veteran or the veteran who is living in a small town where there is no available private financing on an equal footing with veterans who live in city areas or in areas where they have the guaranteed loan program.

The plain facts of the matter are that in recent years we have seen a steady decline in the volume of farm home building, and certainly there has also been a decline in the volume of farm loans that have been made under the guaranteed loan program. Let me give you a few of the figures that are significant and that I think deserve mention: Since 1947 the VA guaranteed farm loans have declined from 19,800 loans in 1947 to only 1,432 loans in 1954.

From the initiation of the loan program through December 25, 1954, the total farm loans closed was only 66,957 as compared with 3,607,000 home loans.

The very obvious conclusion from these figures is that we have had a farm loan program that has fallen far short of the needs of our veterans in local areas. The fact that we have a waiting list at the present time of around 20,000 veterans seeking direct loans in this country and unable to obtain them because there has not been enough money available clearly indicates that there is a definite need for the continuation of this program at the present time.

To show something of the support this legislation has—and it has been bipartisan support, and it was reported unanimously by the Committee on Veterans' Affairs, the same legislation which is before the House today has also been introduced and presented to the Congress by the gentleman from Alabama [Mr. ELLIOTT], the gentleman from Alabama [Mr. SELDEN], the gentleman from North Carolina [Mr. SHUFORD], the gentleman from Nebraska [Mr. WEAVER],

the gentleman from Alabama [Mr. JONES], and the gentleman from Ohio [Mr. AYRES], the ranking minority member of the Housing Subcommittee.

This is a good bill; we think it is a bill that is designed to meet a present need existing throughout the country. There are more than 40 States where this direct loan program is definitely filling a need that exists in farm communities and rural communities.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. BELCHER. I want to commend my colleague for his action in this matter and for the bill that bears his name. I want to associate myself in support of the legislation. I am happy to know that we are going to put the farm veteran on the same basis with the veteran who is fortunate enough to live in city areas.

Mr. EDMONDSON. I thank the gentleman for his remarks.

Mr. Chairman, this House has favorably acted on H. R. 5106, a bill introduced by the gentleman from Texas [Mr. THORNBERRY], which had the effect in the guaranteed loan program of equalizing the benefits available under that program for the rural veteran. This direct loan program with the minor changes that have been made in it has the same objective, and it gives us a balanced program with the same type of benefits in the direct loan program for farm veterans as in the guaranteed loan program for farm veterans.

I hope this bill will be passed unanimously by this body.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, I want to heartily endorse the pending bill. I think it is only fair to do for the rural communities what we do for city dwellers. This is an excellent bill and I do not think there will be a vote against it.

Mr. Chairman, at this time I yield 10 minutes to the gentleman from Ohio [Mr. AYRES], an expert on housing and the ranking minority member of the subcommittee that handled this matter.

Mr. AYRES. Mr. Chairman, I thank the gentlewoman from Massachusetts for yielding me 10 minutes but I am afraid if I took the 10 minutes I would convince the Members of the House that I am not an expert in this field.

Mr. Chairman, a similar bill was brought up in the last session of the Congress. In the present bill we have extended it to give a little more coverage to boys in the farm area who are also in need of a home as well as land.

A direct loan program is going to be necessary so long as private lending institutions do not see fit to go into the rural areas. All the bill does is to give the veterans who live in the rural areas the same opportunity to enjoy the benefits of the GI loan program as do the veterans in the city areas.

I want to concur in the statement the gentlewoman from Massachusetts made that in all probability there will not be a vote against this bill.

Mr. EDMONDSON. Mr. Chairman, I yield such time as he may desire to the gentleman from North Carolina [Mr. SHUFORD].

Mr. SHUFORD. Mr. Chairman, I am very much in favor of the pending bill, H. R. 5715. It does for our veterans living in the rural areas that which should have been done some years ago.

This bill extends the Veterans' Administration direct loan program for 1 year and provides for $150 million for the fiscal year from June 30, 1955, to June 30, 1956. The bill does more than simply extend the direct loan program. It rights a wrong that has long existed. It places the qualified veteran who wants to: first, buy a farm with a farm residence; second, to buy a farm and build a farm residence; or, third, to build a farm residence on a farm he owns or has an equity in, on a parity with the qualified veteran who wants to build a home on a city lot. The direct loan program extends only to areas where the veterans cannot obtain other financing and it is for these veterans I am speaking for today.

I strongly urge the approval of H. R. 5715. It is similar to a bill introduced in the Congress by me, designated as H. R. 5727.

Mr. EDMONDSON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. SISK].

Mr. SISK. I want to commend Mr. EDMONDSON and his subcommittee for having brought before the Committee on Veterans' Affairs, of which I am a member, and this House, this important bill to place our young veterans who have chosen farming as a career on an equal basis with their city-dwelling comrades.

H. R. 5715 makes a number of important changes in the section of the Servicemen's Readjustment Act which provides for direct loans to veterans, but I am particularly concerned with its enlarged authority for helping in establishing young farmers in areas where private financing is not available.

Under this legislation, if the Veterans' Administrator finds that private capital is not available for financing, it will be possible for veterans to secure direct loans to purchase a farm on which there is a farm residence to be occupied by the veteran as his home, or to construct a farm residence on land owned by the veteran, or to repair, alter or improve a farm residence.

The bill will also permit veterans who have not exhausted their entitlement of guaranteed loans to utilize the direct loan procedure in appropriate cases where private capital is not available.

In my own district in California there are a number of rural and farming areas in which banks do not make loans and there is, therefore, no opportunity for veterans to acquire farms and farm homes under the usual guaranteed veterans' loan program. Passage of this bill will be very helpful in these areas. I am sure it will be substantially beneficial also in providing farms and farm homes to veterans in the institutional on-farm training program, in which I am very much interested.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I favor this proposed legislation that amends the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder.

I believe the approval of this legislation will relieve a rather pressing situation. It will provide additional needed homes for deserving veterans, including those who engage in farming and do not have sufficent capital to operate on their own.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, as has been said here today, this bill in effect extends a program which is already in existence. There are some minor changes proposed in this legislation but the effect, as I said, is to extend a program which we have found during the past years to be a good one.

This program will bring relief principally to veterans who live in small towns or in rural areas. It is, of course, the direct-loan program and is not to be confused with the veterans' guaranteed loan program.

It is important to the Members of the House to realize that in the years during which this program has been in operation the rate of loss has been very small. I am informed that it is less than one-half of 1 percent. Therefore the matter comes down to a very simple but important point. We have a program for the relief of those who live in small towns and in rural areas and who are not able to get loans otherwise. If they are able to get conventional loans, then they are not eligible for relief under this legislation. But, if they are not, and they can demonstrate the need, if they can demonstrate a prospective ability to repay, then this program will become available to them and they will be permitted to make loans of not to exceed $10,000 at an interest rate of 4.5 percent a year. I think this is good legislation. I believe the House should support it.

Mr. SCHENCK. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Ohio.

Mr. SCHENCK. I would like to ask the distinguished gentleman from Indiana this question. I believe a part of his district comprises the city of Fort Wayne.

Mr. ADAIR. The gentleman is correct.

Mr. SCHENCK. In the event a veteran is unable to secure a so-called GI loan in the city of Fort Wayne, is he able to secure such a loan under this legislation?

Mr. ADAIR. The gentleman's question is pertinent, as the provisions of this bill extend only to certain areas. As has been pointed out, they are areas largely of small towns or rural communities. Generally speaking, there are no major cities, the residents of which would be entitled to the benefits of this bill. The communities which may benefit hereby are established by regulations of the Veterans' Administration. I ought to add, however, that virtually the entire State

of West Virginia, including some sizable cities, has been listed as an area whose people are eligible for these loans.

Mr. SCHENCK. May I ask the gentleman further, is there a limitation in this bill as to the size of the community?

Mr. ADAIR. Not in the bill itself. It is established, as I have just said, by regulation of the Veterans' Administration.

Mr. SCHENCK. Well, is it the intention of Congress to confine this type of direct loan to very small communities, or is it the intention to serve the veterans that it is supposed to serve?

Mr. ADAIR. I would say in answer to the question of the gentleman from Ohio that it has been the philosophy of this legislation in past years that it was primarily for rural communities and small towns, and there is change in the present bill in that respect.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Ohio.

Mr. AYRES. In order to help clarify the question raised by my colleague from Ohio, as was pointed out before, the reason for the direct loans is that private financing is not available in most cases in the smaller communities. It is not because they are a small community; it is because private financing is not available there.

Mr. SCHENCK. May I point out to the gentleman and to the committee that oftentimes in large cities loans are not available to veterans, either from banks, building and loan associations, insurance companies, or other lending agencies; therefore, it would seem to me that in order to make the legislation helpful to the veterans it should apply not only to the so-called smaller communities but to the larger communities as well.

Mr. ADAIR. What the gentleman says is true, and since the members of the committee are aware of this need I am sure will accord it a continuing study.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. My understanding is that if a veteran cannot secure a loan in the city from any bank, that then he would be entitled to a direct loan.

Mr. ADAIR. That is, only if the community in which he lives is one which is listed by the Veterans' Administration. As long as he is in a community which has been declared by the Veterans' Administration to be eligible, and if he meets the other requirements, then he may make his application.

Mrs. ROGERS of Massachusetts. If the bank will not loan him, then he is entitled to a direct loan. He must try the banks first.

Mr. ADAIR. I thank the gentlewoman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, at the outset I want to take this opportunity to commend the committee for its consideration in favorably reporting this laudable legislation. In studying the committee's report I have tried to determine whether or not this legislation tends to make direct loans available to veterans for the improvement of their farm buildings. The report points out that it is for the purpose or construction of the dwelling or to purchase a farm or farmland and to construct on land owned by the veteran a farm residence and also to repair, alter, and improve a farm residence or other dwelling owned by the veteran.

I would like to ask the gentleman from Oklahoma [Mr. EDMONDSON] or any other member of the committee whether this bill will make it possible for a veteran to obtain a loan to improve his farm buildings, to repair a barn, or to make other improvements of importance in farm operations.

Mr. EDMONDSON. Mr. Chairman, in answer to the question, the bill is designed primarily as a farm home and veteran's home program and in order to preserve the equality that exists in the city and in the rural area, the bill necessarily limits the repair and improvement provisions to buildings occupied as dwellings, either in a small town or in a rural area, or wherever the direct loan might be placed in effect.

Mr. OSTERTAG. Has the committee given any consideration to the direct-loan feature with reference to the aspect to which I have referred?

Mr. EDMONDSON. Of course, in the case of business types of property there is a guaranteed loan program that prevails both in farm areas and in city areas.

Mr. OSTERTAG. Then the gentleman would regard a loan for the purpose of repairing a barn as a business loan, whereas a loan to improve a home which is part of a farm is not a business loan?

Mr. EDMONDSON. That is the distinction that I think the Veterans' Administration recognizes and the committee in its bill also recognizes.

Mr. OSTERTAG. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, for the convenience of Members and others interested, I am including in the RECORD at this point the so-called blue sheet, which describes the provisions of the pending bill, together with the committee report on the bill:

COMMITTEE ON VETERANS' AFFAIRS,
HOUSE OF REPRESENTATIVES,
OLIN E. TEAGUE, *Chairman*.

CONTINUE DIRECT LOANS TO JUNE 30, 1956—H. R. 5715

Title: To amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

Mr. EDMONDSON. Introduced and referred April 20, 1955.

Analysis:

1. Extends the direct-loan program for 1 year, to June 30, 1956.

2. Provides for $150 million for the extended year of the program (not to exceed $50 million in any quarter less the amount of sales).

3. Extends the direct-loan benefits to all qualified veterans who have not previously used all their guaranty entitlement.

4. Provides that a direct loan can be made for any of the following purposes:

(a) To purchase or construct a dwelling to be owned and occupied by him as a home;

(b) To purchase a farm on which there is a farm residence to be occupied by the veteran as his home;

(c) To construct on land owned by the veteran a farm residence to be occupied by him as his home; or

(d) To repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home.

Digest of report (Veterans' Administration):

"* * * As indicated, the measures would authorize a direct loan to an eligible veteran who has previously made partial use of his guaranty entitlement but the maximum principal amount of such loan would be reduced on a pro-rata basis from the present $10,000 limitation, depending on the percentage of the full guaranty entitlement of $7,500 for home loans which remains available. It is estimated that those veterans who have heretofore made some use of their guaranty entitlement have, on the average, about $3,500, or less, of their $7,500 entitlement remaining and, therefore, under the formula contained in the proposed legislation there would be available not more than $4,700 for direct loans to such veterans. In view of current real-estate valuations, the practical question arises as to whether this amount would prove to be adequate for the purposes intended.

"It should also be borne in mind that the existing provision, whereby no direct loans can be made unless private financing is unavailable for Veterans' Administration guaranteed loans in the area in question, would be continued in the proposed revision of subsection 512 (a). Under regulations promulgated pursuant to this provision the Veterans' Administration has, in general, excluded heavily populated areas from those eligible for direct loans and, therefore, veterans who live in such areas would continue to be subject to this limitation.

"A technical consideration arises in connection with the proposed section 512 (b) (B) of the act which would charge the guaranty entitlement of a veteran with an amount which bears the same ratio to $7,500 as the amount of the loan bears to $10,000. This proposed amendment would work to the disadvantage of veterans obtaining direct loans as compared to veterans able to obtain guaranteed loans. For example, a veteran obtaining a $10,000 direct loan would have a $7,500 charge against his entitlement, whereas, under the guaranteed home-loan program, a $10,000 loan would involve an entitlement charge of only $6,000. Similar disparities would occur for lesser loan amounts, since the effect of the proposal cited would be to require a charge against entitlement in all instances where direct loans are made.

"With further reference to the proposal in H. R. 5420 and 5472 to authorize direct loans to finance the purchase of a farm with a farmhouse it should be noted that veterans have experienced increasing difficulty in recent years in obtaining farm loans under section 502 of the Servicemen's Readjustment Act. For example, the volume of farm loans closed has decreased quite steadily from a peak of 19,862 loans with a principal amount of $77.7 million in 1947 to 1,432 loans with a principal amount of $6.5 million in 1954. In connection with the inadequacy of local financing at the maximum rates provided for VA-guaranteed or insured loans, it should be borne in mind that the maximum guaranty on farm-realty loans made pursuant to section 502 of the Servicemen's Readjustment Act is 50 percent but not to exceed $4,000,

whereas the maximum guaranty on home purchase, construction, or improvement loans under section 501 of the act is 60 percent of the loan but not over $7,500. It is thus apparent that comparatively the guaranty protection to private lenders on farm real estate has been less attractive and the committee may wish to consider proposals designed to increase the investment appeal of farm-realty loans to private lenders as a preferable alternative to the extension of the direct-loan program into this field. * * *

"In connection with section 6 of the proposed legislation, which would extend the direct-loan program for 1 year until June 30, 1956, it should be noted that, notwithstanding any improvement in the supply of funds which may result from the operations of the voluntary home-mortgage credit program established by title VI of the Housing Act of 1954 to facilitate the flow of private credit into remote areas, it is expected that there will be certain areas where VA-guaranteed loans will continue to be unavailable and that VA direct loans will afford veterans in such areas their only opportunity for sharing in the GI-loan benefit. It would appear, therefore, that if the Congress desires to assure the availability of loan-guaranty benefits to veterans in the remote areas, an extension of the direct-loan program should be considered. In the administration of the program the Veterans' Administration would continue its practice of excluding from eligibility those areas where private funds become available for home loans. * * *

"Under the subject bills the rate of fund advance quarterly in the first 3 quarters of the 1956 fiscal year would be accelerated with a $50 million less sales limitation in lieu of the present limit of $37.5 million quarterly less sales. Since the proposed $150 million limit for the entire year is not reduced because of sales proceeds, however, any reduction made from the $50 million quarterly allotments during the first 3 quarters will ordinarily become available during the fourth quarter. However, the amount made available in the fourth quarter, as in any other quarter, could not exceed $50 million less the sales in the preceding quarter. * * *

"As noted, the extension of the direct-loan program proposed by the subject bills, and the funds proposed to be provided, are at variance with the recommendations of the President as contained in his budget message. Also, that recommendation was directed to a continuation of the existing authority which limits direct loans to a veteran 'who has not previously availed himself of his guaranty entitlement,' and restricts the type of direct loans authorized to those to finance 'the purchase or construction of a dwelling' or 'the construction or improvement of a farmhouse.'"

Hearings: April 14, 1955, Subcommittee on Housing.

Reported: April 26; House Report 447.

CONTINUE DIRECT LOANS TO JUNE 30, 1956

Mr. TEAGUE of Texas, from the Committee on Veterans' Affairs, submitted the following report:

The Committee on Veterans' Affairs, to whom was referred the bill (H. R. 5715) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

BACKGROUND OF THE BILL

The direct loan program as authorized by the Servicemen's Readjustment Act, as amended, has been extended from year to year, in keeping with the demands for financial assistance to those veterans living in areas where other types of financing were not available. The program was extended for 1 year, ending June 30, 1955, by Public Law 611, 83d Congress, August 21, 1954, which provided a sum not to exceed $150 million for the fiscal year. The original authorization extended from July 19, 1950, to June 30, 1951, and empowered the Administrator to make direct loans up to $150 million (Public Law 475, 81st Cong., approved April 20, 1950). After expiring, at the end of June 30, 1951, the authority was renewed on September 1, 1951, on a revolving fund basis, limited to $150 million outstanding as of any one time, and extended to June 30, 1953 (Public Law 139, 82d Cong.). The revolving fund included the unreserved portion of the original $150 million fund allocation, plus the increment from loan repayments, and the proceeds of sales of direct loans to private investors. The revolving fund was augmented in April 1952 by an additional allocation of up to $125 million, to be made available by the Secretary of the Treasury in quarterly installments of $25 million, less the proceeds of direct-loan sales in the preceding quarter (Public Law 325, 82d Cong.). Under provisions of Public Law 101, 83d Congress, approved July 1, 1953, the program was continued for 1 year, to June 30, 1954, with up to $100 million added to the revolving fund, to be made available in quarterly installments, and the maximum interest rate on direct loans was raised to conform to the rate on guaranteed loans.

Under the present law, direct loans can be made in areas where private financing is not available, but only to an eligible veteran who has not previously used any of his guaranty entitlement, for "the purchase or construction of a dwelling to be owned and occupied by him as a home, or to finance the construction or improvement of a farmhouse."

The bill, with the exception of two technical amendments, is identical to H. R. 5420, upon which public hearings were held on April 14, 1955.

EXPLANATION OF THE BILL

It extends the direct-loan program until June 30, 1956, and provides approximately the same amount for the program as provided by Public Law 611, 83d Congress; namely, $150 million. The bill also provides that eligible veterans who have not previously used all of their guaranty entitlement, and live in an area where private financing is not available, can obtain a direct loan.

In addition to the foregoing, the bill also provides that a direct loan may be made for any of the following purposes:

(a) To purchase or construct a dwelling to be owned and occupied by him as a home;

(b) To purchase a farm on which there is a farm residence to be occupied by the veteran as his home;

(c) To construct on land owned by the veteran a farm residence to be occupied by him as his home; or

(d) To repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home; if the Administrator finds that in the area in which the dwelling, farm, or farm residence is located or is to be constructed, private capital is not available for the financing of the purchase or construction of dwellings, the purchase of farms with farm residences, or the construction, repair, alteration, or improvement of farm residences or other dwellings, as the case may be, by veterans under this title. In case there is an indebtedness which is secured by a lien against land owned by the veteran, the proceeds of a loan made under this section for the construction of a dwelling or farm residence on such land may be expended also to liquidate such lien, but only if the reasonable value of the land is equal to or in excess of the amount of the lien.

Under existing laws and Veterans' Administration regulations, the Veterans' Administration will guarantee a loan to a qualified veteran for the construction of a dwelling to be occupied as his home on (1) a lot or farm owned by the veteran, or (2) on a lot or farm in which the veteran has an equity, or (3) on a lot or farm selected by the veteran, and to pay off the indebtedness against the lot or farm. This bill provides the same benefits under the direct loan program.

In the hearings on this bill the Veterans' Administration brought out the fact that no provision is contained in the bill requiring a first lien on the property for a direct loan for repairs, alterations, or improvements. There is no mandatory requirements in the law governing guaranteed loans that loans for repairs, alterations, or improvements be secured by first liens but existing Veterans' Administration regulations do require such liens in certain circumstances. Further, in addition to other requirements to be eligible for a direct loan, the veteran must show "to the satisfaction of the Administrator * * * that he is a satisfactory credit risk." It is not the intent and desire of the committee that the Administrator make questionable direct loans. Pursuant to his general authority under the act it is expected that he would not only resolve the question of whether the veteran is a satisfactory credit risk but also would impose such requirements concerning lien security as he determines to be advisable considering the best interests of the Government and he may require such loans to be secured on a first lien basis in certain circumstances.

In the hearings it was also brought out by the Veterans' Administration that it has some 20,000 veterans on the waiting list for a direct loan under the present law. However, most, if not all, of the veterans on the waiting list are not farming veterans or veterans wanting to purchase a farm with a farm residence (or veterans seeking to build or construct a farm residence on land owned by them). This would indicate that in States where there is presently a large waiting list there are few farming veterans or veterans on such list who would want a direct loan to buy a farm. It is not the intent or desire of the committee to change the present administration of the direct-loan program which serves the veterans on a first-come first-served basis. However, this bill will make direct loans available to all veterans who have not exhausted their entitlement, living in an area where private financing is not available, for the purchase of a farm with a farm residence, or construction of a farm residence on land owned by the veteran. Therefore, it is the desire and intent of the committee and of this bill that the farm veterans embraced by the bill be placed on a parity with the veterans now on the waiting list, and that the Administrator issue regulations or take the necessary administrative action to accomplish this on an equitable basis. This could be accomplished by establishing a separate list of such farm veterans from the existing waiting lists and serving the first veterans from each list as their names come to the top. As stated hereinbefore, this would not materially affect the existing waiting lists, as most of those on the waiting list at the present time are for loans for other than farm properties. The committee's desire could also be implemented by earmarking a percentage of the funds to be used in making direct loans for the purchase of a farm with a farm residence or the construction of a farm residence.

These, or other comparable procedures, should be used to avoid the necessity of farm veterans, or veterans wishing to purchase farm properties, from having to come in at the bottom of the present waiting list to obtain the benefits under this bill.

The present law provides that direct loans shall be made only in areas where the Administrator of Veterans' Affairs has found that private capital is not available for the financing of the veteran's purchase or construction of a dwelling or construction or improvement of a farmhouse. This bill does not change this provision; the Administrator will continue to designate direct-loan areas.

To summarize, this bill—

1. Extends the direct-loan program for 1 year, to June 30, 1956.

2. Provides for $150 million for the extended year of the program (not to exceed $50 million in any quarter less the amount of sales).

3. Extends the direct-loan benefits to all qualified veterans who have not previously used all their guaranty entitlement.

4. Provides that a direct loan can be made for any of the following purposes:

(a) To purchase or construct a dwelling to be owned and occupied by him as a home;

(b) To purchase a farm on which there is a farm residence to be occupied by the veteran as his home;

(c) To construct on land owned by the veteran a farm residence to be occupied by him as his home; or

(d) To repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home.

H. R. 5106, passed by the House on April 18, 1955, placed certain guaranteed farm loans on a parity with city loans. This bill places the direct loan for a farm with a farm residence on a parity with a city loan for a lot with a residence.

The status of the direct-loan program (as of February 25, 1955) is as follows:

From the beginning of the direct-loan program in July of 1950 through February 28, 1955, a total of 109,520 formal applications for direct loans had been received, of which 37,584 had been withdrawn or denied, 59,393 had resulted in closed and fully disbursed loans and 12,543 were in process. From the inception of the program, a total of $535,068,300 had become available in the revolving fund for making direct loans. This sum was derived from the following sources:

Original congressional authorization	$150,000,000
Subsequent Treasury advances (12 quarterly advances)	307,587,700
Proceeds of direct-loan sales	35,158,600
Other principal repayments	42,322,000
Total	535,068,300

APPLICATIONS

	Total, all types			
	Number	Percent change, end of previous month	Initial loan amount	Average loan amount
Applications received to date	109,520	3.3	(1)	
Rejected or withdrawn to date	37,584	2.4	(1)	
Funds reserved, net	69,488	1.6	$500,488,486	$7,203
Closed and fully disbursed	59,393	2.3	419,427,663	7,062
In process, end of month	10,095	−2.7	81,060,823	8,030
Cleared, not yet approved	6,167	−5.0	49,213,450	7,980
Approved not yet closed	3,611	.8	29,105,674	8,060
Closed, not fully disbursed	317	7.5	2,741,699	8,649
Awaiting fund reservations	2,448	160.7	(1)	
Veterans waiting to file applications	20,375	−8.4		

Unreserved regional funds $27,164,637

LOANS

Loans closed and fully disbursed	59,393	2.3	$419,427,663	$7,062
Loans terminated to date, total	6,669	4.6	46,765,303	7,012
By sale	5,325	3.6	38,192,439	7,172
By repayment in full	1,208	9.7	7,820,182	6,474
By foreclosure	70	4.5	395,278	5,647
By voluntary conveyance	66	1.5	357,404	5,415
Fully disbursed loans outstanding	52,724	2.1	372,662,360	7,068
Loans in default, total	2,659	8.5		
4 or more installments	479	10.6		

[1] Loan amount not reported until funds are reserved.

Location	Fully disbursed loans		Terminated loans				Loans outstanding	Loans in default			Applications in process, funds reserved	Applications awaiting processing and veterans on waiting list [1]
			Sold		Repaid in full	Foreclosed or voluntarily conveyed		Total	4 or more installments			
	Number	Average amount	Number	Percent of fully disbursed loans					Number	Percent of outstanding loans		
Total	59,393	$7,062	5,325	9.0	1,208	136	52,724	2,659	479	0.9	10,095	22,823
Alabama: Montgomery	2,151	7,498	10	.5	40	6	2,095	106	7	.3	328	1,876
Alaska: Juneau	532	8,840	0		17	1	514	0	0		62	0
Arizona: Phoenix	352	7,234	3	.9	2	0	347	17	3	.9	74	191
Arkansas: Little Rock	1,537	6,775	130	8.5	16	0	1,391	74	8	.6	167	292
California:												
Los Angeles	321	8,376	11	3.4	3	0	307	19	2	.7	43	24
San Diego	288	8,543	0		6	2	280	5	0		1	0
San Francisco	850	9,035	0		13	0	837	28	8	1.0	163	68
Colorado: Denver	818	7,243	22	2.7	16	4	776	32	2	.3	119	680
Connecticut: Hartford [2]												
Delaware: Wilmington [2]												
District of Columbia: Washington [2]												
Florida:												
Miami	190	9,005	24	12.6	3	0	163	3	1	.6	67	25
Pass-A-Grille	854	7,873	59	6.9	15	2	778	31	1	.1	179	60
Georgia: Atlanta	2,155	6,897	94	4.4	30	2	2,029	206	18	.9	258	2,646
Hawaii: Honolulu [2]												
Idaho: Boise	573	7,435	154	26.9	9	0	410	18	5	1.2	25	51
Illinois: Chicago	2,108	6,911	376	17.8	30	9	1,693	85	17	1.0	951	415
Indiana: Indianapolis	2,016	6,116	250	12.4	55	9	1,702	83	10	.6	206	790
Iowa: Des Moines	1,532	6,501	376	24.5	37	0	1,119	32	2	.2	103	64
Kansas: Wichita	675	6,937	276	40.9	7	2	390	15	6	1.5	100	184
Kentucky: Louisville	3,375	6,444	15	.4	102	16	3,242	106	14	.4	386	1,883
Louisiana:												
New Orleans	1,060	7,536	20	1.9	23	1	1,016	16	7	.7	210	758
Shreveport	732	7,107	0		19	4	709	34	4	.6	137	254
Maine: Togus	703	5,553	242	34.4	16	5	440	16	2	.5	66	9
Maryland: Baltimore	662	7,692	40	6.0	17	1	604	31	7	1.2	112	28
Massachusetts: Boston [2]												
Michigan: Detroit	1,783	7,206	52	2.9	8	2	1,721	134	9	.5	290	35
Minnesota: St. Paul	1,242	6,874	47	3.8	33	5	1,157	58	5	.4	227	216
Mississippi: Jackson	2,083	7,516	69	3.3	26	3	1,985	120	1	.1	367	1,079
Missouri:												
Kansas City	873	6,843	6	.7	23	1	843	27	2	.2	132	811
St. Louis	1,177	6,744	12	1.0	27	0	1,138	30	3	.3	322	557
Montana: Fort Harrison	1,037	7,216	122	11.8	36	1	878	15	2	.2	69	452
Nebraska: Lincoln	770	6,886	22	2.9	41	0	707	2	0		37	7
Nevada: Reno	324	8,464	0		8	0	316	10	4	1.3	47	27

[1] Applications awaiting fund reservations plus veterans waiting to file applications.
[2] No portion of region eligible for direct loans.

Location	Fully disbursed loans		Terminated loans				Loans outstanding	Loans in default			Applications in process, funds reserved	Applications awaiting processing and veterans on waiting list
			Sold		Repaid in full	Foreclosed or voluntarily conveyed		Total	4 or more installments			
	Number	Average amount	Number	Percent of fully disbursed loans					Number	Percent of outstanding loans		
New Hampshire: Manchester [1]												
New Jersey: Newark [1]												
New Mexico: Albuquerque	632	7,693	20	3.2	5	0	607	11	0		147	286
New York:												
Albany	248	6,749	39	15.7	7	0	202	30	10	5.0	29	0
Buffalo	183	6,150	141	77.0	1	2	39	6	1	2.6	2	3
New York [1]												
Syracuse	130	6,298	100	76.9	0	0	30	6	2	6.7	2	0
North Carolina: Winston-Salem	2,820	7,483	162	5.7	33	4	2,621	145	31	1.2	801	784
North Dakota: Fargo	832	5,960	99	11.9	25	3	705	30	4	.6	71	9
Ohio:												
Cincinnati	1,417	6,622	78	5.5	29	0	1,310	20	0		227	1,552
Cleveland	1,173	7,314	28	2.4	30	1	1,114	73	16	1.4	136	1,503
Oklahoma:												
Muskogee	532	6,364	0		14	0	518	6	0		51	52
Oklahoma City	455	7,011	57	12.5	2	0	396	8	0		125	0
Oregon: Portland	496	$7,377	101	20.4	6	2	387	20	2	.5	85	35
Pennsylvania:												
Philadelphia [1]												
Pittsburgh	1,260	7,173	74	5.9	19	2	1,165	72	15	1.3	363	0
Wilkes-Barre	1,444	6,598	99	6.9	49	3	1,293	82	23	1.8	31	12
Puerto Rico: San Juan	505	8,321	0		5	0	500	62	2	.4	171	710
Rhode Island: Providence [1]												
South Carolina: Columbia	1,272	7,388	76	6.0	11	1	1,184	94	14	1.2	313	154
South Dakota: Sioux Falls	862	6,634	47	5.5	41	0	774	29	8	1.0	109	165
Tennessee: Nashville	1,792	6,669	44	2.5	32	12	1,704	143	33	1.9	381	1,167
Texas:	797								0		89	8
Dallas	611	7,346	42	5.3	5	0	750	2	2	.4	80	2
Houston		7,517	71	11.6	7	6	527	20				
Lubbock	635	7,035	0		17	1	617	10	0		159	193
San Antonio	300	7,631	67	22.3	2	0	231	10	1	.4	18	0
Waco	693	6,776	17	2.5	12	0	664	6	1	.2	121	5
Utah: Salt Lake City	428	7,667	5	1.2	7	0	416	11	2	.5	51	180
Vermont: White River Junction	254	5,417	239	94.1	3	0	12	8	3	25.0	0	3
Virginia: Roanoke	2,609	7,262	40	1.5	62	7	2,500	43	7	.3	422	1,223
Washington: Seattle	469	7,546	19	4.1	11	0	439	50	12	2.7	85	0
West Virginia: Huntington	1,938	6,550	0		39	5	1,894	270	132	7.0	465	1,269
Wisconsin: Milwaukee	1,503	6,894	1,150	76.5	52	11	290	27	8	2.8	130	86
Wyoming: Cheyenne	330	8,177	78	23.6	4	0	248	12	0		43	0

[1] No portion of region eligible for direct loans.

The report of the Veterans' Administration on a substantially identical bill, H. R. 5420, follows:

VETERANS' ADMINISTRATION,
OFFICE OF THE
ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D. C., April 12, 1955.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D. C.

DEAR MR. TEAGUE: Further reference is made to your request for a report on H. R. 5420 and H. R. 5472, 84th Congress, identical bills to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

The purpose of these measures is to amend sections 512 and 513 of the Servicemen's Readjustment Act so as to extend for 1 year the authority of the Administrator of Veterans' Affairs to make a direct loan to eligible veterans, and to make additional veterans, and types of loans, eligible for direct loan purposes. The proposed legislation would eliminate the existing provision in subsection 512 (a), which limits the eligibility for direct loans to a veteran "who has not previously availed himself of his guaranty entitlement" and provide by amendment to subsection 512 (b) that the maximum amount of any direct loan made by the Veterans' Administration, instead of $10,000 as at present, shall be that amount which bears the same ratio to $10,000 as the amount of guaranty to which the veteran is entitled under section 501 bears to $7,500. No veteran would be entitled to loans aggregating more than $10,000. In addition, the measures would authorize direct loans for the purpose of purchasing or constructing a dwelling, purchasing a farm with a farmhouse, constructing a farmhouse on land owned by the veteran, or repairing, altering, or improving a farmhouse or dwelling owned by the veteran, provided that in each instance the farmhouse or dwelling is to be occupied by the veteran as his home. (Under existing law, direct loans are authorized only for the purpose of purchasing or constructing a dwelling, or constructing or improving a farmhouse.) It is also provided that if there is an indebtedness on land owned by the veteran the proceeds of a direct loan to construct a dwelling or farmhouse thereon may be used also to liquidate the lien securing the indebtedness if such indebtedness does not exceed the reasonable value of the property.

Section 4 of the bills would permit direct farmhouse or home-improvement loans, held by the Administrator on the date of enactment of the act or made after such date, to be repaid in quarterly, semiannual, or annual installments instead of on the monthly basis presently prescribed by law.

The measures would also extend the termination date for the direct-loan program from June 30, 1955, to June 30, 1956, and would authorize the Secretary of the Treasury to advance additional funds therefor of not over $150 million, provided that the amounts advanced in any one quarter annual period shall not exceed $50 million, less the amounts received in the preceding quarter from the sale of direct loans to private lenders.

Information relating to the legislative history and current status of the Veterans' Administration direct-loan program is contained in a separate statement which is attached hereto and made a part of this report.

As indicated, the measures would authorize a direct loan to an eligible veteran who has previously made partial use of his guaranty entitlement, but the maximum principal amount of such loan would be reduced on a pro rata basis from the present $10,000 limitation, depending on the percentage of the full guaranty entitlement of $7,500 for home loans which remains available. It is estimated that those veterans who have heretofore made some use of their guaranty entitlement have, on the average, about $3,500 or less of their $7,500 entitlement remaining, and, therefore, under the formula contained in the proposed legislation there would be available not more than $4,700 for direct loans to such veterans. In view of current real-estate valuations the practical question arises as to whether this amount would prove to be adequate for the purposes intended.

It should also be borne in mind that the existing provision whereby no direct loans can be made unless private financing is unavailable for Veterans' Administration guaranteed loans in the area in question would be continued in the proposed revision of subsection 512 (a). Under regulations promulgated pursuant to this provision the Veterans' Administration has, in general, excluded heavily populated areas from those eligible for direct loans, and, therefore, veterans who live in such areas would continue to be subject to this limitation.

A technical consideration arises in connection with the proposed section 512 (b) (B) of the act which would charge the guaranty entitlement of a veteran with an amount which bears the same ratio to $7,500 as the amount of the loan bears to $10,000. This proposed amendment would work to the disadvantage of veterans obtaining direct loans as compared to veterans able to obtain guaranteed loans. For example, a veteran obtaining a $10,000 direct loan would have a $7,500 charge against his entitlement, whereas, under the guaranteed home-loan program, a $10,000 loan would involve an entitlement charge of only $6,000. Similar disparities would occur for lesser loan amounts, since

the effect of the proposal cited would be to require a charge against entitlement in all instances where direct loans are made.

With further reference to the proposal in H. R. 5420 and 5472 to authorize direct loans to finance the purchase of a farm with a farmhouse it should be noted that veterans have experienced increasing difficulty in recent years in obtaining farm loans under section 502 of the Servicemen's Readjustment Act. For example, the volume of farm loans closed has decreased quite steadily from a peak of 19,862 loans with a principal amount of $77.7 million in 1947 to 1,432 loans with a principal amount of $6.5 million in 1954. In connection with the inadequacy of local financing at the maximum rates provided for VA-guaranteed or insured loans, it should be borne in mind that the maximum guaranty on farm realty loans made pursuant to section 502 of the Servicemen's Readjustment Act is 50 percent but not to exceed $4,000, whereas the maximum guaranty on home purchase, construction or improvement loans under section 501 of the act is 60 percent of the loan but not over $7,500. It is thus apparent that comparatively the guaranty protection to private lenders on farm real estate has been less attractive and the committee may wish to consider proposals designed to increase the investment appeal of farm realty loans to private lenders as a preferable alternative to the extension of the direct loan program into this field.

The provisions of section 512 (b), which would not be modified by this measure would apparently have the effect of making the requirements of section 502 applicable to the proposed direct farmhouse loans. Such requirements would include determinations that "the ability and experience of the veteran, and the nature of the proposed farming operations * * * are such that there is a reasonable likelihood that such operations will be successful" and that any property purchased "will be useful in and reasonably necessary for efficiently conducting such operations." In this connection it may be noted that an index of the average value of farm real estate per acre prepared by the Department of Agriculture indicates that the cost of farmland in November 1954 was 82 percent above the level of 1944, the year in which the Servicemen's Readjustment Act became law. It would appear, therefore, that the amount of funds necessary in order to establish a farming enterprise of a size that would provide a veteran farmer with a livelihood has also risen substantially. Such amount may vary widely in different sections of the country but it would seem that in many areas the direct loan maximum of $10,000 might not meet the practical necessities of the situation.

The first section of the proposed bill would authorize direct loans for the repair, alteration, or improvement of any dwelling unit. Presently, such loans may be made only in connection with a farmhouse and thus there would be a considerable widening of the authorization as to the type of properties on which direct loans for repairs, alterations, or improvements may be made. Since section 512 (b) provides that direct loans shall be subject to such requirements or limitations as are prescribed for guaranteed loans, and since section 500 (c) of the act excepts guaranteed loans for repairs, alterations, or improvements from the first lien security requirement, a question would appear to exist as to whether it is the intent of the bills that such direct loans be made other than on a first-lien basis. In this connection the committee may wish to consider that in respect to guaranteed loans such loans currently may be secured by a second lien or made on an unsecured basis in certain types of cases. Since it might be anticipated that there would be a considerable influx in the number of requests for such loans, the administrative complexities, particularly from the standpoint of salvage in case of liquidation, would be reduced if a first lien is required in such cases. In addition, there are problems inherent in the servicing of unsecured loans and second mortgage loans which do not exist with respect to loans secured by primary liens. Also, such loans if made on an unsecured or second-lien basis would be virtually unsalable.

Section 4 of the bills would authorize the repayment of direct farmhouse loans on a monthly, quarterly, semiannual or annual basis, in the discretion of the Administrator. This amendment would be consistent in that it would bring the repayment requirements on such loans into line with those currently applicable to guaranteed loans and permit amortization on a basis which would be more consonant with the manner in which the borrower derived his income.

In connection with section 6 of the proposed legislation, which would extend the direct loan program for 1 year until June 30, 1956, it should be noted that, notwithstanding any improvement in the supply of funds which may result from the operations of the voluntary home mortgage credit program established by title VI of the Housing Act of 1954 to facilitate the flow of private credit into remote areas, it is expected that there will be certain areas where VA-guaranteed loans will continue to be unavailable and that VA direct loans will afford veterans in such areas their only opportunity for sharing in the GI loan benefit. It would appear, therefore, that if the Congress desires to assure the availability of loan guaranty benefits to veterans in the remote areas, an extension of the direct loan program should be considered. In the administration of the program, the Veterans' Administration would continue its practice of excluding from eligibility those areas where private funds become available for home loans.

Pertinent to the subject of the extension of the direct loan program is the statement in the budget message of the President that—

"The Veterans' Administration program of direct housing loans expires on June 30, 1955. These loans are made only where guaranteed private mortgages are not available or cannot be secured through the voluntary home mortgage credit program. I recommend legislation continuing this program until expiration of the veterans' loan guaranty program for World War II veterans on July 25, 1957. If permission is granted to use receipts from repayments, as well as from sales, new obligational authority of $100 million should be adequate for the fiscal year 1956."

Under the subject bills the rate of fund advance quarterly in the first 3 quarters of the 1956 fiscal year would be accelerated with a $50 million less sales limitation in lieu of the present limit of $37.5 million quarterly less sales. Since the proposed $150 million limit for the entire year is not reduced because of sales proceeds, however, any reduction made from the $50 million quarterly allotments during the first three quarters will ordinarily become available during the fourth quarter. However, the amount made available in the fourth quarter, as in any other quarter, could not exceed $50 million less the sales in the preceding quarter.

Certain technical aspects of the bills deserve to be noted. In connection with the proposed revision of section 512 (a) (2) it is noted that clause (C) of section 512 (a) (2) would be amended to eliminate the reference of section 502. Such a deletion would be inappropriate unless certain amendments, contemplated by other pending legislation to provide for the guaranty of farmhouse loans under section 501, are enacted. In addition, it would seem that the word "of" in line 1 of clause (C) on page 2 of the bills should be deleted. Moreover, it is observed that reference to "dwellings" was omitted in line 17 on page 2. It is believed that such a reference should be included to prevent uncertainty as to the fact that a direct home repair, alteration, or improvement loan may only be made where a guaranteed loan for such purpose is unavailable.

As noted, the extension of the direct-loan program proposed by the subject bills, and the funds proposed to be provided, are at variance with the recommendations of the President as contained in his budget message. Also, that recommendation was directed to a continuation of the existing authority which limits direct loans to a veteran "who has not previously availed himself of his guaranty entitlement," and restricts the type of direct loans authorized to those to finance "the purchase or construction of a dwelling" or "the construction or improvement of a farmhouse."

No figures are available on which to base an estimate of the cost of the proposed legislation. It is believed, however, that the cost of servicing direct farm loans and the cost of resulting losses in connection with defaults would be likely to exceed such costs in connection with direct home loans, since in the case of farm loans lending would be on the basis of the likelihood of success in a business venture as well as on the security of real estate.

In view of the foregoing, I am unable to recommend that the committee give favorable consideration to these measures.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report to your committee.

Sincerely yours,

H. V. HIGLEY,
Administrator.

"STATUS OF VA DIRECT LOAN PROGRAM, FEBRUARY 28, 1955

"The Veterans' Administration is authorized to make direct loans to eligible veterans for the purchase or construction of homes or for the construction or improvement of farmhouses in areas where guaranteed or insured home loans are not available from private lending sources. Designated direct loan areas consist primarily of the less populous counties or portions of counties.

"The original authorization extended from July 19, 1950, to June 30, 1951, and empowered the Administrator to make direct loans up to $150 million (Public Law 475, 81st Cong., approved Apr. 20, 1950). After expiring, at the end of June 30, 1951, the authority was renewed on September 1, 1951, on a revolving fund basis, limited to $150 million outstanding as of any one time, and extended to June 30, 1953 (Public Law 139, 82d Cong.). The revolving fund included the unreserved portion of the original $150 million fund allocation, plus the increment from loan repayments, and the proceeds of sales of direct loans to private investors. The revolving fund was augmented in April 1952, by an additional allocation of up to $125 million, to be made available by the Secretary of the Treasury in quarterly installments of $25 million, less the proceeds of direct loan sales in the preceding quarter (Public Law 325, 82d Cong.). Under the provisions of Public Law 101, 83d Congress, approved July 1, 1953, the program was continued for 1 year, to June 30, 1954, with up to $100 million added to the revolving fund, to be made available in quarterly installments, and the maximum interest rate on direct loans was raised to conform to the rate on guaranteed loans. By joint resolution of the Senate and House of Representatives, Public Law 438, approved June 29, 1954, the program was extended through July 31, 1954. Under provisions of Public Law 611, 83d Congress, approved August 21, 1954, the program was continued through June 30, 1955, with up to $150 million added to the revolving fund, to be made available in quarterly installments of $37½ million.

"From the beginning of the direct loan program in July of 1950 through February 28, 1955, a total of 109,520 formal applications for direct loans had been received, of which 37,584 had been withdrawn or denied, 59,393 had resulted in closed and fully disbursed loans, and 12,543 were in process. From the inception of the program, a total of $535,068,300 had become available in the revolving fund for making direct loans. This sum was derived from the following sources:

Original congressional authorization	$150,000,000
Subsequent Treasury advances (12 quarterly advances)	307,587,700
Proceeds of direct loan sales	35,158,600
Other principal repayments	42,322,000
Total	535,068,300

"By the end of February 1955, the initial amount of direct loans disbursed was $421,506,500. An additional $79,135,000 had been committed for loans in process, leaving $34,426,800 in uncommitted funds available for making additional direct loans.

"As of February 28, 1955, there were 22,823 veterans with loan applications or requests on file for which funds had not been reserved in the 56 VA regional offices which have areas designated as eligible for direct loans as compared with 34,480 at the end of February a year ago.

"As of the end of February 1955, a total of 6,669 direct loans had been terminated, 1,208 by repayment in full, 5,325 by sale, 70 by foreclosure, and 66 by voluntary conveyance of title to the property. As of the end of February 1955, there were 2,659 direct loans in default, of which 479 were 4 or more installments in default, or a little less than 1 percent of the 52,724 direct loans outstanding on that date.

"(Veterans' Administration, Department of Veterans' Benefits, Office of Loan Guaranty, April 7, 1955.)"

RAMSEYER RULE

In accordance with clause 3 of rule XIII of the Rules of the House of Representatives, the changes made in existing law by the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

"PUBLIC LAW 346, 78TH CONGRESS, AS AMENDED

"Supplemental direct loans to veterans

"SEC. 512 (*38 U. S. C. 649l*). (a) (*1*) Upon application by a veteran eligible for the benefits of this title [who has not previously availed himself of his guaranty entitlement], the Administrator is authorized and directed to make, or enter into a commitment to make, the veteran a loan [to finance the purchase or construction of a dwelling to be owned and occupied by him as a home, or to finance the construction or improvement of a farmhouse, if (1) the Administrator has found, after the effective date of this section, that in the area in which the dwelling or farmhouse is located or is to be constructed, private capital is not available for the financing of the purchase or construction of dwellings, or the construction or improvement of farmhouses, as the case may be, by veterans under this title, and (2) the] *for any of the following purposes:*

"*(A) To purchase or construct a dwelling to be owned and occupied by him as a home;*

"*(B) To purchase a farm on which there is a farm residence to be occupied by the veteran as his home;*

"*(C) To construct on land owned by the veteran a farm residence to be occupied by him as his home; or*

"*(D) To repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home;*

if the Administrator finds that in the area in which the dwelling, farm, or farm residence is located or is to be constructed, private capital is not available for the financing of the purchase or construction of dwellings, the purchase of farms with farm residences, or the construction, repair, alteration, or improvement of farm residences or other dwellings, as the case may be, by veterans under this title. In case there is an indebtedness which is secured by a lien against land owned by the veteran, the proceeds of a loan made under this section for the construction of a dwelling or farm residence on such land may be expended also to liquidate such lien, but only if the reasonable value of the land is equal to or in excess of the amount of the lien.

"*(2) No loan shall be made under this section to a* veteran *unless he* shows to the satisfaction of the Administrator—

"(A) that he is a satisfactory credit risk,

"(B) that the monthly payments to be required under the proposed loan bear a proper relation to the veteran's present and anticipated income and expenses,

"(C) that he is unable to obtain from private lending sources in such area at an interest rate not in excess of the rate authorized for guaranteed home loans a loan for such purpose for which he is qualified under section 501 [or section 502] of this title, and

"(D) that he is unable to obtain a loan for such purpose from the Secretary of Agriculture under the Bankhead-Jones Farm Tenant Act, as amended, or the Housing Act of 1949.

"(b) Loans made under this section shall bear interest at the rate to be determined by the Administrator of Veterans' Affairs, not to exceed the rate authorized for guaranteed home loans, and in no event to exceed 4½ per centumn per annum and shall be subject to such requirements or limitations prescribed for loans guaranteed under this title as may be applicable: *Provided* That—

"(A) the original principal amount of any such loan shall not exceed [$10,000] *an amount which bears the same ratio to $10,000 as the amount of guaranty to which the veteran is entitled under section 501 at the time the loan is made bears to $7,500;*

"(B) the guaranty entitlement of the veteran shall be charged with [the same amount that would be deducted if the loan had been guaranteed to the maxima permitted under section 500 (a) of this title] *an amount which bears the same ratio to $7,500 as the amount of the loan bears to $10,000;*

("C) the authority to make loans under this section shall expire [June 30, 1955] *June 30, 1956, except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date.*

"(c) In connection with any loan under this section, the Administrator is authorized to make advances in cash to pay the taxes and assessments on the real estate, to provide for the purpose of making repairs, alterations, and improvements, and to meet the incidental expenses of the transaction, and shall credit to the principal of the loan an amount equal to that which would have been payable under section 500 (c) of this title had the loan been made by a private institution.

"(d) The Administrator is authorized to sell, and shall offer for sale, to any person or entity approved for such purpose by the Administrator, any loan made under this section at a price not less than par; that is, the unpaid balance plus accrued interest, and may guarantee any loan thus sold subject to the same conditions, terms, and limitations which would be applicable were the loan guaranteed under section 501 [(b)] of this title.

"(e) [This section shall take effect ninety days after the date of enactment of the Housing Act of 1950.] *Loans made under this section shall be repaid in monthly installments; except that in the case of loans made for any of the purposes described in clauses (B), (C), or (D) of paragraph (1) of subsection (a), the Administrator may provide that such loans shall be repaid in quarterly, semiannual, or annual installments.*

"*(f) No veteran may obtain loans under this section aggregating more than $10,000.*

"SEC. 513. (*38 U. S. C. 694m*). (a) For the purposes of section 512 of this title, the Secretary of the Treasury is hereby authorized and directed to make available to the Administrator such sums not in excess of $150,000,000 (plus the amount of any funds which may have been deposited to the credit of miscellaneous receipts under subsections (a) and (c) hereof), as the Administrator shall request from time to time except that no sums may be made available after [June 30, 1955] *June 30, 1956.* After the last day on which the Administrator may make loans under that section, he shall cause to be deposited with the Treasurer of the United States, to the credit of miscellaneous receipts, that part of all sums in the special deposit account referred to in subsection (c) of this section, and all moneys received thereafter, representing unexpended advances or the repayment or recovery of the principal of loans made pursuant to section 512 of this title. Interest collected by the Administrator on loans made under section 512 in excess of the amount payable by him to the Treasurer of the United States under subsection (b) of this section, together with any miscellaneous income or credits, shall constitute a reserve for payment of losses, if any, and expenses incurred in the liquidation of said obligations. The Administrator shall have power to invest such reserves, or any unexpended part thereof, from time to time in obligations of the Government of the United States.

"(b) On advances by the Secretary of the Treasury under subsection (a) of this section, less those amounts deposited in miscellaneous receipts under subsections (a) and (c) hereof the Administrator shall pay semiannually to the Treasurer of the United States interest at the rate or rates determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the advance.

"(c) In order to make available the sums payable under subsection (a) of this section and to effectuate the purposes and functions authorized in section 512 of this title, the Secretary of the Treasury is hereby authorized to use, as a public debt transaction, the proceeds of the sale of any securities issued under the Second Liberty Bond Act as now in force or as herafter amended, and the purposes for which securities may be issued under the Second Liberty Bond Act as now in force or as hereafter amended, are hereby extended to include such purposes. Such sums, together with all receipts hereunder, shall be deposited with the Treasurer of the United States, in a special deposit account, and shall be available respectively, for disbursement for the purposes of section 512 of this title. Except as otherwise provided in subsection (a) of this section, the Administrator shall from time to time cause to be deposited into the Treasury of the United States, to the credit of miscellaneous receipts, such of the funds in said account as in his judgment are not needed for the purposes for which they were provided, including the proceeds of the sale of any loans, and not later than [June 30, 1956] *June 30, 1957*, he shall cause to be so deposited all sums in said account and all moneys received thereafter in repayment of outstanding obligations, or otherwise, except so much thereof as he may determine to be necessary for purposes of liquidation. Without regard to any other provisions of this title, said Administrator shall have authority to take or cause to be taken such action as in his judgment may be necessary or appropriate for or

in connection with the custody, management, protection, and realization or sale of such investments, to determine his necessary expenses and expenditures, and the manner in which the same shall be incurred, allowed and paid, to make such rules, regulations, and orders as he may deem necessary or appropriate for the carrying out of the functions hereby or hereunder authorized and, except as otherwise expressly provided in this title, to employ, utilize, compensate, and delegate any of his functions hereunder to such persons and such corporate or other agencies, including agencies of the United States, as he may designate.

"(d) For the purposes of further augmenting the revolving fund established in subsection (a) hereof the Secretary of the Treasury is authorized and directed between the effective date of this subsection and July 1, 1952, to make available to the Administrator such additional sums not in excess of $25,000,000 as the Administrator may request, and is authorized and directed to advance from time to time thereafter until [June 30, 1955] *June 30, 1956,* such additional sums *(not in excess of $150,000,000 in any one fiscal year)* as the Administrator may request, [provided] *except* that the aggregate so advanced in any one quarter annual period shall not exceed the sum of [$37,500,000] *$50,000,000* less that amount which had been returned to the revolving fund during the preceding quarter annual period from the sale of loans pursuant to section 512 (d) of this title. Except for the limitation on the sums authorized in subsection (a) hereof, this subsection shall be subject to the other provisions of this section and of this title."

Mr. EDMONDSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. SELDEN].

Mr. SELDEN. Mr. Chairman, the veterans direct loan program, in my opinion, has operated successfully since its inception and warrants continuation. For that reason I introduced H. R. 5726 which, among other things, will extend the direct loan program for an additional year. That measure is identical to the bill now under consideration, H. R. 5715.

From the beginning of the direct loan program in July of 1950 through March 31 of this year, 61,014 applications have resulted in closed and fully disbursed loans by the Veterans' Administration. As of the end of March 1955, a total of 7,147 direct loans had been terminated, 1,308 by repayment in full, 5,692 by sale, 76 by foreclosure, and 71 by voluntary conveyance of title to the property. On March 31, 1955, there were only 2,659 direct loans in default, of which only 480 were four or more installments in default or about nine-tenths of 1 percent of the 53,867 direct loans outstanding on that date. The extremely low default rate throughout the entire United States certainly indicates the soundness of this program.

In my own State of Alabama the direct loan program has proved equally successful. Since the beginning of this program in July of 1950 and through March 31, 1955, a total of 4,217 formal applications for direct loans had been received from Alabama veterans, of which 1,514 had been withdrawn or denied, 2,192 had resulted in closed and fully disbursed loans by the Veterans' Administration, and 511 were in process by the Veterans' Administration.

By the end of March 1955, the initial amount of direct loans disbursed in Alabama was $16,488,550. An additional $2,536,250 had been committed for loans in process. As of March 31, 1955, there were 1,534 veterans with loan applications or requests on file for which funds had not been reserved in the Alabama areas designated as eligible for direct loans, as compared with 1,460 on the same date a year earlier.

At the end of March of this year a total of 57 Alabama direct loans has been terminated, 41 by repayment in full, 10 by sale, and 6 by foreclosure or by voluntary conveyance of title to the property. There were only 109 direct loans in default, of which only 8 were four or more installments in default or about four-tenths of 1 percent of the 2,135 direct loans outstanding on that date. Certainly these statistics speak well for the veterans of Alabama.

The bill now under consideration extends the direct-loan program until June 30, 1956; authorizes the appropriation of $150 million for the extended year of the program; and liberalizes the farm-loan provisions of the program.

Under the present law, veterans can obtain farm loans only for building a house or improving an existing structure on land they already own. This legislation extends to the veterans the privilege of obtaining direct loans for the purchase of a farm with an existing residence or the purchase of farmland and the construction of a farmhouse to be occupied by the veteran.

At the present time the Veterans' Administration has approximately 20,000 veterans on the waiting list for direct loans under the existing law. However, where there is presently a large waiting list, there are only a few veterans on that list who are applying for a direct farm loan. As a matter of fact, only a total of 112 direct farm loans have been made. The State of Alabama has made only 13 direct farm loans since the inception of the program.

There is every reason to believe that the liberalization of the farm-loan provisions of the direct-loan program, provided for in this legislation, may encourage more veterans to return to the farms.

Mr. Chairman, I commend the gentleman from Oklahoma [Mr. EDMONDSON] for the lead he has taken in placing this legislation before the House. I think the measure now under consideration is both sound and reasonable, and I am confident the House will adopt it by an overwhelming vote.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I should like to state that I think the chairman of the subcommittee the gentleman from Oklahoma [Mr. EDMONDSON], as well as the ranking minority member and members of the entire subcommittee, have done a very fine job in reporting out this bill.

At this time, Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. WEAVER].

Mr. WEAVER. Mr. Chairman, I should like to take this opportunity to add my wholehearted support to this proposed legislation. I trust every Member of this House will likewise give it his enthusiastic approval.

Mr. EDMONDSON. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, I rise in support of the bill H. R. 5715 and congratulate the distinguished gentleman from Oklahoma [Mr. EDMONDSON] and the House Committee on Veterans' Affairs on bringing this legislation to the House.

Speaking as a Congressman from a predominantly rural area, I want to thank the House for passing legislation similar to this during the past several years, legislation which has enabled our people who are far removed from the money-lending centers of the Nation to participate in this wonderful home-building program. As many of you realize, I know, in the rural areas of this country it is very difficult no matter how very good your credit is to borrow money, because there just is not enough money available to take care of all the needs of local business and at the same time to enable participation in such a program as suggested by the bill we are considering here in the Committee today.

I cannot conceive of any opposition to this bill because it certainly will not cost any money. As has been stated, this program has been eminently successful. The veterans have paid back their loans. I certainly hope this legislation is unanimously passed.

Mr. EDMONDSON. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Chairman, I wish to compliment the gentleman on the excellent bill he has brought out. This bill will aid tremendously the small farmers who need aid at this time. This has been a splendid program. The funds that have been involved have been paid back. It has allowed our small farmers, especially, to live in a much better way than they would have otherwise. It is a fine bill for veterans, and it is entirely proper for us to employ this means to assist them in civilian life.

Mr. EDMONDSON. Mr. Chairman, I ask unanimous consent that all Members be permitted to extend their remarks at this point in the RECORD on the pending bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RAINS. Mr. Chairman, I support this bill wholeheartedly. I am proud to have been one of the authors of the first direct loan acts for veterans with which to build homes which was enacted into law by the Congress, and I have supported similar legislation each year, here in the House of Representatives.

This bill extends the direct loan program for 1 year from June 30, and provides $150 million for the program next year. My only objection to this bill is that the amount authorized is not sufficient to meet the needs of all the veterans.

This bill puts farm veterans on a parity with other veterans on the waiting list. It also is a definite aid to farm veterans in buying a farm. This should, and I feel sure will have the unanimous vote of the House.

Mr. DONOHUE. Mr. Chairman, this bill before us, H. R. 5715, having the sub-

stantial purpose of extending the authority of the Administrator of Veterans Affairs to make direct loans to qualified veterans needs no prolonged advocacy and I do not intend to unnecessarily trespass upon the time of this House. In summary the measure is designed to provide for direct loans to eligible veterans for the following purposes, first, to purchase or construct a dwelling to be owned and occupied by the veteran as a home; second, to purchase a farm on which there is a farm residence to be occupied by the veteran as his home; third, to construct on land owned by the veteran a farm residence to be occupied by him as his home; or, fourth, to alter, repair or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home. The safeguarding restrictions and eligibility qualifications have been fully and ably explained by the committee chairman and representative members. The experience of the past demonstrates the program has been continuously productive of most wholesome results in providing assistance to veterans and their families that could not have been otherwise obtained. A decent home is the foundation of Christian life. Lending this financial encouragement to veterans desiring to own their own homes is a comparatively small return for the great part of their personal lives sacrificed in the service of their country. Let us enact this justifiable measure without further delay.

Mr. ELLIOTT. Mr. Chairman, I am happy to again support the extension of direct loans for veterans. I am particularly happy to support the Edmondson bill which provides that direct loans may be had by the rural veteran with which to buy a farm or a home. I have argued for this principle for years.

I had the privilege of sponsoring this direct-loan legislation in the House in 1951.

This loan program has provided homes for our veterans in areas where private financing is not available. It should be continued. The bill before us provides a 1-year extension. Next year, we should extend it again. Every rural veteran should have an opportunity to share in its benefits, if private financing is not available to him.

On February 28, 1955, 2,151 loans had been made to Alabama veterans under this program. Three hundred and twenty-eight loans were in process of being closed. One thousand eight hundred and seventy-six applications were awaiting processing. This bill will enable this great program to go forward.

Mr. LONG. Mr. Chairman, we are considering today a bill long overdue as far as the veterans are concerned who live on farms or prefer farming as a livelihood.

For some unexplained reason, farming veterans were discriminated against in the passage of the original housing legislation for World War II veterans under which loans are guaranteed by the Government, and this same discrimination was continued for Korean veterans. They were also left out in the cold when the Congress authorized direct loans for veterans residing in rural areas where banks and lending agencies do not operate. The direct loans were authorized for residences only in rural areas, but did not extend to the purchase of a farm, the repair and alteration of a farmhouse, or the construction of a house on farmland already owned by the veteran. The bill under consideration today which was reported unanimously by the Committee on Veterans' Affairs, and of which I have the honor to be a member, will rectify this unfair situation which has prevailed for many years toward farm veterans. If it is enacted into law, along with H. R. 5106, another bill will have to be reported to equalize guaranteed loans for farm veterans on a parity with city veterans, the entire housing situation for these boys will be finally evened up.

I commend my colleague from Oklahoma, the Honorable ED EDMONDSON, for his long hours of work and study in order to gain these benefits for rural veterans, and I commend the chairman of our committee, the Honorable OLIN E. TEAGUE, for his many efforts along the same line. We are at long last getting somewhere. I supported the bill under consideration today, H. R. 5715, when it was before our committee, as well as H. R. 5106 which I also hope to see enacted at an early date.

The measure we are now considering has a double purpose: First, that of extending the direct loan authority of the Veterans' Administration for a 1-year period by authorizing $150 million for that purpose in the coming fiscal year; and, second, extending the program of direct loans for the purchase of a farm on which there is a farm residence, or the altering, repair, or improvement of a farm residence or other dwelling located on a farm; or to construct a residence on farmland already owned by the veteran.

The great majority of the Eighth Congressional District of Louisiana which I represent is classified as rural and therefore will qualify for these direct loans. My only misgiving as far as this bill is concerned is that it does not go far enough. I fear that the amount of money authorized is inadequate for the vast number of farm veterans who want to use their entitlement to fix up the home they already have, or to purchase a farm and residence. But we shall take another look after the program has been in operation for a year and if more money is needed, I will be one of the first to advocate increasing the authorization and the appropriation.

If I had been in Congress when those bills were first passed to discriminate against the rural or farm veteran, you would have heard my voice screaming in protest. We are late in our apology to these boys, but fortunately it is not too late for most of them to take advantage of farm purchase or construction and alteration of their farm residences.

To support this proposal is a privilege, Mr. Chairman, and I hope that my colleagues on both sides of the aisle will do likewise.

Mr. TEAGUE of Texas. Mr. Chairman, H. R. 5715 extends the direct loan program, which has been in operation for the past 6 years, for 1 additional year. It also makes available $150 million for this coming year.

The direct loan program was inaugurated in order to assist veterans living in small towns and in rural areas to obtain loans to purchase homes, since there was a scarcity of private financing in these areas. The Veterans' Administration experience with the direct loan program to date is very commendable. Out of a total of 61,014 loans made to date, only nine-tenths of 1 percent are in default and the loss on these defaulted loans will be more than recovered from the interest being paid to the Veterans' Administration under the direct loan program.

This bill places the farm veteran on a parity with the city veteran under the direct loan program. This is in keeping with H. R. 5106, already passed by the House, which places the farm veteran on a parity with the city veteran so far as a guaranteed or insured loan by the Veterans' Administration is concerned.

In addition to extending the direct loan program for 1 year, H. R. 5715 makes it possible for a veteran to buy a piece of farmland and build a dwelling that he intends to occupy as his home; it makes it possible for a veteran to buy a farm with an existing dwelling which he intends to occupy as his home; and it also makes it possible for the veteran to repair or improve the farm dwelling which he now owns. Under previous laws authorizing a direct loan program, in order for a veteran to qualify for a loan to buy a farm, he had to show that the major portion of his yearly income would be derived from the farming operation. This restriction prevented many veterans from buying a farm while working on a salary and putting their earnings into the farm until such time as the farm would be self-supporting. This bill changes this requirement. Now all the veteran has to do is to qualify for the loan, and express his intentions of living in the dwelling on the farm to be purchased.

Both of the bills, that is H. R. 5106 and this bill, H. R. 5715, should encourage the return to the farm of veterans who wish to make their livelihood from farming. There has been a mass exodus from the farms in recent years, and in this connection your attention is invited to the fact that the volume of farm loans closed has decreased quite steadily from a peak of 19,862 in 1947 to 1,432 loans in 1954.

The 83d Congress authorized the establishment of the voluntary home mortgage credit program, which assists veterans in obtaining conventional financing in areas where such financing is limited or scarce. This program is progressing rapidly; however, it will not eliminate the necessity for the direct loan program, because even this group cannot induce private financing to accept veterans' loans in many remote areas of the country.

The direct loan program is similar to the guaranteed loan program in that the veteran must qualify and receive a certificate of eligibility for a loan under either program. I would like to emphasize the fact that many of the veterans in this country have sold their entitlements, receiving all the way from a drink

to $400 for their entitlement, and allowing some other ineligible persons to receive the benefits under their loans. The sale of the entitlement is an illegal and fraudulent act, punishable by law. The veteran who sells his entitlement also loses all of the benefits which have been provided for him by the various acts of Congress. Along this same line, many veterans have obtained direct loans or guaranteed loans and have sold their equity in the property, permitting buyers to assume their GI loans. Later, these buyers have defaulted and thousands of veterans now find themselves liable for a deficiency at the foreclosure.

I wish it were possible for every veteran to be made to realize that once he obtains a GI loan he is liable for that loan until it is fully paid. If he chooses to sell his home, he should require the buyer to refinance the loan and pay off his GI loan so that he will not be liable for a default by the person to whom he sells his home.

Mr. NORBLAD. Mr. Chairman, I favor the passage of H. R. 5715, providing for continuation of the direct-loan program to veterans in areas where such financing is not readily available.

This program has worked out well since its inception and there is no reason to believe that it will not continue to be a wise and productive one. In looking at the figures submitted by the area office at Portland, Oreg., it is of particular interest to me to note that the number of defaults there have been exceedingly low. Almost 500 of these direct loans have been consummated there and of that total only 2 are in substantial default. This fine record alone is proof that this is one program where the Government is not going to be hurt in any way but instead is going to do a great deal of good.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Chairman, I take this time just to urge the committee to give very careful consideration to the plight of veterans who live in the larger metropolitan areas. There are times when money for veterans' loans is not available. Most finance organizations try to keep a balanced portfolio of the various types of mortgage loans in their organizations. Therefore, there are times when money is not available in the banks, the building and loan associations, and the loan correspondents of some of the larger cities. I would earnestly urge the committee to take very careful cognizance of that fact, to see if something cannot be worked out so that direct loans can be made to veterans in the event it is impossible to secure a loan from a local source, regardless of the size of the community.

Mr. EDMONDSON. Mr. Chairman, I yield myself 1 minute in order to thank the gentleman from Ohio for the excellent suggestion he has made and to make the comment that there are many cities in the United States where the unavailability of private financing has made this direct-loan program applicable. Any Member who has a community where there is a dearth of GI financing under the guaranteed loan program should bring that to the attention of the Veterans Administration, as I am sure many Members have done, in order to get application of the direct-loan program in those areas.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Iowa.

Mr. GROSS. It is my understanding that the city of New York got about 8 percent of all veterans' money last year. Does the gentleman know whether or not that figure is correct?

Mr. EDMONDSON. That may be so under the guaranteed loan program, but not under the direct loan program because I do not believe the city of New York has ever been under the direct loan program.

Mr. Chairman, I would like to take this opportunity to extend my appreciation to the members of the staff of the Committee on Veterans' Affairs for the fine work they did in connection with the technical features of this legislation. They have done a fine job in improving some of the technical phases of it, and I take this opportunity to express the appreciation of the entire Committee to the staff.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I commend the Veterans' Affairs Committee for the expeditious handling of this legislation.

I particularly commend the committee for extending borrowing authority to those war veterans who desire to make farming their permanent occupation and must have financial assistance to do so.

I regret that financial assistance has not been available through private lending agencies in some areas of the district which I have the honor to represent, thus enabling war veterans to establish either urban or rural homes. I trust this measure will alleviate that situation, at least in part.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I want to bring out one point and that is that the veterans have paid back the loans. I think one-half of 1 percent of the loans are delinquent, which is a remarkable record and the record is even better on the direct loans than it is on the guaranteed loans.

Mr. Chairman, I have no further requests for time.

Mr. EDMONDSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON of Wisconsin. Mr. Chairman, I rise in support of this legislation and I also want to congratulate the Committee on Veterans' Affairs and the author of this bill, the gentleman from Oklahoma [Mr. EDMONDSON] for the wonderful job they have done in bringing this legislation to the House. I think there is a great need for it in the area of Wisconsin which I represent in Congress since it is two-thirds rural with many small farms. The veterans can use loans like these to improve their homes on the farms.

Mr. EDMONDSON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 512 of the Servicemen's Readjustment Act of 1944 (38 U. S. C., sec. 6941) is hereby amended to read as follows:

"SEC. 512. (a) (1) Upon application by a veteran eligible for the benefits of this title, the Administrator is authorized and directed to make, or enter into a commitment to make, the veteran a loan for any of the following purposes:

"(A) To purchase or construct a dwelling to be owned and occupied by him as a home;

"(B) To purchase a farm on which there is a farm residence to be occupied by the veteran as his home;

"(C) To construct on land owned by the veteran a farm residence to be occupied by him as his home; or

"(D) To repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home;

if the Administrator finds that in the area in which the dwelling, farm, or farm residence is located or is to be constructed, private capital is not available for the financing of the purchase or construction of dwellings, the purchase of farms with farm residences, or the construction, repair, alteration, or improvement of farm residences or other dwellings, as the case may be, by veterans under this title. In case there is an indebtedness which is secured by a lien against land owned by the veteran, the proceeds of a loan made under this section for the construction of a dwelling or farm residence on such land may be expended also to liquidate such lien, but only if the reasonable value of the land is equal to or in excess of the amount of the lien.

"(2) No loan shall be made under this section to a veteran unless he shows to the satisfaction of the Administrator—

"(A) that he is a satisfactory credit risk;

"(B) that the payments to be required under the proposed loan bear a proper relation to the veteran's present and anticipated income and expenses;

"(C) that he is unable to obtain from private lending sources in such area at an interest rate not in excess of the rate authorized for guaranteed home loans a loan for such purpose for which he is qualified under section 501 of this title; and

"(D) that he is unable to obtain a loan for such purpose from the Secretary of Agriculture under the Bankhead-Jones Farm Tenant Act, as amended, or under the Housing Act of 1949."

SEC. 2. (a) Subsection (b) of such section is hereby amended by striking out clauses (A) and (B) and inserting in lieu thereof the following:

"(A) the original principal amount of any such loan shall not exceed an amount which bears the same ratio to $10,000 as the amount of guaranty to which the veteran is entitled under section 501 at the time the loan is made bears to $7,500;

"(B) the guaranty entitlement of the veteran shall be charged with an amount which bears the same ratio to $7,500 as the amount of the loan bears to $10,000;". (b) The amendments made by this section shall not apply with respect to loans or commitments made under such section 512 prior to the date of enactment of this section.

SEC. 3. Subsection (d) of such section is hereby amended by striking out "section 501 (b)" and inserting in lieu thereof "section 501".

SEC. 4. (a) Subsection (e) of such section is hereby amended to read as follows:

"(e) Loans made under this section shall be repaid in monthly installments; except that in the case of loans made for any of the purposes described in clause (B), (C), or (D) of paragraph (1) of subsection (a),

the Administrator may provide that such loans shall be repaid in quarterly, semiannual, or annual installments."

(b) The amendment made by this section shall apply only with respect to direct loans held by the Administrator on the date of enactment of this act and direct loans made by the Administrator on or after such date.

SEC. 5. Such section is hereby further amended by adding at the end thereof the following:

"(f) No veteran may obtain loans under this section aggregating more than $10,000."

SEC. 6. (a) Clause (C) of subsection (b) of such section is hereby amended by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1956."

(b) Subsection (a) of section 513 of such act is hereby amended by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1956."

(c) Subsection (c) of such section 513 is hereby amended by striking out "June 30, 1956" and inserting in lieu thereof "June 30, 1957."

(d) The first sentence of subsection (d) of such section 513 is hereby amended by striking out all beginning with "June 30, 1955" and inserting in lieu thereof "June 30, 1956, such additional sums (not in excess of $150 million in any 1 fiscal year) as the Administrator may request, except that the aggregate so advanced in any 1 quarter annual period shall not exceed the sum of $50 million less that amount which had been returned to the revolving fund during the preceding quarter annual period from the sale of loans pursuant to section 512 (d) of this title."

(e) The amendments made by this section shall take effect as of June 30, 1955.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COOPER] having assumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5715) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes, pursuant to House Resolution 246, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 654) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes, a substantially similar bill to the bill, H. R. 5715, just passed by the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That section 512 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C., sec. 6941) is hereby amended to read as follows:

"SEC. 512. (a) (1) Upon application by a veteran eligible for the benefits of this title, who has not previously availed himself of his guaranty entitlement, the Administrator is authorized and directed to make, or enter into a commitment to make, the veteran a loan for any of the following purposes:

"(A) To purchase or construct a dwelling to be owned and occupied by him as a home;

"(B) To purchase a farm on which there is a farm residence to be occupied by the veteran as his home;

"(C) To construct on land owned by the veteran a farm residence to be occupied by him as his home; or

"(D) To repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home;

if the Administrator finds that in the area in which the dwelling, farm, or farm residence is located or is to be constructed, private capital is not available for the financing of the purchase or construction of dwellings, the purchase of farms with farm residences, or the construction, repair, alteration, or improvement of farm residences, or other dwellings, as the case may be, by veterans under this title. In case there is an indebtedness which is secured by a lien against land owned by the veteran, the proceeds of a loan made under this section for the construction of a dwelling or farm residence on such land may be expended also to liquidate such lien, but only if the reasonable value of the land is equal to or in excess of the amount of the lien.

"(2) No loan shall be made under this section to a veteran unless he shows to the satisfaction of the Administrator—

"(A) that he is a satisfactory credit risk;

"(B) that the payments to be required under the proposed loan bear a proper relation to the veteran's present and anticipated income and expenses;

"(C) that he is unable to obtain from private lending sources in such area, at an interest rate not in excess of the rate authorized for guaranteed home loans, a loan for such purpose for which he is qualified under section 501 of this title; and

"(D) that he is unable to obtain a loan for such purpose from the Secretary of Agriculture under the Bankhead-Jones Farm Tenant Act, as amended, or under the Housing Act of 1949."

SEC. 2. Section 512 of the Servicemen's Readjustment Act of 1944 is hereby amended by adding a new subsection (f) as follows:

"(f) Loans made under this section shall be repaid in monthly installments; except that in the case of loans made for any of the purposes described in clauses (B), (C), or (D) of paragraph (1) of subsection (a), the Administrator may provide that such loans shall be repaid in quarterly, semiannual, or annual installments.

"The amendment made by this subsection shall apply only with respect to direct loans held by the Administrator on the date of enactment of this subsection and direct loans made by the Administrator on or after the date of enactment of this subsection."

SEC. 3. (a) Clause (C) of subsection (b) of section 512 of the Servicemen's Readjustment Act of 1944 is hereby amended by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1957."

(b) Subsection (a) of section 513 of such atc is hereby amended by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1957."

(c) Subsection (c) of such section 513 is hereby amended by striking out "June 30, 1956" and inserting in lieu thereof "June 30, 1958."

(d) The first sentence of subsection (d) of such section 513 is hereby amended by striking out all beginning with "June 30, 1955," and inserting in lieu thereof "June 30, 1957, such additional sums as the Administrator may request: *Provided,* That the aggregate so advanced in any one quarter annual period shall not exceed the sum of $50 million less that amount which had been returned to the revolving fund during the preceding quarter annual period from the sale of loans pursuant to section 512 (d) of this title."

(e) The amendments made by this act shall take effect as of June 30, 1955.

Mr. EDMONDSON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDMONDSON: Strike out all after the enacting clause and insert the provisions of H. R. 5715 as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill H. R. 5715 was passed be vacated and that that bill be laid on the table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the so-called description of the bill just passed be inserted as a part of the RECORD during the consideration of the direct-loan bill, and also the report of that bill be inserted in the RECORD at that point.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection?

There was no objection.

A FEDERAL LOTTERY TO PROVIDE FUNDS FOR PUBLIC WELFARE

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, the welfare of the public, to twist a phrase, is essential to our national well-being and survival today. It is, I think, no exaggeration to say that most of what is important in the future of our country will depend upon the welfare of the people. And to promote these broad goals, the Federal Government has followed an ever-expanding philosophy of responsibility.

As you know, Mr. Speaker, and as every Member in this House knows, each

session of Congress brings its own variety of requests for increased expenditures. Lately, even our brightest young economists and our wisest elder statesmen are having trouble finding new tax revenue sources.

Defense costs still consume the major portion of our expenditures, or about 83 percent of the 1956 budget. At the same time, there is a growing demand for more old-age pensions, more unemployment benefits, more hospital funds, more aid to the needy, and more services to the blind. The $64 question making the rounds of Congress these days is: "Where's the money to come from?"

I believe I have found a satisfactory answer to this question—namely, a national lottery, sponsored and administered by the Federal Government.

I am, therefore, introducing again, in this session of Congress, a Federal lottery bill similar to one I introduced in the 83d Congress.

Many of us assume that because lotteries are forbidden by State statutes and because the transmission of lottery tickets through the mails is prohibited by the Congress, that this has always been the case. Nothing could be further from the truth.

In the first days of the Republic lotteries were among the most common and favorite methods of raising public funds—especially for schools, bridges, and roads. All of us, presumably, know that the first regular Congress of the United States held its sessions in the city of New York. But how many of us know that lottery money provided the roof under which that Congress met? Even earlier than this, lottery money fed and clothed the Continental Army, which won our independence. George Washington purchased the first ticket for the relief of his suffering soldiers.

Between 1782 and 1820, 148 different lotteries were authorized in Pennsylvania and Virginia. Indeed, one of the leading citizens of Virginia, Thomas Jefferson, has written one of the most eloquent defenses of lotteries. In an undated paper, written near the close of his life he had this to say:

> If we consider games of chance immoral, then every pursuit of human industry is immoral, for there is not a single one that is not subject to a chance, not one wherein you do not risk a loss for the chance of some gain * * * There are some other games of chance, useful on certain occasions, and injurious only when carried beyond their useful bounds. Such are insurances, lotteries, raffles, etc.

By the end of the past century, however, public sentiment had reversed itself. The last lotteries in actual operation were those in Mississippi under an act of 1867, and Louisiana under an act of 1868. Just 24 years later, in 1892, Louisiana banned lotteries altogether, making a solid network of State statutes prohibiting lotteries. At the same time Congress prohibited the transmission of lottery tickets through the mail. This is the situation today. I submit, Mr. Speaker, that our practices and laws with regard to lotteries and gambling are due a thoroughgoing reappraisal.

Not only is our own history replete with examples of Government-sponsored lotteries, but most other civilized countries of the world have relied even more heavily on such measures for revenue. Central and South America, Spain, Italy, France, Ireland, Australia, Turkey, and Sweden are but a few of the countries which today defray much of the cost of running the government through national lotteries. Each may differ in price, conduct, and awards, but essentially they all consist of the selection by chance of numbers or tickets which entitle certain ticketholders to cash or bond prizes.

The bill I am proposing today would provide for a commission of five men to be appointed by the President with the advice and consent of the Senate. They would be men of high integrity who would prescribe rules and regulations and decide on the frequency of drawing. The tickets would be engraved and printed by the United States Treasury and sold by the post offices all over the Nation. The proceeds of the ticket sales would be deposited in the Treasury and held in a lottery fund.

No ticket would be sold in any State, or in a political subdivision of any State, where such sale is illegal. Nor would any ticket be sold to anyone under the age of 21.

Balances remaining in the lottery fund after payment of prizes and expenses and repayment of the initial appropriation may be paid, at the direction of the Commission, to Federal hospitals, the blind, recipients of old-age assistance, and disabled veterans.

These services now cost the taxpayer, including the honorable Members of this House, an estimated $4.5 billion a year. I am not saying the creation of a national lottery would eliminate these expenditures. I do say, however, that a Government-sponsored lottery would relieve the budget and the taxpayer of much of these expenditures.

Ultimately, of course, it is the taxpayer who pays, but his purchase of a lottery ticket is considerably different from compulsory payment of taxes. In the one instance, his action is purely voluntary and he receives certain intangible benefits from the payment of the so-called voluntary tax itself as well as the indirect benefits from the expenditure of those funds for the public good.

The economics of national lotteries is, however, only one of the justifications for my bill. Another principle, which I am sometimes inclined to regard even more highly, is the sociological principle which some people call the gaming instinct. However, one views the widespread human tendency to gamble—legally or illegally—the astonishing fact is that it has contributed to what is now a $30-billion-a-year industry. More, by far, than we spend on education, religion, medicine, or automobiles. Since most of these dollars are wagered illegally, they end up largely in the hands of professional gamblers and racketeers, who not only make the payoff as small as possible, but see to it that very little is returned to the Federal Treasury in income taxes.

In the preparation of my original bill in the 83d Congress, I spent some time studying the pros and cons of Government lotteries. I learned some astonishing things. For instance, 57 percent of the adults in this country gamble regularly on horse races, card games, athletic events, local lotteries, church and club raffles, office pools, slot machines, and just plain betting. Whether it is legal or not, our people continue to gamble, just as they continued to drink during prohibition.

The intriguing thing, of course, is to look for what is good in gambling and what it is that is bad. I will not take time now to develop this distinction fully. I call your attention, however, to Thomas Jefferson's words and suggest that they have particular relevance to us today.

For, after all, our Nation and our entire economic system rests on the foundation built by men who were willing to take a chance—buccaneers of industry who risked their fortunes in the market place and pioneers who risked their lives in the wilderness. To attempt to outlaw this gaming instinct is to deny human nature.

One of the most shocking things I discovered in the preparation of my bill is that Americans spend between four and six billions every year on foreign lotteries. In fact, as I have pointed out on another occasion, almost every government in the world can conduct a lottery on our soil except our own, and can use the earnings of American citizens to lighten taxes abroad.

Even more shocking, however, is the fact that racketeers often tamper with these foreign lotteries. Most people would be astonished, as I was, to learn that fully half of the Irish sweepstakes tickets sold in this country are complete fakes.

On this evidence alone, Mr. Speaker, I think you will agree that we need our own legitimate, Government-backed sweepstakes. Then there would be less incentive for people to buy foreign lottery tickets; the proceeds from the sale of lottery tickets would be spent for the welfare of our own people; and Government administration of the program would eliminate much of the racketeering and underground activities.

If you will indulge me 1 second more, Mr. Speaker, there is yet another reason for my bill. I hesitate to mention it because, while I think it is important, I realize it is immeasurable. That is the pleasure derived from dreams and hopes of winning and the vicarious enjoyment received when others win. I mentioned earlier the importance of entrepreneurs and innovators in our history—men who were willing to take a chance. In our modern industrial life, however, the opportunities of taking a chance are limited. Routine characterizes most of our lives. In this sense buying a lottery ticket provides an avenue of escape from routine and boredom.

There are some people who might raise the moral question—those who view gambling as immoral. It goes without saying that if gambling is immoral then it should be outlawed. However, that is the very issue that should first be proved.

A new magazine, the Catholic Lawyer, recently carried an article on bingo. The authors, Father W. Dominic Hughes and Prof. Frederick J. Ludwig, both well qualified to discuss the moral aspects of the question, wrote that the playing of games is not itself immoral.

The Very Reverend Francis J. Connell, dean of the School of Sacred Theology at the Catholic University of America, has stated "that gambling is not sinful."

It is an indisputable fact that nowhere in the Scriptures does the law of God forbid gambling as such. We are taught that gambling becomes sinful only when operated dishonestly, fraudulently, or when abuses become part and parcel of the gambling. Under my bill, a Federal lottery will be Government operated, controlled and supervised with a maximum of safeguards against possible abuses.

To sum up, I am relatively sure that, if enacted, my bill would cut down taxes, increase revenue for health and welfare services, decrease racketeering, channel people's gambling instincts and provide a healthy outlet for daydreams.

No one can say in advance, of course, just how much tax money such a lottery would raise. A conservative estimate, however, based on sums raised in other countries is $10 billion a year. This sum, if averaged out among the 41 million tax-paying persons would amount to a reduction of about $250 a year per person in taxes. This is more than the average family spends for all personal health services.

I have suggested, very briefly, some of the reasons which I think justify the creation of a national Government sponsored lottery. I have not taken time to develop any of these ideas fully. Yet, I think it is clear that there are many reputable people who feel that in attempting to outlaw lotteries, we are not only trying to stop a flood by putting a finger in the dike, but we are also overlooking an excellent and much-needed source of tax revenue.

ATOMS FOR PEACE EXHIBIT

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DURHAM. Mr. Speaker, I desire to announce that arrangements have been made to extend the "atoms for peace" exhibit on the ground floor of the Library of Congress. The exhibit will now be open daily from 9 a. m. to 10 p. m., through Friday, June 10.

I hope the Members of the House will take the time to visit this very interesting exhibit which the President opened on Friday, May 27. This is the first time that an exhibit emphasizing the many peaceful uses of atomic energy has been shown in Washington. Following this showing in Washington it will be exhibited at the U. N. meeting in San Francisco later this month.

The exhibit includes models of nuclear-powered reactors which will be built in the next 3 years to generate power for domestic and industrial uses.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MORANO (at the request of Mr. MARTIN), on official business.

HON. JOHN MURPHY

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, it was my privilege and my pleasure to be in the city of Scranton United States district court just 2 days ago. I think you would like to know that there our former colleague from Pennsylvania, United States District Judge John Murphy became the president judge of the United States district court for the great middle district of Pennsylvania.

It is a classic American story: "Johnny Murphy," as we knew him then and as you all remember him well, you will recall he served upon the Pearl Harbor Commission and he served upon many important committees in this House and then went to the Federal bench. He worked in the mines as a boy, and on the railroads. It is the great American story of which you, Mr. Speaker, and my colleagues, are so proud. I am sure you join me in wishing many many years of continued success upon the Federal bench for Judge John Murphy.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

Mrs. FRANCES P. BOLTON in two instances and to include extraneous material.

Mr. MADDEN and to include a statement he made today before the House Committee on Education and Labor on the minimum-wage legislation.

Mr. RODINO (at the request of Mr. KELLEY of Pennsylvania) in three instances and to include extraneous matter.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. BOW and to include extraneous matter.

Mr. DONOHUE and to include extraneous matter.

Mr. DODD (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. ASHLEY (at the request of Mr. ALBERT).

Mr. BROOKS of Louisiana.

Mr. YATES.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 1 minute p. m.) the House, pursuant to its previous order, adjourned until Monday, June 6, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

860. Under clause 2 of rule XXIV, a letter from the Attorney General, transmitting the report on the administration and enforcement of the registration provisions of the Subversive Activities Control Act, as amended, pursuant to section 9 (c) of the act for the period from June 1, 1954, through May 31, 1955, was taken from the Speaker's table and referred to the Committee on Un-American Activities.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILGORE: Committee on Post Office and Civil Service. H. R. 4585. A bill to amend the act of August 24, 1912, to simplify the procedures governing the mailings of certain publications of churches and church organizations; without amendment (Rept. No. 714). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. S. 2061. An act to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; with amendment (Rept. No. 728). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1537. A bill for the relief of Rogerio Santana de Franca; with amendment (Rept. No. 707). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1538. A bill for the relief of Jean Isabel Hay Watts; with amendment (Rept. No. 708). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1552. A bill for the relief of Dalisay Lourdes Cruz; with amendment (Rept. No. 709). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1661. A bill for the relief of Kim Dong Su; with amendment (Rept. No. 710). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1693. A bill for the relief of Barbara Knape; with amendment (Rept. No. 711). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 2911. A bill for the relief of Max Steinsapir; with amendment (Rept. No. 712). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 2929. A bill for the relief of Lazara Camargo Bernoudy; without amendment (Rept. No. 713). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1549. A bill for the relief of Salvacion Carbon; with amendment (Rept. No. 715). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 1551. A bill for the relief of Gualberto Estralla Alabastro, Pura Zarco Alabastro, and Arlene Alabastro; without amendment (Rept. No. 716). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1750. A bill for the relief of Elena Gigliotti; without amendment (Rept. No. 717). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1883. A bill for the relief of Margarete Gartner; without amendment (Rept. No. 718). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2274. A bill for the relief of Alejandro Florentino Munoz; without amendment (Rept. No. 719). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2724. A bill for the relief of Miss Elvira Bortolin; without amendment (Rept. No. 720). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2791. A bill for the relief of Ofelia Martin; without amendment (Rept. No. 721). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2925. A bill for the relief of Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald; with amendment (Rept. No. 722). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3048. A bill for the relief of Assuntino Del Gobbo; with amendment (Rept. No. 723). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 3270. A bill for the relief of Giuseppa Arsena; without amendment (Rept. No. 724). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 3504. A bill for the relief of Eveline Wenk Neal; without amendment (Rept. No. 725). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 3628. A bill for the relief of Luise Isabella Chu, also known as Luise Schneider; without amendment (Rept. No. 726). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 3635. A bill for the relief of Birgit Camara, also known as Birgit Heinemann; without amendment (Rept. No. 727). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL:

H. R. 6619. A bill to provide for the creation of a civil defense agency having jurisdiction of civil defense for the Metropolitan Washington area; to the Committee on Armed Services.

By Mr. BUDGE:

H. R. 6620. A bill to authorize the Secretary of the Interior to construct, operate and maintain in the Upper Snake River Valley, Idaho and Wyoming, the Narrows Federal reclamation project and a reregulating reservoir below the Palisades Dam and Reservoir; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 6621. A bill to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the Vice President-elect and to authorize Secret Service protection for the Vice President-elect; to the Committee on the Judiciary.

H. R. 6622. A bill for the relief of certain rural carriers; to the Committee on the Judiciary.

H. R. 6623. A bill to amend the act of July 1, 1952, so as to obtain the consent of Congress to interstate compacts relating to mutual military aid in an emergency; to the Committee on the Judiciary.

By Mr. DAWSON of Illinois:

H. R. 6624. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

By Mr. DEMPSEY:

H. R. 6625. A bill to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FINO:

H. R. 6626. A bill to provide for a Federal lottery to raise funds for Federal hospitals, the blind, recipients of old-age assistance, and disabled veterans; to the Committee on Ways and Means.

By Mr. HIESTAND:

H. R. 6627. A bill to provide for the apportionment of education and training allowances under the Veterans' Readjustment Assistance Act of 1952 in certain cases; to the Committee on Veterans' Affairs.

By Mr. HOLMES:

H. R. 6628. A bill for the relief of the city of Pasco, Wash.; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 6629. A bill to amend the Federal Employees' Group Life Insurance Act of 1954; to the Committee on Post Office and Civil Service.

By Mr. MILLER of Maryland:

H. R. 6630. A bill to amend chapters 4, 5, 6, and 8 of the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. PRIEST (by request):

H. R. 6631. A bill to provide for reasonable notice to the agency of applications to the courts of appeals for interlocutory relief against orders of the Civil Aeronautics Board, the Federal Communications Commission, the Secretary of Agriculture, the Federal Maritime Board, and the Atomic Energy Commission; to the Committee on Interstate and Foreign Commerce.

H. R. 6632. A bill to amend the Civil Aeronautics Act of 1938, as amended, so as to authorize the imposition of civil penalties in certain cases; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Colorado:

H. R. 6633. A bill to amend the Veterans' Preference Act of 1944, so as to provide additional preference in retention, reemployment, reinstatement, or transfer for veterans having a disability of 10 percent or more; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT:

H. R. 6634. A bill to provide for the conveyance of 1.8 acres of land more or less within the Grapevine Dam and Reservoir project to the city of Grapevine, Tex., for sewage-disposal purposes; to the Committee on Public Works.

By Mr. LANE:

H. Con. Res. 151. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. McCORMACK:

H. J. Res. 330. Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes; to the Committee on Government Operations.

By Mr. MARTIN:

H. J. Res. 331. Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes; to the Committee on Government Operations.

By Mr. REES of Kansas:

H. J. Res. 332. Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes; to the Committee on Government Operations.

By Mrs. FRANCES P. BOLTON:

H. J. Res. 333. Joint resolution designating the second full week of October in each year as National Week for Nursing; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. J. Res. 334. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to ratify and confirm Act 199 of the session laws of Hawaii 1955, authorizing the Board of Supervisors of the City and County of Honolulu to issue general obligation bonds in the sum of $6 million for the completion of the construction of the Kalini tunnel and its approach roads and for the construction of a second bore; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H. R. 6635. A bill for the relief of Joy Kulis and Janet Arline Kulis; to the Committee on the Judiciary.

By Mr. CRUMPACKER:

H. R. 6636. A bill for the relief of Rosa Willand; to the Committee on the Judiciary.

By Mr. HOLMES:

H. R. 6637. A bill for the relief of Azmi Shawa; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 6638. A bill for the relief of Tami Ann Olson (Tami Ann Kato); to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 6639. A bill for the relief of Mrs. Darwin L. Selley; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 6640. A bill for the relief of Ellen Yuin-Shang Chung; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

302. By Mr. CRETELLA: Petition of the Town Council of East Hartford, Conn., recommend and urge that the minimum wage be increased to $1.25; to the Committee on Education and Labor.

303. Also, petition of the Court of Common Council of the city of Hartford, Conn., requesting the National Rivers and Harbors Congress to take whatever steps may be necessary to secure congressional approval, appropriations, and early completion of 12 flood-control reservoirs; to the Committee on Public Works.

304. By Mr. MUMMA: Petition of Rev. Michael M. Rachko and some 60 members of Saint Annunciation Macedonian-Bulgarian Orthodox Church, of Steelton, Pa., urging favorable action on pending legislation which would allow certain members of the Armed Forces to designate the the Eastern Orthodox faith as a religious belief on their identification tags; to the Committee on Armed Services.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received for the first calendar quarter of 1955.

QUARTERLY REPORTS

The following quarterly reports were submitted for the first calendar quarter 1955:

(NOTE.—The form used for reports is produced below. In the interest of economy questions are not repeated, only the answers are printed and are indicated by their respective letter and number. Also for economy in the RECORD, lengthy answers are abridged.)

File two copies with the Secretary of the Senate and file three copies with the Clerk of the House of Representatives.
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------	REPORT PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT	P	QUARTER 1st	2d	3d	4th
		(Mark one square only)				

NOTE ON ITEM "A".—(a) In General: This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state in Item "B" the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" as answer to Item "B."
(b) Separate Reports.—An agent or employee should not attempt to combine his Report with the employer's Report.
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING.—(1) State name, address, and nature of business; (2) if this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—Section 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place ☐ an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description; (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. *If* this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(1) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(1) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter

5. $_____Received for services (e. g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")

7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter

12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures

9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year

11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Claris Adams, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All existing and prospective legislation which may affect the life insurance business.
D. (6) $1,125.

A. J. Carson Adkerson, 976 Natinal Press Building, Washington, D. C.
C. (2) All legislation affecting strategic minerals.
E. (7) $30; (8) $2.25; (9) $32.25.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Generally any legislation which will affect the aircraft manufacturing interests.
D. (6) $4,703.47.
E. (2) $3,750; (4) $35.43; (7) $918.04; (9) $4,703.47.

A. W. L. Allen, 5913 Georgia Avenue NW., Washington, D. C.
B. The Commercial Telegraphers' Union, 5913 Georgia Avenue, NW., Washington, D. C.
C. (2) Any legislation which will or may affect members of the union.

A. W. R. Allstetter, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $125.

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills relating to health and welfare.
D. (6) $479.62.
E. (7) $14.85; (9) $14.85.

A. Joseph Amann, Munsey Building, Washington, D. C.
B. Engineers and Scientists of America, Munsey Building, Washington, D. C.
C. (2) Any legislation affecting the interests of professional engineers and other members of affiliated units.

A. American Association of University Women, 1634 I Street NW., Washington, D. C.
C. (2).[1]
E. (2) $750; (4) $249.53; (6) $7.47; (9) $1,007.

A. American Bottlers of Carbonated Beverages,[3] 1128 16th Street NW., Washington, D. C.

A. American Cancer Society, 521 West 57th Street, New York, N. Y.
C. (2) Appropriations for public health.
E. (1) $4,999.98; (7) $1,808.46; (9) $6,808.44.

A. American College of Radiology, 20 North Wacker Drive, Chicago, Ill.
C. (2) Legislation involving the practice of medicine and all national health-insurance legislation.
D. (6) $71,381.

A. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
C.[1]
D. (6) $5,264.71.
E. (2) $3, 613.56; (4) $181.49; (5) $215.81; 6) $110.53; (7) $1,143.32; (9) $5,264.71; (15).[1]

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill, and 425 13th Street NW., Washington, D. C.
C (2) Legislation affecting agriculture. (3) Nation's Agriculture and News Letter.
D. (6) $63,224.
E. (2) $18,545; (4) $4,217; (5) $3,153; (6) $484; (7) $343; (9) $26,742; (15).[1]

A. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) Legislation affecting the interests of working people. (3) American Federationist.
E. (1) $6,538.76; (2) $21,174.41; (4) $3,795.36; (5) $648.90; (9) $32,157.43; (15).[1]

A. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
C. (2) Legislation to benefit handicapped.
D. (6) $1,483.
E. (4) $80.15; (6) $45; (9) $125.15.

A. American Hotel Association,[3], 221 West 57th Street, New York, N. Y.
C. (2) All bills and statutes of interest to the hotel industry.
D. (6) $142,503.40.

A. American Legion, National Headquarters, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2) and (3).[1]
D. (6) $61,096.56.
E. (2) $12,574.73; (4) $4,049.77; (5) $1,960.84; (6) $259.39; (7) $2,476.05; (9) $21,320.78.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All existing and prospective legislation which may affect the life-insurance business.
D. (6) $1,318.75.
E. (2) $1,318.75; (9) $1,318.75.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2).[1]
D. (6) $10,250.
E. (2) $929.41; (4) $403.10; (5) $1,933.35; (6) $98.66; (7) $852.41; (8) $450.83; (9) $10,205.89; (15).[1]

A. American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y.
C. (2) Support of legislation favorable to maintenance of the American Merchant Marine.
E. (2) $7,864.25; (9) $7,864.25.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
C. (2) Reciprocal trade, standby controls, brucellosis program, and other matters pertaining to cattle industry. (3) American Cattle Producers.
D. (6) $34,470.93.
E. (2) $7,097.50; (6) $27.22; (7) $276.83; (8) $26.50; (9) $7,428.05.

A. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
C. (2) Bills with provisions for health programs.
D. (6) $454,987.95.
E. (2) $1,313.04; (5) $276.24; (6) $89.06; (7) $265.10; (8) $166.34; (9) $2,109.78.

A. American Optometric Association, Inc., Development Fund (Legislative), c/o Dr. Hoyt S. Purvis, 212 East Washington Avenue, Jonesboro, Ark.
C. (2) Legislation effecting optometry.
D. (6) $902.
E. (2) $2,475; (6) $3.68; (7) $10.50; (8) $1.20; (9) $3,492.10.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
C. (2).[1]
D. (6) $513.12.
E. (2) $375; (4) $59.37; (5) $69; (6) $9.75; (9) $513.12.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.
C. (2) Affecting legislation.

A. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C., and 52 Vanderbilt Avenue, New York, N. Y.
C. (2).[1]
D. (6) $3,472.25.
E. (2) $326.30; (4) $435.33; (5) $194.73; (6) $58.93; (8) $501.15; (9) $1,516.44.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry.
D. (6) $33,543.
E. (2) $6,280; (5) $3,800; (6) $249; (8) $1,209; (9) $11,538; (15) [1]

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
C. (2) Affecting legislation.

A. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2).[1]
D. (6) $66,772.43.
E. (2) $8,375; (4) $51.48; (5) $773.33; (6) $511.77; (7) $276.38; (9) $9,987.96.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $1,760.53.
E. (2) $737.50; (4) $263.16; (5) $204.15; (6) $103.10; (7) $452.62; (9) $1,760.53; (15).[1]

A. American Sugar Beet Industry Policy Committee, 500 Sugar Building, Denver, Colo.
C. (2) In favor of extension and amendment of Sugar Act of 1948, as amended.
D. (6) $25.
E. (4) $28.68; (6) $17.99; (9) $46.67.

A. American Tariff League, Inc., 19 West 44th Street, New York, N. Y.

A. American Textile Machinery Association, 60 Batterymarch Street, Boston, Mass.
D. (6) $232.39.
E. (4) $50; (9) $50.

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
C. (2) Amending existing shipping legislation in order to extend operating and construction differential subsidies to American flag vessels engaged in so-called tramp trades.
D. (6) $8,000.
E. (1) $10,125; (2) $2,062.50; (4) $69.76; (5) $168.26; (6) $592.42; (7) $503.21; (8) $797.57; (9) $14,318.72; (15).[1]

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[1] Not printed. Filed with Clerk and Secretary.
[3] Filed with the Clerk only.

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[3] Filed with the Clerk only.

[1] Not printed. Filed with Clerk and Secretary.

A. American Veterans Committee, Inc., 1830 Jefferson Place NW., Washington, D. C.
C. (2) Legislation affecting the general welfare, especially in the fields of international affairs, civil rights and liberties, and veterans benefits.
D. (6) $9,047.
E. (2) $1,311.96; (4) $30; (5) $245; (6) $30; (7) $62.49; (9) $1,679.45.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
C. (2) Legislation which might affect veterinary medicine and the veterinary profession.
E. (2) $750; (5) $195.37; (6) $63.13; (9) $1,008.50.

A. American Vocational Association, Inc., 1010 Vermont Avenue NW., Washington, D. C.

A. American Warehousemen's Association—Merchandise Division, 222 West Adams Street, Chicago, Ill.

A. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
C. (2) Favors economic and technical assistance to Israel and other States in the Near East.
D. (6) $4,687.27.
E. (1) $562.42; (2) $1,449.58; (4) $702.17; (5) $395.05; (6) $201.77; (7) $827.02; (8) $252; (9) $4,390.01.

A. America's Wage Earners' Protective Conference, 400 Bowen Building, Washington, D. C.
C. (2) H. R. 1.
D. (6) $2,860.
E. (2) $2,910; (8) $590.20; (9) $3,500.20; (11) $3,500.20.

A. John R. Arent, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $900.
E. (7) $46.20; (9) $46.20.

A. Hector M. Aring, 826 Woodward Building, Washington, D. C.
B. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
C. (2) Tax, highway, foreign trade, and school legislation.
D. (6) $1,250.
E. (9) $666.67.

A. Arkansas Railroad Committee, 1115 Boyle Building, Little Rock, Ark.
C. (2) Generally legislation affecting Arkansas railroads.
D. (6) $500.
E. (7) $649.15; (9) $649.15.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Indians of California.
C. (2) Seek compensation for land taken.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Nicolas Reisini, 11 West 42d Street, New York, N. Y.
C. (2) S. 1195.
E. (9) $1.

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. Arthritis and Rheumatism Foundation, 23 West 45th Street, New York City, N. Y.
C. (2) Appropriations for public health.
E. (1) $600; (7) $215.43; (9) $815.43.

A. Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.
C. (2).[1]

A. Associated Third Class Mail Users, 1406 G Street NW., Washington, D. C.
C. (2) All legislation relating to postal laws and regulations.
D. (6) $22,649.08.
E. (2) $4,325; (4) $1,269.75; (5) $226; (6) $130.07; (7) $996.49; (8) $34.72; (9) $6,982.03.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
C. (2) Proposed legislation affecting physicians and surgeons in the practice of their profession.
D. (6) $1,500.
E. (4) $1,500; (9) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
C. (2).[1]
D. (6) $13,175.58.
E. (2) $11,016.85; (5) $1,231.72; (6) $158.47; (7) $662.99; (8) $105.55; (9) $13,-175.58.

A. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $1,865.31.
E. (2) $1,345.11; (4) $97.01; (5) $138.70; (6) $33.77; (7) $83.14; (8) $167.58; (9) $1,865.31.

A. Association of Western Railways, 474 Union Station Building, Chicago, Ill.
C. (2) Legislative proposals which do or may affect the western railroads.

A. Edward Atkins, 51 East 42d Street, New York, N. Y.
B. National Association of Shoe Chain Stores, Inc., 51 East 42d Street, New York, N. Y.
C. (2) Legislation regarding labor laws and revenue act.
D. (6) $250.
E. (9) $250.

A. Awalt, Clark & Sparks, 822 Connecticut Avenue, Washington, D. C.
B. National Association of Electric Co's., 1200 18th Street NW., Washington, D. C.

A. Charles E. Babcock, Route 4, Box 126, Vienna, Va.
B. Junior Order United American Mechanics of the United States of America, 3027 North Broad Street, Philadelphia, Pa.
C. (2) Control of immigration; improvement of free public schools; suppression of communism.
D. (6) $147.
E. (5) $13.50; (6) $1.27; (7) $23.77; (9) $38.54.

A. George P. Baker, 808 Memorial Drive, Cambridge, Mass.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

[1] Not printed. Filed with Clerk and Secretary.

A. John A. Baker.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C.
C. (2).[1]
D. (6) $2,400.
E. (7) $324.30; (9) $324.30.

A. J. H. Ballew, Nashville, Tenn.
B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.
C. (2) Support of legislation favorable to free enterprise system and opposition to legislation unfavorable to that system.
D. (6) $2,250.

A. Hartman Barber, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express, and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
C. (2) Interested in all legislation affecting labor, especially railroad labor.
D. (6) $1,922.43.
E. (6) $125.90; (7) $121.14; (8) $489.70; (9) $736.74.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B.[1]
C.[1]
E. (6) $1.65; (9) $1.65.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.
B. Reciprocal Inter-Insurers Federal Tax Committee, United Artists Building, Detroit, Mich.
C. (2) To protect the interests of reciprocal inter-insurers. In opposition to H. R. 43.
D. (6) $2,000.

A. Arthur H. Barnett, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2).[1]
D. (6) $761.25.
E. (6) $1.78; (7) $112.34; (8) $15.90; (9) $130.02.

A. Irvin L. Barney, 412 Railway Labor Building, Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
C. (2) Legislation of interest to railroad employees and labor in general.
E. (6) $2,625.

A. R. H. Barry, 121 15th Avenue North, Fargo, N. Dak.
B. American Seed Trade Association, 30 North La Salle Street, Chicago, Ill.
C. (2) Legislation which might affect members of the American Seed Trade Association.
D. (6) $1,875.
E. (6) $350; (7) $2,185.50; (9) $2,535.50.

A. A. K. Barta, 810 18th Street NW., Washington, D. C.
B. The Proprietary Association, 810 18th Street NW., Washington, D. C.
C. (2) Measures affecting the proprietary medicines industry.
E. (7) $25; (9) $25.

A. J. A. Beirne, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America (CIO), 1808 Adams Mill Road NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Legislative matters affecting the interests of the membership of the union.

A. George L. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation relating to foreign economic policy (Reciprocal Trade Agreements Act). (3) Correspondence and educational pamphlets.

A. Rachel S. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation relating to foreign economic policy (Reciprocal Trade Agreements Act). (3) Correspondence and educational pamphlets.
D. (6) $437.50.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
C. (2) Interested in legislation affecting libraries and librarians.
E. (2) $1,511.20; (4) $127.68; (7) $27.50; (8) $108.34; (9) $1,774.72.

A. Ernest H. Benson, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
C. (2) All legislation affecting railroad employees and labor in general.
D. (6) $4,500.

A. Louella Miller Berg, 1634 I Street NW., Washington, D. C.
B. American Association of University Women, 1634 I Street NW., Washington, D. C.
C. (2).[1]
D. (6) $750.

A. Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.
B. G. B. Macke Corp., 212 H Street NW., Washington, D. C.; Automatic Canteen Co. of America, Merchandising Mart Plaza, Chicago, Ill.; National Automatic Merchandising Association, 7 South Dearborn Street, Chicago, Ill.
C. (2) Seeking amendments to District of Columbia Sales and Use Tax Acts.
E. (4) $34.55; (7) $17.35; (9) $51.90.

A. Helen Berthelot, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America (CIO), 1808 Adams Mill Road NW., Washington, D. C.
C. (2) Legislative matters affecting the interests of the membership of this union.
D. (6) $2,499.68.
E. (2) $1,924.92; (6) $0.80; (7) $538.16; (8) $35.80; (9) $2,499.68.

A. Andrew J. Biemiller, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.
D. (6) $2,795.
E. (6) $31.20; (7) $287.30; (8) $63.50; (9) $382.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and 932 Shoreham Building, Washington, D. C.
C. (2) General questions affecting the insurance of ships and their cargoes against marine risks; reparations; subrogation.
E. (5) $58; (6) $5; (7) $30; (9) $93.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry.

A. James C. Black, 1625 K Street NW., Washington, D. C.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio.
C. (2) Only insofar as legislation affects my employer.
D. (6) $600.
E. (7) $500; (9) $500.

A. Thomas D. Blake, 3026 N Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) Bills introduced in the House or the Senate having to do with Cuban sugar quotas.
D. (6) $2,550.
E. (4) $3; (9) $3.

A. William Rhea Blake, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Box 18, Memphis, Tenn.
C. (2) Legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.

A. Charles B. Blankenship, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America (CIO), 1808 Adams Mill Road NW., Washington, D. C.
C. (2) Legislative matters affecting the interests of the membership.
D. (6) $2,339.73.
E. (2) $1,999.98; (7) $339.75; (9) $2,339.73.

A. Warren B. Bledsoe, 1040 Warner Building, Washington, D. C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
C. (2) All legislation under consideration in the Congress which will affect postal employees. (3) The National Rural Letter Carrier.
D. (6) $480.63.
E. (7) $15. (9) $15.

A. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
C. (2) General interest in legislation for payroll deductions for Federal employees, war damage, economic controls, taxation of fringe benefits, health programs for Federal employees, and hospital and health matters.
E. (2) $1,500; (8) $340.59.

A. The Borax Cartel Story, Inc., 132 Third Street SE., Washington, D. C.
C. (2) To amend the Trading With the Enemy Act.
D. (6) $100.
E. (2) $100; (9) $100.

A. Joseph L. Borda, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Lyle H. Boren, Seminole, Okla.
B. The Association of Western Railways, Union Station Building, Chicago, Ill.

A. Robert T. Borth, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
C. (2) Labor relations, wage and hour matters, controls over wages and salaries and social security.
D. (6) $375.
E. (5) $130; (6) $5; (7) $175.75; (9) $310.75.

A. R. B. Bowden, 600 Hibbs Building, Washington, D. C.
B. Grain & Feed Dealers National Assn., 100 Merchants Exchange Building, St. Louis, Mo.
C. (2) In favor of H. R. 1831. (3) Regular weekly trade information letter.
D. (6) $86.65.
E. (7) $1.85; (9) $1.85.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.
B. International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.
C. (2) All legislation involving or in the direction of national prohibition, taxation of alcoholic beverages, etc.
E. (6) $36.34; (7) $429.42; (8) $465.76.

A. Harold P. Braman, 907 Ring Building, Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, Washington, D. C.
C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing. Oppose legislation adverse to savings and loan associations.
D. (6) $450.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Any legislation pertaining to transportation problems of the aircraft manufacturing industry.

A. James M. Brewbaker, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. David F. Brinegar, 510 Goodrich Building, Phoenix, Ariz.
B. Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz.
C. (2) Water and soil legislation affecting Arizona.
D. (6) $2,250.
E. (7) $203.07; (9) $203.07.

A. Clark L. Brody, 221 North Cedar Street, Lansing, Mich.
B. Michigan Farm Bureau.
D. (6) $484.62.
E. (7) $36.29; (9) $36.29.

A. W. S. Bromley, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
C. (2) Legislative interests are those of employer.

A. Derek Brooks, 1737 H Street NW., Washington, D. C.
B. New York Board of Trade, 291 Broadway, New York, N. Y.
C. (2) Guarantees against the risk of nonpayment of foreign debtors due to currency inconvertibility, exchange transfer block, and other noncommercial hazards.
D. (6) $933.80.
E. (5) $163.50; (6) $45.98; (7) $80.61; (8) $15.40; (9) $305.49.

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[1] Not printed. Filed with Clerk and Secretary.

A. William F. Brooks, 604 Folger Building, Washington, D. C.
B. National Grain Trade Council, 604 Folger Building, Washington, D. C.
C. (2) Legislation affecting agriculture in general and the grain trade in particular.

A. Brotherhood of Locomotive Engineers, 1118 Engineers Building, Cleveland, Ohio.
C. (2) Legislation directly and indirectly affecting the interests of labor. (3) Locomotive Engineers Journal.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
C. (2) Legislation affecting the banking industry.
D. (6) $437.50.
E. (6) $11.85; (7) $96.33; (9) $108.18.

A. Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C.
B. National Association of Electric Cos., Ring Building, Washington, D. C.
C. (2) Any legislation that might affect the members of the N. A. E. C.
D. (6) $5,949.99.
E. (2) $5,477.49; (5) $262.50; (8) $36.23; (9) $5,776.22.

A. Paul W. Brown, 925 South Homan Avenue, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.
C. (2) Postal legislation.
D. (6) $267.35.
E. (7) $154.81; (9) $154.81.

A. Thad H. Brown, Jr., 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Any legislation, local, State, Federal or international, which affects the broadcasting industry.

A. John M. Brumm, 2212 M Street NW., Washington, D. C.
B. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.
C. (2) Interested in all legislation regarding National Health Insurance. (3).[1]
D. (6) $2,374.98.
E. (8) $90.23; (9) $90.23.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
C. (2) Legislation affecting river and harbor works, flood control, and other water use and conservation, and related subjects.
D. (6) $1,350.
E. (6) $11.83; (8) $20.79; (9) $32.62.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Vulcan Detinning Co., Sewaren, N. J.

A. Bureau of Accident and Health Underwriters, 60 John Street, New York, N. Y.
C. (2) Any and all matters pertaining to the business or policyholders of accident and health insurance.
E. (2) $52.68; (5) $8.72; (8) $3; (9) $64.40.

A. George J. Burger, 250 West 57th Street, New York, N. Y., and 740 Washington Building, Washington, D. C.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y., and National Federation of Independent Business, 740 Washington Building, Washington, D. C.
C. (2) Interested in Rubber Tire bill, basing point legislation, antitrust law legislation, quantity discount rule, spare tire monopoly and all legislation affecting independent small business.
D. (6) $3,219.06.

A. Donald T. Burke, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.
C. (2).[1]
D. (6) $300.
E. (7) $38.73; (8) $5.70; (9) $44.43.

A. Thomas H. Burke, 718 Jackson Place NW., Washington, D. C.
B. United Automobile, Aircraft, and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.
D. (6) $1,495.
E. (7) $962; (9) $962.

A. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (6) $1,415.60.
E. (2) $3,742.95; (5) $363.21; (6) $144.10; (7) $398.07; (8) $1,010.17; (9) $5,658.50.

A. F. Hugh Burns, 821 Cafritz Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
C. (2) S. 151, S. 171, S. 961, S. 1032, S. 1052, H. R. 158, H. R. 462, H. R. 660, H. R. 2182, H. R. 2552, H. R. 2589, H. R. 4110, H. R. 4629.
D. (6) $2,250.
E. (7) $150; (9) $150.

A. Robert M. Burr, 270 Park Avenue (Room 1203–L), New York, N. Y.
B. National Bureau for Economic Realism, Inc., 270 Park Avenue (Room 1203–L), New York, N. Y.
C. (2) Legislation that may be of interest to the bureau.
D. (6) $317.90.
E. (1) $1,844.33; (4) $4,640.92; (5) $107.92; (6) $10; (7) $155.10; (9) $6,758.27.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.
C. (2) All legislation dealing with electrical workers in particular and labor in general, such as annual and sick leave, pay legislation, repeal of Whitten rider, Federal retirement, unemployment insurance, severance pay, and other liberal benefits for the workers.
D. (6) $2,875.03.

A. Lawrence V. Byrnes, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
C. (2) Legislation affecting labor and transportation.
D. (6) $3,313.50.

A. C. G. Caffrey, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
C. (2).[1]
D. (6) $760.20.
E. (6) $3; (7) $20; (8) $10; (9) $33.

A. James A. Campbell, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to Federal Government employees and District of Columbia Government employees.
D. (6) $2,692.27.
E. (9) $269.22.

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
C. (2) Legislation affecting certified public accountants.
D. (6) $2,500.
E. (6) $20; (7) $50; (9) $70.

A. James K. Carr, 2101 K Street, Sacramento, Calif.
B. Sacramento Municipal Utility District, 2101 K Street, Sacramento, Calif.
C. (2) Matters pertaining to Central Valley project (California) which affect the interest of the Sacramento Municipal Utility District.
D. (6) $715.77.
E. (7) $117.86; (8) $283.29; (9) $401.15.

A. T. C. Carroll, 12050 Woodward Avenue, Detroit, Mich.
C. (2) Legislation of interest to railroad employees.

A. Henderson H. Carson, 600 First National Bank Building, Canton, Ohio.
B. East Ohio Gas Co., 1405 East Sixth Street, Cleveland, Ohio.
C. (2) Legislation of interest to natural gas industry.
D. (6) $3,000.
E. (6) $9.76; (7) $342.35; (8) $84; (9) $436.11.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas and Electric Company, 245 Market Street, San Francisco, Calif.
C. (2) Legislation affecting client's interests.
D. (6) $3,000.
E. (5) $720; (6) $23.90; (7) $246.70; (8) $35.70; (9) $1,024.90.

A. Clarence B. Carter, P. O. Box 798, New Haven, Conn.
B. Railroad Pension Conference, P. O. Box 798, New Haven, Conn.
C. (2) For enactment of 30-year, half-pay railroad retirement legislation; (3) Pension News Bulletin.
E. (7) $38.30; (9) $38.30.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.
B. Sioux Tribe of Indians, Cheyenne River Reservation, S. Dak., and Lower Brule Reservation, S. Dak., and Crow Creek Reservation, S. Dak.
D. (6) $2,000.

A. Benjamin F. Castle, 1625 I Street NW., Washington, D. C.
B. Milk Industry Foundation, 1625 I Street NW., Washington, D. C.

A. Larry Cates, 861 National Press Building, Washington, D. C.
B. Clarence N. Sayen, 55th Street and Cicero Avenue, Chicago, Ill.
C. (2) Aviation legislation and Railway Labor Act.
D. (6) $2,503.

A. Francis R. Cawley, 1101 Vermont Avenue NW., Washington, D. C.
B. Magazine Publishers Association, Inc., 232 Madison Avenue, New York, N. Y.

[1] Not printed. Filed with Clerk and Secretary.

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C. (2) Legislation which affects the magazine publishing industry.
D. (6) $300.
E. (7) $111.84; (9) $111.84.

A. Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz.
C. (2) Water and soil legislation affecting Arizona.
D. (6) $15,283.
E. (1) $141; (2) $5,101.50; (4) $135.88; (5) $1,163.16; (6) $110.82; (7) $921.78; (8) $248.21; (9) $7,822.35.

A. Central Labor Union, Metal Trades Council, AFL, of the Panama Canal Zone, P. O. Box No. 471, Balboa Heights, C. Z.
C. (2) Legislation before Congress that affects the welfare of citizens employed by United States Government agencies on the Isthmus of Panama and the Canal Zone.
D. (6) $4,677.
E. (2) $1,800; (7) $2,750; (9) $4,550.

A. Chamber of Commerce of the U. S. A., 1615 H Street NW., Washington, D. C.

A. Justice M. Chambers, 2517 Connecticut Avenue NW., Washington, D. C.
B. M. Golodetz & Co., 120 Wall Street, New York, N. Y.
C. (2) Congressional activity in the development of the strategic stockpiling program of the United States.
D. (6) $2,500.

A. Walter Chamblin, Jr., 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
C. (2) Promoting a proposed Christian amendment to the Constitution of the United States. (3) The Christian Patriot.
D. (6) $5,628.53.
E. (2) $1,755; (4) $2,226.33; (5) $134.04; (6) $23.18; (7) $290.80; (8) $51.21; (9) $4,480.56.

A. CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
C. (2) To support legislation in the interest of seamen.
D. (6) $6,756.
E. (2) $3,677.46; (4) $29; (5) $709.27; (6) $238.54; (7) $739.01; (8) $3,800; (9) $9,193.28.

A. Earl W. Clark, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
C. (2) Legislation affecting the American merchant marine.
D. (6) $486.54.
E. (7) $26.85; (9) $26.85.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2) Legislation affecting war veterans, their dependents and survivors of deceased veterans. (3) DAV Semi-Monthly.
D. (6) $2,769.24.

A. Robert M. Clark, 525 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.
C. (2) Pending and prospective legislation affecting the interest of the railway company.
D. (6) $5,025.

A. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.
C. (2).[1]
E. (7) $37.25; (9) $37.25.

[1] Not printed. Filed with Clerk and Secretary.

A. Clay L. Cochran, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural electrification program. (3) Rural Electrification Magazine.
D. (6) $2,535.21.

A. Russell Coleman, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $150.

A. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.

A. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
C. (2) Legislation jeopardizing California water rights on the Colorado River.
E. (2) $3,000; (4) $470.59; (5) $436.60; (6) $438.93; (7) $2,464.30; (9) $6,810.42.

A. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
C. (2) Legislation affecting the interests of commercial banks.
D. (6) $19,100.
E. (2) $8,800; (7) $121.96; (8) $853.69; (9) $9,775.65; (15)[1].

A. Committee for Defense of the Constitution by Preserving the Treaty Power, 36 West 44th Street, New York, N. Y.
C. (2) Opposed to any amendment to the Constitution which would change the traditional treatymaking power of the President.
D. (6) $65.
E. (2) $7.50; (6) $19.78; (9) $27.28.

A. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.
C. (2) Japanese evacuation claims bills and appropriations thereto.

A. Committee on Laws, National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Legislation affecting stock fire insurance companies.
D. (6) $479.
E. (2) $6,000; (4) $250; (7) $300; (9) $6,550.

A. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.
C. (2) Interested in all legislation regarding national health insurance.
D. (6) $5,542.81.
E. (2) $5,822.38; (4) $1,456.60; (5) $1,444.63; (6) $182.96; (7) $258.72; (8) $40.16; (9) $9,205.45.

A. Committee for Pipeline Companies, 418 Munsey Building, Washington, D. C.
C. (2) H. R. 4560.
E. (2) $6,558.58; (5) $1,481.45; (6) $114.28; (7) $819.53; (8) $2,156.17; (9) $11,130.01.

A. Committee for Study of Revenue Bond Financing, 44 Wall Street, New York, N. Y.
D. (6) $95,243.58.
E. (2) $8,963.15; (4) $1,867.93; (5) $114.77; (6) $169.14; (7) $115.77; (9) $11,230.76; (15).[1]

[1] Not printed. Filed with Clerk and Secretary.

A. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
C. (2) Legislative matters affecting the interests of the membership of the union. (3) CWA News.
D. (6) $1,199,256.54.
E. (2) $3,924.90; (6) $0.80; (7) $877.91; (8) $35.80; (9) $4,839.41.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Amana Refrigeration, Inc., Amana, Iowa.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Independent Advisory Committee to the Trucking Industry, Inc.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers Association, 726 La Salle-Wacker Building, Chicago, Ill.

A. Lawrence R. Condon, 165 Broadway, New York, N. Y.
B. Estate of Mary Clark DeBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.

A. John C. Cone, 815 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street NW., Washington, D. C.

A. Conference for Inland Waterways Dry-Bulk Regulation, 402 Commonwealth Building, Washington, D. C.
C. (2) Amendment of section 303 (b) of the Interstate Commerce Act.
D. (6) $17,163.27.
E. (4) $50.38; (6) $25.90; (7) $926.43; (9) $1,002.71.

A. Conference of Local Airlines, 800 World Center Building, Washington, D. C.
C. (2).[1]

A. Richard J. Congleton, 763 Broad Street, Newark, N. J.
B. The Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J.
C. (2) General interest in all legislation affecting the business of the company.
E. (7) $710.78; (9) $710.78.

A. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity and general welfare; oppose legislation detrimental to those objectives. (3) Report on Congress.
D. (6) $37,174.23.
E. (1) $837.16; (2) $17,522.36; (4) $5,302.30; (5) $1,764.14; (6) $959.79; (7) $9,413.28; (8) $1,375.20; (9) $37,174.23; (15).[1]

A. Julian D. Conover, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $2,500.
E. (6) $49.69; (7) $28.20; (9) $77.89.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. National Coal Association, 15th and H Streets NW., Washington, D. C.
C. (2) Legislation affecting the coal industry.

[1] Not printed. Filed with Clerk and Secretary.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. Nationwide Trailer Rental System, 512 South Market Street, Wichita, Kans.
C. (2) Excise tax on utility trailers.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.
C. (2) Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N. C.
C. Legislation affecting the tobacco industry.

A. Wilmer A. Cooper, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2)[1] Washington newslettér.
D. (6) $159.72.
E. (6) $8.53; (7) $146.05; (8) $253; (9) $407.58.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
C. (2) Against legislation authorizing lower tariffs.
D. (6) $150.
E. (4) $46.25; (6) $41.37; (9) $87.62.

A. John M. Costello, 3434 Porter Street NW., Washington, D. C.
B. American League for an Undivided Ireland, 122 East 42d Street, New York City, N. Y.
C. (2) Any legislation which may help to effectuate the unification of all Ireland.
D. (6) $750.
E. (6) $2.09; (7) $32.85; (9) $34.94.

A. Cotton, Brenner & Wrigley, 225 Broadway, New York, N. Y.
B. Martin Aloysius Madden, 27 West 96th Street, New York, N. Y.
C. (2) For the relief of Martin Aloysius Madden.
E. (4) $5.15; (6) $13.64; (7) $312.27; (8) $1.12; (9) $332.18.

A. Edward J. Coughlin, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to technical engineers, especially those engineers employed by the United States Government.
D. (6) $195.
E. (7) $20; (9) $20.

A. A. M. Crawford, 718 Title and Trust Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles, Calif.
D. (6) $3,000.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
C. (2) Legislation affecting credit unions.
D. (6) $51,012.
E. (2) $533.33; (8) $4.70; (9) $538.03.

A. Robert A. Crichton, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All existing and prospective legislation which may affect the life insurance business.
D. (6) $193.75.

[1] Not printed. Filed with Clerk and Secretary.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
C. (2) Matters affecting communications.
D. (6) $3,437.50.

A. Leo J. Crowley,[2] Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee.

A. John C. Cuneo, P. O. Box 1054, Modesto, Calif.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
C. (2) The Townsend bills in Congress, H. R. 4471 and H. R. 4472.
D. (6) $2,464.77.
E. (5) $712.82; (6) $125.38; (7) $105.80; (8) $104.26; (9) $1,048.26.

A. Ralph E. Curtiss,[2] 917 15th Street NW., Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
C. (2) Any legislation affecting the tavern and restaurant industry.
D. (6) $2,150.
E. (7) $41.26; (9) $41.26.

A. Dairy Industry Committee, 519 Barr Building, Washington, D. C.
C. (2) Any legislation affecting the dairy industry.
D. (6) $4,050.

A. R. Harvey Dastrup, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2) Price support, foreign trade, labor management, wage and hour legislation, rural electrification, farm product standards, Government organization, farm labor, social security, health programs and facilities.
D. (6) $256.02.

A. Joan David, 601 Cafritz Building, Washington, D. C.
B. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street NW., Washington, D. C.
C. (2) Parcel post size and weight limitations.
D. (6) $975.
E. (7) $108.21; (9) $108.21.

A. Joan David, 1625 I Street NW., Washington, D. C.
B. National Council on Business Mail, 1625 I Street NW., Washington, D. C.
C. (2) All legislation pertaining to postal matters.
D. (6) $975.
E. (7) $98.76; (9) $98.76.

A. Bertram G. Davis, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2).[2] (3).[2]
D. (6) $1,500.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.
C. (2) Provisions of the Internal Revenue Code of 1954 relating to the tax treatment of income derived from foreign sources.
D. (6) $250.
E. (6) $32.72; (7) $50.13; (9) $82.85.

[1] Not printed. Filed with Clerk and Secretary.
[2] Filed with the Clerk only.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Clearing Industrial District, Inc., 38 South Dearborn Street, Chicago, Ill.
C. (2) Provisions of the Internal Revenue Code of 1954 relating to taxation of gains and losses upon sale of real property by dealers.
D. (6) $1,500.
E. (6) $10.02; (7) $50.12; (9) $60.14.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Copley Press, Inc., 428 Downer Place, Aurora, Ill.
C. (2) Provisions of 1954 Revenue Code relating to corporate distributions and adjustments, including corporate liquidations.
D. (6) $350.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
C. (2) Provisions of the Internal Revenue Code of 1954 relating to the tax treatment of income derived from foreign sources.
D. (6) $500.
E. (6) $10.27; (7) $66.84; (9) $77.11.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. John Stuart, 345 Merchandise Mart, Chicago, Ill.
C. (2) Provisions of the 1954 Internal Revenue Code relating to corporate distributions and adjustments, including corporate liquidations.
D. (6) $2,500.

A. Sherlock Davis, 1117 Barr Building, Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) Anything which pertains to sugar or trade with Cuba. (3).[1]

A. Waters S. Davis, Jr., League City, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.
C. (2) My legislative interest as employee of the above-named employer will be exclusively those of my employer as stated in its preliminary report.

A. Tony Dechant.
B. Farmers Educational & Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
C. (2).[1]
D. (6) $750.
E. (7) $262.75; (9) $262.75.

A. R. T. DeVany, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Cecil B. Dickson, 1600 I Street NW., Washington, D. C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.
C. (2) H. R. 4587 and legislation affecting the motion-picture industry.
D. (6) $3,900.
E. (7) $1,300; (9) $1,300.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D. C.
B. Sacramento-Yolo Port District, 312 Court House, Sacramento, Calif.
C. (2) Legislation in aid of the Sacramento River Deep Water Channel project.
D. (6) $2,514.79.
E. (7) $31.04; (8) $83.75; (9) $114.79.

A. Disabled American Veterans, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2).[1]
E. (2) $4,846.20; (7) $219.44; (9) $5,065.64.

[1] Not printed. Filed with Clerk and Secretary.

A. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
C. (2) All legislation affecting disabled veterans and their dependents, and survivors of deceased veterans.
E. (2) $2,750; (9) $2,750.

A. Walter L. Disbrow, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
C. (2) Retention and improvement of the Civil Service Retirement and United States Employees' Compensation Act.
D. (6) $1,328.90.
E. (7) $71.80; (9) $71.80.

A. Wesley E. Disney, 501 World Center Building, Washington, D. C.
B. Thomas J. Green and Edward Simone, 70 Pine Street, New York, N. Y.
C. (2) In favor of proposed repeal of tax on preferred stock of banks which have made loans or issued preferred stock to Reconstruction Finance Coporation.
E. (6) $1.30; (7) $1; (9) $2.30.

A. Wesley E. Disney, 501 World Center Building, Washington, D. C.
B. Independent Natural Gas Association of America, World Center Building, Washington, D. C.
C. (2) General legislative interests include any matters affecting the natural gas industry.
D. (6) $2,499.99.

A. Wesley E. Disney, World Center Building, Washington, D. C.
B. National Building Granite Quarries Association, 1028 Connecticut Avenue, Washington, D. C.
C. (2) Specific legislation is for percentage depletion relating to granite and other minerals.
D. (6) $1,200.

A. Wesley E. Disney, World Center Building, Washington, D. C.
B. Ozark-Mahoning Co., Tulsa, Okla.
C. (2) Legislation involving percentage depletion on thenardite.

A. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting the petroleum industry in the District of Columbia.
D. (6) $396.01.
E. (2) $300; (7) $96.01; (9) $396.01.

A. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
C. (2) Legislation affecting working conditions of Government employees and incidentally organized labor in general.
D. (6) $14,841.93.
E. (2) $6,412.16; (4) $369; (5) $1,724.32; (6) $346.58; (7) $2.264.28; (8) $2,819.86; (9) $13,936.20.

A. Doerner, Rinehart, Stuart & Clammer,[2] 1001 Connecticut Avenue NW., Washington, D. C.
B. Indians of California.
C. (2) Seeking compensation for land taken.

A. William C. Doherty, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
C. (2) All legislation pertaining to postal and Federal employees.
D. (6) $1,500.

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[2] Filed with the Secretary only.

A. James L. Donnelly, 39 South La Salle Street, Chicago, Ill.
B. Illinois Manufacturers' Association, 39 South La Salle Street, Chicago, Ill.
C. (2) All legislation of general interest to manufacturers. (3) Industrial Review and miscellaneous bulletins.
E. (7) $319.55; (9) $319.55.

A. Robert F. Donoghue, 236 Wyatt Building, Washington, D. C.
B. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
C. (2) Legislation affecting the merchant marine.
D. (6) $1,625.

A. Thomas J. Donovan, 155 East 44th Street, New York, N. Y.
C. (2) Legislation affecting excise tax on alcoholic beverages.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $112.50.

A. C. L. Dorson, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
C. (2) Retention and improvement of the Civil Service Retirement and United States Employees' Compensation Acts.
D. (6) $1,271.94.
E. (7) $44.25; (9) $44.25.

A. John E. Dougherty, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. James W. Douthat, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. M. J. Dowd, El Centro, Calif.
B. Imperial Irrigation District, El Centro, Calif.
C. (2) National water policy.
D. (6) $1,095.
E. (7) $409.37; (9) $409.37.

A. Adin M. Downer, 610 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
C. (2) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the Armed Forces and their dependents; matters relating to the national security; immigration and naturalization; the combating of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration. (3) VFW magazine (Foreign Service) and VFW Legislative Newsletter.
D. (6) $1,750.
E. (7) $95.02; (9) $95.02.

A. W. A. Dozier, Jr., 17 Molton Street, Montgomery, Ala.
B. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.
C. (2) All health matters covered by legislative action. (3) P R Notes.
D. (6) $1,800.
E. (4) $225; (9) $225.

A. Robert A. Drum, Omaha, Nebr.
C. (2) Legislation affecting excise tax on beer.
D. (6) $13,000.
E. (2) $450; (4) $400; (5) $525; (7) $3,275; (8) $650; (9) $5,200.

A. Ben DuBois, Sauk Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
C. (2) Banking legislation.
D. (6) $2,869.50.

A. Stephen M. DuBrul, 5–141 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. J. R. Dunkerley, 12 East 36th Street, New York, N. Y.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
C. (2) Legislation affecting savings and mortgage business.
D. (6) $437.50.
E. (6) $35; (7) $170; (9) $205.

A. Read Dunn, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) Legislation affecting the raw-cotton industry as will promote the purposes for which the council is organized.
D. (6) $435.
E. (7) $10.48; (9) $10.48.

A. William M. Dunn, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America (CIO), 1808 Adams Mill Road NW., Washington, D. C.
C. (2) Legislative matters affecting the interests of the membership of this union.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining.
D. (6) $900.
E. (7) $37.75; (9) $37.75.

A. Joseph L. Dwyer, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry.
D. (6) $3,276.
E. (7) $566.77; (9) $566.77.

A. Eastern Meat Packers Association, Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
C. (2) Matters affecting meatpackers.
D. (6) $4.52.
E. (2) $25.35; (4) $0.58; (5) $0.20; (6) $0.40; (7) $4.80; (9) $31.33.

A. Herman Edelsberg, 1003 K Street NW., Washington, D. C.
B. Anti-Defamation League of B'nai B'rith, 212 Fifth Avenue, New York, N. Y.
C. (2) Supports legislation which promotes the civil rights of all Americans, and opposes undemocratic discrimination against any American.
D. (6) $140.
E. (7) $15; (9) $15.

A. Bernard H. Ehrlich, 1367 Connecticut Avenue NW., Washington, D. C.
B. National Association and Council of Business Schools, 418 Homer Building, Washington, D. C.
C. (2) Bills relating to the education and training of veterans and all other legislation affecting proprietary schools.

D. (6) $1,200.
E. (6) $33.24; (8) $51; (9) $84.24.

A. Oscar Elder, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Legislation which affects the broadcasting industry.

A. John Doyle Elliott, 1420 New York Avenue NW., Washington, D. C.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
C. (2) Seek enactment of H. R. 4471.
D. (6) $910.

A. Clyde T. Ellis, 1303 New Hampshire Avenue, NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural electrification program. (3) Rural Electrification Magazine.
D. (6) $5,024.91.

A. Otis H. Ellis, 1001 Connecticut Avenue, Washington, D. C.
B. National Oil Jobbers Council, 1001 Connecticut Avenue, Washington, D. C.
C. (2) Legislation which might affect the business interests of independent oil jobbers and marketers.
D. (6) $6,000.

A. Newell W. Ellison, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
C. (2) General interest is to protect the rights of the Theodore Roosevelt Association.

A. John H. Else, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D. C.
C. (2) Housing and labor legislation and other measures affecting retail lumber industry.
D. (6) $3,050.
E. (7) $223; (9) $223.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
C. (2) Legislation affecting public power projects generally.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
C. (2) Legislation affecting the water and power rights of the city and legislation affecting public power.
D. (6) $1,500.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 512 16th Street, Oakland, Calif.
C. (2) Public works appropriations bill, fiscal year 1956; S. 1515 and H. R. 4359, to authorize conveyance of certain property to city of Richmond, which are favored; and legislation generally of interest to water utilities.
D. (6) $2,100.
E. (6) $10.01; (7) $10.25; (8) $14.35; (9) $35.11.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
C. (2) Legislation affecting the district's rights in the Colorado River system, and legislation generally affecting reclamation and power.
D. (6) $2,100.
E. (6) $19.75; (8) $20.52; (9) $40.27.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Six agency committees and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.
C. (2) Legislation affecting California's interests in the Colorado River System and miscellaneous legislation relating to reclamation and water resources policy.
D. (6) $11,296.25.
E. (6) $40.92; (7) $15.84; (8) $32.77; (9) $89.53.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Project Authority of the State of California, Sacramento, Calif.
C. (2) Public-works appropriations bill and legislation affecting Central Valley project and Federal reclamation and power policies generally.
D. (6) $2,250.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Resources Board of the State of California, Sacramento, Calif.
C. (2) General appropriations for flood-control works and legislation affecting flood-control projects generally.

A. Robert B. Ely 3d, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
C. (2) Petitioner is interested in having the present Congress pass an act providing for a full judicial review of certain claims arising from French spoliations occurring prior to 1800.

A. John W. Emeigh, 1040 Warner Building, Washington, D. C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
C. (2) All legislation under consideration in the Congress which will affect postal employees.
D. (6) $476.88.
E. (7) $12; (9) $12.

A. Emergency Conservation Committee, 767 Lexington Avenue, New York, N. Y.
C. (2) Support measures beneficial to conservation and oppose measures detrimental to conservation; opposed to construction of Echo Park Dam.
D. (6) $22.25.
E. (2) $22.50; (3) $100; (5) $158.70; (6) $21.92; (9) $303.12.

A. K. Blyth Emmons, 925 15th Street NW., Washington, D. C.
B. National Small Business Men's Association, Inc., 2834 Central Street, Evanston, Ill.
C. (2) All legislation pertaining to small business. (3) Pulling Together.
D. (6) $2,475.
E. (7) $301.35; (9) $301.35.

A. Engineers and Scientists of America, Munsey Building, Washington, D. C.
C. (2) Any legislation affecting the interests of professional engineers and other members of affiliated units.

A. Myles W. English, 966 National Press Building, Washington, D. C.
B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D. C.
C. (2) Legislation dealing with Federal grants-in-aid to States for highways, or repeal, modification, or extension of Federal excise taxes on motor vehicles, gasoline, oil, tires, or auto parts.

A. Charles J. Fain, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural electrification program. (3) Rural Electrification magazine.
D. (6) $2,630.72.

A. Farmers Educational and Cooperative Union of America (National Farmers Union), 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
C. (2) All Federal legislation, bills, resolutions, appropriations, and other proceedings affecting American agriculture and farmers.
D. (6) $66,732.68.
E. (2) $13,438.72; (3) $169; (4) $319.70; (5) $2,614.12; (6) $968.75; (7) $1,669.19; (8) $149.14; (9) $19,328.62.

A. Mrs. Albert E. Farwell, Box 204-A, Route 2, Vienna, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.
C. (2).[1] (3) National Parent-Teacher.

A. Harold E. Fellows, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Any legislation—local, State, Federal, or international—which affects the broadcasting industry.

A. John A. Ferguson, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $3,750.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. United States Sugar Corp., Clewiston, Fla.; Fellsmere Sugar Producers Association, Fellsmere, Fla.; American Sugar Cane League, New Orleans, La.

A. Jerry K. Fields, 5124 45th Street NW., Washington, D. C.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.
C. (2) Improvement of the Social Security Act.
D. (6) $700.
E. (5) $35.30; (7) $312.18; (9) $347.48.

A. Adrian S. Fisher, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
C. (2) General interest is to protect the rights of the Theodore Roosevelt Association under the act of May 21, 1932.

A. Bernard M. Fitzgerald, Washington Loan and Trust Building, Washington, D. C.
B. Brown, Lund & Fitzgerald, Washington Loan and Trust Building, Washington, D. C., for National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

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[1] Not printed. Filed with Clerk and Secretary.

C. (2) Any legislation that might affect the members of the N. A. E. C.
D. (6) $472.50.

A. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
B. Bulova Watch Co., Bulova Park, Flushing, N. Y.
C. (2).[1]
D. (6) $3,385.93.
E. (1) $166.49; (4) $1,518.51; (6) $17.82; (7) $113.58; (8) $169.58; (9) $1,985.98.

A. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
B. Oreole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.
C. (2).[1]

A. Stephen Fitzgerald & Co., 575 Madison Avenue, New York, N. Y.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $3,000.
E. (4) $904.08; (6) $61.63; (7) $234.53; (8) $38.13; (9) $1,238.37.

A. Berchmans T. Fitzpatrick, 1101 Vermont Avenue NW., Washington, D. C.
B. Wood, King, & Dawson, 48 Wall Street, New York, N. Y.
C. (2) Legislation affecting the interests of commercial banks.
D. (6) $10,500.
E. (6) $15; (7) $200; (9) $215.

A. F. Stuart Fitzpatrick, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. Roger Fleming, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2).[1]
D. (6) $1,500.
E. (7) $22.85; (9) $22.85.

A. Donald G. Fletcher, 745 McKnight Building, Minneapolis, Minn.
B. Rust Prevention Association, 745 McKnight Building, Minneapolis, Minn.
C. (2) Legislation affecting funds for research on plant disease control and crop improvement.
D. (6) $2,250.
E. (2) $1,000; (4) $224.85; (5) $263.75; (6) $36.55; (7) $500; (9) $2,075.15.

A. John F. Floberg, 800 World Center Building, Washington, D. C.
B. Conference of Local Airlines, 800 World Center Building, Washington, D. C.
C. (2).[1]

A. Florida Citrus Mutual (legislative fund), Cochrane Building, Lakeland, Fla.
C. (2) For legislation granting tax relief for sale of fruit on trees.
E. (2) $2,499.99; (5) $40; (6) $1.11; (8) $1.08; (9) $2,542.18.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
C. (2) Legislation affecting river and harbor works, flood control, and other water use and conservation.
E. (2) $1,350; (8) $32.62; (9) $1,382.62; (15).[1]

A. Florida Railroad Association, 4040 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $6,500.
E. (2) $1,875; (7) $111.63; (9) $1,986.63.

[1] Not printed. Filed with Clerk and Secretary.

A. John J. Flynn, 734 15th Street NW., Washington, D. C.
B. International Union of Electrical, Radio and Machine Workers, 734 15th Street NW., Washington, D. C.
C. (2) Any and all legislation affecting the welfare and security of working men and women and their families.
D. (6) $1,425.
E. (7) $95; (9) $95.

A. Mrs. J. A. Ford, 1420 New York Avenue NW., Washington, D. C.
B. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio.
C. (2) H. R. 4471 and H. R. 4472. (3) The Townsend National Weekly.

A. Forest Farmers Association Cooperative, Post Office Box 7284, Station C, Atlanta, Ga.
C. (2) 1956 Department of Interior and related agencies appropriation bill. (3) The Forest Farmer.
E. (6) $2; (7) $86.62; (9) $88.62.

A. J. Carter Fort, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
C. (2).[1]
D. (6) $1,672.92.
E. (7) $6.60; (9) $6.60.

A. Charles E. Foster, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2) Legislation affecting war veterans, their dependents, and survivors of deceased veterans. (3) DAV Semi-Monthly.
D. (6) $2,076.96.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Conecticut Avenue NW., Washington, D. C.
B. American Telephone and Telegraph Co., 195 Broadway, New York, N. Y.
C. (2) Matters affecting communications.
D. (6) $4,500.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
C. (2) S. 951 and legislation related to extension of regulation to bulk carriers on inland waterways.
D. (6) $3,500.
E. (4) $27.90; (6) $11.83; (7) $16.06; (9) $55.79.

A. George H. Frates, 1163 National Press Building, Washington, D. C.
B. National Association of Retail Druggists.
C. (2) To oppose legislation detrimental to independent retail druggists and to further legislation favorable to the profession. (3) N. A. R. D. Journal.
D. (6) $3,000.
E. (2) $675; (5) $399; (6) $40; (9) $1,114.

A. Walter Freedman, 829 Washington Building, Washington, D. C.
B. Patchogue-Plymouth Mills Corp., 295 Fifth Avenue, New York, N. Y.
C. (2) All legislation affecting rug and carpet-backing industry.
E. (6) $44.16; (8) $5.50; (9) $49.66.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2).[1]
D. (6) $32,593.69.

[1] Not printed. Filed with Clerk and Secretary.

E. (2) $10,755; (3) $445.20; (4) $5,657.61; (5) $4,130.02; (6) $785.67; (7) $2,577.16; (8) $1,481.11; (9) $25,811.77; (15).[1]

A. George M. Fuller, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $3,479.15.
E. (7) $228.15; (9) $228.15.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.
C. (2) Legislation relating to investment banking or securities business.
D. (6) $625.

A. John F. Gale, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy. (3) National Fertilizer Review.
D. (6) $30.

A. Lawrence H. Gall, 918 16th Street NW., Suite No. 501, Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $1,450.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota railroads.[1]
C. (2) Legislation affecting railroads.[1]
D. (6) $500.

A. Earl H. Gammons, 1735 DeSales Street NW., Washington, D. C.
B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.
C. (2) Legislation applicable to or affecting the radio and/or television industry.
E. (7) $67.20; (9) $67.20.

A. Gwynn Garnett, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2) Foreign trade, aid, and investment; price support and related legislation.
D. (6) $1,354.17.
E. (7) $33.15; (9) $33.15.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops, and The Alert.
D. (6) $29.95.
E. (9) $4.95.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
C. (2) In general, legislation which concerns or affects members of the Gas Appliance Manufacturers Association.
D. (6) $5,274.84.
E. (2) $1,500; (4) $27.75; (6) $12.07; (7) $32.11; (8) $15.25; (9) $1,587.18; (15).[1]

A. Gus F. Geissler, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America (National Farmers Union),

[1] Not printed. Filed with Clerk and Secretary.

1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,002.
E. (7) $115; (9) $115.

A. General Gas Committee, 1612 Continental Life Building, Fort Worth, Tex.
C. (2) For amending Natural Gas Act.
D. (6) $49,320.
E. (2) $8,215.73; (4) $7,141.55; (5) $8,345.72; (6) $1,434.41; (7) $1,351.01; (8) $777.05; (9) $27,265.47; (15).[1]

A. Leo E. George, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
C. (2) All legislation pertaining to the postal service and the welfare of postal and Federal employees. (3) Union Postal Clerk.
D. (6) $3,000.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
C. (2).[1]
D. (6) $1,500.

A. J. M. George, H. K. Brehmer, and C. S. McMahon, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
C. (2).[1]
D. (6) $3,000.

A. Gerhard A. Gesell, 701 Union Trust Building, Washington, D. C.
B. Transamerica Corp., 4 Columbus Avenue, San Francisco, Calif.
C. (2) Banking legislation.
D. (6) $750.
E. (4) $380.07; (6) $116.21; (7) $29.65; (8) $664.19; (9) $1,190.12; (15).[1]

A. Ernest Giddings, 1201 16th Street NW., Washington, D. C.
B. Legislation and Federal Relations Division of the National Education Association of the United States, 1201 16th Street NW, Washington, D. C.
C. (2) Bills pending before the Congress relating to public education.
D. (6) $1,404.75.
E. (7) $128.37; (9) $128.37.

A. William F. Giesen, 80 Broad Street, New York, N. Y.
B. Maritime Association of the Port of New York, 80 Broad Street, New York, N. Y.
D. (6) $4,250.
E. (9) $99.42.

A. Leif Gilstad, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW, Washington, D. C., and 130 North Wells Street, Chicago, Ill.

A. Hugh V. Gittinger, Jr., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Washington Real Estate Board, Inc., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
C. (2) All local measures affecting the District of Columbia are of interest.

A. George Goldstein, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio, and Machine Workers of America, 11 East 51st Street, New York, N. Y.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Support all legislation favorable to national peace, security, democracy, prosperity and the general welfare.
D. (6) $1,170.
E. (7) $260; (9) $260.

A. Nathaniel H. Goodrich, 1625 I Street NW., Washington, D. C.
B. American Jewish Committee, 386 Fourth Avenue, New York, N. Y.
D. (6) $162.49.
E. (7) $60.50; (9) $60.50.

A. Dr. H. T. Gordon, Post Office Box 2212, Washington, D. C.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
C. (2) H. R. 4471 and H. R. 4472.

A. Lawrence L. Gourley, 1757 K Street NW., Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
C. (2).[1]
D. (6) $375.

A. Government Employees' Council, American Federation of Labor, 100 Indiana Avenue NW., Washington, D. C.
C. (2) All legislation that affects Government employees.
D. (6) $5,650.98.
E. (2) $3,580.28; (4) $299.07; (5) $711.60; (6) $204.77; (8) $492.84; (9) $5,288.56; (15).[1]

A. Grain and Feed Dealers National Association, 100 Merchants Exchange Building, St. Louis, Mo.
C. (2) Legislation affecting the grain and feed trade.
E. (2) $217.70; (4) $2.78; (6) $3.02; (8) $4; (9) $227.50.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 318–418 Keith Building, Cleveland, Ohio.
C. (2) To promote general interests of locomotive firemen and enginemen.
D. (6) $1,545.
E. (2) $4,140.24; (5) $879.96; (6) $222.11; (7) $1,914.14; (8) $21.20; (9) $7,177.65; (15).[1]

A. Charles A. Grant, 1450 Broadway, New York, N. Y.
B. Silk and Rayon Printers & Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.
C. (2).[1] (3) National Parent-Teacher.

A. Ernest W. Greene, 723 Investment Building, Washington, D. C.
B. Hawaiian Sugar Planters' Association, Post Office Box 2450, Honolulu, T. H.
C. (2) Legislation to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

A. Francis T. Greene, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
C. (2) General legislative interest in support of legislation favorable to maintenance of the American merchant marine.
D. (6) $2,500.
E. (7) $287.84; (9) $287.84.

A. Jerry N. Griffin, 731 Washington Building Washington, D. C.
B. National Coal Association, Southern Building, Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Legislation which affects the coal industry.
D. (6) $1,425.

A. Warren Griffiths, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.[1]
D. (6) $1,050.
E. (6) $0.30; (7) $46.93; (9) $47.23.

A. Weston B. Grimes, 436 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
C. (2) Agriculture, the processing, transportation, import and export of the products thereof.
D. (6) $6,000.
E. (7) $165.97; (9) $165.97.

A. Carroll A. Gunderson, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
C. (2) Legislation affecting the banking industry.
D. (6) $466.
E. (4) $10; (6) $23; (7) $10; (8) $15; (9) $58.

A. John H. Gunn, Boatmen's Bank Building, St. Louis, Mo.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
C. (2) Legislative proposals which may or do affect western railroads.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
C. (2) Support legislation in the interest of seamen; oppose legislation detrimental to them.
D. (6) $312.
E. (7) $60.62; (9) $60.62.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
C. (2) Legislation affecting the maritime industry.
D. (6) $825.
E. (7) $456.22; (9) $456.22.

A. Hugh F. Hall, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2) Proposed legislation on the following matters has been supported or opposed: Price support, production and related legislation, agricultural research and education, agricultural services, pest control, farm credit, rural electrification, taxation, appropriations, social security.
D. (6) $1,016.63.
E. (7) $22.34; (9) $22.34.

A. Radford Hall, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $2,697.50.

A. E. C. Hallbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) All legislation pertaining to the postal service and the welfare of postal and Federal employees. (3) Federal News Service Bulletin.
D. (6) $3,354.12.
E. (7) $561.31; (9) $561.31.

A. Joseph J. Hammer, 26 Broadway, New York, N. Y.
B. Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y.
C. (2) Legislation of interest to the petroleum industry.
D. (6) $1,807.66.
E. (6) $30.40; (7) $652.26; (9) $682.66.

A. Harold F. Hammond, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Murray Hanson, 425 13th Street NW., Washington, D. C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D. C.
C. (2) Tax and other legislation affecting the securities business.
D. (6) $300.
E. (2) $97.50; (5) $150; (6) $42.94; (7) $98.72; (9) $389.16.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Ralph W. Hardy, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) General legislative interests: Those relating directly or indirectly to the radio and television broadcasting industry.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.
C. (2) Maritime matters.

A. T. Wade Harrison, 812 Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,650.
E. (7) $3; (9) $3.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, Inc., Empire State Building, New York, N. Y.
D. (6) $500.
E. (7) $82.46; (9) $82.46.

A. Stephen H. Hart, 520 Equitable Building, Denver, Colo.
B. National Live Stock Tax Committee, 515 Cooper Building, Denver, Colo.
C. (2) Interested in general livestock tax matters.
D. (6) $1,942.96.

A. Bernard C. Harter, 5402 Albemarle Street, Washington, D. C.
B. Dr. A. B. Baker, University Hospital, University of Minnesota, Minneapolis, Minn.
C. (2) Seek increased appropriations for research in neurology.
D. (6) $1,250.

A. Robert N. Hawes, 1145 19th Street NW., Washington, D. C.
B. Hardwood Plywood Institute, 600 South Michigan Avenue, Chicago, Ill.
C. (2) Legislation affecting business.
D. (6) $600.
E. (4) $50; (7) $24; (9) $74.

A. Robert N. Hawes and John A. Gosnell, 1145 19th Street NW., Washington, D. C.
B. United States Plywood Corp., 55 West 44th Street, New York, N. Y.
C. (2) Patents.
D. (6) $150.
E. (7) $15; (9) $15.

A. Robert N. Hawes, 1145 19th Street NW., Washington, D. C.
B. Woven Wood Fabric Industry—Columbia Mills, Inc.; Consolidated General Products, Inc.; Hough Shade Corp.; Warren Shade Co.; Williams Manufacturing Co.
C. (2) Tariff matters.
D. (6) $300.
E. (4) $75; (7) $25; (9) $100.

A. Paul M. Hawkins, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
D. (6) $3,750.
E. (7) $29.50; (9) $29.50.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
C. (2) Legislative proposals which may or do affect western railroads.

A. John C. Hazen, 808 Sheraton Building, Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (7) $33.15; (8) $1.25; (9) $34.40.

A. Health and Accident Underwriters Conference, 208 South La Salle Street, Chicago, Ill.
C. (2) Any and all matters pertaining to the business or policyholders of accident and health insurance.
E. (2) $52.68; (5) $8.72; (8) $3; (9) $64.40.

A. Patrick B. Healy, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. News for Dairy Co-ops; the Alert.
D. (6) $150.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.
C. (2).[1]

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners Association, 1133 20th Street NW., Washington, D. C.
C. (2) Legislation directly affecting the food-canning industry and opposition to any change in seasonal exemptions in the wage and hour law.
D. (6) $833.33.
E. (7) $158.41; (9) $158.41.

A. Kenneth G. Heisler, 907 Ring Building, Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, Washington, D. C.
C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing. Oppose legislation adverse to savings and loan associations. (3) National Letters; Report of Recommendations of Federal Legislative Committee to membership.
D. (6) $400.

A. William B. Henderson, 925 15th Street NW., Washington, D. C., Trade Association Executive.
B. Parcel Post Association, 925 15th Street NW., Washington, D. C.
C. (2) H. R. 73, H. R. 293, and S. 61 of 84th Congress.
D. (6) $4,814.63.
E. (1) $1,163.38; (3) $100; (5) $1,324.91; (8) $225.67; (9) $2,813.96.

A. Maurice G. Herndon, 1002 Washington Loan & Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y., and 1002 Washington Loan & Trust Building, Washington, D. C.
C. (2) Any legislation which affects directly or indirectly local property insurance agents. (3) The American Agency Bulletin.
D. (6) $318.
E. (7) $318; (9) $318.

A. Clinton M. Hester, 425 Shoreham Building, Washington, D. C.
B. Boston Wool Trade Association, Philadelphia Wool & Textile Association, National Wool Trade Association, 263 Summer Street, Boston, Mass.
C. (2) Any and all proposed legislation affecting the wool trade industry.
D. (6) $600.
E. (6) $37.65; (9) $37.65.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. National Association of Hot House Vegetable Growers, P. O. Box 659, Terre Haute, Ind.
C. (2) Any and all proposed legislation affecting the hot house vegetable industry.
D. (6) $500.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. United States Brewers Foundation, 535 Fifth Avenue, New York, N. Y.
C. (2) Any and all proposed legislation affecting the brewing industry.
D. (6) $5,000.
E. (6) $123.30; (9) $123.30.

A. Robert C. Hibben, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D. C.
C. (2) Legislation which may affect the ice cream industry.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $187.50.

A. Ray C. Hinman, 26 Broadway, New York, N. Y.
B. Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y.
C. (2) Legislation of interest to the petroleum industry.
D. (6) $1,519.95.
E. (6) $7.38; (7) $262.57; (9) $269.95.

A. Frank N. Hoffmann, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
C. (2) Support all legislation favorable to the national peace, security, democracy,

[1] Not printed. Filed with Clerk and Secretary.

prosperity, and general welfare. Oppose all legislation detrimental to these objectives.
D. (6) $3,000.
E. (7) $3,200; (9) $3,200.

A. Charles M. Holloway, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the Congress relating to public education.
D. (6) $216.60.
E. (7) $9; (9) $9.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., Americas Building, New York, N. Y.
D. (6) $2,500.

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $300.

A. Victor Hood, 4200 Clagett Road, Hyattsville, Md.
B. Journeymen Barbers, Hairdressers, Cosmetologists, and Proprietors International Union, 1141 North Delaware Street, Indianapolis, Ind.
C. (2).[1]
D. (6) $2,286.10.
E. (7) $556.10; (9) $556.10.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Chicago Bridge and Iron Co., 1305 West 105th Street, Chicago, Ill.
C. (2) Provisions of the internal revenue laws relating to the tax treatment of income derived from foreign sources.
D. (6) $250.
E. (6) $32.72; (7) $50.13; (9) $82.85.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Estate of Thomas C. Dennehy, deceased (Thomas C. Dennehy, Jr., et al., trustees under the last will and testament of Thomas C. Dennehy, deceased) 50 South La Salle Street, Chicago, Ill.
C. (2) Legislation affecting taxation of decedents' estates.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
C. (2) Provisions of the internal revenue laws relating to the tax treatment of income derived from foreign sources.
D. (6) $500.
E. (6) $10.27; (7) $66.84; (9) $77.11.

A. Donald E. Horton, 222 West Adams Street, Chicago, Ill.
B. American Warehousemen's Association (Merchandise Division).

A. Jesse V. Horton, Post Office Box 2013, Washington, D. C.
C. (2) All legislation affecting postal employees, including supervisors, and the postal service. (3) News Letters and the Postal Supervisor.
D. (6) $2,562.50.
E. (7) $184.59; (9) $184.59.

A. Mrs. Jency Price Houser, 1420 New York Avenue NW., Washington, D. C.
C. (2) National Housing Act. (3) Raestaff News Letter No. 7.

[1] Not printed. Filed with Clerk and Secretary.

D. (6) $1,248.36.
E. (1) $10; (2) $840; (4) $110.56; (5) $100; (6) $10; (7) $27.80; (8) $150; (9) $1,248.36.

A. S. H. Howard, 1414 Evergreen Avenue, Millvale, Pittsburgh, Pa.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.
C. (2) Legislation of interest to railway employees and labor in general.

A. Robert E. Howe, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
C. (2) Any and all legislation construed to be directly or indirectly beneficial or detrimental to the United Mine Workers of America and its members.
D. (6) $4,040.

A. William T. Huff, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans World Airlines, Kansas City, Mo.
C. (2) All legislation which might affect the operaiton of a certificated air carrier.
D. (6) $2,856.
E. (6) $0.80; (7) $286.40; (9) $287.20.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (2) $250.

A. John M. Hurley,[2] 515 Hoge Building, Seattle, Wash.
B. Washington Railroad Association, 515 Hoge Building, Seattle, Wash.

A. W. C. Hushing, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.
D. (6) $3,185.
E. (6) $24.95; (7) $293; (8) $60.05; (9) $378.

A. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
C. (2) Legislation affecting railroads.
E. (2) $825; (9) $825.

A. Independent Advisory Committee to the Trucking Industry, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. The Independent Bankers Association, Sauk Center, Minn.
C. (2) Banking legislation. (3) Reprints of Rayburn speech—Congressional Record.
D. (6) $53,064.21.
E. (2) $6,349.31; (4) $1,603.15; (5) $1,767.77; (6) $567.27; (9) $10,275.50.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $44,970.54.
E. (2) $7,200; (5) $375; (8) $145.44; (9) $7,720.44.

A. Independent Refiners Association of America, 201 Shoreham Building, Washington, D. C.
C. (2) The general legislative interests are such as may preserve the existence of independent refiners.

[2] Filed with the Secretary only.

A. Ingoldsby & Coles, 813 Washington Building, Washington, D. C.
B. Shipowners Association, Inc., 11 Broadway, New York, N. Y.
C. (2) Interested in amending existing shipping legislation in order to extend operating and construction differential subsidies to Amercan-flag vessels engaged in so-called tramp trades, and in other legislative matters affecting American-flag shipping.
E. (6) $54.03; (7) $169.32; (9) $223.35.

A. Kenneth Ingwalson, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2).[1]
D. (6) $247.50.
E. (9) $3.03.

A. International Trade Section, New York Board of Trade, Inc., 291 Broadway, New York, N. Y.
C. (2) Fostering the passage of legislation concerning guaranties against risk of nonpayment by foreign debtors due to currency inconvertibility, exchange transfer block, and other noncommercial hazards. (3).[1]
D. (6) $3,418.59.
E. (2) $963.10; (4) $286.59; (5) $4.85; (6) $161.31; (7) $96.92; (9) $1,512.77; (15).[1]

A. International Union of Electrical, Radio, and Machine Workers, 734 15th Street NW., Washington, D. C.
C. (2) Any and all legislation affecting the welfare and security of working men and women and their families.
E. (2) $1,425; (7) $95; (9) $1,520.

A. Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
C. (2).[1]
D. (6) $3,000.
E. (9) $10.55.

A. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
C. (2) Petitioner is interested in having the present Congress pass an act providing for a full judicial review of certain claims arising from French spoliations occurring prior to 1800.
E. (7) $110.43; (9) $110.43.

A. Ivins, Phillips & Parker, 306 Southern Building, Washington, D. C.
B. Remington Rand, Inc., 315 Fourth Avenue, New York, N. Y.

A. Robert C. Jackson, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
C. (2).[1]
D. (6) $1,575.
E. (7) $278.91; (9) $278.91.

A. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
C. (2) Legislation affecting persons of Japanese ancestry in the United States and Hawaii.
D. (6) $375.
E. (9) $300.

A. Ray L. Jenkins, 541 Washington Building, Washington, D. C.
B. Societe Internationale, Pour Participations Industrielles Et Commerciales, S. A., Peter Merianstr 19, Basle, Switzerland.
C. (2) Any legislation effecting the client.
E. (1) $76.58; (4) $6; (7) $71.29; (9) $154.87.

[1] Not printed. Filed with Clerk and Secretary.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 18th Street NW., Washington, D. C.
C. (2) General interest in matters affecting ice industry.

A. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
C. (2) Tax, highway, foreign trade, and school legislation.
E. (2) $1,250; (8) $666.67; (9) $1,916.67.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Reuben L. Johnson, Jr., 1404 New York Avenue NW., Washington, D. C.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,236.25.
E. (7) $47.50; (9) $47.50.

A. W. D. Johnson, 10 Independence Avenue SW., Washington, D. C.
B. (Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.
C. (2) All legislation directly and indirectly affecting the interests of labor generally and employees of carriers under the Railway Labor Act, in particular.

A. J. M. Jones, 414 Pacific National Life Building, Salt Lake City, Utah.
B. National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) Opposed extension of Trade Agreement Act and amendment of Tariff Act of 1930.
D. (6) $3,125.
E. (6) $173.21; (7) $1,172.15; (8) $446.94; (9) $1,792.30.

A. Lyle W. Jones, 501 13th Street NW., Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
C. (2) Interested in all legislation affecting the pottery industry.
D. (6) $2,500.
E. (5) $245.05; (6) $174.94; (7) $21.70; (8) $261.01; (9) $702.70.

A. Phillip E. Jones, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
C. (2) Interested in any legislation affecting sugar.
D. (6) $4,250.

A. Rowland Jones, Jr., 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2).[1]
D. (6) $3,000.
E. (7) $235.88; (9) $235.88.

A. Journeymen Barbers, Hairdressers, Cosmetologists and Proprietors International Union of America,[2] 1141 North Delaware, Indianapolis, Ind.
C.[1]
E. (2) $2,286.10; (9) $2,286.10.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry and its customers.
D. (6) $2,750.
E. (7) $546.54; (9) $546.54.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting the petroleum industry in the District of Columbia.
D. (6) $300.
E. (7) $96.01; (9) $96.01.

A. Kimon T. Karabatsos, 3707 Woodley Road NW., Washington, D. C.
B. Niobrara River Basin Development Association, 3707 Woodley Road NW., Washington, D. C.
C. (2) Irrigation.
D. (6) $1,000.
E. (6) $11.20; (7) $73.40; (9) $84.60.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington D. C.
C. (2) All legislation pertaining to postal and Federal employees.
D. (6) $1,374.

A. Joseph Duff Kelly, 30 Broad Street, New York, N. Y.
B. Committee for Study of Revenue Bond Financing, 44 Wall Street, New York, N. Y.
C. (2).[1]
D. (6) $2,000.

A. Miss Elizabeth A. Kendall, 23 West Irving, Chevy Chase, Md.
C. (2) Any legislation related directly or indirectly to the development of the Antarctic Continent, such as that regarding geopolitical decisions, inventions, transportation, communications, equipment, long-range planning, exploitation of natural resources, etc., in the interest of all United States taxpayers and world peace and prosperity; H. J. Res. 25, fer.
E. (4) $5; (6) $10; (9) $15.

A. I. L. Kenen, 302 Beechwood Road, Alexandria, Va.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
C. (2) Favors economic and technical assistance to Israel and other states in the Near East.
D. (6) $583.33.
E. (6) $26.51; (7) $1,521.59; (8) $4.26; (9) $1,552.36.

A. Harold L. Kennedy, 203 Commonwealth Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
C. (2) Generally interested in all legislative matters that would affect the oil and gas industry.
D. (6) $500.
E. (2) $125; (5) $75; (7) $37; (9) $237.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2).[1] Legislative Bulletin and American Legion magazine.
D. (6) $3,100.
E. (6) $13.80; (7) $55.50; (8) $69.45; (9) $138.75.

A. Omar B. Ketchum, 610 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
C. (2)[1]; (3) VFW magazine (Foreign Service), and VFW Legislative Newsletter.
D. (6) $3,000.
E. (7) $256.85; (9) $256.85.

A. Jeff Kibre 930 F Street NW., Washington, D. C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
C. (2) General interest in legislation affecting trade unions and their members.
D. (6) $619.02.
E. (2) $300; (5) $179.76; (6) $84.68; (3) $53.35; (9) $617.79.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
C. (2) Matters affecting meat packers.
D. (6) $875.01.
E. (7) $262.23; (9) $262.23.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) Matters affecting meat packers.
D. (6) $127.50.
E. (7) $57.50; (9) $57.50.

A. H. Cecil Kilpatrick, 912 American Security Building, Washington, D. C.
B. Minot, DeBlois & Maddison, 294 Washington Street, Boston, Mass.
C. (2) Enactment of H. R. 4392, to tax real-estate investment trusts like security investment trusts.
E. (6) $13.03; (7) $34.89; (8) $1.25; (9) $49.17.

A. Joseph William Kinghorne, 1365 Iris Street NW., Washington, D. C.
B. Lynnes Publishing Co., 1230 Washington Street, Chicago, Ill.
C. (2) Interest in any legislation that may tend to affect the production and/or marketing of commercial broilers.
D. (6) $300.

A. Bill Kirchner, Sauik Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
C. (2) Banking legislation.
D. (6) $2,124.96.

A. Clifton Kirkpatrick, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, P. O. Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw-cotton industry as will promote the purposes for which the council is organized.
D. (6) $360.
E. (7) $31; (9) $31.

A. Rowland F. Kirks, 1800 H Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1800 H Street NW., Washington, D. C.
C. (2) Any legislation affecting retail new automobile and truck dealers.
D. (6) $4,038.
E. (6) $125.25; (7) $220.40; (9) $345.65.

A. C. W. Kitchen, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.
C. (2) Interested in any legislation affecting the marketing and distribution of fresh fruits and vegetables, directly or indirectly.

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[1] Not printed. Filed with Clerk and Secretary.
[2] Filed with the Clerk only.

[1] Not printed. Filed with Clerk and Secretary.

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UNIVERSITY OF MICHIGAN LIB

A. Clarence C. Klocksin, 2623 North Van Dorn Street, Alexandria, Va.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Taxation, antitrust laws, etc.
D. (6) $6,000.
E. (3) $10; (4) $4.50; (6) $6.50; (7) $260; (8) $11; (9) $300.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Robert M. Koch, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.
E. (7) $36; (9) $36.

A. John T. Koehler,[2] 1039 Investment Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. American Eastern Corporation, 30 Rockefeller Plaza, New York, N. Y.
C. (2) For Mutual Security Act of 1954.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. Silk & Rayon Printers & Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.
C. (2) Seek enactment of a law creating a regulatory commission.

A. Edith C. Krogh, 130 North Wells Street, Chicago, Ill.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
C. (2) Legislation affecting the gas and electric industry.
D. (6) $3,503.21.
E. (7) $4,100.12; (8) $1,002.39; (9) $5,102.51.

A. Catherine C. Kuhne, 1701 Sixteenth Street NW., Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.
C. (2) Equal rights amendment and Trade Agreements Extension Act of 1955. (3) Independent Woman.

A. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
C. (2) Legislation affecting the maritime industry.
D. (6) $6,304.97.
E. (2) $4,076.56; (4) $16.80; (5) $491.48; (6) $58.74; (7) $1,738.44; (8) $481.25; (9) $6,863.27.

A. Lake Carriers' Association,[2] 305 Rockefeller Building, Cleveland, Ohio.

A. A. M. Lampley, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
C. (2) Urging passage of legislation favorable to the interests of railroad labor, and opposing inimical legislation.
D. (6) $2,750.

A. Fritz G. Lanham, 2737 Devonshire Place, NW., Washington, D. C.
B. American Fair Trade Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $500.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $2,000.

A. Fritz G. Lanham, 2737 Devonshire Place, NW., Washington, D. C.
B. State Tax Association, Post Office Box 2559, Houston, Tex.
C. (2).[1]

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc. 1308 Commercial Standard Bldg., Fort Worth, Tex.
D. (6) $1,275.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y.
C. (2) H. R. 1, H. R. 2850, H. R. 4896.
D. (6) $1,500.
E. (5) $3,176.04; (7) $93.29; (8) $10.81; (9) $3,280.14.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) H. R. 1, H. R. 2850, H. R. 4896.
D. (6) $4,500.
E. (5) $3,176.04; (6) $27.79; (7) $254.90; (8) $40.79; (9) $3,499.52.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $7,500.
E. (9) $9.40.

A. John G. Laylin and Wallace G. Dempsey, 701 Union Trust Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
C. (2) Settlement of the unsatisfied claims arising from the requisitioning of 40 Danish vessels by the United States Government in 1941.
E. (2) $13.71; (4) $64.15; (6) $19.69; (7) $954.56; (8) $25.50; (9) $1,077.61.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
C. (2) Legislation affecting the United States merchant marine. (3).[1]
D. (6) $4,500.
E. (2) $1,910.71; (4) $2,249.44; (6) $139.03; (7) $487.78; (8) $2,171.24; (9) $6,958.20.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) Legislation affecting the importation by the United States of sugar produced in Cuba and trade between the United States and Cuba.
D. (6) $1,527.05.
E. (6) $3.70; (8) $23.35; (9) $27.05.

A. James R. Lee, 604 Albee Building, 1426 G Street NW., Washington, D. C.
B. Water Heater Division, Gas Appliance Manufacturers Association, 60 East 42d Street, New York, N. Y.
C. (2) In general, legislation which concerns water-heater manufacturers, particularly the excise tax.
D. (6) $1,500.
E. (4) $27.75; (5) $285; (6) $12.07; (7) $32.11; (8) $15.25; (9) $372.18.

A. Legislation-Federal Relations Division of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before Congress relating to public education. (3) Washington Outlook on Education and Flash.
E. (2) $2,353.60; (4) $1,704.67; (5) $362.35; (6) $649.52; (7) $2,947.03; (9) $8,017.17; (15).[1]

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation relating to foreign economic policy.
D. (6) $4,529.
E. (2) $1,212.50; (4) $529.37; (5) $28.55; (8) $24.25; (9) $1,794.67.

A. G. E. Leighty, 10 Independence Avenue SW., Washington, D. C.
C. (2) All legislation of interest to railroad employees.

A. Mrs. Newton P. Leonard, 341 Sharon Street, Providence, R. I.
C. (2).[1] (3) National Parent-Teachers.

A. Dr. William N. Leonard, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
C. (2) Transportation legislation.
D. (6) $1,335.

A. Liaison Committee of the Mechanical Specialty Contracting Industries, 610 Ring Building, Washington, D. C.
C. (2) Passage of beneficial legislation concerning fair bidding procedures.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y., and 1701 K Street NW., Washington, D. C.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $6,717.23.
E. (2) $4,566.41; (5) $1,943.88; (6) $171.40; (7) $35.54; (9) $6,717.23.

A. Leo F. Lightner, 717 National Press Building, Washington, D. C.
B. Engineers and Scientists of America, Munsey Building, Washington, D. C.
C. (2) Any legislation affecting the interests of professional engineers and other members of affiliated units.

A. L. Blaine Liljenquist, 917 15th Street NW., Washington, D. C.
B. E. F. Forbes, president and general manager, Western States Meat Packers Association, Inc., San Francisco, Calif.
C. (2).[1] (3).[1]
D. (6) $2,875.02.
E. (4) $42.93; (7) $10.05; (9) $52.98.

A. John W. Lindsey, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc., 1625 K Street NW., Washington, D. C.
C. (2) Legislation relating to investment banking or securities business. (3).[1]
D. (6) $375.

A. Miss Esther Lipsen, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.

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[1] Not printed. Filed with Clerk and Secretary.

[2] Filed with the Secretary only.
[3] Filed with the Clerk only.

C. (2) Transportation legislation.
D. (6) $800.
E. (6) $25; (7) $175; (9) $200.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2).[1]
D. (6) $750.
E. (6) $7.38; (7) $126.17; (8) $30.05; (9) $163.60.

A. Norman M. Littell and Charles J. Alexander, 1826 Jefferson Place NW., Washington, D. C.
B. The Navaho Tribe of Indians residing in Arizona, Utah, New Mexico, and Colorado; address of Superintendent, Window Rock, Ariz.
C. (2) All legislation pertaining to the Navahos.
D. (6) $5,000.
E. (4) $17.91; (8) $10; (9) $27.91.

A. John M. Littlepage, 840 Investment Building, 15th and K Streets NW., Washington, D. C.
B. The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y.
C. (2) Any legislation affecting a company engaged in the manufacture and sale of tobacco products; also technical changes covering method of payment for excise taxes on tobacco products.

A. Gordon C. Locke, 418 Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, 35 East Wacker Drive, Chicago, Ill.
C. (2) Legislation favorable to the pipeline industry.
D. (6) $5,000.

A. Charles E. Lofgren, 522 Rhode Island Avenue NE., Washington, D. C.
B. Fleet Reserve Association, 522 Rhode Island Avenue NE., Washington, D. C.
C. (2) For Career Incentive Pay Act.
D. (6) $2,000.

A. Benjamin H. Long, 2746 Penobscot Building, Detroit, Mich.
B. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
C. (2) General interest in legislation for payroll deductions for Federal employees, war damage, economic controls, taxation of fringe benefits, health programs for Federal employees, and hospital and health matters.
D. (6) $1,500.
E. (6) $103.26; (7) $569.63; (8) $8.84; (9) $681.73.

A. Leonard Lopez, 1029 Vermont Avenue NW., Washington, D. C.
B. District No. 44, I. A. of M., 1029 Vermont Avenue NW., Washington, D. C.
C. (2) Legislation affecting working conditions of Government employees and incidentally organized labor in general.
D. (6) $1,749.99.
E. (7) $15.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York, N. Y.
C. (2) Legislation having relation to World War I claims.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. S. A. Healy Co., 61 Westchester Avenue, White Plains, N. Y.
C. (2) S. 1762.

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A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street, Washington, D. C.
C. (2) Legislation affecting canning of food products.
D. (6) $375.
E. (7) $375.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Acacia Mutual Life Insurance Co., Washington, D. C.
C. (2) Interested in aiding the company in connection with Federal tax matters affecting life insurance companies.
D. (6) $750.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
C. (2) General legislation affecting the finance industry.
D. (6) $1,250.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Cook Electric Co., 2700 Southport Avenue, Chicago, Ill.
C. (2) General legislation affecting company's interests.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Mobile Homes Manufacturers Asso., 20 North Wacker Drive, Chicago, Ill.
C. (2) General legislation affecting mobile homes.
D. (6) $1,000.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Revere Copper & Brass Inc., 230 Park Avenue, New York, N. Y.
C. (2) Interested in enactment of legislation providing for continuation of suspension of certain import taxes on copper.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Adolph von Zedlitz, 60 Sutton Place, South, New York, N. Y.
C. (2) Legislation to amend the Trading With the Enemy Act.

A. Frederick Lukens, 1129 Vermont Avenue NW., Washington, D. C.
B. Education Association of the District of Columbia and Columbian Educational Association, 1129 Vermont Avenue NW., Washington, D. C.
C. (2) In favor of S. 1093, revision of public school salaries; against S. 1505; District of Columbia public school personnel salary increase.
D. (6) $150.

A. Gerald J. Lynch, 3000 Schaefer Road, Dearborn, Mich.
B. Ford Motor Co., Dearborn, Mich.

A. John C. Lynn, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2).[1]
D. (6) $2,593.76.
E. (7) $55.97.

A. A. E. Lyon, 10 Independence Avenue SW., Washington, D. C.
B. Railway Labor Executives Association, 10 Independence Avenue, Washington, D. C.
C. (2) Any legislation affecting labor—especially railroad labor.
D. (6) $750.

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A. Avery McBee, 610 Shoreham Building, Washington, D. C.
B. Hill & Knowlton, Inc., Aircraft Industries Association.
C. (2) Legislation affecting aviation, the steel industry and other industries.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
C. (2).[1]
D. (6) $500.

A. John A. McCart, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to Federal Government employees and District of Columbia Government employees.
D. (7) $1,803.83.
E. (7) $38.40.

A. Frank J. McCarthy, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.
C. (2) Legislation affecting the interests of the Pennsylvania Railroad Co.[1]
D. and E.[1]

A. J. L. McCaskill, 1201 Sixteenth Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations, National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.
C. (2) Bills pending before the Congress relating to public education.
D. (6) $550.
E. (7) $197.26.

A. McClure & Updike, 626 Washington Building, Washington, D. C.
B. Iron Ore Lessors Association, Inc., First National Bank Building, St. Paul, Minn.
C. (2) Amendments of Internal Revenue Code.
E. (6) $14.79; (7) $2,050; (8) $4.60; (9) $2,069.39.

A. Angus McDonald, 1404 New York Avenue NW., Washington, D. C.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,555.55.
E. (7) $277.75.

A. McDonnell & Slattery, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2).[1]

A. Joseph A. McElwain, 500 Main Street, Deer Lodge, Mont.
B. Montana Power Co., Butte, Mont.
C. (2) All legislation affecting Montana Power Co.
D. (6) $681.25.
E. (6) $37.80; (7) $959.91; (9) $997.71.

A. A. J. McFarland,[2] 126 North Eighth Street, Sterling, Kans.
B. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
C. (3) The Christian Patriot.
D. (6) $810.
E. (9) $300.

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[1] Not printed. Filed with Clerk and Secretary.
[2] Filed with the Clerk only.

A. Charles T. McGavin, 711 14th Street NW., Washington, D. C.
B. National Parking Association, Inc., 711 14th Street NW., Washington, D. C.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.
B. Taxpayers, U. S. A., 4012 14th Street NW., Washington, D. C.
C. (2).[1]

A. M. C. McKercher, 3860 Lindell Boulevard, St. Louis, Mo.
B. The Order of Railroad Telegraphers, O. R. T. Building, St. Louis, Mo.
C. (2) Legislation affecting the welfare of railroad employees.

A. Joseph V. McLaughlin, 1503 H Street NW., Washington, D. C.
B. Railway Express Agency, Inc., 219 E. 42d Street, New York, N. Y.
C. (2) Any legislation in connection with parcel post.
D. (6) $5,333.
E. (7) $512.82.

A. W. H McMains, 1132 Pennsylvania Building, Washington, D. C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D. C.
C. (2) Legislation affecting the domestic distilling industry.

A. Ralph J. McNair, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.[1]
D. (6) $268.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. American Optometric Association, care of Dr. Hoyt S. Purvis, 212 East Washington Avenue, Jonesboro, Ark.
C. (2).[1]
D. (6) $2,475.
E. (6) $6.90; (8) $4.75; (9) $11.65.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. John J. Braund, 900 Alabama Avenue SE., Washington, D. C.
C. (2) H. R. 4549, a bill for the relief of John J. Braund.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. Frankel Brothers, 521 5th Avenue, New York, N. Y.
C. (2) Legislation amending the internal revenue law.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Confectioners' Association, 221 North La Salle Street, Chicago, Ill.
C. (2) Any legislative proposals affecting the confectionery industry.
D. (6) $3,000.
E. (8) $518.20.

A. W. Bruce Macnamee, 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
C. (2) Support of legislation favorable to the American merchant marine.
D. (6) $987.55.
E. (7) $573.22.

[1] Not printed. Filed with Clerk and Secretary.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the members of the above-named trade association.
D. (6) $600.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Coal Association, Southern Building, Washington, D. C.
C. (2) All legislation affecting the members of the above-named trade association.
D. (6) $2,600.
E. (6) $64.60; (7) $136.50; (9) $201.10.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. Southern Pine Industry Committee, post office box 1170, New Orleans, La.
C. (2) All legislation affecting the members of the above-named trade association.
D. (6) $375.

A. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
C. (2) Legislation affecting the chemical industry.[1]
D. (6) $2,375.
E. (1) $500; (8) $1,875; (9) $2,375.

A. Mrs. Olya Margolin, 1637 Massachusetts Avenue NW., Washington, D. C.
B. National Council of Jewish Women, Inc., 1 West 47th Street, New York, N. Y.
D. (6) $1,625.78.
E. (9) $85.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
C. (2) Any and all legislation construed to be directly or indirectly beneficial or detrimental to the United Mine Workers of America and its members.[1]
D. (6) $3,290.

A. Rodney W. Markley, Jr., 1200 Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,350.
E. (5) $870; (6) $181; (9) $1,051.

A. Winston W. Marsh, 1012 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.
C. (2) Bills affecting independent tire dealers. (3) Dealer News.

A. Fred T. Marshall, 1112–18 19th Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.
C. (2) Legislation affecting and of interest to the B. F. Goodrich Co.

A. Edwin G. Martin, 717 National Press Building, Washington, D. C.
B. Morton Co., Worcester, Mass.
C. (2) Tariff status of silicon carbide.
D. (6) $6,000.
E. (6) $6.44; (7) $4.06; (9) $10.50.

A. Mike M. Masaoka, 1737 H Street NW., Washington, D. C.
B. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Japanese evacuation claims bills and appropriations thereto.

A. Mike M. Masaoka, 1737 H Street NW., Washington, D. C.
B. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
C. (2) Legislation affecting persons of Japanese ancestry in the United States and Hawaii.
D. (6) $300.
E. (8) $15; (9) $15.

A. Walter J. Mason, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of our country generally, and specifically bills affecting workers.
D. (6) $2,795.
E. (6) $33.10; (7) $251; (8) $69.90; (9) $354.

A. P. H. Mathews, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $2,485.33.
E. (7) $383.24; (9) $383.24.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D. C.
B. National Association of Waste Material Dealers, Inc., 271 Madison Avenue, New York, N. Y.
C. (2) All legislation pertaining to or affecting the waste-materials industry.
D. (6) $150.
E. (4) $46.35; (6) $3.21; (7) $4.12; (9) $53.68.

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills relating to health and welfare. (3) Informational bulletins.
D. (6) $650.
E. (7) $26.35; (9) $26.35.

A. Medical Association of the State of Alabama, Montgomery, Ala.
C. (2) All health matters covered by legislative action.
E. (2) $1,800; (4) $225; (9) $2,025.

A. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.
C. (2) Interested in legislation pertaining to the practice of medicine and all related services and that affecting the public health, including the extension of social security into the field of the practice of medicine. (3) Medical Annals of the District of Columbia.

A. William R. Merriam, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
C. (2) Transportation legislation.
E. (6) $35; (7) $45; (9) $80.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
C. (2) Proposed legislation of interest to members of Florida Railroad Association.
D. (6) $1,875.

A. Ross A. Messer, 724 Ninth Street NW., Washington, D. C.
B. National Association of Post Office and General Services Maintenance Employees, 724 Ninth Street NW., Washington, D. C.
C. (2) All beneficial legislation affecting custodial employees of the Post Office and General Services Administration. (3) The Post Office and General Services Maintenance News.
D. (6) $700.
E. (7) $179.21; (8) $115.84; (9) $295.05.

A. J. T. Metcalf, 1002 L. & W. Building, Louisville, Ky.
C. (2) General legislation.
E. (7) $240.01; (9) $240.01.

A. Clarence R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States of America.

A. Milk Industry Foundation, 1625 I Street NW, Washington, D. C.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Sierra Talc & Clay Co., Post Office Box 390, South Pasadena, Calif.
C. (2) Provisions of H. R. 8300 covering percentage depletion of talc.
D. (6) $3,750.
E. (6) $14.79; (9) $14.79.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Dallas (Tex.) Chamber of Commerce.
C. (2) General legislation affecting Dallas and Texas, such as appropriations and revenue bills.
D. (6) $1,500.
E. (2) $25; (5) $42.46; (6) $63.40; (7) $670.78; (8) $98.36; (9) $900.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Intracoastal Canal Association of Louisiana and Texas, 1028 Electric Building, Houston, Tex.
C. (2) For adequate river and harbor authorizations and appropriations.
D. (6) $2,250.
E. (6) $36.31; (7) $53.64; (9) $89.95.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.
C. (2) General legislation affecting sulfur industry.
D. (6) $2,250.
E. (5) $877.37; (6) $33.52; (7) $700.70; (8) $13.50; (9) $1,675.09.

A. Joseph L. Miller, 1025 Connecticut Avenue, Washington, D. C.
B. National Association of Cotton Manufacturers, Boston, Mass., and Abitibi Power & Paper Co., Ltd., Toronto, Canada.
C. (2) All legislation of concern to cotton textile industry.
D. (6) $3,000.
E. (8) $707.13; (9) $707.13.

A. Seymour S. Mintz, William T. Plumb, Jr., and Robert K. Eifler, 810 Colorado Building, Washington, D. C.
B. John H. Davis, Harriett O. Davis, Harry Handley Cloutier, Elinor S. Cloutier, estate of Henri H. Cloutier, deceased, Harry M. Cloutier, executor, Margaret S. Cloutier, Seattle, Wash.
C. (2) Tax legislation.
D. (6) $5,500.
E. (6) $48.19; (8) $5.10; (9) $53.29.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Eifler, and Richard A. Mullens, 810 Colorado Building, Washington, D. C.
B. Hughes Tool Co., Houston, Tex.
C. (2) Revision of Internal Revenue Code of 1954.
E. (8) $0.18; (9) $0.18.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $1,250.
E. (7) $8.05; (9) $8.05.

A. F. E. Mollin, 515 Cooper Building, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
C. (2) Matters pertaining to cattle industry.
D. (6) $4,400.
E. (6) $27.22; (7) $276.83; (8) $26.50; (9) $330.55.

A. Donald Montgomery, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) Any and all bills and statutes of interest to the hotel industry.
D. (6) $2,000.
E. (7) $343.45; (9) $343.45.

A. George W. Morgan, 76 Beaver Street, New York, N. Y.
B. Association of American Shipowners, 76 Beaver Street, New York, N. Y.
C. (2) Legislation with respect to maritime matters and transportation.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Robert A. Drum, Omaha, Nebr.
C. (2) Legislation affecting the excise tax on beer.
D. (6) $600.
E. (7) $15.25; (8) $2.50; (9) $17.75.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D .C.
B. Pickett Development Committee, Blackstone, Va.
C. (2) Legislation affecting the disposition of Camp Pickett, Va.
D. (6) $1,500.
E. (6) $2.64; (9) $2.64.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. The Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N. Y.
C. (2) Any legislation affecting employer.
E. (2) $400; (4) $7.65; (5) $0.80; (6) $1.20; (7) $6; (9) $415.65.

A. The Morris Plan Corporation of America, 103 Park Avenue, New York, N. Y.
C. (2) Bank holding company bills and similar legislation.
E. (4) $7,148.20; (7) $377.69; (8) $504.25; (9) $8.030.14.

A. Giles Morrow, 1111 E Street NW., Washington, D. C.
B. Freight Forwarders Institute.
C. (2) Any legislation affecting freight forwarders.
D. (6) $4,375.03.
E. (5) $43.39; (6) $4.68; (7) $15.44; (9) $63.51.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Any legislation of interest to the aircraft manufacturing industry.
D. (6) $3,750.
E. (7) $918.04; (9) $918.04.

A. William J. Mougey, 802 Cafritz Building, Washington, D. C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
C. (2) Legislative interests are those of employer.

A. Allen P. Mullinnix, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2).[1] (3) The Retired Officer.
D. (6) $1,200.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union & Metal Trade Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
C. (2) All legislation affecting A. F. of L. Union members employed on the Canal Zone.
D. (6) $1,800.
E. (3) $249.05; (5) $93.54; (6) $120.81; (7) $947.84; (9) $1,411.24.

A. Walter J. Munro, Hotel Washington, Washington, D. C.
B. Brotherhood of Railroad Trainmen.
C. (2) In the interest of favorable labor legislation.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.
B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.
C. (2) Legislative interest of employer is to promote the welfare of its policyholders and prevent discrimination against the chiropractic profession.
D. (6) $300.
E. (8) $300; (9) $300.

A. Ray Murphy, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Co., 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $112.50.

A. J. Walter Myers, Jr., Post Office Box 7284, Station C, Atlanta, Ga.
B. Forest Farmers Association Cooperative, P. O. Box 7284, Station C, Atlanta, Ga.
C. (2) 1956 Department of Interior and related agencies appropriations bill. (3) The Forest Farmer .
E. (6) $2; (7) $86.62; (9) $88.62.

A. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.
D. (6) $1,874.86.
E. (2) $1,500; (4) $200.41; (5) $138.45; (7) $36; (9) $1,874.86.

A. National Association and Council of Business Schools, 601 13th Street NW., Washington 5, D. C.
C. (2) Legislation concerning education of all kinds particularly bills relative to GI education for Korean Veterans.
D. (6) $8,205.77.
E. (2) $1,200; (6) $33.24; (8) $51; (9) $1,284.24.

A. National Association of Direct Selling Cos., 163-165 Center Street, Winona, Minn.
C. (2).[1]
D. (6) $13,793.75.
E. (4) $79.76; (9) $79.76.

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[1] Not printed. Filed with Clerk and Secretary.

A. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.
C. (2).[1]
D. (6) $98,417.22.
E. (1) $2,532.91; (2) $22,456.79; (4) $648.91; (5) $1,602.78; (6) $406.42; (7) $1,153.34; (8) $809.14; (9) $29,610.29.

A. National Association of Frozen Food Packers, 1415 K Street NW., Washington, D. C.

A. The National Association of Independent Tire Dealers, Inc., 1012 14th Street NW., Washington, D. C.
C. (2) Statutes or bills which affect the interests of independent tire dealers. (3) Dealer news.
D. (6) $30.61.
E. (4) $30.61; (9) $30.61.

A. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.
C. (2) Any legislation which affects, directly or indirectly, local property insurance agents.
D. (6) $3,070.25.
E. (2) $3,489.24; (5) $601.75; (6) $275.37; (7) $318; (8) $119.60; (9) $4,803.96.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
C. (2) All legislation pertaining to postal and Federal employees.
D. (6) $330,710.59.
E. (1) $600; (2) $3,600; (4) $336.40; (6) $974.19; (9) $5,510.59.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
C. (2) Legislation which mutual savings banks have an interest in supporting or opposing.
D. (6) $128.77.
E. (2) $86; (4) $39.77; (8) $3; (9) $128.77.

A. National Association of Post Office and General Services Maintenance Employees, 724 Ninth Street NW., Washington, D. C.
C. (2) Beneficial legislation affecting postal employees and General Services employees. (3) The Post Office and General Services Maintenance News.
D. (6) $14,122.42.
E. (2) $893.73; (4) $183.33; (5) $155; (6) $47.89; (7) $179.21; (8) $115.84; (9) $1,575.

A. National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C.
C. (2) All legislation affecting postal employees, including supervisors, and the postal service. (3) News Letters and The Postal Supervisor.
D. (6) $10,951.96.
E. (2) $2,562.50; (4) $4,246.96; (5) $300; (6) $400; (7) $184.59; (9) $7,694.05.

A. National Association of Postmasters of the United States, 1111 17th Street NW., Washington, D. C.
C. (2) Legislation appertaining to the United States postmasters.
D. (6) $57,756.45.
E. (2) $1,200; (5) $6; (9) $1,206.

A. National Association of Soil Conservation Districts, League City, Tex.
C. (2).[1]
D. (6) $1,478.37.
E. (4) $193.33; (7) $300; (9) $493.33.

[1] Not printed. Filed with Clerk and Secretary.

A. National Association of Storekeeper-Gaugers, 1218 Locust Avenue, Baltimore, Md.
C. (2) Legislation affecting Federal classified employees, and that in particular which would affect United States Storekeeper-Gaugers.
D. (6) $444.70.
E. (2) $1,000; (9) $1,000.

A. National Association of Travel Organizations, 1424 K Street NW., Washington, D. C.
C. (2) Legislation affecting the welfare of the travel industry.
D. (6) $9,356.49.
E. (1) $180; (2) $375; (4) $22.50; (5) $90; (6) $15; (9) $682.50.

A. National Canners Association, 1133 20th Street NW., Washington, D. C.
C. (2) Legislation directly affecting the food canning industry and opposition to any change in seasonal exemptions in the wage and hour law.
D. (6) $203,853.57.
E. (2) $1,583.33; (4) $285.80; (7) $1,177.73; (8) $8.45; (9) $3,055.31.

A. National Coal Association, 802 Southern Building, Washington, D. C.
C. (2) All measures affecting bituminous coal industry.

A. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation as to the taxation of the income of fire and casualty insurance companies. (3) A Proposal for Federal Income Taxation of Fire and Casualty Insurance Companies and Your Part in Fair Share Taxation of Fire and Casualty Insurance Companies.
D. (6) $8,730.
E. (2) $6,593.48; (8) $139.04; (9) $6,732.52.

A. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street NW., Washington, D. C.
C. (2) Parcel post size and weight limitations.
D. (6) $900.
E. (2) $975; (4) $244.44; (5) $4.34; (6) $4.06; (7) $108.21; (8) $53.80; (9) $1,389.85.

A. National Committee of Shippers and Receivers, 100 West 31st Street, New York, N. Y.
C. (2) Section 402 (c) of the Interstate Commerce Act.
D. (6) $150.
E. (6) $1.63; (9) $1.63.

A. National Conference for Repeal of Taxes on Transportation, Mathieson Building, Baltimore, Md.
C. (2) Legislation which will repeal the existing excise taxes on the transportation of persons and property.
D. (6) $720.26.
E. (2) $27; (9) $27.

A. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) Legislation affecting the raw cotton industry.
D. (6) $2,899.35.
E. (2) $2,045.14; (5) $199.80; (6) $14.34; (7) $640.07; (9) $2,899.35.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.
C. (2) All legislation relating to the postal service.
D. (6) $1,440.87.
E. (1) $975; (4) $10.71; (6) $4.39; (7) $376.85; (8) $73.92; (9) $1,440.87; (15).[1]

[1] Not printed. Filed with Clerk and Secretary.

A. National Economic Council, Inc., Empire State Building, New York, N. Y.
C. (2) Legislation that tends to support private enterprise and maintain American independence.
D. (6) $2,319.72.
E. (2) $500; (4) $1,423.30; (5) $100; (6) $25; (7) $82.46; (8) $25; (9) $2,155.76.

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.
C. (2).[1] (3) Newsletter and Qualified Contractor.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
C. (2) Legislation with respect to imports of electrical products into the United States and safety devices for household refrigerators and freezers.
D. (6) $529.30.
E. (2) $84.30; (4) $378.17; (7) $66.83; (9) $529.30.

A. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.
C. (2).[1] (3) Independent Woman.
D. (6) $188.94.
E. (2) $833.32; (4) $77.25; (5) $250; (6) $84; (8) $79.40; (9) $1,323.97.

A. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
C. (2) All legislation pertaining to postal service and the welfare of postal and Federal employees. (3) The Union Postal Clerk and Federation News Service Bulletin.
D. (6) $167,320.50.
E. (1) $600; (2) $7,506.60; (4) $9,120.99; (5) $380; (6) $1,663.40; (8) $3,326.44; (9) $22,597.45; (15).[1]

A. National Food Brokers Association, 527 Munsey Building, Washington, D. C.
C. (2).[1]
D. (6) $1,339.50.
E. (2) $1,000; (4) $309.50; (5) $30; (9) $1,339.50; (15).[1]

A. National Housing Conference, 1129 Vermont Avenue NW., Washington, D. C.
C. (2) Housing legislation.
D. (6) $16,606.38.
E. (2) $7,108.07; (3) $43; (4) $1,648.98; (5) $1,238.59; (6) $411.04; (7) $665.65; (8) $3,505.16; (9) $14,620.49; (15).[1]

A. National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) Matters affecting meat packers.
D. (6) $1,259.12.
E. (2) $528.09; (3) $15; (4) $114.01; (5) $95.35; (6) $37.51; (7) $127.07; (8) $81.39; (9) $998.42; (15).[1]

A. National Institute of Diaper Services, Inc., 67 West 44th Street, New York, N. Y.
C. (2) Legislative interest to secure deductions for income-tax purposes for amounts paid for antiseptic diaper services.

A. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
C. (2) Taxation applicable to livestock operators.
D. (6) $1,942.96.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of the lumber manufacturing industry.

[1] Not printed. Filed with Clerk and Secretary.

D. (6) $580.99.
E. (9) $579.51.

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops and the Alert.
D. (6) $3,067.02.
E. (2) $2,475; (4) $18; (6) $41.37; (7) $469.25; (8) $63.40; (9) $3,067.02.

A. National Multiple Schlerosis Society, 270 Park Avenue, New York City, N. Y.
C. (2) Appropriations for public health.
E. (1) $600; (7) $217.22; (9) $817.02.

A. National Parking Association, Inc., 711 14th Street NW., Washington, D. C.

A. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
C. (2) Interested in all legislation applicable to postal transportation clerks.
D. (6) $44,787.05.
E. (2) $3,000; (4) $985.48; (6) $154.94; (9) $4,140.42.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.
C. (2) All statutes relating to water and land conservation measures.
D. (6) $8,025.55.
E. (2) $5,981.53; (4) $2,264.04; (5) $1,553.22; (6) $281.16; (7) $859.46; (8) $538.73; (9) $11,478.14; (15).[1]

A. National Rehabilitation Association, 1025 Vermont Avenue NW., Washington, D. C.
C. (2) Welfare of the handicapped. (3) Journal of Rehabilitation.
D. (6) $1,594.80.
E. (2) $420; (5) $100; (6) $50; (7) $262; (9) $832.

A. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
C. (2) and (3).[1]
D. (6) $4,125.
E. (2) $3,375; (4) $284.36; (5) $917.60; (7) $33.15; (8) $2.50; (9) $4,212.61; (15).[1]

A. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
C. (2) All matters pertaining to river and harbor improvement, flood control, navigation, irrigation, reclamation, soil and water conservation, and related subjects.
D. (6) $13,534.99.
E. (1) $150; (2) $2,108.40; (3) $20; (4) $428.65; (5) $269.03; (6) $36.17; (7) $1,301.60; (8) $1,616.88; (9) $5,930.93; (15).[1]

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural-electrification program provided for under the REA act of 1936, as amended. (3) Rural Electrification magazine.
D. (6) $67,073.64.
E. (9) $67,073.64.

A. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
C. (2) All legislation under consideration in the Congress affecting postal employees. (3) The National Rural Letter Carrier.
D. (6) $6,109.75.
E. (1) $200; (2) $2,155.10; (4) $4,261.47; (5) $329.79; (6) $243.51; (9) $6,989.87; (15).[1]

A. National Savings and Loan League, 907 Ring Building, 18th and H Streets NW., Washington, D. C.
C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing.
D. (6) $231,691.20.
E. (2) $850; (4) $531.40; (9) $1,381.40; (15).[1]

A. National Small Business Men's Association, 2834 Central Street, Evanston, Ill.
D. (6) $5,000.
E. (2) $4,597.92; (5) $1,309.67; (6) $181.91; (9) $6,089.50.

A. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of professional engineers. (3) Legislative Bulletin.
D. (6) $146,466.
E. (2) $1,183; (4) $403.48; (9) $1,586.48.

A. National Tax Relief Coalition, L. S. Franklin, director, 2309 Pinecroft Road, Greensboro, N. C.
C. (2) Tax limitation.
D. (6) $1,270.
E. (2) $375; (5) $250; (7) $450; (9) $1,075.

A. National Water Conservation Conference, 341 Suburban Station Building, Philadelphia, Pa.
C. (2) All legislation relative to development, utilization and conservation of natural resources.
D. (6) $30.
E. (5) $490.24; (8) $2; (9) $492.24.

A. National Woman's Christian Temperance Union.
D. (6) $2,724.02.
E. (2) $1,175; (4) $21; (5) $396.86; (6) $37.62; (7) $190.53; (9) $1,821.01.

A. National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) Extension of Trade Agreement Act and amendment to Tariff Act of 1930, opposed. (3) Magazine for sheepmen.
D. (6) $11,266.
E. (2) $3,125; (6) $173.21; (7) $1,172.15; (8) $446.94; (9) $4,917.30; (15).[1]

A. Nation-Wide Committee of Industry, Agriculture and Labor, 815 15th Street NW., Washington, D. C.
C. (2) H. R. 1. (3).[1]
D. (6) $10,200.
E. (2) $8,692.51; (4) $1,448; (5) $562.03; (6) $591.56; (7) $343.72; (8) $1,297.85; (9) $12,935.67; (15).[1]

A. Robert R. Neal, 1701 K Street NW., Washington, D. C.
B. Bureau of Accident and Health Underwriters, 60 John Street, New York, N. Y., and Health and Accident Underwriters Conference, 208 South La Salle Street, Chicago, Ill.
C. (2) Any and all matters pertaining to the business of policyholders of accident and health insurance.[1]
D. (6) $105.37.

A. William S. Neal, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Alan M. Nedry, 1001 Connecticut Avenue, Washington, D. C.
B. Otis H. Ellis, general counsel, National Oil Jobbers Council, 1001 Connecticut Avenue, Washington, D. C.
C. (2) Interested in general legislative matters which might affect business interests of independent oil jobbers.
D. (6) $225.
E. (9) $75.

A. Samuel E. Neel, 1001 15th Street NW., Washington, D. C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
C. (2) Any legislation affecting the mortgage banking industry.
D. (6) $6,081.68.
E. (2) $39.90; (5) $1,509.95; (6) $352.25; (7) $469.48; (9) $2,331.68.

A. New York and New Jersey Dry Dock Association, 161 William Street, New York City, N. Y.
C. (2) Generally legislation affecting the ship repair industry directly or indirectly.
D. (6) $3,000.
E. (2) $2,500; (5) $357.97; (6) $11.51; (7) $235.52; (8) $55.93; (9) $3,138.93; (15).[1]

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.
C. (2) Proposed Federal tax and other legislation affecting the interests of the New York Stock Exchange and its members.
E. (2) $3,075; (7) $774.32; (9) $3,849.32.

A. Niobrara River Basin Development Association, 3707 Woodley Road NW., Washington, D. C.
C. (2) Irrigation.
D. (6) $1,250.
E. (2) $1,000; (6) $11.20; (7) $73.40; (9) $84.60.

A. Russ Nixon, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio, and Machine Workers of America, 11 East 51 Street, New York, N. Y.
C. (2) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare; oppose legislation detrimental to these objectives.
D. (6) $1,170.
E. (9) $260.

A. Nordlinger, Riegelman, Benetar & Charney, 420 Lexington Avenue, New York, N. Y.
B. Silk and Rayon Printers and Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.
C. (2) Seeks enactment of a law establishing qualities and standards.
E. (7) $7.25; (8) $3.35; (9) $10.60.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2).[1]
D. (6) $1,545.
E. (7) $15.28; (8) $1.50; (9) $16.78.

A. Robert H. North, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers.
C. (2) Any legislation affecting the ice-cream industry.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
C. (2).[1]

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[1] Not printed. Filed with Clerk and Secretary.

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A. Northern Hemlock and Hardwood Manufacturers Association, Washington Building, Oshkosh, Wis.
C. (2) Taxation, forestry, and labor management relations.
D. (6) $100.
E. (7) $143.15; (9) $148.15.

A. E. M. Norton, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops and the Alert.
D. (6) $335.55.
E. (7) $131.55; (8) $4; (9) $135.55.

A. Frank Norton, Mercantile Securities Building, Dallas, Tex.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Charles E. Noyes, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
C. (2) Legislation affecting certified public accountants.
D. (6) $1,000.
E. (9) $7.50.

A. John Lord O'Brian, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
C. (2) General interest is to protect the rights of the Theodore Roosevelt Association under the act of May 21, 1932.

A. Edward H. O'Connor, 176 West Adams Street, Chicago, Ill.
B. Insurance Economics Society of America.
C. (2) and (3).[1]
D. (6) $29,944.62.

A. Herbert R. O'Conor, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
C. (2) General legislative interest in support of legislation favorable to maintenance of the American merchant marine.
D. (6) $3,125.
E. (5) $675; (6) $94.50; (7) $382.45; (8) $99.75; (9) $1,251.70.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. Comite de Productores de Azucar, Antonio Miro Quesada 376, Of. 504, Lima, Peru.
C. (2) Amendment to Sugar Act of 1948, as amended, to increase quota.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.
C. (2) General interest in proposed legislation having direct or specific impact on the wool textile industry.
D. (6) $5,000.
E. (6) $38.86; (8) $10; (9) $48.86.

A. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

A. A. E. Oliver, 600 Hibbs Building, Washington, D. C.
B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.
C. (2).[1]
D. (6) $48.10.
E. (9) $4.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. Robert Oliver, 718 Jackson Place NW., Washington, D. C.
B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.
D. (5) $1,624.98.
E. (7) $1,628.24; (9) $1,628.24.

A. Clarence H. Olson, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2).[1] (3) American Legion magazine.
D. (6) $2,370.
E. (7) $22.51; (9) $22.51.

A. Order of Railway Conductors and Brakemen, O. R. C. and B. Building, Cedar Rapids, Iowa.
E. (2) $2,425; (5) $1,322.75; (6) $63.07; (9) $3,810.82.

A. Thomas R. Owens, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum, and Plastic Workers of America, High at Mill Street, Akron, Ohio.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose all legislation detrimental to these objectives.
D. (5) $1,560.
E. (7) $458.40; (9) $458.40.

A. Mrs. Theodor Oxholm, 19 East 92d Street, New York, N. Y.
B. Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
C. (2) Federal legislation affecting maternal and child health and welfare.
E. (9) $50.17.

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
C. (2) Legislation affecting the merchant marine.
D. (6) $200.
E. (9) $1,625.

A. Lovell H. Parker, 611 Colorado Building, Washington, D. C.
B. Maryland Electronic Manufacturing Corp., College Park, Md.; W. A. Shaeffer Pen Co., Fort Madison, Iowa; Pittsburgh Plate Glass Co., Pittsburgh, Pa.; and Record Industry Association of America, Inc., New York, N. Y.
C. (2) Tax legislation affecting the pen and pencil industry, the plate-glass industry, the phonograph-record industry, and legislation dealing with excess-profits tax relief in hardship cases.
D. (6) $4,000.

A. Parker, Milliken & Kohlmeier, 650 South Spring Street, Los Angeles, Calif.
B. The Farmers and Merchants National Bank of Los Angeles, as trustee of the Mary Paula Ball Trust, Fourth and Main Streets, Los Angeles, Calif.
C. (2) To establish the value at the date of death of Mary Paula Ball, deceased, as the income tax basis for certain property included in the estate of said decedent for Federal estate tax.

A. P. T. Patterson, 5205 Sangamore Road, Glen Mar Park, Md.
B. National Star Route Mail Carriers Association, 301 East Capitol Street, Washington, D. C.
C. (2) To promote any bill of benefit to the association or individuals thereof. Against any bill not of benefit to the association or individuals thereof. (3) Star Carrier.

A. James G. Patton.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
C. (2).[1]
D. (6) $1,250.
E. (7) $657.49; (9) $657.49.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. S. Gumbel Realty & Security Co., Inc., New Orleans, La.
C. (2) To obtain amendment to Internal Revenue Code dealing with corporate distributions.
D. (6) $2,000.
E. (6) $31.02; (7) $49.78; (9) $80.78.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. National Committee for Insurance Taxation, 221 North LaSalle Street, Chicago, Ill.
C. (2) Legislation as to the taxation of the income of fire and casualty insurance companies.
D. (6) $3,750.
E. (6) $83.83; (7) $273.73; (8) $50.62; (9) $408.18.

A. Edmund W. Pavenstedt, 14 Wall Street, New York, N. Y.
B. Estate of Edward F. Pipe.
C. (2) To amend section 812 (e) of the Internal Revenue Code of 1939.
E. (7) $58.26; (9) $58.26.

A. Albert A. Payne, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real estate industry.
D. (6) $2,650.
E. (6) $5.20; (7) $133.91; (8) $50.25; (9) $189.36.

A. Catherine A. Pearce, 130 North Wells Street, Chicago, Ill.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Hugh Peterson, Ailey, Ga.
B. Georgia Power Co., 75 Marietta Street, Atlanta, Ga.
D. (6) $3,750.
E. (8) $645; (9) $645.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Florida Citrus Mutual.
C. (2) Interested in any legislation that affects the citrus industry.
D. (6) $2,499.99.
E. (5) $40; (6) $1.11; (8) $1.08; (9) $42.19.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Gene Salentine, Brooksville, Fla.
C. (2) A bill for the relief of Irene Guay Salentine, or similar legislation.

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[1] Not printed. Filed with the Clerk and Secretary.

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D. (6) $100.
E. (5) $6.50; (8) $1.98; (9) $8.48.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Tomoka Land Co., Sebring, Fla.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. West Coast Navigation District, Courthouse, Bradenton, Fla.
C. (2) Any river and harbor bill affecting the intercoastal west coast waterway.
D. (6) $600.
E. (5) $10; (6) $3.30; (8) $0.60; (9) $13.90.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $60.

A. Milton M. Plumb, 718 Jackson Place NW., Washington, D. C.
B. Congress of Industrial Organizations.
C. (2) Legislative interests of the CIO.
D. (6) $1,899.96.
E. (6) $9.60; (7) $153.95; (8) $62.22; (9) $225.77.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Committee Representing American Fluorspar Producers, care of J. Blecheisen, Rosiclare, Ill.
C. (2) Tariff, customs, and foreign-trade legislation.
E. (2) $24; (6) $11.78; (7) $35.75; (8) $7.29; (9) $78.82.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Pin, Clip & Fasterner Association, 74 Trinity Place, New York, N. Y.
C. (2) Tariff, customs, and foreign-trade legislation generally.
E. (4) $8.16; (6) $5.56; (7) $12.70; (8) $1.20; (9) $27.62.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Sunkist Growers, Inc., and California Walnut Growers Association, Los Angeles, Calif.; Northwest Nut Growers, Portland, Oreg., and California Almond Growers Exchange, Sacramento, Calif.
C. (2) Agricultural and farmer cooperative matters, tariff, customs, and foreign-trade legislation generally.
D. (6) $1,300.
E. (4) $1.02; (6) $2.09; (7) $80.49; (8) $3.60; (9) $87.20.

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.

A. Stanley I. Posner and Bernard H. Ehrlich, 1367 Connecticut Avenue NW., Washington, D. C.
B. National Institute of Diaper Services, Inc., 67 West 44th Street, New York, N. Y.
C. (2) Deductions for income-tax purposes for amounts paid for antiseptic diaper services.

A. William I. Powell, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining.
D. (6) $1,125.
E. (7) $18.60; (9) $18.60.

A. William H. Press, 1616 K Street NW., Washington, D. C.
B. Washington Board of Trade, 1616 K Street NW., Washington, D. C.
C. (2) Legislation affecting the District of Columbia of interest to the Washington Board of Trade.
D. (6) $4,500.

A. Allen Pretzman, 50 West Broad Street, Columbus, Ohio.
B. Scioto-Sandusky Conservancy District, 50 West Broad Street, Columbus, Ohio.

A. Harry E. Proctor, 1110 Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
C. (2) To amend the Home Owners Loan Act and control bank holding companies.
D. (6) $86.
E. (7) $3; (9) $3.

A. The Proprietary Association, 810 18th Street NW., Washington, D. C.
C. (2) Measures affecting the proprietary medicines industry. (3) Legislative bulletins.
E. (7) $25; (9) $25.

A. The Prudential Insurance Company of America, 763 Broad Street, Newark, N. J.
C. (2) General interest in all legislation affecting the business of the company.
E. (2) $6,500; (6) $3.79; (7) $948.66; (9) $7,452.45.

A. Ganson Purcell, 910 17th Street NW., Washington, D. C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.
C. (2) Foreign commerce of the United States, including tax and tariff legislation.
E. (6) $3.86; (8) $29.97; (9) $33.83.

A. Alexander Purdon, 1701 K Street NW., Washington, D. C.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
C. (2) General legislation in connection with the promotion and advancement of the American merchant marine.
D. (6) $843.75.
E. (7) $241.94; (9) $241.94.

A. Charles E. Purdy, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
C. (2) Legislation to benefit handicapped.
D. (6) $1,483.

A. Edmund R. Purves, 1735 New York Avenue NW., Washington, D. C.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D. C.
C. (2) Legislation relating to architectural profession. (3) Federal aid for school construction.
D. (6) $200.
E. (4) $35; (6) $15; (7) $50; (9) $100.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. The Atchison, Topeka and Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.
C. (2) General legislative interest in matters affecting railroads.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. American Cancer Society, 521 West 57th Street, New York, N. Y.; United Cerebral Palsy Association, 369 Lexington Avenue, New York, N. Y.; Arthritis and Rheumatism Foundation, 23 West 45th Street, New York, N. Y.; and National Multiple Sclerosis Society, 270 Park Avenue, New York, N. Y.
C. (2) Public health.
D. (6) $8,199.97.
E. (2) $921; (5) $1,404.70; (6) $284.87; (7) $2,848.39; (9) $5,458.96.

A. F. Miles Radigan, 1200 18th Street NW., Washington, D. C.
B. National Association of Electrical Companies, 1200 18th Street NW., Washington, D. C.
C. (2).[1]
D. (6) $102.50.
E. (7) $91.52; (9) $91.52.

A. Alex Radin, 1757 K Street NW., Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the generation, transmission and distribution of electrical energy by local publicly owned electric systems, and the management and operation of such systems.
D. (6) $2,625.

A. Mrs. Richard G. Radue, 3406 Quebec Street NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.
C. (2) Legislative interests are concerned with measures which affect the welfare of children and youth.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
C. (2) For enactment of 30-year retirement regardless of age at half-pay based on 5 years of highest earnings, maximum $200 a month. (3) Pension News Bulletins.
D. (6) $337.79.
E. (1) $7; (4) $75.44; (5) $181.48; (7) $38.30; (8) $7.36; (9) $309.58.

A. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.
C. (2) All legislation affecting railroad labor.

A. Alan T. Rains, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.
C. (2) Legislation affecting the marketing and distribution of fresh fruits and vegetables.

A. DeWitt C. Ramsey, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Legislation affecting the aviation industry.

A. Otie M. Reed, 1107 19th Street NW., Washington, D. C.
B. The Joint Committee of the National Creameries Association and the American Butter Institute, 1107 19th Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers and dairy products manufacturing firms.
D. (6) $1,875.
E. (1) $345.31; (2) $375; (4) $229.63; (5) $498.84; (6) $172.29; (7) $578.16; (8) $611.34; (9) $2,810.56.

A. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th NW., Washington, D. C.
C. (2) Protection and fostering of the interest of federally regulated motor common carriers of general commodities. (3) Common Carrier Washington News Letter and Common Carrier Bulletin.
D. (6) $1,863.24.
E. (2) $1,075; (4) $738.24; (5) $50; (9) $1,863.24.

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[1] Not printed. Filed with Clerk and Secretary.

A. James Francis Reilly, 1625 K Street NW., Washington, D. C.
B. Potomac Electric Power Co., 929 E Street NW., Washington, D. C.
C. (2) Legislation which might affect Potomac Electric Power Co.
E. (6) $10; (7) $134.50; (8) $25; (9) $169.50.

A. Nicolas Reisini, 11 West 42d Street, New York, N. Y.
C. (2) S. 1195.

A. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security. (3) The Reserve Officers and ROA Washington Newsletter.

A. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges and obligations of retired officers, male and female, Regular and Reserve, and their dependents and survivors. (3) The Retired Officer.
D. (6) $35,311.68.

A. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
C. (2) Retention and improvement of the Civil Service Retirement and United States Employees' Compensation Acts.
D. (6) $8,339.82.
E. (2) $3,210.95; (4) $634; (5) $386.89; (6) $34.77; (7) $116.05; (8) $1,603.06; (9) $5,985.72.

A. John Arthur Reynolds, 683 Cortland Avenue, Fresno, Calif.
B. Western Cotton Grower's Association of California, 2261 F Street, Bakersfield, Calif.
C. (2) Securing equitable cotton acreage allotment for California.
D. (6) $3,000.

A. Hubert M. Rhodes, 740 11th Street NW., Washington, D. C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
C. (2) Legislation affecting credit unions.
D. (6) $533.33.
E. (8) $4.70; (9) $4.70.

A. Andrew E. Rice, 1830 Jefferson Place NW., Washington, D. C.
B. American Veterans Committee, Inc., 1830 Jefferson Place NW., Washington, D. C.
C. (2) Legislation affecting the general welfare, especially in the fields of international affairs, civil rights and liberties, and veterans benefits.
D. (6) $830.76.
E. (6) $31.24; (7) $31.24; (9) $62.48; (11) $62.48.

A. Roland Rice, 618 Perpetual Building, Washington, D. C.
B. Regular Common Carrier Conference of the American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
C. (2) Protection and fostering of the interests of federally regulated motor common carriers.
D. (6) $525.

A. Riegelman, Strasser & Spiegelberg, 810 18th Street NW., Washington, D. C.
B. Blackfeet Tribe, Browning, Mont.
C. (2) All legislation of concern to Indians as such and the Blackfeet Tribe in particular.

A. Riegelman, Strasser & Spiegelberg, 810 18th Street NW., Washington, D. C.
B. The Hualapai Tribe of the Hualapai Reservation.
C. (2) All legislation of concern to Indians as such and the Hualapai Tribe in particular.

A. Riegelman, Strasser & Spiegelberg, 810 18th Street NW., Washington, D. C.
B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.
C. (2) All legislation of concern to Indians as such and the Oglala Sioux Tribe in particular.

A. Riegelman, Strasser & Spiegelberg, 810 18th Street NW., Washington, D. C.
B. Pueblo of Laguna, Laguna, N. Mex.
C. (2) All legislation of concern to Indians as such and the Pueblo of Laguna in particular.

A. Riegelman, Strasser & Spiegelberg, 810 18th Street NW., Washington, D. C.
B. The San Carlos Apache Tribe, San Carlos, Ariz.
C. (2) All legislation of concern to Indians as such and the San Carlos Tribe in particular.

A. Riegelman, Strasser & Spiegelberg, 810 18th Street NW., Washington, D. C.
B. Winnebago Tribe of Nebraska, Winnebago, Nebr.
C. (2) All legislation of concern to Indians as such and the Winnebago Tribe in particular.

A. Siert F. Riepma, Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers.

A. George D. Riley, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally and specifically bills affecting workers.
D. (6) $2,795.
E. (6) $23; (7) $310.25; (8) $52.75; (9) $386.

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. National Water Conservation Conference.
C. (2) All legislation relative to development, utilization and conservation of natural resources.
E. (2) $231; (4) $63.66; (5) $118; (6) $18.94; (7) $55; (9) $486.60.

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. Western Beet Growers Association, Post Office Box 742, Great Falls, Mont.
C. (2) Legislation that may affect or limit the right of the American farmer to grow and market sugarbeets.
D. (6) $500.
E. (2) $37.85; (4) $95.71; (5) $77.03; (6) $24.19; (7) $276.10; (9) $510.88.

A. Paul H. Robbins, 1121 15th Street NW., Washington, D. C.
B. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of professional engineers. (3) Legislative Bulletin.
D. (6) $250.

A. Charles A. Robinson, Jr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural-electrification program provided for under the Rural Electrification Act of 1936 as amended. (3) Rural Electrification.
D. (6) $1,835.38.

A. Frank W. Rogers, 1701 K Street NW., Washington, D. C.
B. Western Oil and Gas Association, 510 West Sixth Street, Los Angeles, Calif.
C. (2) Federal legislation affecting the petroleum industry in Washington, Oregon, California, Arizona, and Nevada.
D. (6) $3,300.
E. (4) $40.25; (7) $330.13; (9) $370.38.

A. Watson Rogers, 527 Munsey Building, Washington, D. C.
B. National Food Brokers Association, 527 Munsey Building, Washington, D. C.
D. (6) $1,000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D. C.
B. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.
C. (2) Legislation that affects the building construction and electrical industries. (3) News Letter and Qualified Contractor.

A. Delbert L. Rucker, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $25.

A. Albert R. Russell, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.
E. (9) $256.53.

A. Francis M. Russell, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting National Broadcasting Co., Inc., and/or affiliated companies.
E. (9) $167.

A. Horace Russell, 221 North La Salle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation directly or indirectly affecting the savings and loan business.
D. (6) $4,125.
E. (9) $105.59.

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) Any and all bills and statutes of interest to the hotel industry.
D. (6) $3,750.
E. (9) $334.45.

A. William H. Ryan, 1029 Vermont Avenue NW., Washington, D. C.
B. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
C. (2) Legislation affecting working conditions of Government employees, and incidentally organized labor in general.
D. (6) $2,250.
E. (9) $60.

A. Gene Salentine, Brooksville, Fla.
C. (2) A bill for the relief of Irene Guay Salentine.
E. (9) $100.

A. Robert A. Saltzstein, 777 14th Street NW., Washington, D. C.
B. Smaller Magazines Postal Committee, 654 Madison Avenue, New York, N. Y.
C. (2) Interested in matters affecting second-class postal rates.
D. (6) $1,250.01.
E. (4) $27.34; (6) $36.86; (7) $62.87; (9) $127.07.

A. Kimball Sanborn, 705 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
C. (2) Legislation affecting railroads.
E. (9) $535.20.

A. L. R. Sanford, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.
E. (9) $180.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Fulton Land and Timber Co., 711 Orchard Road, Hagerstown, Md.
C. (2) Depletion provisions of the Internal Revenue Code.
D. (6) $250.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Lessees of B. V. Hedrick Gravel & Sand Co., Lilesville, N. C.
C. (2) Depletion provisions of the Internal Revenue Code.
D. (6) $1,357.50.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining & Smelting Co., et al.[1]
C. (2).[1]
E. (9) $1.65.

A. Harrison Sasscer, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations, National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the Congress relating to public education.
D. (6) $182.25.
E. (9) $7.

A. Satterlee, Warfield & Stephens, 49 Wall Street, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
C. (2) Legislation relating to nurses, nursing, or health. (3) The American Journal of Nursing.
D. (6) $2,300.
E. (9) $43.74.

A. James J. Saxon, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
C. (2) Legislation affecting the banking industry.

A. Schoene & Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.
C. (2) H. R. 4744 and S. 1589.

A. Rosario Scibilia, 378 Avenue T, Brooklyn, N. Y.
B. Catholic War Veterans of the United States of America, 1012 14th Street NW., Washington, D. C.
C. (2).[1]
E. (4) $69.80; (6) $24; (7) $158; (8) $61; (9) $313.80.

A. Jack Garrett Scott, 839 17th Street NW., Washington, D. C.
B. National Association of Motor Bus Operators.
C. (2) All proposed legislation which would affect the intercity motor bus industry.

A. Mildred Scott, National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
C. (2) Legislation to benefit handicapped.
D. (6) $1,483.

A. Durward Seals, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.
C. (2) Interested in any legislation affecting the marketing and distribution of fresh fruits and vegetables.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.
C. (2).[1]
E. (7) $37.25; (9) $37.25; (15).[1]

A Harry See, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
C. (2) Advocating legislation favorable to railroad labor and opposing unfavorable legislation.
E. (9) $28.05.

A. A. Manning Shaw, Washington Loan and Trust Building, Washington, D. C.
B. Brown, Lund & Fitzgerald, Washington Loan and Trust Building, Washington, D. C., for National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) Any legislation that might affect the members of the NAEC.
D. (6) $3,793.99.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. American Association of Port Authorities and Airport Operators Council, Washington, D. C.
C. (2).[1]
D. (6) $375.
E. (9) $258.50.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $125.

A. Robert H. Shields, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
C. (2) Interested in any legislation affecting sugar, particularly the Sugar Act of 1948 and related legislation.
D. (6) $10,000.

A. Earl C. Shively, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
C. (2) Legislation affecting railroad interests.

A. Charles B. Shuman, 2300 Merchandise Mart, Chicago, Ill.
B. American Farm Bureau Federation.
D. (6) $1,250.

A. Sierra Talc & Clay Co., Post Office Box 390, South Pasadena, Calif.
C. (2) H. R. 8300, covering percentage depletion of talc.
E. (2) $3,750; (6) $14.79; (9) $3,764.79.

A. Silk & Rayon Printers & Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.
C. (2) Seeks enactment of a law establishing qualities and standards.
E. (7) $153.12; (8) $4.60; (9) $157.72.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
C. (2) Legislation relating to reclamation and water resources policy.
D. (6) $10,000.
E. (2) $8,427.50; (8) $89.53; (9) $8,517.03; (15).[1]

A. Stephen Slipher, Pennsylvania Building, Washington, D. C.
B. United States Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
C. (2) Interested in legislation affecting savings and loan, housing, home financing, thrift and financial institutions.
D. (6) $1,750.
E. (9) $19.05.

A. Smaller Magazines Postal Committee, 654 Madison Avenue, New York, N. Y.
C. (2) Interested in matters affecting second-class postal rates.
D. (6) $4,533.50.
E. (2) $2,049.51; (4) $234.15; (6) $41.02; (7) $105.90; (8) $2; (9) $2,432.58.

A. Elizabeth A. Smart, 144 Constitution Avenue NE., Washington, D. C.
B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
C. (2) Legislation dealing with alcohol, narcotics, international relations, women, and children.[1]
D. (6) $606.12.
E. (5) $109.89; (6) $50.46; (8) $4.93; (9) $165.28.

A. Anthony W. Smith, 718 Jackson Place NW., Washington, D. C.
B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.

A. James R. Smith, 719 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
C. (2) Legislation relating to river and harbor maintenance and improvement; the American merchant marine; soil conservation; flood control; regulation of domestic transportation.
D. (6) $2,400.
E. (9) $265.77.

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A. Lloyd W. Smith, 416 Shoreham Building, Washington, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill.; and Great Northern Railway Co., 175 East Fourth Street, St. Paul, Minn.
C. (2) Any legislation affecting directly or indirectly the Chicago, Burlington & Quincy Railroad Co. and the Great Northern Railway Co.
D. (6) $3,675.

A. Purcell L. Smith, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2).[1]
D. (6) $3,750.
E. (9) $261.60.

A. Sylvester C. Smith, Jr., 763 Broad Street, Newark, N. J.
B. Prudential Insurance Company of America, 763 Broad Street, Newark, N. J.
C. (2) General interest in all legislation affecting the business of the company.

A. J. D. Snyder, 1040 La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
C. (2) Legislation affecting railroads.
D. (6) $825.

A. Stanley L. Sommer, 612 Albee Building, Washington, D. C.
B. Rowe-Doherty Associates, 51 East 42d Street, New York, N. Y.
C. (2) Legislation affecting the domestic jeweled watch industry.
D. (6) $500.
E. (4) $100; (5) $70; (7) $100; (9) $170.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
C. (2) Support of legislation favorable to free-enterprise system and opposition to legislation unfavorable to that system.
D. (6) $48,051.
E. (2) $16,237.50; (4) $6,063.63; (5) $1,768.14; (6) $127.69; (7) $300.21; (8) $762.18; (9) $25,259.35.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
C. (2) Federal legislation affecting maternal and child health and welfare.
D. (6) $1,208.20.
E. (1) $75; (4) $66.39; (5) $161.76; (6) $9.79; (7) $54.50; (9) $367.44; (15).[1]

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National RR Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
C. (2) All bills relative to improving and increasing benefits under the RR Retirement Act. (3) Rail Pension News.
D. (6) $1,500.
E. (1) $214.50; (2) $1,500; (4) $1,438; (6) $52.20; (7) $477.42; (9) $3,682.12.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty and Surety Co., 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $150.

[1] Not printed. Filed with Clerk and Secretary.

A. Samuel Elliot Stavisky, 9307 Singleton Drive, Bethesda, Md.
B. Asociacion de Colonos de Cuba, Agramonte 465, Havana, Cuba; and Asociacion Nacional de Hacendados de Cuba, Agramonte 465, Havana, Cuba.
C. (2) Anything which pertains to sugar or trade with Cuba.
D. (6) $3,750.
E. (5) $3,063.66; (7) $1,144.21; (8) $84.47; (9) $4,292.34.

A. Mrs. Nell F. Stephens, P. O. Box 6234, Northwest station, Washington, D. C.
C. (2) Health, education and welfare.

A. Russell M. Stephens, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to technical engineers, especially those engineers employed by the United States Government.
D. (6) $240.
E. (9) $20.

A. William T. Stephens, 505 Washington Building, Washington, D. C.
B. Nationwide Trailer Rental System, 519 South Broadway, Wichita, Kans.
C. (2) General legislation affecting the utility trailer industry.

A. Charles T. Stewart, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real estate industry.
D. (6) $4,255.92.
E. (7) $479.67; (8) $26.25; (9) $505.92.

A. Erskine Stewart, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
C. (2).[1]
D. (6) $375.
E. (9) $1.25.

A. Edwin L. Stoll, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real-estate industry.
D. (6) $2,739.59.
E. (7) $44.64; (8) $44.95; (9) $89.59.

A. Mrs. Joseph Mills Stoll, 4001 61st Street, Brookmont, Washington, D. C.
B. Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
C. (2) Federal legislation affecting maternal and child health and welfare.
E. (4) $8.07; (5) $9.90; (6) $19.54; (7) $36.28; (9) $73.79.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
C. (2) Any legislation affecting the American merchant marine and transportation generally.
D. (6) $1,000.

A. Paul A. Strachan, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
C. (2) Legislation to benefit handicapped.
D. (6) $1,483.
E. (4) $80.15; (6) $45; (9) $125.15.

[1] Not printed. Filed with Clerk and Secretary.

A. O. R. Strackbein, 400 Bowen Building, Washington, D. C.
B. America's Wage Earners' Protective Conference, 400 Bowen Building, Washington, D. C.
D. (6) $3,692.32.

A. O. R. Strackbein, 400 Bowen Building, Washington, D. C.
B. International Allied Printing Trades Association, Box 728, Indianapolis, Ind.
D. (6) $625.
E. (3) $15.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
B. Nation-Wide Committee of Industry, Agriculture, and Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.
D. (6) $3,875.

A. William C. Stronach, 20 North Wacker Drive, Chicago, Ill.
B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill.
C. (2) Legislation affecting the practice of medicine and all national health insurance legislation.

A. Arthur D. Strong, 1034 Midland Bank Building, Minneapolis, Minn.
B. Upper Mississippi Waterway Association, 1034 Midland Bank Building, Minneapolis, Minn.
C. (2).[1]
D. (6) $1,215.

A. Arthur Sturgis, Jr., 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2) Legislation affecting the retail industry.[1]
D. (6) $625.
E. (9) $6.50.

A. J. E. Sturrock, Post Office Box 2084, Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Post Office Box 2084, Capitol Station, Austin, Tex.
C. (2) Legislation concerning the development, conservation, protection, and utilization of Texas land and water resources through existing State and Federal agencies. (3) Texas water.
D. (6) $1,800.
E. (2) $59.30; (5) $20.95; (7) $178.25; (8) $387.33; (9) $645.83.

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.
C. (2) Legislation affecting general public health, tuberculosis in particular.
D. (6) $506.25.
E. (4) $40.50; (7) $50.02; (9) $90.52.

A. Charles P. Taft, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation relating to foreign economic policy. (3) Educational pamphlets.
D. (6) $775.

A. Glenn J. Talbott.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
C. (2).[1]

[1] Not printed. Filed with Clerk and Secretary.

D. (6) $1,250.
E. (7) $175.10; (9) $175.10.

A. Barrett Godwin Tawresey, 1600 Arch Street, Philadelphia, Pa.
C. (2) Having the present Congress pass an act providing for a full judicial review of certain claims arising from French spoliations occurring prior to 1800.

A. Tax Equality Committee of Kentucky, 310 Commerce Building, Louisville, Ky.
C. (2) Advocating revision of section 101, I. R. C.
D. (6) $477.50.
E. (2) $146.25; (4) $18.50; (5) $135; (8) $2.94; (9) $302.69.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D. C.
C. (2) Legislation affecting civil aviation.
D. (6) $2,000.
E. (7) $400; (9) $400.

A. Jay Taylor, 712 First National Bank Building, Amarillo, Tex.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

A. Maude M. Taylor, 220 East 42d Street, New York, N. Y.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Tyre Taylor, 917 15th Street NW., Washington, D. C.
B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.
C. (2) Legislation favorable to the maintenance of a free-enterprise system.
D. (6) $3,000.
E. (4) $8.67; (5) $357.75; (6) $48.32; (9) $414.74.

A. Ruth H. Tegtmeyer,[3] 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C., and 130 North Wells Street, Chicago, Ill.

A. Texas Water Conservation Association, 207 West 15th, Austin, Tex.
C. (2) Legislation concerning the development, conservation, protection, and utilization of Texas' land and water resources through existing State and Federal agencies. (3) Texas Water.
D. (6) $4,730.
E. (1) $94.80; (2) $2,224.20; (4) $827.90; (5) $875.60; (6) $232.99; (7) $228.25; (8) $1,327.77; (9) $5,811.44.

A. Oliver A. Thomas, 43 Sierra Street, Reno, Nev.
B. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.
C. (2) Interests of Nevada railroads.
D. (6) $675.

A. W. M. Thomas, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation applicable to postal transportation clerks.
D. (6) $3,000.

A. Chester C. Thompson, 1319 F Street NW., Washington, D. C.
B. The American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C.
C. (2) All matters affecting barge and towing vessel industry and water transportation.
D. (6) $6,500.
E. (7) $204.95; (9) $204.95.

A. Julia C. Thompson, 711 14th Street NW., Washington, D. C.
B. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $1,313.04.

A. Eugene M. Thoré, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $2,087.50.
E. (7) $35.54; (9) $35.54.

A. Richard A. Tilden, 441 Lexington Avenue, New York, N. Y.
B. The Clothespin Manufacturers of America, 839 17th Street NW., Washington, D. C.
C. (2) Safeguards to domestic industries in proposed extension of the Trade Agreements Act.
D. (6) $1,663.90.
E. (7) $328.32; (9) $328.32.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
C. (2) Legislation pertaining to the pay of military personnel.
D. (6) $2,750.
E. (7) $67.40; (9) $67.40.

A. E. W. Tinker, 122 East 42d Street, New York, N. Y.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.
C. (2) Legislative interests are those of employer.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. S. G. Tipton, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
C. (2) General legislative interests for the proper advancement of the airline industry in the public interests.
D. (6) $1,299.51.
E. (7) $42; (9) $42.

A. M. S. Tisdale, 4200 Cathedral Avenue, Washington, D. C.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Calif.
C. (2) Anything affecting Solano County.
D. (6) $295.
E. (3) $19.18; (5) $116.13; (6) $28.95; (7) $144.67; (9) $308.93.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops and The Alert.
D. (6) $2,292.15.
E. (7) $137.70; (8) $54.45; (9) $192.15.

A. Tomoka Land Co., Sebring, Fla.

A. Wallace Townsend, 306 Commercial National Bank Building, Little Rock, Ark.
B. Southwestern Gas & Electric Co., Shreveport, La.
C. (2) Appropriation for the Southwestern Power Administration.
D. (6) $600.
A. Matt Triggs, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Price support, production adjustments, and related legislation; selective service and military training; development, use, and ownership of natural resources; transportation; farm labor; social security.
D. (6) $2,008.
E. (7) $87.01; (9) $87.01.

A. Paul T. Truitt, 817 Barr Building, Washington, D. C.
B. American Plant Food Council, Inc., 817 Barr Building, Washington, D. C.
C. (2) Legislation affecting the fertilizer industry.

A. Harold J. Turner, Portland, Oreg.
B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., and Union Pacific Railroad Co., Henry Building, Portland, Oreg.
C. (2) All bills which directly affect railroads of Oregon.

A. Noel T. Tweet, Town House Hotel, Kansas City, Kans.
B. Missouri-Arkansas Basins Flood Control Association, Town House Hotel, Kansas City, Kans.
C. (2) Legislation pertaining to flood control and soil conservation.
D. (6) $2,100.
E. (2) $2,100; (9) $2,100.

A. William S. Tyson, 736 Bowen Building, Washington, D. C.
B. Local No. 30, Canal Zone Pilots, Post Office Box 493, Balboa, C. Z.
C. (2) Any legislation affecting Panama Canal pilots.
D. (6) $4,133.96.
E. (5) $9.80; (6) $77.51; (8) $15; (9) $102.31.

A. Unemployed Service Association,[3] 622 Fifth Street NW., Washington, D. C.
C. (2) No specific bill but various proposals for unemployed people.

A. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
C. (2) Any legislation which has been or may be introduced, the purpose of which is to amend the Natural Gas Act.
E. (2) $450; (6) $60; (7) $478.80; (9) $988.80.

A. United Cerebral Palsy Associations, Inc., 369 Lexington Avenue, New York, N. Y.
C. (2) Appropriations for public health.
E. (1) $1,999.99; (7) $361.70; (9) $2,361.69.

A. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) Anything which pertains to sugar or trade with Cuba. (3).[1]
D. (6) $9,132.25.
E. (1) $6,849.02; (2) $1,387.18; (4) $4,074.17; (5) $416.12; (6) $72; (7) $291.81; (9) $13,090.30.

A. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
C.[1]
D.[1]
E. (2) $7,183.58; (4) $6,090.70; (5) $2,287.03; (6) $295.23; (7) $7,866.17; (8) $145; (9) $23,867.71.

[1] Not printed. Filed with Clerk and Secretary.
[3] Filed with the Clerk only.

UNIVERSITY OF MICHIGAN

A. Richard G. Van Buskirk, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) Advance the science and art of medicine.
D. (6) $1,062.51.

A. Vegetable Growers Association of America, Inc., 528 Mills Building, Washington, D. C.
C. (2) Legislation affecting vegetable growers.
E. (4) $25; (5) $25; (7) $13; (9) $63.

A. Weston Vernon, Jr., 15 Broad Street, New York, N. Y.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.
C. (2) Proposed Federal tax legislation affecting the interests of New York Stock Exchange and its members.
D. (6) $75.

A. R. K. Vinson,[2] 1346 Connecticut Avenue NW., Washington, D. C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D. C.
C. (2) Depreciation allowances on machine tools.

A. Stanley Vogt.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
C. (2).[1]
D. (6) $1,311.
E. (7) $374.52; (9) $374.52.

A. The Vulcan Detinning Co., Sewaren, N. J.

A. Paul H. Walker, 1701 K Street, Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $63.25.

A. Claude R. Wallace, 203 Eighth Street NE., Washington, D. C.
B. POSSE, 1424 K Street NW., Washington, D. C.
C. (2) Social security and old age benefits.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.
D. (6) $1,493.75.
E. (6) $1.98; (7) $41.07; (8) $3.25; (9) $46.30.

A. Thomas G. Walters, 100 Indiana Avenue NW., Washington, D. C.
B. Government Employees' Council, 100 Indiana Avenue NW., Washington, D. C.
C. (2) Duties are to represent the member unions and the Government Employees' Council on matters affecting them before the Congress.
D. (6) $2,625.

A. Quaife M. Ward, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2).[1]
D. (6) $1,000.
E. (7) $4.50; (9) $4.50.

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[2] Filed with the Clerk only.

A. Milo J. Warner, 904 National Bank Building, Toledo, Ohio.
B. The Prudential Insurance Company of America, Newark, N. J.
C. (2) Legislation which may affect the interests of the mutual policyholders of the Prudential Insurance Company of America.
D. (6) $6,500.
E. (6) $3.79; (7) $237.88; (9) $241.67.

A. Washington Board of Trade, 1616 K Street NW., Washington, D. C.
C. (2) Legislation affecting the District of Columbia of interest to the Washington Board of Trade.

A. Washington Home Rule Committee, Inc., 1728 L Street NW., Washington, D. C.
C. (2) S. 2413.
D. (6) $4,549.
E. (2) $845; (4) $537.15; (5) $239.15; (6) $83.86; (8) $1,054.43; (9) $2,759.59.

A. Washington Real Estate Board, Inc., 1000 Vermont Avenue NW., Washington, D. C.
C. (2) Measures affecting the District of Columbia.

A. Vincent T. Wasilewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) General legislative interests: Those relating directly or indirectly to the radio and television broadcasting industry.

A. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
C. (2) S. 951. (3) S. 951—A Bill—What Does It Mean to You?
D. (6) $1,525.
E. (2) $4,456.01; (4) $2,174.30; (5) $92.44; (6) $11.98; (9) $6,734.73.

A. J. R. Watson, I. C. R. R. Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, I. C. R. R. Passenger Station, Jackson, Miss.
C. (2) Legislation affecting railroads in Mississippi.

A. Watters & Donovan, 161 William Street, New York City.
B. New York and New Jersey Dry Dock Association, 161 William Street, New York City.
C. (2) Legislation affecting the ship repair industry directly or indirectly.
D. (6) $2,500.

A. William H. Webb, 1720 H Street NW, Washington, D. C.
B. National Rivers and Harbors Congress, 1720 M Street NW, Washington, D. C.
C. (2) All matters pertaining to river and harbor improvement, flood control, navigation, irrigation/reclamation, soil, and water conservation and related subjects.
D. (6) $1,456.80.
E. (3) $1; (4) $65; (5) $7.05; (7) $623.82; (8) $368.50; (9) $1,065.37.

A. Wayne M. Welshaar,[2] 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW, Washington, D. C.
C. (2).[1]
D. (6) $3,300.
E. (4) $1.82; (8) $2.68; (9) $4.50.

[1] Not printed. Filed with Clerk and Secretary.
[2] Filed with the Secretary only.

A. Bernard Weitzer, 1712 New Hampshire Avenue NW, Washington, D. C.
B. Jewish War Veterans of the United States of America, 1712 New Hampshire Avenue NW, Washington, D. C.
C. (2).[1]
D. (6) $2,499.96.
E. (6) $26.14; (7) $418.65; (8) $54.55; (9) $499.34.

A. Edward M. Welliver, 1424 16th Street NW, Washington, D. C.
B. American Trucking Association, Inc., 1424 16th Street NW, Washington, D. C.
D. (6) $1,350.
E. (7) $122; (9) $122.

A. Elaine O. Wells, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Richard H. Wels, 551 Fifth Avenue, New York, N. Y.
B. Bowling Proprietors Association of America, Inc., 185 North Wabash Avenue, Chicago, Ill.
C. (2) All legislation affecting in any way the bowling industry.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
C. (2) (a) Reclamation Act, 1902, and all amendatory and supplementary acts thereto; other statutes relating to water and land conservation measures. (3) Bulletin.
D. (6) $3,249.99.
E. (8) $214.22; (9) $214.22.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D. C.
B. Estate of Mary Clark deBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.
C. (2) Legislative interests relate to a possible revision of section 7 of the Technical Changes Act of 1949 (63 Stat. 895).
E. (8) $11.25; (9) $11.25.

A. West Coast Inland Navigation District, Courthouse, Bradenton, Fla.
C. (2) Any river and harbor bill affecting the Intercoastal West Coast Waterway.
E. (2) $600; (6) $3.30; (8) $0.60; (9) $603.90.

A. Western Cotton Growers Association of California, 2301 F Street, Bakersfield, Calif.
C. (2) Securing equitable cotton acreage allotment for California.
E. (2) $3,000; (6) $507.82; (7) $5,667.82; (8) $338.95; (9) $9,514.59.

A. George Y. Wheeler, 2d, 1625 K Street NW., Washington, D. C.
B. Radio Corporation of America, 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting Radio Corporation of America and/or its subsidiaries and affiliated companies.

A. John C. White, 838 Transportation Building, Washington, D. C.
C. (2) Legislation affecting cotton and foreign trade.
D. (6) $500.
E. (4) $33.23; (6) $93.03; (7) $110.22; (8) $32.80; (9) $268.28.

[1] Not printed. Filed with Clerk and Secretary.

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
C. (2) Any and all legislation particularly affecting the interests of manufacturers of gas appliances and equipment.

A. Louis E. Whyte, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $750.

A. Joseph F. Wildebush, 7 Church Street, Paterson, N. J.
B. Silk and Rayon Printers and Dyers Association of America, Inc., 1450 Broadway, New York, N. Y.
C. (2) Seeks enactment of a law establishing qualities and standards.
E. (9) $94.39.

A. A. E. Wilkinson, 417 Investment Building, Washington, D. C.
B. Anaconda Copper Mining Co., 616 Hennessy Building, Butte, Mont.
C. (2) In favor of legislation to suspend excise import tax on imported copper.
D. (6) $1,500.
E. (6) $38.50; (7) $155.17; (8) $66; (9) $259.67.

A. W. E. Wilkinson, Glenn Building, Atlanta, Ga.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2).[1] (3) The Retired Officer.
D. (6) $2,100.

A. Leon W. Williams, 2 Gouverneur Place, Bronx, N. Y.
C. (2) For H. R. 1343, with reservations.
D. (6) $4.25.
E. (4) $14.22; (6) $0.85; (9) $14.22.

A. C. J. S. Williamson, 839 Shoreham Building, Washington, D. C.
B. California State Chamber of Commerce, 350 Bush Street, San Francisco, Calif.
C. (2) Legislation and specific bills or regulations of interest to California economy.
D. and E.[1]

A. Hugh S. Williamson, 1621 K Street NW., Washington, D. C.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.
C. (2) Legislation with respect to maritime matters and transportation.

A. John C. Williamson, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real estate industry.
D. (6) $4,800.
E. (6) $6.80; (7) $680.55; (8) $65.20; (9) $752.55.

A. E. Raymond Wilson, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2).[1] (3) Washington Newsletter.
D. (6) $1,875.
E. (6) $19.71; (7) $315.49; (9) $325.20.

A. Frank E. Wilson, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills relating to health and welfare.
D. (6) $950.
E. (9) $142.26.

A. J. B. Wilson, McKinley, Wyo.
B. Wyoming Wool Growers Association, McKinley, Wyo.
C. (2) All legislation in any way affecting domestic wool growing industry. (3) Wyoming Wool Grower.
D. (7) $2,000.
E. (6) $68.40; (7) $915.37; (8) $32.20; (9) $1,015.97.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co. and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
C. (2) Any legislation which has been or may be introduced, the purpose of which is to amend the Natural Gas Act.
D. (6) $450.
E. (6) $60; (7) $478.80; (9) $538.80.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
C. (2) Legislation relating to river and harbor maintenance and improvement. The American Merchant Marine, soil conservation, flood control, and regulation of domestic transportation.
D. (6) $3,750.
E. (9) $258.

A. Theodore Wiprud, 1718 M Street NW., Washington, D. C.
B. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.
C. (2) Legislation pertaining to the practice of medicine and all related services and that affecting the public health, including extension of social security into the field of the practice of medicine. (3) Medical Annals of the District of Columbia.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South LaSalle Street, Chicago, Ill.
C. (2) Legislation affecting the interests of commercial banks.
D. (6) $10,500.
E. (2) $10,500; (6) $17.39; (9) $10,517.39; (15).[1]

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
C. (2) Legislation affecting the interests of commercial banks.
D. (6) $10,500.
E. (2) $10,500; (6) $17.39; (9) $10,517.39; (15).[1]

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Angelina & Neches River Railroad Co., Keltys, Tex., et al.[1]
C. (2) Legislation effecting Texas railroads.
D. (6) $6,650.19.
E. (6) $6093; (7) $1,466.18; (9) $1,527.11; (15).[1]

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Humble Oil & Refining Co., Houston, Tex.
C. (2) Generally legislation relating to the oil and gas business.
D. (6) $1,370.83.
E. (6) $90.91; (7) $1,494.83; (9) $1,585.74; (15).[1]

A. Frank K. Woolley, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2).[1]
D. (6) $2,375.22.
E. (9) $101.60.

A. Edward W. Wootton, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.
(2) Legislation affecting California wine and brandy industry.

A. Donald A. Young,[2] 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States of America, 1615 H Street N. W., Washington, D. C.

A. J. Banks Young, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the Council is organized.
D. (6) $540.
E. (9) $86.53.

A. Harry E. Zwinggi, Clark Building, Pittsburgh, Pa.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

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[1] Not printed. Filed with Clerk and Secretary.

[2] Filed with the Clerk only.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter 1955:

(NOTE.—The form used for registration is reproduced below. In the interest of economy, questions are not repeated, only the answers are printed, and are indicated by their respective letter and number. Also for economy in the RECORD, lengthy answers are abridged.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

	QUARTER			
P	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. William B. Allen, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum and Plastic Workers of America, High at Mill Street, Akron, Ohio.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose all legislation detrimental to those objectives.

A. American Social Hygiene Association, Inc., 1790 Broadway, New York, N. Y.
C. (2) Legislation bearing on health, education, and welfare.

A. Frederic A. Baker, 296 Lexington Road, Berkeley, Calif.
B. The Federated Indians of California.

A. George W. Ball, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly and Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Ralph K. Ball.
B. Cleary, Gottlieb, Friendly and Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.
C. (2) Legislation affecting the machine tool industry.

A. Robert C. Barnard, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly and Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.
B. Reciprocal Inter-Insurer's Federal Tax Committee, United Artists Building, Detroit, Mich.
C. (2) In opposition to H. R. 43. (4) $1,000 per month.

A. Frank C. Bateman, Hotel Bancroft, Springfield, Ohio.
B. American Association of Nursing Homes, Hotel Bancroft, Springfield, Ohio.
C. (2) All bills relating to nursing and convalescent homes. (4) Estimated $600 a year.

A. Lester O. Begick, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, Inc., 635 Southern Building, Washington, D. C.
C. (2) Any legislation affecting the nursery industry directly.

A. Tell Berna, 2071 East 102d Street, Cleveland, Ohio.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.
C. (2) Legislation affecting the machine tool industry. (4) Annual salary is $25,000.

A. Thomas D. Blake, 3026 N Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) All legislation pertaining to sugar and trade with Cuba. (4) Monthly compensation $850, plus out-of-pocket professional expenses.

A. John J. Boland, 70 Pine Street, New York City, N. Y.
B. Merrill, Lynch, Pierce, Fenner and Beane, 70 Pine Street, New York City, N. Y.
C. (2) Tax legislation affecting securities dealers.

A. Lyle H. Boren, Seminole, Okla.
B. The Association of Western Railways, 280 Union Station Building, Chicago, Ill.
C. (2) This registrant will be interested in any and all legislative matters which will or may affect the class I railroads operating in the 24 Western States. (4) $697 salary and $650 per month expenses.

A. Clark L. Brody, 221 North Cedar Street, Lansing, Mich.
B. Michigan Farm Bureau, 221 North Cedar Street, Lansing, Mich.
C. (2).[1]

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
C. (2) Legislation affecting the banking industry. (3) Washington Bulletin. (4) $1,750 annual salary.

A. Robert M. Burr, 270 Park Avenue, New York, N. Y.
B. National Bureau for Economic Realism, Inc., 270 Park Avenue, New York, N. Y.
C. (2) Legislation that may be of interest to the bureau from time to time. (4) $684 salary.

A. Charles B. Butler, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2) Development, use, and ownership of natural resources.

A. Cal-Sag Waterways Development Committee, Inc., 134 South LaSalle Street, Chicago, Ill.
C. (2) For construction of Cal-Sag project.

A. Stuart Cameron, 1430 K Street NW., Washington, D. C.
B. Michigan Railroads Association, 301 Michigan Terminal Building, Detroit, Mich.
C. (2) Any legislation affecting the Michigan railroads. (4) $500 monthly.

A. Chapman & Wolfsohn, 425 13th Street NW., Washington, D. C.
B. Union Nacional De Productores De Azucar, S. A. de C. V., Balderas 36, Primer Piso, Mexico, D. F.
C. (2) Increase in the Mexican sugar quota under the United States Sugar Act. (4) $5,000 per quarter.

A. Earl W. Clark, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
C. (2) Legislation affecting the maritime industry. (4) $200 expenses per quarter; annual compensation, $16,500.

A. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
B. The National Cuban Sugar Mills Owners Association, Havana, Cuba, and the Cuban Sugar Cane Growers Association, Havana, Cuba.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

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[1] Not printed. Filed with Clerk and Secretary.

A. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
C. (2) Legislation affecting the interests of commercial banks. (4) Anticipated expenses, $75,000.

A. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.
C. (2) Japanese evacuation claims bills and appropriations thereto.

A. Bernard J. Conway,[2] 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
C. (2).[1] (3).[1] (4) $13,000 annually.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N. C.
C. (2) Legislation affecting the tobacco industry. (4) $10,000 annual retainer.

A. R. Ammi Cutter, 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. R. Ammi Cutter, 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.
C. (2) Opposing legislation imposing increased duties or quotas on importation of petroleum or petroleum products.

A. R. Harvey Dastrup, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
C. (2).[1] (4) $7,500 salary and expenses.

A. Bertram G. Davis, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2).[1] (4) Annual salary $6,000.

A. Tony Dechant, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
C. (4) Annual salary $3,000; expenses $1,000.

A. Florence de Haas Dembitz, 1025 Vermont Avenue NW., Washington, D. C.
B. Benj. Graham, 122 East 42d Street, New York, N. Y.
C. (2) Furthering the participation of the United States in the development and operation of an International Commodity Reserve Plan.

A. Richard A. Dell, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural electrification program. (3) Rural Electrification magazine.

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[1] Not printed. Filed with Clerk and Secretary.
[2] Registration with the Secretary only.

UNIVERSITY OF MICHIGAN LIBRARY

A. Casimir de Rham, Jr., 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Casimir de Rham, Jr., 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.
C. (2) Opposing legislation imposing increased duties or quotas on importation of petroleum or petroleum products.

A. Robert A. Drum, chairman of the board, Metz Brewing Co., Omaha, Nebr.
C. (2) Legislation affecting excise tax on beer.

A. J. R. Dunkerley, 12 East 36th Street, New York, N. Y.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
C. (2) Legislation affecting savings and mortgage business. (4) $1,750 annually.

A. Emergency Conservation Committee, 767 Lexington Avenue, New York, N. Y.
C. (2) Support of measures beneficial to conservation and opposition to measure detrimental to conservation.

A. Edward Falck and Ruth M. Falck, 1625 I Street NW., Washington, D. C.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N. Y.
C. (2) All legislation in regard to amendments to the Natural Gas Act that may be of interest to Consolidated Edison Co. of New York, Inc. (4) $6,250 per quarter, plus certain expenses.

A. B. T. Fitzpatrick, 1101 Vermont Avenue NW., Washington, D. C.
B. Wood, King and Dawson, 48 Wall Street, New York, N. Y.
C. (2) Legislation affecting the interests of national banks. (4) $22,500 annually.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
C. (2) S. 951 and legislation related to extension of regulation to bulk carriers on inland waterways. (4) $3,500 retainer, plus expenses.

A. Mark W. Frawley, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Walter Freedman, 829 Washington Building, Washington, D. C.
B. Patchogue-Plymouth Mills Corp., 295 Fifth Avenue, New York, N. Y.
C. (2) All legislation affecting rug and carpet-backing industry.

A. Gerhard A. Gesell, 701 Union Trust Building, Washington, D. C.
B. Transamerica Corporation, 4 Columbus Avenue, San Francisco, Calif.
C. (2) Banking legislation generally and particularly bills to regulate bank holding companies. (4) $500 per month, plus certain expenses.

A. S. H. Grauten, 1722 Harrison Street, Evanston, Ill.
C. (2) Recognition of services of civilians employed on construction of Panama Canal and who had 2 years of such service.

A. Carroll A. Gunderson, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
C. (2) Legislation affecting the banking industry. (3) Washington Bulletin. (4) $1,866 annually and expenses.

A. Morton I. Hamburg, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and Cleary, Gottlieb, Friendly & Ball, Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Harold F. Hammond, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

A. Jack A. Haner, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Hardboard Association, 30 North La Salle Street, Chicago, Ill.
C. (2) Tariff reclassification of hardboard as recommended in Tariff Commission Report on Hardboard of March 1955. (4) Expenses estimated at $2,000.

A. T. Wade Harrison, 711 14th Street NW., Washington, D. C.
B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
C. (2) Legislation affecting savings and loan, housing, home financing, thrift, and financial institutions. (4) $6,600 annually.

A. C. E. Hobbs, 1625 I Street NW., Washington, D. C.
B. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
C. (2) Legislation affecting the chemical industry. (4) $5,000 annually.

A. John M. Hurley, 515 Hogé Building, Seattle, Wash.
B. Washington Railroad Association, 515 Hoge Building, Seattle, Wash.

A. International Trade Section, New York Board of Trade, Inc., 291 Broadway, New York, N. Y.
C. (2) Fostering the passage of legislation concerning guaranties against risk of nonpayment by foreign debtors due to currency inconvertibility, exchange transfer block and other noncommercial hazards. (4) Expenses of $2,500 anticipated for quarter.

A. Ivins, Phillips & Barker, 306 Southern Building, Washington, D. C.
B. Remington Rand, Inc., 315 Fourth Avenue, New York, N. Y.

A. Kimon T. Karabatsos, 3707 Woodley Road NW., Washington, D. C.
B. Niobrara River Basin Development Association.
C. (2) Authorization and appropriations for the Ainsworth (Nebr.) irritation unit of the Niobrara River Basin. (4) $200 expenses.

A. Joseph Duff Kelly, 30 Broad Street, New York, N. Y.
B. Committee for Study of Revenue Bond Financing, 44 Wall Street, New York, N. Y.
C. (2) Possible proposed amendments to banking laws. (4) Monthly retainer of $1,000.

A. Edmund H. Kerr, 52 Wall Street, New York, N. Y.
B. Cleary, Gottlieb, Friendly & Hamilton, 52 Wall Street, New York, N. Y., and Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Possible legislation to amend or extend the Sugar Act of 1948, as amended.

A. Kenneth L. Kimble, 1701 K Street, Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants. (4) Annual salary $13,000 and expenses.

A. Clarence C. Klocksin, 2623 North Van Dorn Street, Alexandria, Va.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Legislation affecting the business of fire insurance.

A. James W. Lamberton, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly, & Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Randall J. LeBoeuf, Jr., 15 Broad Street, New York, N. Y.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N. Y.
C. (2) Opposition to H. R. 4560 in its present form and other related bills to amend the Natural Gas Act of 1938. (4) Office and traveling expenses.

A. Marvin E. Lewis, 703 Market Street, San Francisco, Calif.
B. City and county of San Francisco, Calif.
C. (2) All matters whether legislative or administrative having to do with the welfare of San Francisco. (4) Anticipated expenses approximately $15,000 a year maximum and compensation is $12,000 a year.

A. Donald Linville, 30 North La Salle Street, Chicago, Ill.
B. Hardboard Association, 30 North La Salle Street, Chicago, Ill.
C. (2) Tariff reclassification of hardboard. (4) Traveling and living expenses estimated at $2,000.

A. Leon Lipson, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Valeriu C. Georgescu, Standard Oil Co., of New Jersey, 30 Rockefeller Plaza, New York, N. Y.
C. (2) S. 1310, and for other purposes.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Cook Electric Co., 2700 Southport Avenue, Chicago, Ill.
C. (2) General legislation affecting company's interests.

A. Frederick Lukens, 1129 Vermont Avenue NW., Washington, D. C.
B. Education Association of the District of Columbia and Columbian Educational Association, 1129 Vermont Avenue, Washington, D. C.
C. (2) District of Columbia public schools salary schedule revision. (4) Monthly compensation $150.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Scully Signal Co., Melrose, Mass., and G. & W. H. Corson, Inc., Plymouth Meeting, Pa.
C. (2) Enactment of H. R. 2128 or a similar bill. (4) $500.

A. McDonnell & Slattery, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.
C. (2).[1] (4).[1]

A. Edwin McElwain, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.
C. (2) Legislation affecting the machine tool industry.

A. Joseph V. McLaughlin, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
C. (2) Legislation which the railroads believe to be in their interest and in the interest of a sound national transportation policy. (4) Reimbursed for actual expenses.

A. Robert H. McNeill, 815 15th Street NW., Washington, D. C.
B. Beaufort Fisheries, Inc., Beaufort, N. C.
C. (2) Appropriation by Congress of funds to deepen ship channel in what is known as Taylor's Creek, Carteret County, N. C. (4) $750 retainer.

A. MacLeish, Spray, Price & Underwood, 134 South La Salle Street, Chicago, Ill.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation as to the taxation of the income of fire and casualty insurance companies.

A. Julia L. Maletta, Congressional Hotel, Washington, D. C.
B. Amalgamated Clothing Workers of America, 15 Union Square, New York, N. Y.
C. (2) Furtherance of labor and social legislation. (4) $300 per month, plus actual expenses incurred.

A. John M. Martin, Jr., 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW., Washington, D. C.
C. (2) Legislation relating to American motorists, and travel generally. (4) Anticipated expenses: negligible; annual salary: $8,500.

A. Mike M. Masaoka, 1737 H Street NW., Washington, D. C.
B. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.
C. (2) Japanese evacuation claims bills and appropriations thereto. (4) Reimbursement for out-of-pocket expenses.

A. Kenneth A. Meiklejohn, 1209 Rippon Road, Alexandria, Va.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N. Y.
C. (2) Social and labor legislation. (4) Compensation at monthly rate of $866.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Estate of Alfred I. duPont, Barnett National Bank Building, Jacksonville, Fla.
C. (2) H. R. 2674 and all similar legislation.

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[1] Not printed. Filed with Clerk and Secretary.

A. Seymour S. Mintz, Robert K. Eifler, William T. Plumb, Jr., and Richard A. Mullens, 810 Colorado Building, Washington, D. C.
B. Hughes Tool Co., Houston, Tex.
C. (2) Revision of Internal Revenue Code of 1954.

A. M. D. Mobley, 1010 Vermont Avenue NW., Washington, D. C.
B. American Vocational Association.
C. (2).[1] (4).[1]

A. Douglas G. Mode, 705 Ring Building, Washington, D. C.
B. Bridgeport Brass Co., Bridgeport, Conn.
C. (2) Legislation providing for continuation of the suspension of certain import taxes on copper. (4) Total annual compensation and expenses, $3,000.

A. Douglas G. Mode, 705 Ring Building, Washington, D. C.
B. The Downtown Merchants, Washington, D. C.
C. (2) In furtherance of H. R. 4841. (4) Retainer for this purpose $1,000; additional compensation contingent.

A. Morison, Murphy, Clapp & Abrams, 839 17th Street NW., Washington, D. C.
B. Robert A. Drum, Omaha, Nebr.
(C) (2) Legislation affecting the excise tax on beer.

A. Morison, Murphy, Clapp & Abrams, 839 17th Street NW., Washington, D. C.
B. Pickett Development Committee, Blackstone, Va.
C. (2) Legislation affecting the disposition of Camp Pickett, Va.

A. Morison, Murphy, Clapp & Abrams, 839 17th Street NW., Washington, D. C.
B. The Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N. Y.
C. (2) Any legislation affecting employer.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, P. O. Box 471, Balboa Heights, C. Z.
C. (2) All legislation affecting A. F. of L. union members employed on the Canal Zone. (4) $600 per month salary plus $20 per day expenses.

A. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation as to the taxation of the income of fire and casualty insurance companies.

A. National Congress of American Indians, 1346 Connecticut Avenue NW., Washington, D. C.
C. (2) Interested in all legislation affecting Indians, Indian tribes, bands, or groups in the United States and Alaska.

A. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation applicable to postal transportation clerks. (4) $3,000 per annum for salary.

A. Ross D. Netherton, 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW., Washington, D. C.
C. (2) Legislation relating to American motorists and travel generally. (4) Anticipated expenses, negligible; annual salary, $11,000.

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A. Blake T. Newton, Jr., 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
C. (2) Matters affecting communications. (4) Reimbursed for expense; compensation, $1,958.33 per month.

A. Niobrara River Basin Development Association, 3707 Woodley Road NW., Washington, D. C.
C. (2) Public Law 612. (4) Anticipated expenses, $200.

A. Robert H. North, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D. C.
C. (2) Any legislation affecting the ice-cream industry. (4) Annual salary, $18,400.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Philippine Sugar Association, 2400 16th Street NW., Washington, D. C.
C. (2) To amend and extend the Sugar Act of 1948, as amended.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. Comite de Productores de Azucar, Antonio Miro Quesada 376, Of. 504, Lima, Peru.
C. (2) Amendment to Sugar Act of 1948, as amended, to increase quota. (4) $15,000 annually plus disbursements.

A. Samuel Omasta, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.

A. Donald L. O'Toole, 350 Fifth Avenue, New York, N. Y.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) All legislation pertaining to sugar and trade with Cuba. (4) Monthly compensation, $1,000 plus expenses.

A. P. T. Patterson, 5205 Sangamore Road, Glen Mar Park, Md.
B. National Star Route Mail Carriers' Association, 301 East Capitol Street, Washington, D. C.
C. (2) To promote any bill of benefit to the association or individuals thereof.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. S. Gumbel Realty & Security Co., Inc., New Orleans, La.
C. (2) To obtain amendment to Internal Revenue Code dealing with corporate distributions.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation as to the taxation of the income of fire and casualty insurance companies.

A. Helen L. Peterson, 823 Dupont Circle Building, Washington, D. C.
B. National Congress of American Indians, 823 Dupont Circle Building, Washington, D. C.
C. (2) Interested in all legislation affecting Indians, Indian tribes, bands, or groups in the United States and Alaska. (4) $600 per month and transportation expense.

A. J. Hardin Peterson, Cochrane Building, Lakeland, Fla.
B. Gene Salentine, Brooksville, Fla.
C. (2) A bill for the relief of Irene Guay Salentine, or similar legislation. (4) Fee of $400.

A. Walter C. Ploeser, 50 South Bemiston Avenue, Clayton, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
C. (2) Legislative matters relating to regulation of domestic transportation, the American merchant marine, flood control and rivers and harbors maintenance, and related matters.

A. Poole, Shroyer & Denbo, 1625 K Street NW., Washington, D. C.
B. American Retail Federation, Cafritz Building, Washington, D. C.
C. (2) Legislation to amend the Fair Labor Standards Act.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Committee representing American Fluorspar Producers, Rosiclaire, Ill.
C. (2) Tariff, customs, and foreign-trade legislation. (4) Compensation $150 per day and expenses.

A. Record Industry Association of America, Inc., 1 East 57th Street, New York, N. Y.
C. (2) Repeal or reduction of the excise tax now levied on phonograph records. (4) Retainer, $5,000.

A. Riegelman, Strasser & Spiegelberg, 810 18th Street NW., Washington, D. C.
B. Nez Perce Tribe of Idaho, Lapwai, Idaho.
C. (2) All legislation of concern to Indians as such and the Nez Perce Tribe in particular.

A. Gene Salentine, Brooksville, Fla.
C. (2) A bill for the relief of Irene Guay Salentine, or similar legislation. (4) Fee of $400.

A. Benjamin H. Saunders and Howard T. Mather, 1000 Shoreham Building, Washington, D. C.
B. Grier Cotton Co., Statesville, N. C.
C. (2) Legislative interest concerns jurisdictional bill on refund of income taxes.

A. O. H. Saunders, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, Regular and Reserve, and their dependents and survivors. (4) Monthly compensation, $400.

A. James J. Saxon, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
C. (2) Legislation affecting the banking industry. (4) Estimated annual salary $1,375 and expenses.

A. Rosario Scibilia, 378 Avenue T, Brooklyn, N. Y.
B. Catholic War Veterans of the United States of America, 1012 14th Street NW., Washington, D. C.
C. (2) Appropriations, armed services, education, foreign affairs, Government operations, interior affairs, civil service, rules, un-American activities, veterans' affairs.

A. Paul R. Scott and George F. Gilleland, 627 Ingraham Building, Miami, Fla.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. John H. Sharon, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Legislation to amend or extend the Sugar Act of 1948, as amended.

A. Edward F. Snyder, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2).[1] (4) Compensation $5,500 per year, estimated expenses $100 per quarter.

A. Stanley L. Sommer, 612 Albee Building, Washington, D. C.
B. Rowe-Doherty, 612 Albee Building, Washington, D. C.
C. (2) H. R. 1, with certain amendments to protect defense skills and all legislation affecting the domestic jeweled watch industry.

A. Leo V. Sullivan, 106 Chestnut Street, West Haven, Conn.
B. New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
C. (2) All legislation which might affect the New Haven Railroad and its subsidiaries. $50 per day and expenses.

A. Surrey, Karasik, Gould & Efron, Woodward Building, Washington, D. C.
B. Comision de Defensa del Azucar y Fomento de la Cana-Ciudad Trujillo, Dominican Republic.
C. (2) Amendment of the Sugar Act of 1948.

A. Glenn J. Talbott.
B. Farmers Educational & Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
C. (2).[1] (4) Annual salary $5,000, expenses $500.

A. W. M. Thomas, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
C. (2) Interested in all legislation applicable to postal transportation clerks.

A. M. S. Tisdale, 2500 Wisconsin Avenue, Washington, D. C.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Calif.
C. (2) Any legislation affecting Solano County. (4) Fee, $1,180; estimated expense, $720.

A. Union Producing Co. and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
C. (3).[1] (4).[1]

A. Upper Colorado River, Grass Roots Committee, Inc., care of Chamber of Commerce, Grand Junction, Colo.
C. (2) Supporting legislation to authorize the Colorado River storage project and participating projects. (4) Approximately $15,000 expenses per quarter.

A. Richard G. Van Buskirk, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) Legislative interest is to advance the art and science of medicine. (4) $4,500 annual salary and $1,500 expenses.

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[1] Not printed. Filed with Clerk and Secretary.

A. Stanley Vogt, 1404 New York Avenue NW., Washington, D. C.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
C. (4) $3,000 salary annually and $1,000 expenses.

A. Bailey Walsh, 1346 Connecticut Avenue NW., Washington, D. C.
B. Lion Manufacturing Co., 2640 Belmont Avenue, Chicago, Ill.
C. (2) Internal Revenue Code of 1954.

A. Bailey Walsh, 1346 Connecticut Avenue NW., Washington, D. C.
B. United Manufacturing Co., 3401 North California Street, Chicago, Ill.
C. (2) Internal Revenue Code of 1954.

A. Robert V. Westfall, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
C. (2) Advocating legislation of benefit to railroad labor.

A. George Y. Wheeler, 2d, 1625 K Street NW., Washington, D. C.
B. Radio Corporation of America, 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting Radio Corporation of America and/or its subsidiaries and affiliated companies.

A. Kenneth W. White, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.

A. Herbert P. Wilkins, 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
C. (2) Possible legislation to amend or extend the Sugar Act of 1948, as amended.

A. Herbert P. Wilkins, 53 State Street, Boston, Mass.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.
C. (2) Opposing legislation imposing increased duties or quotas on importation of petroleum or petroleum products.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
C. (2) Any legislation to amend the Natural Gas Act. (4) $150 per month.

A. Woollen H. Walshe, 3423 Joseph Street, New Orleans, La.
B. California Commercial Co., 635 Shoreham Building, Washington, D. C.
C. (2) Any legislation affecting the oil and gas industry. (4) $1,500 annual salary and expenses of approximately $150 per month.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
C. (2) Legislation affecting the interests of commercial banks. (4) Anticipated expenses approximately $60,000.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
C. (2) Legislation affecting the interests of commercial banks. (4) Anticipated expenses approximately $30,000.

EXTENSIONS OF REMARKS

Minimum Wage Legislation This Session

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. MADDEN. Mr. Speaker, this morning I had the privilege of appearing before the House Committee on Education and Labor to speak in behalf of a fair minimum wage bill.

I believe the House Labor Committee is making a diligent effort to bring out minimum wage legislation so that all the Members of Congress can debate and vote on a new fair minimum wage before this session of Congress adjourns:

MINIMUM WAGE LEGISLATION THIS SESSION

Mr. Chairman, I am indeed happy that the House Committee on Education and Labor has decided to hold hearings on increasing the minimum wage standards of the Nation. I firmly believe that it is highly essential to the economical interests of our Nation that minimum wage legislation be acted upon favorably and signed into law before this session of Congress adjourns. It is indeed unfortunate that President Eisenhower has seen fit to recommend only an increase from the present 75-cent minimum up to 90 cents per hour. This falls far short of the economic needs for low income workers, especially considering the inflationary high cost of living which all families are subjected to at the present time. An increase to 90 cents an hour does not sufficiently cover the rise in the cost of living since the present 75-cent minimum became law in 1949. A number of bills have been introduced, including H. R. 1818 which was filed by me several months ago, calling for an increase to $1.25 per hour. If the President's recommendation of 90 cents an hour is enacted into law, the full-time worker would merely receive an annual wage of less than $2,000 a year. It is apparent, considering the present high cost of living, that a man and wife with children cannot afford the bare necessities of life to his family on that meager income. It is estimated that the annual wage at $1.25 for 8 hours a day and 5 days a week, would bring in an income of $2,500. This income would afford the average family in the lower brackets a great improvement in their status of living and give them an opportunity to enjoy at least a few privileges and necessities of life which they are compelled to forego under their present low income. It is estimated that the lowest income for a family living in high cost areas of the average metropolitan city should be at least $3,600 to $4,000 per year in order to meet the necessary living expenses for a family of five.

Unfortunately, the wage scale in a number of our States is far below other States, particularly those located in the southern areas of our country. The economic situation in a great many of our Northern States today has deteriorated by reason of literally thousands of industries and factories moving into States which have a low wage scale. The Northeast Atlantic States have probably suffered more than any area in the country by reason of "runaway" industry closing their shops and factories and moving into certain Southern States in order to take advantage of substandard wages. This situation has been becoming worse during the last 5 or 6 years until today, we have cities in the North that are suffering through critical unemployment brought about by "runaway" industry desirous of taking advantage of substandard wages. Only recently, I received a letter from a metal worker located at Indianapolis and stating that the top three floors of the factory where he is employed has been closed and the machinery moved to Alabama. He also stated in the letter that over 250 employees have lost their jobs already and that it would be but a short time until the factory would be completely closed and moved to the low-wage area. He also stated that the situation as it exists in the metal factory was no different than in several other industries in the Indianapolis area. Unless the Congress takes some steps to improve this unjust and unfair distribution of wages throughout the country, our economy will suffer far more in the future than it has in the past by reason of low-wage standards in certain areas.

The greatest selling market for products manufactured in low-wage areas is in the States which have a high wage and large purchasing power. If unemployment is rampant in the high-wage States, the factories will eventually close in the low-wage States.

We should not forget that one of the principal reasons for the great depression in the early 1930's was the fact that our factories and industries turned out products and discovered that the purchasing power of the country was so low that there was no market for our production. This brought about unemployment and the most devastating shattering of our economy in the history of the Nation.

Purchasing volume among wage earners is as essential for prosperity as purchasing power among the millions of farmers in America. After 1933, when our Government took steps to improve the economy of the wage earner and the farmer, our economy started to improve until we went into the greatest period of prosperity in our history.

The great industrial areas of the 1920 period learned a costly lesson when they discovered that low wages and low consumer income throughout America did not provide a market for steel and other manufactured products.

The increase in the minimum-wage bracket was promised to the American people by both political parties in the recent election. In fact, Secretary of Labor Mitchell told the CIO convention in 1953 that he was shocked to learn that two-thirds of America's 60 million workers were outside the wage-hour law. He further stated that the position of these exempt workers was dangerously insecure, but also imperiled those covered by the 75-cent minimum-wage law. It is estimated that there are over 7,500,000 retail workers and 5 million service-trade workers who are not covered by the present low minimum-wage base. The industries that are covered are often those industries in which unions are strong enough to enforce a wage rate for higher than the legal minimum. The industries exempted are precisely those where a long tradition of low pay, plus other factors, make it difficult for the workers to organize and present their case effectively. Some folks have the false idea that if the minimum-wage rate is increased, there must be a broader exemption. That in effect, means that we must not have a minimum-wage base in any industry where the law would have a useful effect. Both the A. F. of L. and the CIO have proposed a $1.25 level and if this minimum-wage base is enacted, or something reasonably close thereto, it would have the effect of pumping an enormous buying power into the hands of consumers, aid prosperity, and prove to be an effective barrier against the reoccurrence of another depression.

The Department of Labor survey in October 1951, showed that the annual income need for an average family was $3,812 a year in New Orleans. In the city of Washington, D. C. on account of the increased cost of living, the essential family income would be $4,454. Yet, this family budget would be far more than the head of a family would make at $1.25 an hour. A full year's work of 2,000 hours at $1.25 minimum would yield only $2,500 compared to the $3,800 required for adequate family living in a city like New Orleans.

The raising of minimum wage to a just level would indirectly bring about a great reduction in disease, crime, and slums. Heads of families who are compelled to bring up children with inadequate necessities of life, when children are compelled to go to work at an early age, when the family producers must work such long hours that he has no time for his home, his wife and his children, develops into a dangerous challenge to the state of mind of millions of Americans who live under substandard conditions. It fails to recognize our Nation's interest and welfare in human needs and the protection of the family is completely lost through poverty and lack of opportunity.

I do hope the committee will, without delay, report out a substantial increase in the base minimum wage structure and in doing so, carry out the promises that both political parties made to the American people in the last election.

It is my earnest hope that your committee act favorably so the bill can reach the House floor in the next 2 weeks. If the 435 Members of Congress are given an opportunity to debate, amend, and vote on a minimum wage bill, I am convinced they will reach a wage figure that will be fair and equitable to both employer and employee.

Memorial Day Address by Hon. Alexander Wiley, of Wisconsin

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Thursday, June 2, 1955

Mr. WILEY. Mr. President, last Friday, May 27, it was my privilege to address a Memorial Day gathering in West Allis, Wis. I stressed the significance of Memorial Day in our time, particularly with respect to aviation defense.

In my judgment, our country must look to its air age laurels if we are to have necessary protection for our national survival.

I ask unanimous consent that the text of the address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE MEANING OF MEMORIAL DAY IN OUR TIME—THE NEED FOR SPEEDING UNITED STATES AVIATION DEVELOPMENT

I am proud to be present with you at this outstanding patriotic assembly.

No one could be present today without a variety of deep feelings in his heart.

OUR FEELINGS TODAY

There is, first, a feeling of humility, because of the sacrifices which have been made by America's heroes in all of our past conflicts.

There is, second, a feeling of gratitude for what those who went before us did in our behalf—of gratitude for their sacrifices, their selflessness, their giving of their all.

There is, third, a feeling of proudest patriotism. This is a period when Old Glory, with all its rich meaning, takes on deeper meaning still. The red, white, and blue waves more proudly in our hearts than ever before, as it waved proudly at Gettysburg and San Juan Hill and the Argonne and Normandy and Inchon.

And lastly, there is a feeling of rededication.

There is a feeling of deepest responsibility to this constitutional Republic, a feeling that we must truly be worthy of it, that we must be faithful to it, that we must never let it down.

There is a feeling that we must show our profound appreciation for the most priceless privilege that any human being can have on the face of the earth—the privilege of being a citizen in the grandest, freest, finest nation on earth.

And so, as you and I pay tribute to the heroes of America's conflicts, and in particular, the heroes who died that the Union might be preserved, we take upon ourselves the renewed responsibility to protect and preserve this country from those who would destroy it from without and/or from within.

AMERICA'S HOUSE MUST REMAIN UNITED

Lincoln told us that "a house divided against itself" cannot stand. America must, therefore, be united.

Labor and management must be basically united, even though they do differ on the guaranteed annual wage, or some other specific controversial subjects.

The different regions of our Nation—North and South and East and West—must be united, even though they differ somewhat on practices and customs in their respective areas.

Men of different religions and races in our land must be united, even though they worship in different temples and even though their forefathers came from different origins.

Men and women of different economic groups in our country must be united, even though some have more worldly possessions than others.

There are so many things that we share in common that we must not allow anyone to widen the gap on those few issues on which we are apart.

VIGILANCE TO PRESERVE WESTERN CIVILIZATION

This house will not be divided, and therefore it will stand.

This Republic, which was saved at Antietam, at Gettysburg, at Vicksburg, will not fall, must not fall, in some Pearl Harbor-like attack in the future. The fate of western civilization rides with Old Glory and the banners of Allied Powers.

So, the significance of Memorial Day 1955 is that we must be alert. We must be vigilant. We must be strong. We must, as the Good Book tells us, "be wise as serpents and harmless as doves."

The fact of the matter is that we face the greatest menace in American history today. It is, of course, the menace of international communism: Aggressive, atheistic, imperialistic, with a hungry appetite to take over the rest of the world.

PEACE WITH HONOR

We all know that the Soviet Union is currently engaged in a tremendous peace offensive. We know that it would like to lull the free world to sleep. That must not happen. We must remain on our guard.

Of course, we do not desire war with Russia, particularly in this atomic day and age when war could result in the most savage nuclear devastation of the victor and vanquished alike.

We desire peace with Russia, and all other peoples; peace with honor, peace with justice.

It must not be, it cannot be, a peace of appeasement.

It cannot be a peace in which we sell out the rights of so much as a single citizen.

That includes the rights of the imprisoned United States airmen—the airmen whom we will never forsake, whom we will never abandon, and whose return we will continue, with all the peaceful efforts at our command, to insist upon.

Neither will we abandon any ally, including Nationalist China, which bravely fought and bled in the long struggle against communism.

WE ARE LAGGING IN AIR PROGRESS

But to preserve peace with honor, we must be strong, particularly, as Billy Mitchell so long warned us, in the air.

At this Memorial Day occasion, our eyes and our thoughts lift inevitably toward the sky—toward the great ocean of air which washes 3 million square miles of the North American Continent.

We look to the air, which can be the great highway for peace, or the channel of destruction surpassing anything in man's history.

Within the past 2 weeks, men have shattered more aviation speed records. A National Guard flyer has flown from coast to coast and back again, between sunrise and sundown. He has streaked through the air at more than 7½ miles per minute, and this was in a somewhat obsolete Sabrejet plane.

Man has shattered the sound barrier.

He is shattering the heat barrier (which would otherwise melt metals at highest speeds).

Aviation designers and developers are planning for still faster speeds and still higher altitudes—5 miles high in the stratosphere.

Under these circumstances, we must look to our aviation laurels. We are still probably ahead in air superiority, but our margin, our edge, is shrinking fast.

The unfortunate fact of the matter is that the Soviet Union has made alarming progress in her own competitive aviation development.

Recently, the Defense Department belatedly released grim information concerning formations of Soviet intercontinental jet bombers. The Department seemed to indicate that this was new information. But the fact of the matter is, as attested by such noted observers as Hanson Baldwin, that for many, many months, aviation experts have known about the so-called new developments. These experts knew about the Soviet medium bomber type-39 and heavy bomber type-37—equivalent to our advanced B-52's and B-47's. Experts have known, too, that Soviet engines seem to have even more modern thrust than United States jet engines. All this was not new; it should not have come as a surprise or shock. It was the grim handwriting on the wall for a long, long time.

The only relatively new information which has come out is the data concerning a Soviet all-weather fighter, a design so relatively new that some experts say we may have to change some of the concepts of our own Strategic Air Force.

This all-weather fighter is even newer than the Soviet Mig-17 fighter. It, in turn, was a more modern version than the tough Red Mig-15, which our flyers encountered in vast numbers over Korea.

More than 15,000 Mig-15's have been manufactured, a tremendous production total.

Unfortunately, it is estimated that the United States has manufactured a far smaller number of our most advanced combat fighters than the Soviets have, of their advanced combat fighters.

Thus, our F-100 is reported to have been produced only in a few hundreds. On the other hand, the comparable Soviet plane—the Mig-17—already has been manufactured in over 7,000 units.

Now, of course, we are not striving for mere quantity; we are interested in quality.

To pile up vast numbers of planes which quickly grow obsolete, would be a mistake.

But, at the same time, not to have a sufficient quantity of modern aircraft, at hand at all times, may leave us open to a single airborne sledge-hammer blow, from which we might not recover.

WE MAY NOT HAVE TIME TO MOBILIZE

We cannot assume that in the event of war, we will have several months in which to leisurely mobilize and tool up for mass production.

The planes that we start with, may be the planes that we have to finish with, or the planes that we are finished with.

If we don't have sufficient planes on hand the first day of a war, we may never have any planes at all, and we may not have a country left at all.

Right now, the Russians have 20,000 aircraft in combat formations. We have 12,500 in the Air Force, Navy, and Marine Corps. And we have around 4,000 additional aircraft among our allies.

Much of our aircraft, however, is not available for global missions, as in the instance of Marine Corps planes used in support of the ground units, or naval aircraft which must be used simply to protect carriers.

SOVIETS BUILDING ON A CRASH BASIS

What this all adds up to is this fact: The Soviet Union has been developing her intercontinental aviation on a crash basis.

She has not been going at it leisurely. She has been going at it—with fullest industrial resources—apparently as if every single day counted in the technological race for superiority.

On the other hand, we have been building—with only a fraction of our factory potential—"for the long pull." We have been developing our intercontinental missile program, too, as though we had a good many years in which to experiment.

While I don't think that war is around the corner, while I don't think that war is imminent or even inevitable in the long run, neither do I think that we can afford to arm at this leisurely pace.

WE MUST NOT BE SMUG

I think that we must, therefore, speed up our development.

I think that there is too much of a tendency in this country to become smug and self-satisfied. There is too much of a tendency to boast vainly that we have the "best," the "biggest," the most "modern," the most "advanced" and to use all the other high-sounding adjectives.

There is too much of a tendency to assume that anything which we Americans do will necessarily be best simply because it is American. That is very definitely not the case.

In the past, our American production genius has proven the balance of two major world wars. But it is only because we had sufficient time to develop it. Now, we may not have time if we squander it any more.

And even in the Second World War, we found absolutely indispensable the genius of Allied peoples—scientists and inventors.

That doesn't mean that we don't take pride in our own American talent and ability.

But it does mean that unless we really exert our genius, our manpower, our factory ability, we cannot stay ahead.

There is no automatic rule which says that we Americans will be ahead of the Russians, simply because we are free and they are slaves. To be sure, over the long run,

free men will out-produce what slave laborers perform.

But the fact of the matter is that the Soviet Union apparently developed her H-bomb at an even faster rate than we did. And there is evidence that she is developing other weapons at a faster rate than we are, considering the late time at which she began her advanced programs, and the somewht earlier time at which we began ours.

In other words, even slave laborers, working on a "crash basis" can sometimes outproduce free men, working on a relatively leisurely basis.

And so, we must look to our laurels. We must not become smug and self-satisfied. We must devote to the task of survival for fuller energies, or else we may not survive.

That does not mean that I am assuming a gloomy, pessimistic outlook.

On the contrary, I have faith and confidence in our future. But I know that we cannot be adequate to that future unless we work hard—hard in aviation, hard in nuclear development, hard in intercontinental missiles, hard in every means of United States defense and deterrent striking power.

CONCLUSION

This, then, is the message—this is the significance for all patriotic Americans in observance of Memorial Day, 1955.

Joint Resolution Designating the Second Full Week of October in Each Year as National Week for Nursing

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mrs. FRANCES P. BOLTON. Mr. Speaker, today I am introducing a joint resolution to designate the second full week in October of each year as National Week for Nursing.

I am sponsoring this resolution because of the great success of the first National Nurse Week, proclaimed by President Eisenhower last October. This national observance was authorized by a joint resolution introduced by me and passed by the 83d Congress. It dramatized as never before the important role of nurses in every phase of our health programs.

Hospitals, health agencies, military installations, health organizations, women's auxiliaries, schools, and churches chose the occasion to pay sincere tribute to nurses. Generous cooperation was given by the press, radio, and television. Civic organizations, businessmen, mayors, governors, and other public officials gave splendid support.

The first National Nurse Week also received the full acclaim of nurses themselves. I would like to mention a few of the ways they told the public about the progress being achieved in hospital and public health nursing and in nursing education. Nurses in the hospitals were hostesses to high school students, Future Nurse Clubs, and Girl Scout troops, showing them the interesting things about their work and the broad vocational opportunities. Many nurses and friends of nursing spoke at civic club meetings and appeared on radio and television programs to tell how they are helping protect the Nation's health and how their profession has risen to its present usefulness and importance. Schools of nursing in the hospitals, colleges, and universities held open houses for the public. Nursing students and student organizations cooperated with enthusiasm.

Mr. Speaker, it is most appropriate that the Nation observe a similar occasion each year. Nurses are performing a magnificent service for their fellow man. Because of the remarkable progress of medicine and the development of new health programs such as rehabilitation of the handicapped and prevention of mental illness, their responsibilities are increasing rapidly. Community interest and support will help them meet these responsibilities.

A National Week for Nursing also will call public attention to the current need to improve our schools of nursing because of new demands for nursing service and highly specialized nursing skills. It presents an opportunity for nurses and other citizens to work together for an important cause and to establish the basis for cooperation in other actions in which professional and civic interests each facilitate the other. And it will help maintain and increase enrollment in the schools; there is no more effective way than an annual event of this kind to keep young people alert to the unlimited opportunities for satisfying careers in the field of nursing.

It is my hope that the Committee on the Judiciary will take immediate action and that the joint resolution will be passed by Congress without delay.

Award of Government Contracts

EXTENSION OF REMARKS
OF
HON. THOMAS L. ASHLEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. ASHLEY. Mr. Speaker, today I have introduced a bill which will prohibit Government agencies from awarding contracts to companies which have been found guilty of an unfair labor practice by the National Labor Relations Board where the violation remains unremedied.

At the present time the Department of Defense and other Government agencies have taken the position that there is no authority for refusing to award a contract to a low bidder solely because of his violation of Federal labor law. This position is bolstered by the fact that the Comptroller General in the past has ruled on several occasions that contracting agencies cannot consider such facts as compliance with the National Labor Relations Act in awarding Government contracts.

While it is entirely proper for the procurement agencies of the Federal Government to remain neutral in private labor disputes where both parties are exercising their rights in conformance with law, this policy has no basis in a situation where one party to a labor dispute has been found by an appropriate tribunal to be in violation of Federal law.

My bill, which is substantially the same as the one recently introduced by Senator NEELY, does not seek to disturb the proper balance between labor and management. Barring from Government contracts those companies which have been found to be in violation of the National Labor Relations Act and which persist in these violations is not a position which can be represented as favorable either to labor or to management. What this bill does favor, however, is fairness.

For is it fair, Mr. Speaker, to place employers who do obey the law at a competitive disadvantage by rewarding violators of the Federal law who may be able to underbid their competitors exactly because of their unfair labor practices?

The Department of Defense has taken the position that its procurement agencies must remain neutral in private labor disputes. But what sort of neutrality is it when a Federal agency awards a Federal contract to a violator of the Federal law?

The general rule established by Congress that an advertised contract must be awarded to the lowest bidder has been interpreted by the Comptroller General to mean the lowest responsible bidder. But how can a company which has been found by one Federal agency to be in violation of the Federal law be considered by another Federal agency to be responsible?

One of the most flagrant examples of how this administration has rewarded the lawbreaker is the famous Kohler Co. case. This company produces home fixtures and other products, including shell cases for military purposes, at a plant at Kohler, Wis. On April 12, 1954, during a strike called by the United Automobile Workers, CIO, the National Labor Relations Board handed down its decision on charges filed during an earlier dispute in 1952.

The Board found that the Kohler Co. had engaged in a number of unfair labor practices, including several acts of illegal interference during an NLRB election campaign, restraint and coercion, and discrimination. The Kohler Co. took no action to comply with the NLRB order, although, of course, the order has the effect of Federal law.

Mr. Speaker, in November of 1954, just 7 months after the NLRB order, the Department of the Army awarded the Kohler Co. a $2 million contract for the manufacture of shell casings. The award came at a time when the company had still not complied with the Board order and was still a violator of the Federal law.

The procedure whereby a company is found guilty of unfair labor practices by the National Labor Relations Board is a lengthy and tortuous one and no element of due process is denied the employer. The proceedings might commence, to take an instance, with the filing in a regional NLRB office of a charge by a union against an employer. A field investigation and attempt at settlement

follow. If this attempt fails, the issuance of a complaint may be recommended. This recommendation is reviewed by the regional director. Hearings follow. There is an intermediate report to which the employer, if the report sustains the allegations in the complaint, may file exceptions with the Board in Washington.

The Board then analyzes the case, affording, if it wishes, the opportunity for oral argument. At the conclusion of its deliberations, the Board issues its decision and final order requiring the employer to correct the unfair practices it may have found.

Yet the fact that the National Labor Relations Board finds a company in violation of Federal law after so lengthy a process as this has not deterred the administration from awarding that company a handsome contract.

Mr. Speaker, my bill is a moderate bill. It does not ask that companies which may at some time in the past have been found guilty of unfair labor practices but have now corrected those practices shall be prohibited from receiving Government contracts.

This bill asks only that companies which have been found guilty of violation of Federal law and of the national labor relations policy established by Congress and which persist in such practices be denied Government contracts. This is not an unreasonable proposal. It seeks only that the Federal Government shall not reward the violator of the Federal law.

House Joint Resolution 309

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. BOW. Mr. Speaker, the infamous treaties that permit American soldiers to languish in foreign prisons, deprived of the protection of the Government they are sworn to protect and uphold, have aroused the indignation of good Americans everywhere.

Letters applauding the action of the House in accepting 174–56, my amendment regarding the status of forces treaty, and supporting House Joint Resolution 309, directing the President to modify or denounce this treaty, have come to me from many parts of our land.

Under leave to extend, I include herewith several examples of the mail received in my office since the status of forces amendment was accepted 10 days ago. Today I shall confine myself to letters from the State of Texas.

A Houston attorney writes:

The writer is a member of a local draft board. It is hard enough on these boys to take them into the armed service—but when we subject them to these foreign courts wholly without their own willingness it is an entirely different matter.

There is a very definite feeling against the status of forces agreement of parties to the NATO in Texas * * * I appreciate your efforts, and believe the Senate as a whole will give some thought to your amendment. We appreciate your efforts.

Here is a folder showing a severed hand under a court order in the East. Another picture I have showed 2 hands and 2 feet dangling on a street corner—the offense was a minor theft. * * *

The chairman of the American Legion Americanism committee in one Texas district telegraphed:

Appreciate your stand to bar use of American troops in countries where GI's are subject to prosecution under foreign laws. The nefarious Status of Forces Treaty under NATO must be rescinded.

A Houston mother says:

As the mother of two sons, may I express my appreciation for your stand on the NATO Status of Forces Treaty in connection with the military Reserve bill.

From another Texas lady:

Thank you for your wonderful stand against use of our troops in foreign countries where they would be subject to prosecution under foreign laws. It is good to see that we still have some representatives of the people who will put America before political gain.

An Air Force colonel writes from El Paso:

Although I know you only through the patriotic fight that you are waging to protect the constitutional rights of every American citizen, as well as those serving our country in uniform today, I wish to congratulate you and offer my humble support. Your amendment to prevent treaty law from depriving the citizens of the United States in uniform of their constitutional rights must not be lost.

I note with pleasure the amendment passed with the majority vote of 174 to 56.

I have written the able Senators from Louisiana, my home State, in an effort to encourage them to support your program to save the Constitution of the United States of America once and for always.

We have failed to save those who have fallen prey to the Status of Forces Treaty and now the case must go to the court of final arbitrament, the court of American public opinion.

Mr. Speaker, this is only a small sampling of the mail that has been received. At a later date I propose to quote additional letters, telegrams, and post cards, so that Members may know how widespread and enthusiastic is the support for abrogation of the Status of Forces Treaty.

Regional Elections in Sicily: June 5

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. RODINO. Mr. Speaker, the impending elections in Sicily on June 5 are of great importance at this juncture in the national politics of Italy. Under article 116 of the constitution of the Italian Republic, Sicily enjoys a special self-governing status. The regional parliament in Palermo, Sicily, has considerable legislative power in matters having to do with local government, agriculture, mining, police and other matters, so long as its decisions do not conflict with the fundamental laws of the state.

The vote in Sicily, on June 5, is so important because it may well influence future party alignments on a national scale. The number of voters on the island of Sicily is about one-tenth of the national electorate. The Christian Democrats in Sicily have maintained, so far, a slight lead over the other parties. The Communist party is second strongest. The Communist party, moreover, having reached a so-called saturation point in northern Italy, has recently given increasing attention to its propaganda in the South. The Christian Democrats in Sicily are troubled by the strength of the Communists and of the rightist parties, both of which are campaigning strongly to capture and harness a new regional consciousness which is developing in Sicily and which is now demanding better social programs for the island.

Christian Democrats in Italy's National Parliament, now holding only a bare majority of seats, are also apprehensive lest an unfavorable vote in Sicily make more difficult the delicate balance they are seeking to maintain. This is a particularly urgent situation since a vote of confidence in the national government is scheduled for June 15.

This is also, of course, of very great concern to our own country, and indeed to other democratic governments of Western Europe. Since the end of World War II, Italy's leaders have been strong supporters of the ideals of the Western democracies. They have taken numerous measures to weaken the diabolical force of communism in Italy. Two of Italy's most active leaders in this respect have been the late Alcide de Gasperi and the present Premier, Mario Scelba. Indicative of the stanch friendship between Italy and the United States was Premier Scelba's visit to our country in March. I had the great honor to make a statement for the Voice of America on the occasion of Premier Scelba's visit to the Capitol. This message was transmitted by the Voice to Italy. The message was as follows:

To Representative PETER W. RODINO, JR., of New Jersey. We want you to know that your American friends are most happy to welcome Premier Mario Scelba on his visit to the United States.

Prime Minister Scelba has just been presented to our House of Representatives in Washington and I am glad to say that I had the honor of being a member of the official reception committee that greeted him. This event is symbolical of the position which Italy and the Italian people occupy today in world affairs. Now that the recovery is complete, we note with satisfaction the contribution that Italy is making to the cause of peace and the unity of the free world.

We also note with pleasure that with the recent agreement making a quantity of heavy water available to Italy, Italian scientists will now be able to contribute their skill and technical knowledge to the peaceful uses of atomic energy.

Along with their struggle against Communist subversion, Italy's leaders have not neglected the economic development of the country. Great strides have been made. The progress in Sicily is an excellent example of what is happening in other parts of Italy. In Sicily

there has been vast development in public works, substantial beginnings in industrialization and progress toward modernizing agriculture. The standard of living has gone up. The regional government has not disappointed the Sicilians. But progress is necessarily slow and this is why the people sometimes become discouraged and seek some kind of panacea by embracing the ideas of either the extreme right or the extreme left.

We in America will watch eagerly for the returns from these elections. Since the end of World War II we have been close to events in Italy—her fight against the Communists, against unemployment and for economic recovery. Italy has received from our country very substantial amounts in the way of economic aid. Perhaps the greatest thing we can do for her at the time of these important elections is simply to reiterate our friendship and our recognition of the important place which Italy has made for herself in the family of nations, and in particular the great contribution she is making now to the western alliance.

Continuing National and Individual Self-Sacrifice Is the Price of Honorable Peace

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. DONOHUE. Mr. Speaker, I have been asked to include a Memorial Day address I delivered on Monday, May 30, at the commemorative exercises held on the Worcester (Mass.) Common, sponsored by Willie Grout Camp, SUVCW. The address follows:

It is a high privilege to join with you this morning in commemorating the heroic war dead of our community and our country.

As we prayerfully reflect upon the patriotic deaths of comrades, friends, and neighbors who once walked among us, we cannot escape a deep sense of humble gratitude. With that feeling of gratitude comes the clear realization that even the most prosperous of nations can never fully repay the debt we owe to those who gave up their lives for us.

There is nothing of materiality that we can give them now, but it is within our power to make sure that widows and children do not suffer economic hardship because a valiant father or son is a forgotten military hero.

We must also never forget the material obligations we have to assist those veterans who escaped the finality of death but will carry the disabling scars of military service throuhout their lives. To afford them just compensation for their disabilities, to provide rehabilitation facilities, hospitalization treatment, and opportunity to pursue their interrupted education is not charity, but merely carrying out the national promises that were made. While we are spending billions of dollars for the practical purpose of gaining dubious foreign friendships, it wisely behooves us to beware of the danger of fostering disillusionment and despair among veterans and their families, who are the greatest national asset we have against attempted Communist subversion from within, or open military attack. If we ever foolishly neglect our obligations to these veterans it will be the beginning of a dark era in American history.

To those who sacrificed their lives in the service of this country, we have, indeed, much more than any mere material obligation. They left their land and homes to endure terrible hardships, suffering, and death to retain for us the godly dignity of individual life and the Christian principles of personal liberty and impartial justice for all.

Today, these principles are being threatened with extinction here and in the free world by atheistic communism. A study of the plan and program persistently pursued by the Kremlin leaders since the end of World War II clearly warrants the assumption that their eventual objective is to reduce America and the rest of the Christian world to barbaric slavery. While there have been recent superficial signs of an apparently changing attitude, we would be tragically unwise to embrace any fanciful hopes of complete conversion in the light of their past conduct. Let us pray God for their sincerity, but let us remember their frightful record of devilish duplicity and deceit and remain prepared.

These, then, are the two high duties we have in remembrance of our war dead—to perseveringly seek the honorable peace for which they fought and to be perseveringly prepared to successfully resist any forceful attempt to take away the personal liberties for which they died. Such persistent preparation against the insidious enemy we face may well mean long continuing burdens upon private ambitions and personal pursuits. The victorious road ahead for us is paved with the demands of Christian unselfishness and patriotic sacrifice, but there is no other way. The road our comrades were asked to take led them to their deaths.

This would be an empty ceremony if we did not recognize the challenge and consciously rededicate every remaining day of our own lives to the honorable preservation of the god-given liberties our dead comrades retained for us. That is all the personal tribute they would want, and we can do no less without betraying their trust. Let us, therefore, pray God for the moral strength and character, as individuals and as a nation, to keep faith with these honored dead, and let us pray God's mercy that their souls may forever rest in peace.

Opportunities for June Graduates in Medical Social Work

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mrs. FRANCES P. BOLTON. Mr. Speaker, a little more than a year ago it was my privilege to call attention to the importance of decisions being made by college students as they ask themselves, "What next, after graduation?" I pointed out at that time the growing opportunities for young people to prepare themselves for useful and interesting careers in the health field.

I had hoped that my message would be of special interest to June graduates, parents, and professors in my own State of Ohio. The response far exceeded my modest hopes. Almost 30,000 copies of my statement have been requested by college students, college counselors, recent college graduates, and other persons interested in counseling young people. Many of the requests came from Ohio but thousands came from other States and Canada. I find this especially gratifying because it confirms my faith that our young people do want to use their talents and their education to serve mankind wherever they are needed.

And certainly we need more young people in the health professions. Many of us understand the Nation's desperate need for more doctors and nurses, but not all of us are aware of the fact that hospitals and health agencies also need medical social workers—men and women who are especially trained to work with doctors and nurses to help sick people and their families handle the personal, economic, and psychological problems which complicate illness or hinder recovery. Medical social work has been rightly called a unique profession in the world of medicine because it combines knowledge of medical care for the sick and disabled, with the skills of social work.

According to a study by the United States Public Health Service, we will need 3,500 newly trained medical social workers by 1957. Many of those will be needed in my own State of Ohio.

The art of healing, we now know, often calls for more than medicine and surgery. The doctor asks the medical social worker to help him work with a patient when the social, psychological, or economic upsets connected with the patient's illness hinder recovery. The medical social worker is skilled in helping the patient and his family handle personal problems resulting from illness or disability. With the doctor, the nurse, therapists, and other allied professionals, the medical social worker is an important member of the modern medical team.

We also know, now, that we must give more and more attention to the rehabilitation of the patient, to his restoration as a useful and productive member of his family and community within the limits of his abilities. Medical social workers play an important part in the work of rehabilitation.

In Ohio, we have one of the Nation's best educational centers for medical social work at Western Reserve University's Graduate School of Applied Social Sciences, in my own city of Cleveland. Western Reserve graduates have made splendid records as medical social workers in Ohio and throughout the country. They are eagerly sought by hospitals and health agencies.

A close working relationship between the Schools of Medicine and Nursing and the School of Applied Social Sciences at Western Reserve makes it possible to combine excellent classroom and practical work experience. Further collaboration by the faculties of these graduate schools now also makes possible some of the best rehabilitation training in the country. Some scholarships are available for future medical social workers under grants from the

United States Office of Vocational Rehabilitation.

Medical social work, like all professions, requires special training beyond college graduation. There are no short cuts. However, unless we are to find our health services dangerously undermanned in the future, at least 200 to 1,000 college graduates this year, and for the next several years, should enter graduate schools of social work for medical social work training. Already there are three times as many medical social work jobs available as there are qualified applicants to fill them. Our expanding medical services mean that the trained medical social worker has a choice of jobs now and excellent prospects for future advancement.

From long years of association with health work as a lay person and as the sponsor of much health legislation in Congress I know how important it is to have our hospitals and health agencies adequately staffed with trained and dedicated men and women. Medical social work offers both young men and women opportunities to serve their communities in many ways. It is the right career for young people who like the medical atmosphere, have a genuine interest in all kinds of people and want to grow with a growing profession.

More details about the requirements and opportunities for medical social work training are available from the School of Applied Social Sciences, Western Reserve University, Cleveland 6, Ohio, or from the American Association of Medical Social Workers, 1700 I Street NW., Washington 6, D. C.

Deferred Stockpile Aluminum Should Be Distributed Fairly Throughout Aluminum Industry

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. YATES. Mr. Speaker, from time to time, when aluminum has been in short supply, the Government has released the primary aluminum producers from their commitments to make deliveries to the national stockpile until a later date. Such a diversion occurred earlier this year. Distribution of the aluminum so diverted was made by the primary producers and some question exists as to the manner of distribution.

The Industry Advisory Committee of the Business and Defense Services Administration of the Department of Commerce has recommended a further diversion of deliveries to be made of stockpile aluminum, the amount of which has not yet been made public. In testimony before our Subcommittee No. 3 of the House Committee on Small Business Arthur Flemming, the Director of the Office of Defense Mobilization, indicated that he would approve such diversion.

It is necessary before it is too late that serious consideration be given to the pattern and nature of distribution of the Government metal in order to assure fair treatment to all segments of the aluminum industry. Accordingly I have today written letters to Aluminum Co. of America, Reynolds Metals Co., and Kaiser Aluminum & Chemical Co. requesting their cooperation in outlining the manner in which they propose to distribute the stockpile aluminum if and when it is made available. I attach a copy of my letter to the companies:

JUNE 2, 1955.

DEAR SIR: At the conclusion of the first phase of its hearings on May 25, 1955, Subcommittee No. 3 of the House Small Business Committee issued a preliminary statement recommending "that a sufficient amount of the delivery scheduled to the stockpile for the second half of 1955 be temporarily deferred" and also, "that the Office of Defense Mobilization and the General Services Administration be charged with the responsibility of assuring the equitable distribution of such aluminum to nonintegrated users."

The committee's recommendation that stockpile deliveries be temporarily deferred was considered to be an extraordinary relief and made most reluctantly. In our view, the stockpile is intended to assure the immediate availability of a sufficient quantity of strategic and critical materials in the event of national peril. The minimum levels of many strategic metals, including aluminum, have not yet been achieved and it is essential that such goals be met as promptly as possible. The practice of treating the stockpile as a metals bank or warehouse for deposits of surplus materials in times of lagging demand, or for withdrawals in a period of shortage, is not in accordance with congressional intent or national safety. The assertion by the primary producers that the current shortage exists because of overpurchasing by the stockpile is not entirely accurate when it is recalled that stockpile purchases were scheduled in accordance with estimates submitted by the producers themselves.

In view of the severe shortage of aluminum throughout the country and the need for protecting the economic well-being of many small business firms, the committee saw no other immediate alternative than the recommendations it made. In approving the diversion of stockpile deliveries, the committee deems it important to remember that the aluminum industry consists of more than its primary producers; that the thousands of small enterprises must be protected. The committee is not satisfied that the 150 million pounds of aluminum diverted from stockpile deliveries early this year were allocated fairly to such small enterprises, and it would not favor distribution of any further amounts through the primary producers unless there is definite assurance that it will be made on an equitable industrywide basis to all segments of the aluminum industry.

The committee does not want the introduction of a system of Government controls for allocating aluminum at the present time, if it can possibly be avoided. We believe the primary producers can formulate a program of distribution which will deal fairly with nonintegrated users throughout the industry. However, in view of the haphazard distribution of the aluminum diverted from the stockpile earlier this year, the committee believes that the nature and pattern of distribution to be employed should be known before the primary producers are authorized to divert further deliveries of aluminum under commitment to the stockpile.

The Aluminum Industry Advisory Committee of the Business and Defense Services Administration of the Department of Commerce yesterday recommended the amount of aluminum to be deferred from delivery to the Government stockpile. That amount is known to the primary producers. Assuming that the Advisory Committee's recommendation is approved by the Office of Defense Mobilization, the committee would like to know the manner in which the producers propose to make distribution, and requests them to answer the following questions:

1. Your company has already scheduled a portion of your production for nonintegrated users. Will all the diverted stockpile aluminum be made available to nonintegrated users in addition to the amount you have already scheduled?

2. In what amount will sales be made on a first-come, first-served basis to all good credit risks?

3. In what amount and in what manner will sales be made in accordance with a historical pattern?

4. In what amount and in what manner will relief be accorded users having no historical pattern?

5. (a) In what amount will existing nonconfirmed orders be given priority?

(b) In what amount will canceled orders be reinstated?

6. Will you fulfill your existing firm contracts from your own supplies rather than from stockpile diversions? If not, what amount will you use?

7. In what amount will sales be made to customers who use your facilities for fabrication?

8. What amount will be delivered to other primary smelters in (a) United States? (b) Canada? (c) Mexico?

9. What amount will be exported?

10. What amount will be allocated to (a) foundrymen? (b) extruders? (c) diecasters? (d) secondary smelters? (e) sheet rollers? (f) others?

11. Is there a minimum order which will be accepted? What amount? How many such orders will be accepted? Is there a maximum order which will be accepted? What amount? How many such orders will be accepted?

12. What will be the sale price for (a) billets? (b) pot-line alloy? (c) refined alloy? (d) pure pig? (e) pure ingot?

13. What will be the dates for delivery of the diverted metal?

14. Please state any additional factors upon which your distribution will be made.

The present situation requires the earnest assistance of all members of the aluminum industry. Your prompt consideration and cooperation in formulating an orderly and equitable program of distribution will be appreciated.

Sincerely yours,

SIDNEY R. YATES,
Chairman, Subcommittee No. 3, Select Committee on Small Business.

The Folly Brook Project

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. DODD. Mr. Speaker, the appropriation for the Folly Brook project in Hartford, which was recommended by the Appropriations Committee and voted by the House, is the culmination of an effort that has been made for several years to complete this essential work.

As members of the Appropriations Committee will recall, I personally appeared before the committee and urged

that this project be included in the bill, and I have discussed the merits of the project in great detail with members of the subcommittee having primary concern with appropriations of this type.

I am grateful to the Appropriations Committee, and particularly to Congressman EDWARD P. BOLAND, of Springfield, Mass., who was so helpful with respect to this particular item.

The people of my district who have been interested in this Folly Brook project are, I am sure, grateful to the committee and to the Members of the House.

Address of Hon. Joe L. Evins, of Tennessee, Before the National Rivers and Harbors Congress

EXTENSION OF REMARKS
OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1955

Mr. BROOKS of Louisiana. Mr. Speaker, under leave to extend my remarks I include a very able and scholarly address made by our colleague, JOE L. EVINS, of Tennessee. This address was delivered before the 42d annual convention of the National Rivers and Harbors Congress held May 31, 1955, in Washington, D. C., and was roundly applauded by a very large attendance on this occasion. It is as follows:

Mr. Chairman, my colleagues, members of the National Rivers and Harbors Congress, I am deeply honored by the invitation to join with the great Rivers and Harbors Congress, in annual session here in Washington, and to talk with you on the subject most dear to the hearts of all of you—and, I may add, most dear also to the hearts of those in Congress and elsewhere who hold high the principles and interests of water resources development in our country.

You have been in this continuing battle to conserve and develop our water resources for more than half a century. The members of your organization have, over the long years, striven hard and faithfully to bring about the proper use of water resources in our great Nation—this in a manner which would bring about the greatest benefit for the greatest number of people and the greatest benefit for our Nation's progress.

While you have met with great success in your efforts, you still recognize, as many of us in the Congress recognize, that there is still much to be done and much yet to be accomplished.

You are engaged in a battle against the elements, so to speak, which seemingly will have no end. But the marks and evidences of progress stand out as beacons of national enlightenment. Nowhere on the face of the earth exist any programs which demonstrate such progressive and enlightened attitudes regarding natural resources as exist in America—and nowhere can be found programs which can measure up to or equal our national programs for navigation, flood control, reclamation, power production, soil conservation, and related activities in the public interest.

The National Rivers and Harbors Congress is one of the most striking examples which we have of the effectiveness of citizens united in the public interest. Your cooperation is strong—it is worthwhile—your work is a source of great good for our national resources programs.

As a member of the Public Works Subcommittee on the House Appropriations Committee, I am acquainted with your programs. Recently this subcommittee has heard testimony in behalf of your organization from your able and distinguished president, Congressman OVERTON BROOKS, of Louisiana, and from my other colleagues, Congressman SID SIMPSON, of Illinois, and Congressman FRANK SMITH, of Mississippi, and others among your roster of officers and directors. All have spoken forcefully in your behalf, and their testimony will be of great value to the committee.

The approach which the National Rivers and Harbors Congress traditionally makes to matters concerning projects proposed is a sound and businesslike approach. Proposals numbering some 73 projects, I understand, have been sifted and carefully considered by your projects committee and have been reduced to 39—this being the number which study shows to be sound and worthy and most deserving of early consideration by the Congress.

As one who believes, firmly, in the soundness of public policy of development of our Nation's water resources, I need not tell you that all worthy projects have my support and interest. The adequacy of funds to cover essential projects is, however, a matter which has the overwhelming power to alter the outlook of even the most ardent water conservationist—and this, I am sure, you as experienced gentlemen can appreciate.

As veteran champions of the cause of water resources for navigation, flood control, power programs and allied programs for the benefit of all the people of our country—most of you, I am sure, are familiar with the difficulties encountered in the past in the matter of securing appropriations because of the large number of committees and subcommittees of the Congress—dealing separately with appropriations for various activities in which you are interested.

Appropriations for civil functions of the Corps of Engineers have been handled heretofore by the Military Affairs Subcommittee; many irrigation and reclamation projects by the Interior Subcommittee of the Appropriations Committee; other programs by the Department of Agriculture Appropriations Subcommittee; funds for TVA as a multipurpose program have been considered by the Independent Offices Subcommittee on Appropriations, and so forth.

It has been difficult, if not impossible, in the past to coordinate the total picture until the end of the session of Congress and upon completion of the entire appropriations requests.

At the outset of the new Congress—the 84th—an entirely new and functional approach was made with respect to the overall public works programs. An effort has been made to bring the extensive justifications hearings of the Appropriations Committee—for all of these public works programs—in line with corresponding activities of the respective legislative committees on Public Works of the House and Senate.

The reorganization of the Committee on Appropriations of the House in the present Congress has effected significant functional changes in the consideration of budget requests for water resource, power and atomic energy projects.

The effect of this reorganization will, no doubt, be far-reaching and will serve to effectuate not only savings and economies in these programs but bring about improvement and also efficiency in their administration.

The committee, under the leadership of the distinguished and able chairman of the committee, Hon. CLARENCE CANNON, of Missouri, established a separate subcommittee on Public Works. This new subcommittee was given authority to consider budget requests and activities on the Atomic Energy Commission, the civil functions of the Corps of Engineers, the programs of the Tennessee Valley Authority, and the reclamation, power and water services of the Department of the Interior—including the Bureau of Reclamation, Bonneville Power Administration, Southeastern Power Administration, and Southwestern Power Administration.

For consideration of estimates, the committee has divided its work for these agencies into the major drainage areas of the country. For example, consideration is now given to the activities of the Bureau of Reclamation, the Corps of Engineers, and other agencies in a given drainage basin. This has been accomplished through four hearing panels of the subcommittee: One to consider the eastern section of the country, with Representative MARSHALL, of Minnesota, as chairman; one to include the central section, with Representative RILEY, of South Carolina, as chairman; and the third for the western section, with myself as chairman. A fourth panel was established to hear testimony on the estimates of the TVA and the Atomic Energy Commission, with Representative RABAUT, of Michigan, as chairman.

The purpose of this reorganization, as I have endeavored to indicate, was to provide for consideration of the various water resources and power programs on a functional basis and to allow, for the first, a consideration of these programs of the Federal Government by the same group of Congressmen, the members of a single unit, the Public Works Subcommittee.

You will undoubtedly be interested in how this new approach to a very complex problem has worked out.

I can certainly speak to you on behalf of the panel for the western section of the committee, of which I am privileged to serve as chairman. I think I can say that the experience of our subcommittee has been duplicated by members of the other panels.

During actual hearings justifications were presented to the committee in support of the budget estimates. These were arranged by drainage basins, so that we had before us for our study prior to actual hearings all of the activities and programs of these agencies for a given drainage area. Members of all agencies concerned appeared before the panel at the same time.

And as a further effort to functionalize the hearings, one of the agencies concerned—as prearranged and predetermined by the agencies themselves—presented a detailed general statement of all of the activities of the particular basin. This was a coordinated statement presented in one instance by, perhaps, the Bureau of Reclamation—this on behalf of itself and the Corps of Engineers. In another instance, the Corps of Engineers presented a statement on behalf of itself, the Bureau of Reclamation and the Bonneville Power Administration.

The result of this effort to coordinate and simplify procedure was that before the actual justification of the individual budget items began, the committee had before it a clear, concise picture of the entire water resources and power problems of the area under study.

Following this overall explanation, the committee examined in detail, next, the estimates of each of the individual agencies involved. At all times, members of all agencies concerned remained in the hearing room for questioning—this was of particular value as questions arose from time to time in the minds of members of the committee as to coordination of programs, or as to duplication of efforts and the efficiency of methods employed in estimating costs, and so forth. Thus, there was ample opportunity for full discussion of details with principal witnesses of all operating agencies.

The end result has been that the committee had a balanced, more complete understanding of the various projects and the interrelationship of these projects.

UNIVERSITY OF WISCONSIN

This method so recently employed, to my mind, has proved of great value and assistance in getting to the core of the problems confronted in the proper assessment of the budget estimates, requests and, finally, the appropriation approved.

There is another aspect of our hearings which is often overlooked, and I should like to mention this briefly.

It is our privilege each year to hear hundreds of local witnesses, Members of Congress, and citizens on projects or problems in their particular areas. This year our panel—the western section of the Public Works Subcommittee—heard more than 200 witnesses from the local areas concerned and more than 50 Members of the House of Representatives.

The results of this method of examination of witnesses through executive hearing has resulted in expedition of work, coordination of effort, and a more clear and concise and complete picture of the problems from every available point of view.

In the Columbia River Basin in the Pacific Northwest, for example, the committee had under consideration requests for funds for water resources and power projects estimated to cost in excess of $2 billion. For the fiscal year 1956 the President requested $163 million in additional funds for further engineering and construction.

In past years testimony—as far as continuity is concerned—stopped with the Corps of Engineers. A different group of Congressmen heard and acted upon the requests of the Bureau of Reclamation and the Bonneville Power Administration agencies which used and distributed the water and power from these projects constructed by the Corps of Engineers.

This year, however, under the functional plan, the committee heard witnesses of the Bureau of Reclamation describe to us not only their great Columbia River developments but also justify how they were using and were going to use water from the McNary Dam and Chief Joseph Dam, for example, for irrigation purposes.

This was then followed by testimony from the Bonneville Power Administration—the agency which actually distributes the power from these projects.

Later, we were able to hear from Congressmen, Senators, and local representatives from this area—including also representatives from public and private utilities—as to the needs and plans for use of water and power resources in this area.

The result has been that there is available to Members of Congress and to the citizens of this country a concise, full picture of what is going forward in the Columbia River Basin.

The same is true with respect to the great Central Valley Basin of California where, for years, conflicts have raged between certain Federal agencies. It is true also in the Colorado River Basin, in the Rio Grande and Gulf Basin, where the Corps of Engineers and the Bureau of Reclamation are working together on the same rivers.

I do not mean to imply that this newly adopted approach to consideration of the programs of these agencies is a panacea for all the ills which exist in our national water-resources programs. Such is not the case.

Nor would I wish to leave you with the impression that merely by the reorganization we have eliminated all of the duplication and conflicts which exist among the agencies working in the field of water resources.

We have not achieved this, but we most certainly have made great strides toward eliminating duplication, and the committee, through its able chairman, has provided a vehicle which, if properly used in the future, should do away with many of the evils which are prevalent and of which you are aware.

But we may say this, pridefully perhaps but also as a fact of accomplishment—the public works bill to be reported by the House Appropriations Committee this year presents for the first time an overall picture of our water-resources program of the Nation.

I cannot tell you, at this time, the overall total of projects to be approved by the fiscal year of 1956. The committee will work up the bill about the first week in June.

I can tell you, however, that for the next year and the years ahead—based on approved studies for advanced engineering planning—that our Nation is to move forward and proceed at a greater speed on a great many internal developments within our country than at any time during this administration.

The water resources of our country are among our most precious and valued possessions. Our ability to turn the God-given water of this land to its proper and natural use for travel, power, and support has contributed beyond measure to the growth and greatness of our country.

If we are to attain greater heights—for which we all strive—even further steps of development of water resources must be taken.

I am confident that working together we will be able to promote policies and programs for the benefit of all the people and our common country and not just for the benefit of selfish and special interests. In so doing, we will be serving our future best interest and conserving our great American heritage.

Tabulation of Postwar Aid Rendered Other Countries by the United States, Status as of December 31, 1954

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1955

Mr. SMITH of Wisconsin. Mr. Speaker, I am privileged to offer for the RECORD a tabulation of postwar aid rendered to other countries by the United States starting July 1, 1945, and ending on December 31, 1954. The information I am submitting has been prepared for me by the Legislative Reference Service of the Library of Congress. Mr. Hermann Ficker, of the International Finance and Trade, Economics Division of the Library of Congress, has again rendered an invaluable service to the Congress of the United States by preparing this material. I am indebted to him.

I call attention to the fact that the United States has extended almost $100 billion in military, economic, and technical assistance to foreign countries during the period July 1, 1940, through December 31, 1954. A breakdown of these figures is clearly set forth hereafter.

The first section sets forth a summary of foreign grants and credits for the postwar period beginning July 1, 1945. Table I covers foreign grants in the postwar period; table II, foreign grants by country and program; table III shows foreign credits utilized by program; table IV, foreign credits utilized by country; table V, foreign loans and other credits. This last table shows the net authorizations, utilizations, repayments, and balances outstanding on December 31, 1954.

TABULATION OF POSTWAR AID RENDERED OTHER COUNTRIES BY THE UNITED STATES—STATUS AS OF DECEMBER 31, 1954

War period July 1, 1940, through June 30, 1945; postwar period July 1, 1945, through December 31, 1954.

The United States has extended $98,221 million in military, economic, and technical assistance to foreign countries during the period July 1, 1940, through December 31, 1954. Disbursements comprised $49,223 million during the war years and $48,998 million since July 1, 1945.

Our capital investments in the International Bank ($635 million) and International Monetary Fund ($2,750 million) are not included in these totals, although they contribute additional foreign-aid measures underwritten (reclaimable) by the United States Government.

Since the end of the war the United States has disbursed foreign aid per calendar year as follows:

	Million
1946	$4,999
1947	6,221
1948	5,465
1949	6,545
1950	5,109
1951	4,837
1952	5,006
1953	6,405
1954	4,669

When discussing the net total of foreign aid reverse grants (expended largely on behalf of United States forces overseas by foreign governments) should be acknowledged, not as an offset to the overall totals, but merely to note that other countries have tried in a reciprocal attitude to assist the United States in discharging its worldwide responsibilities.

During the war period July 1, 1940, through June 30, 1945, the United States rendered grant aid worth $48,128,297,000. During these same 5 fiscal years reverse grants amounted to $7,872,637,000.

During the postwar period July 1, 1945, through December 31, 1954, gross new grant aid amounted to $41,749,000,000. Reverse grants and returns totaled $1,467,000,000.

Grant aid is mentioned first because in general no repayment is requested except insofar as these grants may give rise to a possible reciprocal obligation to extend some aid to the United States of America or other countries to achieve common objectives.

On the other hand, credits are loans on other agreements which give rise to specific obligations for repayment. For the period July 1, 1940, through December 31, 1954, the United States of America extended net credits amounting to $16,075,528,000, of which total $15,402,972,000 have been utilized. Repayments of these utilizations have amounted to $3,622,972 so that on January 1, 1955, the total of principal still to be collected amounted to $11,780,000,000. Incidental to the repayment of principal the United States of America also collected $1,397,296,000 in interest and commissions on the loans extended.

During the last 2 calendar years reverse grants and returns were as follows:

1953	$165,972,000
1954	69,991,000

Repayments on loans during the last 2 calendar years amounted to:

1953	$479,183,000
1954	503,201,000

The question of carry-over totals often arises in discussing the totals to be added to available aid not yet shipped. On July 1, 1954, estimated aid still to be furnished from prior authorizations amounted to $12.3 billion. Most of this total has, however, already been committed in orders placed but not yet delivered. Additions provided by the 83d Congress totaled $3.6 billion.

Emergency famine relief (title II, Public Law 480), $0.3 billion.

Expansion of Export-Import Bank lendings (Public Law 570), $0.5 billion.

Mutual security (Public Law 778), $2.8 billion.

Thus on July 1, 1954, the estimated availability amounted to $15.9 billion. During the last 2 quarters of 1954 utilizations amounted to $2.2 billions, so that on January 1, 1955, total availability for foreign aid amounted to $13.7 billion.

Notes: All totals are rounded so that apparent discrepancies in additions are due to rounding.

Sources are: Foreign Grants and Credits, Office of Business Economics, United States Department of Commerce, April 1955. Survey of Current Business, October 1954.

Summary of foreign grants and credits, by program—Postwar period July 1, 1945, through Dec. 31, 1954, calendar years 1953 and 1954

[In millions of dollars]

Program	Postwar period	Calendar year 1953	Calendar year 1954
Gross grants	41,749	6,339	4,855
Mutual security:			
Military aid	12,075	4,231	3,169
Economic and technical aid	16,067	1,734	1,561
Civilian supplies	5,821	137	25
UNRRA, post-UNRRA and interim aid	3,443		
Lend-lease:			
Military (China)	679		
Postwar pipelines	1,227		
Greek-Turkish aid:			
Military	530		
Other	122		
Philippine rehabilitation	635		
Chinese stabilization	120		
Chinese military aid	120		
Military equipment loans	220	174	41
Other	692	62	59
Less:			
Prior grants converted to credits	2,256	1,000	
Mutual security counterpart funds:			
Military	32	8	8
Economic and technical aid	754	103	62
Reverse lend-lease	133		
Cash lend-lease settlements	120		
Return of lend-lease ships	423	53	
Return of civilian supplies	1		
Return of military equipment loans	4	3	
Net grants	38,026	5,172	4,785

Program	Postwar period	Calendar year 1953	Calendar year 1954
New credits	11,892	712	387
Export-Import Bank	4,338	647	276
British loan	3,750		
Mutual security	1,758	54	94
Surplus property	1,487		
Lend-lease	71		
Other	488	11	17
Plus prior grants converted into credits	2,256	1,000	
Less:			
Export-Import collections	1,781	311	346
British loans collections	183	46	47
Mutual security collections	25	14	10
Surplus property collections	398	73	49
Grants converted into credits	98	17	18
Lend-lease payments	60	6	14
Other repayments	631	12	20
Net credits	10,972	1,233	−116
Net grants	38,026	5,172	4,785
Net credits	10,972	1,233	−116
Total	48,998	6,405	4,669

TABLE I.—*Foreign grants, postwar programs—Postwar period, July 1, 1945–Dec. 31, 1954, calendar years 1953, 1954*

[In thousands of dollars]

Program	Postwar period	Calendar year 1953	Calendar year 1954
Grand total	41,749,474	6,338,592	4,854,863
Mutual security	28,141,774	5,964,996	4,729,732
Military aid:			
Military supplies	11,841,714	4,140,175	3,099,925
Construction contributions	232,732	90,550	69,008
Other aid:			
General security support	15,290,544	1,581,060	1,067,765
Wheat for Pakistan	67,403	66,535	868
Famine and other relief	45,490	1,897	43,593
Direct forces support	386,799		386,799
Chinese-Korean students	7,363	448	301
International agencies			
Migrants	23,553	6,700	7,813
Multilateral technical assistance	53,451	12,792	17,133
Palestine relief	108,450	9,000	18,000
U. N. Korean Reconstruction Agency	84,276	55,750	18,526
Civilian supplies:			
Relief in Korea	409,766	127,983	21,477
Relief in liberated and occupied areas	5,276,718	8,975	3,024
Lend-lease supplies	134,444		
International agencies:			
UNRRA	2,588,659		

Program	Postwar period	Calendar year 1953	Calendar year 1954
International agencies—Continued			
Refugees	240,766		
Children	97,231	9,814	
Post-UNRRA	298,748		
Interim aid	555,684		
Lend-lease:			
Military (China)	679,073		
Postwar pipelines	1,226,516		
Greek-Turkish aid:			
Military	530,202		
Other	122,484		
Philippine rehabilitation:			
Private claims	397,540		
Surplus property	100,000		
Reconstruction	137,635	39	*55
Chinese stabilization	119,594		
Chinese military aid	119,732		
Military equipment loans	219,508	174,154	41,390
Donations of agricultural products through private relief agencies	148,031	37,460	55,901
Foot-and-mouth disease eradication	93,685	2,314	3,284
Technical assistance	51,378		
Yugoslav aid	37,560		
Aid to American Red Cross	10,435		
Berlin investment fund	12,857	12,857	
Reconstruction Finance Corporation	53		

TABLE II.—*Foreign grants, by country and program—Postwar period, July 1, 1945–Dec. 31, 1954, calendar years 1953, 1954*

[In thousands of dollars]

Foreign country	Postwar period	Calendar year 1953	Calendar year 1954
American Republics	481,940	110,613	80,332
Mutual security	330,391	107,802	76,515
Lend-lease	5,770		
Agricultural commodities	1,039	496	533
Foot-and-mouth disease eradication	93,685	2,314	3,284
Technical assistance	51,003		
Reconstruction Finance Corporation	53		
Argentina	198		
Technical assistance	193		
Reconstruction Finance Corporation	5		
Bolivia	20,852	2,511	14,424
Mutual security	17,934	2,270	14,424
Agricultural commodities	249	240	
Technical assistance	2,645		
Reconstruction Finance Corporation	25		

Foreign country	Postwar period	Calendar year 1953	Calendar year 1954
Brazil	17,557	2,892	2,242
Mutual security	7,562	2,892	2,242
Lend-lease	3,616		
Technical assistance	6,050		
Reconstruction Finance Corporation	329		
Chile	8,439	1,581	1,116
Mutual security	3,736	1,581	1,110
Agricultural commodities	6		6
Technical assistance	4,697		
Mexico	103,685	3,007	3,965
Mutual security	21,170	693	681
Lend-lease	553		
Foot-and-mouth disease eradication	93,685	2,314	3,284
Technical assistance	7,277		

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TABLE II.—*Foreign grants, by country and program—Postwar period, July 1, 1945–Dec. 31, 1954, calendar years 1953, 1954*—Continued

[In thousands of dollars]

Foreign country	Postwar period	Calendar year 1953	Calendar year 1954
Nicaragua	2,436	518	624
Mutual security	2,041	518	624
Technical assistance	395		
Panama	4,145	946	1,102
Mutual security	3,518	930	1,051
Agricultural commodities	67	16	51
Technical assistance	560		
Paraguay	6,327	1,416	1,043
Mutual security	3,753	1,416	1,043
Lend-lease	2		
Technical assistance	2,571		
Peru	10,888	1,915	1,673
Mutual security	5,830	1,755	1,617
Lend-lease	237		
Agricultural commodities	216	160	55
Technical assistance	4,605		
Uruguay	1,740	219	234
Mutual security	827	219	234
Technical assistance	903		
Reconstruction Finance Corporation	10		
Venezuela	1,963	119	152
Mutual security	469	119	152
Technical assistance	1,493		
Unspecified	266,691	90,139	46,816
Mutual security	263,171	90,139	46,816
Technical assistance	3,836		
Reconstruction Finance Corporation	Cr. 316		
Colombia	4,869	1,124	1,221
Mutual security	2,631	1,124	874
Agricultural commodities	348		347
Technical assistance	1,879		
Lend-lease	11		
Costa Rica	5,407	596	781
Mutual security	3,217	596	781
Technical assistance	2,190		
Cuba	1,022	145	242
Mutual security	576	145	242
Technical assistance	446		
Dominican Republic	1,464	347	275
Mutual security	965	347	275
Technical assistance	496		
Lend-lease	3		
Ecuador	6,603	1,052	1,116
Mutual security	3,680	1,052	1,116
Technical assistance	2,923		
El Salvador	3,210	699	698
Mutual security	1,969	699	698
Technical assistance	1,242		
Guatemala	4,977	131	339
Mutual security	888	131	332
Technical assistance	2,734		
Lend-lease	1,347		
Agricultural commodities	8		8
Haiti	6,179	738	1,268
Mutual security	2,888	658	1,202
Agricultural commodities	146	80	66
Technical assistance	3,145		
Honduras	3,288	519	1,001
Mutual security	2,566	519	1,001
Technical assistance	722		
Afghanistan	1,720	187	1,228
Mutual security	1,702	187	1,228
Technical assistance	18		
Albania, UNRRA	20,444		
Austria	1,048,816	39,508	17,134
Mutual security	725,973	37,909	13,195
Urgent relief	2,052		2,052
GARIOA	89,318		
UNRRA	72,096		

Foreign country	Postwar period	Calendar year 1953	Calendar year 1954
Austria—Continued			
Post-UNRRA	86,055		
Interim aid	68,291		
Agricultural commodities	4,431	1,599	1,886
Belgium-Luxembourg and Congo	578,093	4,882	3,488
Mutual security	517,421	4,874	3,469
UNRRA	1,137		
Lend-lease	59,480		
Agricultural commodities	38	8	20
American Red Cross	17		
British Commonwealth	3,856,775	422,221	203,480
United Kingdom	3,656,478	301,418	163,149
Mutual security	3,306,469	301,416	163,111
UNRRA	8,369		
Lend-lease	341,462		
Agricultural commodities	130	2	38
American Red Cross	49		
Australia	12,539		
UNRRA	239		
Lend-lease	12,300		
British Guiana	23		
Mutual security	19		
Agricultural commodities	4		
British Honduras, agricultural commodities	62		16
Canada, military equipment loans	3,964		
Ceylon	55		9
Mutual security	50		
Technical assistance	5		
Federation of Malaya	59		
Mutual security	1		
Agricultural commodities	49		
Technical assistance	9		
Federation of Rhodesia, technical assistance	1		
Gold Coast, agricultural commodities	4	3	
Hong Kong	289		
Mutual security	11		
Agricultural commodities	278		
India	83,995	37,395	28,003
Mutual security	77,721	36,093	26,402
Lend-lease	3,000	1,302	
Agricultural commodities	3,254		1,607
Technical assistance	20		
Jamaica, American Red Cross	3		
Malta, agricultural commodities	205	24	51
New Zealand, lend-lease	2,300		
Nigeria	2		
Agricultural commodities	1		
Technical assistance	1		
Pakistan	96,795	83,364	11,905
Mutual security	27,866	16,205	10,180
Wheat for Pakistan	67,403	66,535	868
Urgent relief	397		397
Agricultural commodities	1,119	625	461
Technical assistance	11		
Sierra Leone, agricultural commodities	1		
Burma	20,506	5,323	1,551
Mutual security	20,501	5,323	1,551
Agricultural commodities	1		
Technical assistance	4		
China-Taiwan (Formosa)	1,898,073	91,756	89,627
Mutual security	502,622	91,109	79,119
Chinese-Korean students	7,297	433	207
UNRRA	362,897		
Post-UNRRA	43,919		
Lend-lease	720,418		
Chinese stabilization	119,594		
Chinese military aid	119,732		
Military equipment loans	9,380		9,380
Agricultural commodities	1,325	215	831
American Red Cross	1,889		
Czechoslovakia	184,079		626
Famine relief	626		626
UNRRA	183,374		
Lend-lease	2		
Agricultural commodities	2		
American Red Cross	75		

TABLE II.—*Foreign grants, by country and program—Postwar period, July 1, 1945–Dec. 31, 1954, calendar years 1953, 1954*—Continued

[In thousands of dollars]

Foreign country	Postwar period	Calendar year 1953	Calendar year 1954
Denmark	247,353	9,092	1,117
Mutual security	247,349	9,092	1,117
UNRRA	4		
Egypt	7,085	2,341	3,335
Mutual security	5,713	2,141	3,071
UNRRA	342		
Agricultural commodities	1,030	200	265
Ethiopia	4,852	1,407	1,666
Mutual security	4,409	1,407	1,666
UNRRA	439		
Agricultural commodities	3		
Finland	2,054	18	
Mutual security	18	18	
UNRRA	1,840		
Agricultural commodities	32		
American Red Cross	163		
France and possessions	3,881,644	350,447	461,512
France	3,880,898	350,317	461,287
Mutual security	3,164,744	324,813	460,487
UNRRA	3,061		
Post-UNRRA	60		
Interim-Aid	311,388		
Lend-lease	372,441		
Military equipment loans	25,345	25,345	
Agricultural commodities	1,714	159	800
American Red Cross	2,146		
Algeria	107		
UNRRA	97		
American Red Cross	10		
French Morocco	444	107	171
Mutual security	5	2	1
Agricu tural commodities	439	105	170
Tunisia	196	23	53
Mutua' security	12	7	5
Agricultural commodities	184	16	48
Germany, East: Mutual security, relief	14,743	8,304	6,439
Federal Republic of Germany	3,734,428	74,264	72,889
Mutual security	1,473,431	48,898	59,697
GARIOA	2,205,781	203	
UNRRA	3,616		
Post-UNRRA	2,086		
Agricultural commodities	36,657	12,306	13,192
Berlin investment funds	12,857	12,857	
Greece	1,600,804	79,558	55,597
Mutual security	780,115	78,992	52,386
UNRRA	279,755		
Post-UNRRA	37,255		
Lend-lease	5,956		
Greek-Turkish aid	493,630		
Agricultural commodities	4,058	566	3,211
American Red Cross	35		
Hungary	3,825		1,466
Famine relief	1,466		1,466
UNRRA	2,359		
Iceland, mutual security	29,290	6,322	831
Indochina	127,414	32,191	57,999
Cambodia, mutual security	12		12
Laos, mutual security	4		4
Viet-Nam	29,040		29,040
Undistributed	98,359	32,191	28,944
Mutual security	97,729	32,159	28,347
Agricultural commodities	630	32	597
Indonesia	106,749	5,290	5,321
Mutual security	102,535	5,258	5,263
GARIOA	4,106		
Agricultural commodities	88	32	56
Technical assistance	20		
Iran	138,657	56,666	65,217
Mutual security	137,720	56,666	65,168
Lend-lease	750		
Agricultural commodities	147		49
Technical assistance	40		
Iraq	4,458	1,747	2,201
Mutual security	4,456	1,747	2,201
Agricultural commodities	2		
Ireland	18,346	13	
Mutual security	18,324	13	
American Red Cross	22		
Israel	218,495	44,885	57,193
Mutual security	180,379	35,470	46,797
Agricultural commodities	38,116	9,415	10,397
Italy	2,468,514	144,850	110,210
Mutual security	1,488,114	138,388	88,340
Civilian supplies	244,391		
UNRRA	409,754		
Post-UNRRA	117,414		
Interim aid	176,006		
Military equipment loans	10,670		10,670
Agricultural commodities	21,975	6,462	11,200
American Red Cross	191		
Japan and possessions	2,533,239	136,598	3,766
Japan	2,314,151	127,807	617
Mutual security	24		24
GARIOA	2,184,569		
Post-UNRRA	178		
Military eqt. loans	127,469	127,469	
Agricultural commodities	1,910	338	593
Ryukyu Islands	219,076	8,791	3,148
GARIOA	218,869	8,772	3,024
Post-UNRRA	12		
Agricultural commodities	183	19	124
American Red Cross	13		
Miscellaneous Islands—GARIOA	13		
Jordan	12,796	3,940	6,800
Mutual security	11,333	3,648	5,768
Agricultural commodities	1,463	291	1,032
Korea	1,022,843	204,097	126,441
Mutual security	316,868	75,015	102,651
Civilian supplies	701,856	127,983	21,477
UNRRA	546		
Post-UNRRA	72		
Agricultural commodities	3,502	1,100	2,313
Lebanon	8,336	2,996	3,594
Mutual security	6,488	2,225	2,698
Agricultural commodities	1,847	769	986
Technical assistance	1		
Liberia	4,542	1,407	1,293
Mutual security	4,372	1,407	1,280
Agricultural commodities	37		13
Technical assistance	133		
Libya	5,924	1,403	2,679
Mutual security	5,908	1,403	2,679
Agricultural commodities	16		
Nepal, mutual security	921	278	428
Netherlands	913,278	43,716	15,644
Mutual security	825,582	22,376	15,644
UNRRA	1,899		
Lend-lease	64,334	21,340	
Military equipment loans	21,340		
Agricultural commodities	2		
American Red Cross	122		
Norway	231,924	10,199	15,047
Mutual security	230,952	10,199	15,047
UNRRA	771		
Agricultural commodities	30		
American Red Cross	171		
Palestine, agricultural commodities	175		
Philippines	734,858	27,255	14,719
Mutual security	63,969	27,168	14,547
GARIOA	28,345		
UNRRA	7,700		
Philippine rehabilitation	634,576	39	55
Agricultural commodities	202	48	117
Technical assistance	55		
American Red Cross	11		
Poland	364,978		
UNRRA	364,031		
Lend-lease	92		
American Red Cross	855		
Portugal	14,525	108	2,948
Mutual security	14,524	108	2,948
Agricultural commodities	1		

TABLE II.—*Foreign grants, by country and program—Postwar period, July 1, 1945–Dec. 31, 1954, calendar years 1953, 1954*—Continued

[In thousands of dollars]

Foreign country	Postwar period	Calendar year 1953	Calendar year 1954
Saudi Arabia	3,903	1,170	764
Mutual security	2,290	1,170	764
Lend-lease	1,591		
Technical assistance	22		
Spain	14,280	1,479	12,759
Mutual security	10,272	1,479	8,793
Agricultural commodities	4,008		3,966
Sweden	87,135	Cr. 227	
Mutual security	86,536	Cr. 227	
UNRRA	549		
American Red Cross	49		
Switzerland, UNRRA	1,803		
Syria	743	41	245
Mutual security	107		19
Agricultural commodities	636	41	226
Thailand	21,043	6,470	4,274
Mutual security	21,018	6,470	4,274
Agricultural commodities	1		
Technical assistance	24		
Trieste	47,194	525	468
Mutual security	32,046	176	37
GARIOA	3,008		
Post—UNRRA	11,047		
Agricultural commodities	1,093	349	430
Turkey	388,846	48,788	69,431
Mutual security	208,848	48,788	48,013
Greek-Turkish Military Aid	158,575		
Turkey—Continued			
Military equitable loans	21,340		21,340
Agricultural commodities	83		78
U. S. S. R	465,434		
UNRRA	186,380		
Lend-lease	277,254		
American Red Cross	1,800		
Yugoslavia	643,861	109,679	47,823
Mutual security	291,628	108,759	47,539
UNRRA	298,054		
Lend-lease	76		
Agricultural commodities	15,824		
Yugoslav aid	37,560	920	284
American Red Cross	719		
Trust Territory of Pacific Islands, GARIOA	4,444		
International organizations:			
European Payments Union	238,084		
European Productivity Agency	500		
Intergovernmental Committee for European Migration	23,553	6,790	7,813
Intergovernmental Committee on Refugees	3,650		
International Refugee Organization	237,116		
Organization of American States	3,414	921	976
United Nations	158,486	20,871	34,158
United Nations Children's Fund	97,231	9,814	
UNRRA	273,505		
Unspecified areas:			
South Asia	14,527		13
Asia and Pacific	2,163,991	652,497	763,837
Europe	8,789,396	3,181,738	2,039,705
Near East and Africa	1,183,480	329,836	321,945
Other areas	336,357	44,317	56,337
Total	41,749,474	6,338,592	4,854,863

TABLE III.—*Foreign credits utilized, by program—Postwar period, July 1, 1945–Dec. 31, 1954, calendar years 1953, 1954*

[In thousands of dollars]

Program	Postwar period	Calendar year 1953	Calendar year 1954
Total	14,147,769	1,711,716	387,318
Export-Import Bank	4,338,126	647,040	276,497
British loan	3,750,000		
Mutual security loans	1,758,010	53,847	93,908
Surplus property sales	1,487,251	271	
Prior grants converted to credits	2,256,266	1,000,000	
Lend-lease	70,572		
Strategic materials development	31,758	10,559	16,914
United Nations headquarters loan	65,000		
Philippine funding loans	37,498		
Institute of Inter-American Affairs	32		
Reconstruction Finance Corporation	70,102		
Occupied areas commodity programs	229,113		
Natural fibers revolving fund	54,043		

TABLE IV.—*Foreign credits utilized, by country—Postwar period, July 1, 1945–Dec. 31, 1954, calendar years 1953, 1954*

[In thousands of dollars]

Country	Postwar period	Calendar year 1953	Calendar year 1954
Total	14,147,769	1,711,716	387,318
American Republics	1,167,219	399,440	114,962
Argentina	101,675	2,888	1,612
Bolivia	37,209	1,861	2,004
Brazil	507,929	337,718	53,544
Chile	121,046	4,850	2,500
Colombia	60,917	4,919	5,045
Costa Rica	85		
Cuba	24,513	5,694	2,023
Ecuador	20,945	1,212	3,612
El Salvador	576		
Haiti	10,075	2,484	7,020
Honduras	223		
Mexico	224,621	23,630	37,230
Nicaragua	600	123	
Panama	4,000		
Paraguay	795		
Peru	21,596	9,691	82
Uruguay	11,554	254	
Venezuela	13,301	3,339	
Unspecified	5,558	777	290
Afghanistan	21,934	3,527	1,607
Austria	30,107	3,372	1,842
Belgium	234,972	2,760	
Luxembourg	3,000		
Belgian Congo	1,550		
British Commonwealth	5,366,295	59,311	64,403
United Kingdom	4,782,476		6,740
Australia	14,120	1,701	4,169
British East Africa	2,324	1,391	42
British Guiana	128		
British Honduras	13		
Canada	163,119	5,251	8,194
Federation of Rhodesia	33,335	7,337	11,713
India	234,212		
Jamaica	20,930		
New Zealand	4,333		
Nigeria	754	400	354
Pakistan	15,136	8,442	
Union of South Africa	95,414	34,789	33,191
Burma	5,043		
China	229,357		
Czechoslovakia	29,583		
Denmark	54,341		
Egypt	17,934		
Ethiopia-Eritrea	3,399		
Finland	126,102		
France and possessions	2,486,864	129,148	4,470
France	2,461,977	126,282	4,470
Algeria	680		
French Equatorial Africa	4,368	746	

TABLE IV.—*Foreign credits utilized, by country—Postwar period, July 1, 1945–Dec. 31, 1954, calendar years 1953, 1954*—Continued

[In thousands of dollars]

Program	Postwar period	Calendar year 1953	Calendar year 1954
France and possessions—Continued			
French Morocco	18,338	1,440	
New Caledonia	1,501		
Germany	1,345,578	1,001,905	1,786
Greece	114,639	269	379
Hungary	15,917		
Iceland	5,659	271	
Indonesia	143,886	13,200	19,100
Iran	34,384		
Iraq	889		
Ireland	128,200		
Israel	134,817	11,982	2,770
Italy	441,478	1,498	2,661
Japan	460,506	39,930	80,169
Korea	24,928		
Lebanon	1,550		
Liberia	23,287	435	998
Netherlands	436,032		
Norway	140,604	9,875	1,100
Philippines	130,525	7,555	6,083
Poland	77,720		
Portugal	50,723	5,387	9,674
Saudi Arabia	19,112		
Spain	77,587	20,178	16,078
Sweden	24,200		
Thailand	7,255		
Turkey	128,100	761	128
U. S. S. R.	222,493		
Yugoslavia	55,900	893	
International Organizations:			
European Coal and Steel Community	59,100		59,100
United Nation's headquarters	65,000		

TABLE V.—*Foreign loans and other credits—Net authorizations, utilizations, repayments, and balances outstanding on Dec. 31, 1954—Period, July 1, 1940, through Dec. 31, 1954*

[In thousands of dollars]

Country	Net authorizations	Utilizations	Repayments	Outstanding on Dec. 31, 1954
Total	16,075,528	15,402,972	3,622,972	11,780,000
American Republics	1,887,841	1,558,516	632,267	926,250
Argentina	104,585	102,065	10,795	91,270
Bolivia	42,115	41,720	7,258	34,462
Brazil	737,255	603,622	145,661	457,960
Chile	144,836	143,513	66,815	76,698
Colombia	85,212	83,353	52,125	31,228
Costa Rica	8,160	7,260	1,289	5,971
Cuba	80,168	70,192	56,169	14,023
Dominican Republic	3,284	3,000	3,000	
Ecuador	34,970	26,511	7,327	19,184
El Salvador	1,476	1,476	1,173	303
Haiti	24,891	20,395	7,059	13,336
Honduras	1,118	1,118	1,118	
Mexico	281,845	240,388	107,782	132,605
Nicaragua	5,250	5,250	4,745	505
Panama	6,488	6,488	5,275	1,213
Paraguay	13,400	6,200	5,146	1,054
Peru	128,396	21,596	3,684	17,732
Uruguay	21,813	18,640	7,395	11,245
Venezuela	18,445	18,445	12,445	6,000
Unspecified	144,135	137,002	125,541	11,461
Afghanistan	40,934	21,934		21,934
Austria	30,107	30,107	18,908	11,199
Bahrein	17,048	17,048	17,048	
Belgium-Luxembourg	239,528	239,523	85,254	154,269
Belgium	234,978	234,972	83,931	151,041
Luxembourg	3,000	3,000		3,000
Belgian Congo	1,550	1,550	1,322	228
British Commonwealth	6,076,093	5,973,756	825,494	5,148,262
United Kingdom	5,216,757	5,216,757	624,186	4,592,571
Australia	22,492	22,492	2,969	19,523
British East Africa	2,394	2,324	82	2,242
British Guiana	128	128		128
British Honduras	482	482	482	
Canada	199,759	195,904	181,332	14,572
Federation of Rhodesia	60,713	33,335	1,789	31,546
India	365,767	365,767	4,607	361,160
Jamaica	20,930	20,930	5,265	15,665
New Zealand	20,333	4,333	1,092	3,241
Nigeria	799	754	6	748
Pakistan	15,136	15,136	136	15,000
Union of South Africa	150,404	95,414	3,549	91,865
Burma	5,043	5,043	2,312	2,730
China	347,858	347,858	192,481	155,377
Czechoslovakia	30,377	30,377	25,507	4,870
Denmark	54,341	54,341	5,416	48,925
Egypt	17,934	17,934	12,859	5,075
Ethiopia	7,757	7,757	3,701	4,056
Finland	152,313	152,313	48,841	103,472
France and possessions	2,493,803	2,486,864	618,000	1,868,864
France	2,463,407	2,461,976	607,245	1,854,731
Algeria	680	680	54	626
French Equatorial Africa	9,826	4,368	182	4,186
French Morocco	18,389	18,338	9,018	9,320
New Caledonia	1,501	1,501	1,501	
Germany	1,345,582	1,345,582	152,492	1,193,086
Greece	116,832	114,639	37,630	77,009
Hungary	15,917	15,917	3,198	12,719
Iceland	6,249	6,249	622	5,627
Indonesia	180,886	143,886	8,107	135,779
Iran	87,846	34,846	10,609	24,237
Iraq	889	889	889	
Ireland	128,200	128,200		128,200
Israel	134,998	134,817	12,102	122,715
Italy	454,854	454,854	165,049	289,805
Japan	500,206	460,507	375,490	85,017
Korea	27,428	24,928	3,978	20,950
Latvia	11	11	11	
Lebanon	1,550	1,550	1,550	
Liberia	29,773	26,621	4,516	22,105
Netherlands	472,169	472,169	163,008	309,161
Norway	140,830	140,731	38,345	102,485
Philippines	141,887	130,525	52,230	78,295
Poland	81,268	81,268	13,145	68,123
Portugal and possessions	59,530	52,059	1,990	50,069
Portugal	59,465	51,994	1,957	50,037
Angola	65	65	33	32
Saudi Arabia	31,826	31,826	8,900	22,926
Spain	102,261	91,268	25,983	65,285
Sweden	28,311	28,311	7,911	20,400
Thailand	7,255	7,255	5,689	1,566
Turkey	134,597	128,100	34,543	93,557
U. S. S. R.	222,493	222,493		222,493
Yugoslavia	55,900	55,900	1,889	54,011
International organizations:				
European Coal and Steel Community	100,000	59,100		59,100
United Nations	65,000	65,000	5,000	60,000

Mr. Speaker, it is my opinion that the statistical information above is timely because this body will soon have for consideration another request for foreign aid.

The 9 Years of the Italian Republic

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 2, 1955

Mr. RODINO. Mr. Speaker, since World War II the remarkable singleness of purpose which has existed among the Western democracies has become increasingly evident in their planning together for the security of the free world. The focal point of this planning has been the creation of institutions which are now serving the free world as instruments of cooperation—militarily, economically, and in many other important ways.

Among those nations with which our own country in recent years has been most firmly allied in carrying out these purposes has been the Republic of Italy. For some years after the war Italy was hardly in a position to contribute any material strength to neighbors or allies. However, even in that early period the people of Italy, in a public referendum, expressed their overwhelming wish for a democratic form of government. This in itself gave considerable strength to the cause of the free world. Leaders in many countries considered it one of the most important events in Europe following the war.

The new Government of Italy has functioned well for 9 years; the parliamentary system which the Italian people set up has proved to be one of the most stable in Western Europe. This has been true despite the alarming strength of the leftist parties. During the early years of Premier de Gasperi's leadership of the Christian Democrats the Government was hanicapped by the growth of Communist organizations.

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Although de Gasperi, a stanch supporter of Western ideas of government, acted vigorously in numerous ways to try to curb the Communists, leftist gains in Italy in the years 1950, 1951, and 1952, while not spectacular, were clear-cut. The drift away from the center parties toward the extremes of both left and right was disquieting. Since 1953, however, with an improvement in the economic picture, there has been no substantial gain made by the Communists. Italy's leaders since De Gasperi's resignation have been no less vigorous in the fight against the Communist menace. Like his predecessors, the present Premier, Mario Scelba, has met head-on the challenge of Communist subversion in Italy. He has expressed time and time again his Government's stand with the Western democracies. In March he paid a visit to the United States and thereby strengthened the close bond that exists between our two countries. In recent weeks when the Soviet Government called upon Italy to become a part of neutral barrier zone between East and West, Scelba categorically denied that Italy would take such a position.

Italy has much to be proud of in the agricultural and industrial advances which the country has made in 9 years. Land reform and new industry have provided new jobs for large numbers of unemployed. This is not to say that the serious problems of unemployed and land distribution have been completely solved. They have not; but the standard of living is slowly rising and the whole economic picture is improving.

And so on this June 2, 1955, we take great pleasure in extending our own congratulations and best wishes to the Italian people, congratulations for the remarkable past 9 years, and best wishes for the more favorable future for which they are continuously striving.

Address by Hon. Margaret Chase Smith, of Maine, Before National Women's Press Club

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Thursday, June 2, 1955

Mr. WILEY. Mr. President, on April 21 it was a pleasure to be a guest of the National Womens Press Club. There I heard a very remarkable address delivered by our associate, the distinguished Senator from Maine [Mrs. SMITH]. I ask unanimous consent that the address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. MARGARET CHASE SMITH AT NATIONAL WOMEN'S PRESS CLUB, ANNUAL EDITORS' DINNER, WASHINGTON, D. C., APRIL 21, 1955

Madam President, members of the National Women's Press Club, editors and guests, I always enjoy the dinners of the National Women's Press Club. I have enjoyed speaking at some of them in the past—although I enjoy listening much more than speaking.

This is the first time that I have had the honor of addressing the bosses of the ladies of the Press Club. It is my first opportunity to speak to the editors.

I have mixed feelings about this. Rarely does one have such an opportunity to reply to the editorial pages. But then, rarely have I ever had an occasion to be tempted to do so. For the vast majority of the editors of the country have been quite generous to me in their editorial remarks. I want to take this occasion to express my sincere thanks to you. After all, when the going gets tough, all of us are human enough to like a pat on the back.

I have not been immune to editorial criticism. I'm not perfect and readily admit it. So that I have not resented the relatively few unfavorable editorials because they have, for the greater part, been constructive criticism by which I can improve. Rarely have I found an editor or editorial writer taking advantage of his position to give vent to his personal dislikes or to assume the role of a stern teacher meting out discipline.

And so tonight I want to pay my personal tribute to the editors of our Nation—to the editors of a truly free press dedicated to jealously guarding the freedoms of our people.

I speak from considerable personal experience about editors. I have known them as personal friends. I have known them as critics. I have known them as bosses from the time when I worked on a Maine weekly newspaper in my hometown to a few years ago when I was writing a nationally syndicated column.

From that experience over the years, I say that nowhere will you find men and women who are more fair, conscientious, hard working and loyal to their convictions and their country than American editors.

I am glad that I can say that. I am glad because the editors hold at the tip of their typing or scribbling fingers a tremendous power to do good or evil, justice or injustice, in influencing, shaping and leading public opinion. To that extent, they possess the opportunity to guide the destiny of our great country. And in the possession of such power and opportunity, I am sure that you editors feel the gravity of the awesome responsibility that accompanies such power and opportunity.

You have a freedom of action that is not enjoyed by a public official. You do not have to make an accounting to the people. You do not have to justify your position with the people because your position is not dependent upon the people. You do not have to say why you write the editorials you do. You do not have to give justification for your editorials to the people.

In short, the only thing that you are accountable to is your conscience. And that is good enough for me—because I am confident that living with your conscience is far more important to you than being accountable to the people. Because the editors of America are men and women of conscience, our country is a free nation.

That is true in a decreasing number of nations around the world. I know from what I saw in some 2 dozen nations that I have visited in the past 6 months. Some of those nations were behind the Iron Curtain like Russia and Czechoslovakia.

When I talked with Foreign Minister Molotov in Moscow last October 26, he charged that American newspapers did not print news about Russia—that specifically the American newspapers would not publish anything about the Russian Government's note of October 23 to the United States, Great Britain, and France in reply to our note of September 10.

I made three points in my reply to his charge. The first point I made was that I regretted that I was not in a position to discuss the Soviet note of October 23 because I had been unable to find an American newspaper for sale at newsstands in Moscow and therefore had not had a chance to read it or be aware of its contents.

The second point I made was my expression that I had full confidence that American papers would not only publish the full text of the Russian note but also that American papers would give prominence to the note.

I made these first two points during the talk with Mr. Molotov. It was not until the next day that I made my third and most effective point in reply to Mr. Molotov. I wrote him a short letter in which I stated:

"Late yesterday afternoon, approximately 3 hours after the conclusion of our talk, I asked the American Embassy for a copy of the latest issue of any American newspaper it had. In response to my request, the Embassy gave me the enclosed copy of the Paris edition of the New York Herald Tribune of Monday, October 25, 1954, which not only gives the full text of your Government's note of October 23, 1954, but also accorded it prominence. I am pleased to send this copy to you as it corroborates the assurance that I gave you of the nonsecrecy policy of American newspapers."

Here was living proof not only of the freedom of our American press but as well of its conscientiousness in printing the news. The story on the note was on the front page. It has been suggested to me that I frame the copy of my letter to Mr. Molotov and put on it the caption "Touché."

I shall never forget the 2 trips that I made during the past 6 months. I am confident that I shall never again learn so much in so short a time. One reason that I won't is because never again will I have the opportunity to talk and confer with practically every leader in the world; not only government leaders but leaders of various political parties.

Another reason is that in such a short period of time—4 weeks on each of the trips—I talked with more of the common people in the various countries I was in. I spent parts of days with families in their homes. I attended community meetings in small villages. I sat in the classes in schools and heard the schoolchildren recite. I tramped through refugee camps. I attended sessions of parliaments; I inspected soldiers in the field; I talked with patients in hospitals and with children in nurseries; I talked with a Fascist leader and a Communist leader.

Even my assistant did some involuntary research work behind the Iron Curtain where he was held prisoner in a Communist jail.

These are a few of the things I did on my trips which brought down upon me bitter denunciation from the Communist press in Russia. They called me an Amazon warmonger hiding behind a rose. Apparently they haven't changed their opinion of me from 6 years ago when they called me a warmonger but did not award me the degree of Amazon warmonger or associate me with anything as lovely as a rose. I must have done some good for my country on these trips for the Russian press to make such bitter denunciation of me.

Your president, Elizabeth Carpenter, asked me to talk about my trips. But I do not want to bore you with a travelog. You have been to these places yourselves. You don't need me to tell you about them. You know more about them than I do. And you certainly are better experts on the subjects than I.

Perhaps you would be interested in checking my opinions and my impressions from my trips. I shall make them brief. These are by no means all of my impressions.

1. Is America liked or disliked? The answer is that America and Americans are liked.

What may be even more important is that we are respected. We may not be liked as much as we would like to be in nations throughout the world—but America and Americans are much better liked and respected in these foreign countries than I think we realize. I did not find the defeatism, dislike, and resentment that I had been led to believe existed for America and Americans all over the world, instead, I was surprised at the warm feeling and friendship shown me by the little people as well as the leaders in every non-Communist country that I visited. And even in Russia the little people were warm and friendly to me.

2. There is too much unjustified pessimism here at home—almost to the point of it becoming fashionable, either politically or journalistically, to be excessively pessimistic. There is a great deal for us to be optimistic about—we have fairly well secured Western Europe and the Mediterranean area against the threat of communism—and we are making headway in southeast Asia. Our position in southeast Asia is somewhat like our position was in Western Europe before the Marshall plan. We have a long way to go but we are starting even belatedly. We had a long way to go in Western Europe but we have come through successfully there—and we are respected and liked there.

3. The past few days of the Bandung Conference have proved that we are liked and respected in many areas of southeast Asia; that we do have friends there. The basic problem in Asia is the Asian hate of colonialism and the tendency to accept communism as the foremost foe of colonialism. We have been failing to use the most effective means of combatting this problem. We are failing to drive home to the Asians that communism is nothing less than Russian colonialism. I am gratified that some of our allies like Iraq are driving this point home at the Bandung Conference. We should convince the Asians that we feel that the decisions on Asians should be made in Asia by Asians rather than in London or Paris, as they have been in the past.

We must point out to Asians that unless they oppose communism, the modern drastic form of colonialism, those decisions in the future will be made in Moscow rather than in New Delhi, Rangoon, Saigon, or Jakarta. We must point out to them that the decisions for Peiping are being made in Moscow instead of Peiping, for Hanoi in Peiping and Moscow instead of Hanoi, for Budapest in Moscow instead of Budapest, for Prague in Moscow instead of Prague, for Warsaw in Moscow instead of Warsaw.

We must call their attention to the Communist colonial empire in which Russia's Kremlin masters rule over the slave colonies of Poland, Czechoslovakia, Hungary, Bulgaria, Estonia, Latvia, Albania, Red China, and Viet Minh. We must drive home the fact to them that Russia seeks to make a slave colony out of every Asian country and every country of the world.

4. We are liked and respected in Spain. Spain should be taken into NATO without further delay. The past prejudices against Spain because of her neutrality in World War II, which seemed to be benevolently on the side of Hitler and Mussolini must be discarded. After all, NATO is for the purpose of mutual defense against aggressive communism—Spain is a bitter foe of communism—and if we can take a Western Germany and Italy, who were our active enemies in World War II, into NATO, then there is no excuse for barring Spain.

5. It would be wise for us to concentrate our aid on such countries as Spain and Turkey instead of gambling that aid with such question marks as Yugoslavia. It would be wise for our aid to be made on the businesslike basis of loans instead of gifts—if only for the respect it would bring us.

6. Even in Communist Russia the common people want to be friends with us. We should answer the coexistence talk that Russia puts forth by simply pointing out that their foremost form of coexistence is inside Russia where the attitude of the common people of Russia with communism is merely one of internal coexistence—where they merely coexist with communism—where they are simply resigned to it—with no enthusiasm to resist it or defend it.

We should counter the Communist coexistence talk with the question of "If you really believe in coexistence, why then don't you let the rest of the countries of the world exist with their free governments—why have you destroyed the free governments of your slave colonies?"

7. In the future our foreign policy must be based on confidence in our own demonstrated strength and rightful objectives instead of stemming from fear of Russia. We must accentuate the positive, eliminate the negative, and latch on to the affirmative more. We must shift from a policy of defensive countermoves to bold and confident maintenance of the initiative.

Now your members who invited me to speak here tonight, asked me to say something about Quemoy and Matsu. So many people have had so much to say on this subject that I think it has just about been exhausted. Surely there is nothing I can add to what the really great minds have already said about it.

But lest you think I'm attempting to dodge stating my position on the issue I will say something on the subject.

My position on Quemoy and Matsu is this: Back in January of this year, the Members of Congress by an overwhelming margin voted to give full authority for the decision on whether to defend Quemoy and Matsu to President Eisenhower. They did for more than one reason. Such a decision has historically and constitutionally been the prerogative of the President of the United States.

Thus, from a constitutional standpoint his request for the Formosa resolution was unnecessary. Rather he made it from a psychological standpoint of unity between the Congress and the President on whatever action he should take.

The Congress made that overwhelming decision for another very important reason—the Senators and Representatives realized that no one but the President could be in possession of the necessary facts with which to make the decision, much less 435 Representatives and 96 Senators in an area of unlimited debate.

The President asked for advance congressional commitment to support whatever decision he made. The great majority of the Senators, however reluctantly, voted to give him that advance commitment. I did—and I expect to keep that commitment. I think every Senator who voted against the amendments that were offered concerning Quemoy and Matsu are bound by that commitment and estopped from trying to force the President to a commitment either for or against defense of Quemoy and Matsu.

I don't think that they are estopped from voicing their personal opinions—but I don't think they can in good conscience try to pressure the President into a commitment prior to such time as he decides to make his decision.

You may say that such a position would be tantamount to the Senate delegating away its authority and responsibility. But that is not the case. In the first place, the authority is already vested by the Constitution in the President. In the second place, the Senate and the House for that matter, did not shirk its responsibility on expressing such confidence in the President to make the decision—for the Senate and the House only specifically responded to the request of the President for the Formosa resolution.

Had the Congress rejected the Presidential request, the repercussions around the world would have been obvious.

For example, who would accuse Senator WALTER GEORGE of dodging responsibility in the Formosa resolution? Who would accuse him of abjectly surrendering and delegating power that he should not to the President? Yet, it was Senator GEORGE who led the fight for passage of the Formosa resolution.

Yes; and it was Senator GEORGE who rose above partisanship and said that the decision was rightly that of President Eisenhower and that both sides should stop trying to pressure the President.

Yes; my position on the Quemoy-Matsu issue is simply this: The decision is properly that of the President, not only constitutionally but also from a practical standpoint. There is no Representative or Senator who knows as much about the facts and conditions surrounding the controversy as does President Eisenhower. No Representative or Senator could possibly know. There is no Representative or Senator as equipped with the objectivity and freedom from future political ambitions as President Eisenhower for making a nonpolitical decision on the issue.

Finally, I ask you if there is anyone who can match the military genius of Dwight D. Eisenhower, the man who led us to victory in World War II? Would you pit the evaluation and judgment of anyone on this military situation against the judgment of Dwight D. Eisenhower? Would you pit the judgment of anyone on the foreign-relations consideration of this issue against that of Dwight D. Eisenhower?

Well, I wouldn't. And I certainly wouldn't presume to say that I have access to enough information to second-guess the President and commander of our victorious World War II forces.

Instead, I say that he is best equipped to make the decision—to make it whenever he deems it wisest to—that I place full confidence in him and that I shall support him in his decision and the timing of it.

WALTER GEORGE, the dean of the Senate and a member of the opposition party to the President, has said it so frequently, abundantly, and eloquently that frankly I think it needs no elaboration.

Now, that leads me into a point that I do want to make with you. First, let me observe that the 15th of April has come and gone—and the Chinese Communists have not made an attempt to take Quemoy and Matsu, contrary to the gloomy military predictions that we heard a short time ago. That doesn't mean they won't at any time.

But here is demonstrative proof of the wisdom and knowledge of the President. He disagreed with the militarists who were making that prediction. Time has proved he was right and the militarists wrong.

I, for one, am weary of either militarists on one side or politically motivated groups on the other side trying to pressure the President to their concept of foreign policy, a field in which they obviously are not qualified. I am weary of the Quemoy-Matsu matter being made a political football.

I do not mean that the President is immune to criticism and political attack from political opponents. Nor do I mean that the militarists are barred from making vigorous suggestions and recommendations to him. But I do mean that this is no time for politics, under the guise of patriotism, on the part of civilians and civilian groups. And I do mean that it is not for militarists, on the other side, to usurp policymaking powers. Their mission is to carry out the policy decisions of the President—not to formulate them.

This is a time for cool heads—not hotheads. This is a time for calm, considered judgment—not bellicose talk. This is a

time for realistic optimism—not belligerent pessimism. This is no time for militaristic badgering of the civilian head of our Government.

Now is not the time for making political hay on such a vital 1955 national security issue in and out of Congress with partisan speeches aimed at the 1956 political campaign.

Now is not the time for all good men to come to the aid of their political party.

Now is the time for all good men and women to come to the aid of their country with nonpartisan, optimistic, and positive thinking—like Senator WALTER GEORGE.

And there is no better time for you editors to respond to such a call than now. I am fully confident you will, as you have in the past.

Annual Memorial Day Exercises—Revere Ladies Auxiliary Post, No. 940, Revere, Mass.

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address which I delivered at the annual Memorial Day exercises on Monday, May 30, 1955, Revere Ladies Auxiliary to Veterans of Foreign Wars of the United States, Post No. 940, Revere, Mass.:

On Memorial Day, through the miracle of remembrance, the dead seem to live again. So near, it seems, that we might almost touch them.

The smile, the voice, the mannerisms of a loved one.

Faces from the past that are with us today. Visitors from eternity.

Side by side with us, as surely as there is everlasting life beyond the grave.

Through the tender and moving ceremonies of Memorial Day, we feel the presence of those who once lived and breathed as we do.

Joining with us for a few steps along the way, in the mystical reunion that gives us greater strength to face tomorrow.

They come, whispering to us: "Be unafraid to live up to the best that is in you. For brave men never die."

The bugle sounds "taps" over their graves, but the echo comes back to us like an answering voice. As if the dead were waking us from our earthly trance. Asking us to make each moment count, for God and humanity.

We pause and listen.

"Once we were like you, the living.

"And then we left for distant battlefields where we fought the fight from which there is no return.

"In our last moments on this earth, we yearned for the country of our birth.

"Reaching out a hand as if we might bridge the thousands of miles, reaching for home.

"We who were about to die, remembered—friends and families and happy times.

"Then, knowing we could never come back to the life that was, our last thoughts on earth were of you.

"Of how you might fulfill our plans that somehow went astray.

"Serene, at that final moment, knowing that you would go on building the house where freedom dwells. A house of prosperous cities and farms where every child can look forward to a life of greater opportunity to serve himself and others. Furnished with the love of home and neighborhood that makes a people strong and good.

"For we the dead have faith in you who live."

Their voices fade away like the gentle breeze that whispers among the leaves, and then is gone.

But they did speak to us a moment ago—as they do, on every Memorial Day—ever reminding us of the great truths that gave birth to out Nation, and have nourished it through its young and wonderful history, up to now.

The truths now in our keeping, for us to perpetuate with honor, or cast away—if we break faith with those who died.

Not many miles from here, the first pioneers stepped ashore to build a brave new world out of the wilderness, enduring every hardship for the chance to be free.

They suffered and died for this faith, that first grim winter in 1620.

Slowly but surely, never yielding to doubt or difficulty, they worked hard to make a dream come true.

They were men and women who wanted to succeed by their own efforts.

Because they respected themselves, and respected their neighbors, they began to develop a system of government that would always be responsive to the will of the people.

From the Minutemen of Concord and Lexington, to the career men of our Armed Forces today, the voluntary spirit is the key to our Nation's greatness.

From the Tories in the Revolution who sided with Britain; through the rebels and the carpetbaggers of the Civil War era, the profiteers of World War I, and the draft-dodgers of World War II—there were always a few who failed us, but they were a lonely few.

The United States is strong, not because of the material things it inherits from the past, for there were no things left to them by others to help the men and women who landed at Plymouth Rock. Only their heads, and hands, and hearts. With these, they conquered the wilderness.

Even as their more fortunate descendants of today must build character before all else.

Honesty, truthfulness, intelligence, courage—these cannot be bought in the market place.

They can only be developed, from within.

In every emergency, our people can draw from this great reservoir of strength.

Because the men and women who are so close to us in spirit on Memorial Day, were brought up in homes where examples inspired them with deathless devotion to the principles of freedom.

Where parents taught their children that the honor of their immortal souls should never surrender to material temptations.

In 1955, there is national concern about the problem of juvenile delinquency; of boys who have become cowardly bullies, and of girls who disgrace themselves. Bringing heartache to their parents, and danger to the life of the community.

And we ask, "Where, and how, did they lose themselves?"

Running away from the sound traditions that have moulded youngsters into good citizens since the beginnings of our Nation.

Perhaps we must share part of the blame, because, in our pursuit of material ends, we have neglected to provide them with the right example.

Too busy to be the living embodiment of those virtues that we remember today.

As the dead would say: "To you we pass the torch. Be yours to hold it high."

Most of our youngsters are strong and true, building the wholesome lives that are a continuation of all that is best in our past. Trying to guide the delinquent few of their own generation to the right road again.

A nation may become rich and powerful, but if it is careless of its moral fiber, the dry rot of decay has already set in.

On Memorial Day we pay tribute to those who shunned the easy way, they met and conquered the sternest test of manhood.

Some we knew by name, because they once lived in the neighborhood where we grew up.

Others we memorized from our study of American history.

One—who is the symbol of all—rests in the tomb of the unknown soldier—at Arlington National Cemetery close to the Nation's Capitol.

We bow our heads in reverence to their immortal faith and courage.

For the miracle cord of memory unites them with us, and with the children of today, who will grow up to become the responsible Americans of tomorrow.

And we pray that we may become worthy of our kinship with the heroes of Bunker Hill, Gettysburg, the charge at San Juan Hill, Chateau-Thierry, Bastogne, Iwo Jima, Heartbreak Ridge, who gave beyond all giving that freedom might live.

So close to us in spirit on this day, whispering to us: "Be unafraid to live up to the best that is in you, for brave men never die."

Enrico Fermi

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 2, 1955

Mr. RODINO. Mr. Speaker, it is very fitting that the new Atomic Energy Building to be erected in the District of Columbia, or in this vicinity, should be named in honor of the late nuclear physicist, Dr. Enrico Fermi. As one of several cosponsors of a measure to bring about this desirable result, I wish to call to your attention those achievements of Dr. Fermi's career which forever connect his name with the development of atomic energy for war and for peace.

Upon Dr. Fermi's untimely death in Chicago, November 28, 1954, the country's leading newspapers referred to him as "the Columbus of the atomic era" and the "architect of the atomic age" and "the father of the atomic bomb."

Dr. Fermi was one of a long and ever-increasing line of Italians who have come to this country and have become benefactors of America and of the world. He was born in Rome, Italy, September 29, 1901. He was educated at the University of Pisa and in Germany and the Netherlands. He lectured at the University of Florence and was professor of theoretical physics at the University of Rome for 12 years.

Dr. Fermi received the Nobel prize in physics in 1938. This was awarded largely because of Dr. Fermi's success in producing artificial radioactivity by bombarding substances with slow neutrons. When he went to Stockholm to receive this prize he took with him his wife and two young children and never returned to the rule of Mussolini and fascism. He arrived in New York January 2, 1939, and was welcomed to a position on the physics faculty at Columbia University. There he had the advantage of associates with similar interests and

skills. In less than 1 month from his landing in New York the first splitting of the uranium atom in America took place in the basement of Pupin Hall on the Columbia University campus. Within 3 months he was trying to convince the Navy Department that an atomic bomb was practical.

Dr. Albert Einstein reported Dr. Fermi's work to President Roosevelt and persuaded him to allow the far-reaching and costly experiments which resulted in the atom bomb and in the vast peacetime uses of atomic power.

Research activities were transferred to the University of Chicago, and there, under the west stands of Stagg Field, the first experimental nuclear reactor was built. The atomic age opened with the success of this atomic pile on December 2, 1942. Many scientists worked on this experiment, but, more than any other one man, Dr. Fermi has been credited with its success. He later was made chief of the advanced physics department at Los Alamos, N. Mex. He received the Medal of Merit from President Truman, and shortly before his death, last November, Dr. Fermi was given the first $25,000 special award by the Atomic Energy Commission.

His fame is secure and he will never be forgotten, whether we name the new Atomic Energy Building for him or not. But this seems to me, and to many others, the most logical and fitting way to erect a permanent memorial to him who led the way to the successful production and use of atomic power. A building devoted to that phase of science to which his whole life was dedicated would be his most appropriate monument; and would long serve as another reminder of the contribution which Italians have made to America.

Today's Problems Can Be Tomorrow's Accomplishments

EXTENSION OF REMARKS
OF
HON. JOHN W. BRICKER
OF OHIO
IN THE SENATE OF THE UNITED STATES
Thursday, June 2, 1955

Mr. BRICKER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by Mr. George C. McConnaughey, Chairman of the Federal Communications Commission, at the annual convention of the National Association of Radio and Television Broadcasters, at the Sheraton-Park Hotel, Washington, D. C., May 24, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TODAY'S PROBLEMS CAN BE TOMORROW'S ACCOMPLISHMENTS

(Address by George C. McConnaughey, Chairman, Federal Communications Commission, at the annual convention of the National Association of Radio & Television Broadcasters, Sheraton-Park Hotel, Washington, D. C., May 24, 1955)

Mr. Fellows, ladies and gentlemen of the National Association of Radio and Television Broadcasters. First of all, I want to congratulate this 33d annual convention of your association for the recognition received this morning by the appearance here of the President of the United States. President Eisenhower, I believe, is the first President to address your association, and I feel this recognition comes to you because of the very vital part your industry is playing in the lives of all Americans. I consider it a great honor to be a part of the Eisenhower team, and I can assure you it is a team dedicated to rendering a public service. I suggest that this precedent be adopted as the standard order of procedure and that you bend every effort to have President Eisenhower address you for the next succeeding 5 years.

When I was asked to address you, I inquired of one of my contemporaries at the Commission what I should say. His reply was: "Why don't you be yourself and not say much of anything. All these people want to do is just see what a funny looking bird you are." Well, here I am and there you are.

Since this is the first opportunity I have had of appearing before you folks I will briefly give you my philosophy of government as related to the individual. This is not a newly acquired philosophy on my part and I will underline statements which I have previously made on this subject.

Traditionally, freedom of the individual in the United States was an outgrowth of the political, religious, and economic oppression of the European nations. The earliest colonists who settled here were dedicated to freedom of the individual. The demand for political freedom was the major factor in the American Revolution and was clearly expressed in the founding documents of the new nation—the Declaration of Independence, the Constitution, and the Bill of Rights.

Support for the desire for economic freedom was found in the new economic philosophy of Adam Smith and other members of the so-called classical school of economics. This philosophy, known by such names as laissez-faire or competitive free enterprise, emphasizes the independence of the individual from the State in the determination of his own economic fortune.

Thus, under those philosophies, the United States became the world model for economic and political individualism. The rights of the individual and the rights of property were relatively unrestrained. The functions of government were limited to certain specified activities necessary to avoid anarchy. The economic system was predicated on the belief that the maximum production of wealth and the greatest social welfare would be achieved when men were free from all forms of control except those of police power.

Under this system, competition became the guiding hand which regulated economic activity by turning the self-interest of individuals into channels that would result in the production of the maximum goods and services, and therefore, at least in theory, the greatest social welfare. The rapid development of industry and the concurrent improvement in the American standard of living were nurtured by the freedom of economic action allowed under this system of free enterprise. Even today, after 176 years, the philosophy of the freedom that was a cornerstone of our Nation's foundation still holds a predominant place in the ideology of the American system.

Let me say at once that I believe in having as few government controls as possible. My own experiences as a controller and regulator, both as a member and chairman of the Ohio Public Utilities Commission over a span of years, and more recently as Chairman of the Renegotiation Board, and also my experience as a practicing attorney for 30 years, all confirm that as my credo.

My conviction is that government should exert a minimum of interference with the lives and fortunes of its citizens. Our form of republican government is dedicated to that principle. It emerged in this country as a natural and profound reaction to a tyrannical English sovereign. Thus, among the grievances enumerated in the Declaration of Independence we find the following: "He has erected a multitude of new offices, and sent hither swarms of officers to harass our people, and eat out their substance."

Bureaucracy is as old as government itself. The problem has always been, and still is, to keep government within its proper bounds. Assuming that some sorts of controls of business, as few as possible, are necessary, what are they? That's the heart of the matter.

In the field of communications by radio and television, the Congress of the United States established the Federal Communications Commission and made your industry a truly open, competitive free enterprise, delegating to the Federal Communications Commission as an arm of Congress certain functions necessary for orderly operations of this enterprise.

Your industry should not be, in my judgment, regulated, but should be kept healthy by open, free competition so long as it operates in the public interest.

Every license granted by the Federal Communications Commission is a public trust to be used in the public interest. This cannot be overemphasized. Broadcasters, in their efforts to solve their financial and technical problems, may at times tend to forget that their license to operate is like a determinal grant—"to be used so long as it is used in the public interest and no longer." So you can see that a licensee does not have an absolute property right, but holds his privilege to broadcast so long as his enterprise is conducted in the public interest and no longer. In other words, his license should terminate when he ceases to operate in the public interest.

This is not a sermon on public service but is a statement of the criteria which will enable us all to see how well we measure up to the ideal standards. There is no one who appreciates more the fine work that the broadcasters have done in the past than myself. This is evidenced by the fact that the people of the United States are the recipients of the finest programs in all the world. Indeed, I want to salute and congratulate you on an outstanding job admirably done. Certainly one of the purposes of this meeting is to devise means and methods for increasing your ability to furnish better public service. This tends to promote refinement and progress in your art.

Shortly after I was appointed by President Eisenhower as a member of the Commission, I received a congratulatory letter from Dr. Norman Vincent Peale, who hails from my section of southern Ohio. In the letter, Dr. Peale, as a friend, pointed out to me what he considered a great opportunity to render a truly worthwhile public service to the people of this country in a most vital industry. I trust I will be able to make some worthwhile contribution in this important field of communications. It would be presumptuous for me as a newcomer to attempt to lecture you concerning the operations of your business. That I do not intend to do.

With your permission, however, I would like to address myself to some of the problems facing the Federal Communications Commission and report to you on our operations. Considering the tremendous responsibility placed upon the Commission with a relatively small staff, I feel my fellow Commissioners and the hard-working personnel of our Commission have performed an outstanding public service. To be sure, mistakes have been made but they have been honest mistakes. I wonder how many of you realize how devoted many of our people are to public service. It has been my privilege in the past 6 months since coming to the Commission, to observe how many of our

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people work long hours attempting to keep abreast with the daily operations of the Commission for the good of the public. It has likewise been my privilege to be able to place some new people in positions of importance at the Commission and they have done an outstanding job. I personally know that some of our employees have no regard for a time-clock operation. Many of them work not only 5 days during the week but very often 6 and 7 days and many nights.

You are entitled to know what this Commission is doing in attempting to meet your problems and to render an outstanding public service. Let us be specific and face up to some of these problems confronting the Commission. One of the most difficult is to devise ways and means of enabling UHF stations to be able to operate on a comparable basis with VHF stations. We have taken the following steps in that direction:

(1) We have recently put out rulemaking proposals looking to the possibility of deintermixture of UHF and VHF in certain cities.

(2) Further rulemaking proposals have been put out for low-power stations which may serve small cities. It is apparent that if an appreciable number of small communities are to have their own stations, they must be in the UHF band.

(3) We have proposed a booster plan which should go a long way toward improving the coverage of UHF stations where nature has put obstacles in the path of the signal.

(4) We are carefully studying the special needs of stations in communities far removed from network lines. One possibility under consideration is to extend the use of private intercity relay stations so that programs may be obtained at lower cost and so that stations that do little or no local programing may connect with other program sources such as large stations originating their own programs.

(5) We have instituted a rulemaking proceeding which looks toward the setting of a 5-mile limit from the boundary of the city to be served where a television station may place its transmitter, with provision for exception upon a proper showing of public interest.

(6) We have recommended to Congress that all-channel receivers be relieved from excise tax in order to encourage greater circulation in all-channel receivers.

(7) Last week the Federal Communications Commission instructed its staff to initiate a rulemaking proceeding looking toward increasing the maximum radiated power output for UHF stations to 5 megawatts. The Commission also suggested to the staff that it obtain information concerning the possibility of improving the sensitivity of UHF receivers and the tuning mechanism of UHF sets. This was authorized in an effort to explore the practical possibilities of making UHF and VHF comparable. This rulemaking proceeding will offer industry the opportunity to provide practical assistance. These proposals, if successful, offer a potentially more efficient use of the authorized spectrum space.

In the preliminary report which the majority of the Commission submitted to the Senate Interstate and Foreign Commerce Committee last month concerning VHF-UHF and television network problems, we emphasized the need for an overall study by the Commission of the economic structure and operation of the television industry. We have requested funds for such a study from both the House and Senate Appropriations Committees. As you may know, the House has included in the pending independent offices appropriation bill for 1956 some $80,000 for our study of radio and television network broadcasting. In my statement before the Senate Appropriations Committee, I pointed out that it was the Commission's view that to obtain optimum benefits from such a study it should not be limited to networking but should be concerned with the entire economic structure and operation of the television industry. We recognized that this would be a big job and would require more staff and more time than contemplated by the House bill. However, we expect that this initial $80,000 appropriation will enable the Commission to establish the staff necessary to initiate the study, draw up the detailed procedures, and make substantial progress in the first, or factfinding, phase of the study. After we have obtained comprehensive information concerning the respective roles played by the networks, advertisers, agencies, talent, film producers, and distributors, and other major elements in the television industry, the Commission will be in a position to identify and evaluate the problems affecting the further expansion of television outlets and make appropriate recommendations to the Congress or, if we already have the requisite authority, take steps directed toward their solution. This study, I hasten to assure you, will in no way retard other steps which we are taking to aid in the solution of your problems.

Not the least of the television matters with which we are now concerned is subscription television. From the volume of comments received by the Commission and comments in the public press, it is no exaggeration to say that this is one of the major issues facing broadcasters today. And I am sure that I do not have to tell you that people have very strong feelings on this matter. It seems that almost everyone is adamantly on one side or the other. The authorization of such a service involves a basic change in the system of broadcasting which we have known for some 34 years. In our notice of proposed rulemaking we urged all interested parties desiring to file comments regarding the proceeding to direct their attention to a series of questions we sent out in the notice. In this matter there are many vital questions and issues relating to public interest considerations. Would it encourage a larger and more effective use of the radio spectrum? What impact would it have on advertised sponsored broadcasts? What safeguards would be required to insure the broadcast of well-balanced programs to the public without charge? What safeguards, if any, are necessary to prevent the possible monopolistic control of subscription television operation? Should a way be provided so that all stations will be able to utilize subscription television broadcasts on a nondiscriminatory basis? These are tough questions but they and many others will have to be answered.

Now let me make a few brief observations about license renewals. Here, it seems to me, we are applying what may be outmoded tools to a contemporary problem. As you know, we do not monitor your programs or check your scripts. And I am sure it will never come to that in America. What we try to do when license renewal time comes around is to make a general appraisal of a station's overall performance in the past as a guide to its probable performance in the future. For this purpose we've had to devise the program log analysis, the counting of spot announcements, and other techniques designed to provide in quantitative terms a limited measure of quality of performance.

I said these tools may be outmoded. I had in mind particularly the program log analysis. Since introduction of this device, television has made its mark and radio has adjusted itself to the impact. But is the program log analysis, originally designed for radio, suitable for television, or should it be retailored for television? Is the traditional concept of a commercial program realistic in the face of a trend in radio away from sponsored programs to commercial announcements? Is length of announcement more significant than frequency in appraising program quality?

Until recently our big job has been processing new applications and major changes in station licenses. From here on out the emphasis will have to shift to license renewal. Our problem is how best to discharge our responsibilities in this critical area. Your suggestions would be most welcome.

Judging from the volume of correspondence at the Commission the daytime skywave proceeding is second to none in public interest. We are now reviewing the record in this proceeding so as to make a final determination as to the standards to be used in allocation to give explicit recognition to the phenomena of daytime skywave and as to the manner in which these standards should be applied. Ever since I have been at the Commission I have understood that daytime skywave is related to clear channel, both are related to the Mexican agreement and NARBA. I have further heard much discussion that one of these questions cannot be decided alone and that it is extremely difficult to consider them together, but if there is one thing that I want to see done it is a complete, final, and simultaneous disposition made of all these questions which will take into consideration the interests of all parties concerned and finalize these proceedings so as to eliminate confusion, uncertainty, and enable the parties concerned to use the facilities involved for the benefit of all.

It is exceedingly important to you, to the general public, and to us in the Commission as well, that the work of the Federal Communications Commission be carried on with maximum efficiency and that our procedures be as simple and effective as possible. Those of you who have been involved in hearings before the Commission know of the constructive changes made in our rules to simplify and expedite hearing procedures. One of these changes, the expanded use of prehearing conferences, has proved to be of real benefit to all parties concerned.

Recently, I appointed a committee from the Commission to work with a committee of the Federal Communications Bar Association to draft a manual to be used as a guide for hearing examiners. I am confident that their efforts will bring about more uniformity in rulings on basic evidentiary matters and thus cut down on the delay and confusion that sometimes arise.

We have done many things to improve our operations but it is not always possible to take the steps, which in our opinion, would result in maximum efficiency. One reason why this is so is the complex and detailed requirements of the Communications Act. We have studied these requirements which cause problems to you and to us and we have submitted to the Congress several recommendations for amendment of portions of the act.

One of our proposals concerns the provisions of section 309 (c), adopted in 1952, which established the so-called "protest rule and procedure" applicable to grants without hearing. In my opinion, and I believe my fellow Commissioners will agree with me, this provision has been used in many cases solely as a device to delay broadcast station grants and to keep competitors off the air as long as possible, rather than to raise substantial questions as to the validity of the Commission's action. We have recommended to the Congress that this section be amended to give the Commission discretion to deny a stay in those cases where it cannot find on the record reason why the public interest requires such action.

We also intend to ask the Congress in the near future to amend section 5 (c), which creates the review staff, so that there will be no question at all as to its role in assisting the Commission in adjudicatory matters. We also intend to propose changes which will permit us to consult with staff officers such as our General Counsel, Chief Engineer, and

Chief Accountant when they are not engaged in the investigation or prosecution of an adjudicatory case. I think that both these changes will enable us to handle our work more efficiently, more effectively, and more quickly.

In closing, I am aware that I have only touched on a few of our common problems. Working together we can face up to these problems and lick them. And until they are satisfactorily resolved, the American people will not have the best broadcasting service which our American system of free enterprise can provide. I am optimistic about their solution. You broadcasters were beset with many baffling and complex problems in the infancy of broadcasting and you solved them—in most cases without the intervention of Washington. And I am sure you will continue to do so in the future. In those areas where we in the Commission have been given the responsibility of assisting the industry for the public good, we pledge our wholehearted cooperation and assistance. With very little help, you have come a long way toward reaching the common goal of all of us—of providing a broadcasting service that fills the needs and desires of the American people.

Yours is a young, virile, rapidly changing industry. Your opportunities to render a great public service to the people of America are fabulous. I am positive that I bespeak the sentiments of the members of the Federal Communications Commission and the staff, when I say that we not only consider it our duty but a privilege to work with you to the end that this country will continue to enjoy the greatest broadcasting service in the world.

Address by Hon. Margaret Chase Smith, of Maine, at Overseas Press Club Dinner

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, June 2, 1955

Mr. WILEY. Mr. President, there came to my attention recently an address delivered by the distinguished Senator from Maine [Mrs. SMITH] before the Overseas Press Club annual awards dinner on April 19, 1955, at the Waldorf-Astoria Hotel in New York City. In this address she gave an account of what she found on her trip around the world. It is an interesting and illuminating address. I recommend it as good reading material for all.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. MARGARET CHASE SMITH AT OVERSEAS PRESS CLUB ANNUAL AWARDS DINNER, APRIL 19, 1955, NEW YORK

Mr. President, officers, directors, and members of the Overseas Club, and guests, there is the Biblical saying of "The first shall be last and the last shall be first." That saying is most probably prophetic of this phase of your 1955 awards dinner. For I am told that I have the honor of being the first woman to ever give the principal address at this famous dinner of yours. I shall probably be the last for I fear I shall be a disappointment to such a brilliant array of journalistic pundits and foreign correspondents. I beg of you not to let your disappointment prejudice you against having women speakers in the future.

Your very genial and affable president, Bob Considine—with whom I have served several times on the panel of "Who Said That"—in extending to me the honor of addressing you tonight suggested that you might be interested in my observations from two recent trips I made overseas.

It is with considerable misgiving that I do so. For me to tell you of the overseas press, what I saw, and my impressions overseas, is like Gravel Gertie telling Marilyn Monroe how to be glamorous—or Republicans telling Eisenhower how to win elections.

During the past 6 months I made two overseas trips—the first last October, the second this past late February and early March—to 23 countries covering 50,000 miles. I made the trips in search of first-hand knowledge—knowledge that I wanted to get with my own eyes and ears instead of through the eyes and ears of someone else. They were unofficial, personal trips.

Perhaps it was the adopted strains of journalism in me—perhaps it was the fascination some politicians have for getting down to the grassroots and feeling the pulse of the public—but I wanted to try to get even a slight bit of that knowledge a Senator can't get on an official committee trip.

For example, I talked with a Communist leader in France because I wanted to try to find out why he, a former Catholic, became a Communist. I thought I could get a better insight of how great might be the danger of France going Communist by talking to this man than in just receiving the official briefings that a senatorial committee would ordinarily get.

And in these past few years when too many of us have been afraid of our shadows and live in mortal fear that someone might call us a Communist or pro-Communist merely because we had known at some time anyone who was even slightly nonconformist, what chances are there of a senatorial committee officially talking to a French Communist?

In Germany I talked to an alleged Nazi—considered by many to be the political heir to Hitler—because I felt such a talk would give me a better feeling about the chances of fascism or nazism rising again to rule Germany. I am sure that I would not have had the opportunity to do it if I had been on an official committee trip.

In talking with Molotov in Russia I stressed the fact that I was not in Russia on any official committee mission—I did so because I did not want anything I said or did to be interpreted or seized upon as a commitment by the United States Government. In all of my contacts there, both I and the American Embassy took great pains to see to it that the American Embassy had nothing whatsoever to do with my contacts with the Russians.

In these two trips I think that I saw nearly all of the leaders of the world. But I talked with others than Government officials. In London I debated with radical Laborite Aneurin Bevan and Punch editor Malcolm Muggeridge as well as talking with historian Arnold Toynbee and Churchill and Eden.

In Paris I talked with the leaders of all of the French major political parties, Socialist Mollet, General de Gaulle, Catholic Bidault, Communist Bonte as well as Mendès-France and Faure.

I went to the common people spending parts of days with farm families in Russia, Japan, and France, a middle-class working family in London—the father of the family being a Turf accountant. I went through the stores in East Berlin. My assistant, Bill Lewis, inadvertently and involuntarily accommodated my search for knowledge when he spent a short time in an East Berlin jail on an unjustified arrest for which the East Berlin authorities later apologized.

I went to schools in Russia, Thailand, and Turkey—to food markets in Thailand and Russia—to a refugee camp in Vietnam—to libraries in Burma and the Philippines—to nurseries in Formosa and Russia—to villages and community meetings in India, Spain, and Turkey—to sessions of legislatures and parliaments in the Philippines, Italy, and India—to a political convention in Great Britain—to a textile mill, a farmer's rice mill, a medical dispensary in Formosa. I inspected Chinese soldiers in the field in a whipping, dusty wind in the southern part of Formosa.

These are a few of the things I did on my trips which brought down upon me bitter denunciation from the Communist press in Russia. They called me an Amazon warmonger hiding behind a rose.

America and Americans are far better liked and respected throughout the world than I thought. Perhaps we are not liked as much as we want to be liked. But I am sure that we are much better liked abroad than the American public realizes.

Many people and many nations may have some concern about us. They may fear that we are impetuous, immature on world diplomacy, too impatient and too inclined to fly off the handle, so to speak. But they still respect and like us.

They do because they recognize that while our impatience can be a weakness, it has surely been a great source of strength in the past. They know that it was partly on impatience that we built our Nation into the greatest and most powerful country in the history of the world. We were not content to let nature take its course at a slow speed.

They know deep down in their hearts that tied inalterably with our impatience has been our generosity. We were impatient with the rate of recovery in Western Europe, but we were generous. So our impatience and generosity produced the Marshall plan that literally took Western Europe up off the flat of its back and on to its feet so that it could begin to stand alone.

They know that this combination of impatience and generosity defeated communism and stopped the Communists dead in their tracks in Western Europe.

They know that if we had not been impatient for Western Europe to get off the financial crutch we have provided until she could walk again on her own feet that she would never have learned to walk on her own feet again.

They can see now that our refusal to give the unlimited patience to Russia they advocated, that our adherence to impatience has produced NATO, the London and Paris pacts—and more recently literally forced Russia into the position of at long last agreeing to an Austrian peace treaty.

They know that our impatience with France's rejection of the very EDC she originally proposed—that such impatience on our part finally brought France to her senses and to ratification of the proposed rearmament of Western Germany.

They know that our impatience with Italy's procrastination on the goal of self-reliance and less dependence on American economic aid is gradually bringing Italy toward the self-respecting position to which she aspires.

They know that our impatience with the way things were going in the eastern end of the Mediterranean led to the Greek and Turkey aid programs—one or the boldest and wisest acts in all of the history of our foreign policy.

They know that on the western end of the Mediterranean our impatience has led to the establishment of bases in Spain and that we have realistically taken Spain as an ally.

In short, they know that our impatience in the form of the Marshall plan, aid to Greece and Turkey, the London and Paris pacts, NATO, and association with Spain has literally secured Western Europe and the Mediterranean from the once seemingly

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overwhelming Communist threat in those areas.

And they know that our growing impatience with developments in Asia has led to the commitment of the defense of Formosa; to the building up of the strength of Japan, the Philippines, Pakistan, and Thailand; to a heroic, if seemingly hopeless, task of salvaging what is left of Viet-Nam, and to the formation of the Southeast Asia Treaty Organization.

What they really fear is that we may become so impatient with the cold war that we will start a hot war. Their fear is not surprising. It is understandable when one reads the various bellicose and contradictory public statements made here almost every day.

But what they don't understand is that our President himself is impatient, impatient with such bellicose talk. Recently he gave them a demonstration of that not by mere words but rather by his specific act of cracking down on those in his administration who were indulging in war talk.

Perhaps it is this sort of thing which explains the way that leaders and people in foreign nations regard President Eisenhower in a separate light from the bulk of the other leaders in our country. They are convinced of his dedication to peace; of his patience with trying everything to achieve peace; of his intolerance with everything that smacks of war.

But they themselves have evidenced a type of impatience with President Eisenhower. They want him to exercise more world leadership. During my October trip people repeatedly said to me that they wished President Eisenhower would give the world more vigorous leadership and that they were almost hungry for him to do so and that they would quickly follow.

During my February trip I found a change in this attitude. Now people in the various countries are encouraged by the manner in which President Eisenhower has been asserting world leadership. They want him to continue to do it and in even greater degree.

I, too, have my points of impatience—justified or not—based upon what I saw and heard on my trips. But before I get to those, I would like to give you some of my capsule comments on some of the nations.

WESTERN GERMANY

The brightest spot for us in Europe is Western Germany. The free German people have done an amazing comeback job. Western Germany will steadily become the backbone of our resistance to communism in Europe.

BRITAIN

While Britain is a trusted ally, she is a tired ally whose shrinking empire creates an economic weakness that makes her more vulnerable to economic compromises with that modern colonial power, Communist Russia, and all of her satellite colonies.

FRANCE

France's heart is good—but her will is weak. She has not toughened up under adversity like Western Germany has.

ITALY

Italy's people are perhaps the most friendly of all to us. But Italy's Government is not learning fast enough how to throw away the economic crutch of American aid and stand on her own feet.

RUSSIA

If there is any perceptible change in Russia, it may be in her recent reversal of stand on the proposed Austria Peace Treaty—an indication that Russia feels we have gotten so strong in Europe that her tough talk, bluffs, and dilatory tactics will no longer produce the results she desires—but rather that she will have to start giving in a little in the future.

The most important thing about Russia is to distinguish between the Russian common people and their rulers in the Kremlin. The common people of Russia are neither for nor against communism—they are simply resigned to it—with no enthusiasm to resist it or defend it.

Actually the position of the common people of Russia on communism is a policy of coexistence—they merely coexist with communism. In other words, the status of communism with the great mass of Russian people is summed up simply in two words "internal coexistence."

JAPAN

Coming out of the occupation status, Japan is like the teen-ager anxious to show his independence from his foster parents. Unless Japan sells her goods to us at the sacrifice of our higher-waged labor and industries, she will turn to her historical and traditional enemy, Russia, and her cultural cousin, China, for trade.

Japan is clearly the industrial pearl of the Orient most coveted by agricultural Red China and Russia.

FORMOSA

The hope of the free Chinese is in the pulse beat of Chiang Kai-shek. When Chiang goes, all their hopes go for retaking the mainland. But Chiang will never have the chance to retake China unless the Chinese Communists attempt to take Formosa and the United States is drawn into an expanded conflict. The question is what will happen to Formosa when Chiang is gone—and more pointedly what will happen to our personalized foreign policy on Nationalist China?

INDIA

India is Nehru—at least for the present. His neutralist policy on communism is confusing. Nehru successfully fights and defeats the Communists internally in India. But externally he is quite friendly with Communist China and Communist Russia—and he says he admires Communism but deplores its methods.

We have vacillated too much between the extremes of lavishly catering to Nehru and bluntly offending him. Neither approach will win his respect or friendship. He aspires to be the leader of Southeast Asia and he has realized his aspiration to a certain degree—at least enough for us to be smart enough to seek his opinion and advice about Asian matters. If we should show him that courtesy on the Presidential level as well as Ambassadorial level, I feel he would cooperate more with us.

BURMA

In a smaller edition, the same things can be said about U Nu of Burma that are said about Nehru. He has fought and defeated the Communists inside Burma—despite his relatively friendly attitude toward Red China and Russia. Some people make the mistake of considering him a puppet and disciple of Nehru. He is not.

He is an independent little man—just as Burma is an independent little nation that has come through the greatest internal strife of any of the Southeast Asia nations with growing strength and with having rejected communism.

EGYPT

For the time being Egypt is Nasser, an alert, intelligent young soldier who has had a successful career of conniving. I do not mean connivance in a disparaging form—for surely his internal conniving has been for the great improvement of Egypt.

But he now finds himself in a political arena larger than Egypt—he can be a powerful leader in the Middle East but not through external connivance.

I think he ultimately wants Egypt to be alined with the United States but that he feels he will have to lead his people gradually away from their suspicions about American foreign policy being designed to take over where Britain leaves off on colonialism.

SPAIN

Spain is a source of strength to our side on the western end of the Mediterranean. We never have to worry about Spain being opposed to communism. But prejudice against Spain's neutrality in World War II has blocked her admission to NATO because some believe her neutrality was benevolently in favor of Hitler and Mussolini.

This doesn't make sense. It is not realism on mutual security. Western Germany under Hitler and Italy under Mussolini were active enemies in World War II against us and our western allies—but that has not prevented Western Germany and Italy from being admitted to NATO. If we can do that with former active enemies like Germany and Italy, then why can't we do the same in the interest of real mutual security with a Spain that was not an active enemy but rather a neutralist?

TURKEY

In some respects the biggest inspiration of all that I saw and heard on my trips came in Turkey. That tough little country that neighbors on to Russia and lives under the very threatening shadow of the giant Russian bear. The Turks have refused to let the Russian Communist freighten or intimidate them. They have defied Communist threats.

Our past aid to Turkey was one of the wisest foreign policy investments we ever made in mutual security. It paid off real dividends in combatting communism in that part of the world where Europe meets Asia. It is in sharp contrast to the uncertain results with countries like Yugoslavia. In our foreign loans we had better concentrate more on nations like Turkey and less on nations like Yugoslavia.

Now to my points of impatience. First, I am impatient with all the talk of gloom and pessimism. It is true that in these troubled times we must be realistic and face unpleasant facts. But should we permit such realism to degenerate into a phobia of pessimism? Should we permit such realism to blind us to justified optimism? Have we reached the point where it is fashionable, either politically or journalistically, to be excessively pessimistic?

I have listed some accomplishments in overseas areas which justify considerable optimism on our part. I have spoken of achievements which should create great confidence in our Nation and our allies. In our adherence to realism, it is only realistic to remember the causes for optimism as well as the causes for pessimism. For pessimism is not the synonym for realism.

To put it one way, realism is nothing more than a proper balance between optimism and pessimism. But today there is too much of a misconception of realism—not enough consideration given to justified optimism for a proper balance.

I am impatient with the manner in which we just wring our hands and fret about the way in which the Communists exploit Asian and African hate of colonialism instead of doing the obviously most effective thing in combatting communism in Asia.

You know what that obvious move is—merely to show to the Asians that communism is, as I stated last month in my report to Maine weekly newspapers, actually Russian colonialism—that communism is the modern day colonialism—that Poland, Czechoslovakia, Hungary, Bulgaria, Albania, Estonia, Latvia, and Red China are nothing less than Communist colonies of Russia—and that Russia seeks to make a Communist colony out of every Asian country and every country in the world.

I am impatient with the manner in which we seem to be unable to cope with talk of coexistence. We could throw such talk right

back at the Communists with one simple observation. We could observe that the little people of Russia knew most about coexistence since their own attitude about communism at home in Russia is merely one of internal coexistence.

We could say to them, as Menderes of Turkey has said, "If you really believe in coexistence, why don't you stop trying to grab off country after country? Why don't you let them coexist instead of demanding that they exist only as you dictate?

I am impatient with the greatly professed fears about the Afro-Asian Conference at Bandung. Instead of muddling in pessimism about that conference, let us look at the opportunities we actually have on this conference. After all we do have a few friendly countries attending that conference—Thailand, Turkey, the Philippines, Viet-Nam, Iraq, Pakistan, Ethiopia, and Japan.

They will not be mere mutes there. They will talk realistically and constructively. They may be outnumbered—but they will be heard.

We should not stop with reliance upon them to carry the responsibility for the free half of the world. The point is that we should not be trembling mutes ourselves. We should seize upon a golden opportunity of taking advantage of this conference.

We should broadcast a message beamed directly at Bandung that we approve of the conference in the objective of raising the world prestige and position of the people of Asia and Africa, that we are in full accord with their opposition to colonialism; and that we support their aspirations for independence and self-reliance.

Yes, instead of pouting and fretting with a negative attitude, we should seize the initiative with such a positive and direct approach. We should show them that we are the opponents of colonialism; that the Communists are the present-day advocates of colonialism; and that such Russian colonialism would have decisions concerning New Delhi, Rangoon, Cairo, Jakarta, Saigon, Adis Ababa, and Johannesburg made in Moscow by the men in the Kremlin instead of each of those cities.

We should warn them that attempts by the Communists to have this conference result in banding brown men together to hate and fight white men are but another step in the Communist evil design and pattern of "confuse, divide, and conquer." For proof we need only to point out the obvious fact that through the "confuse, divide, and conquer" pattern, Moscow now makes the decisions for Prague, Budapest, Warsaw, Hanoi, and Peiping.

I am impatient with the continued blocking of the admission of Spain to NATO. When we take Western Germany and Italy, who were our active enemies in World War II, into NATO and exclude Spain, a bitter enemy of communism, one wonders if NATO really is for the purpose of mutual security and defense against aggressive communism.

The time has come when our leadership in world affairs must increase in boldness and firmness if we are to cope successfully with the threat to the freedom of the world.

The time has come when the very basis of our foreign policy must change. It must shift from the past negative basis of fear—fear of Russia—to a positive basis of confidence in ourselves and nations friendly to us. We have every reason for confidence in ourselves. We should start acting that way instead of indulging in pessimism.

We must start charting our course in the confident realism that we are the greatest Nation in the world—and the world's greatest hope for peace—that we are through with letting Russia scare us—that we are plenty capable of taking care of ourselves—and that we must strive for positive construction instead of fear-minded, negative defensiveness that stresses countermoves instead of maintaining the initiative.

SENATE

MONDAY, JUNE 6, 1955

(Legislative day of Monday, May 2, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, this sacred altar at which our spirits bow at another week's beginning with all its draining demands is the witness of our weakness, of how fruitless are our quests, and how futile are our arguments and discussions if we turn not to Thee in the humility of prayer. In these fateful days, for whose decisions the future will judge us, by Thine enabling might may we maintain our integrity unsullied by animosities, prejudices, or personal ambition, regarding always public office as a sacred trust. As our frail hands and fallible judgments have a part in the shaping of the world that is to be and which our children's children will inherit, give to us the vision, the wisdom, and the courage that will make for both justice and lasting peace—peace with honor and human dignity vindicated, and social justice the canopy of all the nations. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 2, 1955, was dispensed with.

KURT GLASER—VETO MESSAGE (S. DOC. NO. 47)

The PRESIDENT pro tempore. The Chair lays before the Senate a letter from the Secretary of the Senate, dated June 3, 1955, which the clerk will read.

The legislative clerk read as follows:

UNITED STATES SENATE,
OFFICE OF THE SECRETARY,
June 3, 1955.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: On today, during the recess of the Senate from yesterday until Monday next, there was received by me the attached sealed envelope, addressed to the President of the Senate of the United States, said to contain a veto message on S. 143, an act for the relief of Kurt Glaser.

I am herewith delivering to you the said message for presentation to the Senate at its session on Monday next.

Very respectfully,
FELTON M. JOHNSTON,
Secretary of the Senate.

The PRESIDENT pro tempore. Friday, June 3, 1955, being the last day of the period prescribed by the Constitution for action by the President on the bill, the Secretary of the Senate, under a decision of the Supreme Court, was authorized to receive the veto message for action by the Senate thereon.

The clerk will read the veto message of the President.

The legislative clerk read as follows:

To the Senate:

I return herewith, without my approval, S. 143, for the relief of Kurt Glaser.

The bill would accord permanent residence immigration status to a native of Czechoslovakia who entered this country in July 1951 from Austria as an exchange visitor under one of the programs authorized by the United States Information and Educational Exchange Act of 1948.

All of the exchange programs are founded upon good faith. We can maintain them as effective instruments for promoting international understanding and good will only if we insist that the participants honor their commitments to observe the conditions of the exchange in the same way that they expect the United States to honor its obligations to them. On the one hand, exchange aliens must return to the country from which they came. On the other hand, the United States must not permit either immediate reentry or other evasion of the return rule. Otherwise, the countries from which our exchange visitors come will realize little or no benefit from the training and experience received in the United States, and we shall fail to promote good will toward and better understanding of our way of life.

Unfortunately, the United States Information and Educational Exchange Act does not specifically obligate exchange personnel to return to the country from which admitted and to remain there for a minimum period before being eligible to regain admission to the United States. Administrative requirements have been imposed to compensate for this lack of a specific statutory requirement. Within the last year, however, a number of cases have arisen in which humanitarian and equitable considerations have argued so persuasively against imposing such a requirement that the Congress has been willing to consider and to enact a number of private bills to adjust the status of exchange personnel. By permitting them to remain in the United States for permanent residence, these bills have granted them immigration status without regard to the normal procedures under our immigration laws.

Up to the present time, most of the circumstances which have led to the enactment of each bill have been exceptional. Even though I have recognized that the principle underlying each bill was at variance with the basic concept and philosophy of the exchange programs, I have not been willing to require deportation at the possible risk of creating undue hardship and, in several cases, of jeopardizing the safety of the individual concerned.

Such considerations are not present in the case of Mr. Glaser. I am satisfied

that both he and his sponsor understood their obligations to terminate his stay. In fact, the State Department's records indicate that a basic purpose of the sponsoring company in seeking exchange visitors was to train foreign engineers in the company's specialty in cooperation with the International Center of the University of Louisville. Furthermore, certification was signed by the vice president of the company in which the following appears:

An attempt will be made to insure, insofar as possible, that any exchange visitor coming under the program of the sponsoring agency will adhere to the conditions under which he was admitted to the United States and will depart from the United States on completion of the purpose of the visit.

Finally, there is no evidence that a return to Austria will work any hardship on either the company or Mr. Glaser beyond that of disrupting an association which has proved productive, useful, friendly, and profitable.

Under the circumstances, therefore, I feel it is my duty to disapprove this bill and at the same time to recommend enactment by the Congress of a clear statutory requirement that exchange personnel return home and remain there for a minimum period before being eligible to reenter the United States for permanent residence. Such provisions of law will protect the purposes of the exchange program, will prevent unjustifiable evasion of immigration procedures, and will establish legislative policy to guide the committees of Congress in taking action on future private bills which would set aside the general law. Legislation for this purpose has been forwarded to the Congress by the Department of State this week. I urge its prompt consideration.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 3, 1955.*

The PRESIDENT pro tempore. The message from the President, together with the accompanying bill, will be referred to the Committee on the Judiciary, and be printed.

REPORTS OF A COMMITTEE SUBMITTED DURING RECESS

Under authority of the order of the Senate of June 2, 1955,

The following reports of a committee were submitted on June 3, 1955:

By Mr. HILL, from the Committee on Appropriations:

H. R. 5046. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1956, and for other purposes; with amendments (Rept. No. 410).

By Mr. MAGNUSON, from the Committee on Appropriations:

H. R. 5240. A bill making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes; with amendments (Rept. No. 411).

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO INDEPENDENT OFFICES APPROPRIATION BILL—SUBMITTED DURING RECESS

Pursuant to the order of the Senate of June 2, 1955,

Mr. MAGNUSON, from the Committee on Appropriations, on June 3, 1955, submitted the following notices in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 2, after line 1, insert a new section, as follows:

"ALEXANDER HAMILTON BICENTENNIAL COMMISSION

"For an additional amount for 'Alexander Hamilton Bicentennial Commission,' $15,000: *Provided*, That said appropriation shall be immediately available and remain available until expended."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him to House bill 5240, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 10, line 19, after the sum insert the following: "*Provided*, That the fourth paragraph under the heading 'General Accounting Office' in Public Law 137, approved August 31, 1951 (65 Stat. 274), as amended by Public Law 455, approved July 5, 1952 (66 Stat. 399), and Public Law 428, approved June 24, 1954 (68 Stat. 280), is further amended by changing '2 positions in grade GS–17' to '4 positions in Grade GS–17,' and '12 positions in grade GS–16' to '13 positions in grade GS–16.'"

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him to House bill 5240, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 30, line 6, after "program", insert the following: "and of which $300,000 shall be available as the President may direct for a special study of the compensation and pensions program."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him to House bill 5240, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 30, line 9, after the word "work" insert the following: "*Provided further*, That no part of any appropriation shall be used to pay educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him to House bill 5240, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5340) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 32, line 18, after "dental care" insert the following: "*Provided*, That hereafter no part of any appropriation to the Veterans' Administration shall be available for outpatient dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within 1 year after discharge: *Provided further*, That this limitation shall not apply to adjunct outpatient dental services or appliances for any dental condition associated with and held to be aggravating disability from such other service-incurred or service-aggravated injury or disease."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him to House bill 5240, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

ANNUAL REPORT OF OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 176)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1954.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 6, 1955.*

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On June 1, 1955:

S. 14. An act to direct the Secretary of the Army to convey certain property located in Austin, Travis County, Tex., to the State of Texas;

S. 128. An act for the relief of Francis Bertram Brennan;

S. 148. An act to direct the Secretary of the Army to convey certain property located in Polk County, Iowa, and described as Camp Dodge and Polk County target range, to the State of Iowa;

S. 386. An act for the relief of Sandra Lea MacMullin;

S. 409. An act for the relief of Inge Krarup;

S. 416. An act for the relief of Anastasia Alexiadou;

S. 653. An act to provide for the conveyance of Jackson Barracks, La., to the State of Louisiana, and for other purposes;

S. 734. An act to amend title 18, United States Code, section 871, to provide penalties for threats against the President-elect and the Vice President;

S. 891. An act for the relief of Chokichi Iraha;

S. 941. An act to amend section 13 of the Federal Farm Loan Act, as amended, to authorize the Federal land banks to purchase certain remaining assets of the Federal Farm Mortgage Corporation;

S. 1133. An act to authorize the Secretary of Agriculture to pay indemnity for losses and expenses incurred during July 1954 in the destruction, treatment, or processing, under authority of law, of swine, swine carcasses, and products derived from swine carcasses, infected with vesicular exanthema;

S. 1650. An act to authorize the Territory of Alaska to obtain advances from the Federal Unemployment Act, and for other purposes;

S. 1705. An act for the relief of George Paul Khouri; and

S. 1727. An act to authorize certain administrative expenses in the Treasury Department, and for other purposes.

On June 3, 1955:

S. J. Res. 18. Joint resolution to provide for the reappointment of Dr. Jerome C. Hunsaker as Citizen Regent of the Board of Regents of the Smithsonian Institution.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 192) to amend Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1946 (Rappahannock River), in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 192) to amend Public Law 526 of the 79th Congress, section 10 of the Flood Control Act, July 24, 1946 (Rappahannock River), was read twice by its title and referred to the Committee on Public Works.

LEAVES OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. MURRAY was given leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On request of Mr. JOHNSON of Texas, on behalf of the Senate Committee on Appropriations, and by unanimous consent, Mr. CLEMENTS was given leave of the Senate until June 21, to conduct an on-the-spot study of certain specific matters relating to the foreign-aid program.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the senior Senator from Michigan [Mr. POTTER] may be excused from attendance on the sessions of the Senate for the duration of the International Labor Conference at Geneva, Switzerland, at which he will be a Senate adviser.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, a subcommittee of the Committee on the Judiciary considering private claim bills was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. KILGORE, from the Committee on the Judiciary:

William G. East, of Oregon, to be United States district judge for the district of Oregon, vice James Alger Fee, elevated;

Reynier J. Wortendyke, Jr., of New Jersey, to be United States district judge for the district of New Jersey to fill a new position; and

Benjamin M. Tashiro, of Hawaii, to be judge of the fifth circuit, circuit courts, Territory of Hawaii, vice Philip L. Rice, elevated.

By Mr. HILL, from the Committee on Labor and Public Welfare:

Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review (reappointment).

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Adm. Arthur William Radford to be Chairman of the Joint Chiefs of Staff in the Department of Defense.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ARMY

The Chief Clerk read the nomination of Gen. Maxwell Davenport Taylor to be Chief of Staff, United States Army.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Brig. Gen. John Bartlett Hess to be Chief of Finance, United States Army, and major general in the Regular Army of the United States.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES AIR FORCE

The Chief Clerk read the nomination of Gen. Nathan Farragut Twining for reappointment as Chief of Staff, United States Air Force, with the rank of general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF THE NAVY

The Chief Clerk read the nomination of Rear Adm. Arleigh Albert Burke to be Chief of Naval Operations, with the rank of admiral.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

REGULAR ARMY OF THE UNITED STATES

The Chief Clerk proceeded to read sundry nominations in the Regular Army of the United States.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Regular Army of the United States be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

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NOMINATIONS FAVORABLY REPORTED BUT NOT PRINTED ON THE CALENDAR

The Chief Clerk proceeded to read nominations in the Army, the Regular Air Force, and the Navy, which were favorably reported, but not printed on the Executive Calendar.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE PROGRAM — ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, at the conclusion of the morning hour, the Senate will proceed to the consideration of Calendar No. 413, H. R. 5046, making apropriations for the Department of Labor and the Department of Health, Education, and Welfare.

It may be that we shall let Calendar No. 414, H. R. 5240, making appropriations for sundry independent offices, go over until tomorrow, because I understand the distinguished Senator from Delaware [Mr. WILLIAMS] desires some time to study the bill. I am informed by the clerk of the Committee on Apropriations that the report of the committee on that bill was available Friday morning, and was printed Saturday morning. However, it may be we should consider that was done over the weekend, and that the bill should not be taken up for consideration until tomorrow.

I am hopeful, however, that if the Senate is unable to proceed to the consideration of that bill, it may take up the following business:

Calendar No. 409, S. 2078, to permit a retired Navy officer to be employed in a command status on the Byrd expedition.

Calendar No. 410, Senate 107, conveying a portion of Fort Devens to Massachusetts.

Calendar No. 411, H. R. 3825, retroceding to Massachusetts jurisdiction over certain land in the vicinity of Fort Devens.

Calendar No. 412, H. R. 4294, amending section 640 of title 14, United States Code, relating to the interchange of supplies between the Armed Forces.

Calendar No. 408, S. 2127, extending and amending the Small Business Act of 1953.

Calendar No. 406, H. R. 5695, extending until June 30, 1958, the suspension of copper import taxes. That bill was reported unanimously from the Committee on Finance, except for the vote of the Senator from Nevada [Mr. MALONE]. I have had a personal conversation with him, and he told me if the bill was carried over to today, he would be prepared to have it discussed.

On tomorrow it is hoped the Senate can proceed to the consideration of Calendar No. 407, S. 2126, the housing bill, and perhaps have a unanimous-consent agreement limiting the time for debate on one provision, which I understand is controversial.

It is then expected to consider the conference report on the Interior Department appropriation bill, if the House has acted on it by that time.

It is hoped that later in the week the minimum wage bill may be ready for consideration. It is expected to be reported from the Committee on Labor and Public Welfare, of which the distinguished Senator from Alabama [Mr. HILL] is chairman.

Mr. President, I now ask unanimous consent that there may be the customary morning hour, for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

LUMP-SUM READJUSTMENT PAYMENT FOR CERTAIN RESERVE OFFICERS

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to provide a lump-sum readjustment payment for Reserve officers who are involuntarily released from active duty (with accompanying papers); to the Committee on Armed Services.

AMENDMENT OF UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT

A letter from the Acting Secretary of State, transmitting a draft of proposed legislation to amend the United States Information and Educational Exchange Act of 1948, as amended (with accompanying papers); to the Committee on Foreign Relations.

REPORT ON OVERSEAS ECONOMIC OPERATIONS

A letter from the chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission on overseas economic operations, dated May 1955 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the chairman, Federal Communications Commission, transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of April 30, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with statements of the facts and pertinent provisions of law as to each alien and the reasons for ordering such suspension of deportation (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend the Fair Labor Standards Act of 1938, as amended (with an accompanying paper); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Senate of the State of California; to the Committee on Finance:

"Senate Resolution 107

"Resolution relative to memorializing the Congress of the United States to enact legislation providing for the better care and support of the senior citizens of this country

"Whereas at the present time, the proper care and assistance of our senior citizens has become a matter of nationwide interest; and

"Whereas our senior citizens are confronted with many problems in maintaining their livelihood, which problems are those arising out of the increasing mechanization of our industrial system, out of the greatly increasing longevity of our people, and out of the fact that economic changes have destroyed the financial independence of a large number of our people, including even those who had prudently prepared for the time when they could no longer earn a livelihood; and

"Whereas it seems wise to retire from industry and business those whose efficiency is declining because of advancing years, thus giving more opportunity for employment and advancement to younger workers; and

"Whereas experience has shown that when ownership of property disqualifies a senior citizen for receipt of an old-age pension or assistance, a serious injustice is effected and a penalty imposed upon those whose prudence and thrift has led them to prepare for advancing age by investment in a home or other small holdings, but who have no income with which to support themselves and to preserve their property; and

"Whereas there are, at present, measures pending in the Congress of the United States, including a measure which proposes a plan sponsored by Dr. Francis E. Townsend, which would seek to remedy these situations: Now, therefore, be it

"Resolved by the Senate of the State of California, That the Senate of the State of California does hereby respectfully memorialize the Congress of the United States to consider thoroughly and most carefully the provisions of any plan as may be presented in legislation proposed for enactment by the Congress, and also to consider thoroughly and most carefully any other plans that may be presented to the Congress, or to any commissions created by the Congress, relating to the better care and support of dependent aging people, so that the welfare of these people shall be better protected by the eventual enactment of appropriate legislation; and be it further

"Resolved, That the secretary of the Senate of the State of California is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States."

A resolution of the House of Representatives of the Legislature of the State of Florida; to the Committee on Interstate and Foreign Commerce:

"House Memorial 239

"Memorial to Congress, the President, and his Secretary of Commerce, urging the establishment of a weather station in the Gulf of Mexico

"Whereas the Legislature of the State of Florida being aware that accurate and immediate weather information is of the utmost importance to the State of Florida and other States bordering on the Gulf of Mexico; and

"Whereas the gulf coast is the only coast without a weather station offshore; and

"Whereas there exists an urgent, definite, and proven need for more adequate weather information in this highly productive section of the United States; and

"Whereas Congressman T. ASHTON THOMPSON, of Louisiana, introduced H. R. 198 in the 84th Congress, 1st session, on January 5, 1955, to provide that a floating weather station shall be maintained at all times in the Gulf of Mexico to provide storm warnings for States bordering on the Gulf of Mexico; and

"Whereas this bill, H. R. 198, received full support from the industries located on the Gulf of Mexico, particularly the fisheries, airlines, oil operators, steamship operators, and civil defense directors; and

"Whereas the above-named resolution was found to be not necessary in order to establish such weather station, because such authority has been provided the Secretary of Commerce of the United States under section 147, title 14, United States Code; and section 90, title 14, United States Code; and

"Whereas the Office of the Secretary of Commerce, the Office of the Chief of the Weather Bureau, and the Commandant of the United States Coast Guard have been made aware of the need for this weather protection service for the Gulf States through briefs, letters, resolutions, telegrams, and telephone advices; and

"Whereas lives and property amounting to over $2 billion are in jeopardy due to lack of information from the central and western Gulf of Mexico where destructive storms form very suddenly; Therefore be it

"*Resolved by the Legislature of the State of Florida*, That the President of the United States and his Secretary of Commerce give immediate consideration to establishing a weather station in the Gulf of Mexico, because existing land-based facilities have proven inadequate for the needs of our fishing fleets, who now range far beyond the scope of radar stations, and that the economy of the marine fisheries of the State of Florida and the Gulf States is seriously threatened because of the lack of weather protection which would be provided by a weather station in the Gulf of Mexico; be it further

"*Resolved*, That copies of this resolution be forwarded to the President of the United States, the President of the Senate and the Speaker of the House in the Congress, the congressional delegations of the States of Alabama, Florida, Louisiana, Mississippi, and Texas; the chairman and members of the Senate Interior and Insular Affairs Committee; the chairman and members of the House Merchant Marine and Fisheries Committee; the chairman and members of the Senate and House Joint Committee on Appropriations; be it further

"*Resolved*, That a copy of this memorial be spread upon the journal of both the Senate and House of Representatives of Florida and sufficient copies thereof be furnished to the press.

"Approved by the governor May 30, 1955."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 40

"Joint resolution requesting the Congress of the United States to ratify and confirm Act 199 of the session laws of Hawaii 1955, authorizing the Board of Supervisors of the City and County of Honolulu to issue general obligation bonds in the sum of $6 million for the completion of the construction of the Kalihi Tunnel and its approach roads and for the construction of a second bore

"*Be it enacted by the Legislature of the Territory of Hawaii:*

"SECTION 1. The Congress of the United States is hereby respectfully requested to ratify and confirm act of the Session Laws of Hawaii 1955, authorizing the Board of Supervisors of the City and County of Honolulu to issue general obligation bonds in the sum of $6 million for the completion of the construction of the Kalihi Tunnel and its approach roads and for the construction of a second bore.

"SEC. 2. Duly authenticated copies of this joint resolution shall, upon its approval, be forwarded to the President of the United States, to the President and Vice President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to the Secretary of the Interior and to the Delegate to Congress from the Territory of Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 18th day of May A. D. 1955.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A copy of a law (Act No. 199) enacted by the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Act 199

"An act authorizing the Board of Supervisors of the city and county of Honolulu to issue general obligation bonds in the sum of $6 million for the completion of the construction of the Kalihi Tunnel and its approach roads and for the construction of a second bore

"*Be it enacted by the Legislature of the Territory of Hawaii:*

"SECTION 1. The Board of Supervisors of the City and County of Honolulu is hereby empowered and authorized to issue general obligation bonds in the total sum of $6 million, provided, however, that the limitations and requirements in the Organic Act and chapter 117 of the Revised Laws of Hawaii 1945 as to the total bonds indebtedness which may be incurred at any time or in any 1 year shall be waived as to bonds issued under this act, and provided, further, that, any other law to the contrary notwithstanding, payments for interest and principal shall be made from funds derived from any extra or special fuel tax by law set aside for the use of the city and county of Honolulu.

"SEC. 2. The moneys realized from such bond issue shall be expended for the completion of the construction of the Kalihi Tunnel and its approach roads and for the construction of a second bore.

"SEC. 3. Any provisions of this act or any other territorial law to the contrary notwithstanding, it is expressly provided that, in the event it is found possible to secure Federal funds made available under any act of the Congress of the United States to be expended in connection with or for the construction of any of the items authorized by this act (whether or not there is specific provision for expenditure thereof in connection with Federal funds), the proper city and county or territorial officers (who are for such purpose hereby given authority to expend the funds received or realized from the issuance and sale of any bonds authorized by this act), or both, shall have power to enter into such undertakings with the proper officers or agencies of the Federal Government, agree to such conditions, transfer such funds to such other governmental (Federal, Territory or city and county) officer, officer's or agencies for expenditure thereof, and do and perform such other acts and things as may be necessary or be required by such act or acts of said Congress or any regulation or requirement of the Federal Government, as a condition to securing such Federal funds for the construction of such public improvements.

"Any other provision of law to the contrary notwithstanding, any bonds issued under this act may, with the approval of the Governor of the Territory or the mayor of the city and county of Honolulu (as the event may require) be deposited with and pledged to, or be otherwise disposed of to, the United States or any board, agency or instrumentality of the United States Government, to secure the repayment, or in actual payment, of any loans or advances made or to be made, under any act or acts of the Congress of the United States authorizing such loans or advances, by the United States or any such board, agency or instrumentality to the Territory of Hawaii or the city and county of Honolulu for the construction, in whole or in part, of any of the items authorized under this act or the cost of which, or of any portion thereof, would be payable or could legally be paid out of the proceeds of such bonds if sold.

"SEC. 4. This act shall take effect upon the enactment of legislation by the Congress of the United States of America ratifying this act and authorizing such bond issue, notwithstanding the limitations of section 55 of the Organic act of the Territory of Hawaii or any other law to the contrary.

"Approved this 27th day of May A. D. 1955.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A resolution adopted by the executive board, Holy Name Society of St. Catherine of Genoa's Roman Catholic Church, Brooklyn, N. Y., favoring the enactment of the so-called Bricker amendment, relating to the treatymaking power; to the Committee on the Judiciary.

THE CHAMPLAIN CUTOFF—JOINT RESOLUTION OF VERMONT LEGISLATURE

Mr. FLANDERS. Mr. President, I present a joint resolution adopted by the General Assembly of the State of Vermont, relating to the so-called Champlain Cutoff. Since this is a communication from a sovereign State to the legislative branch of the Federal Government, I ask unanimous consent that it be printed in the RECORD, and appropriately referred.

There being no objection, the joint resolution was referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

Joint resolution relating to the Champlain Cutoff, so-called

Whereas the international joint commission created by the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington, January 11, 1909, acting under the provisions of article 9 of said treaty, was directed to and did in 1937

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make a complete and thorough investigation and study of the advisability of the improvement of a waterway from Montreal through Lake Champlain to connect with the Hudson River, and reported that no one of the five routes investigated were considered to be practicable from an economic standpoint, at least until such time when it would be possible to estimate the bearing the completion of the St. Lawrence Waterway might have on the advisability of constructing the improvement under consideration, and that its report be considered an interim report, and that the commission be authorized to retain jurisdiction over the matter until such time as the St. Lawrence Waterway has become an accomplished fact and the commission has had an opportunity of studying the effect of its operation upon the proposed Champlain Waterway; and

Whereas the St. Lawrence Seaway is now becoming a reality; and

Whereas the construction of a deepwater passage from the St. Lawrence River to Lake Champlain would be of immense economic benefit to Vermont, to New York, and adjacent States, and to the Province of Quebec; and

Whereas such a seaway will aid in the development of the natural resources of the area and open an opportunity for orderly industrial expansion: Now, therefore, be it

Resolved by the senate and house of representatives, That the General Assembly of the State of Vermont respectfully prays the Governments of the Dominion of Canada and of the United States to direct the said international joint commission to renew its investigation and study of the construction of the Champlain Cutoff, so-called; and be it further

Resolved, That the secretary of state is hereby instructed to send copies of this joint resolution to His Excellency, the Prime Minister of Canada; His Excellency, the Premier of Quebec; His Excellency, the Secretary of State of the United States; His Excellency, the Governor of New York; and to the members of Vermont's congressional delegation.

Approved May 25, 1955.

THE INDIAN SITUATION IN NORTH DAKOTA—RESOLUTIONS

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, two resolutions adopted by the State Welfare Board of North Dakota, at its meeting in Bismarck in September 1954 relating to the Indian situation in North Dakota.

There being no objection, the resolutions were referred to the Committee on Interior and Insular Affairs and ordered to be printed in the RECORD, as follows:

RESOLUTIONS PASSED BY THE STATE WELFARE BOARD AT ITS SEPTEMBER 1954 MEETING IN BISMARCK, N. DAK.

It was moved, seconded, and unanimously carried that the Public Welfare Board of North Dakota express its sincere appreciation to Senator WILLIAM LANGER and Gov. Norman Brunsdale for their concern about the Indian situation in North Dakota; that it hereby wholeheartedly endorses the plan of Senator LANGER to have his Senate committee investigate the Indian situation in North Dakota, and the plan of Gov. Norman Brunsdale to suggest that the 1955 session of the North Dakota State Legislature spend several days exclusively on Indian matters, since this reasonably seems a direct approach giving promise of a comprehensive gathering of facts within the same period of time by the Federal and State branches of Government.

That the Public Welfare Board of North Dakota has been for years convinced that only through coincident investigations of the problem by the Federal Congress and the State legislature will some manner of solution be reached, based on mutuality of agreement, including the vital opinions of the Indian people themselves.

That administrators must have this reexamination by the legislative branches to unsnarl the ambiguity, confusion, and lack of understanding that exists today and that in this endorsement of the plans of Senator WILLIAM LANGER and Gov. Norman Brunsdale that the executive director and the staff of the Public Welfare Board of North Dakota be directed to lend all cooperation possible, including the use of its staff and its records.

It was moved, seconded, and unanimously carried that, in view of the absence of a State appropriation for general assistance for Indians for the 1953–55 biennium and the expectation, therefore, that the Bureau of Indian Affairs would continue to supply general assistance as needed by the Indians on Indian reservations in North Dakota, that therefore the executive director be directed to communicate to Mr. Glenn Emmons, Commissioner of Indian Affairs, Department of the Interior, Washington, D. C., that it will not be the policy to extend general assistance to Indians on Indian reservations in North Dakota this winter; that the executive director also be asked to urge Mr. Emmons and/or his top aids to enunciate the specific policy of the Bureau of Indian Affairs for the winter of 1954–55, in regard to extending general assistance to Indians on North Dakota reservations, so that local administrators of public welfare and the local administrators of Indian affairs may have an unambiguous statement of policy before the advent of winter, and furthermore, that every step be taken by the executive director, working with the North Dakota Indian Affairs Commission and the North Dakota delegation in Congress, to prevent any vacuum from being created by reason of a lack of funds by State and county and a unilateral elimination of all or a part of this function by the Federal Government.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KILGORE, from the Committee on the Judiciary; without amendment:

S. 38. A bill for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois) (Rept. No. 461);

S. 47. A bill for the relief of Guiseppe Agosta (Rept. No. 462);

S. 85. A bill for the relief of Rosetta Ittner (Rept. No. 412);

S. 86. A bill for the relief of Wilhelmine Schelter (Rept. No. 413);

S. 101. A bill for the relief of Fernanda Milani (Rept. No. 414);

S. 117. A bill for the relief of Ana P. Costes (Rept. No. 415);

S. 137. A bill for the relief of Renzo Petroni (Rept. No. 416);

S. 142. A bill for the relief of Thomas Kunhyuk Kim (Rept. No. 417);

S. 160. A bill for the relief of Dr. and Mrs. Henri Revilliod (Rept. No. 418);

S. 161. A bill for the relief of Ivan Powell (Rept. No. 419);

S. 174. A bill for the relief of Rosa Tomasina Maria Puglisi (Rosa Tomasina Maria Sano) (Rept. No. 420);

S. 177. A bill for the relief of Porfirio Punciano Vila, his wife, Tatiana Abatooroff Vila, and children, Porfirio P. Vila, Jr., Anne Marie Vila, and Josephine Anne Vila (Rept. No. 421);

S. 181. A bill for the relief of Manhay Wong (Rept. No. 422);

S. 190. A bill for the relief of Kreste Fantulin (Rept. No. 423);

S. 197. A bill for the relief of Vincenzo Santagata (Rept. No. 424);

S. 198. A bill for the relief of Fillipo Mastroianni (Rept. No. 425);

S. 214. A bill for the relief of Ahmet Suat Maykut (Rept. No. 426);

S. 254. A bill for the relief of Giusepina Cervi (Rept. No. 427);

S. 324. A bill for the relief of Vesa Reijo Luukkonen (Rept. No. 428);

S. 325. A bill for the relief of Elvira Tocchio Anzedei (Rept. No. 429);

S. 340. A bill for the relief of Giuseppe Bertolani (Gino Mancini) (Rept. No. 430);

S. 345. A bill for the relief of Richard Karl Hoffman (Rept. No. 431);

S. 354. A bill for the relief of Xaralampos Jiannoulos, also known as Harry Noulis (Rept. No. 432);

S. 360. A bill for the relief of Ralph Piccolo (Raffaele Piccolo) (Rept. No. 433);

S. 367. A bill for the relief of Maria Stela Leitao (Rept. No. 434);

S. 368. A bill for the relief of Marcelina Anderson (Rept. No. 435);

S. 369. A bill for the relief of Elena Spacapan (Rept. No. 436);

S. 387. A bill for the relief of George J. Athanassopoulos (Rept. No. 437);

S. 388. A bill for the relief of Petre and Liubitza Ionescu (Rept. No. 438);

S. 389. A bill for the relief of Sergio I. Veira (Rept. No. 439);

S. 396. A bill for the relief of Theresa Pok Lim Kim (Rept. No. 440);

S. 470. A bill for the relief of Edith Winifred Loch (Rept. No. 441);

S. 498. A bill for the relief of Maria Gabriella Byron (Maria Gabriella Michon) (Rept. No. 442);

S. 1867. A bill for the relief of Mary Goodyear Brown (Rept. No. 443);

H. R. 891. A bill for the relief of Alberto Cortez Cortez (Rept. No. 457);

H. R. 970. A bill for the relief of Kyung Ho Park (Syung Sil Park) and his wife, Mrs. Young Sil Lee (Rept. No. 456);

H. R. 1487. A bill for the relief of Rosa Marie Phillips (Rept. No. 455);

H. R. 1656. A bill for the relief of Chen Chih-Keui (Rept. No. 454);

H. R. 3020. A bill for the relief of Buonaventura Giannone (Rept. No. 453); and

H. R. 5907. A bill for the relief of Albert Woolson (Rept. No. 452).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 111. A bill for the relief of Mrs. Theres Schickl Dutton and her daughter, Laura Theresia Schickl (Rept. No. 450);

S. 235. A bill for the relief of Melanie Schaffner Baker (Rept. No. 449);

S. 284. A bill for the relief of Margarita Oy Wan Chan (Rept. No. 448);

S. 326. A bill for the relief of Leopoldine Maria Lofblad (Rept. No. 447);

S. 346. A bill for the relief of Klara Anna Maria Fleischer (Rept. No. 446);

S. 477. A bill for the relief of Aldo Timossi (Rept. No. 445);

S. 541. A bill for the relief of Martin Aloysius Madden (Rept. No. 444); and

H. R. 1660. A bill for the relief of Wencenty Peter Winiarski (Rept. No. 458).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 287. A bill for the relief of Melitta Elizabeth Rhone (Rept. No. 451);

H. R. 5078. A bill for the relief of the estate of Victor Helfenbein (Rept. No. 460); and

H. R. 5196. A bill for the relief of the Overseas Navigation Corp. (Rept. No. 459).

By Mr. LEHMAN, from the Committee on Labor and Public Welfare, without amendment:

H. R. 5100. A bill to amend Veterans Regulation No. 7 (a) to clarify the entitlement

of veterans to outpatient dental care (Rept. No. 463);

H. R. 5106. A bill to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing (Rept. No. 464); and

H. R. 5177. A bill to authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C. (Rept. No. 465).

By Mr. LEHMAN, from the Committee on Labor and Public Welfare, with amendments:

H. R. 5089. A bill to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, to authorize assistance in acquiring automobiles or other conveyances to certain disabled persons who have not been separated from the active service, and for other purposes (Rept. No. 466).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 2148. A bill relating to rates of postage on third-class matter mailed by municipalities and other political subdivisions of States; to the Committee on Post Office and Civil Service.

By Mr. LANGER:

S. 2149. A bill to amend the Refugee Relief Act of 1953 so as to relax certain requirements for qualifying under such act; and

S. 2150. A bill for the relief of Adolph L. Tschida; to the Committee on the Judiciary.

By Mr. LANGER (for himself and Mr. YOUNG):

S. 2151. A bill to provide for the segregation of certain funds of the Fort Berthold Indians on the basis of a membership roll prepared for such purpose; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSTON of South Carolina:

S. 2152. A bill for the relief of the estate of Susie Lee Spencer; to the Committee on the Judiciary.

By Mr. JACKSON:

S. 2153. A bill for the relief of Jock Lern Chan; to the Committee on the Judiciary.

NATURAL GAS PRICES AND THE FEDERAL POWER COMMISSION

Mr. McNAMARA. Mr. President, I wish to bring to the attention of the Senate serious charges against the Federal Power Commission made in an editorial in the Washington Post and Times Herald of this morning.

The editorial, entitled "Speaking for the Consumer," charges the Federal Power Commission with failure to carry out its "duty to operate under the law as written and as interpreted by the Supreme Court." Instead, says the editorial, the Commission is waiting for the Congress to change the law; and, in effect, the Commission is waiting for Congress to legalize its refusal to protect the gas consumer as the law and the Supreme Court say he ought to be protected.

Mr. President, I wish to subscribe to the point of view expressed in the editorial, if the charges are correct, as I believe they are. However, in the interest of fairness, I am asking the Chairman of the Federal Power Commission to express his point of view on them. If I find that there is any substantive error in the editorial, I will bring that to the attention of the Senate.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD, and be referred to the appropriate committee.

There being no objection, the editorial was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

SPEAKING FOR THE CONSUMER

The public utility commissions of the District of Columbia, Maryland, Virginia, and West Virginia deserve the warmest possible commendation for their vigorous defense of natural gas consumers in their respective jurisdictions. The commissions have highlighted in a way that can be easily understood a failure on the part of the Federal Power Commission to consider, much less defend, the consumer interest. Indeed, the State regulatory bodies have drawn up an indictment of the FPC for its failure to follow the law and customary procedures in gas price regulation that is worthy of congressional attention. Because the Federal agency believes that it did not have power to regulate the prices charged by natural gas producers, it has neglected to exercise that power even though the Supreme Court last year said it does have such power and responsibility. The FPC apparently is biding its time in the belief that it will be rescued by Congress. However, the complaint of the four regulatory bodies against FPC practices may cause even further delay in approval of the Harris bill to exempt natural gas producers from Federal control.

After the Supreme Court in the Phillips decision said that the FPC has jurisdiction over gas prices at the wellhead, the agency was flooded with rate applications. But it has established no procedures or rules for judgment. In October, despite the opposition of Chairman Jerome K. Kuykendall, 289 producers' rate increases were allowed to go into effect as requested. Since then the transmission companies affected by the rate increases have applied for rate increases; if they are granted, as they will be almost automatically unless the October ruling is suspended, then the next to apply for rate increases will be the local gas distributors. The increase at the wellhead thus would be passed on to the consumer.

But the consumer in this instance had no opportunity to be heard. The FPC granted the 289 increases without a hearing and without informing the State regulatory bodies that such an order was under consideration.

The District, Maryland, Virginia, and West Virginia therefore are justified in complaining of a "complete breakdown" in FPC procedures. In March the four commissions petitioned the FPC to suspend the October increases and to open the matter to public review. In April, the FPC flatly rejected the petition. Now the four commissions have appealed for a reconsideration and rehearing of that order. In doing so, they have made a powerful case against FPC's complacency in the matter.

The Federal agency has a duty to operate under the law as written and interpreted by the Supreme Court, not as it may think Congress will modify it. The FPC is charged with regulating the price of gas at the wellhead. But it is not effectively carrying out this duty since it has established no procedures and has acted more or less automatically in approving scheduling submitted to it. It has thus set off a chain reaction that will cost consumers in this area millions of dollars. Theirs is not the only interest at stake, but it is a primary interest, and the four utility commissions have performed a notable service in bringing the matter forcefully to public attention.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JENNER:

Address entitled "The Hidden Revolution," delivered by him at Minneapolis, Minn., on March 30, 1955, before the Conservative Citizens Committee.

Address on foreign policy, delivered by him before Magna Carta Dames, at Washington, D. C., on April 19, 1955.

By Mr. MANSFIELD:

Address entitled "Beyond Formosa," delivered by him before the Foreign Policy Association, at Pittsburgh, Pa., on May 4, 1955.

Address entitled "Pressures, Politics, and Partnerships," delivered by him at the Ninth Annual World Affairs Conference, at Asilomar, Calif., on May 7, 1955.

Commencement address delivered by him at Marymount High School, Arlington, Va., on June 2, 1955.

By Mr. WILEY:

Address entitled "Can Mankind Endure Half-Slave and Half-Free?" delivered by him at Bement, Ill., site of the Lincoln-Douglas meeting of July 29, 1858, which set the time and place for the Lincoln-Douglas debates.

Commencement day address at Columbia University by Hon. Allen W. Dulles on June 1, 1955.

By Mr. BENDER:

Commencement address delivered by him at the McDonald High School, McDonald, Ohio, on June 2, 1955.

Address delivered by him at dedication of a new school at Harrod, Ohio, on May 27, 1955.

By Mr. JOHNSON of Texas (for Senator MAGNUSON):

Three statements by Senator MAGNUSON on Public Power: An Investment Not an Expenditure, on Vital Technical Assistance, and on Our Air Force Must Be the Best; together with two editorials and a statement.

By Mr. EASTLAND:

Summary of address entitled "Taking Bearings," delivered by James A. McConnell, Assistant Secretary of Agriculture for Agricultural Stabilization, at a meeting of the American Cotton Congress, at Harlingen, Tex., on June 4, 1955.

By Mr. SMITH of New Jersey:

Statements in commendation of Senator WILEY for his part in the enactment of the St. Lawrence seaway legislation.

MRS. OVETA CULP HOBBY AND THE SALK POLIO VACCINE

Mr. SMITH of New Jersey. Mr. President, through an unfortunate misunderstanding and because of wild reports of various kinds, I among others, feel that a great injustice has been done to the Secretary of Health, Education, and Welfare, Mrs. Hobby. I have been very much distressed over it.

Without going into the details at the present time, though later I may address the Senate at greater length, I should like to call attention to an article which appeared in today's Washington Post and Times Herald by Mr. Stewart Alsop, which is entitled "In Fairness to a Lady." Mr. Alsop brings out very clearly some of the misunderstandings in regard to Mrs. Hobby's position. I ask unanimous consent to have printed in the body of the RECORD the article Mr. Alsop has written which very clearly

sets forth the injustice which has been done to Mrs. Hobby.

Mr. THYE. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. THYE. I had also noted that same article. If the Senator from New Jersey had not made the request that it be printed in the RECORD, I would have made that request, as I brought the same article to the floor. I wish to say that no person has been criticized more unduly than has Mrs. Hobby, the Secretary of the Department of Health, Education, and Welfare.

The Salk polio vaccine is something new. It is in the introductory stage. The scientists have been constantly at work. In the committee we were at work on the appropriation bill for the Department of Health, Education, and Welfare the day the question about the vaccine made at a certain laboratory was raised. At that time we, as members of the Appropriations Committee, assured Dr. Scheele and Mrs. Hobby that we would support any financial need the Department of Health, Education, and Welfare and, in particular, Dr. Scheele's Public Health Service might have.

I commend the Senator from New Jersey for submitting the article for printing in the RECORD.

The PRESIDENT pro tempore. Under the 2-minute rule, the time of the Senator from New Jersey has expired.

Mr. SMITH of New Jersey. Mr. President, I ask unanimous consent that I may proceed for an additional minute, in order that I may thank the Senator from Minnesota, and also make a further brief statement.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Jersey? The Chair hears none, and the Senator from New Jersey may proceed.

Mr. SMITH of New Jersey. Of course, Mr. President, I am entirely in accord with what the Senator from Minnesota has said; he has expressed exactly my own view of the matter. As ranking Republican member of the Committee on Labor and Public Welfare, I have been very closely in touch with this situation. I know that Mrs. Hobby has done everything it was possible to do; no one could have done more.

So I am very glad to request that the article by Mr. Alsop be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN FAIRNESS TO A LADY

(By Stewart Alsop)

In all fairness, it is time somebody spoke up for Mrs. Oveta Culp Hobby, beleaguered Secretary of the Department of Health, Education, and Welfare.

It is fashionable nowadays to beat Mrs. Hobby over the head, editorially and oratorically, as solely responsible for the confusions and delays in the polio vaccine program. Adlai Stevenson, who knows a good issue when he sees one, took up the cudgels the other day when he said that he "didn't think it required any special clairvoyance to estimate the demand for the vaccine, the supply, and the hazards of production."

Yet the truth is that the blame really rests far less on Mrs. Hobby than on a mysterious polio virus, which for reasons yet unexplained, refused to die when it should have died. Stevenson to the contrary, it would have required clairvoyance of a remarkably high order to foresee this particular hazard.

The facts are simple enough. On April 12, the National Foundation for Infantile Paralysis announced the success of the field tests of the Salk vaccine. On the same day, Mrs. Hobby licensed six manufacturers to distribute the vaccine, and the polio foundation went ahead with its free vaccination program for all first- and second-grade children.

Mrs. Hobby has been much criticized by hindsight for not having a distribution plan ready. In fact, a distribution plan was ready, the polio foundation's program for vaccinating first- and second-graders, which is still incomplete, and which will use all available vaccine until it is complete. It never occurred to anyone in Mrs. Hobby's Department to move in and take over the foundation's program, simply because there was no visible need whatsoever for doing so.

What, then, really went wrong?

What went wrong was that virus that refused to die. On April 27, the Surgeon General, Dr. Scheele, received reports of six cases of polio among children who had received vaccine from the Cutter Laboratories in California. The polio had apparently resulted from live virus in the vaccine. Dr. Scheele immediately asked Cutter to withdraw all its vaccine.

The scientists of the Public Health Service then descended on the Cutter Laboratories to try to determine why the virus had not died. And even now, they do not really know for certain.

Making the Salk vaccine is a tricky business. To put it in the simplest and most unscientific terms, the vaccine has to be strong but not too strong. It must be treated with formaldehyde for a certain length of time in order to make sure that no killing polio virus remains. But it cannot be immersed too long, or the immunizing effect is lost.

A standard operating procedure—the best the scientists of the Public Health Service could formulate at the time—for achieving this life-and-death balance had been laid down for all six laboratories, including the Cutter Laboratories. And even now, the scientists have been unable to determine why the polio survived in the Cutter vaccine. It should have died.

It was the tragic incident of the Cutter vaccine that threw the whole polio program into turmoil. The stubborn virus also has come rather close to destroying the reputation of the able Mrs. Hobby.

The stubborn virus is not the whole story, of course. The polio foundation is dependent on public contributions, and it has the usual public relations setup of such foundations. Thus the success of the Salk vaccine was announced with the maximum ballyhoo—something Mrs. Hobby had no control over—and the impression got abroad that the scourge of polio has been conquered completely overnight. In fact, of course, the vaccine is only partially effective, and supplies were unavoidably limited.

The press relations of Mrs. Hobby's Department also are even more stupidly handled than most, and Mrs. Hobby's famous statement that "no one could have foreseen" the demand for the vaccine was no help. Perhaps the worst fault of all was the failure to explain simply and understandably that using the vaccine could in rare cases be dangerous—which is still true—but that on balance its use vastly increases a child's chance of avoiding the terrible disease.

Any such admission it was thought would scare the living daylights out of the American people, and thus destroy the value of the life-saving Salk vaccine. Lack of confidence in the American people's commonsense is a besetting sin of this administration. Yet, in fairness it is hard to understand how Mrs. Hobby, clairvoyant or not, could have foreseen what some of the best scientists in the country did not foresee, and cannot wholly understand, even now that it has happened.

Mr. CARLSON. Mr. President, I appreciate very much the action of the senior Senator from New Jersey [Mr. SMITH] in placing in the RECORD the article by Mr. Stewart Alsop regarding Mrs. Oveta Culp Hobby.

Mr. Alsop's article discusses very frankly the uncalled for and unfair attack that has been made on Mrs. Oveta Culp Hobby, Secretary of the Department of Health, Education, and Welfare, in regard to the release of polio vaccine.

Some persons have tried to use this great humanitarian program for political purposes. I am pleased to note that, as people begin to think calmly and sanely, they are resenting these political implications. Certainly the charges made against Mrs. Hobby are unfair and uncalled for.

It seems to me that Mrs. Hobby, the National Foundation for Infantile Paralysis, and all others interested in getting vaccine to the people at the earliest possible date, should be commended for their humanitarian efforts rather than be criticized by those who are politically minded.

E. C. WAGGONER

Mr. MARTIN of Iowa. Mr. President, on June 10, Mr. E. C. Waggoner, of Elgin High School, Elgin, Ill., will retire from the teaching profession, after 37 years. I have had the pleasure of knowing Mr. Waggoner personally, since he is the father of my administrative assistant. I should like to call the attention of the Senate to the wonderful record he has compiled over the past many years.

Mr. Waggoner has headed the science department of Elgin High School since its organization in 1924. In addition to his teaching work, he developed a great interest in visual education. In 1929, he organized one of the first cooperative film libraries in the country. Each of six schools bought two films, and contributed them to the film service at the University of Illinois. That was the beginning of the giant cooperative library for films, now numbering more than 5,000 sound films which are sent to all corners of the country.

Mr. Waggoner was instrumental in organizing a Department of Audio Visual Instruction for the National Education Association and served as the secretary of that group for 4 years.

In 1946, he took a year's leave of absence from the Elgin schools, and organized the State department of audio visual aids for Illinois. Again, he was the leader in the visual education field.

In 1950, Mr. Waggoner organized the first high school FM radio station in Illinois. WEPS, representing the Elgin public schools, has been on the air since

January 13, 1950, serving both the schools and the community of Elgin.

As he retires, E. C. Waggoner has a lifetime of service to contemplate. The Audio Visual Department of Elgin; the national prominence of visual education in the 20th century pattern of education; WEPS—all of these are tributes to his industry and farsightedness. But more than any of these, he leaves Elgin High School knowing that he has aided, guided, and loved the students of that school for 35 years. The monuments of gratitude and respect he leaves in the hearts and minds of the thousands of students he has known will remain after the stones of the school have crumbled. I am proud to pay tribute to E. C. Waggoner.

AMENDMENT OF FARM CREDIT LEGISLATION

Mr. CARLSON. Mr. President, there are pending in the Senate and the House of Representatives bills revising present legislation affecting farm credit banks and corporations.

Recently the Farm Credit Board of Wichita adopted a resolution supporting the enactment of title I of Senate 1286 and H. R. 5168, and made other suggestions in regard to the pending legislation.

I ask unanimous consent that the resolution and a letter signed by the officers and directors of the Larned Production Credit Association be made a part of these remarks.

There being no objection, the resolution and letter were ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE FARM CREDIT BOARD OF WICHITA AT ITS MEETING HELD MAY 16, 1955

Resolved, That since the purpose of title I of the new farm credit bill, S. 1286 and H. R. 5168, is to provide for ultimate ownership of the banks for cooperatives by their cooperative members; and

Whereas such bills as introduced in the United States Senate and House of Representatives contain provisions that the surpluses of such banks shall be owned by the United States Government and the cooperative stockholders, in proportion to their respective stockholdings in the banks on the effective date of such act, thus creating a permanent Government interest in such banks which does not exist under legislation now in effect, and which has no precedent in other laws enacted by the Congress and affecting the various farm credit banks and corporations.

Therefore this board hereby expresses its support of the enactment of title I of S. 1286 and H. R. 5168, provided the present provision for the creation of a permanent Government interest in the surplus of the banks is deleted and that such legislation provides for the retirement of all Government interest in the banks for cooperatives, as was proposed to the Congress by the Federal Farm Credit Board in section V of its special report recommending legislation in compliance with section 2 of the Farm Credit Act of 1953; be it further

Resolved, That a copy of this resolution be sent to each of the following: Governor of the Farm Credit Administration; chairman of the board of the 11 other Farm Credit Districts; H. W. Clutter, member of the Federal Farm Credit Board; all present stockholder cooperatives of the Wichita Bank for Cooperatives.

LARNED PRODUCTION CREDIT ASSOCIATION,
Larned, Kans., May 11, 1955.

Hon. FRANK CARLSON,
United States Senate,
Washington, D. C.

DEAR SENATOR CARLSON: We wish to call your attention again to title II of S. 1236 (farm credit legislation).

We are not attempting to go against the entire farm credit setup, but do feel that there are some things that should be cleared up in this present act before it is enacted. There are two principal things to which we take exception.

First, in the plan to purchase the Production Credit Corporations, a 10-year period is set up as the time required, with a possible extension of 3 years, but in no case beyond the 13-year period.

With the extreme drought that exists over much of the ninth district and with the restrictions on acreage that can be planted to wheat coupled with lower prices in general and higher operation costs, it is difficult to see that far into the future. If the Governor of the Farm Credit Administration had the discretion to extend this time for those associations that needed extra time, this would, in our opinion, solve this question.

Second, the associations of this State feel that we should know what is to be done with the Federal Intermediate Credit Bank under the mandate of the Farm Credit Act of 1953 before starting a program of buying the corporations.

If we are assured that the Federal Intermediate Credit Bank were to operate as it is until the purchase of the corporations were completed, that should solve that question. There are many other plans that might be used in purchase of the FICB, one of which might be the use of patronage credits to build up equity in the FICB to the credit of the associations. But if we start on one buying program and then the second one is pushed into use the following year, it might not be within our ability to meet and continue the service to our members which we have worked so hard to build up over the years.

To sum this up, we feel that this entire question should be delayed until the Farm Credit Board can work out a package deal whereby we know what to expect in relation to our entire part in purchase of the Government-owned organizations that are expected eventually to be owned by the production credit associations.

Your assistance in obtaining this delay will be appreciated.

Yours very truly,

N. L. RUCKER,
President.
F. H. PAULSEN,
Director.
E. E. PEMBER,
Director.
GEO. G. ZIMMER,
Secretary-Treasurer.

DR. F. MELIUS CHRISTIANSEN

Mr. THYE. Mr. President, if the Senate had been in session last Friday, I would have made on the floor of the Senate a statement regarding the late Dr. F. Melius Christiansen, of St. Olaf College. However, at that time the Senate was in recess.

Therefore, I ask unanimous consent to have a statement printed at this point in the body of the RECORD, along with an article by Val Bjornson, which was published in the St. Paul Pioneer Dispatch of June 2, referring to the great musician, Dr. F. Melius Christiansen.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

DR. F. MELIUS CHRISTIANSEN

Last Friday in Boe Memorial Chapel on the campus of St. Olaf College in Northfield, Minn., funeral services were held for one of Minnesota's greatest citizens. Dr. F. Melius Christiansen, founder and retired director of the world-famous St. Olaf Lutheran Choir, passed away on Wednesday, June 1, at the age of 84.

Dr. Christiansen, as a violinist, as a teacher, as a composer, and as a director of both instrumental and vocal music, contributed greatly to the art and culture of this Nation.

With his death, another chapter is written in the story of the immigrants who came to America and who were able to combine a rich heritage of the old world with the hopes and dreams of the new world as they made their contributions to a new and dynamic society.

F. Melius Christiansen was born in Eidsvold, Norway, on April 1, 1871. Through the teachings of his father and mother, he learned the value of church, family, thrift, and discipline. He was encouraged to develop an interest in music at an early age. As a child of 3, he began playing the clarinet, at 14 he was organist in the Eidsvold church, and by the time he arrived in America at the age of 17, he had gained a reputation as a violinist.

Accounts of his life tell us that F. Melius Christiansen landed in New York in 1888 as a somewhat frightened youth but filled with hopes and expectations for his future. His first real stop was in Oakland, Calif., where he stayed with an uncle. His first job was as a typesetter on a Danish paper in San Francisco.

In February of 1889 he headed east and arrived in Washburn, Wis., where he joined his brother, Karl, who had become established in that community some years previous. While in Washburn, he had an opportunity to relax and catch his breath. He was in a community of Norwegian immigrants, and there was a feeling of home. He played in his brother's band, attended high school, and developed a working knowledge of the English language.

Late fall of 1890 found him installed as director of the Scandinavian Band at Marinette, Wis. An intense desire for further education brought him to Minneapolis, Minn., and to Augsburg College in 1892.

His days at Augsburg and in Minneapolis were to play an important part in the development and growth of this Norwegian immigrant. He made his friends among the faculty and fellow students, he found a new outlet for his talents as a violinist, he felt the living spirit of Christian teaching, and he came to realize that he was a part of a community. A sense of security came with this which had not been felt since he left his home in Norway. It was at this time that he applied for his United States citizenship.

During the next year, he attended the Northwest Conservatory of Music in Minneapolis and graduated with a music degree in the spring of 1894. Upon graduation, he joined the famous Augsburg Quartette and toured the Midwest, returning in the fall to direct the Augsburg student chorus. By 1895, he was recognized in Minneapolis as a teacher, composer, violinist, and choir director.

In 1897 he married Edith Lindem of Marinette, Wis. The next year was spent studying at the Royal Conservatory of Music at Leipzig, Germany. Minneapolis welcomed him back in 1899, and by the turn of the century, he was established as a recognized artist.

Just as his entrance at Augsburg College was to be a major turning point in his life,

UNIVERSITY OF MICHIGAN LIBRARIES

so was the date of August 21, 1903. On that date, it was announced that he was to be called as head of the music department at St. Olaf College in Northfield, Minn. He was to direct the college band and chorus and teach violin and theory.

It was while at St. Olaf that he reached his greatest heights and became known the world over as one of the pioneers of a cappella singing in America and became recognized as one of the greatest choral directors of his time.

Within a year, the intense zeal of F. Melius Christiansen began to be felt at St. Olaf. An entirely different approach to teaching was employed, and improved musicianship was the result. In 1906 he took the St. Olaf Band to Norway where they played before the king and queen, among others, in capacity audiences all through his native land.

At the same time he was laying the foundation for what was to become one of the world's most celebrated choirs. During his early years in Northfield Dr. Christiansen directed the church choir at St. Johns Lutheran Church. Many of the choir members were students at St. Olaf College, and in 1912, when the choir went on tour, it was billed as the St. Olaf Lutheran Choir. Since that time this choir has sung in churches, schools, and concert halls in nearly every major city of the United States. The choir toured Europe in 1913 and 1930, and last Friday it headed east on the first leg of a journey which will once again take it to Europe. The choir members are now all college students.

As is the case with truly great men, F. Melius Christiansen had many characteristics which helped to shape his career. Those who knew him well speak of his sincerity, honesty, and gaiety. But they are quick to point out that he was blunt, outspoken, and possessed of a temper which was not always easy to control. He worked with intense energy and a relentless will. He was incisive and a stern disciplinarian. He was a man of purpose, who was devoted to the art of music.

That his greatness was recognized is evidenced by the many honors bestowed upon him while he lived. Among them were honorary doctor of music degrees from Muhlenberg College, Capital University, Oberlin College, and the University of Minnesota. He was knighted by the King of Norway in recognition of his enriching contributions to the church and music.

The work and influence of Dr. Christiansen will continue to be felt far into the future. There are thousands of his former students now teaching music, directing choirs, and directing glee clubs in almost every State of the Union. These are devoted followers, who will continue to build up the heritage of choral music which was handed to them by the man who was called by one contemporary "the prince of choirmasters." His influence will continue to spread through the Choral Union work within the church. The tours of the St. Olaf Choir will further serve to point up the greatness of its founder. The Christiansen Choral School established in 1935 is another avenue of expression for his teachings and techniques.

It is interesting to note that the Armed Forces of our country have felt the touch of Christiansen music. During World War II the 1,000-voice choir at Great Lakes Naval Training Station won national acclaim under the directorship of one of Dr. Christiansen's proteges. From this group 45 were chosen to sing in Paramount's motion picture, The Navy Way.

Perhaps an even more moving influence will be the feelings of the millions of persons who will hear his work in the churches, schools, and concert halls throughout the world in years to come.

A man devoted to his church, a man who brought the message of Christianity to people through sacred music, a man who did so much to elevate choral music, a man who enriched all of our lives—such a great man was Dr. F. Melius Christiansen.

[From the St. Paul Pioneer-Dispatch of June 2, 1955]

MUSICAL ENVOYS

(By Val Bjornson)

Seniors in the St. Olaf College Choir at Northfield will be receiving their diplomas at special advance exercises this morning, so as not to delay start of the European tour now getting under way. The schedule is being continued without a hitch, despite the death Wednesday of the choir's great founder and retired director, F. Melius Christiansen. It will even permit the choir to take part in Friday's funeral service, and the tour will doubtless be colored by a renewed challenge to add still further luster to memories already so firmly fixed.

The trip to Norway is likely uppermost in the minds of the 57 student singers from St. Olaf and of all 65 in the party making the tour, since the institution's background is so thoroughly Norwegian. The choir did make trips there in 1913 and again in 1930, so this is the third venture of its kind. On each of the trips other European countries were included for concert appearances.

Norwegians in the old country will probably be making some comparisons this time—and not just with the 1913 and 1930 versions, wherever they may be remembered. Such a comparison is perfectly safe. That is the miracle wrought by F. Melius Christiansen who, after long illness, died Wednesday in Northfield, just past 84. He created the choir and he astounded the musical world by maintaining its high standard of excellence, despite continually shifting student personnel, year after year. His son, Olaf, has fulfilled that tradition in every particular, as director succeeding his father, on retirement in 1943.

The comparison Norwegian admirers of the Christiansen tradition will probably be making is with the Concordia Choir from Moorhead, to which they listened on tour in 1949. Paul Christiansen, Olaf's younger brother, has directed the singers from Concordia since 1937, and even an occasional St. Olaf graduate defies suspicions of disloyalty by admitting that the Concordia Choir is just about as good as the one from Manitou Heights. There are daring souls here and there who say it is better. But the competition, if it be that, between Olaf and Paul simply accentuates the greatness of the original "Old Christy," and the stature attained by his two unusually talented sons. They have a great tradition to live up to and they are doing it well.

Eighteen cities are being covered by the St. Olaf Choir these 3 weeks before they sail on the *Stavangerfjord* for Norway June 22. Appearances take them through Minnesota, Wisconsin, Illinois, Michigan, Ohio, West Virginia, Maryland, Pennsylvania, Delaware, New Jersey, and New York.

Arriving in Oslo July 2, the Fourth of July celebration for choir members will be that of singing at the University Aula in the Norwegian capital. They appear in old Vor Frelsers Kirke the following night for a second Oslo concert, singing 20 of them in all in Norway. There is just 1 concert in Sweden, at the university city of Lund July 23, and 1 in Denmark, at Copenhagen July 24. Then on to Hamburg for a tour of the eight German cities where the 1930 choir sang.

Typifying the affectionate regard and the proud esteem which the St. Olaf Choir inspires were appreciation concerts before today's takeoff from Northfield, sponsored by Dr. Laurence M. Gould, president of the neighbor and rival, Carleton College. Envoys such as the St. Olaf Choir will present abroad a picture of American culture we can all take pride in.

CAREER OF NORWEGIAN AMBASSADOR WILHELM MORGENSTIERNE

Mr. WILEY. Mr. President, May 26, last, happened to be my own birthday. At that time I was in the State of Wisconsin cutting a little grass and mending a few fences. I noticed at that time that the Norwegian Ambassador to the United States, Mr. Wilhelm Munthe de Morgenstierne, was celebrating 45 years in the foreign service of his country. On May 26, 45 years ago, he started his career in the Norwegian Foreign Service.

There appeared in the publication entitled "News of Norway," issue of June 2, 1955, a paragraph telling about the numerous congratulations he received, including congratulations from the distinguished Senator from Minnesota [Mr. THYE] and others. I ask that the paragraph to which I have referred be printed in the RECORD at this point, as a part of my remarks. Had I not been in Wisconsin, of course, I would have been very happy to join the group which congratulated him, because he has rendered valuable service as the Ambassador of his country in Washington.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A DIPLOMAT FOR 45 YEARS

On May 26, it was 45 years since Ambassador Wilhelm Morgenstierne started his career in the Norwegian Foreign Service as attaché at the Norwegian mission in Washington, D. C. Altogether, he has spent more than 30 years in the American Capital. Named Chief of Mission, with the rank of Minister, in 1934, he has served as Ambassador to the United States of America since 1942.

In the morning of the anniversary day, the chiefs of foreign missions called at the Norwegian Embassy to pay their tribute to the dean of the diplomatic corps. They presented the Ambassador with a handsome silver tray. Attending the surprise party were also John F. Simmons, Chief of Protocol of the United States State Department, and Livingston T. Merchant, Assistant Secretary of State.

Later in the day, JOSEPH W. MARTIN, Jr., Republican Representative from Massachusetts and House minority leader, gave a Capitol Hill luncheon in honor of the Ambassador. Among the guests was JAMES P. RICHARDS, Democratic Representative from South Carolina and chairman of the House Foreign Affairs Committee. On the House floor, the Norwegian Ambassador was lauded in speeches delivered by EDITH NOURSE ROGERS, Republican Representative from Massachusetts, and COYA KNUTSON, Democratic Representative from Minnesota. Democratic Senator ALBEN W. BARKLEY, of Kentucky, and Republican Senator EDWARD J. THYE, of Minnesota, cabled their warmest congratulations.

The Ambassador's anniversary was the subject of editorial tributes in the Washington Post and Times Herald, as well as the New York Times. The latter observed in part: "Mr. Morgenstierne has been ably representing his country, off and on, in the United States, ever since 1910. His career almost covers the span of history of modern Norway—a period during which relations between his country and ours have been constantly growing closer, sealed as they were in the blood of the Second World War. When his colleagues from many nations presented him a gift the other day, Americans could take special pleasure in the honor accorded Ambassador Morgenstierne. The United States and Norway, both members of the Atlantic community, have many mutual interests and ideals, not least of which is a deep and proved devotion to democracy, to peace, and to freedom."

STATUS OF VISA APPLICATIONS UNDER REFUGEE RELIEF ACT OF 1953

Mr. LANGER. Mr. President, as chairman of the Subcommittee on Refugees, Escapees, and Expellees, I am again presenting the figures from the Department of State statistical report dated May 27, 1955, showing the status of visa applications under the Refugee Relief Act of 1953, Public Law 203, 83d Congress. I was pleasantly surprised to learn that 1,267 visas have been issued between the period May 20 to May 27, 1955, and the Department of State advises that this is the greatest number issued in any single week since the act has been in operation. The report dated May 20 shows the total issuance as 30,652. The report dated May 27, 1955, shows the total to be 31,919 and the distribution to be as follows:

Country:	*Total issued*
Italy	19,702
Greece	5,296
Netherlands	566
Germany	2,382
Austria	2,639
Far East	772
Others	63

Last week when I made my report certain Senators were interested in knowing how many people had actually been admitted. I was not prepared to give those figures then, but I am now. As of May 20, 1955, of a total of 30,652 visas issued, 21,792 people had actually come into the country. As of May 27, 1955, of a total of 31,919 visas issued, 22,301 persons have actually come to our shores.

In all fairness to the Administrator of the Refugee Relief Act, I point out that once a visa is issued his responsibility ceases. He has nothing to do with when, if ever, the visa is used.

Let me give a few statistics relating to orphans. As Senators know, under the act there are to be issued 4,000 orphan visas. On May 20, 1955, 1,055 orphan visas had been issued and 732 orphans had actually been admitted. As of May 27, 1955, 1,086 orphan visas have been issued and 750 orphans have come to their adoptive parents in the United States.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the statistical statement from the Department of State.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Refugee relief program, status of visa applications, May 27, 1955

	Italy	Greece	Netherlands	Germany	Austria	France	Great Britain	Belgium	Far East	Others	Total
1. Applicants notified of documents required	65,802	18,283	1,313	21,349	10,879	1,935	841	1,380	2,454	431	124,667
2. Visas issued	19,702	5,296	566	2,382	2,639	130	139	230	772	63	31,919
3. Visas refused	1,550	735	27	2,003	891	143	101	17	573	22	6,062
4. Canceled action	558	122	125	1,003	600	67	126	105	47	43	2,796
5. Applicants still in process	43,992	12,130	595	15,961	6,749	1,595	475	1,028	1,062	303	83,890
6. Assurances received by Administrator	6,224	9,472	355	11,979	4,553	1,170	855	633	2,855	1,263	39,359
7. Assurances canceled, returned	557	629	96	694	132	78	110	10	370	335	3,011
8. Assurances verified and sent to field	5,343	8,415	211	10,810	4,264	1,026	674	577	2,293	821	34,434

NOTE.—All figures cumulative. Items 6, 7, and 8 reflect principal aliens only.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1956

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of House bill 5046, the appropriation bill for the Departments of Labor and Health, Education, and Welfare.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5046) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HILL. Mr. President, this bill, H. R. 5046, making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year 1956, is reported by the committee with increases totaling $66,533,339, but is still under the 1956 budget estimates in the sum of $28,093,261.

The amount of the regular estimates considered was $2,432,148,861. But of this $2.4 billion, $2.2 billion was for grants, subsidies, and contributions; that is, for grants for public assistance, grants for the administrative expenses of the employment security program, for unemployment compensation for veterans and for Federal employees, grants for medical research, for hospital construction, for public health services, for school construction, for payments to school districts, for vocational education, for vocational rehabilitation, and for maternal and child-health services.

The committee recommends an additional allowance of $22,602,000 for medical research. When I speak of grants for medical research I mean research in connection with cancer, mental health, heart, arthritis, metabolic diseases, neurology, and blindness. This is the largest amount by many millions of dollars ever recommended for medical research. There is an additional grant of $29 million for hospital and health facilities construction, to make a total of $146 million available for the fiscal year.

The bill also provides $2,500,000 additional over the House figure for grants for vocational rehabilitation, and $4,156,600 additional for grants for services to crippled children. The grant of $2,500,000 for vocational rehabilitation is within the budget estimate. There is an additional $1,660,000 over the House figure for assistance to the States for their State health departments and local health units.

The committee added $1,600,000, for which we did not have a regular budget estimate, but with respect to which we had an unofficial request from the Public Health Service, for work with regard to poliomyelitis vaccine. This additional allowance was provided in 2 appropriation accounts, namely, $850,000 in the item for communicable diseases, and $750,000 in the item for microbiology activities.

There is an additional $2,826,739 over the House figure for vocational education or a total of $26,500,000 for this purpose. It is larger than any amount that has yet been appropriated for vocational education.

It can well be said that the bill does more for medical research, hospital and health facilities, and public health than any bill ever reported.

The committee report is practically unanimous with respect to all items. The items were considered fully in the subcommittee, and then considered fully, on Friday afternoon, in the full committee.

Mr. President, I ask that the committee amendments to the bill be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text; provided, that no point of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Title I—Department of Labor—Office of the Secretary," on page 2, line 13, after the word "public", to strike out "$1,527,000" and insert "$1,627,000," and at the beginning of line 14, to strike out "$85,000" and insert "$185,000."

Under the subhead "Office of the Solicitor," on page 2, line 17, after the word "Solicitor", to strike out "$1,467,900" and insert "$1,482,900."

Under the subhead "Bureau of Labor Standards," on page 3, line 13, after the

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word "Standards", to strike out "817,500" and insert "$845,000."

Under the subhead "Bureau of Veterans' Reemployment Rights," on page 3, line 24, after the word 'Marine", to strike out "346,000" and insert "$375,000."

Under the subhead "Bureau of Apprenticeship," on page 4, line 5, after "(29 U. S. C. 50)", to strike out "$3,150,000" and insert "$3,200,000."

Under the subhead "Bureau of Employment Security," on page 4, at the beginning of line 14, to strike out "$4,942,500" and insert "$5,100,000," and in the same line, after the figures "$900,000", to strike out "may" and insert "shall."

The next amendment was, on page 5, line 6, after "(66 Stat. 684)", to insert "and title XV of the Social Security Act, as amended (68 Stat. 1130)."

On page 8, line 12, after the word "year", to strike out the colon and *"Provided,* That none of the funds appropriated in this act shall be paid to any person who voluntarily severs his or her employment with the Government of the United States."

On page 8, line 21, after the word "laws", to strike out "$1,035,000" and insert "$1,172,000."

Under the subhead 'Bureau of Employees' Compensation", on page 8, line 25, after the word "Board", to strike out "$2,147,000" and insert "$2,202,000."

Under the subhead "Bureau of Labor Statistics", on page 10, line 14, after "(5 U. S. C. 55a)", to strike out "$5,850,000" and insert "$6,325,000."

Under the heading "Title II—Department of Health, Education, and Welfare—Food and Drug Administration", on page 12, at the beginning of line 4, to strike out "five" and insert "forty-three", and in line 23, after the word "equipment", to insert "purchase of not to exceed four passenger motor vehicles for replacement only."

Under the subhead "Howard University," on page 15, at the beginning of line 7, to strike out "$2,766,000" and insert "$3,000,000."

On page 15, after line 7, to insert:

Plans and specifications: For the preparation of plans and specifications for construction, under the supervision of the General Services Administration, on the grounds of Howard University of a military science-physical education building and a home economics building, $75,000.

Under the subhead "Office of Education," on page 16, at the beginning of line 14, to strike "$23,673,261" and insert "$26,500,000"; at the beginning of line 17, to strike out "$23,498,261" and insert "$26,325,000"; and in the same line, after the word "year", to strike out the colon and *"Provided further,* That not more than $900,000 of this appropriation shall be available for vocational education in distributive occupations."

On page 17, line 14, after the word "same", to strike out "$3,050,000" and insert "$3,000,000."

On page 18, line 18, after "(5 U. S. C. 55a)", to strike out "$100,000" and insert "$200,000."

Under the subhead "Office of Vocational Rehabilitation," on page 18, line 23, after the word "amended", to strike out "$32,500,000" and insert "$35,000,000"; on page 19, at the beginning of line 2, to strike out "$1,000,000" and insert "$3,500,000"; and in line 9, after the word "of", to strike out "$32,500,000" and insert "$36,000,000."

On page 19, line 23, after the word "traineeships", to strike out "$1,800,000, of which $1,000,000 shall be available for grants"; in line 25, after the word "and", to strike out "$800,00 shall be"; and on page 20, line 2 to insert "$2,000,000."

On page 20, line 8, after the word "films", to strike out "$1,000,000" and insert "$1,100,000."

Under the subhead "Public Health Service", on page 20, line 15, after the word "Corps", to strike out "and purchase of not to exceed sixteen passenger motor vehicles, for replacement only."

On page 21, line 1, after the word "General", to strike out "$12,000,000" and insert "$13,660,000, of which not less than $9,725,000 shall be available only for grants to States for general health."

On page 21, line 16, after the word "than," to strike out "$4,500,000" and insert "$5,000,000."

On page 22, line 7, after the word "aircraft", to strike out "$4,400,000" and insert "$5,250,000, of which not less than $850,000 shall be available only for activities related to poliomyelitis vaccine."

On page 23, line 14, after the word "after", to strike out "December 31, 1956" and insert "June 30, 1958."

On page 23, line 17, after the word "expended", to strike out "$96,000,000" and insert "$125,000,000"; in line 18, after the word "which", to strike out "$75,000,000" and insert "$104,000,000"; and on page 24, line 2, after the word "herein", to insert a colon and *"Provided further,* That the Surgeon General may allocate from the above sums not to exceed $1,200,000 for the purposes authorized in section 636 of the act."

On page 24, line 8, after the word "amended", to strike out "$1,100,000" and insert "$1,400,000."

On page 24, line 13, after the word "act", to insert "Private Law 419 of the 83d Congress, as amended"; in line 18, after the word "services", to insert "purchase of not to exceed one ambulance, for replacement only"; and at the beginning of line 20, to strike out "$34,026,000" and insert "$34,378,000."

On page 25, line 12, after the word "countries", to insert "purchase of not to exceed thirteen passenger motor vehicles for replacement only", and at the beginning of line 14, to strike out "$2,950,000" and insert "$3,000,000."

On page 25, after line 22, after the word "General", to insert "purchase of not to exceed seventy-two passenger motor vehicles, of which forty-seven shall be for replacement only."

On page 26, line 12, after the word "trailers", to strike out "$4,750,000" and insert "$5,000,000", and in line 13, after the word "expended", to insert a colon and *"Provided,* That such expenditures may be made through the Department of the Interior."

On page 27, line 25, after the word "grants-in-aid", to insert "and to contract for supplies and services by negotiation, without regard to section 3709 of the Revised Statutes, in connection with the chemotherapy program"; and on page 28, line 4, after the word "act", to strike out "$22,328,000" and insert "$26,400,000."

On page 28, at the beginning of line 8, to strike out "$17,751,000" and insert "and including erection of temporary structures, $21,850,000."

On page 28, line 12, to strike out "$17,278,000" and insert "$23,800,000."

On page 28, line 19, after the word "diseases", to strike out "$8,740,000" and insert "$12,725,000."

On page 28, line 24, after the word "products", to strike out "$6,645,000" and insert "$7,580,000, of which not less than $750,000 shall be available only for activities related to poliomyelitis vaccine."

On page 29, line 5, after the word "blindness", to strike out "$8,861,000" and insert "$11,850,000."

On page 29, line 18, after the figures "$2,762,000", to insert a colon and *"Provided,* That there may be transferred from any appropriation to the Public Health Service in the Department of Health, Education, and Welfare Appropriation Act, 1955, to any other such appropriation such amounts as the Surgeon General may determine for the cost of activities relating to poliomyelitis during the fiscal year 1955: *Provided further,* That subsection (g) of section 208 of the Public Health Service Act (42 U. S. C. 210 (g)) is amended by striking out the word 'thirty' and inserting in lieu thereof the word 'sixty.'"

Under the subhead "St. Elizabeths Hospital," on page 30, line 9, after the word "illness", to strike out "$2,510,000" and insert "$2,527,000."

Under the subhead "Social Security Administration," on page 31, line 22, after the word "Fund", to insert "which, together with sums heretofore appropriated for these purposes, shall establish a limit of cost of $25,370,000, such sums to be consolidated and accounted for as one fund."

On page 32, line 15, to strike out "$1,487,500" and insert "$1,595,000."

On page 32, line 21, after the word "distribution", to strike out "$1,640,000" and insert "$1,796,500."

On page 33, line 13, after "(42 U. S. C., ch. 7, subch. V)", to strike out "$30 million" and insert "$34,156,600, of which $15 million shall be available only for grants to States for services for crippled children."

Under the subhead "General Provisions," on page 36, line 9, after the word "and", to strike out "not to exceed $90,000, of which $45,000 shall be available only to the National Institutes of Health, of such funds shall be available."

Under the heading "Title V—Railroad Retirement Board," on page 39, line 16, after the word "account", to insert a colon and *"Provided,* That whenever there is duly tendered to the Board, by any person, any claim for unemployment compensation pursuant to the Railroad Unemployment Insurance Act, such claim shall be accepted by the Board without delay and appropriate administrative action for the allowance or disallowance of such claim shall be taken by the Board at the earliest practicable time."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. THYE and Mr. SALTONSTALL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield; and, if so, to whom?

Mr. THYE. Mr. President, if the acting minority leader [Mr. SALTONSTALL] would like to ask a question at this point, I shall defer to him for that purpose.

Mr. HILL. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the chairman of the subcommittee a question about which I am not fully informed, although I am a member of the full committee. I was not a member of the subcommittee. It has been brought to my attention that there is some language in the committee report on pages 4 and 5 with respect to the Department of Labor, concerning reports to be made by January 31 of each year covering the work for the preceding calendar year. I am informed that that may be rather difficult and, also, not particularly helpful. I should appreciate it if the Senator would advise us as to the purpose of the language. It is my understanding that there was a provision inserted in the bill by the House committee, but the Senate committee struck it out and inserted this language instead of the provision in the House version of the bill.

Mr. HILL. No. I will say to my distinguished friend from Massachusetts that the language to which the Senator refers was in the House report. That House language called for a report from the Department of Labor as to the activities of State officials in the matter of employment security, the State officials performing the functions of administering the employment security program within different States. The language in the Senate committee report was suggested by the distinguished Senator from South Dakota [Mr. MUNDT]. It was, I think, at the suggestion of some of the State officials. They felt that if certain information was to be given by them, it was only fair that similar information should be given by officials of the Federal Government. I was fearful that the language in its original form might impose certain burdens or require certain duties on the part of the Department of Labor which it might not be able to perform within the time limit. The subcommittee agreed to write the language in the report only after making certain modifications which eliminated some information called for by the original language. When the question came up in the full committee, it was again considered, and some of us expressed the thought that it might cause too much burden on the part of the Department of Labor. The language was modified some more and was agreed to.

Mr. SALTONSTALL. Was it agreed to unanimously by the subcommittee?

Mr. HILL. I would say it was agreed to after modifications were made in the language.

Mr. SALTONSTALL. So that, in the opinion of the distinguished chairman of the subcommittee, it would not be compulsory on the part of the Department of Labor, but the information would be helpful for the Congress to have?

Mr. HILL. I would say that when Congress requests certain information from a department of the Federal Government it becomes the obligation and the duty of the department to supply the information.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. LEHMAN. I wish to congratulate the Senator from Alabama for the work that he and his associates on the committee have accomplished. I think the fact that a considerably larger amount has been appropriated for health activities of the Federal Government in conjunction with the States, is very encouraging, and I am very deeply gratified.

There are a few things, however, which are not quite clear to me and as to which I should like a little information.

For the Office of Vocational Rehabilitation, grants to States and other agencies, the Budget Bureau's estimate was $39 million. The amount recommended by the Senate committee is $35 million which, of course, is considerably more than the appropriation for 1955 and is also considerably more than the amount in the House bill.

Nonetheless, it is $4 million below the estimates for 1956. I wonder whether the Senator will explain that.

Mr. HILL. The Senator from New York knows, of course, that the estimates were made a good many months ago. I imagine that the figure of $39 million was arrived at perhaps 7 or 8 months ago, last fall, when the budget was being prepared. I am sure that at that time the Bureau of the Budget thought the figure was correct. But the evidence before our committee clearly showed that the States were not prepared to go forward with the use of that much money.

The Senator from New York will recall that Congress at the last session passed legislation greatly enlarging and augmenting the vocational rehabilitation program. The Senator knows that the States are partners in the program and have to put up certain amounts to match the Federal funds. The evidence before the committee showed that the $35 million which the committee included in the bill would fully meet any possible need to carry on completely the program, so far as it can be carried on, until some of the States make their provisions to carry on the full program.

We provided $35 million, feeling that that was the maximum amount which could be matched or could or would be used by the States during the next fiscal year. The $35 million was $2,500,000 more than the House allowed. The remaining $4 million, the difference between $35 million and the full budget estimate of $39 million, was transferred to the program for crippled children. The Senator from New York understands the vocational rehabilitation work being done for crippled children. So the $4 million was added to the provision for funds for crippled children. The work for crippled children is itself vocational rehabilitation.

Mr. LEHMAN. The Senator from Alabama has foreseen my question, and has answered it even before I asked it. I am very glad indeed that the $4 million reduction in the budget estimates for grants to the States has now been added to the program for vocational training and education of children.

There is one other item about which I should like to ask the Senator, if he will yield further to me.

Mr. HILL. I yield.

Mr. LEHMAN. The Senator from Alabama understands my long and very deep interest in the rehabilitation of the physically handicapped. He knows, as I do, he having been the chairman of the Subcommittee on Health of the Committee on Labor and Public Welfare, that today there are approximately 2 million physically handicapped persons in the United States and that the number is increasing at the rate of 200,000 annually. The program at best will provide for the training of only about 60,000 or 70,000 persons. So not only will it not be possible to dig into the backlog, but it will not be possible to keep up with the large increase in the number of the physically handicapped.

I think the Senator from Alabama will also recall that at many of our hearings in the last 3 or 4 years testimony was given that not only is the rehabilitation of the physically handicapped a humane activity, but that it actually repays the Government in dollars and cents. My recollection is that the testimony showed that for every dollar spent by the Government in the rehabilitation of the physically handicapped, $5 was returned to the Nation, because the persons who were aided ceased to be a drag on public funds and became self-respecting and self-supporting and, in time, became taxpayers.

I have, therefore, as the Senator knows, urged considerably larger amounts for training and traineeships, because there is no question in my mind, and I doubt that there is any question in the mind of the Senator from Alabama, that the bottleneck of this work is the training of doctors and skilled technicians to train and rehabilitate physically handicapped persons.

I notice in the report that the budget estimate for 1956 was $2,350,000. The Senate committee in this bill has recommended only $2 million. I know that that is higher by $200,000 than the amount which was carried in the House bill; but it still is $350,000 below the estimate. I think the estimate was pitifully small. I believe we should be spending several times $2 million for the training of physicians, skilled technicians, and other attendants.

Mr. HILL. First, I may say that I have the pleasure of serving with the Senator from New York not only on the Committee on Labor and Public Welfare, but also we serve together on the Subcommittee on Health, which considers questions such as this. In fact, the distinguished Senator from New York was formerly chairman of the Subcommittee on Health of the Committee on Labor and Public Welfare, and I can testify to his diligence and devoted efforts in behalf

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of the program for vocational rehabilitation. I know of the time he has spent in promoting the cause of vocational rehabilitation and in trying to have rehabilitated more persons who suffer from some disability.

Not only is this a commendable humanitarian activity, but it is an excellent program from the standpoint of economics, because instead of these persons being dependent upon the State for their living or for someone to take care of them, the Government will train them to become producers who can take care of themselves and contribute to the national economy. I know how devoted the Senator from New York has been to this cause.

The Senator will note that with the increase which the Senate committee recommends, $1,100,000 more will be available for training purposes next year than was available in the present year. Speaking for myself, I shall be delighted to talk to the distinguished Senator from Minnesota, who is the ranking minority member of the subcommittee, and who has been so cooperative and helpful in the preparation of the bill. It may be that after I have conferred with the Senator from Minnesota, the amount can be raised to the budget estimate.

The Senator from Minnesota, as the former chairman of the subcommittee, was in charge of the bill during the last Congress, and in both sessions he was most helpful in preparing the bill.

Mr. LEHMAN. Mr. President, will the Senator yield for a unanimous-consent request in this connection?

Mr. HILL. I yield.

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of correspondence which passed between Dr. Howard A. Rusk and me, dated April 5 and April 7, 1955.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

APRIL 7, 1955.

Dr. HOWARD A. RUSK,
The New York Times,
Times Square, New York, N. Y.

DEAR DR. RUSK: I appreciate your writing me in regard to the cut which the House effected in the budget estimate for training of professional personnel under the Vocational Rehabilitation Act.

Needless to say, I am also deeply disturbed at the reduction of $550,000 from the request of $2,350,000 under the item "training and traineeships" in H. R. 5046, the Labor-Health, Education, and Welfare Department's appropriation bill. The fact that the House Appropriations Committee report states that this reduction would still permit training grants to be made at the same level as at present, is no encouragement to those of us who fought so hard last year to emphasize the need for training in the vocational rehabilitation bill. As you pointed out during those hearings, and as I reiterated in committee and on the floor, this lack of trained professional personnel in the field of rehabilitation must be met by ever-increasing assistance from the Federal Government for grants in this field.

It is fortunate, I think, that Senator HILL is chairman of the Senate Appropriations Subcommittee dealing with this bill. I will, of course, be in contact with Senator HILL on this important item, as I trust you will be, in the hope that the full budget request will be approved in the Senate.

With kind personal regards.

Yours very sincerely,

HERBERT H. LEHMAN.

THE NEW YORK TIMES,
Times Square, April 5, 1955.

Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.

MY DEAR SENATOR LEHMAN: I know you are disturbed, as I am, over the failure of the House to appropriate the full $2,350,000 for fiscal year 1956 upon which the expansion of training of professional rehabilitation personnel is based. For the current fiscal year (1955), as you know Congress appropriated $900,000 for the training provision of the Vocational Rehabilitation Act. All of us who have followed this program closely have been deeply impressed both with the soundness and rapidity with which the Office of Vocational Rehabilitation has implemented this essential training program.

These plans, however, were predicated on the availability of $2,350,000 in fiscal year 1956 and a substantial proportion of these increased funds were to be spent on training of physicians in physical medicine and rehabilitation. If the $1,800,000 appropriated by the House stands, the program will be restricted to its present level and it will not be possible to initiate the short-term and long-term training programs for physicians and nurses which are fundamental if our goals of increased rehabilitation services for the Nation's disabled are to be met.

Last year in my testimony before the Subcommittee on Health, Senate Labor Committee on Labor and Public Welfare, I said: "In my opinion, the great single obstacle to the more rapid development of all types of rehabilitation services is the shortage of trained personnel."

With the increased funds now available for services and the rapid expansion of rehabilitation facilities, I feel even stronger today regarding the validity of this statement than when I originally made it. We simply cannot provide rehabilitation services to make the physically disabled into self-supporting, taxpaying citizens unless we have the trained rehabilitation personnel to work with them.

Sincerely,

HOWARD M. RUSK, M. D.

Mr. LEHMAN. Mr. President, I congratulate and thank the Senator from Alabama and his colleages and associates for a piece of work splendidly done.

Mr. HILL. I thank the distinguished Senator from New York.

Mr. President, I told the senior Senator from Massachusetts [Mr. SALTONSTALL] that after I had answered the questions of the Senator from New York, I would yield to him.

Mr. SALTONSTALL. Mr. President, I wish to ask one more question on this subject. In the committee report, page 4, in the next to the last paragraph, a request is made as follows:

It is requested that the Labor Department furnish this committee, by September 30, 1955, a statement of all visits of Labor Department officials and employees made during the year 1954 to offices of Members of the Senate and the House of Representatives, if these visits were in relation to legislation—pending or prospective—and the nature of the matters discussed.

It would seem to me that it would be very difficult to comply with such a request, unless a daily schedule or list of everything which was done by every member of the Department was kept.

Mr. HILL. Does not the Senator think that that language means only to the best of the knowledge and ability of the Department?

Mr. SALTONSTALL. It does not include telephone calls. I know we wish to stimulate the activities of the Department of Labor. We want to try to make it an effective representative of labor, and to be as active as possible. But in this instance we are asking something of the Department of Labor which is not required of other departments of the Government, such as the State Department, the Treasury, or any other department. Will it not impose a hardship if we begin to ask one department to keep a schedule of everything which it does, if we do not require it of the others?

Mr. HILL. The committees of Congress certainly are entitled to all the information which can be obtained from the different departments.

I observe that the Senator from South Dakota [Mr. MUNDT] has come to the floor. Since this is language which was proposed by him, I shall yield to him for the purpose of answering the Senator's question.

Mr. MUNDT. Mr. President, I should like to explain the origin of the language. First of all, it was not the feeling of the committee that the Labor Department was doing anything inappropriate. The request was not made in criticism of the Secretary of Labor or his fine associates. It grew out of a statement which appeared in the House report, whereby they had included an identical provision for the State administrators of employment security agencies, requesting them to make a report through the Department of Labor on their trips to Washington, and to report on all the conferences they held. It looked as though it was an attempt on the part of the House committee once again to reopen the controversy about the federalization of employment agencies, which Congress has consistently and steadily held should be continued under the State administrators. It was an attempt to endeavor to provide for the Labor Department a set of criteria for reports concerning certain representatives who might come to Washington in connection with legislation concerning the federalization of those employment agencies. This is in no sense an investigation. We had the feeling in the committee that this is not a good way to legislate on appropriation bills, and certainly not a good way to file reports. We were merely attempting to offset the language of the House report and perhaps induce its elimination or modification.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. KNOWLAND. While I am a member of the Committee on Appropriations, unfortunately, because of a conflict in engagements, I was unable to attend the committee meeting when this particular language was included in the report. It seems to me it would be an unfortunate precedent for the Labor Department to be saddled with this requirement, and that it would be unfair to single out the Labor Department. The

Senator's explanation throws some additional light on the question, but it seems to me that it would be unfair for the Labor Department to be singled out, without the requirement being applied to other departments. As a matter of fact, I think it would be unworkable to have that requirement applied to other departments of the Government, because we do not operate as three separate governments.

Mr. MUNDT. As the Senator from California knows, we have provided appropriations to create liaison offices so that we can get the information on a two-way street. We all agree there should be direct and constructive consultation between the legislative and executive branches of a coordinate government.

Mr. KNOWLAND. That, I think, is sound and proper. I should hope that when a Senator is in need of additional information, he would make use of the Bureau and get the information. There is no way for the Senate to strike out language in a House committee report, and there is no way for the Senate to strike out language in a Senate committee report. If certain language is contained in a bill, a motion could be made to strike out the language. I say this in no criticism of the House committee, but I think it can be regarded as an invasion of States rights for the committee to require State agencies to do what Federal agencies are not required to do.

Mr. MUNDT. That was basically the feeling of the subcommittee, as I think the chairman will agree. We felt it would be an unfortunate precedent to establish and that it would be an invasion of States rights to have that kind of mandatory language in the report. It is my hope that by highlighting the matter we can sit across the table during conference, and that the conference report may contain language which will adjust the points of view and make it clear that neither the mandatory provisions of the House report or of the Senate report represent the opinion of Congress, and find some way to iron out the matter in the conference report.

Mr. KNOWLAND. A problem is raised which has been discussed on the Senate floor before, which is that the Senate conferees do not file a report. A report of the conferees in the form of a written statement is filed by the managers on the part of the House.

Mr. MUNDT. That is correct. However, we frequently write in the conference report that it is concurred in by all members of the conference including, of course, Senate conferees. It is hoped that when the Senate and House conferees meet there will be an expression which will be an overriding of the language as expressed by both the House committee and Senate committee reports.

Mr. KNOWLAND. I agree with the Senator. This highlights the fact that perhaps there should be a change in the joint rules of the two Houses regarding conference reports, so that the statements filed in connection with such reports will be signed by managers on the part of both Houses, as their combined judgment.

Mr. MUNDT. As a former Member of the House, one of the shocking experiences I had as a new Member of the Senate was in discovering that no statement was filed by Senate conferees on conference reports. I think it would be a constructive change if statements on conference reports could be signed not only by managers on the part of the House, but also by managers on the part of the Senate.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. THYE. Referring to the language in the report with reference to the Department of Labor personnel having to make reports concerning travel expenses or expenses in connection with conferences held with Members of Congress, it was rather surprising to me to find that language in the House report. I do not believe the conduct of State administrators necessitates such language in the report. As I have stated, it was a surprise to me to find that such language was included in the report because there was no evidence that there had been abuse on the part of the State directors. Since such language was requested and required on the part of the House relative to State administrators, then the entire department should be subjected to making the same types of reports. Therefore, Mr. President, I do not think the conferees should make a report either in the language as it is in the Senate report or as it is found in the House report.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. CARLSON. I wish to aline myself with the statement which has been made by the Senator from Minnesota [Mr. THYE] with regard to the directors of the State unemployment offices. It seems to me they have carried on their work in a very efficient manner. I know the distinguished senior Senator from Minnesota has served as Governor of his State, as I had the honor to serve as Governor of my State. In that capacity we found there was the finest cooperation between the agencies. It seems to me that unfortunate language is contained in the report. I certainly hope something can be done in the conference to correct that situation.

Mr. THYE. I will state to my distinguished friend from Kansas that all of us on the Committee on Appropriations, when we examined the question, felt that the language in the House report was unnecessary, and we provided that the Department should be required to report in order primarily to call attention to that matter, so that the matter might be ironed out in conference. The Senator from South Dakota [Mr. MUNDT] without question was expressing the opinion of the majority of the committee when he said he thought the entire Department should be compelled to make such reports.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. MUNDT. I wish to thank the Senator for his very constructive statement. I agree entirely and emphatically with what has been said by the Senator from Kansas and the Senator from Minnesota. We had had no evidence whatsoever that there ever had been any improper use of Federal funds by the State administrators, and it is equally clear that we have had no evidence of any kind that there has been any improper expenditure of Federal funds by the Department of Labor.

Mr. THYE. And certainly no lobbying, such as the language used would imply, has taken place.

Mr. MUNDT. On the part of either of them.

Mr. THYE. Yes.

Mr. MUNDT. It was a question of putting the matter back into balance so that a proper arrangement could be worked out in conference.

Mr. KENNEDY. Mr. President, I should like to ask a question of the Senator from South Dakota.

Mr. THYE. Mr. President, I have the floor. If the Senator from Massachusetts wishes to ask a question of the Senator from South Dakota, I shall be glad to yield for that purpose, if I may do so without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, last year, at the time when we considered the new bill on unemployment compensation, there was some question as to whether the State unemployment commissioners who wanted this money turned back to the States, under their control, had used influence on the Congress, and whether the organization headed by Mr. Brown, of New Hampshire, had used influence to persuade Congress to pass that bill. That charge was made. Evidently, the House wished to have an investigation made of it.

I do not believe the making of such an investigation to be completely unjustified. However, I have never heard any such charges made against the Department of Labor.

In looking into charges made against the State commissioners, why should the Department of Labor be forced to do something which no other department has been required to do?

Mr. MUNDT. I may say that no evidence that the State commissioners had used any Federal funds improperly was ever presented to us. Some statements may have appeared in the press, but no evidence of that nature came to the committee.

Mr. KENNEDY. That may well be the fact, and it may well be the Senator's opinion, also. But the mere fact that the House, pursuant to its authority, desired to have such an investigation made, is no reason why the Department of Labor, about which no charges have been made, should be forced to do something which no other department has been required to do.

Mr. MUNDT. I think that point was explained before the Senator from Massachusetts entered the Chamber. It was pointed out that inasmuch as the House of Representatives took this unprecedented action against one activity connected with the Department of Labor,

UNIVERSITY OF MICHIGAN LI

it was thought that by highlighting the matter and putting all of it into one package, so to speak, we would be able to work out an agreement, in conference, so that both these mandatory statements could be vacated.

Mr. THYE. Mr. President, I am pleased to have had an opportunity to serve with the senior Senator from Arizona [Mr. HAYDEN], who is chairman of the Senate Committee on Appropriations, and the senior Senator from Alabama [Mr. HILL], and other members of the Appropriations Committee, in considering the bill providing appropriations for Labor and Health, Education, and Welfare.

Extensive careful study and attention have been given to this appropriation measure, which provides funds for many of our most important Government functions and services, such as employment security, vocational rehabilitation, and public health, including the work carried on by the National Institutes of Health, and Social Security.

The bill as reported by the Appropriations Committee is, in my opinion, a good, sound one. It will provide reasonable and adequate sums of money which will enable the executive departments, as well as the several States and other participating parties under the grant and assistance programs, to accomplish their humanitarian plans and objectives; and, in so doing, they will make a great contribution to the general health and welfare of our people.

The House version of the bill provides $2,337,522,261, and the Senate committee version, as reported to the Senate, calls for $2,404,055,600, an increase of $65,533,339.

The great strides in research and in the care, treatment, and cure of such dread diseases as cancer and heart disease, as well as the progress made in mental health care and research, fully warrant the recommended total appropriation of $111,740,000 for the National Institutes of Health. This amount will provide $26,400,000 for the National Cancer Institute, $23,800,000 for the National Heart Institute, $21,850,000 for mental health activities, and will also provide substantial increases in funds over the current year appropriations for the other health activities, such as research in arthritis, diabetes, nervous diseases, and blindness.

Mr. President, I was chairman of the subcommittee in both 1953 and 1954; and I wish to call the attention of the Senate to the fact that consistent progress has been made in increasing the appropriations for these very important research activities, both as regards cancer and heart disease and as regards mental health. The Cancer Institute was created in 1937; the Mental Health Institute was created in 1946; and the National Heart Institute was created in 1948. Over the years, the appropriations for these agencies have consistently been increased.

So, Mr. President, it was most gratifying to me, when I served as chairman of the subcommittee, to have the appropriations for these activities for the calendar year 1954 increased.

For the year 1953, $17,887,000 was appropriated for research in cancer. For the year 1954, that appropriation was increased to $20,237,000; and for the year 1955, the appropriation was increased to $21,195,500.

The appropriations for the Mental Health Institute and the National Heart Institute have likewise been increased.

It is most encouraging to all of us that these increases in the appropriations have been made. We are particularly encouraged by the accomplishments which have been made by the various National Institutes in the field of research and in the allocation of funds to universities and colleges which are conducting research, and also in the training of scientists and technicians who work in the research laboratories. The accomplishments achieved to date hold great promise that success will be attained in the effort to control cancer and to aid those who are afflicted with heart conditions.

Included in the total amount for the National Institutes is $750,000 for activities related to investigation and testing of polio vaccine. That is a new field. The scientists are exploring every step in it. The criticism we have heard in the past months and the charges which have been made against Secretary Hobby and Dr. Scheele have not been justified because all who are working in this field are exploring. Even Dr. Salk himself is tracing every step and is checking back at all times to make certain that he has not proceeded in error.

We have also proposed to the House version of the bill an amendment which, if adopted, will provide 30 additional positions in the Public Health Service, at a salary ranging from $10,000 to $15,000, for the services of specially qualified scientific or professional personnel. This additional authority is required to aid the Service in recruiting and retaining eminent surgeons, scientists, and physicians. I believe this amendment is a highly desirable one and should be adopted.

The committee has recognized the importance of new hospital construction in meeting and coping with our overall general health problem and it has recommended $125 million, an increase of $29 million over 1955 appropriations for grants for hospital construction. This item includes the original Hill-Burton general hospital construction program, and the four new categories of construction authorized the 1954 amendments to the act. These new amendments authorized appropriations for grants for the construction of, first, diagnostic or treatment centers; second, hospitals for the chronically ill and impaired; third, rehabilitation facilities; and fourth, nursing homes. The entire construction program is deserving of our wholehearted and enthusiastic support and the required funds should be made available.

In addition to the above increases the committee bill would increase funds so as to provide the following totals for the indicated activities: First, promotion and fund development of vocational education, $26,500,000; second, grants to States, Office of Vocational Rehabilitation, $35 million; third, communicable diseases, $5,250,000—of this amount $850,000 is available only to activities related to polio vaccine; fourth, hospitals and medical care, $34,378,000; fifth, grants to States for maternal and child welfare, $34,156,600. The $4,156,600 increase over the 1955 appropriation would raise the fund for crippled children's services to $15 million, the full amount authorized in the Social Security Act.

I have cited only certain phases of the bill because they so directly affect the welfare of the American people and represent a forward-looking program on the part of the Government in fields where there is a vital national need. In general, I believe that the proposed appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies have been carefully worked out and that the committee recommendations should be adopted by the Senate.

Mr. LANGER. Mr. President, I desire to commend the chairman and members of the committee for what they have done for the Indians. I particularly desire to invite the attention of Senators to two paragraphs in the report. I am sure that very few Senators know the situation which exists at the present time among the Indians. I read from page 17 of the report:

> The level of Indian health is in general far below that of the rest of the population. The average life expectancy for Indians is only 36 years, whereas it is over 60 years for the white population. Diseases which account for the high mortality rate among Indians have long ceased to be a major cause of death in the rest of the population. The tuberculosis death rate for Indians is as much as 40 times the rate in the white population; infant mortality from all causes is 10 times greater among Indians. Mortality resulting from other preventable diseases reaches much higher rates among Indians than in the other segments of the population.
>
> The committee recognizes that the whole problem of Indian health is of longstanding, not to be overcome spontaneously.

A short time ago, as a member of the Juvenile Delinquency Subcommittee of the Committee on the Judiciary, I returned from a sojourn investigating juvenile delinquency among Indians in New Mexico, California, and Arizona. What particularly pleases me—and I think it should be brought to the attention of all Senators—is the very fine work which has been accomplished by the distinguished Senator from Arizona [Mr. HAYDEN]. I understand he had the support of the junior Senator from Arizona [Mr. GOLDWATER].

In our investigation we discovered that the hospital at Sells, Ariz., had burned in 1947. We had the testimony of the head of the Board of Health of Arizona, Dr. Salisbury. I have lived among the Indians in North Dakota for a long while, although in my State only a very small fraction of our total population is made up of Indians. I was surprised to discover that as of the time when the Sells Hospital in Arizona burned in 1947, Dr. Salisbury's testimony, as head of the Health Department of Arizona, was to the effect that 17 Indian babies out of

every 100 died before they reached the age of 1 year. Forty-two percent of them died before they reached the age of 6 years, and 52 percent of them died before they reached the age of 17.

The Senator from Arizona [Mr. HAYDEN] had made a thorough investigation of the situation long before I went to Arizona. He was thoroughly familiar with it in every detail.

Upon my return I took the matter up with him again, and told him that the Public Health Service, to which this Indian problem was turned over some time ago, had sent a man down there. He had spent not to exceed 5 hours in connection with the hospital at Sells, and reported that a new hospital was not needed, and could not be taken care of until it came into the budget in 1957.

Much to my gratification, the distinguished Senator from Arizona announced that he would make it his business to see that those Indians got that hospital at an early date. Therefore, I am delighted to see in this report, on page 18, an appropriation of $250,000 to start this work. I understand that an appropriation of $1,400,000 will be available next year to take care of the Papago Indians. That is only one tribe.

Let me say to the chairman of the committee that the health situation of the Indians, not only in Arizona and New Mexico, but in California, is deplorable, and in my opinion, disgraceful. The large death rate, 40 times as high, in some instances, as that among white people, is due to a great many causes. In my opinion, it is due primarily to the lack of appropriations to take care of the Indians. For example, some of the Indian women are compelled to carry water a quarter of a mile. Palm Springs, Calif., is one of the wealthiest towns in the entire United States. Yet, within 5 miles of Palm Springs will be found 300 Indians of the Martinez-Torres tribe, totally destitute and hungry. Their water supply consists of one well. The women must carry water for a quarter of a mile, while the men are out trying to find work.

That is not all. I found in my investigation that the Indians have been discriminated against. Whenever an Indian has a little business, such as a parking lot or something else, it is not long before a white man owns it.

When irrigation was brought to the lands in that part of the country, the Indians were entirely ignored, although they had lived there many years before the white man came.

The Subcommittee on Juvenile Delinquency, headed by the Senator from Tennessee [Mr. KEFAUVER], recommended that Mr. Glenn Emmons have an appropriation of $200 million to do something toward remedying this disgraceful situation, of which citizens of the United States ought to be ashamed. The Indians there are not adequately supplied with drinking water in the little places where they live. When the children go to school they have no basketballs or footballs to play with. Apparently no provision is made to give those little Indian children the kind of education they should receive. They have no opportunity to participate in athletic events. We found 8,000 children who had never gone to school a single day.

We found children 16 years of age who could not speak a single word of English. That is a situation which, in my opinion, ought to be corrected. I was delighted, when I was down there, to tell the witnesses who appeared before me, as a committee of one, that both Senators from Arizona and both Senators from New Mexico have had this problem in mind for a long time. I included a statement to that effect in my report to the Senator from Tennessee.

A few years ago an appropriation of $50 million was requested. God knows, it is needed. Congress refused to give them the money. Only last week we appropriated $3,530,000,000 for people in foreign countries. We have fewer than 400,000 Indians, yet the United States, which boasts of its civilization, has confronting it a situation which, I repeat for the second time, is a disgrace. I wish to compliment the committee for the very fine statement it has made in its report in connection with items affecting the Indians. I ask unanimous consent that the entire statement may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Indian health activities

1955 appropriation	$24,174,747
1956 budget estimate	33,590,000
House allowance	33,840,000
Committee recommendation	33,840,000

The committee recommends the House allowance, an increase of $250,000 over the budget estimate, and $9,665,253 over the amount available in 1955 to the Bureau of Indian Affairs, Department of the Interior, for this program.

The level of Indian health is in general far below that of the rest of the population. The average life expectancy for Indians is only 36 years, whereas it is over 60 years for the white population. Diseases which account for the high mortality rate among Indians have long ceased to be a major cause of death in the rest of the population. The tuberculosis death rate for Indians is as much as 40 times the rate in the white population; infant mortality from all causes is 10 times greater among Indians. Mortality resulting from other preventable diseases reaches much higher rates among Indians than in the other segments of the population.

The committee recognizes that the whole problem of Indian health is of long standing, not to be overcome spontaneously. The committee will, however, expect the Public Health Service to accelerate the long-range program of bringing the health of the Indian on a par with the rest of the population. With total Federal responsibility for Indian health now to be administered by the Public Health Service, and with the additional funds provided, greater improvement is to be expected. The Surgeon General's action in administering this program as a single administrative entity, in which the hospital and health elements will be fully integrated under a Division of Indian Health, should allay the fears expressed by tribal councils and others that the program might be segmented and absorbed into the various organizational and functional entities of the Service. The committee recommends inclusion of the following language: "Purchase of not to exceed 72 passenger motor vehicles, of which 47 shall be for replacement only."

The Department had requested 50 new automobiles for this program, but the committee in allowing the purchase of only 25 does so with the admonition that the Department should avail itself of the authority already in the bill to transfer automobiles between bureaus and offices. The committee notes that many of the automobiles which the Department requested be replaced in other units have accumulated very low mileage.

Construction of Indian health facilities

1955 appropriation	$1,687,567
1956 budget estimate	4,550,000
House allowance	4,750,000
Committee recommendation	5,000,000

The committee recommends $5 million, an increase of $3,312,433 over the appropriation for 1955, $450,000 over the 1956 budget estimate, and $250,000 over the House allowance.

In 1947 the hospital at Sells, Ariz., was destroyed by fire. This hospital served approximately 7,700 Papago Indians, the majority of whom reside on the Papago Reservation. The nearest hospital is the San Xavier Indian Hospital, which is 61 miles from Sells, obviously too great a distance to transport seriously ill patients. Since 1947 the reservation has been served by only a small clinic operated from a vacant schoolroom. The bill includes $250,000 for the drawing of plans and specifications and the beginning of construction of a 50-bed hospital to replace the one destroyed by fire.

The committee has approved $200,000 allowed by the House, but not requested in the estimate, which is for the preparation of plans and option on a site for a hospital at Gallup, N. Mex. Erection of this hospital will enable the Public Health Service to refer patients from outlying reservation hospitals to this medical center for specialized medical, surgical, orthopedic, and rehabilitation services. This hospital, with the replacement of the hospital at Shiprock, will complete the hospital program for the Navaho Indians.

The committee recommends inclusion of the following language which will enable the Public Health Service to better coordinate its activities under this program with the Department of Interior: "*Provided*, That such expenditures may be made through the Department of the Interior."

The Bureau of Indian Affairs has in the field an Office of Buildings and Utilities to supervise design and construction, and savings could be made by utilizing this existing unit rather than establishing one in the Public Health Service.

Mr. HILL. The Senator will also note, I am sure, that the committee recommends an appropriation for Indian health activities which is almost $10 million more than was appropriated for last year.

Mr. LANGER. It is $9 million more, approximately. However, in my judgment, it is entirely insufficient. The trouble is, I may say to the Senator, that an Indian boy, after perhaps 4 years in the Army, cannot get a loan from the Government. A white boy can get a loan, with which to purchase a small herd of cattle, for example, but an Indian boy cannot get such a loan, because the land is owned by the tribe.

Mr. HILL. I was calling the attention of the Senator from North Dakota to the fact that in the bill reported by the committee the recommended appropriation for Indian health activities is nearly $10 million more than was appropriated for the present fiscal year.

Mr. LANGER. Yes; and I commend the committee for its action. However,

UNIVERSITY OF MICHIGAN LIB

the amount is still far below what is needed.

Mr. HILL. I hope the Senator from North Dakota realizes that for the other conditions he is talking about I have the deepest sympathy. However, the appropriations to take care of them are not carried in the pending bill. They are covered in another bill which has been passed by the Senate. The only part of the Indian Service this bill deals with is the item covering Indian health activities. As I have said, we have raised that item by nearly $10 million above what is presently appropriated.

Mr. LANGER. I once more compliment and commend the committee for the fine job it has done on this phase of the Indian problem. While I have the floor, however, I wish to say that the way the Indians in this country have been treated is a disgrace. I remember very well, when we took up Indian matters several years ago when I was chairman of the Committee on Post Office and Civil Service, the distinguished Senator from Oregon [Mr. MORSE] came before the committee and pleaded for the Indians of Oregon—I believe those living around Klamath Falls.

Mr. MORSE. I am still pleading for the Indians of Oregon. I should like to call the Senator's attention to the fact that legislation on the Celilo Indian problem is still pending before the committee. When the dam is built at The Dalles, there will be a moral obligation on the part of the United States to resettle the Indians who will lose their homes as the result of the construction of the dam. Those Indians must be resettled in suitable quarters. The American people must recognize their clear moral and financial obligation to the Indians.

Mr. LANGER. The distinguished senior Senator from Oregon is running true to form. When I was chairman of the Committee on Post Office and Civil Service, he appeared before the committee pleading for the Indians of Oregon and for the Indians of neighboring States.

Mr. MORSE. I would not have gotten very far if it had not been for the fine cooperation of the Senator from North Dakota. I do not know of anyone in Congress who has been a more faithful representative of the interests of the Indian than the Senator from North Dakota.

Mr. LANGER. I thank the distinguished Senator from Oregon. I merely wish to add that we have not even begun to solve the Indian problem. The Indian Bureau was established in 1824. Today, after 130 years, when 8,000 Indian children are not in school because of the absence of facilities, and many 16-year-old Indian boys and girls cannot speak one word of English, there is certainly something lacking somewhere.

I am glad to hear the Senator from Oregon pleading for the Indians, just as former Senator Hatch, of New Mexico, pleaded for them, and as both present Senators from New Mexico and the two Senators from Arizona are pleading for them. I hope we will be able to get an appropriation of $200 million for Glen Emmons' office at this session of Congress. In Glen Emmons we have an Indian Commissioner who, in my opinion, is the best Indian Commissioner since I have been in the Senate. He thoroughly understands the Indian problem. He is a good businessman. Whatever amount of money we appropriate for his use he will spend in a businesslike and reasonable manner for the benefit of the Indians. Any money he cannot spend in that fashion he will not spend at all. I sincerely hope, therefore, that we can get the kind of appropriation I have suggested, and I call the matter to the attention of the members of the Committee on Appropriations.

Mr. MORSE. Mr. President, I call the attention of the subcommittee chairman to page 12 of the committee's excellent report, from which I read as follows:

> The committee recommends $35 million, an increase of $2,500,000 over the House allowance, $8 million over the appropriation for 1955, and a decrease of $4 million below the budget estimate.
>
> The additional funds recommended by the committee will enable special projects initiated in 1955 to be continued in 1956, and there is provided $400,000 for such projects under section 4 (b).

The section 4 (b) reference is to the Vocational Rehabilitation Act.

I should like to have the chairman of the committee help me make a legislative record on this subject, because although I am fully aware of what the $400,000 will be used for, I believe the record ought to be clear, for legislative reference purposes, as to what is involved.

I am very happy the committee has recommended the appropriation of $400,000. It happens to be an item which, as I shall show in a moment and as the Senator well knows, I specifically sought from the committee. It involves a decision to support a national community demonstration center for the metropolitan Washington area in which handicapped civil-service employees may be vocationally rehabilitated.

I should like to put on record my recommendation that the facility chosen for such demonstrations be one that has been constructed without Government funds and one that is already furnishing excellent services to disabled civil-service employees.

As the Senator will recall, last year, when my amendment, which became section 4 (b) of the act, was adopted by the Senate and by the House, I discussed the matter on the floor of the Senate. I reviewed the situation in a letter which I wrote to the Senator from Alabama on May 17, 1955.

I should like to read some excerpts from that letter in order that we may use them for purposes of a very brief discussion on the floor of the Senate as to the use to which the $400,000 will be made available, depending, of course, upon its being put to work by the Government officials concerned.

I said in my letter:

> MY DEAR SENATOR: As you probably know, last year the Congress adopted my amendment to the Vocational Rehabilitation Amendment Act of 1954 so as to provide for the establishment of a pilot demonstration rehabilitation center in the metropolitan Washington area. This extremely worthwhile proposal was described in section 4 (b) of Public Law 565 of the 83d Congress, 2d session, and was designed to provide, among other services, substantial rehabilitation services to civil-service employees of the area. During the course of the debate on the amendment which ultimately became section 4 (b), the Anderson Clinic of Arlington, Va., was prominently mentioned as an ideal installation on which to initiate the program.

I can summarize the next part of the letter very quickly if I may have unanimous consent that the entire letter of May 17, 1955, to the Senator from Alabama may be incorporated in the RECORD at this point.

There being no objection, the letter bama may be incorportted in the RECORD as follows:

Hon. LISTER HILL,
Chairman, Labor Subcommittee,
Committee on Appropriations,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: As you probably know, last year the Congress adopted my amendment to the Vocational Rehabilitation Amendments Act of 1954 so as to provide for the establishment of a pilot demonstration rehabilitation center in the Metropolitan Washington area. This extremely worthwhile proposal was described in section 4 (b) of Public Law 565 of the 83d Congress, 2d session, and was designed to provide, among other services, substantial rehabilitation services to civil-service employees of the area. During the course of the debate on the amendment which ultimately became section 4 (b), the Anderson Clinic of Arlington, Va., was prominently mentioned as an ideal installation on which to initiate the program.

Unfortunately, the pilot demonstration project has received no financing to date at the Federal level. This appears to have been attributable to a determination that any Federal appropriations for the project would have to be matched upon the basis of one outside dollar for two Federal dollars, and the plain fact is that the outside dollars have not been forthcoming.

The Anderson Clinic stands available as an existing facility upon which the pilot demonstration program could be undertaken. The Anderson Clinic represents a striking example of local community action at its very best. It is the result of the voluntary efforts of groups such as the Rotary, Kiwanis, and other service clubs, the junior chamber of commerce, the Red Cross Gray Ladies, labor unions, many other various lodges and other community-groups, as well as individuals who donated services and thousands of dollars worth of materials and property in constructing the clinic and its rehabilitation shops and facilities.

There is an urgent need for rehabilitation services of the type envisaged in section 4 (b) of the Vocational Rehabilitation Amendments Act of 1954, but it is quite unlikely that those services, particularly as they apply to Federal civil-service employees will be available in the reasonably near future unless Federal funds are appropriated for the purpose of section 4 (b) and the matching requirement is eliminated. It is simply too much to require that a voluntary community project of the type described above be required to comply with a matching requirement.

Dr. Engh, of the Anderson Clinic, will testify before this subcommittee on May 19 in support of a $400,000 appropriation for the purpose of section 4 (b), and he will describe in detail the types of proposed rehabilitation services and facilities that could be made available for Federal civil-service employees, as well as others, if such an appropriation were put to use. He will describe how such an appropriation, if used in connection with the Anderson Clinic, would cover items such as community

health, audit and planning, community educational service, research, training, and prevocational and vocational service for the handicapped.

A report, which I am reliably informed was prepared under the direction of the Department of Health, Education, and Welfare, is attached to this letter. As you will note, it offers very little hope for the appropriation of $400,000 in connection with section 4 (b) unless the Senate takes action to restore a total of $2,500,000 for section 4 grants, which was contained in the Health, Education, and Welfare budget estimates, but which was denied by the House.

For the foregoing reasons it is my earnest suggestion that this subcommittee give serious consideration to the inclusion, in the bill making appropriations for the Department of Health, Education, and Welfare for fiscal 1956, of a specific item of $400,000, without a requirement for matching funds, to be used in connection with the program outlined in section 4 (b) of the Vocational Rehabilitation Amendments Act of 1954.

With kindest personal regards,

Sincerely,

WAYNE MORSE.

VOCATIONAL REHABILITATION GRANTS TO ESTABLISH A DEMONSTRATION REHABILITATION CENTER IN THE WASHINGTON METROPOLITAN AREA AS AUTHORIZED UNDER SECTION 4 (B) OF PUBLIC LAW 565

BACKGROUND

During debate on the Senator floor of the administration's proposed amendments to the Vocational Rehabilitation Act, Senator MORSE introduced an amendment which was accepted by a vote of 44 to 41. The Morse amendment authorizes the Secretary to cooperate in assisting with the financing of a pilot demonstration rehabilitation center in metropolitan Washington area to be used as a guide for centers which might be established in other parts of the country. Although no specific facility or agency is singled out in the amendment, in the introduction of the proposal, Senator MORSE referred to the Anderson Orthopedic Clinic as a facility which might be easily developed into such a pilot center.

Section 4 (b), however, limits Federal financial assistance to payment for patient services such as hospitalization, board and room, rehabilitation training, and other essential services. Assistance is not available under this amendment for construction or equipping such a facility.

STATUS

The Anderson Orthopedic Clinic and the George Washington University have asked to be designated as the national pilot center. Neither of the two applicants have completed their plans for program content, patient load, and costs. The Anderson Clinic building for a proposed center is still under construction and will not be completed until February 1956 at the very earliest.

In the meantime we have worked closely with both applicants in development of plans for the proposed center. Special project grants, totaling $10,000, have been made under section 4 (a) (1), $5,000 each to the Anderson Orthopedic Clinic and George Washington University upon recommendation of the National Advisory Council on Vocational Rehabilitation, to assist in developing plans with a view toward the opening of a national center in February or March of 1956.

The costs of this project were estimated by the sponsor of the amendment to the basic legislation at approximately $1 million. The House allowance of $1 million for section 4 grants ($800,000 for expansion under section 4 (a) (2), and $200,000 for unique special projects under section 4 (a) (1)) retains the 1956 appropriation at the 1955 appropriation level and does not provide funds for Federal participation in the establishment of a demonstration rehabilitation center in the Washington area authorized in section 4 (b) of Public Law 565. The restoration of $2,500,000 by the Senate will provide the full amount of the 1956 budget estimate for section 4 grants totaling $3,500,000 ($2 million for expansion under section 4 (a) (2) and $1,500,000 for unique special projects under section 4 (a) (1)). Since the project would not operate for the full 1956 fiscal year, there is included within the 1956 estimate for unique special projects approximately $400,000 to initiate the pilot demonstration center in the Washington area. Actual costs cannot be known until the organization to operate the facility has developed more facts on how the institution would be operated, the number and type of patients to be served, the amount of outside financing which would be available, and types of services which will be provided. Should the actual cost of the pilot center for 1956 be considerably larger it would be possible through the initiation of a priority system for special projects to permit greater Federal participation out of the 1956 funds requested in support of the pilot center.

Mr. MORSE. As the Senator from Alabama will recall, I went on to point out in my letter that the Anderson Clinic, which is really a dramatic pilot plant in the field of vocational rehabilitation, is a clinic which was built by community effort. It is in Arlington, Va., within a stone's throw of the Capitol. It was built through the efforts of the Rotary Club, the Kiwanis Club, other service clubs, the junor chamber of commerce, the Red Cross Gray Ladies, and by almost every other public spirited humanitarian organization in the Arlington area. It is, in my opinion, a dramatic monument to American humanitarianism. Labor unions not only donated their services free of charge in building the structure, but they relaxed their rules with regard to the use of nonunion members, who also, humanitarianly motivated, wanted to donate their services.

An extension to the Anderson Clinic building is now being erected. If one drives by the Anderson Clinic in the Arlington area on the way to Richmond he will see the steel pillars being put in place. Every time I go by it there is a tug at my heart, because, in my judgment, that is America at its best. So we have sought to have some such pilot plant as that used as a great demonstration center, showing what can be done in the field of vocational rehabilitation.

Further on in my letter of May 17 to the Senator, I said this:

There is an urgent need for rehabilitation services of the type envisaged in section 4 (b) of the Vocational Rehabilitation Amendments Act of 1954, but it is quite unlikely that those services, particularly as they apply to Federal civil-service employees, will be available in the reasonably near future unless Federal funds are appropriated for the purpose of section 4 (b) and the matching requirement is eliminated. It is simply too much to require that a voluntary community project of the type described above be required to comply with a matching requirement.

Dr. Engh, of the Anderson Clinic, will testify before this subcommittee on May 19 in support of a $400,000 appropriation for the purpose of section 4 (b), and he will describe in detail the types of proposed rehabilitation services and facilities that could be made available for Federal civil-service employees, as well as others, if such an appropriation were put to use. He will describe how such an appropriation, if used in connection with the Anderson Clinic, would cover items such as community health, audit and planning, community educational service, research, training, and prevocational and vocational service for the handicapped.

A report, which I am reliably informed was prepared under the direction of the Department of Health, Education, and Welfare, is attached to this letter. As you will note, it offers very little hope for the appropriation of $400,000 in connection with section 4 (b) unless the Senate takes action to restore a total of $2,500,000 for section 4 grants, which was contained in the Health, Education, and Welfare budget estimates, but which was denied by the House.

For the foregoing reasons it is my earnest suggestion that this subcommittee give serious consideration to the inclusion, in the bill making appropriations for the Department of Health, Education, and Welfare for fiscal 1956, of a specific item of $400,000 without a requirement for matching funds, to be used in connection with the program outlined in section 4 (b) of the Vocational Rehabilitation Amendments Act of 1954.

My questions will be very brief. As my first question I ask the Senator whether it is not true that the report recommends an increase of $2½ million so that this kind of work can go forward.

Mr. HILL. It not only recommends an increase of $2½ million, but it states specifically that $400,000 is provided for such projects under section 4 (b) of the Vocational Rehabilitation Act.

Mr. MORSE. That goes to my second question.

Again, I wish to express my very deep gratification for what the committee has done, because this aspect of the rehabilitation program moves me very deeply. I think it was brought out by the Senator from New York [Mr. LEHMAN] a few minutes ago how important it is that those of us who are healthy, who have two arms, two legs, and two eyes, those of us whom God has blessed with good bodies, recognize our obligations to those not so fortunately situated. And it is important that our Government shall always recognize its great moral responsibility to its less fortunately situated citizens.

This leads me to the item of $400,000. That item, if I am correctly informed, can be used to develop a pilot plant to demonstrate to the country as a whole what can be done in a rehabilitation operation conducted by such an institution as the Anderson Clinic.

Mr. HILL. That is the purpose. I wish to pay tribute to the Senator for his tireless and devoted efforts to bring about a project such as is the Anderson Clinic, and its fuller and greater development for the welfare not only of the people of Washington and vicinity but of all the people of the United States. What we have here, as the Senator knows, carries its benefits to people throughout the world. No one could have been more deeply interested or more diligent in pursuing and advocating this cause than has been the Senator from Oregon. As chairman of the subcommittee I wish to express to him my thanks and deep appreciation for his very fine and challenging presentation to the committee, not only with reference to the Anderson Clinic but also with reference to the entire project.

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Mr. MORSE. I appreciate the Senator's remarks, but let me say that whatever credit is due should be shared by a group. There are three other persons who can be specifically mentioned, and they happen to be the two Senators from the State of Virginia, who have cooperated with me in this matter, and Representative BROYHILL, of the Arlington area, who, likewise, has cooperated with me to the fullest extent in regard to the project.

As the Senator from Alabama may have been informed, I contemplated for a while offering a specific amendment, but, after consultation with the professional staff of the committee, I decided against such action, because I think there is a matter of public policy involved, namely, that if we start earmarking funds for one particular pilot plant, there will be a rash of requests for funds for similar projects all over the country. The important thing is to get started on the project and to have it do a good job. So I did not offer the amendment. But am I correct in my understanding that with the $400,000, those in administrative responsibility have the authority to proceed, for example, to select such a pilot-plant operation as the Anderson Clinic?

Mr. HILL. They not only have the authority, but they have the funds to proceed to select a clinic such as the Anderson Clinic to carry out such a project.

Mr. MORSE. Which brings me to my final question. Can they do it without the matching requirement, particularly when the fact is taken into account that the community itself is supplying the building?

Mr. HILL. Under the Morse amendment, which was offered to the bill at the last session, which was agreed to by the Senate and which became the law, they can go forward without the matching requirements.

Mr. MORSE. I thank the Senator very much. I may say that when I thank him, I am thanking him in behalf of the others I have mentioned who are deeply interested in the program. I think the committee deserves the thanks of all the people of the country who need vocational rehabilitation, because through the vehicle now provided an opportunity is afforded to demonstrate in a pilot plant where handicapped persons are taken and where they receive in the same establishment—and this is very important, according to the point of view of those in charge of the Anderson Clinic—not only medical attention, but vocational training at the same time.

Mr. STENNIS. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. STENNIS. Mr. President, as a new member of the subcommittee which heard the testimony and considered the bill, I shall not address myself to any of the features of the bill, but I wish, somewhat in the nature of a report to the Senate, to express my gratitude and that of other members of the committee for the very fine work which has been done by the Senator from Alabama [Mr. HILL]. He showed a very fine and sympathetic understanding of all the far-reaching programs in which he has been interested for many years. His approach and attitude are certainly to be commended, and the Senate owes him a debt of gratitude for the excellent way in which he handled the many witnesses and numerous items in the bill. His detailed knowledge and clear understanding are also shared by the senior Senator from Minnesota [Mr. THYE], who was chairman of the same subcommittee last year. I was impressed with the harmonious working combination which these two Senators represent, and especially with their knowledge of the many and varied and far-reaching programs, including activities, vocational education and rehabilitation, and a host of other matters.

As one member of the subcommittee, I express appreciation publicly and say that I think this is one of the outstanding accomplishments of the session.

Mr. HILL. I thank my distinguished friend from Mississippi for his very kind, gracious, and generous words. The subcommittee was particularly fortunate to have the Senator from Mississippi as a member. We could not have had an abler, more interested, or more devoted member of the subcommittee than the Senator from Mississippi. Whatever the subcommittee may have accomplished, I want the Senate to know that no one could have made a greater contribution than did he, and I am most grateful to him.

Mr. STENNIS. I thank the Senator from Alabama.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KENNEDY. As I understand, in almost every case the subcommittee increased substantially the amount of money available for the National Institutes of Health.

Mr. HILL. In every case the subcommittee increased the funds very materially.

Mr. KENNEDY. I think it was most appropriate for the subcommittee to do so. However, it is my understanding that no additional money was appropriated for the National Institutes of Health Division for Research grants, a Division which does basic research and does not fit into the other, perhaps more dramatic, categories which are very adequately financed under this appropriation bill.

It is my understanding that there is a prospective backlog for 1956 of more than 88 projects which have been approved by the technical scientific experts of the National Institutes of Health, and that there will not be sufficient funds with which to complete those projects.

Mr. HILL. The Senator is correct. The Senate concurred with the House in what are designated as operating expenses. A large amount of those expenses would have gone for water pollution research work, had not water pollution work been taken care of in an earlier item, namely, sanitary engineering.

Mr. KENNEDY. I was more concerned with the Division of Research grants for basic research, which do not fit into any of the other various national institutes of health, such as cancer or metabolic diseases.

The backlog for 1955, in the research grant item, was 34; in 1956, it will be 88. Much of the work has been initiated; and if funds are not granted, the work will have to stop.

Since the subcommittee dealt so well with other research requests, I wondered why it would not be possible to take care of the backlog in basic research.

Mr. HILL. What amount would the Senator suggest?

Mr. KENNEDY. The backlog of projects which are approved calls for $1 million. I think that if one-half of that amount could be provided, it would make a tremendous difference. I think it would be up to the Institute to decide on the priority in which the funds would be used.

Mr. HILL. I have not consulted with the committee on this matter, and so cannot speak for the committee. However, so far as I am concerned, as chairman of the subcommittee, I shall be happy to suggest that the Senate agree to an amendment and shall certainly take it to conference, if the Senator should see fit to offer it.

Mr. KENNEDY. I will do so.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. McNAMARA. Mr. President, I offer an amendment, which I ask to have read.

The PRESIDING OFFICER. The amendment offered by the Senator from Michigan will be stated.

The CHIEF CLERK. On page 31, line 2, it is proposed to strike out "$84,000,000" and insert in lieu thereof "$88,000,000."

Mr. HILL. Mr. President, as I understand, the amendment relates to the trust fund and raises the figure to the amount requested in the budget estimate, $83 million. There was some question in the minds of the members of the committee whether $84 million would meet the situation. I am certain the senior Senator from Minnesota is familiar with the item.

Mr. McNAMARA. There is a tremendous backlog of claims.

Mr. THYE. I am familiar with the item. I can only say that all the items in the bill were discussed in the committee, and the amounts contained in the bill are the result of persuasive arguments made and the best judgment of the committee, and were unanimously agreed to by the committee.

Mr. HILL. The item relates to the amount which may be expended from the Federal old-age and survivors insurance trust fund. The budget estimate called for $88 million. The House allowed $84 million. I do not know how the Senator from Minnesota feels about the proposed increase. It would come out of the trust fund. It may be used only according to the statute to pay claims. I do not believe any great harm would be done if the Senate agreed to the amendment to increase the amount by $4 million and sent the amendment to conference. The evidence was pretty strong about the backlog of claims.

Mr. THYE. That is true. There is no question about the backlog. But again I state that the bill as reported to the Senate is based upon the best judgment

of the committee, which voted for the items which are here recommended.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. WILLIAMS. Did I correctly understand the Senator from Alabama to say that this item was rejected by the committee?

Mr. HILL. No; the committee went along with the House. I think the Senator from Minnesota will agree that the committee did not go into the item in much detail; we simply took the House figure.

The Senator from Michigan is suggesting that the Senate accept his amendment, which provides for the amount contained in the budget estimate, and send the amendment to conference.

Mr. WILLIAMS. I can understand that there may be justification for accepting the amount requested in the budget estimate. However, there are 2 or 3 items in which the committee exceeded the amount requested in the budget estimate. Will the committee likewise reduce those amounts to those requested by the budget?

Mr. HILL. No.

Mr. WILLIAMS. If the committee intends to reverse itself in connection with the amendment offered by the Senator from Michigan, I should like to suggest the absence of a quorum before a vote is taken, because I think, if $3 million or $4 million are added to the item, we shall be acting on a matter which was not considered by the committee.

Mr. McNAMARA. Mr. President, I believe I have the floor, and I shall be glad to yield if Senators wish to discuss the question further. Otherwise, I desire to make a short statement in order to explain the amendment.

The amendment I am offering restores the amount, $88 million, recommended by the Budget Bureau for the administrative expenses of the old-age and survivors insurance program. It restores the House cut of $4 million, in which the Senate committee concurred.

These costs do not come out of the general revenues of the Federal Government. The amendment, therefore, has no effect on the overall Government budget situation. These moneys come out of the trust fund made up of contributions by workers and employees. I am sure that those who contribute the money want and deserve proper service from the OASI program.

The committee report refers to heavy backlogs of claims, and to delays in paying benefits to claimants, but suggest that the Bureau try to carry out its functions with the amount allowed. It now takes the Bureau an average of more than 50 days—almost twice as long as it used to take—to pay claims. This is too long, particularly since it is an average figure, and some cases take much longer to process. It is especially undesirable in the case of claims for survivors insurance.

The committee recognizes that the situation is not good, and may not improve. The committee report states that if the claims and payments of benefits and the maintenance of wage records cannot be handled promptly with the amount allowed, a supplemental request will have to be honored later anyway.

By not providing sufficient funds now to do the job needed, and requiring the Bureau to seek a deficiency appropriation later, we will not save money but will merely postpone the expenditure. We would force the Bureau to reduce the staff to the level which could be supported by the $84 million, and then require the rehiring and retraining of a staff when the deficiency appropriation was approved.

The workload for fiscal 1956 is estimated to be 10 percent above that of 1955. Unless we restore the $4 million, we will be asking the Bureau to handle a large backlog of work, plus a 10-percent increase, with a smaller staff than it now has.

We are asking this of a Bureau that is already overworked as a result of an admittedly extremely heavy workload created by the 1954 amendments. During the past year the Bureau's staff has worked under continuous pressure. Vacations have had to be postponed or limited, and 1.4 million hours of overtime were worked in an effort to keep the backlog of work within reasonable bounds.

The program is of vital interest to the country. Two million one hundred and forty thousand persons will file claims for benefits in the next fiscal year. More than 7 million beneficiaries are now on the rolls. By June 30, 1956, the number is expected to be 8,897,000, and benefits to be paid are estimated to be $5,361,000,000.

The facts support the wisdom of appropriating the full request of $88 million to enable this Bureau to perform its operations efficiently and at a level consistent with its past good record.

Mr. THYE. Mr. President, I should like to be recognized on the amendment offered by the Senator from Michigan, as I should like to speak to that proposal.

In the committee we discussed the question of whether we should accept the House figure of $84 million or whether we should consider the amount in the estimate of the Budget Bureau, $88 million. There was considerable discussion. The thought was expressed that a supplemental appropriation could be submitted whenever it became known that funds would be needed. However, it was suggested that it would not be in the best interest of administrative functioning to subject the administrator to such a procedure.

Mr. President, you or I, I am sure, would not like to be the administrator of the old-age and survivors insurance fund if we thought we would have to operate on a budget of $84 million when the Budget Bureau's estimate was $88 million. Then when we found we did not have sufficient funds, we would have to come before Congress and ask for a supplemental appropriation.

I had a telephone call from the Director of the Bureau of Old-Age and Survivors Insurance, Mr. Victor Christgau, who informed me that his entire staff had been working overtime in order to live within the budget under which they have been operating for the present fiscal year.

Therefore, there is involved a question which the Senate might well consider. I realize that the committee provided for $84 million, and that the Senate is now faced with a proposed amendment after the committee acted on the matter. I did make a further check and study of the question, and I have related the conversation I had over the telephone, as of this forenoon, with Mr. Christgau, the Administrator of the fund. I also recognize that the Senator from Delaware has a right to raise an objection to increasing on the floor the amount which the committee in its good judgment, after deliberation, thought was an adequate sum. However, additional information has been received to the effect that the staff of the office has been subjected to overwork so many months in order to overcome the backlog of applications now pending.

It seems to me that if there exists such a backlog, if there is that much work to do, if it should become necessary to recommend a supplemental appropriation which would be acted on at a later time, we had perhaps better give some consideration to taking such an amendment to conference. Then, in their deliberations, the conference committee could have the benefit of any additional information which it might be able to obtain in the meantime, and, after further study could make a sound finding on the amendment offered by the Senator from Michigan.

Mr. HILL. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. HILL. It is assumed that the amendment to the Social Security Act made by the last Congress, the amendment made in 1954, brought about extensive changes in the old age and survivors' insurance program, and that the changes resulted in the very heavy workload which exists at present. The workload having been substantially increased, there does exist a backlog of more than 100,000 claims which have not been adjudicated or determined, and which will have to be carried over into the next fiscal year. Is that true?

Mr. THYE. That is absolutely true. I realize that perhaps the subcommittee did not go into this item as thoroughly as it might have done. Quite a few weeks elapsed between the time the House committee held hearings and the time the Senate committee closed hearings on the appropriation bill. The telephone call I received today from Mr. Christgau further enlightened me as to the problem with which his department is confronted regarding the backlog, and the amount of overtime work by his personnel in an attempt to overcome the backlog of applications.

Therefore, I have to turn to my friend from Delaware and say to him it is a little embarrassing for me, as a committee member, to stand in support of an amendment when the committee did not see fit to consider it, and did not undertake to raise the appropriation for that item to the amount recommended in the estimate of the Budget Bureau, at the

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time the committee made the final decision on the bill.

Mr. WILLIAMS. Mr. President, I wish to point out that last year Congress appropriated $70,400,000 for administrative expenses. The office already has a 20-percent increase, as provided in the bill reported by the committee. The committee has acted on the proposal and has unanimously reported the bill, which contains a provision for $84 million in that item. It seems to me that, expenditures of the Government being what they are, it should take a little more than at telephone call to get another increase of $4 million in appropriations.

Personally I am opposed to the consideration of this amendment at this time, with no more facts than are presented before the Senate. It seems to me that the Committee on Appropriations, which is asking us to yote on the bill on this short notice, should have studied the matter, and apparently it has. I am wondering why the committee should reverse its decision at this time.

I have no objection to the bill, but if the amendment pushed is insisted upon, I should like to suggest the absence of a quorum, in order that action may be taken with the full participation of the Senate.

Mr. THYE. Mr. President, if the Senator will yield before he suggests the absence of a quorum, I should like to call to his attention the fact that the amendments to the Social Security Act made a year ago brought under the act about 10 million additional persons, whose applications the Administrator must process, thus adding greatly to the number which had to be processed and which he did not have to administer prior to the enactment, a year ago, of the amendments to the Social Security Act.

Therefore, Mr. President, it is proper to state that the increase recommended by the Senate committee over the amount voted by the House of Representatives is justified by the increased workload which has resulted from the amendments which Congress made last year in the act.

Mr. WILLIAMS. Mr. President, those amendments to the act were made last year, and the increase in the number of case loads occurred last year. All that happened before this appropriation bill was reported either to the House or to the Senate. All those facts were given consideration by both the House and the Senate Appropriations Committees, and they decided that the $84 million was sufficient.

Now, merely on the basis of a telephone call, we are asked to increase that amount by another 5 percent.

The danger is that in this case we are not dealing with an ordinary appropriation. Instead, we are dealing with a trust fund. These funds do not belong to the United States Government.

It has already been stated that the proposed amendment, if adopted, will not mean an added expenditure by the Federal Government. But the Federal Government certainly should recognize that as the administrator of a trust fund, it has a greater responsibility, and certainly should not make a 5-percent increase simply because someone downtown telephones to Capitol Hill and says, "I want another $4 million."

I imagine that the telephones would be very busy if we were to act on such a basis, Mr. President.

The administrator should be called before our committee, and there should be asked to justify the making of such an increase.

I hope a vote will not be asked on the amendment. If a vote on it is requested, I shall first suggest the absence of a quorum.

Mr. HILL. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. HILL. The Senator from Delaware has correctly stated the background of this matter; but, as the Senator from Minnesota has stated, because of the amendments which Congress made last year to the Social Security Act, 10 million persons were added to the rolls, and the workload was greatly increased.

Mr. WILLIAMS. That is true, and a 20 percent increase has already been allowed in the funds. Perhaps that is not enough, or perhaps it is too much. But the committee has examined all those factors, and has taken them into consideration; and the House and the Senate Appropriations Committees have reached agreement. Now, because of a telephone call, an attempt is made to make another $4-million increase.

Mr. HILL. Last year the fund was $80,200,000. The amendment would increase it to $88 million.

Mr. WILLIAMS. On page 40 of the committee report, $79,400,000 is listed as the appropriation for 1955.

Mr. HILL. On page 26 of the report, under the heading "Social Security Administration" and the subhead "Bureau of Old-Age and Survivors Insurance, Salaries and Expenses," the amount set forth for the 1955 appropriation is $80,200,000.

Mr. WILLIAMS. That included the supplemental appropriation; but on page 40, directly opposite the figure "$84,000,000," which is the estimate for 1956, we find that the appropriation for 1955 was $79,400,000.

Mr. HILL. But to the $79,400,000 as shown on page 40 of the committee report, approximately $1,200,000 was added in a supplemental appropriation bill.

So on page 40 we do not have the full story, because after Congress amended the Social Security Act a supplemental appropriation bill was enacted, and as a result $1 million, in round numbers, was added to the $79,400,000.

Mr. WILLIAMS. That is true; but we shall again be confronted with supplemental appropriation bills.

I think this proposal should be considered by the committee before it is acted upon by the Senate. We are asked to adopt an amendment which has not been printed and never has been before any committee, but merely is requested over the telephone because someone said $4 million was wanted without knowing what for. If additional funds were needed, the committee should have been told so. If the committee was informed of that, and if the committee rejected the request, that is all the more reason why the Senate should reject it now.

Mr. HILL. The committee report indicates there was some doubt about it, in connection with the backlog of these claims.

The Senator from Minnesota suggests that the amendment be taken to conference and that all the facts be obtained by the conferees of the two Houses.

Mr. WILLIAMS. If the Senator from Alabama were to ask the Senator from Minnesota [Mr. THYE] to take the amendment to conference and there throw out the amendment, that would be different. But I know that will not be done.

Mr. HILL. Of course, in conference all possible facts will be obtained. Then, with the facts before them, the House conferees and the Senate conferees will consider the matter. That is what the Senator from Minnesota has suggested be done. After getting the facts, the conferees certainly will try to arrive at what should be done.

Mr. THYE. Mr. President, I should like to address myself to the remarks of the distinguished Senator from Delaware. He is perfectly correct in calling our attention to the fact that the request is that $4 million be added to the appropriation, and that the addition be made by means of an amendment offered on the floor of the Senate.

I would not attempt to say there is merit to the amendment if in committee we had not discussed it as a possibility. We pointed out that, if there was a deficit in the new fiscal year, we would be favorably inclined toward the making of a supplemental appropriation. In the committee we went that far in our general discussion of this question.

Since the report was issued, the Administrator has checked into his own records. The estimate of the Bureau of the Budget was $88 million. The House of Representatives voted $84 million, and the Senate committee accepted the amount voted by the House of Representatives and did not recommend an increase in that amount.

But the Administrator, after considering the workload on the desks of the various adjudicators in his agency, and after considering the future workload, says that with all those factors in mind he believes the amount voted by the House of Representatives is insufficient. He says he is afraid that immediately after the beginning of the new fiscal year he will have to request a supplemental appropriation. Of course, it does not speak well for an administrator if he has to request a supplemental appropriation immediately after the regular appropriation for his agency has gone into effect.

So he has called this matter to our attention. He prefers to call it to our attention now rather than later. He prefers to have the regular appropriation bill amended in such a way as to take care of this situation rather than, immediately after the passage of the regular appropriation bill, to have to request of the Congress a supplemental appropriation.

The Bureau of the Budget has supported an appropriation of $88 million.

However, our committee voted for only $84 million. For that reason, I think I am justified in saying that the Administrator called me by telephone and said that in checking on the amount of money provided by the bill and in checking on his workload and on the number of applications and on all the other factors, his opinion is that the fund is too limited, and will not permit him to do the job the law demands of him, particularly in view of the amendments made last year to the Social Security Act.

For that reason I have told my friend, the Senator from Delaware, that I believe the amendment has some merit. If the amendment is taken to conference, I assure him that the conferees on the part of the House will subject the conferees on the part of the Senate to the most rigid examination as to the merits of the proposed increase in the funds; but at that time we shall have obtained additional facts from the Administrator of the Old Age and Survivors Insurance Fund; and in reaching our final decision in the conference, we shall have the benefit of those facts.

I say definitely that there is some merit to the amendment.

Mr. WILLIAMS. Mr. President, let me say once again that I am not questioning the merits or demerits of the amendment. The point I am making is that it is proposed to appropriate an additional $4 million on the floor of the Senate, without having any knowledge of what is behind the request. I think that is the wrong way to approach the question, and if the Senator wishes a vote on the amendment, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McNamara
Allott	Fulbright	Millikin
Anderson	George	Monroney
Barkley	Goldwater	Morse
Barrett	Hayden	Mundt
Beall	Hickenlooper	Neely
Bender	Hill	Neuberger
Bennett	Holland	O'Mahoney
Bible	Ives	Payne
Bricker	Jackson	Purtell
Butler	Jenner	Robertson
Byrd	Johnson, Tex.	Russell
Capehart	Johnston, S. C.	Saltonstall
Carlson	Kennedy	Schoeppel
Case, N. J.	Kerr	Scott
Chavez	Kilgore	Smathers
Cotton	Knowland	Smith, Maine
Curtis	Kuchel	Smith, N. J.
Daniel	Langer	Stennis
Douglas	Lehman	Symington
Duff	Magnuson	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Welker
Ellender	Martin, Iowa	Wiley
Ervin	McCarthy	Williams
Flanders	McClellan	

Mr. JOHNSON. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota, [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Alabama [Mr. SPARKMAN], are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955 on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign aid program.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Connecticut [Mr. BUSH], the Senator from Nebraska [Mr. HRUSKA], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The Senator from South Dakota [Mr. CASE] is absent by leave of the Senate.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Michigan [Mr. POTTER] is absent on official business attending the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Utah [Mr. WATKINS] is absent on official business for the Committee on the Judiciary.

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. McNAMARA].

Mr. McNAMARA. Mr. President, I modify my amendment by striking out "$88,000,000" and inserting in lieu thereof "$86,000,000."

The PRESIDING OFFICER. The Senator modifies his amendment accordingly.

The question is on agreeing to the amendment, as modified.

Mr. WILLIAMS. Mr. President, I may say to the Senator from Michigan that I appreciate his modifying his amendment, because I believe it is well that the amendment be taken to conference where it may be examined. Therefore I am willing to go along with the amendment as modified.

Mr. McNAMARA. I thank the Senator from Delaware.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan, as modified.

The amendment, as modified, was agreed to.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON CERTAIN FEDERAL RECLAMATION PROJECTS BY IRRIGATION DISTRICTS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ANDERSON. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ANDERSON, Mr. JACKSON, Mr. O'MAHONEY, Mr. MILLIKIN, and Mr. WATKINS conferees on the part of the Senate.

RESEARCH IN DEVELOPMENT AND UTILIZATION OF SALINE WATERS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ANDERSON. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ANDERSON, Mr. JACKSON, Mr. O'MAHONEY, Mr. MILLIKIN, and Mr. WATKINS conferees on the part of the Senate.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPRORPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 5046) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1956, and for other purposes.

Mr. KENNEDY. Mr. President, I call up my amendment, which is at the desk.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Massachusetts.

The LEGISLATIVE CLERK. On page 26, line 23, it is proposed to strike out "$5,399,000" and insert in lieu thereof "$5,899,000."

Mr. KENNEDY. The amendment would restore sufficient money to take care of a backlog of an estimated 88 basic research projects. The amount required to take care of all the projects would be $1,051,000. The amendment would restore half that amount. I believe the Senator from Alabama [Mr. HILL] is willing to take the amendment to conference.

Mr. THYE. Mr. President, this is an item which relates to the basic scientific field. In committee we were in need of further information and additional facts on the subject. I believe the amendment is a proper one, and, speaking for this side, we are willing to take the amendment to conference.

Mr. HILL. Mr. President, we have no objection to the amendment, and we will be delighted to take the amendment to conference.

Mr. KENNEDY. I thank both the Senator from Alabama [Mr. HILL] and the Senator from Minnesota [Mr. THYE].

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The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. KENNEDY].

The amendment was agreed to.

Mr. LEHMAN. Mr. President, I send an amendment to the desk, and I ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 20, line 2, it is proposed to strike out "$2,000,000" and insert in lieu thereof "$2,350,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

Mr. WILLIAMS. Mr. President, will an explanation of the amendment be given?

Mr. LEHMAN. I shall explain it. The amendment would raise the amount of the appropriation for rehabilitation of the physically handicapped from $2 million to $2,350,000. The House figure is $1,800,000. The Senate committee raised it to $2 million. The Budget recommendation was $2,350,000.

I spoke on this subject earlier today, as I have spoken probably a hundred times previously, both in committee and on the floor of the Senate.

There are in this country more than 2 million physically handicapped persons who constitute a great drain on the economy and the society of the Nation. But that is not all, Mr. President. The number of physically handicapped persons is increasing by 250,000 a year. We are helping only approximately 60,000 of them.

Mr. MORSE. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I shall be happy to yield.

Mr. MORSE. The Senator has pointed out the number of physically handicapped persons who are being helped, but those who are subject to help are many times more than 60,000. My recollection is that we are helping less than one-sixth of the number who could engage in gainful employment if vocational rehabilitation were made available to them. Is my figure too high?

Mr. LEHMAN. The Senator from Oregon is far too conservative. We are helping only one-fortieth of those who could be helped. The number of handicapped persons is in excess of 2 million. Moreover, the number is increasing at the rate of 250,000 a year. At this time there are 2¼ million persons who could be helped if sufficient facilities and means to train them were provided.

Mr. MORSE. I should like to have an accurate statement in the RECORD at this point. My understanding is that we could rehabilitate for complete economic self-sustenance at least 6 times the number of persons we are now trying to help, and, in addition, a much larger number could be helped to such an extent that they could earn at least a part of their living. But the Senator's figure is that instead of rehabilitating so that they could engage in gainful employment and completely sustain themselves 6 times the number we are now helping, we could rehabilitate 40 times the number we are now helping.

Mr. LEHMAN. I am predicating that figure on the fact that there is a backlog of more than 2 million physically handicapped persons, most of whom can be helped and made productive citizens. They can become wage earners. They can pay into the Treasury their part of the cost of government. We are barely scratching the surface. We are not even making a dent. We have not decreased the backlog of cases at all over the years.

Mr. HILL. Mr. President, will the Senator from New York yield at that point?

Mr. LEHMAN. I yield.

Mr. HILL. Dr. Howard Rusk, who is the Chairman of President Eisenhower's Commission on Health, has pointed out that the greatest deficiency is in the lack of trained and adequate personnel. We do not have the necessary trained personnel to carry on this work. In view of the situation, so far as I am concerned, I shall be happy to take the Senator's amendment to conference.

Mr. LEHMAN. In all the testimony given before the committee over a period of several years there has been brought out the fact that the bottleneck was in the training of personnel. I hope the chairman of the committee and the ranking member of the committee will agree to take this very praiseworthy and necessary amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. LEHMAN].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read the third time.

The bill was read the third time.

Mr. MAGNUSON. Mr. President, I should like to compliment the Senator from Alabama [Mr. HILL] on the work he has done in connection with the bill. I could not let the opportunity go by without thanking him for what the bill provides in connection with cancer research. I am the author of the bill providing for the establishment of the original health institutes. We are moving in on cancer, the great killer.

Mr. HILL. Mr. President, the Senator from Washington did everything in his power to get these items increased.

The PRESIDING OFFICER. The bill having been read a third time, the question is, Shall the bill pass?

The bill (H. R. 5046) was passed.

Mr. HILL. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HILL, Mr. CHAVEZ, Mr. RUSSELL, Mr. KILGORE, Mr. MAGNUSON, Mr. STENNIS, Mr. THYE, Mr. MUNDT, Mrs. SMITH of Maine, Mr. DWORSHAK, and Mr. POTTER conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the bill (S. 153) to amend the Rural Electrification Act of 1936.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4725) to repeal sections 452 and 462 of the Internal Revenue Code of 1954.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 414) to authorize an examination and survey of the coastal and tidal areas of the eastern and southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides, and it was signed by the President pro tempore.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 6, 1955, he presented to the President of the United States the enrolled bill (S. 414) to authorize an examination and survey of the coastal and tidal areas of the eastern and southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEPENDENT OFFICES APPROPRIATIONS, 1956

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 414, House bill 5240.

The PRESIDING OFFICER. The clerk will state the bill by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissioners, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5240) which had been reported from the Committee on Appropriations, with amendments.

Mr. MAGNUSON. Mr. President, before the Senate considers the bill, I desire to make some comments about the bill as reported.

First, the full committee gave careful consideration to the many items contained in the bill. Only one item was

changed by the full committee, and that was the denial of an increase of $1 million for the International Geophysical Year. Otherwise, there appeared to be no controversy about the committee amendments to the House bill. Consequently, I shall ask that the committee amendments be considered en bloc, and that the bill as amended be considered as the original text for the purpose of further amendment and for points of order with respect to recommended substantive law.

The total amount provided in the bill is $5,882,379,000, of which the largest amount is $4,469,130,000, or about 76 percent, for the Veterans' Administration.

The next largest item is for the General Services Administration, $723,761,000, the greater part of which is for the procurement of strategic materials for stockpiling.

The next in size is the amount appropriated for the Civil Service Commission, $250 million, most of which is for payment to the Civil Service Retirement Fund. On that item, the committee has received some further figures this afternoon, which will somewhat lower the amount.

We have the unusual circumstance of this payment being included in the bill by the House without a budget estimate. Because of that situation the bill is over the budget estimate for 1956 by $242,239,500. If allowance be made for this payment, the remainder of the bill is $7,760,500 under the budget estimates, even though the following items are increased over the budget estimates:

The Federal Communications Commission, by $170,000, increased by the House to provide $90,000 to reduce backlogs of applications, and $80,000, to make a study of radio and television network broadcasting. Representatives of the Commission appeared before the subcommittee and explained in detail the purposes for which the $80,000 is to be used and the limitations under which it is to be used, and the committee was in agreement.

Mr. LANGER. Mr. President, will the Senator yield for a question about the television matter?

Mr. MAGNUSON. I yield.

Mr. LANGER. Is this something new, or has the Commission had the subject under consideration before?

Mr. MAGNUSON. As the Senator knows, a general inquiry is in progress, being conducted by the Committee on Interstate and Foreign Commerce.

The amount in question is for the purpose of permitting the Federal Communications Commission to make a factual study and investigation of the networks and their contractual relations with their affiliates. The information to be obtained would be needed by the Commission anyway. No such inquiry has been made since the freeze on television was lifted. In the interim, a great expansion of television has occurred, and the Commission thinks it is about time to conduct a survey. A year will be required in which to obtain the factual data. The Commission does not intend to duplicate any of the work which the general inquiry may have done, or to overlap the inquiry as to monopolies which the Committee on the Judiciary is making.

Mr. LANGER. In other words, the survey will not infringe on any of the work which the Senator's committee is now doing in the investigation of monopoly, will it?

Mr. MAGNUSON. No. It will be very helpful to the committee, because we will be able to draw upon the facts which are obtained by an examination of the contracts.

Mr. LANGER. I thank the Senator from Washington.

Mr. MAGNUSON. The amount for the General Services Administration was increased by $5 million, and that was provided by the House, and the Senate committee concurred in it, to provide for additional repairs to buildings outside the District of Columbia.

Last year the Committee on Appropriations directed the General Services Administration to make an inventory of the real estate owned by the Government throughout the United States. I commend that inventory to Senators for this study. It is surprising to learn the amount of real estate which the Federal Government owns, and what its conservative value is. That inventory has been completed within the United States. The committee is now asking the General Services Administration to go to the territories and to finish the inventory. This is the first time an inventory has been made of the Government's holdings of real estate.

In making the inventory it was found that some Federal buildings are badly in need of repairs, and it was felt that it would be pennywise and pound foolish not to make some of the necessary repairs. So the committee has allowed $5 million for the making of necessary, almost emergency, repairs to some of the Federal property and buildings outside the District of Columbia.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LANGER. Does the item include the repair of Federal penitentiaries?

Mr. MAGNUSON. Oh, yes.

A total of $25 million, all told, is provided; but the item for repairs is $5 million more than was estimated.

The amount appropriated for the Interstate Commerce Commission was increased by $292,000, so that 30 additional motor carrier inspectors might be employed. Both the trucking industry and the teamsters, and others engaged in the motor carrier industry, have never been satisfied with, and I do not think the public has been protected by, the number of inspectors of motor carriers because the growth of the trucking industry and the increase in trucking transportation have been so great. I am certain most Senators do not realize that there are only 21 inspectors available for the entire United States. Those who operate the trucks, and also the general public have a right to better service and inspection than are now provided, because of the increased number and size of the trucks and conditions on the highways. It was for this reason that the committee increased the number of motor carrier inspectors by 30.

Of course, we shall have to have a conference with the House on this item, but it is our hope that we will come back with at least double the number of inspectors presently hired, which is 21.

The next increase is for the Veterans' Administration. As I pointed out before, this agency will receive almost $4,500,000,000 of the $5 billion provided by the bill. The amount was increased by the House $16,185,000, which the Senate committee accepted, and is for hospital and other facilities to provide for an advanced program of rehabilitating older hospitals.

The amount to enlarge the loan guaranty program was also increased by the House by $704,000. This is not for the building of new veterans' hospitals, but is to convert some of the hospitals, which had been used for certain types of cases, such as tuberculosis patients, of which there are fewer and fewer, into use by so-called neuropsychiatric patients, whose number is steadily increasing. General Hershey testified, in connection with the appropriation for this item, that 37 percent of those called for the draft are rejected, and that 40 percent of the 37 percent are mental cases.

The Veterans' Administration representatives testified also to an increase since World War II, stating that almost 40 percent of their cases are what are known as neuropsychiatric, or N. P. cases, patients who are standing in line, so to speak, waiting to get into hospitals. So the additional $16 million will be used for remodeling some of the hospitals in order to take care of such patients.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. It is my understanding that the $16 million is not to be used for the construction of new hospitals, but will be used to reconstruct old hospitals, and to make them available particularly for mental cases.

Mr. MAGNUSON. That is correct.

Mr. SALTONSTALL. It is to be an accelerated program on the part of the VA.

Mr. MAGNUSON. The Senator from Massachusetts and I heard testimony to the effect that progress is being made because of what is called quick treatment. So if 100 beds can be remodeled in a hospital at, say Battle Creek, Mich., the treatment is only 7 weeks, and the turnover will be such that a great many patients can be taken care of in the 100 beds.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. AIKEN. Is the amount of $13,815,000 for hospitals and domiciliary facilities in accordance with the recommendations originally made by the Veterans' Administration?

Mr. MAGNUSON. No. What the House did with respect to this item was to provide money beyond the budget estimate. The general appropriation for the Veterans' Administration is not over the budget estimate, but the House added $16 million and said, in effect, to the VA, "Speed up your program by 1 year."

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In other words, the VA had planned to do these things, but the House said, in effect, "Speed up the program and do it now, because of the alarming increase in the number of mental patients."

Mr. AIKEN. Then, there is no reduction in the amount which the VA said was necessary, but, in fact, there is an increase with virtual instructions to hop a little faster.

Mr. MAGNUSON. Mr. Cooper, of the committee staff, just informed me that the estimate of the Bureau of the Budget was $13 million. They asked for $20 million.

A reduction of $10 million was made by the Senate committee in another item, capital grants for slum clearance and urban renewal, since the payments will not be required so rapidly as had been estimated.

I should like to say, in that connection, and I hope the record will be clear about it, that there was no intention on the part of the committee to handicap, jeopardize, or cut down slum clearance. As a matter of fact, the committee had views just the opposite to any such cut, but our best information was that because some of the projects were not moving as fast as they should, the $66 million requested should not be granted.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I shall yield as soon as I complete one more statement. If it had appeared that the reduction would handicap slum clearance in any way, the committee would not have voted for it. The provision merely means that this year the mandatory payments will not be as much as had been expected.

I now yield to the Senater from Massachusetts.

Mr. SALTONSTALL. It is my understanding, and I should like to ask the Senator if I am correct, that the additional information came to the committee since the House considered the budget requests, so that the $10 million reduction is not in controversy. It is based on additional knowledge which came to the committee.

Mr. MAGNUSON. And which came to the committee long after the original budget estimates were made last fall, and the reduction was made because some of the projects were not moving as fast as had been expected at that time.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Vermont.

Mr. AIKEN. Does the Senator know whether there is any provision in the bill, as reported by the Senate committee, which will affect the plan of the Veterans' Administration for the construction of additional facilities at White River Junction, Vt., and Manchester, N. H.?

Mr. MAGNUSON. We did not ask the officials specifically as to those places. The only project presented which we felt presented an unusual situation was located in Michigan. I frankly cannot answer the inquiry of the Senator. We had the figures broken down, and I am sure the two Senators interested can obtain them.

Mr. President, I have just been handed the information. The original budget estimate included an item for the facility at White River Junction, Vt., $1,218,000. What was the other?

Mr. AIKEN. Manchester.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from New Hampshire.

Mr. COTTON. Along with the Senator from Vermont [Mr. AIKEN], I am also interested in the facility at White River Junction, but especially in the one at Manchester, N. H.

Mr. MAGNUSON. So far as I can see, the Veterans' Administration merely submitted a report, which appears on page 561 of the record of the hearings, under the heading, "1956 Construction Program." I do not see in the list an item for Manchester, N. H. I see the one for White River Junction, Vt.

Mr. COTTON. I do not think there were plans for an expansion other than for the opening of a mental ward there.

Mr. MAGNUSON. I may say to the Senator from New Hampshire that there could be plans for the opening of a mental ward at Manchester which would not necessarily be included in this table, because the Veterans' Administration was granted an extra amount before the table was made up. Let me say that the emphasis of the committee and of the witnesses who testified before it was that it is necessary to proceed faster and move faster in providing for the care of mental cases.

Mr. COTTON. I thank the Senator for the assurance that that will be done.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. AIKEN. Does the Senator feel assured that the amount of $1,218,000 is to improve facilities at White River Junction?

Mr. MAGNUSON. That item is included in the program. I will state to the Senator from Vermont we have to place more emphasis on facilities for mental patients, including the facility referred to by the Senator from New Hampshire [Mr. COTTON], because many World War II veterans are now approaching middle age, and the problem of mental illness will increase in seriousness. We want to be able to be ahead of it.

Mr. President, I should like to complete my statement. A reduction is also recommended by the Senate committee of $125,000 in the expenses of the Home Loan Bank Board. The House, in the appropriation it provided, sought to enlarge the auditing activities beyond those estimated. The Senate committee reduced the amount.

The Senate committee has also recommended a reduction of $485,000 in the expenses of the Federal Savings and Loan Insurance Corporation. The House sought to enlarge the appraisal system beyond the functions as estimated. The Senate committee, including its chairman, thought this was an unnecessary expenditure placed in the bill by the House, and so the committee reduced the amount.

The committee has recommended restorations which it considered well justified for the research agencies, the various regulatory commissions, defense connected activities, and service activities covered by the bill.

The committee did increase the funds for the National Science Foundation, somewhat in line with what the Senate has done this afternoon for the health activities of the National Health Institutes. The Senator from Massachusetts and I have had a deep interest in the matter. I particularly have, because I was the author of the National Health Institutes bill. There is a necessity for building up those facilities because there exists a definite lack of medical scientists.

Altogether, the net increase over the amount provided in the House bill is $36,784,125.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be considered for the purpose of amendment as original text; provided, however, that no point of order against any amendment shall be deemed to have been waived by the adoption of this agreement.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered, and the committee amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

Under the heading "Title I—Federal Civil Defense Administration", on page 7, line 5, after the word "exceed", to strike out "$1,000" and insert "$9,000", and in line 10, after the word "conclusive", to strike out "$11,000,000" and insert "$11,600,000."

On page 8, line 3, after the word "prescribe", to strike out "$30,000,000" and insert "$35,300,000."

Under the heading "Funds Appropriated to the President—Disaster Relief", on page 8, line 9, after the word "disasters", to strike out "$2,000,000" and insert "$5,000,000."

Under the heading "Federal Power Commission", on page 9, after the word "individuals", to strike out the colon and the following proviso:

"*Provided*, That of this appropriation not to exceed $600,000 shall be available for surveys and studies (including publications and maps) relating to the electric power industry and for furnishing assistance and information relating to regulation and surveys thereof; not to exceed $100,000 shall be available for surveys and studies (including publications and maps) relating to the natural gas industry and for furnishing assistance and information relating to regulation and surveys thereof; and not to exceed $200,000 shall be available for investigations relating to Federal river development projects."

Under the heading "Federal Trade Commission", on page 10, line 6, after the word "exceed", to strike out "$144,250" and insert "$175,000", and in the same line, after the word "travel", to strike out "$4,225,000" and insert "$4,300,000."

Under the heading "General Accounting Office," on page 10, line 19, after the figures "$31,981,000", to insert a colon and the following proviso:

"*Provided*, That the fourth paragraph under the heading 'General Accounting Office' in Public Law 137, approved August 31, 1951 (65 Stat. 274), as amended by Public Law 455, approved July 5, 1952 (66 Stat. 399), and Public Law 428, approved June 24, 1954 (68 Stat. 280), is further amended by chang-

ing 'two positions in grade GS–17' to 'four positions in grade GS–17', and 'twelve positions in grade GS–16' to 'thirteen positions in grade GS–16'."

Under the heading "General Services Administration," on page 11, line 18, after the word "travel", to strike out "$95,960,000" and insert "$99,231,000", and at the beginning of line 20, to strike out "$7,500,000" and insert "$7,000,000."

On page 12, line 19, after the word "travel", to strike out "$10,000,000" and insert "$13,200,000."

On page 13, line 12, after the word "exceed", to strike out "$100,000" and insert "$190,000."

On page 13, line 19, after the word "exceed", to strike out "$46,600" and insert "$70,900"; in the same line, after the word "travel", to strike out "$2,890,000" and insert "$3,120,000", and in line 20, after the amendment just above stated, to strike out the colon and *"Provided,* That no functions budgeted under this appropriation shall be transferred to or financed from any other appropriation or fund."

On page 14, line 8, after the word "be", to strike out "transferred to or."

On page 15, line 1, after the word "periodicals", to strike out "$4,000,000" and insert "$4,250,000"; and in line 2, after the word "be", to strike out "transferred to or."

On page 17, line 17, after "(40 U. S. C. 341)", to strike out "$1,000,000" and insert "$1,200,000."

On page 18, line 17, after the word "machines", to insert "and tape operated recording and reproducing electric writing machines."

On page 20, line 4, after the word "exceed", to strike out "$100,000" and insert "$135,000."

Under the heading "Housing and Home Finance Agency—Office of the Administrator", on page 20, line 19, after the word "exceed", to strike out "twelve passenger motor vehicles" and insert "thirty-three passenger motor vehicles, of which twelve shall be"; in line 23, after the word "exceed", to strike out "$169,325" and insert "$358,100"; and on page 21, line 3, after the word "incumbent", to strike out "$4,300,000" and insert "$6,050,000."

On page 22, line 2, after the numerals "1954", to strike out "$2,500,000" and insert "$3,500,000."

On page 22, line 10, after "(42 U. S. C. 1453, 1456)", to strike out "$60,000,000" and insert "$50,000,000."

Under the subhead "Public Housing Administration," on page 22, line 14, after the word "Administration", to strike out "$8,000,000" and insert "$8,400,000."

On page 22, line 20, after "(42 U. S. C. 1410)", to strike out "$80,000,000" and insert "$83,500,000."

Under the heading "Interstate Commerce Commission," on page 22, after line 21, to strike out:

"Salaries and expenses: For necessary expenses of the Interstate Commerce Commission, including not to exceed $5,000 for the employment of special counsel; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; newspapers (not to exceed $200); purchase of not to exceed 20 passenger motor vehicles for replacement only; and not to exceed $573,000 for expenses of travel; $11,975,000, of which (a) $1,684,000 shall be available for expenses necessary to carry out railroad safety and locomotive inspection work, and (b) $125,000 shall be available for expenses necessary to carry out such defense mobilization functions as may be delegated pursuant to law: *Provided,* That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such."

And in lieu thereof to insert:

"General expenses: For necessary expenses of the Interstate Commerce Commission not otherwise provided for, including not to exceed $5,000 for employment of special counsel; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; newspapers (not to exceed $200); purchase of not to exceed 50 passenger motor vehicles, of which 20 shall be for replacement only; and not to exceed $358,880 for expenses of travel; $10,583,000, of which $125,000 shall be available for expenses necessary to carry out such defense mobilization functions as may be delegated pursuant to law: *Provided,* That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such."

On page 24, after line 2, to insert:

"Railroad safety: For expenses necessary in performing functions authorized by law (45 U. S. C. 1–15, 17–21, 35–46, 61–64; 49 U. S. C. 26) to insure a maximum of safety in the operation of railroads, including authority to investigate, test experimentally, and report on the use and need of any appliances or system intended to promote the safety of railway operation, including those pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906, and the Sundry Civil Act of May 27, 1908 (45 U. S. C. 35–37), and to require carriers by railroad subject to the act to install automatic train-stop or train-control devices as prescribed by the Commission (49 U. S. C. 26), including the employment of inspectors and engineers, and including not to exceed $163,050 for expenses of travel, $974,500."

On page 24, after line 17, to insert:

"Locomotive inspection: For expenses necessary in the enforcement of the act of February 17, 1911, entitled 'An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto,' as amended (45 U. S. C. 22–34), including not to exceed $112,620 for expenses of travel, $709,500."

Under the heading "National Advisory Committee for Aeronautics", on page 25, line 8, after the word "exceed", to strike out "$310,000" and insert "$350,000", and in line 15, after "(5 U. S. C. 55a)", to strike out "$56 million" and insert "$63,500,000."

On page 25, line 19, after the word "land", to strike out "$11,700,000" and insert "$13 million."

Under the heading "National Science Foundation", on page 26, line 14, after the word "exceed", to strike out "$89,500" and insert "$150,000", and at the beginning of line 18, to strike out "$12,250,000" and insert "$20,000,000."

One page 27, after line 2, to insert:

"NATIONAL SECURITY TRAINING COMMISSION
SALARIES AND EXPENSES

"For necessary expenses of the National Security Training Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem and contracts with temporary or part-time employees may be renewed annually; and expenses of attendance at meetings concerned with the purposes of this appropriation; $25,000."

Under the heading "Renegotiation Board," on page 27, line 19, after the word "individuals", to strike out "$3,750,000" and insert "$4,250,000."

Under the heading "Securities and Exchange Commission," on page 27, line 24, after the word "exceed", to strike out "$125,000" and insert "$138,360", and on page 28, line 2, after "(5 U. S. C. 55a)", to strike out "$4,875,000" and insert "$4,997,000."

Under the heading "Selective Service System," on page 28, line 9, after the word "of", to strike out "twenty" and insert "thirty-nine"; in line 11, after the word "periodicals", to insert a semicolon and "not to exceed $10,000 for the purpose of remunerating registrants ordered to perform civilian work in lieu of induction in Federal Government work pursuant to section 6 (j) of the Universal Military Training and Service Act, as amended, at a rate of pay not to exceed that which is paid for similar employment, and registrants ordered to such Federal work shall not be considered Federal employees and none of the laws and regulations applicable to or governing Federal employees shall be deemed applicable to them"; in line 20, after the word "exceed", to strike out "$70,000" and insert "$75,000"; in line 22, after the word "exceed", to strike out "$140,000" and insert "$150,000"; in line 24, after the word "and" where it occurs the second time, to strike out "$75,000" and insert "$76,700"; on page 29, line 2, after the word "travel", to strike out "$26,958,875" and insert "$27,474,000"; and in line 5, after the word *"Provided"*, to strike out "That of the foregoing amount $20,963,700 shall be available for registration, classification, and induction activities of local boards: *Provided further."*

Under the heading "Veterans' Administration," on page 30, line 4, after the word "employees", to strike out "$155,000,000" and insert "$161,004,000."

On page 35, line 7, after the word "for", to strike out "preparation of plans and specifications" and insert "technical services."

Under the heading "Independent Offices—General Provisions," on page 39, after line 7, to strike out:

"SEC. 108. No part of any appropriation contained in this title shall be used to pay the compensation of any officers and employees who allocate positions in the classified civil service with a requirement of maximum age for such positions."

On page 39, line 13, to change the section number from "109" to "108."

Under the heading "Title II—Corporations," on page 40, line 4, after the word "exceed", to strike out "$425,000' and insert "$575,000."

On page 41, at the beginning of line 9, to strike out "$2,500,000" and insert "$2,700,000," and in line 24, after the word "exceed", to strike out "$10 million" and insert "$11,500,000."

On page 44, line 18, after the word "exceed", to strike out "$2,995,000" and insert "$2,870,000."

On page 44, line 21, after the word "exceed", to strike out "$985,000" and insert "$500,000," and on page 45, at the beginning of line 11, to strike out "$90,000" and insert "$15,000."

On page 46, line 17, after the word "exceed", to strike out "$8 million" and insert "$8,400,000," and in line 18, after the word "exceed", to strike out "$500,000" and insert "$560,000."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MAGNUSON. Mr. President, four amendments have been approved by the committee, and I should like to offer them at this time. One relates to the Alexander Hamilton Bicentennial Commission. It provides for an additional amount for that Commission of $15,000, and the appropriation is to be immediately available and remain available until expended.

The PRESIDING OFFICER. The clerk will state the amendment.

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The LEGISLATIVE CLERK. It is proposed, on page 2, after line 1, to insert a new section, as follows:

ALEXANDER HAMILTON BICENTENNIAL COMMISSION

For an additional amount for "Alexander Hamilton Bicentennial Commission", $15,000: *Provided*, That said appropriation shall be immediately available and remain available until expended.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON].

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, the committee also agreed to another amendment, on page 30, line 6. It is identified as "6–2–55–E." I ask the clerk to state the amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 30, line 6, after the word "program", it is proposed to insert the following: "and of which $300,000 shall be available as the President may direct for a special study of the compensation and pensions program."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON].

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement on the amendment just agreed to, as well as a letter from President Eisenhower to Gen. Omar N. Bradley. It relates to the matter of veterans pensions, and does not propose to add anything to the cost of the bill.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

These funds were intended for the President's Commission on Veterans' Pensions and were to be used to conduct a comprehensive study of the laws and policies pertaining to pension and compensation for veterans and their dependents. The President has indicated that such a study would be valuable to the Congress as well as to the administration. In his budget message, the President stated:

"Our veterans' pension and compensation laws, in particular, are in need of constructive reconsideration. The non-service-connected pension system dates back to the Revolutionary War, and its principles require reexamination in the light of recent developments, including the nearly universal coverage of the old-age and survivors insurance system. The overall system of statutes and regulations governing eligibility and payment rates for service-connected compensation has not had a fundamental review for many years. It also needs to be reappraised in the light of the great improvement in medical and rehabilitation techniques and the actual economic situation of the many beneficiaries.

"I am therefore appointing a Commission on Veterans' Pensions to study the entire structure, scope, and philosophy of our veterans' pension and compensation laws in relation to each other and to other Government programs. This budget includes $300,000 for the continuation of the work of this Commission in the fiscal year 1956."

THE WHITE HOUSE,
Washington, March 5, 1955.

Gen. OMAR N. BRADLEY,
Chairman, President's Commission on Veterans' Pensions,
Washington, D. C.

DEAR GENERAL BRADLEY: The Commission on Veterans' Pensions, of which you are the Chairman, has been appointed by me to carry out a comprehensive study of the laws and policies pertaining to pension, compensation, and related nonmedical benefits for our veterans and their dependents. I would like the Commission, on the basis of its studies to furnish me with a report, including recommendations regarding fundamental principles, which I can use as the basis for making recommendations to the Congress for modernization of these benefits and clarification of their relationship to our broader Government social insurance and family protection programs.

This Nation has always responded generously to the needs of those men and women who have served it so well in times of great danger. Pension and other benefits for veterans have been provided since the Revolutionary War. I am in full accord with this policy.

In recent years, however, rapid and profound changes in our national military, social, economic, and fiscal circumstances have occurred which affect fundamentally our long-standing veterans' pension and compensation programs. In 1940 there were only 4 million veterans. There are now nearly 21 million, and the number is increasing rapidly. The necessity for recruiting large Armed Forces has led to substantial improvements in military pay and other conditions of service. Extensive and timely medical, rehabilitation, and readjustment programs have been established for veterans. Most notable in this respect are the improved medical, prosthetic, and rehabilitation measures for disabled veterans and the readjustment benefits for all new veterans to help them become economically productive and recapture the normal pattern of their lives. To maintain the well-being and strength of our democratic society we have also instituted policies to maintain high and stable employment and developed the broad social-security programs to provide economic assistance to the aged and the needy. These developments reflect the growth of the Government's obligations and a more adequate recognition of its responsibilities, and they have also had an important effect on its fiscal situation.

While these fundamental changes were taking place the traditional pension and compensation programs for veterans and their families were also being further extended and liberalized. Thus, under existing laws and regulations, many of our veterans will be able to qualify both for non-service-connected pensions and social-security benefits when they reach age 65. In the service-connected compensation program the standards for rating disabilities have been modified many times since their development in the years after World War I. Numerous piecemeal legislative changes have also granted legal presumptions of service connection and provided additional specific awards which result in different payments to individuals of the same degree of disability.

These programs are large and very significant. Expenditures for pension and compensation benefits to veterans are almost as large as all benefit payments of the old-age and survivors insurance system and are likely several decades hence to be double their present magnitude. In this situation the need is apparent for a constructive reappraisal of the standards under which such benefits should be provided. It is our duty to arrange our affairs so that future generations will inherit an economic and social structure which is fundamentally sound and in which obligations, including those owed to veterans and their survivors, are distributed equitably and not as an unwelcome burden.

It is in this constructive sense that I have established the Commission on Veterans' Pensions. It is my desire that this Commission systematically assess the structure, scope, philosophy, and administration of pensions, compensation, and related nonmedical benefits furnished under Federal legislation to our veterans and their families, together with the relationships between these benefits and others which are provided our citizens without regard to their status as veterans. The objective of this effort should be to bring up to date and correlate these benefits and services so that veterans and their survivors will receive equitable treatment consistent with the orderly development of public policy in this important area.

In this task you will have the full cooperation of the administration, including the facilities of the executive agencies. The White House staff will assist you on administrative housekeeping matters. I should like to keep in touch with your progress, and I ask that your final report with its recommendations be in my hands by November 1, 1955.

Sincerely,

DWIGHT D. EISENHOWER.

Mr. MAGNUSON. Mr. President, I offer and send to the desk another amendment, which was approved unanimously by the committee.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 30, in line 9, after the word "work", it is proposed to insert the following:

Provided further, That no part of any appropriation shall be used to pay educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON].

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, in explanation of the amendment, I submit a statement which I send to the desk and ask to have printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

For the purpose of clarity, it is proposed that the language "*Provided further*, That no part of any appropriation shall be used to pay educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution." be reinstated. This language was eliminated from H. R. 5240 on a point of order. Since the language in the Appropriation Act for 1955 reads "no part of any appropriation shall be used to pay educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution," it could be argued that the elimination of this language now would not result in terminating the limitation. In the event

this language is not repeated and the language of the previous act is not regarded as permanent legislation, additional funds of approximately $2,400,000 would be required to meet payments at $1.50 per month as provided in Public Law 550, 82d Congress.

Mr. MAGNUSON. Mr. President, I offer and send to the desk the fourth amendment approved by the committee.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 32, in line 18, after the words "dental care,", it is proposed to insert the following:

Provided, That hereafter no part of any appropriation to the Veterans' Administration shall be available for outpatient dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within 1 year after discharge: *Provided further*, That this limitation shall not apply to adjunct outpatient dental services or appliances for any dental condition associated with and held to be aggravating disability from such other service-incurred or service-aggravated injury or disease.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON].

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the amendment, which is a very important one, because in the absence of the amendment, the cost in these particular cases would probably be $15 million or $16 million more.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

If this proviso is not inserted in the bill, or if H. R. 5100 or similar legislation is not enacted to establish this restriction as permanent legislation, then VA will require $16 million additional to the appropriation and to the limitation for outpatient fee basis dental care. Legislation pending in Senate Committee on Labor and Public Welfare.

Mr. HOLLAND. Mr. President——

Mr. MAGNUSON. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I thank the distinguished chairman.

The amendment I shall propose is not strictly a committee amendment, but the predicate for the amendment was laid in the committee, and I wish that distinctly understood.

Mr. President, I now offer an amendment, on behalf of myself, the Senator from Washington [Mr. MAGNUSON], and the Senator from Massachusetts [Mr. SALTONSTALL]. I send the amendment to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, in line 9, it is proposed to strike out "$250,000,000," and to insert in lieu thereof "$216,000,000."

Mr. HOLLAND. Mr. President, I think the record should show what we are trying to do.

On page 4 of the House committee report it is made clear that in inserting the $250 million item, the House committee was attempting to prevent the civil service retirement and disability fund from deteriorating, due to nonsupport by Federal payment of its annual liability, although the House committee was without guidance as to the exact amount which was needed.

In the course of our hearing it became clear that the Federal Government is about to suggest a permanent support law under which the Federal contribution will be fixed at $216 million a year.

The committee was loath to insert the $216-million figure, instead of the $250-million figure, without having the benefit of the latest information.

Accordingly, the Senator from Florida and the Senator from Massachusetts [Mr. SALTONSTALL], in pursuance of a suggestion made by the chairman of the subcommittee, the distinguished senior Senator from Washington [Mr. MAGNUSON], have had the matter checked with the Bureau of the Budget and the General Accounting Office. We find that, instead of the facts being less helpful than they were when the budget was made up and when the $216 million figure was suggested, they are even more helpful. We now find that if we could safely use last year's full figure, we might even reduce the amount somewhat below $200 million.

However, it is the view of the three Senators who join in submitting the amendment that at this time we should stand by the request which is coming in, namely, a request for a permanent Federal contribution of $216 million. We believe we should proceed on that basis, knowing that a little more than what is shown by last year's actual experience may be necessary, in order to keep the fund solvent and to keep it from deteriorating.

Mr. President, I hope the amendment will be acceptable to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Florida, on behalf of himself, the Senator from Washington, and the Senator from Massachusetts.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 5240) was passed.

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. RUSSELL, Mr. MCCLELLAN, Mr. DIRKSEN, Mr. SALTONSTALL, Mr. KNOWLAND, Mr. MCCARTHY, and Mr. POTTER conferees on the part of the Senate.

ROSETTE SORGE SAVORGNAN

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate bill 309, a bill for the relief of Rosette Sorge Savorgnan.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 9, after the word "section", to strike out "301 of the Nationality Act of 1940", and insert in lieu thereof "310 of the Immigration and Nationality Act," and, in line 12, after the word "section", to strike out "335", and insert in lieu thereof "337", so as to make the bill read:

Be it enacted, etc., That Rosette Sorge Savorgnan, who lost United States citizenship under the provisions of section 2 of the Citizenship Act of 1907, and sections 104, 401, and 403 of the Nationality Act of 1940, as amended, may be naturalized by taking, prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act, as amended, or before any diplomatic or consular officer of the United States abroad, the appropriate oath prescribed by section 337 of the said act. From and after naturalization under this act the said Rosette Sorge Savorgnan shall have the same citizenship status which existed immediately prior to its loss.

The amendments were agreed to.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from Wisconsin [Mr. WILEY], a distinguished member of the Committee on Foreign Relations, who is the author of the bill, in order that he may make a brief explanation thereof.

Mr. WILEY. Mr. President, the bill would restore to Mrs. Savorgnan her citizenship. She was born in Wisconsin, and married an Italian. Her two children were born in this country. The facts are all set forth in the report in a very detailed manner, and I ask unanimous consent that an affidavit by George D. Murphey, colonel, United States Army, retired, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the affidavit was ordered to be printed in the RECORD, as follows:

THE STATE OF TEXAS,
County of Galveston:

Before me, the undersigned, a notary public in and for said county, State of

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Texas, on this day personally appeared George D. Murphey, colonel, United States Army, retired, to me well known, and who, after being duly sworn, deposes and says that:

He was on active duty as a commissioned officer in the Regular Army of the United States from October 31, 1911, to June 30, 1950. He is now retired and lives at 12 Cedar Lawn North, Galveston, Tex. He is a native of Augusta, Ga.

From about October 15, 1943, to about July 1, 1945, he was on duty with the Allied Commission (originally, Allied Control Commission) in Italy. His status was that of Director, and Assistant to Director, of the Economic Section of the Allied Commission. The Economic Section (as the title implies) dealt specifically with the national (Italian) commerce, finance, food, utilities, transportation, and shipping.

During the deponent's assignment with the Allied Commission there came directly under his observation and supervision, the services of (Mrs.) Rosette Sorge Savorgnan. Mrs. Savorgnan, a native citizen of the United States, was sojourning in Rome when the United States forces entered that city in 1944. As did many other American citizens, Mrs. Savorgnan identified herself to the United States forces as soon as Rome was occupied. With the establishment of the (Allied) Military Affairs Government (a component of the combatant forces) Mrs. Savorgnan's services were engaged by that organization, primarily in connection with fiscal matters. These matters included the screening, release and impounding of Italian funds and bank accounts, both private and public. The very nature of these operations, obviously, demanded an esoteric knowledge of the situation, inherent honesty, Christian fairness, and utmost trustworthiness.

All of these qualifications Mrs. Savorgnan possessed and fully demonstrated. As a consequence, her position with the Military Affairs Government was changed to a similar one with the Finance subsection of the (supreme) Headquarters of the Allied Commission shortly after the Commission moved into Rome. During the last 2 or 3 months of the deponent's tenure with the Allied Commission—April–June 1945—Mrs. Savorgnan served under his immediate supervision as his assistant. This assignment involved participation in the higher advisory, supervisory, and planning functions incident to the categorical operations (above indicated) of the Economic Section of the Allied Commission.

Mrs. Savorgnan rendered valuable services and contributed greatly to the attainment of the Allied Commission's objectives in Italy. For this her Nation, the United States, owes her its grateful appreciation. It is to be emphasized that Mrs. Savorgnan's services were motivated solely by the deepest patriotism and devotion to her native country. Her adequate circumstances abroad, especially with respect to affluence and social position, were alone proof that her loyal actions were void of any selfish or materialistic motives.

Early in 1945, the deponent learned that Mrs. Savorgnan had applied for a United States passport, or visa, to return to the United States. This application had been made immediately upon the reopening of the United States Consular Service in Italy. Both the Navy and Army of the United States offered Mrs. Savorgnan transportation to the United States, contingent upon clearance by the Consular Service. Being in Europe when the United States was precipitated into war (1941) Mrs. Savorgnan could not subsequently return to her homeland because of worldwide belligerency.

One of the cogent reasons for Mrs. Savorgnan's anxiety to return home was the desire to be with her parents (themselves natives and residents of Wisconsin). This daughterly instinct was made all the more impelling by being incommunicado through the heart-rending years of war-exilement, and particularly by the mother's critical illness. This malady proved fatal before Mrs. Savorgnan could surmount the bureaucratic obstacles raised to obstruct her return. It would be idle to detail the well-known human yearning displayed by Mrs. Savorgnan to get back to the United States. Suffice it to say that the war conditions which enforced her overseas separation, likewise intensified her longing to return. Before the sojourn in question Mrs. Savorgnan had not been outside of the United States. Hence, it is axiomatic that had the probability of war been foreseen prior to her departure, she never would have left the country.

Mrs. Savorgnan acquired her Italian name by marriage to Signor Allessandro Savorgnan, a member of one of Italy's finest families of long and eminent lineage. Mrs. Savorgnan met her husband in the Middle West (United States). He was then serving in that area as a member of the Italian Consular Service. Accordingly, she was married in the Middle West. Shortly after marriage, Italian consulates were summarily closed by Presidential order. Mr. Savorgnan, necessarily continued his consular vocation abroad. Naturally enough, Mrs. Savorgnan accompanied her husband. Months later, when war was declared between the United States and the Axis powers, Mr. Savorgnan severed his consular connections. At this time he was stationed in Austria. His refusal to collaborate with the Germans was done, of course, at the risk of both his life and that of his wife. Inevitably, the Germans interned them. At length they escaped and finally made their way to the home of the husband's relatives in Rome. There they remained "underground" until the arrival of the United States forces in 1944. That Mr. Savorgnan today occupies one of the highest positions in the important consulate at New York is immutable evidence of his honorable standing with the Government of the United States, as well as with his own.

Before her marriage, Mrs. Savorgnan was Miss Rosette Sorge. She was born in the State of Wisconsin, in which State she lived with her parents throughout the years of her childhood. Her parents were also born in the United States. Descending from Christian parents of Protestant faith, Mrs. Savorgnan has adhered to the same religious tenets; this notwithstanding her husband's affiliations with the Roman Catholic Church. Mrs. Savorgnan received her schooling and college education in Wisconsin. She is the perfect personification of lofty parental nurture and fortunate advantages, Christian training, and American patriotism steeped in traditional American ideals. All of these qualities are enhanced by the virtues, culture, and other endowments of true ladyship. In brief, Mrs. Savorgnan is the epitome—the sine qua non—of the finest womanhood of the United States.

It is understood that Mrs. Savorgnan's United States citizenship is now under legislative consideration with a view to complete validation. This favorable action apparently is being taken to rectify a chain of unfortunate circumstances starting with Mrs. Savorgnan's request for reentry into the United Sates upon the termination of war in Europe (1945).

As a matter incident to her marriage to a member of the Italian Consular Service, the Italian Government requested that Mrs. Savorgnan sign some routine document affecting her prospective status as the wife of an Italian official. She signed the document only as a matter of form, and as a natural acquiescence to facilitate her marriage. The document was signed, of course, in the continental United States. So inconsequential was this document, particularly to the United States, that it bore no recognizance, or attestation, of any United States officer or court, either State or Federal. It is proverbial that no native-born citizen, by private or secret act within his own country, can expatriate himself either unknowingly or even by deliberate scheming. Nevertheless the aforesaid document has been used as the primary, if not the sole, basis for depriving Mrs. Savorgnan of her multilateral right of United States citizenship.

With extreme anguish, labor and expense, Mrs. Savorgnan has long demonstrated superhuman perserverance in fighting for her citizenship. She has battled every discernible opposition with all the means at her disposal. Even a Federal court decided in her favor. In spite of this clearance, adverse authorities have vitiated the vindication handed down by the court. That any authority could pursue such action against a native born citizen, especially one so superior and exemplary as Mrs. Savorgnan, is beyond reason. Disregard for the rights and welfare of the individual citizen is a terrible violation of the fundamental ideology of the United States.

Only the truest and best Americanism could remain adamant after the treatment which Mrs. Savorgnan has received from her own Government. Understandably, her case has become international knowledge. Foreigners, as well as her fellow countrymen, no doubt marvel at her invincible national zeal and devotion to country.

The United States not only owes Mrs. Savorgnan its protection of her citizenship, but likewise its gratitude for the enduring record she has engrossed upon the fair pages of American patriotism.

The deponent further states that the above retrospective statements have been made necessarily without access to recorded or other precise data. Notwithstanding, the contents hereof are substantially true according to his best knowledge and belief.

GEORGE D. MURPHEY,
Colonel, United States Army, retired.

Subscribed and sworn to before me, this 23d day of April, A. D. 1953.

[SEAL] RAY O'NEILL,
Notary Public in and for Galveston County, Tex.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EMPLOYMENT IN COMMAND STATUS OF RETIRED OFFICER OF THE NAVY

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 409, Senate bill 2078, to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. SALTONSTALL. Mr. President, for nearly a hundred years the law has provided with respect to naval officers that those on the retired list shall not exercise command status.

The law makes it possible to except this restriction in time of war, provided command assignments of retired officers are confirmed by the Senate, but there is no provision of law whereby this restriction can be set aside in time of peace. The Navy is currently fitting out the task force which will support the expeditions

into the Antarctic. This is an extremely specialized field. The distinguished explorer, Rear Adm. Richard E. Byrd, is in overall charge of the operations under the Secretary of the Navy and the Chief of Naval Operations.

At the present time Capt. George J. Dufek is acting as the commanding officer of the task force, that is to say, the man in command of the ships themselves. Captain Dufek, however, will retire at the end of this month and become ineligible to be continued in this billet.

The Secretary of the Navy, the Chief of Naval Operations, and Admiral Byrd strongly recommend that Captain Dufek be kept on in his present assignment after his retirement. The Committee on Armed Services heard testimony as to the requirements which are involved and strongly concur with the Navy recommendations and unanimously reported the bill favorably.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding any other provisions of law, the Secretary of the Navy is authorized to employ Rear Admiral George John Dufek, United States Navy, retired, in a command status in connection with Antarctic expeditions.

CONVEYANCE OF PORTION OF FORT DEVENS MILITARY RESERVATION TO COMMONWEALTH OF MASSACHUSETTS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to consider Senate bill 107, a bill to provide for the conveyance of a portion of the Fort Devens Military Reservation, Mass., to the Commonwealth of Massachusetts.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with amendments, on page 1, line 6, after the word "comprising", to strike out "sixty" and insert "sixty-six"; in the same line, after the word "less", to insert "together with buildings and improvements thereon"; on page 2, line 7, after the word "used", to strike out "for military purposes only" and insert "for training of the National Guard and the Air National Guard and for other military purposes"; in line 25, after the word "without", to strike out "charge, except as indicated below" and insert "charge"; and on page 3, line 8, after the word "appertaining", to strike out "thereto: *Provided, however*, That the United States shall be responsible during the period of such use for the entire cost of maintaining all of the property so used, and shall pay a fair rental for the use of any structures or other improvements which have been added thereto without Federal aid" and insert "thereto", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Army is authorized to convey to the Commonwealth of Massachusetts all the right, title, and interest of the United States in and to a tract of land comprising 66 acres, more or less, together with buildings and improvements thereon, being a portion of Fort Devens Military Reservation and being the same property now utilized by the Massachusetts National Guard under a license granted by the Secretary of the Army, subject, however, to reservation in the United States of all mineral rights, including gas and oil, in the land authorized to be conveyed by this act.

SEC. 2. The conveyance of the property identified in section 1 of this act to the Commonwealth of Massachusetts shall be made without consideration therefor and upon condition that it shall be used for training of the National Guard and the Air National Guard and for other military purposes, and in the event it shall not be used for such purposes title thereto shall immediately revert to the United States, and, in addition, title to all improvements made by the Commonwealth of Massachusetts during its occupancy shall vest in the United States without payment of compensation therefor. The deed of conveyance shall also provide for such reservations and joint use of facilities as the Secretary of the Army determines as necessary for the use and maintenance of Fort Devens and contain the further provision that whenever the Congress of the United States shall declare a state of war or other national emergency, or the President declares a state of emergency to exist, and upon the determination by the Secretary of Defense that the property so conveyed is useful or necessary for military, air, or naval purposes, or in the interest of national defense, the United States shall have the right without charge to reenter upon the property and use the same or any part thereof, including any and all improvements made by the Commonwealth of Massachusetts, for a period not to exceed the duration of such state of war or national emergency plus 6 months and upon cessation of such use, such property shall revert to the Commonwealth of Massachusetts, together with any or all improvements thereon and appurtenances appertaining thereto.

SEC. 3. The cost of any surveys necessary as an incident of the conveyance authorized herein shall be borne by the grantee.

The amendments were agreed to.

Mr. SALTONSTALL. Mr. President, the purpose of S. 107 is to authorize the Secretary of the Army to convey, without consideration, approximately 66 acres, together with improvements, to the Commonwealth of Massachusetts, to be used for training the National Guard and for other military purposes. This acreage, now a portion of the Fort Devens Military Reservation, has been used by the Commonwealth since 1947 for military purposes by virtue of agreement between the Secretary of the Army and the Commonwealth.

This bill contains the usual reservations and restrictions in legislation of this type. It is expressly provided, one, that all mineral rights shall be reserved to the United States; two, that the property will revert to United States in the event that it is used for other than military purposes; three, that the United States during times of emergency will have the right to occupy and use the property and all improvements thereon without payment to the Commonwealth.

The bill was amended in committee in order to make it conform to bills of similar type which have been reported by the committee during this session.

Mr. President, I urge that the Senate approve this proposed legislation.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Oregon.

Mr. MORSE. I wish to ask a few questions about this bill. I am satisfied that the bill conforms to the formula which the Senator from Massachusetts, along with the Senator from Virginia [Mr. BYRD] helped me to draft back in 1946.

We are dealing here with the transfer of Federal property to a State, but it is really being transferred for a consideration, in the sense that the consideration represents the military benefits the Federal Government will receive from the continued use of this property in connection with the National Guard. Such consideration probably is far in excess of the monetary value of the property on the basis of 100 percent of its appraised fair market value, if we wished to compute it on that basis.

The point I wish to make perfectly clear is that the bill has been considered by the committee in the light of the so-called Morse formula, and that it in no way violates the Morse formula. Is not that true?

Mr. SALTONSTALL. I assure the Senator that, to the best of my knowledge, the bill conforms to the Morse formula. The land can be used by the National Guard. The bill provides for reversion to the United States of title in the event the land is not used for the purposes described. All mineral rights, including gas and oil, are reserved to the United States.

Mr. MORSE. Mr. President, I am making this statement only for the RECORD. I have studied the bill. Let me say for the RECORD that I share the opinion of the Senator from Massachusetts as to the bill.

Not once in this entire session of Congress has Federal property been transferred in violation of the Morse formula, which is some evidence that, after all, persistence finally pays off in terms of a dividend which protects the taxpayers of the country.

Mr. SALTONSTALL. Mr. President, I commend the spirit in which the Senator from Oregon has acted to stiffen the requirements for such transfers. I am in hearty accord with the object of his efforts.

Mr. MORSE. I thank the Senator.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JURISDICTION OVER CERTAIN LAND IN THE VICINITY OF FORT DEVENS, MASS.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 411, House bill 3825, to make retrocession to the Commonwealth of Massachusetts of jurisdiction over certain land in the vicinity of Fort Devens, Mass.

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The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. SALTONSTALL. Mr. President, the purpose of H. R. 3825 is to authorize the United States to retrocede to the Commonwealth of Massachusetts concurrent jurisdiction over three parcels of land now used for highway purposes which are located within Fort Devens Military Reservation, Mass. This bill will enable the Commonwealth of Massachusetts to exercise police control over the entire length of that portion of two highways which cross the Fort Devens Military Reservation. The United States now has exclusive jurisdiction over the parcels described in the bill.

The Commonwealth of Massachusetts already possesses highway easements over the described property on which two principal State highways are located. Both these roads are used primarily for civilian travel by the general public. This bill would not in any way affect the title to the three parcels which are held by the United States.

Mr. President, I urge that the Senate approve this proposed legislation.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I express my appreciation to the very able Senator from Massachusetts, formerly chairman of the Committee on Armed Services, for the manner in which he has handled these bills.

Mr. SALTONSTALL. I thank the Senator.

INTERCHANGE OF SUPPLIES BETWEEN THE ARMED FORCES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 412, House bill 4294, to amend section 640 of title 14, United States Code, concerning the interchange of supplies between the Armed Forces.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill (H. R. 4294) is to correct an inadvertent omission in the codification of the Coast Guard Act of August 4, 1949, which authorizes the interchange, without compensation, of equipment and real estate between the Army, Navy, and Coast Guard. The Air Force was omitted from this codification even though at the time it had become a separate military department. This bill will extend specific authority to the Air Force to interchange supplies under the 1949 act. It might be noted that the authority contained in the August 4, 1949, statute is in addition to that already provided for in the Federal Property and Administrative Services Act of 1949 regarding interdepartmental transfers of property.

Mr. President, I urge that the Senate act favorably on this measure.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AMENDMENT OF SMALL BUSINESS ACT OF 1953

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 408, S. 2127.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2127) to amend the Small Business Act of 1953.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I call the bill to the attention of the Senator from Oregon [Mr. MORSE] and the Senator from Minnesota [Mr. THYE].

Mr. MORSE. Mr. President, the Small Business Administration was created by Public Law 163, 83d Congress, 1st session, which law also provided for the liquidation of the Reconstruction Finance Corporation. Public Law 163 provides for the termination of the Small Business Administration on June 30, 1955, and your committee has considered several bills concerned with the continuation of the Small Business Administration, with changes in its enabling statute, and with supplementing present Federal programs designed to foster a thriving small business community throughout the Nation. Specifically, the bills considered by the committee were: S. 16, S. 150, S. 381, S. 382, S. 383, S. 1500, and S. 1802.

After study of testimony received in open hearings on the above bills and after careful consideration of the entire subject, the committee determined to report a new bill, S 2127, containing specific features of S. 16, S. 382, S. 1500, and S. 1802. Complete explanation of this new bill appears in the report of the committee.

As chairman of the subcommittee, I am deeply indebted to my colleagues on the subcommittee for the cooperation they extended to me throughout the hearings and in making the unanimous report to the full committee. I am particularly indebted to the Senator from Maine [Mr. PAYNE], who is on the floor, for the assistance he rendered to me both in the subcommittee and in the full committee. I should like to have his ear throughout the discussion, because he is fully familiar with the features of this bill.

PURPOSES

The primary purposes of this bill are to extend the Small Business Administration for 2 years, to increase the loan limit of that agency from $150,000 to $250,000, and to enable SBA to make loans to distressed small businesses in drought areas.

The Small Business Administration has the following principal functions:

First. To make loans to small businesses and to make disaster loans.

So that the Senate can more fully appreciate what has been done by the Small Business Administration in the way of making loans to small businesses and disaster loans, let me give you some figures cited by Wendell B. Barnes, Administrator of the Small Business Administration.

Under section 204 (b) of the Small Business Act of 1953 the Congress authorized a total appropriation of $275 million to a revolving fund in the Treasury of which up to $150 million would be available for disaster loans and $100 million for the taking of prime contracts and subcontracting in the work of small businesses. Of this $275 million that was authorized, the Congress has appropriated a total of $80 million for all of the three purposes just mentioned. Of this $80 million, some $4 million was used for administrative expenses for the Small Business Administration itself, leaving about $76 million available for lending.

Through April 15, 1955, SBA had approved 2,528 loans for the total amount of $79,875,000. SBA's share of this total was $67,800,000. However, after taking into consideration cancellation of approved amounts and repayments by borrowers on loans disbursed, there was approximately $25 million uncommitted in the SBA revolving fund as of March 31, 1955.

Of these loans approved, 1,382 were business loans in the gross amount of $72,074,000 with SBA's share being $60,072,000. The remaining 1,146 were disaster loans for $7,801,000.

In approving the 2,528 loans, SBA acted upon a total of 5,082 applications of which 2,554 were declined for various reasons. Of the declinations 2,376 were applications for business loans, and 176 were requests for disaster loans.

In addition, SBA is administering more than 3,000 disaster loans made by the Reconstruction Finance Corporation which have been transferred to the agency for collection.

Second. To provide technical and managerial aids to small businesses.

The SBA provides services which are very helpful to small-business firms. Through field offices the SBA makes available to small business information on opportunities to sell to the Government, on how to get bidders' lists, and counseling on production and related problems. Each of the regional offices has an inventory of small plant facilities in its area and uses this inventory to inform small firms that have the necessary facilities of prime contracts and subcontracts that are within its field of operation.

Over 223,000 notifications of procurement opportunities have been made to small business by the SBA since its inception. Since July 1, 1954, approximately 2,136 contracts, totaling over $185 million, have been awarded to small businesses that were notified of the procurement opportunities in Government by SBA.

There are other useful services which the Small Business Administration provides to assist small business. Among these are information on the specifications that the Government uses in its

purchasing activities. The Small Business Administration has published two directories—the United States Government Purchasing Directory and the United States Government Specifications Directory—as aids in helping small-business firms to sell to the Government. The SBA provides small firms with publications, prepared by recognized experts in private industry, concerning problems of management and on many technical subjects. These publications fall into three general categories: Management Aids, Technical Aids, and Small Marketers' Aids. The SBA has distributed a million and a quarter of these pamphlets. Their value is reflected by the fact that many of them have been reprinted and distributed by trade associations and other private organizations.

One of the serious problems faced by many small-business men is that they do not have a well-rounded administrative background. In order to cure this deficiency, the SBA has entered into agreements with universities setting up night courses for businessmen interested in taking them. The response has been enthusiastic.

Third. To assist small businesses in obtaining Government contracts.

The intent of the SBA is to help the small businesses obtain a greater share of Government contracts. By agreement with the Department of Defense, the SBA confers with the Department of Defense to jointly determine which contracts should be set aside and exclusively awarded to small business. The program is known as joint determination and has caused some one-half billion dollars of proposed military purchases to be reserved for small business. Approximately 3,600 such contracts totaling about $221 million have been let already. The SBA also has programs designed to aid small-business firms to gain contracts with agencies such as the General Services Administration, Atomic Energy Commission, and the Post Office Department.

In closing this explanation of the bill, I should like to state that I am sure I speak unanimously for the members of the subcommittee who reported the bill to the full committee when I say that we very heartily approved of the record made by the Small Business Administration; and we very respectfully submit the bill to the Senate for its consideration, confident that it represents a very good bill, in that we have ironed out, under the legislative process, as best we can, the differences that existed from time to time, not only among witnesses, but, in some of our committee discussions, among members of our committee. We respectfully urge the passage of the bill.

Mr. THYE. Mr. President, I wish to commend the committee and the Senator from Oregon for the fine work they did in the development of the bill. It was on March 10 that I introduced for myself and the Senator from Indiana [Mr. CAPEHART] a bill, known as S. 1500, which proposed to amend or extend the act providing for the Small Business Administration. The bill proposed an indefinite term. However, I shall not in any sense quarrel with the committee's recommendation of a 2-year extension.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield at that point?

Mr. THYE. I yield.

Mr. MORSE. The subcommittee was very favorably impressed by the Senator's testimony in support of his bill, and I may say that there was a strong inclination to make the extension permanent, but we were confronted with two factors: First, we had the recommendation of the Small Business Administration itself that the extension be for only 2 years, supporting that recommendation by the very persuasive argument that the 2-year period would give to the administration of the agency the stability which the Senator from Minnesota and the Senator from Indiana were seeking, and it would give us an opportunity to review the situation at the end of 2 years.

Second, the committee felt that probably as the next step it would be desirable to have a 2-year period which would necessitate Congress taking a look at the situation at the end of 2 years, and then determining, on the basis of experience, whether the agency should be made permanent.

The Senator from Minnesota made a very persuasive argument before the committee; and the fact that we have not gone all the way with him does not mean at all that we did not appreciate his belief in the need of permanency in connection with the matter.

Mr. THYE. Mr. President, I commend the Senator from Oregon and the very able subcommittee which brought forth this bill.

I have a strong feeling concerning the need for the Small Business Administration. As I view it, more is involved than aiding the small-business man. I look upon the entire question with the thought in mind that business in this land of ours is of a highly intensive order. There are tax laws under which it is difficult for a young man to accumulate sufficient investment capital to enter business. We have the responsibility of trying to make it possible for a young businessman or a young couple residing in a town and desiring to become operative business managers to have an opportunity to go into business.

Under our State and Federal banking laws, no bank has the right to make loans unless there is sufficient collateral or security to satisfy the bank examiners of a State or of the National Government. A young man who has an excellent record, who is trustworthy, may go to a lending agency and say, "I should like to borrow money with which to invest in a business in connection with which I have been working for years." Naturally, the lending agency would have to say "No," because of the restrictions imposed in such cases, and the application would have to be rejected.

I look upon the small-business lending functions of the Small Business Administration with the thought in mind that we must assist the young businessman to enter into the field of business in much the same manner that we have assisted young farm families to enter the agricultural field. While I have served in the Senate I have looked with favor upon the Government helping the youth of this generation who have not the open prairies or timberlands to turn to, as our forefathers, the early pioneers, did in the early days. We hear "Davy Crockett" sung day-after-day, and we know the opportunities which the early pioneers had. Such an opportunity is denied the youth of today. We are living in a highly organized state of society. Businessmen are faced with competition on every hand, and a young man cannot enter into small business unless he is assisted.

For that reason, Mr. President, I have supported the Small Business Administration and the legislation which established it.

I shall not take the time of the Senate in speaking further on the question, but I made a statement to the subcommittee on the question, and Mr. President, I ask unanimous consent that the statement be printed in the body of the RECORD at this point as a further explanation of my views and convictions with reference to the question.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR THYE BEFORE THE SUBCOMMITTEE ON SMALL BUSINESS, SENATE COMMITTEE ON BANKING AND CURRENCY, MAY 4, 1955

Independent small business, represented by some 4 million small-business men in this country today, is such an important segment of the national economy that necessary action to continue the Small Business Administration is one of the most urgent and immediate obligations before Congress. I appreciate the opportunity to present my views in support of S. 1500, the bill which Senator CAPEHART and I introduced March 18, to provide for continuation of the Small Business Administration as an independent agency of the Government and to embody certain amendments to the Small Business Act of 1953, recommended by the administration with the objective of making more effective the functioning of this agency.

As chairman of the Small Business Committee of the Senate I had the privilege of offering the original legislation creating the Small Business Administration, which was embodied in title II of Public Law 163, 1st session, 83d Congress, the title being known as the Small Business Act of 1953. This act was finally passed by Congress on July 30, 1953, and signed into law the same day by President Eisenhower. The present law provides for this agency only until June 30, 1955. It is important that Congress act as expeditiously as possible to extend the authorization for the Small Business Administration so that there will be no disruption or uncertainty in the work of this agency in its expanding services and usefulness to our independent small business community.

The statement of the purpose of Congress in establishing the Small Business Administration as embodied in the present act bears repeating for the underlying philosophy of that policy enumerated provides a common platform upon which all Members of Congress agree. I wish to quote from section 202 of the Small Business Act of 1953, as follows:

"The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but

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to the security of this Nation. Such security and well-being cannot be realized unless business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation."

Every agency of Government has a part in fostering a healthy economic climate. The Small Business Administration is unique because it was specifically established to assist, counsel, and foster small business and thereby maintain healthy, free, competitive enterprise and keep open the doors of opportunity. It is the first peacetime independent Government agency devoted exclusively to the problems of small business. The wisdom of Congress and the President in establishing the Small Business Administration has been demonstrated.

I have obtained from the Small Business Administration some statistics and information as to its activities during the 21 months it has been in operation. These I have incorporated in a separate statement which I submit for the hearing record. I also have had compiled excerpts from representative letters from successful small-business people in my State which I believe will be of interest to members of this subcommittee as revealing the views of independent businessmen on the need for the Small Business Administration. I would appreciate having these statements also made part of the transcript of the hearings.

I shall not go into a technical analysis of the various provisions of S. 1500 as I believe the details and purpose of the various amendments to the Small Business Act of 1953 are covered in the departmental report and will be more fully explored as the hearings proceed. In general, the amendments to combine disaster and business loan fund appropriations, fix fees for consultants, authorize participation-type loans in the disaster program, and permit maturity extension of loans to aid in liquidation, appear to me to be justified. These amendments have been recommended by the administration, together with a language revision in the provision for personnel in the so-called supergrades, and an additional change relating to employment of fee attorneys. The change in language concerning the appointment of persons in supergrades has been suggested in order that the provisions of the bill will conform to the general practice with relation to provisions for supergrades in other agencies and departments of the Government. The additional amendment relating to employment of fee attorneys has been suggested by the agency since the Comptroller General has recommended that the law be clarified as to the retention of attorneys under contract where it is more economical to employ them than to use full-time legal staff employees.

My chief purpose in introducing S. 150, to give the Small Business Administration permanent status, and S. 1500, which likewise embodies this major objective as well as providing for the administrative changes, has been to make certain that small business in this country receives the recognition it deserves and the help it needs at this time. I want to emphasize one important phase of the services of the Small Business Administration that is often overlooked. I look upon the loaning functions of the agency with the same thought and philosophy in mind as that we have embodied in the Farmers' Home Administration loans. That act provides the means to assist young farm families to become operating farmers. It has given more young people in the rural areas the feeling of pride and the knowledge that they are sharing in the responsibilities of their Nation, as operating farmers. Young people, and oftentimes middle-aged people as well, have assumed, through these loans, the responsibilities of good citizens and are making vital contributions to good schools, townships, and communities. Many have started as tenants, later to become owners of their farms through the Farmers' Home Administration loan assistance.

Only through the services of an agency such as the Small Business Administration are we going to make certain that we offer to the people of our towns and cities and urban areas an opportunity to become the business managers or operators on our Main Streets. With the present high taxes and the high standard of living in our society, with the modern conveniences which are actually necessities these days, for homes and automobiles, young people especially find demands upon their earnings deny them the opportunity of saving enough to permit them to have the necessary funds to acquire a business of any kind. Without sufficient collateral the local banks, because of restrictions imposed by both State and Federal Governments, are oftentimes unable to advance the necessary funds to permit these young couples the financial means to enter into and acquire a business of their own. Without such opportunities for youth, there is too great a threat to our free enterprise system and we will have the small, individual ownerships deteriorating and disappearing, absorbed entirely by corporations or chain groups. That we do not want. Therefore, I have felt that this Small Business Administration, properly administered, safeguarded as it is by the limitation on the size of the loan, provides means of reaching the youth of our Nation especially and helping them in much the same manner as we have so often been able to help the young farmer under Farmers' Home Administration loans.

To abolish the Small Business Administration altogether would be such an obviously backward step that I doubt if such a proposal would muster a single vote among responsible Members of Congress. To bury the work of Small Business in a subordinate division of another executive department would be almost as unwise for it would fail to recognize the major dangers that beset small business at this time or the importance of small business to the Nation. To allow the agency to drift, uncertain of its future, would jeopardize the large investment in services and in appropriations already made.

I believe we should place a firm foundation under the Small Business Administration and not limit it to merely a 2-year extension. My reasons for introducing legislation without specifying the life of the agency was simply this—you cannot expect the local banks to participate jointly in loans, with the Small Business Administration, if they know the agency will expire within a matter of a few months. This uncertainty would place the bank's joint participation in jeopardy. Such provision of the act in itself is a deterrent, or a discouragement, of joint participation. In a sense, it defeats the act instead of encouraging a general acceptance. Furthermore, it is apparent that any act can be repealed or revised, the activities of any agency reviewed, at any session of Congress.

It is highly essential to maintain the individual identity of agencies established to assist small business for three major reasons:

1. Small business is a vital part of our national economy and the backbone of our free enterprise system.

2. Small business must have a chance to share in the defense buildup in which we are engaged.

3. Small business must be encouraged and strengthened in the face of known tendencies toward monopoly in many enterprises and the power of mere bigness in the industrial and business field.

Forthright and prompt action by Congress to preserve the one agency of government designed to help and to foster small business will give our millions of small-business people a real lift in morale that will have a beneficial effect on the whole country.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

Mr. THYE. I yield.

Mr. MORSE. There are three points which I wish to make very quickly. The Senator from Minnesota is the ranking minority member of the Select Committee on Small Business, and in the last session of the Congress he was chairman of that committee. Both as a member of that committee and as a witness before the Banking and Currency Subcommittee, the Senator from Minnesota stressed the very point he has stressed in the brief remarks he has made this afternoon. His point of view has been very influential on both of those committees.

There are three things which need, in my judgment, to be emphasized in the RECORD by someone speaking for the committee.

First, the Senator from Minnesota spoke of taxes as they affect the small-business men. That is covered on page 2 of the committee report, in the paragraph beginning with the sentence:

In this connection, the committee was impressed by testimony in these hearings, and the cumulative evidence over many years, as to the need for special tax benefits for small-business enterprises.

Mr. President, I ask unanimous consent that the remainder of that paragraph be printed at this point in my remarks.

There being no objection, the remainder of the paragraph was ordered to be printed in the RECORD, as follows:

Small business is at a disadvantage in obtaining capital for operations and expansion by flotation of securities and borrowing and, therefore, must depend on retained earnings to a greater extent than do larger corporations. Small businesses are particularly burdened by tax provisions which fail to recognize the need for exemption from taxation of some reasonable part of earnings, and which jeopardize reasonable accumulation of surpluses in their corporate accounts. We believe our tax structure should recognize these facts and we strongly recommend their consideration by the Senate Finance Committee and the House Ways and Means Committee. Furthermore, we commend to the careful study of every Member of Congress Senate Report No. 442, entitled "Tax Problems of Small Business," reported in the 83d Congress, 1st session, by the Select Committee on Small Business, United States Senate.

Mr. MORSE. Mr. President, in my judgment the Senator from Minnesota is completely correct. We need to give much more consideration than we have given to the matter of stimulating small business, and helping it to meet the growing problem of mergers.

The subcommittee and the full committee gave full consideration to the point of view expressed by the Senator from Minnesota that what we must try to do is to get the local banks into the

program by increasing the number of participation loans. One of the main reasons for urging the continuation of the program is that the testimony before us was that the independent bankers as well as the so-called chain banks are very much in favor of a program which will increase the participation by local banks and the Federal Government in this program.

Lastly, Mr. President, let me say that the Senator's point about the need of helping the young businessman really to get started is part of the very soul of this bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2127) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 204 (b) of the Small Business Act of 1953 is amended by striking out the fifth and sixth sentences and inserting in lieu thereof the following: "Not to exceed an aggregate of $175,000,000 shall be outstanding at any one time for the purposes enumerated in sections 207 (a) and (b)."

SEC. 2. (a) Section 205 (a) of the Small Business Act of 1953 is amended (1) by striking out "require bonds of them, and fix the penalties thereof" and inserting in lieu thereof "to provide bonds for them in such amounts as the Administrator shall determine, and to pay the costs of qualification of certain of them as notaries public", and (2) by inserting at the end thereof the following: "Subject to the standards and procedures under section 505 of the Classification Act of 1949, as amended, not to exceed 15 positions in the Small Business Administration may be placed in grades 16, 17, and 18 of the General Schedule established by that act, and any such positions shall be additional to the number authorized by such section."

(b) Section 205 (b) (7) of such act is amended by inserting immediately following "all actions" the following: ", including the procurement of the services of attorneys by contract."

(c) Section 205 (c) of such act is amended by adding at the end thereof the following: "Any individual so employed may be compensated at a rate not in excess of $50 per diem, and, while such individual is away from his home or regular place of business, he may be allowed transportation and not to exceed $15 per diem in lieu of subsistence and other expenses. The President is authorized to provide by regulation for the exemption of any such individual from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99)."

SEC. 3. (a) Section 207 (a) (2) of the Small Business Act of 1953 is amended by striking out "$150,000" and inserting in lieu thereof "$250,000."

(b) Section 207 (b) of such act is amended by inserting immediately following the word "loans" the words "(either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis)," and by inserting immediately before the colon preceding the proviso the following: ", including necessary or appropriate loans to any small-business concern located in an area where a drought is occurring, if (1) the Administration determines that the small-business concern has suffered a substantial economic injury as a result of such drought, and (2) the President has determined under the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes,' approved September 30, 1950, as amended (42 U. S. C., secs. 1855–1855g), that such drought is a major disaster, or the Secretary of Agriculture has found under the act entitled 'An act to abolish the Regional Agricultural Credit Corporation of Washington, D. C., and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes, approved April 6, 1949, as amended (12 U. S. C., secs. 1148a–1—1148a–3), that such drought constitutes a production or economic disaster in such area."

(c) Section 207 of such act is further amended by inserting after subsection (e) a new subsection as follows:

"(f) To further extend the maturity of or renew any loan made pursuant to subsection (a) or (b) of this section, beyond the periods stated therein, or any loan transferred to the Administration pursuant to Reorganization Plan No. 2 of 1954, for additional periods not to exceed 10 years, if such extension or renewal will aid in the orderly liquidation of such loan."

SEC. 4. Section 214 of the Small Business Act of 1953 is amended by inserting before "mobilizing" the words "maintaining or."

SEC. 5. (a) Section 218 (a) of the Small Business Act of 1953 is amended by striking out "(a)" immediately following "SEC. 218."

(b) Section 218 (b) of such act is hereby repealed.

SEC. 6. Section 221 of the Small Business Act of 1953 is amended by striking out the figures "1955" and inserting in lieu thereof "1957."

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSING ACT OF 1955

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 407, Senate bill S. 2126.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2126) to extend and clarify laws relating to the provisions and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, a proposed unanimous-consent agreement with respect to the bill is at the desk. I have conferred with the chairman of the Committee on Banking and Currency [Mr. FULBRIGHT], the chairman of the subcommittee, the Senator from Alabama [Mr. SPARKMAN], the minority leader [Mr. KNOWLAND], and the ranking minority member of the committee, the Senator from Indiana [Mr. CAPEHART], and they have no objection to the agreement. I therefore ask that it be read.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That, effective on Tuesday, June 7, 1955, at the conclusion of routine morning business, during the further consideration of the bill S. 2126. The housing amendments of 1955, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided, further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement proposed by the Senator from Texas? The Chair hears none, and the agreement is entered into.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGREEMENTS FOR COOPERATION IN PEACEFUL USES OF ATOMIC ENERGY

Mr. JOHNSON of Texas. Mr. President, on behalf of the junior Senator from Rhode Island [Mr. PASTORE], who is the chairman of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy, and the junior Senator from New Mexico [Mr. ANDERSON], I should like to place in the RECORD, for the information of the Senate, the text of the agreements for cooperation between the Government of the United States of America and the Government of the United States of Brazil, and the Government of the United States of America and the Government of the Republic of Colombia, which were authorized for execution last week by the President. In accordance with the provisions of section 123 of the Atomic Energy Act of 1954, these two agreements for cooperation must lie before the Joint Committee for a period of 30 days while Congress is in session. The two agreements were received by the joint committee at 12:15 p. m. on Saturday, June 4, 1954.

I also wish to place in the RECORD certain correspondence pertaining to each of these agreements, and I ask unanimous consent that the agreements and correspondence appear in the body of

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the RECORD immediately following these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES ATOMIC
ENERGY COMMISSION,
Washington, D. C.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee
on Atomic Energy,
Congress of the United States.

DEAR SENATOR ANDERSON: Pursuant to Section 123c of the Atomic Energy Act of 1954, there is submitted with this letter:

1. A proposed Agreement for Cooperation with the Government of Brazil;

2. A letter dated May 31, 1955, from the Commission to the President recommending his approval of the proposed Agreement;

3. A letter dated May 31, 1955, from the President to the Commission approving the proposed Agreement, authorizing the execution, and containing his determination that it will promote and will not constitute an unreasonable risk to the common defense and security.

This Agreement, when executed, would make possible cooperation between the United States and Brazil on the design, construction and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture and industry. Brazil, if it desired to do so, would be able to engage United States companies to construct research reactors, and private industries in the United States will be permitted, within the limits of the Agreement, to render other assistance to Brazil. No Restricted Data would be communicated under this Agreement. The Atomic Energy Commission, however, would lease to Brazil up to six (6) kilograms of contained U–235 in uranium enriched up to a maximum of 20 per cent U–235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Brazil or while fuel elements are in transit. The amount of special nuclear material which would be made available to Brazil under this Agreement would not be important from the military point of view and the limitation expressed will restrict Brazil in determining the choice of reactor to be constructed to a research reactor.

Article VI of the proposed Agreement records the obligations undertaken by Brazil to safeguard the special nuclear material to be leased by the Commission, and Article VII contains the guaranties prescribed by Section 123 of the Atomic Energy Act.

The Agreement expresses the hope and expectation of the two Governments that this first stage of cooperation will lead to further development of the peaceful uses of atomic energy in Brazil.

Sincerely yours,

LEWIS STRAUSS,
Chairman.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C. May 31, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed agreement entitled "Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of the United States of Brazil and the Government of the United States of America," and authorize its execution after the proposed agreement has been placed before the Joint Committee on Atomic Energy in accordance with Section 123c of the Atomic Energy Act of 1954. This agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954 and is, in the opinion of the Commission, an important and desirable step in advancing the development of the peaceful uses of atomic energy in Brazil, in accordance with the policy which you have established. The Government of the United States of Brazil has signified its agreement to the guaranties prescribed by the Atomic Energy Act and which are recorded in the proposed agreement.

The proposed agreement calls for cooperation with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. Under the agreement Brazil, if it desires to do so, may engage United States companies to construct research reactors, and private industry in the United States will be permitted, within the limits of the agreement, to render other assistance to Brazil. No restricted data would be communicated under this agreement. The Atomic Energy Commission, however, would lease to Brazil up to 6 kilograms of contained U–235 in uranium enriched up to a maximum of 20 percent U–235.

The agreement expresses the hope and expectation of the two Governments that this first stage of cooperation between the United States and Brazil will lead to further discussions and agreements relating to the peaceful uses of atomic energy in Brazil.

Respectfully yours,

LEWIS L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, May 31, 1955.

The Honorable L. L. STRAUSS,
Chairman, Atomic Energy, Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of May 31, 1955, you informed me that the Atomic Energy Commission had recommended that I approve a proposed agreement between the Government of the United States of Brazil and the Government of the United States for cooperation concerning the peaceful uses of atomic energy. The agreement recites that the Government of the United States of Brazil desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States and United States industry with respect to this program.

I have examined the agreement recommended. It calls for cooperation between the two Governments with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors as research, development, and engineering tools and in medical therapy; and use of radioactive isotopes in biology, medicine, agriculture, and industry. The agreement contains all of the guarantees prescribed by the Atomic Energy Act. No restricted data would be communicated under the agreement, but the Commission would lease to the Government of the United States of Brazil special nuclear material for use as reactor fuel.

Pursuant to the provisions of Section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of the United States of Brazil concerning the civil uses of atomic energy,

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States, and

(3) Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State after the proposed agreement has been submitted to the Joint Committee on Atomic Energy of the United States Congress and a period of thirty days has elapsed while Congress is in session.

It is my hope that this agreement represents but the first stage of cooperation in the field of atomic energy between the United States and Brazil, and that it will lead to further discussions and agreements relating to other peaceful uses of atomic energy in Brazil.

Sincerely,

_____.

AGREEMENT FOR COOPERATION CONCERNING CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED STATES OF BRAZIL

Whereas the peaceful uses of atomic energy hold great promise for all mankind; and

Whereas the Government of the United States of America and the Government of the United States of Brazil desire to cooperate with each other in the development of such peaceful uses of atomic energy; and

Whereas there is well advanced the design and development of several types of research reactors (as defined in Article X of this Agreement); and

Whereas research reactors are useful in the production of research quantities of radioistopes, in medical therapy, and in numerous other research activities, and at the same time are a means of affording valuable training and experience in nuclear science and engineering useful in the development of other peaceful uses of atomic energy, including civilian nuclear power; and

Whereas the Government of the United States of Brazil desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States of America and United States industry with respect to this program; and

Whereas the Government of the United States of America, represented by the United States Atomic Energy Commission (hereinafter referred to as the "Commission"), desires to assist the Government of the United States of Brazil in such a program;

The parties therefore agree as follows:

ARTICLE I

Subject to the limitations of Article V, the parties hereto will exchange information in the following fields:

A. Design, construction, and operation of research reactors and their use as research, development, and engineering tools and in medical therapy.

B. Health and safety problems related to the operation and use of research reactors.

C. The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

ARTICLE II

A. The Commission will lease to the Government of the United States of Brazil uranium enriched in the isotope U–235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of research reactors which the Government of Brazil, in consultation with the Commission, decides to construct and as required in agreed experiments related thereto. Also, the Commission will lease to the Government of the United States of Brazil uranium enriched in the isotope

U-235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of such research reactors as the Government of the United States of Brazil may, in consultation with the Commission, decide to authorize private individuals or private organizations under its jurisdiction to construct and operate, provided the Government of the United States of Brazil shall at all times maintain sufficient control of the material and the operation of the reactor to enable the Government of the United States of Brazil to comply with the provisions of this Agreement and the applicable provisions of the lease arrangement.

B. The quantity of uranium enriched in the isotope U-235 transferred by the Commission and in the custody of the Government of the United States of Brazil shall not at any time be in excess of six (6) kilograms of contained U-235 in uranium enriched up to a maximum of twenty percent (20%) U-235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Brazil or while fuel elements are intransit, it being the intent of the Commission to make possible the maximum usefulness of the six (6) kilograms of said material.

C. When any fuel elements containing U-235 leased by the Commission require replacement, they shall be returned to the Commission and, except as may be agreed, the form and content of the irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission.

D. The lease of uranium enriched in the isotope U-235 under this Article shall be at such charges and on such terms and conditions with respect to shipment and delivery as may be mutually agreed and under the conditions stated in Articles VI and VII.

ARTICLE III

Subject to the availability of supply and as may be mutually agreed, the Commission will sell or lease through such means as it deems appropriate, to the Government of the United States of Brazil or authorized persons under its jurisdiction such reactor materials, other than special nuclear materials, as are not obtainable on the commercial market and which are required in the construction and operation of research reactors in Brazil. The sale or lease of these materials shall be on such terms as may be agreed.

ARTICLE IV

It is contemplated that, as provided in this Article, private individuals and private organizations in either the United States or Brazil may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article I, the Government of the United States will permit persons under its jurisdiction to transfer and export materials, including equipment and devices, to, and perform services for, the Government of the United States of Brazil and such persons under its jurisdiction as are authorized by the Government of the United States of Brazil to receive and possess such materials and utilize such services, subject to:

A. Limitations in Article V.

B. Applicable laws, regulations, and license requirements of the Government of the United States, and the Government of the United States of Brazil.

ARTICLE V

Restricted Data shall not be communicated under this Agreement and no materials or equipment and devices shall be transferred and no services shall be furnished under this Agreement to the Government of the United States of Brazil or authorized persons under its jurisdiction if the transfer of any such materials or equipment and devices or the furnishing of any such services involves the communication of Restricted Data.

ARTICLE VI

A. The Government of the United States of Brazil agrees to maintain such safeguards as are necessary to assure that the uranium enriched in the isotope U-235 leased from the Commission shall be used solely for the purpose agreed in accordance with this Agreement and to assure the safekeeping of this material.

B. The Government of the United States of Brazil agrees to maintain such safeguards as are necessary to assure that all other reactor materials, including equipment and devices, purchased in the United States of America under this Agreement by the Government of the United States of Brazil or authorized persons under its jurisdiction, shall be used solely for the design, construction, and operation of research reactors which the Government of the United States of Brazil decides to construct and operate and for research in connection therewith, except as may otherwise be agreed.

C. In regard to research reactors constructed pursuant to this Agreement the Government of the United States of Brazil agrees to maintain records relating to power levels of operation and burn-up of reactor fuels and to make annual reports to the Commission on these subjects. If the Commission requests, the Government of the United States of Brazil will permit Commission representatives to observe from time to time the condition and use of any leased material and to observe the performance of the reactor in which the material is used.

ARTICLE VII—GUARANTIES PRESCRIBED BY THE U. S. ATOMIC ENERGY ACT OF 1954

The Government of the United States of Brazil guarantees that:

A. Safeguards provided in Article VI shall be maintained.

B. No material, including equipment and devices, transferred to the Government of the United States of Brazil or authorized persons under its jurisdiction pursuant to this Agreement, by lease, sale, or otherwise will be used for atomic weapons or for research on or development of atomic weapons or for any other military purposes, and that no such material, including equipment and devices, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the United States of Brazil except as the Commission may agree to such transfer to another nation and then only if in the opinion of the Commission such transfer falls within the scope of an agreement for cooperation between the United States and the other nation.

ARTICLE VIII

This Agreement shall enter into force on ------ and remain in force until ------, inclusively, and shall be subject to renewal as may be mutually agreed.

At the expiration of this Agreement or an extension thereof the Government of the United States of Brazil shall deliver to the United States all fuel elements containing reactor fuels leased by the Commission and any other fuel material leased by the Commission. Such fuel elements and such fuel materials shall be delivered to the Commission at a site in the United States designated by the Commission at the expense of the Government of the United States of Brazil, and such delivery shall be made under appropriate safeguards against radiation hazards while in transit.

ARTICLE IX

It is the hope and expectation of the parties that this initial Agreement for Cooperation will lead to consideration of further cooperation extending to the design, construction, and operation of power producing reactors. Accordingly, the parties will consult with each other from time to time concerning the feasibility of an additional agreement for cooperation with respect to the production of power from atomic energy in Brazil.

ARTICLE X

For the purposes of this Agreement:

A. "Commission" means the United States Atomic Energy Commission or its duly authorized representatives.

B. "Equipment and devices" means any instrument or apparatus, and includes research reactors, as defined herein, and their component parts.

C. "Research reactor" means a reactor which is designed for the production of neutrons and other radiations for general research and development purposes, medical therapy, or training in nuclear science and engineering. The term does not cover power reactors, power demonstration reactors, or reactors designed primarily for the production of special nuclear materials.

D. The terms "Restricted Data", "atomic weapon", and "special nuclear material" are used in this Agreement as defined in the United States Atomic Energy Act of 1954.

In witness whereof, the parties hereto have caused this Agreement to be executed pursuant to duly constituted authority.

Done at ---------- in duplicate this -- day of ------, 1955.

For the Government of the United States of America:

HENRY F. HOLLAND,
Assistant Secretary of State for Inter-American Affairs.

LEWIS L. STRAUSS,
Chairman, United States Atomic Energy Commission.

For the Government of the United States of Brazil:

JOAO CARLOS MUNIZ,
Brazilian Ambassador.

Certified to be a true copy.

W. B. MCCOOL,
Secretary, Atomic Energy Commission.

JUNE 4, 1955.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy,
Congress of United States.

DEAR SENATOR ANDERSON: Pursuant to Section 123c of the Atomic Energy Act of 1954, there is submitted with this letter:

1. A proposed Agreement for Cooperation with the Government of the Republic of Colombia;

2. A letter dated May 31, 1955, from the Commission to the President recommending his approval of the proposed Agreement;

3. A letter dated May 31, 1955, from the President to the Commission approving the proposed Agreement, authorizing its execution, and containing his determination that it will promote and will not constitute an unreasonable risk to the common defense and security.

This Agreement, when executed, would make possible cooperation between the United States and Colombia on the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industy. Colombia, if it desired to do so, would be able to engage United States companies to construct research reactors, and private industries in the United States will be permitted, within the limits of the Agreement, to render other assistance to Colombia. No Restricted Data would be communicated

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under this Agreement. The Atomic Energy Commission, however, would lease to Colombia up to six (6) kilograms of contained U–235 in uranium enriched up to a maximum of 20 per cent U–235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Colombia or while fuel elements are in transit. The amount of special neuclear material which would be made available to Colombia under this Agreement would not be important from the military point of view and the limitation expressed will restrict Colombia in determining the choice of reactor to be constructed to a research reactor.

Article VI of the proposed Agreement records the obligations undertaken by Colombia to safeguard the special nuclear material to be leased by the Commission, and Article VII contains the guaranties prescribed by Section 123 of the Atomic Energy Act.

The Agreement expresses the hope and expectation of the two Governments that this first stage of cooperation will lead to further development of the peaceful uses of atomic energy in Colombia.

Sincerely yours,

LEWIS L. STRAUSS,
Chairman.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., May 31, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed agreement entitled "Agreement for Cooperation Concerning Civil Uses of Atomic Energy between the Government of the Republic of Colombia and the Government of the United States of America," and authorize its execution after the proposed agreement has been placed before the Joint Committee on Atomic Energy in accordance with Section 123c of the Atomic Energy Act of 1954. This agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954 and is, in the opinion of the Commission, an important and desirable step in advancing the development of the peaceful uses of atomic energy in Colombia, in accordance with the policy which you have established. The Government of the Republic of Colombia has signified its agreement to the guarantees prescribed by the Atomic Energy Act and which are recorded in the proposed agreement.

The proposed agreement calls for cooperation with respect to the design, construction and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. Under the agreement Colombia, if it desires to do so, may engage United States companies to construct research reactors, and private industry in the United States will be permitted, within the limits of the agreement, to render other assistance to Colombia. No restricted data would be communicated under this agreement. The Atomic Energy Commission, however, would lease to Colombia up to 6 kilograms of contained U–235 in uranium enriched up to a maximum of 20 percent U–235.

The agreement expresses the hope and expectation of the two Governments that this first stage of cooperation between the United States and Colombia will lead to further discussions and agreements relating to the peaceful uses of atomic energy in Colombia.

Respectfully yours,

LEWIS L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, May 31, 1955.

The Honorable L. L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of May 31, 1955, you informed me that the Atomic Energy Commission had recommended that I approve a proposed agreement between the Government of the Republic of Colombia and the Government of the United States for cooperation concerning the peaceful uses of atomic energy. The agreement recites that the Government of the Republic of Colombia desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States and United States industry with respect to this program.

I have examined the agreement recommended. It calls for cooperation between the two Governments with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors as research, development, and engineering tools and in medical therapy; and use of radioactive isotopes in biology, medicine, agriculture, and industry. The agreement contains all of the guarantees prescribed by the Atomic Energy Act. No restricted data would be communicated under the agreement, but the Commission would lease to the Republic of Colombia special nuclear material for use as reactor fuel.

Pursuant to the provisions of Section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of the Republic of Colombia concerning the civil uses of atomic energy,

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States, and

(3) Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State after the proposed agreement has been submitted to the Joint Committee on Atomic Energy of the United States Congress and a period of thirty days has elapsed while Congress is in session.

It is my hope that this agreement represents but the first stage of cooperation in the field of atomic energy between the United States and Colombia, and that it will lead to further discussions and agreements relating to other peaceful uses of atomic energy in Colombia.

Sincerely,

AGREEMENT FOR COOPERATION CONCERNING CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF COLOMBIA

Whereas the peaceful uses of atomic energy hold great promise for all mankind; and

Whereas the Government of the United States of America and the Government of the Republic of Columbia desire to cooperate with each other in the development of such peaceful uses of atomic energy; and

Whereas there is well advanced the design and development of several types of research reactors (as defined in Article X of this Agreement); and

Whereas research reactors are useful in the production of research quantities of radioisotopes, in medical therapy and in numerous other research activities and at the same time are a means of affording valuable training and experience in nuclear science and engineering useful in the development of other peaceful uses of atomic energy including civilian nuclear power; and

Whereas the Government of the Republic of Colombia desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States of America and United States industry with respect to this program; and

Whereas the Government of the United States of America, represented by the United States Atomic Energy Commission (hereinafter referred to as the "Commission"), desires to assist the Government of the Republic of Colombia in such a program;

The parties therefore agree as follows:

ARTICLE I

Subject to the limitations of Article V, the parties hereto will exchange information in the following fields:

A. Design, construction and operation of research reactors and their use as research, development, and engineering tools and in medical therapy.

B. Health and safety problems related to the operation and use of research reactors.

C. The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry

ARTICLE II

A. The Commission will lease to the Government of the Republic of Colombia uranium enriched in the isotope U–235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of research reactors which the Government of the Republic of Colombia, in consultation with the Commission, decides to construct and as required in agreed experiments related thereto. Also, the Commission will lease to the Government of the Republic of Columbia uranium enriched in the isotope U–235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of such research reactors as the Government of the Republic of Colombia may, in consultation with the Commission, decide to authorize private individuals or private organizations under its jurisdiction to construct and operate, provided the Government of the Republic of Colombia shall at all times maintain sufficient control of the material and the operation of the reactor to enable the Government of the Republic of Colombia to comply with the provisions of this Agreement and the applicable provisions of the lease arrangement.

B. The quantity of uranium enriched in the isotope U–235 transferred by the Commission and in the custody of the Government of the Republic of Colombia shall not at any time be in excess of six (6) kilograms of contained U–235 in uranium enriched up to a maximum of twenty percent (20%) U–235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Colombia or while fuel elements are in transit, it being the intent of the Commission to make possible the maximum usefulness of the six (6) kilograms of said material.

When any fuel elements containing U–235 leased by the Commission require replacement, they shall be returned to the Commission and, except as may be agreed, the form and content of the irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission.

D. The lease of uranium enriched in the isotope U-235 under this Article shall be at such charges and on such terms and conditions with respect to shipment and delivery as may be mutually agreed and under the conditions stated in Articles VI and VII.

ARTICLE III

Subject to the availability of supply and as may be mutually agreed, the Commission will sell or lease through such means as it deems appropriate, to the Government of the Republic of Colombia or authorized persons under its jurisdiction such reactor materials, other than special nuclear materials, as are not obtainable on the commercial market and which are required in the construction and operation of research reactors in Colombia. The sale or lease of these materials shall be on such terms as may be agreed.

ARTICLE IV

It is contemplated that, as provided in this Article, private individuals and private organizations in either the United States or Colombia may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article I, the Government of the United States will permit persons under its jurisdiction to transfer and export materials, including equipment and devices, to, and perform services for, the Government of the Republic of Colombia and such persons under its jurisdiction as are authorized by the Government of the Republic of Colombia to receive and possess such materials and utilize such services, subject to:

A. Limitations in Article V.

B. Applicable laws, regulations, and license requirements of the Government of the United States, and the Government of the Republic of Colombia.

ARTICLE V

Restricted Data shall not be communicated under this Agreement and no materials or equipment and devices shall be transferred and no services shall be furnished under this Agreement to the Government of the Republic of Colombia or authorized persons under its jurisdiction if the transfer of any such materials or equipment and devices or the furnishing of any such services involves the communication of Restricted Data.

ARTICLE VI

A. The Government of the Republic of Colombia agrees to maintain such safeguards as are necessary to assure that the uranium enriched in the isotope U-235 leased from the Commission shall be used solely for the purpose agreed in accordance with this Agreement and to assure the safekeeping of this material.

B. The Government of the Republic of Colombia agrees to maintain such safeguards as are necessary to assure that all other reactor materials, including equipment and devices, purchased in the United States of America under this Agreement by the Government of the Republic of Colombia or authorized persons under its jurisdiction, shall be used solely for the design, construction, and operation of research reactors which the Government of the Republic of Colombia decides to construct and operate and for research in connection therewith, except as may otherwise be agreed.

C. In regard to research reactors constructed pursuant to this Agreement the Government of the Republic of Colombia agrees to maintain records relating to power levels of operation and burn-up of reactor fuels and to make annual reports to the Commission on these subjects. If the Commission requests, the Government of the Republic of Colombia will permit Commission representatives to observe from time to time the condition and use of any leased material and to observe the performance of the reactor in which the material is used.

ARTICLE VII—GUARANTIES PRESCRIBED BY THE U. S. ATOMIC ENERGY ACT OF 1954

The Government of the Republic of Colombia guaranties that:

A. Safeguards provided in Article VI shall be maintained.

B. No material, including equipment and devices, transfererred to the Government of the Republic of Colombia or authorized persons under its jurisdiction, pursuant to this Agreement, by lease, sale, or otherwise will be used for atomic weapons or for research on or development of atomic weapons or for any other military purposes, and that no such material, including equipment and devices, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the Republic of Colombia except as the Commission may agree to such transfer to another nation and then only if in the opinion of the Commission such transfer falls within the scope of an agreement for cooperation between the United States and the other nation.

ARTICLE VIII

This Agreement shall enter into force on ---------- and remain in force until ----------, inclusively, and shall be subject to renewal as may be mutually agreed.

At the expiration of this Agreement or an extension thereof the Government of the Republic of Colombia shall deliver to the the United States all fuel elements containing reactor fuels leased by the Commission and any other fuel material leased by the Commission. Such fuel elements and such fuel materials shall be delivered to the Commission at a site in the United States designated by the Commission at the expense of the Government of the Republic of Colombia, and such delivery shall be made under appropriate safeguards against radiation hazards while in transit.

ARTICLE IX

It is the hope and expectation of the parties that this initial Agreement for Cooperation will lead to consideration of further cooperation extending to the design, construction, and operation of power producing reactors. Accordingly, the parties will consult with each other from time to time concerning the feasibility of an additional agreement for cooperaiton with respect to the production of power from atomic energy in Colombia.

ARTICLE X

For the purposes of this Agreement:

A. "Commission" means the United States Atomic Energy Commission or its duly authorized representatives.

B. "Equipment and devices" means any instrument or apparatus, and includes research reactors, as defined herein, and their component parts.

C. "Research reactor" means a reactor which is designed for the production of neutrons and other radiations for general research and development purposes, medical therapy, or training in nuclear science and engineering. The term does not cover power reactors, power demonstration reactors, or reactors designed primarily for the production of special nuclear materials.

D. The terms "Restricted Data", "atomic weapon", and "special nuclear material" are used in this Agreement as defined in the United States Atomic Energy Act of 1954.

In witness whereof, the parties hereto have caused this Agreement to be executed pursuant to duly constituted authority.

Done at ------ in duplicate this -- day of ------, 1955.

For the Government of the United States of America:

HENRY F. HOLLAND,
Assistant Secretary of State for Inter-American Affairs.

LEWIS L. STRAUSS,
Chairman, United States Atomic Energy Commission.

For the Government of the Republic of Colombia:

EDUARDO ZULETA-ANGEL,
Ambassador of Colombia.

Certified to be a true copy:

W. B. MCCOOL,
Secretary, Atomic Energy Commission.

JUNE 4, 1955.

SUSPENSION OF CERTAIN IMPORT TAXES ON COPPER.

Mr. JOHNSON of Texas. Mr. President, I wish to announce that the hearings on the bill (H. R. 5695) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper will not be available until tomorrow. In the event the Senate concludes action on the housing bill, which is the unfinished business, it will be my intention to call up H. R. 5695 as soon as it is possible to do so. I have already conferred with the minority leader about the proposed action.

Mr. JOHNSON of Texas subsequently said: I wish to make it clear, Mr. President, that if the Senate concludes action on the Housing bill tomorrow, and it is then possible to bring up Calendar No. 406, H. R. 5695, it will be my intention to have the Senate consider that bill also.

AMENDMENT OF MINIMUM WAGE LAW

Mr. JOHNSON of Texas. Mr. President, it is my information that the Committee on Labor and Public Welfare will very likely report tomorrow a bill to amend the minimum wage law. I should like the Senate to be on notice that as soon as the bill is reported and the hearings and report are available, it is planned to consider the measure. I hope it may be possible for the Senate to consider the bill on Wednesday or Thursday of this week.

INTEGRATION OF FEDERAL AND STATE JURISDICTIONS IN LICENSING WATERPOWER PROJECTS UNDER THE FEDERAL POWER ACT

Mr. NEUBERGER. Mr. President, the Supreme Court of the United States today handed down a most significant decision in the case of Federal Power Commission against the State of Oregon. I believe that both the decision of the Court and the dissent by Mr. Justice Douglas should be printed in the RECORD for the attention and information of the Senate.

I think that the decision highlights further the need for the construction of a high Federal dam at Hells Canyon on the Snake River, because the opponents of Hells Canyon Dam, including Secretary of the Interior McKay, have been contending that the Salmon and Clearwater Rivers in Idaho should be dammed, rather than that a dam should be constructed at Hells Canyon. If those streams shall be dammed, the entire fisheries industry of the Columbia River Basin will be imperiled. Yet the Supreme Court ruled today that the great Deschutes River, in Oregon, which is one of the major salmon and steelhead spawning streams, can be invaded by a

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dam to be built by the Portland General Electric Co.

If the suggestions of Secretary McKay with respect to the Salmon and Clearwater Rivers are combined with the verdict of the Supreme Court in the case of Federal Power Commission versus The State of Oregon, the people of the Northwest will, indeed, lose virtually all their salmon industry.

I believe the decision of the Supreme Court reflects not at all upon the very able manner in which the case was argued before the Court by Attorney General Robert Y. Thornton, of Oregon, and his capable associates. I heard many attorneys in Washington, D. C., comment most favorably on the skill and competence with which the case of the State of Oregon was argued.

Mr. President, I ask unanimous consent that the opinion of the Court and the dissent by Mr. Justice Douglas may be printed at this point in the RECORD.

There being no objection, the opinion and dissent were ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES—No. 367—OCTOBER TERM, 1954

FEDERAL POWER COMMISSION, PETITIONER, VERSUS THE STATE OF OREGON, THE FISH COMMISSION OF OREGON, THE OREGON STATE GAME COMMISSION

(On writ of certiorari to the U. S. Court of Appeals for the Ninth Circuit)

(Mr. Justice Burton delivered the opinion of the Court.)

As in *First Iowa Coop.* v. *Federal Power Commission* (328 U. S. 152), this case illustrates the integration of the Federal and State jurisdictions in licensing water power projects under the Federal Power Act.[1] In the First Iowa case we sustained the authority of the Commission to license a power project to use navigable waters of the United States located in Iowa. Here, without finding that the waters are navigable, the Commission has issued a comparable license for a power project to use waters on lands constituting reservations of the United States located in Oregon. The State of Oregon questions the authority of the Commission to do this and the adequacy of the provisions approved by the Commission for the conservation of anadromous fish.[2] For the reasons hereafter stated, we sustain the Commission.

In 1949 the Northwest Power Supply Co., of Portland, Oreg., applied to the Federal Power Commission for a license to construct, operate, and maintain a hydroelectric plant, constituting Pelton project No. 2030, on reserved lands of the United States on the Deschutes River in Oregon,[3] and, in 1951, the Portland General Electric Co. of Portland, Oreg., succeeded to a supplementary application for that license.

The Pelton project is designed to include a concrete dam 205 feet high and a powerhouse containing three 36,000-kilowatt generators. It is to be built across the Deschutes River on reserved lands of the United States located below the junction of its Metolius and Crooked River tributaries.[4] The western terminus of the dam is to occupy lands, within the Warm Springs Indian Reservation, which have been reserved by the United States for power purposes since 1910 and 1913.[5] The eastern terminus of the dam is to be on lands of the United States which, at least since 1909, have been withdrawn from entry under the public land laws and reserved for power purposes.[6] The project calls for no permanent diversion of water as the entire flow of the river will run through or over the dam into the natural bed of the stream. This dam will make available the head and volume of water required for the project and the water impounded by it will create a narrow reservoir, submerging lands the title to which is or will be in the United States. Variations and interruptions in the flow of the stream, caused by temporary storage or use of water for power purposes, are to be controlled by a reregulating dam approved by the Commission and located on private property, to be acquired, about 3 miles below the power dam. No objection is made to the reregulating dam. To the extent that access to existing spawning grounds for anadromous fish is cut off by the power dam, other facilities on private property, to be acquired, are to be constructed and maintained on terms approved by the Commission and designed to develop an equal or greater fish population. Opportunities for recreational uses of the area are to be enhanced and no issue as to water pollution is before us.

The State of Oregon, the Fish Commission of Oregon, the Oregon State Game Commission and the Oregon division of the Izaak Walton League intervened before the Commission and each filed objections to the granting of the license. Some of their objections related to the authority of the Commission to grant the license and others to the suitability of the proposed fish conservation facilities.

Following extended hearings, the Commission's presiding examiner recommended the license. After exceptions to that recommendation the Commission issued its opinion and an order granting the license (10 F. P. C. 445, 450, 92 P. U. R. (N. S.) 247). The Commission found that a public need exists for the early completion of the project to meet a severe power shortage in the Pacific Northwest. It found also that the project is in the public interest, will provide for comprehensive development of the affected stretch of the Deschutes River, and will be consistent with further comprehensive development of that stream and of the Columbia Basin. It held that the improvements will contribute valuable public benefits which will not be available if the river is maintained in its present natural condition.[7] The Commission stated that the project will be subject to all existing rights to the use of the waters of the river, whether perfected or not. It prescribed temporary measures to be taken to meet the needs of the anadromous fish during the construction of the project and approved certain permanent facilities, practices and expenditures in relation to such fish. The opinion stated "that no substantial evidence has been brought forward to show that the facilities proposed for conserving the fish will not maintain existing runs. Moreover, there are indications that the runs can be increased" (10 F. P. C. at 450, 92 P. U. R. (N. S.) at 252).

A rehearing being denied, the State and its agencies sought a review by the Court of Appeals for the Ninth Circuit and the Portland General Electric Co. intervened. That court, with one judge dissenting, set aside the Commission's order (211 F. 2d 347). It recognized the necessity of a license from the Federal Power Commission but held that Congress, by its public lands legislation, long ago had transferred to the State of Oregon such control over the use of nonnavigable waters that the sponsor of the Pelton Project must secure also the permission prescribed by the State. We granted certiorari because of the public significance of the issues but denied leave to the Portland General Electric Co. to intervene here (348 U. S. 868; 28 U. S. C., sec. 1254 (1); 49 Stat. 860–861, 16 U. S. C. sec. 825*l* (b)). Several States filed briefs an amici curiae, usually adopting as their own the brief filed by respondents.

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[1] 41 Stat. 1063, as amended, 49 Stat. 838, 16 U. S. C. secs. 791a–825r.

[2] Fish ascending rivers from the sea for breeding purposes. In this instance, especially salmon and steelhead trout. For an outline of the general problem presented, see Schwartz, Federalism and Anadromous Fish, 23 Geo. Wash. L. Rev. 535.

[3] In 1924, the Columbia Valley Power Co., Inc., had applied to the Federal Power Commission for a license to develop Pelton Project No. 57 at substantially the same site. That license was issued but, due to the licensee's failure to proceed with construction as required by the Commission, it was canceled in 1936.

[4] The Deschutes River is entirely within the State of Oregon. It drains the eastern slope of the Cascade Range and flows northward, across the lands of the United States here involved, to the Columbia River, which it meets about 15 miles above The Dalles. The Commission has made no findings as to its navigability or as to the relation between its flow and the navigability of other streams. Throughout its lower 130 miles, which include the project site, it flows in a narrow canyon with an average fall of 17.6 feet per mile and, apparently, it is generally recognized as incapable of sustaining navigation. Accordingly, throughout this litigation, the river has been treated by all concerned as not constituting navigable waters of the United States as defined in sec. 3 (8) of the Federal Power Act, 49 Stat. 838, 16 U. S. C., sec. 796 (8). We do not pass either upon that question or upon the relationship to interstate commerce of the proposed use of the waters of the river.

[5] The Warm Springs Indian Reservation was established by the treaty of June 25, 1855, with the Indians in middle Oregon. Ratified by the Senate March 8, 1859, and proclaimed by the President April 18, 1859, it secured to the Indians "the exclusive right of taking fish in the streams running through and bordering said reservation * * *." 12 Stat. 963, 964. Oregon has recognized that it is bound by this treaty. *Anthony* v. *Veatch* (189 Ore. 462, 483–485, 220 P. 2d 493, 502–503). See also, *United States* v. *Winans* (198 U. S. 371).

Indian Power Site Reserve No. 2 was created November 1, 1910, and Indian Power Site Reserve No. 294 was created October 8, 1913, both by the Secretary of the Interior under an act of June 25, 1910, 36 Stat. 855, 858.

[6] Power Site Reserve No. 66 was created December 30, 1909, by the Secretary of the Interior and made permanent by an Executive order of July 2, 1910, under an act of June 25, 1910, 36 Stat. 847. In addition, a reservation occurred in connection with the application made to the Federal Power Commission, in 1924, for a license for Pelton Project No. 57. Comparable withdrawals were made in 1949 and 1951 in connection with the present application. See sec. 24 of the Federal Power Act, 41 Stat. 1075–1076, and amendments, 16, U. S. C., sec. 818.

[7] "(44) Under present circumstances and conditions, and upon the terms and conditions hereinafter provided in the license, the project is best adapted to a comprehensive plan for the improvement and utilization of waterpower development, for the conservation and preservation of the fish and wildlife resources, and for other beneficial public uses including recreational purposes.

"(45) The Portland General Electric Co. is a corporation organized under the laws of the State of Oregon and has submitted satisfactory evidence of compliance with the requirements of all applicable State laws insofar as necessary to effect the purposes of a license for the project." 10 F. P. C., at 456. Also see secs. 9 (b) and 10 (a) of the Federal Power Act, 41 Stat. 1068, 16 U. S. C. sec. 802 (b), and 49 Stat. 842, 16 U. S. C. sec. 803 (a).

We divide our considerations of the issues into three parts.

I. Applicability of the Federal Power Act

On its face, the Federal Power Act applies to this license as specifically as it did to the license in the First Iowa case. There the jurisdiction of the Commission turned almost entirely upon the navigable of the waters of the United States to which the license applied. Here the jurisdiction turns upon the ownership or control by the United States of the reserved lands on which the licensed project is to be located.[8] The authority to issue licenses in relation to navigable waters of the United States springs from the Commerce Clause of the Constitution. The authority to do so in relation to public lands and reservations of the United States springs from the Property Clause—"The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States" (art. IV, sec. 3).[9]

In the instant case the project is to occupy lands which come within the term "reservations," as distinguished from "public lands." In the Federal Power Act, each has its established meaning. "Public lands" are lands subject to private appropriation and disposal under public land laws. Reservations are not so subject.[10] The title to the lands upon which the eastern terminus of the dam is to rest has been in the United States since the cession by Great Britain of the area now comprising the State of Oregon. Even if formerly they may have been open to private appropriation as public lands, they were withdrawn from such availability before any vested interests conflicting with the Pelton project were acquired.[11] Title to the bed of the Deschutes River is also in the United States.[12] Since the Indian Treaty of 1855, the lands within the Indian reservation, upon which the western end of the dam will rest, have been reserved for the use of the Indians. More recently they were reserved for power purposes,[13] and the Indians have given their consent to the project before us. Accordingly, there is no issue here as to whether or not the title to the tribal lands is in the United States.[14]

There thus remains no question as to the constitutional and statutory authority of the Federal Power Commission to grant a valid license for a power project on reserved lands of the United States, provided that, as required by the act, the use of the water does not conflict with vested rights of others.[15] To allow Oregon to veto such use, by requiring the State's additional permission, would result in the very duplication of regulatory control precluded by the First Iowa decision (328 U. S. 152, 177–179). No such duplication of authority is called for by the act.[16] The Court of Appeals in the instant case agrees (211 F. 2d, at 351). And see *Washington Department of Game* v. *Federal Power Commission* (207 F. 2d 391, 395–396). Authorization of this project, therefore, is within the exclusive jurisdiction of the Federal Power Commission, unless that jurisdiction is modified by other Federal legislation. See *United States* v. *Rio Grande Irrigation Co.* (174 U. S. 690, 703); *Gutierres* v. *Albuquerque Land Co.* (188 U. S. 545, 554).

II. Inapplicability of the Desert Land Act of 1877 and related acts

The State of Oregon argues that the acts of July 26, 1866,[17] July 9, 1870,[18] and the

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[8] "SEC. 4. The Commission is hereby authorized and empowered—

* * * * *

"(e) To issue licenses * * * to any corporation organized under the laws of the United States or any State thereof * * * for the purpose of constructing, operating, and maintaining dams, water conduits, reservoirs, powerhouses, transmission lines, or other project works necessary or convenient for the development and improvement of navigation and for the development, transmission, and utilization of power across, along, from, or in any of the streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, or upon any part of the public lands and reservations of the United States * * *: *Provided*, That licenses shall be issued within any reservation only after a finding by the Commission that the license will not interfere or be inconsistent with the purpose for which such reservation was created or acquired, and shall be subject to and contain such conditions as the Secretary of the department under whose supervision such reservation falls shall deem necessary for the adequate protection and utilization of such reservations."

* * * * *

"SEC. 23. * * *

"(b) It shall be unlawful for any person, State, or municipality, for the purpose of developing electric power, to construct, operate, or maintain any dam, water conduit, reservoir, powerhouse, or other works incidental thereto across, along, or in any of the navigable waters of the United States, or upon any part of the public lands or reservations of the United States (including the Territories), or utilize the surplus water or waterpower from any Government dam, except under and in accordance with the terms of a permit or valid existing right-of-way granted prior to June 10, 1920, or a license granted pursuant to this act. Any person, association, corporation, State, or municipality intending to construct a dam or other project works across, along, over, or in any stream or part thereof, other than those defined herein as navigable waters, and over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States shall before such construction file declaration of such intention with the Commission, whereupon the Commission shall cause immediate investigation of such proposed construction to be made, and if upon investigation it shall find that the interests of interstate or foreign commerce would be affected by such proposed construction, such person, association, corporation, State, or municipality shall not construct, maintain, or operate such dam or other project works until it shall have applied for and shall have received a license under the provisions of this act. If the Commission shall not so find, and if no public lands or reservations are affected, permission is hereby granted to construct such dam or other project works in such stream upon compliance with State laws." 49 Stat. 839, 840, 846, 16 U. S. C., secs. 797 (e), 817.

[9] In what is somewhat of a companion case to the one before us, the Court of Appeals for the Ninth Circuit has recognized that, despite contentions as to State control of the use of water and the conservancy of fish within the Columbia River Basin, the Federal Power Commission has the authority to make effective a license and to provide facilities for anadromous fish much as is here proposed, when the waters involved are navigable waters of the United States. *Washington Department of Game* v. *Federal Power Commission* (207 F. 2d 391). We denied certiorari April 5, 1954. 347 U. S. 936.

[10] "SEC. 3. The words defined in this section shall have the following meanings for purposes of this act, to wit:

"(1) 'Public lands' means such lands and interest in lands owned by the United States as are subject to private appropriation and disposal under public-land laws. It shall not include 'reservations', as hereinafter defined;

"(2) 'Reservations' means national forests, tribal lands embraced within Indian reservations, military reservations, and other lands and interests in lands owned by the United States, and withdrawn, reserved, or withheld from private appropriation and disposal under the public-land laws; also, lands and interests in lands acquired and held for any public purposes; but shall not include national monuments or national parks" (49 Stat. 838, 16 U. S. C., sec. 796 (1) and (2)).

[11] See note 6, supra.

[12] See *United States* v. *Utah* (283 U. S. 64, 75).

[13] See note 5, supra.

[14] See *Hynes* v. *Grimes Packing Co.* (337 U. S. 86, 103–104); *Minnesota* v. *United States* (305 U. S. 382, 386).

[15] "SEC. 27. That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein (41 Stat. 1077, 16 U. S. C., sec. 821).

[16] "To require the petitioner to secure the actual grant to it of a State permit * * * as a condition precedent to securing a Federal license for the same project under the Federal Power Act would vest in the executive council of Iowa a veto power over the Federal project. Such a veto power easily could destroy the effectiveness of the Federal act. It would subordinate to the control of the State the 'comprehensive' planning which the act provides shall depend upon the judgment of the Federal Power Commission or other representatives of the Federal Government.

* * * * *

"In the Federal Power Act there is a separation of those subjects which remain under the jurisdiction of the States from those subjects which the Constitution delegates to the United States and over which Congress vests the Federal Power Commission with authority to act. To the extent of this separation, the act establishes a dual system of control. The duality of control consists merely of the division of the common enterprise between two cooperating agencies of Government, each with final authority in its own jurisdiction. The duality does not require two agencies to share in the final decision of the same issue. Where the Federal Government supersedes the State government there is no suggestion that the two agencies both shall have final authority.

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"The act leaves to the States their traditional jurisdiction subject to the admittedly superior right of the Federal Government, through Congress, to regulate interstate and foreign commerce, administer the public lands and reservations of the United States, in certain cases, exercise authority under the treaties of the United States." *First Iowa Coop.* v. *Federal Power Commission* (328 U. S. 152, 164, 167–168, 171).

[17] "SEC. 9. *And be it further enacted*, That whenever, by priority of possession, rights to the use of water for mining, agricultural, manufacturing, or other purposes, have vested and accrued, and the same are recognized and acknowledged by the local customs, laws, and the decisions of courts, the possessors and owners of such vested rights shall be maintained and protected in the same; and the right of way for the construction of ditches and canals for the purposes aforesaid is hereby acknowledged and confirmed: *Provided, however*, That whenever, after the passage of this act, any person or persons shall, in the construction of any ditch or canal, injure or damage the possession of any settler on the public domain, the party committing such injury or damage shall be liable to the party injured for such injury or damage." (14 Stat. 253, see 43 U. S. C., sec. 661.)

[18] "SEC. 17. * * * all patents granted, or preemption or homesteads allowed, shall be subject to any vested and accrued water rights, or rights to ditches and reservoirs used in connection with such water rights,

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Desert Land Act of 1877[19] constitute an express congressional delegation or conveyance to the State of the power to regulate the use of these waters. The argument is that these acts preclude or restrict the scope of the jurisdiction, otherwise apparent on the face of the Federal Power Act, and require the consent of the State to a project such as the one before us.

The nature and effect of these acts have been discussed previously by this Court. The purpose of the acts of 1866 and 1870 was governmental recognition and sanction of possessory rights on public lands asserted under local laws and customs. *Jennison* v. *Kirk* (98 U. S. 453). The Desert Land Act severed, for purposes of private acquisition, soil and water rights on public lands, and provided that such water rights were to be acquired in the manner provided by the law of the State of location. *California Oregon Power Co.* v. *Beaver Portland Cement Co.* (295 U. S. 142). See also *Nebraska* v. *Wyoming* (325 U. S. 589, 611–616).

It is not necessary for us, in the instant case, to pass upon the question whether this legislation constitutes the express delegation or conveyance of power that is claimed by the State because these acts are not applicable to the reserved lands and waters here involved. The Desert Land Act covers "sources of water supply upon the public lands." The lands before us in this case are not "public lands" but "reservations." Even without that express restriction of the Desert Land Act to sources of water supply on public lands, these acts would not apply to reserved lands. "It is a familiar principle of public-land law that statutes providing generally for disposal of the public domain are inapplicable to lands which are not unqualifiedly subject to sale and disposition because they have been appropriated to some other purpose." *United States* v. *O'Donnell* (303 U. S. 501, 510). *See also United States* v. *Minnesota* (270 U. S. 181, 206). The instant lands certainly "are not unqualifiedly subject to sale and disposition." Accordingly it is enough, for the instant case, to recognize that these acts do not apply to this license, which relates only to the use of waters on reservations of the United States.

III. Application of the Federal Power Act to this project

Finally, respondents question the discretion used by the Commission in granting the license. They point to the consequences which the project will have beyond the limits of the reserved lands on which it will be located.

The first consequence is the inevitable variation in, or the temporary interruption of, the flow of the stream. The Commission is satisfied that it has overcome this objection by its provision for a reregulating dam. It has approved the technical features involved and the site for that dam will be acquired in accordance with the property laws of Oregon.[20] In this reregulation of the flow of the stream, the Commission acts on behalf of the people of Oregon, as well as all others, in seeing to it that the interests of all concerned are adequately protected.

There remains the effect of the project upon anadromous fish which use these waters as spawning grounds. All agree that the 205-foot dam will cut off access of some fish to their natural spawning grounds above the dam and that such interruption cannot be overcome by fish ladders.[21] However, the State does not flatly prohibit the construction of dams that cut off anadromous fish from their spawning or breeding grounds.[22] One alternative, thus recognized, is the supplying of new breeding pools to which the fish can be removed at appropriate times.[23] The Fish Commission of Oregon has denied a permit to the Portland General Electric Co. to carry out its present proposal but there appears to be no disagreement as to the underlying principle involved.[24]

The applicant has agreed to provide facilities for conserving the runs of anadromous fish in accordance with plans approved by the Federal Power Commission. The capital cost of these facilities and of the reregulating dam, to be borne by the applicant, is estimated at $4,430,000. The total annual cost due to these facilities is estimated at $795,000. The Commission has found each of these estimates to be reasonable. Of the $795,000 annual cost, the applicant will bear

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as may have been acquired under or recognized by the ninth section of the act [14 Stat. 253, supra] of which this act is amendatory. * * *" (16 Stat. 218, see 43 U. S. C., sec. 661.)

[19] "It shall be lawful for any citizen of the United States, or any person of requisite age 'who may be entitled to become a citizen, and who has filed his declaration to become such' and upon payment of 25 cents per acre—to file a declaration under oath with the register and the receiver of the land district in which any desert land is situated, that he intends to reclaim a tract of desert land not exceeding 1 section, by conducting water upon the same, within the period of 3 years thereafter: *Provided, however,* That the right to the use of water by the person so conducting the same, on or to any tract of desert land of 640 acres, shall depend upon bona fide prior appropriation: and such right shall not exceed the amount of water actually appropriated, and necessarily used for the purpose of irrigation and reclamation; and all surplus water over and above such actual appropriation and use, together with the water of all lakes, rivers, and other sources of water supply upon the public lands and not navigable, shall remain and be held free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes subject to existing rights. Said declaration shall describe particularly said section of land if surveyed, and, if unsurveyed, shall describe the same as nearly as possible without a survey. At any time within the period of 3 years after filing said declaration, upon making satisfactory proof to the register and receiver of the reclamation of said tract of land in the manner aforesaid, and upon the payment to the receiver of the additional sum of $1 per acre for a tract of land not exceeding 640 acres to any one person, a patent for the same shall be issued to him: *Provided,* That no person shall be permitted to enter more than 1 tract of land and not to exceed 640 acres which shall be in compact form." (19 Stat. 377, 43 U. S. C., sec. 321.)

[20] While the final approval of the engineering requirements of this feature rests with the commission, there is no reason why the commission and the State of Oregon, which also desires appropriate reregulation of the flow of the stream, should not seek a mutually satisfactory solution. In fact, the applicant for the Federal license did submit its proposals for reregulation to the State authorities.

[21] The Oregon Fish Commission made a rough estimate of the annual runs of spring chinook and salmon passing the Pelton site, en route upstream, at 2,500 and of summer steelhead trout at 5,000. On the basis of this escapement past the project, the fish commission estimated the annual value of the Deschutes salmon and steelhead fishery attributable to the river above the Peton site to be $177,375 (10 F. P. C., at 449, 92 P. U. R. (N. S.), at 252).

[22] "In the event that any person desires to construct a dam in any of the streams of this State to a height that will make a fish ladder or fishway thereover impracticable, in the opinion of the [fish] commission, then such person may make an application to the commission for a permit to construct such dam, and the Commission is hereby authorized to grant such permit in its discretion, upon the condition that the person so applying for such permit shall convey to the State of Oregon a site of the size and dimensions satisfactory to the commission, at such place as may be selected by the commission, and erect thereon a hatchery and hatchery residence, according to plans and specifications to be furnished by the commission, and enter into an agreement with the commission, secured by a good and sufficient bond, to furnish all water and light, without expense, to operate said proposed hatchery; and no permit for the construction of any such dam shall be given by the commission until the person applying for such permit shall have actually conveyed said land to the State and erected said hatchery residence in accordance with the said plans and specifications" (Oreg. Comp. Laws, 1940, secs. 83–316).

[23] The Federal Power Commission here found that:

"(29) There is nothing novel, unusual, or out of the ordinary with respect to the fishery conservation facilities proposed by applicant.

"(30) The applicant proposes to operate or arrange for the operation of the fish conservation facilities in accordance with approved methods.

"(31) Construction, or operation and maintenance of the Pelton project will not be detrimental to the fishery resources below the reregulating dam.

"(32) There is no substantial evidence in the record to show that the fishery facilities proposed by the applicant in accordance with the plans prepared by the Fish Commission of Oregon will not maintain existing runs, and there is a possibility that the run can be increased" (10 F. P. C., at 455).

[24] In addition to its application to the Federal Power Commission, the Portland General Electric Co. also sought approval of the Pelton project by the Oregon Hydroelectric Commission. While we hold that such approval is not necessary, there is no reason why the company should not thus seek State as well as Federal approval of the project. In its application for the Federal Power Commission license, the company referred to these simultaneous State proceedings, which did not reach a conclusion until shortly before the granting af the Federal license. The license from the hydroelectric commission was denied because of the applicant's failure to secure the permit from the Fish Commission of Oregon which it had sought.

The pertinent Oregon provisions are as follows:

"From and after the taking effect of this act, no water-power project involving the use of the waters of any of the lakes, rivers, streams, or other bodies of water within the State of Oregon, including waters over which this State has concurrent jurisdiction, for the generation of electricity, shall be begun or constructed except in conformity with the provisions hereof.

* * * * *

"The [Oregon Hydroelectric] commission shall have power:

* * * * *

"(b) To issue licenses, as hereinafter provided, to citizens of the United States, associations of citizens, private corporations organized under the laws of the United States or any State thereof, to appropriate, initiate, perfect, acquire and hold the right to the use of the waters within the State, including the waters over which the State has concurrent jurisdiction, and to construct, operate, and maintain dams, reservoirs, powerhouses, conduits, transmission lines, and all other works and structures necessary or convenient for the use of such waters in the generation and utilization of electricity" (Oreg. Corp. Laws, 1940, secs. 119–103, 119–106).

See also, "The provisions of this act shall not apply to any waterpower project or development constructed by the Government of the United States" (Id., sec. 119–101).

$410,000 (cost of borrowed money, depreciation and taxes on the capital investment), and the $10,000 maintenance cost of the reregulating dam. In addition, it has offered to contribute $100,000 annually toward the estimated $375,000 cost of operation and maintenance of the fish conservation facilities, and the Commission has retained the power to fix the amount of the applicant's contribution if a sum is not agreed upon.

The care given to the preparation of this conservation program and the large investment to be made in it are impressive. It also is of interest that the Fish Commission of Oregon already is operating somewhat comparable but smaller facilities of this kind on the Metolius River.

One argument against the project goes beyond the need to conserve the existing fish population. It is argued that the project will preclude the carrying out of certain plans for the Columbia River Basin which contemplate greatly enlarging the fish population in the Deschutes River area, by concentrating there other runs of fish not now using that river. While such an argument may properly be directed to the Federal Power Commission or to Congress, it is not one for us to answer upon the basis of existing legal rights.

We conclude, therefore, that, on the facts here presented, the Federal Power Act is applicable in accordance with its terms, and that the Federal Power Commission has acted within its powers and its discretion in granting the license now before us.

The judgment of the court of appeals, accordingly, is reversed.

(Mr. Justice Harlan took no part in the consideration or decision of this case.)

(Mr. Justice Douglas, dissenting:)

I would not suppose the United States could erect a dam on this nonnavigable river without obtaining its water rights in accordance with State law. If I am right in that assumption, then this dam cannot be built without satisfying Oregon's water-rights law. For the Federal licensee who will build this dam acquires all its rights from the United States. And the United States cannot give what it does not have.[1]

The argument pressed on us by the United States is akin to the one urged in *Nebraska* v. *Wyoming* (325 U. S. 589, 611 et seq). In that case the United States struggled to be rid of the rule of law that made its water rights on nonnavigable streams of the West dependent on State law. It claimed that it owned all the unappropriated water in the basin of the North Platte River. The argument was made not only under the Reclamation Act of 1902 (32 Stat. 388) but also under the Desert Land Act of 1877 (19 Stat. 377), the act involved here. We reserved decision as to whether under some circumstances the United States might be the owner of unappropriated water rights. But we held that under those acts the United States took its water rights like other landowners, viz, pursuant to State law governing appropriation.

Unless we are to depart from that ruling, we must accept Oregon's claim here.

Oregon's position has for its support two other decisions of this Court, both construing the Desert Land Act. The first of these is *California Oregon Power Co.* v. *Cement Co.* (295 U. S. 142), which construed the provision of the Desert Land Act, crucial here, which reads:

"All surplus water over and above such actual appropriation and use, together with the water of all lakes, rivers, and other sources of water supply upon the public lands and not navigable, shall remain and be held free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes subject to existing rights."

The Court interpreted that provision as follows:

"The fair construction of the provision now under review is that Congress intended to establish the rule that for the future the land should be patented separately; and that all nonnavigable waters thereon should be reserved for the use of the public under the laws of the States and Territories named" (295 U. S. 142, 162).

That case, to be sure, involved a contest between private owners. But the principle announced was shortly applied to the United States as a property owner on a nonnavigable stream.[2] In *Ickes* v. *Fox* (300 U. S. 82), the Court held that by the Desert Land Act "if not before, Congress had severed the land and waters constituting the public domain and established the rule that for the future the land should be patented separately. Acquisition of the Government title to a parcel of land was not to carry with it a water right; but all nonnavigable waters were reserved for the use of the public under the laws of the various arid-land States." (Id. 95.)

Those cases should control here. The Desert Land Act applies to public lands; and the Federal Power Act (41 Stat. 1063), as amended (16 U. S. C., sec. 791a et seq.), grants the Commission authority to issue licenses for power development "upon any part of the public lands and reservations of the United States" (sec. 4(e)). The definition of those terms in the act says nothing about water rights.[3] And, as I have pointed out, it has been the long-term policy of Congress to separate western land from water rights.

The final resort of the Commission is to the act of June 25, 1910 (36 Stat. 847), providing:

"That the President may, at any time in his discretion, temporarily withdraw from settlement, location, sale, or entry, any of the public lands of the United States including the district of Alaska and reserve the same for water-power sites, irrigation, classification of lands, or other public purposes to be specified in the orders of withdrawals, and such withdrawals or reservations shall remain in force until revoked by him or by an act of Congress."

It was under this act that some of the lands here involved were reserved for a power site. But the act of June 25, 1910, by its very terms, did no more than withdraw these public lands "from settlement, location, sale, or entry." The act did not purport to touch or change in any way the provision of the Desert Land Act that pertains to water rights. If the words of the 1910 act are to control, water rights remained undisturbed. The lands remained public lands, save only that settlers could not locate on them. I assume that the United States could have recalled its grant of jurisdiction over water rights, saving, of course, all vested rights. But the United States has not expressly done so; and we should not construe any law as achieving that result unless the purport of Congress is clear.

The reason is that the rule adopted by the Court profoundly affects the economy of many States, 10 of whom are here in protest. In the West, the United States owns a vast amount of land, in some States, over 50 percent of all the land. If by mere Executive action the Federal lands may be reserved and all the water rights appurtenant to them returned to the United States, vast dislocations in the economies of the Western States may follow. For the right of withdrawal of public lands granted by the 1910 act is not only for water-power sites but for a host of public projects—"irrigation, classifications of land, or other public purposes." Federal officials have long sought that authority. It has been consistently denied them. We should deny it again. Certainly the United States could not appropriate the water rights in defiance of Oregon law, if it built the dam. It should have no greater authority when it makes a grant to a private power group.

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[1] The Deschutes River is nonnavigable and part of the Columbia River Basin. It is, indeed, a direct tributary of the Columbia. Control of this tributary might be important to an effective flood-control program for the Columbia. If so, this dam could find constitutional sanction under the Commerce Clause. See *Oklahoma* v. *Atkinson Co.* (313 U. S. 508, 525). That constitutional power over the Deschutes would not be lost through nonuse or through intervening legislation. In case the constitutinal power were exercised, private rights would give way. Oregon could demand compensation for the loss of any water-power rights it possessed. See *Federal Power Commission* v. *Niagara Mohawk Power Corp.* (347 U. S. 239, 254–255). But Oregon could not assert its regulatory powers to defeat the Federal program, for the Supremacy Clause would prevent her. No effort has been made to bring this case under the Commerce Clause. The findings are inadequate for that purpose. The case turns on the authority of the United States as a proprietor.

[2] If this were a navigable stream, the authority of the United States in the water-power would be complete without reference to State law. *United States* v. *Chandler-Dunbar Co.* (229 U. S. 53); *United States* v. *Chicago M., St. P. & P. R. Co.*, (312 U. S. 592); *United States* v. *Commodore Park* (324 U. S. 386). In that case, the act authorizes the Commission to proceed, irrespective of the approval of the State where the dam is located. *First Iowa Coop.* v. *Power Commission* (328 U. S. 152). But the present project, dealing as it does with nonnavigable waters, is dependent on the State law of water rights for its execution. In the First Iowa Coop. case, we recognized the room left for that degree of control by the States in this situation: "In the Federal Power Act there is a separation of those subjects which remain under the jurisdiction of the States from those subjects which the Constitution delegates to the United States and over which Congress vests the Federal Power Commission with authority to act. To the extent of this separation, the act establishes a dual system of control. The duality of control consists merely of the division of the common enterprise between two cooperating agencies of Government, each with final authority in its own jurisdiction. The duality does not require two agencies to share in the final decision of the same issue." (Id., 167–168.)

The Fox case involved water rights of farmers under a Federal irrigation project, the claim being that the United States, owner of the irrigation system, owned the water rights. The Court rejected that claim and looked to State law to determine who had the water rights; and finding that the farmers owned them, the Court held that the United States was not an indispensable party in litigation concerning them.

[3] Those terms are defined as follows in sec. 3: "(1) 'public lands' mean such lands and interest in lands owned by the United States as are subject to private appropriation and disposal under public land laws. It shall not include 'reservations,' as hereinafter defined; (2) 'reservations' means national forests, tribal lands embraced within Indian reservations, military reservations, and other lands and interests in lands owned by the United States, and withdrawn, reserved, or withheld from private appropriation and disposal under the public land laws; also lands and interests in lands acquired and held for any public purposes; but shall not include national monuments or national parks."

UNIVERSITY OF MICHIGAN LI

RETIREMENT OF DR. FREDERICK BROWN HARRIS AS PASTOR OF FOUNDRY METHODIST CHURCH, WASHINGTON, D. C.

Mr. NEUBERGER. Mr. President, in the short time I have been a Member of the Senate, I have come to have a high regard for the prayers and invocations of our illustrious chaplain, the Reverend Dr. Frederick Brown Harris. I look forward always either to hearing or reading his messages, which combine spiritual inspiration with everyday common sense.

On June 5, 1955, Dr. Harris retired after 30 years as pastor of the Foundry Methodist Church of Washington, D. C. Happily, he will continue as chaplain of the Senate. Speaking for Mrs. Neuberger and myself, I wish Dr. Harris all success, good fortune, and achievement in his retirement.

On this occasion, I believe it is appropriate that there be included in the RECORD—and I make the request—a most pertinent sermon by Dr. Harris, entitled "At the Summit," which appeared on the editorial pages of the Washington Sunday Star of June 5. Dr. Harris warns in that message of the sinister nature and tendencies of the nation which is the enemy of the United States and of mankind. He also emphasizes the high responsibilities of those who will speak for the free countries in the meeting "at the summit."

I also ask unanimous consent that there be printed in the RECORD a dispatch from the Washington Post and Times Herald of June 6, describing the ceremonies which marked the retirement of the Reverend Dr. Frederick Brown Harris as pastor of the Foundry Methodist Church, of Washington, D. C.

There being no objection, the sermon and news article were ordered to be printed in the RECORD, as follows:

[From the Washington Star of June 5, 1955]

SPIRES OF THE SPIRIT

(By Frederick Brown Harris, minister, Foundry Methodist Church, Chaplain of the U. S. Senate)

AT THE SUMMIT

As America prepares to take her place in a council at the summit there are some things for the representatives of our Nation to keep diligently and vigilantly in mind. As we meet to talk it must not be forgotten that we do not speak the same language as one who will sit at the table. The Russo-Red Chinese dialect is a dictator's jargon, with truth standing on its head. What they call the people's republic reads in our book "national concentration camp." What they label liberation we call enslavement. What they advertise as elections we call coercions. What they call peace we call surrender. They use an inverted dictionary, and their speech betrayeth them.

It will be well for our delegates, before they burn any bridges behind them and before they are in danger of being asphyxiated by the atmosphere of supposed sweetness and light, to study thoroughly the record of communism's broken promises at every conference ever held. It must be remembered that always they listen obediently to another master's voice and practice literally Lenin's instruction: "It is necessary to use any ruse, cunning, unlawful methods, even concealment of the truth." An utter lack of honor always has characterized the horror they have brought to the earth. If the leopard seems suddenly to have lost its spots, it will be the part of wisdom for the free world to hold a magnifying glass of close inspection to be sure it is not just a clumsy paint job.

Then the dulcet notes of the new peace anthem may be found to be plagiarized from a nursery rhyme which runs like this: "'Come into my parlor,' said the spider to the fly." The moral to that is that when the fly, intoxicated by the idea of benevolent neutrality, climbed up the silken net to the summit he lost his wings and his life.

It is time to tell these bullies frankly that we are now fed up, bored, with their primitive juvenile tactics and their nonsensical charges. As we go to the summit we thank our God, whom the Communists deny, that we have nothing to hide in our policies in any part of this world teetering on the abyss. We have no frauds to be covered by verbal varnish. What we have been doing and are doing in Europe we propose to do anywhere, wherever men with a passion for freedom are threatened by tyranny.

The wily masters of the Kremlin must not be deceived into believing that Uncle Sam does not keep books. We have these records with their gruesome tales. They will not be left in some vault of forgetfulness at home when we go to the summit to talk about world tensions. That does not mean keeping grudges; it means keeping faith. One black thing on that record as we come to the 10th anniversary of the founding of the United Nations is that Soviet Russia and her allies, even though they sometimes don the mask of respectability, have done their utmost to keep that world organization from fulfilling the rosy dreams of its charter.

Let us bear in mind, as we put our national feet under the summit table, that there will sit the representatives of a regime which has callously murdered millions of its own people in order to preserve or advance a social pattern decreed by moral monsters to whom life is as the chaff which the wind bloweth away.

In that sickening record is the secret part of the treaty between Russia and Red China, signed at Moscow in 1950. Under its terms the Soviets offered gold, military equipment, and a vast quantity of machine goods to build up Red China's industrial economy. In that secret treaty there is this ghastly language: "The population of the Chinese People's Republic, owing to the existing lack of resources, must be diminished by 10 percent." There it is, in stark reality. In order to balance the books of Red China's capacity to support her population the Soviets calmly ordered 40 to 50 million Chinese human beings "diminished," which in our language is murdered.

Another thing on the record that we will not leave at home is our remembrance that 1 of the 4 conferees is the close partner of callous kidnappers who have been holding in captivity, in defiance of all civilized agreements, an innocent group of our American fighter boys, and are only releasing some now as pawns in a crafty game. No wonder, with his eye upon the record, our Secretary of State expressed the hope, in a White House television presentation, that we might find at the summit that, for some reason, the Kremlin agents might change to civilized standards in dealing with others. That was a polite way of saying that the United States hopes that they will not bring the moral slums to the summit.

But why, somebody asks, insist on thus bluntly telling the truth in a religious column? The reply to that is that it is only the truth that makes men free. In the Old Testament is found a most significant statement. Those who go to the summit had better be conscious of its import: "I have made thee a watchman: Therefore, hear the words at My mouth, and give the people warning from Me. If thou givest them not warning, then their blood will I require at thy hand."

And hearken to the New Testament as it says: "Behold I send you forth as sheep in the midst of wolves. Be ye, therefore, wise as serpents and harmless as doves."

Both of those warnings from holy writ constitute good briefing for talks at the summit.

[From the Washington Post and Times Herald of June 6, 1955]

DR. HARRIS PREACHES FAREWELL

(By Harry Gabbett)

Senate Chaplain Frederick Brown Harris closed out his 30-year pastorate at Foundry Methodist Church yesterday with an eloquent "God bless you," for the flock he has shepherded since November 16, 1924.

The benediction was the theme of his valedictory sermon at the 16th and P Streets NW., church and he preached it before an overflow congregation. At the conclusion of the service the parishoners filed by the altar rail individually to bid Dr. Harris Godspeed in his retirement.

He has said he will devote the immediate future to a rest and subsequently to the writing of magazine and newspaper articles inspired by his long experience at Foundry.

Yesterday's service also marked the last time his associate, the Reverend F. Norman Van Brunt, will function at the 16th Street church. He will assume the pastorate of St. Mark's Methodist Church in Baltimore next Sunday.

Dr. Harris will be succeeded at Foundry by the Reverend Dr. Theodore H. Palmquist, of Los Angeles, who will be in the pulpit for the first time next Sunday. Foundry Lay Reader Walter G. Keim also ended a 7-year conduct of that post yesterday.

Dr. Harris will remain as Senate chaplain, a post to which he was first named in 1942.

He and Mrs. Harris and Mrs. Van Brunt will take social leave of Foundry parishioners at 8:30 p. m. Tuesday during a concert and reception in their honor in the gardens of Mr. and Mrs. Raymond W. Bellamy, 2819 Cheverly Avenue, Cheverly, Md.

HIGH HELLS CANYON DAM

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter written to the New York Times of June 5, 1955, by J. T. Marr, president of the National Hells Canyon Dam Association, also the director of the Labor Temple in Portland, Oreg., one of the outstanding labor leaders of the West.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TO DEVELOP HELLS CANYON—GENERAL SUPPORT IS REPORTED FOR PROPOSED FEDERAL PROJECT

To the EDITOR OF THE NEW YORK TIMES:

I wish to comment upon the article on the power controversy in the Pacific Northwest, written by Lawrence E. Davies and appearing in your issue of May 22.

The general impression, that of general local hostility toward the high Hells Canyon Dam, is completely erroneous, and I wish to correct it. Farm, labor, public power, cooperative, and citizen groups throughout the Pacific Northwest, with membership totaling more than 2 million citizens, endorse full and comprehensive development of the Hells Canyon reach of Snake River by means of the high Federal Hells Canyon project.

These groups include all of organized labor in the region; the Oregon and Washington State Granges; the Oregon, Idaho, and Mon-

tana farmers' unions; the rural electrification cooperatives; the public utilities districts of the State of Washington; a number of large farm and supply cooperatives in the region; and the thousands of citizens of every walk of life who have joined the National and the Idaho-Oregon-Washington Hells Canyon Associations.

SMALL OPPOSITION

Spokesmen for these groups presented their testimony, orally or by written statements, in Boise and Lewiston, Idaho, Pasco, Wash., and Portland, Oreg., before the Senate subcommittee. Yet they were virtually ignored by your correspondent. Mr. Davies could have ascertained from the record that organized opposition to Hells Canyon Dam is numerically a very small fraction of the population of the region.

It is my belief, shared by many others, that if given opportunity to register their opinions, most of the citizens of the Pacific Northwest would vote for Federal Hells Canyon Dam, and against the three-dam proposal by the Idaho Power Co.

To treat the Hells Canyon and the general power and river development controversies on the Columbia as though their solution could be found in a certain amount of kilowatts of new power generated anyhow and available at such and such a time is to miss the point completely.

Your article describes Hells Canyon as both perennial and emotional. Certainly, for a number of years we have struggled against great odds to save this great dam site for maximum development. And certainly the underlying issue at Hells Canyon is far greater than the project itself, for it represents the test of scientific use of falling water for the widest possible range of benefits versus incomplete development with restricted and narrow benefits.

The battle of the Snake has become the national symbol of the wider conflict on this very point that rages on river basins throughout the Nation.

FEDERAL EXAMINER QUOTED

The contentions we have made that high Hells Canyon Dam is in every important aspect superior to the private three-dam plan have been vindicated by the conclusions of the Federal Power Commission examiner on May 6. He stated that "* * * the facts seem to point to the inescapable conclusion that with the marked and substantial advantage of the Government credit, the high dam would be dollar for dollar the better investment and the more nearly ideal development of the middle Snake." In finding after finding the examiner agreed with those who have supported this great project for so long.

Energy supply together with getting the most out of the potential multiple-purpose resources of always renewable falling waters, will become of greater importance as time goes on. Our population is pressing upon both energy sources and upon food supply. We cannot afford to waste a single kilowatt of power by unplanned, haphazard semi-development.

Nor can we overlook a single acre of new land which will produce food for the future.

J. T. MARR.

PORTLAND, OREG., *May 27, 1955.*

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a communication I have received from Mr. H. Albert Harrison, of Rosburg, Wash., taking the form of a letter he wrote to the editor of the Oregonian. In parts of this letter he discusses the merits of the Hells Canyon Dam issue.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ROSBURG, WASH., *May 11, 1955.*

The OREGONIAN,
Portland, Oreg.

DEAR MR. EDITOR: As an answer to Mr. Maurice H. Barnes' letter in last Sunday's issue pertaining to Hells Canyon Dam and the inference made that Government agency does not pay taxes, and what a loud cry it is, I shall submit the following factual news item which appeared in the May 4, 1955, issue of the Longview (Wash.) Daily News and which I shall quote. It reads as follows:

"SEATTLE.—Washington's Public Utility District Association reported Tuesday that 23 operating PUD's will make payments of $687,029 in lieu of property taxes this month.

"The payments are based on 1954 gross receipts. The association said the payments are 7 percent above last year and 65 percent higher than in 1950.

"The Chelan County district will make the highest payment, $149,017, because of its ownership of a Rock Island Dam generating plant. Snohomish, with the largest number of customers, will pay $117,963.

"The association said 96 percent of the 'in lieu' taxes go to school districts and to municipalities and counties, with 4 percent going to State.

"The association said the district's overall tax payments on the 1954 operations will total $2,603,006. It includes, utility, business, and occupation, and sales taxes. The largest sales tax payment by a district is $273,223 by the Pend Oreille PUD, on construction of its Box Canyon project."

The above article, which is a matter of authentic record, disproves the so often made claim or charge that the public utilities do not pay taxes.

Below I shall list the cost of electric energy per kilowatt to the Wahkiakum County (Wash.) PUD for residential use during the past 8 months that I have paid:

September	$0.01302+
October	.01312+
November	.01130+
December	.01333+
January	.00988+
February	.01021+
March	.01127+
April	.01154+

To pay the various taxes and still have low rates for electric energy proves the soundness of the public utilities. The PUDs are an integral part of the Government public-utility system. The Bonneville setup is tens of millions of dollars in advance in its payments to the Federal Treasury and that includes interest on the loan or financing.

More power and wisdom to the 30 Senators and Representatives who are fighting in behalf of the common person—men, women, and children—in the bitter Hells Canyon case, and others, against the marauders—the private power companies. It has come over the radio that the so-called Idaho Power Co. stock is 93 percent owned by east coast insurance and financial institutions, and that the main office is in Augusta, Maine. What is the "Idaho" or "local" about it?

Mr. Barne's classification of MORSE, NEUBERGER, GREEN, et al., as "very close to socialistic" can be taken with a grain of salt.

Hoping that the information contained herein will help enlighten Mr. Barnes on the subject of public utilities, because he seems to be totally ignorant of its true and great benefits to the multitude.

Thanks for the space and

Yours sincerely,

H. ALBERT HARRISON.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD a letter telling about a resolution adopted by the recent convention of the Oregon State Council of the United Brotherhood of Carpenters and Joiners of America, signed by Ivor T. Jones, executive secretary.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OREGON STATE COUNCIL,
UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA,
Salem, Oreg., May 31, 1955.

Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: The recent annual convention of Oregon State Council of Carpenters adopted a resolution endorsing the enactment of Senate bill 1333 and House bill 4719, both providing for Federal construction of a dam at the Hells Canyon site on the Snake River.

We take this means to convey to you, on behalf of the officers and members of Oregon State Council of Carpenters, our deep appreciation of the fine effort you have made to further this worthy cause in the true best interests of all of the people, and let us hope that it has not been in vain. Please accept our sincere thanks.

Yours very truly,

OREGON STATE COUNCIL OF CARPENTERS,
IVOR T. JONES,
Executive Secretary.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD a communication from the master of the Benton County Pomona Grange, No. 26, Lauren Tweedt, of Kennewick, Wash., in support of the Hells Canyon Dam.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KENNEWICK, WASH., *May 16, 1955.*

Senator WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR MR. MORSE: In the early part of this year, in the Congress of the United States, the following Senators: MORSE, MAGNUSON, JACKSON, NEUBERGER, CHAVEZ, GORE, HENNINGS, KILGORE, MCNAMARA, YOUNG, ANDERSON, DOUGLAS, HILL, HUMPHREY, JOHNSTON, KEFAUVER, LANGER, LEHMAN, MURRAY, NEELY, SPARKMAN, MANSFIELD, SCOTT, O'MAHONEY, KERR, CLEMENTS, GREEN, SYMINGTON, FULBRIGHT, and MCCLELLAN, and four Representatives: Mrs. GRACE PFOST, Mrs. EDITH GREEN, LEE METCALF, and DON MAGNUSON, introduced bill 1333 authorizing Federal construction of high Hells Canyon, with Senator JAMES E. MURRAY, of Montana, as chairman of the Senate Committee on Interior and Insular Affairs.

"Be it resolved, That Benton County Pomona Grange, No. 26, this 14th day of May praise the above Senators and Representatives for their part in introducing S. 1333 and wish them success in passage of the bill, and for their farsightedness in seeing the necessary needs for high Hells Canyon Dam as the only way to comprehensive development of the Western States by our Federal Government; be it further

"Resolved, That a copy of this resolution be mailed to all Members mentioned above showing that our interests are the same as theirs on comprehensive development."

UNIVERSITY OF MICHIGAN LI...

Adopted by Benton County Pomona Grange, No. 26, meeting in regular session this 14th day of May 1955.

LAUREN TWEEDT,
Master.

INIS TWEEDT,
Secretary.

AMENDMENT OF THE NATURAL GAS ACT

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Portland City Council, submitted to me by Will Gibson, auditor of the city of Portland, in regard to the natural-gas issue, and my reply to the resolution, in which I express my concurrence in the opinion of the city council on this issue.

There being no objection, the resolution and letter were ordered to be printed in the RECORD, as follows:

Resolution

Whereas the State of Oregon, a non-natural gas producing State, is about to receive natural gas from the southwest fields; and

Whereas the city of Portland, as the largest city in the State of Oregon, will be one of the principal users of said natural gas; and

Whereas it is in the public interest and to the advantage of this city and State that the lowest possible rate commensurate with good business practice and reasonable profit to the producer be maintained for the benefit of contemplated users in the city of Portland and State of Oregon; and

Whereas the recent case of *Phillips Petroleum Company* v. *Wisconsin* (347 U. S. 672, 74 S. Ct. 794, 98 L. ed. 1035 (1954)) established the rule that the rates of gas producers shall come within the regulatory jurisdiction of the Federal Power Commission; and

Whereas there is presently before the Congress of the United States, Senate bill 1853 by Senator FULBRIGHT which would amend the Natural Gas Act so as to nullify the decision in the Phillip's case; and

Whereas a hearing is presently being had before the Senate Committee on Interstate and Foreign Commerce: Now, therefore, be it

Resolved by the Council of the City of Portland, in regular session assembled, That in the interest of the potential gas users of the city of Portland the council does by this resolution urge the Congress to reject any and all efforts to nullify the decision of the Supreme Court in the Phillip's case above referred to and particularly that representation be made before the Senate Committee on Interstate and Foreign Commerce of the position taken by the council of the city of Portland; and be it further

Resolved, That the council of the city of Portland on behalf of the prospective users of natural gas strongly opposes any change of method in determining rate base and costs of gas by pipeline companies and that the city of Portland favors the continuance of methods used in past Federal regulation of prices for natural gas as a reasonable, fair and court approved protection to the consumer, actual or potential; and be it further

Resolved, That a copy of this resolution, properly authenticated, be sent to each Member of the Oregon delegation in Congress and that a copy be sent to the Senate Committee on Interstate and Foreign Commerce, Senate Office Building, Washington 25, D. C.; and be it further

Resolved, That certified copies of this resolution be forwarded to Charles S. Rhyne, general counsel, National Institute of Municipal Law Officers, 726 Jackson Place NW., Washington 6, D. C.; and be it further

Resolved, That a copy of this resolution be entered upon the minutes of the council meeting this 18th day of May 1955.

Adopted by the council May 18, 1955.

WILL GIBSON,
Auditor of the City of Portland.

JUNE 3, 1955.

Mr. WILL GIBSON,
Auditor, City of Portland,
Portland, Oreg.

DEAR MR. GIBSON: Thank you for the copy of Resolution 26577, adopted by the council of the city of Portland, May 18, 1955.

I am completely opposed to the proposed legislation for removing the authority of the FPC to control natural gas at the wellhead. Such action would cost the consumers of natural gas of Oregon and the Nation millions of dollars.

I am placing the resolution in the CONGRESSIONAL RECORD and asking for its referral to the Committee on Interstate and Foreign Commerce, which is considering the legislation.

With best wishes.

Sincerely yours,

WAYNE MORSE.

THE SALK POLIO VACCINE

Mr. NEUBERGER. Mr. President, yesterday we saw two different reactions to the thoughtful address on problems of health and medical services which Mr. Adlai Stevenson delivered in New York last week. One was the editorial reaction of the New York Times, the other that of a Republican Senator.

The Times, a great newspaper, which has supported President Eisenhower and his administration, praised Mr. Stevenson's speech. It reminded its readers that, as I told the Senate on May 19:

The Canadian Ministry of Health exercised the very foresight that Mr. Stevenson finds lacking in our Public Health Service.

It also said:

The United States Public Health Service took no steps to meet the situation, whereas Canada's Ministry of Health did. Mr. Stevenson is right in condemning our lack of foresight.

I ask unanimous consent, Mr. President, to have the entire editorial of the New York Times printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. STEVENSON ON POLIO

In the address which he delivered at the dedicatory exercises of the New York University-Bellevue Medical Center Adlai E. Stevenson effectively summarized the case "for making medical services better available to all who need them and without crippling cost to anyone." Since the occasion was one on which Dr. Jonas E. Salk was honored it was natural that Mr. Stevenson should comment on what ex-President Truman has called the "bungling" of the polio vaccine program. On the very day that Mr. Stevenson spoke New Jersey was asked to return its 239,850 doses of Salk vaccine, though there had been reason to assume from the optimistic announcements of the United States Public Health Service that with stricter regulations for the production and biological control of the vaccine we were now ready to proceed.

Mr. Stevenson echoes the opinion of millions who, like him, do not believe that "it required any special clairvoyance to estimate the demand for the vaccine, the supply and the hazards of production and distribution, or to foresee, with the happiness and lives of our children involved, that here was a situation above all others that called for foresight and meticulous planning and preparation." This newspaper has repeatedly called attention to Canada's fine record with Salk vaccine made under the Ministry of Health's control in the Connaught Laboratories of the University of Toronto. The Canadian Ministry of Health exercised the very foresight that Mr. Stevenson finds lacking in our Public Health Service.

There will be an increasing number of poliomyelitis cases in Canada and in the United States as summer waxes. The result will be more uneasiness. Did the vaccine activate latent virus? Would poliomyelitis have manifested itself whether or not vaccination had occurred? Whatever happens, unfair suspicion is bound to be cast on the vaccine despite the favorable Francis report and Dr. Salk's inoculations of many thousand children.

That the vaccine could not be 100 percent effective could have been inferred from experience gained with vaccines administered as preventives of diseases other than poliomyelitis. Yet the United States Public Health Service took no steps to meet the situation, whereas Canada's Ministry of Health did. Mr. Stevenson is right in condemning our lack of foresight.

Mr. NEUBERGER. Mr. President, also yesterday the junior Senator from Arizona [Mr. GOLDWATER] was quoted in the press as denouncing certain Democrats for criticizing the administration's handling of the Salk anti-polio serum.

The Senator from Arizona said:

Safety is far more important to Americans than speed, and for two prominent Democrats to falsely accuse this administration demonstrates their desperation as they callously search for issues.

I was not the other one of the two "prominent" Democrats mentioned by the Senator from Arizona, Mr. President, because, among other reasons, I am not "prominent." However, I want to agree with the Senator from Arizona in one respect. He is right when he points out that "safety is far more important to Americans than speed" where the Salk vaccine for children is concerned. That, Mr. President, is one fundamental reason why the Republican administration stands indicted for the way it has handled the Salk vaccine. Safety is one thing which was neglected—at least until some children were infected by faulty vaccine.

The same issue of the newspapers that carried the address of the Senator from Arizona carried dispatches from Salt Lake City, stating that eminent scientists at the University of Utah had found live polio virus in the Cutter vaccine which has been injected into the systems and blood streams of the children of many Western States. Is this the Senator from Arizona's idea of "safety"? Pray, save us from such "safety" in the future.

I have told previously on the floor of the Senate how the nation to our north, Canada, insisted that all the Salk vaccine used in Canadian children go through two separate tests for safety. That was real safety—the safety ignored and abandoned by the Republican administration here. If the Senator from Arizona is so truly interested in "safety,"

I trust he will tell the Senate in the near future exactly why the Republican administration did not insist upon the same rigid screening and testing of all anti-polio vaccine, that was demanded by the St. Laurent administration in Canada.

But the Senator from Arizona is right—the American people do regard safety as more essential than speed, and the Department of Health, Education, and Welfare has failed in both respects.

I ask unanimous consent that two dispatches from the June 5, 1955, issue of the Washington Sunday Star be printed in the RECORD as a part of my remarks. One quotes the address of the Senator from Arizona on "safety" in the Salk vaccine; the other tells of the finding of live virus in Cutter serum by learned and distinguished scientists of the great State University of Utah.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

GOLDWATER HITS AT DEMOCRATS

MONTICELLO, N. Y., June 4.—Senator GOLDWATER, Republican, of Arizona, said today the Democratic opposition was at such a loss for campaign issues it had turned to the Salk vaccine program, "Mamie's health, Eisenhower's religion, and the little squirrel."

Senator GOLDWATER, addressing a convention of the New York State Young Republican Clubs, did not elaborate on the health, religion, and squirrel themes, but declared:

"It is most unfortunate and regrettable that a former President, and former candidate for President, both Democrats, have attempted to sink the magnificent work of the National Foundation for Infantile Paralysis and Dr. (Jonas) Salk into politics."

Continuing his apparent reference to former President Truman and Adlai Stevenson, the Democratic candidate in 1952, Senator GOLDWATER said:

"The suggestions by both of them that the Republican Party has interfered with this program is made either from sheer ignorance of the facts or with a determined effort to confuse the public in the hope of political gain."

Mr. Stevenson in New York this week said no great clairvoyance would have been needed to have foreseen the demand for the anti-polio vaccine.

Senator GOLDWATER said the Republican administration had nothing to do with the release date of the vaccine discovery.

"Safety in this important serum," he said, "is far more important to Americans than speed, and for two prominent Democrats to falsely accuse this administration demonstrates their desperation as they callously search for issues."

LIVE POLIO VIRUS REPORTED FOUND IN CUTTER VACCINE

SALT LAKE CITY, June 4.—Dr. Louis P. Gebhardt, professor of bacteriology and director of the polio research laboratory at the University of Utah, said today live polio virus has been found in samples of Cutter vaccine received from the Idaho State health department.

He said the virus found was type 1. He said isolation of the virus supports the contention of Idaho health officials that vaccine contributed to the current polio outbreak in Idaho, where 75 cases have been reported this year, compared with 15 in the same period of 1954.

Vaccine from Cutter Laboratories of Berkeley, Calif., was used in Idaho's mass immunization program, which was halted April 27.

Dr. Robert K. Cutter, head of the Cutter Laboratories, declined to make any immediate comment on the Gebhardt report.

The Public Health Service in Washington said it had received no official word on Dr. Gebhardt's report.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I now move that the Senate stand adjourned until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 6 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Tuesday, June 7, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 6 (legislative day of May 2), 1955:

IN THE AIR FORCE

The officers named herein for appointment as Reserve commissioned officers in the United States Air Force under the provisions of the Armed Forces Reserve Act of 1952:

To be major generals

Brig. Gen. John Mirza Bennett, Jr., AO403621, Air Force Reserve.

Brig. Gen. Robert Emmet Condon, AO228877, Air Force Reserve.

Brig. Gen. Lawrence George Fritz, AO191234, Air Force Reserve.

Brig. Gen. Pierpont Morgan Hamilton, AO900788, Air Force Reserve.

Brig. Gen. Henry Christopher Kristofferson, AO252676, Air Force Reserve.

To be brigadier generals

*Col. Jay Glenn Brown, AO289764, Air Force Reserve.

*Col. Jerry Winslow Davidson, AO394423, Air Force Reserve.

*Col. Mark Hampton Galusha, AO241376, Air Force Reserve.

*Col. James Porter Hollers, AO214999, Air Force Reserve.

*Col. William Saunderson Johnston, AO144417, Air Force Reserve.

*Col. Harold Pearson Little, AO219618, Air Force Reserve.

*Col. Paul Stuart Zuckerman, AO900133, Air Force Reserve.

The officers named herein for appointment as Reserve commissioned officers in the United States Air Force for service as members of the Air National Guard of the United States under the provisions of the Armed Forces Reserve Act of 1952:

To be major generals

Brig. Gen. John Munnerlyn Donalson, AO176345, Alabama Air National Guard.

Brig. Gen. Fred Calvin Tandy, AO206131, Iowa National Guard.

Brig. Gen. Winston Peabody Wilson, AO398325, Arkansas Air National Guard.

Col. William Dempsey Partlow, Jr., AO255478, Alabama National Guard.

Lt. Col. Sherman Taulbee Clinger, AO358189, Arkansas National Guard.

To be brigadier generals

Col. Philip Pendleton Ardery, AO325990, Kentucky Air National Guard.

Col. Earnest Hodges Briscoe, AO291638, Ohio Air National Guard.

Col. Royal Hatch, Jr., AO426388, Alabama Air National Guard.

Col. Allison Maxwell, AO393154, Indiana Air National Guard.

Col. Wilson Vernon Newhall, AO257329, Illinois Air National Guard.

Col. Clarence Adelbert Shoop, AO341066, California Air National Guard.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of major general:

Twining, Merrill B.
Riseley, James P.

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general:

Kreiser, Alexander W., Jr.	Shoup, David M.
Nelson, Nels H.	McFarland, Thomas G.
	Allen, Chester R.

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel:

Stewart, Joseph L.	Granger, Charles L.
Sheffield, Theodore M.	Kurtis, William A.
McCutcheon, Keith B.	Fitzgerald, Paul A.
Mueller, James L.	Reynaud, Joseph S.
Shofner, Austin C.	Kelly, Charles W., Jr.
VanStockum, Ronald R.	Yeaman, Ralph R.
	Baker, Richard M.
Ruud, Robert H.	Ashley, Paul H.
Hays, Lawrence C., Jr.	Volcansek, Max J., Jr.
Boyer, Charles R.	Miller, Winton H.
Shea, Harry N.	Millington, William A.
Colmer, Parker R.	Lytz, Walter R.
Hittle, James D.	Jones, William K.
MacIntyre, Neil R.	Tinsley, James H.
Otis, Donald N.	Haffner, Loren E.
Piper, William J., Jr.	Williams, Thomas E.
Cooper, Francis H.	Aggerbeck, Jens C., Jr.
Lantz, William W.	Saxten, John A.
Beard, Richard A., Jr.	Fleps, Carl J.
Kelly, Sidney M.	Layer, Walter F.
Williams, Freeman W.	Rovetta, Charlo A.
Lewis, William W.	Newton, George R.
Dunlap, John F.	Booth, Alfred L.
Silvey, David W.	Weber, Richard D.
Coursey, John P.	Dehority, Carles M.
Prickett, William F.	Benge, Howard B.
Quilter, Charles J.	Hoyler, Hamilton M.
Shuford, McDonald I.	Church, Richard B.
Gormley, John J.	Post, Nathan T., Jr.
Capehart, William C.	Gould, Alton D.
Staab, Edward M., Jr.	Elwood, Hugh M.
Sutter, Allan	

The following-named officer of the Marine Corps for temporary appointment to the grade of colonel:

Boehm, Harold C.

The following-named officers of the Marine Corps and Marine Corps Reserve for permanent appointment to the grade of lieutenant colonel:

Lynch, John K.	Bartosh, Walter R.
Merritt, James W.	Crowe, William E.
Daigh, Robert E.	Ayres, Robert R., Jr.
Bratten, Paul H., Jr.	Jones, Clinton E.
Perkins, Robert V.	Dawes, George M.
Smith, Joseph T., Jr.	O'Keefe, Arthur F.
Howard, Harold C.	Clark, Donald L.
Pierce, Herbert E.	Wethe, Wallace G.
Larson, Bertil E.	Frazier, Kenneth D.
Bacon, Franklin C.	Blackmun, Arvid W.
Augustine, Francis W.	Mahon, John L.
Cameron, Alan D.	Hill, Homer S.
Lawrence, James F., Jr.	Thompson, Elmer P.,
Ridlon, Walter J., Jr.	Jr.
Moriarty, James A., Jr.	Smith, Lawrence W.,
Whiteside, Madison C.	Jr.
Ramlo, Orvin H.	Flynn, Richard J., Jr.
Bright, Cruger L.	Lemke, Willard C.
Sims, William J.	McCullah, Carroll E.
Wolverton, George D.	Read, Robert R.
Walter, Howard L.	Moore, Clarence H.
Tatro, Leo F., Jr.	Gray, Gordon E.
Richards, Samuel, Jr.	Nehf, Arthur N., Jr.
Ober, Matt S., Jr.	Janson, Russell L.
Hollowell, George L.	Roush, Martin B.
Folsom, Samuel B., Jr.	Herzog, Lawrence L.
Kelly, Philip W.	Thorson, Roy A.
Howie, Robert G.	Schwethelm, Harry F.
Nickerson, Richard L.	Johnson, James E.

*Subject to physical examination.

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McKean, Vance F.
Pierce, Richard H.
Kollmann, Charles E.
Cook, Milton M., Jr.
Cook, Howard E.
Grow, Lowell D.
Winters, Jack B.
Dalton, Carol D.
Witt, Francis X., Jr.
Slappey, Wallace J., Jr.
Dukes, William P.
Noble, John D.
Hewitt, Roy R.
Babashanian, John G.
McDonald, Jay E.
Hood, Harlen E.
Wagner, Joseph F., Jr.
Etheridge, James A.
Wilson, James P.
Schutt, Richard W.
Joslin, Henry V.
Regan, Daniel J.
London, Lyle K.
Cuenin, Walter H.
Scantling, Frederick H.
Crown, John A.
Reese, Paul F.
Hadd, Harry A.
Johnson, Floyd M., Jr.
Douglass, Graham T.
Elliott, Richard M.
Gierhart, George B.
Butler, John J., IV
Lundrigan, John C.
Saussy, George S., Jr.
Walker, Alexander S., Jr.
Fristoe, Ashby J.
Parker, Paul D.
Hoffman, Carl W.
Weir, Robert R.
Bale, Edward L., Jr.
Pedersen, Edward K.
Landrum, John C.
Thomas, Robert L.
Hartley, Dean S., Jr.
McCombs, Grant W.
Johnson, William G.
Brown, Harold F.
Conrad, Robert L.
Mitchell, William P.
McGuckin, John
Blackwelder, Harry J.
Conley, Robert F.
Patterson, William D., Jr.
Belyea, Richard
Kirkpatrick, Floyd C.
Rosacker, Ralph C.
Dees, Harry C.
Batdorff, Richard W.
Bolish, Robert J.
Greenough, Kenneth C.
Brown, Robert E.
Young, Russell L.
Persinger, Delmar M.
Wilkinson, Frank R., Jr.
Nori, Eero
Roberts, Lee E.
Henry, Wallace
Word, William E.
Kelly, Irving N.
Leśko, Stephen
Hargrave, Harry D.
Ludvigson, James D.
Acker, George K.
Masters, Irvin V.
Anderson, Cecil E.
Cole, Carlton G.
Steinhauser, Frederick M.
Webber, John W.
Burgess, Richard
Hobbs, Ralph H.
Price, Caryll A.
Watson, William F.
Dickey, Robert L.
Wall, Robert E.
Noonan, Arthur J.

The following-named officers of the Marine Corps and Marine Corps Reserve for permanent appointment to the grade of major:

Spence, Robert M.
Harwood, Edward A.
Pearson, John A.
Davis, Raymond N.
Johnson, Ector R., Jr.
Everett, Ernest E.
Smith, Jack A.
McDonald, Thomas, Jr.
Simmon, Hal K.
Case, John D.
Stubbs, Robert S., II
Tuma, James W.
McNab, Robert C., Jr.
Read, Benjamin S.
Quint, Frederick A.
Meadows, Carl S.
Hill, Carl L.
Canton, John S.
Giddens, Richard M.
Hall, Reverdy M.
Kennedy, Anthony J., Jr.
Alsip, Edward O.
Griswold, Edmund K.
Cutler, Thomas H.
Burleson, Good
Swinson, James D.
Stockdale, Allen F.
Taylor, Max C.
Cushing, Joseph P.
Osborn, Frederick V.
Brandenburg, Paul F.
Buschena, Carl J.
Philpot, Fred R.
Fris, Edward S.
Persinger, Harry B., Jr.
Dillow, Rex O.
Baird, Robert
Rike, Joe A.
Baker, James W.
Miller, Thomas H., Jr.
Lang, Frank C.
McNiel, Monroe E.
Bruce, Ronald L.
Price, Joseph R.
Wachsler, William J.
Keim, Robert M.
Rieder, Glenn L.
Mickelson, Laurel M.
Agnew, Edward R., Jr.
Dair, William G., Jr.
Moos, Kenneth L.
Yachik, Theodore R.
McClane, George E.
Bristow, Ralph E.
Harris, Chester R.
Sinderholm, John K., Jr.
Vergote, Alton F.
Chambers, Charles B.
Martin, Benjamin G.
Baker, Haskell C.
Williams, Walter L.
Nasif, George
Martin, James R.
Rose, Albert A.
Brown, James E.
Faureck, Frank J.
Earney, William R.
Sturdevan, Garth K.
Melby, William E.
Streeter, William M.
Tonnema, Peter A., Jr.
Dawson, Robert E.
Ord, James B., Jr.
Keown, Lyman E.
McKiever, Charles F.
Pearce, James T.
Kerr, William A.
Sherwood, Harry L., Jr.
Harney, John B.
Wegley, Don E.
Veigel, Lester E.
Cresap, Charles C.
Corley, Clarence E., Jr.
Zagone, Nicasio J.
Kleber, Victor A., Jr.
Whitescarver, Kenneth T., Jr.
Smith, Harold E.
Lehnert, Robert C.
Glenn, John H., Jr.
Stahlstrom, Harry A.
Johnson, Earl W.
Barbour, Robert J.
Marker, Rolland E.
Swenson, Lester V.
Lynch, Robert J., Jr.
Bittman, Rudolph L.
Armstrong, Victor A.
Rash, Richard S.
Mitchell, Randall L.
Walden, Ennis E.
Lamar, Robert L.
Clarke, Donald G.
Schoneberger, Albert G.
Clark, Elton H.
Snyder, Alan J.
Mosca, Herbert P., Jr.
Sims, Albert C.
Humphreys, Zaphney O.
Bachstein, Roy S.
Thornbury, Donald S.
Lewis, George F.
Stone, Wilford L.
Mack, William E.
O'Reilly, Andrew E., Jr.
Lentz, Paul W.
Bryant, George M.
Emils, Arnold L.
Bunker, Joseph L.
Soderberg, Ralph A.
Fredrick, Charles D.
Crum, Calvin C.
Flannagan, Melvin J.
Nelson, Eugene W.
Harper, James A.
Church, Charles H., Jr.
Sekardi, Max M.
Lindell, Carl W.
Finlayson, Edwin H.
Burnam, Thomas, Jr.
Jannell, Manning T.
Brownleewe, Loren K.
Nowadnick, William R.
Brewer, George W.
Johnson, Irving R.
Hopkins, Warren G.
Ross, Thomas J.
Barnett, John E.
Shellito, John L.
Fenton, Donald L.
Troy, Harland E.
Peebles, Vernon J.
Wilson Rex
Dufford, John M.
Booker, Jesse V.
Earnest, Floyd W.
Moore, Harry R.
Peevey, Nathan B., Jr.
Jennings, Francis C.
Crapo, William M., Jr.
Idler, Basil T.
Manning, Herbert G., Jr.
Boyd, Joe T.
Gibson, John A., Jr.
Doxey, Donald T.
Houser, Fred C.
Stanfield, James C.
Harris, Charles W.
Ronald, Robert C.
Kelly, George E.
Parks, Frank G.
Richards, John J.
Shervais, Stephen
Miller, Clifford D.
Wagner, William J.
Davies, Joseph E.
Lindley, Johnny D.
Tesko, Stanley
Dominick, Robert L.
Brandon, William E.
Bjorson, Richard A.
Freitas, Joseph L., Jr.
Leland, Harry E., Jr.
Ottmer, Walter E.
Torbert, George W.
Giles, Walter, R.
Carraway, Cecil T.
Williams, George L.
Jedenoff, Alexis A.
McPartlin, Charles E., Jr.
Brock, Willie W.
Roden, John P.
Wilcox, Myron E., Jr.
Cullison, Robert D.
Kipp, Gordon E.
Lomac, John
Cowper, William H.
Vernon, Frederick A.
Potter, Elwood H.
Patton, Harvey M.
Hansen, John E.
Eddens, Frank L., Jr.
Limberg, Robert D.
Bush, Elwood D.
Allen, Victor E.
Bagnall, Earle E.
Griffitts, Lynn W.
Livingston, William H.
Cleeland, David
Harvath, Michael D.
Blankenship, Clifford P.
Cotton, James T.
Sumerlin, Earl B., Jr.
Pietz, Reuel H.
Neuman, Joel L.
Lavoy, John H.
Zimmer, William E.
McVicars, Andrew L.
Ciampa, Emilius R., Jr.
Lesak, Robert J.
Swindall, Lee B.
Riley, Glenn G.
Rickles, Robert E.
Jewell, James C.
Seibert, Kenneth D.
Carver, Nathaniel H.
Blakely, James A., Jr.
Danowitz, Edward F.
Atherton, Walter M.
Poppke, William R.
MacAskill, Ross M., Sr.
McLaughlin, James A.
Robinson, Vincent J.
Hubka, Frank J.
Wagner, John H.
McDevitt, Hugh A.
Lembeck, Leonard A.
Gallo, James A., Jr.
Anderson, Elmer A., Jr.
Black, Albert A.
Page, Leslie L.
Lupton, Edward I.
Porter, Mervin B.
Bardon, Thomas J.
Derby, William M., Jr.
Gill, John R.
Goewey, Bruce A.
Dorsey, James A.
Payette, James
Mika, Edwin J.
Buford, Ernest A., Jr.
Sabot, Robert
Reed, Roy L.
Riley, David
McGough, James D.
Devol, Austin O., Jr.
Temple, Jack W.
Nelson, Herbert A.
Mitchell, John D., Jr.
Blatt, Wallace D.
Barney, Irvin J.
Schmidt, Carl E.
Heinley, Phillip E.
Anderson, Philip B.
Young, Warren R.
Hamlin, Curtis F., Jr.
Holtzclawe, Sylvestus W.
Benton, William C.
Poppe, Elery G.
Hickey, Thomas R., Jr.
Lodge, Orlan R.
Dean, Walter P.
Schultz, Leonard L.
Dixon, Gerald T.
Hayton, Robert G.
Waltz, Herbert R.
Ebel, Ardell
Dole, Charles E.
Doty, William C., Jr.
Kositch, Alexander
Whitaker, James L.
Butcher, Warren A.
Howe, Odia E., Jr.
Carlock, Robert O.
Lewis, Woodrow B.
Davidson, Eldon E.
Morel, Oscar J.
McArdle, Gilbert J.
Edelmann, George J., Jr.
Thorne, Nicholas G. W.
Woods, Ray
Daze, Louis R.
Collen, Frank R.
Finn, John, Jr.
Sullivan, Walter E., Jr.
Griffin, William W., Jr.
Barnes, Arch D.
Dekeyser, Charles F.
Mitchell, Joseph A.
Gentry, Tolbert T.
Hopkins, Donald S.
Dimond, Neil
Franano, Vincenzo
Antos, Stanislaus A.
Menzies, Henry D.
Stout, Marvin R.
Myers, Victor E.
Shook, Frank A., Jr.
Lauer, Stewart R.
Crew, Charles E.
Hall, Harold K.
Woodbridge, Charles L.
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Terry, Wilson C.
Wilson, Sidney J., Jr.
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Redmond, Walter L.
Smith, Richard B.
Lawrence, George E.
Barrow, Robert H.
Lobell, William R.
Stingley, Elmo J.
Donnell, James W.
Mac Donald, Richard A.
Rowe, Carroll D.
Spieker, Ira E.
Hopkins, Thomas D., Jr.
Kern, Peter W.
Benjamin, Louis W., Jr.
Bibee, Albert J.
Hoffman, Robert W.
Trammell, Thomas B.
Long, Edwin B.
Duncan, William R.
Palmer, Harold L.
Jackson, Boyd J.
Mackel, Edward H.
Beckington, Herbert L.
Manley, Norbert C., Jr.
Alberts, Howard K.
Sullivan, John B.
Casey, Thomas P.
Gobson, Baylor P., Jr.
Berard, James L.
Fribourg, Leonard E.
Wetzel, Robert M.
Bohl, Leighton T., Jr.
Hollenbeck, Marvin K.
Deeds, William E.
Rainforth, Richard H.
Brandon, Lawrence H.
Greene, Joe R.
Hosking, Elmer E.
Coplan, Ralph D.
Wailes, Eugene A.
Krumm, George A.
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McRobert, Perry P.

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Driftmier, John F.
Moise, Frank V., Jr.
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Crew, Erskine B.
Feid, Gordon I.
Corman, Otis W. S.
Brown, Charles S.
Elzey, William P., Jr.
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Berger, Ernest J.
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Smart, William D.
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Bordigon, Romeo
Canan, Christopher M.
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Lewis, Edward L., Jr.
Daniels, Elmer R., Jr.
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Johnstone, Forrest L.
Nichols, Worrell P.
Miller, Edward J.
LaRoche, Arthur L., Jr.
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Howe, John J.
Artnak, Edward J.
Haggerty, George L.
Maxson, Embree W.
Breymaier, Robert S.
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Kidd, Donald S.
Nelson, Robert I.
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Feenan, James F.
Tucker, Nolan E.
Jefferson, James M., Jr.
Thomason, Hugh M.
Bruce, Henry K.
Dyer, Phillip G.
Osgood, Clarence W.
Dewees, Raymond, Jr.
Hamm, Norman L.
Shields, Robert F.
Hunt, Ernest L.
Magill, James H.
Helling, Frederick J., Jr.
Merchant, Clark E.
Ruffner, Paul M.
House, Charles A.
Rinehart, James H.
Dickey, William E., Jr.
Dove, Charles E.
Stith, John D.
Melin, Ernest I.
Parker, George B.
Orr, John N.
Healy, Robert M.
Harrington, James C.
Salmon, Robert L.
Barton, Leroy C.
Greenfield, Gaylord C.
McDaniel, James
Regas, William
McGuire, Robert C.
Seaman, Milford V.
Wilson, Harry S.
Piland, George W., Jr.
Abner, Edward L.
Holiday, Robert C.
Smith, Leland R.
Ball, Vernon E.
Lillie, James L., Jr.
Mitch, Ernest A.
Hart, Henry
Harmon, Lester G.
Morrison, Gene W.
Carlson, William C.
Samuelson, Richard K.
Riley, John C.
Sanders, Roger M.
McCarthy, Thomas E.
Glaese, Darwin P.
Gallen, George W.
Kennedy, David H.
Traynor, William L.
Woerner, Robert E.
Cochrane, Kevin
Phelps, Boyd M.
Webb, John R.
Howerton, Bryce
Bell, William C.
Zane, William E.
Clapp, Archie J.
McMillan, Donald A.
Rushlow, Ray D.
Oderwald, Richard E.
Taylor, Richard M.
Magon, Walter E.
Heidrick, John G.
Levy, Charles F.
Arndt, Russell G.
Thomson, Ernest W.
Malcolm, Joseph W., Jr.
Holcombe, James V.
McBarron, Alden
Simmons, Albert W.
Armstrong, Charles B. Jr.
Roe, Murray O.
Buckingham, Clifford W.
Benton, Robert E.
Babbitt, Robert E.
Scarborough, Walter T., Jr.
Conlon, Thomas W.
Ross, Kenneth S.
Carpenter, Burson D.
Moore, Richard M.
Witte, Karl B.
Geishecker, Edward J.
Williams, Royce M.
Moran, Frank P.
Causer, Arthur R.
Frew, James C.
Langston, Earl W.
Perry, Jack E.
Fornonzini, Benjamin A., Jr.
Witt, William T., Jr.
Coleman, Thomas A.
Garrotto, Alfred F.
McDermott, John E.
Wesley, Rupert C., Jr.
Schroeder, Charles L.
Veach, Howard C.
McManus, John
Wilker, Dean
Kamp, Arthur M.
Kime, Merle A.
Davis, Dellwyn L.
Archer, Thomas E.
Larsen, Robert J.
Ross, George W.
Via, Burks A.
Hodde, Gordon V.
Barry, Cleveland C.
Morrison, William R.
Griffin, Clair E.
Capps, Arnold B.
Mawyer, Ralph P.
Seabeck, Frank E.
Daly, Claude W.
Veuleman, Elbert F.
Dunlap, Jack
Lancaster, Wilson G.
Oglesby, Edward D.
Kinsey, Robert T.
Cox, Lewis J.
Johnston, John C.
Bennett, Eugene N.
Ritter, Darrell L.
Davis, Raymond R.
Jensen, Lehi D.
Quick, William H., III
Russell, Marvin R.
Vance, Johnnie C., Jr.
Evans, Malcom D.
Gocke, Charles E.
Jackson, Dewey H.
Willis, Robert L.
Maloney, Emmons S.
MacQuarrie, Warren L.
Mars, William G., Jr.
Thomas, John P.
Dellamano, Albert F.
Farrell, William
Nevill, Harry E.
Bethards, Leonard S.
Browne, John A., Jr.
Cowles, Raymond C.
Culp, William E.
Maust, Kenneth W.
Slaton, Clyde H., Jr.
Geissinger, Robert S.
Webster, William J.
Woodard, Richard M.
Morris, Delmer O.
Schwendimann, Henry N.
Kiester, Kenneth R.
Swenson, Merrill E.
Curtis, Oliver W.
Goode, Charles L.
Hepler, Frank M.
Waskom, Wendell M.
Guss, William F.
Bruce, Vernon W.
Holloway, Harding H.
Henderson, Robert P.
Reed, Robert J., Jr.
Wellwood, Robert E.
Billings, Thomas C.
McInnis, Robert, Jr.
Forrest, Shelby M.
Bixler, James L.
Takala, David O.
Woodroof, William B.
Costello, Byron J.
Fletcher, Raleigh E.
Molan, John T.
Johnson, James K.
McMahon, Richard
Baker, Robert W.
Beamon, Mont L.
McKitrick, Rodney D.
Hinshaw, Don M.
Miller, Leonard A.
Roueche, Brett E.
Lynch, Joseph O.
Sienko, Walter
Bent, Paul F.
Hirt, Paul L.
Ross, John D.
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McNew, Robert E.
Arnaud, Joseph R.
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Barber, William E.
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Borchering, Clarence L.
Urell, John
Aldworth, James
Hemstad, Robert S.
Tebow, William J.
Johnston, Thomas J., Jr.
Browning, Richard C.
Herndon, John L.
Bowen, Vaughn E.
Stien, Laurence J.
Barnhill, Claude O., Jr.
Austen, Philip N.
Sevier, Charles B.
Vatcher, Walter W.
Beach, William L.
Cox, John F.
Leogue, John J.
Brown, William E.
Menard, James L.
Keller, Joseph
Keller, Karl T.
Cassidy, Earl W.
Mitchell, Donald C.
Graaff, James E.
Moncrief, Malcolm G., Jr.
Millenbine, Otis E.
Gillis, Alexander J., Jr.
Winneberger, George L., Jr.
Ratliff, Bert E.
Klein, Robert G.
Buchser, Edmund, Jr.
Maire, Gerald J.
Eldridge, William W., Jr.
Reed, Herbert C.
Schroeder, Warren F.
Turcotte, Edward W.
Dochterman, Lloyd B., Jr.
Weitzel, Charles W., Jr.

The following-named officers of the Marine Corps and Marine Corps Reserve for permanent appointment to the grade of captain:

DeCamp, Larry W.
Dannehl, August
Roberts, Lloyd S.
Webb, John B.
Anthonisen, Norman C.
Brimberry, Doyle L.
Behnke, Harold E.
Sullivan, Harold M.
Gibson, Edward G., Jr.
Chop, Casimir J.
Lynch, William C.
Hodges, Mark P.
Grue, Lawrence, Jr.
Kriss, William C.
Hopkins, Richard A.
Manning, Harleth H.
Dahl, Wayman A.
Cook, James E.
Reeves, Victor E.
Aaron, Albert V.
Bender, Lawrence W.
Saari, Mauri
Honeycutt, James H., Jr.
Coles, Gordon L.
Ballard, James P.
Russell, Earl W.
Millar, Douglas F.
Bostick, Orren K.
Esterbrook, James W., Jr.
Quinn, John J.
Anderson, William J.
Larson, Thomas B.
Keller, Arthur E.
Sagehorn, Joyce K.
Fielden, Lewis C.
Eastman, Everett A.
Slagle, Mark F.
Sanzo, James
Bitzer, Clarence W.
Townsend, James V.
Lahti, Martin T.
Zimmerman, Harold A.
Brunworth, Louis W., C.
Hall, Leslie R.
Smith, Joseph
Kenneday, Charles D.
McGlynn, Raymond J.
Van Dalsem, Robert R.
Reese, Louis
Page, Joe A.
Henrich, Harold J.
Settle, Ray W.
Glithero, John C., Jr.
Green, Carleton M.
Olmsted, Vernon
Pflugler, Joseph E.
Gibson, George E., Jr.
Dunphy, James C.
Williams, Robert
Barnum, Elton A.
Clyde, Denton P.
Youngs, Eugene E.
Thompson, John S.
Stehle, James A.
Hice, Kenneth J.
Poole, Eugene F.
Dillon, James W.
Croninger, Conrad D.
Schrader, Bernard J.
Cheatum, Lawrence E.
Niolet, James W.
Breau, William W.
Machuderski, Thaddeus Z.
Kelly, Walter C.
Sprowls, Walter C.
Done, Howard P.
Ely, Oscar L., Jr.
Foster, William J., Jr.
Boudreaux, Donald L.
Vanderkolk, Bernard J.
Hand, Herbert G., Jr.
Fees, Fred J., Jr.
Jackson, William A.
Mabrey, Donald H.
Saas, John A.
Green, William L.
Gray, Harold Z.
Pechar, George
Sinclair, Robert B.
Brown, Robert
Janiszewski, George
Hall, Clifford D.
Schwarz, Charles F.
Doty, Duane J.
Anton, Alfred J.
Whitten, Carson D., Jr.
Penley, Virgil R.
Reeder, James H.
Hornstein, Joseph
Connors, Walter J.
Hoogendam, John
Buschman, Billy F.
Smith, Grady F.
Hoch, Kurt L.
Rowe, Edward J.
Graham, Harry M.
Murphy, John J.
Adams, Floyd W.
Nichols, Robert L.
Haynes, Albert B., Jr.
Ingram, Alfred L. V.
McColm, Harry A., Jr.
Allen, Warren H.
Hoffman, John J.
DeBarr, John R.
Dunbar, Michael J.
Kirchmann, Charles S.
Natuk, Walter
Perdue, John R.
Sawyer, George P., Jr.
Johnson, Claude K.
Frazier, Louis S., Jr.
Probst, Arthur E.
Robert, James F.
Urquhart, John C.
Holicky, Edward
Burch, Carrol B.
Euckert, Donald E.
Delahunt, Thomas K.
Moore, William L.
Nolte, Herman
Elms, Harry D.
Sanders, Paul E.
O'Donnell, Andrew W.
Baar, Stuart P., Jr.
Kramek, Stanley E.
Dant, James K.
Bland, Kenneth R.
Jones, Barney D.
Olsen, James U.
Glover, William R.
Webb, James O.
Mehlinger, Marion F.
Burnett, Loren E.
Hill, Malcolm A.
Sheehan, Charles I.
Rossi, Robert J.
Leffler, Benjamin
Ettenborough, Robert B.
Walton, Leo E., Jr.
Krajnyak, Richard A.
Houser, John J.
Skelt, Ernest P., Jr.
Shea, William E.
Mann, Clyde R.
Metcalfe, Robert B.
Coffeen, Albert E.
Waide, Merrill, Jr.
Dean, Benjamin T.
Nelson, William L.
Hershey, Gilbert R.
Hamilton, Ralph H., Jr.
Donahue, William F., Jr.
Antle, Elmer M.
White, Leo T.
Shelby, Alfred C., Jr.
Pommerenk, Albert C.
Colella, Roland L.
Fisher, Sidney
Gillmor, Richard H.
Hughes, Harry J.
Toups, Thaddeus J.
Weaver, Charles A.
Skinner, James D.
Hess, Donald E.
Slenning, Bradford N.
Bonds, William E.
Wadsworth, Thomas B.
Dooley, Leonard
Snyder, Billy H.
Houge, Martin S.
Lynch, Joseph B., Jr.
Anderson, George B.
Hampton, Everett
Browne, Gordon S., Jr.
Sears, Redford D.
Webb, Marshall A., Jr.
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Breeze, Robert W.
Mitchell, Weldon R.
Priddy, James R.
Davis, David A.
Imer, Oscar A.
Park, Charles E.
Norrbom, Alonzo L.
White, James H.
Brown, Eugene H.
Dittmar, Robert W.
Pavilcin, George A.
French, Harry D.
Alexander, Leland G.
Thomas, Alfred I.
Logan, Charles P., Jr.
Herndon, Wilber N.
Unger, William T.
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May, William L., Jr.
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Robinson, Eddie L.
Eberhart, John W.
Scott, Louis B.
Riggs, Thomas W.
Dillberg, Warren J.
Herald, Charles D.
McCarthy, Robert C.
Cuneo, John E.
Cooley, Richard A.
Constantine, Edward L.
Sullivan, Arthur J.
Harris, Leroy C., Jr.
Roberts, Horace F.
Adair, Harold F.
Hill, Franklin A.
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Neuman, Max L.
Sprague, Zane E.
Dawes, Henry T.
Miles, Calvin C., III
Buckley, Roger D.
Riley, James M., Jr.
Boze, Robert E.
Harvey, Ewing B.
Bartlett, Harold
Dwiggins, William M.
Cantrell, Herbert G.
Jozwicki, Henry S.
Self, John L.
McNabb, Herbert E.
Moore, Derilas A.

The following-named Reserve and temporary officers for temporary appointment to the grade of first lieutenant in the United States Marine Corps:

Beaver, Carl J.
Beckman, Kent M.
Blakeman, Wyman U.
Brandon, Virgil B.
Clayson, Holly
Coombe, Donald E.
D'Angelo, Samuel E.
Dinan, John V., Jr.
Ernst, Vincent M., Jr.
Farley, Bob W.
Forbes, David T., Jr.
Gascoigne, Donald G.
Gebsen, Clarence U.
Gillon, Robert A.
Giubilato, John J.
Gowdy, Richard J.
Heim, Donald C.
Hendricks, Robert G., Jr.
Herber, John A.
Herther, Herbert M.
Hubner, John
Hughes, Ralph L.
Jefferson, Thomas K.
Johnson, Victor J., Jr.
Jeudeman, Harold E.
Keck, Louis K.
Kisner, Paul E.
Kline, John R.
Knope, John K.
Kron, Ronald W.
Larson, Eddis R.
Latall, Raymond F., Jr.
Lavelle, John B.
Lee, Richard P.
Leipold, Robert D.
Mariasy, Richard S.
Markwitz, Leonard R.
Mayfield, Joseph F. Jr.
McBride, James P.
McCarthy, John J.
McDonnell, Gerald E. F.
Moriarty, James M.
Mundell, Wilbur L.
Patterson, Frederick D., Jr.
Peck, Matthew B., Jr.
Prather, James E., Jr.
Reese, Clifford E.
Ritter, Charles S.
Ross, William H., Jr.
Springer, John K.
Stewart, Ray N.
Summers, Bennie W.
Svobada, Theodore D.
Thatcher, John L.
VanZandt, Edwin J.
Warner, James W.
Wells, James A., Jr.
Wilcox, Kenneth H.
Williams, Donald G.
Wright, Frank H.
Wright, William J., Jr.
Buell, Dickinson
Chisholm, William H.
Hanson, Robert D.
Hertberg, Edward C.
Reichert, John P.

The following-named Reserve and temporary officers for permanent appointment to the grade of first lieutenant in the United States Marine Corps:

Allison, James O.
Grayson, Edward F., Jr.
Hergert, John C., Jr.
Johnson, Joe L.
Kerrigan, Hunt S.
Schlef, William K.
Seissiger, John E.
St. Germain, Donald C.
Wilson, Charles W.
Geister, Herbert H.
Lindemuth, Donald L.
Rilling, Fred C., Jr.
Thornton, Dale

The following-named Reserve and temporary officers for temporary appointment to the grade of captain in the United States Marine Corps:

Allison, James O.
Chase, Harlan C.
Cresswell, Charles F.
Cryan, William M.
Doering, Roy L.
Graham, Wallace H.
Grayson, Edward F., Jr.
Gaughf, Orvis O., Jr.
Hergert, John C., Jr.
Hochenauer, Max J.
Johnson, Joe L.
Kerrigan, Hunt S.
Robbins, William L.
Rogers, Walter F.
Rice, Robert C.
Schlef, William K.
Seissiger, John E.
Sheehan, William F.
St. Germain, Donald C.
Taylor, Wylie W., Jr.
Vaughan, Gerald W.
Waite, Anthony G.
Weaver, Vonda
West, Morgan W.
Kimball, Alan B.
Wilson, Charles W.
Campo, Guy R.
Geister, Herbert H.
Janssen, Paul G.
Keller, Robert J.
Lindemuth, Donald L.
Rilling, Fred C., Jr.
Thornton, Dale
Wood, Rondell K.

The following-named officers of the Marine Corps Reserve for temporary appointment to the grade of first lieutenants:

Ballog, Ronald C.
Moffitt, Thomas D., Jr.

IN THE COAST GUARD

The following-named persons to be chief warrant officers, W-4, in the United States Coast Guard:

John H. Graham
Wayne C. Wallace
Mark K. Hutchinson
Floyd J. Jester
Bannister M. Barnett
Herman F. Rogall
William R. Gill
Claud E. Simmons
James Martin
Duncan W. Herr
Aubrey L. Smith
Alva O. Wise
Paul J. Schonwald
John W. Sommers
Eligha Trickey
Marshall H. Furtaw
Olof W. H. Johnson
Robert W. Young
Carl A. Stanton
Carl A. Fenske
George D. King
Farrell E. Harvey
Oskar Johansen
Jesse S. Cockrell
William J. Hill
Clifton A. Thompson
Edward W. Powers
Guy R. Hunter
Martin J. Hacker
David S. Williams
Frederick W. Doherty
Lester F. Baker
Wayne E. McElroy
Kenneth Templeton
William E. Sparks
Woodley T. Clark
Frank A. Mattson
Gordon White
Alton E. Fowler
Charles J. Wood
William P. Williams
Alton W. Meekins
Joseph C. Runquist
Einar H. Nilsen
William H. Burgess
Leo J. DeGraw
Herman F. Helgesen
Ellsworth O. Swett
Albert E. Holloway
Joseph A. Haynes
Earl L. Hoover
George W. Cooper
Ralph P. Bebeau
Clifford J. Hudder
Edward J. Ellwood
Leroy Teele
Joseph B. Blanchard
Robert J. Collins
Ervin Frye
Ralph A. Palmer
Gunnar E. Hansen
Charlie H. Hale
Joy A. Weatherford
Marvin T. Duncan
Myron S. Squires
Arthur M. Hudgins
George R. Rollinson
Ward R. Turner
Daniel M. Griffin, Jr.
Thomas C. Crabe

The following-named persons to be chief warrant officers, W-3, in the United States Coast Guard:

Arthur P. Dillow
Henry C. Lodge
David D. Albee
Henry V. Devereaux
John W. Beach
John T. MacKay
Irvin C. Wilson
William H. Strickland
Michael Sivacek
Merritt B. Richards
Gustave M. Lundgren
Clarence E. Gaylor
Everett M. Marshall
Lee S. Roe
Burton E. Howell
Henry J. Harris
William Reitz
Charles R. Dowlen
Leroy Mullens
Merritt O. Wright
James C. Henthorn
Albert C. Lamb
Wilburn P. Connor
Lee W. Bothell
Earl C. Jones
James M. Barker
Clarence E. Rankin
Edmund S. Handor
Cecil E. Phillips
Victor V. Keifer
Thomas Mays
Gale T. Blundell
Louis Sandler
James B. Gaffney
Emile J. Dreuill
Rudolph Grady
Francis W. McGrath
James C. Seidl, Jr.
Lawrence O. Hamilton
Philip S. Lincoln
Charles A. McQuaid
Frederick H. Raumer
Charles E. Mueller
Marin M. Cornell
Alvin L. Kooi
John K. Cross, Jr.
James B. Burbine
Wilbur G. Simpson
Frank Lord
Carl H. May
Edwin W. Hansen
Myron C. Richmond
Henry A. Minard
Thomas R. Warren
Robert H. Doyle
Harold C. Wilson
Robert A. Frediani
Robert L. Glenn
James J. Barrett
Harold M. Ball
Augustus R. Mackriss
Thomas J. Kiernan
John H. Merada
Victor W. Sutton, Jr.
Talmadge H. Sivils
Richard R. Hoover
"J" "P" Ford
Melvin H. Handley
Thomas J. Collins
Lyle W. Glenny
Ralph O. Douglas
Edward R. Harris

The following-named persons to be chief warrant officers, W-2, in the United States Coast Guard:

Lavine Hubert
Milton L. Black
Allen M. Wilson
Martin J. Ruebens
Daniel S. Bishop
Eugene C. Colson
Robert H. Kollmeyer
Kenneth L. Drake
Daniel C. Giller
Roland J. Magee
Edward Petroski
John M. Brady
James T. Mead
Hoyt H. Fuller
James E. Watson
Ernest T. Bittman
Hubert Craven
Raul Zavaleta
George D. Doll
Bernard Hogan
Dayle C. Carlson
Arnold J. Anderson
Lewis H. Keeton
Walter H. Becker
William B. Davis
Lawrence E. Wagner
Barney M. Thomason
Morris J. Marshall
Ruben M. Donovan
Harris W. Shive, Jr.
Harold K. Grinnell
John C. Williams
Werner A. R. Winkel
John L. Morrison
William Maki
Leonard L. Thomas
William H. A. Herbst
Charles Plowman
John M. Lambert
Melvin F. Cramer
Lennith L. Groves
Raymond T. Rawls
Eugene P. Farley
Frank L. Ryman
William R. Claborn
Lynn I. Decker
Howard H. Istock
Carl M. Mortensen
Clarence H. Checklin
Robert F. Anderson
Edward J. Ard
Robert P. Harmon
Joseph A. Nartonis
Roy V. Sogaard
Robert P. Ellard
Lester G. Quarles
Ferdinand J. Selissen
Julian R. Sherman
Horton Y. Mullins
Edwin R. Silkey
Sidney Cruthirds
Harry S. Hayman
Rudolph T. Lenac
Leo C. Horner
Julian B. Guard
Charles M. McHenry
Robert H. Wiggins
Roy I. Anderson
Harry J. Backman
James J. Doherty
John W. Babcock
Harold W. Jones
Joseph D. Stowe
James P. Magee
Wilbur C. Jaynes
Glenn C. Furst
Raynard W. Tuttle
James M. Peterson
John W. Colby
Henry T. Peele
William F. Burton
Ulmer C. Wilson
Ernest L. Killian
James F. Beaumont
Ludwig K. Rubinsky
Henry E. Ask, Jr.
Daniel Sullivan
Wilbert S. Mathis
Harold H. Rohr
Kenneth G. Sherwood
Herbert N. Litchfield
Timothy P. Callahan, Jr.
Joseph P. Dollard
Sterling Fulcher
Emery C. Milligan
Alroy F. Jensen
Gilbert Ortiz
John Kinnunen
Carl K. Scarborough
Philip E. Barnard
Walter L. Czechanski
Elwood S. Hudson
Edgar W. Thomas
Stanley J. Salabor
David D. McCormick
Byron A. Barr
Marion O. Hulbert

CONFIRMATIONS

Executive nominations confirmed by the Senate June 6 (legislative day of May 2), 1955:

DEPARTMENT OF DEFENSE

Adm. Arthur William Radford, United States Navy, to be Chairman of the Joint Chiefs of Staff in the Department of Defense.

DEPARTMENT OF THE NAVY

Rear Adm. Arleigh Albert Burke, United States Navy, to be Chief of Naval Operations in the Department of the Navy, with the rank of admiral, for a term of 2 years.

UNITED STATES ARMY

Gen. Maxwell Davenport Taylor, United States Army, to be Chief of Staff, United States Army.

Brig. Gen. John Bartlett Hess, O12599, United States Army, to be Chief of Finance, United States Army, and major general in the Regular Army of the United States, and major general (temporary), Army of the United States, under the provisions of section 206 of the Army Organization Act of 1950 and sections 513 and 515 (c) of the Officer Personnel Act of 1947.

IN THE ARMY

REGULAR ARMY OF THE UNITED STATES

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major generals

Maj Gen. Charles Day Palmer, O15519.
Lt. Gen. Bruce Cooper Clarke, O16068.
Maj. Gen. Leslie Earl Simon, O15567.
Brig. Gen. William Henry Colbern, O6839.

To be brigadier generals

Maj. Gen. Rinaldo Van Brunt, O16225.
Maj. Gen. Thomas Edward de Shazo, O16479.
Maj. Gen. John Albert Dabney, O16602.
Brig. Gen. Francis Elliot Howard, O16776.
Maj. Gen. Thomas John Hall Trapnell, O16782.
Maj. Gen. George Edward Martin, O16802.
Maj. Gen. Guy Stanley Meloy, Jr., O16892.
Brig. Gen. Earl Clarence Bergquist, O16998.

The following-named officer for temporary appointment in the Army of the United States in the grade indicated:

To be major general

Brig. Gen. William Henry Colbern, O6809, United States Army.

The nominations of Frank S. Crudo, Jr., and 154 other officers for appointment in the Regular Army of the United States, which were confirmed today, were received by the Senate on May 20, 1955, and a complete list of said nominations may be found in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Frank S. Crudo, Jr., which appears on page 6737, and ending with the name of Robert J. Zwahlen, which is shown on page 6738.

UNITED STATES AIR FORCE

Gen. Nathan Farragut Twining, 10A (major general, Regular Air Force), United States Air Force, for reappointment as Chief of Staff, United States Air Force, with the rank of general, for a period of 2 years ending June 30, 1957, under the provisions of section 202 of the Air Force Organization Act of 1951.

REGULAR AIR FORCE

The nominations of James Clarke Griffin and 757 other officers for promotion in the Regular Air Force, which were confirmed today, were received by the Senate on May 20, 1955, and a complete list of the said nominations may be found in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of James Clarke Griffin, which appears on page 6738, and ending with the name of Esther Mildred Momrow, appearing on page 6741.

IN THE NAVY

The following-named (Naval Reserve aviators) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Courtland D. Ball III Rolland K. Shea
Ivey B. Holt, Jr. Harry A. Wilson
Ralph E. Platt

The following-named Reserve officers to be lieutenants in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

Richard J. Kester
Billy P. Sammons

The following-named Reserve officers to be lieutenants (junior grade) in the Dental Corps in the Navy, subject to qualification therefor as provided by law:

Virgil L. Galey
Leon G. Saylor, Jr.

Richard F. Wicker, Jr. (Naval Reserve officer), to be lieutenant (junior grade) in the Chaplain Corps in the Navy, subject to qualification therefor as provided by law.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 6, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the source and inspiration of every noble desire, may we now be drawn together in unity of spirit to make the doing of Thy will the goal of all our aspirations.

We humbly confess that our ambitions and aspirations are frequently so low vaulted and primarily concerned with the temporal and transient.

Help us to believe that no aspiration, cherished by our minds and hearts, is too high and too holy to be fulfilled by Thy grace and power.

Wilt Thou illumine our thoughts, purify our purposes, strengthen our languishing wills and may we walk circumspectly, live confidently, and labor faithfully and without fear all our days.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, June 2, 1955, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 27, 1955:

H. R. 957. An act for the relief of Dr. Cristjo Cristofv, his wife Jordana Dilova Cristofv, and his children George and Daphne-Kremena Cristofv;

H. R. 1012. An act for the relief of Federico Ungar Finaly;

H. R. 1328. An act for the relief of Nicholas John Manticas, Anne Francis Manticas, Mary Manticas, and John Manticas;

H. R. 2682. An act relative to the exploration, location, and entry of mineral lands within the Papago Indian Reservation; and

H. J. Res. 310. Joint resolution making additional appropriations for the fiscal year ending June 30, 1955, and for other purposes.

On June 1, 1955:

H. R. 4052. An act to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941;

H. R. 4876. An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1956, and for other purposes; and

H. J. Res. 211. Joint resolution to confer jurisdiction on the Attorney General to determine the eligibility of certain aliens to benefit under section 6 of the Refugee Relief Act of 1953, as amended.

On June 3, 1955:

H. R. 3322. An act to amend the Federal Property and Administrative Services Act of 1949 so as to improve the administration of the program for the utilization of surplus property for educational and public-health purposes; and

H. R. 3885. An act to amend the act of April 29, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast Guard contracts.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2090. An act to amend the Mutual Security Act of 1954, and for other purposes.

The message also announced that the Senate had ordered that Mr. HAYDEN, Mr. HOLLAND, Mr. CLEMENTS, Mr. MANSFIELD, Mr. MUNDT, Mrs. SMITH of Maine, Mr. DIRKSEN, and Mr. HICKENLOOPER be appointed additional conferees on the bill H. R. 5502, entitled "An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1956, and for other purposes."

WEST VIRGINIA STRAWBERRIES

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked for this time in order to inform my colleagues of the House that if you plan to have lunch in the House dining room today you are in for a rare treat indeed. Through the courtesy of the West Virginia State Strawberry Festival, who have supplied some of the choicest and prize-winning berries of the State festival, we are making them available to Members today. When you see this little card on the dining table make sure that you get your strawberries.

The 14th annual festival is on this week at Buckhannon, W. Va., and is expected to attract a crowd of at least 30,000 people.

I would like for my colleagues in the House to realize that the State of West Virginia produces some other things than coal and corn liquor. I hope you will really enjoy these strawberries.

BRAINS AND THE BUDGET

Mr. MOLLOHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. MOLLOHAN. Mr. Speaker, unsuspected by most of us, the country would seem to be facing a sudden internal crisis which could well threaten the security of the Nation. We have, apparently, run short of brains. I base this alarming conclusion upon the following facts:

On September 20, 1952, a certain very popular Republican candidate for President told the American people:

> We can reduce our budget. We can cut down our taxes. We can live within our means. That is what the brains of America can do if we just give them a chance.

This past Monday, May 31, the Washington Evening Star, which I have always found to be most reliable—reported that the President, in his news conference on that date, said:

> It would be a wonderful thing if the Government could both balance the budget and cut taxes next year. But he added that none of his advisers had told him explicitly that this was possible.

UNIVERSITY OF MICHIGAN LIB

I submit, Mr. Speaker, the President has reassured us on numerous occasions that he has filled his Cabinet and the highest posts in his administration with the best brains available. Should we not, therefore, presume from this that the best brains have been tried and found gravely wanting?

DEPARTMENT OF THE INTERIOR APPROPRIATION BILL, 1956

Mr. NORRELL. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H. R. 5085, the Interior Department appropriation bill for the year 1956.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

STEVENS TREATY COUNCIL CENTENNIAL OBSERVANCE

Mr. HOLMES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HOLMES. Mr. Speaker, on June 10, 11, and 12 in the city of Walla Walla, Wash., there will occur the Stevens Treaty Council centennial observance. This is an outstanding and important event in the Pacific Northwest. It is an observance commemorating the signing, 100 years ago, of the treaties with the Indian tribes in that area by General Stevens.

The centennial observance has in its list of interesting events a commemorative program on Saturday morning, June 11, including the unveiling of a plaque which reads as follows:

> To commemorate the 100th anniversary of the signing by their forefathers of the treaties with the United States of America near this place on June 9 and 11, 1855. This plaque is presented by the people of the Yakima, Nez Perce, Cayuse, Walla Walla, and Umatilla Tribes.

There are Indian words on the plaque which mean "May the promises of our treaties always be kept."

All the Indian tribes in the area are cooperating with the Chamber of Commerce of Walla Walla, which is sponsoring the centennial, in making this an important historical event. Other events scheduled in the centennial observance are an Indian pageant and Indian ceremonials, the pageant coming in the evening of Saturday, June 11 and the Indian ceremonials in the afternoon of that same date. To start off the centennial observance on June 10 is the Lewis and Clark sesquicentennial luncheon. The Lewis and Clark sesquicentennial is being observed this year throughout the entire area through which the expedition traveled.

The Indians of all the different tribes in that area would be pleased if the Congress were to recognize this centennial observance by designating the backwater of the McNary Dam as Lake Wallula. You know, of course, that this is an Indian name, and such designation would be acceptable to all tribes. I have a bill before the Congress of the United States to make such designation official.

I am sure that the Indian tribes and the Walla Walla Chamber of Commerce should be congratulated on making this an event of such great historical significance.

THE LATE J. C. SHANKS

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, I regret to announce the death of Crawford Shanks, who was disbursing clerk of the House for many years. He came here with my predecessor, the Honorable Norman J. Gould, in 1915, and served for about 8 years with him. Soon after that he was made disbursing clerk and continued for a long time. He retired about 3 months ago. He passed away this morning at his breakfast table. I am very sorry to have to announce his passing.

He did his work well and always had his records and accounts in perfect order.

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, in the sudden passing of Crawford Shanks today, the House has lost a faithful and capable public servant. As the head of the disbursing office for many years, I had frequent occasion to come in contact with Mr. Shanks, and to observe the skillful manner in which he discharged his responsibilities, and his constant devotion to duty. His long record bespeaks the confidence that was imposed in him by the leadership of one Congress after another.

Recently Mr. Shanks has been engaged in a study and survey of positions in the House of Representatives with a view to correcting some existing inequities. His task was not completed, but good progress has been made, and it will be carried forward, I think, to a satisfactory conclusion.

Mr. Shanks endeared himself to all of us with whom he came in contact.

SALEM COMMUNITY HIGH SCHOOL BAND

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, I would like to announce that one of the Nation's top high school bands, the Salem Community High School Band of my home town of Salem, Ill., will give a concert for the public from the bandstand at the east steps of the Capitol, tomorrow evening, June 7, at 8 o'clock p. m.

This band, which has won many honors, consists of 108 boys and girls, and is under the direction of Mr. Norman Hanes. Mr. Hanes was formerly an instructor in the United States Naval School of Music, in Washington, during World War II.

This band under Hanes' leadership has won six district contests, six State titles, and a second place trophy in national competition.

This band, which has won nationwide recognition, averages 60 appearances a year. The band takes an annual six-day concert trip to some interesting part of the United States or Canada.

On behalf of this fine group of musicians, of which I am justly proud, I want to extend an invitation to all the Members, their families and staffs, if they are not otherwise engaged, to enjoy this concert.

POLICY RESPECTING CLERGYMEN AT MAINE MARITIME ACADEMY

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DORN of New York. Mr. Speaker, I was shocked and amazed to read in the Washington Post and Times Herald of Saturday, June 4, 1955, a statement attributed to Rear Adm. W. W. Warlick, United States Navy, retired, superintendent of the State of Maine Maritime Academy.

Admiral Warlick was reported to have said that no clergyman is admitted to campus buildings under a policy in effect since this institution opened 15 years ago. He was quoted as saying:

> If we did we would be overrun. This is not a religious place.

It was indicated this statement was made after a Roman Catholic priest was forced to hear the confessions of students in an automobile parked outside the campus.

All persons, whether Protestant, Jew, or Catholic, should be able to attend religious services at any institution supported in whole or in part with Government funds. Unfortunately, the House of Representatives just passed a bill to give an allowance of $47,500 for the Maine Merchant Marine Academy. If I had known of this reported policy of the institution, I would have moved to strike its name from the bill.

Admiral Warlick, referring to his students, is also quoted as saying:

> If their religion conflicts with their duty here, they should resign.

Religion has not conflicted with the duty of any man at Annapolis, West Point, or Kings Point Maritime Academy. Nor does religion conflict with the duty of men in the Army, Navy, or merchant marine. If Maine and Admiral

Warlick see fit to run a godless institution for the training of merchant seamen, the United States must have no part of it.

As a member of the Merchant Marine and Fisheries Committee I am introducing a bill today aimed at preventing any institution, supported in whole or in part by Government funds, from establishing a policy which bars religion and religious functions from its buildings.

Under leave to revise and extend my remarks, I include the substance of the newspaper clipping to which I have referred:

[From the Washington Post and Times Herald of June 4, 1955]

BISHOP HITS SCHOOL FOR CALLOUS VIEWS

PORTLAND, MAINE, June 3.—The Most Reverend Daniel J. Feeney today accused the Maine Maritime Academy of "a callous disregard for the religious life of its Catholic students."

Rear Adm. W. W. Warlick, United States Navy, retired, the academy superintendent, said "nobody is starved religiously" at the school located at Castine, 6 miles from Bucksport. Catholic midshipmen make up about a third of an enrollment of 205.

For 2 years, said Bishop Feeney, the Reverend John McVicar, of Bucksport, has met with obstinate opposition in his efforts to minister to the Catholic cadets and, on protesting, was told by Admiral Warlick:

"If their religion conflicts with their duty while here they should resign."

Bishop Feeney said the pastor "still is not admitted to any buildings on the campus for religious purposes" and only 2 weeks ago had to hear confessions in his parked car because the academy "refused him the use of a small room or office."

Warlick said there had been no discrimination. Catholics always can go to church Sundays, unless actually on duty, he said.

The admiral said no clergyman is admitted to campus buildings under a policy in effect since the school opened 15 years ago. "If we did, we'd be overrun," he said. "This is not a religious place."

Bishop Feeney said that except at the academy "in Maine our priests exercise their priestly ministry in all our State institutions without restraint—in prisons, jails, hospitals, and sanatoria." He discussed the matter in the diocesan newspaper, Church World.

[The United Press reported Bishop Feeney said appeals for corrective measures to the academy superintendent, the president of the board of trustees, and to Senator MARGARET CHASE SMITH, Republican, of Maine, had failed.]

OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1954.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 6, 1955.*

REPEALING SECTIONS 452 AND 462 OF THE INTERNAL REVENUE CODE OF 1954

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4725) to repeal sections 452 and 462 of the Internal Revenue Code of 1954, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 18, after "year" insert "ending on or before the date of the enactment of this act."

Page 2, line 21, strike out "September" and insert "December."

Page 2, line 23, strike out "September" and insert "December."

Page 3, line 19, after "return." insert "Notwithstanding the preceding sentence, that portion of the amount of increase in tax for any taxable year which is attributable to a decrease (by reason of the enactment of this act) in the net operating loss for a succeeding taxable year shall not be treated as tax shown on the return."

Page 3, line 21, strike out "September" and insert "December."

Page 3, line 22, strike out "September" and insert "December."

Page 3, line 25, strike out "September" and insert "December."

Page 4, line 24, strike out "September" and insert "December."

Page 5, line 17, strike out "September" and insert "December."

Page 5, after line 19, insert:

"(4) Treatment of certain dividends: Subject to such regulations as the Secretary of the Treasury or his delegate may prescribe, for purposes of section 561 (a) (1) of the Internal Revenue Code of 1954, dividends paid after the 15th day of the third month following the close of the taxable year and on or before December 15, 1955, may be treated as having been paid on the last day of the taxable year, but only to the extent (A) that such dividends are attributable to an increase in taxable income for the taxable year resulting from the enactment of this act, and (B) elected by the taxpayer."

Page 5, line 20, strike out "(4)" and insert "(5)."

Page 5, line 25, strike out "(5)" and insert "(6)."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. JENKINS. Reserving the right to object, and I shall not object, Mr. Speaker, while we Republicans on the Ways and Means Committee are unanimously in favor of these amendments, I think we should have some explanation from the gentleman from Tennessee, because this is a very important matter, and the membership of the House will be interested in what we are doing and will approve what we are doing.

Mr. COOPER. Mr. Speaker, the Senate has made very few changes in the House bill, H. R. 4725, repealing two of the accounting provisions of the 1954 code. The two provisions which are repealed retroactively to their initial effective date under the 1954 code are section 452, relating to the deferral of prepaid income, and section 462, relating to the establishment of reserves for estimated expenses. Sections 1, 2, and 3 of H. R. 4725 as passed by the Senate are identical to the same sections of the House bill. Section 4, the final section of the bill, which contains the so-called savings provisions, corresponds to the same section of the House bill. The Senate made certain changes in this section.

The House bill in section 4 provided that taxpayers whose tax liabilities were increased by this bill could file statements on or before September 15, 1955, showing the increase in tax required to be paid by reason of the repeal of sections 452 and 462 of the Internal Revenue Code of 1954 and by making the proper payments with these statements, avoid the payment of interest or additions to tax arising from the repeal of these sections. This applied in those cases where the due date for the payment of the increase, or any installment, was before September 15, 1955. The Senate changed this date from September 15, 1955, to December 15, 1955. Conforming changes were made in appropriate places throughout section 4.

The Senate also amended section 4 to provide that for purposes of the accumulated earnings tax, the personal holding company taxes, and the taxation of regulated investment companies, dividends which are paid on or before December 15, 1955, are to be treated as if paid on the last day of the prior taxable year. This amendment is applicable, however, only to the extent that the dividends are attributable to an increase in taxable income resulting from enactment of this bill.

The Senate also added two clarifying amendments. The first is designed to insure that the savings provision applies only to taxable years ending on or before the date of enactment of the bill. The second provides that an increase in tax which arises because of the effect of the repeal of sections 452 and 462 on a net operating loss is not to be treated as tax shown on the return for purposes of the required statement.

Mr. JENKINS. Mr. Speaker, this whole thing arises from the fact that there were a couple of very serious and far-reaching mistakes made in what we call the big tax bill, which was passed in the last session of Congress. Those mistakes were thoroughly and completely debated on the floor of the House. Many people were very much interested in them and likewise many Members of Congress were consulted by their constituents.

Those who were interested as taxpayers now will naturally want an extension of the time within which to file an amendment to their tax returns. They will want to take advantage of the new law which is their right and duty. They should have a chance to get a refund of any taxes which they have paid unjustly. That is right and Mr. COOPER and the other Members are doing their duty in passing this legislation.

Mr. COOPER. The gentleman is correct.

Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks at this point in the RECORD on the bill under consideration.

UNIVERSITY OF MICHIGAN LI

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER: Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in; and a motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 40 minutes on Monday next, following the legislative program and any special orders heretofore entered, and to revise and extend his remarks and include certain extraneous material.

Mr. EDMONDSON asked and was given permission to address the House for 1 hour on Thursday next, June 9, on the Hoover Commission Report on the Veterans' Administration, and to revise and extend his remarks and include extraneous matter.

Mr. BURNSIDE asked and was given permission to address the House for one-half hour today, following the legislative program and any special orders heretofore entered, and to revise and extend his remarks.

THE ADMINISTRATION TREATS THE STOCKPILE AS A METALS BANK

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Speaker, one of the most disturbing things brought out in the hearings now being conducted by Subcommittee No. 3 of the House Select Committee on Small Business is the wrongful manner in which this administration is dealing with the stockpiling program, particularly in the field of aluminum. Certainly, it is the congressional intent to place the stockpile in such a condition as to assure the immediate availability of a sufficient quantity of strategic and critical material in the event of national peril. The minimum levels of many strategic metals, including aluminum, have not yet been achieved; and yet the administration seems to be treating the stockpile as though it were a metals bank, or warehouse, for deposits of surplus materials by the three primary producers in times of lagging demand, and for withdrawals by them in a period of shortage. Such a practice is certainly not in accordance with congressional intent or national safety. Moreover, in making aluminum available only to the three primary producers, it gives them a distinct and, in great measure, an unfair advantage over all other segments of the aluminum industry.

It now appears that the Government has gone even further than merely delaying deliveries scheduled for the stockpile and permitting the primary users to distribute Government aluminum. Early in 1953, in a period of aluminum shortage such as we are now experiencing, the administration purchased something like 17.6 million pounds of aluminum from Austria, of which Reynolds Metals received 4.4 million pounds, Kaiser Aluminum 4.4 million pounds, and Alcoa 8.8 million pounds. The Government paid 26 cents per pound for the metal and sold it to the primary producers at the then ceiling price of 19½ cents, thereby giving them a gift of approximately $1 million.

As I stated in a letter addressed to the primary aluminum companies last Friday, copies of which I forwarded to the Office of Defense Mobilization and to General Services Administration, "the committee deems it important to remember that the aluminum industry consists of more than its primary producers; that the thousands of small enterprises must be protected." If nonintegrated business is to have any chance of competing with the large integrated producers, Government policies must apply with equal fairness to all segments of the industry.

Our committee proposes to investigate this matter further. I am attaching hereto copy of the letter which I mailed to the primary producers on June 2:

JUNE 2, 1955.

DEAR SIR: At the conclusion of the first phase of its hearings on May 25, 1955, Subcommittee No. 3 of the House Small Business Committee issued a preliminary statement recommending "that a sufficient amount of the delivery scheduled to the stockpile for the second half of 1955 be temporarily deferred" and also, "that the Office of Defense Mobilization and the General Services Administration be charged with the responsibility of assuring the equitable distribution of such aluminum to nonintegrated users."

The committee's recommendation that stockpile deliveries be temporarily deferred was considered to be an extraordinary relief and made most reluctantly. In our view, the stockpile is intended to assure the immediate availability of a sufficient quantity of strategic and critical materials in the event of national peril. The minimum levels of many strategic metals, including aluminum, have not yet been achieved and it is essential that such goals be met as promptly as possible. The practice of treating the stockpile as a metals bank or warehouse for deposits of surplus materials in times of lagging demand, or for withdrawals in a period of shortage, is not in accordance with congressional intent or national safety. The assertion by the primary producers that the current shortage exists because of overpurchasing by the stockpile is not entirely accurate when it is recalled that stockpile purchases were scheduled in accordance with estimates submitted by the producers themselves.

In view of the severe shortage of aluminum throughout the country and the need for protecting the economic well-being of many small-business firms, the committee saw no other immediate alternative than the recommendations it made. In approving the diversion of stockpile deliveries, the committee deems it important to remember that the aluminum industry consists of more than its primary producers; that the thousands of small enterprises must be protected. The committee is not satisfied that the 150 million pounds of aluminum diverted from stockpile deliveries early this year were allocated fairly to such small enterprises, and it would not favor distribution of any further amounts through the primary producers unless there is definite assurance that it will be made on an equitable industry-wide basis to all segments of the aluminum industry.

The committee does not want the introduction of a system of Government controls for allocating aluminum at the present time, if it can possibly be avoided. We believe the primary producers can formulate a program of distribution which will deal fairly with nonintegrated users throughout the industry. However, in view of the haphazard distribution of the aluminum diverted from the stockpile earlier this year, the committee believes that the nature and pattern of distribution to be employed should be known before the primary producers are authorized to divert further deliveries of aluminum under commitment to the stockpile.

The Aluminum Industry Advisory Committee of the Business of Defense Services Administration of the Department of Commerce yesterday recommended the amount of aluminum to be deferred from delivery to the Government stockpile. That amount is known to the primary producers. Assuming that the Advisory Committee's recommendation is approved by the Office of Defense Mobilization, the committee would like to know the manner in which the producers propose to make distribution, and requests them to answer the following questions:

1. Your company has already scheduled a portion of your production for nonintegrated users. Will all the diverted stockpile aluminum be made available to nonintegrated users in addition to the amount you have already scheduled?

2. In what amount will sales be made on a first-come, first-served basis to all good credit risks?

3. In what amount and in what manner will sales be made in accordance with an historical pattern?

4. In what amount and in what manner will relief be accorded users having no historical pattern?

5. (a) In what amount will existing nonconfirmed orders be given priority? (b) In what amount will canceled orders be reinstated?

6. Will you fulfill your existing firm contracts from your own supplies rather than from stockpile diversions?

If not, what amount will you use?

7. In what amount will sales be made to customers who use your facilities for fabrication?

8. What amount will be delivered to other primary smelters in (a) United States? (b) Canada? (c) Mexico?

9. What amount will be exported?

10. What amount will be allocated to (a) foundrymen? (b) extruders? (c) diecasters? (d) secondary smelters? (e) sheet rollers? (f) others?

11. Is there a minimum order which will be accepted? What amount? How many such orders will be accepted? Is there a maximum order which will be accepted? What amount? How many such orders will be accepted?

12. What will be the sales price for (a) billets? (b) pot-line alloy? (c) refined alloy? (d) pure pig? (e) pure ingot?

13. What will be the dates for delivery of the diverted metal?

14. Please state any additional factors upon which your distribution will be made.

The present situation requires the earnest assistance of all members of the aluminum industry. Your prompt consideration and cooperation in formulating an orderly and equitable program of distribution will be appreciated.

Sincerely yours,

SIDNEY R. YATES,
Chairman, Subcommittee No. 3, Select Committee on Small Business.

DEFENSE APPROPRIATIONS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, a few weeks ago this House, over my protest and objections, passed the Defense Department appropriation bill. I did my best by amendment to prevent the cuts requested by the administration at that time. The Secretary of Defense assured my committee and the American people that there was no aviation problem. A few days later, the Russians flew a handful of bombers over Red Square. A few days after that, the Secretary of Defense said it did not make any difference; he did not want any more money. Now, today, the Secretary of Defense and the Chief of Staff for Air go to the other body for appropriations and ask for $300 million more than was presented to this House because of an accelerated request for production of American B–52 bombers. The appropriation bill before this House was not properly presented when you were told you would have a reserve bill, and not to worry about beefing up the Army. You had no reserve bill. You lost that the next week. You were told the budget would be balanced. The budget will not be balanced.

Before the Appropriations Defense Subcommittee, Secretary Wilson, Secretary Talbott, and General Twining assured us with the requested funds they had the air situation well in hand; a few weeks later the Russians flew some bombers over Red Square. A few days later, the Defense Department heads assured us, even so, the situation was well in hand and that they would require no additional funds. But a few days later they changed their minds again, and now demand more funds to accelerate the air production program. Secretary Wilson last week at a news conference stated that the latest display of Russian airpower would not cause the Air Force to ask the Congress for more money. It was 2 days after that, that the Air Force itself announced that it was stepping up production of B–52 bombers by 35 percent; and on Monday, June 6, the Defense Appropriations Subcommittee of the Senate Appropriations Committee was asked to vote an additional $300 million to finance the increase. Besides this lag in bomber production, in my opinion we lack effective fighter defenses against Russia's big new jet bomber, and this in spite of all the assurances from our defense people to take care of this problem.

Not only are we in the middle of a cold war, but it now looks as though the Defense Department and administration wish to engage in a paper war with the Russian Air Force. We cannot fight Russian bombers and Russian supersonic fighters with paper aircraft of the kind made by children, manufactured from pages torn from a budget which has not been balanced. That may be good politics but it is bad air tactics.

SPECIAL ORDER GRANTED

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. POWELL] may on Thursday, June 9, 1955, following the legislative program of the day and the conclusion of any special orders heretofore granted, address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object with reference to the gentleman from New York, can the gentleman tell us what will the subject of that talk be?

Mr. ALBERT. I do not have the subject.

Mr. HOFFMAN of Michigan. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PRACTICE OF LAW BY UNITED STATES COMMISSIONERS

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, I am today introducing a bill which would amend legislation passed last year relating to certain United States Commissioners who are required to devote full time to the duties of their offices.

This legislation made a special exception for the United States Commissioner for the District of Columbia. The intention was to authorize the employment of additional clerical help in his office. At the same time, for reasons that are not clear, he was permitted to continue the private practice of law on the side.

The purpose of my bill is to revoke this special privilege for the United States Commissioner for the District of Columbia.

Recently it has been reported that the United States Commissioner for the District of Columbia, Mr. Cyril S. Lawrence, represented a group of Spanish musicians in their efforts to gain permanent admission to the United States.

Newspaper reports related that Mr. Lawrence had collected a $3,300 fee from these musicians and had a contract calling for him to be paid $6,600 more for these legal services—a total of nearly $10,000.

To earn such a fee, Mr. Lawrence obviously had to represent these aliens before the United States Immigration Service, which was trying to deport them.

This representation of private clients before a Federal Government agency by an official of the Federal court raises serious questions of propriety.

In my opinion, a United States Commissioner—who serves as a magistrate under appointment and jurisdiction of the United States district court—should not be permitted to represent private clients in any case involving the Federal Government or any Federal agency.

Practice of this type is not good public policy. It inevitably leads to real or seeming abuses.

It was to prevent just such abuses that the Justice Department recently barred United States district attorneys and their assistants from engaging in private practice.

The same principle should apply to United States Commissioners in important jurisdictions like the District of Columbia, where they supposedly devote full time to their official duties.

That is the purpose of the bill I am introducing. I hope it will be enacted promptly in order to prevent similar incidents in the future.

AMENDING RURAL ELECTRIFICATION ACT OF 1936

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 254) providing for the consideration of H. R. 5376, a bill to amend the Rural Electrification Act of 1936, as amended, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5376) to amend the Rural Electrification Act of 1936, as amended. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

I yield myself at this time such time as I may consume.

Mr. Speaker, the resolution under consideration, House Resolution 254, makes in order, if adopted, consideration of H. R. 5376, an act to amend the Rural Electrification Act of 1936.

As far as I know, there is no objection to the rule. However, there is some objection to the bill which this rule would make in order.

Under the Rural Electrification Act of 1936 50 percent of all the moneys appropriated by the Congress was allocated by the Rural Electrification Administrator to the States in proportion to the number of unelectrified farms in the State, in proportion to the general average of unelectrified farms with a maximum of 10 percent allowed for any one State. That was important at that time because only about 3 percent of the farms

UNIVERSITY OF MICHIGAN LI

of America were electrified. Now more than 90 percent of the farms are electrified and we are up against the proposition, as these farms are being electrified, of having to increase the size of the powerlines. In other words, we have to increase the highways of poles to carry heavier loads that must go out to these areas in order that full use of electricity can be had.

H. R. 5376 simply repeals section 3 of the Rural Electrification Act of 1936. That leaves it up to the Administrator to apportion this fund as in his judgment seems wise and proper. That was objected to quite seriously in the other body, and they passed their own bill in lieu of an identical bill with H. R. 5376. In substance, the bill which passed the Senate provided that 25 percent of the money appropriated by the Congress is allocated as under the old formula, except that where there was a limitation of 10 percent per State there is now an allocation of 25 percent, and 75 percent of it is allocated to the Administrator in his discretion, with a 25-percent maximum to each State.

To make it more clear to the membership, let us say for instance, that this Congress should appropriate $160 million for the REA. Under the bill that is to be made in order by this rule, that $160 million could be used by the Administrator as he saw fit; but under the Senate bill, which I understand is to be offered as a substitute for this bill by the Committee on Agriculture, if this rule is adopted, 25 percent of the $160 million or $40 million of it, would be under the old formula with the exception that instead of 10 percent as at present it is to be 25 percent, which would make the maximum for any one State $10 million to try to reach area coverage. One hundred and twenty million dollars, or 75 percent of $160 million, would be set aside by the Administrator to make improvement as he saw fit, with a 25 percent limitation to any one State, or a maximum of $30 million for any State.

Roughly, that is all there is to it. It is a very simple proposition. So far as I can see, gather, and hear, there is no opposition to the rule but there is opposition to the bill made in order by this resolution.

I now yield to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, I appreciate the statement the gentleman from Arkansas has made. He has explained the matter very well.

I might suggest that it was the feeling of the Committee on Agriculture that since the Senate had passed a bill that seemed to be acceptable to everyone we would ask to take up the Senate bill. There was very little objection to the original bill when it passed the committee; I think there was one vote against it. This vote represented a State that does have a substantial number of unelectrified farms. To be sure that there might always be money available should there be any substantial number of unelectrified farms the Senate bill provides that 25 percent of the total money appropriated should be first available for apportionment on the basis of unelectrified farms. The Senate bill, therefore, takes care of the objection that was raised by those who feared that there might somehow be a situation when a State which needed money for unelectrified farms might not be able to get it.

It is my understanding that all those who have had any objection are willing to accept the Senate bill. The people responsible for carrying out the program seem to be pleased with the Senate bill; the National Rural Electric Cooperative Association is satisfied with the Senate bill; and as far as I can see nobody who has any responsibility in the matter is opposed to the Senate bill. Consequently, it will be my intention when the rule is adopted to ask unanimous consent to take from the Speaker's table the Senate bill, S. 153, and ask for its immediate consideration. Should this bill be passed there will be no need to proceed further with the House bill which I introduced.

Mr. ABERNETHY. Mr. Speaker, in my judgment, no agency of the Federal Government has contributed more to a higher standard of living for rural people than the Rural Electrification Administration. In the short period of 20 years electric power has been made available to approximately 95 percent of America's rural homes. The program has worked fine. It has been free of scandal. Its repayment record for borrowed Federal money is unequaled. It has been reasonably free of politics. All of this progress has been made under a distribution formula which the House bill proposes to repeal.

Personally, Mr. Speaker, I feel it would be a mistake to repeal this formula. I was the only member of the great Committee on Agriculture which voted against reporting H. R. 5376. Although the overwhelming weight of opinion was contrary to my own, I have not changed my views about the bill. I hasten to add, however, that the members of my committee are just as zealous in their support of REA as I am. In their judgment this bill would not do damage to nor retard the progress of rural electrification. But, as I say, I firmly believe they have been treading on dangerous ground.

To repeal the formula outright and leave the Administrator of the Rural Electrification Administration with absolute authority might result in the use of REA lending funds for political purposes. It would place every potential borrower in competition with all other potential borrowers of such funds as are available, whereas, under the present formula borrowers can place their applications and come to Washington knowing that they will not have to be competing with other REA co-ops in other States for available funds. They know before they place the application that money has been earmarked in Washington for the benefit of their own States. I do not want this provision repealed outright.

An agreement has been reached in which I participated to substitute the Senate bill for the House bill. The Senate bill maintains the general objectives and principal features of the present formula. The gentleman from Arkansas [Mr. TRIMBLE] has very clearly explained the substitute. While the Senate bill does not go as far as I would like, I have agreed to go along. It assures all States that a reasonable portion of the appropriated funds will be earmarked for each State. That is what I have been fighting for. All legislation is the result of compromise. This is a reasonably good compromise and I am happy to accept it.

Mr. NATCHER. Mr. Speaker, I rise in support of the bill S. 153 to remove from the Rural Electrification Act formulas restricting the distribution of REA loan funds which were valuable when the program was in its earlier stages, but which are now obsolete and place unnecessary limitations on the flexibility of the loan program.

Twenty years of REA have caused a revolutionary change in American farm life and unless you have actually watched that momentous change take place you do not have any deep realization of what it has meant to millions of American farmers. With constantly increasing consumption of electricity life on the farms throughout our land has become more pleasant as electricity takes over chores which were once drudgery. Farm isolation has been defeated by the use of farm telephones, radio, and television.

On May 11, 1935, Rural Electrification Administration was established pursuant to Executive Order 7037, and at this time only 10 percent of our farms had electricity. Loans for the REA program beginning June 30, 1936, and continuing to June 30, 1954, amount to $3,046,832,099. This represents 1,417,441 miles of line serving 4,487,045 consumers. The amount of energy purchased by the REA consumers increased from some 402 million kilowatt-hours in 1940 to over 14 billion kilowatt-hours today. At the present time 91 percent of our farms are using electricity for a multitude of chores as well as for light and entertainment.

The Commonwealth of Kentucky has 26 Rural Electrification Administration distribution cooperatives serving over 205,000 consumers in 110 of the State's 120 counties. Every county of the Second Congressional District is served by REA. The first REA loan in Kentucky was made to the Henderson-Union Rural Electric Cooperative Corp., which is located in my district. Sixteen of the twenty-six distribution coops joined together and placed into operation in Kentucky the largest REA steam electric power-generating plant in America, with a capacity of 110,000 kilowatts.

The average farm output per man-hour of labor today is almost twice what it was prior to World War II, and this increase in efficiency is partly due to the use of electricity. A whole new life has been opened up to farm women as the result of the use of electricity, and they are today free of many of the chores which brought about the early death of generations of farm women.

REA is one of the great achievements of our present day Government and the Congress should keep this law up to date, thereby continuing the forward march of rural electrification in America. Passage of this bill is another step in the right direction.

Mr. HOPE. Mr. Speaker, I am glad to see the unanimous support which has been given the bill S. 153. This measure is similar to H. R. 2138 which I introduced in the House on January 13, 1955.

H. R. 2138 would have eliminated entirely the so-called State allotment formula with respect to rural electrification loans. S. 153 applies the State allotment formula to 25 percent of the annual sums made available for loans with the proviso that any part of such amount which is not loaned or obligated during the first 6 months of the fiscal year will thereafter be available for loan by the Administrator without allotment.

For all practical purposes this provision meets the difficulties which have arisen in the practical administration of the existing law. It also reassures those who feel that there is still need for an allotment formula.

I am advised that the National Rural Electrification Cooperative Association which appeared before the committee in support of H. R. 5376, H. R. 2138, and similar bills is agreeable to accepting the Senate bill. I am informed also by the Administrator of the Rural Electrification Administration that that agency, while preferring the House bill, finds the Senate bill acceptable.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I do not believe it is necessary for me to review or extoll to the members of this Congress the magnificent accomplishments of the rural electrification program carried out by the REA cooperative for the past 20 years. I know that some members are well versed on the record of the REA.

In appearing before the Subcommittee on Conservation and Credit of the House Agriculture Committee on April 14, in support of my bill, H. R. 4572, to change the formula for REA loans, I emphasized that the needs and conditions of REA have changed since the program was started in 1935. Twenty years ago only 10 percent of the Nation's farms were electrified. The need then—and for a number of years up to the present—was for loan authorizations to develop rural electrification along horizontal lines. In other words, the objective of the program was to provide loan funds for extending service to the Nation's unelectrified farms. This goal has been virtually accomplished as is testified to by the fact that approximately 93 percent of the Nation's farms are now electrified.

In the early history of REA and up to the present time the loan formula of the program served a worthwhile purpose in guaranteeing equity in loans to all areas of the country. Conditions have changed since 1935 and the present formula is outmoded with reference to the needs of REA cooperatives. There is considerable evidence now to indicate that the formula must be revised to allow REA cooperatives to develop services along vertical lines.

Mr. John Madgett, general manager of the Dairyland Power Cooperative, has summarized this well in the January 1, 1955, issue of the organization's publication. Before I quote in part from Mr. Madgett's article, I wish to say that the Dairyland Power Cooperative—which serves all 10 of the county REA cooperatives in my district—is the largest farmer-owned electric power cooperative in the world. In addition to the REA co-ops in my district, Dairyland Power Cooperative also serves cooperatives in other sections of Wisconsin, Minnesota, Iowa, and Illinois.

Here is what Mr. Madgett has to say about rural electrification development:

> After 19 years of progress, however, experience has taught that all rural areas in the Nation are not expanding at an equal rate as far as their electrification programs are concerned. The dairyland area, for example, has seen a demand for power which continually astounds even the most optimistic believers in cooperative rural electrification. Because of this, the States in which we serve have arrived at a point where a larger share of REA funds is needed in order to construct heavier and more costly generation, transmission, and distribution facilities to meet the constantly rising loads. Many areas in the Nation, of which we are one, have virtually reached a saturation point insofar as geographic or new membership expansion is concerned and the chief aim now is to meet the increased demands for power.

Mr. Madgett continues in his column with this significant observation:

> Difficult as it is for the uninformed to believe, it is still true that this vertical growth, or growth to meet greater power requirements of the cooperative membership, entails the expenditure of greater sums than those needed to merely expand into an area to cover new users of energy. Dairyland, for example, found it necessary to request funds in the amount of $8½ million to construct a new 50,000-kilowatt reheat unit at the Alma station—almost an impossibility under the present formula. Such a sum of money was never dreamed of in the early days when it was thought that the generating station such as ours at Genoa and Chippewa Falls would take care of requirements for years to come. Even larger units and installations will be required in the future.

Mr. Speaker, from the 1953 annual report of the Dairyland Power Cooperative—and this is the latest report that I have—the story of increased power demands of patrons is dramatically told in figures of average kilowatt-hours used per month by individual members. Here are the statistics on the average use per month per member in kilowatt-hours:

	Kilowatt-hours
1944	130
1945	139
1946	160
1947	188
1948	220
1949	240
1950	257
1951	294
1952	328
1953	367

You will note from these figures that in the 10-year period from 1944 through 1953 the consumption of the average member of Dairyland Power Cooperative served cooperatives has almost trebled. These figures bring into bold relief the problem of vertical demands confronting the REA cooperatives of our country.

The bill on which we intended to vote today, H. R. 5376, changed the formula to meet in a realistic manner the problems facing REA cooperatives today; but when a similar bill, S. 153, came up in the Senate, to meet objections from certain sections of the country which have not advanced as far in the electrification of farms as we in Wisconsin, a compromise amendment was proposed and adopted.

I have talked with REA people in Wisconsin and with Mr. Clyde Ellis of the National Rural Electrification Association here in Washington with regard to the proposed changes. They feel, for the sake of harmony in the REA program all over the United States, the Senate bill, as amended, should be accepted.

This amendment, as I understand it, proposes to modify the State allotment formula as it now appears in the Rural Electrification Act so that 25—in place of 50—percent of the annual electrification loan funds shall be allotted among the States in proportion to the number of unelectrified farms. The remaining 75 percent could be loaned without allotments, subject to the limitation that not more than 25—in place of 10—percent thereof may be employed in any one State. The effect of the proposed amendment of subsection (e) would be to release that part of the funds subject to State allotment which had not been obligated or loaned during the first 6 months of the fiscal year for which they are made available so that they may be loaned in any State subject only to the 25-percent limitation. Any funds not loaned or obligated during the fiscal year for which they are made available would be carried over and be available for loan in subsequent years in any State without allotment subject only to the 25-percent limitation.

The proposed revision will afford greater flexibility in the administration of the electrification loan program than is possible under the existing State allotment formula. Applying the revised allotment formula to the electrification loan funds carried in the 1956 appropriations, and using electrified farms as of July 1, 1954, as the formula base, it is believed that the revised formula will permit the making of any loans for which applications are now on hand or which are now being worked upon in the field.

Mr. Speaker, in closing, I wish to include for the Members' consideration, and the official record, letters from Mr. John Madgett, W. V. Thomas, general manager, Wisconsin Electric Cooperative, and others citing their support of my bill, H. R. 4572, which embodies the same features as the bill which we will vote on today. The letters, as you will discover, outline the annual survey. Since these leaders are acknowledged experts in the field of rural electrification, their statements should be given far more weight than mine as a layman. It is for that reason that I am asking the Members to study these letters.

Mr. Speaker, under unanimous consent, I would like to include in the RECORD a statement from the Dairyland Power Cooperative of La Crosse, Wis.; a statement of the Wisconsin Electric Cooperative of Madison, Wis.; a statement of the Eau Claire Electric Cooperative of Eau Claire, Wis., and a letter from the

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Chippewa Valley Electric Cooperative of Cornell, Wis.

The statements referred to follow:

DAIRYLAND POWER COOPERATIVE,
La Crosse, Wis., April 12, 1955.

Subject: H. R. 4572, amending REA loan formula.

Hon. LESTER R. JOHNSON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN JOHNSON: I have had an opportunity to review H. R. 4572 and to compare the changes which would result from the present legal requirements. I heartily endorse this bill and trust that you will make every effort to secure its passage.

The Dairyland Power Cooperative and the whole cooperative rural electrification movement in the United States has a great deal at stake on this issue. My general views on the subject are expressed in the January issue of Dairyland's house organ entitled, "Dairyland Current Matters." My views appear on pages 2 and 12. Kindly feel free to use this article if you care to. I am enclosing three copies of the issue and, hence, do not need to recapitulate here the importance of the loan formula change to Dairyland.

Your bill accomplishes three basic objectives which are highly desirable:

(1) It modifies the present unwieldy and, all too often, impossible loan formula.

(2) It makes provisions on a practical basis for meeting the growing requirements for larger loans for cooperative generation and transmission.

(3) It requires that the Administrator continue the annual survey to determine the number of farms not having central station service.

From 1938 to the present time the size of Dairyland's generating units has increased from 700 to 50,000 kilowatts. The cost per unit has increased from $100,000 to $8,400,000. Even larger units and, therefore, larger initial loans will be necessary to meet our future needs. Hence, the longer we go the more difficult and impossible it becomes to make adequate construction loans for generation and transmission to meet our ever-expanding needs. In fact, I seriously doubt whether Dairyland's next loan request can be met under the present formula.

One thing we should not lose sight of is the overall progress of cooperative rural electrification throughout the Nation. Hence, I urgently suggest that the annual survey on unelectrified farms be definitely retained and that other studies not inconsistent therewith be continued so that the Nation as a whole can at all times be fully informed regarding progress.

It is my sincere conviction that the change in legislation will be beneficial not only to Dairyland Power Cooperative but to rural electric cooperatives throughout the Nation, allowing them a normal growth without being limited in so many instances under the outmoded State-allotment formula. The extent of Dairyland's future progress and its ability to meet its system requirements would definitely be affected by the outcome of action on your bill.

Yours very truly,
DAIRYLAND POWER COOPERATIVE,
JOHN P. MADGETT,
General Manager.

WISCONSIN ELECTRIC COOPERATIVE,
Madison, Wis., April 13, 1955.

Hon. LESTER JOHNSON,
Member of Congress,
Congress of the United States,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN JOHNSON: On behalf of the rural electric cooperatives of Wisconsin, our public relations committee has instructed me to thank you for introducing H. R. 4572. This measure, if it becomes law, promises to remove the constant cloud of uncertainty regarding loan appropriations for REA-financed cooperatives.

We are happy to see that REA Administrator Ancher Nielsen, also spokesmen for the Farm Bureau, Farmers Union, and our own National Rural Electric Cooperative Association have recommended elimination of the formula. This formula language has always been a continuing threat to the welfare of Dairyland Power Cooperative because the need of Dairyland for generating funds is greater each year due to the increasing use of electricity in our rural area. As a matter of fact, in the case of the last loan made to Dairyland it has been a nip-and-tuck proposition under the present formula language to get the amount of funds necessary to purchase the required generating capacity.

We particularly want to thank you for inclusion in your bill the retention of the annual survey of unelectrified farms. This survey is the best way we know of assuring the Congress and the public of the accurate status of rural electrification in the United States. It is the type of information which provides us all with an intelligent tool to appraise the need for loan funds. This survey has been carried on over the years at nominal cost, and has proven itself over and over again whenever a question arose concerning progress of the program. We feel that to remove the survey at this time would fail to realize any substantial saving, yet would whittle away at the amount of factual information required for intelligent appraisal of the progress of this program.

Wisconsin's rural electric cooperatives again thank you for introducing this measure, and urge that you do everything possible to steer it into law.

Cordially and respectfully,
WISCONSIN ELECTRIC COOPERATIVE,
W. V. THOMAS, *General Manager.*

EAU CLAIRE ELECTRIC COOPERATIVE,
Eau Claire, Wis., April 7, 1955.

Hon. LESTER JOHNSON,
House of Representatives,
Washington, D. C.

DEAR SIR: I was pleased to receive a copy of your bill, H. R. 4572, which changes the formula governing allocation of rural electrification loans. Although most of the farms in Wisconsin are receiving central-station energy the REA-financed cooperatives are required to add capacity to their systems to serve additional electrical loads connected by these farmers.

Increasing the capacity of our distribution systems does not alone solve the problem as it is also necessary that we have adequate transmission and generation facilities. It is as important to our member-owners to have our power delivered into our distribution cooperative area as delivering the energy from the substation to the farmer. For that reason it is necessary that the Rural Electrification Administrator be permitted to loan funds to Dairyland Power Cooperative, our supplier, and the distribution cooperatives to improve facilities when and where needed.

Unless Dairyland Power Cooperative is permitted through the use of loan funds to improve its generation and transmission facilities several years in advance of the loan requirements the farmers served by their electric cooperatives would seriously suffer.

We sincerely believe that your bill, H. R. 4572, will accomplish the necessary changes in the Rural Electrification Act to the benefit of both city and rural people.

Sincerely yours,
V. M. DUFECK, *Manager.*

CHIPPEWA VALLEY ELECTRIC COOPERATIVE,
Cornell, Wis., April 7, 1955.

Mr. LESTER JOHNSON,
Congress of the United States,
Washington, D. C.

DEAR LESTER: In reply to yours of the 31st of March. I have no comment to make on your bill, H. R. 4572; it seems to me these changes are for the benefit of the majority, and that was the basic idea of the REA program.

I also wish to take this opportunity to congratulate you on the fine showing you are giving our district.

Yours very truly,
R. L. CLEAVES, *Manager.*

Mr. AVERY. Mr. Speaker, I rise in support of S. 153. As was pointed out in the Senate report, the original provision that 50 percent of the annual appropriation made available by the Congress must be allotted for loans in the several States in the proportion which the number of their unelectrified farms bears to the total number of unelectrified farms in the United States, served a useful purpose in the past. Now I feel, however, that it has outlived its usefulness. As of June 30, 1954, it is estimated by REA that 92.3 percent of the Nation's farms are electrified. In 43 States more than 85 percent of the farms are electrified.

The need for electrification loan funds can no longer be measured accurately on the basis of unelectrified farms. It is apparent today that the greatest need for loans arise where improvement must be made in the systems built in the early days of REA and where additional power sources must be provided to meet steadily growing demands for electricity on the farm. The enactment of this bill will accomplish three things:

First. Providing flexibility in the administration and making loan funds available where needed rather than a prescribed rigid formula that is no longer realistic.

Second. Reducing annual requirements for loan funds that because of present limitations have been more than total actual loan requirements.

Third. Will remove the necessity for annual surveys of unelectrified farms which is now needless.

Mr. Speaker, I urge the passage of this bill.

Mr. ALLEN of Illinois. Mr. Speaker, I believe the gentleman from Arkansas has explained the rule and the main provisions of the bill. Like the gentleman from Arkansas, I know of no opposition to the rule, at least.

Mr. Speaker, I reserve the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 153), to amend the Rural Electrification Act of 1936, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsections (c), (d), and (e) of the Rural Electrification Act of 1936, as amended (7 U. S. C. 903 (c), (d), and (e)) are amended to read as follows:

"(c) Twenty-five percent of the annual sums herein made available or appropriated for loans for rural electrification pursuant to sections 4 and 5 of this title shall be allotted yearly by the administrator for loans

in the several States in the proportion which the number of their farms not then receiving central station electric service bears to the total number of farms of the United States not then receiving such service: *Provided*, That if any part of such sums are not loaned or obligated during the first 6 months of the fiscal year for which they are made available, such part shall thereafter be available for loans by the administrator without allotment: *Provided, however*, That not more than 25 percent of said sums may be employed in any one State or in all of the Territories. The administrator shall within 90 days after the beginning of each fiscal year determine for each State and for the United States the number of farms not then receiving such service.

"(d) The remaining 75 percent of such annual sums shall be available for rural electrification loans in the several States and in the Territories, without allotment as hereinabove provided in such amounts for each State and Territory as, in the opinion of the administrator, may be effectively employed for the purposes of this act, and to carry out the provisions of section 7: *Provided, however*, That not more than 25 percent of said unallotted annual sums may be employed in any one State, or in all of the Territories.

"(e) If any part of the annual sums made available for the purposes of this act are not loaned or obligated during the fiscal year for which they are made available, such unexpended or unobligated sums shall be available for loans by the administrator in the following year or years without allotment: *Provided, however*, That not more than 25 percent of said sums for rural electrification loans may be employed in any one State or in all of the Territories."

Sec. 2. Section 4 of such act is amended by striking out "10 percent" and inserting "25 percent."

The bill was ordered to be read a third time, was read the third time and passed.

A motion to reconsider and a similar House bill (H. R. 5376) were laid on the table.

PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on the Armed Services may be permitted to sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. ABERNETHEY. Mr. Speaker, I ask unanimous consent to extend my remarks following those of the gentleman from Arkansas on the rule just adopted.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks in the RECORD immediately following the remarks of the gentleman from Arkansas.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE TRAINED NURSE

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and to include an address by Mrs. Hobby.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, I am grateful for the permission to extend my remarks in the RECORD and include the inspiring speech made by Hon. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, to the graduating class of the School of Nursing of the Presbyterian Hospital, Columbia-Presbyterian Medical Center, in New York City on June 2, 1955. This school is one of the outstanding institutions of its kind in the country with a most exacting training and educational schedule and I am very proud that a niece of mine, Susannah Manwaring Lee, was a member of the graduating class.

Mrs. Hobby's address is replete with good, practical as well as spiritual advice, and I am especially impressed and moved by her wise and helpful admonition:

I would say to you with passionate earnestness this one thing: always keep your warmth. Let the years of experience sharpen your understanding of human emotions and human needs, rather than dull your perceptions by their routine.

Schedules, too much work and too little time, repetition of sights of pain and heartbreak and sorrow—all these things will combine to build a shell around you. Don't let them.

Mrs. Hobby has practiced what she preaches through the years of service she has given her country. She has not permitted the strain and stress of public life to build a shell around her, but in spite of criticism and the anxieties of family life she continues her service, an earnest, self-sacrificing person dedicated to her duty.

This is a great address and I urge my colleagues to read it.

President Cooper, members of the graduating class, and guests; from Florence Nightingale to the Angel of Dien Bien Phu, the trained nurse has held a very special place in human hearts and human vision. You know this, because the ideal of nursing played a strong part in attracting you to the studies you are now completing, to the profession you are ready to enter.

No other profession more completely symbolizes the idea of service, of selfless dedication to one's fellow man.

But dedication to an ideal can be a vague or even a misguided thing unless combined with skill and wisdom. In completing your preparation at this, one of the greatest medical centers of the twentieth century, you of the Koming class are privileged to have had an unusual blend of the ideal and the intellectual, of inspiration and the practical training to make that inspiration a reality.

As it has grown more complex, our civilization has required specialization in every field. And in our intense development of specialists, we have often neglected the equally important quality of balance. By your association with Columbia University, you have had a better chance than most to achieve the precise knowledge of the specialist while maintaining the breadth and balance of the well-rounded human being.

In your academic work, you became aware of the values by which we live—aware of the sweep of Western history: the Greek search for truth and beauty; the Roman concepts of law and of order under the law; the Judaic realization that there is one God; and the Christian interpretation of the compassionate nature of that God. And as your thoughts have soared away and beyond the printed pages of your textbooks, you have come to understand why our civilization attaches such importance to the individual.

Since childhood, you have been told that the individual is sacred—both under the Judaic and Christian concept of God as the father of mankind and under the American concept of self-government by free men and women. You have learned that the individual is not a cog in a machine state, that government must serve the people, not the people serve the state. And you know that this principle is the quality which distinguishes Western civilization.

Let us carry that further. To be a free man, served by his government, sacred as an individual, each of us must be equally aware of the importance of individual conscience, of individual responsibility.

We are not entitled, nor can we preserve, the privileges and benefits of freedom—and I believe there are no privileges and no benefits except in freedom—unless we fulfill our duties to freedom, the duties dictated by an active, individual conscience.

In Men Like Gods, as I remember it, H. G. Wells pictured a utopian society in which there was no government. No government was necessary because all the citizens were so highly developed in intellect and moral conscience that they automatically behaved as though guided by laws and automatically served as though challenged by leadership.

Such a utopia will not likely come in my lifetime or in yours. Perhaps never. But I think the idea has a truth within it. The higher the development of the individual—intellectually and spiritually—the greater his return to society, the more spontaneously he follows the spirit as well as the letter of the law.

Those among you who will become the greatest in your profession will be those who joyously, generously, and intelligently offer the greatest return to society. You will become distinguished or famous not by what you gain for yourselves but by what you give to others.

This is true for all.

You are more fortunate than the average layman in that, by the nature of your work, you are free to give your working hours to human service. Cherish that freedom. Revel in it. And know that with every life you save, every human hurt you ease, every sadness you lighten you are achieving a kind of intrinsic greatness.

I am describing ineptly something which has been expressed vividly and beautifully by Lecomte du Nouy in his book, Human Destiny. He said: "Every man can, if he wishes, leave a more or less brilliant trace behind him, which widens or prolongs the existing path and contributes to its fanlike expansion.

"The destiny of man is not limited to his existence on earth. * * * He exists less by the actions performed during his lifetime than by the wake he leaves behind him, like a shooting star. * * *

"The wake of the first man who buried his dead and protected their faces with two tilted stones; the wake of the first man who forbade his children to kill their fellowmen; the wake of the first man who decided that the wounded and impotent, incapable of hunting, should be fed and not left to die; all these wakes are real today, more real, perhaps, than when they originated. * * * The wakes of Moses, of Buddha, of Confucius, of Lao Tse, of Christ probably exert a greater influence over humanity today than when these men were pondering over its fate and

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happiness. No man ever disappears completely if he strives to do good and expects no reward outside of the joy of having contributed to the progress of mankind."

That passage was written by one of the most distinguished scientists France has ever produced, one who worked with Dr. Alexis Carrel and Madame Curie, one who has been honored repeatedly in this country for his achievements in the exact field of science.

Now having taken us into a cosmic realm for a moment—a realm which I hope you will explore to the fullest in all the years of learning which lie ahead of you, because there is none more exciting—I should like to move down to the more prosaic level of practical points, which of course can be equally challenging.

In your uniform, each of you becomes a different person to the lay public. When we are well and happy, masters of our fates, we see you en masse and from an impersonal distance. But almost always when we come to you professionally, person to person, we are in some kind of trouble—either in discomfort and pain of our own, or in worry and fear for someone we love.

I would say to you with passionate earnestness this one thing: Always keep your warmth. Let the years of experience sharpen your understanding of human emotions and human needs, rather than dull your perceptions by their routine.

Schedules, too much work and too little time, repetition of sights of pain and heartbreak and sorrow—all these things will combine to build a shell around you. Don't let them.

Remember that the most trivial of ailments seems important to the person who ails. Fear is an illogical thing, sometimes more likely to unsettle when groundless than when based on cruel fact.

I have seen—and I am sure you have seen—the woman responding with serenity and pure courage to a death sentence from cancer, who might have been thrown into a mild spasm of nervous tension by a proposed appendectomy. I have seen men facing up to brutal news with calmness and determination, who might feel faint over donating a pint of blood.

Your duties are among the most exacting of all professions—technically and, equally important, emotionally. You are called upon to give much. But if, against these exacting requirements, you can preserve the inner spark that gives you human understanding and human warmth, then the patient will not become simply case No. 4038. Remember that each mother who brings her 10-month-old child into the hospital to have his adenoids removed needs your warmth and pleasantness. The fact that you have seen hundreds of successful operations to remove the adenoids, the fact that you have seen scores of worse trials, doesn't diminish her need in the slightest.

A young friend of mine recently visited a large medical center more to keep her mother company than because she herself was ill. But while there, she had a physical checkup, and, as a result, underwent a minor operation—one so minor that she walked out of the operating room herself, as well as into it.

Telling me about it later, she said, "What impressed me was that every doctor and nurse seemed as interested in me as though I had some obscure and fascinating ailment, or as though I were their very first patient. I know that their talents usually are saved for people who need them terribly, but still they acted as though I were the most important thing on the docket.

I passed this compliment on to one of the department heads at the center, and he smiled. "It has to be that way," he said. "Whenever anyone gets a routine attitude toward the patients, he is encouraged to take his talents elsewhere. If we ever lose our alertness, then all our training and equipment would lose their meaning."

In contrast, I remember walking through a pediatric clinic when an obviously inexperienced mother was holding a shrieking baby. The baby had just gotten his first immunization shots, and was resenting his benefits bitterly.

The nurse in charge reeled off instructions to the mother in the chant of one who has said the same words to hundreds of mothers holding hundreds of shrieking babies.

Miserable over her baby's first real meeting with pain, the mother looked dazed under the flow of words. Clearly she hadn't understood.

Another nurse saw and acted with the warmth that distinguishes the topnotch professional in any field.

"The shot hurt him for just a moment," she said gently. "And the place may be a little sore for a few days. Don't worry if he runs a slight fever, and if he does, give him a baby aspirin every 4 hours. You'll be surprised at how quickly he feels better."

It took only 30 seconds to do. She had used almost the same words that the other girl had used. But by caring, by the note of personal interest in her voice, she sent the mother away reassured rather than worried and uncertain what to do next.

From this room today, from this point of departure, your careers will take you in many diverse directions. Through the years, you will learn which patients need additional explanations, which need special reassurance, which need matter-of-factness, which need a note of gaiety, which need silent sympathy. Your patients will expect, and will respect, your competence in your work.

Because you are professionally informed on nursing, you will be called upon to provide the public with information and leadership in the continuing efforts to develop nursing to meet the needs of humanity and science. These needs, as your professors have told you, are constantly changing.

In 1930, about 6,300,000 people, or 5 out of every 100 Americans, were cared for in general hospitals. In 1954, the number had grown to 18,700,000, or 11 for each 100 Americans. This doesn't mean that more people were sick, but that more people used health facilities because more help could be given to once helpless cases or because more conditions were being recognized as being medically treatable.

In 1930, approved medical practices required 1 professional nurse for each 6 patients. In 1954, 2 nurses were needed for each 6 patients, because medical science has increased the demand for the highly trained services of professional nurses.

You know of the shortage in this country's nursing force. Since the demand is likely to increase again and yet again, countermeasures must be taken to increase the total number of nurses and to use those we have more effectively.

Congress is now considering proposals to provide additional grants to States for vocational training of more practical nurses, to provide an increase in the number of highly trained professional nurses, and to find better ways of using the skills of the professional nurse.

These proposals suggest that the public is interested in good nursing service and in your future careers. The public's cooperation is evident in many efforts of the States, communities, and voluntary organizations. The lay public will cooperate, but they expect you to keep them informed.

I was interested in hearing a nurse say that nursing is communication. Nurses communicate health knowledge, and the will to live, and a sense of self-direction on the part of the patient. I think this could be expanded to include communication to the general public.

The Department of Health, Education, and Welfare earnestly seeks two-way communication between our sections and your profession. We hope you will tell us how community and State programs are meeting the needs and what action should be taken to supplement them. We will respond with plans and programs to help further your ideas.

One of our new programs will open new pathways in your career through research. Research into nursing can lead to better methods of meeting patients' needs, and research into management of nursing can reduce gaps in service.

A study conducted by the Public Health Service in cooperation with nurses and hospital administrators showed that as much as half the time of staff nurses in some hospitals was being spent on work that could be reassigned to clerks, maids, and messengers. This meant that the patients were getting less nursing care than was intended.

Hospitals across the country are using the research findings to make management improvements, to relieve professional nurses of duties others can perform, and to give patients more complete bedside nursing care.

As a layman, may I ask of you a special sympathy for and patience with the layman who serves under you as a volunteer. Lacking your training, lacking your experience, lacking your knowledge, we will at times seem remarkably inept. We will occasionally seem more trouble than we are worth. But remember the long range. More and more volunteers will be needed to do the simple hotel, janitorial, messenger, or clerical tasks, in order to free you for your work as specialists. If you will help us to learn, we will prove useful over the years in terms of steps saved and woman-hours given.

But the volunteer has an even greater importance. She is your instrument of communication with the town and county in which you work. It may be her voice lifted at a church circle meeting which gains extra funds for the clinic. It may be her reminder which inspires a drive to build a new building or to equip a new operating room. The enthusiastic volunteer is one of the strongest links of understanding between you and the community. To the degree that you have community understanding, you will have community support; and to the degree that you have community support, you will have the opportunity to serve effectively.

Early in this talk, I mentioned the individual conscience which nags at us all as responsible citizens. Now I must tell you that because you have been unusually privileged in today's world, you have an unusually great debt.

Let your imaginations wander around the earth for an instant. Think of all the hundreds of millions of men and women who cannot read and write. Think of the millions of your fellow Americans who either are illiterate, or who have had so little schooling that they cannot serve in the more complex business aspects of our civilization.

Think of all the libraries and schools and universities and medical centers such as this one which were destroyed by the bombs of World War II. Remember for 1 moment how great a privilege it would seem to some of the earth's people to own 1 book—to be able to read that book. And then consider your own elaborate, expensive, superb training here at Columbia Presbyterian in the world's largest city.

Your training has given you a specially qualified place among those who would serve their fellow men. You are equipped now to give a service which will make your name blessed in many homes and families around you.

Yours is a special trust, and your reward the manifold blessings of all those who will know the calm assurance of your presence in their distress and the patient service which you alone can give.

ABOLITION OF SEGREGATION IN THE SCHOOLS

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. ROOSEVELT] is recognized for 20 minutes.

Mr. ROOSEVELT. Mr. Speaker, the time granted to me by the House for this address today I use first because of the intense interest of my district in the subject concerned and secondly because, as a member of the Committee on Education and Labor, I strongly feel that the recent unanimous decision of the Supreme Court of the United States, written by Chief Justice Earl Warren, is of the utmost importance to the future welfare of our country.

There is probably no subject matter which more deeply stirs the emotions of many Americans than the basic principle of racial discrimination in public education. This unanimous decision of our Supreme Court reiterates a fundamental principle of law—that racial discrimination in public education is unconstitutional in the United States of America. But this decision provides a workable solution to the notable and historic opinion of the Court on May 17, 1954. It recognizes that a complete change cannot be made overnight; that there are human elements and deep traditions and emotions involved. It states, as a fact, that to "achieve a system of determining admission to the public schools on a nonracial basis" requires many local changes such as revision of local laws, State constitutions, and regulations. It bases its recommendation upon the fundamental concept of the school district and the school district's responsibility to resolve its local problems so that racial discrimination can be completely eliminated. Thus it sets no time for compliance, allowing within the realm of human reasonableness for each State to provide the best possible plan for an orderly integration of our schools. Perhaps most significant of all, it provides not that some far-away body shall be the judge, but that the Federal judicial districts of the local areas shall, in each instance, have jurisdiction and authority.

The reaction throughout the country has generally been summarized as one of relief and satisfaction. Those who pressed for quicker action have fortunately and, I hope, permanently, seemed to recognize that human advances in a democratic system should and could be accomplished by restraint without weakening the firmness of ultimate decision. The vast majority have set their minds to follow the spirit as well as the letter of the unanimous wisdom of the Supreme Court of our land. A few, but let it be said a remarkable few, have used the words of a former great President of the United States—who learned to regret them when he assumed the responsibilities of the President of our country—Andrew Jackson, who once defied a High Court ruling with the words: "John Marshall"—Chief Justice—"has made his decision—now let him enforce it."

To all Americans, our Supreme Court has made clear, not only to us but to the whole world, a public policy which, if we believe in law and order, can be defied by no Americans anywhere. The courts will require that in all areas there be a prompt and reasonable start toward full compliance with the May 17, 1954, ruling; once such a start has been made, the courts may find that additional time is necessary to carry out the ruling in an effective manner. The burden rests upon those who seek delay to establish that such time is necessary in the public interest and is consistent with good faith compliance at the earliest, practicable date. Thus determination of whether or not there has been a full compliance is placed with those who are in a position to make the best determination of that question—the local Federal district court.

That there is a great problem of education and of adjustment in order to reach the ultimate result is clear to all Americans. But the ultimate result is equally clear. There shall be, within a reasonable time, no discrimination of any type because of race or color or creed in our public schools. It shall be eliminated in our United States. A great responsibility rests in this matter upon all those in Government. The judiciary has taken its firm position, not once, but twice—not some, but all—unanimously. The Congress if, and when necessary will, I am sure, play its part with equal determination. But there rests upon the executive branch perhaps the heaviest duty of all—the heaviest duty but the most glorious of occasions—for it lies within the power of the executive to counsel and to guide, to calm, and to convince, to lead—that our Nation may remain united. This is important not only for the internal peace and progress of our own Nation, but because we live under the constant threat and under the continuous attack of those who would snatch at any hope to destroy the freedoms of men who have learned to make progress under law and order. Communism might force by threat or violence the elimination of racial segregation. Democracy has chosen to bring it about by understanding, by belief, by education, by the process of freemen who choose to live by the Golden Rule and apply it for the advancement of all men whom God has created.

The Executive can and should, through its Solicitor General and its Department of Justice, plan now to give aid and counsel to those whose laws need to be changed, and to those who are in the throes of long-range planning. The executive arm of justice, if it does its work, will and can eliminate the possibility of endless legal entanglements. It can prevent the wasting of hundreds of thousands—perhaps millions— of dollars in unnecessary judicial disputes. By courageous firmness it can convince those few of small mind and little stature that the great spirit of a people's government can and will be used to make sure that, in time, there will be no such thing as second-class citizenship anywhere in the United States.

That newest of all executive departments—the Department of Health, Education, and Welfare—can bring about, through the Commissioner of Education, an interchange of ideas and a reservoir of useful information. Thus, no area, no State, and no district need be isolated or struggle alone in its efforts to solve this—one of the most difficult of human problems.

But to the President himself comes the greatest opportunity of all—an opportunity for leadership such as few men before him have had. Now is the time for the President to begin to act. He can put the weight of his office behind the fight to end discrimination, not only in education but in employment, in interstate travel, and in all other areas where the rights of American citizens to be equal in all things and in all ways are questioned or denied. The President, through his voice, can hold a light aloft so steadily that it will shine in the eyes of those who might wish to pretend that it was dim or perhaps might become extinguished. It is to the President that we must look for a clear presentation to all Americans, in every State of the Union, of the great intensity with which the Communist forces are watching our progress in this matter. It is for him to spell out the stakes that are being played for in the great struggle for existence of a free world. A conclusive finish to this effort could be more effective in winning for us the friendship of the uncommitted nations of the world than all the arms we have or may send the countries of the East and the West, for there is no more devastating a weapon than the demonstration to all peoples that we in the United States practice equality, as well as talking and preaching about it.

In far-off Kenya, after the May 17, 1954, decision, a member of the legislature and a leader of a most important tribe, one Isaac Okwirry, remarked:

> America is right. Here in Kenya we are supposed to create one nation of all races. If we are not educated together, we will live in fear of one another. If we are to stay together forever, why should we have separate schools? Children will learn to know each other intimately in the same schools and fear will disappear.

To that let me add that such fears are never born in chidren. They only become present by the acts and by the influences of those who have preceded them and would seek to guide them. It was only recently, at the Bandung Conference, that General Romulo, of the Philippines, was able to say:

> In almost all western lands—and especially in the United States—an internal struggle against racism in all of its manifestations has been going on steadily and victoriously.

The Communists, at Bandung, came to scoff and to ridicule. They left with the knowledge that probably—for the first time—the people of Africa, of Asia, of India, and even the people of the Communist-dominated countries had heard evidence from independent and respected authority that in our country the issue of discrimination in schools was being settled by law under the democratic processes rather than by mob rule or dictatorial fiat. As Chief Justice Warren so eloquently put it:

> The vitality of these constitutional principles cannot be allowed to yield simply because of disagreement with them.

It is the duty and the opportunity of the President to defend the right of disagreement but to deny the ability to flaunt and destroy the law.

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We must pray for the success of our President and our Government in their efforts to bring reasonable understanding to all men in the completion of the task which the Supreme Court has set us all. The extremes on both sides, by that warmhearted decision, can find a haven of mutual respect and of honorable and peaceful adjustment. As in almost every public function and in every school throughout the land we rise, face the flag of our country and, with our hands over our hearts, say together, "One Nation, under God, indivisible, with liberty and justice for all," so may our love of country, with divine guidance, bring to pass, as speedily as possible, that day in America when racial discrimination in public education through the use of equitable principles, "characterized by a practical flexibility in shaping its remedies," and by the use of "a facility for adjusting and reconciling public and private needs," come to a final end in our United States.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I am glad to yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. I wish to commend the distinguished gentleman from California for his remarks which were restrained, in that they did not constitute an appeal to passion; which were constructive, because they did constitute an argument to reason.

In our United States of today we face the problem for which we must find the answer or we will not survive. And if we do not survive neither will the free world. Our problem is to find in our United States a climate in which in private life and in our official life there shall be no touch of discrimination of any sort.

The Supreme Court has wisely held that under our Constitution there shall be no segregation in our public schools. As we ask our youth to come to the defense of our Republic and to bear arms, there is no inequality in the service we demand and that is given, so in the matter of education all must have the same equality in opportunity and in participation and upon none shall there be the sting of discrimination.

In all he has said I wish so much to commend the distinguished gentleman from California. This is no time for appeals to passion. It is the season for calm reflection by all our people from coast to coast, from Canada to Mexico, as to the nature of our national destiny under God.

We are going through a readjustment period. I think at every place in our country is a realization that the institutions of the past that were enwrapped in a concept of discrimination do not belong to the present. Goodhearted people, men and women of good will, are in every part of our America. They overwhelmingly prevail in every section of our Republic. All are seeking for the day when we will have in reality no discrimination. The minds of men should be as free of the taint of discrimination as are the souls in the realm to which we hope to arrive.

As I have understood the gentleman, he has suggested that at this time the President of the United States should use the great power, and influence, and prestige of his position to give a virile leadership in following up the recent ruling of the Supreme Court, thus bringing quickly into reality the complete nonsegregation of our schools, but the approach should be in reason and without passion and based in the confidence that Americans all over our country are seeing ahead the same vision.

I do so much commend the gentleman for his splendid remarks here today. I was thinking while he was talking, and perhaps I should not mention this because every man stands on his own feet, that he was voicing what, if he were here today he would be saying, the immortal soul who but recently was our President in the most trying days of our Republic, and who is so well represented in the House by the gentleman from California, his eldest son.

Mr. ROOSEVELT. I thank the gentleman very much. I wish I had the eloquence of the gentleman from Illinois.

PRESENCE OF SENATOR GEORGE AT BIG FOUR CONFERENCE WOULD DEMONSTRATE NATIONAL UNITY

Mr. EVINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include certain correspondence.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS. Mr. Speaker, on Memorial Day, in a mood of reflection and mediation, I wrote the President a letter in which I respectfully suggested that Senator GEORGE, of Georgia, the distinguished chairman of the Senate Foreign Relations Committee, should be invited and prevailed upon to accompany the President to the forthcoming Big Four conference. I further suggested that Senator GEORGE be assigned an official capacity at the conference in order that his voice might be heard by the leaders of the participating nations and that he might, therefore, speak with authority as a representative of our Government.

This suggestion was made for two reasons, Mr. Speaker, and both reasons were devoid of any partisanship. The first: It seems to me that the presence of Senator GEORGE at this historic conference would be a concrete demonstration of the unity of our country in striving for peace and for better understanding among nations. Secondly: The presence of Senator GEORGE at these talks would thus assure for our Nation the very best possible representation, the finest ability, and capacity to negotiate or to discuss problems.

It has been said that our Nation has never lost a war or won a conference. It is high time, Mr. Speaker, that we won a conference.

History records that the late great President Woodrow Wilson was a pitiable sight at the Versailles Peace Conference as he stood alone among the giants of the Allied Nations—without needed counsel and steadfast support from the legislative branch of the Government. His lack of support at Geneva was never more sadly or emphatically apparent than when he returned and his work was not accepted but, rather, was repudiated. It was repudiated by the legislative branch of our Government because of the action of a little group of willful men.

Mr. Speaker, we should profit by the lessons of history. Strong men of the legislative branch of our Government should be included at this conference. Our efforts for lasting peace must not again be repudiated. The world should know that our Nation stands today in complete unity in its striving for peace and understanding.

Any actions taken at this conference or any groundwork laid for peace should not be repudiated. Unity and accord should predominate in our actions for world peace.

In this connection, Mr. Speaker, I include with my remarks in the RECORD a letter which I was pleased to address to the President in this regard and the response which I have received from the White House.

The correspondence follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 30, 1955.

Hon. DWIGHT D. EISENHOWER,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: The forthcoming conference between you and other leaders of the so-called Big Four nations is looked upon with hope by all the people of the free world. However much that hopefulness may be tempered with skepticism cannot and should not obscure in any degree the good for a peaceful settlement of international differences which may be set in motion by this conference. Our Nation, in its participation, is reaffirming its unity in the search for peace and understanding—from that, our Nation stands to gain in international amity.

As a concrete demonstration of the unity of the American people as our Nation enters into these talks, I would respectfully suggest that the distinguished chairman of the Foreign Relations Committee of the United States Senate, Hon. WALTER F. GEORGE, be invited and urged to accompany you on this momentous voyage and be named as a special representative in order that he may in every way participate in the talks in a capacity reflective of his position and his influence. Senator GEORGE needs no preparation for participation in such a conference as will occur and his presence will give our Nation the finest representation and the greatest show of unity that could be possible. I respectfully urge that Senator GEORGE be named as your aide and assistant and that he be prevailed upon, in the interest of a show of national unity as well as from the point of view of having the best possible representation, to accompany you to this conference.

With highest esteem, I am,
Most sincerely yours,
JOE L. EVINS,
Member of Congress.

THE WHITE HOUSE,
Washington, June 2, 1955.

The Honorable JOE L. EVINS,
House of Representatives,
Washington, D. C.

DEAR MR. EVINS: The President greatly appreciated your letter of May 30 and asked me to call your attention to the coincidental fact that on the day your letter arrived this very subject was raised in his May 31 press conference. It was his thought, therefore, that

his response to this question would respond also to your letter to him and I cite below both the question and answer as he has requested:

"Question (Edward T. Folliard, Washington Post and Times Herald). Mr. President, Representative JOE EVINS, of Tennessee, says he has written you a letter to this effect, that if you go to a Big Four conference that you take Senator GEORGE of Georgia along as a special assistant.

"He says this would be an example of unity in the American people.

"The PRESIDENT. Well, no one could have greater admiration for Senator GEORGE than I. He and I have had talks about this very subject, and I think we are in complete agreement on what should be done.

"I think I have explained a number of times that our conception of a Big Four conference will be, let us say, a testing of temperaments or atmosphere, a discussion of problems in general, and an attempt to determine methods and procedures that might work in the attempt to solve specific problems in the world. It will not in itself be a conference to attempt the solution of these specific problems.

"Therefore, it would seem to me that the time for Senators and Members of the Legislature to be with you is when you come to the actual working out of the detailed problems that might result conceivably in some kind of an agreement.

"Therefore, you want people there that are ready to explain this to their committee members, every phase of it, all of the background and what you might call the legislative history of the agreement.

"When we are in this general talk, I assume that the meeting is to be very small, as small as is possible under the circumstances of the number of interpreters and just experts you have to have with you."

Again let me say that the President deeply appreciated your letter and the motivation which prompted you to offer this suggestion.

With best wishes,

Sincerely,

BRYCE N. HARLOW,
Administrative Assistant to the President.

HENRY J. KAISER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. BURNSIDE] is recognized for 30 minutes.

Mr. BURNSIDE. Mr. Speaker, for the past 5 months, Mr. Speaker, I have had an unhappy task. It has been my duty to speak most often in this forum about problems of the State of West Virginia and the Fourth Congressional District of that State. I have talked of the lack of employment there, of the losses in population and business, and of the economic aftermath of the tariff policy of the United States. Today, my task is a happier one. The problems which have occupied me for so long have not been solved. There is still drastic unemployment in my district and our State of West Virginia. Business activity is still low. There has been no abrupt change in the population trend, but I was fortunate this past week in witnessing a physical demonstration of the reward and purpose of the steadfast hopes and plans and actions of the people in my district. The occasion of which I am speaking was the annual homecoming and banquet of the people of Ravenswood, W. Va. The principal speaker was Henry J. Kaiser. Mr. Kaiser is not a West Virginian, but he personifies traits which, in the collective, are the hope of West Virginia. Probably, the outstanding characteristic of Mr. Kaiser is his youthfulness of spirit. From its very beginning, his carrer has been one of dynamic progress. Kaiser Industries represents a vast asset of our country. The latest addition to this great system, an aluminum rolling mill, is now under construction in Ravenswood. The coming to our valley of Kaiser Industries has satisfied in part our past ambitions. More important, the dynamic spirit of the entire organization has encouraged our local people to strive with increased vigor for a future as progressive as the past success of Kaiser.

Mr. Speaker, it is a pleasure to include in the RECORD the address of Mr. Kaiser at Ravenswood on May 20. His remarks illustrate to me all that is encouraging and optimistic for my State.

HIGHLIGHTS IN THE LIFE OF HENRY J. KAISER

Henry John Kaiser was born May 9, 1882, at Sprout Brook, N. Y., 1 of 4 children of Francis J. Kaiser, a mechanic in a shoe factory, and Mary Yopps Kaiser, a practical nurse, both of whom were German immigrants.

He started his business career at age 13 when he left school to take a $1.50-a-week job as cashboy for a Utica, N. Y., dry-goods store. Later he traveled as a salesman of photographic supplies for dealers in upstate New York. At 22 he joined the photographic firm of Brownell & Kaiser, at Lake Placid, N. Y., as a junior partner, and within a year purchased the business, adding new photographic stores in several Florida cities and at Nassau.

Deciding to build a new career in the growing West, Mr. Kaiser arrived in Spokane, Wash., in 1906, and was hired by McGowan Bros. Hardware Co., later becoming city sales manager. In 1912 he joined a construction company as salesman and manager of paving contracts in Washington and British Columbia, which opened the way for his career in building.

He established his first company—the Henry J. Kaiser Co., Ltd.—in 1914 at the age of 32, and during the next dozen years carried out millions of dollars worth of highway construction in the Pacific Northwest and California, in addition to constructing several sand and gravel plants of his own and two earthfill dams. Oakland, Calif., became Kaiser headquarters in 1921 and has remained the hub of his activities ever since.

The year 1927 brought what Mr. Kaiser considers the turning point in his life. It was a $20 million project—huge in those days—to build some 200 miles of highway with 500 bridges into the interior of Cuba. It meant organizing 6,000 workers and battling serious obstacles, but the job was finished long ahead of schedule. The principle of teamwork learned on this job guided future work. It led to partnerships and associations with other contractors for cooperative bidding and construction on gigantic projects, such as some of the world's largest dams.

This building era saw Mr. Kaiser become chairman of the executive committee of the famous Six Companies, Inc., which combined to build Hoover Dam. He went on to participate in the building of Bonneville, Grand Coulee, and Shasta Dams and such other projects as the piers of the San Francisco Bay Bridge, levees on the Mississippi River, and pipelines in the Northwest, Southwest, and in Mexico. Up to the start of World War II, Kaiser and associated firms built more than 1,000 projects totaling $383 million.

Mr. Kaiser's industrial era began in 1939 with the founding of Permanente Cement Co., at Permanente, Calif., which today has the largest cement plant in the West and 1 of the 2 largest in the world, with an annual capacity of 7 million barrels.

Production in many fields moved ahead swiftly during World War II. Although new to shipbuilding, the Kaiser organization produced more vessels for the war effort than any other shipbuilder. At the peak of the war there were 58 shipways in 7 Kaiser-built and Kaiser-operated yards in California, Oregon, and Washington. These yards produced 1,490 ships, including nearly one-third of the entire American production of merchant shipping and 50 small aircraft carriers. The Kaiser yards established a worldwide reputation for phenomenal speed in ship construction.

Other World War II work included: Founding of the Pacific coast's first—and still the only—integrated iron and steel plant at Fontana, Calif.; building and operation of two magnesium plants for production of the ultralight metal and the magnesium war incendiary known as "goop"; supplying all the bulk cement used in the construction of Pacific fortifications; operation of plants manufacturing aircraft parts; and management of the largest artillery-shell operations in the country.

The postwar growth of Kaiser-managed companies continued to be rapid and diversified. This year—Kaiser's 41st year in business—the industrial family has total assets of nearly a billion dollars, annual sales of more than a billion dollars, and annually was putting $872 million into the United States economy in the form of payrolls, purchases, and taxes.

The Henry J. Kaiser Co., the parent firm, has 4 operating divisions, while 7 other principal firms—4 of them public stock companies and as many subsidiaries—were linked to it through partial stock ownership and management. These companies have 116 plants and facilities scattered in 15 States and Territories and 13 foreign countries, and employ 68,000 persons who turn out more than 290 products in such fields as aircraft, aluminum, automobiles, building materials, chemicals, cement, coal, gypsum, housing, household products, iron, metal products, power, refractories, steel, and sand and gravel.

Mr. Speaker at this point I ask unanimous consent to include an address by Mr. Henry J. Kaiser: Opportunity by the River.

The SPEAKER pro tempore. Is there objection?

There was no objection.

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(The matter referred to follows:)

OPPORTUNITY BY THE RIVER

Good evening to each of you—our new friends of Ravenswood. I deeply appreciate the warmth of your welcome. In coming among you, I felt that I was not in any sense coming among strangers, but among men and women whose spirit I came to know from the very first time that we began to consider locating an industry here. You would be surprised to know—despite the distance that separated us—how much I was able to learn about your community, and, most important, about you—your aspirations for your region and, especially, your spirit of teamwork and onwardness.

When I received the invitation to be with you tonight, I glanced through a record of past $5 banquets and noted the distinguished speakers who have addressed you in the last 7 years. Why did they come to speak with you? Why have I come?

The answer is one that I have felt strongly since arriving in this area and on through tonight's thrill of hearing the splendid voices of the men's glee club of the B. & O. Railroad. I believe it has been the spirit of you, the people of Ravenswood, that has drawn your banquet speakers here.

From the bottom of my heart, I feel that you, as citizens of this area, have shown, in a magnificent way—the initiative, the desire to accomplish, and the determination to do things for yourselves. This is what is being honored here tonight. So may I add my voice to those who have spoken before me at these banquets in tribute to you, the people of Jackson County, W. Va.

HISTORIC TRADITION OF RAVENSWOOD

I have experienced a multitude of feelings since arriving here at this beautiful bend in the Ohio River. There was a feeling of solidness, of tradition, of a great heritage of history. I could not help but feel the tug of your region's history extending back to the days of the Indian canoe on the Ohio, the French-Indian wars, Col. George Washington, the coming of the first white settlers, the founding of Ravenswood.

To me, it is somewhat symbolic that Kaiser Aluminum & Chemical Corp. is to build its new giant rolling mill on a part of the very lands which were granted to George Washington in 1772 by King George III, of England. It is likewise symbolic that these same lands were once the home site of John Warth, the founder of your county and appropriately called your first industrialist.

And as I think of John Warth, I want to believe that our company will be adding to this tradition—that we will be opening gates of opportunity to this area as John Warth did in his day. We sincerely hope that we will become a part of your tradition, so that in the future, men may look back with pleasure to the day we transformed a part of the landscape ir to a huge aluminum rolling mill, and say that you and we together built even more—much more—than a new industry. It has always been my belief that opportunity is ever with us, that all that is required is the proper combination of imagination, perseverance, commonsense, deep faith, and service to our fellow men. In this way, tradition and opportunity become one.

Tradition. Opportunity. They are with us here today at this bend of the mighty Ohio River.

RAVENSWOOD TAKES ITS PLACE IN A NEW AGE

I would like to discuss with you what I mean when I talk about opportunity and what I think it means to you here, now. For a moment let us take stock of ourselves and of what is transpiring in the great Nation of which we are a part. If we stop to think about it, I am sure we will all agree that our Nation today is in the midst of a mighty new industrial age—the industrial revolution of the second half of the 20th century. It is a revolution which transcends any single State or region in the country. It has sought out Ravenswood and this Ohio Valley region for a new chapter of tremendous progress.

"To be alive in such an age"—for we are living in an age of miracles come true—the age of the new metals (in which you will participate so greatly)—the age of atomic energy, aviation, electronics, chemistry, and wonders of the machine that will create profound advances by man. It is my belief that, orienting ourselves in terms of time and events, we are but at the beginning of the mighty changes in our ways of working and living which will make it possible for us as a people to scale undreamed of heights.

We can create in our country such an economy of abundance that in the early 1960's we can be accomplishing the production of goods and services at the rate of more than $500 billion a year and raise the average standard of living by more than one-third. We can double the gross national product in the next 21 years, and by 1975 have a $750-billion-a-year economy.

GROWTH IN POPULATION

Look at the amazing rise in the American birthrate which has brought our population to 164 million people—and what it means to us.

A friend of mind has a dramatic way to illustrate what is taking place. The other day he handed me one of the large $1 bills which the Government took out of circulation in 1929. Here it is. (Mr. Kaiser holds up a big $1 bill and with it, for comparison, a new small $1 bill.) My friend said to me: "Think of it—more than one-half of our population has never seen one of these dollar bills. More than 60 percent have never owned one. During the past 25 years, since the big bills were withdrawn, our population has soared from 120 million to 164 million. In that time 35 million people have died. More than 80 million babies have been born. Nearly one-third of our population has turned 21 in that span.

"Conservative predictions are that our population by 1965—10 years from now—will reach 190 million, and that by 1975, it will climb to 225 million."

The point my friend was making—and I feel it should mean a great deal to our individual thinking about the future—is that we, as a people, are in a period of tremendous, dynamic advances forward—greater population, vaster markets, more opportunities, more challenges to men and women who will rise to meet them. The outlook is for the continued rise in our standard of living, which already has attained unparalleled heights.

FORCES OF CHANGE

Let's look for a moment at some of the compelling forces of this new industrial revolution and economic change. First, there is the pressure of this relentless population growth. We have available to us the great natural resources of our Nation. We have the potential of great new sources of energy, including nuclear fission. But even more important, we have the opportunity to utilize more fully our traditional sources of energy, like coal. We have now at our fingertips new means of precision control of equipment and materials through great electronic brains.

Our present vast technological developments make it possible for us to produce more and better things to be placed within the reach of more and more people. But there are among us the harbingers of doubt: those who fear the future, some who see a danger, for instance, of the country becoming a strictly materialistic nation, of overproducing and facing unemployment.

Count me not among those who fear, but count me among those who look upon our future as a great opportunity which can fill men's souls with hope. Our industrial development will mean more employment, the need for far more trained, skilled, and capable people than today. It can free men still more from the shackles of routine drudgery; it can free our hands so that we can do better and more efficiently our life's work. It can free our minds to think and create.

ROLE OF ALUMINUM

And now, what about the role of aluminum in this great national industrial drama? Aluminum is playing an exceedingly vital role, and you of Ravenswood will have a significant part in the age of light metals. For example, since 1940 the shipments of copper have grown 17 percent, steel shipments have grown 59 percent, and aluminum shipments have grown 780 percent. Since 1947, despite the tremendous increases in aluminum production during World War II, the production of the aluminum industry has more than doubled. It is obvious that today the aluminum industry is one of the primary growth industries.

Kaiser Aluminum has increased its primary capacity fourfold in the last 8 years and has greatly extended its range of products and services to industry. Growth is essential to our basic concept of a dynamic business, and I can assure you we do not intend to stop growing.

Through private financing, Kaiser Aluminum has built, in 9 short years, an organization stretching from the west coast to the island of Jamaica, our primary source of bauxite, and encompassing 16 plants. Last year our sales were $226 million. This year we expect to exceed $260 million.

At our 3 reduction plants, 1 in the South near New Orleans, and the other 2 in the Northwest, we are now producing well over our rated capacity of 816 million pounds of primary aluminum each year. This aluminum is processed in our other facilities, rolled into sheet and plate at Trentwood, Wash., rolled or drawn into rod, bar, wire, electrical conductor at our Newark, Ohio, plant, forged into light, strong parts at Erie, Pa., or extruded into structural shapes at Halethorpe, Md., or, perhaps, rolled into thin foil at Permanente, Calif.

Now with our entry into Ravenswood, this will interest you: However it may be processed, aluminum today is finding more and more uses, more and more markets, and in the years ahead this demand will increase. That is one of the main reasons why we have considered it essential to expand in order to satisfy this continual growing demand. And that is one of the reasons why today we are in the midst of constructing a new rolling mill located here in Jackson County, W. Va.

HOW WE CHOSE RAVENSWOOD

Our choice for the location of our new plant was not an easy one. Perhaps in some respects it was more difficult than the choice which faced George Washington when he traveled this country to select the tracts of land which were to be deeded by the king. Our people searched from Pittsburgh to Cairo, looking over some 40 different sites before we finally made the choice. Like George Washington, our choice was this area near Ravenswood although, perhaps, our reasons were different.

Ravenswood represents to us the best combination of favorable factors we could find. We like the location. We like the transportation facilities. We like the wealth of natural resources. We like the geographical relationship which Ravenswood holds to our vital eastern markets. Most of all, we like the people here, the spirit of cooperation and a substantial evidence that we would be welcome.

It was just 1 year ago today, May 30, 1954, that your citizens first took options on the plant site at the request of the B. & O. Railroad. Our name was not mentioned at that time, but the speed with which the option

was obtained is one good example of the type of cooperation that you have given us.

We have been pleased—indeed, somewhat overwhelmed at the reception we have received. Ford Morrow, our operations manager, has reported with great appreciation the willingness you have displayed to pitch in and work side by side with us in meeting the many day-to-day problems connected with the new plant.

NEW TRADITION AT RAVENSWOOD

We sincerely feel that you will be in a position to reap a number of benefits as a result of our coming here. This new tradition which I mentioned a few moments ago our company feels is starting now. A modern day Rip Van Winkle could take a much shorter sleep and upon awakening find an even greater transformation. Of course, there will be jobs here of a type that never existed before. There are bound to be new homes, new markets, new stores, more people, more cars, more service stations, motels, restaurants, and coffee shops.

But, above all, there will be opportunity to make the most of this change. More of your children will be able to find occupation in the local area, rather than having to seek employment elsewhere. We feel that you here in Jackson County, W. Va., will soon be on the frontline of this great industrial growth, producing aluminum for our Nation, producing products which make our living standards higher and life more livable.

LEADERS' VISIT TO NORTHWEST

Earlier this year, the Kaiser Aluminum & Chemical Corp. was pleased to be the host to a group of citizens from this area on a trip which took them across the country to our aluminum facilities of the Northwest. There, just outside of Spokane, they visited our Trentwood rolling mill—an operation which in many ways is similar to that which we have planned for the Ravenswood works. In order that they might understand the magnitude of the aluminum industry, they also visited a number of local fabricators who use our products as their raw material to convert into myriads of other products.

While many of my earlier years were spent in the Pacific Northwest, I am impressed each time I revisit it, each time I look around at the tremendous growth that has taken place in the aluminum industry of that region.

Today when I visited Ravenswood for the first time I couldn't help but feel that many of the opportunities which were seized by the people in the Northwest a few years ago will soon make themselves apparent to this part of West Virginia. Some of the factors which made your area so attractive to us can prove equally attractive to other manufacturers. Perhaps some of your local people may decide to enter aluminum fabricating or marketing, thus becoming a part of this tremendous industry.

IMPORTANCE OF POWER

One of the foremost resources determining how a region can progress industrially is a source of abundant power. A plentiful and low cost source of power is of extreme importance to the aluminum industry. In the past our industry has looked primarily to falling water—hydroelectric power—as a source of energy. There are a number of regions in the United States where it is possible to produce more hydroelectric power than we have today. Yet, because sufficient hydroelectric projects are not being started, even the Pacific Northwest is facing an acute power shortage after 1960.

Natural gas has been a more recent source of energy for the aluminum industry. Our new reduction plant at Chalmette, La.—the country's largest primary aluminum plant—uses natural gas to drive its generators. However, industry may well have a few honest doubts about the long-range use of natural gas as a source of low-cost industrial energy. The great pipelines now serving some 43 of our 48 States have made available a national market for producers of natural gas. This means that more and more demands are being made upon this great source of energy with possibly less becoming available at low cost for large industrial users.

In the future, of course, there is always the exciting potential of harnessing atomic energy for industrial uses. However, for the foreseeable future experts cannot agree when this source will be ready for industrial exploitation.

RESOURCES OF WEST VIRGINIA

But here in West Virginia you people enjoy one of the Nation's greatest and most abundant energy resources. This State is the Nation's largest producer of bituminous coal. The fact that we are here is, I think, strong evidence of the value of this great resource.

Industry has found the means to unlock the energy from coal more economically than ever before. At the same time methods of mining have improved tremendously. Today 93 percent of all coal mined is machine cut and over 80 percent is loaded by machine. Coal output per man per year has increased almost threefold in the last half century. The technology of power generation is also constantly improving. In 1925 it took more than a pound of coal to produce one kilowatt-hour; today the most efficient generating plants require only seven-tenths of a pound of coal to produce one kilowatt-hour. It is expected that this efficiency can be even further improved which means that coal can be made to be increasingly competitive with other sources of low cost energy. You have in West Virginia a resource that is truly "black gold" * * * one that has enormous potentialities ahead.

The United States aluminum industry has taken steps toward greater utilization of coal resources. The United States industry will continue to expand its primary metal production to meet the constantly mounting demands. This means it must find huge new sources of low cost energy. I can say this much for Kaiser Aluminum: We have been working intensively on the possibilities of coal as a source of energy for future expansions. We are encouraged by our studies to date.

I repeat—coal can mean a much greater industrial development in the years ahead for West Virginia.

LOCATION TO MARKETS

If Horace Greeley could only live in the West Virginia that I envision, he might not advise your boys to "Go west, young man." For in the State that you can build, the young man of today would not need to go elsewhere to seek his fame and fortune. Because of its wealth of natural resources, this general region of the United States is destined to remain a center of the Nation's basic industry for many, many years to come.

The construction of our Ravenswood plant has been termed a move eastward. If, indeed, it is a move eastward, it is not a new one, as far as we are concerned. During our short lifetime in the aluminum industry some of our most important plants have been located in the Central, Southern, and Eastern States. We, at Kaiser Aluminum, consider this new plant to be another and important step in expanding our major production facilities in close proximity to the Nation's major markets.

The location here at Ravenswood is ideal in relation to this market and as this market continues to grow—as we are certain that it will—aluminum from Ravenswood will be in heavy demand. In fact, it is not a question of whether we will expand our Ravenswood facilities, but when. Perhaps the Ravenswood expansions will be greater than we now realize.

As you know, our construction plans call for facilities which initially will roll lightgage sheet and foil. Ultimately we are planning a fully-integrated operation with an annual capacity of more than 250 million pounds of sheet and foil products.

This will make it possible for Ravenswood to process primary aluminum shipped from the corporation's large reduction plant at New Orleans. What happens after that will depend in large measure upon economic conditions at the time, and I need not tell you the faith I have in the future.

TEAMWORK SOLVES PROBLEMS

We may naturally expect that there will be difficulties to overcome, problems to be worked out, but I have always personally believed that a problem is merely an opportunity in work clothes.

In our Kaiser organizations we have adopted the slogan, "Together we build."

We feel it is more than a slogan. It is something that we in our organization live with every day as a symbol of teamwork, the same kind of teamwork which you people have shown here tonight by getting together at this annual $5 banquet to do something yourselves for your schools, to accomplish by teamwork that which each of you individually could not accomplish alone.

IMPORTANCE OF PEOPLE

We relish having the people of Ravenswood and West Virginia join us as partners in building something—infinitely more important than material things. The Kaiser family of industries cannot contribute their utmost to our fellowmen simply through the magnitude of operating 116 factories and facilities, or producing more than a billion dollars worth of goods and services a year, or having a billion in assets. Nor can Ravenswood be great merely by growing bigger, for there is no magic to stir men's hearts in merely bigness for bigness' sake, or property just for pelf and self.

The philosophy that has run through all our own undertakings of the last 41 years has been that we are in a business much bigger than building material things; we are in the business of building people. Nothing we have accomplished could have been done except as we built ourselves and those who joined us. I have had the great good fortune to have as teammates men who were always growing. Only as people grew and tapped the resources of their hearts and minds did young fellows do the so-called impossible again and again—like building a $20 million highway for 200 miles and 500 bridges through Cuba; like building Bonneville Dam despite the fact that bonding companies would not insure so hazardous a project, and that the raging waters of the Columbia tried to rip their work to shreds.

It was only our faith in people that led us into shipbuilding. Back in 1940 when British purchasing commissioners were in this country desperately trying to find someone to build 30 ships for the war, they asked me to show them our shipyards. I took them to the Richmond mudflats, on San Francisco Bay and said, "There are our shipyards." Nothing but mud and faith in the ability of man. Yet from the mudflats, our team went on to build nearly 1,500 ships faster and cheaper and in the greatest mass-production volume of all time.

We were called foolhardy when we proposed to build a cement plant in northern California—told that the market was oversaturated with too much production. Yet our men built the plant in 7 months and that plant never has stopped expanding until today it is one of the largest in the world.

Only people built Kaiser steel, too. We were hounded at every turn when we tried to build the Pacific coast's first basic iron and steel mill, in order to provide steel desperately needed for war. We were mocked by claims, "You can't do it. No ore, no

UNIVERSITY OF MICHIGAN LIB

know-how, no markets to build a steel plant. You can't do it." Yet in only 8 months men did erect a blast furnace, and today that plant—one of the most successful in the country—is a monument to men who prove "It can be done."

Yes, the story of people—of obstacles, rugged competition, the joy of work and struggling against odds—runs through every worthwhile achievement of our family of industries, the story of which the people of Ravenswood now become a part.

I have talked tonight about industry, about physical facilities, about natural resources, about locations to markets, and about the outlook for the future. And yet, in the last analysis, what I have really been talking about is people. For in this land of freedom, it is people who finance, build, and work the fields and the plants. It is people who are the producers, the sellers, and the consumers. It is people's minds, people's faith, people's courage, people's determination. "Together we build."

How well that applies to our efforts here in Ravenswood. This is our opportunity by the river. And we feel it is yours, too. None of us can do it alone.

A SPARK OF GOD

In each of us there is a spark of God. It is surely the same spark as that which guided George Washington to become the founder of our Nation. It was the same spark in John Warth which enabled him to contribute so much to your heritage. It is the same spark which will provide the means by which in teamwork we can—all of us together—build our destiny.

Perhaps it is the same spark which inspired a great poet to write:

"I sought to hear the voice of God,
And climbed the topmost steeple.
But God declared: 'Go down again,
I dwell among the people'."

Mr. BURNSIDE. The career of Henry J. Kaiser has been astounding. It began when he was only 13 and has been growing constantly and with increasing momentum ever since. He established his first company at the age of 21. In the years since then that construction company and the enterprises to which it led have been responsible for creation of highways, hospitals, factories, ships, dams, and many other structures which have, in turn, added to the great wealth of our country. The contribution of Kaiser industries toward the successful conclusion of World War II is well known. The many branches of Kaiser enterprises have been established at times and in places when many businessmen advised caution and inaction. Despite these fears of the times, each stage of Kaiser's growth has been successful.

The question naturally arises, What is responsible for this dynamic progress? I think the answer lies in Mr. Kaiser's own dynamic personality, which has become a characteristic of his entire organization. Because of it, his group does not fear the impossible. No task is beyond the realm of human achievement. Individuals working together can accomplish anything. Today, over 80,000 people are working with Henry J. Kaiser to attain new and higher goals. The graduating class of Marshall College, in Huntington, W. Va., was fortunate in having Mr. Kaiser discuss with them his philosophy and the results of his vast experience. This address can be, in my opinion, an inspiration to all of us, as it was, I know, to those college seniors.

Mr. Speaker, at this point I ask unanimous consent to include the address made by Henry J. Kaiser before the Marshall College graduating class.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

(The matter referred to follows:)

ACHIEVING THE BEST WITHIN YOU

I hope this day at Marshall College will be as happy and memorable for you as it is for me—particularly for you of the class of 1955.

The treasured honor and greeting you have extended me are accepted with deep appreciation. They bespeak a wholehearted West Virginian welcome to our industrial organization, which will share with you in developing the opportunities of this promising region.

I am grateful to Marshall College, moreover, for the privilege of being here in the presence of youth, because young people, with their vigorous drive of onwardness, always lift my spirits tremendously. The very word "commencement," symbolizing beginning, not completion, carries a note of challenge. I'm glad our degrees don't say, "Here endeth your learning." Frankly, if I ever started basking in the past, which President Smith so generously spoke of, I guess, like an old soldier, I'd just fade away.

Commencement, instead, prods us into renewed realization that each of our individual lives can be filled with varied and ever finer kinds of commencements—beginnings of new experiences and accomplishments. The life worth living is forever growing, always searching out and entering upon new beginnings.

BUILDING PEOPLE

It has been a great joy of my life to work side by side with so many men and women who possessed the youthful spirit of always commencing, always growing, always building stronger, not only themselves, but those with whom they worked.

Once in a discussion with a number of my associates, a question arose that caused me to express an idea that had run through our activities for many years. I asked them to stop and think, "What would you say is the real business we've always been in?" Each one of us in that particular gathering liked to think of himself as a builder—a builder of dams, of ships, of factories and new enterprises. The perfectly obvious answer to my question was that we were in the business of building.

"Sure, we are in the business of building material things," I said to my teammates. "And yet our real business is more significant than that; fundamentally we are in the business of building people. Think back to the toughest jobs we have undertaken—our dreams of projects or new enterprises that were scoffed at as impossibles. We would have stopped dead in our tracks at apparently insurmountable obstacles, if we ourselves and the people with whom we have worked had not always been growing. The real secret of anything worth while that we have built has been the building of people."

Let's look out upon the wide horizon of this thought about building people. Do you agree that free men everywhere must forever be concerned with stimulating the complete development of the individual? The priceless worth of the individual is at the heart of freedom, and our way of life, as opposed to systems that subjugate the individual to a dictator or an all-powerful state. An essence of freedom is the striving to create more perfect equality of opportunity. It is the duty of "Government of the people, by the people and for the people" to help create the environment which encourages people to make the most of themselves and to achieve the rich expression of their own individualities. Our churches, our schools and our finest institutions and organizations carry out indispensable roles of building people and helping bring about the fuller realization of the individual.

AWAKENING THE POWERS OF INDIVIDUALS

Does our free society, however, even begin to do all it could to awaken the creative, dynamic possibilities of individuals?

Focus this question closer. Whom can you think of who seems to be living up to the best within himself? Each of us can reach out to fulfill the distinctive resources that are within us. But do we lead lives as abundant as they could be? Do we keep building ourselves as strong spiritually, intellectually and physically as we could?

The reason I answer "decidedly no" is because I believe that the best within an individual is infinitely great, far, far greater than he is likely even to begin to use. I have been stirred to the depth of my being when I have seen fellow men call forth some of the amazing powers that are theirs for the using. In my own experiences I have made many discoveries of undreamed-of capacities in people—the capacities of courage, imagination, love, work and achievement. I have glimpsed again and again, extraordinary capacities demonstrated by men and women who might be called ordinary persons, if measured solely by an intelligence quotient or by apparent heredity or by their lowly beginnings. As St. Luke exclaimed, unto us "hath God showed that I should call no man common."[1] I have seen how men can rise to challenges and crises; so that I believe with the poet—

"We never know how high we are
Till we are called to rise;
And then, if we are true to plan,
Our statures touch the skies."[2]

Nevertheless, all too many people self-impose limits upon their attainments. They place ceilings that are too low on themselves. They settle for life too cheaply, when they could afford the life abundant. They drift along on lower planes of activity, when they could be tapping hidden funds of energy and accomplishment.

YOU CAN MAKE USE OF LATENT RESOURCES

The psychologist, William James, reached the conclusion that "most people live, whether physically, intellectually or morally, in a very restricted circle of their potential being. They make use of a very small portion of their possible consciousness, and of their soul's resources in general, much like a man, who out of his whole bodily organism, should get into a habit of using and moving only his little finger."[3] William James also stressed, "The human individual * * * possesses powers of various sorts which he habitually fails to use. He energizes below his maximum, and he behaves below his optimum." He can be enormously more effective.

The staggering amount of brainpower that goes to waste is shown by a psychologist who informs us that not more than one-fifth of the average man's brain is ever used as it might be, and perhaps half of one's brain remains fallow from birth to death.[4] Besides, brainpower grows the more it's used.

Knowing that locked up in your inner being there is a veritable powerhouse, how do you throw on the switch to release vast untapped power?

The fortunate and heartening fact is that there are known ways, that you can discover

[1] Acts 10: 28.

[2] Emily Dickinson, Aspiration.

[3] William James, Memories and Studies; the Letters of William James.

[4] Walter B. Pitkin, the Psychology of Achievement.

for yourself, by which individuals can make use of much more of their latent powers of spirit, mind, and energy. Unfortunately, though, not nearly enough people follow the proven ways to realize more fully the best that is within themselves.

HAVING AN AIM IS THE KEY TO ACHIEVING YOUR BEST

Foremost—the evidence is overwhelming that you cannot begin to achieve your best unless you set some aim in life. What would football be without a goal? You see men play over their heads to reach the goal, whether in sports or throughout life. Your greatest aim in life may be thought of as an underlying purpose—your fondest hopes and dreams to which you give action—your truest aspirations—the central planning and motivation of your life.

Why is it so easy to get lost in aimlessness?

Many an otherwise promising person doesn't know where he wants to go in life. You feel like saying to him, "If you don't know where on earth you want to go, then where on earth will you ever reach?" Yet I would say it in kindness and understanding because it has been found that 9 out of 10 persons have no definite plan in life, and I know that one may have to search and search to find himself—his finest self.

The one person in creation you cannot afford to be a stranger to is yourself.

Then know yourself—really know yourself—well enough to choose a central, unifying purpose in life.

THE CHOICES YOU MAKE

You will be confronted by the fact that life is filled with an infinite variety and combination of choices. That itself can be either a dilemma or a magnificent source of opportunity for you. You can choose between the weaknesses or strengths in your personality or character which you shall allow to prevail. You can choose between drifting or directing your talents on a chosen course. You can choose friends and associates, especially including a partner in marriage, who either hold back or help you to be true to your own better self. You can take whatever job comes along or you can choose a work that calls forth your abilities and keeps you forever growing.

No time in history and no place in the world could offer you more limitless opportunities and such a kaliedoscope of alternatives as here and now. Choose you must or else be tossed around in confusion. The more gifted you are in many directions, the harder it may prove for you to channel your diverse talents and wide-ranging interests toward some destination. You can't successfully ride off in every direction at once. If you fail to make clearcut choices, you may get yourself mixed up and wastefully diffuse your energies.

"We break up life into little bits and fritter it away," said the Roman philosopher Seneca, with timeless insight. "He who would arrive at the appointed end must follow a single road and not wander through many ways."

I wish for each one of you that you discover and follow the pattern of your greatest interests. This is a quest that deserves soul searching on your part and the wisest counseling you can obtain. Today you can make use of batteries of vocational interest tests that didn't exist when I was your age.

FOLLOW YOUR GREATEST INTEREST AND ABILITIES

I learn through Psychologist Lewis Terman, for example, that one of the most valuable single tools for discovering the broad general fields where your abilities and interests lie is Strong's vocational interest test—that a young man taking this test can learn whether his pattern of interest most closely resembles the interest patterns of successful doctors, lawyers, physical scientisis, engineers, architects, journalists, or men in some 30 other occupations. Dr. Terman says that if the Strong test could have been taken by all the 800 men in the gifted group, whose lives he has followed for more than 30 years, at least 10 or 20 percent of them might have made a better choice of career.

It becomes vital to weed out the fields in which you could not do as well as in others and to refuse to go into them by mere happenstance such as the chance of a job that offers you the most immediate pay. Follow your strongest bent, rather than the easy-come, easy-go whims. As St. Paul pleaded, "Neglect not the gift that is within thee," and I would add, know that you can, if you will, channel the God-given gifts and aspirations within you into attaining a life that is really worth living.

PLAN BIG—SET A GOAL WORTHY OF YOU

There is a power like magic in the desires and purposes of your mind and heart. What do you want to accomplish more than anything else in life? Can you sense the best that is within you, and feel the urge and drive to achieve goals that match your best? Have you set your sights high enough?

An aim of life that is worthy of you must be big, not small,[5] surely as big as the latent potentialities that a firm purpose can bring out, not as small as the limitations which you can overcome. Think big to become big. Your aim needs to be as bold as your courage, not as timid as your deceitful fears. Your ultimate goal should reach out to the faraway horizon of your imagination and faith, not stop in a nearby dead end. The short-range goal is not an end in itself, but only a milepost on the way to the long-range goal. The underlying purpose or motivation of your life should be of a stature to whet your unending interest, not stagnate you in dreary dullness. It should call forth energy, action, work, not idle daydreaming. It should call for dynamic risk-taking instead of mere security. It should summon creativeness and intuition.

FAITH AND GIVING TO OTHERS

Spiritual powers enter mightily into lofty aims and the highest achievements. In every man and woman there is a spark of the divine, the spark that may be allowed almost to flicker out, or that will burn as brightly as our faith and understanding permit, illuminating our way. God is as close as prayer, and prayer can surely lead one to find and hold steadfast to a worthy purpose in life.

When we trust the soul's invincible surmise, then faith becomes a tremendous driving force throughout our practical daily living. For Christ taught, "If thou canst believe, all things are possible to him that believeth."[6] How true. Faith, the opposite of disbelief and fear, releases the hidden energies of the soul and the subconscious mind, the wondrous powers of the spirit, to flow into the ideals and purposes of our lives.

Now, here is another element of success that we have noticed and spoken about again and again in our organizations. It has struck us particularly when we had to choose between men as to who was ready to move up to higher responsibilities. One man might be brilliant of mind, but so wrapped up in himself that he wasted his energies in concern over how to maintain his position or advance at the expense of someone else. The man who was throwing himself into the overall objectives of the team, giving of himself to others, would win the promotion. This characteristc comes naturally enough for the person who loves people and sincerely wants to serve others. The ideal of service is practical, as well as rewarding to the spirit.

This thought has been given stirring expression, for example, by the line of a poem, "My heart shall reap where it has sown"; also by Albert Einstein declaring: "Only a life lived for others is a life worth while"; and by these words:

"Give to the world the best you have,
And the best will come back to you."[7]

TAP THE SOURCE OF ENERGY AND WORK

Let's see now; have I been skipping over some of the essentials of achievement? Yes; I have even been passing over some ingredients that I have always ranked high—energy, work, persistence, enthusiasm, and optimism—many, many positive traits of personality and character, which are enormously effective. However, I have come to place these outward characteristics of success in perspective; I have tried to learn what causes people to live more vigorously, to be able to have fun doing enormously more work, and to realize the joys of fulfillment. I have concluded that if you set the goal that is right for you, if you follow the purpose that will bring out the best in yourself, then you can develop the other necessary elements of achievement. I'll explain.

Energy and work certainly rank up at the top in real achievement. But not the kind of energy that comes in vitamin pills. Good, strong adrenal glands can help release the fuel stored up in the liver in the form of blood sugar. But even so, what stirs up the adrenals, the body, the mind, and gives vent to energy and the capacity to work? Is it willpower? There is no doubt that sheer willpower can tap tremendous reserves of energy and in an hour of crisis, the power of will and spirit to put untapped reservoirs of energy to work is amazing. * * * Still the question arises—what gives effectiveness to the determined will?

Consider work: One of my associates said to me years ago, "The fellow who gets ahead is more likely to be the man who works 90 percent of the time and is smart 10 percent of the time than the one who is smart 90 percent of the time and only works 10 percent of the time." Thomas Edison came up with another exaggerated percentage; he said, "Genius is 1 percent inspiration and 99 percent perspiration."

Nothing at all can be accomplished without work. We cannot ride to success in a featherbed. But nothing great can be accomplished without the kind of work that comes from being deeply interested and absorbed in what you are doing. The millions of prisoners in Communist slave-labor camps toil hard, inhumanly hard, but only freemen—free to follow the dictates of their inmost hearts—can create joy out of putting long, unremitting hours into their chosen work. One's natural interest makes the difference. You can do more—so much more and so much better—when you mobilize and organize your energies along your own line of natural interest and persistence.

KEEP ENTHUSIASM OF THE YOUNG AT HEART

I believe that the positive personality and character traits that are important to achievement can be marshalled into overcoming one's harmful, negative traits, if—and again, this important "if"—if a person integrates himself toward an aim or goal.

We look for a man with enthusiasm when there is a challenging new job to be assigned. Many times this has taken place in our organizations: When we have faced a terrific problem and have called in the executives, engineers and experts, and perhaps workers off a job, I have been thrilled to see a man emerge who could grapple with and manage the problem. First, we could see he wanted to take on the responsibility. Sure,

[5] "Make no little plans; they have no magic to stir men's blood and probably themselves will not be realized. Make big plans; aim high and hope and work." (Daniel H. Burnham.)

[6] Mark 9: 23.

[7] Madeline Bridges.

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he knew all the reasons and ways it supposedly could not be done. But he was no defeatist, bogged down in his own negativism and pessimism. He believed he could do it; he wanted to do it; he generated enthusiasm and optimism. So he won the opportunity. And when the job was accomplished, we said, "There's a man who's going places."

A victorious attitude toward life, born out of the confidence of knowing yourself and what you want to do, can subdue those disturbing inner conflicts and feelings of inferiority that are felt at some time by everybody. One can channel his strong and best emotions toward the self-chosen goal, instead of being sunk by his inferior emotions. The qualities of teamwork and leadership can be put to account. Life can take on a gusto.

I relish the sentiment of the song, Young at Heart. The person with a purpose in life does not need to suffer that serious type of heart failure—the failure to keep young at heart.

You can so organize your life around a central core of purpose that—instead of merely vegetating, or splitting life into little pieces of momentary excitements and fleeting pleasures—you can find youthful zest and adventure, energy to spare and more than an ordinary lifetime of friendships and accomplishments.

WE MOVE FORWARD AS EACH ATTAINS HIS FINEST SELF

I can only leave this question to you; you alone are the judge—is it worth the price to seek to achieve the best that is within you? I do think your answer is important, not alone and first to yourself, but to others, because we move forward each time one single individual attains to his finest self. You can help create the kind of environment that stimulates others around you to find a meaning and fulfillment to their individual lives.

The climate for individual fulfillment does not begin to be as fine as it should be made, not when 50 persons could reach high achievements where 1 does today, and not when a thousand people could be stimulated to realize fully upon their creative, dynamic possibilities and the limitless wonders of life, where only a few do today.

Soviet Russia, out to beat us, has copied one of our effective tools for stimulating people's interest and productivity, namely incentives. The Kremlin has scrapped the Marxist doctrine that all goods should be distributed to all according to their need. Instead, the Communists are paying out a glittering array of rewards to people contributing most to what the state wants to accomplish—incentives in the form of high differentials in salaries, bonuses, finer homes, cars, luxuries, and the prestige of being named heroes of production. Right now the Soviet actually is outstripping us in training scientists, engineers, and technicians,[8] simply because those are the fields being made attractive.

It will pay us to look seriously, not just to preserving our traditional incentive system, but to expanding it to offer proper rewards in underpaid fields where not nearly enough talent is being attracted. Of this we can be sure, though, a Communist dictatorship cannot bring out the untrammeled, creative best in people who are not free. Meanwhile we must guard well our freedom against every encroachment, especially from within.

In my recent industrial exploration travels around South America, I was struck by how much the economic development of a country depends upon the people awakening to esteem, rather than to disdain, work and productivity, creativeness, change, and progress.

AGE OF OPPORTUNITY

May we never lose our spirit of dynamic onwardness. Certainly we are moving forward. This age of atomic energy, aviation, electronics, new metallurgy, chemistry, and new technology, has jet-propelled us into a chain reaction of progress. We can look forward to the need, more than ever before, for trained and educated men and women. We are going to be critically short of men and women who will be prepared to measure up to the needs of the future, unless we fully develop the environmental stimulus to match this time of gigantic innovation. Already we are desperately short in bringing forth leaders in a great many of the humanistic fields and in the realm of the spirit and in the cause of lasting peace. The enormity of the coming needs spells tremendous opportunity for men and women of vision and purpose, who will arise to achieve the best within themselves.

I could make no greater wish for you than to pray that you each live up to your best. And I add this message of a poet,[9] so appropriate to your commencement into an era of limitless challenges and opportunities:

"To be alive in such an age!
With every year a lightning page.
When miracles are everywhere,
And every inch of common air
Throbs a tremendous prophesy
Of greater marvels yet to be.
O thrilling age!
To be alive in such an age—
To live in it,
To give to it!"

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. HOLIFIELD.

Mr. WIER and to include a letter and a statement.

Mr. LONG.

Mr. BROWN of Ohio and to include a speech by former President Hoover.

Mr. DOLLIVER (at the request of Mr. LECOMPTE) and to include an address to be delivered tonight at Fort Dodge, Iowa, to postal employees.

Mr. O'HARA of Illinois and to include related matter.

Mr. YATES to revise and extend his remarks made in the House and to include letters to the primary producers of aluminum.

Mr. MACDONALD and to include extraneous matter.

Mr. THOMPSON of New Jersey (at the request of Mr. ALBERT) in three instances and to include extraneous matter.

Mr. VAN ZANDT (at the request of Mr. CURTIS of Missouri).

Mr. GRAY and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SCHWENGEL (at the request of Mr. HOEVEN), indefinitely, on account of death in family.

Mrs. ST. GEORGE, from June 7 to June 13, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2090. An act to amend the Mutual Security Act of 1954, and for other purposes; to the Committee on Foreign Affairs.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 414. An act to authorize an examination and survey of the coastal and tidal areas of the Eastern and Southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 7, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

861. A letter from the Secretary of the Army, transmitting a draft of proposed legislation, entitled "A bill to provide a lump sum readjustment payment for Reserve officers who are involuntarily released from active duty"; to the Committee on Armed Services.

862. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting a report on overseas economic operations, pursuant to Public Law 108, 83d Congress (H. Doc. No. 175); to the Committee on Foreign Affairs and ordered to be printed.

863. A letter from the Acting Secretary of State, transmitting a draft of proposed legislation, entitled "A bill to amend the United States Information and Educational Exchange Act of 1948, as amended"; to the Committee on Foreign Affairs.

864. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation and a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

865. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of April 30, 1955, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

866. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

867. A letter from the Commissioner, Immigration and Naturalization Service, De-

[8] The graduating classes of engineers in the United States have grown smaller each of the last 4 years. We went from 50,000 engineers graduated in 1950 to a low of 20,000 in June 1954. Russia surpassed us in 1954 by rising from 28,000 in 1950 to 54,000.

[9] Angela Morgan, Today.

partment of Justice, transmitting copies of orders suspending deportation as well as a list of persons involved, pursuant to Public Law 863, 80th Congress, amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DOWDY: Committee on Post Office and Civil Service. H. R. 4808. A bill to provide for transmission through the mail of keys and identification cards; with amendment (Rept. No. 729). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 5891. A bill to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes; with amendment (Rept. No. 730). Referred to the Committee of the Whole House on the State of the Union.

Mr. KIRWAN: Committee of conference. H. R. 5085. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes; (Rept. No. 731). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H. R. 6641. A bill to modify the project for the Denison Reservoir on Red River in Texas and Oklahoma in order to provide for a highway bridge across Lake Texoma; to the Committee on Public Works.

By Mr. CELLER:

H. R. 6642. A bill to amend the Refugee Relief Act of 1953, as amended; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 6643. A bill to amend the reclamation laws to provide that excess lands acquired by foreclosure or inheritance may receive water temporarily for 5 years; to the Committee on Interior and Insular Affairs.

By Mr. FINO:

H. R. 6644. A bill providing a preliminary examination and survey of Hammonds Cove, entrance to Locust Point Harbor, Long Island Sound, N. Y.; to the Committee on Public Works.

By Mr. HARRIS:

H. R. 6645. A bill to amend the Natural Gas Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HINSHAW:

H. R. 6646. A bill to amend the Natural Gas Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mrs. GREEN of Oregon:

H. R. 6647. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. McDOWELL:

H. R. 6648. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. MEADER:

H. R. 6649. A bill relating to certain claims for floor stocks refunds with respect to refrigerators, quick-freeze units, and certain other household appliances; to the Committee on Ways and Means.

H. R. 6650. A bill to provide that the Secretary of Defense shall take certain action, not inimical to the Nation's air defense, designed to minimize interference by military flight training operations with commercial civil airline traffic; to the Committee on Armed Services.

H. R. 6651. A bill to permit the construction of certain public works on the Great Lakes for flood control, and for protection from high water levels, and for other purposes; to the Committee on Public Works.

By Mr. METCALF:

H. R. 6652. A bill to authorize the Secretary of Agriculture to establish a system of price reporting for basic forest products for farmers, to provide for the expansion of research in the marketing of such products, and for other purposes; to the Committee on Agriculture.

By Mr. MILLER of California:

H. R. 6653. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. MURRAY of Illinois:

H. R. 6654. A bill relating to the rendition of musical compositions on coin-operated machines; to the Committee on the Judiciary.

By Mr. REUSS:

H. R. 6655. A bill to amend the Social Security Act to provide disability insurance benefits for totally disabled individuals, and to provide benefits for the wives and minor children of such individuals; to the Committee on Ways and Means.

By Mr. ROOSEVELT:

H. R. 6656. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. RUTHERFORD:

H. R. 6657. A bill to provide for the appointment of an additional district judge for the western district of Texas; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas:

H. R. 6658. A bill relating to disciplinary procedures governing officers and members of the Metropolitan Police Force and of the Fire Department of the District of Columbia; to the Committee on Post Office and Civil Service.

H. R. 6659. A bill to provide that publications of the second class shall go free through the mails to subscribers residing in the county where the publication is published; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of New Jersey:

H. R. 6660. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

H. R. 6661. A bill to require compliance with the National Labor Relations Act as a condition of receiving Government contracts; to the Committee on Education and Labor.

By Mr. VINSON:

H. R. 6662. A bill to amend the Officer Personnel Act of 1947 to provide for the retention on active duty of certain officers of the Regular Army; to the Committee on Armed Services.

By Mr. WIER:

H. R. 6663. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. ZELENKO:

H. R. 6664. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mrs. BUCHANAN:

H. R. 6665. A bill to amend the Fair Labor Standards Act of 1938 so as to increase from 75 cents to $1.25 the minimum hourly wage prescribed by section 6 (a) (1) of that act; to the Committee on Education and Labor.

By Mr. GRAY:

H. R. 6666. A bill to amend title I of the Social Security Act to provide that a State may not impose an age requirement of more than 60 years as a condition of eligibility for old-age assistance; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 6667. A bill to provide that provisions of law governing the payment of office expenses for certain United States commissioners shall apply to United States commissioners in the District of Columbia; to the Committee on the Judiciary.

By Mr. BOYLE:

H. J. Res. 335. Joint resolution designating the third Sunday in June of each year as Father's Day; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. Con. Res. 152. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. POWELL:

H. Con. Res. 153. Concurrent resolution expressing the sense of the Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: A memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the inclusion of certain highways in the National System of Interstate Highways; to the Committee on Public Works.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to enact legislation providing for the better care and support of the senior citizens of this country; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States relative to urging the establishment of a weather station in the Gulf of Mexico; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States to refrain from increasing the present levy on gasoline and that such present levy be repealed; to the Committee on Ways and Means.

UNIVERSITY OF MICHIGAN LI

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLE:

H. R. 6668. A bill for the relief of Bernard J. Hoffman, doing business under the trade name Pyro Guard Service Co.; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 6669. A bill for the relief of Mrs. Barbara M. Stamat; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 6670. A bill to provide for the return to the athletic and recreation fund of Fort MacArthur, Calif., of certain proceeds of the show, Hey Rookie; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 6671. A bill for the relief of Joseph Komarski; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 6672. A bill for the relief of Mrs. Margot Wartenberger; to the Committee on the Judiciary.

By Mr. NICHOLSON:

H. R. 6673. A bill for the relief of Manuel Mello; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 6674. A bill for the relief of Abdul Ali Munshi (also known as Abdul Mojid Munshi); to the Committee on the Judiciary.

By Mr. RUTHERFORD:

H. R. 6675. A bill for the relief of Rebecca Leibovici; to the Committee on the Judiciary.

By Mr. SHEEHAN:

H. R. 6676. A bill for the relief of Rosario Pollina; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas:

H. R. 6677. A bill for the relief of the last three surviving members of the Confederate States Army; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

305. By Mr. ANFUSO: Petition of Anthony Calapai and others living in Brooklyn, N. Y., urging that retirement under social security be reduced from age 65 to the age of 60; to the Committee on Ways and Means.

306. By the SPEAKER: Petition of the president, Western Association of College and University Business Officers, Bursar College of Puget Sound, Wash., relative to a resolution adopted at the 17th annual meeting of the Western Association of College and University Business Offices at Tucson, Ariz., relating to requesting and urging the Government to increase funds available for the student housing program, at the lowest possible interest rate without actual subsidy; to the Committee on Banking and Currency.

EXTENSIONS OF REMARKS

Foreign Affairs Address by Hon. William E. Jenner, of Indiana

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Monday, June 6, 1955

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by me before the Magna Charta Dames, at Washington, D. C., on April 19, 1955, on the subject of our foreign policy.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE IRREPRESSIBLE CONFLICT

(Address of Hon. WILLIAM E. JENNER, of Indiana, before Magna Charta Dames, Shoreham Hotel, Washington, D. C., April 19, 1955)

Edgar Allen Poe tells a story of a beautiful house, whose fine lines and perfect proportions stood out against the landscape, and brought a sense of dignity and strength to all the neighborhood.

Nothing happened to the house, that is, no outward blow or injury. But it was affected by an inward decay. The change was imperceptible, nothing one could grasp or measure. But slowly the great house changed. All its strength and beauty disintegrated until it became only a corpse of a house, ready to fall into dust.

This story, called the Fall of the House of Usher, is a symbol of American foreign policy over the last 7 or 8 years.

Even a few years ago, our country stood like a tower of strength, bringing security not only to our own people but to those who loved freedom everywhere.

Nothing has happened to our country, at least not outwardly. No one has attacked it. No blow has been struck. But it has suffered an inner decay. The change is almost imperceptible. No event or act marks a clear turning point. It is almost impossible to grasp what has happened. But the beauty and dignity and strength of America are slowly dying. The noble edifice of constitutional liberty is silently disintegrating, into a crumbling ruin.

How dare I stand before you and make such a statement, when no single injury or weakness is visible, no single event marks the moment when the sickness struck?

I am going to remind you of the various foreign policies of the American Government over the last years, but I shall have to make two lists. First, I shall describe the bold new policy that was pronounced at each successive stage. Then I shall describe the pitiful craven policy that replaced it in action.

This continuous silent disintegration of every policy we make is due to the most important political fact in the world today. We have in the United States not one center of government policy but two. One center I shall call the collectivist one worlders. The other is the legal constitutional government.

The collectivist bloc has been operating now for 20 years. It has the strong root system that comes from 20 years of unhampered growth. The chief characteristic of this collectivist bloc is that it operates above the Constitution and above the law. Its members are carrying out a secret revolutionary purpose, without any attempt to tell the American people what they are doing, or asking their consent.

I say that there is an irrepressible conflict between this elite which operates above the Constitution and the laws, and the American people, and those Members of Congress, of the courts, and of the executive branch, who operate under the Constitution and the law.

I am taking foreign policy as the best example of the tug-of-war going on constantly within the United States, between these two forms of government.

In the Teheran-Yalta period, roughly 1942 to 1946, the Big Three dominated world policy-making. The American elite, working with the Communist leadership, dominated the Big Three. The elite gave the Soviet Union the great heartland of Central Europe from the Baltic States to the borders of Greece. They let East Germany fall to the Reds. They gave the U. S. S. R. the keys to the heartland of Asia, Mainland China.

You will ask why did Britain and the United States agree to this remaking of the world when there was no profit in it except for Stalin and his friends? Recent publication of the Yalta papers, and the much-needed publication of the Teheran and Potsdam records will show how the elite were dizzy with success from exercising their fantastic war powers.

I am concerned with a later, and I believe a far more dangerous period.

The American people were never foolish enough to accept the Soviet Union as an ally. We did not accept the Czar's government as our ally in the First World War against Germany. The idea of our alliance with the U. S. S. R. is a myth, invented by the political elite and spread by their docile press.

Many in the Government, in the military service and in the press, had grave doubts about the postwar conduct of the Soviet Union but they could not be heard in the din of victory.

Slowly the true Americans began to point out the danger to our security. The first victory of the pro-American group was signalized by the Forrestal proposal of military support for Greece and Turkey. President Truman told the Congress on March 12, 1947, "At the present moment in world history nearly every nation must choose between alternative ways of life. * * *

"One way of life is based on the will of the majority, and is distinguished by free institutions, representative government, free elections, guaranties of individual liberty, freedom of speech and religion, and freedom from political oppression.

"The second way of life is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio, fixed elections, and the suppression of personal freedoms.

"I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressure."

Isn't that the recent Formosa resolution?

There is no appeasement here.

We made one serious mistake in understanding this pronouncement.

We believed that the American Government could reach a policy decision by constitutional means, and make it stick. We took for granted that resistance to Communist attack would remain our national policy.

If the President had stated what was official policy, what could hinder us from following the new course? We did not believe the one essential fact—the collectivist, global, pro-Soviet elite never quits. It only goes underground, until the conflict is forgotten. Then it surfaces again, ready for action, while we sleep. It puts on a new cover of pro-Americanism, but it is unchanged.

From 1947 to today the collectivist elite has let the pro-Americans win the public victories, but it has promptly pulverized the true American policies in secret.

It may help to call the globalist-collectivist-pro-Russian group the Acheson group.

We are, however, dealing with something much stronger than personalities. Forrestal is dead, but his policy has been revived again and again. Acheson is gone, but the evil that he did lives after him.

The important point is that we did not have a united American Government which could, after debate, set a final American policy. We had two centers of policymaking competing for mastery.

The globalists made no attempt to attack or debate the Forrestal policy of rearming. They set out secretly to undermine it, so that it would sink slowly, silently into the ground, and collapse in a heap of dust.

As soon as they thought it safe their tame columnists began to beat the drums. Their friends in the State Department and other Government agencies came forward piously with their loaded proposals—always under a carefully innocent surface, proposals to sabotage hard military resistance and go back to the Teheran-Yalta policies.

You know what happened to Forrestal. You may not remember what happened to his successor, Louis Johnson. He tried desperately, with reduced appropriations, to get American military forces in readiness in 1950. A few weeks after the Korean war began, the columnists who worked with the elite began a bitter attack on him. He was let out summarily. He learned from the newspapermen of his replacement by General Marshall.

On the foreign-policy front the collectivist one worlders diverted the Truman doctrine for hard military aid against communism into the Marshall plan for economic aid for for the people in the line of march of the Communist legions. I have said again and again that the Marshall plan was Greek-Turkish aid with its claws pulled. It could roar fiercely at Soviet Russia but never hurt it. In fact, it was setting the table for Stalin, enriching the countries the Soviet Union intended to take without conquest.

Was President Truman to blame for abandonment of the hard Truman doctrine and its replacement by the soft policy of economic aid? I do not say so. So long as two competing centers of power battle for control of the American Government, any President is nearly helpless. The elite was stronger than President Roosevelt. It was stronger than President Truman. Early in 1952, in describing the Colossus on the Potomac, I said I did not want President Truman to head up such powers. I did not want any Democratic President to head up such powers, and I did not want any Republican President to head up such powers.

Neither am I criticizing the Democratic Party. This supraconstitutional elite is stronger than any American political party.

Slowly our security deteriorated on every front.

In June 1948, Senator Vandenberg had introduced the resolution authorizing a regional pact with European nations. He did not suspect this was one of the interchangeable parts in the plan for NATO. Our security was tied to nations in which nearly one-third of the electors voted Communist, and where the trade unions, seaports, rail lines, and other services were under tight Communist control.

Secretary Acheson drew a line in the Pacific leaving Korea to the Communist Empire. Our troops were withdrawn and Formosa was solemnly excluded from the territory necessary to make the Pacific a peaceful lake, and to keep the west coast of the United States secure.

When the Communists struck in Korea, the collectivist one worlders talked victory, but they set out secretly to undermine it, to belittle it, to tie it up in a legal maze. You remember the steps.

The one-worlders put our troops under the United Nations, but the U. N. included Soviet Russia and her satellites. They pretended we were fighting the war in Korea for Korea, though the war actually was for all Asia, and it should have been fought on the territory of the real enemy—Red China. The elite diverted badly needed American troops to Europe in spite of bitter opposition in Congress. Then when victory was in sight, they agreed to a cease-fire on terms the Soviet Union had proclaimed 6 months before.

Our pro-American military and naval officers pulled us out of the cease-fire negotiations with honor. They refused to return the anti-Communist Chinese prisoners of war to the Communists to be murdered like the hostages surrendered at Yalta.

That success, however, was not to last. In December, 1952, at the U. N., Krishna-Menon, in league with the American one-worlders, rewrote the cease-fire agreement, and provided for a new brainwashing of the pitiful prisoners, so the Communists could be saved from the disgrace of losing most of the Chinese soldiers, who found a chance to get away.

In the election of 1952 the American people voted overwhelmingly for pro-American foreign and military policies, but that meant nothing to the globalist elite. They went underground again.

President Eisenhower replaced an obsequious Joint Chiefs of Staff with a vigorous pro-American body. Secretary Wilson and the new Joint Chiefs set out to repair the damage from our "accordion" defense policy, which by running appropriations up and down has kept our military program in turmoil.

President Eisenhower also rescinded the shameful order by which the 7th Fleet had been sent to defend the Red China coast against the Nationalist blockade.

Peace was imminent in Korea. The American military were aware of our obligation to make sure the battle-hardened Chinese armies in North Korea were not moved to another place on the chessboard, like Indochina, to capture more millions of human slaves.

Americans breathed easy for the first time in many years. That was our mistake. It was the moment the elite were waiting for.

The one-world collectivists knew they could soon surface again, and reduce to dust the courageous policies of the President and the Joint Chiefs.

In Berlin in February 1954, the Red Chinese were given de facto recognition as the legal Government of China, on equal footing with the United States.

The siege of Dien Bien Phu, which had some of the earmarks of a planned disaster, focused the world's attention on the difficulties of jungle fighting. In a theatrical atmosphere of defeat the Western nations surrendered at Geneva half of the richest section of Asia, the military key to the South Pacific.

Our military were caught napping. Suddenly they talked of entering the Indochinese war by sending Americans to fight on the soil of Indochina. The only sound strategy would have been to equip both the South Koreans and the Nationalists to the highest point of efficiency and then say to Red China—"The instant there is a Communist uprising in Indochina, the Koreans and Nationalists will move in on your railroads and airfields."

We can have confidence in the patriotism and intelligence of our military men. It was from them I learned of the pitiful transportation lines from North to South China. From them I learned of the ease with which railroads and airfields can be bombed from sea and air, without landing a single American foot soldier on the mainland of Asia.

Why did we fail to release Korean and Nationalist planes against the supply lines that led to Indochina? I am certain from reading the columnists that our military officials had the right plans but were outwitted by the collectivist elite.

Our military leaders—like most Americans—have not yet accepted the fact that we have two centers of policymaking within our Government, one under the Constitution, the other above it. One works for American security. The other would put an end to American independence. We can have no rest until one or the other of these power centers is destroyed, and the American Government is unified again.

I have not even begun to list the brave and dignified pro-American policies which saw the light for a little while, and then were turned to dust by this secret undermining. Our European policy is tied in with plans for Atlantic community, in which a supranational agency in NATO will have superior control over our troops, our foreign policy, our funds, and our right to withdraw.

Our German policy has been subordinated to plans for one world through the knitting together of the Atlantic community in NATO.

Our Asian policy is tied to the hated colonial powers through SEATO. We are allied with everybody except the nations which have fought communism. The Nationalists are permanently leashed, in the China Defense Treaty. The Koreans are going to be allowed to die on the vine.

The brave showing of the Formosa resolution has already been replaced by a series of proposals meant to let it disintegrate into a heap of dust. The countermoves include appeals for a cease fire, intervention of U. N., confusion over Quemoy and Matsu, appeals to bring our allies into the defense of Formosa, recognition of two Chinas, trusteeship for Formosa, and a plebiscite of the inhabitants.

Let us remember one thing. The issue in the Formosa Strait is not Formosa. It is the whole free world. At Formosa Strait, all the free nations are lined up face to face with the Communist empire. We cannot retreat an inch at Formosa without endangering Korea, Indochina, Germany, Italy, and California.

The Strait of Formosa is the danger spot in the long line that encircles the Communist empire, and keeps it from world conquest. If Quemoy is abandoned, the whole line falls back. The Strait of Formosa is the Korean battleline, it is the Berlin airlift, it is the Battle of Britain. It is Valley Forge. It is Thermopylae.

The elite will work incessantly to undermine, to corrode, to pulverize the Formosa policy, because it is the Truman doctrine of Greek-Turkish aid, the military intervention in Korea, the landing at Normandy. It is the doctrine that there can be no compromise morally with communism, that the only answer to force is readiness to use force, and that America cannot stand by and see her friends, the free anti-Communist nations, ground to dust, so the road will be clear for a Soviet attack on us.

I am not going to discuss a plan of action for this crisis. It is more important to understand the nature of the crisis.

The contest between the one-world elite and our constitutional government is an irrepressible conflict. The American Government cannot operate half under the law and half above it.

We cannot take care of any other business, including national defense, until this conflict is decided. There is no way by which foreign nations can trust our public statements if they do not know whether the one-world elite or the constitutional officials will have the final word.

If the contest continues much longer, the elite have won. We cannot defend our country or help other nations to remain free, if our policies shuttle back and forth from one power center to another. The elite does not have to win. Their purpose is destruction. Every move they make helps

UNIVERSITY OF MICHIGAN LI

their final victory. They can send our defense appropriations up and down, arbitrarily increase and decrease the number of members of our Armed Forces, make treaties with other nations in which the fine print gives away our position. No matter how hard the true American resistance may work, our policy will look faltering and feeble. Our word will be without value. We shall antagonize all our friends and build up the strength of our mortal enemies. Like the House of Usher, the dignity and strength of America will deteriorate from invisible hurt.

The task of uprooting the elite cannot be left to any one person or group. The President alone cannot do it. Congress alone cannot do it. Neither party alone can do it. It is a task for all Americans, in Congress, in executive office, in the courts, among the press, the scholars, and the people.

Second, while the elite is in power, nothing can be settled by agreements. The American Government and political system have always operated under a kind of gentlemen's agreement—that no one seeking office or in office would do a single thing to weaken the Constitution. Limited government is government by mutual trust. In a happy family we do not frisk each member to be sure he does not carry hidden guns. In a happy country we do not have to investigate each officeholder to be sure he does not carry a deadly weapon with which to slash at the Constitution.

We shall never go back to that world of mutual trust, until we drive out of office and positions of power, the men who are not playing the game according to the rules, the men who desire power even when it means the sacrifice of honor.

The elite keep no agreements, whether it is the Truman-Forrestal doctrine, or the Korean cease-fire or the Formosa resolution. They regard agreements as a play to fool the innocent, behind which they can constantly chip away at any program which would strengthen our country.

The principal burden of removing the elite falls, I believe, on Congress. Congress must take back the money it has given the elite to consolidate its influence. Congress must take back the loose powers which it has carelessly surrendered. Congress must rescind any legislation which commits us to the collectivist one-world supergovernment which is so rapidly taking over the world. Congress must strengthen every official and every sector of our Government which operates under the Constitution and adheres to the ideals of the founders of our Nation.

We must plainly tell other countries that if they do not wish to get rid of their own collectivist elite we are through. I said "through." We cannot give economic aid or military aid to nations governed by a collectivist elite friendly to communism. We must build American policy on firm agreements with nations which have cleaned their own house.

If the American people will recognize their real enemy, and their real danger; if they will work together to destroy every vestige of collectivist supergovernment which has grown up since 1933, I have no doubt of the outcome.

This is the only road to peace. The Communists in Russia are not strong enough or smart enough to destroy the free nations without help of their supporters from within other countries. If we join hands with any nation working to rid itself of a fifth-column elite, we can build a ring of steel about the Soviet Empire. When it is shut off from new conquests, from the resources it must get from its secret allies in the free countries, the Soviet Government will wither away, and the people who live under slavery can once again be free.

If we fight this one battle, we can look forward to a world of peace, of law, of decency, of honest agreements. This world can be built on a firm foundation of government under law, obeying the desires of decent moral people.

The American people know we have inherited the most perfect design for a government under law and serving the ideals of harmony and truth. We do not need to seek a new way of life. We need only be true to our own great ideals. Then we shall emerge from the shadows strong and clean and free, and give to the world the glad tidings that America is true to herself once more.

Beyond Formosa

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Monday, June 6, 1955

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address entitled "Beyond Formosa," delivered by me before the Foreign Policy Association, at Pittsburgh, Pa., on May 4, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

BEYOND FORMOSA

(Address by Hon. MIKE MANSFIELD, of Montana, delivered before Foreign Policy Association, Pittsburgh, Pa., on May 4, 1955)

During recent years the United States has been confronted with a succession of crises in Asia. None has been more complex than the one which we now face in Formosa. I should like to begin this discussion therefore by reviewing the background of our present involvement in that region.

When the Chinese Communists came to power on the mainland in 1949, the Government of the Republic of China moved to Formosa. The United States continued to recognize that Government and only that Government. Since the outbreak of Communist aggression in Korea, almost 5 years ago, our military forces have been committed to preventing the Chinese Communists from seizing Formosa. This policy, instituted by former President Truman, has had the continuing support of Congress. It has also had the overwhelming support of both great political parties.

Last year, in December, the Secretary of State concluded a defense treaty with the Republic of China which had the effect of formally acknowledging this policy. For some reason, which in my opinion has never been satisfactorily explained, the President saw fit not to wait for the Senate's consent to ratification of that treaty. Instead, in the interim, he sent to the Congress a joint resolution on the defense of Formosa. The resolution neither added to nor subtracted from the terms of the defense treaty which was subsequently ratified.

In debating the Formosa resolution in the Senate there was no question of the determination of that body that Formosa should be defended. That was never at issue. The debate, rather, centered on two other questions. One was the question of whether Congress should endorse in advance a possible American military action in the Formosan Straits and on the Chinese mainland, acts over which Congress could have no control and the validity of which it could have no way of determining. I stated at the time that in my judgment under the Constitution only Congress had the power to declare war but that short of war the President had powers as Commander in Chief and in the execution of foreign policy. I further stated that his powers and his responsibility in the latter connection could not be diluted, obscured, transferred, or divided, resolutions of Congress to the contrary notwithstanding. After the President gave assurances, in effect, that he alone would assume responsibility for any use of force in the Formosan region, without a declaration of war, the resolution was accepted by the Senate. Had we not had those Presidential assurances, that resolution would have been an open invitation to irresponsibility and might very well have been rejected by the Senate.

The second side issue in the Formosan debate was the relation of the coastal islands of the Quemoys and the Matsus to the safeguarding of Formosa. In this discussion the Senate was attempting to place the defense of the coastal islands—in the perspective of our national interests rather than those of the Chinese Nationalist Government. In consequence, it was clear by the time the resolution passed that Congress supported the defense of Formosa and nothing more. We were not approving any military crusade on the mainland of Asia or any defense of the offshore islands for the sake of the offshore islands. I know that my own vote was cast with that understanding and I so stated. Many other Members of the Senate expressed similar sentiments.

The responsibility for carrying out the defense of Formosa—and it is a heavy burden—remains the responsibility of the President. It seems to me that the best way that Americans can lighten that burden is by refraining at this time from attempts to whittle away at his responsibility. The President is entrusted with the defense of Formosa. It is for him to decide whether to defend the coastal islands or to engage our forces in their defense. He is accountable to the American people for whatever action he may or may not take. But to attempt to tie his hands now in advance, either for or against their defense, will serve only to deepen the difficult crisis in which we find ourselves.

It is unfortunate, in my opinion, that the Formosan resolution, if it had to come to Congress at all, came in the vague fashion that it did. Once having been made public, however, Congress was faced with little alternative but to accept it in that form or weaken the President's position in dealing with the Far Eastern crisis.

My concern today is not with predicting the outcome of the Formosan crisis. I do not know whether the vagueness of our position on the coastal islands will either avert war or plunge us into war. No one can make a meaningful prediction of that kind. I believe that remains the case despite the growing prospects of peace talks between the United States and the Communists. These talks, in my opinion, should not be ruled out but they should be approached with the greatest caution.

I would address the main body of my remarks today to the proposition that the difficult situation in which we find ourselves, respecting the Quemoys and the Matsus is merely an external sympton of our problems in the Far East. The underlying causes for these problems are to be found in forces and pressures which exist inside the body of Asia. They are also to be found in pressures and forces which are exerted from outside Asia. If there is to be peace in that part of the world—if there are to be long-term solutions in Asia, it is to these causes that our attention must be turned. It is of importance that we understand not only what these forces are but what happens in Asia when the pressures from outside the continent collide with those from within. In particular it is of importance that the role of military force in our policy in Asia be examined—not so much from the standpoint of its use as an ultimate recourse in war but its role as a

deterrent before war breaks out. That is the way we have been called upon to use it, except in Korea, since the end of World War II.

The crisis in the Formosan Straits is not an isolated incident. It is part of a chain reaction identified with last year's crisis in Indochina and before that with the crisis in Korea. In dealing with the crisis in Formosa our attention is easily diverted from developments which next year may result in a crisis in Laos, Thailand, and Indonesia. By the following year, if not sooner, the crisis of Japan may be full upon us.

The interrelated problems in Asia include the conspicuous threats of Communist territorial expansion in Korea, Indochina, and Formosa. It also is interwoven, however, with less-evident threats. There is pressure within Japan for an expansion of trade. To the extent that this pressure seeks an outlet in closer economic and cultural relations with the Chinese mainland, it affects the unity of policy among members of the free world with respect to Communist China. There is also a mounting pressure among the so-called neutral states of South Asia for peaceful relations with Communist China. The attitude of these states toward developments in Formosa must be seen in the context of that broader consideration. In considering the totality of our situation in Asia, moreover, we cannot ignore the possibility that the outbreak of hostilities in the Chinese coastal islands could signalize a resumption of hostilities in Korea and Indochina. Finally, behind the complex of these factors in Asia we must also reckon with the relationship between the actions of Communist China and the policy of the Soviet Union.

During recent years we have been attempting to deal with these various pressures largely by economic and military means and sometimes in a seemingly disconnected fashion. We have contributed to the economic development of the free countries of Asia. We have attempted at the same time to strengthen the defenses of the free-Asian countries. These positive efforts have been dimmed, however, by the recurrent crises. From the Korean crisis we rushed too late to Indochina to quench a fire which had spread beyond control. We now have rushed to the fire in Formosa. We may be blinded by the glare in Formosa to the fire which is being kindled in Japan. We have exercised in recent years a kind of "chain reaction" diplomacy, a kind of crisis-foreign policy. We have jumped from the effects of one crisis to its successor. We have, in short, never been ahead of the game. That the crises continue to occur seems to me evidence that either our positive measures have been insufficient or the situation has been beyond our control by measures which we could support at that time. I think it is probably a little of both. There are limits to what we can do to control the flow of events in Asia, short of war and even with war.

That does not mean our answer is to pick up our marbles and go home. Asia is too important to us, to our security, and to our other national interests to permit that kind of response. That would simply amount to postponing the day of reckoning.

We have not exhausted our possibilities of dealing with the situation when we employ measures of economic aid and military aid. It seems to me we have overlooked another which costs far less and yet can be more far-reaching in its effect.

That ingredient I believe lies in the realm of attitudes and ideas. I am not talking about psychological warfare which holds that you can win with tricky words and slick advertising slogans battles which cannot be won with infantry rifles. I think the lesson of the unleashing of Chiang has put to rest that fallacious concept. But if the battle in Asia is essentially a struggle of ideas it is in the spirit as well as in the economic and military arena wherein peace and long-term solutions may possibly be found.

What I am suggesting is that we examine the Asian attitudes or states of mind which give rise to many of the basic pressures with which we must deal. I am suggesting, too, that we examine Asian reactions to our own state of mind and our actions. Perhaps, then, we will find some of the answers to the peace we seek. Such answers will not lead to a purchased peace, or a power peace. They could, however, lead to a peace based on mutual understanding and common interest.

We have grown too accustomed to wrapping all the ills of Asia into the single package marked "militant communism." Of course this threat exists; we have seen over 500 million Chinese brought under the potential influence of that ideology. Countless millions more are threatened with it. We have spent blood to prevent the conquest of Korea by Communist aggression. Too late, we saw Viet-Nam north of the 17th parallel brought within the orbit of communism. We have seen militant Communist expansionism accompanied by political penetration, by organized propaganda, by the activities of disciplined cadres of intimidators and by calculated economic penetration. Military offensives have been alternated with the allurements of the peace offensive with its offers of trade, industrialization and cultural exchanges. Today in free Viet-Nam we see Viet Minh agents using backmail, bribery, and intimidation in attempting to undermine the Diem government. We see the Communist created shadow government of Pathet Lao in northern Laos and another Communist penetration headed by a former premier of Thailand, Pridi, in Southeast Asia.

We see the new maps of China which brazenly incorporate territory from its southern neighbors. We see new military highways under construction in south China. In Indonesia the Communist Party has recently been reorganized and its activities accelerated. The trade offensive directed at Japan is beginning to cause a wavering in that country. In North Korea the truce has been violated and the area has been placed within a stranglehold of Communist control. And now, the Communist sword is pointed at Formosa. It is all too evident that militant communism is a force in Asia. But why, we may well ask ourselves, has it not met with more resistance? Why hasn't Asian nationalism which in great measure was stimulated by our own revolution interposed a more formidable bulwark to the Communist advance? We have assumed in recent years that by taking measures to alleviate the extreme poverty of Asia, we might guide Asian nationalism toward our own precepts of democracy. We have also assumed that by arming it heavily we could prevent a Communist penetration. These efforts have not been conspicuously successful. Perhaps, in part, the difficulty lies in the failure to recognize the spiritual basis of Asian nationalism.

The peoples of Asia, looking out on the West, see the high material standard of living which has followed in the wake of the industrial revolution. Asia was left in the backwash by the sweep of Western industrialism. The surge of democracy which spread through Europe and the Americas following our revolution and the French Revolution bypassed Asia at that time. In consequence, as the decades passed the differences between Eastern and Western standards of living widened, as did the gap between the political controllers and the controlled in Asia. For more than a century these differences burned deeper and deeper in the hearts and minds of the peoples of the Orient. The bitterness was fed not only by the desire for the material achievements of the West but also by the demands of pride and prestige. Although the West brought some benefits, the era of colonialism was widely viewed in Asia as hampering the development of the peoples of Asia in their own right. Colonialism was backed by Western force and in the minds of many Asians, force is indelibly identified with their ancient and deep-seated grievances against that system.

Although the era of colonialism is almost over in Asia, its after effects remain. There is extreme sensitivity among Asians and especially among Asian leaders about being recognized and dealt with on a basis of absolute equality by the West. There is an urge to express their new-found independence in independent action. An enthusiasm also exists for rapid economic development—a desire to bridge the wide economic gap—between the East and West. At the same time, however, dependence upon the West for economic aid contradicts the underlying urge of the Asian nations to prove their independence and equality. There exists most of all an ever-present sensitivity, an often unreasonable sensitivity, to any action which resembles a return of the colonial relationships of an earlier era.

In this context it is understandable that Communist China's defiance of the West finds considerable emotional support from many Asians including those who stanchly oppose communism. It explains in part the support of some Asian governments for the recognition of Communist China and for its admission to the United Nations. It is an important element in explaining the initial successes of the Viet Minh in Indochina. The deep-seated attitudes of Asia toward the West form an emotional and psychological base which is readily exploited by Communist propaganda. An understanding of this fact is pertinent to any understanding of the behavior of the uncommitted states of Asia, behavior which sometimes appears and is hostile to us.

As Asians look at the West from these attitudes, and particularly as they view the United States, there is a tendency for many of them to interpret present United States policies as a policy of force. To them we exaggerate the value of force.

And they identify force with the era of foreign domination in Asia against which present Asian nationalism rebels. When we announce a policy of massive retaliation it places force in the forefront rather than in the position of an ultimate recourse where it should rightly be. In the minds of many people throughout Asia our emphasis on force rules out of the foreground the normal and accepted processes of negotiation in human relations. It undermines our dignity and our prestige. For the mightiest power on the face of the earth to flaunt its strength in this manner is readily interpreted in Asia in the light of a man who threatens to shoot his neighbor if the latter's cow comes into his pasture rather than to discuss the problem of mending the fence. To be sure, the reactions vary in different parts of Asia, but I think it is correct to say that Asians in general, including the Chinese people—in spite of the recent actions of their rulers—are a peaceful people and they tend to admire the strong who are also peaceful. Much of the great respect which this country enjoyed in the past derived from that fact. President Theodore Roosevelt's admonition to "speak softly but carry a big stick" won us a great backlog of good will in Asia. This sensible advice seems to have been forgotten by a great number of Americans who otherwise have every cause to admire Theodore Roosevelt.

Those who know the peoples of Asia can attest to the great emphasis which they place on negotiation. A spirit of negotiation permeates their everyday life; it involves adjustments and give-and-take and inevitably is accompanied by prolonged discussion. Those who know Asia will also attest to the

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lack of the visible use of force in the everyday relations among Asians.

Closely related is a concept found in many parts of Asia which in effect holds that there is a positive force in a negative action. We see this in the philosophy of Chinese Taoism—we see it in what often appears to us to be the retiring or reticent traits of many Asian peoples—we see it in the Chinese concept employed even by the Chinese Communists, of "advancing by withdrawing"—we have seen it in India in the passive resistance doctrine of Mahatma Gandhi. It is reflected now in the arguments of the Asian neutrals. We see it in the jujitsu sport and the doctrine of judo in Japan in which one utilizes the offensive force of his opponent to his own advantage. There are, of course, counterdoctrines in Asia which place great emphasis on force, and we should not forget them, but examples serve to illustrate an attitude which is of the highest importance in understanding the international policies of the Asian nations.

The mention of the possible use of atomic tactical weapons in the defense of Formosa is often interpretated there as further evidence of United States reliance on force. Instead of enhancing the strength of our position it has the effect of an admission that we are incapable of coping with the situation on a plane of reason and have been driven in the first round to dependence upon an ultimate recourse.

If there is any one factor responsible for disagreement in our relations with India, Burma, Indonesia, and Ceylon it is the view of their leaders that primary reliance on force is not the best means of gaining solutions in Asia.

They advance the view that we can prevent Communist aggression but in preventing the aggression it is not necessary to exercise pressures which rule out a climate of negotiation. We may find this attitude unrealistic and in some cases, I believe, correctly so. What is important, however, is to recognize its existence and, if we are not intent upon isolating ourselves, to accommodate our policies, wherever possible, to it. There is no sense in getting furious about it or losing our temper over it. To do so may give us a momentary sense of satisfaction but it is not going to serve our national interests.

Most Asian nations acquiesced in the action of the United States in neutralizing the Formosa Strait at the beginning of the Korean war. At the beginning of 1953, however, neutralization was replaced by a boastful policy of unleashing the Chinese nationalist forces. With few exceptions this second step was interpreted by the free states of Asia as provocative—as putting the United States in position of reliance on force to the exclusion of other means.

What then should be the role of force in our policy in Asia? We know that in all realism no great power, least of all the United States, can afford at present to abandon or weaken its military power. We must continue the system of military alliances in the western Pacific, southeast Asia, and the Near East.

Let us by all means continue to maintain and strengthen our military defenses in the Far East. Is it not, however, in the interest of peace in Asia, and in our own national interest, that we relegate the use of force to the background? Is it not in our interest to explore measures which offer some hope of leading to long-term solutions? Are there measures which will obtain these solutions? I believe there are.

As a first measure it seems to me essential that we keep clearly in mind that our national interest in the Formosan area is the defense of Formosa and the Pescadores not that of the offshore islands of the Quemoys and the Matsus. Any defense of the coastal islands, which always have been a part of China and so involved in the Chinese civil war is incidental to our primary aim. President Eisenhower, in submitting the Formosa resolution to Congress, only hinted at a possible defense of the coastal islands while urging that a cease-fire be negotiated. That should remain our immediate objective and there are signs now that we may be moving toward its achievement.

We cannot fail to recognize in this situation that threats to peace are posed by the Chinese on both sides of the Formosa Straits. The Republic of China on Formosa has repeatedly avowed its intention of regaining the mainland. The United States must come to grips with that threat since we are linked in a defense alliance with the Republic. Assuming that liberation of the mainland by force were militarily feasible—and it is not even conceivable short of committing this country to an all-out war on the Continent of Asia—would the people of the United States support the use of force as an instrument of national policy for the liberation of China? I think not. Is it beyond our imagination to conceive of China being ultimately freed from totalitarian communism by other means? Have we so little faith in the power of freedom? The Chinese people have turned out their oppressors many times. Is it inconceivable that they will not do so again?

The National Government of China deserves every reasonable consideration from this country. First consideration must be given, however, to our national needs and our needs are not served by an embroilment in a war to liberate the Chinese mainlaind. I think it is time to recognize the tragic blunder of unleashing Generalissimo Chiang Kai-shek and building up his expectations that we would return him to the mainland. That was a cruel and misleading thing to do and I think we ought to acknowledge the error. I do not think we ought to compound it.

Once we have returned to the policy of neutralization, the policy adopted in 1950, we will have laid the groundwork for international action to counter the threat of the Chinese Communists.

The United States can then and only then, on sound moral and legal grounds, insist that other free nations join with us in opposition to the use of any aggressive force in the Formosa area. Such a declaration made perhaps by the United Nations Assembly could call on both the Chinese Communists and the Nationalists to abstain from the use of force. Once our own purposes are clear, I believe that many, if not most countries outside the Communist bloc would support a declaration condemning an attack by either side in the Chinese conflict. Such a declaration would unite those nations who now oppose Communist military action against Formosa but who are unwilling to give either moral or actual support to the defense of the island so long as the Chinese National Government continues to threaten to invade the mainland. Such a declaration having been made, the question of the defense of the coastal islands would become a question for international determination. It would no longer be a responsibility for the President of the United States alone. By taking this action the peoples of Asia would be given a clear and forthright commitment that our position respecting Formosa involved resort to force not in a trigger-happy fashion but force as a last recourse. At the same time, we would not have budged 1 inch in our determination to prevent Communist seizure of Formosa.

Neutralization of the Straits, however important, is only a first positive step toward a solution of the problem of Formosa. A determination of the status of Formosa is complicated not only by questions of international law but by considerations contained in the regrettable but realistic fact that the Republic of China on Formosa is not now and short of total war has little hope of becoming the government of the mainland of China. So long as two Chinese governments, one on Formosa and one on the mainland claim jurisdiction over all of China, there exists not only civil war but a threat to world peace—the seeds of total war.

A number of possible solutions to this problem have been advanced. The establishment of an independent republic on Formosa by declaration of the present government would be realistic but is not a likely development. A plebiscite of the people of Formosa has been suggested to determine their wishes in this matter. Further proposals have been made to the effect that Formosa be placed under a trusteeship with its integrity guaranteed for a designated period of years. These envisage a trusteeship either by a single Pacific nation, by a consortium of powers or by the United Nations. In addition to these proposals there are undoubtedly solutions as yet unexplored. All such proposals require patient and thorough examination.

A settlement of the status of Formosa would permit our full energies to be directed toward the many problems of our peaceful relations with the Asian nations. For many years now we have thought of the world as being divided into two parts—the free world and the Communist world. These words have become a part of our everyday language. Yet we are now coming to recognize the width and depth of the chasm which exists within the free world. There is a gulf which may be of greater long-range significance than the immediate threat of communism. In terms of economics the gulf is between those states which have a high material standard of living and those which are struggling to rise from the level of recurrent famine; it is an abyss which separates automation from the man-drawn plow.

It is not enough that we build a wall to contain communism, for while we build the wall the chasms within the free world deepen. I am suggesting that we continue to maintain our defense system in the Far East but that in the foreground our energy and intellect and resources be directed toward building bridges across the chasms in the free world.

It will take more than what we now call technical assistance and economic aid. If the gap is to be bridged the concept of "aid" must be replaced by a unity of purpose. The challenge is to move into spheres of economic and cultural cooperation in which the common progress of all free nations becomes possible. If we are equal to that challenge, and if we have the patience and understanding to stay with it, we need have no fear of the outcome of this contest between totalitarian communism and freedom—in Asia, in Europe or anywhere else.

Vital Technical Assistance

EXTENSION OF REMARKS

OF

HON. LYNDON B. JOHNSON

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Monday, June 6, 1955

Mr. JOHNSON of Texas. Mr. President, on behalf of the senior Senator from Washington [Mr. MAGNUSON], I ask unanimous consent that a statement by him regarding technical-assistance programs abroad, together with an editorial, be printed in the RECORD.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

Our technical-assistance programs abroad take on their most importance when we find private United States industries willing to participate with skilled personnel.

One example of this kind of cooperation comes to me through an editorial carried in the Seattle Times of Thursday, May 19, entitled "Doing Unto Others," which I present for printing in the RECORD.

The editorial is as follows:

"DOING UNTO OTHERS

"Deliberations at the recent Bandung Conference convinced the world—including Soviet Russia—that leaders of most of the remaining free Asian countries are strongly anti-Communist. It is a matter of the first importance that the United States encourage these peoples in sustaining that attitude, and to help them in preserving their free economy.

"Technical assistance is one means to the accomplishment of these ends. This has been recognized in a project undertaken by Pan American World Airways in Pakistan, in cooperation with the United States Foreign Operations Administration and Pakistan International Airways.

"In the first Government technical-assistance program to use aviation to stimulate the economic and industrial growth of an undeveloped area, Pan American will provide a team of 24 experts for 3 years to train Pakistanis in the modern techniques of airline operations.

"Development of aviation in Pakistan is peculiarly important because Pakistan is divided into two areas, 1,400 miles apart. Nothing could be more useful to the advancement and unity of this young nation than establishment of stable, independent communications between its two widely separated sections."

Completion of Great Lakes Connecting Channels: The Story of Accomplishment Under the Wiley Seaway Law

EXTENSION OF REMARKS
OF
HON. H. ALEXANDER SMITH
OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Monday, June 6, 1955

Mr. SMITH of New Jersey. Mr. President, it is my hope that before the end of this session of Congress, a bill will have been passed to authorize final action to deepen the Great Lakes connecting channels. If that shall be done, the 30-year-old fight for the deep water Great Lakes-St. Lawrence Seaway will have been brought to a completely successful conclusion.

There is now pending on both the Senate and House sides legislation to deepen these connecting channels—to a uniform controlling depth of 27 feet.

The first bill offered on the Senate side for this purpose was S. 171, by the senior Senator from Wisconsin [Mr. WILEY].

It is most fitting and appropriate that action be taken on his initiative, in view of the fact that the Great Lakes-St. Lawrence Seaway law itself, Public Law 358, of the 83d Congress, bears his name—the Wiley law.

It is often said that some segments of the public may tend to forget some of the accomplishments of their legislators in the Congress. I believe, however, that the fine record with respect to the St. Lawrence Seaway should not be forgotten by the people of our country. In particular, it should not be forgotten by the people of Wisconsin, who, like the other Lake States, will reap tremendous dividends from the seaway down through the years.

I have before me now a compilation of the various comments which have been made over a period of time by our colleagues regarding the contributions made by the senior Senator from Wisconsin. Except in the instances where noted, these statements were originally made in the May 7, 1954, CONGRESSIONAL RECORD, following the final passage of the seaway bill by this body.

I ask unanimous consent that the text be printed in the CONGRESSIONAL RECORD as a fitting reminder of what was in effect the first anniversary of the Wiley law a few weeks ago—a law generally regarded as the greatest single milestone in the history of the Lake States in this century.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

COMMENDATIONS OF SENATOR WILEY

Senator KNOWLAND, California, Senate Republican leader, CONGRESSIONAL RECORD, May 7, 1954:

"I should not want this opportunity to pass without paying my tribute to the distinguished Senator from Wisconsin, chairman of the Foreign Relations Committee, Mr. WILEY. Over a period of a great many years he has diligently worked for the enactment of this legislation. It has been a rather heartbreaking job over the years, because of the obstacles of one type or another which have been thrown in the way."

Senator DIRKSEN, Illinois, CONGRESSIONAL RECORD, May 7, 1954:

"So, Mr. President, today I pay tribute to the man who has so consistently sat upon and hatched the ideal that has at last come into fruition in the legislative measure about to be acted on finally by the Senate. I pay tribute to the senior Senator from Wisconsin, Mr. WILEY. His great humility and fine self-effacement have, of course, caused him to omit mentioning his own name. However, all his colleagues pay testimony to the persistence, vigor, and great vision with which he has pursued this great cause. Today we salute him for his victory in connection with this great ideal."

Senator POTTER, Michigan, CONGRESSIONAL RECORD, May 7, 1954:

"Mr. President, I wish to pay tribute to the leadership shown by the senior Senator from Wisconsin, Mr. WILEY, throughout the work on this momentous piece of legislation.

"This is the first Congress in which the bill has received favorable consideration by either House of Congress. I wish to join the other Senators who have spoken in expressing my appreciation for the leadership shown by the senior Senator from Wisconsin, Mr. WILEY.

"So, Mr. President, this occasion is a momentous one which the people of the great Midwest will cherish for many, many years to come."

Senator HUMPHREY, Minnesota, CONGRESSIONAL RECORD, May 7, 1954:

"Mr. President, I cannot help notice how much joy and happiness there is in this Chamber. In victory there is great joy. There is today no Member of the Senate who deserves to feel a sense of accomplishment and fulfillment of purpose more than the Senator from Wisconsin.

"I was highly honored to be privileged, through the good advice of the Senator from Wisconsin, of being a cosponsor of S. 2150."

Senator KEFAUVER, Tennessee, CONGRESSIONAL RECORD, May 7, 1954:

"Mr. President, I cannot let this occasion pass without adding a word of commendation of the distinguished senior Senator from Wisconsin and the other Senators who joined him in bringing about the fulfillment of the long-time dream of a St. Lawrence River Seaway.

"The senior Senator from Wisconsin has exercised a great deal of statesmanship in bringing together the Senators and the interests of various sections of the country and finally accomplishing the passage of the proposed legislation."

Senator SMITH, New Jersey, CONGRESSIONAL RECORD, May 7, 1954:

"ALEX WILEY, my pal on the Foreign Relations Committee, has worked strenuously in connection with this legislation."

Senator FERGUSON, Michigan, CONGRESSIONAL RECORD, May 7, 1954:

"Mr. President, I wish to say a few words on this subject in praise of the distinguished Senator from Wisconsin. At times it can be said that, after all is said and done, there is more said than done. I believe this is an exception. The exception is that, in this instance, we have finally done more than we said."

Senator LEHMAN, New York, CONGRESSIONAL RECORD, May 7, 1954:

"Mr. President, I take great pleasure and satisfaction in congratulating the distinguished chairman of the Committee on Foreign Relations, the senior Senator from Wisconsin, Mr. WILEY, on the final enactment by both Houses of Congress of the St. Lawrence Seaway bill.

"I wish to express my satisfaction and appreciation for the efforts of the senior Senator from Wisconsin. Without his interest, without his determination, and without his continued agitation for this legislation, particularly after he became chairman of the Committee on Foreign Relations, the final enactment of the bill would have been impossible."

Senator DOUGLAS, Illinois, CONGRESSIONAL RECORD, May 7, 1954:

"I think that at long last we are nearing the final step in the legislative history of the St. Lawrence Seaway proposal.

"I should like to add a word of congratulation to the eminent chairman of the Committee on Foreign Relations for the part which he has played in securing the passage of the bill. As a somewhat junior Member of the Senate, I have watched his very effective work, not only in committee and on the floor, but off the floor; and I would say that his has been perhaps the greatest effort toward getting the bill passed. We of the Midwest owe a debt to the Senator from Wisconsin. I am sure the citizens of his State are grateful.

"I want to express the appreciation of the members of all parties for the very effective and untiring work which the distinguished senior Senator from Wisconsin, who is chairman of the Committee on Foreign Relations, has devoted to this task."

Senator CASE, South Dakota, CONGRESSIONAL RECORD, May 4, 1954:

"The remarks of the senior Senator from Wisconsin remind me that the present favorable position for the passage of the St. Lawrence Seaway bill is due in large part to his persistence and effective leadership and sponsorship of that measure. I hope the bill will be passed as a further tribute to the work of the Senator from Wisconsin."

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Senator CASE, South Dakota, CONGRESSIONAL RECORD, May 7, 1954:

"The present favorable position for the passage of the St. Lawrence Seaway bill is due, in large part, to his persistent and effective leadership and sponsorship of that measure. I hope the bill will be passed by the House and approved by the President promptly, as a further tribute to the work of the Senator from Wisconsin, as well as a gesture, a very appropriate gesture at this time, of our comradeship with the people of Canada."

Senator AIKEN, Vermont, CONGRESSIONAL RECORD, May 7, 1954:

"Next, let me say that for the past 2 years it has been a great pleasure to be a cosponsor of the St. Lawrence Seaway bill, under the able, sincere, and enthusiastic leadership of the senior Senator from Wisconsin."

Senator Cooper, Kentucky, CONGRESSIONAL RECORD, May 7, 1954:

"Mr. President, I should like to join my colleagues in expressing admiration for the successful fight which the senior Senator from Wisconsin, Mr. WILEY, has made in connection with the passage of the St. Lawrence Seaway bill.

"It was the long-continued insistence and the fine and convincing arguments of my friend, the Senator from Wisconsin, which removed any doubt I may have had about the bill. I congratulate him for the successful outcome of his efforts in connection with the great St. Lawrence River project."

Senator THYE, Minnesota, CONGRESSIONAL RECORD, May 7, 1954:

"Mr. President, when I came to Washington I found such Members as the senior Senator from Wisconsin, Mr. WILEY, working vigorously to accomplish the development of the seaway."

Senator THYE, Minnesota, CONGRESSIONAL RECORD, May 17, 1954:

"Mr. President, I was pleased to see that a great many of the newspapers of Wisconsin commended the great contributions made by our colleague, the senior Senator from the Badger State, Mr. WILEY, in achieving the passage of the Wiley bill, S. 2150, to complete the Great Lakes-St. Lawrence Seaway."

Senator Cordon, Oregon, CONGRESSIONAL RECORD, May 25, 1954:

"Mr. President, I have been glad to note that the newspapers of Wisconsin have given well-deserved credit to the senior Senator from that State, Mr. WILEY, for his valiant and successful sponsorship of the St. Lawrence Seaway law.

"I ask unanimous consent that several editorials which have appeared in Wisconsin papers be printed in the CONGRESSIONAL RECORD."

[From the Two Rivers Reporter of May 10, 1954]

SEAWAY AT LONG LAST

There was general jubilation expressed by people in the community about the seaway after the House last week had approved the measure, thus ending more than 40 years of anxious waiting.

The seaway represents a triumph for the administration, being actively supported by President Eisenhower. However, no man deserves more credit for the success of the project than Wisconsin's Senator ALEXANDER WILEY. It was he who, more than any other legislator, worked unflaggingly to engineer the undertaking through both Houses.

While Senator WILEY was, of course, thinking of benefits for his State, he was nonetheless an exponent of the seaway for the Midwest and the Nation as a whole. He wanted the United States to have a voice in it with Canada, since that country was determined to build with or without the United States.

His efforts have borne preliminary rich fruit, and there are confident predictions he will watch the entire country bear even richer results in the years ahead when the seaway becomes a reality. The St. Lawrence Seaway may someday stand as a monument to a man who would not admit defeat so the entire country would benefit.

[From the Sturgeon Bay Advocate of May 11, 1954]

OUR MAYOR SAYS

(By Mayor Stanley R. Greene)

THE WILEY BILL

After many years of struggle it now appears as though a jointly sponsored United States-Canadian Great Lakes-St. Lawrence Seaway will become a reality.

The bill that makes the seaway a reality will be signed this week by President Eisenhower. The bill was sponsored by Senator WILEY and has become generally known as the Wiley bill. Senator WILEY in his efforts on behalf of the bill has displayed genuine statesmanship in the service of both his country and the State which he represents in the Senate.

Both senatorial Democrats and Republicans recognized this fact and paid the Senator an unusual tribute in recognition of those services.

[From the Chilton Times-Journal of May 13, 1954]

PASSAGE OF SEAWAY BILL A MAJOR ACHIEVEMENT

The passage of the St. Lawrence Seaway bill after 59 years of bickering is a real achievement for the Eisenhower administration.

Wisconsin's Senator WILEY played a leading role in getting the measure past the stiff obstacles interposed in the Senate.

[From the Wausau Daily Record-Herald of May 10, 1954]

ST. LAWRENCE SEAWAY

Whatever the Republican administration in Washington may accomplish, its success in winning congressional approval of the St. Lawrence Seaway will stand out as one of its great achievements.

Wisconsin's Representatives and Senators, it may be noted, were in unanimous support of the legislation, but special credit belongs to Senator WILEY who sponsored the seaway proposal in the Senate and played a leading role in obtaining its passage.

[From the Burlington Standard-Democrat of May 13, 1954]

HIS WORK PAID OFF

Our congratulations to Senator ALEXANDER WILEY for his successful labors toward the passage of the St. Lawrence Seaway project. Our Wisconsin senior Senator worked hard for this State for many years, being the only man, at times, who would stand up and be counted.

[From the Wisconsin State Journal of May 10, 1954]

A VICTORY FOR WISCONSIN

Wisconsin and the Midwest won what we believe is an important economic victory last week with passage of the St. Lawrence Seaway bill. It should go to President Eisenhower, who favors it, soon.

This State can be proud of its many hard-to-lick citizens, public and private, who have fought for the seaway for more than 20 years.

In that category must be included Senator ALEXANDER WILEY.

It was WILEY, perhaps more than any other individual, who kept the seaway issue alive during its darkest days.

[From the Wisconsin Rapids Daily Tribune of May 12, 1954]

WILEY AND THE SEAWAY

Principal spokesman for the administration in steering the St. Lawrence Seaway legislation to final enactment was Senator ALEXANDER WILEY. He led the fight in a manner which gained for him the admiration and respect of all his colleagues, Republican and Democrat alike, regardless of whether they favored or opposed the project. He deserves a great part of the credit for bringing the seaway close to realization. Wisconsin should be proud to acknowledge his splendid work and thank him for it.

[From the La Crosse Tribune of May 6, 1954]

For his leadership in winning Senate approval of the St. Lawrence Seaway alone, Senator WILEY is deserving of the plaudits of this State, and most of all by the Republican Party.

From his position as chairman of the Senate Foreign Relations Committee, he has been outspoken in his support of President Eisenhower all down the line. The respect he has earned from his Republican colleagues in the Senate as a result is as enduring as are his achievements.

Whatever support and commendation flows to President Eisenhower for his position in international affairs—and properly a great deal has from Republican sources—must in all fairness inure to Senator WILEY as well.

[From the Eau Clair Leader-Telegram of May 9, 1954]

ST. LAWRENCE SEAWAY GETS UNITED STATES BACKING

Senator ALEXANDER WILEY, of Chippewa Falls, has been in the forefront of seaway battles during his three terms as United States Senator and it is fitting that the legislation finally passed bears his name—the Wiley-Dondero bill. WILEY led the fight in the Senate and Representative DONDERO, Michigan Republican, was floor manager of pro-seaway forces in the House.

Mr. Charles E. Broughton, station WHBL, Sheboygan, Wis.:

"We want to commend Senator ALEXANDER WILEY, who, lonehanded, out here in Wisconsin, has continued his fight. He has never wavered in that respect and it must be a great source of pleasure for him to know that the fight looks more encouraging than ever."

FROM SENATORIAL OPPONENTS

Senator BEALL, Maryland, CONGRESSIONAL RECORD, May 7, 1954:

"Mr. President, as a member of the opposition, I congratulate the Senator from Wisconsin for the tremendous job he has done.

"I think the Senator from Wisconsin is to be congratulated for his generalship in the handling of parliamentary matters in connection with the bill. I cannot refrain from congratulating the Senator from Wisconsin on his victory today."

Senator BUTLER, Maryland, CONGRESSIONAL RECORD, May 7, 1954:

"May I say that I congratulate my very worthy adversary, the Senator from Wisconsin, not only on behalf of myself but of others who participated in the opposition."

Senator STENNIS, Mississippi, CONGRESSIONAL RECORD, May 7, 1954:

"I recall that when I first came to the Senate, more than 6 years ago, the Senator from Wisconsin was working on a bill on the same subject matter. He has spoken on this subject many times since then, always with great sincerity, earnestness, and persuasion. I know he has worked very persistently for the bill, both among his colleagues in the Senate and elsewhere.

"As one who did not vote for the bill, I wish to commend him very highly.

"I feel that at times his work made the difference between abandoning the bill and continuing with it. I salute and congratulate him on his fine achievement, which I know will prove to be most worth while for a great many people, even beyond his own State."

MAY 25, 1954.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: Congratulations on your wonderful work in getting through the St. Lawrence Seaway.

You have had your teeth in this matter for many years and it has been your persistence and your statesmanship that has brought about the results.

I congratulate you and your State.

Sincerely yours,

MARGARET CHASE SMITH,
United States Senator.

Can Mankind Endure Half Slave and Half Free?

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, June 6, 1955

Mr. WILEY. Mr. President, it was my privilege yesterday to deliver an address in Bement, Ill., the place where Lincoln and Douglas met to arrange the time and place of the Lincoln-Douglas debates, which took place 100 years ago. I spoke on the subject, Can Mankind Endure Half Slave and Half Free?

I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CAN MANKIND ENDURE HALF SLAVE AND HALF FREE?

AMERICA'S CHALLENGE: FREEDOM AND SURVIVAL WITHOUT GLOBAL NUCLEAR WAR

I am pleased to be present at the inauguration of this Town Meeting series on a site which holds such deep meaning to the people of our country.

The tradition of the Lincoln-Douglas debates is one of the historic hallmarks of American political life.

No single series of political exchanges have marked themselves so indelibly in the memory of the American people.

Here was a great period in American history—the stormy period preceding the War Between the States.

Here were two masterful figures in American life, notably the man who was to become the Great Emancipator and Douglas the Little Giant. And here was a great issue being debated in the American manner—with sincerity, with openness, with candor before the bar of public opinion—without mudslinging and personalities.

Abe Lincoln didn't go thereafter to the Senate, but he did later go to the White House and he did become enshrined in mankind's heart.

May we be worthy of his everlasting inspiration.

Today we turn to another great historic issue.

Today I address myself to the vital question: Can mankind endure half slave and half free?

OUR ANSWER AND NECESSARY RESERVATIONS

I believe that the answer to that question is "Yes," but with certain reservations.

"Yes," if we are viligant; "Yes," if we are strong. The answer is "Yes" if we definitely do not—I repeat if we do not—give moral sanction—moral approval to Communist slavery simply because it is entrenched, even though we reject war as a means of abolishing that slavery.

The answer is "Yes," in summary, if we remain true to our own ideals—to Lincoln's ideals. He wanted to save the Union. We want to save the Union—with strength, but without war, if it can possibly be avoided.

As you can see, as in the case of most important questions, we must bear in mind a great many factors on the world scene, a great many necessary reservations.

AMERICANS REJECT SLAVERY IN ANY FORM

In the first place, let it be stated emphatically that the United States rejects the institution of human slavery today, just as we rejected it almost a century ago on the field of battle, even when brother had to fight brother on this continent in 4 bloody years of Civil War.

Ours is a moral people. We live by the moral law.

We know that slavery, whether it be the slavery based on the color of a man's skin, or the class-slavery imposed by a Communist dictatorship, utterly outrages the conscience of mankind.

WE CAN NEVER BE SILENT ABOUT SLAVERY

We will never be silent in the face of slavery.

Abraham Lincoln pointed out in the course of his great career, that to be silent in the face of evil is to take part in that evil.

We cannot be silent, therefore, before the slavery of Eastern Europe. We cannot—must not—ignore the suffering of the Russian people themselves who, since November 1917 have been shackled under the cruelest despotism in the history of the earth. We cannot ignore the plight of the 550 million people of China, mercilessly tyrannized by the despotic clique of Peking. We cannot ignore the plight of the suffering people of North Korea, nor that of the unfortunate population of Communist-controlled northern Vietnam.

Wherever there is slavery, that is where the conscience of America asks for freedom.

As once, the North could not ignore the moans and suffering of the enslaved Negroes of the South, so today, the peoples of the free world hear the moans and groans from the concentration camps of Siberia, the forced labor camps everywhere behind the Iron Curtain. We can see in our mind's eye the persecution the suffering, the torment of the enslaved hundreds of millions.

We will never acquiesce to their permanent enslavement.

As a matter of fact, we oppose slavery in every shape, manner or form—political slavery; economic slavery, intellectual slavery; military slavery.

We oppose the principle of colonialism. We ourselves emerged to independence through the fortitude of 13 colonies which appealed to the conscience of mankind in our own Declaration of Independence.

OPPOSING SYSTEMS HAVE CO-EXISTED IN THE PAST

Now, the second factor to keep in mind is that all of history is full of instances where opposing systems did exist side by side in relative peace.

It may have been uneasy peace—a peace occasionally broken—but it was peace, nonetheless. Opposing religions learned to live alongside one another, even though but a few centuries ago two of the great religions of Western civilization were relentlessly engaged in the bitterest type of national and civil wars.

Men of these two great faiths literally burned each other at the stake in the mistaken notion that they were performing God's will. But today, the great Christian faiths have learned to live in peace with one another and in harmony and in so doing have learned religion.

So, too, history is full of the record of rival economic systems which contested with one another and which nevertheless managed to live in a relative state of peace.

The great historian, Arnold Toynbee, has constantly reemphasized and documented this point; that opposing systems have learned to live with one another—whether it be Christianity with Islam or feudalism with capitalism, or republicanism with monarchy.

If contrasting systems can coexist and have coexisted, wherein arises the current problem?

THE IMPERIALIST NATURE OF WORLD COMMUNISM

The problem arises from the third factor. That factor is, of course, the aggressive imperialistic nature of international communism.

The current situation exists not because we want to conquer the world. On the contrary, we desire that all men shall freely work out their own destiny in their own way.

We hope that they will work it out in a manner of freedom. We hope that they will recognize the light of limited power—of separation of powers—which has come from this Republic and from other beacons of freedom.

We are proud of our way, but we do not want to impose our way on others. We know that mankind is stratified today, with parts of the human race at different levels—economically, socially, politically, culturally, religiously and otherwise. We do not want to "make over the world in America's image," though we believe it would be good for the world.

But the Kremlin does want to make over the world in the Kremlin's ugly image.

It is the Kremlin which for 37 years in callous violation of its pledges, has been engaged in above-the-ground and under-the-ground conspiracy.

It is the Kremlin which has constructed the most diabolic Trojan horse movement in history, using internal armies of saboteurs, seditionists, traitors, and others to destroy nations from within.

It is the Kremlin which insists in accordance with its Marxist dogma, that the world must be all Communist or else "the capitalists will take it over."

LENIN-STALIN QUOTATIONS ON CONFLICT

Listen to these quotations:

"• • • The existence of the Soviet Republic side by side with imperialist states for a long time is unthinkable. One or the other must triumph in the end. And before that end supervenes, a series of frightful collisions between the Soviet Republic and bourgeois states will be inevitable."

"As long as capitalism and socialism exist, we cannot live in peace; in the end, one or the other will triumph—a funeral dirge will be sung over the Soviet Republic or over world capitalism."

"We must say that either those who wanted to cause our destruction must perish, those who think we must perish—and in that case our Soviet Republic will live—or the capitalist will live and in that case the Republic will perish."

Who said that? Nikolai Lenin.

"Who will conquer whom? That is the whole question • • • The world is divided into two camps."

Who said that? Joseph Stalin.

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Have those militarist dogmas been repudiated by the Kremlin—in fact and in deed?

Definitely not.

Therein lies the challenge to the free world.

That, then, is the third factor: the merciless intention of the Kremlin to control the world, an intention which has not been fundamentally changed in spite of the so-called Soviet "peace offensive," now in full blast.

THE TERRIBLE NATURE OF A THIRD WAR

But now we come to the fourth factor in answer to our question. We ask again, "Can mankind endure half slave and half free?"

And the answer is that mankind must—it must—learn to endure the present division without resorting, if at all possible, to force of arms.

Why? Because the nature of modern superweapons is such that a third world war could be a thing of utter horror to mankind. A third world war would leave not victor and vanquished, but 2 rubble heaps, 2 charred continents or more, of radioactive ashes, where once there were cities and farms.

One side might be less destroyed than the other, but the victory would be barren indeed.

And what conditions would follow such a so-called victory? Would the world be freer, more prosperous, happier? Of course not. Would all slavery be ended? Probably not. Chaos and disaster breed only more problems. So, this evil legacy of a third world war—a nuclear Armageddon—could continue for a period of further time that no man now living could measure.

To talk lightly of the possibility of war is, therefore, an act of highest irresponsibility. To engage loosely in hurling ultimatums, in blustering threats from one side or the other, is inexcusable.

Somehow, no matter how serious the crisis, we must find peaceful means to try to settle it. This does not mean appeasement, because we know appeasement is self-defeating.

But it does mean exhausting every last alternative in every last situation in the interest of peace.

Too many Americans lose patience too soon. Too many Americans are too willing to throw up their hands in dismay, and to ask for final action.

THE DANGERS OF ARBITRARY ACTION OVER UNITED STATES AIRMEN

When the Peking government outrageously imprisoned United States airmen, the suggestion was made that we unilaterally hurl an ultimatum with an early, fixed deadline; that we ignore the contrary opinion of the United Nations; that we, if necessary, unilaterally impose a blockade against Red China.

Such a blockade could have meant the death of the very airmen we have been trying to save. It could have meant the starting of a chain reaction which might conceivably have led to world war III.

The motives of those Americans who made the suggestion were high and patriotic. Their zeal in the defense of American nationals was understandable, and commendable; no one would quarrel with their deep feeling for our imprisoned countrymen.

But we who disagreed did have a legitimate case against what was, in effect, loose suggestions whose ominous consequences had not been sufficiently thought out.

Now, there will be more crises to come in the future. Each year will offer new challenges, new pitfalls, new dangers.

Soviet tactics, now relatively soft, may return to the belligerent Stalinist line overnight.

We cannot pierce the veil of the future, nor for that matter can even the leaders of the Kremlin today. Khrushchev, Bulganin, and Zhukov themselves do not know if they will be in power tomorrow, and how the trend of world events may shape their own thinking and action.

But as for ourselves, we must go ahead with courage, with confidence, and with faith—with readiness to fight, if need be, but with determination to avoid fighting, if possible, and with honor, with justice.

The forthcoming meeting at San Francisco on the occasion of the 10th anniversary of the signing of the United Nations Charter offers real possibilities for new exploration by the foreign ministers of East-West problems.

The meeting at the summit which will follow thereafter, possibly in late July, offers still more possibilities for some progress in resolving East-West tensions.

But no single meeting, at San Francisco, or Lausanne or anywhere else, will solve the basic problem.

In 10 years, we have literally had tens of thousands of meetings with Soviet negotiators on hundreds of issues, and we know the pitfalls of negotiating with them.

We recall how time after time they cruelly disappointed the hopes of the world; how they build some of us up for "an awful letdown."

This time, we are wary. This time we are not "oversold" on the possibilities of successful negotiations. But neither should we allow our hope and confidence to fade so that we become filled with fear or doubt or anxiety.

AMERICA'S MAGNIFICENT RECORD OF GENEROSITY

We have seen the heights to which men could rise to win a war, and we have seen the heights to which men could rise in peace.

This Nation rose magnificently to the challenge of World War II and the Korean conflict. It rose just as magnificently to the challenge of healing the wounds of World War II.

The aid program which the people of the United States generously extended—through the Marshall plan, through point 4, through Mutual Security is one of the great chapters in the history of mankind.

It is a chapter now being supplemented by the sound Mutual Security bill for the fiscal year 1956, which is now reaching its final stages in the current session of the Congress.

TO THE VICTOR BELONGS THE RESPONSIBILITY

I recall the words of a great statesman, Dr. Konrad Adenauer, Chancellor of the Federal Republic of Germany. Dr. Adenauer stated that in every war when the German people were victorious, they applied the rule that "to the victor belonged the spoils."

He said they had expected that same rule would be applied when American occupation troops entered defeated West Germany. "We waited," said this great German statesman, "days, weeks, months, years. We were astonished," said he, "to see that the American people applied a totally new historic formula. And that formula was: That to the victor belongs the responsibility, the job of helping to rebuild, to reconstruct, to heal wounds."

We have helped to restore West Germany to the family of nations. And the German people, a great people, has industriously risen to the challenge, has come back with economic vitality and political strength and courage.

The people of West Germany are overwhelmingly anti-Communist. And their enslaved fellow nationals of East Germany would likewise vote overwhelmingly anti-Communist if they are ever given a real chance to do so.

The people of West Germany are irrevocably a part of the Western Alliance. They will not fall for the seductive lure of so-called neutrality, in return for unification. They know that neutrality for West Germany could be suicide for West Germany and could contribute to fatal weakness for the West.

Over on the other side of the world, another former enemy nation has likewise come back with vigor and determination. The people of Japan, a conscientious, hard-working, able, alert people have been responding to the challenge which is theirs. They, too, will not fall for the siren song of the Communist betrayers.

The Communists would like to see Japan remain a military vacuum, just as they would like to see West Germany remain a military vacuum. The Red plan must and will fail on both sides of the world.

ASIA IN FERMENT OF IDEAS

Meanwhile, freemen in other areas of the world are coming to a rebirth. There is ferment throughout the vast arc of free Asia and throughout Africa as well. Underdeveloped peoples are coming into their own. Peoples are rising from age-old conditions of poverty, malnutrition, disease. The progress may seem slow, but everywhere there is ferment in the East—a search for sound ideas—and they are finding them.

Just a few days ago, I had the privilege of hearing one of the great spokesmen of free Asia, one of the fine leaders of the free world—Gen. Carlos Romulo, former president of the United Nations General Assembly. He told the story of the Bandung Conference. He told how free Asia is filled, not as we have been mistakenly told with enmity for America, but with a great reservoir of friendship for us.

To be sure, the Communist firebrands are seeking to ignite more flames of nationalism and racialism against us. But free Asia is not being fooled. And the Bandung Conference proved that we have great and good friends among other peoples who are still in colonial status, as well as the peoples who have emerged to full sovereignty or the people like the Thais who have been free. The Philippines, Pakistan—we hail their contributions. Ceylon, Burma, Indonesia—we welcome the opportunity to work with them for a brighter era for all.

SINCERE RESPECT FOR INDIA'S NEHRU

And while I am in this area, I say that in spite of our often wide differences with a distinguished leader like India's Prime Minister Nehru, there is every good reason to work with him for peace on the continued basis of sincere, cordial, deep respect. He is a great leader of a great people; an eloquent, earnest, dedicated, democratic leader.

I have no time for ill-tempered Americans who go "off the beam," completely exasperated because of our differences with Prime Minister Nehru, just as I hope thinking Indians will have no time for Indians who exaggerate and aggravate our differences. Let us narrow our area of disagreement instead of widening it. And let us note that on a great many occasions, Mr. Nehru has been outstandingly effective in serving the cause of freedom throughout the world. I hope and believe there will be many more such occasions in the future.

The peoples of the underdeveloped areas are, as I have indicated, coming into their own. Our hand of friendship remains gladly extended to them—to all of them, I add.

WE HAVE TENDED TO ACT TOO MUCH BY REFLEX

They want to hear from us a positive, constructive, imaginative program. We must not simply wait for crises to develop. We have tended far too long to simply act by delayed reflex.

The Soviet challenges the free world in place A; the free world then responds in place A. The Soviets challenge us in place B; we respond in place B. It is the Reds who have been picking the time and place of contest. Yet, we know that it is poor strategy for us always to allow the enemy to choose the field and timing of contest.

Moreover, it is definitely not enough for us to offer anticommunism alone as a program to the world. While it is up to us to get across the danger of communism in all its savage barbarism, other peoples of the world, particularly underdeveloped peoples, are not going to respond to a negative program on our part. They want affirmative hope in the future. They want specific and constructive suggestions and assistance. We cannot, of course, do for them what they should be doing for themselves. But neither should we keep accentuating the negative—what we are against—instead of what we are for.

THE TRUE NATURE OF FREEDOM

Now, my friends, I would not want us to leave this occasion with a narrow concept of the fundamental idea of freedom itself.

Freedom is simply not a matter alone of the formal traditions of freedom which we have known—freedom of the press, freedom of worship, freedom of assembly, freedom of speech, freedom of employment, freedom to own property—great as these blessings are. Freedom is basically a spiritual thing.

There have been great men and women who have literally been slaves in the sense that they have been the chattel of others. And yet they have been free.

Why? Because their minds have been free. Their spirits have been free.

You cannot shackle the human spirit, as you can the human flesh.

There have been people who are free, and yet who are slaves in the sense that they have sold their spiritual birthright for a mess of material pottage.

On the other hand, there are men and women living in abject poverty today who are free and who enjoy riches that the wealthiest man, enslaved by the lust for power or money, does not know. The poor man who is free in spirit can scale heights which the man enslaved by greed can never mount.

Nobility of mind makes men free; clearness of vision to what is real, what is lasting, what is truly good—the things of the Spirit.

What matter if Abraham Lincoln never had wealth? What matter if he never completely rose from poverty but constantly lived with meager resources? He was a free man. He was a man whose spirit could not be downed. Why? Because he drew upon the Eternal Spirit: the all-knowing, the all-present, all-seeing Creator when difficulties mounted for him.

The poet said: "He is the free man who the truth makes free—and all are slaves besides."

The people behind the Iron Curtain may be chained in bondage, but not even the cruelest master of the Arctic forced labor camps can quench the fire of freedom which burns in the human breast, nor the spirit of man which material power alone can never wreck.

Abraham Lincoln had said, "I believe that this Government cannot endure permanently half-slave and half-free." He was right, human beings are not property—to be bought and sold, and no society should endure on that basis.

OUR ANSWER TO THE BASIC QUESTION

So, today, we answer the basic question before us by saying: May all this world one day be free. Toward that end, we pledge our best efforts in peace and in justice.

And too, we state emphatically, we reject all despair that the Soviet Empire will last indefinitely. Rather, we believe that empire is subject to terrific internal stresses and strains which may one day rend it asunder from within and thus permit the subject peoples to regain their freedom—for the Spirit that makes free is abroad in the world, even in Russia.

CONCLUSION

In conclusion, it has been a great joy to be with you today, and I hope that this forum series will produce the type of food for thought, food for mental stimulation and progress and for national and international progress and stimulus which were the fruits of the great Lincoln-Douglas debates of a century ago.

Commencement Address by Hon. George H. Bender, of Ohio, at McDonald High School, McDonald, Ohio

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE SENATE OF THE UNITED STATES

Monday, June 6, 1955

Mr. BENDER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a commencement address delivered by me on last Thursday, at McDonald, Ohio.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY HON. GEORGE H. BENDER AT MCDONALD HIGH SCHOOL GRADUATION, MCDONALD, OHIO, JUNE 2, 1955

I am very happy to be here with you on this wonderful occasion. Commencement time is always the most inspiring season of the year. Mothers and fathers, teachers, young men and women—you make a magnificent picture in this great country of ours. I congratulate you—and I envy you as well.

Commencement is one of the best-named exercises of the school calendar. We call it commencement because we know that nothing has ended. Everything is beginning for our young people today.

It is interesting to observe the educational pattern of American life today. A generation ago, college education was relatively rare. High school was accepted as the general rule. In 1930, 12 percent of the 18-year-old young people in our country were enrolled in colleges. By 1940, the figure had jumped to 18 percent. Today, it has reached 30 percent.

I do not know if all of our young people should be going to college, but I do know that high school is a must today. Without it, young men and women find themselves almost at sea in a complicated world.

This is one of those happy occasions for looking ahead. No one ever knows what the future holds for each individual. But we do know what the future holds for your generation.

This is the most exciting period in all world history. If I had to give a name to the next decade, I would call it Opportunities Unlimited. The atomic age is already upon us. It has not yet been transported from the scientist's laboratory to the factory, but it is here.

In every field of human endeavor new pathways are being charted. Not only in the field of atomic science but also in the areas of electronics, chemistry, plastics, television, and radar. New fields are opening almost before our eyes. We have discovered that there are no limits to the human imagination. Young men and women who are interested in their fellow human beings have also made their way in every generation. Today there is a marked shortage of nurses, social workers, doctors, and teachers.

I am particularly interested in the wonderful openings for young people in the teaching area. This month, 85,000 young men and women will complete their teacher training. This is just about enough to take the place of those teachers who retire or leave the teaching profession each year. By next September and for years to come, thousands of new students will be enrolled in our elementary schools. They will need additional thousands of teachers to train the next generation. This is a magnificent opportunity for you young people. It is something more than that for your fathers and mothers.

We know that the strength of our Republic depends upon the training which the future generation receives. Each year that I have been in Washington I have watched the boys and girls from every corner of America coming to Washington.

I read all of the stories of juvenile delinquency and I recognize the problems which they pose. Yet, as I look at the people coming to Washington, boys and girls, fathers and mothers and their grandparents, too, I cannot help thinking that America's future is still safe. I count on these fine youngsters to do their share in preserving our country for the future.

All of us in America take too much for granted. We are so accustomed to the good things of life and to our freedom, that we look with amazement at other countries that do not enjoy our liberties.

I like to tell the true story of a young girl who understands the meaning of free America better than we do ourselves. She came to my office not long ago to tell me her story. She was born in Yugoslavia under Communist control. All of her life she had been exposed to Communist propaganda. Her teachers were Communist. Her textbooks were written by Socialists. But her mother and her father were deeply religious people. Quietly, in their own way, they did their best to teach their daughter a belief in God. She understood their efforts. A few months ago she was selected as one of the top students in her secondary-school system to come to America to study dairy farming. When she arrived here she made contact with some good Americans who had come from her native village. Her mother and her father knew what she planned to do. In spite of their natural fears of what might happen, they encouraged her to make this daring escape.

She is now in the United States with a good chance of remaining here permanently. This is the greatest tribute to America that anyone can pay, to risk her life for freedom.

This freedom of ours is always called our priceless heritage. The words have been repeated so often that they have become almost meaningless. A heritage is appreciated only when it is rare. Freedom is becoming all too rare these days. Sometimes it is even frightening to look at the map. More and more places have vanished behind the Iron Curtain where freedom to worship, to think, to write, to speak, even to move about are restricted or denied entirely.

We have a duty in our own country to see that these things do not happen here.

This is the struggle of our times. All the great achievements which lie ahead of us depend upon its outcome. Atomic energy will not be used for the development of mankind unless our way of life wins this battle for the minds of men.

None of the tremendous advances just over the horizon will be realized if we blow the world to bits in a hot war. Nor will they be achieved if we allow the cold war to freeze us to death. We must go on searching for a just world peace—and a just world society.

Our job—and your job—is the exciting responsibility of building a dynamic American community. A few years ago, if someone had said that America in 1955 would produce $357 billion worth of goods, food and services, it would have sounded ridiculous. That is what our people did last year. In another 10 years there is reason to believe that the young men and women who are being graduated all over America this month

UNIVERSITY OF MICHIGAN LI...

will turn out $500 billion in productive wealth.

This is the promise of tomorrow. Today is good enough in itself. I look to these young men and women of McDonald High School with every confidence.

They differ in their attitudes. No two of them are alike, even if they are twins. Out of this variety of minds and abilities and determination, we shall find the Presidents and poets, the physicians and farmers, the bankers and the builders, the managers and the mechanics of the future.

I congratulate you upon reaching this milestone in your lives. May it be only one more steppingstone on your road to future happiness.

Public Power—An Investment Not an Expenditure

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Monday, June 6, 1955

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent, on behalf of the senior Senator from Washington [Mr. MAGNUSON], that a statement by him and an editorial be printed in the RECORD.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

It seems incongruous to many of us sitting in this Senate that today we have to fight so hard for power projects which have returned so much to the American people in industrial power as well as actual dollars to the United States Treasury. Most of us realize—I am sure—that every new industrial plant located in an area served with power projects that we have authorized return much to the community in payrolls to the State in needed tax dollars, and to our Federal Treasury through income taxes as well as direct repayment for the construction costs.

I had this forcibly brought home to me when I read the editorial carried in the Saturday, June 4 edition of Labor, the national weekly newspaper. It comes at a time when public power is fighting for its very life; therefore, it should be of interest to every fair-minded Member of Congress and to every thinking citizen.

Thursday night I had the privilege of placing in the CONGRESSIONAL RECORD a statement regarding the high Federal dam we would like to see constructed at Hells Canyon, on the Snake River. This project, like the ones referred to in the Labor editorial, would further strengthen our Nation's industrial life, so vital at this time of world crisis.

I attach hereto the editorial, entitled "Public Power Pays, Yet Ike Would Strangle It," for printing in the RECORD.

[From Labor of June 4, 1955]

PUBLIC POWER PAYS, YET IKE WOULD STRANGLE IT

Two extraordinary developments this week threw glaring light on the issue of public versus private electric power. One was a report by W. A. Dexheimer, current chief of the Reclamation Service, which builds and manages most of Uncle Sam's power dams.

As Dexheimer was appointed by President Eisenhower, power trust propagandists wouldn't get far trying to label him as a "New Deal Socialist," yet here's what his report shows:

In the 50 years since the reclamation program was launched under a Republican President, Theodore Roosevelt, the United States Government has spent $2.6 billion on public power projects. In return, Uncle Sam has received about $4 billion in Federal taxes made possible by those projects and almost $600 million electric power and water revenues. That's a total of $4.6 billion.

Thus, the United States Treasury and the taxpayers have already recovered the entire $2.6 billion cost, plus a $2 billion profit. And that's just the beginning, Dexheimer points out. Most of Uncle Sam's power systems are comparatively new, and have not yet had much time to pay back their costs. In the future, the profits will be even bigger, despite the low rates charged for public power.

In addition, Dexheimer emphasizes, the power and reclamation projects are enriching the country in other ways. For example, they have raised by $750 million a year the purchasing power of the farmers of the irrigated lands.

In the face of those facts, the private power lobby continues to shout that public power is subsidized by the taxpayers, and the drive against public power continues to get help from the Eisenhower administration. That was made clear this week by the other development.

Gen. Herbert D. Vogel, Eisenhower-appointed chairman of the Tennessee Valley Authority, sent to the chairmen of the Senate and House Public Works Committees an extraordinary letter that the TVA's board of directors had received from the Budget Bureau, which speaks directly for the President. Vogel gave his blessing to the letter, though he admitted it does not express the views of the other two TVA board members, Raymond Paty and Harry Curtis.

That letter came on the heels of a recent TVA proposal: namely, that as a Government corporation it be given a free hand to raise money in ways other than appropriations from Congress. It asked for this authority because the seven-State TVA faces an increasing shortage of electric power and the administration refuses to ask Congress for any money to build TVA dams and new power plants.

As one way out of this impasse, the TVA proposed to sell bonds to bankers and other private investors, as well as to the United States Treasury. Also, it would have State and municipal governments and farmers' electric co-ops in the TVA area build powerplants, which would sell power to TVA, or be leased or bought by TVA over a period of years.

The Budget Bureau's letter refused to give Presidential approval to the TVA proposals, except with so many provisos and restrictions—23 in all—that the whole new financial plan would be strangled.

For example, a low limit would be put on the amount of the TVA bonds, and they could be sold only with the approval of both Congress and the Secretary of the Treasury, who is subject to Ike's orders. Also, the letter said no TVA bonds would be bought by the Treasury, but it would direct just how, when, and to whom the bonds must or must not be sold.

Among other things, the Budget Bureau put into the TVA proposal new provisions which would raise the interest rates paid on TVA bonds, and struck out of the proposal words pledging that "TVA power shall be sold at rates as low as feasible."

"The sum total of the Budget Bureau and White House Restrictons," Congressman EVINS, Democrat, Tennessee, declared, "would amount to raising TVA rates, milking the system, and creating an atmosphere whereby private power can walk in and take over."

Senator HILL, Democrat, Alabama, called the proposed restrictions "damaging to TVA." Congressman PRIEST, Democrat, Tennessee, denounced the Bureau's terms as "wholly unacceptable." Congressman DAVIS, Democrat, Tennessee, declared "this is just another attempt by the administration to wreck TVA."

This conflict will soon break into the open at hearings before a House Public Works Subcommittee headed by DAVIS. Before the committee will be bills backing the original TVA financial plan, on one hand, and the administration's "strangling" plan on the other.

Meanwhile Congress might well ponder this question: Why does the White House propose to give a free financial hand to a new United States highway corporation, but insist on tying the hands of an old Government corporation, the TVA?

The Hidden Revolution

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Monday, June 6, 1955

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address entitled "The Hidden Revolution," delivered by me at Minneapolis, Minn., on March 30, 1955, before the Conservative Citizens Committee.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am honored that your young but vigorous organization has asked me to come here and talk with you about our common concern for the safety of our Nation. You are interested, as I am interested, in bringing out into the light the secret revolution which is proceeding in our country with no attempt to win the true consent of our people.

I am especially glad to discuss this issue before an organization which represents the common interests and united talents of both our political parties.

Political parties of the American type can exist only where the citizens are in basic agreement on their political ideology—what we call our Constitution. We cannot have an American two-party system except as we have a deeply held belief in both parties, that we intend to live by that Constitution. American political parties divide over different ways to meet problems, but only within the framework of our constitutional compact.

Today, we face a quite different political issue. Today's struggle is over our Constitution itself. In such a crisis, members of both old-line parties have the same interest, preservation of our basic law. Their political action is directed against a common opponent—the underminers of our Constitution, whichever party label they use to hide their true aims.

I do not question the motives of the revolutionists. Our quarrel is with their secrecy.

They propose changes in our Government which are of revolutionary force. They follow a detailed blueprint for a new and arbitrary government. Meanwhile they smile improvements which will bring our Government disarmingly and say they are asking for small ment up to date, but not alter its fundamental character at all.

No revolutionary change in the American form of government is tolerable, unless it is openly stated. No revolutionary change is honest, unless all the drastic results of the change are made perfectly clear, and time is given to Congress and the people to debate every aspect of the revolutionary turn.

Americans are fighting, under the illusion of peaceful debate, a life-and-death struggle for preservation of our form of government.

Our party system gives us no means to wage such a war. The answer is the association of members of both political parties, preferably by congressional districts. There they can work together, and support those Members of Congress who defend our Constitution, and send down to defeat any nominee of either party who permits it to be weakened.

What is the nature of this hidden revolution?

In a speech on the Bricker amendment I pointed out that this country now has a fourth house of government, in addition to the three branches established in the Constitution. I said this fourth house, the planning bureaucracy, operated as a law unto itself. It has such loose powers and such vast funds that it virtually escapes control by Congress, the President, or the courts.

The inner circle, the kitchen cabinet, and crony government, we have had before. They were bad government, but bad government under the Constitution. They did not alter the mechanics of our political system. Their successors could follow the Constitution without a new revolution.

I am going to call this group the elite, although that name does not appeal to Americans. The "elite" does not mean "the best." It refers to men who have chosen themselves as the best, and who have banded together, out of self-interest, in time of crisis, to seize power and make themselves a permanent governing class.

The significant thing about an elite is that it is a small body, self-appointed, intelligent, technically skillful, eager for power on any terms, and utterly ruthless about seizing it. The little fact Americans do not wish to face is the fact that we have been training an elite in this country for over 20 years. Under the New Deal, the Fair Deal, and the present administration, they have been learning how to handle the high-tension wires of big government, and hiding from us how much they have learned.

Americans dislike to study this new political force, because we have a distaste for chicanery. But we pay a heavy price for our ignorance.

Part of our confusion comes from calling this new governing elite Socialist. But socialism started as an honest attempt to raise the condition of the poor. Today's elite is not Socialist in that historic sense. The milk of human kindness has been watered very thin in the bitter struggle to hold the power they seized under cover of the great depression.

We cannot call it Communist, but this group is the ideal shelter for the Communists in our Government. We do not need to know exactly which of its members are Communist or pro-Soviet, though we shall get that information wherever we can. Regardless of how many individual members give their loyalty to the Soviet system, the work of the elite can benefit only the Soviet cause, because that is the ruling group today which best understands where it is going.

We are confused because there is no single "place," no agency or office, where the elite can be plainly "seen." Sometimes the members of this junta are in the new and formless agencies, helping shape them into something far more powerful, and dangerous to liberty, than old-line departments whose powers and duties are defined by Congress.

Some members of this band are hidden in the superagencies which have grown up above the Cabinet, like the National Security Agency, and that mystery wrapped in an enigma called the Central Intelligence Agency.

Others are in the U. N. or the bureaus dealing with international affairs.

Some are in the new branch of Government which has grown up about the White House—administrative assistants to the President, the Budget Bureau, and the liaison between the White House, Congress and the pressure groups.

Some members of this new governing apparatus are not in Government office at all. They are journalists and commentators who promulgate the "party line" of the elite, or lawyers or businessmen whose only interest is in high Government policy, like admission of Red China to the U. N.

We are confused because this band does not operate through established channels. Its members do not obey the chain of responsibility which governs the flow of opinions and policies through an orderly system of agencies.

I was much impressed with Whittaker Chambers' story of how Alger Hiss, then with a Senate committee, was offered a job in the Justice Department. He discussed his acceptance with his contact in the Soviet apparatus, Whittaker Chambers, knowing he would refer it to J. Peters, the Soviet "rep." Peters had more power over an American Government employee than his nominal superiors.

The new elite is not a part of our constitutional government. It is above the legally established government. The members are able to defy, to thwart, to undermine, established government because, through control of money, they make the law. The governmental elite today has more influence over lawmaking, over taxes, appropriations, and the shape and size of Government agencies, than either Congress or the President.

Of course the members of this revolutionary elite protest that they serve the President and defer to Congress. That is merely doubletalk. We may summarize the point very simply. Those who work for the secret revolution can have no common interest with anyone in the executive or the legislative branch who is serving the Constitution.

Our Government is now operating through two rival centers of power competing for sovereignty, one under the Constitution, one against it. Every issue and every problem of politics and government must be judged in terms of this irrepressible conflict.

You will find a vivid picture of this elite in the story in the Mundt hearings, of the famous meeting in the Justice Department on January 21, 1954, where John Adams and other employees of the executive branch planned the campaign to discredit the chairman of the Senate committee investigating malfeasance in the executive branch. Why was this little group so busy trying to destroy the reputation and standing of a Republican Senator? Because the Senator was trying to find out how Communists were boring into our Military Establishment and which unknown collaborators were protecting them. Is that a threat to any Government official loyal to our Constitution?

You will recall, also, that momentous scene in the Mundt hearings when we heard how Senator SYMINGTON, a minority member of the committee, had talked by telephone with Secretary of the Army Stevens and proposed that Stevens, a Republican appointee, seek the advice of Clark Clifford, the political adviser of President Truman, for help in undermining the Republican chairman of the committee.

Here we see no executive chain of command, no political party loyalties, no orderly constitutional process. The only possible explanation is that both conferences were guided by the revolutionary elite, who work night and day, to crush obstacles to their power, wherever they arise.

Perhaps some of the people who took part in this meeting did not know what it was all about. But what must the Soviet Union think of our Government, if important officials do not know when they are being used as dupes, to undermine our Constitution?

I should like to remind you of the story of the worker in a Nazi factory whose wife was going to have a baby. They needed a new baby carriage, but the government would not allow anyone to buy one. The man worked, however, in a factory which made baby carriages. So he suggested to his wife that he could take home, one at a time, the parts from the various departments of the plant, and put them together later.

When the time came to complete the baby carriage, the workman assembled the parts he had collected so carefully from his factory. But—when the pieces were assembled, the worker did not have a baby carriage. He had a machine gun.

"Revolution by assembly line" is the newest weapon of the elite. They devise a program in health, or housing, or foreign policy, perfectly designed to destroy our form of government or our national security. They break their design up into innocent-looking parts, all of which fit perfectly together. They say these are parts for baby carriages.

The hidden revolutionists farm out the making and the selling of these harmless-looking subprograms to simple-minded people who believe all they hear. The parts are manufactured, but they will not be assembled until the public has been so completely brain-washed that they will believe a machinegun is a new style baby carriage.

I might mention here the blueprint for Federal aid to education. Federal control of the minds of our children is as important to the revolutionists as Federal control of the police power.

Innumerable parts of the grand design for federalization of our schools have been submitted over the years. Many of them are an accomplished fact. The Federal Government is paying over two billions a year to local and private educational agencies today.

The newest gimmick is Federal aid in school construction. What could be more pitiful than millions of little children reaching school age, knocking at the doors of our schoolhouses, but told there is no place where they can sit down?

Cold statistical facts cannot overtake that pitiful picture, but they do prove that every State in the Union can today impose taxes enough to supply all its children with schooling.

I ask you, What is happening to our States? What is happening to our Constitution, with its balance between National and State Governments, when our governors go to Washington with a tincup in their hands, asking Federal bureaucrats to please give them back a little bit of their own money for their own schools?

We have then a trained revolutionary elite, working under a hidden chain of command, though nominally working under American governmental checks and balances.

We have a revolutionary new method of seizing power without arousing resistance, which I call revolution by assembly line, or, better yet, revolution by interchangeable parts which lie ready to be put on the assembly line when brainwashing makes it safe.

In the past the great victory of this elite was in foreign policy. Today the area of greatest danger is their search for domination over our Armed Forces. This is the most dangerous of all the steps in the creeping revolution of our time.

The hidden elite rely, in subjecting the fighting forces to their control, on misuse of a sound political principle. They pervert the idea of civilian control, which really means control by elected officials, to mean that the elite who were never elected, rank above our professional military men.

The duty of the armed forces in a free country is to deter or punish outsiders who

UNIVERSITY OF MICHIGAN LI

threaten to attack the country. They serve the whole nation. The nation is not free if the military serve or oppose any political interest within the nation.

To make certain the armed might of the United States would never be misused, the Constitution introduced three safeguards. It gave to Congress alone the power to declare war. It gave to Congress the duty to raise and equip armies—that is, to decide on their size and their organization—by giving them the money without which they could not operate. In addition, it said that Congress could establish and finance the Armed Forces for a 2-year period only. There is no power in any Congress, for any reason, to make any commitment to raise or equip military forces for a period of over 2 years.

The reason for this is simple. The Armed Forces in action must be directed by the Executive. Legislatures cannot win battles. But the English people found out very early that rulers who raise a military establishment to deal with a foreign enemy are everlastingly tempted to use their power to deal with the unreasonable people who oppose them at home.

The British people struggled for centuries to keep their rulers from getting their own military power and setting up a tyranny at home, as the rulers of France, Spain, Germany, and Russia had done.

The British learned the hard way that the only political power which can control military power is the money power. They put the power over money for the forces safely in the hands of the Parliament.

Let me remind you what this struggle cost. When British commoners stood up in Parliament and resisted the demand of the Tudor Kings they knew their life might be forfeit.

Then Charles I determined to raise his own armies for his foreign wars. John Hampden, a country squire, refused to pay the King's ship-money tax because Parliament had not voted it, though he knew refusal might mean the loss of his head. Instead, the nation rallied to him. The Parliament eventually raised an army to subdue the King and it was Charles whose head fell on the block.

After the revolution of 1688, Parliament put the armed forces firmly under control of the nation by the Mutiny Act, under which the military oath of obedience was dissolved if the ruler attempted to put the military under his personal rule.

The members of our Constitutional Convention had a vivid memory of this terrible civil war. They knew there must be no doubt in the new Government that the only reason for military power was to serve the Nation. They gave the head of the executive branch, as Commander in Chief, full authority over the Armed Forces in action, but they left to the people, through their Congress, full authority over the money to keep them going.

For 175 years Americans have slept at night wholly free from fear that their own soldiery might be used by the Government against them.

This delicate balance of power, which gives clear operating authority over our armies to one branch and clear legal and financial authority to another branch, the new elite works ceaselessly to destroy.

The most important single move was the shift of our fighting forces in Korea to U. N. control.

The decision to go into Korea was taken in our name. Then the U. N., with the Soviet Union mysteriously absent from the Security Council, voted to participate. President Truman was asked to act as U. N. representative in command of a U. N. force, which was almost to a man the American forces already in the field, since Korea was not a member of the U. N.

What is the legal meaning of President Truman's acting as the commander of U. N. military forces? Was he, in his role of U. N. military agent, acting outside the American Constitution? Did he acquire powers not in the Constitution? Was he freed from limitations set in the Constitution? I do not know.

What of our men? Were the American soldiers, drafted by an American Congress, and sworn to uphold the American Constitution, shifted to a different legal setup?

Did they, as U. N. fighting forces, lose the protections which the American Constitution wraps about our fighting men? I do not know, and I cannot find out.

President Truman apparently took no action as U. N. representative which was outside our Constitution. Perhaps he never knew of any loopholes. Our men were subjected to no visible loss of their constitutional liberties. But remember we are dealing with revolution by interchangeable parts. Was this episode of the U. N. command one of the essential "parts" which was tested and then put aside, later to be assembled into a completed world military organization? Remember, this transfer was made without the consent of Congress. Is that too a precedent? I believe it was.

Congress cannot plead that though it passed a bad law no one has committed any crimes under it. It is the business of Congress to be certain that no legal powers are set up, by which any American President could transfer American fighting men to any international agencies, without the consent of Congress.

The mutual security law has a section which permits the President of the United States to transfer any official or employee of the United States Government to any international agency which (in his opinion) is cooperating with us.

Another provision says he may transfer members of our Armed Forces in peacetime to service with such an international agency.

How many such American civilians and military are now serving with international agencies? What part of our swollen budget goes for this invisible support to world government? What is the constitutional significance of this silent operation?

We know that numbers of foreign troops are now in the United States. But how many troops have been brought in? From how many countries? We hear that Yugoslav forces are being trained here. How many?

What rights and duties do these foreign troops acquire? Who commands their commanders? Does the Commander in Chief of the American Armed Forces command them while on American soil? Is he still limited by the Constitution? Could not their numbers be increased until a future President would have enough foreign troops under his command to settle a domestic political dispute?

Congress cannot be put off with statements that no American President would use such powers. That may be true of past Presidents, of our present President, of the next President. But is this one of the interchangeable parts in a design for Executive control of the armies, which will look as innocent as a baby carriage until it is time to uncover the machinegun? Congress has no choice but to find out.

We have all watched with deep dismay the boasts of the Red Chinese that they have imprisoned 11 Americans, 10 of them uniformed members of the American Air Force. We watched with cold disgust the humble journey of Dag Hammersjkold to the capital of Red China, to ask Mao Tse-tung to please be nice and release our men.

The U. S. News & World Report has pointed out the danger in the argument that after all these fighting men were soldiers in U. N. armed forces, and must look to U. N. for their protection.

What does our silence signify about America's sovereign right to direct her own armies, her right to demand decent treatment of them according to the laws of war? Have we made the interchangeable parts for a policy in which American forces are dependent on U. N. for maintenance of their rights? Have we made the interchangeable parts for a policy by which America will have no Army or Navy or Air Force which responds instantly to her orders?

How many pieces of American territory have we given to international organizations? The Daughters of the American Revolution reported to their members a few years ago that the NATO flag was flying above the American flag at NATO headquarters in Norfolk, Va. When asked by what authority land at Norfolk was given for NATO headquarters, Pentagon officials said this transfer was not made by law, and the land was not sold. It was "designated" as NATO territory. By what Presidential or U. N. powers? If the President can give away enough for one flagpole, how many square miles of Norfolk or Hampton Roads or San Diego can be given to NATO or SEATO and cease to be American soil?

Some of us were shocked to hear J. Edger Hoover say that of course he did not urge Harry White's promotion to the International Monetary Fund, so the FBI could watch him better. The fact was, said Mr. Hoover, that the buildings occupied by the Monetary Fund and the International Fund were international territory and FBI agents could not enter them on official business.

How many square miles of United States territory are no longer open to the FBI and therefore serve as potential refuges for any Communist agents who may choose to use them?

How many American soldiers and sailors within our own borders are serving on international soil today?

I do not need to tell you about the Status of Forces Treaties. But did even one member of the hidden elite envision this step as an essential "part" to make American fighting men fear to oppose political actions of the Government's civil branches?

You will say all these things are small, not very sinister in themselves.

No step is small which reduces the power of Congress to preserve constitutional safeguards over use of the Armed Forces. If the elite really acquires control of our Military Establishment, its authority is complete, because if military power is not under the law, it is above it.

If the day comes when a faction within the executive branch can control the Armed Forces without restraint of law, the revolution will be complete. Congress may write laws and the courts may be open, but government under the law is finished and government by force will be unopposed.

Again and again, wherever the military policies of the elite have conflicted with those of the Nation, the Nation has been the loser. Witness the shrinkage of every military policy we have ever made for Nationalist China or Korea.

In 1953, the revolutionary elite went underground while the Republicans took over the contitutional offices.

In 1954, the elite surfaced again. They were sure we had been put to sleep.

The Berlin Conference, the Geneva Conference, the Indochina debacle, the unprotested violations of the truce in Korea, and the gyrations over EDC and German rearmament, were the "line" of the same hidden revolutionists who had seized control of the democratic party.

Military aid was hog-tied by the revolutionary bloc through FOA. Funds for military aid are appropriated not to the Defense Department but to FOA, an international welfare agency. Much of the appropriation for military aid is spent by FOA, and the rest is spent under the eyes of a body of lawyers in the Defense Department like John Adams.

Disarmament is obviously a key proposal in this revolution by interchangeable parts.

International plans for disarmament not only limit American sovereignty but they add to the power of civilian appointees over our fighting forces. They make our professional military men low men on the totem pole.

German rearmament is authorized in the treaty between Germany on one hand and England, France, and Benelux on the other, a treaty which does not need the consent of the Senate. In this treaty, I find a complete scheme for arms limitation by international control. The key to arms limitation is the reporting system. Under this plan Germany must report every detail about her troops and equipment to an international agency. So must the other members. They must also report contributions of men or equipment they give to NATO or receive from it. All our operations in NATO are an open book. Next comes "regulation," or the veto power over armed strength. German and other forces can be put under ceilings by an administrative board of an international agency though it might be to the great disadvantage of the United States.

I wondered if this plan for forcing German rearmament into a straitjacket of statistical reporting was a dress rehearsal for the United States. The propaganda buildup has already begun.

Now the whole story is pulled together in the appointment of Mr. Harold Stassen, a fervent supporter of internationalism, to a new Cabinet post, created not by Congress, but by the President, to handle peacetime atomic energy, international disarmament, and presumably the new Asian Marshall plan.

This is a honey of a scheme. How Mr. Stassen must have worked to put himself in a position where he outflanks the State Department, the Defense officials, and the American delegation to the U. N., not to mention the Congress!

Mr. Stassen is head of an administrative cluster reaching to the top of the executive hierarchy, with a program which is the climax of the programs spelled out in various forms by Henry Wallace, Dean Acheson, Leon Keyserling, and others, to divide our resources with the rest of the world, while our ablest minds are integrated with those of other nations, so they can do little or nothing for the United States.

In 1951 I said we were being governed by a blueprint for our destruction, and we were right on the timetable. Now the blueprint is so perfect, the whole system is controlled by automation. There are only a few key switches, and the members of the revolutionary elite have the switches in their own hands.

Are we helpless? No; we are not helpless. We have a truly American counterattack to this alien plan.

There is not time to describe the remedies, but I can outline the grand strategy.

We need a drastic cut in taxes. We can never dismantle the elite until we cut taxes.

We need a crusade for States rights. We can never cut taxes until we revive the 10th amendment, which insures that all powers not delegated to the Federal Government by the Constitution, or prohibited by it to the States, are reserved to the States or the people.

Third, we need a shift from a passive to a dynamic Congress.

Congress today is bogged down in its own machinery. The wheels grind, the gears mesh, the Members of the Senate and the House work hard, too hard, to keep the mass of bills moving through the mill. But that machinery is perfectly fitted to keep Congress pressing out the bills and appropriations the elite feed into it. It is perfectly designed to keep Congress from its main duty—to make sure that all Executive action is within the Constitution, by withholding money from any activity which goes beyond the Constitution.

I hope yet to see the House and the Senate suspend all work on legislation, appropriations, treaties, and appointments, and form themselves into committees of the whole, to end the appropriating of our money to a government within the Government, whose purpose is to abolish the Constitution.

There is ability enough in Congress, there is patriotism enough in Congress, with your help, to end this now before the elite have us firmly meshed into a world state above the law, and American Armed Forces are committed to defend their secret revolution.

Pressures, Politics, and Partnerships

EXTENSION OF REMARKS
OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Monday, June 6, 1955

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD and address on "Pressures, Politics, and Partnerships," which I delivered before the Ninth Annual World Affairs Conference, at Asilomar, Calif., on May 7, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PRESSURES, POLITICS, AND PARTNERSHIPS

(Address by Hon. MIKE MANSFIELD, of (Montana, before Ninth Annual World Affairs Conference, Asilomar, Calif., May 7, 1955)

When your organization invited me to be with you today, I was impressed by the alliteration in the title of the subject to which I was asked to address my remarks—pressures, politics, and partnerships. There is a certain harmony in the title, but unfortunately, it is confined to the sound of the words. When pressures, politics and partnerships come together in the practice of foreign policy, any resemblance to harmony is strictly coincidental. We are more likely to get the equivalent of three high school bands in a parade, one marching immediately behind the other and each playing a different tune, as loudly as possible.

That may be somewhat exaggerated but I think it does suggest the dimensions of the problem of bringing together these divergent forces in practice.

To carry the simile a little further, if we wished to determine what tune each band was playing, we would have to space them a little apart from one another in the parade. In the same fashion, I would like to separate the elements in this subject of pressures, politics and partnerships in order to see what each is contributing to the general uproar which we identify as foreign policy.

Last August 4, in a press conference, the President stated that he thought "we should talk less about American leadership in the world, because we are trying to be a good partner." I thought that an excellent concept. The partnership concept displayed considerable vitality, as a method of foreign policy, even though it has only recently been identified as such. You will recall, for example, that last fall, progress toward the goal of German alinement with the West was at a stalemate when the French rejected the European Defense Community. Nevertheless, with the United States standing by as a partner rather than forcing its leadership, the European countries quickly devised a new formula for achieving this goal at the London-Paris conferences.

Similarly, this country refrained from any leadership of the band at the Manila Conference last September. I happened to be a member of the American delegation and I can attest to the spirit of cooperation or partnership that operated there. Its results are reflected in the Southeast Asia Collective Defense Treaty and the Pacific Charter which were produced by the conference.

Again last April when the United States indicated that part of the American assistance program for Asia would be channeled on a regional basis, India immediately called a conference of Asian States to reconcile their individual national desires with the plans of the United States.

While partnership is by no means a new conception, it seems to me that the President, quite correctly, has given the concept a new emphasis at this time. It is more important than ever that our relations, particularly with the Western European nations, rest upon this basis. Immediately after the war, those countries were in a state of complete exhaustion. In an economic and in a security sense, their survival as free nations depended heavily on the willingness of this country to aid in their recovery. That period is now largely over and we ought to be happy that it is. The Europeans no longer are dependent on the United States in the degree which existed in the immediate postwar years. They have reached a point at which they may be expected to assert the independence of their position with considerable firmness. They will not readily be pressured into the acceptance or rejection of any particular line of policy. But what they will not do under pressure, I believe they will do willingly under a partnership concept which takes into full consideration their needs and their aspirations.

The partnership concept is the antithesis of policy by pressure. It is a policy of cooperation based on national equality, mutual respect, tolerance of differences, and free association for the pursuit of essentially common goals.

It is easier to preach partnership, however, than to practice it. Each apparent failure of cooperation sets off a new wave of criticism and impatience in large segments of the people in each of the nations involved in the partnership. That was true for example in the case of the Geneva Conference and it has been true to some extent in the case of the Formosan crisis. I think, therefore, we should be aware of some of the difficulties involved in maintaining an effective partnership with other nations. If we are, it may help us to exercise the restraint and understanding which are essential for the operation of this policy.

First, consider for a moment the difficulties in maintaining a unified approach to foreign policy even within our own borders. Here we run into the other two elements in the subject, the politics and the pressures. We have made noticeable efforts in the last few years to minimize the influence of partisan politics in foreign policy. In some years, 1947 and 1948 and again this year, for example, when Congress has been controlled by one political party and the executive branch by the other, bipartisanship has been essential. In other years it has been useful in assuring continuity of action and broad public support for actions which must be taken abroad. It has made possible in certain areas, such as Europe, consistent progress toward the goals of our foreign policy.

In spite of the evident advantage of bipartisanship to the Nation, there are still tendencies on the part of some to play politics with foreign policy problems. I do not speak now of those who out of conviction oppose a particular line of policy. Bipartisanship is not and must never become a mechanism for destroying the right of dissent. What I have in mind are those who seek to make political capital out of our national difficulties. Let me illustrate this

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point. As you well know, the Yalta agreement is, to put it mildly, a favorite subject of disagreement in this country. I know there are some who feel that certain aspects of that agreement are unsatisfactory. While I may disagree with them, I respect their right to their viewpoint and their right to express it. History will place the Yalta agreement in proper perspective. I think the politics are evident, however, when I am told, as I have been told, of the story of a local political leader of one of the two great parties. Prior to a recent election he castigated all candidates of the opposition, whether they were running for municipal offices or the Presidency, for being responsible for losing China in the Yalta agreement. Voices of that kind make considerable noise and the noise has often hampered the ability of the Nation to cope with the real difficulties which confront the Nation.

It has become increasingly clear in recent weeks, moreover, that the conduct of foreign policy can be seriously impeded not only by interparty strife but also by intraparty dissension. You people in California would be especially familiar with that. If we have difficulty, then, in agreeing on international courses of action, as between our political parties and within them, is it not to be expected that the difficulties in agreeing with other nations would be even greater?

Added to the problems of maintaining partnership that are produced by partisan politics are those stemming from internal pressures. There is, first of all, the pressure of tradition. Partnership represents a substantial departure from what was, for a long time, regarded as established American policy. References are still frequently made to George Washington's advise "to steer clear of permanent alliances."

I do not in any way question the sincerity of the cautions and careful approach of many Americans to foreign commitments; I share it. We should be cautious and careful and we are not unique in this respect. The British people, for example, have displayed quite correctly in my opinion something very much akin to these traits in connection with their integration with western Europe.

I say at the same time, however, that we ought not to quote glibly from George Washington without comparing the world situation which existed in his time with that which exists today. I say that we should not expect George Washington's sage advice in the 18th century to spare us the necessity of making the difficult and often painful decisions of foreign policy in the 20th century.

Both political parties, as a whole, have rejected pure isolationism as a policy for the United States of today. In a world as integrated as is ours today chance seems slight that we alone can continue to make progress while the rest of it slips from the retrogression of totalitarianism. From a practical standpoint, we would have little hope for continued survival and material advance as a free people if we cut ourselves off from the economic, the defensive, the cultural and the scientific relationships which we now have with other nations. We can reach greater heights of lasting prosperity and peace only in concert with others.

There continue to be a few who cherish the short-sighted notion that the United States is a self-sufficient, invulnerable fortress. They would like for the United States to turn inward in space and backward in time. In addition, there are others who have abandoned this isolationist philosophy only with utmost reluctance. These profess a willingness to take part in world affairs and to cooperate with other nations provided in effect that other nations accept our terms, absolutely and unquestioningly. That is not cooperation. It is a form of American paternalism or dictation. It leads often to the futile attempt to buy friends and bludgeon people, all supposedly in the interest of this country.

To those Americans who think in such terms, partnership as an approach to foreign policy is particularly difficult to accept. They become distressed whenever overall agreement with our allies is clouded by a disagreement, however minor, and they are forever threatening to pick up their marbles and go home. They are not convinced that we really need cooperation with others. On the other hand, they are not sure we do not. As a compromise, therefore, they assume that cooperation is acceptable provided others talk exactly like us and act exactly like us. One result of pressures of this kind is that we face the danger that our aid programs are based not on the actual needs of our national policies but on the relative skills of foreign diplomats in the art of talking and acting in the fashion that some Americans like them to talk and act. Another result is a constant clamor to abandon important allies on the slightest provocation. Sooner or later we are going to have to learn that sweet and agreeable words alone do not necessarily make staunch friends in the international arena any more than in our personal lives. We will find, I think, that substantially common interests and objectives and give and take with equals who speak their minds is a more reliable indicator of the worth of some of these alliances.

We are bound to have differences, sometimes rather large and important differences with friendly nations. We cannot hope to, indeed should not want to eliminate the differences which are the hallmark of freedom. Any attempt to do so will leave us in the position of the Soviet Union and its satellites. That is a monolithic system in which the most powerful member bludgeons the others into line. And it is precisely that monolithic characteristic which we expect to result eventually in the disintegration of the Soviet system. Unless we are looking for the same thing to happen to the ties among the free nations, it ill becomes us to employ the same techniques as the Soviet Union.

The points of view which I have been discussing are held by many Americans. It is their right to hold them and to express them. It is also proper, however, to discuss the impact of these views on our foreign policy. Sometimes the paramount national view becomes obscured by these conflicting voices and the executive branch finds it difficult to hold to a consistent policy. Nations abroad are also confused by the clashing viewpoints which often emanate from the United States. They may well wonder which one underlies American policy at any given moment. Each election here gives them pause to consider whether or not a new composition of the Government will result in an abandonment of free-world cooperation.

Even for those Americans who fully accept the necessity of allies and sincerely desire to cooperate, partnership is an advanced and difficult technique of policy. It requires more skill, and more understanding than a policy which does not concern itself with public opinion beyond its own borders. It requires initiative and it requires an emphasis on constructive, long-range measures. It requires much more than slick slogans or easy handouts of aid.

Perhaps the clearest example of the difficulty of practicing good partnership may be found in the economic realm. In 1947-48 the United States, for reasons of self-interest as well as out of humanitarian motives, established the foreign aid programs to help the war-torn countries of Western Europe get back on their feet. These programs involved substantial gifts and transfers of American resources to foreign countries. As American aid, coupled with the hard work of the Europeans themselves, began to restore the economy of Western Europe, the relationship of donor and recipient, inherent in the program, created dissatisfaction among all concerned. Among Americans there was a growing resentment at the prolongation of the giveaway of resources. The Europeans, on the other hand, also grew a little tired of playing the role of poor relatives. One-way aid was no longer adequate to the needs of the situation. What was needed and is needed are new methods for assuring a durable solution to the economic problems of the free nations.

The partnership concept suggests the desirability of terminating one-way aid quickly and substituting mechanisms of cooperation on a basis of greater equality of responsibility and effort among the free nations. To find these mechanisms is primarily the task of creative statesmanship. It is a much slower and a much more difficult undertaking than the doling out of dollars, and there has been a tendency to put it off. Here again, however, leadership in the free nations faces domestic counter pressures. It is handicapped in taking the road of partnership by the fact that there are specific groups in the United States and elsewhere which would be injured, at least in the short run, by alterations in present economic patterns among the nations of the world. Some, in effect, would prefer that we give away our resources rather than get back something for them in trade. Domestic considerations of this kind cannot be ignored. On the other hand, neither can we ignore the requirements for building free and peaceful cooperation among self-reliant and self-respecting nations. I do not have an easy answer to this dilemma, but the partnership concept calls for all to make a sincere attempt to find the answers.

There are many other domestic pressures which have varying degrees of influence on the partnership approach. For example, America is composed of many different racial and religious groups. These groups sometimes feel a particular responsibility for the land of their origin, and political appeals are often made to them on that basis. You will recall, for example, that before the last presidential election, we heard much irresponsible talk about the liberation of the Poles, the Czechs, and other eastern European peoples. And Sir Robert Scott, I believe, would be familiar with the vehement pressure which operates on London by way of New York, Chicago, Boston, and elsewhere in this country to end the unholy division of the Emerald Isle, particularly on St. Patrick's Day.

Moreover, if we consider the geographic span of the United States, it is to be expected that regionalism plays some part in our thinking. We in the West may tend to be especially interested in the Far East. Those on the east coast may be more concerned with our relations with Europe. Often persons from our southern States emphasize the problems of our relations with Latin America. All these influences affect our policy. The surprising thing, however, is that there is as much of a common outlook as does exist.

So far I have been speaking largely of the politics and pressures in our own society which sometimes make it difficult for the United States to operate a policy of partnership. These same influences, or close counterparts, exist in all democratic countries with which we are allied.

Certainly we are not the only nation in which domestic politics affect foreign policy. In any country there are political groups which, if in power, conceivably would alter that country's policies respecting us. Because we are not sure what effect a change of political complexion will have, we become tremendously concerned, for example, with the outcome of elections in Great Britain, France, Germany, or Italy. Moreover, governments sometimes, in order to stay in power, may make concessions to elements of

their population even though such concessions hamper their ability to cooperate with us and other allies.

Neutralist thinking in Europe in some ways parallels the neoisolationist viewpoint in America. The neutralists would like to believe that they can say "a plague on both your houses" and have it mean security for themselves. If they are not entangled with either the Soviet bloc or the United States, they say they will be exempt from attack by either side. Their difficulty, as with our own neoisolationists is that they cannot escape the fundamental reality of the 20th century, namely, that no nation or even a small group of nations is an island unto itself. The threat is to freedom and if freedom declines in large segments of the Western World, as it will unless there is unity, it will be replaced by a totalitarianism which sooner or later will engulf all who strive to remain neutral.

Other nations, like ourselves, also find it difficult to attempt new courses of action even when the methods of the past have lost much of their usefulness. In Europe, for example, the advantages of integration are widely recognized. The larger market which would result, the absolution of trade barriers, customs, and varying currencies, would probably contribute much toward increasing the prosperity of the entire region. The sublimation of national groups into a regional Western Europeanism might even help to bring an end to the intra-European conflicts which have twice plunged the whole world into devastating war. Strengthening of Western Europe in this manner is regarded by many in this country as the best defense against totalitarian communism. However, Europeans find it difficult to bring about unification even as we find it easy to urge it.

What I have been trying to do today is to point out a few of the questions involved in maintaining a united, a partnership approach among the free nations. Most of the difficulties of politics and pressures which stand in the way are shared difficulties. The problem confronting us and other free nations is to make certain that these difficulties serve as a challenge to common action rather than as a source of division or diversion from our common purpose.

Partnership requires forebearance, compassion, understanding, and accommodation. It is not an easy approach to foreign policy. If it succeeds, however, it can produce a united strength which will make each free nation impervious both to the blustering threats and the glittering allures of totalitarianism. Most of all it will provide an international environment in which individuals in this country and elsewhere will have an opportunity to develop and to prosper in peace.

Columbia University Commencement Address by Hon. Allen W. Dulles

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, June 6, 1955

Mr. WILEY. Mr. President, recently there was comment on the floor of the Senate when the Senator from Maine [Mrs. SMITH] and the Senator from New Jersey [Mr. SMITH] received degrees from Columbia University. At the same time Mr. Allen W. Dulles, Director of Central Intelligence, also received a degree. At that time he delivered a very interesting address, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY MR. ALLEN W. DULLES, DIRECTOR OF CENTRAL INTELLIGENCE, ON EDUCATION IN THE SOVIET UNION, AT 53D ANNUAL COMMENCEMENT DAY LUNCHEON AT COLUMBIA UNIVERSITY, JUNE 1

It is indeed an honor to be among those to whom Columbia University is today giving degrees and to have the opportunity to address this distinguished group of Columbia graduates, as the university starts upon its third century of service.

I have other and more personal reasons to feel gratitude to Columbia. Some 35 years ago I married the daughter of the head of your department of Romanic Languages. There has been no occasion for me to regret this or any other of the many pleasant relations which I have had with this great university.

Much of the work of the Central Intelligence Agency is focused on developments in the Soviet Union, and its European and far eastern satellites and allies.

Naturally, we are particularly concerned with information on the military and industrial strength of the Communist world. However, we also follow the cultural development behind the Iron Curtain, and recently we have been giving close study to the Soviet educational system.

If, as recent events foreshadow, there is likely to be more direct human contact between the West and the Communist world, the impact of our own educational system on that of the Soviet may become a factor of real significance.

So far this has not been the case. The Iron Curtain is not merely a physical barrier. It has also obstructed cultural exchanges. Not only have human beings been prevented from crossing Communist frontiers; ideas also have not freely travelled back and forth.

The Communists have willed it so, and at vast costs in the diversion of manpower and in money they have erected physical barriers and jamming stations by the hundreds to keep the ideas of the West out of the Communist world.

The key to the future of any society lies very largely in its educational system.

Scientific and technical education in the Soviet Union today presents a challenge to the free world. But mass education in the Soviet Union may well become a threat to their own Communist system of government.

The Soviet have two educational goals. First, to condition the Soviet people to be proper believers in Marxist-Leninism and to do the bidding of their rulers. Second, to turn out the necessary trained technicians to build the military and industrial might of the U. S. S. R.

In the field of science the Soviets have made rapid progress and their accomplishments here should not be minimized; least of all by those of us who are directly concerned with our national security.

Twenty-five years ago, Soviet scientific education was riddled with naive experiments, persecution of scholars, and unrealistic programs. Only a small core of older men kept alive an element of real quality on which to build. Reforms in the mid-1930's raised standards considerably, but even so they were behind our western standards when the war came.

Today, that is no longer so. The Soviet education system—in the sciences and engineering—now bears close comparison with ours, both in quality of training and in numbers of persons trained to a high level.

At the university graduate level, we find that the entrance examinations for scientific work, at the top institutions, are about as tough as those required by our own institutions.

Also, we have the evidence obtained from defectors, some of them recent, who were university graduates. Although these men have come over to us because of their detestation of the Soviet system many of them still pay tribute to the technical quality of their education and appear to look back at least on this part of their lives with some pride and pleasure.

As regards Soviet scientific manpower as a whole, the quality differs greatly from field to field. But generally speaking their top men appear to be the equal of the top men in the West, though they have fewer of them, level for level.

True, their biology has been warped by Soviet idcology, most conspicuously by heresies in the field of genetics, such as the doctrine that acquired characteristics are inherited. Also, their agricultural sciences have been backward, plagued like all of Soviet agriculture by the follies of the collective system. What farmer will go out into the middle of a cold Russian night to see what ails a state-owned cow?

In the physical sciences, there is little evidence of such political interference. Soviet mathematics and meteorology, for example, appear to be clearly on a par with those of the West, and even ahead in some respects.

Military needs dominate their research programs. We who are in intelligence work have learned by now that it is rarely safe to assume that the Soviets do not have the basic skill, both theoretical and technical, to do in these fields what we can do.

In fact, at times we have been surprised at their progress, above all in the aviation, electronic, and nuclear fields. Certainly, the Russian's mind, as a mechanism of reason, is in no way inferior to that of any other human being.

It is true that since the war, the Soviets have been helped by German scientists taken to the U. S. S. R. and by what they learned from espionage and from the material obtained during and after the war. Also, recently the Soviets have developed, and boasted of, a systematic service for translating and abstracting major western scientific publications.

But the Soviets have rarely been slavish copyists, at least where a Western invention or technique was of military importance. They have employed adaptation rather than adoption, as in the case of their improvement of the Nene jet engine. In certain key fields they have clearly shown a capacity for independent progress.

While total Soviet scientific manpower at the university graduate level is about the same as ours—somewhere over a million each—about half of the Socict total were trained by the inferior prewar standards. In number of research workers—a good index of average quality—we estimate that the United States has a 2 to 1 margin over the U. S. S. R. in the physical sciences.

We must remember, too, that the United States has a substantial number of competent engineers who have not taken university degrees but have learned their trade through experience. The U. S. S. R. has no real counterpart for this group, just as it has no substantial counterpart for the vast American reservoir of persons with high-grade mechanical skills.

But lest we become complacent, it is well to note that the Soviets are now turning out more university graduates in the sciences and engineering than we are—about 120,000 to 70,000 in 1955. In round numbers, the Soviets will graduate about 1,200,000 in the sciences in the 10 years from 1950 to 1960, while the comparable United States figure will be about 900,000.

Unless we quickly take new measures to increase our own facilities for scientific education, Soviet scientific manpower in key

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areas may well outnumber ours in the next decade.

These comparisons in the scientific field most emphatically do not mean that Soviet higher education as a whole is as yet comparable to that of the United States. Over 50 percent of Soviet graduates are in the sciences, against less than 20 percent in the United States. Science in the U. S. S. R. has had an overriding priority.

Another important feature of Soviet education is the growth of secondary education at the senior high school level. By 1960 the Soviets will have 4 to 5 times as many secondary graduates per year as they had in 1950. These will be divided fairly evenly between men and women. Whereas, a decade ago, only about 20 percent of Soviet seventh grade students went any further, by 1960 probably over 70 percent will do so. Their secondary school standards are high and largely explain their ability to train competent scientists and engineers. Whether they can maintain these standards in the face of a very rapid expansion is a question.

So much for the advance in material terms. Let us turn now to the thought-control aspect.

The Soviets give top priority to preserving the Marxist-Leninst purity of their students. Beginning with kindergarten rhymes on the glories of Lenin, they pass to the history of the Communist Party, a comparison of the "benevolent" Soviet constitution with the "corrupt" constitutions of the West that do not confer liberty. Soviet economics teaches why the workers in capitalist countries can never own cars, but must always live in poverty. In the lower grades civic virtue is taught by citing the example of a Soviet boy, Pavlik Morozov, who betrayed his family to the secret police and now has statues raised in his honor.

Even though it is hard to distort the physical sciences, they are used to prove the virtues of athiesm. In ancient history, it is the Athenians who are corrupt and the Spartans virtuous. In literature courses, selected works of Dickens are read as presenting an authentic picture of the present-day life of the British workingman, while Howard Fast, Uncle Tom's Cabin and the Grapes of Wrath portray the contemporary United States.

Everything is taught so that the student shall acquire his knowledge in Communist terms and within a Communist framework. But the Soviets are not content to rely upon the lasting effects of student indoctrination. They have devised in addition a rigid system for continuing their control.

To repay the Government for his or her so-called "free" education, Soviet law requires that each student upon graduation must work for 3 consecutive years as the state directs.

They may express a preference, but in practice only a small percentage of the students—those with high Government connections or with exceptionally high marks—have their requests granted. The rest must go where they are assigned—their niche in life largely predetermined.

Even at the end of the 3-year compulsory assignment, the individual still is under the control of the Communist Party, the Young Communist League, the local union, or the factory directors. To object to further assignments is to court an efficiency report so bad that a job will be hard to find. And if a man were to refuse an assignment, he would lose his occupation and be forced to work at the most unskilled and menial tasks wherever he could find them.

Thus, the typical Soviet university graduate gains little freedom from his status as an educated man. If he is a scientist or engineer, he will probably be able to avoid the military draft entirely. He may aspire to prestige and to much higher pay than his less educated fellows. But he pays for this by being possibly even more tightly directed than the bulk of Soviet workers.

Such, then, is the system, stressing high technical educational standards on the one hand while insisting on Communist philosophy and discipline on the other. Its ultimate human result, the Soviet graduate, must be—in the phrase given me by one of the best-educated of our recent defectors—"a man divided."

In time, with the growth of education—with more knowledge, more training of the mind, given to more people—this Soviet "man divided" must inevitably come to have more and more doubt about the Communist system as a whole.

In the past, we have sometimes had exaggerated expectations of dissensions within the Soviet and in other totalitarian systems. Our hopes have not perhaps been so much misguided as they have been premature. If we take a longer look we can foresee the possibility of great changes in the Soviet system. Here the educational advances will play a major part.

There is already evidence of this. As I have said, the physical sciences are being freed of party-line restraints. Within the educational structure itself, the pressure to turn out good scientists and good engineers has caused a de-emphasis of the time spent on ideological subjects. The student engineer, while he still has to pass his courses in Marxist-Leninism, can increasingly afford to do a purely formal job on the ideological front if he is a good engineer.

In the last year there have been interesting signs of this freedom spreading to other areas, notably to the biological and agricultural sciences. Lysenko is no longer gospel—I suspect for the very simple reason that his theories proved fallacious when used as the basis for new agricultural programs. The development of corn and of better wheat strains proved remarkably resistant to the teachings of Marx and Lenin—and in the end, nature won the day. After all, Karl Marx was not much of a farmer. Now Moscow is looking toward Iowa.

So far, this is only a small straw in the wind. But it is a significant one. If freedom to seek truth can spread from the physical to the biological sciences, we can begin to look for signs of independence even in the hallowed sanctum of economics. Certainly, every year that the decadent capitalist system continues to avoid depression and to turn out more and more goods even the most hardened Soviet economist must wonder about the accuracy of the Communist version of truth in this field.

In cultural pursuits, the evidence is not all one-sided. Literature and even music are still subject to denunciation and criticism for not expressing the proper ideals. But clearly, here, too, there has been some relaxation in the past 2 years. Recently, writers once denounced as bourgeois and cosmopolitan are being permitted to work again.

It is understandable that lasting freedom will come more slowly in economics and the humanities than where scientific matters—more open to proof—are involved. Ideology gives way most rapidly where it collides with fact.

This at times has caused the Soviet acute embarrassment.

We are all familiar with the deceptions the Soviets practice on their people, particularly in the rewriting of history and the adjustment of doctrine to fit their wants. Malenkov is on the downgrade, so the Soviet press removes his name from the key wartime committees on which he actually served, and replaces him with Khrushchev. Beria falls. His name must be blacked out wherever it occurs even in a university catalog and he must posthumously bear the blame for what Stalin and Molotov did to Yugoslavia in 1948.

This often has its laughable side. In the Beria case, the 1950 edition of the Great Soviet Encyclopedia was issued with a full four pages describing his as "one of the outstanding leaders" of the USSR and the "faithful disciple of Stalin." After his liquidation a few years later, subscribers to the encyclopedia received a letter from the publishers suggesting that 4 designated pages—no mention made of Beria—be removed with scissors or razor blade, and replaced by a large added section to the article on the Bering Sea and by a new article on a gentleman named Friedrich Wilhelm Bergholz, an obscure junker at the Court of Tsar Peter the First, whose alphabetical resemblance to Beria was his one and only claim to fame.

Perhaps most of the scissor-wielders managed to keep a straight face. Yet this kind of thing, insignificant individually, typifies the kind of dilemma the Soviet must face increasingly and almost daily.

We know that some thoughtful Soviet citizens are beginning to see through these distortions, and indeed through the whole process of thought-control. Yet that process may continue to have its effect on the masses of the Russian people. Will this equally be so when the average educational level of those masses is at the 10th grade rather than the 7th or lower?

Increased education must inevitably bring in its train increased expectations on the part of the educated. Since higher education in Russia had historically been only for the few, not only in czarist times but until very recently in the Soviet era, there remains a strong tradition that a boy who graduates from secondary school will not work with his hands. Over the past 2 years the Soviet press has repeatedly printed criticisms of students who refused to take factory jobs on the ground that they were beneath them. In all probability, the system is nearly at saturation point in the rate at which it can offer professional or white-collar jobs to secondary school graduates.

Ultimately, however much the Soviets condition a man's mind, however narrowly they permit it to develop, and however much they seek to direct him after he is trained, they cannot in the end prevent him from exercising that critical sense that they, themselves, have caused to be created in him when they gave him an education.

When Wendell Wilkie visited the Soviet Union in 1942, he had a look at their school system. In a conversation at the Kremlin he remarks: "* * * if you continue to educate the Russian people, Mr. Stalin, the first thing you know you'll educate yourself out of a job." This seemed to amuse the Soviet dictator mightily. Maybe it will prove to be anything but a joke for the Soviet rulers of the future.

For the Soviets face a real dilemma between the two goals of their education system; on the one hand making well-conditioned members of a Communist state, and on the other, turning out trained people capable of taking their places in a technically advanced society.

In some degree this dilemma has been present since the Soviets took the crucial decisions in the 1930's to go all out for trained technical manpower. It must become more acute in the future. The rise in numbers of trained people is only beginning to reach its peak, at a time when the picture for all Soviet citizens is one of somewhat greater hope and expectation, and when change is in the wind in many ways.

The broadening of the educational base within, the contacts with the outside world, the uncertainty in the high governmental command, and the absence of a dictator all force the Soviet Union toward compromises.

With these compromises, comes the inevitable admission that the Soviet Marxist-

Leninist system is not the only permissible way of life. If coexistence should really become the Moscow line, the western free systems must be permissible and if permissible anywhere, why not permissible in the Soviet Union itself.

If the Tito form of heresy, denounced a few years ago more ferociously even than capitalism, is now to be forgiven and approved, how can the Soviet deny the European satellites the right to a similar heresy if they so desire?

Can the Soviets give their people a better material education and still keep them from wanting more and from thinking more on lines such as these?

I do not think we can easily give the answer in point of time, but one can say with assurance that in the long run, man's desire for freedom must break any bonds that can be placed around him.

Possibly for a time the Soviets will go forward, using their educational system as a sorting device for human assets. Half-educated men—all fact and no humanity—may still be good fodder for totalitarianism.

Possibly the Soviet leaders will encounter problems for which they will seek the solutions by foreign adventures.

But there remains the possibility that newly created wants and expectations, stimulated by education and perhaps by more exposure to the West, will in time compel great and almost unpredictable changes in the Soviet system itself.

Once or twice before this present peace and coexistence offensive, the Soviet seemed to start toward adjustment of its system to the facts of life in the outside world; first in the latter years of the war, and possibly again in 1946. These starts were quickly followed by a dropping of the Iron Curtain, by repressions, purges, and a return to the rigid Stalinist line.

Then the Soviet had a dictator, and it's hard to dictate without one. Today they have a committee in which the Soviet people themselves are not clearly told who is boss. Also today, the Soviet have gone much further than before toward introducing into their system the leaven of education, which makes a return to the Dark Ages far more difficult than in the past.

I would not be bold enough to predict that the Soviet might not attempt to return to the rigidity of a Stalinist regime. I do predict that this would be no easy task. In introducing mass education the troubled Soviet leaders have loosed forces dangerous to themselves. It will be very difficult for them henceforth to close off their own people from access to the realities of the outside world.

A hard choice faces the perplexed, and probably unharmonious, group of men in the Kremlin. They lead a people who surely will come to realize the inevitability of the great precept: "And ye shall know the truth and the truth shall make you free."

Address by Hon. George H. Bender, of Ohio, at Dedication of New School at Harrod, Ohio

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EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE SENATE OF THE UNITED STATES

Monday, June 6, 1955

Mr. BENDER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by me at the dedication of the new school at Harrod, Ohio.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR BENDER URGES EXPANDED COURSE ON AMERICAN CIVILIZATION IN DEDICATING NEW HARROD AND WESTMINSTER SCHOOL

(School dedication address by Hon. GEORGE H. BENDER, at Harrod, Ohio, May 27, 1955)

I am very happy to be here with you on this important occasion. The dedication of a new school is always a happy event. When it coincides with a major holiday celebration such as Memorial Day, it becomes even more meaningful.

Perhaps the strongest single factor in preserving our Republic through 180 years of continuous problems has been the free American school system. Nowhere in the world has any nation made an even remotely comparable effort to provide education for its people. The boys and girls who grow up in our country, no matter where they live, always carry with them into maturity a reservoir of knowledge which they tap every day of their lives.

I know that in this field there will always be new worlds to conquer. We shall never have enough education. We shall always provide more and more of it for every succeeding generation.

It is sometimes amazing to people who come from large metropolitan centers when they meet brilliant young people from smaller towns. They often find it difficult to understand how these young people have gained their knowledge, their poise, and their determination to succeed. I never wonder. I have seen their roots in communities like your own throughout our State and throughout America.

It is wonderful to see new schools springing up everywhere in our country, offering the best and most progressive ideas of modern education. No one who has ever gone through a great school system can fail to marvel at the facilities and the opportunities offered to our young people today. This is an age of great technical advancement.

I have checked through a list of great atomic scientists. It is refreshing to discover that many of them received their initial training in small communities from all over the world. They were stimulated to work and to develop by inspiring teachers. They enjoyed the benefit of small classes. Out of the life and thought of young people from rural communities have come some of the most incredible achievements of modern science.

I think that there are other important considerations which the dedication of a new school should call to mind. We in America have prided ourselves throughout our history on the essential freedom of the American spirit. We believe in free inquiry, free speech, and academic freedom. To us, there are no forbidden subjects.

Today there are some people in our country who are confused by Communist propaganda. They say that America is losing its liberal approach to education and learning, that we are stifling freedom of speech and thought. I say to these people that they do not understand the basic difference between Communist doctrine and the American way of life. We believe in the right of every man to question and to probe. That right is denied by communism. The Communists have taken a leaf from the Nazi book. They have created Communist science, Communist music, Communist art. In this process, they reject the basic spirit of academic freedom. Yet, in the name of that same freedom, they demand the right to peddle their propaganda throughout the world.

Some liberals in our country have fallen into a weird trap. They are in a mental dilemma. On the one hand, they do not like communism, yet they insist upon the right of Communists to preach it wherever they choose.

If these same Communists should ever succeed in dominating American life they would immediately end all the liberal dilemma. There would be no liberals. There would be no choice. There would be no freedom to teach or to study or to conduct research. The state would take over. Those programs which followed the party line could be taught. Everything else would be taboo.

This is a significant consideration in my thinking, as we dedicate this new school. Young lives will be shaped here in ways beyond our most vivid imagination. Boys and girls, young men and women of tomorrow, will come into this building and will leave it richer by far than children anywhere else in the world. There is today a growing need for moral and spiritual guidance in public affairs. The schools must be a source from which tomorrow's generation may take new courage and new confidence.

These are questions which transcend individual differences and political controversy. American schools spend the largest single share of our tax moneys in every local community.

They are our investment in the future, to the extent that we succeed in preserving the greatest contribution which our Republic has made to world history. This is the test pattern, the proving ground, the training area. Our country is engaged at this moment in a cold war. It is a war for the minds of men. It can be won if our leadership develops educational procedures and programs which will overwhelmingly convince our people that our way of life is the greatest, richest, most satisfying system of life which man has ever created.

I am persuaded that the only way in which we can achieve this goal is through the rearing of a generation which will cherish the ideals for which Americans lived and died. On this Memorial Day weekend, Lincoln's great words of dedication are quickly called to mind. Today it is for us to be dedicated to the great purposes for which our men gave the last full measure of devotion through two world wars and on the hills of Korea. This dedication is, in truth, a rededication to the ideals of freedom, human understanding, helpfulness, and progress for all mankind.

Sometimes in the daily routine of teaching and learning our teachers and our students lose sight of the forest in the maze of trees. We forget the ideals. Nevertheless, they are there. In every task which the devoted men and women who teach in this school undertake, in every subject taught and learned within these walls, the spirit of freedom is planted and nurtured. Parents, teachers administrators, and students are partners in this great cause.

I hope that the people of Harrod and Westminster will share for many years the great personal satisfaction which comes from knowing that you have left a great legacy for your children. This is the glory of America—that each generation builds upon the tradition, the heritage, and the foundation of its predecessor.

I have reviewed the courses of instruction offered in our public-school system, from the elementary level through our colleges. In recent years, we have begun to emphasize the humanities. We have discovered that social studies are stimulating and worthwhile courses for young people. Some 5 years ago, Lafayette College organized an interesting experimental course called creative centuries.

It was designed to cross departmental lines, and combines a study of great ideas with a survey of western civilization.

It seems to me that American boys and girls would profit from a similar effort within the framework of our elementary and secondary school system. America has built a

UNIVERSITY OF MICHIGAN LI...

unique civilization in our curricula. We have discussed Magna Carta, the French Revolution, and the fight against the medieval "Divine Right of Kings." I am certain that we have never fully defined or emphasized the originality of thinking, the daring innovations in political science which went into the Constitution of the United States. A course on our American civilization with all that it implies would be a splendid addition to our school program.

Our civilization is far from being an adaptation or a modification of the British tradition. It is by all odds the nearest approach to complete freedom of political choice the world has ever known. Nowhere in the world does a nation have such jealousy preserved rights to select its own leaders and determine its own way of life. We cannot overemphasize this truth in a generation which takes freedom too often for granted.

Let us resolve together that we shall do our share in the preservation of this great educational ideal. It can move mountains. It is a faith in God and man. Upon it, America will always rise stronger than any enemies who may assail us.

Commencement Day Address by Hon. Mike Mansfield, of Montana, at Marymount High School, Arlington, Va.

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Monday, June 6, 1955

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a commencement address which I delivered at Marymount High School, Arlington, Va., on June 2, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY SENATOR MIKE MANSFIELD, AT MARYMOUNT HIGH SCHOOL, ARLINGTON, VA., JUNE 2, 1955

It is with a deep sense of pride that I am here today to address the 1955 graduating class of Marymount. Commencement day is a momentous occasion in the life of every young lady. If your formal education ends today or if you go on to schools of higher learning, I think that you will find that Marymount has done much to shape the lives of all of you, a realization which will be more fully recognized in future years.

I do not come here with any great words of wisdom. Anything I have to say on this joyous and yet solemn occasion can do little to impress upon you the great tasks that are before you. You are at the beginning of a new phase in your lives as adults. You will have momentous decisions to make, decisions which no one else can make. Those of you being honored here today are graduating into a complex world which needs leadership and skills of all kinds in the near future. It will be you young ladies who will be called upon to meet these challenges.

Thirty years ago the future for women was very limited. This is no longer so. Today I venture to say that many of you in this class of 1955 will find yourselves within a few short years in New York, San Francisco, Paris, Mexico City, Tokyo, Bogota, or equally cosmopolitan centers. You will be working for the Government, for private industry, or with your husbands. Many of you will have your own profession. The choice, as you can see, is much more varied than it used to be. I think it is safe to say that opportunities for capable young women are limitless.

Thirty years ago American interests were very limited. We were concerned largely about our own domestic problems. Today we live in the greatest nation on earth. American interests are scattered across the globe. We in America have been jolted into a new realization of the force of the world. We can no longer isolate ourselves from the affairs of international scope. The modern modes of transportation have brought us within hours of any point on either of the hemispheres. We have moved into a new age—the age of the atomic and hydrogen bombs. Our scientists have made fantastic advances in the realm of massive destruction. With a concerted effort these phenomenal accomplishments can be redirected to the benefit of mankind. We have recognized widespread human need and have set about through various assistance programs to assist the worthy and needy. In the postwar years the principal force with which we have had to contend is militant communism. We have preserved our freedom which has been so threatened by the rise of totalitarian communism, and we will continue to do so.

Domestically, we in the United States are enjoying a prosperity seldom, if ever, known in the past. With a little initiative and determination the future for our young people will look exceedingly bright.

I need not dwell upon the responsibilities and decisions facing you in the next year and the years to come, for I am sure you are cognizant of these things. Many of you will continue your education, perhaps others of you will marry soon.

All of that is ahead of you. What is important for you to do today is to look back over the wonderful years you have spent at Marymount. You are at a certain point in life where you should stand back and look at yourselves. You are departing today from what may likely be the happiest and most pleasant period of your lives.

Looking back over the past several years in this outstanding institution, can a Marymount graduate feel that she is ready to commence a life of full personal initiative in a world of turmoil and strife? I think so. The graduates of Marymount are well equipped to embark on the journey of life and to meet with confidence the challenge of the coming years. Yours has been the privilege of able guidance throughout the academic period by the reverend Mothers and Sisters, competent in the arts, the sciences, and, most important, the things spiritual. The reverend Mothers and Sisters have sought to develop in you the moral and intellectual virtues and to give you a complete education. They have sought to convince you that happiness and perfection are not necessarily found in the pursuit of wealth, fame, or power, but rather in the unselfish devotion to God and His designs for all of you.

You have been trained here to be leaders in Catholic thought and action, in the service of God and country. That leadership will be a constructive one if you put into practice the fundamental principles and truths which you have learned here as students. Despite the temporary discomforts and the consistency of conduct demanded, if you fail to adhere to these first principles in your own life, your leadership will have lost its value.

Beyond the academic accomplishments of high school, I am sure that all of you have gained tremendously in other areas. Perhaps one of the most important of the extracurricular benefits is that you now recognize the value of doing things together. The young ladies enrolled at Marymount have a commendable record in community effort on the part of its students. Some of your lifelong friendships have been formed here. You will have many fond memories encompassing your efforts in drama, sports, music, writing, and the other activities which add so much to the spirit of a school.

Nothing you graduates can possibly do will enrich yourselves more or hasten the triumph of faith or make a better contribution to your country than to proclaim and demonstrate the faith and learning you have gathered here at Marymount throughout your lifetime. May each of you bring something to a world in need of light and understanding.

In conclusion, I wish to extend to each of you my congratulations and best wishes for the years to come. The reverend Mothers and the Sisters can look with great pride upon this 1955 graduating class. Your parents, relatives, and friends join with them in wishing you Godspeed and good luck.

Shall We Let the Veteran Down?

EXTENSION OF REMARKS
OF
HON. GEORGE S. LONG
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1955

Mr. LONG. Mr. Speaker, any attempt to terminate our national responsibility by throwing our aged and disabled veterans and their widows back on the States as community responsibilities should be met with unyielding resistance by the Congress and by the American people; and I have no doubt that such resistance would be immediate, for the integrity of a nation is surely found in the character of its people. Ours is the most grateful people on earth.

For a considerable time now, antiveteran elements have been sounding the waters in quest of another Economy Act. Although there is now less than 2 percent of our total population on the Veterans' Administration veterans compensation and pension rolls, scare economists falsely propagandize that the Nation is actually confronted with the care of 21 million veterans. The veterans civil service law is likewise under attack. Apparently, according to the scare economists, we can only economize at the expense of the veteran.

The great John C. Calhoun once said:

Economy is certainly a very high political virtue; but it is often made into political quackery.

That is just as true today, and whenever and wherever false economy has been practiced on an intensive scale, history shows that it has led to certain disaster. The so-called Economy Act of 1933 actually bears the shameful title: "An Act To Maintain the Credit of the United States Government." But, as we all know, that instrument was aimed at the heart of the veteran. It was false economy in the raw. Not only did that act not maintain or improve the credit of the Government, it resulted in untold misery and literally thousands of untimely deaths. Thousands and thousands of worthy disabled veterans were dropped from the compensation rolls while other thousands had their disability compensation drastically reduced—this in the midst of the greatest economic

depression in world history. No, Mr. Speaker, the Congress will never be tricked into a similar debacle.

Then, Mr. Speaker, we hear talk of a scheme to put our aged veterans and their widows under State old-age assistance plans. That would probably be the first step in the disintegration of the Veterans' Administration, and the outright abolishment of the traditional national responsibility for the care of our veterans and their survivors since their affairs would thereby be transferred to some 50 States and Territories. Bearing in mind that old-age assistance as now constituted is a Federal-State partnership—wholly administered by the States and Territories—let us ask ourselves some pertinent questions.

The first question is: Would the States agree to such a scheme? Obviously before it could be enacted every State would have to agree to it. Then the next important question is:

Would the States be required to foot a substantial part of the cost—in line with the present old-age assistance plans? If so, what would happen in the event a State legislature should fail to appropriate funds for such payments? Could the veteran cross over to another State and claim an old-age pension in that State?

Well, he could not do so in my State. In Louisiana, to be eligible for old-age assistance, one must have resided in our State for 3 of the last 9 years with 1 full year immediately preceding date of application for old-age assistance. And, Mr. Speaker, my colleagues will find that a majority of the States require similar residential qualifications. I am not critical of these requirements. They are laudatory for divers and obvious reasons.

Then what about income and property limitations?

Through thrift and industry in their younger years many old veterans have managed to pay for modest homes or small farms, but in order to obtain a Federal pension or compensation they are not required to liquidate their small estates. To be eligible for old-age assistance under State law, however, many of the States require the applicant to convey his real property to the State with certain provisions being made for a lifetime tenure by the surviving spouse. Nor may one dispose of his property for the immediate purpose of obtaining old-age assistance. In still other jurisdictions old-age-assistance payments automatically constitute a State lien on the recipient's property, both real and personal. All of these laws, for State purposes, are equally laudatory; but I submit that they were not enacted for the veteran class which served all the States and all the people.

Yet, Mr. Speaker, the half has not been told. Still another plan is being toyed with. This would place veterans—such as those of the war with Spain—under the Federal old-age and survivors-insurance plan. Although all of these old veterans had entered their declining years when the Federal Social Security Act was enacted, a few of them have built up small old-age and survivors-insurance credits which, for the most part, would not purchase a bare-subsistence existence. So to augment those inadequacies the payments would be increased out of the general old-age and survivors-insurance fund.

But how about the veteran or widow who has no such old-age and survivors-insurance credits?

Does it not naturally follow that they would have to be paid out of the old-age and survivors-insurance fund to which they have not contributed a cent? Would such use of this trust fund which is the lawful property of millions of working people be keeping faith with them? Under what due process of law could such expenditures be authorized? What are the great labor organizations going to say about it?

In conclusion, Mr. Speaker, I remind the House that the present Veterans' Administration hospital program is also under attack. As chairman of the Subcommittee on Hospitals of the Committee on Veterans' Affairs, I assure the House that the whole program, with all of its ramifications, will be carefully evaluated with the best interest of the veteran always in mind.

Like George Washington, the veteran must be "first in war, first in peace, and first in the hearts of his fellow countrymen."

Exchanges of Persons Unite the Free World—Peace Depends on People Knowing People—No.1

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, when the House was debating the appropriations for the Division of Exchange of Persons in the Department of State, I took occasion to call to the attention of the Members the real need for funds for this important, positive program for world peace.

The House made a cut of $10 million in the budget request, but the Senate restored the full amount, $22 million, when it voted on the bill last week.

I would again like to reemphasize the value of this idea of working for peace by getting people acquainted on an international basis. I think that at this juncture of history, this nonmilitary peace offensive does much to enhance the position of the United States in world affairs.

The current issue of America carries an article by W. E. O'brien which outlines how peace becomes more assured when we send our citizens abroad and bring foreign students, leaders, teachers, journalists, and other specialists here. The article is aptly titled "Peace Depends On People Knowing People."

This same issue of America has a very strong editorial pointing out the need for favorable action in the House when the appropriation comes before us. I urge the members of the Appropriations Committee to give serious attention to the compelling arguments presented for restoration of these funds for the Exchange of Persons Division.

The editorial from America is included here for the information of my colleagues.

The gentleman from California [Mr. ROOSEVELT], the gentleman from Wisconsin [Mr. REUSS], the gentleman from New York [Mr. CELLER], the gentleman from Montana [Mr. METCALF], the gentleman from New York [Mr. POWELL], and the gentleman from Pennsylvania [Mr. RHODES] have joined me in sponsoring legislation calling for increased attention to our American arts and cultures and providing for a program of cultural interchange with foreign countries to meet the challenge of competitive coexistence with communism. These bills would carry out some of the major proposals advanced recently by William Randolph Hearst, Jr., newspaper publisher, and General Sarnoff, chairman of the board of the Radio Corporation of America.

In his historic speech before the National Press Club in Washington, D. C., on February 26, 1955, Mr. Hearst pointed out that in Russia and the satellite countries sports, ballet, the theater, literature—all are shaped toward aiding communism's long-range scheme of world domination. He went on to say that "preparedness alone will not win for us the battle of coexistence. The Western program of building armed strength should be widened into a more flexible and imaginative strategy for competitive coexstince with the Communists in every field and on every front."

I am happy to be able to say here that a subcommittee of the House Education and Labor Committee has just been appointed to hold hearings and study the legislation before it calling for distinguished civilian awards and cultural interchange and development. The members of the subcommittee are the gentleman from Montana [Mr. METCALF] as chairman, the gentleman from Delaware [Mr. DCDOWELL], the gentleman from California [Mr. HOLT], the gentleman from Arizona [Mr. RHODES], and myself.

With the challenging proposals of Mr. Hearst and General Sarnoff before us, proposals which have recently received the wholehearted support of Senator ALEXANDER WILEY and Senator LYNDON B. JOHNSON, it is my hope that the hearings will be held quickly and that legislation meriting the support of my colleagues from both major parties will be reported to the floor in time for consideration by this Congress.

General Sarnoff had this to say in a letter which he addressed to me under date of May 25, 1955:

> There is no doubt that we agree on the necessity for a strong political offensive in the cold war. And, as I wrote in my previous letter to you, I strongly favor study and consideration of all practical and constructive steps to further that offensive.

UNIVERSITY OF MICHIGAN LI...

It seems to me that what General Sarnoff had to say in this memorandum to the President applies particularly to the exchange of persons program and the other cultural interchange programs—such as my bill, H. R. 5040, would implement. General Sarnoff said that one of the major problems facing the country today "is one of attaining the requisite magnitude, financing, coordination, and continuity" of the programs "already being used, and often effectively."

The above-mentioned article follows:

EXCHANGES OF PERSONS UNITE THE FREE WORLD

Congress is now evaluating the United States exchange of persons program as a weapon in the world struggle for men's minds. W. E. O'Brien, administrative assistant to Senator KARL E. MUNDT, of South Dakota, has done us the favor of writing "Peace depends on people knowing people" in this issue to explain why a great many well-informed Americans believe this program, instead of being slashed as the House has already voted to do, should now be enlarged.

The exchange of persons program grew principally out of two important pieces of postwar legislation. As early as 1946, Senator J. W. FULBRIGHT, of Arkansas, a Democrat who is also a former Rhodes scholar and former president of the University of Arkansas, had the foresight to father a bill which provided funds for Americans to travel and engage in study and research abroad, and for foreign students to travel to and from the United States for the same purposes. Under the Fulbright Act funds (restricted to transportation, in the case of foreign students) came from the sale of United States surplus war property abroad.

In 1948, Senator MUNDT, a Republican and (among other activities) former college teacher, coauthored the much broader United States Information and Educational Exchange Act. Funds for this important weapon in the cold war came from annual dollar appropriations by Congress. The interchange of persons, knowledge, and skills part of this experiment, everyone seems to agree, has been notably successful.

Now what would happen to the exchange of persons program if the House axing of the requested $22 million appropriation (including $8.3 million in foreign currencies) to $12 million (still including the foreign currencies) should become final?

Lopping off $10 million of the actual dollar appropriation would, first of all, entirely cancel the proposed expansion of the program in the increasingly sensitive areas of the Middle East, the Far East, South Asia, and Africa. Worse still, it would even further reduce our already inadequate exchanges of persons with peoples in those regions. It would, in fact, just about annihilate the program, we understand, in 31 countries, such as Hong Kong and all Africa, except Egypt. New Fulbright programs planned for Formosa and Korea, two of the most strategic spots in the cold war, would be killed.

What impression would such a deemphasizing of our cultural-exchange policy make on people abroad? The President has asked Congress for $40 billion for our own and foreign military defense in 1956. If we boggle at voting a mere $14 million in dollars for the exchange of persons program, how can we answer the charge that we are relying far too exclusively on material means of defending freedom. We hope the House conferees yield to the Senate, which approved the $22 million on May 31.

Exchanges of Persons Unite the Free World — Peace Depends on People Knowing People—No. 2

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, on May 31 the Senate approved intact the State Department's request for $22 million to expand the exchange of persons program, which the House had cut to $12 million.

Mr. W. E. O'Brien, administrative assistant to Senator KARL E. MUNDT, explains in the June 11 issue of America magazine why the conferees meeting this week should provide generously for this important program.

During the debate in the House on April 14, 1955, on this program I said, in part:

I say that we are making a mistake if we withdraw from this very important activity—especially at a time when the Soviet Union is placing more and more emphasis on a stepped-up cultural offensive. It has been estimated that in 1953 the number of exchange visitors to the U. S. S. R. was more than 10,000 people. In addition, Soviet artists, scientists, dancers, musicians, and athletes are touring the world trying to create a picture of Soviet cultural superiority.

It is no secret that the men in the Kremlin are active in every section of the world where there may be opportunities for making ideological inroads. We are mistaken, I am sure, if we believe we can capture the hearts and minds of men with an overpowering military machine without giving the citizens of other nations a chance to observe us and to know us better.

Mr. O'Brien's article, Peace Depends on People Knowing People, follows:

PEACE DEPENDS ON PEOPLE KNOWING PEOPLE

(By W. E. O'Brien)

A new phase in the struggle to preserve world peace has set in. Senator WILLIAM F. KNOWLAND presaged its advent in his somber statement, interrupting the Senate's special session last November, on the atomic stalemate which he foresaw.

The rush of events this spring has largely confirmed the belief that the world has moved into a period of intensified nonmilitary competition between the Communist and free nations. It is, as the saying goes, a battle for men's minds. How decisive victories over men's minds can be was underlined at the Bandung Conference in Indonesia a couple of months ago. The courage and conviction with which leaders of non-Communist Asiatic peoples challenged the apologists for Red imperialism, masquerading as apostles of peace and anticolonialism, seems to have blunted the edge of Red China's ambitions to corral the uncommitted peoples of the Orient in its camp.

The Soviet Union's sudden agreement to an Austrian treaty, which came in the wake of the defeat of its drive to forestall West German membership in NATO, proved that Soviet policy has definitely shifted gears. Stalin's policy of antagonizing the free world at every turn had plainly backfired. The amazing buildup of anti-Communist military power, achieved through United States leadership, at least seems finally to have persuaded the tacticians of aggressive Marxism that their bellicosity was heading them into a military showdown. Their new tactic is to muffle the drums of war and to rely on nonmilitary political, economic, and propaganda measures to win the struggle of competitive coexistence with the forces of freedom.

This global shift in Communist tactics requires a reexamination of American foreign policy. Everyone is agreed that for us to drop our military guard would be to tumble into a Marxist trap. On the other hand, the time has come to go all out on nonmilitary phases of our foreign policy. Our military strength has erected a shield behind which we can compete against the Communist world for the deep-down allegiance of people's souls. The final outcome of the cold war will be decided largely by the success with which we carry through the nonmilitary phases of the postwar counteroffensive we have devised to prevent Marxists from enveloping any more peoples than they already have enveloped.

"EXCHANGE OF PERSONS" DIPLOMACY

One of the most important nonmilitary components of American foreign policy since the war has been our exchange of persons program. Under this, foreign students, teachers, journalists, social-welfare specialists, and other leading personalities have been invited to visit the United States as guests of our Government in order to become acquainted with typical American personalities and agencies doing the kind of work in which our guests are themselves engaged in their homelands. These are two-way programs, with properly qualified Americans enjoying a similar opportunity of visiting foreign lands at the expense of the United States Government for similar purposes.

During the past year 7,121 of these exchanges have been arranged. Two-thirds of the exchangees were foreigners invited to the United States to study, teach, lecture, carry on specialized research, or gain work experience. The other third were Americans who went abroad on the same types of mission.

The Department of State, which conducts these programs, calls attention to the fact that many of these exchanges were planned within the framework of projects to meet special situations in different countries. For example, a couple of years ago, Hispanic specialists in international law met in Latin America to promote the study of international law among the Spanish-speaking peoples of the world. Prof. Antonio de Luna, director of the Institute on the History of International Law at the University of Madrid, took a leading part in the discussions, emphasizing the natural-law basis of international law. The Madrid institute was named a center of the group's international project.

Dr. de Luna thereby attracted the attention of officials in the Exchange of Persons Program, who promptly invited him to visit this country in order to see for himself how American universities went about the study and teaching of international law. As a result of his visit, Dr. de Luna has agreed to join the faculty of a large American Catholic university as a visiting professor. No doubt he will contribute toward a much better understanding between the people of the United States and those of Spain and other Hispanic countries. In such concrete ways the peoples of the free world can come to understand each other much better. This common understanding of one another, of course, is essential to greater cooperation between various nations in the achieving of stable, peaceful relations between them.

HISTORY AND STATUS OF THE PROGRAMS

The postwar exchange of persons program has its legislative roots principally in the Fulbright Act of 1946, the Smith-Mundt Act of 1948, and a number of other legis-

lative measures setting up special exchange programs with Latin American countries, China, Korea, Finland, Iran, Germany, Austria, and India. These special authorizations met special needs in sensitive areas of the world where international problems of high priority challenged our ingenuity. The programs are financed both through congressional appropriations in dollars and through the use of money that we have at our disposal in foreign currencies. These are funds which foreign governments credited to our Government from the sale of surplus war materials abroad. Under the Fulbright Act the United States Government can assign these funds to support Americans we send abroad to study or carry out other purposes of this phase of the exchange program.

There are Federal cultural-interchange programs outside those run by the Department of State, but our present interest lies in these latter. The proposed appropriation for continuation of the Department's exchange of persons program under the Fulbright and Smith-Mundt Acts for the fiscal year 1956 is $22 million, of which $8.3 would be in foreign currencies. This is an increase of $6.5 million over the present year's appropriation, largely to cover the costs of exchanges with the Middle East, Far East, south Asia, and Africa as recommended by congressional committees, Vice President NIXON, Dr. Milton Eisenhower, and others.

Instead of expanding the program, the House cut the appropriation from $22 million to $12 million, of which $8 million must still be in foreign currencies. This would leave only $4 million for activities costing dollars and for the administration of the entire program. The Senate on May 31 approved the $22 million intact. The two bills were to be ironed out in conference this week.

It is important to note that private groups supplement the facilities provided by the Federal Government in carrying out these programs. Last year, for example, it is estimated that at least $7.8 million was contributed in this way from nongovernmental sources. This contribution helped to defray the costs of 450 projects involving 3,400 exchanges of persons.

VALUABLE RESULTS ACHIEVED

What evidence have we which would prove that the exchange of persons program in its various phases has actually achieved its purpose of creating better understanding and a greater spirit or friendlienss between Americans and other free peoples? In answering this question we must distinguish between the short-range and long-range phases of this experiment. It is too soon to judge of the long-range results. The younger people from foreign lands who have had the opportunity to visit the United States were selected because of the promise they gave of rising in influence at home as their careers unfolded. In most cases they have not yet had time to achieve much influence.

But we can tell from the good results of the short-range phases that the experiment is achieving its purposes. For example, nearly every one of the Asiatics of real prominence who spoke up at the Bandung Conference in defense of the peaceful purposes of United States foreign policy and in condemnation of the aggressive purposes of Red expansionism has been educated in one of the Western countries. In fact, the Bandung Conference went on record in favor of international exchanges of persons by adopting a resolution declaring that "the most powerful means of promoting understanding among nations is the development of cultural cooperation."

Last November, at the meeting of the National Council of Catholic Women in Boston, President Eisenhower testified that the exchange programs are "increasing intercultural understanding and thereby forging the bonds of brotherhood and good will among men. They are thus serving the cause of peace in a troubled world." Vice President RICHARD M. NIXON recently told the Senate Appropriations Committee that his "look-see" tours through Asia and Latin America had proven to him the effectiveness of these exchanges. "If I had to pick one program in the foreign field which was the most effective," he said, "if I had to pick one that was indispensable, this would be it."

A survey by the Bureau of Social Science Research of American University, Washington, D. C., reported that foreign students, after visiting the United States, were favorably impressed by their experience. They thought Americans were "cordial, warm, kind, and hospitable * * * and that this was experienced as quite a surprise." The same survey indicated that foreign students credit us with a high cultural level and strong attachment to noneconomic values. In other words, their experiences here had caused them to revise the stereotype distant peoples often have of Americans as a money-mad breed of vulgar tastes.

A survey which the Department of State itself conducted of about 1,000 returned grantees in 17 foreign countries showed that the majority of them after returning home had engaged in activities favorable to the purposes which the United States is pursuing in the world at large. This was particularly true of our foreign policy, of which the visitors acquired a much better understanding during their stay with us.

Ranbir Singh, editor of the Daily Milap of New Delhi, the capital of India, has gone on record about the way his visit to America changed his attitude toward us. He said that his impressions of Americans previous to his visit—impressions gained mostly from American movies and Communist propaganda—were that most Americans were either crooks or millionaires or both. On our home grounds, however, he found Americans to be neither, but friendly and kind, much like the folks he knew at home. Mr. Singh makes as many as nine talks a day to various groups in India. The newspaper he edits is full of accurate information about us and his editorials are friendly. This kind of offset to the malicious anti-American propaganda Soviet agents pour into India is invaluable to the cause of freedom and peace.

Dr. Elizabeth Burger, counselor in the Catholic Church's women's-affairs program in Germany, has informed almost a million Germans, through her magazine articles and lectures, about her impressions of America. She keeps insisting on the fact that, though the New York skyline is picketed by skyscrapers instead of church spires, as in Europe, it is a mistake to minimize the importance of religion in the United States.

Our diplomats abroad who see the exchange programs in operation overseas are enthusiastic witnesses to its value. United States ambassadors polled on the subject agreed with Mr. NIXON'S estimate: "This exchange of persons is our most effective program abroad."

Msgr. Frederick G. Hochwalt, director of the Department of Education of the National Catholic Welfare Conference, who has had considerable experience with these programs, wrote to the Senate Appropriations Committee urging continuance of this experiment.

Finally, we know how important the Kremlin regards its own exchange programs as weapons in its cold war against freedom. All the key people in the Guatemala revolt, according to Mr. NIXON'S check, had been sent either to Russia or to Iron Curtain countries to study.

MINOR CRITICISMS

One criticism of the exchange-of-persons program is that enough foreign students come to the United States to study (30,000 in 1954) without our paying their way. The answer is that the Department of State selects young foreigners of proven competence and could get many more from the sensitive areas. It gives preference to those who are particularly interested in such subjects as American history, the social sciences and law and studies which will enable them to promote the well-being of their own people through engineering, medicine, and social welfare. The ability of foreign students to come here without our help depends on many circumstances which have no relevance to the purposes of this special program such as the financial standing of their parents.

Another criticism is that we do not need to make more friends in already friendly countries. In view of the ingenuity of the Soviet Union and Red China in creating friction between us and our allies, this criticism hardly carries much weight. We cannot have too many or too well-informed friends in foreign countries. Besides, who knows whether the younger persons now working their ways toward positions of leadership abroad will be friendly to us when they wield great influence within a few years?

UNWISE ECONOMY

The desire of Congress to economize is always understandable. Before accepting such a deep cut as the House has approved, however, proponents of the program hope the Senate will carefully weigh the value of the particular phases of it which will suffer most. When we consider it a bargain to be able, by multiplying orders, to build a single intercontinental B–52 jet bomber for $8 million, is it wise to refuse less than 3 times that amount to continue in full force for another year our best weapon in the battle for men's minds? For in the end, as the Bandung Conference must have convinced us, it is what the peoples of the world think that will decide who wins and who loses the cold war. Why take chances on losing that battle merely to save a few million dollars?

Our Water Resources

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. BROOKS of Louisiana. Mr. Speaker, under leave to extend my remarks, I include a very able speech delivered by the Honorable CARL ALBERT, of Oklahoma, majority whip of the House of Representatives, at the occasion of the 42d annual convention of the National Rivers and Harbors Congress held in Washington recently. Congressman ALBERT has a fluency and a style in delivering a speech that is enviable, and I am sure our Members would like to read his speech on this occasion.

The speech follows:

GREETINGS TO THE 42D NATIONAL CONVENTION OF THE RIVERS AND HARBORS CONGRESS BY CONGRESSMAN CARL ALBERT, OKLAHOMA

Mr. President, it is with great pride that I appear here to bring a word of greeting from by colleagues in the Congress. I am proud that this great organization is presided over by one of my most able and distinguished colleagues, the gentleman from Louisiana [Mr. BROOKS]. No Member of the Congress and no person in or out of Congress has worked more diligently or more effectively for the development of the

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rivers and harbors of this Nation than my good friend, OVERTON BROOKS. I am happy to be on the program with the distinguished majority leader of the Senate, one of the great Amedicans of our time. I am happy to have been able to have served in the House with LYNDON JOHNSON and to have his valuable friendship many years ago. It is a pleasure to be on the platform with the distinguished Republican whip of the Senate, Senator SALTONSTALL, and with my able and affable colleague of the House, SID SIMPSON, who is also my colleague on the Committee on Agriculture. No one has worked harder than SID on questions of flood control, navigation, and conservation. I join all these colleageus of mine from both Houses of Congress in extending greetings from all Members of Congress to your great organization which is devoted to the development of America for the American people. I would probably leave a better impression with all of you if I merely said amen to what my colleagues have already said and sat down.

I have favored all phases of all programs designed to conserve water and soil. I have supported projects in all sections of the country aimed at controlling the ravages of flood and opening up of our waterways for the benefit of man. Conservation of water, conservation of soil, recreation, hydroelectric power, flood control, irrigation—these are things we cannot afford not to do.

We are not a Nation of agricultural surpluses, and what a blessing that is. Yet we can already see over the tops of these surpluses to a time which is not far distant when we are going to be a Nation of agricultural deficits unless we increase our productive capacity. I am proud of the steps being taken along this line in my own State. We are developing upstream flood control in the Washita Basin in a manner and on a scale that will be a model for this Nation. We are thus expanding the breadbasket of our State. This is one of the methods open to the Nation as a whole to meet the challenge which an ever-expanding population is going to place before American agriculture. I not only favor developing and utilizing our great rivers. I want to see every creek watershed in the country and every small river watershed in the country developed and controlled. I want to see dams on the tributaries as well as on the great streams of our land.

Mr. President, I favor the development of the great watersheds of the West for irrigation and reclamation and power. I have driven across our great Western States and have observed the tremendous productive capacity of desert wastelands once it is touched by water. This is one of our great food and fiber reservoirs of the future. But we cannot wait until the future to proceed with their development. We must begin now in order to finish the job in time to meet certain demands of tomorrow.

I favor flood control in the eastern and central sections of our country as I favor reclamation and irrigation in the arid West. In all sections of our country, water, which can be a dangerous enemy, must be harnessed and made the obedient servant of man.

Recreation is not the smallest aspect of our water development program. More and more of our people are leaving the farms every year and going into the cities. The small towns are becoming smaller and the large cities larger. We need more open-air recreation for our growing industrial population.

So, Mr. President, I join my colleagues in all they have said to your membership. You are to be congratulated on being the oldest and most active national organization designed to build up the river and harbor resources of our country. These things are for America. They will serve us well in peace or war. They are indispensable to the future greatness of our country.

Republican Cadillac Cabinet Adopts Public-Be-Damned Attitude in Awarding Antilabor Contracts

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, the Defense Department and other Federal departments and agencies have taken the position that there is no authority in the law for refusing to award a contract to a low bidder solely because of his violation of Federal labor law. Their position is supported, in fact, by findings of the Comptroller General that contracting agencies cannot consider such facts as compliance with the National Labor Relations Act in awarding Government contracts.

While it is entirely proper for the Federal Government to remain neutral in labor disputes where both parties are exercising their rights in conformance with the law, this policy has no basis in fact where one party to a labor dispute has been found by an appropriate tribunal to be in violation of the law. It is clear that barring from Government contracts those companies which have been found to be in violation of the National Labor Relations Act is surely as much in the national interest as denying contracts to those companies which have paid sums of money to Federal employees and contract officers to influence them in the granting of such contracts. It is not a position which can be represented as favoring labor over management.

To do otherwise would be to place employers who do obey the law at a competitive disadvantage by rewarding violators of the law who may be able to underbid their competitors exactly because of their unfair labor practices.

True to the big-business complexion of the present administration and its "Cadillac philosophy" the Department of Defense takes the position that its procurement agencies must remain neutral in labor disputes. What sort of neutrality is it when a Federal department awards a Federal contract to a violator of the Federal law? The Comptroller General interprets the law to mean that contracts must be awarded to the lowest responsible bidder, but how can a company which has been found to be in violation of the law by one Federal agency be considered by another Federal agency to be responsible.

Last winter, when the L. A. Young Co., in Trenton, N. J., and its employees needed a Federal contract to keep the doors open, the Department of Defense awarded a $2 million contract for shell cases to the Kohler Co., of Wisconsin, despite the fact that the NLRB found that the Kohler Co. engaged in unfair labor practices, including several acts of illegal interference during an NLRB-supervised election campaign, restraint and coercion, and discrimination.

I am joining today with Senator MATTHEW M. NEELY and the gentleman from Ohio [Mr. ASHLEY] in introducing a bill which will prohibit Government agencies from awarding contracts to companies which have been found guilty of an unfair labor practice by the National Labor Relations Board where the violation remains unremedied.

It is a moderate bill, Mr. Speaker, which asks only that companies found guilty of violation of Federal law and of the labor relations policy established by Congress and which persist in such practices be denied Government contracts. This, surely, is a reasonable proposal since it seeks only that the Federal Government shall not reward violators of the law.

United States Air Superiority

EXTENSION OF REMARKS
OF
HON. LYNDON B. JOHNSON
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Monday, June 6, 1955

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent, on behalf of the senior Senator from Washington [Mr. MAGNUSON], that a statement by him on the subject "Our Air Force Must Be the Best," together with a statement from the Boeing Airplane Co., be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

There is only one way the United States can achieve and maintain air superiority—that is, by inventing new ways to do new things faster and better. This, in turn, means research and development.

Research of that sort is being carried on at the moment by many great American aviation companies, and one of the leaders is Boeing Aircraft Co., makers of the B–52, which is performing so well for our Strategic Air Command.

The past 10 days have seen our Defense Department make a complete about-face. Finally, that agency decided that the production of B–52's will be stepped up $300 million, or 25 percent. This will give us more striking power in being. It, however, does not go to the root of the problem.

If Russia has overtaken us or outstripped us in air power, the obvious question is: "Why has this unhappy state of affairs occurred?"

The answer: "The civilian leaders in the Defense Establishment and the administration have not recognized, and still do not recognize, the basic cause of our weakness."

It takes trained manpower—scientists and engineers—to perform research and development—but what is the record?

One examples testifies to the attitude of the defense and administration planners on trained manpower. The National Science Foundation, for 1956, requested $22,716,000 for support of basic research. The President's budget clipped this by $4,384,000.

That is a small sum relatively, but it knocked in the head the opportunity to train 1,300 scientists.

Here's another example that goes to the heart of our weakness: In fiscal 1953 we spent $1.41 billion on research and development of new weapons; in fiscal 1955 we will spend $1.30 billion. As the race gets faster—as the threat of Russian air superiority gets

greater—expenditures are slashed at the point where it hurts most.

In all this it is heartening to know that the dollars—even though slashed severely by the administration—that are spent in aircraft production are buying as much as is humanly possible at this point to produce.

In this regard I cite a statement just received from Boeing Aircraft Co.:

"How Do Boeing Methods Help Achieve 'More Air Force Per Dollar'?

"Living in the atomic age, we find that each year makes certain facts stand out in sharper relief.

"The first such fact, now grasped by all thinking Americans, is that the power to inflict terrible destruction on an enemy is no longer ours alone. We know that nuclear weapons have been produced by the Soviets. We know, too, that the U. S. S. R. has aircraft capable of delivering them. Therefore, the major deterrent to war is now, and must continue to be, the superiority of our own air arm.

"At the same time it is clear that a free nation cannot afford to cripple its economy by wasting any of the billions of dollars being spent to maintain air superiority.

"A DOUBLE RESPONSIBILITY

"The Boeing Airplane Company, as a principal supplier of Strategic Air Command planes, has a double responsibility to the public.

"Our first duty is to build the world's most potent bombers and refueling tankers. In doing so we are making weapons for the defense of our country. The consequences of producing aircraft that would place second in the event of international conflict would be unthinkable.

"That is why the Boeing tradition of achieving the utmost in quality is more important today than ever before. Not only our management but all of our nearly 65,000 employees are imbued with the idea of building the best that can be built. Research, design, and engineering all contribute to that objective.

"The company's second and equally vital responsibility is to deliver its products to the Air Force at the lowest possible cost.

"'MORE AIR FORCE PER DOLLAR'

"That meaningful phrase is a slogan of the Air Materiel Command. And helping to make it a fact is one of Boeing's permanent objectives.

"Efficient production is as deeply ingrained in this organization as the urge to build well. It was demonstrated during World War II, in the steadily lowered costs of the B–17 Flying Fortress and the B–29 Superfortress. More recently the constant drive for efficiency has broken records in reducing the number of man-hours needed to produce the B–47 Stratojet bomber and the KC–97 tanker. As a result, many millions of dollars have been returned to the United States Treasury.

"Saving dollars for the taxpayer starts with the design of the aircraft itself. It follows through the planning and setting up of tools and jigs for fast, smooth-flowing production. It is inherent in Boeing's constant emphasis on manufacturing efficiency throughout the production life of the airplane. It is supplemented by workers' suggestions for process improvement—for which scores of cash awards are made each month. Finally it is highlighted by an extreme cost consciousness throughout the ranks of Boeing management.

"MANAGEMENT TRAINING PAYS OFF

"Primary among Boeing's policies is the building of an ever-stronger management team. In an industry producing mechanisms of growing complexity the manager's role of channeling skills for maximum effectiveness takes on more and more importance. For that reason thorough training is a must for every man at the management level. Boeing has established programs ranging from a 40-hour course for supervisors to 6-week university courses for men in higher positions.

"These training programs, along with Boeing's continuing emphasis on efficiency and effective long-range planning, are paying off every day. They are playing a large part in giving America more and better airplanes at lower cost—helping to reach the goal of 'More Air Force per dollar.'

"Boeing Airplane Co."

Postal Service—Historical Development

EXTENSION OF REMARKS

OF

HON. JAMES I. DOLLIVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. DOLLIVER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following:

POSTAL SERVICE—HISTORICAL DEVELOPMENT

(By Hon. JAMES I. DOLLIVER, Member of Congress, Sixth District of Iowa)

The story of postal service is a fascinating tale. It goes back to the earliest days of recorded history. It covers every civilized country of the globe. It utilizes nearly every means of transport. It is used by princes and potentates—and by the humblest citizen. It is the willing and economical servant of great business enterprise and carries messages of affection between lovers. Every phase of modern life enjoys its indispensable service, and receives the benefits of its rapid communication. No instrumentality of our Government comes so close to all our people, and no other serves them so intimately and well.

You who read this, the Iowa post-office employees, honor me to admit me to your company for a few minutes. You share in a most important enterprise. Your work is an indispensable link in a nationwide and worldwide chain of communication joining every citizen with every other.

The predecessor of what has become our modern postal service amounted to nothing more than a messenger service. It existed solely for the transmission of Government orders and messages. There are examples of this type of communication back to the beginnings of recorded history. All early civilizations in all parts of the world made use of the post to some degree. Just as now, it was a vital service. An ancient ruler of the Far East once stated that his government rested on four pillars: His police, his judge, his finance, and his posts. So does our Government today—and the post office is essential.

It remained a courier service until quite late in history. Then, during the 13th, 14th, and 15th centuries, A. D., there came a transition period. The purely Government postal service was opened to the public.

Several factors made personal communications necessary. First was the increased use of paper. Second was the introduction of the printing press. Third was the increased literacy among the people. Fourth was the increasing growth of business and commercial enterprises, with a growing practice of trading abroad.

EUROPEAN BACKGROUND

One early phase of the transition occurred when the University of Paris arranged for the employment of foot messengers to carry communications from its thousands of students back to their homes, many of whom came from foreign lands. It has been suggested that the students, then, just as now, needed some quick and efficient way of sending home for money. At first the messengers were in the exclusive service of the students and teachers. History reports that as time passed the messengers began to carry letters and do errands for people with no connection to the university.

Another step in the transition toward a public service had its origin in the business world. During the latter part of the 13th century the merchants of the Hanseatic League in northern Germany organized a courier service to assist their commercial activities. Later it became customary for traveling trades people to carry letters for others. Gradually a fixed compensation for this service became established.

Historical accounts differ as to the exact beginning of the modern postal service. One historian says the first true public post began with the service originated by the family of the house of Thurn and Taxis of Germany. On March 1, 1500, Philip I, son of Maximilian, appointed Francis von Taxis, "Captain and Master of our Posts."

The historian states:

"Francis' post service ran according to schedule, but the royal treasury presently found it impossible to pay the yearly stipend due him. The resourceful postman * * * demanded that he be permitted to carry passengers and private letters in order to reimburse himself; and this privilege was granted him, provided that he did not allow it to interfere with the speed of the royal dispatches."

The year 1516 marks the beginning of the great Imperial German Post of later centuries.

IN ENGLAND

In England the earliest postal service likewise existed solely for the use of the government. King John, who reigned during the opening years of the 13th century, is the first recorded English monarch to retain a staff of messengers. Activities of the early English post included the maintenance of relays of horses at selected points for the use of persons traveling on official government business.

The transition to a public postal service in England was gradual, taking place throughout the 17th century. The act of 1657 established a schedule of rates. For letters the rate was 2 pence for distances up to 80 miles, and for packets, 8 pence per ounce. Persons riding "in post" were to be charged 2½ pence per mile.

IN AMERICA

Postal activities in the United States date back over 300 years. The first occurred at Boston on November 5, 1639, when the General Court of Massachusetts declared that the tavern of Richard Fairbanks would be the official repository for mail. The act provided for foreign mail only.

The first scheduled transportation of mail between the colonies was inaugurated January 22, 1673. At that time Gov. Francis Lovelace of New York dispatched a mail courier for Boston, following what is now U. S. Route 1, still known as the Boston Post Road. This started as a regular monthly service. Due to wars with the Indians and the Dutch, intercolonial communication was interrupted and the service ended after only a few months.

During the early years of colonization the English King had exhibited interest only in ventures which promised to yield a definite profit. By 1690 the population had grown to 214,000, and a postal system appeared to have moneymaking possibilities.

The King then granted full monopoly rights to Thomas Neale, of London, for the purpose of setting up a postal system in the colonies. Instead of being profitable the venture lost money. But it had several desirable effects. First, it brought about greater unity among the colonies. Second, it

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aided the development of the postal system and of communications. And third, it gave emphasis to the growing belief that handling and transporting the mails should be a responsibility of Government rather than of individuals.

But the postal rates were high, and the service was slow and unreliable. Worst of all, the King claimed for his postal officials the right to open and read all letters, thereby destroying all privacy of the mails.

In the year 1753, Benjamin Franklin was appointed the Postmaster General. His first major act was to make an extensive tour of inspection during which he visited all stations in the North and as far south as Virginia. During the tour he took careful note of deficiencies in the service.

Since the rates were set by the King, Franklin lacked the power to lower them even though they were excessive. He therefore devoted his attention to making improvements in the service itself. New surveys were made resulting in new and shorter routes. He speeded up all routes, old and new, and increased the frequency of trips. Mail between New York and Philadelphia was put on a day-and-night basis, which meant that henceforth this mail would travel at night.

Under his guidance the service became more dependable and the use increased. Franklin's outstanding contribution to the postal service was his demonstration that more and better service results in greater use, which in turn results in greater revenues.

For the first 4 years of operation under Franklin's administration the post office showed a deficit. But for the second 4-year period he was able to report a surplus for the entire 8 years of nearly 500 pounds. When this surplus was sent to England it created quite a stir among British authorities as the first sum received from the colonial post office. Annual surpluses were enjoyed by the service in subsequent years: for 1773–74 it amounted to 3,000 pounds.

But Franklin's sympathies were entirely for the colonies in the years preceding the American Revolution. The consequence was that in 1774 he was removed from his post with the service by the British. His dismissal foreshadowed the coming break of the colonies with England.

The post office played an important part in the American Revolution. First, the postal system proved to be the best means of exchanging news, information, and official Government intelligence. Accordingly it helped greatly to unite the colonies, to establish common goals, and to coordinate and concentrate their activities. Second, the act of sending surplus revenues over to the king greatly irritated the colonists. Third, the dismissal of Franklin was regarded by the colonists generally as a seizure of their postal system by their oppressors.

One of the important accomplishments of the Continental Congress was the adoption in July 1775 of the Post Office Act which established, for the first time, an American postal system. It consisted of a line of posts from Falmouth, Maine, to Savannah, Ga. The rates were to be 20 percent below those of the older system. Franklin was named as the Postmaster General at a salary of $1,000 per year. For the rest of that year there were two postal systems in operation side by side—one American and one British. The New York Committee of Safety wrote that "the constitutional post office is now rising on the ruins of the parliamentary one, which is just expiring in convulsions." The English system ceased operations on December 25, 1775, less than a year before July 4, 1776, our Independence Day.

POSTAL SYSTEM UNDER THE CONSTITUTION

While our Federal Constitution was being formulated, due regard and consideration were given to a postal system. Many plans were offered. In keeping with the brevity of the entire document, the Constitution provided that:

"The Congress shall have the power to establish post offices and post roads."

The statement was brief, but the intent is unmistakable. To the National Government went the exclusive power to establish and administer a postal system.

On September 26, 1789, President Washington appointed Samuel Osgood of Massachusetts Postmaster General, the first to be appointed to the post under the new Government.

The following year our young Nation covered an area of about 500,000 square miles, and had a population of nearly 4 million persons. There were 75 post offices throughout the country connected by 1,875 miles of post roads. For the year, 266,000 letters were handled, and total receipts came to $37,935, of which $5,795 was surplus.

For 40 years the postal service was a part of the Treasury Department. That year there were 8,050 post offices, serving 12 million people connected by 115,000 miles of post roads. The Post Office Department handled nearly 14 million letters in 1830. However, the service was still slow. The only means of transportation available were horseback, stagecoach, and water. In some remote regions mail was carried on foot.

1830 marks the coming of the railroad and faster transportation. It was the beginning of a new era of economic development. The postal service both aided and benefited by the transportation revolution. It took at least 20 hours to cover the distance between Washington, D. C., and Philadelphia by stagecoach; the railroads reduced this time to 6 hours. Congress took due notice of the railroads and declared every railroad to be a post road, giving them full status as carriers of the Nation's mail. By 1851 mail was being transported on 10,000 miles of railroads.

Postal officials were not entirely satisfied with the speed of early rail service. The trains ran only during the day. The Post Office insisted that the trains continue on at night. There was an established precedent of nearly 100 years standing for such an argument—Franklin, in his reforms of the Colonial service during the 1750's, had ordered night movements of the mails. The railroads countered with the protests that night movements of trains would be hazardous. However, the Department refused to yield, and night train service became general.

Meanwhile the frontier was being extended westward. Wherever people went postal service followed. In New Salem, Ill., a postmaster was appointed on May 7, 1833. His name was Abraham Lincoln, age: 24; politics, Whig. His post office was located in the store which he owned jointly with his partner. It is said that he carried the letters around in his hat, delivering them as he had the opportunity. Such deliveries occasionally took him out into the country—a sort of rural free delivery on a very irregular basis. The mail arrived anywhere from semiweekly to biweekly, and the volume was never great enough to make his duties arduous or lucrative.

Three years after his appointment the New Salem office was discontinued by the Post Office Department because of lack of business. But Lincoln had since been elected to the legislature and did not mind his dismissal. When Lincoln served in the United States Congress he was a member of the Post Office Committee of the House.

The next big development in the postal service came on March 3, 1847, when Congress authorized the Postmaster General to issue the first postage stamps. It is hard to believe that the use of postage stamps is just about 108 years old. They were first placed on sale in New York City on July 1, 1847. The use of postage stamps simplified the labors of the postal workers. It greatly increased the efficiency of the postal service. You will recall that prior to the use of stamps the postage was generally collected from the recipient rather than the sender of the mail.

The act of 1851 marks the beginning of a new era for the Post Office Department. Henceforth, public service was to be the guiding force of the system. The act provided greatly reduced rates, establishing the 3-cent rate for distances up to 3,000 miles. The distance factor controlling rates on first-class mail was completely removed in 1863.

Soon the Postmaster General was able to establish several mail routes to the Pacific coast. Unquestionably it was a wise policy to aid the settling of the great western lands through the maintenance of vital communication links.

No summary of the development of our postal service would be complete without some reference to the pony express. It is one of the most romantic chapters of the history of America.

The first pony express left St. Joseph, Mo., on April 3, 1860. Ten days later the run was completed at San Francisco, cutting the usual travel time in half. The route was nearly 2,000 miles long. It touched Salt Lake City, Carson City, and Sacramento. The route was served by 190 stations where the riders received fresh horses. There were 80 riders, the most famous of whom was Buffalo Bill Cody. The company used over 400 horses; the best that could be found. The service was inaugurated on a weekly basis but it was soon increased to two trips a week. It was a private venture, backed by the funds of private individuals, and it was extremely popular among the early western settlers.

The pony express lasted only 16 months. The high cost of operating the service exceeded the amount of revenue obtained. In addition, the transcontinental telegraph system was completed in October 1861, making the pony express unnecessary and uneconomical. Also the Civil War intervened. Even though the pony express lasted a little more than 1 year, it made an indelible mark on the history of postal communications, and on the history of the Nation. While it existed it served a vital purpose—the establishment of a faster line of communication between the people of the East and those of the West.

MODERN MAIL SERVICE

Another important chapter in the development of the postal service is the establishment of airmail. Experimental airmail services were conducted at Long Island in September 1911. Regular service dates from May 15, 1918, when the War Department furnished pilots and planes for flights between Washington, D. C., and New York City. After August 18, 1918, the Post Office Department took over the operations of air mail service.

By September 1920 we were flying the mail from coast to coast. But the planes did not fly at night. Here was the same problem which had confronted postal authorities on at least two past occasions—an unwarranted delay of the mail. Such a condition could not be squared with the Post Office creed that "the mail must go through." Accordingly, the Post Office Department again was a prime mover in introducing night operations—this time in the field of aviation. On February 22, 1921, the first transcontinental flight took off from the Pacific coast bearing mail. Thirty-three and one-half hours later the flight was completed at Hazelhurst Field, Long Island. Night flying was proven to be practical. A new era for postal service, and for all transportation had been ushered in. The speed of the airmail service is phenomenal. I myself received a letter in Johannesburg, South Africa only 4 days after it was mailed on the west coast of the United States.

Another modern development of postal transportation is the use of motortrucks for

intercity movements of the mail. Such use has been developing gradually over a long period. But recently it has taken its place as an important means of the mail transportation. The truck is quick, versatile, dependable, and it can deliver its load at the post office door. Department officials predict that greater use will be made of trucks in the future.

The newest phase of mail transportation is the use of helicopters in crowded metropolitan centers to get mail from the airports on the outskirts of a city to the post office in the downtown area. Once again the Post Office Department is pioneering a useful means of transportation.

VAST SERVICES TODAY

As you know so well, today the Post Office Department has grown into a vast service institution working day and night. It reaches out to every person in the Nation, supplying them with the vital service of communications. It acts as the link between the Nation's citizens and their Federal Government; between members of families who are separated, and between friends who have occasion to correspond. It is a link between business concerns and their customers. It is a service which millions of Americans take advantage of every day. It is remarkable how much service is offered for the ridiculously low amount of 3 cents. A first-class letter at 3 cents postage is the best bargain there is in America.

I need not tell you that the mail is divided into several classes. Letters and post cards are considered first class mail and receive priority treatment. Magazines and newspapers constitute the bulk of second class mail, while third class mail consists of merchandise and other matter. Fourth class is parcel post. Airmail is the fifth great class of mail.

It is illuminating to contrast the size of the present operations with those of the past. One hundred years ago the Department was handling about 85 million pieces of mail or roughly about 4 pieces for each person. In 1953 the Post Office Department handled the staggering total of 51 billion pieces, weighing over 11 billion pounds, and amounting to 305 pieces of mail for every inhabitant of the United States of America.

The list of various services performed by the Post Office Department is long and impressive. City delivery service, collection on delivery, commemorative stamps, free delivery for the blind, insured mail, internal revenue stamps, money order service, postage stamps and stamped cards, postal savings, registered mail, rural delivery service, savings bonds and stamps, special delivery service, and star route service.

Important as these services are, the public is prone to take them for granted. Each activity of the Department listed here has an interesting history. Here is a brief mention as reported to me by the Department.

The first new service, other than the introduction of stamps, was the establishment of the registry system in 1855. This was done to afford greater security in sending money and valuables through the mail.

In 1858 street boxes were introduced so that postal patrons would not have to go to the post office to mail letters.

Free delivery of mail was inaugurated in 49 cities in 1863. There were 440 carriers so employed for the first year, and the cost amounted to $300,000.

Up until 1861 all mail carried on trains was distributed in post offices. In that year the postmaster at St. Joseph, Mo., tried out a method of sorting mail on a moving train by route agents between Hannibal and St. Joseph in an attempt to avoid delays in mail departures for the West. The experiment was successful. In 1864 the first officially sponsored test of a railway post office car was made on August 28 between Chicago and Clinton, Iowa. On December 22 of that year the Post Office Department appointed a deputy in charge of railway post offices and railway mails. This marked the beginning of railway mail service.

In 1864 the money order system was inaugurated. The service was placed in operation in 139 post offices, mainly to accommodate members of the Union Army who desired to send their money home. Money order service was extended to countries abroad in 1867.

Postal cards were first used in 1873. In 1885 the special delivery service was established to accommodate patrons who wanted prompt delivery of mail upon receipt at the post office. One million special deliveries were made the first year.

One of the most far-reaching developments was the inauguration of rural free delivery on October 1, 1896. On that date five routes were placed in operation in West Virginia. During the first week, patrons on the routes selected received 214 letters, 290 newspapers, 33 postal cards, and 2 packages. Today there are over 32,500 rural routes serving approximately 35 million people.

The postal savings system was established in 1911 as a convenient and safe depository for the accumulation of savings and to encourage thrift. Originally the maximum that could be placed in a postal savings account was $500. Today the maximum is $2,500.

One of the most widely used services today—the parcel post, was inaugurated in 1913. An early result of the service was a greatly increased exchange of farm products and goods between the rural and urban areas. Parcel post has contributed much to the economic and cultural advancement of the country. The Post Office Department handles more than one and a quarter billion pieces of parcel post matter annually. Insurance and collection-on-delivery services also were instituted during 1913.

FOREIGN MAIL

Today our postal system reaches to every corner of the earth. International postal service actually dates back to 1639. From that date until 1862 a number of agreements were made with foreign governments covering the international exchange of mail. But the general condition of international service was unsatisfactory.

In 1862 Postmaster General Montgomery Blair suggested a conference of interested nations for the purpose of formulating principles which would bring about greater order and uniformity. The following year the representatives of 15 countries met at Paris and adopted 31 principles designed to govern and improve international postal relations. These principles were the nucleus for the first treaty concerning the formation of a General Postal Union.

The first postal congress was held at Berne, Switzerland, in 1874, during which the treaty of the General Postal Union was concluded. The adoption of the treaty resulted in various postal reforms and improvements, including uniformity in rates and in regulations, a general reduction of rates, and the removal of many barriers to international postal communication.

In 1878 the name was changed to Universal Postal Union. Congresses of the Union are held every 5 years to consider necessary revisions. There is another postal union known as the Postal Union of the Americas and Spain, which represents the countries of North, Central, and South America and Spain.

Postal rates and services in the United States compare very favorably with rates and services abroad. And no other country handles anywhere near the 305 pieces of mail per capita handled by our own postal organization.

POSTAL WORKERS

You whom I address know so much better than I the scope and magnitude of our postal services. But to my mind the most important element of the postal system is the people who make it come alive and function, the group of which you are a part. There are well over 500,000 postal workers whose home bases are 41,000 post offices located throughout the land. They carry, distribute, and deliver the vast volume of our mail and perform the innumerable services of the post office.

As postal workers they are important because they are the ones who represent their Federal Government at the everyday level of Americans everywhere. The average citizen rarely sees the President or Vice President of the United States, but most persons do see the postman frequently; nearly every day. Thus he becomes the ambassador of the Government in thousands of post offices and on thousands of delivery routes through the country. At the same time he is a faithful and dependable servant of the people.

Accordingly, at home the postal employee should be treated with the consideration and respect due the members of so vital a group. You are and should be members of your communities. Your calling is a high and honorable one—a truly public and patriotic service. You are dedicated to the performance of an important duty.

We in Congress, who represent not only the postal workers but all the Nation's people in the Capitol at Washington should never lose sight of the importance of this great group of devoted public servants who handle the Nation's mail. Certainly if the home front is indebted to you, by the same token the Congress is also under deep and lasting obligation, and it should make every effort to treat you fairly and generously.

For my own part I have tried in every proper way to recognize the splended contribution made by our postal workers to the national welfare. You have had, and so long as I continue to serve the people in the Congress, will have my earnest and conscientious support and vote.

The Work of the Commission on Reorganization of the Goverment

EXTENSION OF REMARKS

OF

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. BROWN of Ohio. Mr. Speaker, under unanimous consent to extend my own remarks in the CONGRESSIONAL RECORD, I include therein a copy of an address made by former President Herbert Hoover on Thursday evening, May 19, 1955, before the national industrial conference board and over a national radio hookup entitled, "The Work of the Commission on Reorganization of the Government":

Your committee of this conference toward better government asked me to review the work of the Commission on Organization of the Executive Branch of the Government up to now.

I wish to read you three passages from the revised edition of Aesop's Fables.

Once upon a time complications happened in the government and the young doctors were called in. They gave all the verbal injections for the viruses and the verbal antibiotics for balancing the budget. Yet the budget did not balance. So, the old family doctor was called in for consultation. He thumped about a bit and came up with

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an idea. He said, take two antiwaste pills every morning and night.

But the patients all moaned and said, "But, Doctor, that will destroy our morale."

The second fable is:

One upon a time a mere citizen-reformer tried to quickly reform a political mind. But, he said, "You don't know the art of being a reformer. Reforms begin after the next election."

The third fable is:

Once upon a time the Commission on Reorganization of the Government said some restraining words affecting 1 of the 1,000 pressure groups represented in Washington. That pressure group said, "We deeply respect your words. But it is only the other 999 pressure groups that are badly in need of reform and we will help you." They said our appropriations are very necessary. Our Commission opined that they could spell the words "very necessary" with less than nine ciphers attached to it. Their reply was, "Our spelling is absolutely necessary to save the Republic."

THE AUTHORITY

This is the *n*th-plus-1 Commission on Reorganization of the Government in which I have participated in 33 years. Most of such Commissions have been set up by Presidents hopeful that the Congress would listen to the words of wisdom.

In time Congress also became annoyed and concluded to express itself. The preamble of the law establishing the Commission, over which I presided 5 years ago and again today are much alike. This one says:

"It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, instrumentalities of the executive branch of the Government. * * *"

They obviously did not wish to leave out anybody in the executive branch. Then with a certain air of suspicion, it instructs the Commission as to what it must deal with:

"Eliminating duplication and overlapping of services, activities, and functions;

"Consolidating services, activities, and functions of a similar nature;

"Abolishing services, activities, and functions not necessary to the efficient conduct of Government;

"Eliminating nonessential services, functions, and activities which are competitive with private enterprise. * * *"

That last line about Government competitive enterprises came back to roost in a report last Monday.

The Commission of 5 years ago was for various reasons unable to deal with policy questions. The authority of this present Commission is, however, wide open. This law says:

"The Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations."

But lest you become frightened, I may disclose to you that we do not intend to toy with the Constitution of the United States.

Also, if you will sometime read the whole law, you will find that the Congress did not want our forces turned loose upon them for they state that we should look into all agencies "except the Judiciary and the Congress."

This law also contains a new authority absent from the last Commission's law. It says, "the Commission * * * may subpena witnesses and documents and administer oaths." And this applies not only to the public, but to Government officials. I presume this all means we can report inaccuracies to the Attorney General.

Just to relieve your minds, we have refrained from that form of publicity.

ORGANIZING THE WORK

Under the more limited authorities of the first Commission of 5 years ago, we restricted our efforts to straightening out the structure of the executive branch, its housekeeping and the removal of roadblocks to self-reform. That job of repairs was big enough to take 2 years of labor at that time.

Because of the many problems settled by the Commission of 5 years ago, and because of the wider demands and wider authority from the Congress this time, this present Commission undertook a different approach to the problem. This time we mostly organized our investigation and our recommendations not department by department, but along functional lines straight across the whole of the executive front.

In making this straight-across functional investigation, we, for instance, examined and reported upon and made recommendations in 1 document as to the parts of 71 agencies which give medical aid and as to the 104 agencies, parts of which make loans, guaranties and insurance.

This is no trivial job. There are about 1,400 different agencies in the Government spending $63 billions a year. To do the job, I scarcely need to tell you that we set up some 20 task forces, many of whose leaders are speaking before your sessions. More than 400 leading executives and professional men have joined in this work. All of them are men of distinguished experience in the task for which they were chosen. They have served devotedly during the last 20 months at great personal sacrifice. The Nation owes them a great debt of gratitude.

Last Monday, after some 18 months of hard work, we got around to that remark in the law about elimination of those functions which are competitive with private enterprises. You may have noted that we found them in many agencies of the Government.

There appear to be somewhere between 2,000 and 3,000 of them. We have not had the time to dissect all of them.

When we came to look into the history of these Government business enterprises, we found most of them were created in wars and emergencies for some special needed task. But when the task was completed, each had aboard it an empire-seeking bureaucracy and a large pressure group which benefited from it. With these high inspirations, they developed an extraordinary longevity. One of them lasted 36 years and lost money nearly every year. Some of these enterprises are necessary; some are noncompetitive.

Many of them in their accounts claim they earn a profit and are, therefore, a benevolent institution. But all of them are exempt from Federal taxes. Very few of them pay any interest or amortization of the capital the Government had invested in them. And many of them do not include overhead personnel in their expenditures, or pensions and other "fringe benefits." Also, they do not mention the increased taxes the Government would receive if the business were done by private enterprise. Naturally, they are joyous in the demonstration of their great capacity to compete with private enterprise. Our Commission made the remark that this was a strange proceeding in a Government pledged to fair competition.

In a few cases, having no hope of completely recovering our national philosophy of life, we recommended that the Government competitor at least be put on a self-support basis so as to pay his own expenses. The walls of those agencies and the pressure groups have spread across the land with an accompaniment of impolite remarks.

The loss is not wholly the taxpayers' money. It is also a loss by injury to the vitality of the private enterprise system. It is a destruction of freedoms.

Initiative, ingenuity, and invention seldom come from Government business enterprises. These qualities are not stimulated by their form of accounting and the open doors of the United States Treasury.

Aside from maintaining an economic system of free enterprise which has produced the highest standard of living in all the history of mankind, this system has amply proved its virility in national defense. It provided the inventiveness and the productivity which, second only to the valor of our officers and men, won for us both World War I and World War II.

AN EXPERIMENT

As an example of one of these functional cross sections of the Government and what can be done about it, I may recite an experiment of one of our task forces. It belongs in our department of "the birth control of documents." You no doubt have heard from a number of the 4,700 different varieties of questionnaires the Government sends each year to the commercial world and also to confuse plain people.

Our energetic task force on paperwork management in part I of their report made recommendations that would have $250 million a year. In part II of their report they relate an experiment. They set up 29 committees in various business groups and secured their views on what could be done to simplify Government questionnaires and still give the Government the information it must have. With these constructive suggestions, our task force members, as a catalyst, brought these industrial committees into meetings with 32 different Government agencies concerned. These meetings have already brought about simplifications which the task force states will save the Government over $5 million a year; and save those industries over $10 million a year. We do not regard that $15 million as revolutionary, but it is 6 times the cost of this whole Commission work.

Having proved its case, the task force suggests that there is room for this catalytic action in the 4,000 forms and reports that they did not examine and a few hundred million more savings. We are recommending that the Government set up a catalyst that works 365 days a year, less holidays.

The Commission has completed and published reports on nine of these functional cross-sections of the executive branch. You will receive 5 more within the next 3 weeks and there are several more in the mill.

The recommendations in our reports are of two sorts. One is: Recommendations or suggestions to the administrative agencies which can be carried out within their present authorities. The other is: Recommendations to Congress for legislation. There are in the first 9 reports about 250 administrative suggestions or recommendations. Many of these have already been adopted. The points for legislative action are about 170 in number. It does not mean 170 bills to be passed. Possibly nine bills would cover these points. Some have already been introduced, and more are to follow.

Now, to improve your higher learning as to civil government you can buy these reports from the Public Printer at prices varying around 45 cents each. Just to indicate that they are not expensive, I may tell you that the annual budget documents will cost you about $6.75. It is no doubt a romantic document. But it weighs 5 pounds and is set up by the printer in such a way that you cannot read it in bed.

We believe our reports also relate strange things but we have had them set up by the Public Printer in pocket form for your easier homework. As a matter of fact, you can buy the whole lot so far published for less than a high-class novel, and they are a better sleeping pill, provided they do not raise your temperature.

Our job is to search out the systems of organization and administration which need repairs. Some of the ways of managing were good enough before the Government multiplied its size about 14 times in 25 years. Some of these faulty systems are due to obsolete legislation. Some are due to the sacrosanct character of bureaucratic empires. Some are due to the pressure groups that profit from the present setup. Some of these systems are due to the primary human emotion of resentment to being waked up.

The problems we deal with are mostly beyond the remedy of any single officials. And I may say at once that most of the responsible officials in our Government are dedicated and able men and women who are themselves struggling to unwind these tangles.

In demonstrating the weaknesses of certain systems of organization, we, in order to prove it, occasionally presented a "horrid example" of what is happening. Here is where we depart from abstract discussion into the world of furious protest. They make an unfavorable impression on pressure groups and some agencies. So far at least we have not replied to their remarks. That may come later.

Our job is to find ways of saving money. I may tell you that in the reports which we will have completed in the next few days, our separate task forces estimate that an aggregate of $6 billion of savings could be made to the taxpayer. And beyond that there could be returned to the Treasury about $7 billion of money which could be provided otherwise. And there are still more to come.

I may emphasize that when we talk about savings, we talk about the elimination of waste and not the strangulation of either our defense or the stifling of public welfare.

Our Commission is not always unanimous, but when you get a recommendation it is usually by a large majority. Nobody can expect that the 12 serious and eminent men of this Commission will always agree about everything.

At the time the Commission of 5 years ago finished its work, loud cries went up from most of the buildings of Washington. There was a barbershop blues incorporating such words as "Your figures are wrong." "You are ignorant. You are unrealistic." "You are reactionaries. You are radical. You seek to destroy the foundations of the Republic."

The chorus was: "It must never come to pass."

Yet 5 years later 70 percent of those recommendations had been adopted and great consequences in more efficient and more economical government have flowed from them.

I am confident that the pressure of American commonsense will secure 70 percent of our present recommendations in the next 5 years.

We have received extraordinary support from the press of the Nation. An analysis of a mass of editorials clipped from newspapers from over all parts of the country shows well over 90 percent favorable as against under 10 percent of brickbats. Some of the brickbats come from the business world.

There is an overall purpose in this work far above the chatter of upset persons. The Republic is beset by many dangers. There is one danger within our power to control. That is the waste which brings in its train our unbalanced budgets. And as sure as the sun sets, continued deficits will bring decreased purchasing power of wages, salaries, and income with all the tumults of striving of groups to protect themselves.

Our job is to show a safe road to a balanced budget. And this is no trivial job. Its accomplishment is vital to every cottage in this land.

But over and above even that, many of these reports spell out ways to strengthen the foundations of the Republic.

A Bill To Amend the Fair Labor Standards Act

EXTENSION OF REMARKS
OF
HON. ROY W. WIER
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1955

Mr. WIER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

Representative ROY W. WEIR, Democrat-Farmer-Labor, of the Third District in the State of Minnesota, introduced in the House of Representatives today a bill to amend the Fair Labor Standards Act to include the employees of large interstate retail chain stores and department stores.

In introducing the bill, he said: "The proposed amendments to the Fair Labor Standards Act would remove one of the great inequities and injustices under the present act. The amendment would not apply to small corner grocery or drug stores or to similar retail establishments not doing an interstate business but engaged solely in local retailing. Neither does it apply to small department stores nor to small chain stores which do little interstate business. Furthermore, the amendment would enable these small retail outlets to complete more effectively with the larger ones which would be covered by the amendment.

"If the amendment which I have introduced today should become law, every employer who has more than five retail establishments doing interstate business, or having one or more retail establishments in such business with a total annual volume of sales of over $500,000, would have to pay the minimum wage prescribed by the statute. At the present time, the law provides for a minimum wage of 75 cents an hour. An employer covered by the amendment would also have to pay time and one-half for all hours worked in excess of 40 in any workweek or in excess of 8 hours in any one working day."

Representative WIER went on to say: "There are approximately 5.7-million employees working in retail establishments in the United States, representing about 15 percent of the total nonagricultural employment in the country and constitute a part of the employment force which should not be discriminated against under the Federal wage-hour law."

The proposed amendment would cover some 1.7-million employees in the interstate retail store industry, including variety store chains which employ about 71 percent of all variety store workers. The largest of these is the F. W. Woolworth Co. with 1,834 stores and 95,000 employees, being about one-fourth of all variety store employees.

The A. & P. Tea Co. has some 4,600 stores with an annual volume of sales of about $4,-billion. Safeway Stores, Inc., has 1,849 stores; employs about 40,000, while the Kroger Co. with 1,644 stores has some 30,000 employees. S. S. Kresge Co. with 681 stores employs about 35,000; W. T. Grant has 500 stores and works 23,000 people, while J. J. Newberry with 476 stores normally hires 32,-000 individuals.

Department store and mail order chains account for about 37 percent of all department store employment. In this field, there is the J. C. Penny Co. (1,647 stores; 56,000 employees, annual sales volume in excess of $1.1 billion), Sears, Roebuck & Co., 699 stores; 120,000 employees, annual sales volume of about $3 billion), Montgomery Ward (568 stores; 53,000 employees), Marshall Field Co., (8 stores, 20,000 workers), R. H. Macy (26 stores, 24,000 employees), Federated Department Stores, Inc., has about 34 stores and 25,000 employees in subsidiaries, such as Bloomingdale Bros., New York City; Filene's Boston, and Fedway Stores of Texas, New Mexico, and California. The Allied Stores Corp. has about 73 outlets with 28,000 employees in Massachusetts, California, Texas, New York, and New Jersey.

"The number of employees working in retail chain drug stores," said Representative WIER, "runs into many thousands in such chains as United Cigar-Whelan Stores Corp., Peoples Drug Stores, and the Rexall Co., while clothing specialty stores, like Bond's and Lerner's, have more than 10,000 employees.

"This amendment will have little effect upon the total wage bill and profits of these large interstate retail businesses, since the number of employees (who are paid less than the present legal minimum of 75 cents an hour) is only about 85,000 or 5 percent of the total number of their employees. In 1948, for instance, the total payroll for such stores equaled only 12 percent of total sales. Similar percentages ranged from a low of 8 percent, for retail food stores, to a high of 19 percent for retail furnishings and appliance stores.

"In the United States there are about 1.4 million retail establishments which employ some 5.7 million people, but only 37,000, less than 3 percent, are of the chain or multi-State type. This 3 percent represents about two-fifths of the total retail employment. It is estimated," said Representative WIER, "that as of September 1953, less than 3 percent of the country's retail outlets had a total volume of sales in excess of $500,000, but this same 3 percent employed almost 50 percent of all retail people in the country."

Representative WIER further pointed out that, "this amendment has full support and sponsorship of the Retail Clerks International Association, AFL, which is the largest and oldest union in America devoted exclusively to improving the working conditions of retail store employees."

He said, "I am going to do everything within my power to secure the passage of the amendment that I have introduced today to raise the standard of living of the lowest paid group of workers in the country."

Taking Bearings

EXTENSION OF REMARKS
OF
HON. JAMES O. EASTLAND
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Monday, June 6, 1955

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered last Saturday, June 4, by the Honorable James A. McConnell, Assistant Secretary of Agriculture for Agricultural Stabilization, before the American Cotton Congress, Harlingen, Tex.

Mr. McConnell is one of the ablest men in Government. He has taken the lead in working out a sensible cotton export program. His speech should be widely read. It is one of the soundest and finest ever delivered on the cotton question.

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There being no objection, the address was ordered to be printed in the RECORD, as follows:

TAKING BEARINGS

(Remarks by James A. McConnell, Assistant Secretary of Agriculture for Agricultural Stabilization, at a meeting of the American Cotton Congress, Harlingen, Tex., June 4, 1955)

I cannot honestly say that it is a pleasure for me to address this meeting today. In fact, I—a novice in cotton—can think of no excuse for appearing before this distinguished group, except that I said yes in a moment of weakness.

Regardless, it is a great honor to be invited to attend your conference. It is just that discussing cotton policy, when some of the important answers are not yet known, is a tough assignment.

Under no stretch of the imagination do I presume to be a cotton expert, and I have no license to address you as such. On the other hand, looking at the cotton situation the experts haven't been doing so well. Perhaps under the circumstances I can speak with humility as a layman.

While I am not an expert on cotton, I have spent more than 35 years in the commodity markets—both buying and selling. And never in all my experience have I seen a situation where, when you have something to sell, you announce a year or so in advance that you will not meet your competition.

But that is just what we have been doing for several years with our cotton, setting a point below which we will not sell and thus letting the competition run rampant against us, both in selling and in production.

They have known what to do all right. Foreign cotton acreage is expanding at our expense. The use of synthetics has been increasing, again at the expense of cotton.

I have already stated that we don't have all the answers, but let's do a little job of "taking bearings." We can have a good look at the serious surplus situation of the wrong grades of cotton on one hand, and the deficit of acreage for farmers on the other.

First, let's take bearings on our present cotton policy. Where has it led us with its rigid support features and its rigid export sales prices, geared to the support level?

It seems certain that if we continue this policy we will continue to give up historic American markets to increased foreign growths. You know the story better than I, and I need not cite a lot of statistics. One factual comparison will show what's happened.

Foreign cotton acreage averaged a little under 40 million in the 5 years from 1945 through 1949. It jumped to an average of more than 56 million acres from 1950 through 1954—with the total going above 60 million in 1954. Part of this, of course, was due to postwar recovery. In contrast, United States acreage went down around 7 million acres between 1953 and 1955.

Again, as we hold up prices and limit market supplies, substitutes take over a larger and larger share of the potential outlets for cotton. It is estimated that world consumption of synthetics last year was the equivalent of about 10 million bales of cotton, of which about 3.5 million bales was the United States portion. Synthetics and other competitors have expanded and will continue to do so in a situation where the cotton program holds an umbrella over the entire market.

The Commodity Credit Corporation will probably have around 8 million bales in inventory when it takes over 1953 loan stocks this summer, and 1954 loan stocks later in the year. Our past policy still in effect will insure a continuation of heavy government holdings, unless we continue to cut acreage with all its attendant evils. I judge that no one seriously thinks we can travel further in this direction.

Now let's take our bearings on an extremely important factor in the whole situation. I refer to the "cotton" Congress in Washington. It writes the laws which control our cotton programs.

Here we see definite indications of understanding and a courageous facing up to the realities of the situations. Senators and Representatives have been speaking out, some of them very boldly, on the basic issues. They are calling attention to the vital necessity of recapturing our export position, as well as realistically serving our domestic outlets for cotton. They see the great danger in drastically reduced cotton acreage. And they recognize the need for better balance and more flexibility in both price support and export programs, so that American cotton can move in the market.

While we are talking about the Congress, let's take some bearings on the law itself—the legislation which controls the operation of our cotton programs.

The first thing we find here is that the present legislation tends to freeze cotton price supports at the maximum 90 percent of parity. Even under the Agricultural Act of 1954, provisions of legislation serve to hold cotton supports at the top of the flexible range. Under the formula of the legislation, production controls take effect before any price adjustment. In fact, under present legislation, it is not likely that cotton price supports would drop materially below the 90 percent top under any probable conditions in the foreseeable future.

The shift to the new or modernized parity formula, scheduled to take effect for the 1956 crop, will bring a slight adjustment. Experience has certainly shown us that a rigid support level—regardless of its value as a temporary expedient to meet a current emergency—can lead to more real trouble if continued on an indefinite basis.

There is another problem in the present legislation which leads to unbalanced pricing and resultant troubles. I refer to the present law requiring the use of Middling ⅞ as the hinge of the price-support program.

It is generally recognized that Middling ⅞ inch has not for many years been a representative quality for American upland cotton. The situation is very different than it was when that quality was adopted as the base. Development of improved varieties and other factors have resulted in a marked increase in average staple lengths. The market calls for less of the shorter lengths and more of the others.

As a consequence of sticking to this obsolete formula, the average price support level for all cotton is thrown out of balance. The situation also serves to encourage production of shorter staple lengths—much of which, for lack of market demand, finds its way eventually into CCC stocks. Changing to a more representative base would bring premiums and discounts more in line with the true value of the cotton. Desirable adjustments could be made in support rates for various qualities.

The New York Cotton Exchange 16 years ago changed to Middling $^{15}/_{16}$'' as the base for futures trading. Its board of governors has recently recommended a current change to Middling 1''—again in recognition of changing conditions.

A comparable change in the cotton price-support law would certainly seem to be a step in the right direction.

I have already mentioned the fact that, under present legislative provisions, it is not likely that cotton price supports will drop much below the 90-percent maximum—no matter how great the need might be for changes to permit needed adjustments. The support formula as now written sets a supply level 8 percent above the determined normal supply before any adjustments in the support level can begin to take effect.

The program as now operated under the present legislation virtually sets a price level for all CCC sales—both domestic and export—at the "105 percent of support" level which legally governs the minimum price for all domestic sales. If we sell cotton abroad below the domestic price, and make no other changes, we will drive some United States cotton manufacturers out of business. Our textile men would be at a serious disadvantage in competing for foreign sales, and they would need special protection against imports of competing manufactured goods, made from cheaper American cotton than is available to them.

We must not forget that the American cotton mill is the best customer the American cotton farmer has. Therefore, in any cotton-export program, we have to bear in mind the effect of such a program on the domestic textile industry, which buys about 9 million bales of United States cotton and exports the equivalent of about 700,000 bales. This is just another of the serious problems we face in trying to work out sound answers for cotton problems.

How about the farmer in all this? The support programs were intended primarily to help him, and taking bearings on his place in the whole situation is probably most important of all.

In the final analysis, the farmer is the one who has the first and most direct stake in market outlets. If markets are dried up and lost, sooner or later the blow will come right back on the producer. Special measures cannot go on forever plugging up holes left when real markets are gone.

As already mentioned, the producer feels the effect of an unbalanced situation most immediately in the form of acreage controls—limits on his production which are mandatory under the law in the present supply situation. And the producer is already deeply hurt on this score. With present reduced acreage, he cannot operate at full efficiency. If he is one of the thousands of small farmers, he may not be able to operate at all. Producers have a considerable investment in their farm plants, and they can quickly reach the point where loss of volume more than offsets any benefits from attempts to hold prices at set levels.

The results of this taking bearings do not spell out a very encouraging situation, but I am afraid it's a true reflection of what we can expect if we continue to stick rigidly to our present policies and regulations.

It's obvious that one of our first needs is a clarified export sales policy. We need a policy which will keep our cotton in a realistically competitive position, quality considered.

President Eisenhower recently summed up the question of export policy and our international responsibilities as follows:

"The United States cannot be satisfied with the position of holding its own supplies off the market and accumulating surpluses while other countries dispose of their entire production. Accordingly, the United States will offer its products at competitive prices. At the same time, the United States will not use its agricultural surpluses to impair the traditional competitive position of friendly countries by disrupting world prices of agricultural commodities."

That's a clear expression of sound policy, but in actual practice we have not put our cotton into a competitive position. This is particularly true of certain grades and staples.

It must also be remembered that much of what we have been able to export recently has moved abroad with the help of Government financing.

Considering our export programs, and clarification of our sales policy, it is important to have a proper perspective on the size of the job. We don't need a fire sale. We are not faced with the problem of putting a price on exports to move 15 million

bales next year, or 10 million bales, or even 8 million bales—the size of the probable CCC inventory.

We are thinking in terms of an export program for the coming marketing year which will move around 5 million bales. That's only a million bales or so above exports for the current year, and it isn't a goal which should scare anyone or disrupt world prices. We want every cent we can get for our cotton, but we cannot be bound by advance price-fixing announcements which will emasculate our sales policy.

It is important to make a definite start toward reduction of the surplus, but we do not have to do the whole job in a single year. Considering the fact that this year's reduced acreage should mean a smaller crop, we think we can make a satisfactory adjustment during the year ahead by exporting somewhere around the 5 million bale figure. The carryover is expected to be a little above 10½ million bales this August 1. If we can export 5 million bales, we can hope to reduce the carryover by about 3 million bales or perhaps more during the year, depending of course on the size of this season's crop.

The changes in sales policy which might be needed to export that much cotton—and more important to put the world on notice that we are changing direction and moving back toward our normal place in world cotton trade—need not be drastic enough to be upsetting. We intend to operate on an orderly basis.

We know, as well as you do, that it is very important to get decisions as quickly as possible on cotton policy. But we also know that it would be a mistake to act without a full and careful reappraisal of the whole program.

There isn't any easy way out of our problems—no cheap package of solutions. If there had been, we would have announced it before now. As a matter of fact, it has taken time just to get at the facts of the basic situation—the problems we must try to solve.

This is a double barreled problem. It is apparent that any change in cotton policy which does not include the beginning of some fundamental corrections in the law itself, made concurrently, will fail of a long-term solution.

We also know that any program which does not recognize the needs of all segments of the cotton industry, including manufacturers and shippers as well as producers, will be likely simply to multiply problems for the future. Solutions must be for the long pull, and not just temporary expedients.

If it costs to get things straightened out now, let's be sure that it is a one-time cost, and not a continuing expense to the industry—and to the Treasury.

The administration is deeply concerned with the long-time interests of the American farmer. We intend to keep working toward this objective at all times. In line with this objective, we must avoid falling into the trap of easy answers which might look attractive on the surface—but which could do more harm than good in the long run. And we are thinking primarily of the producer, the farmer who turns out the crops upon which the entire cotton industry is built.

Aware of the need for speed in getting answers, we are working on the overall cotton questions almost continuously. We are conferring regularly with Members of Congress and with farm organization and industry representatives. As you know, early last week the Secretary of Agriculture appointed a special cotton export advisory committee. This committee has already held a preliminary meeting with us in Washington. It is coming in again in a very few days.

We are going to keep right on driving until we come up with some better answers. We hope to have them soon, and hope they will be the right ones—even though it will probably not be possible to wholly satisfy anyone who has an interest in cotton.

The situation calls for courage, sacrifice, and direct action. There is too much at stake for us to accept temporary, soothing-syrup remedies. We want the sort of sound solutions which will build strongly for the future. And I may say that we are very much encouraged to tackle this problem by the enlightened understanding shown by cotton men in the Congress during recent weeks.

In conclusion, I want to make one final point. The important thing now is to change direction, to get over on a constructive basis for long-range development. How fast we move is of secondary importance. We can make changes gradually in the detail of operations, to avoid unnecessary disturbance anywhere along the line—just as long as we are headed away from the program and policy mistakes which have caused us so much trouble in the past.

Dissent and Separate Statement of Commissioner Chet Holifield on the Hoover Commission Report on Overseas Economic Operations

EXTENSION OF REMARKS
OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. HOLIFIELD. Mr. Speaker, in the preface to its report on Overseas Economic Operations, the Commission states its concern with finding a "new method of organization" for foreign aid and a program that will increase the economic and military strength of the free world. I do not believe that either objective is furthered by this report.

In the first place, the report does not represent a serious study of organization and management of our foreign aid programs. The multiple agencies and functions concerned with foreign aid are cataloged in the report, but no attempt is made to evaluate their performance or to suggest improved organization.

Secondly, the report intrudes in the area of foreign policy by making restrictive recommendations which could hamper the Executive, antagonize our allies and thwart our objectives.

The lack of organizational study is illustrated by the fact that the report simply lists the several councils, boards, committees, and special assistants who advise the President in this field. A useful service could have been performed by a study of the Executive Office of the President and other agencies in relation to foreign aid, with recommendations to simplify the organizational maze. This the Commission did not do.

It is difficult to determine from the text of the report and recommendations where the Commission stands in relation to the recent Executive order of the President, which stresses the need for unified administration of foreign aid.

When the President issued Executive Order 10610, effective June 30, 1955, abolishing the Foreign Operations Administration and transferring its economic operations to the Department of State, he emphasized to the Secretary of State the importance of maintaining "a single organization under a single management." The President made it clear that he wanted to "avoid dispersal of operating responsibilities either within the Department or to agencies outside the Department."

In his message to the Congress on the mutual security program, the President again put it as "essential that responsibility for the nonmilitary operations continue unified; to fragment this responsibility among several agencies would seriously detract from their effectiveness"—House Document No. 144, 84th Congress, 1st session, page 5.

The International Cooperation Administration, established by the President as a semiautonomous agency within the State Department, evidently is the result of an effort to preserve the organizational base of foreign aid functions while meeting the objections of those in Congress and elsewhere who believe that these functions should not be administered by a separate agency, such as the Foreign Operations Administration.

To prevent the Secretary of State from being saddled with heavy operating responsibilities, the President proposed that a person of great stature and administrative talent be placed in charge of the new unit within the Department.

The effectiveness of the foreign aid program will depend in large measure, of course, on the administrative ability of the new appointee, his wholehearted acceptance of our foreign-aid objectives, and his willingness to employ the available instruments and resources with boldness and imagination to reach those objectives.

The President's instruction that the International Cooperation Administration use the facilities of other executive agencies, where appropriate, in administering foreign aid, follows the pattern of Foreign Operations Administration agreements with other departments or agencies defining specific relationships and facilities or services to be utilized. These agreements took as their point of departure the instruction in the President's letter of June 1, 1953, to the heads of departments and agencies, as follows:

> The Director of the Foreign Operations Administration should take full advantage of the advice and assistance available in other agencies. He should coordinate his operations with related operations in other agencies. At the same time, I expect the Director of the Foreign Operations Administration to maintain full control and direction over all foreign economic and technical assistance programs rather than turn this responsibility over to other agencies.

Recommendation No. 1 of the Commission report seems to accept the pattern outlined by the President even while the Commission suggests there is need for a "new method of organization."

On the other hand recommendations 3, 4, 6, 7, 8, 9, and 10 propose that the Export-Import Bank and the Departments of Treasury, Agriculture, Interior, Commerce, Labor, and Health, Education, and Welfare, respectively, administer designated categories of foreign aid,

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subject to the conditions of recommendation No. 1.

If these several recommendations mean only that the Director of the International Cooperation Administration should utilize other agency facilities and personnel, where appropriate, in carrying out his responsibilities, then nothing new has been added to the President's order. If the recommendations mean something more, then they point in the direction of fragmenting the foreign aid program and scattering the functions of the International Cooperation Administration to the four corners of the executive branch.

The text of the report indicates that further steps are to be taken beyond the organizational concept set forth by the President. In the main the report seems to contemplate that the Director of the International Cooperation Administration would be transformed from an administrator of foreign aid in his own right to a coordination of limited programs carried on by other agencies.

The personnel recommendations likewise are difficult to interpret. At one point the text of the report suggests that a considerable number of Foreign Operations Administration personnel might be transferred to the several agencies designated to perform foreign-aid operations. In recommendation No. 1 it is suggested that existing agency staffs in many cases would be sufficient for these operations.

The recommendation adds that if the agencies "should require additional staff, they should be free to obtain it from any quarter." Is this an invitation to bypass Foreign Operations Administration personnel, who have performed valuable services for their Nation? What about civil service and veterans' preference rights?

Another paragraph of recommendation No. 1 proposes that overseas personnel of the civilian agencies performing foreign-aid functions be subject to the line authority and direction of the United States Chief of Diplomatic Mission in each country. The text proposes that a unified personnel system for civilian service overseas should be established.

The problems and requirements of integrating overseas personnel into a single system deserve careful and extended analysis. Indeed the Commission, in its report on personnel and civil service, promised such a study. The present report contains but a brief paragraph on the subject.

Recommendation No. 2, proposing principles to guide our foreign-aid programs, in my opinion is ill-advised and beyond the proper province of the Commission. We should not wander so far afield from our concern with the organization of the executive branch as to recommend, for example, what kinds of enterprises the United States should sponsor in the Asian-African arc.

A flat injunction against technical assistance to European countries overlooks the important and diverse problems which must be dealt with in the technical assistance framework, whether they be combating communism in the trade unions, breaking down cartel arrangements and restrictive trade practices, promoting tax reform, improving the climate for private investment or developing the standardization of weapons and spare parts.

Again, an injunction against assistance to large manufacturing enterprises elsewhere, whether they be oil in Indonesia or steel plants in India, might put the United States at an extreme disadvantage in contending with Soviet influence.

There is grudging acknowledgment in the report that foreign aid of some sort should be continued. But the recommendations seem to imply that foreign aid is more the product of simple and perhaps foolish benevolence than of hardheaded concern for our own national security and survival.

It is well to remind ourselves that freedom never has been a cheap commodity. In appraising forms of aid to friendly nations, we cannot reduce the problems to the simple alternatives of safe bank loans or charity handouts.

Nor can we overlook the President's reminder that "3 out of every $4 appropriated for the entire mutual-security program will be immediately spent within the United States for commodities, services, machinery, and other items." Food cotton, coal, and other American goods in abundant or surplus supply will be bought with these dollars for use by friendly countries.

The role our Nation has assumed in world affairs brings with it problems of staggering complexity and cost. It is not surprising that we have made mistakes. But a decade of urgent effort in defense of freedom cannot be measured only by mistakes. Our progress is substantial, our accomplishments impressive.

We must take care lest this progress be halted and these accomplishments demeaned and dissipated by a resurgent isolationism impatient with, or indifferent to, the needs and aspirations of other peoples.

Continued American leadership in the free world and successful resistance to the spread of Communist ideology demand wisdom and statesmanship of the highest order.

They demand boldness and resourcefulness to cope with emergencies and to exploit opportunities which advance the cause of freedom.

Above all, they depend upon mutual respect and understanding among nations engaged in a common quest for peace and security.

I do not see how the Commission's report will aid in achieving the vital objectives we have set in foreign aid.

Statement by Representative James E. Van Zandt, Member of Congress, 20th District of Pennsylvania, June 6, 1955, Urging Immediate Action on Legislation To Further Liberalize the Social Security Act

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. VAN ZANDT. Mr. Speaker, since my election to Congress in 1938 I have advocated liberalization of the Social Security Act.

For the past several years many of us in Congress pleaded for congressional action on bills that we had sponsored, and it was not until a few years ago that the law was liberalized by increasing benefits and expanding the coverage.

When Congress took this action it failed to reduce the eligibility age of the employee and the widow from 65 to 60 years and to permit retirement because of disability regardless of age.

In addition, Congress neglected to include coverage under the Social Security Act for lawyers and dentists. In a few words, the job of liberalizing the Social Security Act is far from being accomplished.

During the past several months it has been heartening to see so many other Members of Congress advocating what a few of us have sponsored over a period of years.

We hope that with this new-found strength we may be able to get action at this session of Congress on bills that will liberalize the Social Security Act along the lines that many of us have consistently advocated.

Early in this session of Congress I again introduced bills to amend the Social Security Act, all of which are duplicates of bills which I introduced in previous Congresses.

The bills are as follows:

H. R. 854 provides that for the purpose of old-age and survivors insurance benefits the age shall be 60 years. This means that the eligibility age for employees and widows is reduced from 65 to 60 years.

H. R. 855 would extend social-security coverage to individuals engaged in the practice of law.

H. R. 862 is a bill prohibiting any State from taking a lien on a person's home as a means of seeking reimbursement for moneys paid him in public assistance benefits.

H. R. 2212 provides that any person covered under the Social Security Act shall be entitled to the same primary and survivors benefit rights during a period of disability as he would be entitled to had he attained retirement age when the disability began. In other words, a disabled person would not be required to wait until he reached age 65 before being entitled to social-security benefits.

H. R. 4752 is a bill designed to extend social-security coverage to individuals engaged in the practice of dentistry.

Mr. Speaker, this series of bills represents a program of liberalization of the Social Security Act which I feel is long overdue.

Social-security benefits should be provided at age 60 for all Americans without discrimination and should be in keeping with the present day cost of living.

It is true that it costs money to liberalize the Social Security Act. In my contact with persons whose employment is covered by social security I have found that they are willing to pay the cost of a realistic and adequate program of social-security benefits.

Mr. Speaker, we know from past experience that amending the Social Se-

curity Act requires a lot of study. Therefore, I hope that these vital amendments to the Social Security Act will receive at an early date the attention they deserve from the House Ways and Means Committee.

Federal Property and Administrative Services Act of 1949

EXTENSION OF REMARKS
OF

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. MACDONALD. Mr. Speaker, I have today introduced a bill to amend the Federal Property and Administrative Services Act of 1949 making temporary provision for payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments.

My bill is designed to assist municipalities to overcome what has become one of their major problems—that of the Federal Government taking away tax revenue from the municipalities which had been paid on large amounts of real property.

My bill prevents this great inequity created in all our many municipalities when the Federal Government moves in and takes off the local tax rolls billions of dollars of assessed valuations that have heretofore been subject to local taxation.

This inequity is clearly illustrated, in capsule form, by the plight of my own Massachusetts Eighth Congressional District of a serious tax problem created in the city of Everett by the General Electric Corp. operation of a plant for the United States Air Force. This plant is known as Air Force plant No. 28. The whole area of which I speak was owned by the General Electric Corp. from 1911 to 1941. Local taxes were paid to the city of Everett on this area by the General Electric Corp. On March 13, 1941, the area was acquired by the Defense Plant Corporation. Air Force plant No. 28 was built in Everett by the Defense Plant Corporation and leased to the General Electric Corp. during World War II and was then known as Plancor 46. It is to be noted that the Defense Plant Corporation during World War II paid taxes to the city of Everett during the fiscal years of 1942, 1943, 1944, and 1945.

The Defense Plant Corporation was dissolved July 1, 1945. The same day, July 1, 1945, the property in question was then acquired by another governmental agency, namely, the Reconstruction Finance Corporation. Once again taxes were paid by the Reconstruction Finance Corporation to the city of Everett for the fiscal years of 1946, 1947, and 1948. In 1948 the property was assessed to the Reconstruction Finance Corporation in the amount of $1,905,000.

This property was then conveyed to the Air Force of the United States by the purely paper sale under the provisions of Public Law 364, 80th Congress, on a nonreimbursable basis. Approximately $50,000 of new construction has been added and approximately $125,000 has been required for rehabilitation. However, Mr. Speaker, I call to your attention that from September 7, 1948, up until the present time not 1 cent of taxes has been paid to the city of Everett for this very valuable property. This has resulted in an unfair tax loss to the city of Everett of approximately $90,000 annually. In view of the mounting cost of welfare, fire, police, and other services afforded by Everett to its citizens and taxpayers this tax loss has become a severe hardship on the people of that hard working community. What is more amazing, Mr. Speaker, is that during this period and despite the fact that the city of Everett has not received 1 cent of tax from any source on that valuable property, there has been no hesitation to demand from the city of Everett that this factory be supplied water, fire and police protection, and adequate sewerage facilities. What is even more astonishing is the fact that during the summer of 1953 when the duly accredited collective bargaining agency was out on strike at this General Electric operation the officials of that company demanded that the city of Everett furnish police coverage at the plant with no expense to be charged to the General Electric plant.

It is pointed out that police coverage was furnished. Who paid the cost? The long-suffering taxpayers of the city of Everett. It is interesting to note that at the time of the request for police protection no request was made for same by the Federal Government who are supposedly owners of the plant. Here we have a Government-owned plant which is operated by a private corporation for one purpose and one purpose only—that of making a profit for the stockholders of the company. While it is perfectly clear that this is a legitimate ambition and one to be encouraged under our free enterprise system, it also seems to me that such a company which is privately operated should not be operated at the expense of the long suffering local taxpayers of the city of Everett.

It is clearly not fair nor in keeping with the best tradition of the free enterprise system to have property of this nature tax free while other similarly located plants pay their fair share of costs to the city from whence their necessary local services flow.

I ask the question, Why should the Army Air Force be the first of a number of Government agencies to refuse to pay taxes when in fact the Army Air Force does not run the factory but merely is the fee holder of ownership papers? It is perfectly clear that the General Electric Corp. runs and operates this factory and it is equally clear that General Electric along with the other industries of the city of Everett should pay their fair share of the tax-poor city.

The city of Everett has a population of some 46,000 but an area of only 3.61 square miles, so you can readily see that available land is at a premium and that the city of Everett can ill afford to lose any valuation. Their assessed valuation, both real and personal approximates some $99 million. There are in the city of Everett 6 major industries, 5 of which pay taxes and the sixth of which I speak does not, yet receives the same benefits and privileges as the other 5 major industries including access to a highly skilled labor market.

I say to the Members of this House that this situation in Everett cannot be permitted to go on year after year. It is clearly not fair that this transfer of property from one Government agency to another Government agency should change the tax rights. The first Government agency paid taxes to the city of Everett; why should the second Government agency, acting merely in its capacity as landlord, not pay? The inhabitants of the city of Everett as a majority are a working class ranging in salary from $3,000 to about $6,000 per year, with the average home being assessed in the neighborhood of $5,000. The good people of Everett can no longer afford to carry the United States Government or the General Electric Co. on their back to the tune of a $2 million valuation free ride.

It is to meet situations of that character that I have introduced this proposed legislation.

Some 60 other properties, largely industrial in nature, in 20 States would also be affected by my bill, according to a list furnished by the Bureau of the Budget. I would like to point out that the payments assured by my bill will provide badly needed revenue for State and local governments and school districts in which those plants are located. In my home State of Massachusetts there are at least four such plants receiving services such as sewage disposal and water without reimbursing localities in like proportion to other similar plants. It has also been brought to my attention that school districts throughout the Nation have been educating children of parents employed in many of those federally owned plants also without paying for those services in like proportion to other school taxpayers.

The President has recognized the plight of local units of governments and their difficulty in obtaining adequate revenue to provide necessary local services, particularly in the light of heavy Federal taxation and extensive real property holdings by Federal agencies. In fact, on March 30, 1953, he requested the establishment of a commission to study and make recommendations with respect to the Federal Government programs as they affect States and their political subdivisions. This Commission, better known as the Commission on Intergovernmental Relations, after 2 years of study, has recently filed its comprehensive report. On the subject of payment in lieu of taxes the Commission said in part:

> The Commission recommends that the National Government inaugurate a broad system of payments in lieu of property taxes to State and local governments. The most important class of properties on which such payments should be made is commercial or industrial properties. Special assessment payments and transitional payments in lieu of taxes should be made in certain cases.

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The Commission believes that these payments are necessary to help preserve financially healthy local governments. Present tax immunities of Federal property have weakened many local governments. The States and the National Government share in the responsibility for avoiding actions which impair the financial ability of local governments. Equity as between Federal and local taxpayers requires the National Government to make appropriate payments. These should be based largely on the property tax system, which is the main source of local revenue.

I am happy that the Commission on Intergovernmental Relations endorses the objective of my bill. I am firmly of the opinion that the Federal Government does have an obligation and a positive duty to correct situations that arise through no fault of the local governments whose tax base is being whittled away through exemption rights possessed by the Federal Government.

Memorial Day

EXTENSION OF REMARKS

OF

HON. KENNETH J. GRAY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. GRAY. Mr. Speaker, as the 30th of May has recently passed where we adhered to the famous General Order No. 11 issued by Gen. John A. Logan, Commander of the Grand Army of the Republic, when he proclaimed May 30 as a day to be set aside to strew flowers upon the graves and to pay tribute to all comrades of all wars who paid the supreme sacrifice that we might enjoy freedom and democracy in this great land of the free and the home of the brave.

Mr. Speaker, I had the opportunity of going back to my district in southern Illinois on Memorial Day and speaking at several different memorial services; one being at Mound City National Cemetery, Mound City, Ill. I was happy to accept these speaking engagements because I felt what little I might do or say would not begin to pay the great debt that you and I owe to these gallant heroes who have paid the supreme sacrifice on the sacrificial altar.

Yes, we owe a debt that we can never pay because "greater love hath no man than this; than he who is willing to lay down his life for his friends." And I say to you what more could a man give than his life. So I say to every American in this country that we have an obligation to keep America free. In order to do this we must rededicate our hearts and our lives to God and country not only on the 30th of May each year but the other 364 days as well. Mr. Speaker, to keep faith with them, it must be a full-time job.

I wish to include in the RECORD two poems, one written by a good friend in my district, Mr. Ike Williford, of Eldorado, Ill., entitled "The Unknown Soldier," and the second poem I am sorry to say I do not know the author:

THE UNKNOWN SOLDIER

(By Ike Williford)

From the beggar's stalls in Tunis,
To the walls of Stalingrad,
Across the jungles of New Guinea,
To the green of Erin's sod.
Near the crumbling towers of Bautzen,
To the waters of the Seine,
From Korea's frozen paddies,
To the sands of El Alamein.
A silence shrouds these battlements,
And the caisson's lusty roar,
No longer calls the surging tides,
Of the mighty God of war.
Through sacrifice the soldier wins,
Some small measure of acclaim,
Yet there be men who would now pluck,
From the valor of his name.
We soon forget his dying charge,
And the cause that once seemed just,
Lie buried with the broken blade,
In the soldier's crimson dust.
When the chants of war are silenced,
And the words of praise have flown,
The soldier finds his resting place,
In a tomb that's marked unknown.
Until our Lord shall rent these tombs,
And the soldier must depart,
May his hallowed deeds of glory,
Be engraved upon our hearts.
So let us consecrate our lives,
To the peace we must attain,
Then heroes sleeping in these fields,
Shall not have died in vain.

Is it enough to think today
Of all our brave, then put away
The thought until a year has sped?
Is this full honor for our dead?
Is it enough to sing a song
And deck a grave; and all year long
Forget the brave who died that we
Might keep our great land proud and free?
Full service needs a greater toll—
That we who live give heart and soul
To keep the land they died to save,
And be ourselves, in turn, the brave.

Poor Housing Poses Threat to Urban Civilization

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1955

Mr. O'HARA of Illinois. Mr. Speaker, by unanimous consent I am extending my remarks to include a noteworthy address by my colleague on the Banking and Currency Committee, the distinguished gentleman from Ohio, the Honorable THOMAS LUDLOW ASHLEY. The address, which was delivered at the annual banquet of the north central regional council of the National Association of Housing and Redevelopment Officials held at the Commodore Perry Hotel in Toledo, Ohio, on May 23, 1955, follows:

Thank you very much. If I were to say that the very kind invitation to address you this evening was accepted by me with unmitigated pleasure, I would be guilty of a half-truth (or possibly even less), and, of course, this is dangerous for anyone, especially one engaged in political or public activity.

For me to address you on the subject of public housing, slum clearance, and the related areas included in urban renewal puts me in the position of a carrier of coals to Newcastle, and if there's anything worse it's a carrier of coals to Newcastle who arrives at Newcastle only to find that what he carried is an inferior substitute for coal.

I think it's personal fear which is responsible for a certain and perhaps sizable share of the so-called wisdom which Members of Congress either have ascribed to them or, in the absence of this, ascribe to themselves. I've often thought that if it weren't for the voluminous and generally frantic research which the congressional expert is forced to undertake before fulfilling his speaking obligations, he would be far less of an expert than he is cracked up to be and under certain circumstances, and this is the real motivating fear, he might even make a complete fool of himself.

This is simply by way of saying at the outset that I know considerably more about the areas in which all of you are so vitally interested than I did a month ago. And I think this is fine and as it should be, and certainly I don't offer this up as any sort of an apology. As many of you know, the House Committee on Banking and Currency, on which I'm privileged to sit, is so-called because it has jurisdiction over (1) public and private housing; (2) financial aid to commerce and industries; (3) price controls of commodities, rents, and services; (4) deposit insurance; (5) Federal Reserve System; (6) gold and silver, including coinage; (7) issuance of notes and redemption thereof; (8) valuation and revaluation of the dollar; and also over banking and currency.

You know along about last Tuesday, just when I was finishing my research, I was advised by my very efficient office here in Toledo that my engagement this evening might possibly be complicated by the fact that there was certain verbal activity taking place locally between various officials on the very subject I planned to discuss. I told them that I had taken judicial notice of the reports in the Toledo Blade and Times and that I hoped to come in on a wavelength which wouldn't interfere.

So having failed to disturb me on that score, my good assistants announced in rather pleased tones that I would undoubtedly address a number of men and women who view the merits of public housing with a rather jaundiced eye, and perhaps with no eye at all.

JOINT ACTIVITY REQUIRED

I could only reply to this that the subject matter was extremely broad and complicated, and that since I would be talking to experts my best hope of getting a base hit would be to take an honest swing rather than a cautious one.

This may sound funny to you, but in my original draft I got into the meat of my talk with a statement to the effect that I was sure we could all agree that, at the present time, shelter constitutes a very real material need—above politics, which requires for its solution some sort of joint activity by private enterprise and by the Federal Government through low-cost public housing.

Having laid this seemingly solid foundation, my talk began to go together very nicely until I suddenly overheard what was being said before the Senate Housing Committee. The words which I overheard were those of Henry Waltemade, of the National Association of Real Estate Boards, whose broad experience led him to state that "it is politically and morally wrong to require the taxpaying public to subsidize the shelter of the privileged few. Public housing is unnecessary because of the high volume of home construction * * * and the continued marked reduction in the number of low-income persons since 1946."

This pronouncement, of course, destroyed the foundation I had been building on, since in one sweeping blow it indicted public housing as both politically immoral and unnecessary.

After recovering from my initial surprise, that a person could actually get paid for making a statement of this sort, I decided to start over again by saying that I am here tonight because I believe just as strongly as Mr. Waltemade—and I think with a good deal more reason—that Federal aid to low-rent public housing is both a legitimate and a necessary function of Government, so long as private enterprise is unable to provide decent, safe, and sanitary shelter at rents low-income families can afford to pay.

From the bleating outcries from some quarters, you'd think Government responsibility in this area was no more than a deliberate and devious device to compete with private enterprise.

Actually nothing could be further from fact. The bipartisan supporters of the Housing Act of 1949 and of subsequent public housing amendments to the bill have almost unanimously agreed that the job of providing decent housing at reasonable rates for low-income families is properly the function of private enterprise.

WHERE GOVERNMENT FITS IN

The sole question is whether it has done or is doing the job? If not, then it falls within the legitimate province of the Government to meet this human need until such time as private enterprise is able to fulfill the function.

Despite Mr. Waltemade's profound utterances to the contrary, the volume of construction today is far from sufficient to provide shelter for those whom he terms "privileged few"; that is, those whose low income presently qualifies them for public housing.

The late Senator Taft, who in Mr. Waltemade's book would be a politically immoral supporter of public housing, stated in 1949 that the ratio of public housing to private housing would have to be at least 1 to 10 to meet the increasing need for low-rent shelter in the United States. But from 1950 through 1954 there was a total of only 230,000 public-housing units started as against nearly 6 million private units. Instead of public housing providing 1 unit for every 9 by private enterprise, the ratio from 1950 through 1954 was 1 public unit for every 26 private.

Yet if we ask whether private enterprise has done the job during this period, or whether it shows any signs or possibility of doing the job in the foreseeable future, the answer has to be "no." Private enterprise has done a good job but it hasn't done and can't do the whole job.

The more than 1 million new nonfarm units provided annually by private enterprise since 1950 have benefited mainly people able to pay the market price of the homes provided by private enterprise. There has been little abandoning of substandard housing for better quarters and most of the progress which has been made in this area has come from Government construction for low-income families.

THE ILL-HOUSED FIFTH

The appalling fact is that today one-fifth of our Nation continues to be ill housed. Despite the heavy construction since 1950, of the forty-odd million nonfarm homes in the United States, more than 11 million still need major improvements today. According to the last statistics of the Census Bureau, 8½ million nonfarm dwellings lack private indoor flush toilets and another 3.2 million dwellings were classed as dilapidated.

All of you know that these aren't just dry statistics. These figures tell the story of a human need which hasn't been faced squarely by private enterprise or by our Government.

The philosophy of our present administration was clearly stated last January in President Eisenhower's budget message when he said: "The basic principle underlying budget recommendations for programs in the field of transportation, housing, and business is that the national interest is best served by privately owned and operated industry, which is assisted by a minimum of Federal funds and Federal basic facilities operated at the lowest feasible cost and financed, where possible, by charges levied on the users of the services."

This is the kind of statement which is impossible to disagree with, because it doesn't really mean anything until you find out, in terms of positive programs, what is meant by such phrases as "a minimum of Federal funds" and how far the actual figures go in meeting the housing needs of our people.

We do begin to get a pretty clear idea of what the present administration has in mind in the field of public housing from the fact that a total of less than 55,000 public-housing starts were made in 1953 and 1954, as compared with nearly 130,000 in the preceding 2 years of the Truman administration.

AN INFINITESIMAL EXPENDITURE

And I think this picture becomes clearer when we consider the infinitesimal housing expenditure of only $12 million for fiscal year 1956. Actually, the Government proposes to put up $301 million for public housing, veterans housing, urban renewal, and other home-building projects, but the Treasury expects to take in $289 million from Fannie Mae, FHA, and other self-supporting Government agencies assisting private housing.

In view of the fact that other welfare programs are slated to receive Federal aid amounting to more than $2 billion, I think the conclusion is inescapable that the present administration is doing little more than paying lipservice to the need for public housing.

Whether or not Congress will provide some teeth to give this lipservice meaning remains to be seen. As you know, the Senate has just concluded hearings and the House Committee on Banking and Currency today began hearings on the same legislation.

My own view, as you may have suspected by now, is that greatly increased public housing is urgently needed to meet the problem threatening our urban civilization. It's also my view, as well as many of my colleagues in Congress, that our housing laws must be liberalized to allow aged and single persons to qualify for public housing projects and to make it possible for public housing and urban renewal projects to dovetail more closely and more effectively.

PUBLIC IS UNINFORMED

I'm sure many of you will agree with me that the slum clearance and urban redevelopment programs under the Housing Act of 1949 and the urban renewal extensions under the Housing Act of 1954 though inadequate are absolutely essential weapons in attacking the core of the housing problem. The job which you and other housing and redevelopment officials are doing is one of the most dramatic in America today, but it is a story which most Americans know little about, and, of course, this makes your task all the more difficult.

For example, I wonder how many people have been startled by the fact that slum and blighted areas comprise nearly 20 percent of the metropolitan residential areas in the United States? And I wonder how many realize that these blighted districts account for 33 percent of the population, 35 percent of the fires, 45 percent of the major crimes, and 55 percent of the juvenile delinquents, and 50 percent of the arrests in our cities? I wonder how many realize that this 20 percent of our metropolitan areas accounts for 50 percent of the disease and 60 percent of the city tuberculosis victims? And I wonder how many know, outside of our city officials and those of you who make this work your life, that only 6 percent of urban real estate tax revenues are collected from these extensive blighted areas while they account for 45 percent of city service costs?

COMMUNITY UNDERSTANDING NEEDED

It seems to me that these basic facts have to be known if your programs and efforts are to have any meaning. Actually, of course, such community understanding is one of the seven requirements of the workable program which each city must present in order to qualify for financial aid for urban renewal projects, and I think this is as it should be, without community understanding there is no hope for community participation and without community participation there can be no real hope of meeting the slum problem successfully. The kind of organization which developed in New Orleans, where every church, school, and civic group unified in a joint effort, is perhaps the ideal, but it was attained and I am told that it was an essential ingredient to the successful job which was done against great odds.

It also seems to me that city people should know what can be done under the urban renewal provisions of the Housing Act of 1954. They should know that the Federal Government pays two-thirds of the net cost of a redevelopment project, and that the city puts up the remaining one-third, using public improvements as a credit against its one-third share, but even more relevant, in many areas, is the knowledge that Federal aid can be obtained on the same two-thirds to one-third basis even where there are no slums to clear and without the acquisition and sale back characteristics of rehabilitation.

I've noticed in the Toledo Blade during the past week or so, a number of statements from public officials. The municipal league and other sources urging that bond issues be reserved for "critically needed projects of long-term usefulness."

PROJECT OF REAL USEFULNESS

Certainly, no project is more critically needed or of more long-term usefulness than urban renewal, but I wonder if enough every-day citizens know this? How many know that the Federal Government is ready to assume two-thirds of the cost of preparing the plan, the cost of public improvements, the net cost of any property that has to be acquired, and the cost of carrying out the voluntary rehabilitation program?

It seems to me that this knowledge is just as important as a workable plan, because those are conditions precedent to obtaining Federal and local shares of the cost of urban renewal projects.

Finally, and this you know far better than I, there is the basic necessity for America to know just why the housing needs of our Nation have not been met, and why they cannot be met under the regulations and policies which prevail today. The not-so-fine sounding program authorizing construction of 35,000 public-housing units this year is nothing short of a hoax. In the first place, something like 143 units have been authorized in 11 months; and in the second place, 35,000 low-rent units a year bears no relation whatever to the needs of tens of millions of human beings.

Clean, decent, and healthy American cities, devoid of slums and blighted neighborhoods, are so possible that it is almost sinful to let the existing rotten core continue to eat away our urban centers. It's been done in Europe and it can be done here. But our Government must be made to face the overall problem squarely, and to look at the total need, no matter how ugly or embarrassing it may be.

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When an honest effort is made to think in terms of the needs of the 165 million people today, and the 190 million in 1965, and the 200 million in 1970, then, and only then, can we expect honest and effective Governmental action.

TWO MILLION UNITS A YEAR

If we are to meet the challenge of our soaring population and at the same time counter the growing slum areas of today, we must begin to think and plan in terms of 2 million new housing units a year.

Private enterprise must expand its facilities to take care of 1.8 million units annually, and Government must assist, not only the existing programs, but through new ones which will give credit assistance to the millions of potential middle-income owners.

Public housing must hatch from its present dormant state and provide decent shelter for 200,000 individuals or families annually, especially, but not exclusively, those displaced by renewal projects.

This will call for immediate liberalization of the binding restrictions which now keep public housing and urban renewal separated and it will necessitate a long overdue showdown with the special interests which have so long and so effectively blocked effective action by you and by others who seek to make decent minimum housing available to all of our citizens.

I know that all of this is easier said than done, but it must be done because the need is real and because it goes to the very core of our national life.

HIGH PRICE OF FAILURE

Under the circumstances which exist today, the efforts of urban housing commissions are bound to hit snags and to appear to be slow moving, but I feel confident, especially here in Toledo, that progress is being made, because the facts are beginning to come out, and people from Boston and Los Angeles are beginning to be aware of the dreadful price which all of us, all over the country, must pay for allowing slums and substandard housing to perpetuate themselves.

We in Congress and you in the field can move forward only as fast as informed public opinion will let us. Given the facts, the people of the United States have a way of getting behind a program which makes us a Nation unto ourselves. Given the facts, we exact honest and positive action from public officials on every level of government and we do it democratically, too.

The job before us is not an easy one nor is it one of short duration. This you know under the best of circumstances, it would take a decade to finally meet the housing needs of the Nation.

GOAL MUST BE REACHED

But gradually we are gaining and eventually we will reach our goal. When this will be depends largely, I think, on the degree of public support and participation, and on the degree of effective cooperation between citizens, administrators, and public officials.

In closing, I want to assure you of my own deep seated and continuing interest in the vital field of housing and redevelopment, and that of a great number of my colleagues with whom I am privileged to serve in Congress.

But more especially, I want to extend my congratulations to all of you for the difficult work you are doing and the strides you have made.

I hope that we in Congress can make your work less arduous and that the near future will see our joint efforts begin to pay the real dividends which we feel are the right of every American.

SENATE

TUESDAY, JUNE 7, 1955

Rev. Ralph L. Buchanan, pastor, Hawfield Presbyterian Church, Mebane, N. C., offered the following prayer:

Eternal God, our Heavenly Father, as we bow in recognition of our need and of Thy limitless ability to help us, we would thank Thee for the kindness of Thy providence in placing us in this good land. Help us to do only those things which would pass on to our posterity a greater heritage than that which we have known.

We would pray, our Father, that Thou would bless the Members of this great body. Guide and direct them in all their deliberations and actions. We pray that Thou wilt help them to know that to err in vision is to stumble in judgment, and that they may so direct the affairs of this Nation that it may be to the world a beaconlight of righteousness, justice, freedom, and good will.

We make our prayer in the name of Him who said, "Ye shall know the truth, and the truth shall make you free." Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 7, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. PAUL H. DOUGLAS, a Senator from the State of Illinois, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. DOUGLAS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 6, 1955, was dispensed with.

COMMITTEE MEETING DURING SENATE SESSION

Mr. JOHNSON of Texas. Mr. President, I have been informed by the chairman of the Committee on Government Operations that the Subcommittee on Investigations has very important witnesses it desires to hear this afternoon. I therefore ask unanimous consent that the subcommittee may meet during the session of the Senate this afternoon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

UNITED STATES DISTRICT JUDGES

The Chief Clerk read the nomination of Reynier J. Wortendyke, Jr., of New Jersey, to be United States district judge for the district of New Jersey.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William G. East, of Oregon, to be United States district judge for the district of Oregon.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

CIRCUIT COURTS, TERRITORY OF HAWAII

The Chief Clerk read the nomination of Benjamin M. Tashiro, of Hawaii, to be circuit judge of the fifth circuit, circuit courts, Territory of Hawaii.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL COAL MINE SAFETY BOARD OF REVIEW

The Chief Clerk read the nomination of Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR LIMITATION ON DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the morning hour there be a 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

CONTINUANCE OF EFFECTIVENESS OF MISSING PERSONS ACT

A letter from the Secretary of the Army, transmitting a draft of proposed legislation

to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956 (with an accompanying paper); to the Committee on Armed Services.

REPORT OF DISTRICT OF COLUMBIA PUBLIC UTILITIES COMMISSION

A letter from the Chairman, Public Utilities Commission of the District of Columbia, transmitting, pursuant to law, a report of that Commission for the year ended December 31, 1954 (with an accompanying report); to the Committee on the District of Columbia.

REPORT AND FINDINGS ON THE WASHOE PROJECT, NEVADA AND CALIFORNIA

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, his report and findings on the Washoe project, Nevada and California (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF TRADING WITH THE ENEMY ACT AND WAR CLAIMS ACT OF 1948

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended (with accompanying papers); to the Committee on the Judiciary.

PROHIBITION OF USE AS EVIDENCE OF INVESTIGATIONS BY MILITARY DEPARTMENTS IN CERTAIN CASES

A letter from the Secretary, Department of the Air Force, transmitting a draft of proposed legislation to prohibit in any lawsuit or action for damages the use and admission as evidence of investigations by the military departments of aircraft accidents conducted in the interest of air safety (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; ordered to lie on the table:

"Senate Joint Resolution 21

"Joint resolution relative to the inclusion of certain highways in the National System of Interstate Highways

"Whereas United States Highway No. 395 is an important north and south highway on the Pacific coast and in the event of a national emergency would provide such a route in California and Nevada east of the Sierra and Cascade Mountains; and

"Whereas United States Highway No. 6 and United States Highway No. 50 form essential connections east and west from California through Nevada; and

"Whereas State Highway Sign Route No. 12 forms an essential connection east and west across California from the Pacific coast to the Sierras; and

"Whereas under section 7 of the Federal-Aid Highway Act of 1944, provision was made for the selection of a national system of interstate highways not exceeding 40,000 miles in total extent, so located as to connect by routes, as direct as practicable, the principal metropolitan areas, cities, and industrial centers, to serve the national defense, and to connect at suitable border points with routes of continental importance in the Dominion of Canada and the Republic of Mexico; and

"Whereas the Congress is now in the process of enacting legislation which would supply hundreds of millions of additional funds for the National System of Interstate Highways; and

"Whereas the President of the United States has recommended 'that the Federal Government assume primary responsibility for the cost of a modern interstate network to be completed by 1964 to include the most essential urban arterial connections at an annual average cost of $2.5 billion' for the next 10 years: Therefore be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President, the Congress of the United States, the Secretary of Commerce, the Commissioner of the Bureau of Public Roads, the California Highway Commission, and the State department of public works to take whatever steps are necessary to include the highways described in the resolution in the National System of Interstate Highways; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of Commerce and the Commissioner of the Bureau of Public Roads, and to the chairman and members of the California Highway Commission and the director of public works."

A resolution adopted by the Western Association of College and University Business Officers, at Tucson, Ariz., favoring the enactment of legislation to provide sufficient funds for the student-housing program; to the Committee on Appropriations.

By Mr. ELLENDER:

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on Agriculture and Forestry:

"Senate Concurrent Resolution 16

"Whereas the present national program whereby the Federal Government provides technical assistance to State-organized and locally governed soil-conservation districts has proved so successful that most of the farmers and ranchers in the United States have voluntarily organized into such districts; and

"Whereas soil conservation districts organized under the Louisiana Soil Conservation District Law in 1938 have demonstrated their ability to provide the local leadership and administration of the conservation program; and

"Whereas the State of Louisiana, through the legislature, has recognized its responsibility by providing $375,000 annually to assist soil conservation district operations; and

"Whereas according to press reports the majority report of the Task Force Committee on Federal Aid to Agriculture has recommended to the President's Commission on Intergovernmental Relations a proposal 'that the function of soil conservation technical assistance be placed on a Federal grant-in-aid basis'; and

"Whereas the reported proposal would require vastly increased State and local financial support in technical assistance and cost-sharing programs, thus requiring heavy additional tax burdens at State and parish levels; and

"Whereas there is a strong likelihood that already heavily taxed State and parish governments will be unwilling to impose additional local taxes for this purpose; and

"Whereas it is unlikely that any increase in local taxes for soil conservation will be offset by a decrease in Federal taxes paid by the people; and

"Whereas the proposal is inconsistent with the fact that soil and water are strategic national resources, the conservation and wise use of which are matters of necessity to all people, both rural and urban: Therefore be it

"*Resolved by the Senate of the State of Louisiana (the House of Representatives concurring)*, That the Congress of the United States reject the aforesaid reorganization plan, and retain the soil conservation program as a Federal service in substantially its present form with responsibility for carrying forward the programs developed by the locally administered soil-conservation districts; and be it further

"*Resolved*, That the secretary of state of the State of Louisiana is hereby directed to transmit a certified copy of this resolution to the Congress of the United States; to the Honorable ALLEN J. ELLENDER and RUSSELL B. LONG, Senators from the State of Louisiana; and to the Honorable F. EDWARD HÉBERT, HALE BOGGS, EDWIN E. WILLIS, OVERTON BROOKS, OTTO E. PASSMAN, JAMES H. MORRISON, T. ASHTON THOMPSON, and GEORGE S. LONG, Representatives in Congress from the State of Louisiana.

"C. E. BARHAM,
"Lieutenant Governor and President of the Senate.

"C. C. AYCOCK,
"Speaker of the House of Representatives."

By Mr. BUSH:

A joint resolution of the General Assembly of the State of Connecticut; to the Committee on Interstate and Foreign Commerce:

"Senate Joint Resolution 179

"Joint resolution commendation and encouragement to Patrick B. McGinnis and his fellow officers and directors of the New York, New Haven & Hartford Railroad for the forward-looking policies they have adopted in the running of Connecticut's most important transportation system

"Whereas the New York, New Haven & Hartford Railroad Co. is now entering into its second year under the leadership of Patrick B. McGinnis; and

"Whereas the said Patrick B. McGinnis has succeeded, in the short time he has been in control, in infusing a new, vigorous, forward-looking spirit into this essentially Connecticut railroad; and

"Whereas the said Patrick B. McGinnis has shown a fine spirit of cooperation with State and municipal officials, and has demonstrated his ardent desire to do everything possible to retain Connecticut's present industries and to encourage new industries to locate within our boundaries; and

"Whereas he has with the authorization of his board of directors, placed orders for revolutionary new types of passenger equipment, has begun installation of jointless rail and of a Magnetronic Reservoir System for reservations, has instituted ten-ride fares, ladies' day fares, a charge-a-plate system, has inspired 'zoo trains' and other merchandising features all calculated to give Connecticut improved transportation service, and to improve passenger service and commuting conditions to attract New York business people to live within our State: Now, therefore, be it

"*Resolved*, That the members of this General Assembly take occasion publicly to express their approbation of the steps being taken to modernize the New York, New Haven & Hartford Railroad to the ultimate benefit of our State, and particularly to commend the wonderful spirit of leadership exhibited by Patrick B. McGinnis, its president, and to express the hope of this body that he will have continued success in his efforts which we believe will redound to the benefit of all the citizens of our State; and be it further

"*Resolved*, That the Secretary of State be and she hereby is authorized and directed to transmit to the several Senators and Representatives from Connecticut in the Congress of the United States and to the members of the Interstate and Foreign Commerce Committee of both Houses of Congress, duly certified copies of this resolution, and that a

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suitably inscribed copy also be sent to Mr. Patrick B. McGinnis, president of the New York, New Haven & Hartford Railroad Co."

By Mr. DANIEL:

A resolution of the senate of the Legislature of the State of Texas; to the Committee on Finance:

"Senate Resolution 382

"Whereas it is reported that the Congress of the United States is considering increasing the Federal tax on gasoline; and

"Whereas the levying of additional Federal taxes for the purpose of making grants-in-aid to the States is in conflict with Article X of the Bill of Rights of the United States Constitution; and

"Whereas it would be the better part of wisdom for the Federal Government to address itself to balancing the budget and reducing the national debt rather than increasing grants-in-aid to the respective States; and

"Whereas the principles of both good government and economy could be met if the Federal Government would abandon certain fields of taxation, including gasoline taxes, to the States so that they might become self-sustaining in regard to all services, including roads, which can best be administered by the States: Now, therefore, be it

"Resolved by the Senate of the State of Texas, That the Congress be respectfully requested to refrain from increasing the present levy on gasoline and that such present levy be repealed; and be it further

"Resolved, That a copy of this resolution be mailed to each member of the Texas delegation in Congress.

"BEN RAMSEY,
"President of the Senate."

PRESERVATION AND MAINTENANCE OF WET LANDS—LETTER FROM WISCONSIN CONSERVATION CONGRESS

Mr. WILEY. Mr. President, one of the great grassroots organizations of our country is the Wisconsin Conservation Congress, democratically composed of 71 county committees whose members are elected at public meetings in May of each year.

I have recently been pleased to hear from Chairman John R. Lynch of the conservation congress endorsing two important bills, both of which I in turn heartily endorse.

Indeed, one of these bills for the preservation and maintenance of wetlands of our country is the subject of proposed legislation which I have personally introduced in the form of S. 1756.

I present Chairman Lynch's letter, and ask unanimous consent that it be printed in the RECORD, and be thereafter appropriately referred.

There being no objection, the letter was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

WISCONSIN CONSERVATION CONGRESS,
Gordon, Wis.

Hon. ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The executive council of the Wisconsin Conservation Congress met at Stevens Point on April 23, 1955, at which time a number of conservation problems and programs were discussed which have implications on a national basis and which also directly involve the State of Wisconsin.

As you know, the Wisconsin Conservation Congress is made up of 71 county committees whose members are elected at public hearings held in May of each year. The 71 county committees, in turn, elect a 22-man executive council to act for them during the year, and these councilmen meet 4 times a year to consider conservation matters, primarily concerned with fishing, hunting and trapping, and other related matters which affect conservation of our natural resources.

At the Stevens Point meeting on April 23, a resolution was adopted by the executive council directing the chairman to ask Wisconsin's Representatives in Congress to do everything in their power to obtain favorable consideration and passage of a bill introduced by Congressman LESTER JOHNSON, H. R. 2142 (which provides that 40 percent of the duck-stamp funds shall be earmarked for the acquisition of land and water areas suitable for breeding, nesting, and resting of migratory waterfowl). It is our understanding that this bill is now being considered by the House Committee on Merchant Marine and Fisheries.

Closely allied with this resolution was another passed by the executive council, asking our Representatives in Congress to do whatever they can to protect, preserve, and maintain the wetlands of this country, not only for the value they have for wildlife, but also for the value they represent in maintaining water supplies, preventing quick runoff, which in some cases creates downstream floods which destroy life and property.

We of the executive council and the Wisconsin Conservation Congress sincerely ask you to do everything in your power to help maintain and perpetuate these important wetlands of our great Nation.

Sincerely,

JOHN R. LYNCH,
Chairman, Wisconsin Conservation Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

S. 1878. A bill to amend the act authorizing the conveyance of certain lands to Miles City, Mont., in order to extend for 5 years the authority under such act; without amendment (Rept. No. 499); and

S. Res. 106. Resolution to provide additional funds for the Committee on Interior and Insular Affairs; without amendment.

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

S. 1397. A bill providing for the conveyance to St. Mary's Mission of certain lands on the Turtle Mountain Indian Reservation; with amendments (Rept. No. 497).

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

S. 92. A bill for the relief of Irene C. (Karl) Behrman (Rept. No. 467);

S. 135. A bill for the relief of the Elkay Manufacturing Co., of Chicago, Ill. (Rept. No. 468);

S. 187. A bill for the relief of Mr. and Mrs. Frank Goto (Rept. No. 469);

S. 1020. A bill for the relief of Laurie Dea Holley and the legal guardian of Karmen Lael Holley, minor child (Rept. No. 470);

H. R. 1002. A bill for the relief of L. S. Goedeke (Rept. No. 473);

H. R. 1974. A bill for the relief of Shirley W. Rothra (Rept. No. 474); and

H. R. 2236. A bill for the relief of Mary Rose and Mrs. Alice Rose Spittler (Rept. No. 475).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 1033. A bill for the relief of Ann Arbor Construction Co. (Rept. No. 471);

H. R. 903. A bill for the relief of Harold C. Nelson and Dewey L. Young (Rept. No. 476);

H. R. 1003. A bill for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Marie de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley (Rept. No. 477);

H. R. 1202. A bill for the relief of Robert H. Merritt (Rept. No. 478);

H. R. 1400. A bill for the relief of David R. Click (Rept. No. 479);

H. R. 1401. A bill for the relief of Ewing Choat (Rept. No. 480);

H. R. 1409. A bill for the relief of H. W. Robinson & Co. (Rept. No. 481);

H. R. 1640. A bill for the relief of Constantine Nitsas (Rept. No. 482);

H. R. 1692. A bill for the relief of Frederick F. Gaskin (Rept. No. 483);

H. R. 1747. A bill for the relief of the Utica Brewing Co. (Rept. No. 484);

H. R. 2456. A bill for the relief of Mrs. Diana P. Kittrell (Rept. No. 485);

H. R. 2529. A bill for the relief of Albert Vincent, Sr. (Rept. No. 486);

H. R. 2760. A bill for the relief of the estate of William B. Rice (Rept. No. 487);

H. R. 2907. A bill for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co. (Rept. No. 488);

H. R. 3281. A bill for the relief of Herbert Roscoe Martin (Rept. No. 489);

H. R. 3958. A bill for the relief of Louis Elterman (Rept. No. 490);

H. R. 4249. A bill for the relief of Orrin J. Bishop (Rept. No. 491); and

H. R. 4714. A bill for the relief of Theodore J. Harris (Rept. No. 492).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 175. A bill to provide for the relief of Milton Beatty and others by providing for determination and settlement of certain claims of former owners of lands and improvements purchased by the United States in connection with the Canyon Ferry Reservoir project, Montana (Rept. No. 472);

H. R. 1069. A bill for the relief of Hussein Kamel Moustafa (Rept. No. 493);

H. R. 1416. A bill for the relief of J. B. Phipps (Rept. No. 494);

H. R. 1643. A bill for the relief of the estate of James F. Casey (Rept. No. 495); and

H. R. 3045. A bill for the relief of George L. F. Allen (Rept. No. 496).

By Mr. DOUGLAS, from the Committee on Labor and Public Welfare:

S. 2168. A bill to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes; placed on the calendar (Rept. No. 498).

(See the remarks of Mr. DOUGLAS when he reported the above bill, from the Committee on Labor and Public Welfare, which appear under a separate heading.)

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KENNEDY:

S. 2154. A bill for the relief of Lucia Mary Ann Lucchesi Marchi; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2155. A bill for the relief of Jose Torres; and

S. 2156. A bill for the relief of Thomas H. Ros; to the Committee on the Judiciary.

By Mr. CAPEHART:

S. 2157. A bill to authorize the establishment of an Inventive Contributions Awards Board within the Department of Defense,

and for other purposes; to the Committee on Armed Services.

By Mr. DOUGLAS:

S. 2158. A bill for the relief of Alexander Salomon and his wife Kaete Salomon; to the Committee on the Judiciary.

By Mr. IVES:

S. 2159. A bill for the relief of Dr. Roy Esme Lau; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 2160. A bill for the relief of Georgios Nikoladakis Baroulakis:

S. 2161. A bill for the relief of Nicholas Tsirigotis; and

S. 2162. A bill for the relief of Michael Patrinos; to the Committee on the Judiciary.

By Mr. FREAR:

S. 2163. A bill to extend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

By Mr. WELKER:

S. 2164. A bill for the relief of Ghislaine Marie DeBoysson; to the Committee on the Judiciary.

By Mr. CAPEHART (by request):

S. 2165. A bill to amend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

By Mr. O'MAHONEY:

S. 2166. A bill for the relief of Nickolas Menis; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2167. A bill to make certain changes in the administration of the Panama Canal Company, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 2168. A bill to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes; placed on the calendar.

(See the remarks of Mr. DOUGLAS when he reported the above bill, from the Committee on Labor and Public Welfare, which appear under a separate heading.)

By Mr. THURMOND:

S. 2169. A bill for the relief of M. B. Huggins, Jr.; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2170. A bill to permit sale of Commodity Credit Corporation stocks of basic and storable nonbasic agricultural commodities without restriction where similar commodities are exported in raw or processed form; to the Committee on Agriculture and Forestry.

S. 2171. A bill to amend the Subversive Activities Control Act so as to provide that, upon the expiration of his term of office, a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2172. A bill to amend the National Housing Act by adding a new title thereto providing authority for insurance of loans made for the construction of civilian defense facilities; to the Committee on Banking and Currency.

S. 2173. A bill to provide for the appointment of an additional circuit judge for the second circuit; to the Committee on the Judiciary.

By Mr. SCOTT (for himself and Mr. CLEMENTS):

S. J. Res. 75. Joint resolution directing a study and report by the Administrator of the Agricultural Research Service of the Department of Agriculture proposing an expansion of the tobacco production, utilization, and marketing research program, with primary emphasis on basic research; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. SCOTT when he introduced the above joint resolution, which appear under a separate heading.)

EXPANSION OF TOBACCO RESEARCH PROGRAM

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the distinguished Senator from North Carolina [Mr. SCOTT] be accorded an additional 3 minutes in order to make a statement.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from North Carolina is recognized for 5 minutes.

Mr. SCOTT. Mr. President, tobacco is one of the most important commodities in our agricultural economy, in business, and in tax revenues. In recent years tobacco production has ranked fifth in importance in farm income, averaging over a billion dollars in value each year. Consumers are spending approximately $5 billion a year for tobacco products, with the Federal Government collecting over a billion and a half dollars in tobacco tax each year.

Tobacco is important not only to farmers, business, and Government; it is also of vital concern to every family in the United States, because the per capita consumption of tobacco among persons over 15 years of age has risen to the remarkable point of over 13 pounds per year, which amounts to 5,250 cigarettes.

Tobacco production is becoming a more and more dangerous financial undertaking for the small farmer. The average loss from tobacco diseases alone has been nearly one-fourth of the value of the crop over the past 10 years.

The consumer of tobacco has also been having a hard time of it in the last year or so. There have been a lot of scare headlines and some loose talk about the possibility that smoking causes lung cancer.

Mr. President, untold millions of dollars are now being spent in medical research to find the answer to this question. But I was astounded to learn how woefully lacking we are in knowledge of the chemical components of tobacco and tobacco smoke—the sort of basic knowledge that is absolutely essential both to this advanced medical research as well as to agricultural research aimed at producing better tobacco at lower costs.

I think we have a good tobacco research program in our Agricultural Research Service and in the State agencies; but it has been far too small in its scope. We have been spending a paltry half million dollars a year for tobacco research while the Federal Government has been collecting a billion and a half in tobacco taxes.

I have discussed this problem with many experts, representing tobacco growers, manufacturers, and research specialists of our universities, the Department of Agriculture, and the Public Health Service, and they all agree that there is a crying need for a greatly expanded program of basic tobacco research. I think the Government's research investment in tobacco should be at least doubled over the next few years, in order that answers may be obtained to these basic questions which should have been answered long ago.

Mr. President, on behalf of myself, and the Senator from Kentucky [Mr. CLEMENTS], I introduce, for appropriate reference, a joint resolution authorizing the Administrator of the Agricultural Research Service to propose a program for expanded tobacco research and to make a report to Congress thereon.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 75) directing a study and report by the Administrator of the Agricultural Research Service of the Department of Agriculture proposing an expansion of the tobacco production, utilization, and marketing research program, with primary emphasis on basic research, introduced by Mr. SCOTT (for himself and Mr. CLEMENTS), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

STATEMENTS TO ACCOMPANY CONFERENCE REPORTS

Mr. KNOWLAND. Mr. President, on behalf of myself, the Senator from New Hampshire [Mr. BRIDGES], the Senator from New York [Mr. IVES], the Senator from Arizona [Mr. HAYDEN], the Senator from Indiana [Mr. JENNER], the ranking Republican member of the Committee on Rules and Administration, and the Senator from Oregon [Mr. MORSE], who previously joined in submitting a similar concurrent resolution, I submit a concurrent resolution, which reads as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall accompany every report of a committee of conference a statement, in writing and signed by at least a majority of the managers on the part of each House, explaining the effect of the action agreed on by the committee.

SEC. 2. The foregoing section shall be a rule of each House, respectively, and shall supersede any other rule thereof but only to the extent that it is inconsistent with such other rule.

I ask unanimous consent that a copy of the report of the Committee on Rules and Administration of March 14, 1951, be printed at this point in the RECORD, as a part of my remarks.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, without objection, the report will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 36) was referred to the Committee on Rules and Administration.

The report (No. 174, 82d Cong., 1st sess.), presented by Mr. KNOWLAND, is as follows:

The Committee on Rules and Administration, to whom was referred the concurrent resolution (S. Con. Res. 1) directing that there shall accompany every report of a committee of conference a statement explaining the effect of the action agreed on by the committee, having considered the same, report favorably thereon, without amendment, and recommend that it be agreed to by the Senate.

This resolution is identical with Senate Concurrent Resolution 79, which was agreed to by the Senate in the 81st Congress. In response to a request from the chairman

UNIVERSITY OF MICHIGAN LI

of the Committee on Rules and Administration, the Office of the Legislative Counsel last year prepared and submitted a memorandum relating to the adoption of a rule requiring every report of a committee of conference to be accompanied by a statement in writing, and signed by at least a majority of the managers on the part of each House, explaining the effect of the action agreed on by the committee. This memorandum notes the adoption of a similar requirement by the House of Representatives some 70 years ago, contains a concise history of such a rule, and presents certain reasons why Senate Concurrent Resolution 79, 81st Congress (now S. Con. Res. 1, 82d Cong.), should be agreed to by both Houses of Congress.

"MEMORANDUM FOR THE SENATE COMMITTEE ON RULES AND ADMINISTRATION

"This memorandum is submitted in response to the request of the chairman for our views with respect to the desirability of enacting Senate Concurrent Resolution 79. The resolution reads as follows:

"'*Resolved by the Senate (the House of Representatives concurring)*, That there shall accompany every report of a committee of conference a statement, in writing and signed by at least a majority of the managers on the part of each House, explaining the effect of the action agreed on by the committee.

"'SEC. 2. The foregoing section shall be a rule of each House, respectively, and shall supersede any other rule thereof but only to the extent that it is inconsistent with such other rule.'

"As a result of complaints made by various Members of the House of Representatives some 70 years ago, the House adopted a rule on February 27, 1880 (10 CONGRESSIONAL RECORD 1203), requiring every conference report to be accompanied by 'a detailed statement sufficiently explicit to inform the House what effect such amendments or propositions (i. e., contained in the conference report) will have upon the measures to which they relate.' This rule is still in effect, without change, and is a part of rule XXVIII of the Standing Rules of the House. It has been interpreted by the House to require the statement to be in writing and signed by at least a majority of the House conferees. The House has also held that a conference report is subject to a point of order unless such statement accompanies it.

"It is interesting to note that the rule as first proposed related to the conference report itself and was objected to by Mr. Blackburn on the ground that it proposed to bind the conferees on the part of the Senate as well as of the House. Mr. Blackburn stated:

"'A conference report means the report of the conference committee of the two Houses. The reports to the two Houses must be duplicates, the one of the other. There cannot be a syllable in the conference report made to this House that is not embraced in the report made to the Senate. We cannot compel the Senate to do what is here suggested; but I pledge myself I will use my best endeavor as a member of the Committee on Rules and of the Joint Committee on Rules to have this incorporated into a joint rule to govern the two Houses. While assenting to the idea of the gentleman from Wisconsin, I am in favor of so modifying his amendment as to require the House members of the committee of conference to furnish with each conference report an explanation by a statement in detail of the points in controversy covered by such report' (10 CONGRESSIONAL RECORD 1203).

"The House then proceeded to accept a substitute offered by Mr. Blackburn, which is the present rule.

"Over the years, and especially in more recent years, the courts have come to use the statement of the managers with increasing frequency as an extrinsic aid in helping them determine the intent of Congress. The courts give as much weight to such statement as they do to the committee reports prepared by the standing committees which accompany proposed legislation reported out of such committees. In instances where a bill is almost completely rewritten in conference, the statement is the best extrinsic aid available to the court in determining intent.

"Since the statement has become, and will continue to be, an important part of the legislative history of enactments of the Congress, it would seem desirable to have the Senate conferees join with the House conferees in writing such statement. As a practical matter, the Senate conferees can today insist upon collaboration with the House conferees on the text of the statement, since they can refuse to agree to the conference report unless an agreement can be reached as to the matter to be included in the statement. However, in the interest of orderly parliamentary procedure, a change in the rules such as is proposed in the pending resolution would seem to be the better approach.

"As the committee will remember, after the conference report on the Fair Labor Standards Amendments of 1949 was adopted in the Senate last year, a detailed statement explaining the contents of the conference report was submitted on behalf of a majority of the Senate conferees. (See daily CONGRESSIONAL RECORD, Oct. 19, 1949, pp. 15371–15377.) Such statement did not interpret the text of the conference report in the same manner as such report was interpreted by the statement of the managers on the part of the House. Senator Taft, who was a member of the conference but who did not join in the statement submitted on behalf of the majority of the Senate conferees, took issue with some of the interpretations contained in such statement and subsequently inserted in the RECORD his own views with respect to the interpretation of certain portions of the report. (See CONGRESSIONAL RECORD, volume 96, part 13, pp. A1110–A1111.)

"Unless the courts, the administrative agencies, and the practicing attorney can go to one statement, joined in by a majority of the conferees of both Houses, for a determination of the intent of Congress, they are faced with an unnecessary and difficult problem in attempting to determine such intent. It is quite possible, in a case such as the one referred to above, that a court would feel it necessary to disregard all such explanatory statements containing conflicting interpretations and exercise its own judgment as to intent which conceivably could be contrary to the intent of a majority of the Congress.

"For the above reasons we feel that the pending resolution is a step in the right direction and a desirable change in the rules.

"Respectfully,

"S. E. RICE,
"*Legislative Counsel.*"

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were order to be printed in the RECORD, as follows:

By Mr. WILEY:

Address entitled "United States Foreign Policy," delivered by him at Columbus, Ohio, before Ohio Department of AMVETS, on June 4, 1955.

By Mr. MANSFIELD:

Commencement address delivered by him at Carroll College, Helena, Mont., on May 22, 1955.

By Mr. SCHOEPPEL:

Paper entitled "European Wheat Requirements," presented by Dr. John A. Schellenberger at the Hutchinson, Kans., meeting of the Kansas Wheat Improvement Association, on May 27, 1955.

NOTICE OF HEARINGS ON S. 2163 BY SUBCOMMITTEE ON PRODUCTION AND STABILIZATION OF THE COMMITTEE ON BANKING AND CURRENCY

Mr. FREAR. Mr. President, on behalf of the Subcommittee on Production and Stabilization of the Senate Committee on Banking and Currency, I desire to give notice that a public hearing will be held on S. 2163, relating to an extension of the Defense Production Act of 1950, as amended. This hearing will begin at 10 a. m., Monday, June 20, 1955, in room 301, Senate Office Building.

All persons who desire to appear and testify at the hearing are requested to notify Mr. J. H. Yingling, chief clerk, Committee on Banking and Currency, room 303, Senate Office Building, telephone National 8–3120, extension 865, before the close of business on Wednesday, June 15, 1955.

THE TENNESSEE VALLEY AUTHORITY

Mr. SPARKMAN. Mr. President, I have in my hand several editorials commenting on the TVA, which I shall ask to have printed in the RECORD.

I ask unanimous consent to have printed in the RECORD an editorial entitled "A Task Force Attacks TVA," written by Richard P. Greenleaf, of Boaz, Ala., appearing in the Boaz Leader.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A TASK FORCE ATTACKS TVA

(By Richard P. Greenleaf)

The other day President Eisenhower said, "We will never wreck the TVA. It is a going historical concern. It's served a useful purpose. It was put up for particular purposes, and I don't think many people can quarrel about the purposes for which it was originally set up."

This is one of several issues on which certain men, very high in the councils of the Republican Party, seem resolved to go in a direction absolutely counter to that followed by the President. Within the last few days it has become plain that some of those men want to do what Eisenhower says will never be done: Wreck the TVA. The Hoover Commission on Organization of the Executive Branch has something called a task force—a sort of subcommittee charged with examining TVA. This task force has made some recommendations to the Hoover Commission. Those recommendations were intended to be kept secret, but thanks to some of our on-the-ball newsmen they were leaked. The task force has recommended that either (1) TVA power rates be raised until they are up with private utility rates, or (2) TVA power facilities be leased or sold to private concerns and its nonpower facilities be turned over to other Government agencies.

With all respect to our brave fighting men who in wartime have been assigned to task forces, the use of this military term by a body charged with recommending improvement of our governmental structure has an ominous sound. The task of a military task

force is to kill and destroy and capture. That is what the Hoover Commission is trying to do—kill and destroy and capture the TVA, which the people of the United States have built with their own hands and control with their own votes. With Mr. Eisenhower, we must work and pray in order to make certain that this particular task force meets with complete failure.

In 1933, when the Tennessee Valley Authority was established, 3 percent of the farms in the area it now serves were electrified. Today 90 percent are electrified. That job was done by the American people, after the private power companies had hemmed and hawed and mumbled that it couldn't be done. In 1933 the soil of seven States was being washed down the Tennessee, year after year, on its way to the Mississippi and the sea. Now that soil is staying on the farms and growing food for us to eat. That was done by the American people and their Government because there wasn't any other way to do it. In 1933 Sand Mountain was about as far inland as you could get; today ships come to the very foot of our mountain by a 630-mile-long, 11-foot-deep channel that links us with the whole world. TVA has planted forests and built lakes, for hunting and fishing and swimming, for a healthy, happy nation; and TVA today brings to 1,300,000 of us our electricity at rates that are fair and realistic—rates that have helped keep down electric rates in many other parts of the country.

Some powerful forces are against fairness and realism—against the American people in this valley providing themselves with electricity on a cooperative basis and doing the other splendid things which TVA has done. Of course, these powerful forces haven't the courage to come right out against these things, so they mutter about "creeping socialism." They figure everybody will be scared by that and quit thinking. They're wrong. Americans are a lot smarter than that.

The Power Trust, which has tried to blow up TVA by political shenanigans ever since the first bucket of concrete was poured, has moved in on Washington since 1953. Mr. Eisenhower doesn't seem to know this, but when he finds it out he'll tell them to go on back to Wall Street and sit on their own chairs. Unfortunately, they seem to have managed to hire the Hoover Commission for an errand boy. Thanks to that leak, we've caught the errand boy snitching other people's pies and we can stop him before he gets off with the silverware. We must demand that these TVA recommendations of the Hoover Commission be published promptly and in full, so they can be debated in our Congress and submitted to our people. If that is done, we can save what we have built.

Mr. SPARKMAN. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial entitled "Mr. Hoover Shoots the Works," which was published in the Florence Times as a reprint from the Nashville Tennessean.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. HOOVER SHOOTS THE WORKS

Sweeping though it is, the Hoover Commission task force's plan for the destruction of the TVA is no more than might have been expected in a stacked report from a stacked committee.

It is no secret that the former President with ancient ideas has long nursed a fond desire to wreck the great democratic experiment which, for the first time in the history of man, developed the total resources of a river as a unified whole. He has said so publicly. His was the will, and his handpicked task force on water power (to which not a single friend of public power was named) was left to find the way.

That the group did not intend to disappoint Mr. Hoover was made all too plain in the course of the biased hearings it conducted last year. Its eagerness to fit its findings to a preconceived pattern is only confirmed by the tidy little package it has now submitted in wrappings of "economy, "efficiency, and "reorganization."

The idea is simplicity itself. First, the nonpower functions—such as navigation, flood control, conservation and fertilizer research and development—would either be abandoned or parceled out among other Federal agencies. Then the power facilities would be sold or leased to either private interests or non-Federal public agencies.

Once that were done, TVA would be a dead duck. The system would be destroyed, and the concept of unified development smashed. Written off, too, of course, would be the yardstick theory of rate control that private power has found so galling. And Mr. Hoover could find smug satisfaction in being able to say that his mission had been accomplised.

We refuse to believe, however, that it will be that easy. For in his very extremism—of which this is but one example, although the most flagrant—the former President has vitiated the effectiveness of the current Hoover Commission.

Already there have been some laments that the recommendations of the group are getting nowhere, whereas some 70 percent of the proposals made by the first Hoover Commission were accepted by Congress.

A ready explanation, however, is found in Mr. Hoover's undisguised desire to use the new commission to try to peddle a philosophy of government he still holds even though the country repudiated it 2 decades ago. Given the authority this time to examine governmental activities from a standpoint of policy as well as organization, he has not surprisingly gone overboard in using it to plump for his own unreconstructed views.

As a result, even sound reforms which come within the proper scope of the Commission's work have generated little enthusiasm when handed to Congress along with others that sound as though they were warmed-over planks from the Republican Party's 1932 platform.

Granted that Mr. Hoover is not entirely alone in his anxiety to discredit the social and economic progress to which Federal progress has contributed since he left the White House, the fact remains that his desire to turn the clock back 20 years is not widely shared, even in his own party.

In the case of the TVA, is it not possible that he has done the authority more good than harm? Certainly his task force has dispelled all doubts about the ultimate goal of TVA's enemies. And the recommendation is so all-embracing that it should serve to alert not just the Congressmen from the TVA area but from every part of the country where the benefits of public development of power resources are enjoyed.

It would be dangerous to discount entirely the threat posed by the proposals drafted under Mr. Hoover's sponsorship, particularly in view of the White House's antagonism to public power in general and the TVA in particular.

But until Congress shows a greater inclination than it has thus far to surrender its policy-making prerogatives to the frustrated former President and his carefully chosen little band of yes men, the conclusion will remain that he has overplayed his hand.—Nashville Tennessean.

Mr. SPARKMAN. Mr. President, I also ask unanimous consent to have printed in the RECORD another editorial entitled "The President and TVA," which was published in the Florence Times, reprinted from the Memphis (Tenn.) Commercial Appeal.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PRESIDENT AND THE TVA

If there are any supporters of public power in general or TVA in particular who have been cheered by President Eisenhower's newest words on the subject we warn them to look again.

What the President said was: "We will never wreck TVA. It is a going historical concern. It has served a useful purpose. It was put up for particular purposes and, actually, if you go back to the original bill, I don't think many people can quarrel about the purposes for which it was originally set up."

Notice repeated use of "original."

Sale of electricity had a minor place in the original TVA Act.

The legislation of 1933 is entitled: "An act to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley, to provide for the national defense by the creation of a corporation for the operation of Government properties at or near Muscle Shoals in the State of Alabama, and for other purposes."

The opening paragraph says: "For the purpose of maintaining and operating the properties now owned by the United States in the vicinity of Muscle Shoals, Ala., in the interest of the national defense and for agricultural and industrial development and to improve navigation in the Tennessee River and to control the destructive flood waters in the Tennessee River and Mississippi River basins, there is hereby created a body corporate by the name of the "Tennessee Valley Authority."

Electric power is missing from these preliminaries.

Over in section 9a there is authorization for TVA to market power to assist in liquidating the cost after it has regulated "stream flow primarily for the purpose of promoting navigation and controlling floods." Section 10 authorizes sale of "surplus power."

On such phrases it is possible for the officials of private power companies and other bitter enemies of the TVA power business to deny opposition to TVA.

There is also in the original TVA Act a directive for promoting "the wider and better use of electric power for agricultural and domestic use, or for small or local industries." There is specific authority for building steam plants. The property first transferred to TVA at Muscle Shoals included a steam generating plant.

It is this promotion of wider and better use of electricity which has been so spectacularly successful. The promotion has taken electricity to farms and homes and small industries where it would never have gone under private power policies in use in the TVA region right up to the minute the TVA switch was opened. It has sold electricity in amounts unknown before.

It has provided a kind of warehouse of power on which the Nation could call when gigantic amounts of electricity were needed for atomic defense plants, and thereby caused TVA to build more plants to look after its original customers.

If these adventures into new ideas of how useful electricity can be, how big the market really is, how much power the people will use if they can—if these departures from the old normal had resulted in financial disaster the TVA question would never have risen.

But the power portion of TVA's work turned out so well that TVA directors have offered the Budget Bureau plans by which

UNIVERSITY OF MICHIGAN LIB

it can be self-supporting, if the Budget Bureau and Congress will let it be that way.

This future of TVA's power business is what is in question. That is the reason President Eisenhower was asked about it.

On power the President said nothing.—The Memphis (Tenn.) Commercial Appeal.

Mr. SPARKMAN. Mr. President I also ask unanimous consent to have printed in the RECORD an editorial entitled "The Fundamentals of TVA—An Adventure in Faith," which was published in the Florence Times.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE FUNDAMENTALS OF TVA—AN ADVENTURE IN FAITH

For more than a century the Tennessee River was a stream of great undeveloped and wasted power, a potential inland waterway, a destroyer of life and property as it ran in flood, year after year. American capital, private and public, bypassed the Tennessee Valley and chose instead to invest in other regions. Why? The priceless resources of the area—sunshine, soil, water, and human beings—were not working together.

The creation of TVA May 18, 1933—22 years ago—established a new administrative resource to restore harmony. TVA's job was to rebuild the river so it would serve and not destroy. TVA's job was to see to it that the facts about the wise use of water, soil, minerals, and climate were discovered and made available to become part of the everyday working life of the people and their State and local governments.

These are the essential facts of the TVA's 22-year story:

1. Flood control is now an accomplished fact.

2. A 9-foot navigation channel 630 miles long connects the Appalachian Mountains with the Mississippi River. Freight traffic in ton-miles has increased thirty-fold since 1933, and the end of the growth is nowhere in sight. Shippers save $12 million a year using cheaper water transport. The safe, slack water lakes are never idle, winter or summer, day or night.

3. Today, the Tennessee River neither destroys nor sinks into idleness. Waterpower once wasted now is transformed into electricity, consumed by households, farmers, industries, and great atomic plants. It earns more than enough revenue to pay its own costs and repay the Federal Government for its appropriations invested in power. Demand for electricity for defense and peacetime use has outstripped the power capabilities of the river, requiring huge steam plants which soon will be TVA's main source of power—and this investment too is repaid to the Government through power earnings.

4. TVA's low electric rates have been an example for the Nation and a check on the power rates of privately owned utilities. Consumer savings resulting from lower private power rates—and among the important consumers is Uncle Sam—run to the hundreds of millions of dollars. Earnings for the private utility stockholders at the same time have swelled.

5. Fertilizers developed, tested, and demonstrated by TVA are speeding a revolution in southern agriculture. Pastures are supplanting boom sedge and sassafras briers. Dairying and stock farms are returning a better living than corn or cotton. Forest industries are growing and trees are becoming a money crop. Erosion is declining and water is retained to do its work on the land. The use of fertilizer is increasing nationwide.

6. By stimulating the interest of State and local agencies close to the people, TVA has opened new avenues for joint action against common problems, strengthening State and local initiative. Real incomes are rising, creating new buying power for the entire country. Per capita income in the valley has gone from 44 percent to 60 percent of the national average.

7. TVA power furnishes the base for some of the most strategic defense industry of the Nation. Two giant atomic plants operate in the valley, as well as a great Air Force supersonic wind tunnel, a guided missile installation, and vital light metal industries for jet aircraft; these defense plants and industries will by 1957 be using 75 percent of TVA power.

These are some of the facts which have made TVA's 22 years of creative effort a cooperative adventure in faith—faith in man's ability to voluntarily achieve harmony between human pursuits in making a living and nature's fruitful habits of growth and production.

And these are some of the reasons why TVA dams carry the label "Built for the People of the United States." Today, sunshine, soil, water, and human beings are working together in a once economically depressed Tennessee Valley.

All America benefits.

Mr. SPARKMAN. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial entitled "Blind Prejudice," published in the Denver Post.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BLIND PREJUDICE

The Hoover Commission, we fear, has become so obsessed with the idea that Government is competing unfairly with private business that its judgment is no longer entirely trustworthy.

There may be instances of unfair or unjustified competition but the fertilizer research and manufacturing program carried on by the Tennessee Valley Authority, about which the Hoover Commission complains in a recent report, is not one of them.

The Commission pretends alarm because TVA manufactures 4 percent of the national output of phosphate and nitrate fertilizers—not a very substantial share. It objects because TVA sold fertilizer in 35 States last year and is no longer a regional enterprise, as originally contemplated.

Actually, Congress, when it established the TVA, showed that it intended the fertilizer program of TVA to benefit agriculture generally, not merely the agriculture of the Tennessee Valley.

TVA research should be stopped, the Hoover Commission says, and TVA should be forced to increase its price for fertilizer to include all costs including fictitious tax costs that a private industry would pay.

It seems obvious that the Hoover Commission has no understanding of the basic reasons for the TVA fertilizer program. Perhaps it is not aware that TVA is authorized even to give away its fertilizer if such donations will stimulate farmers' interest in soil building practices.

Instead of being a menace to private fertilizer companies, TVA has been one of the best friends that industry has had. Its research has helped private industry to make better fertilizers. TVA patents are used by private industry without cost.

TVA's highly successful program of educating farmers to the proper use of fertilizers has created a big demand for the fertilizers put out by private companies. TVA's role has been one of pioneering. Its work has helped bring about a revolution in agricultural methods.

It is now preparing to get out of the manufacture of concentrated superphosphate to push other fertilizer products into trial and use.

We fear the Hoover Commission has a blind prejudice against TVA which is not justified by actual performance.

THE HOOVER COMMISSION

Mr. SPARKMAN. Mr. President, finally I ask unanimous consent to have printed in the RECORD an editorial entitled "Achievement: Zero," published in the St. Louis Post-Dispatch, which deals with the Hoover Commission and its work.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ACHIEVEMENT: ZERO

The second Commission on Organization of the Executive Branch of the Government has just requested and received from Congress a quarter of a million dollars on top of the $2½ million it had already spent. Has its work justified these large expenditures of the taxpayers' money?

A fairly clear answer ought now to be possible, for the Commission is well into the final phases of its activities. With a 1-month extension just granted by President Eisenhower, its life will end at the close of June, and it must finish getting out its reports within an additional 90 days.

Since both the first and second commissions have borne the same name, have been headed by former President Hoover, and have been popularly known as the Hoover Commission, one might suppose them similar. Without question the first Commission performed a notable public service in proposing measures to improve the efficiency of the Federal Government. The second Commission, however, is totally different from the first, both in makeup and purposes.

The makeup of the first Hoover Commission was bipartisan. It consisted of 6 Republicans and 6 Democrats.

The makeup of the second Hoover Commission is predominantly Republican. There are 5 Democrats and 7 Republicans.

The purpose of the first Hoover Commission was to make the Federal Government more efficient by improving its organization and operations. The purposes of the second Hoover Commission are to recommend "abolishing services, activities, and functions not necessary to efficient conduct of Government, or more properly falling under jurisdiction of State or local governments, or competitive with private enterprise."

As head of the first commission, Mr. Hoover took scrupulous care to avoid political partisanship. As head of the second commission, Mr. Hoover has been bitterly and continuously engaged in right-wing Republican politics. He has advocated selling TVA to private utilities. He and his task forces have attacked the New Deal and the Fair Deal. They have attacked the Eisenhower Administration for continuing and extending the New Deal and Fair Deal reforms.

The first Hoover commission saw some three-fourths of its recommendations enacted into law. The second commission has submitted 11 of its eventual 16 reports, but no part of any one of them has been enacted into law or has even been embodied in a bill for submission to Congress. The commission itself has not submitted a bill for effectuating any of its proposals, although empowered by law to do so.

So against the 75 percent score of the first Hoover commission, the second Hoover commission score to date is zero.

There must be meritorious suggestions among the second commission's reports on the Armed Forces, the civil service, the lending, insuring and guaranteeing activities of the Government, transport functions, paperwork management, judicial functions, and other subjects of its studies. But these meritorious proposals are submerged under a crushing burden of propaganda and invective.

What Mr. Hoover seems to fail to realize, in this amazing effort to turn the clock at

Washington back to the time of the Hoover Administration, is that the reforms he wants to abolish were enacted with the approval of an overwhelming majority of the voters of this country.

The hard truth is that the second Hoover commission does not command the respect or support of the public as did the first. The unfairness of stacking the commission in favor of one party put it under a cloud from the outset. The further unfairness of stacking the task forces in favor of the private-business point of view further diminished the commission's influence.

Former Senator Ferguson of Michigan, who with Representative BROWN of Ohio fathered the second Hoover commission, made no bones about the prejudged purpose. "This will give us an opportunity at last," he said, "to reverse the trend of the last 20 years. * * *"

We submit that the second Hoover commission has not produced $2,750,000 worth of results or any part of it. In an economy administration, what justification can there be for the expenditure of millions of dollars of the taxpayers' money on this noisy but totally unproductive performance?

SETTLEMENT OF STRIKE AT FORD MOTOR CO.

Mr. NEUBERGER. Mr. President, the settlement reached by the Ford Motor Co. and the United Automobile Workers is a demonstration of industrial statesmanship. It shows that collective bargaining can work when men want it to work. It points the way to a higher standard of living and to industrial peace.

Both sides made concessions to avoid a paralyzing strike. Walter Reuther and his associates in the union gained their principle of a guaranteed annual wage, but along the modified lines proposed by the Ford Co., rather than under the original union formula.

This, it seems to me, is the ideal route in a great democracy. Each side yields to some degree. The result is a stride on the highway of progress—perhaps a longer stride than some desired, maybe a little shorter than a few had urged. But I think the whole Nation owes a debt to the CIO union and to the vast manufacturing empire, because both forces were willing to temper their positions in order to keep our economy in high gear.

Not all labor negotiations will follow this pattern in the immediate future, if for no other reason than the fact that few industrial plants have the vast resources of the Ford Motor Co. Nor is every industry the giant automobile industry. But this agreement may, eventually, be the formula in certain other industries, and it is well for the public to understand that this development could well be historic.

I notice that the National Association of Manufacturers has condemned the agreement between the UAW and the Ford Co. One only can wonder where America would be today if, in all instances, its people had accepted the counsel of the National Association of Manufacturers? Would there be any social progress at all? Would we be out of the cave, in terms of living standards? Would there be any protective safeguards whatsoever for men, women—yes, and children—in industry?

I would rather trust the judgment of the United Automobile Workers and the Ford Motor Co., reached across the conference table, than that of the NAM. I ask that a very illuminating editorial from the June 7, 1955, issue of the Washington Post and Times Herald, entitled "Settlement at Ford," be printed in the RECORD at this point as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SETTLEMENT AT FORD

The historic agreement signed yesterday by the Ford Motor Co. and the CIO United Automobile Workers is based on the concept of an expanding economy. The stock market reacted to the news of the settlement with a burst of confident activity. There will be no big automobile strike this year, for General Motors and Chrysler almost certainly will accept the Ford formula. This means uninterrupted operation of the industry that has sparked the current business expansion. It is another good break for the Eisenhower administration. Happily, there seems to be a much larger demand for cars than had been estimated earlier in the year.

Walter Reuther is the immediate victor in this settlement because he has established the principle of the guaranteed wage. However, the Ford Co. makes a big point of the fact that the settlement plan was conceived and formulated by Ford executives. Wherever the credit for the settlement is due, a principle has been established that will be relatively easy to maintain in good times and exceedingly difficult to support in times of stagnation and contraction. The pressure on business as well as Government to promote full business activity, therefore, will be exceedingly great. Moreover, the motor companies will be under real compulsion to stagger their production schedules in such a way as to reduce to the minimum the periods of slack employment. Already they have moved a long way to reduce the period of unemployment caused by the change of models, and they will, no doubt, be able further to reduce this period.

Mr. Reuther did not get his guaranteed annual wage in the form he wanted it, but he came close enough to be happy. The formula should help sustain the purchasing power of workers without causing unbearable hardships on the large corporations. However, it is difficult at this time to see what the effect will be on the auto suppliers and on the small automobile producers. Here again there appears to be an unintended but disturbing pressure toward monopoly. If Mr. Reuther insists upon the same terms with the smaller automobile manufacturers, he may drive them to the wall. In any event, it would not be surprising if the small companies were forced by these and other circumstances to combine in a single company in order to compete with the Big Three. It is highly important that States adjust unemployment benefits to the needs of the times for the protection of smaller companies generally.

While the overall labor cost increase to the Ford Co. is very large—about 10 percent—it should not have an immediate inflationary effect on the economy generally. After all, the auto industry employs only about 1½ percent of the total American labor force. Despite the fact that the settlement will spur other wage increases in many sectors of the economy, the inflationary pressures should be controllable. Moreover, by the end of the year it may be highly desirable to have an expanded purchasing power.

If the wage increases should be quickly passed on to the consumer, however, there would be few benefits. A general boost in the price of cars might result in a slump in auto sales. Labor has a heavy responsibility, therefore, to cooperate in other economies and to work toward increased productivity through the use of new machines. If auto prices are to be held in line or even reduced, automation must be accepted for what it is: a method of raising the general living standard.

PROPOSED AMENDMENT OF NATURAL GAS ACT

Mr. NEUBERGER. Mr. President, on May 18, 1955, the City Council of Portland, Oreg., adopted a resolution opposing legislation to amend the Natural Gas Act so as to nullify the decision of the Supreme Court of the United States that under that act producers are subject to the regulatory authority of the Federal Power Commission, and to exempt them from the act.

The text of the resolution has been printed in the RECORD at the request of my senior colleague [Mr. MORSE], and has been referred to the Committee on Interstate and Foreign Commerce. At this point, Mr. President, I ask unanimous consent to place in the RECORD my reply to the Portland City Council.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Mayor FRED L. PETERSON,
Council of the City of Portland,
Portland, Oreg.:

In passing Resolution 26577 to oppose abandonment of Federal control over natural gas prices, you have taken a step in the public interest, not only of Oregon but of all gas-consuming areas in the country. The stand of the council is particularly foresighted because Portland will soon be served by natural gas. The consumers of this fuel can be assured a reasonable rate structure only through effective and vigilant regulation. I expect to vote against any bill to withdraw such Federal regulation which may reach the floor of the Senate.

Regards,

RICHARD L. NEUBERGER,
United States Senate.

TRIBUTE TO FERIDUN CEMAL ERKIN, RETIRING AMBASSADOR FROM TURKEY

Mr. BRIDGES. Mr. President, one of the most distinguished members of the Diplomatic Corps in Washington will leave us shortly. I refer to the Ambassador of Turkey, Feridun Cemal Erkin, and I believe that his abilities and achievements should be invited to the attention, not only of this body, but of the American people as well.

Ambassador Erkin was educated in Istanbul and later in Paris, where he majored in law. Upon his return from Paris he served as Secretary General to the International Turko-Greek Exchange Commission from 1925 to 1927.

His first diplomatic assignment was to Prague and later to the Turkish Embassy in London where he served as First Secretary in 1928 and 1929. Subsequently he served as Counselor and Chargé d'Affaires in Berlin, and as Turkish Consul General in Beirut.

In 1937 he returned to the Foreign Office and was promoted to the rank of Director General of the Commercial and Economic Department of the Ministry and then to head the Political Department of the Turkish Foreign Office.

UNIVERSITY OF MICHIGAN LI

After 3 years' service as Director General of the Political Department Ambassador Erkin was promoted, in 1942, to Assistant Secretary General with the rank of Minister and in 1944 he became Minister Plenipotentiary. In 1945, he was promoted Ambassador and became Secretary General, a rank equal to our Under Secretary of State.

During his tenure of office as Secretary General, especially in the course of the tense years of the postwar period, Ambassador Erkin countered successfully all manifestations of Soviet pressures and in 1946, when the Soviets delivered the well known notes to the Turkish Government demanding the common defense of the Straits, he personally prepared the responsive communications refuting from political, legal, and military standpoints all the Soviet demands and arguments. These two notes were praised at the time in all the capitals of free Europe as being diplomatic masterpieces.

His transfer to Washington took place in June, 1948. Feridun Cemal Erkin, since the very day of his mission in the United States, has spared no efforts to further strengthen the bonds of cooperations existing between the United States and his country.

Ambassador Erkin has attended the following international conferences as a member of the Turkish delegation:

Advisor to the Turkish delegation to one of the sessions of the Disarmament Conference in Geneva.

Advisor to the Turkish delegation to the Conference convened in Paris in 1932 to liquidate the Ottoman Public Debt.

Advisor to the final session of the Balkan Entente which took place in Belgrade in 1940.

A delegate to the United Nations Conference in San Francisco, 1945.

Chairman of the Turkish delegation to the final session of the Leauge of Nations in Geneva, 1946. Vice President of the General Assembly of the League.

Chairman of the Turkish delegation to the Conference to conclude a Treaty of Peace with Japan in September, 1951, at San Francisco.

Mr. Erkin has been elected in 1949 member of the International Diplomatic Academy in Paris, France. He is a member of the Academy of Political Science of New York.

It is particularly noteworthy that Ambassador Erkin received, in March 1953, from the Aviator Post No. 1, of the American Legion, a citation which addressed him as the "Courageous Son of a Courageous Nation." The tremendous contribution of Turkish fighting men, as our Allies in Korea, is well known—it does not require repetition. It is sufficient to say that Ambassador Erkin has ably represented a powerful and respected member of the community of free nations, and I am particularly pleased that he has been so recognized by this American Legion post.

This same spirit was demonstrated in February 1954, when Ambassador Erkin was made honorary citizen of the city of Dallas, Tex., by a decision of its city council.

I am very pleased to have this opportunity of saying "well done" to a man who has been an able representative of the Republic of Turkey and a good friend of the United States.

REBUKE OF AMERICAN LEGION NATIONAL COMMANDER COLLINS BY ADM. EARL MOUNTBATTEN

Mr. BRIDGES. Mr. President, there appeared in the June 7 issue of the Washington Post and Times Herald a news item reporting that Adm. Earl Mountbatten, Britain's first sea lord, had rebuked National Commander Seaborn P. Collins of the American Legion because of the commander's condemnation of communism in general.

Lord Mountbatten delivered his remarks before the British Empire Ex-Servicemen's League shortly after Commander Collins had spoken.

Mr. President, I take this occasion to praise the national commander of the American Legion for his comments and, insofar as it is possible for an American to do so, reprimand Lord Mountbatten.

The remarks which offended the first sea lord were those in which the national commander warned against Communist peace offensives.

Commander Collins' further statement was:

> The godless tyranny of communism is a more eternal and continuing threat to our existence as free nations than any which existed during the darkest hours of World War II.

I think Commander Collins is to be commended for that statement. I am proud that the American Legion has a leader like Commander Collins, and that he has the courage to stand up and say such a thing. I commend him for saying it in London. I disagree wholeheartedly with Lord Mountbatten, who criticized the commander of the American Legion for pointing out the dangers to the free world of international communism and the great international conspiracy. I am glad American leaders are speaking out.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the article entitled "Legion Head Gets Rebuke for Red Blast in Britain," published in the Washington Post and Times Herald.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEGION HEAD GETS REBUKE FOR RED BLAST IN BRITAIN

LONDON, June 6.—Adm. Earl Mountbatten today rebuked National Commander Seaborn P. Collins of the American Legion for a speech blasting communism in general instead of concentrating on the welfare of ex-servicemen.

The reprimand came in Mountbatten's remarks to a conference of the British Empire Ex-Servicemen's League shortly after Collins warned the conference against Communist peace offensives.

Mountbatten, Britian's first sea lord and wartime commander in Southeast Asia, told the gathering:

"I would point out to Mr. Collins that we confine ourselves to the ex-servicemen, which is the main objective of the league. It is outside politics."

Earlier, Collins launched into one of the bitterest condemnations of communism ever heard at a public meeting in Britain.

"The godless tyranny of communism is a more eternal and continuing threat to our existence as free nations than any which existed during the darkest hours of World War II," he told the delegates of 39 countries.

Admitting it would be more diplomatic to avoid discussion of communism, the American Legion commander said he nevertheless felt compelled to meet the issue head-on.

"Appeasement will never stop aggression," he said. "We must not be deceived by continuous peace offensives.

"The Communist tactics may change from time to time to meet changing conditions, but their basic purpose never changes. We know this and we know you cannot do business with a blackmailer."

NECESSITY OF AMENDMENT TO PRESENT IMMIGRATION AND NATURALIZATION ACT

Mr. WILEY. Mr. President, I have long felt that constructive changes should be made in our current immigration and naturalization laws in the interest of expedition, justice, and fair play.

I have felt that the codification of these laws represented an important forward milestone, but that the newly codified statutes could be revised in the light of our recent experience, without in any way doing harm to the basic need for security.

We all recognize that residence in the United States—both on a temporary or a permanent basis—is a great privilege, and we do not want it abused.

We know that world communism has sought to infiltrate the ranks of immigrants, and that such infiltration is not only harmful to the cause of American security, but that it tarnishes unfairly the good name of immigrants as a whole.

Of course, we are a country of immigrants. My own parents came from the Old World. I have seen the miracle of assimilation into the American fabric occur all around me in my native State.

President Eisenhower has pointed up the revision problem to which I have just referred. I hope that the Immigration Sub-Committee of the Senate Judiciary Committee will give its early and earnest consideration to his recommendations.

I hope too, that a common meeting ground can be promptly found in the interest of the various goals I have set forth.

I send to the desk now the text of a letter which I have received from the Milwaukee region of the Women's American Organization For Rehabilitation Through Training—a letter similar to many other earnest expressions which I have received from my State.

I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SUMMIT CHAPTER,
WOMEN'S AMERICAN ORT,
MILWAUKEE REGION,
April 1, 1955.

President DWIGHT D. EISENHOWER,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: In keeping with celebration of Brotherhood Week, the Summit Chapter of Women's American Organization of Rehabilitation Training recently presented

a program devoted to explanation and discussion of the McCarran-Walter Immigration Act.

As a result of this discussion, our members concluded that this act contains many discriminatory measures in conflict with our democratic ideals of equality. Since our organization is devoted to the purpose of freeing people to help themselves through vocational rehabilitation, it naturally follows that we use our efforts to permit people to apply the knowledge and skills imparted to them without discrimination or injustice.

Accordingly, we, the undersigned, respectfully request you to use your good office to expedite the revision, repeal, or replacement of this act regarding which you have previously expressed disapproval along with numerous other informed citizens and groups such as ours.

Respectfully yours,

Mrs. MAX LUBOTSKY,
President.

UNITED STATES PRIVATE BUSINESS INVESTMENTS ABROAD

Mr. **WILEY.** Mr. President, I have long been deeply interested in encouraging sound private United States investment overseas.

Last year, at the Inter-American Economic Conference outside Rio de Janeiro, it had been my privilege, in speaking to the delegates, to emphasize the importance of their own contributing to a favorable climate for American private investments.

I emphasized quite frankly that there are abundant opportunities for the investment of private risk capital here at home with comparatively handsome returns.

I pointed out that if foreign lands expected to increase United States private investments within their borders, certain important steps were necessary to be taken by these countries. I stated, in turn that I felt sure that the United States Government would uphold its end by continuing to increase its effort to stimulate private investments abroad.

Last Thursday afternoon, by way of helping this process, it was my personal pleasure to arrange for a special luncheon conference. It consisted of legislators, Government officials, and private business leaders. Its subject was ways and means of encouraging private investment overseas.

I was pleased that a very impressive group of leaders in various outstanding walks of life interrupted their busy day to be present with me.

I send to the desk a statement which I have prepared on this subject, and ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

How can United States businesses be stimulated to increase their investments overseas, so that foreign countries can be aided in their economic development?

How can private enterprise "pick up the ball," so to speak, so that thereafter, there will be less reliance on official Federal activities? What, precisely, can the Federal Government — legislative and executive branches—formally and informally—do to stimulate private investment?

These were some of the important questions to which the attendants at the luncheon conference on June 2 addressed themselves.

We heard a wide variety of interesting statements, and there was considerable similarity in the views spontaneously expressed.

COMMENT BY OFFICIALS

Dr. Arthur Burns, Chairman of the President's Council of Economic Advisers, began the discussion by describing the administration's overall efforts to stimulate private investment abroad as did W. Randolph Burgess, Under Secretary of the Treasury for Monetary Affairs. Particular reference was made to the very promising International Finance Corporation proposal now being studied by the Senate Banking Committee.

Mr. Eugene Black, president of the International Bank for Reconstruction and Development presented an account of the work of that great institution. And General Glen Edgerton, Chairman of the Board of the Export-Import Bank described the work of his organization.

Mr. Samuel Anderson, Assistant Secretary of Commerce, ably represented Secretary Sinclair Weeks (who unfortunately had a previous commitment). Mr. Anderson commented very realistically on the problem of the inevitable competition between opportunities for foreign investment as against abundant local opportunities. Foreign countries in turn should recognize that such a competition for the investment of United States risk capital very definitely exists and that they should evaluate their policies and statutes in relation to foreign capital on the basis of that competitive fact.

Mr. Eric Johnston, Chairman of the International Development Advisory Board and president of the Motion Picture Association of America commented on the fact that unfortunately in spite of strenuous efforts to the contrary, the disparity of well-being between some nations is widening, rather than narrowing. The underdeveloped lands, while making very welcome progress, are falling further behind in the gap between themselves and the nations most highly advanced technologically.

NEED FOR REDUCTION IN TAX RATE

Mr. Juan Trippe, president of the Pan-American World Airways, clearly described some of the specific challenges and problems of foreign investment abroad.

He soundly brought up an issue which was thereafter discussed by other speakers, namely, the need for action on the Secretary of the Treasury's recommendation for the reduction of 14 points in tax rates on overseas investment, as a means of encouraging United States business to invest abroad.

This point was reiterated by Mr. Theodore Houser, chairman of the board of Sears, Roebuck & Co. He described the very interesting work of the six Sears corporations in Latin America. He rightly emphasized that, although we may speak of Latin America as a whole, each of the countries is unique in its own ways. Mr. Houser pointed up certain specific problems raised by currency devaluation in some foreign countries and inability to receive local bank credit on the basis of consumer loan paper.

PROPOSED CITIZEN INVESTMENT

Mr. Benjamin Javits, president of the World Development Corp., described his broad-gaged proposal to encourage investment by millions of average Americans in such a corporation for the purpose of providing a sufficient pool of capital for diverse investment in private enterprises overseas. This view had been expounded earlier in his stimulating book, Peace by Investment.

Mr. Javits proposal has received considerable attention in expert government and private circles in our own country and abroad.

Congresswoman FRANCES BOLTON praised the idea of encouraging average private citizens at the grassroots to participate in United States investment overseas on a sound basis, perhaps through small amounts of a few dollars weekly.

Mr. Burl Watson, president of the Cities Service Co. described some of the experiences of his company in its overseas activities.

The Honorable Jacob K. Javits, attorney general of the State of New York, spoke in his capacity as a private citizen and as a former chairman of the House of Representatives Foreign Affairs Subcommittee on Foreign Economic Policy. He emphasized the need for a program of broad enough scope to cope with the tremendous investment problem overseas—a program of this type offered by the World Development Corp. which he commended to further earnest review.

Others who spoke briefly included Mr. John White, counsel of Anderson-Clayton Co.; Mr. A. L. Partridge, vice president of Westinghouse Electric International; Mr. Samuel Pryor, vice president of Pan American World Airways; and Miss Julie Medlock, vice president of the World Development Corp.

NUMEROUS LEGISLATORS PRESENT

We were pleased to have a considerable representation of leading Members of Congress at the meeting.

These included Congressmen JOHN VORYS, of Ohio; STERLING COLE, of New York; CLARENCE BROWN, of Ohio; FRANCIS WALTER, of Pennsylvania; STUYVESANT WAINWRIGHT, of New York; BRENT SPENCE, of Kentucky; HUGH SCOTT, of Pennsylvania; as well as my colleagues, Senators STUART SYMINGTON, of Missouri; RUSSELL LONG, of Louisiana; and W. KERR SCOTT, of North Carolina.

Also present was a staff member, Mr. Julius N. Cahn, counsel of the Senate Foreign Relations Committee, who had helped me set up the meeting.

Only the fact that the Senate was at that very moment concluding its debate of the 1956 mutual security bill prevented the attendance of a considerable number of other Senators who had indicated their deep interest in the overall subject.

Likewise, a number of outstanding business leaders like Mr. Charles E. Wilson, chairman of the board of W. R. Grace & Co., and Mr. Victor Emanuel, chairman of the board of AVCO Corp., had hoped to be on hand but were unfortunately prevented by previous commitments.

SUMMARY

I personally concluded the meeting with the observation that, of course, no subject of this importance and complexity could even be begun to be studied in so brief a luncheon meeting, but that I felt that the discussion had provided food for thought.

I have not, of course, attempted in this summary to cover even a fraction of the points which were raised at the meeting, but have tried only to touch upon a few of the high spots.

Reference, for example, was made to the recent notable New Orleans Conference on Inter-American Investment cosponsored by Time-Life International and New Orleans International House. Out of that conference is coming, among other beneficial results, a $10 million inter-American investment fund, arranged by Lehman Bros., a particularly promising development.

LATIN AMERICAN OPPORTUNITIES

I feel sure that in the months to come the present $6 billion in United States capital and the 2,000 United States-financed enterprises, represented in Latin America alone, will be widely supplemented.

Right now, as a matter of fact, 39 percent of all United States private direct foreign investment is in Latin America. Canada follows with 31 percent, Western Europe with 14 percent, and all others areas trail with 16 percent.

There are vast frontiers for investment ahead. But we can hardly speedily approach these frontiers in the face of such

UNIVERSITY OF MICHIGAN LI

difficult problems as occasional foreign confiscations of investment, ofttimes rigid restrictions on withdrawal even of modest earnings, inconvertibility of currency, and the like.

Moreover, the unwillingness of some foreign lands to put their financial houses in order—to curb rampant inflation, for example—is a serious impediment.

These and other problems must be squarely met. Fortunately, progress is being made.

All over the world United States businessmen are enterprisingly blazing new trails for new and expanded industries.

United States construction companies in particular are literally remolding the face of entire regions and foreign-city areas.

The best is yet to be in world economic cooperation for peace, security, and prosperity.

LETTER FROM JOINT COMMITTEE ON BACKGROUND OF DISAGREEMENT ON LOWERING TAX RATE

I conclude now by reprinting the text of a letter from the Joint Committee on Internal Revenue—a background reply sent me at the start of this year in response to an inquiry I had made on behalf of lowering the tax rate on United States private earnings throughout the world. Unfortunately, the differences reflected in this letter have prevented action to date on the reduction proposal.

I hope, in conclusion, that the June 2 luncheon conference may prove a contribution, however small, in progress toward this and other worthwhile objectives.

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
Washington, January 6, 1955.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: You have requested a summary of the provisions contained in H. R. 8300 (83d Cong., 2d sess.) which provided a lower rate of tax for foreign income. You have also inquired as to the reasons why these provisions for a lower rate of tax for foreign income in the House bill were not accepted upon final enactment of H. R. 8300 as the Internal Revenue Code of 1954.

Under the 1954 code (and under prior law), there is no differential on tax on foreign and domestic income except for a lower rate of approximately 14 points on income derived by domestic corporations which qualify as Western Hemisphere trade corporations.

Provisions were contained in the House bill (H. R. 8300) which would have granted to domestic corporations a reduction in United States tax equal to 14 percent of income from sources within any foreign country provided certain tests were met which were set forth in those provisions. In general, these tests required that the foreign income be derived from the active conduct of a trade or business in the foreign country. A trade or business was specifically defined so as to exclude, however, the following: (1) The operation of an establishment engaged principally in the purchase or sale (other than at retail) of goods or merchandise, or (2) the maintenance of an office or employment of an agent (other than a retail establishment) to import or to facilitate the importation of goods or merchandise. Thus, income derived by a foreign business establishment engaged principally in selling goods (other than at retail) did not qualify for the rate reduction.

In addition to income derived from foreign subsidiaries or branches of domestic corporations engaged in the active conduct of a business in a foreign country, the rate reduction was also extended to income derived from foreign sources as compensation from technical, engineering, scientific, or like services.

The House bill also contained provisions whereby domestic corporations could elect to defer tax on income of certain foreign branches in a manner similar to the way in which tax on the income of foreign subsidiaries is deferred. In other words, foreign income derived from the qualifying foreign branches would not be subject to United States tax until brought home. In order to qualify, the foreign branches were required to be engaged in the active conduct of a trade or business with the same definitional requirements of a trade or business as contained in the foreign income credit. When brought home, the income of the foreign branches would, under the House bill, have then been entitled to the 14-point rate reduction.

In the public hearings held by the Senate Finance Committee on H. R. 8300, objections were raised to the above provisions of the House bill. These objections were principally directed to the restrictions which denied the 14 percent credit to foreign business consisting principally of wholesale merchandising. For example, in a prepared statement by George F. James, chairman of the National Foreign Trade Council Tax Committee, and Mitchell B. Carroll, special counsel of the National Foreign Trade Council Tax Committee, it was indicated that the provision of the House bill contained needless restrictions with respect to the types of business activities which could qualify for the special rate differential. Mr. James and Mr. Carroll stated:

"Many businesses with very substantial existing and prospective investments abroad will find it necessary to consider artificial divisions of their integrated business in an attempt to qualify a portion of the gross income within the restrictive language of section 923. Furthermore, there seems no reason to exclude from the intended benefit genuine and real business activities conducted abroad merely because they fall in the trading or wholesale category" (hearings before the Committee on Finance, pt. 2, p. 860).

It was suggested instead in their statement that the objectives of the House bill could be obtained by substituting for the restrictive provisions contained therein a provision that at least 90 percent of the income be derived from the active conduct of a trade or business through a permanent establishment situated within a foreign country.

A statement by the Federal Tax Forum, presented at the hearings by Paul D. Seghers, similarly criticized the above provision of the House bill as being wrong in principle. He indicated that the 14 percent credit should not be denied to income derived from the sale of goods (other than at retail), but instead that the credit should be allowed with respect to income resulting from all sales of goods outside the United States where substantial inventories, personnel, and a permanent establishment are maintained abroad for that purpose (hearings, pt. 2, pp. 890, 891).

Andrew W. Brainerd, of a Chicago law firm specializing in private international law, likewise criticized the restrictive provisions of the House bill. He suggested that American firms with sales representatives in foreign countries, such as drug manufacturers, should be entitled to the foreign income credit on their sales abroad, whether at wholesale or retail (hearings, pt. 3, pp. 1669–1673).

Laurence A. Crosby, chairman of the tax committee, American Chamber of Commerce of Cuba, stated at the hearings that the restrictions on the foreign income credit in the House bill would deprive many corporations of any benefit. He stated, "The sales establishments in Cuba represent considerable investments, yet for some unknown reason they would continue to be subjected to the competitive disadvantage suffered from having to bear the excess of the United States rate over the credit allowed against the United States tax for Cuban taxes" (hearings, pt. 3, p. 1634).

Eric Johnston, president of the Motion Picture Export Association, stated before the Senate Finance Committee that the provisions in the House bill for the foreign income credit would apparently not apply to the motion-picture industry since it appeared doubtful that film rentals, from which the motion-picture industry chiefly derives its foreign income, would qualify under the proposed provisions. He recommended that the House bill be amended to specifically apply the foreign income credit to the film rentals (hearings, pt. 2, pp. 723–727).

A statement submitted by E. R. Barlow and Ira T. Wender of the Harvard law School faculty indicated that their studies of foreign investment problems, together with their interviews with executives of United States corporations investing abroad, indicated to them that lower United States taxes would be unlikely to provide any significant stimulus to foreign investment. They stated that the proposal in the House bill would not stimulate foreign investment but would represent a bonus to concerns already engaged in investment activity in foreign countries, as well as a revenue loss substantially in excess of that estimated (hearings, pt. 3, p. 1722).

The provisions of the House bill providing a 14-percent credit for foreign income and for deferring tax on income from foreign branches were deleted by amendments made by the Senate Finance Committee. The following reasons were given for the deletion of these provisions:

"Your committee is not at this time prepared to adopt the approach to the problem incorporated in the House bill. This is new ground being explored and it presents uncertainties and difficult problems. Your committee has explored various alternative approaches but has been unable to find a solution which appears satisfactory.

"Accordingly, your committee has omitted the proposal from the bill as reported by it with the thought that exploration of the matter in conference with the House of Representatives will make it possible to adopt a provision which would be satisfactory." (S. Rept. No. 1622, 83d Cong., 2d sess., p. 105.)

The committee of conference on H. R. 8300 accepted the Senate's deletion of the above provisions of the House bill with the following explanation:

"It is the opinion of the managers on the part of the House that in view of the numerous objections raised to the specific provisions of the House bill, the large amount of revenue involved (approximately $145 million), and the difficulty in working out a satisfactory provision in conference, the foreign income provisions should be omitted from the bill and postponed for a more thorough study." (Conference Rept. No. 2543, 83d Cong., 2d sess., p. 68.)

The provisions of the House bill which dealt with the above problems, together with the Ways and Means Committee report in explanation of these provisions, is attached to this correspondence as a supplementary memorandum.

Sincerely yours,

COLIN F. STAM,
Chief of Staff.

PROBLEM FOR THE BAR

Mr. WILLIAMS. Mr. President, in the Washington Daily News of June 6, 1955, there appeared an editorial entitled "Problem for the Bar." In this editorial they point out that "in the legal profession, ethics is the specific and lawful responsibility of the bar associations." They call upon the American Bar Association to exercise a greater de-

gree of responsibility in maintaining a higher standard among their membership. I think this is a most timely reminder to the American Bar Association, and I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PROBLEM FOR THE BAR

A great many public officials also are lawyers. Most of them, from city councilmen to United States Senators, practice law on the side, despite their official jobs.

When they choose their cases carefully, it probably doesn't matter much.

But when they accept cases and clients which obviously come to them only because of their official connections, they're asking for trouble.

At the best, these situations have the earmarks of influence peddling. At the worst, they have almost the stench of bribery.

Off and on, there have been efforts to curb the worst of these abuses.

A bill is going before Congress to prevent the United States Commissioner for the District from practicing any law on the side.

This follows disclosure that the Commissioner, as a private attorney, billed 11 Spanish musicians $9,900 for routine legal services he performed in an effort to keep them in the country.

Representative KENNETH B. KEATING, Republican, of New York, who is introducing the bill, said:

"This representation of private clients before a Federal Government agency by an official of the Federal courts raises serious questions of propriety."

That's a cautious understatement.

But the Commissioner's case is one of many. Others which differ in degree, but not in principle, include:

The State legislators who turn up as well-paid attorneys for powerful interests like railroads and utilities.

Or the city councilmen who defend gamblers and other crooks, and whose presence in court too often is interpreted by police as backdoor city hall endorsement of certain types of crime.

No law, or series of laws, could cover all these situations, nor correct all the evils they generate. Actually, it's more a question of ethics than of law.

In the legal profession, ethics is the specific and lawful responsibility of the bar associations.

The whole machinery of American justice is in the hands of lawyers. Bar groups ought to make sure—doubly sure—that these always are clean hands.

Mr. JOHNSON of Texas. Mr. President, if there is no further morning business——

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 153. An act to amend the Rural Electrification Act of 1936;

H. R. 3825. An act to make retrocession to the Commonwealth of Massachusetts of jurisdiction over certain land in the vicinity of Fort Devens, Mass.;

H. R. 4294. An act to amend section 640 of title 14, United States Code, concerning the interchange of supplies between the Armed Forces; and

H. R. 4725. An act to repeal sections 452 and 462 of the Internal Revenue Code of 1954.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 7, 1955, he presented to the President of the United States the enrolled bill (S. 153) to amend the Rural Electrification Act of 1936.

HOUSING ACT OF 1955

The Senate resumed the consideration of the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, in view of the fact that time is running, and the fact that Senators are about to make general statements on the housing bill, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McClellan
Allott	Fulbright	McNamara
Anderson	George	Millikin
Barkley	Goldwater	Monroney
Barrett	Gore	Morse
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Payne
Bridges	Hruska	Purtell
Bush	Ives	Robertson
Butler	Jackson	Russell
Byrd	Jenner	Saltonstall
Capehart	Johnson, Tex.	Schoeppel
Carlson	Johnston, S. C.	Scott
Case, N. J.	Kefauver	Smathers
Case, S. Dak.	Kennedy	Smith, Maine
Chavez	Kerr	Smith, N. J.
Cotton	Kilgore	Sparkman
Curtis	Knowland	Stennis
Daniel	Kuchel	Symington
Douglas	Langer	Thurmond
Duff	Lehman	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Pa.	Williams
Flanders	McCarthy	

Mr. JOHNSON. I announce that the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Louisiana [Mr. LONG], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Iowa [Mr. MARTIN] is necessarily absent.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from North Dakota [Mr. YOUNG] is absent on official business.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, I yield 20 minutes to the distinguished Senator from Alabama.

Mr. SPARKMAN. Mr. President, before beginning the debate on Senate bill 2126, I desire to make a brief statement to the Senate. As chairman of the Subcommittee on Housing, I wish to thank the members of the subcommittee and the full committee for their untiring work and cooperation in making it possible to report the committee bill to the Senate.

Before commenting on the major provisions of the several titles of this bill, I should like to touch briefly on the very careful consideration which this measure received in the Committee on Banking and Currency. The committee had before it the administration's housing bill and eight other related bills. Prior to the public hearings on these bills, the committee spent 2 days in discussing present housing programs at informal roundtable conferences with a number of interested witnesses. This was followed by 9 days of public hearings on the several bills before the committee. In its executive sessions, the committee combined the best features of these bills and also adopted various amendments recommended during the hearings by witnesses and by members of the committee.

I will now attempt to describe the major provisions of the basic programs contained in this bill. The amendments contained in title I of the bill would provide the necessary law for continuation of several major programs of the Housing and Home Finance Agency and its constituent agencies. It would also make a number of changes in existing law designed to enable the Agency more effectively to carry out the objectives of existing law. I shall take up these provisions as they affect each of the programs administered by the several agencies.

UNIVERSITY OF MICHIGAN LI

FEDERAL HOUSING ADMINISTRATION

I should like first to discuss the provisions in title I which apply to the program administered by the Federal Housing Administration. These amendments generally follow the administration's recommendations. However, the committee has added several amendments which it considered necessary after hearing testimony of witnesses appearing before it during the public hearings.

The bill would extend the title I home repair and modernization program for 5 years and would increase the maximum amount of home-improvement loans from $2,500 to $3,000.

The bill would also increase the general mortgage insurance authorization of the FHA. This amendment would provide for an aggregate of outstanding insurance liability and commitments as of June 30, 1955, plus $4 billion. The amount of unused authorization under existing legislation remaining on June 30, 1955, which it is estimated will be $600 million, would be merged with the new authorization. Thus, the actual increase in the authorization will probably not exceed $3,400,000,000.

The committee has included in this title an amendment to section 207—multifamily section—whereby FHA mortgage insurance on mobile home courts or parks would be provided. These mortgages would be limited to $300,000 per mortgage and $1,000 for each trailer space. This insurance would relate only to the land, utilities, and other improvements where mobile homes are to be located, not to mobile homes. The requirement of section 207 of the National Housing Act that the project covered by the mortgage be economically sound would apply to an insured mortgage on a mobile park. It is expected that FHA will impose such additional requirements and standards as necessary to assure that such mortgage insurance will improve the living conditions of the occupants of the parks involved.

The committee has likewise included provisions to reactivate the cooperative housing program under section 213 of the National Housing Act, as amended. While this program has proven successful in providing housing for the middle-income group, it has been restricted drastically by provisions contained in the Housing Act of 1954. One of these provisions had the effect of reducing the maximum amount of the mortgage for insurance. This provision changed the basis for determining the maximum amount of the mortgage from estimated replacement cost to estimated value. The bill provides that estimated replacement cost shall be the basis for making this determination in the future. It also authorizes the Federal National Mortgage Association to make advance commitments to purchase mortgages insured under section 213 in a total amount not to exceed $50 million. This authorization will do much toward revitalizing this program.

Another amendment would permit cooperative housing groups to use cooperative housing mortgage insurance to acquire Govenment-owend housing which is being disposed of under other provisions of law. Cooperatives can now use mortgage insurance for this purpose under other provisions of the National Housing Act, but section 213 would afford certain advantages under FHA regulations and procedures.

It is the intention of the Banking and Currency Committee that the FHA shall take affirmative action to make this program operative and effective and to make every effort through its regulations to encourage the formation of genuine consumer-sponsored cooperatives to be assisted under this section. We believe the purposes of this section can best be realized in cases where the cooperatives, from their inception, consist of members who actually intend to occupy the units to be constructed and who join the cooperative for that purpose.

The committee has proposed another amendment which affects Mortgage Insurance for housing in urban renewal areas. As Senators know, section 220 of the National Housing Act provides for a special mortgage insurance program to assist the construction and rehabilitation of housing in urban renewal areas. Although there has been general interest in the program, actual operations have so far been delayed. One of the principal obstacles causing the delay, we are informed, is the use of "estimated value" instead of "estimated replacement cost" as a basis for determining the maximum mortgage amount. The committee's amendment would permit the mortgage amount to be computed on the basis of "estimated replacement cost."

The committee has accepted the administration's recommendations designed to clarify the present mortgage limitation in the National Housing Act with respect to multifamily projects. The National Housing Act, as amended, now makes a $5 million mortgage limitation generally applicable to all such projects with private sponsorship. Because different persons or groups have interpreted this limitation differently, the committee believes it to be important that the limitation in the law be definite and firm but realistic in terms of present costs and the type of project to be undertaken. Accordingly, the bill provides that such limitation shall be increased to $12,500,000. It should be pointed out, however, that the limitation would be applied both to each individual mortgage and to the total amount of commitments outstanding at any one time under each section of the act with respect to projects in the same housing market area which involve a mortgagor or mortgagors under substantially the same control. The limitation, however, would not apply to two or more mortgages, even though the sponsors were the same, if the mortgages were not simultaneously in the commitment stage, that is, prior to the completion of the project and final endorsement of the mortgage for insurance. In the case of mortgage insurance under section 220 of the National Housing Act for multifamily projects in urban renewal areas, the mortgage limitation would be increased to $50 million.

The bill would also extend title IX of the National Housing Act for 1 year on a standby basis. It would also authorize the Commissioner to make final settlement on certificates of claim at any time after the sale or transfer of title by the FHA on sales housing acquired by it in cases of defaulted mortgages insured by it under the various sections of the National Housing Act.

The bill would remove "cost certification" requirements for single family homes insured under section 221 of the National Housing Act. This will make section 221 consistent with other sections of the act, none of which require cost certification on single-family sales housing.

The committee was advised that the FHA permits projects to obtain the benefits of the cooperative and regular rental housing programs only if each project has 12 or more units. The bill specifically authorizes any project to be eligible if it has eight or more units. Such insurance would meet a real need in many cases without adding unduly to the FHA insurance risk involved.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

The bill would make several changes in the charter of the Federal National Mortgage Association. The provisions of the bill would reduce the amount of FNMA stock, which sellers of mortgages are required to buy, from 3 percent of the unpaid principal of the mortgage to 2 percent of such unpaid principal. The 3 percent requirement was contained in a provision enacted last year in the Housing Act of 1954, and we are informed the experience the Association has had so far has resulted in only a very small amount of private capital being accumulated from such contributions. We believe the required contribution should be reduced from 3 percent to 2 percent as a means of making the Association's secondary market operation a more workable program.

Another amendment to the charter of FNMA would require that mortgages purchased by it in its regular secondary market operations be purchased at prices which are on a uniform national basis.

As explained earlier, the Association would also be authorized to enter into certain advance-commitment contracts to purchase section 213 cooperative housing mortgages.

SLUM CLEARANCE AND URBAN RENEWAL

The bill would increase the capital-grant authorization under the slum-clearance and urban-renewal program to $525 million. The President would also be authorized to supplement this program by $100 million at any time within his discretion. This additional authorization is for use over a period of 2 years, $212.5 million being made available on July 1, 1955, and another $212.5 million to be made available on July 1, 1956. In providing for a 2-year authorization, the committee was impressed with testimony received with regard to the need requiring the use of these funds over a period of more than 2 years. The need arises because of the type of program which is involved. The committee recognized that many months of preliminary work are required by local communities to develop an urban-renewal

project. In order to undertake such time-consuming activities, local communities need the assurance that capital-grant funds are authorized and will be available when needed.

Under existing law, not more than 10 percent of the total title I capital grants authorized may be expended in any one State, except that an additional $35 million may be allocated for use in States where more than two-thirds of the amounts they could otherwise receive have been legally obligated. The provisions of the bill would increase this cushion from $35 million to $70 million. Information has come to us that this increase is necessary since the present limitation has been reached by several States.

The bill would also amend the Housing Act of 1949 so as to permit an urban renewal project in an area which is not predominantly residential in character to be developed for nonresidential purposes. Not more than 5 percent of the urban renewal funds allocated to the local public agency could be used for this purpose. The committee's attention was directed to the fact that there are many blighted open, or predominantly open, areas in cities which should be developed for industrial uses to conform to sound planning principles of the locality. We are, therefore, recommending that funds for this type of project be authorized without diverting funds from the types of projects now authorized under this program. The committee, therefore, has made a proportionate increase in its recommendations for an additional capital grant authorization of $25 million. As stated earlier, the total capital grant authorization provided in the bill is $525 million. This is $25 million above the amount which is determined to be necessary for the types of urban renewal projects now authorized.

PUBLIC HOUSING

The next sections of the bill relate to amendments to the Housing Act of 1949. It will be recalled that following extensive and thorough studies and hearings by this committee and by other committees of the Congress, the Housing Act of 1949 was enacted. This act authorized a program of financial assistance for 810,000 low-rent public housing units to be built, owned and operated by local public bodies. A limit of 135,000 dwelling units a year was provided for in this act with an escalator clause. Since its enactment, however, further crippling limitations have been imposed on the program which, in effect, continue it on a year-to-year basis and for a reduced number of units each year. The current authorization of contracts for 35,000 units expires on June 30 of this year.

The committee, during its hearings, heard testimony which indicates clearly that the annual rate of 35,000 is completely unrealistic in terms of the need. I can recall testimony to the effect that in one city alone the total need for such units amounted to more than 70,000 units. Furthermore, those provisions of existing law which restrict additional public housing units to the number of families displaced by slum clearance and urban renewal or other governmental actions unnecessarily restrict this program and should be repealed. Repeal of these restrictions is necessary if we are to meet the needs of other low-income families, including first, those who leave the slums of their own initiative without being forced out as a result of governmental action; or second, those who are displaced by private enterprise which is clearing slum sites on its own initiative; and third, those who are displaced as a result of fire or other catastrophe.

The committee has included in the bill provisions which would authorize the low rent program to go forward at the rate originally contemplated in the Housing Act of 1949. The limitations contained in the Housing Act of 1954 would be repealed. The Public Housing Administration would be authorized to enter into new contracts for annual contributions up to 135,000 additional dwelling units during any fiscal year until the original 810,000-unit authorization was exhausted. We have also provided that the unused amount of authorization now in effect for 1955 shall be preserved and added to this new authorization.

The bill would also provide for increasing from 10 percent to 15 percent the total amount of annual contributions or grants which can be expended for low-rent public housing in any one State. We have found that in the case of some States a 10-percent limitation is too restrictive.

HOUSING FOR ELDERLY FAMILIES AND SINGLE PERSONS OF LOW INCOME

The committee's attention was called to the increasing need for housing by elderly persons of low income. We believe that this need and the special problems of low-income elderly persons deserve recognition in the Federal assistance programs immediately. We also believe the facilities of the low-rent housing program afford a very convenient and desirable vehicle for helping to meet a part of the housing needs of these families.

The bill provides that single persons 65 years of age or over shall be eligible for admission to low-rent housing projects. The bill also gives these persons a preference, second only to that of families displaced by governmental action, but limiting such preference to 10 percent of the estimated number of families to be admitted to the low-rent housing of the particular local public housing agency involved. The bill would also authorize the Commissioner to waive the requirement that such families must either come from unsafe, unsanitary, or overcrowded dwellings or have been displaced by urban renewal or other governmental action. Not to exceed 10,000 dwelling units in each of the next 5 fiscal years are authorized to be built.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield briefly.

Mr. SALTONSTALL. Are the 10,000 units included in the 35,000?

Mr. SPARKMAN. No; they are additional; they are not included in the 35,000.

The bill would also enable the reconstruction or remodeling of existing public-housing projects by local public-housing authority so that they may be designed in whole or in part for occupancy by elderly persons.

AMENDMENTS TO LANHAM ACT

The committee has also included in the bill two amendments to section 607 of the Lanham Act, which contains the general authority for the disposition of permanent war housing, including all property, real or personal, acquired for and held in connection therewith.

The first amendment would give former owners of property being disposed of under that section first preference in repurchasing such property from the Government, under such conditions as may be determined in the public interest.

The second amendment would apply only to "Project Indiana—12021 (Southmore Heights)" and would waive any downpayment requirement involved in the sale of this project to a tenants' cooperative.

HOME-LOAN BANK BOARD

The next several sections of the bill would make changes in the law being administered by the Home Loan Bank Board. Most of these amendments were proposed by the administration and are relatively minor in nature. They would remove problems which have produced unnecessary burdens on savings and loan institutions which are supervised by the Home Loan Bank Board. These amendments are:

First. Reduction of the capital stock of the Federal home-loan banks;

Second. Authority of the board to terminate membership in the bank system;

Third. Increase the number of elective directors of the Federal home-loan banks in districts that are large and which contain five or more States;

Fourth. A clarification with regard to title I insurance; and

Fifth. A clarification and definition with regard to the admission into the FSLIC and the fee that would be charged.

However, the committee has included in the bill several additional amendments which were suggested during our hearings.

The first amendment would make the Home Loan Bank Board an independent agency. The committee believes that since the Board is essentially a regulatory agency and exercises administrative, legislative, and judicial powers somewhat analogous to those performed by the Federal Reserve Board, it should not be subject to the authority of the Administrator of HHFA to transfer funds and functions to other agencies within his jurisdiction. Most, if not all, comparable regulatory agencies have independent status, reporting directly to the Congress and to the President. Furthermore, the Federal Home Loan Board system is a mutual institution owned entirely by its members. The majority of the committee believes the Home Loan Bank Board should be reinvested with the independence it had from its creation in 1932 to 1939, when it was made a part of the then Federal Loan Agency.

UNIVERSITY OF MICHIGAN LIB

RETIREMENT OF FSLIC STOCK HELD BY GOVERNMENT

The other amendment which the committee has included in the bill relates to the retirement of FSLIC stock held by the Government. The amendment provides that within 60 days after enactment of the bill the Corporation shall retire all of its capital stock—amounting to about $66 million—by paying the par value of the stock to the Treasury, in addition to dividends accruing since the end of fiscal year 1954.

In order to obtain funds for the retirement of the stock, the Corporation would, promptly after the enactment of the bill, issue its debentures to the Federal home-loan banks in a face amount equal to the par value of the Treasury stock to be retired. The Federal home-loan banks would each purchase debentures in proportion to the amounts of their own outstanding stock. The debentures would bear interest at a rate determined by the FSLIC, after consultation with the Secretary of the Treasury. These debentures would be retired by increasing the annual premium rate charged by the FSLIC from one-twelfth to one-eighth of 1 percent. After payment of the debentures the premium rate would automatically revert to one-twelfth of 1 percent.

The Committee considered several alternative proposals for retiring the stock held by the Government in the FSLIC. The one adopted appeared to be most suitable for accomplishing the purpose without weakening the reserve position of either the FSLIC or the insured institutions.

COMMUNITY FACILITIES ADMINISTRATION

The bill would modify and extend the third public works advance planning program authorized by the Housing Act of 1954 by authorizing $33 million in appropriations over the next 3 years. The funds so authorized would constitute a revolving fund.

TITLE II. PUBLIC FACILITY LOANS

The primary purpose of this title is to assist, wherever possible, States and their political subdivisions, with preference to small municipalities, in providing sewage, water, and other necessary public facilities essential to the health and welfare of their people. The program would be administered under the supervision of the Community Facilities Commissioner of the Housing and Home Finance Agency. Restrictions are placed upon municipalities desiring assistance under this program to those that are unable to secure such financing on reasonable terms, and loans must be of such sound value as to give reasonable assurance of retirement or payment. The loan maturities are limited to 40 years and a priority is given to applications from small municipalities with populations of less than 10,000.

HHFA would be authorized to issue to the Secretary of the Treasury notes and other obligations not exceeding $100 million at any one time.

TITLE III. COLLEGE HOUSING

Title III of this bill is intended to renew and invigorate the program inaugurated by the Housing Act of 1950, which inaugurated a program of long-term loans at low interest rates to provide funds for the construction of dormitories and residences.

The amendments under this title would expand the purpose of these loans to include such other revenue-producing educational facilities as cafeterias, dining halls, student centers, infirmaries, and other service facilities, but not including such items as gymnasiums or stadiums. This title also extends the program specifically to junior colleges and to educational or philanthropic institutions established for the sole purpose of providing housing or other educational facilities for students and faculty. The authorization for this program would be increased from $300 million to $500 million, and the amendment would fix the rate of interest which the Housing and Home Finance Agency pays to the Treasury at 2½ percent, or the average rate on all interest-bearing obligations of the United States, whichever is the higher. The provisions of the title would also require HHFA to charge colleges a rate of interest of 2¾ percent, or one-fourth of 1 percent more than that paid by HHFA to Treasury, whichever is the higher.

TITLE IV. ARMED SERVICES HOUSING MORTGAGE INSURANCE

Title IV of the bill would provide for a new and much-needed military housing program.

All witnesses appearing before the committee on the subject of military housing were unanimous in stating and in proving an extreme and immediate need for additional military housing. They made it quite clear that, to attract and hold the highly trained, experienced, and technical personnel now required by them, it is essential that military personnel be afforded an opportunity to live comfortable and normal lives, insofar as military duty permits, on a reasonable parity in terms of housing with the average American citizen.

Our national survival may depend upon our ability to attract and retain the highest caliber American men in the military service. Since it became quite clear to the committee from the testimony that the adequacy or the inadequacy of housing has a great influence upon the reenlistments of personnel, the committee believes it important to bring this proposal to the attention of the Senate.

The committee, after considering several proposals, concluded that the most practical approach for meeting the housing needs of the armed services would be to utilize the existing title VIII program, amending it so as to make it more workable.

This title of the bill would authorize the Secretary of Defense to enter into contracts with builders for the construction of housing for armed services personnel on lands owned or leased by the United States and situated on or near military installations. Contracts would be awarded to builders who submit the lowest acceptable bids on the basis of FHA-approved plans and specifications. The builder would finance the construction of the housing through mortgage borrowings insured by the FHA. After construction of the housing the Secretary of Defense would assume responsibility for the obligation of the mortgage, and for management and operation of the housing and would assign personnel to such housing in the same manner as other public quarters. The aggregate amount of contingent liability outstanding at any one time would be limited to $1,350,000,000. The duration of the program is for 3 years and the Federal National Mortgage Association would be authorized to provide a secondary market for the mortgages.

TITLE V. SMOKE ELIMINATION AND AIR POLLUTION

Title V of the bill would add to the National Housing Act a new title X, to develop means to eliminate pollution of the air by smoke, fumes and gases.

The Secretary of Health, Education, and Welfare would be authorized to undertake a research program to determine the causes and effects of air pollution, to develop devices and industrial methods for preventing and eliminating air pollution, and to provide guidance and assistance to States and local communities to prevent and control air pollution. The Secretary is authorized to enter into research contracts with, or make research grants to, State and local public agencies, and educational institutions, and to enter into arrangements with industries and private organizations for cooperative studies. Research results are to be made fully available to the public.

The Administrator of the Housing and Home Finance Agency would be authorized to provide financial assistance to business enterprises to purchase or construct equipment to reduce the amount of air pollution in the area.

The financial assistance under the program would not be available unless assistance is not otherwise available on reasonable terms and unless there is in existence an effective community program for controlling air pollution. This bill contains no limit as to funds which can be expended. Control over the program will be exercised through annual appropriations.

TITLE VI. FARM HOUSING

The committee had under consideration several proposals to extend and amend the farm housing program established under title V of the Housing Act of 1949. The committee unanimously recommended extension of the existing program which has done so much to enable thousands of farm families to obtain decent housing.

The bill as reported would provide an additional $100 million for farm loans authorized to be made on adequate farms, an additional $2 million to permit the payment of annual contributions made in connection with loans on potentially adequate farms, and an additional $10 million for special grants and loans required to make farm housing safe and sanitary.

The new provisions also include a new insuring authority. This provision was suggested by the Farmers' Home Administration. The interest rate on insured loans would not exceed 4½ percent, so as to be consistent with the VA program for home loans under which both insured and direct loans may be

made and under which the interest rates are also 4½ percent.

Under the farm loan program of title V of the National Housing Act of 1949, some 19,000 loans have been made for a total of $97 million. These loans are only a fraction of the demand. Many more applications were made but could not be approved because of the insufficiency of appropriations.

Unfortunately the farm housing program has not been operative since June 30, 1954, because of lack of appropriated funds. The need for the program, however, is still great, particularly in view of the continued deterioration in the farm situation as compared with that of other segments of the economy. This is especially true of the small or family-size farmer. I am confident that the record will show that by far the greater percentage of farmers who have received assistance under the farm-housing program are small or family-size farmers.

A further need for the reactivation of this program is evidenced by the increase in the number of loans made under the Bankhead-Jones Act during the same period. Unfortunately, the Bankhead-Jones Act does not provide the full coverage of title V, and thus, in order to have a well-rounded farm housing program, it is essential that the program recommended by the committee be continued and made operative.

From the standpoint of economic soundness, the record of title V farm loan program is exceedingly good. As of December 31, 1954, the regular payments as a percentage of scheduled installments on these loans were 105.6 percent. There have been very, very few foreclosures under the program. All in all, the program has enjoyed one of the best repayment records of any program ever established, either in or outside the Government.

Mr. President, this concludes my explanation of the bill. I am certain that as the debate progresses on the various titles of the bill, Members will raise questions on the various sections of it. I shall be glad to discuss any questions at any time during the debate.

I believe the committee has done a very good job on the bill, and I sincerely hope the Senate will approve it.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. SALTONSTALL. While I am not a member of the Committee on Banking and Currency, the late Senator Maybank and I, as members of the Committee on Appropriations, worked on the housing problem for a number of years. I know there is a difference of opinion about the number of public houses which should be built, but that subject will be debated later, so I will not ask the Senator any questions on it now. However, I wish to ask the Senator 2 or 3 questions on other phases of the bill.

As I understand, the bill seperates the Home Loan Bank Board, including the Federal Savings and Loan Insurance Corporation, from the Housing and Home Finance Agency, and sets it up as a separate, independent agency. I believe this is eactly contrary to what was done in the act of last year. I should appreciate having the Senator tell me why it was felt that that was necessary, and why is it not a good thing to have all the loan agencies under one head, so that he can report directly to the President on the overall situation, rather than to have the responsibility divided and separated in the hands of 2 or 3 agencies.

Mr. SPARKMAN. As a matter of fact, the Home Loan Bank Board was made a constituent agency by Reorganization Plan No. 3 of 1947. However, the connection between it and the Housing and Home Finance Agency is a rather tenuous one. It is nothing like the regular constituent agency of the Housing and Home Finance Agency at all.

I understand that probably an amendment will be offered in connection with this matter later, and at that time I shall be able to debate the question rather fully.

The situation is that the home-loan banks originally were made possible by the underwriting of their stock by the Federal Government, the idea being that they would gradually retire their stock. All of the stock has now been retired except about $66 million, and the home-loan banks are ready, able, and willing to retire that amount now, and provision for this is made in the bill.

If the stock is retired, why should not the Federal home loan banks have the same status as the Federal Deposit Insurance Corporation and the Federal Reserve System, which operate in the same manner? That is what is being provided for by the bill.

The ACTING PRESIDENT pro tempore. The time of the Senator from Alabama has expired.

Mr. SALTONSTALL. Will the minority leader yield time to me, so that I may complete my questions?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Massachusetts.

Mr. SALTONSTALL. Is the principle behind the proposal with respect to the separation of the Home Loan Bank Board that the Board is shortly to be completely independent of the Federal Government, and therefore should be put in the same position as the Federal Deposit Insurance Corporation and other agencies of that type?

Mr. SPARKMAN. Yes; that is true. I wish to stress also the point that the connection between the Home Loan Bank Board and the Housing and Home Finance Agency is not similar to the connection between the Federal Housing Administration and the Housing and Home Finance Agency at all. It is a very slender thread which ties them together now. Certainly the Home Loan Bank Board ought to have its independent status, just as the FDIC, the Federal Reserve Board, and other agencies were made independent when they paid off their stock.

This is essentially a regulatory agency. If the Senator will refer to page 12 of the report, I believe he will find a pretty fair statement of the situation. The statement begins at the bottom of page 11, and I believe is an understandable explanation of why independence of the Board is urged.

Mr. SALTONSTALL. The bill creates a new public-facility loan program, does it not?

Mr. SPARKMAN. It really extends the one which is now in the law, but which has been ineffective. The Senator may recall that there was such a program under the RFC. When the RFC was discontinued, Congress designated certain functions which ought to be continued, and this was one of them. However, Congress did not designate an agency to handle those functions, but left the matter to the President. The President never designated an agency.

Last year, in the Housing Act, Congress designated the Housing and Home Finance Agency to handle these affairs, but unfortunately no funds were made available and nothing was done about it.

All that is done in the bill is to reactivate the program and make provision whereby it will actually function.

Mr. SALTONSTALL. I have been informed that under the new program the Committee on Appropriations will be bypassed, because borrowings will be made from the Treasury to the extent that $100 million may be outstanding at any time. If it is intended to bypass the Committee on Appropriations, is not that the same plan which was opposed so effectively by the senior Senator from Virgina [Mr. BYRD] with respect to the highway program?

Mr. SPARKMAN. No; because in this case the money will come from the Treasury and will, therefore, affect the national debt. It will be the same as if the funds were appropriated by Congress, except that what will be authorized will be the borrowing of money directly from the Treasury, as is done in several other instances or operations.

Mr. SALTONSTALL. Then will any money borrowed under the program be chargeable directly to the national debt?

Mr. SPARKMAN. It will be chargeable against the national debt. That is the principal difference between this proposal and the one which was objected to in connection with the highway bill.

Mr. SALTONSTALL. How will the Committee on Appropriations come into the picture? Will it be in connection with financing the national debt, or in some other way? In other words, how will Congress be able to control the amount of money which will be borrowed? As I see it, Congress will have no control.

Mr. SPARKMAN. Congress can amend the act at any time. However, I think the Senator will agree with me that $100 million stretched over a period of time is not a great amount of money to have in a revolving fund of this type. This program is intended for the benefit of the smaller cities and towns of the United States, which are not able to go into the securities market, because it is simply not feasible for them to borrow money in that way.

Mr. SALTONSTALL. I am in favor of military housing. I believe it is necessary for the Government to provide more military housing if we are to make it possible for the men in the armed services to live with their families and to serve well.

UNIVERSITY OF MICHIGAN LI

It has been called to my attention that in the military housing part of the program the Secretary of Defense will have the final decision over the Federal Housing Administration; but that when the Secretary makes the decision, the administration of the program will revert to the Federal Housing Administrator.

Mr. SPARKMAN. As to matters of insurance, that is correct.

The Secretary of Defense has final determination as to need; but if he overrides an adverse decision of the FHA he will be responsible for repaying FHA for any losses incurred on a particular mortgage. The administration of insurance, of course, as it applies to military housing, remains with the FHA. The administration of the housing, i. e., operation and management, debt payment, etc., will remain with the Department of Defense.

Mr. SALTONSTALL. The Secretary of Defense then loses control.

The ACTING PRESIDENT pro tempore. The time of the Senator from Massachusetts has expired.

Mr. SALTONSTALL. As the acting minority leader, I yield myself 3 additional minutes.

The Secretary of Defense will make the final decision but, as I understand, the entire question of administration will be left to the Housing Administrator. Is that correct?

Mr. SPARKMAN. Yes; because it must be realized that the building will be under the insurance plan.

The committee felt that the experience and background which the FHA had should be utilized. Furthermore, banks, insurance companies, and investment companies will buy mortgages if the FHA handles the insurance, whereas such a procedure probably could not be counted on under any other plan.

Mr. SALTONSTALL. I personally would be in favor of having the Secretary of Defense handle the program.

Mr. SPARKMAN. I believe the committee has worked out the best plan possible, although we hope that before the program is finally adopted it may be further perfected.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

Is the Senator from Oklahoma ready to call up his amendment?

Mr. MONRONEY. Mr. President, I would rather call up my amendment when the Senator from Indiana [Mr. CAPEHART] is present in the chamber.

Mr. JOHNSON of Texas. Mr. President, is the Senator from Vermont ready to offer his amendment?

Mr. FLANDERS. Mr. President, I am ready. I send my amendment to the desk and ask to have it stated.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 13, line 9, before the period, it is proposed to insert a comma, and the following:

Provided further, That (subject to the authorization of not to exceed 810,000 dwelling units) the number of additional dwelling units which may be commenced under this subsection during any fiscal year may be increased at any time or times by additional amounts aggregating not more than 65,000 dwelling units, or may be decreased at any time or times by amounts aggregating not more than 85,000 dwelling units, upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase or decrease upon conditions in the building industry and upon the national economy, that such action is in the public interest.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

Mr. FLANDERS. Mr. President, the purpose of the amendment is to introduce flexibility into the public housing construction program, so that it may act as a stabilizer of the economy by providing more Government expenditures, for instance, when the building trades are in the doldrums, and by reducing the expenditures when the building trades are fully occupied.

There might well be times when it would be inexpedient to require new housing, especially if the building industry were already operating at capacity. That might do nothing more than inflate the costs of building by increasing the demand for nonexistent labor and by raising the price of materials. On the other hand, there might be times when, by increasing the volume of public housing, a distressed building industry could be greatly strengthened.

The amendment is not new to the law. It is not new to the original Taft-Ellender-Wagner housing law. It is still to be found in the law, in section 10 (e), but the way in which the provision on page 13 of the bill now before the Senate reads casts doubt on the question as to whether this flexible provision is made applicable.

Beginning at the top of page 13, I read:

Notwithstanding any other provisions of law—

That would seem to refer to the preceding section 10 (e)—

(i) Notwithstanding any other provisions of law, the Authority shall not enter into any new contracts for loans or annual contributions for more than 135,000 additional dwelling units during any fiscal year: *Provided*, That in respect to the fiscal year 1956 such number shall be increased by the difference between 35,000 and the number of units for which new annual contribution contracts for additional units were entered into during the fiscal year 1955.

Mr. President, my amendment adds the further proviso "That (subject to the authorization of not to exceed 810,000 dwelling units) the number of additional dwelling units * * * may be increased * * * by additional amounts aggregating not more than 65,000 dwelling units, or may be decreased at any time or times by amounts aggregating not more than 85,000 dwelling units, upon a determination by the President," under the advice of the Council of Economic Advisers.

I believe that this is an exceedingly important feature of the original bill. I believe it should be retained clearly, unequivocally, and without doubt in the new bill, and I offer my amendment for that purpose.

Mr. CAPEHART. Mr. President——

Mr. JOHNSON of Texas. Mr. President, does the Senator from Indiana desire to speak in opposition to the amendment?

Mr. CAPEHART. Yes. I shall take only a few minutes.

Mr. JOHNSON of Texas. I yield such time to the Senator from Indiana as he may desire.

Mr. CAPEHART. Mr. President, I feel that at least I myself will have to oppose the amendment, because I shall offer an amendment a little later to reduce the amount to 70,000 units in 2 years, or 35,000 units each year, which is the program of the President of the United States. That was his recommendation, the recommendation of his Council, and of our committee, which studied the matter.

Even with 70,000 units to be built during the next 2 years, at the rate of 35,000 units a year, we are still providing for construction of 50,000 units for elderly people, at the rate of 10,000 a year, which means a total of 120,000 public housing units to be authorized by the bill, 90,000 of them to be built in the next 2 years, and 30,000 of them in 2 or 3 years following that.

I do not see anything to be gained by accepting the amendment. The matter was pretty well thought out in the committee, about half of the committee favoring 35,000 units and the other half wanting the number provided by the 1949 law.

I shall not place certain information in the RECORD at this time, but will do so later. However, I may say since public housing became a part of our governmental procedure in the United States in 1937, there have been built only about an average of 20,000 public-housing units a year. Even counting the units built since 1949, when the big public-housing act was enacted, there have been built a total of 200,000 units in 5 years, or less than 40,000 units a year.

When we talk about 35,000 units, plus 10,000 units for elderly people, that makes 45,000 units. This bill also authorizes 100,000 public-housing units for the Military Establishment. In other words, it authorizes the military to build in the next 12 months 100,000 units to be used by married personnel in the Military Establishment. When that number of units is added to 45,000, the total figure is 145,000 units.

Mr. DOUGLAS. Mr. President——

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Indiana yield to the Senator from Illinois?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. Can the military housing program be described as public housing? Is that program under FHA?

Mr. CAPEHART. It is public in the sense that the houses will be rented to military personnel and owned by the Government.

Mr. DOUGLAS. Will not the loan capital be furnished by private lending agencies?

Mr. CAPEHART. It will be furnished exactly as it is for public housing. In the case of public housing, mortgages are

sold, and the FHA guarantees the loans. The financing is exactly the same in both instances—for military housing and public housing.

Mr. DOUGLAS. Then why did not the Senator from Indiana, in his original bill concerning military housing, provide for direct construction? Instead of that, he provided for FHA financing.

Mr. CAPEHART. I presume that was for the same reason that, since 1937, public housing has been handled by the mortgage route. I presume we wished to be consistent, and to finance military housing in the same manner all other housing in the United States is financed, namely, by FHA-guaranteed mortgages, permitting private persons to purchase the mortgages under the FHA insurance plan. Under that plan, premiums are paid into the FHA's insurance fund; and so far, of course, the premiums have been greater than the losses.

Mr. LEHMAN. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. LEHMAN. I wonder whether the Senator from Indiana can explain a little more clearly what connection there is between military housing and the public housing for which the bill provides. Is it not a fact that the occupancy of military housing is not at all dependent upon the income of those who will use the houses, because they will be used by generals as well as by privates?

Mr. CAPEHART. Yes. I may say to the able Senator from New York that the only connection is that the military need approximately 300,000 units, to house the married personnel, which includes all ranks from privates up to generals. This bill authorizes the construction in the next year of approximately 100,000 of those units. There is not too much connection between public housing and military housing, except that this year's program for the construction of military housing contemplates that an additional 100,000 units will be completed in the United States for the use of the military. The Government will own the houses, and will lease them to the military personnel.

In the case of public housing, units are built and are rented to persons of low income, and the rentals they pay are not sufficient to amortize the mortgages. Therefore, the Federal Government makes up the difference, by means of direct appropriations. But, of course, in the case of military housing the rentals are more than sufficient to amortize the 30-year mortgages.

Mr. LEHMAN. Mr. President, will the Senator from Indiana yield further to me?

Mr. CAPEHART. I yield.

Mr. LEHMAN. As the Senator from Indiana knows, I was strongly in favor, and I am still strongly in favor, of the program for the construction of housing for military personnel, because I believe we have been very indifferent to the needs of our military services, both in the United States and abroad. So I am very happy we are going to care for the needs of the military.

However, I fail to see that there is any connection between military housing and public housing, because, as a matter of fact, the rental of the housing constructed for the members of the armed services is paid by means of deductions from the allowances made by the Government to them, regardless of whether the personnel concerned consist of privates, of noncommissioned officers, of junior officers, or of generals; it is not at all dependent on the financial means of the military personnel occupying the houses.

Mr. CAPEHART. I think the Senator from New York is correct. Under the housing program for the military there will be 100,000 housing units, in addition to the 35,000 new housing units constructed by private contractors for the use of civilian persons of low incomes, plus the 10,000 housing units for elderly persons. I believe the best argument for the construction of 35,000 housing units for persons of low incomes, plus the construction of 10,000 housing units for elderly persons, is that at no time during the life of public housing have we come anywhere near to approaching the construction of 45,000 housing units, on the average, in any 1 year.

Mr. SPARKMAN. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. I understand that later the Senator from Indiana will offer his own amendment which relates to this subject.

Mr. CAPEHART. Yes.

Mr. SPARKMAN. However, I understand that the Flanders amendment is really a perfecting amendment to the bill as reported by the committee. It seems to me that the Flanders amendment should be noncontroversial, because it simply reinstates the old flexible clause. As a matter of fact, I think in any event the President could proceed in that way by means of his recommendations, and by working through the Bureau of the Budget.

The amendment of the Senator from Vermont will provide a flexible arrangement, so that the President will be able either to decrease or increase the number of units as was possible under the old law.

Mr. CAPEHART. Let me say that if there are in the Senate sufficient votes to keep the bill in the form in which it is now written, then the amendment of the Senator from Vermont certainly is desirable; there can be no question about that.

Mr. SPARKMAN. This is my point. In other words, the Flanders amendment is simply a perfecting amendment.

Mr. CAPEHART. Mr. President, personally I am opposed to the amendment, and the President of the United States is opposed to it, because he is advocating 35,000 units, rather than the number now provided in the bill.

Mr. SPARKMAN. Mr. President, will the Senator from Indiana yield further to me?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. Of course, I understand that, as I think all of us clearly understand it. But agreeing to this amendment will not change that situation in any respect. The Flanders amendment simply will perfect the language which is contained in the bill for the time being, and will not affect at all the amendment the Senator from Indiana has in mind. So it seems to me the Senate should accept the Flanders amendment, and then should move on to consider other amendments.

Mr. CAPEHART. Then is it the opinion of the able junior Senator from Alabama, the chairman of the subcommittee, that we might well accept the Flanders amendment?

Mr. SPARKMAN. Yes; and then we can move on, because in the end the question will have to be decided.

Mr. CAPEHART. I understand that our acceptance of the Flanders amendment will have no effect on the question of whether there will be 35,000 units or 135,000 units.

Mr. SPARKMAN. That is correct; this amendment has nothing at all to do with that question. This amendment affects only the language now in the bill. The amendment of the Senator from Indiana will be before us later on.

Mr. CAPEHART. The language of this amendment would permit the President to reduce the number, would it not?

Mr. SPARKMAN. Yes; in the event the amendment became the law.

Mr. CAPEHART. It would permit the President to reduce the number of units under a flexible arrangement.

Mr. SPARKMAN. That is correct.

Mr. LEHMAN. Mr. President, will the Senator from Indiana yield further to me?

Mr. CAPEHART. I yield.

Mr. LEHMAN. Regardless of whether the Flanders amendment is advisable—and I am not necessarily opposed to it—I wish to correct an impression the Senator from Indiana has inadvertently, perhaps, given, namely, that military housing is the same as public housing. I do not agree.

Mr. CAPEHART. I shall help straighten out that point. It may not be the same; but the bill provides an additional 100,000 units of military housing, which will be built in the next few months.

Mr. LEHMAN. The Senator from Indiana speaks of 100,000 units for the military alone. Yet he wants the entire remainder of the population, consisting in great part of persons of very low incomes, to have as few as 35,000 units. That does not seem to be logical.

Mr. CAPEHART. Let me say that I am opposed to public housing in any number of units, because in my State it is not needed; and in every instance, I believe, the people of my State have voted it down. However, I realize there is need in certain sections of the United States for a limited number of public housing units.

For that reason, I would go along with the provision for 35,000 public-housing units, plus the 10,000 units for elderly persons, although in my opinion even that number will be too many, and will be more than will be constructed in any one year.

I wish the RECORD to show that personally I am opposed to public housing, and I do not think it is needed. It is

UNIVERSITY OF MICHIGAN LI

not needed in my State, and my State likewise is opposed to it. But I am sufficiently broadminded to realize that in certain sections of the United States, such as New York, Chicago, and other large cities, some public housing is needed. For that reason, I shall go along with the proposal for 45,000 units a year, as advocated and recommended by the President.

Mr. President, if it is agreeable to the able junior Senator from Alabama [Mr. SPARKMAN], the floor manager of the bill, perhaps the Flanders amendment can be accepted. We have no objection to accepting it.

Mr. SPARKMAN. Yes; I think that will be perfectly agreeable.

Mr. FLANDERS. Mr. President, I judge that the amendment still must be voted on. So I call for a vote on the amendment.

The PRESIDING OFFICER. The Senator from Vermont is correct.

Does the Senator from Texas yield back the remainder of the time under his control?

Mr. JOHNSON of Texas. Very well, Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Vermont yield back the remainder of the time under his control?

Mr. FLANDERS. I do.

The PRESIDING OFFICER. All available time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. FLANDERS].

The amendment was agreed to.

VISIT TO THE SENATE BY REPRESENTATIVES OF MORAL REARMAMENT

Mr. CAPEHART. Mr. President, I should like to introduce to the Senate some very distinguished gentlemen who now are sitting in the gallery. Let me present Dr. Theodore Oberlander, the Minister of Refugees for Germany; Mr. Ole Bjorn Kraft, former Foreign Minister of Denmark; Mr. Diomede Catroux, former French Minister for Air; Mr. Ole Olsen, of Olsen and Johnson; Mr. Stewart Lancaster, of Louisville, Ky.; and Mr. John Cotton Wood, of New York.

These gentlemen are members of the Moral Rearmament organization, and are in Washington in its behalf. Tonight, at the National Theater, a play entitled "The Vanishing Island" is to be presented, and will be repeated on tomorrow evening. Thereafter, these gentlemen will tour Japan, the Far East, and Europe.

Inasmuch as many of our colleagues are very much interested in the Moral Rearmament movement, I take pleasure in introducing these gentlemen to the Senate. I ask them to rise, so that they may be identified by Senators. [Applause.]

The PRESIDING OFFICER. The Chair thanks the distinguished Senator from Indiana for introducing these distinguished visitors to the Senate. The Chair assures them that they are welcome here; we are very glad to have them visit us.

HOUSING ACT OF 1955

The Senate resumed the consideration of the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

Mr. MONRONEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The LEGISLATIVE CLERK. On page 35, line 2, it is proposed to strike the words "entered into after" and insert in lieu thereof the following: "under which loan funds have not been fully disbursed prior to."

Mr. MONRONEY. Mr. President, this is a very simple clarifying amendment designed to provide for uniformity in the interest rates with respect to the college housing loan amendments in the bill.

As the committee has explained, the interest rate on college housing loans will be reduced, under the terms of the bill, from 3½ percent to 2¾ percent. In the interest of uniformity, my amendment would make the new interest rate apply at the time the money is disbursed. Unless this amendment is adopted, there will be several varying degrees of interest rates being charged, because loan applications of various colleges have been taken over a period of a good many months. I think the uniform interest rate of 2¾ percent, applying at the time the money is paid out, will provide a rather sound basis on which to work.

I understand that the chairman of the subcommittee is agreeable to accepting this amendment.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. SPARKMAN. I am certainly willing to accept the amendment.

Mr. MONRONEY. I discussed the amendment also with the distinguished ranking minority member [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CAPEHART. I am willing to accept the amendment and have it taken to conference, with the understanding that we may have to take a good look at it in conference.

Mr. MONRONEY. My amendment provides for uniformity in interest charges on these loans.

Mr. CAPEHART. I think it is something we can take to conference.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CARLSON. I should like to ask the distinguished Senator from Oklahoma, who is a member of the committee, about the expansion of housing for colleges. What is the program in the pending bill?

Mr. MONRONEY. Expansion is provided for. The loan ceiling is increased from $300 million to $500 million, with an additional $100 million ceiling for other educational facilities. As I have stated, the interest rate is reduced. It is provided that the interest rate will always be one-quarter of one percent higher than the rate which HHFA pays to the Treasury. No loans under this program may be made on construction completed prior to the filing of applications under the provisions of the act. It includes other educational facilities, within the definition of the term "development costs."

Mr. CARLSON. I think the committee has rendered a real service to our colleges and universities by making provision for additional housing. I think the demand exists. We are taking care of a situation in which, in my opinion, there will be greater and greater demand. The number of married students in our schools in future years will increase. I think the committee should be commended.

Mr. MONRONEY. I think the committee has done a very excellent job.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, it seems to me that the amendment which the Senator from Oklahoma proposes is meritorious, if I correctly understand its application, but I am wondering whether it is sufficiently broad to take care of institutions which have made application for loans, and with respect to which the funds have perhaps been advanced, but construction has not been completed. One instance comes to my mind, of an institution which found that the difference in the interest rate as between a certain month and the succeeding month was either an eighth or a quarter of 1 percent. If the loan had been approved a few days later, it would have carried a lower rate of interest. The institution did not use the money at the date upon which it received its first funds. Would the language proposed take care of institutions which may have received the money, but have not actually expended it?

Mr. MONRONEY. I will say to the distinguished Senator from South Dakota that the amendment would enable the Housing and Home Finance Agency to allow the low interest rate with respect to all funds which have not been disbursed by the agency. On the money already paid out by the agency to the educational institution, it is obviously impossible to figure the new interest rate. With respect to all money which has not been disbursed on loans which have been previously approved, and on which some disbursement has taken place, and with respect to all future disbursements after the passage of the act, they will be at the new low interest rate.

Mr. CASE of South Dakota. I am not sure that this amendment would correct certain inequities which I feel exist under the present law. If the amendment goes to conference, it seems to me that it will be possible for the conferees to modify the language in conference. I am glad to see it go to conference. I

hope the distinguished Senator from Alabama [Mr. SPARKMAN] and the distinguished Senator from Indiana [Mr. CAPEHART] will be receptive to any information which I can obtain on the situation to which I have referred.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. SPARKMAN. I should like to add to what the Senator from Oklahoma has said something which he has perhaps overlooked in his remarks.

The amendment which he proposes would not only take care of the lower interest rate on undisbursed funds, but would also enable the agency to negotiate for settlement with respect to all the funds involving a particular contract, even though a part of them had already been disbursed.

Let me say to the able Senator from South Dakota that when the Senator from Oklahoma spoke to me on this subject I immediately raised a question similar to that which the Senator from South Dakota has mentioned. I realize that there may be other angles. I suggested to the Senator from Oklahoma that the amendment might require some modification between this time and the conclusion of the conference. It may very well be that some further formula can be devised which will be fair to all concerned.

Mr. CASE of South Dakota. I thank the Senator for his statement.

The PRESIDING OFFICER. Does the Senator from Texas yield back the remainder of his time?

Mr. JOHNSON of Texas. I yield back the remainder of my time, on condition that the Senator from Oklahoma [Mr. MONRONEY] also yield back the remainder of his time.

Mr. MONRONEY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BUSH. Mr. President, I send to the desk two amendments to the pending bill, and ask that they lie on the table.

The PRESIDING OFFICER. The amendments will lie on the table.

Mr. CAPEHART. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Indiana will be stated.

The LEGISLATIVE CLERK. On page 12, it is proposed to strike out subsections (a), (b), and (c) of section 108 and insert in lieu thereof the following:

(a) The United States Housing Act of 1937, as amended, is hereby amended by deleting section 10 (i) and inserting the following:

"(i) Notwithstanding the provisions of any other law, the Authority may, with respect to low-rent housing initiated after March 1, 1949, enter into new contracts for loans and annual contributions after July 1, 1954, for not to exceed 35,000 additional dwelling units, which amount shall be increased by 35,000 additional dwelling units on July 1 of the years 1955 and 1956, and may enter into such new contracts for preliminary loans in respect thereto as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into hereunder: *Provided*, That the authority to enter into new contracts for loans and annual contributions with respect to each such 35,000 additional dwelling units shall terminate 2 years after the first date on which such authority may be exercised under the foregoing provisions of this subsection: *Provided further*, That no such new contract for annual contributions for additional units shall be entered into except with respect to low-rent housing for a locality respecting which (1) the Housing and Home Finance Administrator has made the determination and certification relating to a workable program as prescribed in section 101 (c) of the Housing Act of 1949, as amended, or (2) there is being carried out a project covered by a Federal aid contract executed, or prior approval granted, by the Housing and Home Finance Administrator under title I of the Housing Act of 1949, as amended, before the effective date of the Housing Act of 1954: *Provided further*, That no such new contract for annual contributions for additional units shall be entered into unless the governing body of the locality has, by resolution, approved such additional units: *And provided further*, That no such new contract for annual contributions for additional units shall be entered into unless the number of such additional units does not exceed the number of families of low income, eligible for admission to such units, which the Housing and Home Finance Administrator estimates will be displaced within the metropolitan or housing market area of such locality as a result of Federal, State, or local governmental action."

It is also proposed to reletter succeeding subsections.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum, and, on behalf of myself and the minority leader, I ask unanimous consent that the time taken for the quorum call be not charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McClellan
Allott	Fulbright	McNamara
Anderson	George	Millikin
Barkley	Goldwater	Monroney
Barrett	Gore	Morse
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Payne
Bridges	Hruska	Purtell
Bush	Ives	Robertson
Butler	Jackson	Russell
Byrd	Jenner	Saltonstall
Capehart	Johnson, Tex.	Schoeppel
Carlson	Johnston, S. C.	Scott
Case, N. J.	Kefauver	Smathers
Case, S. Dak.	Kennedy	Smith, Maine
Chavez	Kerr	Smith, N. J.
Cotton	Kilgore	Sparkman
Curtis	Knowland	Stennis
Daniel	Kuchel	Symington
Douglas	Langer	Thurmond
Duff	Lehman	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Pa.	Williams
Flanders	McCarthy	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, I yield to the Senator from Maine [Mr. PAYNE].

Mr. PAYNE. Mr. President, I send to the desk an amendment to the amendment offered by the Senator from Indiana, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Maine to the amendment of the Senator from Indiana.

The CHIEF CLERK. In line 1 of Mr. CAPEHART's amendment, it is proposed to strike out "subsections (a), (b), and (c)" and insert in lieu thereof "subsection (c)."

On page 1, in line 3, strike out "(a)" and insert in lieu thereof "(c)."

On page 2 strike all that follows the word "subsection", appearing in line 12, as follows:

Provided further, That no such new contract for annual contributions for additional units shall be entered into except with respect to low-rent housing for a locality respecting which (1) the Housing and Home Finance Administrator has made the determination and certification relating to a workable program as prescribed in section 101 (c) of the Housing Act of 1949, as amended, or (2) there is being carried out a project covered by a Federal aid contract executed, or prior approval granted, by the Housing and Home Finance Administrator under title I of the Housing Act of 1949, as amended, before the effective date of the Housing Act of 1954: *Provided further*, That no such new contract for annual contributions for additional units shall be entered into unless the governing body of the locality has, by resolution, approved such additional units: *And provided further*, That no such new contract for annual contributions for additional units shall be entered into unless the number of such additional units does not exceed the number of families of low income, eligible for admission to such units, which the Housing and Home Finance Administrator estimates will be displaced within the metropolitan or housing market area of such locality as a result of Federal, State, or local governmental action."

On page 3, strike out line 10.

Mr. CAPEHART. Mr. President, I should like to have the able Senator from Maine explain his modification of my amendment.

Mr. PAYNE. Mr. President, my amendment to the amendment offered by the Senator from Indiana would bring to a straight issue the question whether the Senate shall provide for 35,000 housing units, or 135,000 units, as recommended in the bill reported by the committee.

The amendment of the Senator from Indiana contains certain restrictive features which, in my opinion, would not permit the accomplishment of a sound public-housing program and one which could get under way. It is for that reason that I have offered my amendment. It would remove the restrictions and make the context of the bill comport with the 1949 law. Under the restrictions contained in the amendment of the Senator from Indiana, if an individual desires to leave a slum area he would not be eligible for public housing. If a person's property in a slum area were burned out and he came under the other criteria, he would not be eligible.

If private enterprise cleared out an area, the persons who were forced to

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vacate would not come under the proviso with reference to displaced individuals.

I would simply remove the restrictions which are in the amendment, make it more in keeping with the provisions of the bill as reported by the committee, and bring the question down to a straight issue of 35,000 units as against 135,000 units.

Mr. CAPEHART. Mr. President, I accept the modification of my amendment. Whether we are for or against public housing makes no difference with respect to this amendment. If we are going to have public housing I think it is only fair that we should eliminate the restrictions. The restrictions which were written into the bill last year almost prohibited any public housing being constructed. In other words, Mr. President, there is no use passing a public-housing act and saying we want 35,000 units or 10,000 units or 1,000 units, and then writing restrictions which make it absolutely impossible to build any public housing. That, to my mind, is simply being hypocritical.

Mr. PAYNE. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. PAYNE. Is it not true that last year there was a 35,000-unit provision in the bill?

Mr. CAPEHART. That is correct.

Mr. PAYNE. Yet, actually, up to the time of the hearing, there were, as I recall, 115 starts?

Mr. CAPEHART. There were 142 starts.

Mr. PAYNE. Yes; 142 starts had been made.

Mr. CAPEHART. That was because of the restrictions. My point is, let us not be hypocritical and say we want 135,000 public-housing units. My State does not need any and does not want any, but we should not impose restrictions which would eliminate any public housing.

For that reason, Mr. President, I accept the modification of my amendment which has been suggested by the Senator from Maine.

I shall take only a few minutes in discussing my amendment. I allocate to myself 10 minutes, but I do not think I shall use all that time.

The amendment which is before the Senate, as it has just been modified by amendment of the able Senator from Maine, simply reduces the number of public-housing units provided for in the bill from 135,000 each year to 35,000, plus 10,000 provided for elderly people, making a total of 45,000.

In other words, if my amendment, as modified, shall be agreed to, the bill will call for 45,000 units each year, 35,000 units of straight public housing and 10,000 units for elderly persons, for a period of 2 years, making a total of 70,000 straight public-housing units; and then 50,000 public-housing units for elderly people under the 5-year program of 10,000 a year, which would make the number of public-housing units authorized by the bill 120,000, which would be built at the rate of 45,000 units each year. For a period of 2 years 90,000 units would be authorized. Then there would be 3 years in which 10,000 public-housing units could be built for elderly persons.

The recommendation of the President in his annual message was that provision be made for 35,000 public-housing units each year for 2 years, or a total of 70,000 units. The President did not say anything about public housing for elderly persons; that provision for 10,000 units was written into the bill by the committee, and makes the number 45,000 units as against 35,000 recommended by the President.

Here are the records and the facts. Since 1937 only 382,365 units have been completed and turned over for public-housing usage. That covers a period of about 18 years, during which an average of about 20,000 units a year were built. I shall cite the legislation under which the housing was constructed.

Under the Housing Act of 1949, 165,580 units were completed. Over a period of 6 years, an average of less than 30,000 public-housing units were completed annually.

Under the Housing Act of 1937, 117,141 units were built.

Under the Housing Act of 1940, which provided for public defense housing, houses built only for defense workers, 49,366 units were built, and at the end of the war these were turned over to the public-housing authorities for use by them.

For PWA—I am certain Senators remember PWA days—21,570 houses were built as public housing.

Under the Lanham Act, which was a 100-percent war measure for defense housing, 19,670 units were built, and turned over to public-housing authorities.

For farm-labor camps, back in the PWA or WPA days, 9,038 units were built and turned over for use by public-housing authorities.

That makes a total of 382,365 units completed for public-housing use since 1937.

Would it not be much better to have a sane, sound, workable program of 45,000 units each year, and actually build them, than to talk about 810,000 units or 135,000 units, and never build them?

The President's idea was to have 35,000 units built each year, and that was what he recommended. The committee added 10,000 units for elderly people, which makes a total of 45,000 units.

Would it not be much better to work under a sane, sound, practical, conservative policy, and actually to build 45,000 units a year, than to talk about 135,000 units, when it is known that they will not be built?

Is it not impractical to speak of constructing 810,000 units in a period of 5 years, when since 1937 only 382,000 units have been built? It should be remembered, too, that of the 382,000, 100,000 were houses built for defense purposes, and turned over later to public-housing authorities. So actually only 282,000 public-housing units have been built since 1937.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. ELLENDER. Is it not true that although the bill provides for 810,000 units, from that number there must be deducted those which already have been built?

Mr. CAPEHART. Yes, and that brings the number down to approximately 600,000.

Mr. ELLENDER. My figures show that the units completed under the act aggregate 348,000; 34,000 are under construction, plus 42,000 under contract but not under construction. This makes a total of 424,000 units which have either been already built or are under contract.

So the amount of new housing under the bill will not be 810,000 units, but will be the difference between 810,000 and 424,000. Is that not true?

Mr. CAPEHART. No, I do not believe that is quite true. I think the Senator is referring to the 1949 act, under which 165,580 units have been completed, with another 59,775 authorized, or a total of 225,000.

If from 810,000 is deducted 225,000, the number still to be built is approximately 600,000.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. KNOWLAND. I yield an additional 5 minutes to the Senator from Indiana.

Mr. ELLENDER. I was referring to the original act, of which I had the honor to be a sponsor.

Mr. CAPEHART. The original act was sponsored by the able senior Senator from Louisiana, the late Senator Taft, and the late Senator Wagner. That act called for 810,000 units. Since that time 165,580 units have been built, and 59,775 units have been authorized, a total of 225,355 units. By deducting 225,355 from 810,000, we arrive at the number of units called for in the bill which is now before the Senate.

Mr. KNOWLAND. Mr. President, will the Senator yield for a half minute, so that I may ask that the yeas and nays be ordered on the Capehart amendment?

Mr. CAPEHART. I yield.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the Capehart amendment.

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. I have some figures regarding the number of units actually built under the 1949 act. The able Senator from Louisiana included in his figures those built under the 1937 act. But under the 1949 act 247,700 units have been built.

Mr. CAPEHART. Those figures do not even begin to correspond with the figures which have been given me.

Mr. SPARKMAN. That leaves 562,300 still authorized. That is the real figure which would be included here. However, the amount of money authorized would provide for only 392,000. The bill as it is written provides for 392,000 units.

Mr. CAPEHART. In my State, it is felt that public housing is not needed. I

think in every instance the cities of Indiana have rejected it.

Mr. LEHMAN. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. LEHMAN. As I have listened to the Senator from Indiana, I have received the impression that the main argument against the larger number of units, which the committee is advocating, is that in the past, almost in the dim past, only a relatively small number of houses were built. We talk about 19,000, 25,000, or 30,000 units a year.

All I can say is that I remember the time—and I probably remember it because I am so much older than the Senator from Indiana—when aged, needy people were taken care of in poorhouses. But we have got away from that.

I remember the time when there was no social security whatsoever, and no workmen's compensation at all.

Mr. CAPEHART. Mr. President, is the Senator from New York asking me a question?

Mr. LEHMAN. I shall be glad to ask a question.

Mr. CAPEHART. Does the Senator wish time in his own right?

Mr. LEHMAN. I shall be glad to reduce my comments to a question.

Mr. CAPEHART. I do not care; I simply want to be certain that the time is kept straight.

Mr. LEHMAN. I shall be glad to use my own time.

Mr. CAPEHART. I shall be happy to yield some of my time.

Mr. LEHMAN. No.

Mr. CAPEHART. I merely wish to be certain that the time is kept straight.

Mr. LEHMAN. I was shocked to hear what the Senator said.

Mr. CAPEHART. Do not be shocked, please.

Mr. LEHMAN. Ten or 15 years ago, when conditions were very different, and the conscience of the people had not been aroused, certain things were done in different ways from the manner in which they are done today.

However, I will withdraw my question.

Mr. CAPEHART. No; I think the situation is just the opposite. The Senator ought himself to be shocked inasmuch as evidently 3, 4, or 5 years ago there was more need for public housing than there is now, because during the past 10 years new houses have been built at the rate of more than a million a year. There must be less need for public housing today than there was in 1949.

I have only used the figures as a matter of record in order to be factual, and simply to show the number of public-housing units which have been built, on the average, since 1937. If there has been such great need for public housing, why have not more units been built? Why has not the party of the able Senator from New York sponsored the building of more public housing in that time? Why has there been a delay?

What the committee is trying to do, and what the President is seeking to have done, is to have the public-housing program placed on a sane, sound, practical basis, and then to have built each year a definite number, rather than to talk about large numbers, such as 135,000 units, but to build on an average of only 30,000 a year?

Mr. LEHMAN. Since the distinguished Senator from Indiana has raised the question, and I have not put a question mark after my question, I am going to withdraw it.

Mr. CAPEHART. I merely wanted to make sure——

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The time of the Senator from Indiana has expired.

Mr. CAPEHART. Mr. President, I yield myself 5 additional minutes, so that I may yield to the Senator from New York.

Mr. LEHMAN. Mr. President, I wished to proceed with the inquiry, because it seems to me it is amazing that the only objection which is suggested against the larger program is that certain things were done in the past. There were many things we did not do in the past and many in connection with which we acted supinely—among them the building of new housing—because of the Korean war. In the old days we had no wage and hour law, and no factory inspection. I do not think our past inaction should be used as an excuse for not concerning ourselves very vigorously with the problem at hand. The only argument I have heard thus far from the Senator from Indiana, although I am sure he will have other arguments to advance, is that we did not do anything 5, 10, or 15 years ago.

Mr. CAPEHART. I think it is a sound argument, because if there was a great need for housing, the law existed under which housing could have been constructed, and it was not done. The 1949 act authorized the building of 135,000 units a year. Why were they not built?

Mr. LEHMAN. I do not know why they were not built. I was not a Member of the Senate at that time. I am extremely sorry they were not built. Later, throughout the period of the Korean war, everything had to be subordinated to our military needs.

Mr. CAPEHART. Was not the reason a very simple one and an honest one, namely, that from 35,000 to 50,000 units a year are about all that can be processed, and about all the cities can handle, and get ready to build, and actually build?

Mr. LEHMAN. No. I shall develop that point in my remarks later.

Mr. SALTONSTALL. Mr. President, will the Senator yield at that point?

Mr. CAPEHART. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I am interested in public housing, as the Senator knows, and I should like to say——

Mr. LEHMAN. Is the Senator going to vote with us on the bill? That is the test.

Mr. SALTONSTALL. I am going to vote against the Senator's position.

In 1953, as the Senator from Louisiana [Mr. ELLENDER] knows as well as I do, there was an authorization in the act for 135,000 units, and the budget estimate submitted by President Truman called for 75,000 units. The House cut the number to 5,000 units. The Senate provided for 45,000 units. If I remember rightly, the Senator from Louisiana, the Senator from South Carolina, and I stood for 55,000 units; but the majority of the committee recommended 45,000 units. The conferees compromised as between the House figure and the Senate figure and made it 35,000 units. That was the number provided for in 1953. That is where the figure submitted in this year's budget comes from.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. ELLENDER. The Senator from Massachusetts is absolutely correct about that. However, I wish to call the attention of my good friend from Indiana to the fact that an effort was made to provide for 75,000 units, but, because of the attitude taken by the House, we could not put in the bill more than the conference committee agreed to.

Mr. SALTONSTALL. The Senator from Louisiana and I stood up for 55,000 along with our late friend from South Carolina Senator Maybank.

Mr. ELLENDER. One of the reasons this program did not proceed as fast as it should have was the action taken by the House.

Mr. CAPEHART. Does not the Senator think it would be more practical to follow the recommendations of the President, provide for 35,000 units a year, make the appropriation, and let the program operate over a period of years?

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. CAPEHART. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Indiana has 40 minutes remaining to him.

Mr. CAPEHART. Mr. President, I yield myself 5 additional minutes.

Mr. DOUGLAS. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is not the reason for the slowing up of the housing program in 1953 that the colleagues of our friends on the other side of the aisle had control of the Committee on Appropriations of the House of Representatives, and they not only tied down the amount appropriated, but also imposed restrictions which made it virtually impossible to construct houses? Now the Senator from Indiana is proposing to again place the country in the iron vest in which it was confined then.

Mr. CAPEHART. Mr. President, I wish to say to my good friend from Illinois that my memory on that point is not very good.

Mr. President, I yield the floor temporarily.

Mr. ELLENDER. Mr. President——

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

I do not know of any bill which I helped to pass in the Senate, Mr. President, of which I am prouder than I am of the Public Housing Act. For many years, our Government has extended a helping hand to those of our population

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who have been able to finance the construction of new homes, and the repair of existing homes, through FMA. We assisted those who had sufficient income to finance their own homes.

We provided a program, which has proved to be a good, sound, workable one, whereby anyone with a reasonably secure job or other source of modest income might obtain private financing with Government backing, to construct a home for himself and his family. But in the case of those unfortunate persons who do not have enough yearly income to finance the ownership of a home of their own we offered no help whatsoever. Why, Mr. President, have some people, who have asked for and obtained in the past, billions of dollars in Federal financing for themselves—people who actually were able to assist themselves without Government help—but who now come to Congress to fight the low-rent housing program?

Today our Government has guaranteed our veterans over $20 billion in loans. The Federal Housing Administration has guaranteed, through private lending facilities, housing loans amounting to over $18½ billion. The pending bill provides an additional $4 billion for FHA, which will be used to assist those fortunate persons who, because they have sufficient salaries, are able to buy or build their own homes.

But Mr. President, when it comes to assisting those unfortunate Americans who are unable to help themselves—who are unable to afford the comfort of an FHA-financed home—we hear a lot of "squawking" not only on the House or Senate floors, but from the very persons who are urging that we make available to them $4 billion more in order to guarantee the building of privately owned homes.

Mr. President, if Senators will only study this housing program they will find that it has been a Godsend to those communities in which projects have been built. The fact that these communities now have more contented and law-abiding citizens—that happier and more efficient workers are available for industry—all of this contributes substantially to the advancement of the community as a whole through the reduction of law-enforcement costs and as a result of those intangible benefits which flow from comfortable housing facilities and bright, decent surroundings. I repeat, Mr. President—the many substantial benefits that have accrued to our country more than repays the small amounts that our citizens must contribute by way of taxes in order to defray the cost of the small subsidy which makes public housing available to families in the low-income bracket.

I hope the amendment before the Senate now will be rejected; and I hope that the Senate today will, in a measure, reenact and reinstate the provisions of the Housing Act of 1949, which I took an active part in in making possible.

Mr. President, my distinguished colleague, the junior Senator from Louisiana [Mr. LONG], is necessarily absent from the Senate today in connection with his official duties. He and I are vitally interested in title II of the pending bill, which contains the substance of Senate bill 1524, a measure I cosponsored with the junior Senator from Louisiana and 22 other Senators.

In brief, title II will create a revolving fund of $100 million, to be administered by the Community Facilities Administration of the Housing and Home Finance Agency. Its purpose is to assist municipalities in financing sewerage, water distribution, and other public facility improvements. There is a great need for this source of credit on the part of small communities throughout the Nation—communities which will otherwise be denied credit in the open money market. Title II, if enacted, will enable these communities to secure the necessary funds in order to provide their residents with these vital facilities and pay back the Government the principal together with a reasonable interest rate. The net cost to the Federal Government should be absolutely nothing, Mr. President, while the added health protection and enjoyment it will bring to American citizens throughout our land are immeasurable.

On behalf of my distinguished colleague, the junior Senator from Louisiana [Mr. LONG] and myself, and the 22 other sponsors of S. 1524, I urge the Senate to adopt without change title II of the bill as reported by the Senate Committee on Banking and Currency.

Mr. President, at this time I yield 15 minutes to the distinguished Senator from New York [Mr. LEHMAN].

The PRESIDING OFFICER. The Senator from New York is recognized for 15 minutes.

Mr. LEHMAN. Mr. President, I address myself to the question of the national need for a continuing and substantial public-housing program.

It has been asserted by the opponents of public housing that it was a stopgap program devised in the 1930's to meet merely a temporary unemployment situation. Mr. President, nothing could be further from the truth.

The public-housing program is a permanent Federal undertaking based on the growing need for Federal aid to low-income groups who cannot afford adequate private housing. We have had in the past, and we are going to have for decades, a far larger demand for housing than the private construction and private investment resources of the Nation could possibly meet.

At the present time we are building about 1,400,000 new housing units a year. At first glance, this appears to be a sizable figure. But when compared with our housing needs occasioned by the formation of families, the deterioration in buildings we now have, and various types of casualty losses, the present figure is far short of the needed construction.

Dr. William L. C. Wheaton, of the University of Pennsylvania, a leading expert on our housing needs and resources, testified recently before the Banking and Currency Committee regarding our present housing needs. He estimated that there are now 10 million substandard dwellings which are being occupied and which are so far below standard that they cannot be rehabilitated. Dr. Wheaton further stated that at the present rate of construction by private enterprise over the next 15 years, we will in fact have about 14 million substandard dwellings by 1970.

I quote these figures to refute the claim that our high construction rate will cause a "trickle down"—a favorite expression of the present administration—of adequate housing to the low-income groups which now need public housing. Dr. Wheaton's figures show that as high income groups move into the new housing units, they do not leave vacancies sufficient to house the lower-income groups. The simple fact of the matter is that today, and in the foreseeable future, millions of our low-income persons and families must live in substandard, unsafe, disease-ridden, and slum-surrounded dwellings, unless they can obtain some relief from Federal housing legislation.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, certain tables compiled by the National Housing Conference.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 2.—*Substandard dwellings requiring replacement or rehabilitation, 1950 (thousands)*

	Substandard	Requiring replacement	Requiring rehabilitation
Urban housing: [1]			
Dilapidated	2,217	2,217	----
Lacking plumbing or running water	4,721	2,725	1,996
In substandard blocks [2]	1,993	1,993	----
Total urban	8,931	6,935	1,996
Rural nonfarm housing: [3]			
Dilapidated	1,131	1,131	----
Lacking running water	1,841	614	1,227
Total rural nonfarm	2,972	1,745	1,227
Nonfarm total	11,903	8,680	3,223
Farm housing: [4]			
Serious deficiencies	2,024	1,524	[5] (500)
Other deficiencies	1,405	----	1,405
Total farm	3,429	1,524	1,405
All housing	15,332	10,204	[5] 4,628

[1] All housing in standard metropolitan areas.
[2] Additional dwellings in blocks more than 50 percent substandard.
[3] Nonfarm dwellings outside standard metropolitan areas.
[4] Deficiencies based on U. S. Department of Agriculture data.
[5] 500,000 dwellings abandoned and not replaced.

TABLE 3.—*Population and average household size, 1930–70*

Year	Population [1] (millions)	Average household [2] size
1930	122.7	4.01
1940	131.6	3.67
1950	151.6	3.39
1955	164.8	[3] 3.35
1960	174.4	[3] 3.10
1965	189.9	[3] 2.95
1970	204.4	[3] 2.80

[1] United States Census, series P–25 No. 78, 1953.
[2] United States Census, P–20 No. 41, 1952; and P–20 No. 35, 1951.
[3] Straight line projection of 1930–50.

TABLE 4.—*Estimated changes in population, household size, number of households, and dwellings required, 1955–70*

	1955	1960	1965	1970
Population (millions)	164.8	174.4	189.9	204.4
Less population not in households [1]	4.9	5.2	5.7	6.1
Population in households (millions)	159.9	169.2	184.2	198.3
Average household size [2]	3.35	[3] 3.1	2.95	2.80
Number of households (millions)	47.70	54.58	62.44	70.82
Plus vacancies, 4 percent (millions)	1.90	2.18	2.50	2.83
Total dwellings required (millions)	49.60	56.76	64.94	73.65
Additional dwellings required during preceding period (millions)	------	7.16	8.28	8.71
Average annual construction required during preceding period [4]	------	1.43	1.65	1.74

[1] Assumed 3 percent.
[2] Table 3.
[3] A lower rate of reduction in average household size would be:

Average size	3.15	3.0	2.90
Number of households	53.71	61.40	68.38
Total dwellings	55.86	63.86	71.11
Additional dwellings	5.44	8.00	7.25
Annual construction	1.09	1.60	1.46

[4] See text for explanation of relationship between family and household size. These estimates include needs arising from new family formation, undoubling, required vacancies, changes in family size, and increases in number of persons or families using separate housing accommodations.

Mr. LEHMAN. Mr. President, I wish to read a part of the statement made by Dr. Wheaton, as follows:

REPLACEMENT RATES

In addition to these requirements for new population and new families, the Nation must replace the 10.2 million substandard units requiring replacement shown in table 2. If these units were to be replaced in the period 1955–65 we would have to build nearly 2.5 million homes in each of these years. This could not be accomplished in the immediate future without inflationary pressures, unless other construction drops seriously and unless there is a substantial drop in armament production. From a purely housing standpoint, it would be undesirable to attempt any such volume of replacement until new homes are available to accommodate those displaced from substandard homes.

For these reasons it would appear to be both economically and socially desirable to spread the replacement task over a 20-year period. If this were done, the volume of current construction would have to be increased steadily and rapidly, but within magnitudes which could be readily achieved by the building industry. Such a program would permit relocation to proceed in a more orderly and humane fashion, and would be more nearly in keeping with the capacity of our cities to plan for slum clearance and redevelopment.

Finally, if the replacement job is scheduled over a 20-year period, the annual volume of new building for replacement will be stabilized over a 30-year period. For by 1975, when the job of replacing our 1950 substandard homes is completed, we will have to continue replacement construction at the rate of 500,000 units per year merely to replace dwellings then becoming 70 years old. Indeed, a step-up of replacement construction to a level of over 600,000 units per year would be necessary to cover the 1950–70 backlog of deteriorated dwellings during the succeeding 20 years.

Mr. President, I am no detractor of private enterprise. I believe that private enterprise has made this country great. But I am also convinced that it is the duty of a democratic government to come to the relief of those who cannot get the necessities of life without such relief.

Health, food, clothing, and shelter are such necessities. The necessity for shelter is not met by slums and broken-down shacks.

If our experience had indicated that anything short of public housing could meet the needs of low-income groups, I would be the first to advocate such an alternative. But no amount of planning, loaning, insuring, or other forms of aid to private construction can achieve decent housing for the groups now eligible for public-housing benefits.

Those who oppose public housing often fail to point out that in major respects it is not Federal housing at all. The States and localities plan, float loans for, operate, and own our so-called public housing. The Federal Government helps finance the original cost, but the Federal grant is repaid as far as possible by project income.

Thus far, I have referred to the housing needs of our low-income persons and families. But there are considerations of even greater import than the mere sheltering of these millions of our people. Foremost among these reasons are the social effects of slum conditions—of overcrowded, unsanitary, unsightly, blighted urban areas. These effects are immeasurable. But we know that crime, juvenile delinquency, broken homes, and broken lives are the daily harvest we reap from our slums.

I wish all my colleagues could see at first hand what inadequate housing means. Those who have not been subjected to these experiences cannot understand them. For the last 55 years I have had that experience in the great city of New York. The crowding, the dirt, the heat, the noise, and all the other factors destructive of an individual's self-respect are created and nurtured in our slums.

And one of the greatest tragedies is that these conditions have their greatest impact on our children and on our aged people. The impact on children is obvious. Less obvious but even more dramatic is the effect of poor housing on our aged people who have passed their productive years when they contributed to the great growth of this Nation. They are among those hardest hit by our 10 million substandard housing units. They are among those least able to pay the price of adequate housing.

In 1949 Congress authorized a 6-year public-housing program for the construction of 810,000 units. That bill was sponsored by our own colleague, the Senator from Louisiana [Mr. ELLENDER], the late Senator Robert F. Wagner, and the late Senator Robert A. Taft. All those men were consistent, constant supporters of public housing. I wish to give myself the pleasure of saying that I know the great contribution which the Senator from Louisiana made to the housing program of this country over a period of 7 years. I have always been deeply grateful to him, as I am today.

That program, adopted in 1949, provided for an average of 135,000 units every year. That is less than the late Senator Robert Taft urged, with his formula of one-tenth of total construction. Under the Taft formula we should today be building 140,000 public units a year.

In the face of the demonstrated need for such a public-housing program, the administration proposes to continue the restrictive 1954 Housing Act provisions. These authorize 35,000 units per year for 2 years and tie up this meager dole with restrictions the effect of which has been to kill the program entirely. Last year when these restrictions were put into the act I said I could not vote for a phony public-housing program. I stated that the authorization of 35,000 units, together with the set of restrictions voted into the 1954 act, made the public-housing program into a cruel joke.

I would go further today than I did a year ago. I have checked with the Public Housing Administration, and as of yesterday the number of units put under contract under last year's authorization—which authorization is due to expire this month—is a grand total of 585 units. Can anyone claim that with 10 million occupied substandard housing units and a growing deterioration rate, a public-housing program for low-income earners of 585 units a year is worthy of the name "public-housing program"?

The administration's recommendations do nothing more than fiddle with the fringes of last year's act. They would leave at 35,000 the maximum authorized units per year.

Mayor Clark, of Philadelphia, testified during the hearings:

> We have 70,000 substandard units in Philadelphia alone, which we would like to replace with public housing, and yet there are only 35,000 units a year for the entire country.

I say to the administration that their public-housing proposals are a fraud. Thirty-five thousand units are not even the skeleton of an adequate public-housing program.

At the conclusion of the housing subcommittee hearings, it was perfectly clear from the testimony that nothing less than 135,000 units a year—the figure voted in the 1949 act, would begin to meet our public-housing needs. I, therefore, introduced on May 23 of this year a bill which would establish 135,000 units as a maximum annual limit for our public housing. The committee has adopted this figure in the bill before us today. They have returned to the 1949 act to revive the authorized units under that act which have never been put under contract. It is my understanding from the Public Housing Authority that about 400,000 units could be built under that act, within the $336 million limit on total annual contributions for housing under the 1949 act.

The pending bill, the committee bill, also makes provision for including elderly single persons, heretofore excluded, and elderly couples, in our public-housing program.

No one could claim that the 10,000 units per year authorized for this purpose is sufficient to meet the tremendous

UNIVERSITY OF MICHIGAN LI

need among our elderly single and married persons for adequate housing within their means. But this is a new approach in public housing not heretofore attempted, and it would be well to see how the program works before putting it on the large scale that would be commensurate with the demand for this type of public housing.

The committee bill removes the restrictions on public housing that hamstrung the 1954 program because of unworkable ties with slum clearance and urban redevelopment. These ties have prevented the initiation of even the minimal 35,000 units authorized. As I stated on the floor at the time I introduced my bill, if we are to have public housing it must be on its own merits, not as a stepchild of urban redevelopment.

For example, in some areas public housing meets the total redevelopment need. Also, many deserving persons need public housing though they have not been displaced by a slum clearance or redevelopment project.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. ELLENDER. Mr. President, I yield 5 additional minutes to the Senator from New York.

Mr. LEHMAN. Testimony of a number of witnesses before us indicates that tieing the public-housing program to slum clearance has resulted in a vicious circle wherein communities cannot clear slums until they get public housing but they cannot get public housing approval until they have a going, workable slum clearance project.

The intolerable situation must be ended and the committee bill will end it by putting the public-housing program back on its own merits.

This bill, as reported, is a fairly good bill. It makes many changes and additions to our present housing laws which will improve the housing picture. Improved housing programs for the military, for our colleges, for rural communities and other groups and areas are included. But I am impressed with the fact that the group which most needs Federal aid—the low-income group—has consistently had the least real support from the Federal Government. These are the people who must come first because if we do not help them to get decent housing they can turn nowhere else for it.

Decent housing is not a privilege. It is the right of every citizen of the United States. The committee bill, in its public housing provisions, would move in the direction of implementing that right. I strongly urge every one of my colleagues to vote for the bill as it was reported.

Mr. President, we hear a great deal about the housing which has been provided by the Federal Housing Administration. It is almost exclusively housing for the middle-income group or the wealthy. In Washington there is a very beautiful apartment house called the Woodner. It is a fine apartment house. I am not critical of either the Federal Housing Administration or the owners of the apartment house. But that is the type of housing for a man of large means; and no one but a person of large means could afford to live there.

That type of housing will not help the little fellow with a small income, who needs decent housing. That is the man I wish to protect. I believe that is the man whom most of my colleagues in the Senate wish to protect.

I strongly urge that the amendment of the Senator from Indiana be defeated.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. LANGER. I wish to compliment the distinguished Senator from New York for the very fine speech he has made. His record shows that time and time again, when even though the interests of his own State were not involved, he voted in favor of projects for the great Northwest, such as reclamation projects, reforestation projects, and other projects accruing to the advantage of that area. I want to assure him that he can count on the Northwest to help him in bringing about needed changes in the housing conditions in New York City and in other large cities of the country.

Mr. LEHMAN. I wish to express my deep appreciation to the Senator from North Dakota. I am very grateful to him.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the distinguished Senator from Illinois.

Mr. DOUGLAS. Mr. President, it might be well to review a little history on the question of public housing. In 1949, as it has been stated, the Senate approved a bill which called for the construction of 810,000 units over the course of 6 years, or an average of 135,000 units a year, with a sliding scale, which the Senator from Vermont added, to speed up construction in periods of economic depression and to slow down construction in periods of high construction activities.

The bill was in large part a bipartisan bill. On the Democratic side we were led by our dear friend, the late Senator Maybank, of South Carolina, by the Senator from Louisiana [Mr. ELLENDER], and by the Senator from Alabama [Mr. SPARKMAN]. All three Senators were invaluable in working for the passage of the bill.

On the Republican side, the late Senator Taft threw his full strength behind the measure. He was assisted by many other Republicans, including the very able and distinguished junior Senator from Vermont [Mr. FLANDERS].

Under that act, with all the difficulties it experienced, and about which I shall speak in a moment, approximately 250,000 units have been constructed, leaving 560,000 units, which we thought in 1949 should have been constructed, unbuilt and unconstructed.

The Senator from Indiana [Mr. CAPEHART] has made a great point of the fact that since we have built housing at the rate of only about 50,000 units a year, we should not authorize more than 35,000 units in the years immediately ahead.

Let us see what is behind the failure to live up to the program of an average of 135,000 units a year and why, instead, we have built at a much lower rate.

In the first place, cities were late in submitting their plans in 1949, because a great deal of paper work was required. Just as they were getting their plans ready for submission, the Korean war broke out in 1950. As a result of the need to turn out munitions and other war supplies, the President—and he was a Democratic President—asked that the program be reduced to 75,000 units a year.

Even that program ran into trouble, not so much in the Senate, but in the Committee on Appropriations of the House. I must say that there were some on the Democratic side of the House Committee on Appropriations who did their best to whittle down the program. But most of the opposition came from the other political party.

However, in 1953 the forces in the House opposed to this program became especially strong, in large part due to the election of 1952, and, as a result, the funds were greatly curtailed. Last year, as the Senator from New York [Mr. LEHMAN] has pointed out, further restrictions were imposed on the construction of public housing, which virtually has made it impossible to construct any public housing at all.

As the Senator from New York has pointed out, only 540 units have been authorized under the 1954–55 program. In other words, this program has always been treated as a stepchild, and by successive steps we have eroded and cut into the original design of Congress in 1949.

Now the Senator from Indiana is asking us to compound the sin by reducing construction in future years to the low level accomplishments of the past years.

Why is it that we need this housing? We need it primarily in the cities, although the bill also provides for the elimination of rural slums. The cities of this country are in a very serious situation. Anyone who walks into any city of any size in this country, away from the central business district into the surrounding residential area, will find in nearly every case a slum—streets without trees, houses that are many years old and in disrepair, and children growing up under circumstances that are very difficult.

These slums are constantly growing and constantly increasing. In my own city of Chicago, for instance, we have many square miles of what can only be described as slum area. This slum area, like a cancer, is eating through the community at quite a rapid rate. Other cities are in an equally bad situation.

Moreover, the cities suffer from the fact that the people who are moving into the suburbs are not only people in the upper-middle class, but in some cases in the middle-middle class, and in some cases even in the lower-middle class. Thus cities are being left with low income families and reduced revenue capacity. They are the low income families who do not have the means to take advantage of the other housing facilities which are offered under FHA.

I have always voted to support FHA. It has done a slendid work, and it has now become the backbone of the building industry in this country. However, FHA

is building homes for the middle and upper-middle classes. It does not get down to the low income groups of under $2,500 a year and under $3,000 or under $3,500 annual incomes. Those are the people who are really suffering. In particular, it is the children who are suffering.

Six years ago, in what I believe was almost my maiden speech in the Senate, I assembled evidence to show what slums did to human beings. I showed, for instance, that the death date in the slums was very much above the average of the community; that the sickness rate, particularly from tuberculosis and other diseases, was very much greater than the average for the whole community. I showed that the fire rate was high, that the crime rate was high, and that the juvenile delinquency rate was high. After all, juvenile delinquency is just a fancy name for kids getting into trouble.

What happens does not happen because people who live in the slums are bad people. That is not it at all. It is because the conditions of life are such as to make it very difficult for families to live happily and to have their kids develop properly.

In the city of Chicago, for instance, in the region which has been a slum area for almost 70 years, one nationality after another has lived in the slums. Successively, each has had a high juvenile-delinquency rate and a high crime rate. Then as each nationality group has prospered and moved into the suburbs or other residential areas, the result has been that the same children who got into trouble in the slums did not get into trouble, but developed extremely well underneath the maples.

Another nationality would come into the slums and go through exactly the same experience. As it prospered, it moved out. It went through the same experience. In that way at least five sets of nationalities have moved into the west and southwest and northwest sides of Chicago. The conclusion is that in the slums conditions are such as to make it extremely difficult for kids to grow up and live happy, harmonious, and decent lives.

I think it is extraordinary that the families in those regions do as well as they do, with all the obstacles against them, and with all the difficulties against them. They make, in a very large proportion of cases, a splendid record.

The most-decorated soldier of World War II, Audie Murphy, grew up in the slums of Pittsburgh, one of the worst slums in the country. From a material standpoint, he did not owe this country anything, but this country owed him a great deal.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The time of the Senator from Illinois has expired.

Mr. ELLENDER. Mr. President, I yield 3 more minutes to the Senator from Illinois.

Mr. DOUGLAS. All credit to men like that and all credit to families like that. Most children growing up under those conditions swim against the tide. The cities are in trouble. Their financial base is shrinking. The slums are expanding. We are in a worse condition than we were in 1949. We have lost ground. The cities need help. They are generally under-represented in the State legislatures. They lack home rule. They need Federal assistance. The cities also tend to be underrepresented in the House and, in the main, in the Senate. The people for whom we are speaking on the floor of the Senate this afternoon are the low-income people. They are inarticulate. It is difficult for them to voice their needs. We provide aid and assistance to virtually every other group and generally most lavishly to those who need it far less. We provide assistance to private builders, real-estate groups, to airlines, to shipbuilders and operators—subsidies galore to those who do not need them, but none, or little, to those who most need assistance.

Mr. President, this is the noblest country on earth, but we have two great blots upon us: One is our treatment of the Negro and the other is the slums in our cities.

I did not serve on the European front in the last war, but I saw some of the photographs which the Germans distributed amongst our troops on the western front. They were photographs of slums in American cities. They were distributed amongst regiments and divisions which came from those same areas. Fortunately, the fighting capacity of our forces was not diminished.

The PRESIDING OFFICER. The time of the Senator from Illinois has again expired.

Mr. JOHNSON of Texas. Mr. President, I yield 2 more minutes to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, we all want a nobler country, a better country. One of the things we must do is to cut out the cancer of the slums and to provide decent housing which will mean better family life, happier children, and better communities.

So I hope, Mr. President, that the Senate will reject the amendment of the Senator from Indiana and return to the bipartisan program of the Senator from Louisiana [Mr. ELLENDER], the late Senators Maybank and Taft, and the Senator from Vermont [Mr. FLANDERS].

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. The Senator will recall that he and I had a little colloquy with reference to housing.

Mr. DOUGLAS. That is correct.

Mr. SALTONSTALL. I stated that certain figures applied were to the calendar year 1953. I should like to correct that and say that what figures I gave applied to the calendar year 1952 or were for the fiscal year 1953.

Mr. DOUGLAS. I am very glad to hear the Senator say that. I wish to pay tribute to the Senator by saying that in the Appropriations Committee he resisted severe restrictions. But conditions became worse in the calendar year 1953. Bad as they were in 1952, they became worse in 1953.

Mr. SALTONSTALL. That was not due to Senate action.

Mr. DOUGLAS. It was not due to Senate action, and it was not due to the Senator from Massachusetts.

Mr. President, I yield the floor.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Vermont [Mr. FLANDERS] 5 minutes.

Mr. FLANDERS. Mr. President, I should like, first, to invite attention to the fact that the figures mentioned are maximum figures. The 135,000-unit figure is the maximum, but if, under the terms of the act of 1949 and of the amendment which was accepted an hour or two ago, in times of depression 135,000 units are added to the 65,000 units, making 200,000 units, that is a maximum figure. If, on the other hand, times are booming and it is difficult to get materials and workers, and the 135,000 units are decreased by 85,000, then we have left a maximum of 50,000.

Remembering that these are maximum figures, I would invite attention to the fact that it is within the control of the President of the United States to keep within the maximum, and that he is able to do exactly what the Senator from Indiana says he desires to do in the way of limiting the number of public housing units. In the pending bill there is no compulsion on him to do more than he asked to be given authority to do in his message to the Congress.

The next thing to which I wish to invite attention is the very great desirability of furnishing a flexible means of counteracting conditions in periods of boom and periods of depression. We talk a great deal about counteracting conditions incident to booms and to depressions, but we do almost nothing about it. In this bill, for the first time, there is built into it a countervailing means for mitigating depressions and for controlling booms.

Mr. President, in conclusion, I wish to say that one of the highest points of my life was my working with and under the late Senator Taft in drawing up the act of 1949, in the Banking and Currency Committee, and in assisting him and supporting him on the floor of the Senate. I look back upon that time as one of the periods of my life of which I am proudest. I am again proud today to be able to support that measure and to carry forward for another period the remarkable and effective and public-spirited proposals which the late Senator Taft advanced in this body 6 years ago.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time taken thereby being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNIVERSITY OF MICHIGAN LI

POSTAL FIELD SERVICE COMPENSATION ACT OF 1955

Mr. JOHNSON of Texas. Mr. President, the House has adopted certain amendments to the postal pay bill which passed the Senate on June 1. It is my understanding that the chairman and the ranking minority member of the Committee on Post Office and Civil Service wish to make a brief explanation of the amendments, in the hope that the Senate may concur in them and then send the bill to the White House.

Therefore, I ask unanimous consent that the chairman and the ranking minority member of the Committee on Post Office and Civil Service may have not to exceed 20 minutes, to be equally divided, for the purpose of explaining the amendments, without the time being charged to either side in the debate on the housing bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. SCOTT in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, which were, on page 13, line 17, after "Makes", insert: "occasional"; on page 15, line 22, strike out: "(11) Positions.—City or Special Carrier—Level 4" and insert: "(11) Position.—City or Special Carrier or Special-Delivery Messenger—Level 4"; on page 18, line 3, after "carriers" insert: "and special-delivery messengers"; on page 105, strike out lines 16 and 17, inclusive, and insert: "Special Delivery Equipment Maintenance Allowance", and on page 105, line 19, strike out "special-delivery carriers" and insert: "special-delivery carriers and special-delivery messengers."

Mr. JOHNSTON of South Carolina. Mr. President, S. 2061, the postal pay bill just returned by the House is substantially the same proposal as was approved by the Senate on June 1 by a vote of 78 to 0.

Two minor amendments were added by the House committee and subsequently accepted and approved in the House by an overwhelming vote of 407 to 1 just a few minutes ago.

They accepted without adjustment the Senate's pay schedules. Both changes relate to job descriptions.

One amendment makes a slight modification of the job description for mail handlers. It was the view of the House committee that the simple distribution of parcel post packages by mail handlers is an incidental or occasional duty, rather than a primary function. In the interest of expediting the legislation, I do not think the Senate should object to this amendment.

The second change adds certain language to the job title of city or special carrier.

In S. 2061, as passed by the Senate, key postion No. 11 was titled "City or Special Carrier—Level 4." The bill as it comes back to the Senate changes this title to read, "City or Special Carrier or Special Delivery Messenger—Level 4."

It is my considered opinion that this change, unwittingly perhaps, results in redundancy. In consolidating the job titles for city delivery and special delivery carriers, the Senate committee was simply accommodating the administration's request for "equal pay for equal work."

Congress was assured by the Post Office Department that the duties of city carriers and special carriers were practically identical. As a matter of fact, the printed hearings quote Assistant Postmaster General Eugene J. Lyons as stating:

> You will note that this does result in a sizable adjustment for special-delivery messengers, who currently are paid below both clerks and carriers. The reason for that is that their duties—

Referring to special-delivery employees—

> in delivering the mail are so identical with those of some carriers that we could find no difference in the work and no justification to maintain a differential.

With this explicit assurance from the Department, I can see no reason at all for differentiating between the titles for city carriers and special carriers.

During the hearings on this legislation, testimony developed the fact that a considerable amount of mail for which the special-delivery fee is paid is delivered by city carriers, particularly those serving business routes.

The committee was also advised that 100 percent of the special-delivery mail in the New York City post office is delivered by the regular delivery carrier. In other words, there are no special-delivery messengers in the Manhattan post office. Apparently it has been determined that this particular service can be furnished more economically by the use of city carriers and regular substitute employees.

All this leads me to the conclusion that the Senate acted very wisely in writing into the bill a provision which gives Congress the right to review Mr. Summerfield's reclassification actions.

Mr. President, I shall not insist on the retention of the Senate language in S. 2061. To do so would only result in further delay. As it is, postal employees have been patiently waiting many months for the pay increase contained in the bill. They have witnessed two Presidential vetoes of bills Congress sent to the White House. I earnestly hope this bill in its present form will be approved by the Senate and signed by the President.

Mr. President, I move that the Senate concur in the amendments of the House.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. I desire to compliment the Senator from South Carolina for his promptness in getting the bill before the Senate and for the energetic way in which he has made certain that the Senate may have an early vote on the matter.

The bill may not be perfect so far as the clerks and messengers are concerned; nevertheless, it is the best bill, apparently, that can be had, in view of the two White House vetoes which Congress already has received.

I think the Senator from South Carolina has done a magnificent job as chairman of the committee, and I join with him in the hope that the bill may be passed unanimously.

Mr. JOHNSTON of South Carolina. I thank the Senator from North Dakota for his complimentary remarks. Throughout the consideration of the bill, we have benefited by his earnest efforts. At all times he was fighting for what he considered to be the best interests of the postal employees.

I thank the Senator for his remarks.

Mr. President, I shall not take any further time of the Senate, but shall answer any questions any Member may desire to ask.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from West Virgina.

Mr. NEELY. In view of the fact that the President's salary and allowances amount to $190,000 a year—more than fifty times as much as the postal clerks and letter carriers would receive if the increase under consideration is granted—does the distinguished Senator from South Carolina believe that the President will veto to death the pending bill, as he did two other postal pay-raising bills recently passed by the Congress?

Mr. JOHNSTON of South Carolina. I believe the President will sign the bill. From all reports I have received, I think the President will sign the bill.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Alabama.

Mr. SPARKMAN. I wonder if the distinguished chairman of the committee can tell us about how much difference there is between the pay which a postal employee will receive under this bill as contrasted to what he would have received if the bill which the President vetoed had been enacted into law.

Mr. JOHNSTON of South Carolina. I estimate the difference to be about 4 cents a day, on an average.

Mr. SPARKMAN. Four cents a day?

Mr. JOHNSTON of South Carolina. There is a difference of about three-tenths of 1 percent between the salaries provided for in this bill and the bill which the President vetoed.

Mr. SPARKMAN. If the only difference is three-tenths of 1 percent, does the Senator entertain the belief that this bill will clear the White House hurdle?

Mr. JOHNSTON of South Carolina. From all reports I have received, I think the President will sign the bill. I hope he will.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Vermont.

Mr. AIKEN. Is the Senator from South Carolina of the opinion that the bill which is now before the Senate puts the rural carriers on an equitable basis with other postal employees?

Mr. JOHNSTON of South Carolina. I think it does. I believe the Senator

from Kansas [Mr. CARLSON] will agree that it does. The bill treats them much better than they have been treated heretofore.

Mr. CARLSON. Mr. President——

The PRESIDING OFFICER. The Senator from Kansas.

Mr. CARLSON. Mr. President, I yield myself 5 minutes.

Concurrence by the Senate in the amendments of the House will be the culmination of 2 years of work on the part of Congress in trying to secure a pay increase for the postal workers.

I wish to pay tribute to the chairman of the committee and the other members of the Committee on Post Office and Civil Service for their untiring efforts in working out a pay increase bill under sometimes rather trying and difficult conditions.

We also owe a debt of gratitude to the Post Office Department for the assistance they gave in furnishing information and suggesting pertinent and appropriate language.

Then, too, we owe a sincere debt of gratitude to the heads of the postal employees' organizations. They were very helpful. I say very frankly, that there were times of difficulty and confusion in the committee because of the differences of ideas, but the fruits and much of the progress of our democracy have developed from the clash of ideas in fair debate. The bill which is now before the Senate is the result of the cooperative efforts of various groups exercising their constitutional rights and privileges.

I hope the motion to concur in the House amendments, which have been discussed by the chairman of the committee, will be unanimously agreed to.

I called attention to the amendment dealing with the special delivery messengers, when it was before the Senate. I felt that a situation was created which should be clarified, and it has been clarified.

It has been mentioned that there is not much difference in the amount of money involved in this bill as compared with the bill which was vetoed. The fact is that there is a difference of but $14 million. The President did not veto the previous bill because of the cost feature, but, as he stated very frankly, because there were serious inequities in it. Those inequities have been corrected, and from that standpoint I believe every Member of the Senate and the House who votes for the postal-pay bill will be in a better position with his constituents at home.

The action taken today will assure the classified employees that a pay increase will be accorded them at a very early date. The pay increase will be retroactive to March 1 of this year. That will mean that 1½ million Federal classified workers will receive a lump sum of $125 million in retroactive pay on the 1st day of July. The 105,000 postal workers will receive retroactive pay on July 1 in a lump sum of $40 million. I think the administration should be commended for their fairness and support of the retroactive clause, which will protect the employees against loss of pay during the legislative process.

The Senate has already passed a bill increasing the pay of classified employees, and it is now before the House of Representatives. I sincerely hope early action will be taken on the bill, in order that this group of Federal employees may get the benefit of a pay increase, which I believe they desire and to which I feel they are entitled.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. CASE of South Dakota. I was particularly interested in what the very able Senator from Kansas has said relative to the elimination of inequities and discriminations. It was my understanding that that was the basis of the President's veto of the earlier bill. At that time we had his assurance, or the understanding, that if that situation were clarified and the discriminations were eliminated, he would look with favor upon such a bill. That is why I voted to sustain the veto.

I wish to address a question to the Senator from Kansas. In his judgment, and based upon his experience in working on this kind of legislation over a period of years, is he satisfied that this bill will provide an equitable classification base for the postal service employees for some time to come?

Mr. CARLSON. It is my personal feeling that the classification base which has been written into the bill will work out satisfactorily. More than that, the members of the Committee on Post Office and Civil Service wrote into the bill a provision under which the committee will have an opportunity to check into the matter in case inequities develop in the reclassification procedures.

Mr. CASE of South Dakota. How will the matter come before the committee?

The PRESIDING OFFICER. The time of the Senator from Kansas has expired.

Mr. CARLSON. Mr. President, I yield myself 2 additional minutes.

Mr. CASE of South Dakota. Will the matter come before the committee periodically or upon request?

Mr. CARLSON. Section 205 of the bill requires the Postmaster General to transmit to Congress on or before January 15, 1956, a comprehensive report of operations under the reclassification plan, and any other information which the Senate or House Post Office and Civil Service Committees request. Moreover, any postal worker who believes he is being discriminated against because of reclassification has a right to appeal through his Senator or Representative, and I assure the Senator every consideration will be given to him.

Mr. CASE of South Dakota. I wish to assure the Senator from Kansas and all the other members of the committee that they are entitled to our appreciation for working on the problem until there has been brought before the Senate a sound, equitable, and basic piece of postal pay legislation. I certainly shall follow their leadership in voting to concur in the House amendments.

Mr. CARLSON. Mr. President, I am prepared to yield back the remainder of my time, unless there is a request for further time.

Mr. JOHNSON of Texas. Mr. President, I yield 1 additional minute to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, as I see it, the bill with the two minor amendments adopted by the House and sent to the Senate is an excellent one. I do not believe it is necessary to explain the bill any further. I wish to expedite it and have it voted on as quickly as possible.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina [Mr. JOHNSTON] that the Senate concur in the amendments of the House.

The motion was agreed to.

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT, RELATING TO AUTHORITY FOR CERTAIN LOANS

Mr. JOHNSON of Texas. Mr. President, I ask the Chair to lay before the Senate the amendment of the House to Senate bill 654 in order that the distinguished Senator from Alabama [Mr. SPARKMAN] may move that the Senate concur in the House amendment with an amendment. I ask unanimous consent that the Senator from Alabama may have not to exceed 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 654) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes, which was, to strike out all after the enacting clause and insert:

That section 512 of the Servicemen's Readjustment Act of 1944 (38 U. S. C., sec. 694l) is hereby amended to read as follows:

"SEC. 512. (a) (1) Upon application by a veteran eligible for the benefits of this title, the Administrator is authorized and directed to make, or enter into a commitment to make, the veteran a loan for any of the following purposes:

"(A) To purchase or construct a dwelling to be owned and occupied by him as a home;

"(B) To purchase a farm on which there is a farm residence to be occupied by the veteran as his home;

"(C) To construct on land owned by the veteran a farm residence to be occupied by him as his home; or

"(D) To repair, alter, or improve a farm residence or other dwelling owned by the veteran and occupied by him as his home;

if the Administrator finds that in the area in which the dwelling, farm, or farm residence is located or is to be constructed, private capital is not available for the financing of the purchase or construction of dwellings, the purchase of farms with farm residences, or the construction, repair, alteration, or improvement of farm residences or other dwellings, as the case may be, by veterans under this title. In case there is an indebtedness which is secured by a lien against land owned by the veteran, the proceeds of a loan made under this section for the construction of a dwelling or farm residence on such land may be expended also

UNIVERSITY OF MICHIGAN LI

to liquidate such lien, but only if the reasonable value of the land is equal to or in excess of the amount of the lien.

"(2) No loan shall be made under this section to a veteran unless he shows to the satisfaction of the Administrator—

"(A) that he is a satisfactory credit risk;

"(B) that the payments to be required under the proposed loan bear a proper relation to the veteran's present and anticipated income and expenses;

"(C) that he is unable to obtain from private lending sources in such area at an interest rate not in excess of the rate authorized for guaranteed home loans a loan for such purpose for which he is qualified under section 501 of this title; and

"(D) that he is unable to obtain a loan for such purpose from the Secretary of Agriculture under the Bankhead-Jones Farm Tenant Act, as amended, or under the Housing Act of 1949."

SEC. 2. (a) Subsection (b) of such section is hereby amended by striking out clauses (A) and (B) and inserting in lieu thereof the following:

"(A) the original principal amount of any such loan shall not exceed an amount which bears the same ratio to $10,000 as the amount of guaranty to which the veteran is entitled under section 501 at the time the loan is made bears to $7,500;

"(B) the guaranty entitlement of the veteran shall be charged with an amount which bears the same ratio to $7,500 as the amount of the loan bears to $10,000;".

(b) The amendments made by this section shall not apply with respect to loans or commitments made under such section 512 prior to the date of enactment of this section.

SEC. 3. Subsection (d) of such section is hereby amended by striking out "section 501 (b)" and inserting in lieu thereof "section 501."

SEC. 4. (a) Subsection (e) of such section is hereby amended to read as follows:

"(e) Loans made under this section shall be repaid in monthly installments; except that in the case of loans made for any of the purposes described in clause (B), (C), or (D) of paragraph (1) of subsection (a), the Administrator may provide that such loans shall be repaid in quarterly, semiannual, or annual installments."

(b) The amendment made by this section shall apply only with respect to direct loans held by the Administrator on the date of enactment of this act and direct loans made by the Administrator on or after such date.

SEC. 5. Such section is hereby further amended by adding at the end thereof the following:

"(f) No veteran may obtain loans under this section aggregating more than $10,000."

SEC. 6. (a) Clause (C) of subsection (b) of such section is hereby amended by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1956."

(b) Subsection (a) of section 513 of such act is hereby amended by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1956."

(c) Subsection (c) of such section 513 is hereby amended by striking out "June 30, 1956" and inserting in lieu thereof "June 30, 1957."

(d) The first sentence of subsection (d) of such section 513 is hereby amended by striking out all beginning with "June 30, 1955" and inserting in lieu thereof "June 30, 1956, such additional sums (not in excess of $150,000,000 in any one fiscal year) as the Administrator may request, except that the aggregate so advanced in any one quarter annual period shall not exceed the sum of $50,000,000 less that amount which had been returned to the revolving fund during the preceding quarter annual period from the sale of loans pursuant to section 512 (d) of this title."

(e) The amendments made by this section shall take effect as of June 30, 1955.

Mr. KNOWLAND. Mr. President, are we going to have an explanation by the distinguished Senator from Alabama?

The PRESIDING OFFICER. The Senator from Alabama has 5 minutes.

Mr. SPARKMAN. Mr. President, the House of Representatives has passed Senate bill 654 with 3 changes, as follows:

First. The House added a formula whereby veterans who have used part but not all of their benefit under the loan-guaranty program of the VA can receive the benefit of the direct-loan program to the extent of the unused portion of the guaranty benefit. For example, if a veteran has used only one-half of his guaranty entitlement, he would be eligible for up to one-half of the direct-loan entitlement.

Second. S. 654, as passed by the Senate, provided up to $200 million in additional direct-loan funds and the House changed this amount to $150 million.

Third. S. 654, as passed by the Senate, extended the direct-loan program for 2 years and the House changed this to a 1-year extension.

Mr. President, I recommend that the Senate accept the House changes except for the 1-year extension. I propose to amend the House language in order to extend the program for 2 years. I am advised that this will be acceptable to the House. Consequently, I send to the desk an amendment to accomplish this purpose, and also a technical amendment, and ask that they be adopted.

The PRESIDING OFFICER. The amendments offered by the Senator from Alabama to the amendment of the House will be stated.

The legislative clerk read as follows: On page 4, line 19, strike out the date "June 30, 1956" and insert in lieu thereof the date "June 30, 1957"; on page 4, line 22, strike out the date "June 30, 1956" and insert in lieu thereof the date "June 30, 1957"; on page 4, line 25, strike out the date "June 30, 1957" and insert in lieu thereof the date "June 30, 1958"; on page 5, lines 3 and 4, strike out the date "June 30, 1956" and insert in lieu thereof the date "June 30, 1957"; and on page 1, line 2, after the word "That", insert "subsection (a) of."

Mr. SPARKMAN. The last amendment is a technical one suggested by the House committee staff. It is language inadvertently omitted by the staff when they prepared the engrossed bill.

I move that the Senate agree to these amendments to the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama.

The amendments were agreed to.

Mr. SPARKMAN. I move that the Senate concur in the House amendment as amended.

The motion was agreed to.

HOUSING ACT OF 1955

The Senate resumed the consideration of the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART].

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. How much time remains to each side?

The PRESIDING OFFICER. The Senator from Indiana has 35 minutes remaining, and the Senator from Texas has 20 minutes remaining.

Mr. JOHNSON of Texas. Mr. President, I yield 15 minutes to the distinguished junior Senator from Alabama [Mr. SPARKMAN].

The PRESIDING OFFICER. The Senator from Alabama is recognized for 15 minutes.

Mr. SPARKMAN. Mr. President, I feel grateful to the committee as a whole, and also to the subcommittee, for the very excellent work done in the preparation of this bill. That statement applies to the provision now under attack, namely, the one relating to what I often think of as being miscalled public housing. I think the committee did an excellent job when it sought to return to the 1949 act.

I believe that no measure ever received more careful consideration and more thorough study than did the Housing Act of 1949, and I refer particularly to the public housing section of that act.

I do not know where the idea of what we call public housing originated. I know that in 1935 and 1937 acts were passed which provided for a certain amount of so-called public housing; but we never had a program which went to the extent provided by the 1949 program, until that act became law.

By the way, Mr. President, it was in that act that Congress for the first time adopted a housing policy. Sometimes I think we lose sight of the policy Congress then adopted. I am sorry I do not have before me the full policy statement so that I could read it; but I recall that it held out the hope—even though it was recognized as probably being far in the future—that the time might come when every person in the United States would have a reasonable opportunity to live in a decent home, amid decent surroundings. All of that was the outgrowth of the study which was made in connection with this program.

Mr. President, I pay my respects to our very able and distinguished colleague, the senior Senator from Louisiana [Mr. ELLENDER]. He was one of the trio who spearheaded the fight which led to the adoption of the public housing program. That trio was composed of the senior Senator from Louisiana [Mr. ELLENDER], the late Senator Wagner, of New York; and the late and very able and distinguished Republican Senator from Ohio, Robert Taft.

I became a member of the Banking and Currency Committee in January of 1947; and in my first year of service in the Senate and on that committee I became a member of the housing subcommittee. I remember the testimony of

the Senator from Louisiana and the testimony of the late Senator Taft, of Ohio. I remember how they related the various studies which had been made.

I shall always remember how the late Senator Taft, in estimating the number of new units required each year in order to keep the housing program going steadily and normally, reached an estimate that 10 percent of the total number of housing units ought to be in the form of public housing.

Many persons think of public housing as belonging to the Federal Government. The Federal Government does not own any of the so-called public housing. It is owned by the various cities of the country. It is financed by the cities. The bond issues are made by the cities, and not by the Federal Government.

The participation of the Federal Government is in the form of contracts with the individual cities. When I speak of the city, of course I mean the housing authority established by the city. The contract runs from the Federal Government to the local housing authority or to the city. The contract is to the effect that the Federal Government will underwrite the difference between the rent which the needy family living in the particular project is able to pay and the rent which the particular unit needs in order to be an economically operated unit. The maximum limitation fixed for the Federal Government's participation was 4½ percent of the total cost of the project. Figuring on the basis of 4½ percent each year, we know what the so-called maximum contribution may be expected to be. The maximum contribution in every year has been far beyond the amount actually used.

The amount used during the present fiscal year will be $67,800,000. That is the Federal Government's participation in all the contracts which have been made to date for this particular fiscal year. I do not know what the maximum estimate made for this fiscal year was, but probably it was about $110 million.

Public housing fills a very definite need. I believe its origin represented a recognition on the part of the people of the United States, the municipalities, and Members of Congress, that housing was a necessity of life, to as great an extent as medicine, clothing, and food. Cities have always had a certain degree of responsibility for the administration of relief to needy persons. Not so many years ago there was considerable agitation throughout the country in favor of establishing a fourth category under our social security law. That would have been the category of direct relief. I have often thought that perhaps public housing may have had a great effect in staving off the drive to have the Federal Government assume responsibility for taking part in direct relief.

The Capehart amendment proposes 35,000 units for each of the next 2 years.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 5 additional minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 additional minutes.

Mr. SPARKMAN. The Capehart amendment provides for 35,000 units a year. The mayor of Philadelphia, in testifying before our committee as a representative of the American Municipal Association, called attention to the fact that the city of Philadelphia alone needed 70,000 units in order to carry out the provisions of the law, that is, to provide a place for people who were pushed out of the slums, or out of houses which were removed because of parks, highways, and other improvements of various kinds.

Recently President Eisenhower stated that at the rate we are going in cleaning up the slum areas more than 200 years will be required to complete the task.

What are we to do with the people who have to move from the slums? I call attention to the fact that in the very bill we are debating today we have tried to step up the slum clearance program. Every time a slum building is torn down, there are families which must be housed. Where are they to move?

A program calling for 35,000 units a year is not realistic. If we are to have a public-housing program, it certainly ought to approach nearer to reality. I think the distinguished late Senator Taft was realistic when he estimated that 135,000 units a year were needed. That is exactly what is proposed in the bill.

Mr. JOHNSON of Texas. Mr. President, I am informed that the distinguished Senator from Connecticut [Mr. BUSH] has two amendments which he wishes to offer. He does not believe they are very controversial. He has discussed the amendments with the majority leader and with the distinguished chairman of the subcommittee. Therefore I ask unanimous consent that the Capehart amendment be temporarily laid aside, for the purpose of considering the two amendments to be offered by the Senator from Connecticut, and that, at the conclusion of consideration of the two amendments of the Senator from Connecticut, the Senate resume consideration of the Capehart amendment.

The PRESIDING OFFICER. Is there objection?

Mr. CAPEHART. Mr. President, for what reason is this request made?

Mr. JOHNSON of Texas. The Senator from Connecticut wishes to offer two amendments which he has cleared with the majority leader and with the distinguished chairman of the committee.

Mr. CAPEHART. He may have cleared the amendments, but we ought to vote on the pending amendment.

I know that the purpose of the request is so that the Senator from Minnesota [Mr. HUMPHREY] may reach the Chamber in time to vote on the other side.

Mr. JOHNSON of Texas. The Senator is well informed.

Mr. CAPEHART. I wish to get credit for going along.

Mr. JOHNSON of Texas. I appreciate the attitude of the Senator from Indiana.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I deny that the purpose of the Senator from Connecticut is to befriend the Senator from Minnesota [Mr. HUMPHREY].

Mr. BUSH. I thank the Senator from Texas very much.

Mr. JOHNSON of Texas. The Senator from Connecticut raised the question with us, and we attempted to accommodate him. What we expect from the other side of the aisle is not criticism——

Mr. CAPEHART. Mr. President——

Mr. JOHNSON of Texas. I do not yield.

We do not expect criticism when we accommodate the Senator from Connecticut. However, it is often difficult to get along with the Senator from Indiana.

Mr. CAPEHART. I merely wish to get credit for cooperating, so that the able Senator from Minnesota may reach the Chamber in time to vote.

Mr. JOHNSON of Texas. The Senator from Indiana always wishes all the credit he can get—and he gets it.

Mr. BUSH. Mr. President——

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Has the Senator from Connecticut offered his amendment?

Mr. BUSH. I am about to offer it. My amendment is at the desk. It is labeled "Coast Guard." I offer the amendment, and, if there is no objection, I shall summarize the amendment, the purpose of which is to include in the bill an authorization for 10,000 units of Coast Guard housing, in the military section of the bill. Such a provision was included in the 1954 act. The Senator from Alabama has agreed to it, and so has the Senator from Indiana. It was an oversight that the provision was not included in the pending bill. I believe the Senator from Alabama will accept the amendment.

Mr. SPARKMAN. I have no objection, provided the Senator from Indiana has no objection.

Mr. CAPEHART. It was purely an oversight that the provision was not included in the bill. The Coast Guard should have been included. We intended that it should be.

Mr. BUSH. Mr. President, I ask that the reading of the amendment be dispensed with and that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by Mr. BUSH is as follows:

On page 40, line 9, strike out "and Air Force" and insert in lieu thereof "Air Force, and Coast Guard."

On page 41, line 11, strike out "$1,350,000,000" and insert in lieu thereof "$1,485,000,000."

On page 55, line 3, insert a comma after the word "month" and add the following: "*Provided*, That, in the case of the United States Coast Guard, total payments for all housing so acquired shall not exceed $900,000 per month."

UNIVERSITY OF MICHIGAN LI

On page 59, line 3, insert "or the Coast Guard" after the words "Air Force."

On page 59, line 4, insert "or the Coast Guard" after the word "departments."

On page 59, line 20, insert "or the Coast Guard" after the word "departments."

On page 60, after line 6, insert a new section 408 as follows:

"SEC. 408. (a) Wherever the terms 'Secretary of Defense' or 'Secretary' or 'Secretary of the Army, Navy, or Air Force' appear in this title or in title VIII of the National Housing Act, as amended by the Housing Amendments of 1955, they shall be deemed to mean the Secretary of the Treasury in the case of the application of the provisions of this title or of title VIII of the National Housing Act, as amended by the Housing Amendments of 1955, for the benefit of the United States Coast Guard.

"(b) Wherever the term 'armed services' appears in this title it shall be deemed to include the United States Coast Guard."

The PRESIDING OFFICER. Do both Senators yield back the remainder of their time?

Mr. BUSH. I yield back the remainder of my time.

Mr. JOHNSON of Texas. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. BUSH].

The amendment was agreed to.

Mr. BUSH. Mr. President, I send another amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. On page 14, immediately after line 8 it is proposed to insert the following as a new subsection (g) of section 108:

Notwithstanding the provisions of any other law, the Housing and Home Finance Administrator is authorized to sell and convey all right, title, and interest of the United States (including any off-site easements) at fair market value as determined by him, in and to war housing project CONN-6028, known as Welles Village, containing 199 Lanham Act housing dwelling units on approximately 34½ acres of land in Glastonbury, Conn., to the housing authority of the town of Glastonbury, Conn., subject to the approval of the legislative body of the town of Glastonbury, for use in providing moderate rental housing. Any sale pursuant to this section shall be on such terms and conditions as the Administrator shall determine: *Provided*, That full payment to the United States shall be required within a period of not to exceed 30 years with interest on the unpaid balance at not to exceed 5 percent per annum: *Provided further*, That the provisions of this subsection shall be effective only during the period ending 12 months after the date of approval of this act.

Mr. BUSH. Mr. President, the amendment is similar to an amendment which was added to the Housing Act of 1954 with respect to the town of Wethersfield, Conn. The amendment would give the Administrator the power to sell the 199 dwelling units in Welles Village to the town of Glastonbury Housing Authority, subject to the approval of the legislative body of that town; and provided further, that it is done within a period of 12 months. The amendment, in substance, is similar to Senate bill 200.

I ask unanimous consent that a letter from the Administrator of the Housing and Home Finance Agency in regard to the bill be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., June 6, 1955.

Hon. PRESCOTT BUSH,
United States Senate,
Washington, D. C.

DEAR SENATOR BUSH: You have asked for my further suggestions in the light of comments from your constituents in Glastonbury on my letter to Senator FULBRIGHT, dated April 19, which commented on S. 200, which would authorize the sale of war housing project CONN-6028 to the Glastonbury Housing Authority for use in providing moderate rental housing.

We had suggested in that letter that a proviso be added that, at the time of sale, the Housing Authority of the Town of Glastonbury be authorized to acquire the project and to operate it for moderate rental housing. We also suggested that a cutoff date of 6 months be established so that we would be free to dispose of the project under the usual procedures after a measurable period of time. Your constituents object to the first suggestion because it might raise a question of statutory interpretation as to the existing State statutes and possible amendments thereto in relation to S. 200. They object to the time limit as not sufficient to permit consultation with all the local governmental agencies of Glastonbury involved, and because it will take considerable time for the Federal Government to get its appraisal and start negotiations.

As to the first objection, it is recognized that if the housing authority is not authorized under the laws of the State of Connecticut to purchase the project at the time of sale, no contract could be entered into between this Agency and the housing authority for conveyance of the project. It is, of course, not essential that this proviso relating to legal authorization to purchase be included in the bill. It was suggested only because of the introduction of legislation in the Connecticut Legislature which, if enacted, would prohibit this purchase by the housing authority. We would have no objection to not including our suggested proviso.

As to the objection to a definite time limit, we are still convinced that some specific limit should be inserted in the bill, otherwise the Government will be left waiting indefinitely without power to dispose of the project by the usual means. It seems to us that a period of 6 months should allow sufficient time to complete the details of any sale and allow for local determination, particularly since the legislation is being proposed and sponsored by the locality and is not an administration measure. The request for additional time and the seeming lack of definite plans for the financing of this project, coupled with the apparent objection from some local interests, is called to your attention because of the strict limitations budgetwise which have been placed on us in our appropriation and the urgent need which we have to dispose of our properties expeditiously in order to live within these limitations. We know that you will be appreciative of this problem of ours and will look fully into the possibilities of whether this legislation will unduly delay our disposition program. We can assure you that the Federal Government will have its appraisal and will be ready to negotiate within a few months after the bill is approved, and the local consultations do not have to wait for the appraisal and negotiations.

Your correspondence includes a statement by the Board of Selectmen of Glastonbury that all local groups involved in this matter have agreed that the following language be inserted after the phrase "Housing Authority of the Town of Glastonbury, Conn.":

"Subject to the approval of the Glastonbury town meeting, or the legislative body succeeding to the powers of the town meeting under a change in the form of government, and to such conditions and directives as to resale as may be imposed by said town meeting or legislative body."

This proposal gives us grave concern. We have no authority for policing a project after a sale has been consummated. The enactment of the language proposed by the local groups would charge this Agency with having to assure that any resale of the project is made in accordance with the conditions and directives of the local governing body. It is believed that this proposed amendment is one which should properly be for consideration by the State legislature and not by the Congress. There would be no objection, however, to the inclusion of a provision in the pending measure which would require approval of the sale by the local governing body. The local governing body could condition its approval in any manner it deems appropriate, if the conditions imposed would not place on the Federal Government any responsibility for their enforcement or would not adversely affect the interests of the Federal Government.

Sincerely yours,

AL COLE,
Administrator.

Mr. BUSH. Mr. President, I am prepared to yield back the remainder of my time.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. ELLENDER. Does the Senator know what the project in its entirety cost?

Mr. BUSH. I do not have the figure in mind at the present time.

Mr. ELLENDER. Does the Senator have any idea how much, percentagewise, of the entire cost the Government will obtain?

Mr. BUSH. I have no idea what the Administrator will get for it.

Mr. ELLENDER. Have any firm offers been made?

Mr. BUSH. The price will be subject to negotiation between the Administrator and the town of Glastonbury. The property must be sold at fair market value. I have no information concerning what price may be obtained for it.

Mr. ELLENDER. Are the units to be sold separately?

Mr. BUSH. No; they would be sold en bloc to the town housing authority.

Mr. ELLENDER. In other words, the mortgagor, that is, the one responsible for the debt, regardless of what the debt might be, would be the municipality.

Mr. BUSH. The Senator is correct.

Mr. ELLENDER. Or the municipal housing authority created for the purpose of purchasing the housing.

Mr. BUSH. The Senator is correct. It would be the housing authority of the town.

Mr. SPARKMAN. Mr. President, may I ask the Senator a few questions?

Mr. BUSH. I yield.

Mr. SPARKMAN. The Senator from Connecticut discussed the proposal with me and told me he had received the letter which has been printed in the RECORD. This is the first time I have seen the letter. In order that it may be

a matter of record and so as to develop the situation in the RECORD, I should like to ask a few questions. Is there involved any question of veterans preference or priorities of any kind? I have not had time to read the letter in full. That subject may be discussed in the letter.

Mr. BUSH. I believe it is the intention of the housing authority to use these houses to supply the shortage of moderate rental housing in that area. I do not believe there is anything in the transaction which would give veterans a preference, but I believe the housing authority would do so.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. CAPEHART. I discussed the subject with the Senator from Connecticut. I thought we should agree to take the amendment to conference. The details can always be worked out in conference. There is no question about the principle involved, because the Government wants to sell these houses. Certainly it wants to dispose of them. Of course, the sale should follow the usual procedure, by having them first offered to veterans, and so forth.

Mr. SPARKMAN. Mr. President, I should like to say to the able Senator from Indiana that I agree with him completely that that is the attitude we have taken in committee. However, the Senator will recall that with respect to every other project we have had before us we have always held hearings and we have made a record. There is no record on this project. It may be well to have a few remarks on it in the RECORD.

Mr. CAPEHART. I agree.

Mr. SPARKMAN. It may be that I have not fully understood the nature of the amendment.

Mr. CAPEHART. It seems to me we should take the amendment to conference, with the understanding that if there is any detail we do not understand it may be discussed and straightened out.

Mr. SPARKMAN. Of course, if the House should adopt the same language, the conferees would have no right to go into the matter further.

Mr. CAPEHART. That is correct, but I understand the House is still holding hearings on the subject.

Mr. SPARKMAN. May I ask the Senator from Connecticut if I understand correctly that the houses involved are to be sold as a bloc, not individually?

Mr. BUSH. They are to be sold by the Government en bloc to the housing authority, if that action is approved by the legislative body of the town. Disposition of the units would then be the responsibility of the town, not the Federal Government.

Mr. SPARKMAN. It would not be a question, then, of demolition. In other words, they are still usable houses. Is that correct?

Mr. BUSH. The Senator is correct. I may say the town needs these properties for moderate rental housing. I visited the development. It is a very beautiful little development. It would be used for moderate rental housing.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. DOUGLAS. Does the Senator from Connecticut understand that the Housing and Home Finance Agency has written to the chairman of the Committee on Banking and Currency regarding this matter?

Mr. BUSH. I am sorry; I did not hear the Senator.

Mr. DOUGLAS. Does the Senator understand that the Housing and Home Finance Agency has made comment about this proposal in a letter written to the chairman of the Committee on Banking and Currency?

Mr. BUSH. I did not so understand. I received a letter from the administrator.

Mr. DOUGLAS. Would the Senator be willing to read it for the benefit of the Senate?

Mr. BUSH. I offered the letter for the RECORD.

Mr. DOUGLAS. I have not seen it. I wonder if it would be acceptable to have the Senator from Connecticut read the letter, or have the chairman of the committee read it.

Mr. BUSH. I have no particular interest in reading the letter. I am sure the Senator understands the situation. If the Senator from Illinois wishes to read the letter, he may obtain it from the Senator from Arkansas [Mr. FULBRIGHT], who has it in his hand.

Mr. FULBRIGHT. I have the original letter addressed to the Senator from Connecticut. It is not a long letter. I shall be glad to read it.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the Senator from Arkansas be authorized to read the letter.

The PRESIDING OFFICER. Without objection, the Senator from Arkansas may proceed.

Mr. FULBRIGHT. The letter is dated June 6, 1955, and it is addressed to the Senator from Connecticut [Mr. BUSH]. It reads as follows:

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., June 6, 1955.

Hon. PRESCOTT BUSH,
United States Senate,
Washington, D. C.

DEAR SENATOR BUSH: You have asked for my further suggestions in the light of comments from your constituents in Glastonbury on my letter to Senator FULBRIGHT, dated April 19, which commented on S. 200, which would authorize the sale of war housing project CONN-6028 to the Glastonbury Housing Authority for use in providing moderate rental housing.

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"Subject to the approval of the Glastonbury town meeting, or the legislative body succeeding to the powers of the town meeting under a change in the form of government, and to such conditions and directives as to resale as may be imposed by said town meeting or legislative body."

This proposal gives us grave concern. We have no authority for policing a project after a sale has been consummated. The enactment of the language proposed by the local groups would charge this Agency with having to assure that any resale of the project is made in accordance with the conditions and directives of the local governing body. It is believed that this proposed amendment is one which should properly be for consideration by the State legislature and not by the Congress. There would be no objection, however, to the inclusion of a provision in the pending measure which would require approval of the sale by the local governing body. The local governing body could condition its approval in any manner it deems appropriate, if the conditions imposed would not place on the Federal Government any responsibility for their enforcement or would not adversely affect the interests of the Federal Government.

Sincerely yours,

AL COLE,
Administrator.

Mr. DOUGLAS. Mr. President, will the Senator from Connecticut yield to me for a question?

Mr. BUSH. I yield.

Mr. DOUGLAS. Will the Senator inform this body whether the objections raised by the Housing and Home Finance

UNIVERSITY OF MICHIGAN LI

Agency in their letter of June 6 are met by the amendment of the Senator?

Mr. BUSH. They are met entirely, with the exception of the 6 months' period. We have made it 12 months instead of 6 months, so as to allow a little more time. Otherwise, the objections have been fully met.

Mr. DOUGLAS. Has the Housing Authority of Glastonbury been authorized under the laws of the State of Connecticut?

Mr. BUSH. Yes.

Mr DOUGLAS. Has the proper enabling legislation been introduced in the Legislature of Connecticut?

Mr. BUSH. It is on the statute books. I cannot tell the Senator how grateful I am for his deep interest in our problem.

Mr. DOUGLAS. Has the consent of the local governing board of the town of Glastonbury been obtained?

Mr. BUSH. It would not have to be obtained until the amendment is agreed to. The Senator will wear that copy out. I wish he would send it to the desk.

Mr. DOUGLAS. Mr. Cole says that the proposal that the amendment be subject to the approval of the Glastonbury town meeting gives him grave concern.

Mr. BUSH. The Senator is mistaken. The thing which gave him concern is not in the amendment. He has no concern about it now, at all.

I greatly appreciate the Senator's assistance in bringing out the merits of the case.

Mr. President, I yield back the remainder of my time.

SEVERAL SENATORS. Vote! Vote!

Mr. SPARKMAN. Mr. President, so far as I am concerned, I am perfectly willing to take this amendment to conference. It seems to me that the Senator from Connecticut has made a very satisfactory showing of full compliance with the suggestions of the Housing Agency.

While it is always better to explore these matters in full hearings, when we have plenty of time to go into them in detail, I think what has been done on the floor of the Senate this afternoon is satisfactory, and I am perfectly willing to take the amendment to conference.

Mr. BUSH. I thank the Senator from Alabama.

The PRESIDING OFFICER. Does the Senator from Alabama, acting for the Senator from Texas, yield back his time?

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum, the time to be taken out of the time allotted to our side.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. How much time remains to each side on the amendment?

The PRESIDING OFFICER. The Senator from Connecticut has 51 minutes; the Senator from Texas has 49 minutes.

Mr. JOHNSON of Texas. How much time remains on the bill?

The PRESIDING OFFICER. The Senator from Texas has 36 minutes; the Senator from California has 52 minutes.

CHANGES IN THE ADMINISTRATION OF THE PANAMA CANAL COMPANY

Mr. JOHNSON of Texas. Mr. President, I yield the Senator from Washinton 15 minutes on the amendment.

Mr. FLANDERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FLANDERS. Which amendment is before the Senate?

The PRESIDING OFFICER. The amendment offered by the Senator from Connecticut [Mr. BUSH].

Mr. MAGNUSON. I wish to say to the Senator from Vermont that I am not speaking on an amendment to the pending bill. I am speaking about a bill which I am about to introduce, on which I was going to consume some of the time of the Senate today. To be frank, I know of no better time to do it than now.

Mr. President, I am today introducing a bill which I think is long overdue, and which relates to a matter which has been the subject of a great deal of discussion in our committee for the past 12 and perhaps almost 15 years. It deals with the problem of the Panama Canal, its toll system, and its formula for Government operation.

Under Public Law 841, which was passed during the 81st Congress, 2d session, because of problems growing out of the operation of the canal, the entire operation of the Panama Canal Zone was reorganized, and corporate standards were introduced for the first time. During the hearings leading up to its passage, particular attention was given to the policies then followed by the management of the canal, policies which appeared to place upon the commercial tolls payer an inordinate burden of expenses not directly involved with the transiting of vessels.

In passing Public Law 841, Congress made a clear distinction between the civil government and the canal itself. The old Panama Canal Agency was split into the Panama Canal Company and the Canal Zone Government. The Company was made responsible for the operation of the canal, and certain business-type services, such as the steamship line, terminal, railroad, marine bunkering, hotels, shipyards, powerplants, water system, telephone, printing plants; and such employee services as commissary, clubhouses, and housing.

The civil government was given the responsibility of administering the courts, immigration, and contraband control, school, police, postal service, fire department, roads and streets, customs, public buildings, libraries, sewage, as well as an extensive health and sanitary system, including a mental hospital, quarantine station, and a leprosy colony.

It was believed the 1950 legislation had made clear the congressional intent to clarify and segregate the financial obligation of the tolls payers from the financial obligations of the Government. But that intent has been misinterpreted or ignored in the annual accounting under the law. The tolls payer still is carrying more than his share of the load. Certain amendments to the Canal Zone Code have been prepared which it is hoped will so completely clarify Federal and commercial responsibility at the Panama Canal as to eliminate further administrative disregard of the intent of Public Law 841.

Stated briefly, the bill would do the following:

First. It would adopt the principle of the St. Lawrence Seaway to the Panama Canal, under the general jurisdiction of the Secretary of Commerce.

Second. It would clarify procedures for setting tolls, permit judicial review of tolls decisions, and require frequent review of the toll rates. In addition, it would specify the extent to which tolls revenues, as compared with total company revenues, are to bear the net costs of civil government.

It is not the intent, nor should this bill be so construed, to indicate any denial of the rightful area for military jurisdiction at the Canal Zone. The proposed legislation does not disturb in any way, nor diminish, the extent of strategic control or tactical defense of the Canal Zone. It simply gives expression to the view that the transiting of vessels through the Panama Canal is a business-type function which properly resides in the hands of civilian-type management.

The proposed legislation does not depart from the present statute as regards tolls rates. Its passage would not automatically bring about a tolls reduction. It would, however, pledge to the tolls payer the equity in financial matters which Congress intended in passage of Public Law 841, and which has not been administratively accomplished to date.

Without exception, the proposals contained in the proposed legislation are consistent with recommendations made by the Comptroller General in his 1952, 1953, and 1954 Audit Reports of the Panama Canal.

The provisions of the bill are in accord likewise with the recommendations stemming from the study of the organization and operations of the Panama Canal enterprise, made by the Bureau of the Budget in 1950, at the direction of President Truman. Most of the Budget Bureau's recommendations were ultimately embodied in Public Law 841, 81st Congress, which this bill would supplement and clarify.

Following that 1950 study, the Bureau of the Budget advised the President that responsibility for supervision of the Panama Canal enterprise should be transferred from the Secretary of the Army to the Secretary of Commerce.

However, while approving the other findings of the Budget Bureau study, President Truman withheld approval of this transfer pending further study of the proposal.

As disclosed by the Comptroller General's audit reports on the functioning of the canal operation since Public Law 841 went into effect in 1951, it would seem to be clearly evident that transfer of canal responsibility to the Secretary of Commerce is a must if the will of Congress, as expressed in Public Law 841, 81st Congress, is to be properly interpreted and implemented.

I sincerely hope Members will give full consideration to this bill, in the light of the facts I have cited.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. ELLENDER. A few of us who serve on the subcommittee of the Committee on Appropriations which deals with funds for the operation of the Panama Canal have been attempting to secure the enactment of legislation which would make it possible to charge tolls which would be sufficient to amortize not only the cost of gates and other depreciable items used in connection with the canal, but also the actual construction of the canal channel itself. I am wondering if the Senator is covering that feature in the proposed legislation—that is, to provide the necessary machinery so that tolls can be increased sufficiently to pay for the entire cost of the canal.

Mr. MAGNUSON. I am familiar with what the Senate Appropriations Committee has been trying to do and with what the Senate Committee on Interstate and Foreign Commerce has been trying to do, and with what is sought to be done by means of Senate bill 841.

The shipping firms using the canal have no objection to paying their just share of the cost of the commercial operation of the canal. However, there are vast military obligations. In the past, an attempt has been made, under the old two-company system, to have the tolls established at such rates that the commercial users of the canal, whose ships come from the gulf coast and from the west coast, would begin to pay the cost of the defense and military operation of the canal, which is great.

All we suggest is that a division be made. Once that is done, and once the commercial operations can be determined by means of bookkeeping and audits, of course, the tolls charged should be consistent with the cost of the commercial operation of the canal. But no such division has been made.

For instance, a few weeks ago the Department of Defense proposed to purchase more land from the Government of Panama. Naturally, Panama wishes to be paid for the land. The land would be used solely for the purpose of enlarging our defenses of the canal. But it was proposed that the tolls and profits, if any, of the Panama Canal Company pay for the additional land, which will be used purely for defense functions.

The Panama Canal Company has been operating many services, which in large part are used by the military. We are trying to have a division made, so that the Government operations for the defense of the canal will be handled under one audit, and the commercial use of the canal will be handled under another audit. That would be done without regard to either raising or lowering the tolls.

Mr. ELLENDER. Mr. President, I suggest to the Senator from Washington that the tolls have not been changed since 1938. The only expenses actually paid out of the tolls are those incident to the operation of the canal and the depreciation of such items as the locks and the buildings and other facilities erected and used in connection with operation of the canal.

Mr. JOHNSON of Texas. Mr. President, I must leave the Chamber for a few minutes. I yield 10 additional minutes to the Senator from Washington.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The Senator from Washington is recognized for 10 more minutes.

Mr. ELLENDER. Mr. President——

Mr. MAGNUSON. I yield further to the Senator from Louisiana.

Mr. ELLENDER. Let me state that although the cost of digging the canal amounted to $286 million, not one cent of that amount has been repaid to the Treasury of the United States. That is not considered depreciable, and is not repayable under existing law.

From the reading I have done, it is my recollection that when the canal was built, approximately 50 years ago, there was an understanding that the tolls would be set high enough not only to pay the cost of operation and the cost of all depreciable items, but also the actual cost of the digging of the canal, whereas up to the present time not one cent of the cost of the digging has been repaid.

Does not the Senator from Washington think provision should be made so that the tolls charged would be sufficient not only to pay the cost of operation and to pay for the depreciable items, but also to pay for the actual cost of digging the canal?

Mr. MAGNUSON. I still contend that the commercial interests should pay their share, on a pro rata basis, of the cost of operating the canal. Certainly they should pay for their use of the canal, which was built not only for commercial purposes, but also for defense purposes. In fact, literally thousands of Government vessels transit the canal free of charge.

Mr. ELLENDER. But under the new arrangement, such vessels pay the same tolls as those paid by other vessels.

Mr. MAGNUSON. That is a bookkeeping transaction; the Government vessels reimburse the Canal Company from the appropriations the Congress makes for those governmental agencies.

Mr. ELLENDER. But the Canal Company receives that much additional revenue.

Mr. MAGNUSON. However, we try to allocate the costs under the capital investment. The capital investment belongs to the Department of Defense.

Mr. ELLENDER. Mr. President, I ask my friend, the Senator from Washington, when he considers this bill, to take into consideration the studies which were made by some of us who served on the committees which made on-the-spot inspections of the canal and the suggestions which have been made by some of the past administrators of this facility.

I am very anxious that the Senator from Washington give consideration to a proposal whereby the tolls will be increased until they are sufficient to pay all the actual cost of constructing the canal. I know that was the intention of those who fostered the original legislation, away back in 1902, or perhaps it was earlier than that. I believe it would be appropriate, in connection with the consideration of this bill, that attention be given to the proposal to provide sufficient funds to retire the entire cost of construction.

Mr. MAGNUSON. Mr. President, I have all the figures before me. Last year the canal tolls were $31,973,000. The credit for United States Government vessels was $5,500,000, or quite a large percentage. The sale of commodities amounted to $25 million. The sale of services—to which I have previously referred; for instance, a railroad and a hospital are operated—amounted to $22 million.

As a matter of fact, the Canal Company apparently is making, according to these figures, revenues of almost $50 million on services and the sale of commodities. The rental of quarters amounts to another $2 million. The total is almost $53 million. Only $32 million comes from the tolls. The total revenue is $88 million.

The net income before interest was approximately $13 million; but interest in the amount of approximately $6,600,000 was paid, last year, to the United States Treasury. The figure I have stated does not include the bookkeeping account of the transfer made for the use of the canal by Government vessels.

The net income for the year, as tentatively stated, is approximately $7,200,000.

Mr. FULBRIGHT. Is that before or after depreciation?

Mr. MAGNUSON. It is after depreciation.

The general administrative expenses totaled 24 percent; the net operating expenses before intracompany costs and distribution of sales to the zone government totaled 20 percent; and the net operating costs or expenses were 25 percent—or a total of 94 percent. So apparently a 6-percent profit is being made.

Mr. ELLENDER. Six percent of what?

Mr. MAGNUSON. Six percent of the cost of operation. But interest in the amount of approximately $6,600,000 was paid to the United States Treasury.

Mr. ELLENDER. Mr. President, I desire to point out that an interest charge is made on the cost of the canal to which

UNIVERSITY OF MICHIGAN LI

I have been referring, namely, the cost which is not being repaid to the Treasury. The interest charge is not only on the investment in depreciable items, but also on the cost of constructing the canal. It does not include interest accrued during construction, which is considered a defense cost.

Mr. MAGNUSON. Yes, and last year the interest charge was $6,668,000, or approximately 9 percent on a gross revenue of approximately $88,600,000.

The Senator from Louisiana is correct. I think we ought to have this information in the RECORD. The book value of lands, titles, and treaty rights is $14,803,000. There is no depreciation on that item. The figure representing the building of the canal, including fills and embankments, totals $236,026,000, and that is depreciated every year by approximately $2,800,000, leaving, under the new system, a net of $233 million under the head of valuation.

The canal locks and appurtenances cost $85 million, and those are depreciated to the tune of $34 million. The figure for vessels, such as tugs, and other floating plants, is $14 million, and that item is being depreciated pretty fast. Buildings and shipyard structures show a balance of $7,749,083. The total valuation of everything is $358,825,010. The accumulated depreciation as of June 30, 1953, on $358 million plus, is $50 million, in round figures, leaving more than $300 million yet to be depreciated. So the Senator's figure is somewhat conservative.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. ELLENDER. I suggest to my friend that the statement be placed in the RECORD, because I think the testimony which was taken by our committee only last week showed that no depreciation is now being taken on that part of the cost of the canal representing excavation. The only portion of the cost which is being depreciated is the cost of the buildings which are occupied by those who are connected with the canal—the locks, as well as hospitals, and other facilities built on the site of the canal, and which are used in its operation.

So far as the actual cost of excavation is concerned, my recollection is that no depreciation is taken from that figure. However, I wish to reiterate that the Government is receiving interest at the going rate on the actual cost of excavation. My recollection is that that amount was $286 million.

Mr. MAGNUSON. I think what the Senator means is that prior to this discussion there was no depreciation on the figure representing the cost of the actual digging of the ditch. There was depreciation on the locks.

Mr. ELLENDER. That is correct.

Mr. MAGNUSON. They were depreciated from $85 million to $34 million. Also there was depreciation on vessels and on buildings. But the cost of the actual digging of the ditch has been depreciated so far by only $3 million. The total depreciation, on the total value, is still about $50 million.

The purpose of what we are trying to do is to audit these accounts, as the Comptroller General has suggested. That is provided for in the law. I am sure the Senator voted for that provision, which would enable us to differentiate between defense items and commercial items. No commercial shipper, whether he flies the American flag or any other flag, can reasonably object to paying an equitable share of the tolls, in order to defray the cost of operating the canal from the commercial standpoint.

But the commercial features have been confused with the defense features, and with business features, including the old Panama Railroad, which I understand should probably be abandoned. It is not being used any more except for sightseers. The accounts should be placed on such a basis that it will be possible to determine commercial worth, depreciation, and value.

After such a determination has been made, the commercial costs can be taken care of tollwise, and the Defense Department can take care of its share. The Government would pay its fair share, which is something new. I think Government ships have heretofore gone through the canal free. The Defense agencies should pay their fair share to the Panama Canal Company out of their budgets, in the form of regular tolls. That is the purpose of the proposed legislation.

Mr. President, I have quoted certain figures. Some of the figures were taken from the Panama Canal Company's second annual report to Congress.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. MAGNUSON. Mr. President, will the Senator from Texas yield me 5 additional minutes?

Mr. JOHNSON of Texas. I shall be glad to yield in a moment.

Mr. President, the distinguished Senator from Indiana [Mr. CAPEHART] and the distinguished Senator from Alabama [Mr. SPARKMAN] would like to have considered at this time an amendment to be offered by the Senator from California [Mr. KUCHEL]. How much time does the Senator from California think will be required to explain the amendment?

Mr. KUCHEL. Not more than 1 or 2 minutes.

Mr. JOHNSON of Texas. I yield 5 additional minutes to the Senator from Washington.

Mr. MAGNUSON. As I previously stated, I have quoted certain figures for the RECORD. The Senator from Louisiana [Mr. ELLENDER], who is a member of the Committee on Appropriations, has stated certain figures from memory.

The source of some of the figures which I quoted is the Panama Canal Company's second annual report of 1953.

Certain other figures were compiled by the Association of American Shipowners, and they are necessarily to be interpreted in that light.

The Senator from Louisiana may have some of those figures, but for the purpose of the record, I shall ask permission to have printed in the RECORD the May 1955, issue of Shipping Survey, published by the Association of American Shipowners. The statement, under the heading "Panama Canal Tolls Formula Applied," points out the necessity for this type of legislation. I think the figures therein will be of interest not only to Senators generally, but particularly to members of the Committee on Appropriations, including the Senator from Louisiana and myself.

There is clearly a question of depreciation for the initial cost of the canal. The Senator from Arkansas asked me informally what it costs to take a ship through the Panama Canal. The average cost is about $2,800 to $3,000 for each transit of a typical 10,000-ton dry cargo ship. Then the Senator from Arkansas asked me how much it would cost for a ship to go around Cape Horn. I should say that the cost would be considerable, because on a comparable 10,000-ton ship flying the American flag the cost to make the run around the Horn would run as high as $4,200 a day.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. FULBRIGHT. How many days does it take for a ship to go around South America?

Mr. MAGNUSON. For an 18-knot ship—and I shall have to figure this faster than I ordinarily can in my head—it would take many many days.

Mr. FULBRIGHT. Would it take 30 days?

Mr. MAGNUSON. It would not take 30 days, but it would take between 15 and 20 days to make the trip around Cape Horn.

Mr. FULBRIGHT. How long does it take to go through the canal? Is is about 1 day?

Mr. MAGNUSON. The time cannot be computed in just that way, because it is necessary for the ship to go into the canal, and then there is the time of transit through the canal. It could probably be done within a 24-hour period or a 12-hour period in most cases, so far as the transit through the canal is concerned. Then the ship would have to move out of the canal.

I have hoped for some years that we would build another canal, through Nicaragua. That proposal is a very feasible one. In consonance with what the Senator from Arkansas points out, if something should happen to the Panama Canal and to the Suez Canal, we would not have available sufficient tonnage to fight any kind of war in the remote areas of Asia.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. JOHNSON of Texas. I ask unanimous consent that at the conclusion of the Senator's 5 minutes, consideration of the Capehart amendment be temporarily suspended in order that the Senate may consider the Kuchel amendment and the Byrd amendment, and any other amendments to the housing bill which are noncontroversial.

The PRESIDING OFFICER. The Chair advises the Senator that the pending question is on the amendment of the Senator from Connecticut [Mr. BUSH].

Mr. JOHNSON of Texas. I have asked for unanimous consent that the Senate may consider the amendments I have mentioned. I make that unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, in view of the last unanimous-consent request, I believe that perhaps I have said enough today on the bill.

Mr. President, I now introduce the bill and ask for its appropriate reference. I ask unanimous consent that the matter to which I have referred be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the matter referred to by the Senator from Washington will be printed in the RECORD.

The bill (S. 2167) to make certain changes in the administration of the Panama Canal Company, and for other purposes, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The matter presented by Mr. MAGNUSON is as follows:

PANAMA CANAL TOLLS FORMULA APPLIED—ESTIMATES INDICATE DELAY IN APPLYING LAW RESULTS IN SUBSTANTIAL OVERPAYMENTS BY SHIPPING

The formula prescribed by Congress for use in fixing toll rates for transiting the Panama Canal directs the Panama Canal Company to establish a rate which will cover (a) "all costs of maintaining and operating the Panama Canal, together with the facilities and appurtenances related thereto, including interest and depreciation" and (b) an appropriate share of the net costs of operation of the Canal Zone Government. Thus the formula appears to be both simple and businesslike.

Despite the fact that this statutory formula was enacted in June 1950, the Panama Canal Company seems to have made no effort to apply it. Instead, the old arbitrary rate of 90 cents a laden ton has been continued in force. But the apparent unwillingness of Company officials to do what Congress has so clearly intended of them has naturally prompted study to discover what approximate level of toll charges could reasonably be expected to result from an objective and conscientious application of the statutory formula.

HISTORY OF THE COMPANY

The Panama Canal Company is a successor to the former Panama Railroad Company, which was incorporated in New York in 1849. The Railroad Company operated a number of commercial enterprises in or in connection with the Canal Zone, such as the railroad, a steamship line, commissaries, hotels, laundries, manufacturing plants, a telephone system, and the like. But the Railroad Company never owned or operated the canal itself. From 1914 to 1951 the canal was operated by the independent agency of the United States known as the Panama Canal. The same agency operated the zone government and several other commercial businesses, such as fueling stations and ship-repair yards.

In 1948 the Corporation gave up its New York charter and was reincorporated under Federal laws. As required by statute, the reincorporated Company (which retained the name Panama Railroad Company) was obliged annually to pay interest to the United States Treasury "on the net direct investment of the Government in the corporation." It is important to bear in mind that at this point the Corporation did not own the canal. In general, the net direct investment referred to in the statute included the following: (a) $1 (being the arbitrary and nominal amount assigned to the assets inherited from the New York corporation), (b) the value of subsequent property additions to the Railroad Company properties, and (c) the value of properties later transferred to it from other agencies.

In 1950 the law was amended to change the name of the company to the Panama Canal Company and to authorize the transfer to the Company of the following two classes of assets owned until that time by the Panama Canal Agency: (1) the Canal, together with related facilities and appurtenances, and (2) facilities and appurtenances authorized to be operated by the Agency under section 51 of the Panama Canal Code. These section 51 assets included a great number of commercial operations, including docks, wharves, salvage and towing facilities, dredging facilities and the power system.

One year later the old Panama Canal Agency was dissolved. Such of its properties as related to governmental functions were transferred to the Canal Zone Government and the Canal and the section 51 commercial assets were transferred to the Company.

The transfer to the Canal Company of the Canal and the section 51 assets served to increase the net direct investment of the government in that corporation. Consequently, and in accordance with the 1948 act, the Canal Company, as it was now known, became obligated to pay interest to the extent earned on a substantially larger investment. But just how much larger the investment and the interest obligation became remained to be determined on the basis of standards that are set forth in the statute and that will be considered shortly.

At this point it may be well to note that the law uses the term interest in two different places. First, under the law as enacted in 1948 the Company is told to pay interest to the extent earned on the government's net direct investment in the Company, and this investment now comprises the following classes of property:

1. The original railroad company properties (valued at $1);

2. Subsequent additions to the railroad company properties;

3. Properties relating to section 51 commercial operations transferred from the Canal Agency in 1951 (not yet valued); and

4. The canal and its facilities and appurtenances related thereto transferred from the Canal Agency in 1951 (not yet valued).

The 1950 law, after directing the transfer of the canal and the section 51 properties to the Railroad Company, then prescribed the tolls formula. It required that tolls be adequate to cover, among other expenses, "interest" on the canal.

Notwithstanding general agreement among the lawyers who represent both the Government and industry that interest in the toll formula was not intended to be the same as the preexisting interest obligation applicable to all the Company's enterprises, its management now takes what appears to be a conflicting, arbitrary, and illegal position. Actual Canal Company policy seems to be that, irrespective of the law, canal tolls must be made to cover losses on various commercial operations that Congress intended to exclude from tolls calculations.

TOLLS SUPPLY 94 PER CENT OF OPERATING INCOME

How the Company's affairs are handled is demonstrated in its last published income statement for fiscal 1953, which is reprinted in table I. The statement seems to require the following observations:

1. On the basis of its own figures, the Company made $7.2 million, which indicates that tolls exceeded the statutory formula by 18 cents, or 25 percent.

2. Although the Company lists its operating revenue and expenses under four separate categories, it fails to allocate among them zone government expenses or interest charges.

3. The canal's revenue, expenses, and net income are not separately accounted for but are combined with "related marine operations" which include docks, towing, salvage, and other operations.

4. The volume of the canal and marine operations compares with overall Company operations as follows:

	Total	Canal and related marine operations	Percent of total
General and administrative expenses	$2,745,327	$660,932	24
Net operating expenses (before intracompany cost distribution and sales to Zone Government)	81,915,989	16,256,503	20
Net operating expenses	63,112,041	16,040,378	25

(These percentages approximate the 27 percent ratio that the number of canal employees bears to the total of commercial employees and canal employees.)

5. The relative contribution of canal operations to total Company operating income is indicated by the following:

Operating income:	
Total	$25,541,727
Canal and related marine operations	$23,998,376
Percent of total	94

These figures point to one rather definite conclusion. Canal and marine operations represent only 25 percent of the volume of the Company's business, yet they are made to return 94 percent of the operating income. Other Company operations represent 75 percent of the volume and are made to return only 6 percent of the operating income. Prices established for transiting the canal must be high, indeed, when compared with the Company's prices for other commercial sales and services.

Because the Canal Company has not disclosed information that is essential to have in the computation of a definitive toll rate, all that can be done is to explore what rate would result on the basis of the data at hand. That can rather easily be done, but it should be remembered that a rate computed objectively and conscientiously by applying the statutory formula to the actual but undisclosed figures would in all probability be lower than the one that results from the calculations that are discussed below.

At the outset it should be pointed out that a proper computation of the toll rate requires the "related marine operations" to be extracted from the figures in table I in the column "Canal and related marine operations." We note in that table that revenues from "Related marine operations" amounted to only $2.5 million, but the expenses chargeable to those operations are not separately stated. If we assume that such expenses were about equal to the revenue, then the two would balance each other out and the "Operating income" figure of about $24 million would represent canal operations alone.

UNIVERSITY OF MICHIGAN LI

TABLE I.—*Panama Canal Company—Income statement, year ended June 30, 1953*

	Total	Canal and related marine operations	Auxiliary operations	Employee services	Other supporting services
Revenue:					
Canal tolls	$31,973,209	$31,973,209			
Credit for tolls on U. S. Government vessels	5,557,682	5,557,682			
Sales of commodities	25,972,408		$59,647	$22,811,773	$3,100,988
Sales of services	22,992,888	2,507,863	10,373,067	3,060,958	7,051,000
Rental of quarters	2,157,581			2,157,581	
Total revenue	88,653,768	40,038,754	10,432,714	28,030,312	10,151,988
Operating expenses:					
Direct expenses, including intracompany cost transfers	50,976,039	12,426,502	11,510,368	9,102,826	17,936,343
Cost of goods sold and transferred	22,167,493		50,568	19,724,962	2,391,965
Allowances for depreciation	4,719,964	1,846,569	935,557	856,301	1,081,537
General and administrative expenses, net of $81,705 revenue and of $585,421 allocated to Canal Zone Government	2,745,327	660,932	440,571	672,079	971,745
Accrual for overhauls of Canal locks	962,962	962,962			
Annuity to Republic of Panama	430,000	430,000			
Net proceeds from fixed assets retired	(104,266)	(70,462)		(23,633)	(10,171)
Net book value of fixed assets retired	18,468		347	7,447	10,674
	81,915,989	16,256,503	12,937,411	30,339,982	22,382,093
Less intracompany cost distributions and sales and services to Canal Zone Government	18,803,948	216,125	2,936,006	2,802,095	12,849,722
Net operating expenses	63,112,041	16,040,378	10,001,405	27,537,887	9,532,371
Operating income	25,541,727	23,998,376	431,309	492,425	619,617
General corporate charges, net:					
Net cost of Canal Zone Government (including abandoned capital projects written off, $1,139,273)	11,319,656				
Abandoned capital projects of the Company written off	269,703				
Maintenance of idle defense facilities	140,742				
Nonoperating credits and miscellaneous income	(58,232)	(Not separately allocated)			
Total	11,671,869				
Net income before interest	13,869,858				
Interest payable to U. S. Treasury	6,668,895				
Net income for year as tentatively stated	7,200,963				

Source: Panama Canal Company, Second Annual Report 1953, p. 49; H. R. Doc. No. 476, 83d Cong., 2d sess.

ALLOCATION OF ZONE COSTS

One of the charges allocable to tolls is an appropriate share of net zone government costs. The full reported net zone government costs run to $11.3 million. The statutory tolls formula requires that in determining what is appropriate, "substantial weight shall be given to the ratio of the estimated gross revenues from tolls to the estimated total gross revenues" of the Company. That ratio is to be adjusted on the basis of other considerations that are not important here because they have been weighed by the General Accounting Office in arriving at its finding referred to below. That finding is adopted for present purposes. It is interesting to note, however, that the report to the Senate Committee on Armed Services when considering the proposal for this formula in 1950 said:

"In addition to paying for the cost of operating and maintaining the canal, it is estimated that about 50 percent of the cost of the civil government would be supported by the tolls collected from transit revenues."

It seems clear that the $1.1 million included in the net zone government costs for the "abandoned capital projects written off" is a nonrecurring capital charge that cannot be fairly charged to the Company's income or to tolls. That leaves approximately $10 million of reported zone costs. The General Accounting Office has estimated that application of the revenue formula would result in an allocation of 63 percent of the net zone cost as a charge to tolls. The maximum therefore chageable to tolls by applying this formula would be $6.3 million. (This is without allowing for the fact that toll revenues are on their face higher in amount than can be legally justified. An appropriate reduction in toll revenues would lower the ratio of tolls to other revenues. This more equitable ratio would bring about a further reduction in the toll rate.)

INTEREST CHARGEABLE TO TOLLS

It is of course necessary that interest charges be properly allocated to tolls. This involves an identification of the properties comprising the canal and the facilities and appurtenances related thereto. And of course it also involves a valuation of those properties. Since properties that are depreciable have apparently already been identified and valued for purposes of depreciation, the only problem left would appear to be the identification and valuation of the so-called nondepreciable items that are to be included. These comprise land, titles, and treaty rights, and excavations and fills. Countless company reports have identified these items and have assigned book values to them, as indicated in table II. It is therefore difficult to understand why the interest allocation is being delayed.

The principal standard that the law says must be used in valuing properties transferred to the company is cost less depreciation. The law also provides, however, that due consideration should be given:

(a) to the cost and probable earning power of the transferred assets. (Since the earnings of the canal are controlled by the tolls formula, this requirement apparently relates to the commercial properties.)

(b) to usable value, if less than cost. (A number of properties in the property account, such as abandoned projects, have no usable value.)

In addition to the deduction from cost for depreciation, a further deduction is authorized for other reasonable determinable shrinkages in values.

Most important, however, is the provision of the statute specifically requiring that—

"There shall be excluded from such amount any portion of the value of the transferred property which is properly allocable to national defense."

The resulting valuation is then subject to approval by the Bureau of the Budget.

CANAL BOOK VALUES

The book values as of June 30, 1953, of the properties related to the canal are set forth in table II:

TABLE II.—*Book values of properties used in canal and related marine operations*

	Balances	Act of June 30, 1953, accumulated depreciation	Net
Land, titles and treaty rights	$14,803,929		$14,803,929
Canal excavations, fills and embankments	236,026,460	$2,808,491	233,217,969
Canal locks and appurtances	85,892,024	34,774,674	51,117,350
Vessels and other floating plant [1]	14,353,514	8,207,113	6,146,401
Buildings, other structures and equipment	7,749,083	3,594,379	4,154,704
Total	358,825,010	49,384,657	309,440,353

[1] Includes properties used in "related marine operations" that should be excluded for tolls purposes.

It is impossible from the published reports to know whether these book values reflect adequate provision for depreciation in prior years. That these values are, in any case, excessive is admitted in a footnote to the 1953 financial statement, which says that the values do not exclude $57 million of "major valuation adjustments."

Of the $309 million in book values, $238 million represents properties which have been classified as "nondepreciables." The Panama Canal Company is now sponsoring legislation which would make these so-called nondepreciables actually depreciable at the rate of 1 percent per year, but starting only with 1951. (The new St. Lawrence Seaway law requires depreciation at a rate of not less than 2 percent.) In constructing a toll rate, therefore, it may be necessary to make some provision for depreciation of these nondepreciables. But the Canal Company should be consistent. If depreciation on nondepreciables is to be included as an element of cost of current operation, it should also be included as a deduction from original cost in computing the valuation to be put on such property for purposes of determining what interest is to be covered by tolls charges. The way depreciation on nondepreciables would work is shown in columns C and D of the schedule of indicated toll rates in table III.

The book values set forth above do not reflect deduction for the value of the canal to the national defense, and, as has been noted, the value of transferred property properly allocable to national defense is required to be excluded. The history of the Panama Canal is replete with testimony and evidence that it was built primarily for defense and that its availability has permitted economies in naval appropriations many times the initial cost of the canal. In columns B and D of table III showing indicated toll rates this deduction is taken at an arbitrary 50 percent.

The indicated toll rates are, of course, based on 1953 costs and volume of traffic. Since that is so, it is of interest to inquire what would happen to the rate if the drop in toll revenue should materialize that has been predicted by the Company. At the end of March the Company estimated a drop for 1955, 1956, and 1957 to $35 million, as against the figure of $37.5 that prevailed in 1952 and 1953. But that would require only 4 cents more a ton than the indicated rates computed on the basis of 1953 traffic. So the conclusion seems inescapable that present

rates are excessive and that they are unjustifiable.

Quite clearly, it is the affirmative duty of Company management to obey the law and to put an end to the inequitable situation that now exists. It was generally thought that Congress had solved these problems in 1950. This study seems to bear out that conclusion and to point to another, namely, that the obvious intent of Congress is being frustrated by administrative noncompliance and disregard.

TABLE III.—*Indicated toll rates based on 1953 transits, operating costs, book values, and specified adjustments*

	(A) Without defense deduction	(B) With 50 percent defense deduction	(C) With nondepreciables depreciated at 1 percent and no defense deduction	(D) With nondepreciables depreciated at 1 percent and 50 percent defense deduction
Operating expenses [1]	$13,532,515	$13,532,515	$13,532,515	$13,532,515
Share of zone costs	6,300,000	6,300,000	6,300,000	6,300,000
2.05 percent interest on depreciables [2]	1,455,500	727,750	1,455,500	727,750
2.05 percent interest on nondepreciables [3]	4,879,000	2,439,500	2,927,400	1,463,700
Additional depreciation on nondepreciables			1,428,000	714,000
Required toll revenues [4]	26,167,015	22,999,765	25,643,415	22,737,965
Indicated toll rates on 1953 traffic—cents	63	55	61½	54½
Indicated toll rates on Company's traffic estimates for 1955–57—cents	67	59	65½	58½

[1] "Net operating expenses," table I, of $16,040,378, less expenses of "sales of service" assumed to be in same amount as $2,507,863 revenues therefrom.
[2] Depreciables amount to approximately $71 million.
[3] Nondepreciables amount to approximately $238 million; if depreciated at 1 percent for 40 years, their depreciated cost would be $142.8 million in 1953; at 2 percent, $47.6 million.
[4] Does not reflect $1,183,000 reduction in interest which would have resulted from "major valuation adjustments" developed during fiscal 1953 but not applied in financial statements. Panama Canal Company Annual Report, 1953, p. 50.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. FULBRIGHT. Does the Senator have any information about the operation of the Suez Canal which he might include with the other figures?

Mr. MAGNUSON. The Suez Canal is operated by a private corporation, mainly owned by French stockholders. It cost very little to build compared with the cost of building the Panama Canal. That is mainly due to the fact that cheap Egyptian labor was used in its construction. The operation and maintenance costs are not at all comparable with those of the Panama Canal. Its tolls are quite high. It has been operating for a long time and it has been a very successful operation for the corporate stockholders. I understand that it will revert to the Egyptian Government after a certain period of years.

LEAVE OF ABSENCE

Mr. FULBRIGHT. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. FULBRIGHT. I ask unanimous consent to be absent from the session of the Senate tomorrow. I must attend a commencement exercise at Rutgers University, where I am to receive a degree with the junior Senator from New Jersey [Mr. CASE].

Mr. MAGNUSON. I wish to take another minute of my time to compliment the Senator from Arkansas. I do not know how many degrees he has already received. Does the Senator know?

Mr. FULBRIGHT. I do not know exactly at the moment.

Mr. MAGNUSON. The Senator can not count them all. However, he has become a very distinguished scholar. He is Professor and Dr. FULBRIGHT.

The PRESIDING OFFICER. Without objection, the leave is granted. The time of the Senator from Washington has expired.

CI——487

HOUSING ACT OF 1955

The Senate resumed the consideration of the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

Mr. BYRD. Mr. President, I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 55, after line 3, it is proposed to insert the following new subsection:

(d) The Secretary of Defense shall not acquire or operate any housing under authority of this section unless the Corps of Engineers, in the case of housing for Army or Air Force personnel, the Chief of the Bureau of Yards and Docks, in the case of housing for Navy or Marine personnel, or the Office of Engineering, United States Coast Guard, in the case of housing for Coast Guard personnel, has made a thorough inspection of such housing and certifies that it has been constructed in substantial conformity with the plans and specifications.

Mr. BYRD. Mr. President, this amendment to the pending housing bill (S. 2126) simply requires that before the Secretary of Defense takes over any of the new Wherry projects they shall be subject to inspection, and certification that they have been constructed "in substantial conformity with the plans and specifications, in conformity with accepted standards for that type housing, and at reasonable cost."

Under the amendment this inspection would be made by the Corps of Army Engineers in the case of new Wherry housing for the Army Department and the Air Force Department. The inspection for new Wherry housing for the Navy and Marine Corps would be made by the Bureau of Yards and Docks.

There is only one reason for the amendment. It is to assure that the Government is getting what it is paying for.

The amendment has been submitted to the Senator from Indiana [Mr. CAPEHART] and to the Senator from Alabama [Mr. SPARKMAN].

Mr. CAPEHART. Mr. President, I believe the amendment strengthens the bill which I introduced, rather than the bill introduced by the former Senator from Nebraska [Mr. WHERRY]. I suggest that the amendment be taken to conference.

Mr. SPARKMAN. The only question I raise—and I raise it merely as a question—is whether the amendment, if adopted, would not bring about the same trouble we had with the Wherry housing. Not one project of Wherry housing has been started since the enactment of the Housing Act of 1954. That is not altogether due to the fact that there has been a great deal of red tape, but that certainly was one of the great hindrances, according to all reports. In other words, the more agencies that are brought into the picture, it seems to me, the more opportunity there is for delay and the greater discouragement there is for such project to get under way. Of course, the Secretary of Defense could utilize services of these referred to in the amendment whether or not he was required to do so by law. I say to the Senator from Indiana it seems to me the amendment may very well be taken to conference. In the meantime it might be well to check it with the other agencies that are concerned and to give further thought to it. It seems to me, as the Senator from Indiana suggests, it may make some contribution toward strengthening the program.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LANGER. Was the amendment presented to the committee?

Mr. SPARKMAN. No; this amendment was not considered by the committee. The Senator from Virginia [Mr. BYRD] has submitted it on the floor. It proposes to require the military to make more specific and more definite checking and certification of this aspect of the program. I had understood that the Senator from Indiana agreed to it with certain words stricken out.

Mr. CAPEHART. Those words have been stricken out.

Mr. SPARKMAN. They were not stricken in the mimeographed copy of the amendment.

Mr. CAPEHART. They were stricken in the amendment as reported to the Senate.

Mr. SPARKMAN. It seems to me that the words in the last line would make the amendment unworkable.

Mr. CAPEHART. Those words have been stricken. The amendment, as now worded, is a proper amendment.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. The reason the Senator from Alabama wishes to make inquiry of the various agencies is that the amendment was not submitted to the full committee. Is that correct?

Mr. SPARKMAN. Yes; we have not had an opportunity to make the study

UNIVERSITY OF MICHIGAN LI

of it in committee we would ordinarily make of an amendment. We want to thresh the question out with all concerned and to obtain their opinions.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Virginia yield back the remainder of his time?

Mr. BYRD. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD].

The amendment was agreed to.

Mr. KUCHEL. Mr. President, on behalf of my colleague, the senior Senator from California, and myself, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. Does the Senator desire to have it read?

Mr. KUCHEL. No, Mr. President.

The PRESIDING OFFICER. The amendment offered by the Senators from California will be printed in the RECORD at this point.

The amendment offered by Mr. KUCHEL for himself and Mr. KNOWLAND is as follows:

On page 14, between lines 8 and 9, insert a new subsection, as follows:

"(g) The act entitled 'An act to expedite the provision of housing in connection with national defense, and for other purposes,' approved October 14, 1940, as amended, is hereby amended by amending the last paragraph of section 605 (a) to read as follows:

"'In any city in which, on March 1, 1953, there were more than 10,000 temporary housing units held by the United States of America, or in any two contiguous cities in one of which there were on such date more than 10,000 temporary housing units so held, the Administrator may acquire, by purchase or condemnation, a fee simple title to any or all lands in which the Administrator holds a leasehold interest, or other interest less than a fee simple, acquired by the Federal Government for national defense or war housing or for veterans' housing where (1) the Administrator finds that the acquisition by him of a fee simple title in the land will tend to expedite the orderly disposal or removal of temporary housing under his jurisdiction by facilitating the availability of improved sites for privately owned housing needed to replace such temporary housing, and will tend to expedite the transition of the city from a war-affected community containing, as of said date, a large number of temporary houses to a community having additional permanent, well-planned, residential neighborhoods, (2) the local governing body of the city makes a like finding and requests the Administrator to acquire such title to the land, and (3) the city has furnished assurances satisfactory to the Administrator that no individual who is employed by, or is an official of, the government of the city in which the land is located, or any agency thereof, shall be permitted, directly or indirectly, to have any financial interest in the purchase or redevelopment of such land: *Provided*, That such acquisitions by the Administrator pursuant to this sentence shall be limited to not exceeding 425 acres of land in the general area in which approximately 1,500 units of temporary housing held by the United States of America were unoccupied on said date: *And provided further*, That funds for such acquisition by the Administrator, which are authorized, pursuant to subsection (c) of this section and title II of the Independent Offices Appropriation Act, 1955, to be expended from the revolving fund established by that title under the heading "Housing and Home Finance Agency Office of the Administrator, revolving fund," shall be taken into consideration, to the extent that they are needed, in making any determination pursuant to the second proviso under that heading. All or any part of any land so acquired by the Administrator may, during the 5-year period following the date of its acquisition, be sold by the Administrator, through negotiated sale, to such city or any local public agency where (1) the city or local public agency has represented to the Administrator that it is duly authorized under State law to purchase and resell such land, that such land will be made available to private enterprise for deveopment in accordance with local zoning and other laws, and that the aggregate of such land and any other land in the same city previously sold under the authority of this paragraph to the city or a local public agency will be developed for predominantly residential use, and (2) the city or local public agency has agreed to pay the fair market value of the land as determined by the Administrator, after giving consideration, among other relevant information, to the cost to the Federal Government of acquiring the fee simple title and of holding the land pending sale (including estimated amounts to cover legal and overhead expenses of such acquisition and to cover interest costs to the Federal Government of moneys invested in the land pending sale). Any such negotiated sale of land to the city or a local public agency shall be made upon terms which require (1) that the city or public agency shall pay in cash at least one-third of the price of the land upon its conveyance and the entire price within 1 year after its conveyance and (2) that any portion of the entire price not paid upon such conveyance shall be represented by an indebtedness which shall bear interest on outstanding balances at a rate of 4 percent per annum and which shall be secured by a first mortgage lien upon the land or such portion of the land as the Administrator deems adequate to protect the financial interest of the Federal Government. The Administrator may, at any time that he deems it to be in the public interest to do so, dispose, under authority of other provisions of this act, of any land acquired by him pursuant to this paragraph. Any land acquired by the Administrator pursuant to this paragraph which has not been disposed of within 5 years after its acquisition shall be disposed of by him as expeditiously as possible in the public interest in accordance with other authority contained in this act.'"

Mr. CAPEHART. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. CAPEHART. Mr. President, we have been over the amendment, and I recommend to the able Senator from Alabama that the amendment be accepted and taken to conference. It involves the disposal of property to the city of Richmond, Calif., and allows them a little more time.

Mr. DOUGLAS. Mr. President, will the Senator from California consent to the reading of his amendment?

The PRESIDING OFFICER. It was ordered to be printed in the RECORD without being read.

Mr. KNOWLAND. Mr. President, if the Senator from Illinois wishes the amendment read, we certainly have no objection to its being read. My junior colleague wishes to make an explanation of the amendment.

Mr. KUCHEL. Mr. President, we offer this amendment in behalf of the city of Richmond, Calif.

In 1940 Richmond, Calif., had a population of 23,000. The south half of the city consisted largely of vacant lots. Titles to most of these lands were clouded with liens for taxes and old street bonds. Ownerships were largely scattered among nonresidents, many of whom were dead or unknown.

By 1944 Richmond's population had mushroomed to over 100,000. Employment in Richmond's federally owned shipyards had reached a peak enrollment of 96,000. Urgent need for immediate housing was obvious. Private developers were unable to solve the problem because of inability to assemble ownerships and marketable titles to the land. Accordingly, the Federal Government stepped in and condemned a leasehold interest in virtually all of these vacant lands. Federally owned temporary war housing providing shelter for more than 72,000 persons was promptly constructed. Richmond became known as the "Federal city" which had been mobilized for the war effort.

By 1946 the shipyards ceased operating, but the housing shortage remained critical because of the demobilization of veterans. The temporary war housing in Richmond has been largely used since by servicemen and by workers in certified defense industries. In January 1954 the Federal Government decided that Richmond's temporary housing was no longer needed for defense purposes and that the land must be returned to its owners, cleared of such housing, not later than June 30, 1956.

This temporary housing occupied the only large area in the city available to rehouse the families to be displaced. There was no other significant land available within the city. The problem was rapidly to assemble titles to these lands so that such displaced families could be privately rehoused at reasonable rentals and sales prices. Assemblage of ownerships and marketable titles by private developers and under State law was still impracticable.

Accordingly, the 83d Congress enacted legislation which I introduced last year to meet the problem of Richmond and cities similary situated. This legislation, section 805 of the Housing Act of 1954, amended Section 605 (a) of the Lanham Act by adding a new paragraph which authorized the Administrator of the Housing and Home Finance Agency to purchase or condemn a fee simple title to such lands as an incident to the orderly removal of the temporary war housing and to provide improved sites for private homes needed to replace the temporary housing.

A plan to develop a "pilot area" was developed and it became apparent that certain minor amendments to the law are required in order to carry out the intent of the 83d Congress.

This amendment would add a new section to the Housing Amendments of 1955 and would have the effect of revising the provisions enacted last year to expedite the disposal of temporary housing in Richmond, Calif.

Experience under last year's legislation shows that the revision is necessary in order to proceed with the maximum

efficiency in carrying out the purpose of last year's enactment. Under the law as it would be revised by this amendment, the Housing Administrator could acquire a fee simple title in the numerous small parcels of land in which he now holds a leasehold interest if, and only if, the Administrator finds that such acquisition will tend to expedite the orderly disposal or removal of World War II temporary housing by facilitating the assembly of improved sites on which private enterprise can provide privately owned housing needed to replace the temporary houses. The city would be required to make a similar finding and to request the acquisition by the Administrator.

The Administrator could, during a 5-year period following his acquisition of land under this provision, sell it at fair market value, to the city or its redevelopment agency. Such sales would require a downpayment of at least one-third of the price, and the balance would be payable in not over 1 year. Interest at 4 percent would be charged for any part of the price not paid at the time of conveyance.

It is contemplated that the city would purchase tracts of land as they find a private developer to whom the city can resell it. Such private developer would agree to build houses in accordance with local zoning laws. No sale would be made to the city or its redevelopment agency unless the aggregate of land sold was to be redeveloped primarily for residential use.

The Administrator could, during the 5-year period after he acquires any land under the provision, sell it either to the city, or, if negotiations for sale to the city do not make reasonable progress with respect to any particular parcel, under the authority of existing law.

Any land not sold by the Administrator 5 years after its acquisition by him, would be required to be disposed of as expeditiously as might be possible in accordance with other authority of existing laws.

The principal new feature of the amendment is that land could be acquired by the Federal Government in large parcels, and, therefore, more efficiently, before a private developer is found for each and every parcel to be acquired. The present law, in effect, requires the city to find a developer for each and every parcel before acquisition, because it must guarantee full payment before acquisition by the Federal Government. However, the 5-year limitation in the amendment provides a safeguard against the Federal Government being required to hold onto the land for a longer period. Thus, the amendment is designed in such a manner that the costs of acquisition to the Federal Government should in all likelihood be recouped upon resale.

I have discussed with both the junior Senator from Alabama and the senior Senator from Indiana the text and the intention of the amendment. The amendment is for a community which has been recognized by Congress as having been dealt with quite harshly by reason of a sudden influx of population during the years of World War II.

Our desire in offering the amendment is that it may be written into the bill, and be subjected to such hearings as may be deemed appropriate in the House of Representatives. On that basis, I very much hope that the Senate may accede to the suggestion which has been made.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. SPARKMAN. The distinguished Senator from California discussed the matter with me yesterday for the first time, I believe, and told me something of the background and history of the matter and of his work in trying to have the situation straightened out.

It seems to me it would be worthwhile to take the amendment to conference, but first let me ask the Senator a question. He may have included the answer in his statement, but I am not certain.

Is my understanding correct that the Senator from California has not yet been able to complete clearance with the officials of the housing agency, but that it is his intention to continue to work on that phase, in the hope that a solution can be arrived at?

Mr. KUCHEL. The Senator from Alabama is completely correct.

Mr. SPARKMAN. In the event such a solution can be reached, but it will require a change in the language, would the Senator from California be willing to have the change made either in the House or in conference, in the event it were possible to reach such an agreement?

Mr. KUCHEL. Yes, indeed.

Mr. SPARKMAN. I do not observe the senior Senator from Indiana [Mr. CAPEHART], the ranking member of the committee, in the Chamber, but he has already said to me privately, and he may have said so publicly before he left, although I am not certain, that he favored the amendment. Therefore, so far as I am concerned, I am perfectly willing to take the amendment to conference.

Mr. JOHNSON of Texas. I yield 15 minutes to the senior Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, earlier in the afternoon I had the opportunity to speak about the way in which public housing would permit people living in slums to be decently housed, with the result that we certainly should expect a decrease in disease, sickness, death, juvenile delinquency, and crime.

In the concluding minutes of the general debate on the bill, I should like to dwell on a few points which ordinarily are raised, and to give in more detail the grounds for my earlier statements.

First, let me deal with an objection which is commonly made to public housing, and which is false. This common objection is that under the guise of need, families whose incomes are relatively high are being allowed to enter public housing projects, and that, therefore, the community is subsidizing persons who do not need and should not receive subsidies.

We are all aware that in the Federal act rather rigid limitations have been placed on the amount of income which any person or any family may have in order to be eligible for admission to or retention in a Federal housing project. But this does not, apparently, seem to stop the misrepresentation which goes on throughout the country. I have here some figures which should nail that misrepresentation once and for all.

First, a study of all families who were reexamined for eligibility during the first half of last year showed what is termed the median income, namely, the income midway in numbers between the lowest and the highest—that is, equal numbers above and below—of only a little more than $2,100 for a family having 2 children, or a family of 4 persons. To be precise, the median or midpoint income was $2,121.

About 10 percent of the families had annual incomes of less than $1,000, or of less than $20 a week.

Seventeen percent, or one-sixth, of the total had incomes between $1,000 and $1,500.

This meant that about 23 percent had incomes between $1,500 and $2,121.

On the upper limit, 5 percent of the families were found to have incomes in excess of those which were allowed for retention, and those families were expelled from the projects.

I may say that of the families which moved in during the same period, the average income was $2,028, or less than $40 per week. This indicates that the people who are using the projects are those whom we want to have use them and who need them, namely, those having children and having low incomes.

More than two-thirds of these families received no public assistance at all. They derived their income from their own efforts. To be precise, 68 percent of those in the public housing projects were not in receipt of any public assistance.

A little less than 19 percent, or 18.8 percent, to be precise, were in receipt of public assistance.

Thirteen percent were in receipt of what might be termed "social security, old age and survivors, and veterans' benefits."

So it may be seen that the group which gets the benefit from the public housing facilities are those who are hard up, who have children, and who would be compelled to live in very poor quarters if it were not for public housing.

One of the difficulties in making a case for such projects is the fact that the costs are obvious and seen. But the benefits, however real, are largely unseen.

I should like to speak a little about the proper accounting which should be used with respect to the public housing projects. The total contributions of the Federal Government last year amounted to a little less than $44,500,000. They seem to be running at a rate of something less than $200 per family per year. Those are the obvious costs. I may say that those costs are appreciably less than the costs which were originally estimated. They were only about two-thirds of the original estimate.

So these projects are doing even better than it was believed they would do when the bill was passed in 1949.

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Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. LEHMAN. The Senator from Illinois mentioned the amount of the investment which the Federal Government has in low-cost housing. Is it not a fact that instead of its being an investment or a gift or a grant, it is really an advance, because it is fair to assume that in time even the very small amounts which have been advanced by the Federal Government will be returned to it?

Mr. DOUGLAS. We believe that. Of course, what the Federal Government does is to guarantee a return on the bonds which have been sold through private agencies. Then, from the rents there are deducted the operating expenditures, and then the amount of the rents, minus the operating expenditures, is applied to the fixed charges. I may say about half of the fixed charges are met by the receipts of the project in excess of the operating expenses, leaving the other half of the fixed charges to be met by Government subsidy, which, as I have said, amounts to perhaps a little less than $200 a family a year, or two-thirds what it was originally thought the subsidy would amount to.

Mr. LEHMAN. Is it not a fact that in addition to what the pending bill provides, certain States and cities provide low-cost housing, and in those cases the cities and the States are advancing the difference between the operating costs and the rents?

Mr. DOUGLAS. I think that is conspicuously true of New York. I may say the State of New York has made greater progress in this respect than has any other State.

Mr. LEHMAN. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. Yes, indeed.

Mr. LEHMAN. I had a great deal to do with the creation of some of these housing projects before I went into public life in 1929, because I was a member of a large investment banking firm which marketed a great many such bonds. Since then, of course, I have been in very close touch with the question, and have been very deeply interested and watchful over the housing situation.

My impression is, and the Senator from Illinois will please correct me if he does not agree with my personal recollection, that I do not know at this time of a single default occurring on any of these housing bonds.

Mr. DOUGLAS. I do not know of any, either.

Mr. President, we have been discussing the open costs of public housing, but the hidden economies have not been brought out. When slums are torn down, costs are done away with which are real but which commonly are not considered. For example, some years ago a study showed that slums in blighted districts of the cities of the country comprised about 20 percent of the area of those cities, and contained about 33 percent of their population. But now listen to what happened to that 33 percent of the population. In that population occurred 45 percent of the major crimes, 55 percent of juvenile delinquency, 50 percent of all arrests, 60 percent of all those who had tuberculosis, and 50 percent of all those who were sick. In addition, 85 percent of all fires took place in those regions, and 45 percent of city service costs were used in those areas. Yet those areas, comprising one-fifth of the areas of the cities, and containing one-third of their population, only brought in 6 percent of the tax revenues.

In other words, these are areas with a low-income producing capacity, but with great expenses charged to the cities, openly, as well as having hidden costs in the way of weakened life, weakened vitality, poorer family life, and so on.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. Yes; I am glad to yield.

Mr. LEHMAN. I am very much gratified that the Senator from Illinois has emphasized the relationship between juvenile delinquency and slums, and the effect that decent surroundings and adequate recreational facilities have in preventing juvenile delinquency. I am convinced of that fact as much as I am convinced of anything else. I recall when I was a boy I was taken down to the lower East Side of New York. I was shown homes which were not even holes in the wall. There was one area called Lung Block, in which there were more cases of tuberculosis than existed in 5 or 10 other blocks in the city, or possibly in the country. That was due to the fact that 10, 15, or 20 persons were living together in 1 room, without proper ventilation, and without sanitary facilities. When that slum area was torn down, as it was 20 or 25 years ago, the whole situation changed. There now exists a decent, self-respecting community in that block.

Mr. DOUGLAS. The Senator from New York is quite right. While complete studies have not been made of governmental housing projects which are now in existence, studies made some years ago showed that the prevalence of juvenile delinquency was much less in public housing projects than it had been among the same families or in the same areas before public housing was available; disease was much less prevalent, crime was much less, there were far fewer fires, not so many policemen were needed, and not so much money was distributed in relief.

It is well known that if cattle are given decent living quarters, added beef production results. If horses are treated decently, more work can be obtained from them.

I do not want to rest the case for public housing purely on such gross and material terms, because human life, after all, should be the culmination of all values; but if one wants to argue in purely materialistic terms, it can be said that public housing will more than pay for the subsidy, in terms of reduced crime rates, reduced need for policemen, fewer fires, lesser hospital costs, and smaller doctors' bills.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. ELLENDER. May we also add——

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. How much time is remaining on the Kuchel amendment?

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator from California has 48 minutes remaining. The Senator from Texas has 45 minutes remaining.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Illinois desire to have additional time at this point? If so, I yield 2 more minutes to him.

Mr. DOUGLAS. I thank the Senator from Texas.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 more minutes.

Mr. ELLENDER. Mr. President——

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. ELLENDER. Let me say I recall that some studies were made to demonstrate that a contented worker, namely, one living in a clean, decent home, rather than in a slum area, will more than make up to his employer the cost to the employer of paying taxes in order to maintain the subsidy.

Mr. DOUGLAS. Mr. President, I think the Senator from Louisiana is entirely correct.

Merely from the point of view of dollars and cents, if we take into consideration the hidden values coming from decent housing, we find that they more than pay for the cost of that housing.

Mr. President, we should be the means of enabling men, women, and particularly children, to lead happier, fuller, and more expanded lives. That is the test. Meeting that test is helped by a public-housing program.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. JOHNSON of Texas. Mr. President, I have conferred with the Senator from California; and I am willing to yield back the remainder of the time under my control, if he will do likewise. In that way we can vote now on the Kuchel amendment.

Mr. KUCHEL. I thank the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, does the chairman of the subcommittee desire to have a quorum call at this time?

Mr. SPARKMAN. No.

Mr. KUCHEL. Mr. President, I yield back the remainder of the time available to me.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of the time available to me.

The PRESIDING OFFICER. All remaining time has been yielded back by both sides.

The question is on agreeing to the amendment offered by the Senator from California [Mr. KUCHEL] for himself and his colleague [Mr. KNOWLAND].

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment offered by the Senator from Connecticut [Mr. BUSH].

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. How much time remains on the question of agreeing to the Bush amendment.

The PRESIDING OFFICER. The Senator from Connecticut [Mr. BUSH] has 51 minutes remaining; and the Senator from Texas [Mr. JOHNSON], who is in control of the time in opposition to the amendment, has 15 minutes remaining under his control.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Connecticut take time now to explain his amendment? If so, we can then vote it.

Mr. BUSH. Mr. President, I thank the Senator from Texas for the suggestion.

The amendment simply authorizes the Housing and Home Finance Administrator to sell to the local housing authority in the town of Glastonbury the 199-unit housing development there, known as Lanham Act housing or moderate-rental housing, subject to the approval of the legislative body of the town of Glastonbury, and to do so within a period of 12 months from the date of enactment of this act. Briefly stated, that is the purpose of the amendment. It is almost exactly similar to an amendment, adopted last year to the housing bill, in regard to a similar situation existing in the town of Wethersfield, Conn.

I think there is nothing further I need say about the amendment. It has been recognized as acceptable by the chairman of the subcommittee, the junior Senator from Alabama [Mr. SPARKMAN] and, on our side by the Senator from Indiana [Mr. CAPEHART].

Mr. JOHNSON of Texas. If the Senator from Connecticut has explained the amendment, we can vote on it now.

Mr. BUSH. Mr. President, I am glad to cooperate in that respect.

Mr. FULBRIGHT. Mr. President, will the Senator from Connecticut yield for a question?

Mr. BUSH. I yield.

Mr. FULBRIGHT. Does the Senator from Connecticut know what the price of the houses will be?

Mr. BUSH. No. It will be the fair market value, but that must be determined by negotiation.

Mr. FULBRIGHT. Does not the law require that the sale price, and so forth, be reported to the committee or to the Senate?

Mr. BUSH. I think not.

Mr. JOHNSON of Texas. Mr. President, I will yield back the remainder of the time under my control, if the Senator from Connecticut will yield back the remainder of the time under his control.

Mr. BUSH. Mr. President, I yield back the remainder of the time available to me.

Mr. JOHNSON of Texas. Mr. President, I do likewise.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. BUSH].

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART].

Mr. STENNIS. Mr. President——

Mr. JOHNSON of Texas. Mr. President, let me say to the Senator from Mississippi that the Senator from Indiana is not now on the floor. I understand that the Senator from Mississippi has an amendment to submit, but I should like to have the Senator from Indiana in the Chamber before that amendment is submitted.

If it is agreeable, I shall suggest the absence of a quorum, provided it is agreed that the time required for it will not be charged to either side.

Mr. STENNIS. Very well, Mr. President.

Mr. JOHNSON of Texas. Then, Mr. President, I ask unanimous consent that a quorum call may be had at this time, with the understanding that the time required for it will not be charged to the time available to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, the Senator from Mississippi [Mr. STENNIS] has an amendment to submit. I ask unanimous consent that the amendment of the Senator from Indiana [Mr. CAPEHART] may be temporarily laid aside, so that the Senator from Mississippi may submit his amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Mississippi will be stated.

The CHIEF CLERK. On page 55, in lines 13 and 14, it is proposed to strike out "except as may hereafter be enacted in express amendment hereof."

Mr. STENNIS. Mr. President, this amendment is merely a technical one. It is offered because the language it proposes to strike out, as I see it, really has no legal meaning. I refer first to the words "except as may hereafter be enacted."

Of course, it is always implied that any law will continue to be the law until changed by a subsequent law to the contrary.

My amendment also would strike out the words "in express amendment hereof"—which is an awkward way of preventing Congress from amending this act unless it is specifically stated that the amendment is "in express amendment hereof."

Mr. CAPEHART. Mr. President, let me suggest to the Senator in charge of the bill that this amendment be accepted.

Mr. STENNIS. I thank the Senator from Indiana.

Mr. SPARKMAN. Mr. President, I am perfectly willing to accept the amendment. I agree with the Senator from Mississippi that the language he proposes to strike out is meaningless, legally.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of the time available to me.

Mr. STENNIS. Mr. President, I yield back the remainder of the time available to me on the amendment.

The PRESIDING OFFICER. All remaining time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Mississippi [Mr. STENNIS].

The amendment was agreed to.

Mr. BUSH. Mr. President——

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Connecticut.

Mr. BUSH. Mr. President, during the hearings on Senate bill 972, a certain situation developed in one or more States respecting the conversion of Federal savings and loan associations into stock companies. I intended to offer an amendment to the bill to strike out the provisions divorcing the Federal savings and loan operations, or the Home Loan Bank Board, from the HHFA. I do not intend to offer the amendment at this time, but I wish to say that the situation, which has disturbed me and other members of the Banking and Currency Committee, is worthy of further study by that committee, and promptly.

To that end, I ask unanimous consent that a letter from Albert M. Cole, Administrator of the Housing and Home Finance Agency, to the Senator from Alabama [Mr. SPARKMAN], together with an endorsement by Walter W. McAllister, Chairman of the Home Loan Bank Board, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter and endorsement were ordered to be printed in the RECORD, as follows:

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., June 7, 1955.

Hon. JOHN J. SPARKMAN,
Chairman, Subcommittee on Housing, Banking and Currency Committee, United States Senate, Washington, D. C.

DEAR JOHN: For the last several months, I have been increasingly interested in and disturbed about certain questions surrounding the conversion of mutual savings and loan associations, both Federal and State chartered, into permanent stock companies. I judge from recent events that these questions are now attracting similar attention in Congress and from the public; I am sure that they are matters of interest to your committee. Accordingly, I believe it is timely to indicate the basis for my concern and to suggest certain lines of future action.

In brief, under the present statutes (dating from about 1948) the following actions may occur:

1. A Federal association may convert to a State-chartered mutual association without the approval of the Home Loan Bank Board by following the stipulations of the first paragraph of section 5 (i) of the Home Owners' Loan Act of 1933. There is nothing in

the law or regulations which imposes controls upon the association if, thereafter, it elects to reorganize under State law as a stock company.

2. A federally-chartered association may convert directly into a State-chartered stock company under the second paragraph of section 5 (i) if the plan of conversion is upon an equitable basis and approved by the Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation.

Let me make it clear that I do not contend there is anything basically wrong with permanent stock companies as such; I am concerned over certain features involved in the movement of mutual companies into the stock-ownership field. The history of permanent stock companies in several States where this form of operation has been typical for thrift and home-financing institutions is exemplary. As a group in those States they are strong financially, enjoy progressive management, and have played a significant role in the encouragement of thrift and in the provision of home-mortgage financing in their communities.

The nub of the problem is that in any such conversion there is a transfer of ownership from the body of mutual shareholders to a group—normally, from a practical standpoint, a much smaller group—of permanent stockholders. Where, as is commonly the case, the converting institution possesses substantial earned surplus, reserves and undivided profits, a question necessarily arises as to whether the methods, terms, and conditions of conversion adequately protect—both immediately and over the longer term—the rights of the mutual shareholders after conversion is consummated.

I am firmly convinced that the Federal regulatory and insuring agencies involved are under a duty to assure that these rights are adequately protected and preserved. The nature of their obligation was well stated by the United States Supreme Court in the first case involving a Federal savings and loan association to come before the Court. In its opinion, the Supreme Court declared:

"In the creation of corporations of this quasi-public order and in keeping them thereafter within the limits of their charters, the State is parens patriae, acting in a spirit of benevolence for the welfare of its citizens. Shareholders and creditors have assumed a relation to the business in the belief that the assets will be protected by all the power of the Government against use for other ends than those stated in the charter. Aside from the direct interest of the State in the preservation of agencies established for the common good, there is thus the duty of the parens patriae to keep faith with those who have put their trust in the parental power."[1]

I believe that as Administrator I have a responsibility to see that the trust obligation so described by the Court is met, and I must report to your committee that I am not satisfied that it can be fully met under the present statutes and the regulations stemming from the statutes.

One of the most difficult problems for the Home Loan Bank Board has been to determine the nature of an equitable plan for conversion. I find that many detailed and relatively complicated requirements have been imposed by the Board—generally on a State-by-State basis to accommodate the variations in State statutes under which the conversions take place.

The administrative requirements and procedures of the Board are well summarized in a letter from Mr. Walter W. McAllister, Chairman of the Board, to the Honorable J. ALLEN FREAR, Jr., acting chairman, Subcommittee on Banking, Senate Committee on Banking and Currency, dated June 3, 1955. I understand that this letter will appear in the record of hearings on S. 972 and I will not repeat the detail here. As the Chairman stated in the hearings, the Board is of the opinion that all of the legal requirements of the statutes have been met and that the Board has gone perhaps further than expressly required by the statutes to control conversions and to protect the interests of the shareholders.

While many of the Board's requirements seem necessary and desirable, and while it may be that some go further than the law expressly requires, I am not satisfied that we can rely on these requirements alone to protect the rights of the mutual shareholders. In my opinion, neither the statute nor the implementing policies and practices of the Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation thereunder are assuredly adequate to cope with all conversion problems.

The Federal charter for savings and loan associations provides:

"All holders of savings accounts of the association shall be entitled to equal distribution of assets, pro rata to the value of their savings accounts, in the event of voluntary or involuntary liquidation, dissolution, or winding up of the association."

and this same principle has been enunciated by the Congress. Section 5 (i) of the Home Owners' Loan Act of 1933 provides that a Federal association may convert to a State-chartered association upon the condition, among others, that—

"In the event of dissolution after conversion, the members or shareholders of the association will share on a mutual basis in the assets of the association in exact proportion to their relative share or account credits."

If these are the basic conditions upon which the individual investors entered into their mutual association under the encouragement and protection of the Government, a question is necessarily raised as to whether the act of conversion from mutual to stock ownership does not in fact constitute a voluntary dissolution of the mutual association such as to require a distribution of equitable rights to the mutual shareholders. I am not here as much concerned with a legal definition of dissolution, as with the effective ending of the mutual trust relationship between the elected management of the institution and the body of mutual shareholders.

I have not yet reached final judgments on what steps can best be taken to protect the interests of the mutual shareholders and the public interest, but I have in mind several propositions for the consideration of your committee. These are:

1. The Congress should provide for conditions applicable to conversions from mutual to stock ownership which would assure that reserves and surplus arising out of the earnings of the institution prior to the date of conversion inure in perpetuity to the benefit of the mutual shareholders, and cannot subsequently be alienated from them to the benefit of those who may be in a favorable position to acquire ownership and control of the permanent stock. These conditions should be attached to the continued availability of Federal insurance of accounts in the case of State-chartered institutions.

I understand that it is the view of some that the imposition of such a condition would effectively halt conversions. But it is my view that to permit any other disposition of prior-accrued funds would constitute a violation of the underlying trust relationship. If it is true that such a condition would stop the trend towards conversions, it raises an obvious question as to whether there is not a potential conflict of interests between the mutual shareholders and the subsequent stockholders which requires the most careful supervision on the part of the Federal chartering and insuring authorities.

2. If the Congress is not disposed at this session to formulate and put into the statute a provision along the general lines of No. 1 above and if it is the judgment of the committee that the present language of the second paragraph of section 5 (i) of the Home Owners' Loan Act of 1933 does not express fully the intent of the Congress as to the manner in which single-stage conversions should be approved, the committee may wish to consider the repeal of that provision. As an alternative, the committee may wish to define for the guidance of the Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation the precise nature of the "equitable basis" that shall obtain before the Board and the Insurance Corporation shall approve such conversions.

3. It is my feeling that the Congress will want to give careful consideration to strengthening the supervisory authority of the Federal Savings and Loan Insurance Corporation, with particular reference to the fact that the authority of the Corporation to terminate insurance of accounts is presently stated on a rather narrow basis.

In the two-stage conversion process, a Federal association may convert to a State-chartered mutual without the approval of the Board or the Corporation and then under State law and regulations convert from mutual to stock organization. During the second stage of the process, the Insurance Corporation has the express authority only to pass upon the forms of securities and upon the bylaw provisions relating to securities.

It does not have express statutory powers to terminate insurance of accounts unless a finding is reached after a hearing that the association has violated its duty as such or has continued unsafe or unsound practices in conducting the business of the institution, or has knowingly or negligently permitted any of its officers or agents to violate any provision of law or regulation to which the insured institution is subject.

There may be violations of public policy, or of the intent and purpose of the Government-supported insurance system that would not come within the present authority. The basic problem inherent in conversions is one specific example; there may be others.

4. I suggest that the committee may wish to give consideration to legislation which would establish a system of federally chartered permanent stock companies in the thrift and home financing area to parallel the State system of such permanent stock companies. I make this suggestion because of my belief that it is just as desirable to preserve the dual banking system in the savings and loan field as it is in the commercial banking field. If the trend toward conversion of Federal mutuals continues, it is possible that over a period of years the system of Federal savings and loan associations established by the Congress in 1933 will disappear.

I believe that the Congress should act at this present session to deal with the problems discussed above. I shall be happy to furnish assistance to the committee on any legislative proposals in this regard which it may consider desirable. Meantime, it is my judgment that the Board should continue its policy of withholding approvals from all applications for conversion from the mutual to the stock form of organization.

I should not like the committee to get a wrong impression as to the quantitative size of this problem up to the present time. According to data furnished me by the Board, only 29 mutual savings and loan associations have converted to stock companies in the last 10 years—a very small number in so large an industry. However, it must be noted that half a dozen States or more have adopted legislation looking toward such conversions since the end of World War II; a number of other States are considering such legislation, and there is substantial support for it. The indications are, therefore, that this form of conversion is a relatively recent development

[1] *Hopkins Savings Association* v. *Cleary* (296 U. S. 315).

which, by the observable signs, may develop into a trend of very significant dimensions. It is for this reason that I think it urgent to take all appropriate steps at this relatively early stage, not to halt the process, but to assure that it is subject to appropriate supervision and occurs with the full protection of the rights and interests of all concerned.

I am advised by the Bureau of the Budget that there is no objection to the submission of this letter.

Sincerely yours,

ALBERT M. COLE,
Administrator, Housing and Home Finance Agency.

I am glad to join Mr. Cole in presenting this matter for the consideration of your committee.

WALTER W. MCALLISTER,
Chairman, Home Loan Bank Board.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART].

Mr. JOHNSON of Texas. Mr. President, if the Senator from Indiana is willing to yield back the remainder of his time on his amendment, I shall be glad to yield back the remainder of my time, in order that there may be a quorum call.

Mr. CAPEHART. Mr. President, I yield back the remainder of my time.

Mr. JOHNSON of Texas. I yield back the remainder of my time, and suggest the absence of a quorum.

The PRESIDING OFFICER. All time has been used or yielded back.

The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Monroney
Barkley	Gore	Morse
Barrett	Hayden	Mundt
Beall	Hennings	Neely
Bender	Hickenlooper	Neuberger
Bennett	Hill	O'Mahoney
Bible	Holland	Payne
Bricker	Hruska	Purtell
Bridges	Humphrey	Robertson
Bush	Ives	Russell
Butler	Jackson	Saltonstall
Byrd	Jenner	Schoeppel
Capehart	Johnson, Tex.	Scott
Carlson	Johnston, S. C.	Smathers
Case, N. J.	Kefauver	Smith, Maine
Case, S. Dak.	Kennedy	Smith, N. J.
Cotton	Kerr	Sparkman
Curtis	Kilgore	Stennis
Daniel	Knowland	Symington
Douglas	Kuchel	Thurmond
Duff	Langer	Thye
Dworshak	Lehman	Watkins
Eastland	Magnuson	Welker
Ellender	Malone	Wiley
Ervin	Mansfield	Williams
Flanders	Martin, Pa.	
Frear	McCarthy	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART]. All time has been used or yielded back.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MALONE (when his name was called). On this vote I have a pair with the junior Senator from Louisiana [Mr. LONG]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the junior Senator from Rhode Island [Mr. PASTORE]. If he were present and voting he would note "nay." If I were permitted to vote I would vote "yea." I therefore withhold my vote.

Mr. WILEY (when his name was called). On this vote I have a pair with the Senator from New Mexico [Mr. CHAVEZ]. If he were present and voting he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Louisiana [Mr. LONG], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization Meeting in Geneva, Switzerland.

I further announce that the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

The senior Senator from Rhode Island [Mr. GREEN] has a pair with the junior Senator from North Dakota [Mr. YOUNG]. If present and voting, the Senator from Rhode Island would vote "nay," and the Senator from North Dakota would vote "yea."

I also announce that if present and voting, the Senator from Kentucky [Mr. CLEMENTS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Iowa [Mr. MARTIN] is necessarily absent.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization Meeting in Geneva, Switzerland.

The Senator from North Dakota [Mr. YOUNG] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

On this vote, the Senator from North Dakota [Mr. YOUNG] is paired with the Senator from Rhode Island [Mr. GREEN]. If present and voting, the Senator from North Dakota would vote "yea," and the Senator from Rhode Island would vote "nay."

The result was announced—yeas 38, nays 44, as follows:

YEAS—38

Allott	Curtis	Mundt
Barrett	Dworshak	Payne
Beall	Eastland	Robertson
Bender	Goldwater	Russell
Bennett	Hickenlooper	Saltonstall
Bricker	Holland	Schoeppel
Bridges	Hruska	Smith, N. J.
Butler	Jenner	Thurmond
Byrd	Knowland	Thye
Capehart	Kuchel	Watkins
Carlson	Martin, Pa.	Welker
Case, S. Dak.	McCarthy	Williams
Cotton	Millikin	

NAYS—44

Aiken	Gore	Magnuson
Anderson	Hayden	Mansfield
Barkley	Hennings	McNamara
Bible	Hill	Monroney
Bush	Humphrey	Morse
Case, N. J.	Ives	Neely
Daniel	Jackson	Neuberger
Douglas	Johnson, Tex.	O'Mahoney
Duff	Johnston, S. C.	Purtell
Ellender	Kefauver	Scott
Ervin	Kennedy	Smith, Maine
Flanders	Kerr	Sparkman
Frear	Kilgore	Stennis
Fulbright	Langer	Symington
George	Lehman	

NOT VOTING—14

Chavez	Malone	Potter
Clements	Martin, Iowa	Smathers
Dirksen	McClellan	Wiley
Green	Murray	Young
Long	Pastore	

So Mr. CAPEHART's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SPARKMAN. Mr. President, I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 68, line 2, after "Sec. 601", it is proposed to insert "(a)", and at the end of the bill to insert the following:

(b) The first paragraph of section 24, chapter 6, of the Federal Reserve Act, as amended (12 U. S. C. 1952 edition, 371) is hereby amended by inserting after the phrase "or the act of August 28, 1937, as amended" the following, "or title V of the Housing Act of 1949, as amended."

Mr. SPARKMAN. Mr. President, I have not had an opportunity to discuss this amendment with the Senator from Indiana [Mr. CAPEHART]. It relates to insured loans on farm housing. It simply makes such insured loans purchasable by national banks, just as insured Bankhead loans and insured FHA loans are so purchasable.

Mr. CAPEHART. Mr. President, I have no objection to the amendment. We can take it to conference, and if it is found that it affects the bill adversely in any way, we can handle it at that time.

Mr. SALTONSTALL. Mr. President, will the Senator from Alabama yield for a question?

Mr. SPARKMAN. I yield.

Mr. SALTONSTALL. Is it the understanding of the Senator that with reference to the so-called Wherry housing in the military provisions of the bill the same conditions will apply as apply to all other real estate, and that if real estate is taken over or sold by the Department of Defense, the question will be submitted, first, to the Armed Services Committee of the House and the Senate

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for their consideration? If that is not the Senator's understanding, I hope he will bear that in mind in the conference. It was brought to my attention only recently before I had time to assemble the facts myself.

Mr. SPARKMAN. I do not recall that subject having arisen in the consideration of the bill. I do not believe there is any language in the bill which would establish a priority such as that which the Senator mentions.

Mr. SALTONSTALL. The Senator from Mississippi is the chairman of the subcommittee which handles real estate questions. All proposals for the lease of real estate are referred to the Armed Services Committee for its approval.

Mr. SPARKMAN. There is certainly nothing in this amendment which would prevent that practice being followed.

Mr. SALTONSTALL. Will the Senator bear that in mind?

Mr. SPARKMAN. I shall bear it in mind, and I shall be glad to consult with the Senator from Mississippi.

Mr. SALTONSTALL. The Senator from Mississippi is an authority on the subject.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. SPARKMAN].

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, may we at this time have the yeas and nays ordered on the final passage of the bill?

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President, I send to the desk another amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Alabama.

The CHIEF CLERK. On page 7, after line 3, it is proposed to insert the following new section:

(1) In the performance of, and with respect to, the functions, powers, and duties vested in him by this section, the Commissioner, notwithstanding the provisions of any other law, shall appoint a Special Assistant for Cooperative Housing, and provide the Special Assistant with adequate staff, whose sole responsibility will be to expedite operations under this section and to eliminate obstacles to the full utilization of this section under the direction and supervision of the Commissioner. The person so appointed shall be fully sympathetic with the purposes of this section.

Mr. SPARKMAN. Mr. President, I have discussed this amendment with the able Senator from Indiana [Mr. CAPEHART]. Section 213 is the section which provides for FHA insured loans on cooperative housing. We believe that is the only way the low-income and middle-income groups will be able to obtain housing. The amendment would provide for a special assistant to the commissioner who would devote his time and attention to this particular type of housing.

Mr. CAPEHART. Mr. President, I recommend that the amendment be taken to conference.

The PRESIDING OFFICER. Does the Senator from Alabama yield back the remainder of his time?

Mr. SPARKMAN. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. SPARKMAN].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. JOHNSON of Texas. Mr. President, if there are no requests for time, I yield back my time, if the minority leader will yield back his time.

Mr. KNOWLAND. If there are no requests for further time, I yield back my time.

The PRESIDING OFFICER. All time on the bill is yielded back. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Louisiana [Mr. LONG], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization Meeting in Geneva, Switzerland.

I further announce that the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I also announce that if present and voting the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Rhode Island [Mr. GREEN], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MURRAY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Iowa [Mr. MARTIN] is necessarily absent.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization Meeting in Geneva, Switzerland.

The Senator from North Dakota [Mr. YOUNG] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senator from North Dakota [Mr. YOUNG] would vote "yea."

The result was announced—yeas 60, nays 25, as follows:

YEAS—60

Aiken	Fulbright	Malone
Allott	George	Mansfield
Anderson	Gore	McCarthy
Barkley	Hayden	McNamara
Beall	Hennings	Millikin
Bender	Hill	Monroney
Bennett	Humphrey	Morse
Bible	Ives	Neely
Bridges	Jackson	Neuberger
Bush	Johnson, Tex.	O'Mahoney
Butler	Johnston, S. C.	Payne
Capehart	Kefauver	Purtell
Case, N. J.	Kennedy	Saltonstall
Cotton	Kerr	Scott
Douglas	Kilgore	Smith, Maine
Duff	Knowland	Smith, N. J.
Ellender	Kuchel	Sparkman
Ervin	Langer	Symington
Flanders	Lehman	Thye
Frear	Magnuson	Wiley

NAYS—25

Barrett	Goldwater	Schoeppel
Bricker	Hickenlooper	Smathers
Byrd	Holland	Stennis
Carlson	Hruska	Thurmond
Case, S. Dak.	Jenner	Watkins
Curtis	Martin, Pa.	Welker
Daniel	Mundt	Williams
Dworshak	Robertson	
Eastland	Russell	

NOT VOTING—11

Chavez	Long	Pastore
Clements	Martin, Iowa	Potter
Dirksen	McClellan	Young
Green	Murray	

So the bill (S. 2126) was passed.

Mr. BYRD. Mr. President, I ask unanimous consent that I may have printed in the RECORD immediately following the vote on the housing bill, S. 2126, a statement giving my reasons for opposing the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

SUMMARY

The pending housing bill (S. 2126) embraces more than 100 amendments and additions to Federal housing programs.

It deals with the scandalized home repair program and sweetens it up by increasing loans.

It liberalizes the cooperative housing programs which were victimized by profiteers in the past.

It increases by nearly 20 percent the authorizations to insure loans under the general FHA programs at public risk.

It liberalizes and increases expenditures for slum clearance programs.

For the first time it provides Federal insurance of loans to buy land without any house construction contemplated—for trailer parks, and improvements which may or may not include swimming pools, barbecue pits, etc.

It extends the life of title IX emergency defense housing programs, which admittedly are beyond their usefulness.

It legalizes the use of slum clearance areas for industrial purposes and subsidizes this feature.

It increases authorization for construction of federally subsidized public housing by 400 percent.

It makes permanent with a $48 million revolving fund the community facilities program.

It creates a $100 million revolving fund for public facility loans.

It liberalizes the college housing program and it extends its loans for use in the construction of dining halls, student unions, inpatient and out-patient facilities, etc.

It creates a $1,350 million monstrosity to succeed the Wherry housing program for military installations. I doubt that it is capable of proper administration, and some military and FHA officials have the same doubt.

It establishes a brandnew program for smoke elimination and air pollution prevention involving grants, loans, and contracts, virtually without expenditure limitation so far as this bill is concerned.

It extends the farm housing program under the Department of Agriculture and adds to it a loan insurance program which duplicates and overlaps the farm housing loan insurance program already in existence under FHA.

In the new Wherry program and elsewhere in the bill there is a return to the 100-percent replacement cost procedure under which Federal housing scandals flourished with builders mortgaging out and pocketing the proceeds of loans far in excess of the project costs.

In the new Wherry program and elsewhere the safeguard of cost certification adopted last year is repealed.

Not only does the bill destroy such safeguards as have been put into housing legislation in these programs, but it sweetens them up with more money to make them more attractive to dynamiters, suede-shoe boys, profiteers, and all the rest of the unscrupulous exploiters of housing programs.

Under this bill more than $6 billion of new money or authority to use public credit is pumped into Federal housing programs.

General FHA programs are given an additional $4 billion authorization to insure loans at public risk.

Under the new Wherry program there is another additional authorization, at public risk, to insure builders' loans to a total of $1,350 million.

There is new authority to spend out of the public debt $100 million for public-facility loans and $200 million for college housing.

Appropriations for additional money are authorized for slum clearance to a total of $537 million, to community facilities for a total of $30 million, and to direct farm housing loans $100 million.

In addition to these there is authorization for new appropriations for the smoke elimination and air pollution prevention program to an unlimited amount.

Also, in addition, there would be greater appropriations for the subsidy of local public housing which the bill proposes to increase, in terms of authorization, by 400 percent. Federal costs for public housing are permanent.

TITLE I—HOME REPAIR LOANS

Sections 101 (a) and (b) (p. 2 of the bill) extends the title I property improvement program for 5 years to 1960, and increases the maximum loan to individuals from $2,500 to $3,000.

This is the program so terribly exploited by "dynamiters" and "suede-shoe" boys, and described by Assistant Attorney General Warren Olney as a program under which organized groups and swindlers, thieves and crooked salesmen cheated and defrauded literally thousands of small-home owners, and which "has been almost ruinous to legitimate dealers."

Testifying on this bill, May 10, 1955 (p. 63 of the hearings) Norman P. Mason, FHA Administrator, said, "There will continue to be irregularities or abuses in any program of this kind as long as the program exists."

This is the program this bill would continue for 5 years and sweeten up with a 20-percent increase in the maximum loan.

Under the program, FHA at public risk insures up to $1,750,000,000 in repair and improvement loans outstanding at any one time.

The individual loans are not insured. The lending institutions are merely insured, virtually 100 percent, against any loss resulting from default.

There have been nearly 18½ million loans under this program for $8.6 billion. There is more than $1¼ billion in loans outstanding and approximately one-half billion in unused authorization.

There were nearly a half million claims on defaulted notes according to the latest report given to me by Mr. Albert M. Cole, the Housing and Home Finance Administrator.

I am advised by the Justice Department that indictments for criminal illegalities in this program now run into the hundreds, with more than 100 convictions and pleas of guilty to date growing out of scandals involving home-repair loans.

FHA FARM HOUSING

Section 102 (a) (p. 2 of the bill) would eliminate the $100 million authorization for insurance of farm housing loans under FHA, which already overlap insured and direct loans provided for under the Farmers Home Administration in the Department of Agriculture.

The Housing Act of 1954 limited the loans which would be guaranteed for farm housing to $100 million. This provision in this bill would repeal the limitation—leaving the amount which could be insured without limit.

The reason given in the hearings is "reducing the record keeping with respect to the farm housing program and the necessity for recurring estimates of amounts of outstanding balances on these farm housing mortgages."

It's just too much trouble to stay within the limitation.

TRAILER PARKS—INSURING LOANS FOR LAND

Section 102 (c) (p. 3 of the bill) would authorize FHA to insure loans for purchase of land for trailer parks.

Under this amendment, FHA could insure loans up to $300,000 per park at the rate of $1,000 per trailer space within the park.

The money could be used to purchase the land, finance utilities and "other improvements"—perhaps including more swimming pools and barbecue pits.

This is the first time in the history of these housing programs that it has been seriously suggested that the Federal Government would insure loans for purchase of land alone without housing construction.

The program does not provide for the insurance of loans to individuals to buy the trailers.

There have been trailer programs in the past, but they were mostly in Lanham Act defense emergency provisions under which the Government bought trailers with appropriated money for use in remote areas for temporary housing.

It is not clear, but apparently loans for trailer park land purchases, installation of utilities and "other improvements" would be made under provisions of section 207 of the Housing Act of 1954, where the loans are based on the estimated value of the property or project when the improvements are completed, including physical improvements, utilities, architects' fees, taxes, and interest during construction, and other miscellaneous charges incident to construction.

CO-OP HOUSING—REPLACEMENT VALUE

Section 102 (c), (5) (p. 3 of the bill); sections 102 (e) and 102 (f) (p. 6 of the bill); section 102 (k) (p. 7 of the bill); and section 103 (c) (p. 8 of the bill) all deal with FHA cooperative projects.

The committee report says it is "the committee's intention that FHA take affirmative action to make this program operative and effective, to expedite it, and to eliminate administrative obstacles."

The committee found that one of the obstacles to the program was basing the insured mortgages on estimated value instead of replacement value.

Section 102 (e) (p. 6 of the bill) returns the program to estimated replacement cost, estimated by the Commissioner.

Section 103 (e) (p. 8 of the bill) authorizes the Federal National Mortgage Association (Fanny Mae) to make advance commitments for the purchase of co-op housing mortgages totaling up to $50 million with up to $5 million in any one State.

Section 102 (k) (p. 7 of the bill) would permit insurance of co-op mortgages to purchase Government-owned property acquired by default under the co-op program or any other Federal housing program.

Section 102 (c) (5) (p. 3 of the bill) and section 102 (e) (p. 6 of the bill) would reduce the minimum size of co-op projects from 12 to 8 units.

This is the program in which the Senate Banking and Currency Committee found some of the worst abuses and most scandalous operations. Some of what the committee found in the way of land deals, misrepresentation, profiteering, windfalls, etc., in the co-op program are set forth on page 223 of the hearings.

And this is only a sample. Some of these co-op projects are still in litigation.

Through March 31, 1955, FHA had insured 11,835 loans under this program for $400 million and more, of which more than $300 million was still outstanding.

INCREASING MULTIUNIT LOAN MAXIMUM 150 PERCENT

Section 102 (d) (pp. 3 and 4 of the bill) would increase the maximum loan which FHA would insure for a multiunit project from $5 million to $12.5 million—an increase of 150 percent.

This would be the program under which 608-type multiunit apartment-house mortgages would be insured.

Effort is made in the hearings to justify this increase on a basis of increased costs.

It might be contended more accurately that it would legalize such operations as those found in the Woodner Hotel, where they put a partition through the middle to get $10 million instead of $5 million, and the Arlington Towers project.

Under this provision the same builder could have more than one of these $12.5 million projects going at the same time, providing the commitments were made one at a time.

Under section 102 (d) (p. 5 of the bill) a builder could have loans insured for projects totaling up to $50 million within an arbitrarily defined "marketing area" if it were in a slum-clearance area.

FIFTY-MILLION-DOLLAR LOANS IN SLUM-CLEARANCE AREAS

Section 102 (d) (p. 5 of the bill) would provide that one builder could have loans insured for projects within an arbitrary "marketing area" totaling $50 million if the housing is to be in a slum-clearance area.

INCREASING FHA AUTHORIZATION $4 BILLION

Section 102 (g) (p. 6 of the bill) would authorize FHA to insure $4 billion additional of housing mortgages under its general programs at public risk.

These are the programs for which additional authorization of $1.5 billion was provided in new legislation enacted in March.

This would be in addition to previous authorization which would be released by any repayments.

UNIVERSITY OF MICHIGAN LI

It would be in addition also to the unused authorization in the title I home-repair program.

And it would be in addition to the $1,350 million new authorization proposed in this bill for the new Wherry housing.

It would bring total authorization for general program insurance under FHA to $27 billion, exclusive of home repair and new Wherry programs.

As of March 31, more than 2 million loans had been insured under these programs for more than $19.6 billion, of which $17¼ billion are still outstanding.

REPLACEMENT VALUE FOR SLUM-CLEARANCE DWELLINGS

Section 102 (h) (pp. 6 and 7 of the bill) would repeal "appraised value" as the basis for the amount of construction and rehabilitation loans to be insured by FHA for dwellings in slum-clearance areas, and substitutes the old windfall formula of "estimated replacement cost."

Practically all of the windfall cases developed in last year's investigations had their origin in the exploitation of the "estimated replacement value" yardstick which allowed "mortgaging out" with loans far in excess of cost.

Now it is contended that builders are reluctant to go into FHA projects without this windfall device.

COST CERTIFICATION REPEALED FOR SLUM-CLEARANCE HOUSES

Section 102 (i) (p. 7 of the bill) would repeal the requirement for cost certification on small individual houses built under the program for housing families displaced by Government action in its slum-clearance program.

It is contended that no other FHA program for small individual houses requires cost certification.

REPEALING RESTRICTIONS ON SLUM-CLEARANCE HOUSING

Section 102 (j) (p. 7 of the bill) would amend section 221 of the 1954 Housing Act, which insures loans to build housing for people forced by the Government to move out of slum-clearance-program areas.

The amendment would make this housing available to all people in the slum-clearance area whether they were forced by the Government to move out or not.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

Sections 103 (a) and 103 (b) (p. 8 of the bill) would change the 1954 Housing Act with respect to the Federal National Mortgage Association (FNMA).

Under the 1954 act, FNMA, in its secondary mortgage market operation, accumulates funds from private sources by requiring those who sell mortgages to the Association to invest not less than 3 percent of the outstanding balance of the mortgage sold.

This bill would reduce this requirement from 3 percent to 2 percent.

The committee says little private capital has been invested under the 1954 act, and evidently thinks a reduction in the investment percentage would result in greater investment.

Section 103 (b) would amend the FNMA charter to require the Association, in its secondary market operations, to buy mortgages in all sections of the country at the same rate.

Such a uniform price probably will result in bringing the purchase prices for all the paper purchased in all sections of the country to the maximum rate.

EXTENSION OF NONESSENTIAL EMERGENCY DEFENSE HOUSING

Section 105 (p. 9 of the bill) extends for another year so-called title IX for the insurance of emergency defence housing.

Norman P. Mason, FHA Commissioner, on page 69 of the committee hearings on this bill, said this program had been on a stand-by basis for the past year and that the program has "fulfilled its purpose."

But, as usual, there is reluctance to let one of these programs expire on its expiration date, and this bill would extend for another year the life of a program to insure emergency defense housing for which there is no longer any need.

There have been more than 54,000 loans under this program for more than a half billion dollars and there is still a half billion dollars in outstanding balances.

INCREASING APPROPRIATED FUNDS FOR SLUM CLEARANCE AND LIBERALIZING THE PROGRAM

Sections 106 (a), (b), and (c) (pp. 9 and 10 of the bill), increase Federal appropriations for capital grants to slum-clearance programs by more than a half billion dollars, increase amounts available to individual States by 100 percent, and legalize industrial use of slum-clearance areas and make funds available for this purpose.

This is a program which actually is operated by local housing authorities, with very little authority remaining in the Federal Government.

The program contemplates that the Federal Government will absorb two-thirds of the loss on the projects. Ordinarily this would be most, if not all of the cash loss, because the locality takes credit for its one-third of the loss in terms of street and other improvements which, in most instances, are already in the area.

Under this program the local housing authority acquires a so-called slum-clearance area, usually at exorbitant prices, clears it, and sells it again to somebody else for practically nothing—with the Federal Government taking the loss.

Section 106 (a) of this bill increases the authorization for appropriations to make capital grants to this program by $212.5 million to be available July 1, 1955; another $212.5 million to be available on July 1, 1956; and another $100 million to be made available by the President at any time.

Section 106 (b) amends the 1949 Slum Clearance Act to provide that any one State may have grants totaling 10 percent of available funds plus $70 million.

Obviously, this amendment is for the State of New York, which has exploited this program to its maximum, including use of cleared land to build a combination coliseum-office building. The fact that this structure recently caved in indicates the kind of jerry-building construction which may be expected to characterize these projects.

This is not all of the abuse and exploitation which have come to light in these programs. I have a letter from Mr. Albert M. Cole, HHFA Administrator, which discusses them in detail. And I have made this communication a part of the CONGRESSIONAL RECORD.

Section 106 (c) authorizes the acquisition of land by condemnation or otherwise from one private owner and its sale to another for development in industrial construction for private profit. In addition, this section provides that 5 percent of Federal funds allocated to a local public agency may be used to subsidize industrial development for private profit in this manner.

The slum-clearance program has been authorized to draw, and have outstanding at any one time, $1 billion from Federal debt receipts. To date it has had a $500 million authorization for appropriations to make capital grants, and it has used an estimated $58 million of this money. This bill more than doubles the appropriated funds for capital grants.

Section 107 on page 11 of the bill would enable Territories to participate in the slum-clearance program.

This could contemplate the reconstruction of nearly everything in Puerto Rico and a large part of Alaska.

PUBLIC HOUSING

Sections 108 (a), (b), (c), and (d) (on pp. 12 and 13 of bill) restore the total number of units to this program at 810,000 to be constructed at the rate of 135,000 units a year, with more than 135,000 units in the coming year, and eliminate the provision in the 1954 Housing Act which required that public housing projects be located exclusively in cleared slum clearance areas.

Under the public housing program, the Federal Government makes a series of preliminary loans to local housing authorities for advance planning and construction. After construction the local housing authority refinances the whole project with a long-term bond issue. As a permanent proposition the Federal Government appropriates annually to the local housing authority for operating costs as a means of guaranteeing low-rent housing.

Public Housing Authority is authorized to draw from the Federal debt $1.5 billion to be outstanding at any one time for its loan program. Since 1941 the actual contributions have totaled nearly $200 million. Expenditures on these programs from appropriated money got down to little more than $3 million a year in the immediate postwar period, but now they are running at nearly $50 million a year.

There has been little publicity on the scandals in the public housing programs, but I have placed in the record a communication received from Mr. Albert M. Cole, Housing and Home Finance Administrator, listing nearly 50 irregularities and illegalities in 18 States and Puerto Rico.

The substantive legislation authorization for public housing units has always been high. As usual it has been held down by appropriation bill riders limiting annual contributions and otherwise curbing the number of new starts under the public housing program.

The Housing Act of 1954 put a further limitation on public housing by providing that these projects could be built only in slum clearance areas.

This bill would eliminate the lashup with the slum clearance program.

Sections 109 (a), (b), and (c) (pp. 14 and 15 of bill) make special provision for housing elderly people—over 65—in public housing units and provide for the construction of an additional 50,000 units over a 5-year period, beginning in fiscal year 1956, for this purpose. These 50,000 would bring the authorized total of public housing units to 860,000.

Section 109 (a) permits single persons 65 and over to occupy these units. Section 109 (b) allows occupancy of married persons, one of whom is 65 years of age or over, to occupy the units, with preference of occupancy second only to people displaced by the slum clearance program. Section 109 (c) is more or less technical. Section 109 (d) provides for the additional units at the rate of 10,000 a year for 5 years ending in 1960.

TEMPORARY WAR HOUSING

Sections 108 (e) and (f) (pp. 13 and 14 of bill) give former owners of property taken for temporary war housing under the Lanham Act first preference in repurchase of the property when it is offered for sale in liquidation, and waive down-payment requirements in the sale of an Indiana project to a tenant co-op.

Lanham Act projects were financed exclusively from appropriations totaling $65 million. In the liquidation of these projects, repayments have totaled approximately $10 million.

HOME LOAN BANK BOARD AND FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Sections 110 (1), (2), (3), (4), (5), section 111, and section 112 (pp. 18 through 22 of the bill) would make the Home Loan Bank Board an independent agency, removing it from Housing and Home Finance Agency,

change requirements of member banks for stock subscription, provide for retirement of Federal Government stock in Federal Savings and Loan Insurance Corporation, allow the board to cancel membership of member banks, change the number of elected directors, and change the method of assessing Federal Savings and Loan Insurance Corporation fees.

Federal Government stock in Federal Home Loan Banks is now retired and no appropriation is made to the system, but there is a Federal contingent liability totaling $1,750,000,000.

At the time Government stock was being retired member banks were required to subscribe at least 2 percent of the aggregate unpaid principal of the home mortgage loans they held. This requirement would be reduced by 1 percent, under section 110 (1) of this bill.

Section 110 (2) would allow Home Loan Bank Board to cancel membership of banks with policies inconsistent with those of Federal Home Loan Bank Act.

Section 110 (3) is technical to complete the reduction of stock subscription to 1 percent.

Section 110 (4) allows an increase in the number of Home Loan Bank Board directors to a number up to twice the number of States in each Home Loan Bank district.

Section 110 (5) makes the Home Loan Bank Board an independent agency.

Section 111 removes the 2,500 limitation on loans by Federal savings and loan associations. The committee report says this limitation was inadvertently imposed under the Housing Act of last year.

Section 112 would allow the Federal Savings and Loan Insurance Corporation to retire Government held stock by issuing debentures for this purpose to Federal homeloan banks, and would enable the Federal Savings and Loan Insurance Corporation to charge admission fees commensurate with the cost of processing applications for insurance coverage.

To say that Government stock in the Federal Savings and Loan Insurance Corporation is one thing, but as in many of these Federal housing programs it is difficult to establish a clear straight record of how they were financed and their real fiscal responsibilities.

The Federal Savings and Loan Insurance Corporation is an example; when the Home Owners' Loan Corporation was established the Treasury was authorized to subscribe its capital stock of $200 million, and the Corporation was authorized to issue $4,750,000,000 of its own bonds guaranteed by the Federal Government. The Treasury issued notes to the Reconstruction Finance Corporation from which it got the $200 million, and the RFC drew the money from the Federal debt. The Federal Savings and Loan Insurance Corporation was formed as a sort of subsidiary of HOLC which subscribed to the new Corporation's stock for $100 million. Now the HOLC has been liquidated and the capital stock of the Federal Savings and Loan Insurance Corporation has been transferred to the Treasury, which also currently is trying to liquidate the RFC.

PERMANENT COMMUNITY FACILITIES PROGRAM

Sections 113 and 114 (pp. 26–28 of the bill) would make permanent the temporary Community Facilities Administration for public works planning by States and localities, authorize $48 million permanent revolving fund and provide that the cost of planning, borne by the Federal Government, that doesn't materialize does not have to be repaid.

Section 113 establishes a revolving fund to be made up of $10 million now available in appropriated funds, appropriation of $12 million July 1, 1956, another $12 million July 1, 1957, $14 million July 1, 1958, and the subsequent appropriation of such additional amounts as are necessary to maintain the revolving fund at a level of $48 million.

This money is loaned to State and local public agencies for advance planning of public works.

Continual appropriations to this fund are to be anticipated, because funds advanced for projects which do not materialize do not have to be repaid.

Any one State may draw down as much as 10 percent of the entire fund at any one time.

Section 114 increases the pay of the Community Facilities Commissioner.

The record of this program to date has been repayment of less than 50 percent of the loans. The program has received appropriations totaling $86 million. Repayments of loans have totaled little more than $30 million.

FEDERAL (PUBLIC FACILITY) LOANS FOR LOCAL PUBLIC WORKS

Sections 201, 202 (a), (b), (c), 203 (a), (b), 204, and 205 (pp. 29, 30, 31, 32, and 33 of bill) provides for direct loans or purchase of securities of States and localities for public works projects such as water, sewer, gas facilities, etc., with funds to be taken out of the Federal debt, with any repayments going into a revolving fund for turnover use. Section 201 makes this loan program a permanent Federal program.

Section 202 (a) authorizes purchase of securities of States and localities for this program, and authorizes direct loans for specific projects.

Section 202 (b) (1) (2) fixes the rules for assistance under this program and authorizes 40-year loans.

Section 202 (c) gives preference in this program to small towns.

Section 203 authorizes expenditure of funds from the Federal debt for these loans and security purchases.

Section 203 (c) sets up the revolving fund with repayments under the program.

Section 204 provides for administration of the program, and section 205 provides for the substitution of this program for similar provisions under RFC.

COLLEGE HOUSING PROGRAM TO LEND A HALF-BILLION DOLLARS OUT OF THE FEDERAL DEBT

Sections 301, 302, 303, and 304 (pp. 33–38 of bill) would liberalize Federal loans for so-called college housing by increasing the amount outstanding at any one time from $300 million to a half-billion, and make loans not only for student and faculty housing but also for cafeterias, dining halls, student centers, and unions, infirmaries or other outpatient or in-patient facilities, etc.

Section 301 of the bill expands the scope of the program beyond housing projects, precludes Federal loans if private offers are better, fixes the interest rate, raises the outstanding limit from $300 to $500 million and makes other rules.

Section 302 defines the term "development costs" to include other than student and faculty housing.

Section 303 redefines colleges to include junior colleges, philanthropic corporations.

In a recent letter, Albert M. Cole, Housing and Home Finance Administrator, has advised me that, in its housing program for student and faculty housing, HHFA, as of early this year, had commitments to 117 colleges and universities in 36 States for loans out of the Federal debt totaling over $110½ million, and that it has approved, pending final commitments, 14 additional loans totaling $8.8 million.

These colleges and universities are both State and private and to qualify for the loans under the law they had to show that they were unable to secure the necessary funds for such housing from other sources upon terms and conditions generally comparable in terms and conditions applicable to loans under this title of the National Housing Act.

Under the act these direct loans from the Federal Government, to be financed out of the Federal debt, bypassing appropriation procedure, may be for terms up to 40 years putting their maturity virtually at the eve of the 21st century. The Housing Administration appears to be encouraging 40-year debts for both private and State colleges and universities to the Federal Government.

NEW WHERRY HOUSING

Title IV (pp. 38 through 60 of the bill, inclusive) would establish a new 3-year, $1,350,000,000 Wherry housing program for construction of projects on or near military installations for military and civilian personnel of the military departments.

It would authorize military departments to initiate projects with builders who, with FHA-insured 30-year loans from private institutions, would build the projects. Upon completion the Defense agency would assume the mortgage. The theory of the proposal is that quarters allowances, to be withheld from military personnel over the years would pay off the mortgage.

Section 801 (p. 39) would define mortgagor to include the United States acting through the Secretary of Defense or his designee.

Section 802 (p. 40) would create a separate military housing insurance fund, outside of FHA, for the Reserves in this program.

Section 803 (p. 40) would authorize the use of $1,350,000,000 of public credit as the maximum to which these loans could be insured. This would be in addition to the $27 billion authorization for other FHA programs.

This section extends the program to June 30, 1958, gives the Secretary of Defense or his designee complete authority to determine need for projects, bases the amount of the loan on estimated replacement costs, allows costs to average $13,500 per unit, prescribes competitive bidding, and fixes mortgage maturity at 30 years, with 4 percent interest.

Section 804 (p. 50) provides for payments by the military into the military housing insurance fund.

Section 805 (p. 51) repeals reference in previous Wherry Act to the military leasing act provisions which were designed to make Wherry projects subject to local real estate taxes.

Section 807 (p. 52) would authorize the military department secretaries to "lease or sell" land to effectuate the purposes of the program.

Section 808 (p. 52) establishes a new "special assistant to the FHA Commissioner" to promote new Wherry housing.

Section 809 (p. 53) eliminates the requirement for builders of new Wherry projects to make a cost certification.

Section 402 (p. 53) would authorize FNMA to commit itself to the purchase of new Wherry mortgages.

Section 403 (p. 53) would authorize the Secretary of Defense to contract with eligible builders, after competitive bidding, for construction on land owned or leased by the Government; defines an eligible builder as a person, partnership, firm, or corporation qualified by experience and financial responsibility to build the project; and would authorize the Secretary of Defense or his designee to acquire by lease or otherwise housing constructed under new Wherry contracts, assume or guarantee payment of notes, mortgages, or other legal instruments acquired by FHA in connection with the mortgage insurance, and guarantee the Armed Service Housing Mortgage Fund against loss.

Section 403 also would provide that rentals on these properties during any year would not exceed an average of $90 per month per unit.

Section 404 (p. 55) would authorize the Secretary of Defense or his designee to acquire previous Wherry projects by purchase, donation, or other means including condemnation.

UNIVERSITY OF MICHIGAN LI

Section 405 (p. 56) would authorize the Secretary of Defense or his designee to assign quarters in these projects to military and civilian personnel and their dependents, and withhold quarters allowances or appropriate allotments from military personnel overseas as rental.

Section 405 provides also for payment from quarters allowances withheld of "all expenses of capitalization, operation, and maintenance."

Section 407 (p. 59) would "authorize to be appropriated such sums as may be necessary to carry out" the program.

Section 408 (p. 59) increases the maximum amount of individual project loans to be insured from $5 million to $12.5 million.

Under this legislation loans would be insured for the estimated replacement cost.

Requirement for cost certification would be repealed.

A builder could "mortgage out" with an insured loan far in excess of cost.

The military would assume the excessive mortgage.

This is a return to the "mortgaging out" windfall formula to a degree worse than any of the scandalous loopholes left in previous housing legislation.

The legislation raises the following questions:

Where is the requirement for the military ever to take title to the property?

Would the Government take over the builder's company with all of its assets and liabilities when it assumed the mortgage?

Where is the reason for these contracts to be subjected to renegotiation as suggested in the committee report?

Where is there a requirement to have this program conform with military housing policy, if there is a policy, in relation to appropriated housing, section 222 housing, etc.?

The bill authorizes appropriations to pay the costs of the program but says appropriated quarters allowances are to be withheld for this purpose. Does this contemplate double appropriations?

Provision is made to withhold quarters allowances and allotments for military personnel in lieu of rent, but where in the bill is provision for payment of rent by civilian employees; what will be the formula for rentals charged civilian employees; what would be the machinery for collecting rentals from civilians; if rentals were collected from civilians would they go into miscellaneous receipts of the Treasury?

Would the Federal Housing Administration exercise any control over construction of these projects where they would be in unnecessary competition with civilian projects in the same area insured under other FHA programs?

What is in the bill to prevent military departments from evading competitive bidding requirement by classifying these new projects as merely extensions of existing projects and arbitrarily giving the contracts to the builder who constructed the prior project? What provision is in the bill to prevent the builder from renting units as they are completed, before the military takes over, and pocketing the rental proceeds 100 percent as they are doing now in many projects?

Does this bill contemplate that the military departments will come into agreement with Congressional Armed Forces Committees on these projects as is now required in connection with military acquisition of other real estate?

Where is the commonsense in having one Federal agency assume a mortgage insured by another Federal agency with provision for a third Federal agency to buy the paper?

Can this Congress bind future Congresses either to appropriate funds to meet the cost of these mortgages or to keep quarters allowances for military personnel at a level sufficiently high to meet the costs?

Is the whole scheme not a subterfuge to avoid direct debt by the Federal Government by assuming the obligation of mortgages, insured by another Federal agency in the nature of a contingent liability?

Will not military personnel be required to pay with their quarters allowances, for 30 years to come, excess rentals to cover cost of excess loans for the benefit of "mortgaging out" builders?

NEW PROGRAM FOR SMOKE ELIMINATION AND AIR POLLUTION PREVENTION

Title X (pp. 60 through 67, inclusive, in the bill) would add a whole new housing program to undertake the elimination of air pollution caused by smoke, fumes, gases, etc.

The program would contemplate research to determine causes and effects, to develop devices and methods for preventing or eliminating air pollution and to provide guidance and assistance to States and localities for the same purpose.

Appropriations are authorized to enable the Secretary of Health, Education, and Welfare to enter into 4-year research contracts, make grants to public and private agencies for research, training, and demonstration projects; and to enable the Housing and Home Finance Administrator to make loans to business enterprises and purchase their obligations for installation or construction of devices to eliminate air pollution.

The committee declined, according to its report, to write a limitation of $3 million on research. As it stands the bill carries no limitation on funds for this new program except as may be exercised through annual appropriations, and that will be difficult because the program contemplates contractual obligations.

CONTINUATION OF DIRECT AND INSURED FARM HOUSING LOANS

Title VI (pp. 68 and 70 of the bill) continues the program for direct loans and insured loans for farm housing under the Department of Agriculture. Extension would be for 1 year.

Heretofore this program has been limited to direct loans from appropriated funds. This bill extends the direct loan program, and in addition provides for insurance of farm housing loans to a total of $100 million at public risk. The insurance machinery would be under the Farmers' Home Administration.

This program, under the Department of Agriculture, to a large degree duplicates and overlaps the Farm Housing Insurance program under the FHA now that the insured loan feature has been added.

The direct loans under the Department of Agriculture were started in 1949, and to date gross loans under the program have totaled $97 million in 19,000 loans.

FAIR LABOR STANDARDS AMENDMENTS OF 1955

Mr. DOUGLAS obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSON of Texas. I ask unanimous consent that the Senator from Illinois may be permitted to report the bill (S. 2168) to amend the Fair Labor Standards Act of 1938.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, I report from the Committee on Labor and Public Welfare an original bill (S. 2168) to amend the Fair Labor Standards Act of 1938, in order to increase the national minimum wage, and for other purposes, and I submit a report (No. 498) thereon.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2168) to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes, reported by Mr. DOUGLAS, from the Committee on Labor and Public Welfare, was received, read twice by its title, and placed on the calendar.

Mr. DOUGLAS. Mr. President, the Committee on Labor and Public Welfare has reported a bill to amend the Fair Labor Standards Act, about which I think we shall hear later from the majority leader. I wish to express my thanks to the other members of both the subcommittee and the full committee for their cooperation, and also my thanks and appreciation to the members of the staff for the fine work which they did in preparing the bill, in helping to edit the testimony, and in preparing the report.

The testimony will be in 3 volumes, running to over 2,000 pages. The report is quite voluminous, and will be on the desks of Senators tomorrow.

Since action on the housing bill has been completed today, I hope the decks have been cleared for a discussion tomorrow of the bill which I have reported.

In brief, the committee, by a quite decisive vote, approved the raising of the basic minimum wage from 75 cents an hour to $1 an hour, to be effective the 1st of January 1956.

TRANSMISSION LINES FOR THE TVA

Mr. KEFAUVER. Mr. President, I was informed just a short while ago that the House Public Works Appropriations Subcommittee this afternoon voted 9 to 6 to knock out the $6½ million appropriation from the TVA budget to build transmission lines out to the middle of the Mississippi River to pick up Dixon-Yates power. The House subcommittee applied that money instead to start construction on the Fulton steam plant.

This is good news. Just a few days ago, with magnificent disdain for the Congress, for the Securities and Exchange Commission, which has yet to approve its debt-financing plan, for the feelings of the people of the valley, the team of Dixon and Yates staged a gigantic celebration in West Memphis, Ark., and broke ground for their plant.

This action of the House committee, I trust, will show them that they were a bit premature.

They may break ground, they may start building a plant, but there are still many of us who are determined that not one kilowatt of power from that plant will ever go into the lines of the TVA system.

And in this determination I can assure you, Mr. President, that we have the support of considerably more than 90 percent of the citizens of the valley—the local people if you please.

SUSPENSION OF CERTAIN IMPORT TAXES ON COPPER

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 406, H. R. 5695.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H. R. 5695) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, it is not the purpose of the leadership to have the bill debated this evening. The bill, the hearings, and the report, are all available to the Members of the Senate.

The senior Senator from Nevada [Mr. MALONE] expects to discuss the bill, and after the morning hour tomorrow it will be laid before the Senate for debate.

I shall be glad to keep the Senate in session as late as is necessary to afford every Senator an opportunity to place material in the RECORD and to make whatever statements he may desire to make.

For the information of my colleagues, I may say there will be no further rollcalls tonight.

Mr. AIKEN. Mr. President, does the Senator from Texas contemplate seeking any unanimous-consent agreements this evening?

Mr. JOHNSON of Texas. No.

LYNDON B. JOHNSON OF TEXAS

Mr. HUMPHREY. Mr. President, I rise to express my appreciation to the Members of the Senate for their cooperation in making it possible for me to vote in favor of a progressive and decent public housing bill this afternoon. Most particularly, I desire to express profound thanks to the distinguished majority leader, my friend, the senior Senator from Texas.

An airplane leaving Minneapolis at 7:30 a. m. and scheduled to arrive in Washington at 2:30 this afternoon, on which I was a passenger, was delayed, due to bad weather, and did not arrive until 4:45. The delay in the vote until my arrival could only have come about as a result of cooperation from both sides of the aisle, and I am grateful to my colleagues.

At this time I also want to pay public tribute to the majority leader for his leadership in behalf of an effective Democratic Party liberal program. The Senator from Texas is a genius in the art of the legislative process. His talents, his personality, and the strength of his character are dedicated toward making the legislative process work as an effective instrument for democratic government. I do not always agree with his personal position on all issues that arise in the Congress. Honest men and liberal men differ because they have different backgrounds, different experiences, different convictions, and look at the world through their own particular sets of eyes.

I know, however, that the purpose of the Senator from Texas is to direct Congress so that its legislative behavior is a humanitarian one, consistent with the basic tenets of the New Deal and the Fair Deal. I know him to be an energetic supporter of a good housing program, adequate minimum wages, liberal social security protection, public power, and a prosperous agricultural economy, and a strong supporter of an internationalist spirit in American foreign policy. I have no hesitation in saying that I am proud of the leadership and of the skills portrayed by the Senator from Texas on the floor since he assumed leadership on this side of the aisle in January, 1953. I have no hesitation in saying, furthermore, that I am proud of having voted for him as minority leader and then as majority leader.

Mr. CAPEHART. Mr. President, we on this side of the aisle appreciate the compliment of the Senator from Minnesota upon our cooperation with him, so that he might arrive in time to vote on the housing bill. We knew all the time where the Senator was, but we did not know when he was going to arrive.

Mr. HUMPHREY. Neither did I.

Mr. CAPEHART. We also knew how the Senator from Minnesota would vote, but that made no difference to us on this side of the aisle. We were anxious to have him land safely and to reach the Senate in time to vote. The majority leader cooperated with the Senator from Minnesota, as did all the others of us.

We hope that if some day we on this side of the aisle are unable to land because of bad weather, the Senator from Minnesota will return the compliment and wait for us, so that we may be given an opportunity to vote.

Mr. HUMPHREY. I thank the Senator from Indiana. He is always a gentleman. I hope I shall be able to reciprocate his excellent example.

Mr. DOUGLAS. Mr. President, I join with the Senator from Minnesota in expressing my appreciation for the very skillful leadership of the Senator from Texas in expediting the passage of the housing bill. I am frank to say I did not think it would be possible to defeat the Capehart amendment. I do not know the precise method by which the Capehart amendment was defeated, but it was due to the extraordinary political virtuosity on the part of the leader of the Democratic Party in the Senate, and I wish to thank and congratulate him.

I also wish to thank Senators on the other side of the aisle who joined today with Senators on this side of the aisle, not as partisans, but as Americans, in voting their convictions, and to whom we really owe the passage of the bill. I express my deep gratitude and appreciation for their nonpartisan action in helping to put through, not a democratic program solely, but rather, a program which, if continued, will be very beneficial to the families, especially the children, of the United States.

Mr. JOHNSON of Texas. Mr. President, what the Senator from Minnesota [Mr. HUMPHREY] has said touches me. I appreciate his feelings toward me, as I do also the very kind and generous things said by the Senator from Indiana [Mr. CAPEHART] and the Senator from Illinois [Mr. DOUGLAS].

I may say to the Senator from Illinois that he was not alone in thinking that the Capehart amendment would be adopted, because I was as positive as I could be, when the yea-and-nay vote began, that it would be agreed to.

I may say to the Senator from Minnesota that the result of the vote shows that we ought to join the company of Dr. Gallup, because we are very poor pollsters.

I deeply regretted the circumstances in which the Senator from Minnesota found himself this afternoon. Upon checking, I learned that his plane was over Pittsburgh. Under the unanimous-consent agreement the Senate would not ordinarily have voted until at least mid-afternoon, or perhaps until 4 or 4:30 o'clock. There were several amendments offered. A very unusual thing happened with regard to those amendments. In the Senate we usually use substantial time on amendments, but because of the cooperation which has always existed in the Banking and Currency Committee, under the chairmanship of our late beloved friend, Burnet Maybank, and under the chairmanship of our friend, the senior Senator from Indiana [Mr. CAPEHART], and now under the chairmanship of the Senator from Arkansas [Mr. FULBRIGHT], the members of that committee, both majority and minority, even though they may have differed, have always been agreeable to procedures which would serve the convenience of most Members of the Senate.

There could have been an unpleasant situation this afternoon. I hope we do not find ourselves again in the same situation as faced us today. We did not wait on the vote in order to get the vote of the Senator from Minnesota. Frankly, I did not think it would make any difference. I thought we would need 5 or 6 votes in order to defeat the amendment. But we waited because we were constantly being told that it would be just a few minutes before the Senator arrived. First we were told it would be 4:30, then 4:40, then 4:45. We knew of the deep interest which the Senator from Minnesota had in the pending legislation; how long he had worked on the subject, how many speeches he had made on it, and the example he had set as mayor of Minneapolis and we knew he had left Minnesota and would fly a good part of the day in order to vote on the bill. Since it would not inconvenience Senators, since we had no other legislation pending today, and since there were other amendments which could be considered prior to the vote on the Capehart amendment, we thought it would be good legislative procedure to serve the convenience of Members, as long as we could do that and still serve the public interest.

The minority leader and I had some discussion about the delay. It was a

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pleasant discussion. It was a friendly discussion.

I would not say he was a party to the arrangement and that he was cooperating to protect the interest of the Senator from Minnesota, but I will say I have never served with a better minority leader or one with whom I had rather work. He understood my position, and I hope Senators on this side of the aisle will understand mine when I find myself in the same position and I reciprocate, which I shall do.

I think in this life one does not get any more than he gives. One has as friends persons who are just about the same as he is.

I am glad to say we have disposed of a very controversial bill. Many Members do not approve of a lot of things in the bill. That is true of almost every bill that is passed. I am also sure the House will make many changes in the bill. The bill has been disposed of without rancor or bitterness. Every Senator has had a fair opportunity to express and record himself. That was not due to any astuteness or any other quality which may have been attributed to the majority leader, but it was due to the helpfulness of all my colleagues, and particularly colleagues on the minority side, who were waiting on the majority leader.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. SPARKMAN. I should like to take this opportunity to add a word, particularly in view of the statement which has been made by the majority leader that the action this afternoon was not due to his astuteness. I would certainly say it had a great deal to do with the passage of the bill—that coupled with hard work, much work, and energetic work. I wish to pay my respects and express my appreciation to the majority leader for the very fine help which he gave on the bill.

Mr. President, I wish to take a half minute to say this was a very important bill. If enacted the Federal Government will become involved to the extent of probably as much as $10 billion a year. So it is serious business we have been handling. I mention the bigness and the seriousness of it in order to point out the fine cooperation which was obtained not only from members of the Committee on Banking and Currency, but from all Members of the Senate on both sides of the aisle, in handling this very important and very big piece of proposed legislation. I wish to express my appreciation to all for the manner in which it was done.

Mr. JOHNSON of Texas. I wish to express my gratitude to the housing authority of this body, the man who has done more to build more houses than has any other man, the distinguished chairman of the subcommittee, JOHN SPARKMAN. I worked with him many years in the House and in the Senate. There is no more effective, efficient, and finer Senator than he. I appreciate what he has done.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, first I should like to join with other Senators who have expressed appreciation for the way the housing bill has been handled by the majority leader, by the chairman of the subcommittee, by the chairman of the full committee, and by other Senators who have been interested in the bill. It is forward-looking legislation, and there is no legislation in which the people of my State are more interested than housing legislation. I am sure they will join with me in expressing this appreciation.

Mr. MORSE. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, as a member of the Committee on Banking and Currency, I wish to express my deep appreciation for the magnificent job which JOHN SPARKMAN has done over a period of many months in connection with the important housing bill which the Senate has just passed. After all, Mr. President, it has been JOHN SPARKMAN who really has been the generating force behind this bill, which is of great importance, in my judgment, to the American way of life.

Congress is in the process of appropriating huge sums of money to help unfortunate persons abroad and to check the advance of communism in various areas of the world. On many occasions I have been heard to say that the primary obligation of Congress, legislatively speaking, is always to seek to translate the system of human rights and property rights which comprises our form of government into legislation which will promote the general welfare. If that is not the primary purpose of a free government, then it has no primary purpose.

In dealing with the piece of housing legislation to which the Senator from Alabama [Mr. SPARKMAN] has made so notable a leadership contribution, we are doing two very important things, in my judgment. First, of course, we are promoting the general welfare and are keeping faith with the fundamental purpose of our free society. But we are also placing a very effective check upon communism within our Nation, or at least an effective check upon ideologies which are irreconcilable with a free society, because there can be no question that home ownership or, if the individual concerned is not a home owner, then the renting of homes, contributes to the maintenance of a decent standard of living and proper family relations. I know of no better check upon communism than decent home conditions. I think that with every slum we clear, we deal a body blow to subversive influences within our land.

Mr. President, it is easy to say that one program is more important than another. This afternoon I shall not speak in terms of comparison. But I say that as Congress seeks to promote the general welfare by means of a housing program such as the one the Senate has approved this afternoon, we are taking very real and effective steps to provide checks against subversive influences in our Nation. We need have no fear of the loss of freedom in the United States so long as we continue to do what we can to increase private home ownership and to provide decent living quarters for those who cannot own their own homes.

Therefore, Mr. President, I think the Senator from Alabama [Mr. SPARKMAN] today is deserving of great credit for piloting through the Senate a housing bill which really, to the extent that Federal dollars are involved, will result in having dollars spent for the purpose of strengthening our Nation's system of economic freedom, which we call enlightened capitalism, insofar as economics is concerned, and which we call representative government, insofar as politics is concerned.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. HUMPHREY. I should like to join the Senator from Oregon in paying an appropriate tribute to the Senator from Alabama [Mr. SPARKMAN]. The bill the Senate has passed today means a great deal to the State which I, in part, represent in the Senate. The bill means a great deal to my home city of Minneapolis and to the people of that city.

I concur in the views the Senator from Oregon has expressed in regard to the leadership of the Senator from Alabama and his dedication to this particular program.

Let me say to the majority of the committee who reported the bill that I believe we owe them a deep debt of gratitude and appreciation.

Mr. MORSE. Mr. President, I share the views of the Senator from Minnesota, as he has just expressed them.

As a member of the Banking and Currency Committee, I wish to say that I am very proud of the bill we brought to the floor of the Senate—which bill, through the leadership of the Senator from Alabama, was passed this afternoon by the Senate.

Mr. President, having made these comments about the Senator from Alabama, I desire to refer to two other Members of the Senate, both of whom are now on the floor.

First, I wish to join the Senator from Minnesota in the tribute he paid to the majority leader, the distinguished senior Senator from Texas [Mr. JOHNSON]. The majority leader has demonstrated again, this afternoon, his parliamentary excellence, his capabilities of floor leadership, and his dedication to carrying out the will of the majority. In this instance the will of the majority happens also be his will. But on other occasions, when he was not on the same side of an issue with me, I have seen him exercise the same leadership he exercised this afternoon, once he knew what the will of the majority was. Mr. President, no matter how great a compliment I pay him regarding the work he has done today on the floor of the Senate, I do not consider that I am in the slightest degree or to the slightest extent engaging in flattery when I commend the majority leader, the distinguished senior Senator from Texas, and congratulate him upon his cooperation with the Banking and Currency Committee in connection with the presenta-

tion this afternoon of this very important bill.

Mr. President, to the distinguished senior Senator from California [Mr. KNOWLAND], let me say that although he and I sometimes do not see eye to eye upon substantive matters, I think it is interesting to note how, over the past years, we have seen eye to eye on the matter of procedural fairness. Time and time again, when I have been a very small minority in the Senate on some issue, the Senator from California has gone out of his way, not to protect my rights, but to protect procedural rights in the Senate. When that is done, Mr. President, the rights of every Member of the Senate are protected, regardless of whether he is on the same side of the issue with any one of us in any given instance.

Not only that, Mr. President, but with the protection of procedural rights, there goes along also the protection of the courtesies which Senators are entitled to receive from each other. This afternoon the minority leader demonstrated again that, after all, from the standpoint of parliamentary tactics, one could have stuck to the so-called letter of procedural law in the Senate, or one could cooperate, as the minority leader did, in adjusting to the emergency situation confronting the Senator from Minnesota [Mr. HUMPHREY]. I think that was a wonderful example to the country of what senatorial courtesy really means. Certainly every Member of the Senate owes a word of thanks to the Senator from California for the courtesy he extended this afternoon through his minority leadership, to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. HUMPHREY. Let me say that I appreciate the courtesy of the Senator from Oregon in yielding to me, so that I can express personally my thanks to the Senator from California [Mr. KNOWLAND]. I think he knows from me, privately, that I have the highest regard and the greatest respect for him. Although at times we disagree on basic issues, that is only an indication that we have points of view and convictions.

I think we have been taught many good lessons by the two leaders on this floor. They have taught us that in battling out the issues, we can do so as gentlemen, and thus can raise the stature of the United States Senate as the greatest parliamentary body in the world. As to that, Mr. President, I should like to dedicate my energies. Certainly we have here some good teachers who have given us excellent guidance.

Mr. KNOWLAND. Mr. President, will the Senator from Oregon yield to me at this point?

Mr. MORSE. I yield.

Mr. KNOWLAND. Mr. President, I wish to say that I am mindful of the kind remarks of both the Senator from Oregon [Mr. MORSE] and the Senator from Minnesota [Mr. HUMPHREY]. Sometimes in this Chamber we come out on the long end of a yea-and-nay vote, and sometimes we come out on the short end. Today, I happened to be on the short end. Nevertheless, I believe it is true that after we have our discussions and after the debate has ended, it is vitally important that proper procedural operations be maintained in the Senate, and, certainly, that every reasonable courtesy be extended to the Members on both sides.

Mr. MORSE. Mr. President, I thank the Senator from California.

Mr. JOHNSON of Texas subsequently said: Mr. President, I should like to say to the Senator from Oregon that I deeply appreciate the kind and generous things he has said about me. Moreover, I appreciate the efficient contribution which the Senator has made to the Senate during my term of service, and his willingness always to cooperate with me in my responsibilities as majority leader or minority leader.

Mr. MORSE. I thank the Senator.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. It is intended that the Senate shall proceed with the discussion of the copper bill tomorrow. Following disposition of the copper bill, it is planned to proceed to the consideration of the minimum-wage bill reported by the Committee on Labor and Public Welfare.

THE ECONOMIC PRODUCTIVE POWER OF OUR NEIGHBORS TO THE SOUTH AS AN EFFECTIVE CHECK ON COMMUNISM

Mr. MORSE. Mr. President, I wish to say a word about an item which I propose to ask unanimous consent to insert in the RECORD as a part of my remarks. I wish to say what I have to say as chairman of the Subcommittee on South American Relations of the Foreign Relations Committee.

The contents of the article seem to be somewhat different from the advice and information which we receive from the State Department. I think it is important that we find out what the facts are. I do not claim to know the facts, but I read from the McGraw-Hill American letter of April 16, 1955, entitled "Mexican Air Mail Edition." The item I read is under the heading, "Bankers and Businessmen Here Are Convinced That PEMEX Is a Genuine Success."

PEMEX is the nationalized oil corporation of the Republic of Mexico, which was set up following the expropriation of American oil interests in Mexico in the late 1930's. I have always been in complete disagreement with the policy of expropriation, because I do not believe that nationalization of foreign investments is the way to create international good will and understanding.

Nevertheless, it would seem that considerable provocation was afforded by foreign oil interests in Mexico, including not only American, but British, Dutch, and other oil interests, which led to this extraordinary action on the part of the Mexican Government.

Irrespective of the merits of the causative factors which led to the expropriation, the fact is that we have here an article published by a very reliable American publishing house—certainly a conservative publishing house—which tells the reader that PEMEX has proved to be a genuine success. The article says in part:

> The long period of doubt in some United States business circles that PEMEX could ever stand on its own feet has finally been dispelled. Recent report on status of Mexico's oil industry by Antonio Bermudez, head of PEMEX, has convinced even the most skeptical American businessmen that the agency has a bright and stable future. There is also a general belief here that Mexico's petroleum industry will remain nationalized.

Mr. President, I ask that the entire portion of the McGraw-Hill American letter dealing with the PEMEX item be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BANKERS AND BUSINESSMEN HERE ARE CONVINCED THAT PEMEX IS A GENUINE SUCCESS

The long period of doubt in some United States business circles that Pemex could ever stand on its own feet has finally been dispelled. Recent report on status of Mexico's oil industry by Antonio Bermudez, head of Pemex, has convinced even the most skeptical American businessmen that the agency has a bright and stable future. There is also a general belief here that Mexico's petroleum industry will remain nationalized. Despite this, a rumor is circulating in Washington that a former Mexican Ambassador to the United States, Antonio Espinosa de los Monteros, is here trying to negotiate for American oil companies to return to Mexico. Trade circles interviewed by the American letter do not regard this as a serious possibility.

Business leaders in this country consider the most important aspect of Bermudez's report to be the description of Pemex's plan to refine all of its production and not to continue supplying crude to other industrial nations. It is expected that for the long term this program will mean a boost in Pemex's income of from 400 to 500 percent above the period when the oil agency exported surplus crude and imported refined products. Washington sources comment that this plan will increase Mexican oil value from $2 to $2.50 per barrel to $10 or $12 per barrel. Texas oil people believe the Washington estimate is low. They say it would be much higher if total benefit to Mexico's economy is considered.

Mr. MORSE. The thing which concerns me is that for several years we have continually been advised by State Department officials that the national oil policy of Mexico is resulting in unsuccessful operations, and that loans to Mexico from the Export-Import Bank, or any aid loans to Mexico by the United States Government, are opposed by the State Department. That is a bit difficult for me to understand. There are ugly rumors to the effect that the policy of our State Department, or at least of some officials of the State Department, may be somewhat closely related to the clientele of powerful American law firms.

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I believe that we must look to the nations to the south of us to a greater extent than we have been looking, from the standpoint of doing what we can to build up their economic productive power as one of the most effective checks we have on the spread of communism to the south of us.

I think we need to be very careful not to follow an economic foreign policy of dictating to another country what its internal economic policies shall be. We need to look into the question of whether or not our State Department is following an attitude toward Pemex that is subject to the interpretation in Mexico that if Mexico operates her oil industry to our liking, and in accordance with our policies, there will be money available for loans to Mexico for oil development, but that if she does not yield to our notions as to how she should develop her oil industry, loans will not be available.

If that is the position of our State Department, then I say most respectfully that that is not the way to build up good relations.

I do not believe it is wise for us in our relations with Mexico, or any other South American country—or any country, for that matter—to indicate, intimate, or even by innuendo suggest, that loans will be dependent upon the particular country following an internal economic policy to our liking in regard to any particular industry, because if we could do that, or if we should do it with regard to the Mexico oil policy, we could very well do it in regard to an electric power policy, or a transportation policy, or in connection with any other economic problem in a given country.

In my judgment, the result of such a course would be to create the kind of doubts and fears which I found in the mind of a foreign Ambassador who conferred with me at some length this afternoon. He is not an Ambassador from a Latin American country, but he expressed to me great concern over the economic foreign policy of the United States in areas of Asia in which, according to his sights, apparently our aid is determined by whether or not the government of a particular country follows the demands or dictates, or at least the very emphatic suggestions, of the United States State Department as to the internal economic policy of that country.

American economic "imperialism" or "colonialism" may take the form of economic pressures through the exercise of which we may make the administrators of a foreign-aid policy in a particular foreign country really puppets of our State Department; or, if they are unwilling to serve in that capacity, the loan or aid is not granted.

Mr. President, I am a strong supporter of foreign aid; I am particularly a strong advocate, as I pointed out in a speech on the floor of the Senate the other day, of increasing our loans and our investments in foreign countries, rather than granting money; but I wish to suggest and to stress—and the McGraw-Hill publication raises the issue—that our State Department ought to be very careful to guard against giving the impression abroad that we will help a democratic country only if that democratic country does our bidding economically so far as internal economic policy is concerned.

The fact is that Mexico, to the south of us, is one of the outstanding free nations of the world, and her friendship is of vital importance to the United States, as is the strengthening of her economic system. Therefore I hope that evidence cannot be advanced which substantiates the views and contentions of some persons that the State Department and the Export-Import Bank have been following a discriminatory policy against the Government of Mexico so far as loans for the development of her oil industry are concerned.

I do not like socialism, nor do I like the nationalization of industry; but we might as well face the reality that economically other nations are not going to "copycat" us completely. We cannot talk about self-determination and about freedom in relation to other countries unless we are willing to protect our own ideals. One of our ideals is that if the American people decide they want, for example, to nationalize an industry—and I would fight such a program so far as the exercise of political rights are concerned—it, nevertheless, falls within the rights of our people to do so. Or, if people in a given region want to be served by a public dam and get their electric power through a Government-owned dam or through a municipally owned electric power system, it is a part of freedom, it is a part of their rights under democratic processes to make the decision for themselves.

If that be true at home, I think we should be wary about taking a position that any loan from the Export-Import Bank or any grant of aid from the State Department must be dependent upon the recipient country following an economic form in respect to a particular industry which in effect is dictated by the State Department or by the Export-Import Bank.

I make these comments today as chairman of the Subcommittee on South American Affairs of the Committee on Foreign Relations because I believe the contents of this letter call upon the State Department to clarify the positions it has taken in the recent past in regard to Pemex in Mexico.

Mr. President, I also ask unanimous consent to have printed in the RECORD at this point in my remarks a second item appearing in this McGraw-Hill publication, entitled "United States Capital Pours Into Latin American Oil Development." This article is very much to my liking because it shows what is happening as a result of American investments in some other countries in South America, particularly Venezuela and Argentina, in connection with the development of the oilfields of those countries. I think it is very interesting that these two items appear in this one newsletter of McGraw-Hill.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

UNITED STATES CAPITAL POURS INTO LATIN AMERICAN OIL DEVELOPMENT

Mexico and Brazil are the only Latin American oil-producing nations that are resisting the lure of United States millions in development capital. A 3-year survey just completed by the Chase Manhattan Bank shows that other Latin American countries are easing curbs on foreign oil investment. American businessmen are preparing for large new investments below the border. Most of the money will go into Venezuela, which has become the world's leading oil exporter. However, many republics are now seeking to follow the Venezuelan example.

Argentina's agreement with three companies was hailed here as a significant step that may soon be followed by similar action elsewhere in Latin America. Standard Oil of New Jersey, Royal Dutch Shell, and Standard Oil of California will develop Argentine concessions where the Government-owned petroleum company is not working. Plans are to boost Argentine production to 8 million barrels in 2 years and to 20 million in 5 years. Buenos Aires now has to spend $200 million a year on oil imports.

Representatives of several major United States oil firms are in Guatemala. They expect to gain far-reaching exploration and development concessions from the friendly Castillo Armas government. Colombia has announced a decision providing greater tax incentives to foreign oil companies. Her net exports are declining because of the spectacular rise in consumption—up 80 percent since 1950. Output has increased only 18 percent, but new areas of potential production are difficult to reach and expensive to explore. Peru has already modified her laws. These are attracting substantial investment. Consumption is rising at such a rapid pace that Peru may soon switch from a net exporter to a net importer of petroleum.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point the contents of a special report and analysis of the business outlook of Mexico, published by a division of the Bureau of National Affairs of Washington, D. C. It is entitled "Mexico Is Headed for Best Year in Its History."

There being no objection, the publication was ordered to be printed in the RECORD, as follows:

MEXICO IS HEADED FOR BEST YEAR IN ITS HISTORY

The current surge in business activity here in the United States is making itself felt south of the border, too.

Indeed, Mexico's economy—like this country's—has already recovered the ground it lost during its recession in 1953 and 1954.

And prospects for further gains are bright. Like the United States—and Canada, too—Mexico is now well on the way to the best year in its history.

This foreshadows new and bigger opportunities for United States businessmen—through sales of their products (Mexico is our fourth biggest customer) or through investment in Mexico's growing industry.

REACTION TO KOREA

As was the case with her two northern neighbors, Mexico's recession was a reaction to the Korean boom.

The downturn got underway early in 1953, a few months before it began to show here.

The first sign of trouble was a sharp increase in Mexico's foreign-trade deficit and

a heavy drain on her currency reserves. (Remembering the shortages of American goods that followed Pearl Harbor, Mexicans went on an all-out importing spree when fighting started in Korea.)

A big drop in buying of raw materials by the United States aggravated the trouble.

Almost at once Mexico's foreign-trade deficit began to skyrocket. From a manageable $90 million in 1950, the total jumped to $249 million in 1951; 2 years later it reached a record $275 million.

The country can normally balance a modest trade deficit with tourist income. But the swollen figures of the early fifties were something else again. Doubts about the soundness of the Mexican economy led many investors and businessmen to retrench—and to pull money out of the country—adding to the drain on reserves.

On top of all this came the impact of lower activity on this side of the Rio Grande.

Mexican economic trends, 1948–54

[Millions of dollars]

	1948	1949	1950	1951	1952	1953	1954
Gold and dollar holdings	78	126	291	275	272	240	155
Total exports	466	466	466	573	581	536	552
Exports to the United States	359	367	433	444	410	355	328
Total imports	561	457	556	822	808	811	712
Imports from the United States	458	398	430	638	666	646	628
Wholesale prices (1948=100)	100	110	120	148	154	151	167
Retail prices (1948=100)	100	105	112	126	144	141	148
Wages—Monthly earnings (1948=100)	100	109	118	131	138	146	[1] 155
Industrial production (1948=100)	100	107	118	127	130	133	[1] 142
Farm output (1948=100)	100	112	126	132	126	[1] 130	[1] 160

[1] Estimated.

Source: International Financial Statistics, International Monetary Fund.

TRENDS IN RECESSION

Here's what happened to important economic indicators during Mexico's recession:

National income—a good measure of overall activity—dropped 3.5 percent from the record $6 billion of 1952. That's about the size of the drop that occurred in the United States.

Mine output—the all-important dollar earner—slipped 5 percent, reflecting the 9-percent drop in United States factory production. (Factory output in Mexico more than held its own, but it plays a relatively small role in the country's economy.)

Export volume, as a consequence, fell 8 percent—to $536 million—between 1952 and 1953. By the second quarter of 1954, when the United States economy started moving up, Mexican shipments had fallen still further—to an annual rate of just over $400 million.

Gold and dollars held by the central bank skidded dangerously—from $291 million in 1950, to less than $100 million early last year.

Farm production turned down in 1952—about 5 percent. Falling prices brought more distress.

Retail sales fell around 5 percent in 1953.

You can't measure what happened to employment, investment, construction, etc., with any real accuracy; there are big gaps in Mexican statistics. But all evidence indicates that these lines weakened, too.

PESO DEVALUATION

The turning point for the Mexican economy came in April 1954.

The peso was devalued by 44 percent; you now get 12.5 for the dollar, instead of 8.65. This led to some hikes in domestic prices and wages. But—by raising the cost of imported goods—the move soon succeeded in reducing the trade deficit and increasing revenues.

American buying rose a little later in the year, as American industry began to recover from its own correction.

Then last year's big farm crop began moving to market at good prices, giving Mexico's economy the last push it needed.

Once started, Mexico's recovery spread out quickly. (The 1954 figures tell only part of the story; most of the gains came this year.)

Factory production spurted. Oil production has risen 17 percent in the past year, while textile mills are operating at record rates. Steel and cement were sluggish for a while, but even they have begun to move.

Minerals output has increased substantially. The United States stockpiling program has firmed up demand—and prices—for lead and zinc.

Farm marketings jumped over 20 percent in value. Overseas buyers snapped up the record crops of cotton and coffee at good prices.

Exports, overall, rose 3 percent in 1954—and at least that much again so far in 1955. Increased tourism and the devaluation reversed the flow of foreign exchange. Reserves rose back above $250 million.

And there's new confidence on the part of Mexican businessmen and American investors.

OUTLOOK FOR 1955

With internal finances in order, and United States activity rising, there's every reason to believe that Mexican business activity will keep on expanding through 1955.

Tourism will set a record—$200 million, up 15 percent over 1954. The long-term uptrend has resumed, after faltering in 1943–54.

Retail sales will top last year's by 10 percent.

Cattle exports to the United States will reach substantial volume, now that import restrictions have been relaxed.

Oil and gas will exceed 1954 output by 10 percent.

Manufacturing is still rising, with activity in clothing, auto assembly, and electrical appliances slated to improve substantially this summer and fall.

And investment—by government and businessmen—is accelerating.

Here are some of the opportunities in Mexico that are currently attracting the funds of American and other investors.

Sulfur: United States money is helping to push Mexican output to 1 million tons a year. (Ours is a little more than 5,000,000.) American investors will be getting $20 million a year in returns.

Retailing: Some of the large American chains are preparing to follow Sears, Roebuck, which has a multimillion-dollar operation going.

Power: Foreign-owned Mexican Light & Power Co. is completing plans for a 10-year $24 million expansion program.

Machinery: A $2.5 million plant, to turn out Japanese textile machinery, is going up in Hidalgo state.

Other lines: United States capital is playing a growing role in chemicals, paints, plywood, synthetic fibers, radio-TV, and appliances.

Additionally, the Government is pouring tax funds and money borrowed from international lenders into waterpower and transportation projects—prerequisites for development of primitive areas.

IMPORTANCE TO UNITED STATES

Quite apart from the investment prospects, Mexico is important to the United States economically as a customer.

Dollarwise, Mexico's purchases—$628 million in 1954—will probably near $1 billion by 1960. Mexico might displace Britain ($688 million) as our second best customer. (Canada—with $2.8 billion—is far and away the first.)

Itemwise, the country promises to take ever increasing amounts of mining, farm, railroad, and industrial machinery and parts; electrical equipment; iron and steel products; auto parts and assemblies; and wheat, corn, and paper.

Mr. MORSE. If the information contained in this report is true, Mexico would seem to offer an opportunity to us to strengthen our foreign policy by helping the country to the south of us develop its economy to the point where we can say that through American aid and assistance we are contributing to a further raising of the standard of living of the people of Mexico.

I close by saying that just as I believe it is important that the strength of freedom in America, both political and economic, is dependent upon the standard of living of our people, likewise do I believe that the strength of freedom elsewhere in the world in the decades ahead will be determined more by the development of the standards of living of the people of those areas than by any other one fact.

That is why I say it is very important that we should export economic freedom, but not try to dictate economic policy to a land to which we grant our aid.

ADJOURNMENT

Mr. KNOWLAND. Mr. President, pursuant to the order entered previously, I move that the Senate adjourn until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 37 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Wednesday, June 8, 1955, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 7, 1955:

UNITED STATES DISTRICT JUDGES

Reynier J. Wortendyke, Jr., of New Jersey, to be United States district judge for the district of New Jersey.

William G. East, of Oregon, to be United States district judge for the district of Oregon.

CIRCUIT COURTS, TERRITORY OF HAWAII

Benjamin M. Tashiro, of Hawaii, to be judge of the fifth circuit, circuit courts, Territory of Hawaii, for a term of 4 years.

FEDERAL COAL MINE SAFETY BOARD OF REVIEW

Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review for the term expiring July 15, 1958.

UNIVERSITY OF MICHIGAN LI

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 7, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, in our prayer of intercession, at the noon hour, we are bringing to Thy throne of grace and mercy all who have grievous trials and tribulations, and are bearing heavy burdens and sorrows from which none amongst us is entirely free.

God forbid that we should sin against the Lord by ceasing to pray for our fellow men who are finding life so confused and complex in its demands and upon whose trembling lips there are broken cries which Thou alone canst hear and answer.

Grant that Thy needy children everywhere may be given strength and courage to carry on and may their hearts be sustained by Thy divine fellowship and consolation.

Inspire us with the glad assurance that someday Thy kingdom of righteousness and peace will be established upon this earth and may we seek to have a large part in making life less difficult for struggling humanity.

In Christ's name we bring our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 3825. An act to make retrocession to the Commonwealth of Massachusetts of jurisdiction over certain land in the vicinity of Fort Devens, Mass.; and

H. R. 4294. An act to amend section 640 of title 14, United States Code, concerning the interchange of supplies between the Armed Forces.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 107. An act to provide for the conveyance of a portion of the Fort Devens Military Reservation, Mass., to the Commonwealth of Massachusetts;

S. 309. An act for the relief of Rosette Sorge Savorgnan;

S. 2078. An act to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions; and

S. 2127. An act to amend the Small Business Act of 1953.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5240. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. RUSSELL, Mr. MCCLELLAN, Mr. DIRKSEN, Mr. SALTONSTALL, Mr. KNOWLAND, Mr. MCCARTHY, and Mr. POTTER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5046. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HILL, Mr. CHAVEZ, Mr. RUSSELL, Mr. KILGORE, Mr. MAGNUSON, Mr. STENNIS, Mr. THYE, Mr. MUNDT, Mrs. SMITH of Maine, Mr. DWORSHAK, and Mr. POTTER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 103) entitled "An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. JACKSON, Mr. O'MAHONEY, Mr. MILLIKIN, and Mr. WATKINS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 2126) entitled "An act to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. JACKSON, Mr. O'MAHONEY, Mr. MILLIKIN, and Mr. WATKINS to be the conferees on the part of the Senate.

POSTAL FIELD SERVICE COMPENSATION ACT OF 1955

The SPEAKER. The Chair desires to announce that he prefers to recognize the gentleman from Tennessee [Mr. MURRAY] at this time.

Mr. MURRAY of Tennessee. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department as amended.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Postal Field Service Compensation Act of 1955."

TITLE I—DEFINITIONS, COVERAGE, AND EXEMPTIONS

Definitions

SEC. 101. For the purposes of this act—

(1) "Department" means the Post Office Department established by section 388 of the Revised Statutes (5 U. S. C., sec. 361), and the postal field service of the Post Office Department;

(2) "postal field service" includes all operations and organization units of the Department, other than the departmental operations and organization units in the headquarters offices of the Post Office Department at the seat of the Government, and includes postal inspectors assigned to the headquarters offices of the Post Office Department at the seat of the Government;

(3) "employee," unless the context otherwise indicates, includes postmasters, officers, supervisors, and all other persons employed in the postal field service, regardless of title, other than persons who provide services for the Department on a fee, contract, job, or piecework basis;

(4) "position" means the duties and responsibilities assigned to an employee, other than duties performed on a fee, contract, job, or piecework basis;

(5) "key position" means an existing position, described in section 203 of this act;

(6) "salary level" means the numerical standing in the Postal Field Service Schedule assigned to a position in the postal field service;

(7) "basic salary" means the rate of annual or hourly compensation specified by law, exclusive of overtime, night differential, and longevity compensation;

(8) "basic compensation" means basic salary plus longevity compensation; and

(9) "persons" has the meaning prescribed for such word in section 1 of title 1 of the United States Code.

Coverage

SEC. 102. This act applies to all positions and employees in the postal field service.

TITLE II—RANKING OF POSITIONS

Administration

SEC. 201. (a) The Postmaster General shall determine the personnel requirements of the postal field service, and fix the number of supervisors and other employees in such service, except that not more than one assistant postmaster may be employed at any post office. He shall define the various positions other than the key positions specified in section 203 of this act and the standard positions of postmaster in a fourth-class office and rural carrier. He shall assign each such position to its appropriate salary level in the Postal Field Service Schedule. He shall ascertain the appropriate salary level of a position (1) by comparing the duties, responsibilities, and work requirements of the position with the duties, responsibilities, and work requirements of key positions described in section 203 of this act, and (2) by ranking the position in relation to the key position most closely comparable in terms of the level of duties, responsibilities, and work requirements.

(b) In ranking positions, the Postmaster General shall apply the principle of equal pay for substantially equal work and give effect to substantial differences in difficulty of the work to be performed, in the degree of responsibility to be exercised, in the scope and variety of tasks involved, and in the conditions of performance.

(c) There shall not at any one time be more than 40 employees in positions assigned to salary level 17, 12 employees in positions assigned to salary level 18, 4 employees in positions assigned to salary level 19, or 15 employees in positions assigned to salary level 20.

(d) The Postmaster General's determinations under this section shall be the basis for the payment of compensation and for personnel transactions.

Appeals

SEC. 202. Any employee, either individually or together with one or more other employees with a similar grievance, may appeal at any

time, in person or through his representative specifically designated for that purpose, to the United States Civil Service Commission to review (1) if such employee is in a position other than a key position described in section 203 of this act, any action taken by the Postmaster General under section 201 of this act, in order to determine whether his position has been placed in its appropriate salary level in accordance with such section, and (2) if such employee is in a key position described in section 203 of this act, any administrative action taken or determination made under this act, in connection with such employee, in order to determine whether such employee has been placed correctly in a key position on the basis of and in accordance with the descriptions of key positions and the assignments of such positions to salary levels specified in section 203 of this act. The Commission shall act upon such appeal at the earliest practicable time, and its decision on such appeal shall be certified forthwith to the Postmaster General who shall take action in accordance with such certificate.

Key positions

SEC. 203. Key positions in the postal field service consisting of standard, related tasks commonly performed in that service are described and assigned to salary levels in the Postal Field Service Schedule, as follows:

(1) Position: Janitor—Level 1.

Basic function: Cleans, sweeps, and removes trash from work areas, lobbies, and washrooms.

Duties and responsibilities:

(A) Sweeps and scrubs floors and stairs, dusts furniture and fixtures, cleans washrooms, and washes windows (except exterior glass in high buildings).

(B) Moves furniture and helps erect equipment and fixtures within offices of the building.

(C) In addition, may perform any of the following duties:

(i) Cleans ice and snow from the sidewalks and driveways, and tends the lawn, shrubbery, and premises of the post office.

(ii) Washes walls and ceilings.

Organizational relationships: Reports to a foreman or other designated supervisor.

(2) Position: Elevator operator—Level 2.

Basic function: Operates a freight or passenger elevator.

Duties and responsibilities:

(A) Operates elevator.

(B) Cleans cab of elevator and polishes metal fittings.

(C) In addition, may perform any of the following duties:

(i) Pushes handcarts of mail on and off elevator or assists in loading or unloading material carried on elevator.

(ii) Tends the heating plant or performs cleaning duties in the vicinity of the elevator.

Organizational relationships: Reports to an elevator starter or other designated supervisor.

(3) Position: Order filler—Level 2.

Basic function: Selects, assembles, and makes ready for shipment items requisitioned by postal field establishments.

Duties and responsibilities:

Is assigned any of the following duties:

(A) Separates sheets of the requisition form, fastens copies to clipboards, and places on appropriate conveyor line.

(B) Clarifies writing on carbon copies of requisitions in order to minimize errors in filling requisitions.

(C) Sets up and prepares shipping containers.

(D) Places in cartons on conveyor lines the quantities of items requisitioned from an assigned station, indicating action taken opposite each item.

(E) Fills and labels bulk shipping orders and moves bulk material to dispatch area.

(F) Replenishes from stock items stored in individual stations and keep stations neat and orderly to facilitate filling of requisitions.

(G) Transports bulk and individual shipments on hand trucks.

(H) Assembles materials for each requisition where conveyor lines converge.

(I) Places cartons on assembly table for coordination and packing.

(J) Checks requisition copies and items to assure that proper action has been taken.

(K) Directs items not requiring packing to dispatch area.

(L) Combines shipments to reduce packing.

(M) Transmits bulk slips and shipping labels to the appropriate person.

(N) Labels bulk and individual packages with printed labels to avoid hand labeling.

(O) Prepares labels by use of appropriate rubber stamps.

(P) Seals cartons with stapling machine or tape.

(Q) Packs supplies for shipment.

(R) Stacks and trucks completed orders.

Organizational relationships: Reports to a foreman or other designated supervisor.

(4) Position: Clerk, third-class post office—Level 2.

Basic function: Sorts incoming and dispatches outgoing mail for a small number of points of separation and destination; provides a limited number of services at public windows.

Duties and responsibilities:

(A) Sorts incoming mail for general delivery, lock boxes, and one or more delivery routes.

(B) Postmarks and prepares mail for dispatch by train or other mail route; closes, locks, and affixes labels to pouches and mail sacks.

(C) Performs services at a public window, such as selling stamps, stamped envelopes, or other routine functions.

(D) As the needs of the service require, may perform other related duties incidental to the operation of the post office.

Organizational relationships: Reports to a postmaster.

(5) Position: Guard—Level 3.

Basic function: Makes rounds of the post office building, and punches clocks at designated stations.

Duties and responsibilities:

(A) Patrols buildings, punching watchman's clock where furnished, checking door and window locks, noting and reporting fire hazards and other irregularities, such as running water and unclosed doors and windows.

(B) Sounds fire alarm.

(C) Preserves order in corridors and, when necessary, detains persons for interrogation by post-office inspectors or local police.

(D) In addition may perform any of the following duties:

(i) Gives directions to the public in building lobby.

(ii) Raises and lowers the flag.

(iii) Retrieves lost and found articles and delivers them to the appropriate place.

(iv) Obtains names of victims, doctors, police, and witnesses in the event of accident.

(v) Guards property entrances and prevents damage to property by the public.

(vi) Tends the heating plant of the building.

(vii) Operates elevators on a relief basis.

(viii) Does incidental cleaning and laboring work.

Organizational relationships: Reports to a lieutenant of the guard, a building superintendent, or other designated supervisor.

(6) Position: File clerk—Level 3.

Basic function: Sets up and maintains files on one or more subject matters.

Duties and responsibilities:

(A) Prepares new file folders and maintains existing folders in correct order as prescribed in the established filing system.

(B) Transmits folders or information contained therein to authorized personnel (for example, forwards personnel folders to requesting supervisors, or copies data from folders to satisfy requests).

(C) Opens, sorts, and searches file material, and maintains files in up-to-date condition.

(D) In addition, may perform any of the following duties:

(i) Types from rough draft or plain copy.

(ii) Answers telephones.

(iii) Prepares requisitions for supplies.

(iv) Operates a mimeograph machine.

Organizational relationships: Reports to a designated supervisor.

(7) Position: Typist—Level 3.

Basic function: Types material such as forms, correspondence, and stencils from rough draft or plain copy.

Duties and responsibilities:

(A) In accordance with instructions and information furnished by supervisor, types forms, standard reports, and documents such as invitations to bid, orders, contracts, invoices, personnel actions, and related materials.

(B) Types correspondence and memoranda from rough drafts or general information.

(C) Cuts stencils for instructions, circulars, and other general uses.

(D) In addition, may perform any of the following duties:

(i) Transcribes from a dictating machine.

(ii) Operates a mimeograph machine.

(iii) Files, checks requisitions, prepares vouchers, and answers the telephone.

Organization relationships: Reports to a designated supervisor.

(8) Position: Mail handler—Level 3.

Basic function: Loads, unloads, and moves bulk mail, and performs other duties incidental to the movement and processing of mail.

Duties and responsibilities:

(A) Unloads mail received by trucks. Separates all mail received by trucks and conveyors for subsequent dispatch to other conveying units, and separates and delivers working mails for delivery to distribution areas.

(B) Places empty sacks or pouches on racks, labels them where labels are prearranged or racks are plainly marked, dumps mail from sacks, cuts ties, faces letter mail, carries mail to distributors for processing, places processed mail into sacks, removes filled sacks and pouches from racks, closes and locks same. Picks up sacks, pouches, and outside pieces, separates outgoing bulk mails for dispatch and loads mail onto trucks.

(C) Handles and sacks empty equipment, inspects empty equipment for mail content, restrings sacks.

(D) Cancels stamps on parcel post, operates canceling machines, carries mail from canceling machine to distribution cases.

(E) Assists in supply and slip rooms and operates addressograph, mimeograph, and similar machines.

(F) In addition, may perform any of the following duties:

(i) Acts as armed guard for valuable registry shipments and as watchman and guard around post office building.

(ii) Makes occasional simple distribution of parcel post mail requiring no scheme knowledge.

(iii) Operates electric fork-lift trucks.

(iv) Rewraps soiled or broken parcels.

(v) Performs other misecellaneous duties, such as stamping tickets, weighing incoming sacks, cleaning and sweeping in workrooms, offices, and trucks where such work is not performed by regular cleaners.

UNIVERSITY OF MICHIGAN LI

Organizational relationships: Reports to a foreman or other designated supervisor.

(9) Position: Garageman—Level 3.

Basic function: Performs a variety of routine services incidental to the proper maintenance of motor vehicles.

Duties and responsibilities:

(A) Lubricates trucks in accordance with lubrication charts and type of truck.

(B) Changes crankcase oil and filter cleaners and cleans case in conformance with instructions and vehicle mileage.

(C) Changes tires and makes necessary repairs.

(D) Washes and steam-cleans trucks.

(E) Assists automotive mechanics.

(F) Fuels and oils trucks.

(G) Cleans garage, garage office, swing room, and washroom, as assigned.

Organizational relationships: Reports to a foreman of mechanics or other designated supervisor.

(10) Position: Motor vehicle operator—Level 4.

Basic function: Operates a mail truck on a regularly scheduled route to pick up and transport mail in bulk.

Duties and responsibilities:

(A) Picks up and delivers bulk quantities of mail at stations, branch offices, and terminal points; as required, picks up mail from collection boxes and deposits mail in relay boxes.

(B) Operates truck in conformity with time schedules and rules of safety, and in accordance with instructions regarding the route for which responsible.

(C) Ascertains the condition of the truck prior to leaving and upon returning to the garage; reports all accidents, mechanical defects noted, and mechanical failures while on route.

(D) In addition, may perform any of the following duties:

(i) Drives a tractor and semitrailer on occasion, unloading bagged mail and packages at post offices and picking up mail for delivery to a central point.

(ii) Prepares daily trip reports showing work performed.

(iii) Makes minor mechanical repairs to truck in emergencies while on route.

Organizational relationships: Reports to a superintendent of motor vehicles or other designated supervisor.

(11) Position: City or special carrier or special delivery messenger—Level 4.

Basic function: Is responsible for the prompt and efficient delivery and collection of mail on foot or by vehicle under varying conditions in a prescribed area within a city. As a representative of the postal service, maintains pleasant and effective public relations with route patrons and others, requiring a general familiarity with postal laws, regulations, and procedures commonly used, and with the geography of the city.

Duties and responsibilities:

(A) Routes or cases all classes of mail in sequence of delivery along an established route. Rearranges and relabels cases as required by route adjustments and changes in deliveries.

(B) Withdraws mail from the distribution case and prepares it in sequence for efficient delivery by himself or a substitute along an established route. Prepares and separates all classes of mail to be carried by truck to relay boxes along route for subsequent delivery.

(C) Enters change of address orders in change of address book and on appropriate form. Readdresses mail to be forwarded and marks for appropriate handling other mail address to route patrons who have moved. Sorts such mail into throw-back case for convenient handling by clerks.

(D) Delivers mails along a prescribed route, on a regular schedule, picking up additional mail from relay boxes. Collects mail from street letter boxes and accepts letters for mailing from patrons. Such service may be rendered on foot or by vehicle and in some instances may consist exclusively of parcel post delivery or collection of mail.

(E) Delivers and collects charges on customs, postage-due, and c. o. d. mail matter. Delivers and obtains receipts for registered and certain insured mail. Receipts for such matter, except insured mail, at the post office before beginning route and accounts for it upon return by payments of the amounts collected and delivery of receipts taken.

(F) Deposits mail collected in the post office upon return from route; faces such mail for stamp cancellation.

(G) Checks, and corrects if necessary, mailing cards presented by advertisers bearing names and addresses of patrons or former patrons of the route.

(H) Furnishes patrons with postal information when requested, and provides change of address cards and other postal forms as requested.

(I) Reports to supervisor all unusual incidents or conditions relating to mail delivery, including condition of street letter boxes and timecards.

(J) Regular city carriers assigned to foot delivery routes are required to become proficient in the casing of mail on at least one other foot delivery route.

(K) Substitute city carriers may be assigned to perform clerical duties and may be required to pass examinations an schemes of city primary distribution.

(L) Special-delivery carriers and special-delivery messengers receive special-delivery mail for delivery and sign c. o. d. and registered items at post office before beginning route; deliver on foot and by vehicle special-delivery mail to patrons; obtain signatures when required; collect amounts and fees on c. o. d.'s; in case of absent patrons, exercise judgment in determining whether to leave mail or leave notice and return mail to post office; return receipts and moneys collected to authorized personnel at post office.

(M) In addition, may perform any of the following duties:

(i) Checks hotels and other such establishments to insure that mail for residents undeliverable as addressed is not improperly held.

(ii) Delivers stamps or other paper supplies to contract or classified stations.

(iii) Serves at carriers' delivery window.

(iv) Receives and registers, where practical, all letters and packages of first-class matter properly offered for registration and gives receipt therefor.

(v) Makes delivery on other routes as assigned.

Organizational relationships: Reports to a postmaster or assistant postmaster, or other designated supervisor.

(12) Position: Distribution clerk—Level 4.

Basic function: Separates mail in a post office, terminal, airmail field, or other postal facility in accordance with established schemes, including incoming or outgoing mail or both.

Duties and responsibilities:

(A) Makes primary and one or more secondary distributions of incoming mail by delivery point (for example, classified or contract station or branch or other delivery unit, general delivery, lockboxes, rural or star route, or city carrier route) based on a knowledge of the distribution scheme established for that office.

(B) Makes primary and one or more secondary distributions of outgoing mail for dispatch (for example, by city, State, region, train, highway, or railway post office, or air-mail flight) based on a knowledge of the distribution scheme prescribed by the Postal Transportation Service.

(C) In addition, may perform any of the following duties:

(i) Maintains records of mails.

(ii) Examines balances in advance deposit accounts.

(iii) Faces and cancels mail.

(iv) Ties mail and inserts facing slips.

(v) Opens and dumps pouches and sacks.

(vi) Operates cancelling machines.

(vii) Records and bills mail (for example, c. o. d., registered, and so forth) requiring special service.

(viii) Renders service at public windows.

Organizational relationships: Reports to a foreman or other designated supervisor.

(13) Position: Window clerk—Level 4.

Basic function: Performs a variety of services at a public window of a post office or post-office branch or station. As a representative of the postal service, maintains pleasant and effective public relations with patrons and others requiring a general familiarity with postal laws, regulations, and procedures commonly used.

Duties and responsibilities:

(A) Sells postage stamps, stamped paper, cards, internal revenue stamps, migratory bird stamps, and postal savings stamps and certificates.

(B) Accepts from and, after proper identification, delivers to patrons parcel post, insured, c. o. d., and registered mail; makes collection of required postage, issues necessary receipts, and issues general delivery mail to patrons.

(C) Verifies second-, third-, and fourth-class mailings, computing and maintaining on a current basis mailers' credit balances.

(D) Assigns special delivery and registered mail for delivery.

(E) Checks and sets post office stamp-vending machines, postage meters, and large mailers' stamp permit meters.

(F) Receives, follows up, and recommends action on patrons' claims and complaints.

(G) Issues and cashes foreign and domestic money orders and postal savings certificates.

(H) Rents post office boxes, receives rental payments, conducts reference checks, and completes related forms.

(I) Provides information to the public concerning postal regulations, mailing restrictions, rates, and other matters involving postal transactions.

(J) In addition, may perform any of the following duties:

(i) Makes emergency carrier relays.

(ii) Assists in alien registration and census matters.

(iii) Separates and distributes mail.

Organizational relationships: Reports to a postmaster, assistant postmaster, or other designated supervisor.

(14) Position: Automotive mechanic—Level 5.

Basic function: Repairs mail trucks, including the removal and installation of complete motors, clutches, transmissions, and other major component parts.

Duties and responsibilities:

(A) Diagnoses mechanical and operating difficulties of vehicles, repairing defects, replacing worn or broken parts.

(B) Adjusts and tunes up engines, cleaning fuel pumps, carburetors, and radiators; regulates timing, and makes other necessary adjustments to maintain in proper operating condition trucks that are in service.

(C) Repairs or replaces automotive electrical equipment such as generators, starters, ignition systems, distributors, and wiring; installs and sets new spark plugs.

(D) Conducts road tests of vehicles after repairs, noting performance of engine, clutch, transmission, brakes, and other parts.

(E) Operates standard types of modern garage testing equipment.

(F) In addition, may perform any of the following duties:

(i) Removes, disassembles, reassembles, and installs entire engines.

(ii) Overhauls transmission, rear-end assemblies, and braking systems.

(iii) Straightens frames and axles, welding broken parts where required.

(iv) Makes road calls to make emergency repairs.

(v) Makes required truck inspections.

Organizational relationships: Reports to a foreman of mechanics or other designated supervisor.

(15) Position: Transfer clerk—Level 5.

Basic function: Arranges for transfer of mail at junction points between trains and other mail units and observes the separation, loading and unloading of mail by railroad employees to make certain that this is done properly.

Duties and responsibilities:

(A) Provides for the most expeditious transfer of mail from observations of the operation of trains, star route, or mail messenger vehicles, Government-owned vehicles and platfo m vehicles.

(B) Examines outgoing and incoming cars to determine maximum utilization of space and proper adherence to railroad safety requirements; reports findings, when necessary, to the district superintendent.

(C) Decides whether outbound cars in full authorizations should be held beyond the first available dispatches in order to obtain fuller loading and maximum utilization of the space paid for, making certain that this will not unduly delay the arrival of the mail at destination.

(D) Studies the routing and loading of mail dispatched from his station in storage cars in order to recommend changes which would bring about economies in line haul and terminal charges and effect earlier arrival. Gives similar attention to incoming mail to assure that dispatching divisions are using best routing and loading methods; reports facts to the district superintendent.

(E) Maintains close liaison with foremen of appropriate incoming and outgoing trains and vehicles to assure prompt receipt and expeditious dispatch of mail.

(F) Keeps informed on local holding orders for each outgoing dispatch and requests that departure of unit within these limitations be withheld when scheduled connections are delayed.

(G) Prepares list of railroad cars (except railway post-office cars) in which mail is loaded, and maintains record of mail loaded and unloaded in outgoing and incoming trains. Serves notice on railroad company to cancel operation and purchases lesser storage unit in its place when necessary. Prepares official diagram and appropriately labels outgoing cars to indicate destination or next relay point.

(H) Inspects the loading and unloading of storage mail to secure individual piece count of lesser storage units (30 feet and less); estimates volume when more than 30 feet.

(I) Observes and reports to designated supervisor any failure of the railroad company to afford protection for the mail.

(J) Qualifies periodically through examination on knowledge of distributing schemes, postal regulations, space rules, and train connections.

(K) In addition, may perform any of the following duties:

(i) Receipts for, transfers, and delivers registered mail between trains or between train and post office.

(ii) Distributes mail prescribed for distribution in transfer office.

Organizational relationships: Reports to a foreman or other designated supervisor.

(16) Position: Distribution clerk, R. P. O. or H. P. O.—Level 5.

Basic function: Distributes mail in railway or highway post office prior to departure and while en route.

Duties and responsibilities:

(A) Determines the fastest or most expeditious dispatch of mail from the standpoint of assignment. In emergencies, such as floods, storms, wrecks, strikes, and missed connections, redistributes the mail so as to reach destination by the most expeditious alternative means, for example, by other railway post office or highway post office, airmail route, or star route.

(B) Distributes mail rapidly into letter case or pouches and sacks.

(C) Hangs pouches and sacks in racks and places labels in holders provided; labels letter cases in accordance with official diagram.

(D) Prepares mail for dispatch, involving labeling and tying of letter mail in packages for distribution in pouches, closing and locking sacks and pouches, and maintenance of proper separations for connections en route.

(E) In addition, may perform any of the following duties:

(i) Receives and dispatches mail en route.

(ii) Unloads mail and equipment at terminal of run.

(iii) Examines car to ascertain that no mail is left.

(iv) Convoys registered mail to post office and connecting lines.

(F) Qualifies through examination periodically on knowledge of distributing schemes, postal regulations, space rules, and train schedules.

Organizational relationships: Reports to a foreman in charge of the railway post office car or highway post office.

(17) Position: Claims clerk, paying office—Level 5.

Basic function: Examines claims for loss or damage of insured or c. o. d. mail matter and determines and approves for payment the amount found to be due under postal regulations.

Duties and responsibilities:

(A) Receives and reviews prescribed claim papers to ascertain whether:

(i) All necessary items of the appropriate claim form have been properly completed.

(ii) Proof of value has been properly determined.

(iii) Appropriate check has been made of applicable records.

(iv) Other necessary information has been supplied.

(B) Determines whether amount of claim exceeds amount of loss and the proper amount payable is within the limits of the indemnity.

(C) Conducts necessary correspondence in connection with the claim.

(D) Approves amount to be paid, and directs disposition of damaged articles.

(E) Maintains prescribed record of claims.

Organizational relationships: Reports to an assistant postmaster or other designated supervisor.

(18) Position: Postmaster, small third-class office—Level 5.

Basic function: Is responsible for all operations of a small third-class post office, including actual performance of mail processing and window service, disbursement of funds and preparation of required reports. This office has no employees other than the postmaster and a replacement to serve during his leave; has annual receipts of approximately $1,700; has no rural delivery service within its jurisdiction.

Duties and responsibilities:

(A) Conducts the activities of the office in such manner as to provide prompt and efficient postal service to the patrons of the office.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Sorts incoming mail for boxholders and general delivery; faces, cancels, sorts by destination, ties, and sacks outgoing mail.

(D) At a window delivers general delivery mail, issues and cashes money orders, delivers c. o. d. and customs mail, accepts and delivers parcel post, registered and insured mail, sells stamps and stamped paper, and collects box rents.

(E) Prepares and submits estimates of operating allowances as required.

(F) Makes deposits of accountable funds; requisitions stamps and stamped paper; requisitions supplies; pays authorized bills.

(G) Maintains required office records; prepares and submits necessary reports in accordance with instructions.

(H) Maintains files for the office.

Organizational relationships: Administratively responsible to a district manager.

(19) Position: Claims clerk, common and contract carriers—Level 6.

Basic function: Audits carriers' claims for the transportation of mail to insure their accuracy and correctness of form prior to certifying them for payment.

Duties and responsibilities:

(A) Checks original or draft of claims submitted by carriers using space procurement data, records of air carrier flights and weight allocations, reports of railroad space utilization, emergency space procured, and other pertinent reports and data submitted by the districts.

(B) Corrects errors in drafts of claims and returns them to the carrier for resubmission in final corrected form.

(C) Expedites the processing of claims by continuous coordination with the carriers to minimize the incidence of error on claims submitted.

(D) Rechecks resubmitted claims prior to certifying them for payment.

(E) Maintains records pertinent to carrier claims such as unscheduled air carrier flights, weight allocations for mail or flights of air carriers, and air line flight schedules.

(F) Accumulates data and prepares periodic and special reports on subjects related to the purchase and use of railroad space, and air carrier weight allocation.

Organization relationships: Reports to the supervisor in charge of the fiscal section in a Postal Transportation Service division office or other designated supervisor.

(20) Position: Postmaster, third-class office—Level 6.

Basic function: Is responsible for all operations of a third-class post office, including actual performance of mail processing and window services, disbursement of funds and preparation of required reports. This office has one part time clerical employee; has annual receipts of approximately $4,700; has no rural delivery service within its jurisdiction.

Duties and responsibilities:

(A) Supervises and conducts the activities of the office in order to provide prompt and efficient postal service to patrons.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations.

(D) Sorts incoming mail for boxholders and general delivery; faces, cancels, sorts by destination, ties and sacks outgoing mail.

(E) At a window delivers general delivery mail, issues and cashes money orders, delivers c. o. d. and customs mail, accepts and delivers parcel post, registered and insured mail, sells stamps and stamped paper, and collects box rents.

(F) Makes required deposits of accountable funds; requisitions stamps and stamped paper; requisitions supplies; pays authorized bills and makes salary disbursements.

(G) Prepares and submits annual estimates of manpower needs and operating allowances as required.

(H) Maintains required office records; prepares and submits necessary reports in accordance with instructions.

(I) Maintains files for the office.

Organizational relationships: Administratively responsible to a district manager.

(21) Position: Foreman, mails—Level 7.

Basic function: Supervises a group of employees engaged in carrying out assigned tasks connected with the processing of incoming or outgoing mail.

Duties and responsibilities:

(A) Lays out work for employees; insures attendance to duties and proper performance of assignments; shifts employees from one assignment to another to meet fluctuations in workload; answers questions respecting work progress.

(B) Trains new employees and provides continuous on-the-job training for all employees under his supervision.

(C) Reports unusual difficulties to a general foreman and suggests solutions. Personally resolves problems of a routine nature.

(D) Keeps required records for such matters as time, mail on hand, and mail processed.

(E) Recommends personnel actions respecting subordinates; maintains morale among the employees in the group; adjusts complaints; supplies leadership necessary to secure maximum interest and effort from men and promotes cooperation and harmony.

Organizational relationships: Administratively responsible to a general foreman or other designated superior. Supervises approximately 20 or more employees.

(22) Position: Postmaster, third-class office—Level 7.

Basic function: Is responsible for all operations of a third-class post office, including actual participation in processing of mail and window services, disbursement of funds and preparation of required reports. This office has two clerical employees and annual receipts of approximately $6,000, and rural delivery service within its jurisdiction.

Duties and responsibilities:

(A) Supervises the activities of the office in order to provide expeditious handling of the mails and efficient and courteous postal service to patrons.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Department and Civil Service Regulations; selects personnel and trains them in their respective positions.

(D) Directs the activities of employees; arranges the working schedules of employees and is responsible for the administration of the Efficiency Appraisal System.

(E) Distributes incoming mail for carrier delivery, boxholders and general delivery; faces, cancels, distributes, ties and sacks outgoing mail; performs general delivery window services; issues and cashes money orders; delivers c. o. d. and customs mail; accepts and delivers parcel post, registered and insured mail; sells stamps, stamped paper, savings bonds, postal savings stamps and certificates, migratory and documentary stamps, and collects box rents.

(F) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies; issues checks for employees' salaries and other official disbursements.

(G) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(H) Prepares reports of a recurring nature, reflecting various transactions of the office, such as personnel salary summaries, retirement and withholding tax data, cost estimates, money order and bond summaries and schedules of disbursement.

(I) Maintains all files for the office.

Organizational relationships: Administratively responsible to a district manager.

(23) General foreman: R. P. O.—Level 8.

Basic function: Directs mail service operations in a railway post office train with two or more authorized cars. Supervises a crew of foremen and clerks whose primary function is the distribution and exchange of mails en route.

Duties and responsibilities:

(A) Provides for the proper distribution, exchange, and dispatch of mail regularly assigned for handling in the railway post office cars. Makes decisions concerning the most expeditious dispatch, rerouting and utilization of alternative connections involving irregularly received mail and also in emergency situations.

(B) Directs mail service operations in the railway post office train including:

(i) Rapid distribution of all classes of mail in accordance with official diagrams and via most advantageous routing.

(ii) Handling, recording, and protection of registered mails.

(iii) Makeup and exchange of mail at intermediate and terminal offices.

(iv) Proper utilization of space in each railway post office car with relation to other storage space in train and, except as charged to transfer clerks, for proper handling of all storage mail in train.

(v) Loading and unloading of railway post office cars to assure maximum use of available storage space without additional cost.

(vi) Proper usage of mail equipment and supplies.

(vii) Maintenance of distribution schemes and schedules of mail routes in corrected condition.

(C) Supervises the activities of foremen and clerks in the cars and reassigns them to various duties as may be required to complete maximum distribution. Instructs clerks on proper practices and procedures and reports failures to meet operating standards to the district superintendent.

(D) Inspects condition of railway post office cars and reports to the railroad company unsatisfactory situations.

(E) Completes trip report form covering service operations, including particulars of train operation, roster of clerks on duty, mails received, worked, and dispatched, and mails not worked; prepares a list of all cars on train in which mail is carried, a record of the mail, and a report of any irregularities in service. Observes and reports to district superintendent any failure of the railroad company to afford protection to the mail.

(F) May personally distribute letter mail for one or more States, and maintan record of pouches received and dispatched.

Organizational relationships: Administratively responsible to a district superintendent or other designated superior. Directs, through one or more subordinate foremen, clerks assigned to the run.

(24) Position: Assistant postmaster, small first-class post office—Level 8.

Basic function: Serves as the overall assistant to the postmaster, providing general direction and supervision over mails, finance, personnel, and other related activities. This office has approximately 16 employees, annual receipts of approximately $63,000, and eight carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate employees in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

Organizational relationships: Administratively responsible to the postmaster.

(25) Position: Postmaster, second-class office—Level 8.

Basic function: Is responsible for all operations of a second-class post office, including actual participation in processing of mail and window services, disbursement of funds and preparation of required reports. This office has approximately six employees, annual receipts of approximately $16,000, and has rural delivery service within its jurisdiction.

Duties and responsibilities:

(A) Supervises and coordinates the activities of the office in order to provide expeditious handling of the mails, and efficient and courteous postal service to patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; selects personnel and trains them in their respective positions.

(D) Directs the activities of employees; arranges working schedules of employees; recommends promotions of employees; is responsible for the administration of the Efficiency Appraisal System.

(E) Distributes incoming mail for carrier delivery, boxholders and general delivery; faces, cancels, distributes, ties and sacks outgoing mail; performs general delivery window service; issues and cashes money orders, delivers c. o. d. and customs mails; accepts and delivers parcel post, registered and insured mail, sells stamps, stamped paper, savings bonds, postal savings stamps and certificates, migratory and documentary stamps, and collects box rents.

(F) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies; issues checks for employees' salaries and other official disbursements.

(G) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(H) Prepares reports of a recurring nature, reflecting various transactions of the office, such as personnel salary summaries, retirement and withholding tax data, cost esti-

mates, money order and bond summaries and schedules of disbursement.

(I) Maintains all files for the office.

Organizational relationships: Administratively responsible to a district manager.

(26) Position: General foreman, mails—Level 9.

Basic function: Directs foremen in the distribution of all or part of incoming mails, outgoing mails, or both, at a first-class post office.

Duties and responsibilities:

(A) Lays out work for foremen at the beginning of a tour and issues instructions.

(B) Oversees work in progress to prevent accumulation of mail.

(C) Insures that mail is distributed in accordance with established orders and instructions.

(D) Shifts men from one foreman to another to keep mails moving.

(E) Reports difficulties and suggests corrective measures to superior.

(F) Maintains required records.

(G) Assures that adequate on-the-job training is carried out to promote employee proficiency.

(H) Reviews and forwards recommendations of foremen respecting discipline, promotions, or changes in assignments; approves time and leave requests; submits manpower estimates.

Organizational relationships: Administratively responsible to a superintendent or assistant superintendent or other designated superior. Directs, through approximately four foremen, employees as assigned.

(27) Position: Postmaster, small first-class office—Level 9.

Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately 16 employees, annual receipts of approximately $63,000, and city delivery service consisting of 8 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil service regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of employees; arranges working schedules of employees; recommends promotions of employees and is responsible for the proper administration of the efficiency-appraisal system.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

Organizational relationships: Administratively responsible to a district manager.

(28) Position: Building superintendent—Level 10.

Basic function: Directs the janitorial, maintenance, and operating services of a large post office building and branches and stations covering an aggregate area of approximately 700,000 square feet, including security, heating and ventilating, mechanical, and electrical equipment, and elevator services.

Duties and responsibilities:

(A) Plans and prepares work schedules and supervises the custodial forces in cleaning, heating, guarding, operating, and repairing the post office building and equipment.

(B) Makes frequent inspections to determine maintenance needs of the building and equipment, and to determine the efficiency of the janitorial and maintenance force.

(C) Prepares and answers correspondence relating to custodial service.

(D) Plans and supervises maintenance or alteration work under contract.

(E) Supervises the office force in the preparation of vouchers, requisitions and reports incidental to custodial service, and in the maintenance of required accounts and records.

(F) Recommends transfers, promotions, and disciplinary measures for custodial personnel.

(G) Inspects mechanical equipment to determine repair needs and adherence to standards of preventive maintenance.

Organizational relationships: Administratively responsible to the postmaster or other designated superior. Directs, through a general foreman of laborers and a chief engineer, approximately 100 employees, including electricians and other skilled trades.

(29) Position: Postmaster, first-class office—Level 10.

Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, personnel, and other related activies. This office has approximately 27 employees, annual receipts of $129,000, and 11 city delivery and rural carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints all personnel to service in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that all personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of all employees; supervises arrangement of working schedules of employees; recommends promotions of employees and is responsible for the proper administration of the Efficiency Appraisal System.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

Organizational relationships: Administratively responsible to a district manager.

(30) Position: Tour superintendent, incoming or outgoing mails—Level 11.

Basic function: Directs general foremen in the distribution of incoming mails or outgoing mails on a tour at a large first-class post office.

Duties and responsibilities:

(A) Provides for the prompt and complete operation of a tour activity, such as incoming mails, outgoing mails, or all first- and third-class outgoing mails.

(B) Reassigns employees as necessary to meet peak-load demands; provides direction to subordinate foremen, coordinating the portions of work assigned to them.

(C) Answers questions of subordinate foremen regarding operating problems; refers policy questions to his superior with appropriate recommendations.

(D) Reviews requests for personnel actions by subordinate foremen, recommending final action to superior.

(E) Reviews estimates of manpower required, consolidating for recommendation to superior.

Organizational relationships: Administratively responsible to an assistant superintendent of mails or other designated superior. Directs, through general foremen, employees assigned to the tour.

(31) Position: Postmaster, first-class office—Level 11.

Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately 53 employees, annual receipts of $314,000, 6 Government-owned vehicle units, no classified stations, and 25 city and rural delivery routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of all employees; supervises arrangement of working schedules of employees; recommends promotions of employees and is responsible for the proper administration of the Efficiency Appraisal System.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares numerous reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

Organizational relationships: Administratively responsible to a district manager.

(32) Position: Postal inspector—Level 12.

Basic function: Is responsible in an assigned territory, usually including all classes of post offices, for inspection and investigative programs covering all phases of the postal service. In heavily populated areas may be assigned a majority of the time to selected types of work as determined by the inspector-in-charge.

Duties and responsibilities: Assigned territory:

(A) Inspects post offices and related postal units to insure compliance with postal laws and regulations, protection and proper expenditure of postal revenues and appropriated funds, and evaluates and reports to administrative officials on operational efficiency.

(B) Maintains close working relationship with regional officials and submits to them factual information and recommendations on conditions and needs of the postal service; acts as counselor to postmasters and other postal officials and employees in explaining instructions, regulations, applicable laws and decisions.

(C) Investigates violations of postal laws, including, but not limited to, armed robbery, mailing of bombs, burglary, theft of mail, embezzlements, obscene literature and pictures, and mail fraud.

(D) Determines the validity and seriousness of charges against postmasters and other officers and employees and makes pertinent recommendations.

(E) Investigates local and area operating problems and recommends corrective action, and within his prescribed jurisdiction, initiates necessary corrective action, including restoration of service immediately in disaster areas caused by hurricanes, tornadoes, floods, and other catastrophes.

(F) Maintains liaison activities (i) with military installations to insure adequate postal service for the military forces; (ii) with Federal and State civil defense authorities at the area level; (iii) with branches of Federal and State law enforcement agencies.

(G) Ascertains postal needs for post offices and stations, rural and city delivery, changes in schedules, quarters, equipment, manpower, and procedures and reports findings and recommendations to appropriate officials.

Selected cases:

(H) Investigates the loss, theft, destruction, and damage to mail matter through technical analyses of complaints and other specialized procedures.

(I) Investigates money-order forgeries; investigates complaints of use of the mails to defraud and to operate lotteries.

(J) Investigates personal injuries, motor-vehicle and other accidents; develops evidence for defense suits under the so-called Federal Tort Claims Act; recommends out-of-court settlements.

(K) In any criminal investigation, develops evidence, locates witnesses and suspects; apprehends and effects arrests of postal offenders, presents facts to United States attorney, and collaborates as required with Federal and State prosecutors in presentation before United States commissioner, grand jury, and trial court.

(L) Surveys postal service on an area basis to ascertain and recommend ways of improving service and effecting economies.

(M) Makes investigations of a variety of other matters and performs related duties as assigned.

Organizational relationships: Responsible to the inspector-in-charge or the assistant inspector-in-charge of the division. Supervises trainees and other inspectors as assigned.

(33) Position: Postmaster, first-class office—Level 12.

Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services. This office has approximately 72 employees, annual receipts of $797,000, 6 Government-owned vehicle units, no classified stations, and 17 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of the mails and to provide efficient and courteous postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil-service regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the efficiency-appraisal system and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the supply center or the Department.

Organizational relationships: Administratively responsible to a district manager.

(34) Position: Station superintendent, large classified station—Level 13.

Basic function: Directs the operations of a large classified station, including the distribution, delivery, and dispatch of mail, and all required window services to the public.

Duties and responsibilities:

(A) Plans and supervises the distribution of incoming and outgoing mails, the delivery service, including special delivery, and the ditspatch of outgoing mail.

(B) Supervises services to the public at windows, including sales of stamps and stamped paper, money orders, postal savings stamps and certificates, migratory and documentary stamps, registry and insurance of mail; handling of c. o. d. items; general delivery and box mail.

(C) Supervises city and rural carriers and determines that delivery schedules are maintained; consults in the adjustment and establishment of routes to reflect changes in volume, patronage, or population; and recommends establishment or changes in location of collection boxes.

(D) Directs and maintains required records for personnel of station; verifies and approves timecards for payroll purposes; makes manpower estimates and reports; trains new supervisors and employees in various aspects of station operations.

(E) Requisitions supplies and equipment, stamps, stamped paper, and accountable forms from main post office, reissuing to subordinates as required. Is responsible for entire fixed credit of stations and for operation within the allowance granted.

(F) Maintains effective relations with large mailers and the public; simplifies handling of mail, and takes appropriate action to meet complaints.

(G) In addition, may perform any of the following duties:

(i) Supervises the cleaning and custodial maintenance of the station building.

(ii) Makes necessary arrangements for special services such as alien registrations, special census reports, or handling of special purpose mailing.

Organizational relationships: Administratively responsible to a superintendent of mails or other designated superior. Directs, through subordinate supervisors, approximately 1,000 or more employees.

(35) Position: Assistant postmaster, first-class office—Level 13.

Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. The office has approximately 450 employees, annual receipts of $2,700,000, 50 Government-owned vehicle units, 1 classified station or branch, and 130 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

Organizational relationship: Administratively responsible to the postmaster.

(36) Position: Postmaster, first-class office—Level 13.

Basic function: Is responsible for all operations of a first-class post office, including the direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately 180 employees, annual receipts of $1 million, 21 Government-owned vehicle units, 3 classified stations, and 65 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organize the post office to insure expeditious handling of the mails and to provide efficient and courteous postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil-service regulations; determines that personnel are carefully se-

lected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

Organizational relationships: Administratively responsible to a district manager.

(37) Position: Assistant postmaster, first-class office—Level 14.

Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately 1,200 employees, annual receipts of $8,460,000, 117 Government-owned vehicle units, 16 classified stations and branches, and 290 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationship with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

Organizational relationships: Administratively responsible to the postmaster.

(38) Position: Postmaster, first-class office—Level 14.

Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately 450 employees, annual receipts of $2,700,000, 50 Government-owned vehicle units, 1 classified station or branch, and 130 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil service regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the efficiency appraisal system and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the supply center or the Department.

Organizational relationships: Administratively responsible to a regional director or other designated superior.

(39) Position: Assistant postmaster, first-class office—Level 15.

Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative and service functions of the post office. This office has approximately 3,200 employees, annual receipts of $16,900,000, 200 Government-owned vehicle units, 34 classified stations and branches, and 1,000 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

Organizational relationships: Administratively responsible to the postmaster.

(40) Position: Postmaster, first-class office—Level 15.

Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately 700 employees, annual receipts of $4,470,000, 77 Government-owned vehicle units, 8 classified stations and branches, and 200 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the efficiency appraisal system and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

Organizational relationships: Administratively responsible to a regional director or other designated superior.

(41) Position: General superintendent, PTS Division—Level 16.

Basic function: Directs all activities of a division of the Postal Transportation Service of average size and complexity in terms of numbers of employees and in expenditure of funds, or in terms of the importance of the mail gateways in the division, the volume and complexity of the mail and mail handling operations, and concentrations which create congestions. Is responsible for the transportation, transfer, distribution, and dispatch of mail in transit, and for the efficient and economical operation of the division.

Duties and responsibilities:

(A) Directs and coordinates the activities of subordinate district superintendents in planning and effectuating the transportation and processing of transit mail within, entering, or emanating from the division; confers with officials of commercial carriers regarding mail handling and transportation, schedules, security of mail in transit, and rates.

(B) Provides, through his assistants, general supervision over the activities of the employees of the division. Establishes manpower controls, effective employee relations, and inspections of personnel activities, both informally and as required by regulations.

(C) Exercises administrative control over the district superintendents and, through them, the constituent field units such as transfer offices, airmail fields, terminals, railway post office lines, highway post office lines, and contract carriers such as star routes and

mail messenger routes, and related operating units; maintains financial control of the division, reporting on expenditures and requirements as directed.

(D) Maintains liaison with airlines, railroads, trucklines, and other contract carriers; contacts major publishers, mail-order houses, and other large volume patrons with respect to mass mailing problems.

(E) Coordinates division activities with those of contiguous divisions and with other segments of the Post Office Department within the area.

Organizational relationships: Administratively responsible to a regional director. Directs, through an assistant and district superintendents, up to 3,300 employees.

(42) Position: Assistant postmaster, large first-class office—Level 16.

Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately 8,000 employees, annual receipts of $48 million, 400 Government-owned vehicle units, 50 classified stations and branches, and 1,400 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

Organizational relationships: Administratively responsible to the postmaster.

(43) Position: Postmaster, first-class office—Level 16.

Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately 1,200 employees, annual receipts of $8,460,000, 117 Government-owned vehicle units, 16 classified stations and branches, and 290 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints all personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that all personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

Organizational relationships: Administratively responsible to a regional director or other designated superior.

(44) Position: General superintendent, largest PTS Division—Level 17.

Basic function: Directs all activities of one of the largest divisions of the Postal Transportation Service in terms of numbers of employees and in expenditure of funds, as well as in terms of the importance of the mail gateways in the division, the volume and complexity of the mail and mail handling operations, and concentrations which create congestions. Is responsible for the transportation, transfer, distribution, and dispatch of mail in transit, and for the efficient and economical operation of the division.

Duties and responsibilities:

(A) Directs and coordinates the activities of subordinate district superintendents in planning and effectuating the transportation and processing of transit mail within, entering, or emanating from the division; confers with officials of commercial carriers regarding mail-handling and transportation schedules, security of mails in transit, and rates.

(B) Provides, through his assistants, general supervision over the activities of the employees of the division. Establishes manpower controls, effective employee relations, and inspections of personnel activities, both informally and as required by regulations.

(C) Exercises administrative control over the district superintendents and, through them, the constituent field units such as transfer offices, airmail fields, terminals, railway post office lines, highway post office lines, and contract carriers such as star routes and mail messenger routes, and related operating units; maintains financial control of the division, reporting on expenditures and requirements as directed.

(D) Maintains liaison with airlines, railroads, trucklines, and other contract carriers; contacts major publishers, mail-order houses, and other large-volume patrons with respect to mass mailing problems.

(E) Coordinates division activities with those of contiguous divisions and with other segments of the Post Office Department within the area.

Organizational relationships: Administratively responsible to a regional director. Directs, through an assistant and district superintendents, approximately 3,300 or more employees.

(45) Position: Assistant postmaster, largest first-class office—Level 17.

Basic function: Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately 20,000 employees, annual receipts of $140 million, 1,100 Government-owned motor-vehicle units, 66 classified stations and branches, and 3,200 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail-handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

Organizational relationships: Administratively responsible to the postmaster.

(46) Position: Postmaster, first-class office—Level 17.

Basic function: Is responsible for all operations of a first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office and stations and branches. This office has approximately 3,200 employees, annual receipts of $16,900,000, 200 Government-owned vehicle units, 34 classified stations and branches, and 1,000 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil service regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of

the post office for submission to the supply center or the Department.

Organizational relationships: Administratively responsible to a regional director or other designated superior.

(47) Position: Postmaster, large first-class office—Level 18.

Basic function: Is responsible for all operations of a large first-class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office and stations and branches. This office has approximately 8,000 employees, annual receipts of $48 million, 400 Government-owned vehicle units, 50 classified stations and branches, and 1,400 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil-service regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

Organizational relationships: Administratively responsible to a regional director or other designated superior.

(48) Position: Postmaster, largest first-class office—Level 19.

Basic function: Is responsible for all operations of one of the largest first-class offices, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately 20,000 employees, annual receipts of $140,000,000, 1,100 Government-owned vehicle units, 66 classified stations and branches, and 3,200 carrier routes within its jurisdiction.

Duties and responsibilities:

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by departmental and civil-service regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

Organizational relationships: Administratively responsible to a regional director.

(49) Position: Regional director—Level 20.

Basic function: Directs the management of all postal activities within the jurisdiction of an assigned region in accordance with basic departmental policies and with functional direction and guidance from Assistant Postmasters General.

Duties and responsibilities:

(A) Develops and formulates policies and practices for the region within basic policies and instructions of the Postmaster General.

(B) Manages post office operations.

(C) Administers routing, distribution, and transportation of mail within and in transit through the region.

(D) Arranges for the provision of adequate facilities and equipment for all postal functions in the region.

(E) Administers the personnel program of the region, including employment, placement, training, evaluation of positions, employee relations, and other personnel functions.

(F) Authorizes and issues allowances for all expenditures and exercises budgetary controls.

(G) Administers cost reduction programs and provides industrial engineering services to operating segments of the region.

(H) Maintains effective public relations with the general public, large mail users, and with Federal, State, and municipal authorities.

Organizational relationships: Administratively responsible to the Deputy Postmaster General. Directs, through subordinate officials, approximately 30,000 to 35,000 employees in some 3,000 offices within the region.

Dual employment and extra duties

SEC. 204. (a) An employee may be appointed to more than one position and shall be paid compensation at the rate provided by law for each position, without regard to the provisions of sections 1763, 1764, and 1765 of the Revised Statutes, as amended (5 U. S. C., secs. 58, 69, and 70).

(b) As the needs of the service require, an employee may be assigned from time to time to perform, without change in compensation, duties, and responsibilities other than the duties and responsibilities specifically set forth in his position description; however, if any employee is assigned for more than 30 days in any calendar year to duties and responsibilities of a salary level which is higher than the salary level to which his position is assigned, except to perform service in a relief capacity for a supervisor granted compensatory time pursuant to section 603, he shall be paid for the period of his assignment in excess of 30 days a basic salary computed in accordance with the provisions of section 502.

Report of the Postmaster General

SEC. 205. (a) The Postmaster General shall transmit to the Congress, on or before January 15, 1956, a comprehensive report of operations under this title. Such report shall include, among other matters, the following—

(1) information, in summary and in detail, with respect to actions by the Postmaster General taken under section 201, with specific reference to the definitions of positions, the designations of the respective salary levels to which such positions are assigned, and the reasons for such actions;

(2) a statement showing the number of employees determined to be in each key position under section 203, and the occupational titles of such employees immediately prior to the conversion of such employees under section 304 (b);

(3) a statement with respect to the operation of the appeals system prescribed by section 202, including the number of such appeals by employees, a general discussion of the reasons for such appeals, the actions taken thereon and the reasons therefor; and

(4) such other information and evidence as is necessary to enable the Committees on Post Office and Civil Service of the Senate and the House of Representatives to carry out the responsibility for supervision and review of the administration of this title, in accordance with section 136 of the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong.).

(b) The report submitted by the Postmaster General under subsection (a) of this section shall be delivered to the President of the Senate and to the Speaker of the House of Representatives on the same day, and shall be referred to the Committees on Post Office and Civil Service of both Houses. The report shall be printed as a House document.

TITLE III—BASIC SALARY SCHEDULES

Postal Field Service Schedule

SEC. 301. (a) There is established a basic salary schedule for positions in the postal field service which shall be known as the Postal Field Service Schedule, and for which the symbol shall be "PFS". Except as provided in sections 302 and 303 of this act, basic salary shall be paid to all employees in accordance with this schedule.

Postal Field Service Schedule

Level	Per annum rates and steps						
	1	2	3	4	5	6	7
1	$2,880	$2,980	$3,080	$3,180	$3,280	$3,380	$3,480
2	3,090	3,195	3,300	3,405	3,510	3,615	3,720
3	3,330	3,445	3,560	3,675	3,790	3,905	4,020
4	3,660	3,785	3,910	4,035	4,160	4,285	4,410
5	3,880	4,005	4,130	4,255	4,380	4,505	4,630
6	4,190	4,330	4,470	4,610	4,750	4,890	5,030
7	4,530	4,685	4,840	4,995	5,150	5,305	5,460
8	4,890	5,060	5,230	5,400	5,570	5,740	5,910
9	5,280	5,465	5,650	5,835	6,020	6,205	6,390
10	5,800	6,000	6,200	6,400	6,600	6,800	7,000
11	6,380	6,600	6,820	7,040	7,260	7,480	7,700
12	7,020	7,260	7,500	7,740	7,980	8,220	8,460
13	7,730	7,990	8,250	8,510	8,770	9,030	9,290
14	8,500	8,780	9,060	9,340	9,620	9,900	10,180
15	9,350	9,650	9,950	10,250	10,550	10,850	11,150
16	10,300	10,600	10,900	11,200	11,500	11,800	12,100
17	11,400	11,700	12,000	12,300	12,600	12,900	13,200
18	12,500	12,800	13,100	13,400	13,700	14,000	14,300
19	13,600	13,900	14,200	14,500	14,800		
20	14,800						

(b) The basic salary for hourly rate employees shall be computed by dividing the per annum rates prescribed in the Postal Field Service Schedule (1) by 2,080 in the case of hourly rate employees other than substitutes, and (2) by 2,016 in the case of substitute employees.

Rural Carrier Schedule

SEC. 302 (a) There is established a basic salary schedule which shall be known as the Rural Carrier Schedule, and for which the symbol shall be "RCS," for carriers in the rural delivery service, which is based in part on fixed compensation per annum and in part on specified rates per mile per annum. Basic salary shall be paid to rural carriers in accordance with this schedule.

Rural Carrier Schedule

	Per annum rates and steps						
	1	2	3	4	5	6	7
Carriers in rural delivery service:							
Fixed compensation per annum	$1,566	$1,611	$1,656	$1,701	$1,746	$1,791	$1,836
Compensation per mile per annum							
for each mile up to 30 miles of route	65	67	69	71	73	75	77
For each mile of route over 30 miles	22	22	22	22	22	22	22
Temporary carriers in rural delivery service on routes to which no regular carrier is assigned:							
Fixed compensation per annum	1,566						
Compensation per mile per annum							
for each mile up to 30 miles of route	65						
For each mile of route over 30 miles	22						
Temporary carriers in rural delivery service on routes having regular carriers absent without pay or on military leave	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Substitute carriers in rural delivery service on routes having carriers absent with pay	(1)	(1)	(1)	(1)	(1)	(1)	(1)

[1] Basic compensation authorized for the regular carrier.

(b) A rural carrier serving one triweekly route shall be paid on the basis of a route one-half the length of the route served by him. A rural carrier serving 2 triweekly routes shall be paid on the basis of a route one-half the combined length of the 2 routes.

(c) The Postmaster General may pay such additional compensation as he may determine to be fair and reasonable in each individual case to rural carriers serving heavily patronized routes not exceeding 61 miles in length. He may not pay additional compensation to a carrier serving such a route in an amount which would exceed $4,700, when added to the basic salary for the maximum step in the Rural Carrier Schedule for his route. In case any such heavily patronized route is extended in length, the rural carrier assigned to such route at the time of such extension shall not be reduced in pay.

(d) The Postmaster General may pay additional compensation to rural carriers who are required to carry pouch mail to intermediate post offices, or for intersecting loop routes, in all cases where it appears that the carriage of such pouches increases the expense of the equipment required by the carrier or materially increases the amount of labor performed by him. Such compensation shall not exceed the sum of $12 per annum for each mile such carrier is required to carry such pouches.

(e) In addition to the other compensation, rural carriers shall be paid the authorized fee for making special delivery of mail. Such fee shall not be paid when (1) no special delivery service is rendered, (2) delivery is made into a rural mail box, or (3) delivery is made to the addressee or his representative on the rural carrier's route.

Fourth-class Office Schedule

SEC. 303. (a) There is established a basic salary schedule which shall be known as the Fourth-class office schedule, and for which the symbol shall be "FOS," for postmasters in post offices of the fourth class which is based on the gross postal receipts as contained in returns of the post office for the calendar year immediately preceding. Basic salary shall be paid to postmasters in post offices of the fourth class in accordance with this schedule, and basic salary so paid, together with other forms of compensation provided by this act, shall replace all existing forms of compensation for such postmasters.

(b) The basic salary of postmasters in fourth-class post offices shall be readjusted for changes in gross receipts at the start of the first pay period after the beginning of each fiscal year. In adjusting a postmaster's basic salary under this section the basic salary shall be fixed at the lowest step which is higher than the basic salary received by the postmaster at the end of the preceding fiscal year. If there is no such step the basic salary shall be fixed at the highest step for the adjusted gross receipts of the office. Each increase in basic salary because of change in gross receipts shall be deemed the equivalent of a step-increase under section 401 of this act and the waiting period, for purposes of advancement to the next step, shall begin on the date of adjustment.

(c) The basic salaries of postmasters at newly established offices of the fourth class shall be fixed at the lowest salary rate. Whenever unusual conditions prevail at any post office of the fourth class the Postmaster General may advance such office to the appropriate category or class indicated by the receipts of the preceding quarter. Any fourth-class office advanced to the appropriate category or class pursuant to this subsection shall not be reduced in category or class until the start of the first pay period after July 1 of the calendar year following the calendar year in which it was so advanced, at which time it shall be assigned to the category or class indicated by the receipts for the preceding calendar year.

(d) Persons who perform the duties of postmaster at post offices of the fourth class where there is a vacancy or during the absence of the postmaster on sick or annual leave, or leave without pay, shall be paid the same basic salary to which they would have been entitled if regularly appointed as such postmaster.

(e) The Postmaster General may allow to postmasters in fourth-class post offices additional compensation for separating services and for unusual conditions during a portion of the year, in lieu of an allowance for clerical services for this purpose.

(f) At seasonal post offices of the fourth class, the Postmaster General may authorize the payment of the basic salary prorated over the pay periods such office is open for business during the fiscal year.

(g) Where the gross postal receipts of a post office of the third class for each of two consecutive calendar years are less than $1,500, or where in any calendar year the gross postal receipts are less than $1,400, such post office shall be relegated to the fourth class and the basic salary of the postmaster shall be fixed in the manner provided in subsection (b) of this section.

Fourth-class Office Schedule

Gross receipts	Per annum rates and steps						
	1	2	3	4	5	6	7
$1,300 to $1,499.99	$2,514	$2,598	$2,682	$2,766	$2,850	$2,934	$3,018
$900 to $1,299.99	2,304	2,381	2,458	2,535	2,612	2,689	2,766
$600 to $899.99	1,886	1,949	2,012	2,075	2,138	2,201	2,264
$350 to $599.99	1,467	1,516	1,565	1,614	1,663	1,712	1,761
$250 to $349.99	1,048	1,083	1,118	1,153	1,188	1,223	1,258
$200 to $249.99	838	866	894	922	950	978	1,006
$100 to $199.99	629	650	671	692	713	734	755
Under $100	419	433	447	461	475	489	503

Conversion

SEC. 304. (a) Each employee whose basic salary is paid under the act of July 6, 1945 (59 Stat. 435), as amended, or under the Classification Act of 1949 (63 Stat. 954), as amended, and who on or prior to the effective date of this section has earned but has not been credited with a higher automatic salary grade increase under the act of July 6, 1945, or a higher within-grade step-increase under the Classification Act of 1949 for his position, or whose basic salary would have been increased on July 1, 1955, by reason of changed postal receipts, shall be given credit for such increase before his basic salary is adjusted under subsection (b) of this section.

(b) The basic salary of each employee in effect immediately prior to the effective date of the Postal Field Service Schedule, the Rural Carrier Schedule, and the Fourth-Class Office Schedule, shall be adjusted as of such adjusted date to the basic salary in the schedules in the following manner:

(1) If the basic salary of the employee is equal to any step established for his position in the appropriate schedule, such step shall be established as the employee's new basic salary.

2. If the basic salary of the employee is less than the entrance step established for his position in the appropriate schedule, such entrance step shall be established as the employee's new basic salary.

(3) If the basic salary of the employee falls between any two steps established for his position in the appropriate schedule, the higher step shall be established as the employee's new basic salary.

(4) If the basic salary of the employee is greater than the highest step established for his position in the appropriate schedule, such basic salary shall be established as the new basic salary of the employee.

Addition of longevity step-increases

SEC. 305. (a) When the basic salary of an employee, except an employee whose basic salary immediately prior to the effective date of the Postal Field Service Schedule was fixed by the Classification Act of 1949, is established under section 304 of this act,

each longevity step-increase which such employee has earned prior to the effective date of his schedule shall become a part of his basic compensation and shall constitute a longevity step-increase under section 404 of this act.

(b) In the case of an employee whose compensation immediately prior to the effective date of the Postal Field Service Schedule was fixed by the Classification Act of 1949, all creditable service under section 404 shall be counted in order to determine such employee's eligibility for longevity step-increases under such section.

TITLE IV—STEP-INCREASES

Automatic advancement by step-increases

SEC. 401. (a) Except as to a substitute employee in the Postal Transportation Service whose position is allocated to salary level PFS–5 as a distribution clerk in a railway or highway post office, each employee whose position is allocated to the Rural Carrier Schedule, the Fourth-Class Office Schedule, or salary level PFS–9 or a lower salary level of the Postal Field Service Schedule, who has not reached the highest step for his position, shall be advanced successively to the next higher step for his position at the beginning of the first pay period following the completion of each 52 calendar weeks of satisfactory service, if no equivalent increase in basic salary from any cause was received during such period of 52 calendar weeks. The benefits of successive step-increases shall be preserved, under regulations prescribed by the Postmaster General, for employees whose continuous service is interrupted by service in the Armed Forces.

(b) Each employee whose position is allocated to salary level PFS–10 or a higher salary level of the Postal Field Service Schedule shall be advanced to and including step 4 of his salary level in the manner provided in subsection (a) of this section. Advancement of such employee to steps higher than step 4, exclusive of longevity step-increases, shall be granted by the Postmaster General on the basis of superior performance under regulations issued by him, but no such employee is eligible for more than 1 step-increase within the time period specified in subsection (a) of this section.

(c) Each substitute employee in the Postal Transportation Service, whose position is allocated to salary level PFS–5 as a distribution clerk in a railway or highway post office, shall be advanced in the manner prescribed for other employees under subsection (a) of this section, but such substitute shall not be advanced beyond step 4 of salary level PFS–5.

Creditable service for advancement

SEC. 402. Each employee in the postal field service is eligible to earn step-increases in accordance with this act. Except for temporary rural carriers serving in the absence of regular rural carriers on leave without pay or on military leave, credit shall not be allowed for time on the rolls under a temporary appointment for 1 year or less unless such time on the rolls is continuous to the date of appointment to a position of unlimited duration.

Adjustment of service credit

SEC. 403. In order to retain to the maximum possible extent promotion credits earned by employees under the act of July 6, 1945, as amended, and in order to prevent the advancement by step-increases of junior employees ahead of senior employees, employees whose basic salaries are adjusted on the effective date of the schedules in this act shall establish credit toward advancement by step increases under section 401 in the following manner:

(1) Each employee in the automatic grades who had not reached the maximum grade for his position under the provisions of the act of July 6, 1945, as amended, shall retain the anniversary date established for his next automatic promotion under such act unless the amount of increase in basic salary which he receives upon adjustment to the appropriate schedule is equal to or greater than the difference between the salary for his automatic grade and the next higher automatic grade for his position under such act.

(2) Employees in the automatic grades who do not retain their anniversary dates under paragraph (1), above, employees who had reached the maximum grades for their positions, and employees who occupied positions for which single rates were established under the act of July 6, 1945, as amended, shall begin the waiting period for advancement to the next step for their positions on the date of adjustment to the schedules in this act.

Longevity step-increases

SEC. 404. (a) There are established for each employee longevity steps A, B, and C. For each promotion to a longevity step—

(1) each postmaster at a post office of the fourth class shall receive an amount equal to 5 percent of his basic salary, or $100 per annum, whichever is the lesser, and

(2) each employee (other than a postmaster at a post office of the fourth class) shall receive $100 per annum.

In computing the percentage increase under this subsection the amount of the increase shall be rounded to the nearest dollar. A half dollar or one-half cent shall be rounded to the next highest dollar or cent, respectively.

(b) Each employee shall be assigned to—

(1) longevity step A at the beginning of the pay period following the completion of 13 years of service;

(2) longevity step B at the beginning of the pay period following the completion of 18 years of service; and

(3) longevity step C at the beginning of the pay period following the completion of 25 years of service.

(c) (1) There shall be credited, for the purposes of subsection (b)—

(A) all time on the rolls, except time on the rolls as a substitute rural carrier, in the postal field service or in the Post Office Department;

(B) all time on the rolls in the custodial service of the Department of the Treasury continuous to the date of the transfer of the employee to the custodial service of the Post Office Department in accordance with Executive Order numbered 6166, dated June 10, 1933;

(C) all time on the rolls as a special-delivery messenger at a first-class post office; and

(D) all time on the rolls as a clerk in a third-class post office for which payment is made from authorized allowances.

(2) In determining longevity credit for the purposes of subsection (b) in the case of an employee whose continuous service in the postal field service or in the departmental service of the Post Office Department shall have been interrupted by service with the Armed Forces or to comply with a transfer during war or national emergency as defined by the United States Civil Service Commission, all time engaged in such service with the Armed Forces or on such transfer shall be credited pro rata for each week of such service. All service specified in this subsection, whether continuous or intermittent, shall be credited on the basis of 1 week for each whole week the employee has been on the rolls, except that credit shall not be allowed for time on the rolls under a temporary appointment for 1 year or less unless such time on the rolls is continuous to the date of appointment to a position of unlimited duration.

(d) Employees on the rolls on the effective date of this section who are entitled to promotion credit for longevity purposes under section 2 of the act approved May 3, 1950 (64 Stat. 102; 39 U. S. C. 889), shall retain all rights and benefits established or continued under such section to the same extent as though such section had remained in effect.

(e) Increases under this section shall not be deemed equivalent increases within the meaning of section 401.

TITLE V—GENERAL COMPENSATION RULES

Appointments

SEC. 501. The Postmaster General may appoint any person who has been employed in a civilian capacity in any branch of the Government to any position in a regional or district office or to any professional or scientific position and may place such person in any step in the salary level of the Postal Field Service Schedule which is less than one full step above the highest basic salary which such person received from the United States.

Promotional

SEC. 502. (a) Any employee who is promoted or transferred to a position in a higher salary level of the Postal Field Service Schedule shall be paid basic salary at the lowest step of such higher salary level which exceeds his existing basic salary by not less than the amount of difference between the entrance step of the salary level from which promoted and the entrance step of the salary level immediately above the salary level from which promoted. If there is no step in the salary level to which the employee is promoted which exceeds his existing basic salary by at least the amount of such difference, such employee shall be paid (1) the maximum step of the salary level to which promoted, or (2) his existing basic salary, whichever is higher.

(b) Regular clerks and carriers in first- and second-class post offices are not eligible for promotion to positions of higher salary levels in their respective offices unless they are in the maximum steps of their respective salary levels. If for any reason such clerks and carriers in such maximum steps are not available those clerks and carriers in the lower steps in such offices shall be eligible for such promotion.

Compensation of certain temporary employees

SEC. 503. Each temporary employee who is hired for a continuous period of 1 year or less for a position under the Postal Field Service Schedule shall be paid a basic salary at the entrance step for the salary level of the position to which he is appointed.

Prohibition on reduction of former compensation

SEC. 504. (a) Nothing in this act shall be deemed to reduce the per annum or hourly basic compensation of any employee on the rolls on the effective date of the Postal Field Service Schedule, the Rural Carrier Schedule, or Fourth-Class Office Schedule to an amount less than his basic compensation immediately prior to adjustment to such schedules.

(b) For the purposes of this section, "basic compensation" include basic compensation under the Classification Act of 1949.

TITLE VI—PAY ADMINISTRATION

Pay periods and computation of rates

SEC. 601. (a) Employees in the postal field service shall be paid compensation in 26 installments. Each such installment shall be the compensation for a pay period of 2 weeks.

(b) As basic compensation for a full pay period, an employee, other than an hourly rate employee, shall be paid an amount equal to one twenty-sixth of his annual basic compensation. As basic compensation for a portion of a pay period, such employee shall be paid basic compensation computed in accordance with subsection (d) of this section

for the number of days and hours of service for which he has credit.

(c) As basic compensation for the pay period, an hourly rate employee shall be paid an amount equal to the product of his hourly rate of basic compensation and the number of hours of service for which he has credit.

(d) For purposes of computing rates of compensation other than annual rates the following rules shall govern:

(1) To compute an hourly rate of basic compensation for employees other than substitute employees, the annual rate of basic compensation shall be divided by 2,080.

(2) To compute an hourly rate of basic compensation for substitute employees, the annual rate of basic compensation shall be divided by 2,016.

(3) To compute the daily rate of compensation for postmasters, postal inspectors, and rural carriers, the annual rate of compensation shall be divided by 312.

(4) To compute the daily rate of basic compensation for annual rate employees other than postmasters, postal inspectors, and rural carriers, the hourly rate of basic compensation shall be multiplied by the number of daily hours of service required.

(e) Except for lump-sum payments for accumulated leave upon the termination of employment, an annual rate employee shall not be paid more than one twenty-sixth of his basic compensation as basic compensation for a pay period.

(f) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

(g) When a pay period for employees to whom this act applies begins in 1 fiscal year and ends in another, the gross amount of the earnings of such employees for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period.

Hours of work

SEC. 602. Except as otherwise provided in this act, employees shall not be required to work more than 8 hours a day. The work schedule of employees shall be regulated so that the 8 hours of service shall not extend over a longer period than 10 consecutive hours.

Compensatory time, overtime, and holidays

SEC. 603. In emergencies or if the needs of the service require, the Postmaster General may require employees to work more than 8 hours in 1 day, or on Saturdays, Sundays, or holidays. For such service he shall grant employees in the "PFS" schedule compensatory time or pay such employees overtime compensation under the following rules:

(1) Each employee in or below salary level PFS–7 shall be paid for all work in excess of 8 hours in 1 day at the rate of 150 percent of his hourly basic compensation.

(2) (A) Each employee in or below salary level PFS–7 who performs work on Saturdays or Sundays shall, under regulations prescribed by the Postmaster General, be granted compensatory time in an amount equal to the excess time worked within 5 working days, except that, in lieu of such compensatory time, the Postmaster General may, if the exigencies of the service require, authorize such employee to be paid, for work performed on Saturdays and Sundays during the month of December, at the rate of 150 percent of his hourly basic compensation.

(B) If the work performed by such employees on Saturdays and Sundays is less than 8 hours, such service, in the discretion of the Postmaster General may be carried forward and combined with similar service performed on other Saturdays and Sundays. The employees may be allowed compensatory time for such combined service or any part thereof at any time, except that, whenever at least 8 hours of such service has been accumulated, the employees shall be allowed 8 hours compensatory time on 1 day within 5 working days next succeeding the Saturday or Sunday on which the total accumulated service was at least 8 hours.

(3) For time worked on a day referred to as a holiday in the act of December 26, 1941 (5 U. S. C., sec. 87b), or on a day designated by Executive order as a holiday for Federal employees generally, each employee in or below salary level PFS–7, under regulations prescribed by the Postmaster General, shall either be granted compensatory time in an amount equal to such time worked within 30 working days, or be paid premium compensation at a rate equal to his hourly basic compensation for the time so worked. For work performed on Christmas Day, premium compensation shall be paid at a rate equal to 150 percent of the employee's hourly basic compensation.

(4) Each employee in or above salary level PFS–8 who performs overtime or holiday work as described in this section, under regulations prescribed by the Postmaster General, shall be granted compensatory time in an amount equal to such overtime or holiday work.

Night work

SEC. 604. Employees who perform work between the hours of 6 o'clock post meridian and 6 o'clock ante meridian standard or daylight saving time, depending upon which time is observed where such work is performed, shall be paid extra compensation for each hour of such work at the rate of 10 percent of their hourly basic compensation. The differential for night duty shall not be included in computing any overtime compensation to which such employees may be entitled.

Exemption of certain employees from certain provisions relating to pay administration

SEC. 605. (a) Sections 602, 603, and 604 of this act do not apply to the heads of regional or district offices and such other employees of the headquarters staff of regional and district offices as the Postmaster General designates, or to postmasters, rural carriers, post-office inspectors, traveling mechanicians, and traveling examiners of equipment and supplies.

(b) Sections 602 and 603 of this act do not apply to substitute employees and to employees in the Postal Transportation Service assigned to road duty.

(c) Section 602 of this act does not apply to employees in post offices of the third class.

(d) The provisions of section 603 of this act relating to compensatory time and overtime compensation for work on Saturdays or Sundays do not apply to hourly rate regular employees and to employees in post offices of the third class.

Substitute employment

SEC. 606. (a) Subject to subsection (c) of this section, the Postmaster General shall prescribe the conditions under which substitute positions may be established.

(b) Each substitute, hourly rate, and temporary employee who reports for duty in compliance with an official order shall be employed for not less than 2 hours following the hour at which such employee is ordered to report.

(c) In the case of positions which are the same as or equivalent to the positions enumerated in the act entitled "An act to provide for the appointment of substitute postal employees, and for other purposes," approved June 4, 1936, as amended (39 U. S. C., sec. 834), the ratio of classified substitute employees to regular employees shall not be more than 1 classified substitute to 5 regular employees or fraction thereof with respect to each such position, except that in offices having fewer than 5 regular employees there may be 1 substitute clerk and 1 substitute carrier, and 1 substitute in the motor vehicle service.

Employees in the Postal Transportation Service

SEC. 607. (a) The Postmaster General shall organize the work of employees in the Postal Transportation Service who are assigned to road duty into regularly scheduled tours of duty. Such tours of duty shall aggregate an average of not more than 8 hours a day for 252 days a year, including an allowance of 1 hour and 35 minutes for work to be performed on layoff periods. He shall not grant allowances of time for work performed on layoff periods to employees other than employees engaged in the distribution of mail.

(b) Employees in the Postal Transportation Service assigned to road duty, except substitute employees, who are required to perform work in excess of the scheduled time of their regular tours of duty as established by the Postmaster General shall be paid at the rate of 150 per centum of their hourly basic compensation for such overtime work. In arriving at the amount of overtime to be paid at any time during the calendar year, any deficiencies accrued up to that time during the same calendar year shall be offset against any overtime work by the employee.

(c) Substitute employees in the Postal Transportation Service assigned to road duty shall be paid on an hourly basis for actual work performed according to the time value of each trip of such road duty, including an allowance of time for all work required on layoff periods.

(d) In addition to compensation provided under this act, the Postmaster General, under regulations prescribed by him, may pay not more than $9 per day as travel allowances in lieu of actual expenses, at fixed rates per annum or by such other method as he deems equitable to regular and substitute employees in the Postal Transportation Service who are assigned to road duty, after the expiration of ten hours from the time the initial run begins.

(e) Substitute employees in the Postal Transportation Service shall be credited with full time while traveling under orders of the Post Office Department to and from their designated headquarters to take up assignments.

Special delivery equipment maintenance allowance

SEC. 608. (a) In addition to the compensation provided under this act regular and substitute special-delivery carriers and special-delivery messengers at first-class post offices shall be paid an automotive equipment maintenance allowance at the rate of 7 cents per mile or major fraction thereof for miles traveled under the direction of the Department in making delivery of special-delivery mail or at the option of the Postmaster General at the rate of 90 cents per hour spent in making delivery of special-delivery mail. Payments for equipment maintenance shall be made at the same periods and in the same manner as payments of regular compensation.

(b) The Postmaster General may provide or hire vehicles under an allowance basis for use in the delivery of special-delivery mail whenever the needs of the postal field service so require.

Equipment maintenance allowance for rural carriers

SEC. 609. (a) In addition to the compensation provided in the Rural Carrier Schedule, each rural carrier shall be paid for equipment maintenance a sum equal to 9 cents per mile for each mile or major fraction of a mile scheduled. The Postmaster General may pay such additional equipment maintenance allowance as he determines to be fair and reasonable, not in excess of $3 per day when combined with the equipment maintenance allowance provided by the preceding sentence, to rural carriers entitled to additional compensation under section 302

(c) of this act for serving heavily patronized routes. Payments for such equipment maintenance shall be made at the same periods and in the same manner as payments of regular compensation.

(b) Any employee in the postal field service who is assigned to serve any rural route, and who furnishes the vehicle used in the performance of such service, shall be paid the equipment maintenance allowance provided for the route so served, in addition to his compensation.

Allowances for postmasters in fourth-class post offices

SEC. 610. Postmasters of fourth-class post offices shall be paid as allowances for rent, fuel, light, and equipment an amount equal to 15 percent of the basic compensation earned in each pay period, at the same time and in the same manner as their regular compensation.

TITLE VII—SALARY INCREASES

Retroactive basic salary increases

SEC. 701. (a) The basic salary in effect immediately prior to the effective date of this section, of each employee paid under the act of July 6, 1945, as amended (39 U. S. C., secs. 858, 859, 861a, 862, 863–866, 868, 869), or under the Classification Act of 1949, as amended, shall be increased by 6 percent effective March 1, 1955 (rounded to the nearest dollar in the case of per annum rates and to the nearest one-half cent in the case of hourly rates, a half-dollar or one-quarter of a cent being rounded to the next highest dollar or one-half cent, respectively). Such increase shall be applied (1) in the case of each rural carrier to his fixed compensation, his compensation per mile, and any additional compensation allowed him for serving a heavily patronized route, and (2) to the amounts specified in sections 3 (c), 3 (d), 12 (a), 12 (e), 15 (f), and 17 (d) of the act of July 6, 1945 (Public Law 134, Seventy-ninth Congress), as amended.

(b) Retroactive salary shall be paid under this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or of the municipal government of the District of Columbia on the date of enactment of this act, except that such retroactive salary shall be paid a retired postmaster, officer, or employee for services rendered during the period beginning March 1, 1955, and ending with the date of his retirement, or in accordance with the provisions of the act of August 3, 1950, for services rendered by a deceased postmaster, officer, or employee during the period beginning on March 1, 1955, and ending with the date of his death. For the purposes of this subsection, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

TITLE VIII—MISCELLANEOUS PROVISIONS

Classes of post offices

SEC. 801. At the beginning of each fiscal year, the Postmaster General shall divide post offices into four classes on the basis of gross annual postal receipts for the preceding calendar year. He shall place in the first class those post offices at which such receipts are $40,000 or more. He shall place in the second class those post offices at which such receipts are $8,000 or more, but less than $40,000. He shall place in the third class those post offices at which such receipts are $1,500 or more, but less than $8,000. He shall place in the fourth class those offices at which such receipts are less than $1,500, except as provided in section 303 (g).

Assignment of employees

SEC. 802. With the consent of the employee, the Postmaster General is authorized to detail any employee, including any employee of the departmental service, between the postal field service and the departmental service to such extent as may be necessary to develop a more efficient working force and more effectively to perform the work of the Department. Each such detail shall be made for a period of not more than 1 year and may be made without change in compensation of the employee so detailed.

Increases in basic compensation not "equivalent increases"

SEC. 803. Any increase in rate of basic compensation by reason of enactment of this act shall not be considered as an "equivalent increase" in compensation within the meaning of section 701 (a) (A) of the Classification Act of 1949, in the case of employees who transfer or are transferred to a position coming within the purview of the Classification Act of 1949.

Postal employees of the Canal Zone Government

SEC. 804. The Governor of the Canal Zone is authorized and directed to adopt applicable provisions of this act for postal employees of the Canal Zone Government, as of the respective effective dates of such applicable provisions.

References in other laws with respect to Public Law 134, 79th Congress

SEC. 805. (a) Whenever reference is made in any other law to the act of July 6, 1945 (59 Stat. 435), as amended, such reference shall be held and considered to mean this act. Whenever reference is made in any other law to a "grade" of such act of July 6, 1945, such reference shall be held and considered to mean the corresponding basic salary step in any schedule contained in this act.

(b) The application of this act to any position or employee shall not be affected by reason of the enactment of subsection (a).

Applicability of act to Guam

SEC. 806. This act shall have the same force and effect within Guam as within other possessions of the United States.

Regulations of Postmaster General

SEC. 807. The Postmaster General is hereby authorized to issue such regulations as may be necessary for the administration of this act.

Civil Service Act and Rules, Veterans' Preference Act of 1944

SEC. 808. This act shall not be construed to modify the application of the Civil Service Act and Rules or the Veterans' Preference Act of 1944 to the postal field service.

Authorization of appropriations

SEC. 809. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Effective dates

SEC. 810. (a) This section shall take effect on the date of enactment of this act.

(b) This act, except title VII, section 607 (d) and this section, shall take effect on such date as may be specified by the Postmaster General, but not later than 180 days after the date of its enactment.

(c) Title VII and section 607 (d) shall take effect on the first day of the first pay period which begins after the date of enactment of this act.

(d) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, changes in the rates of compensation which result from the enactment of title VII shall be deemed to be effective as of the first day of the first pay period which begins on or after the date of enactment of this act.

The SPEAKER. Is a second demanded?

Mr. REES of Kansas. Mr. Speaker, I demand a second.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, it is the purpose of this legislation to provide an increase in the compensation of postal employees and, at the same time, bring about correction of serious inequities in the salary schedule by the adoption of an improved method of classifying postal employees for salary purposes.

Under this bill, all postal employees will receive a minimum increase of 6 percent on their basic salaries, effective March 1, 1955, and within 180 days after enactment will then be fitted into a salary schedule providing for a pay scale establishing a more realistic relationship between the various positions—particularly with reference to their duties and responsibilities—and the salaries of such positions. The adjustment to the new salary schedule will result in a payroll increase of approximately 2 percent.

Mr. Speaker, this is the fourth time that the House has considered postal pay legislation this session. The bill that we are considering today is Senate 2061, which was introduced by the chairman of the Senate Post Office and Civil Service Committee. This bill passed the Senate unanimously, and I hope it will meet with the same approval in the House today.

Your Committee on Post Office and Civil Service reported out this bill unanimously with two amendments. These two amendments are minor clarifying amendments. The first amendment merely affirms the view of the committee that the simple distribution of parcel post packages by mail handlers is an incidental or occasional rather than a primary function of mail handlers. The second amendment clarifies the status of special delivery messengers under the bill.

The committee was concerned that under the bill as passed by the other body the position of special delivery messenger might be eliminated or completely prohibited. This amendment will continue the present status of special delivery messengers presently on the rolls and will permit additional appointments to the position of special delivery messenger.

Mr. Speaker, there are very few major changes in the bill before you today, as compared with H. R. 4644, the bill originally reported out by your Committee on Post Office and Civil Service. The changes made are not too substantial. The Senate Post Office and Civil Service Committee in its report on the bill before you, S. 2061, had this to say:

This measure adopts with only minor modifications the basic position classification

plan and pay schedules recommended by the Postmaster General. The explanation of the plan and schedules appears as House Report No. 224 (to accompany H. R. 4644) which for reasons of expediency is herein incorporated by reference.

What are the changes in the bill before you and the bill which was vetoed by the President recently? As I have said before, they are very minor changes. The President in his veto message stated that the bill which he vetoed discriminated against large groups of postal employees such as rural letter carriers, special delivery messengers, and many postmasters and supervisors. He also stated that the total cost of the bill was approximately $180 million a year, and that it is substantially greater than was necessary to adjust postal salaries to a fair level either from the standpoint of pay for comparable work or from the standpoint of increase in the cost of living. These two objections of the President have been removed by the present bill. The rural letter carriers have been given an increase which puts them in line with the city letter carriers. The special delivery messengers have also been taken care of by placing them on the same level as city carriers, level No. 4, in the bill. While the bill which the President vetoed would have cost approximately $180 million, the bill presently before us will cost about $166 million, a reduction of $14 million.

The principal changes in this bill from the vetoed bill are these. First, the vetoed bill provided a 7 percent retroactive increase; the bill before you provides a 6 percent increase retroactive to March 1; and, second, each step in salary level 1 is $10 lower in S. 2061 than in S. 1.

The initial step of salary level 2 is $10 higher, but each step increment is $5 less, in S. 2061 than in S. 1.

Each step increment for salary level 3 is $5 higher in S. 2061 than in S. 1.

Salary level 4 of S. 2061 runs from $3,660 to $4,410 in steps of $125. This level includes special delivery messengers who were in level 4 of S. 1, as well as city carriers, window clerks, distribution clerks, and motor vehicle employees, who were in level 5 of S. 1.

The maximum step increment in S. 2061 is $300, which applies to salary levels 16, 17, and 18; it was $250 in S. 1.

As I have already stated, these are the principal changes in this bill. This is a good bill. I think when this bill is passed by the House and approved by the President it will be a landmark in Post Office Department history. It will be an historic day in the Post Office Department when we have a sound, modern reclassification system.

I do not know of any objections to this bill. As I said before, your committee voted it out unanimously. It passed the Senate unanimously. I hope it will pass the House unanimously today.

Mr. Speaker, I should like at this point to compliment and commend each and every member of my committee who has worked so conscientiously and under tremendous pressures from all sides. As I have stated, this bill was recommended by us unanimously. It is not too different from the bill we recommended last March. Through all of the controversy that has surrounded it, there has been a great deal of misinformation and confusion. I would like the record to show that our committee took a very complex and technical bill, one affecting over half a million employees, and made a number of constructive changes. I would like to list these changes, together with their effect, that we may record here the many benefits and safeguards that have been placed in this bill during its course through the legislative process. There are 15 of these benefits and safeguards which I am pleased to enumerate, as follows:

APPEALS TO THE CIVIL SERVICE COMMISSION

The bill provides that an aggrieved employee may appeal to the United States Civil Service Commission any administrative action taken or decisions made with respect to, first, the ranking of his position as to salary level if it is other than one of the "key positions" in section 203; and second, the designation of his position as a "key position" on the basis of and in accordance with the description of the duties and responsibilities of such position. The appeal will be for the purpose of determining whether his position has been properly allocated. The decision of the Civil Service Commission is made mandatory on the Postmaster General.

NO DOWNGRADING OR REDUCTION IN SALARY OF PRESENT EMPLOYEES AND SUBSTITUTES

The bill contains prohibitions against downgrading of individuals and assures employees they will continue to receive their present salary plus the 6 percent added during the process of conversion to the salary schedules contained in the bill.

It also provides that nothing in this act shall be deemed to reduce the per annum or hourly basic compensation of any employee on the rolls on the effective date of the postal field service schedule, rural carrier schedule, or fourth-class office schedule to an amount less than his basic compensation immediately prior to adjustment to such schedules—present rate plus 6 percent. It would not preclude reduction due to voluntary acceptance of a lower level position in lieu of separation from the service, or due to a change in salary level required because of a subsequent reduction in mail volume or receipts of a post office or because of the adjustment of a rural route.

CLASSIFICATION INCREASE

S. 2061 contains substantially higher annual salaries for those employees placed in level 4 when compared with the original administration proposal in the bill introduced as H. R. 2987. These additional increases, which will go to motor vehicle operators, city letter and special-delivery carriers, carriers, distribution clerks, window clerks, and special-delivery messengers, represent an additional increase in payroll cost of $25 million annually. This will increase the starting rate for these employees from the present rate of $3,270—$3,170 in the case of special-delivery messengers—to $3,660 a year, an increase of $390 a year, or approximately 12 percent. The maximum rate will be increased from the present rate of $4,070 to $4,410 a year. In addition, many of these employees at the top are eligible for the additional longevity grades of $100 each at 13, 18, and 25 years' service, making a top rate of $4,710.

LONGEVITY PAY FOR SUBSTITUTES

The bill will provide longevity for substitutes for the first time. In some post offices, and this will be particularly important now that the number of automatic steps has been reduced in the case of the large clerk-carrier group from 9 to 7, many substitutes have been at the top of their automatic steps and not eligible for longevity promotions until they become regulars. This bill will permit substitutes to receive longevity pay on the same basis as regular employees—that is, at the end of 13, 18, and 25 years of service.

LARGER ANNUAL INCREASES

Under the provisions of the bill, movement of each clerk and carrier to the top steps of his salary level will be accelerated. This is done by reducing the number of automatic steps from 9 to 7 and increasing the amount of each automatic step.

AUTOMATIC STEP INCREASES FOR POSTMASTERS AND SUPERVISORS

Under Public Law 134, 79th Congress, postmasters and supervisors are paid single per annum rates, whereas the rank and file employees are given annual automatic increases. The postal field service, rural carrier, and fourth-class office schedules in S. 2061—designated as PFS, RCS, and FOS schedules, respectively—provide that all employees, including postmasters and supervisors, shall be placed in 7-step levels, except for PFS–19 and PFS–20 employees, for whom 7-step levels are precluded by the present $14,800 maximum. This opportunity for salary increases as skills and responsibilities increase is an important incentive factor and should apply to all employees.

SALARY INCREASE OF PROMOTIONS GUARANTEED

The bill provides that when an employee is promoted to a higher salary level in the PFS schedule, he shall receive as a minimum increase the amount of difference between the first step of the salary level from which promoted and the first step of the next higher salary level. Thus, an employee who assumes more responsible duties receives a substantial increase in pay rather than a token increase or no increase at all, which is commonly the case under Public Law 134.

GREATER PROMOTIONAL OPPORTUNITIES

This bill will afford far greater opportunity for promotion. The establishment of 20 salary levels in the PFS schedule in S. 2061 will permit the classification of many positions at salary levels above, as well as between, the rates established in Public Law 134. Under that law, the Post Office Department has been able to pay employees only on the basis of job titles and the pay rates established in the law for those titles. The number of certain supervisory titles which an office might have also was prescribed.

Thus, for example, an employee serving as a substitute for a superintendent

of mails who is on extended sick leave may not be compensated for the added responsibility because the title and salary structure of Public Law 134 does not permit it. This bill will permit proper salary payments in such cases.

There are many positions, both supervisory and nonsupervisory, whose duties and responsibilities warrant a pay differential which is not provided in present law. Under S. 2061 the greater responsibilities of the positions can now be reflected in greater compensation. The effect is that upon enactment of the legislation the incumbents of these positions will receive pay adjustments which are tantamount to promotions. As vacancies occur there will be these additional higher paying positions to which others can be promoted.

The inclusion of regional and district office positions in the same salary schedule with other postal field service positions will make possible the establishment of orderly promotion lines from other positions in the postal field service to positions in the regional and district offices.

RESTRICTIONS ON APPOINTMENTS FROM OUTSIDE THE POSTAL FIELD SERVICE

The provisions of section 501 of S. 2061 limit the authority of the Postmaster General to appoint to a salary rate higher than the entrance rate. It is limited to the appointment of persons who have been employed in a civilian capacity in other branches of the Government and to positions in the district or regional offices or to professional or scientific positions.

BIWEEKLY PAY PERIOD

In place of the present semimonthly pay period, the pay period for postal employees under S. 2061 will be biweekly, providing 26 paydays per year and thereby granting an extra day's pay in the year for these employees. Another advantage in the biweekly pay period is that it permits standardization of the payday so that it will occur on the same day of each alternate week throughout the year.

RATIO OF SUBSTITUTES TO REGULARS

The authorization of 1 classified substitute for each 5 regular employees under this bill—rather than the 1-for-6 ratio now in effect—will permit the conversion to career tenure of several thousand employees who cannot presently be converted from indefinite or temporary tenure.

RURAL CARRIER SUBSTITUTES

The bill also provides a new method for computing the per diem rate of rural carrier substitutes, using a 312 days' basis instead of a 360 days' basis. The change in the pay period will permit the compensation of substitute rural carriers on the same basis as the regular carriers.

SUNDAY AND HOLIDAY WORK

Representatives of the clerks and carriers organizations objected to authorizing postmasters to pay time and a half for service performed on Sundays and holidays throughout the year as recommended by the Postmaster General. They recommended that it be restricted as at present to Sundays and holidays in the month of December with compensatory time allowed in the months other than December. The committee has included an appropriate provision covering this in the bill.

REPORT OF THE POSTMASTER GENERAL ON POSITION RECLASSIFICATION

The bill requires the Postmaster General to furnish Congress a comprehensive report of the reclassification actions taken under the bill. The bill spells out in detail the contents of this report. It is the intention of the committee to make a thorough and searching analysis of the classifications of positions, assignments thereof to salary levels, and the effectiveness of the appeals provisions provided by this legislation. The committee proposes to maintain a continuing interest in the problems of postal employees' pay and classifications.

INCREASE IN AUTHORIZED TRAVEL ALLOWANCE

The bill also increases the authorized travel allowance of postal transportation employees assigned to road duty from the present rate of $6 per day to $9 per day.

Mr. Speaker, I prefaced my remarks by pointing out that the bill which we have before us today was approved unanimously by the other body. It comes before this House with the unanimous support of our committee. I hope that the vote on this legislation which will follow this discussion will record the unanimous approval of this House.

Mr. REES of Kansas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am joining with the chairman of my committee in supporting this legislation which will meet the objections voiced by the President in his veto message on S. 1.

It should be clear at this point that the objections of the President, combined with the support of one-third of the Members of either House, makes the adoption of this legislation the only practical solution to giving postal employees a salary increase.

This bill will meet the criteria set forth by the President for postal employees' salary legislation which he would approve. It eliminates the inequities contained in S. 1 affecting special-delivery messengers, rural carriers, and postmasters and supervisors.

Under the bill, special-delivery messengers will be placed in the same salary level with letter carriers, clerks, and motor-vehicle operators. This salary level will have a salary range slightly above that provided for these employees in the bill recommended by our committee, H. R. 4644. This salary range is in 7 steps beginning with an entrance rate of $3,660 and a top rate of $4,410. Employees of long service will receive, in addition, three longevity grades of $100 each, making a total pay of $4,710.

The bill provides a new salary schedule for rural carriers which will maintain them in the same relative position when compared with city-letter carriers as they are today. That is, a rural carriers carrying a 42-mile route will receive the same pay as the city-letter carrier.

The bill provides an immediate salary increase of 6 percent retroactive to March 1. Reclassification giving an added 2 percent average increase will be effective within 180 days after the date of enactment of this legislation.

The bill contains the requirement approved by the House that the Postmaster General submit a report to the Congress by January 15 of next year covering actions taken under the provisions of this bill.

Some postal employees have complained that the President vetoed the bill although on the average it represented only a slight difference in increased pay to individual employees over what the President would approve. Conversely, our bill provides the postal employees on the average nearly the same salary increase as the vetoed bill, and, at the same time, corrects the inequities contained in the bill vetoed by the President.

Postal employees generally are supporting this legislation and I feel sure that it can become law within a few days.

Briefly, the differences between the bill we are presenting here today under suspension of the rules and the bill we presented March 21 under suspension of the rules are not very great. The schedule for levels 1 and 2 are increased by $10 per year. The schedule for level 3 is increased by raising the within step rate $5. The increase in level 4 varies from $20 to $50 per pear.

The bill we presented on March 21 would have given the additionl increase to the employees going into the schedules immediately, that is on the pay period immediately following enactment. Under this bill the 2-percent reclassification adjustment will not be available until about 6 months from now. The rural carrier schedule has been increased to retain the traditional relationship, salarywise, between the city letter carrier and the rural carrier on a 42-mile route. Special delivery messengers have been placed at the same grade as city letter carriers. This is requested both by the city letter carriers and the special delivery messengers and was in the original department bill.

Costwise, this bill, the first year, will cost about $10 million less than the bill we had here on March 21. This is because there is approximately a $15 million saving in the postponement for 6 months of the additional pay for reclassification. After 3 years there will be an annual increased cost of $5 million, comparing this bill with the one we presented March 21.

Mr. Speaker, I believe it only fair to emphasize that the pay raise represented by this bill, that is a minimum of 6 percent, more than compensates for the increase in cost of living since the last salary increase. According to the Bureau of Labor Statistics this was 3.4 percent. While it is true that this increase is nearly double the rate of increase in cost of living, at the same time we must consider that there has been and I trust will continue to be an improvement in the overall of financial and economic situation of all of our people. We want to give our postal and Federal employees a fair break along with the other employees in private industry.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Illinois.

Mr. MASON. Does the gentleman hear many objections to the so-called reclassification that is coupled with this bill?

Mr. REES of Kansas. About the only objection I have heard recently is what I have just stated, that they are not being reclassified soon enough. They object to the 6 months' delay and want it to go into effect right away so that they can begin to draw the additional pay. There is good ground for that criticism.

This is good legislation. There is not much difference between this bill and the one we offered on March 21. We have done well to secure the approval of the other body on this proposed legislation. As near as I can understand, it means quite completely the President's objectives in respect to this proposed legislation. I feel sure you will all want to support this bill. Here you are given a chance to support or oppose this measure.

If there are any questions anybody wants to ask, I shall be glad to try to answer them.

Mr. SADLAK. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Connecticut, a former valued member of our committee.

Mr. SADLAK. I note that this bill also includes the biweekly pay period, so that the employees will now have 26 pay periods instead of 24. Is the gentleman by any chance recommending that this adjustment of pay periods from 24 to 26 be done first before putting the retroactivity feature into effect? In my experience, I know there is always a delay. There may be a flexibility of 10 days before that adjustment goes into effect and it may cause a hardship. If the chairman and the committee would recommend that that adjustment be made before putting in the retroactivity feature, I think it would be a great service to the people we are trying to help today.

Mr. REES of Kansas. I appreciate the gentleman's recommendation. I am sure the gentleman would be glad to make that recommendation to our committee, he being a former member of the committee. We are pleased with any suggestions he might make in regard to this legislation.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from South Carolina.

Mr. RIVERS. Can the gentleman tell the House whether or not this bill will be vetoed?

Mr. REES of Kansas. This bill will not be vetoed.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. May I compliment the gentleman and the members of the committee for solving this important legislation for the benefit of all postal employees.

Mr. REES of Kansas. I thank the gentleman from Pennsylvania.

Mr. SILER. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Kentucky.

Mr. SILER. Are the pay provisions of this bill retroactive to March 1?

Mr. REES of Kansas. That is right. The 6-percent pay increase is retroactive to March 1.

Mr. Speaker, let me say that if it develops there is anything that creates inequities in this legislation, or anything that appears to be wrong concerning it as it is put into effect, our committee will be first to consider corrections or improvements that should be made. As a matter of fact, all legislation is always subject to review by the Congress. This legislation is no exception to that policy.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Speaker, I urge the passage of this bill. In my opinion it represents the best compromise, and Congress has arrived at that compromise by its own free will.

The bill is not as narrow as we were assured would be necessary if we were to secure the approval of the President. It is not materially different from the bill which was vetoed. There are very few changes.

I feel that my position in urging adoption of the amendments to the original bill reported by this committee to the House, H. R. 4644, is in every way consistent with my position now. I was of the opinion at the time the veto message was delivered to the Congress that the major objections could have been overcome without a veto. The major objection I refer to is that affecting the salary schedule for rural carriers. That was one matter which should have been—and I am happy to say has been—taken care of.

The question of discrimination against special delivery messengers is a matter of opinion. In this new bill, we bring the special-delivery messenger for the first time to the level of the carrier. But I think the most important thing we have done, as a result of the prolonged feud that has existed over this legislation, is that we have finally brought the pay raise for a majority of the employees of the postal field service up to the average of the bill. And that is important. The original request of the Postmaster General provided that a great majority of the employees would not receive the average of the increase. Through the various amendments, the veto, the subsequent reporting of S. 2061, and its adoption by our committee we have provided a fairly equitable pay schedule. I would have liked it to be a little higher. I think the recent negotiations of the Ford Motor Co. with its employees wherein recognition was given to important factors of increased productivity at the annual rate of 2½ percent might well be studied by our committee in dealing with postal field service employees who have a remarkable record of improved performance over the years. The Postmaster General admitted over a period of about 5 years the employees have increased productivity approximately 19 percent. We are not compensating for that increased productivity in this legislation, but it is a good compromise. I believe that the report from the Postmaster General to the Congress, required by the bill, will afford us an opportunity for necessary examination of his actions under the new classification authority.

I hope we will go into it with extreme care and determine that no employee has been dealt with adversely as a result of the grant of authority to the department. I also hope that we follow up now with a pay increase of at least 8 percent for the 1 million classified employees of the Federal Government. For many years, their pay pattern has been just a little less than the postal workers. I have given careful study to this, and I can find no basis to justify it. I hope that members of the House Post Office Civil Service Committee and Members of the House will join me and many of my colleagues on the committee in insisting that at least equality be voted in any salary legislation dealing with the classified employees. Their increase is long overdue, and the 6 percent which has been proposed, will not be adequate. I hope we can carry through in the committee hearings and in the discussions on this floor without having thrust upon us at every possible opportunity the threat of a veto. It is necessary, if we are to do a job, that we should do it on the basis of facts and not on the basis of fears and threats. Only by doing it on that basis can we give the sort of justice that the classified employees are entitled to.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I am very happy to yield to the gentleman.

Mr. MASON. Before the gentleman's time in the House, we used to have a Member who always asked, "Where are we going to get the money?" I think perhaps that question is pertinent to these increases we are now granting.

Mr. MOSS. The gentleman's question certainly is pertinent and the answer should be obvious. You are going to get it from your general revenues. If they are insufficient for us to pay our people a salary sufficient to maintain a decent standard of living, we should increase the general revenues. If we can afford to grant this administration's request for $3½ billion for foreign aid, then we can afford a fuller measure of financial justice to our Federal employees.

Mr. REES of Kansas. Mr. Speaker, I yield such time as he may desire to the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Speaker, I am sure this is the best possible legislation that can be enacted at this time. I urge its adoption.

For much too long has Congress wrangled over a pay increase for postal workers. Let us hope that in the future this issue will be decided on the basis of reason, need, and justice for in legislation of this kind we are dealing directly with the fortunes of many thousands of humans and not merely in figures.

I hope and trust the other body will give quick assent to the minor amendments that have been added by the House committee, and that the President will speedily sign this measure into law.

Mr. REES of Kansas. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Speaker, January a year ago, 1954, there were introduced in the House numerous bills to correct the salaries of employees of the postal field service. Today, a year and a half later, we have finally come to the end of a very long and unnecessarily bitter controversy to determine what is the proper compensation for these employees of the Federal Government. We have marched up the hill and we have marched down the hill. We have been through all kinds of wildernesses and morasses. Now, when we say we have arrived at a compromise today, I rather suspect it is a compromise resulting from exhaustion rather than a compromise resulting from a meeting of the minds. I personally hope that this House and this Congress shall never again have to determine what is the proper compensation for its employees, as a result of a trial by strength. In all the 10 years I have served on this committee I have yet to have ever attended a meeting of all of the persons concerned, or representatives of all the people concerned, to find out what are the budgetary problems, what have been the increased costs of living, what are the legitimate needs in various areas of the country, and all of the problems that go together to constitute a proper negotiation. I certainly hope that when this bill is finally passed and becomes the law of the land that it shall mark the end of trying to determine what is right by who is the strongest.

This bill, while it is possible it is the best that can be written right now, certainly in its classification procedures, sows the seed for many, many years of amendments, of new bills being introduced, of one group feeling that it is not treated as well as another; of another group claiming there are inequities and inequalities. Already some 11 requests for amendments to this bill have reached my desk. Many of them may have merit, but I simply rose to say that I believe the day has come when the departments, responsible members of the committee, responsible representatives of the employees should hereafter try to meet and determine what is right and proper, rather than have a public bloodletting to determine what is fair and adequate compensation for the employees in the postal field service.

For the moment I can only be happy that all of these employees will receive some of the salary adjustment that should have been made many controversies ago.

Mr. REES of Kansas. Mr. Speaker, I yield such time as he may desire to the gentleman from Connecticut [Mr. CRETELLA].

Mr. CRETELLA. Mr. Speaker, I arise in support of the legislation before us embodied in S. 2061, and urge all of my colleagues to do likewise. I trust that it will be unanimously adopted. We, of the Post Office and Civil Service Committee, have listened to a great deal of testimony on the need and urgency of a postal salary increase and we are all familiar with, and cognizant of, the clash which this legislation has provoked attended by bitterness and vilification which has accompanied it.

I trust that with the passage of this bill all of those feelings will have been left behind us. I believe it to be good legislation and while some changes may ultimately be required, I feel that the program of reclassification is long overdue. I was amazed to hear the testimony introduced on the present job structure with all of its uncertainty and abuse. I believe that the vast majority of postal employees are likewise favorable to the reclassification program.

The passage of this bill makes me doubly happy. First because it gives to these devoted public servants a much deserved raise and secondly, because there is incorporated into this bill, my own proposal which provided for biweekly pay periods for postal employees. When I first came to Congress this proposal was the first I undertook to introduce and spent many hours in the preparation of material to present a case in support of my legislation to the subcommittee to whom my bill H. R. 4073, 83d Congress, had been referred. That subcommittee took a sympathetic and favorable position on it in spite of objections from the General Accounting Office, and I am personally pleased and now know that it has been incorporated in the legislation which I hope will be enacted into law within the next few days.

I know that it will make many postal employees happy as it will the many wives who wrote me on the subject. I do trust that now that this legislation is behind us that the increases will be put into effect immediately and the benefits which will inure to some of the employees under the reclassification program will tend to again reunite the forces which have been clashing for many long months, and the postal workers may return to their duties well knowing that the sympathies of every Member of Congress were with them in this constant uphill fight. I pay my respects to these patient Federal employees.

Mr. REES of Kansas. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Speaker, I rise in support of S. 2061 as a good compromise on a bad situation that has developed during this session over the subject of postal pay raises. The bill provides an approximate 8.1 percent increase as an average, and apparently meets the objections of the President in his veto message of Thursday, May 19, 1955, relating to S. 1.

I have consistently maintained the position that I was desirous of voting for a substantial postal pay increase bill that I knew could become law. S. 2061 is the first such bill to be presented to the House for a vote, in my opinion. Of course, this opinion is wholly substantiated by the failure of S. 1 to become law.

I call attention to the House that I introduced H. R. 6460, dealing with the same subject matter as the bill before the House, which was a postal pay raise bill with an average of approximately 8 percent. The purpose of introducing this bill was to clearly indicate to the Post Office and Civil Service Committee the desire of myself, along with many other Members of the House, that immediate action be taken by the Post Office and Civil Service Committee on this matter. My bill is one of the first, if not the first, to be introduced subsequent to the veto message and the sustaining of it by the Senate.

The bill which we have before us today is substantially the same as that introduced by myself and I am happy to join in voting for S. 2061. Said bill is similar to my bill H. R. 6460 in the following respects:

First. It provides a reasonable increase in salary for postal employees and at the same time corrects serious inequities in the salary schedule by adopting an improved method of classifying postal employees for salary purposes.

Second. It provides for retroactive effective date of March 1, 1955.

Third. It provides for annual reporting by the Postmaster General to Congress of reclassification actions taken under the bill.

Fourth. It increases authorized travel allowance of postal transportation employees assigned to road duty to $9 per day from the present $6 per day.

Fifth. It provides for biweekly pay periods making 26 pay days per year, thereby adding one to the present procedure.

Sixth. The bill prohibits downgrading of individuals and guarantees employees their present salary plus 6 percent minimum to be added during the process of conversion to the salary schedules contained in the bill.

Seventh. It provides for substantially higher annual salaries for level 4 employees than did H. R. 2987, these increases going to motor vehicle operators, city letter and special-delivery carriers, carriers, distribution clerks, special-delivery messengers, and window clerks.

Eighth. The bill also provides longevity for substitutes on the same basis as regular employees.

These are some of the aspects in which my bill, H. R. 6460 is similar to S. 2061 and it is for these, as well as other reasons, that I am happy to support the bill before the House.

I am confident this bill can and will become law, and that the postal employees will receive the additional compensation to which they have been justly entitled, retroactive to the date on which a bill, had it not been fraught with politics, could—and should—have become law.

Mr. REES of Kansas. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Speaker, I want to state emphatically that I believe this is an excellent bill, and when it is placed into effect the postal employees will be well satisfied with it.

I fully realize that when we are dealing with 500,000 employees, scattered all over this United States, some in the larger cities and some in the smaller places, that it does have some problems with those living in high-wage districts, but it is difficult to give uniform legislation all over the country for 500,000 employees.

I do not know of a Member of this House who has not been for a salary increase for the postal employees.

There has been some difference of opinion as to amounts, as to classification, etc., but we have all been of one mind that they are entitled to and should get an increase. We are going to resolve those differences in this bill.

I also want to say that as far as I am concerned I believe the record will show that I have voted for every piece of legislation that had a chance of becoming law for the raising of postal salaries. That included, however, suspension of the rules; and I might say that I received many letters saying that it was wrong to vote to suspend the rules, because that amounted to a gag rule, and so forth. I am here today, however, to vote to suspend the rules again, because I believe it is going to be in the best interests of the postal employees, and I believe that is the criteria by which we should determine legislation.

Just one other thing, we have increased the total amount of money to be spent in the Post Office Department some $160 million, and once again I hope we as a deliberative body will have the fortitude to take the necessary action to get the money to pay the bill. I think we ought to be willing to increase postal rates on first-, second-, and third-class mail. I might say—and if I am not correst I wish to be corrected—that fourth-class postage is going to be increased automatically under this bill, so I would do something about first, second, and third class. I am not worried about increasing the 3-cent rate to 4 cents, especially when you stop to think that 70 percent of your first-class mail is paid for by business houses and corporations. Why should the general taxpayer pay some $500 million in subsidies to the users of first-, second-, and third-class mail when only 30 percent of the first-class mail, for instance, is paid for by the general public. I think it is inconceivable that we should do that, and I hope we as a Congress will take the steps necessary to raise the revenue to pay this bill. I might say also that I believe this would be in the best interest of the employees, because we are going to be faced time and time again—and properly so—with increases of salary. It is much easier to handle these salary questions if you have the money to pay the bill. I hope you will take this into consideration and do something about it.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. RHODES].

Mr. RHODES of Pennsylvania. Mr. Speaker, I favor this compromise bill. I favor it because there is very little difference between this bill which I understand the President will sign, and the one that was vetoed.

I have some doubt as to the reclassification feature, but the Moss amendment which calls upon the Postmaster General to report on reclassification is still in the bill. That is important as many of us will be watching to see that reclassification is not used as an instrument to unjustly punish employees because of their organizational activities or political views.

Because these bills are so much alike it becomes more evident that the harsh criticism of the President's veto was justified.

Mr. Speaker, the shadow boxing over the postal-pay issue is about to end. It would have been amusing, if the plight of the postal workers had not been so critical, or the pay raise delayed for so long.

However, this issue closes on a happy note. Postal workers will get a raise this year.

Those of us who have fought the long legislative battle of the postal-pay percentages—7.6, 8.3, 8.8, 8.1—have rested our case. The record is crystal clear. There can be no doubt among us here, or among the hundreds of thousands of postal workers as to what has transpired on the postal-pay issue.

Let us hope that the same coercive tactics of the administration will not be repeated when we consider the pay bill for the classified employees. Other Federal employees are entitled to equal treatment with postal employees, and I trust that there will be no invasion of congressional jurisdiction by the executive department in attempting to dictate terms of acceptability.

There should be no quibbling over an 8-percent pay boost for other Federal employees if this bill is passed and signed.

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, naturally, I shall vote for the bill S. 2061, a bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, because I have no alternative. I much prefer the original bill that passed the House and was vetoed by the President. While that bill represented a compromise, it was in many ways a better piece of legislation than that now before us. It failed like the instant legislation to adequately meet the needs of the employees of the postal service.

I shall vote for this bill because I am poignantly conscious of the plight in which our faithful postal employees find themselves as a result of the administration's lack of, shall I say, understanding of them.

It is an old story to stand here and tell you that the pay of the postal employees has lagged far behind the cost of living. You have heard it said and reiterated but unfortunately it is true. And unfortunately, the bill under consideration does not realistically attack this problem. It still leaves a sizable gap between the pay and the cost of living index of postal employees. This will only aggravate the problem and sooner or later we will have it back here again.

I cannot understand why the President wants to temporize in the field of pay for loyal civil employees of our Government. His long experience in the military establishment gives him an awareness of the problems of the armed services. He was quick to recommend and vigorous in urging the passage of legislation to care for those in the uniformed ranks of the Army, Navy, and Air Force. He was right in this and I enthusiastically supported the uniformed services pay bill that was given a sugar-coated name, because, like you, I knew those people needed a raise.

I am sorry that in his forty-odd years' service in Government the President had not served some of it in a civil capacity. He then would have known the plight of the civil employees, and I am sure that he would have been as sympathetic to them as he was to those in the armed services.

Certain of the classification features written into this bill will cause confusion and inequities. It opens a Pandora's box, the flying contents of which will haunt the Halls of Congress for years to come. You know as well as I that we have asked for a lot of unwelcome work.

I am sorry that the President has been so adamant in this field of postal pay legislation, and but for the fact that the postal people need this adjustment in salary so badly I would be for rejecting the bill. I do not like to compromise a principle, and that is what we are doing here. But I am conscious of the pressing need to give postal employees a long-needed and unnecessarily delayed raise.

I hope that this bill will be followed by a new bill that will give a raise of the same modest proportion to the classified workers in Federal civil service and groups in that category, including legislative and judicial employees of the Government. They, too, have been the victims of delay, and any legislation adjusting their salary upward must be retroactive.

When the 84th Congress convenes in its 2d session, it should immediately reopen the case for an adjustment in the pay for honest and faithful civil workers in the field of Government and close the gap between their salary and the cost of living. This is the greatest morale builder I can think of and is a good investment for this reason: Morally we owe it to loyal and faithful workers.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. I rise in support of this legislation because I feel it is the best we can do under the circumstances. There are two things about this matter, however, which I want to call to the attention of my colleagues. One is, frankly a personal opinion, that the present bill is not markedly different from what the House previously considered; and it is my personal opinion that the veto was absolutely unnecessary. I have been clubbed into submission; I accept it as part of the democratic process.

One other thing, however, is that the great bulk of the employees are not completely at ease with the prospect of reclassification; neither am I. I think it is one of the things that must be watched, and I am very happy that the report procedure has been written into this piece of legislation. I for one, and I know many of my colleagues also, will

want to watch very closely the application of the theory of reclassification under this legislation to see if it is done pursuant to the spirit and intent of the law and only that way.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Speaker, I rise to support Senate bill S. 2061, the bill now before us, and to urge its passage without amendment.

This is the third time within a year that Congress has endeavored to provide a cost-of-living pay increase for postal workers.

The first two bills passed by Congress to grant this increase were vetoed. The facts regarding those two bills are so well known that a review of them now would be pointless.

We had no opportunity to override the first veto, because it came after the 83d Congress adjourned. We in the House of Representatives had no opportunity to vote to override the second veto, inasmuch as the vote in the other body to override fell short of the necessary two-thirds majority, which two-thirds majority vote is required in both Houses in order to override a Presidential veto.

I voted for Senate bill 1, the postal pay bill which was vetoed on last May 19, when that bill was reported out for passage. I was on the conference committee which worked out the conference report which was approved by both Houses, and I voted for the perfected bill both in conference and on the floor.

It was a matter of regret to me that the President did not see fit to approve the bill which Congress passed. It is my hope that the bill before us today will become law, and that this, our third effort to provide a pay increase for postal workers, will be successful.

This bill will provide an increase of at least 6 percent for every employee. Under the bill, the increase is retroactive to March 1.

The salary schedule is set forth in detail on page 83 of the bill. We have amended the bill in two very minor particulars. I believe that these two amendments will be accepted promptly by the other body, and that no conference committee on this bill will be necesary.

While I have no means of knowing what action the President will take with reference to this bill, we are informed that he will approve it by the same sources which informed us he would veto Senate bill 1 when we had that bill under consideration a month ago. I therefore feel hopeful and optimistic that if we pass this bill today, it will be approved and go into effect within a very few days.

The bill was reported out unanimously by our committee, and I hope it will be passed unanimously in the House today.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. There are many Members who are opposed to the abdication by the Congress of its responsibilities in connection with the reclassification features of this matter. Of course, we reluctantly recognize the situation. If this bill becomes law, which every evidence indicates it will, may I ask the gentleman from Georgia if as a member of the committee he will personally see that the committee will watch the report coming from the Postmaster General to see that he acts in accordance with the intent of Congress and the tenure of the law?

Mr. DAVIS of Georgia. I appreciate very much having the gentleman's contribution and would like to say with reference to his observation that it is my belief our committee will certainly watch this report very closely and will watch the future proceedings had under the reclassification feature. As the gentleman no doubt knows a great many of the objections to certain provisions of the reclassification measure have been ironed out. The bill is not now nearly as objectionable as it was when being considered a year ago, in that respect. I think the gentleman may be assured that the committee is going to keep close watch on this matter.

Mr. REES of Kansas. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Speaker, I am supporting this legislation because I think it is a much more just piece of legislation for all of the postal employees than the one the President vetoed. I would go further and offer the hope that this House measure up to its fiscal responsibility and increase the postal rates in order to get the money that we are spending here today. I think the President is to be congratulated for having the courage to see this thing through so that we could enact legislation that provides for the necessary reclassification features. I think this is good legislation, and I am glad to express my approval of it.

Mr. REES of Kansas. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Speaker, as a member of the Committee on Post Office and Civil Service I endorse this bill and urge its adoption.

There have been times during this controversy when I have felt that the Federal Government deserved the taunt, "physician, heal thyself." With the Government role of "Dr. Fixit" which has been essayed over the past 20 years in the field of industrial relations in private industry, it has been somewhat disconcerting that nearly 2 years have been required to arrive at a pay increase for half a million postal employees—an increase which everyone has agreed was in order and fully merited.

It is my belief that the problem would have been resolved somewhat earlier this session had it not been for the efforts of some who insisted on seeing if they could not go just a little further than the majority of the Committee on Post Office and Civil Service had voted, and who boasted that they were a little more daring than their colleagues.

In any event, we appear now to have reached a feasible and acceptable solution of the matter.

Permit me to say one word to those who have expressed a lingering concern over the reclassification features of the bill. Certainly no Republican member of the committee will yield to any colleague on the other side of the aisle in the matter of maintaining a continuing interest in the operation of these provisions of the bill. We believe adequate safeguards have been written into the bill. We welcome the provision for submission of a report by the Postmaster General to Congress on its operation. We recognize that we are not legislating for eternity and that we have not achieved the ultimate in perfection. We recognize also that there doubtless will develop flaws, both in the legislation and in the administration of the reclassification provisions. And, finally, we recognize that the Congress is going to be here next year, and the year after, providing abundant recourse and opportunity for corrective measures as experience indicates they are needed.

Despite any efforts made here today to claim otherwise, neither party has a monopoly on a concern for just and equitable operation of the law in the interests of the public, the postal service, and the postal employees.

Mr. REES of Kansas. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. HENDERSON].

Mr. HENDERSON. Mr. Speaker, at long last this Congress is about to place its stamp of approval upon legislation which will grant a raise in pay to the postal employees of the Nation. I am certain that they, individually and as a group, are deserving of the action which this body takes this afternoon.

I have watched, with considerable interest, the activity of the Congress as it met with this problem, and I felt confident that it would not make the error of a previous Congress in enacting a bill which would not receive universal approval. Having acted, and having received a reversal of its original venture, it now moves quickly to enact legislation of unquestioned merit.

Here is legislation which combines three much-needed features for the postal service. First, it reestablishes the traditional, historic, and functional salary relationships within the Post Office Department. Secondly, the legislation provides for classification of postal employees. This feature is indeed a change and, as all change is a departure from the traditional, it has been regarded critically. But classification has met the test in the other departments of Government; it is in line with modern Government employment procedure, and will work for the benefit of both the postal service and the postal worker. There are safeguards in the legislation which provide that no employee will be downgraded as a result of the reclassification, and a substantial number will find that the classification feature will result in a sizable increase. In fact, the classification feature will result in an average pay increase of about 2 percent.

The most publicized feature of the legislation is that of the pay increase which will be granted to all employees, an increase of about 6 percent which will not

only be effective immediately but will be retroactive to March 1, 1955. In spite of the fact that it has taken Congress several months to enact pay legislation, the pay raise is effective as of the first of March of this year. I am sure that there are regrets that the amount of the increase could not have been greater, but there is one comforting fact—that a goal has been attained and an increase has been obtained which will benefit the people who need it and need it now. I am sure that as our economy continues to grow, as we prosper, and certainly as the standard of living increases, there will be additional legislation providing for further salary increases. It is the duty of Congress and the Post Office Department to see to it that its employees continue to receive benefits and advantages similar to those enjoyed by all employees in this country.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BARRETT. Mr. Speaker, I am very pleased the House is considering the new postal-pay bill, which passed the Senate last Wednesday.

On February 15, 1955, it was my privilege to appear before the Committee on Post Office and Civil Service in support of legislation granting a salary increase to the postal employees.

Today it is not only a privilege, but a pleasure for me to address the House and urge that S. 2061 be passed unanimously without any further delay.

During the past several months I have received hundreds of letters and telegrams from constituents urging my support of an adequate pay bill. Most of these communications were received from postal employees in the Philadelphia area who requested my support of such a measure because they are finding it exceedingly difficult to maintain their homes and families on their present earnings. I am sure that a majority of the Members of this body have found that many of our postal workers are and have been holding down two jobs in order to provide their families with the necessities of life.

I am sure everyone here today is in agreement with me that we have just cause to be proud of these employees. The daily service they render to our American way of life is taken for granted by the average citizen, but do we or the customer at the post-office window realize the study and training involved to keep this mammoth operation running smoothly. No; we do not—and I believe it is high time we do something to show these loyal and efficient employees that their efforts are appreciated.

I am sure I need not go into great detail about the high cost of living and how it has affected these workers, who somehow or other have managed to survive these yearly increases in living costs even though they have received no pay raise since 1951.

There is no necessity for a lengthy debate when the issue is so clear cut. Let us act now and pass S. 2061 which will give some measure of relief to these employees and their families and prove to them that we, as the leaders of this Nation, are very much interested in their welfare and appreciate their efficient and faithful service.

Mrs. ST. GEORGE. Mr. Speaker, the House is now about to pass S. 2061 with two very minor amendments and there is no question that the President will sign the bill so that it will become law and give the 500,000 postal employees the pay raise they need, deserve, and in my opinion, should have had last year.

The bill is practically the same as the original bill offered by our distinguished chairman, the gentleman from Tennessee [Mr. MURRAY] in our Committee on Post Office and Civil Service in the House.

This bill, according to both the reports furnished by the House and Senate will provide—and I quote—"all postal employees will receive a minimum increase of 6 percent." Why the newspapers of the country have seen fit, in view of this statement, to label the bill an 8.1 percent pay raise I cannot fathom, and I think it gives a rather incorrect impression to the people of the country and to the employees in the classified and postal services.

Of course, it is perfectly true that as a result of reclassification, carried in the bill, and the proper adjustment of many inequities that have grown up over the years, the bill probably does average up to better than 8 percent. But that was equally true of the original House bill that was killed by a small band of willful people who did not believe the President meant what he said and was quite able also to say what he meant.

It is most fortunate that the pay raise is made retroactive to March 1st so that the employees will not be penalized by the obstinacy and political maneuvering of their so-called friends. It is a case of all is well that ends well, but in my humble opinion it again points up the necessity of having a less cumbersome way of running the Post Office. This job is one for experts and students of business and management. It is surely no place for political maneuvering and vote-getting.

Mr. EDMONDSON. Mr. Speaker, I am voting for this bill today with some reluctance, and only because it has become apparent that no better legislation is obtainable in this session.

While improved by the Moss amendment, the reclassification provisions would still appear to open the door wide for undesirable politics and payroll juggling in our postal service. This is a matter which the Congress will have to watch very closely to prevent the destruction of departmental morale in the future.

It is also a matter of regret that Postmaster General Summerfield and President Eisenhower could not go along with the more reasonable salary increases originally voted by the House and the Senate. In view of all the facts, the raises originally voted were both moderate and well deserved by our postal employees, and I am sorry that the administration could not accept the congressional decision on this matter.

Mrs. GRIFFITHS. Mr. Speaker, at long last the half million postal employees of this Nation are about to receive an increase in pay—not the increase they deserve or the amount economic conditions warrant, but the amount the President has decided is enough for them.

I am supporting this new pay legislation not because it represents justice to our postal workers, but because this is all the President and his Postmaster General will approve.

This pay increase does not represent legislative judgment. The judgment of this body, reached after lengthy committee hearings and debate, was rejected by the President.

If this be an Administration victory, the people should know all sides of the question.

Is it a victory to deny a postal worker and his family an extra quart of milk or loaf of bread?

Is it a victory to perpetuate a situation that sends a postal worker's wife from her home and children to seek employment to help meet the family's obligations?

Is it a victory to continue a situation whereby skilled and trained persons leave the postal service for other jobs because of inadequate pay?

If these be the elements of victory, the benefits escape the postal worker and the public.

Though treated shabbily by this administration, I am confident our postal employees will continue to render faithful and unstinted service.

Mr. GUBSER. Mr. Speaker, it is with a sense of real achievement that I regard the bill now before us. For almost 18 months, the issue of postal pay has been with me as an individual Member, as representative of my district, and as a member of the Committee on Post Office and Civil Service. I am happy that this issue is now being resolved. At the same time, I cannot but express regrets, knowing as does everyone that postal raises could have been granted many months ago had a bill such as this one been passed and signed into law. Much bitterness, much wrangling, many accustations and counter-accusations could have been avoided, and half a million members of the postal service could have received their well-deserved pay increases without first having to suffer the disappointments which are the result of hopes falsely raised.

The bill now before us is sound. It provides for equitable pay while meeting the reclassification conditions of the President. It is the type of legislation which I have advocated from the very start of this long controversy, and which could have become law long ago. The bill now before us is identical with my own bill, H. R. 6528. I urge adoption of this measure. The additional dollars in the pay envelopes of postal workers will mean immeasurably more than did all the angry debates of months gone by.

One of the major lessons I have learned from this pay raise controversy is the strong conviction that it is unfair

to set pay scales for postal and classified workers uniformly throughout the length and breadth of our land. I believe that consideration should be given to fixing pay scales in direct ratio to the cost of living prevalent in given areas, and that some thought should be given to creating an independent body to set these pay scales. As soon as current legislation has been signed into law, I propose to introduce legislation which would take the detailed task of setting these wages out of the hands of the Congress, and entrusting it instead to an independent body, possibly constituted along the lines of the wage board used in my own State of California. Such a body, acting under the guidance and according to the policies of the Congress, would have liberty to perform a professional task of relating wages to cost of living in given areas, and would be able to function without the extraneous influences and outside the orbit of politics which complicate an issue that should be decided solely on the basis of sound personnel management and just compensation for services rendered.

Mr. SPRINGER. Mr. Speaker, I am happy to support S. 2061 which will increase the salaries of officers and employees in the field service of the Post Office Department.

It is the purpose of this bill to increase the compensation of postal employees and, at the same time, bring about a correction of serious inequities in the salary schedule by the adoption of an improved method of classifying postal employees for salary purposes.

Under this legislation, all postal employees will receive a minimum increase of 6 percent on their basic salaries, effective March 1, 1955. Within 180 days thereafter, these employees will be fitted into a salary schedule providing for a pay scale establishing a more realistic relationship between the various positions. The adjustment of the new salary schedule will result in a payroll increase of approximately 2 percent. This means an overall average increase in basic salary to postal employees of approximately 8 percent.

Last year, the Congress passed a salary increase bill for postal employees. That bill was vetoed by the President. There was not sufficient time at the end of the session for the Congress to have an opportunity to vote on overriding the President's veto. For that reason, it was felt fair in the present bill to insert a provision for a retroactive date to March 1, 1955. I believe that everyone will admit this is a fair provision—especially in view of the fact that postal employees have foregone a deserved raise in salary during the intervening year without any fault on their part.

This bill contains a prohibition against downgrading of individuals and also assures the employees that they will receive their present salary, plus the added 6 percent during the conversion to the salary schedules contained in the bill.

It appears to me that this bill will afford far greater opportunity for promotion. The establishment of 20 salary levels in this bill will permit the classification of many positions at salary levels above the rates established in Public Law 134.

Thus, for example, an employee serving as a substitute for Superintendent, Mails, who is on extended sick leave may not be compensated for the added responsibility because the title and salary structure of Public Law 134 do not permit it. This bill will permit proper salary adjustments in such cases.

The inclusion of regional and district office positions in the same salary schedule as are other field service postal positions will make possible the establishment of orderly promotion lines from other positions in the postal field service to positions in the regional and district offices.

One provision of the bill also provides a new method for computing the per diem rate for rural carrier substitutes. This method uses a 312-day basis instead of a 360-day basis. This change will make possible the compensation of substitute rural carriers on the same basis as regular carriers.

This bill will require the Postmaster General to furnish Congress a comprehensive report of the reclassification action taken under this bill. It will be the duty of the committee to make a thorough and searching analysis of the classification of positions, assignments thereof to salary schedules, and the effectiveness of the appeals provisions provided by this legislation. The committee has already proposed to maintain a continuing interest in the problems of postal employees' pay and classifications.

This bill will not satisfy all the Members of the House. Neither will all provisions of the bill please either the Postmaster General or all of the postal employees. I do believe that it is the best bill that could be obtained under the circumstances: and, further, that it is a bill which I can conscientiously support after taking into consideration the employees whom it is supposed to benefit and the general public which the employees serve.

This is the second time since I have entered Congress that postal salaries have been before the House. It appears to me that postal employees are always considerably behind the rise in the cost of living in the intervening years between raises. I do hope that the Committee on Post Office and Civil Service will keep under continuous study the cost of living and how it affects postal and civil service employees. If this is done, we may give them their increases promptly and not long after the cost of living has passed them by.

These people have no right to strike, nor, for that matter, to collectively bargain for increased pay or working conditions. They sign such a pledge when they become employed by the Department. The only appeal these employees have is whatever consideration this Congress sees fit to give them. I do believe that places a considerable responsibility upon us to see that they are treated honorably under these conditions.

Mr. OLIVER P. BOLTON. Mr. Speaker, while recuperating from a recent illness at home, I noted that the House Post Office and Civil Service Committee, on which it was my honor to serve last year, approved a pay increase bill for postal employees which would have created new discriminations in postal classifications and job definitions and would also have imposed great administrative problems. I was very disappointed at this treatment of the Nation's postal workers, many of whom I know—from personal knowledge—badly needed the increase.

This bill was vetoed by President Eisenhower, as was a similar measure last year, because those who were trying to play politics with the needs of the postal workers and the postal system refused to believe the President would face up to the challenge of such politics. The size of the increase in this bill was not a major factor in the President's veto but rather the inequities and the discriminations which were imposed. He had no other choice than to ask Congress to write a new bill that was fair to all our postal employees.

I am very happy that Congress has finally approved a bill that the President will now be able to sign and that the Nation's postal employees will get the pay increase they so long have deserved.

The SPEAKER. The question is on suspending the rules and passing the bill as amended.

Mr. MURRAY of Tennessee. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 410, nays 1, not voting 23, as follows:

[Roll No. 79]

YEAS—410

Abbitt	Boykin	Dawson, Utah
Abernethy	Boyle	Deane
Adair	Bray	Delaney
Addonizio	Brooks, Tex.	Dempsey
Albert	Brown, Ga.	Denton
Alexander	Brown, Ohio	Derounian
Alger	Brownson	Devereux
Allen, Calif.	Broyhill	Dies
Allen, Ill.	Buchanan	Diggs
Andersen, H. Carl	Buckley	Dingell
	Budge	Dixon
Andresen, August H.	Burdick	Dodd
	Burleson	Dollinger
Andrews	Burnside	Dolliver
Anfuso	Bush	Dondero
Arends	Byrd	Donohue
Ashley	Byrne, Pa.	Donovan
Ashmore	Byrnes, Wis.	Dorn, N. Y.
Aspinall	Cannon	Dorn, S. C.
Auchincloss	Carlyle	Dowdy
Avery	Carnahan	Doyle
Ayres	Carrigg	Durham
Bailey	Cederberg	Edmondson
Baker	Celler	Elliott
Baldwin	Chase	Ellsworth
Barden	Chelf	Engle
Barrett	Chenoweth	Evins
Bass, N. H.	Chiperfield	Fallon
Bass, Tenn.	Christopher	Fascell
Bates	Chudoff	Feighan
Baumhart	Church	Fenton
Beamer	Clark	Fernandez
Becker	Clevenger	Fine
Belcher	Colmer	Fino
Bell	Cooley	Fisher
Bennett, Fla.	Coon	Fjare
Bennett, Mich.	Cooper	Flood
Bentley	Corbett	Flynt
Berry	Coudert	Fogarty
Betts	Cramer	Forand
Blatnik	Cretella	Ford
Blitch	Crumpacker	Forrester
Boggs	Cunningham	Fountain
Boland	Curtis, Mass.	Frazier
Bolling	Curtis, Mo.	Frelinghuysen
Bolton, Frances P.	Dague	Friedel
	Davidson	Fulton
Bonner	Davis, Ga.	Garmatz
Bosch	Davis, Tenn.	Gary
Bow	Davis, Wis.	Gathings
Bowler	Dawson, Ill.	Gavin

Gentry	Lovre	Robsion, Ky.
George	McCarthy	Rodino
Gordon	McConnell	Rogers, Colo.
Granahan	McCormack	Rogers, Fla.
Grant	McCulloch	Rogers, Mass.
Gray	McDonough	Rogers, Tex.
Green, Oreg.	McDowell	Rooney
Green, Pa.	McGregor	Roosevelt
Griffiths	McIntire	Rutherford
Gross	McMillan	Sadlak
Gubser	McVey	Saylor
Gwinn	Macdonald	Schenck
Hagen	Machrowicz	Scherer
Hale	Mack, Ill.	Scott
Haley	Mack, Wash.	Scrivner
Halleck	Madden	Scudder
Hand	Magnuson	Seely-Brown
Harden	Mahon	Selden
Hardy	Mailliard	Sheehan
Harris	Marshall	Sheppard
Harrison, Nebr.	Martin	Shuford
Harrison, Va.	Mason	Sieminski
Harvey	Matthews	Siler
Hays, Ark.	Meader	Simpson, Ill.
Hays, Ohio	Merrow	Simpson, Pa.
Hayworth	Metcalf	Sisk
Hébert	Miller, Calif.	Smith, Kans.
Henderson	Miller, Md.	Smith, Miss.
Herlong	Miller, Nebr.	Smith, Va.
Hess	Miller, N. Y.	Smith, Wis.
Hiestand	Mills	Spence
Hill	Minshall	Springer
Hinshaw	Mollohan	Staggers
Hoeven	Morano	Steed
Hoffman, Ill.	Morgan	Sullivan
Hoffman, Mich.	Moss	Taber
Holifield	Moulder	Talle
Holmes	Multer	Taylor
Holt	Murray, Ill.	Teague, Calif.
Holtzman	Murray, Tenn.	Teague, Tex.
Hope	Natcher	Thomas
Horan	Nelson	Thompson, La.
Hosmer	Nicholson	Thompson, N. J
Huddleston	Norblad	Thompson, Tex.
Hyde	Norrell	Thomson, Wyo.
Ikard	O'Brien, Ill.	Thornberry
Jackson	O'Brien, N. Y.	Tollefson
Jarman	O'Hara, Ill.	Trimble
Jenkins	O'Hara, Minn.	Tuck
Jennings	O'Konski	Tumulty
Jensen	O'Neill	Udall
Johansen	Osmers	Utt
Johnson, Calif.	Ostertag	Vanik
Johnson, Wis.	Passman	Van Pelt
Jonas	Patman	Van Zandt
Jones, Ala.	Patterson	Velde
Jones, Mo.	Pelly	Vinson
Jones, N. C.	Perkins	Vorys
Judd	Pfost	Vursell
Karsten	Philbin	Wainwright
Kean	Phillips	Walter
Kearney	Pilcher	Watts
Kearns	Pillion	Weaver
Keating	Poage	Westland
Kee	Poff	Wharton
Kelley, Pa.	Polk	Whitten
Kelly, N. Y.	Powell	Wickersham
Keogh	Preston	Widnall
Kilburn	Price	Wier
Kilday	Priest	Wigglesworth
Kilgore	Prouty	Williams, Miss.
King, Calif.	Quigley	Williams, N. J.
Kirwan	Rabaut	Williams, N. Y.
Klein	Radwan	Willis
Kluczynski	Rains	Wilson, Calif.
Knox	Ray	Wilson, Ind.
Knutson	Reed, Ill.	Winstead
Laird	Rees, Kans.	Withrow
Landrum	Reuss	Wolcott
Lane	Rhodes, Ariz.	Wolverton
Lanham	Rhodes, Pa.	Wright
Lankford	Richards	Yates
Latham	Riehlman	Young
LeCompte	Riley	Younger
Lesinski	Rivers	Zablocki
Lipscomb	Roberts	Zelenko
Long	Robeson, Va.	

NAYS—1

Cole

NOT VOTING—23

Bolton, Oliver P.	Hillings	St. George
Brooks, La.	Hull	Schwengel
Canfield	James	Shelley
Chatham	King, Pa.	Short
Eberharter	Krueger	Sikes
Gamble	Morrison	Thompson, Mich.
Gregory	Mumma	
Heselton	Reece, Tenn.	
	Reed, N. Y.	

So, two-thirds having voted in favor thereof, the bill was passed.

The Clerk announced the following pairs:

Mr. Chatham with Mr. James.
Mr. Hull with Mr. Gamble.
Mr. Gregory with Mrs. St. George.
Mr. Sikes with Mr. Reece of Tennessee.
Mr. Shelley with Mr. King of Pennsylvania.
Mr. Morrison with Mr. Krueger.
Mr. Eberharter with Mr. Short.
Mr. Brooks of Louisiana with Mr. Hillings.

The result of the vote was announced as above recorded.

Mr. SCHWENGEL. Mr. Speaker, due to a death in my family, I cannot be present today to register my vote on the issue of an increase in the rates of basic compensation of officers and employees in the field service of the Post Office Department. Since I have always been in favor of reasonable and just compensation for these employees, I ask unanimous consent to have registered in the RECORD at a point immediately following the roll call vote on S. 2061 the fact that had I been here today I would have voted "aye" on this bill.

SPECIAL ORDERS GRANTED

Mrs. KNUTSON asked and was given permission to address the House for 5 minutes today following any special orders heretofore entered.

PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on Education and Labor may be permitted to sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was on objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary during the balance of the week may sit during general debate in the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BROYHILL. Mr. Speaker, I ask unanimous consent that the Subcommittee on Civil Defense of the Committee on the District of Columbia may sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COASTAL AND INTERCOASTAL SHIPPING

Mr. TUMULTY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TUMULTY. Mr. Speaker, I have just introduced two bills designed to help maintain and reestablish, if possible, the coastal and intercoastal trades in the American merchant marine. Before explaining in detail the purpose of these bills, I should like to make a few brief remarks on the current activities of the Committee on Merchant Marine and Fisheries, of which I have the honor to be a member.

As you know, I am a freshman member of this body and accordingly I began my service on the Merchant Marine Committee at the beginning of this session, with limited knowledge of the matters coming under its jurisdiction. The committee has, however, been extremely active and there has been ample opportunity for the new members to become familiar, at least in a general way, with many of the difficulties confronting the American merchant marine today.

Recently we held a series of hearings on the question of how the present fleet is to be replaced. This aspect of the problem alone is enough to make us stop and think. As depressed as conditions may be in this great industry today, I can see even darker days ahead unless radical steps are taken.

In the last few days we have begun a series of conferences with leaders of labor and management in the maritime industry. In these conferences we have listened to frank, confidential discussions concerning the maritime situation. These conferences were preceded by staff studies conducted on the spot in practically every major port of the United States.

I wish to go on record today as supporting wholeheartedly the efforts of the chairman of the Merchant Marine Committee, the Honorable HERBERT C. BONNER, to remedy some of the ills that confront the industry today. I say this with full knowledge of the vicious attacks which are being made upon him by representatives of organized labor principally in connection with a bill he has introduced which would limit the amount of subsidy to be paid for wages, manning scales and working conditions aboard subsidized vessels. Whether this particular bill has merit I am not prepared to say at this time. However, I am prepared to state unqualifiedly that I am convinced of the sincerity, honesty of purpose, and open mindedness with which the chairman and all of the members of his committee have been approaching these problems thus far during this session of the Congress. I know, too, that the chairman is not committed to any single approach to the solution of these problems. He has said publicly, "If you do not agree with what I propose, come in and offer us a better way." Nothing could be fairer than that. And that is why, in my opinion, the complaints of labor leaders are unwarranted and unjustified.

We are in a search for the facts. So far as I am aware no member of the committee nor any member of its staff have any set ideas as to how these problems can best be solved. There has been no holding back on the part of any of us where deficiencies have come to light either that involved management, labor or Government administration. And I have every confidence that such an objective approach will continue to guide the course of action by the committee.

Coming to the two bills which I have introduced, the first would authorize construction subsidies for the owners and operators of vessels in the domestic trades. These operators, I understand, are not now eligible for construction subsidy.

The cost of building new ships has increased tremendously. The coastal and intercoastal trades which provided us with over 400 ships in 1942 when we were desperate for carrying capacity after Pearl Harbor have all but vanished. Something must be done to reestablish them. I believe there is ample justification, both from the standpoint of help to our desperate shipyards and from the standpoint of the American merchant marine, to grant subsidy aid for operation in these trades.

The second bill would exempt coastal and intercoastal vessels from the payment of tolls through the Panama Canal. I believe that the imposition of these tolls places an unreasonable burden upon coastwise and intercoastal lines and their attempts to compete with railroads, trucks, and airplanes. We are spending millions of dollars every year to maintain the Panama Canal as a vital link in our defense setup. But if by exacting tolls from coastwise and intercoastal ships we are weakening that part of our national defense, we are following, it seems to me, a rather foolish policy.

THE PRIEST WHO SAVES SOULS WITH MUSIC

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the story of the USO and of the wonderful men and women who gave so much of their time, and talent, and spirit, to help servicemen and veterans from the beginning of World War II, has not been given the recognition and the appreciation that it deserves.

These morale boosters play a very important part in the defense of our Nation, as every individual GI who was ever sick, or wounded, or lonely, will never forget as long as he lives.

Who were these men and women who volunteered for Operation Mercy?

One shining example is to be found in the record of a young clergyman, Rev. John M. Positano, O. S. A., who is currently serving as curate of the Holy Rosary Church in Lawrence, Mass.

He was ordained 13 years ago.

Twelve of those years were spent in overtime work helping our servicemen.

He was stationed at St. Nicholas of Tolentine Church in Philadelphia, when he became concerned about the problems facing millions of young Americans who had left the safety of home for the hazards of military life, in response to their country's call.

As he had been a professional clarinet player before he began his studies for the priesthood, Father Positano thought it would be a good idea to organize a troupe and present musical shows at Army hospitals, Air Corps bases, and even aboard Navy ships.

Fear and discouragement disappeared when the good father and his helpers came to cheer up men who needed it most.

Many were saved from cracking up, and losing their faith in God, by the priest who gave them hope with happiness.

He himself wore out 4 saxophones and 2 clarinets, in the course of entertaining over 25,000 servicemen and veterans each year.

Finally, his own health suffered under the double schedule of looking after the spiritual needs of his parishioners by day, and bringing encouragement to military personnel by night.

He was obliged to take a rest.

Now that he has been restored to health, Father Positano is at it again, bringing sunshine into the lives of the forgotten men in our veterans' hospitals.

Small wonder that, in 1946, Secretary of War Robert P. Patterson conferred a citation upon him and his troupe, for their distinguished services during World War II.

Or that the President's Committee on Religion and Welfare in the Armed Forces have congratulated him for his good work.

I, therefore, under unanimous consent, ask to reprint the following feature story by George J. Gelineau, that was first published in the Evening Tribune of Lawrence, Mass.

The article follows:

PRIEST TO GIVE "MUSICAL MEDICINE" TO VETS IN JAMAICA PLAIN HOSPITAL

(By George J. Gelineau)

More than a dozen years ago, Jack Foster was a young fellow "wowing" them as a hot clarinet player with Will Osborne's orchestra in a swing of engagements and one-night stands throughout the country.

Later, the same Jack Foster and his "licorice stick" were bringing smiles back to the faces of wonded servicemen, giving hope to those who felt the world had crashed down around them and, most important to him, because he was now the Reverend John M. Positano, O. S. A., it was combining to bring wandering souls back to religion.

Tomorrow, after a layoff of many months caused by an energy collapse which necessitated medical attention, an ironic situation for a man who had given so much of his time and efforts in behalf of patients, he will bring once more his musical medicine to the locked ward at the Jamaica Plain Veterans' Hospital.

The popular local cleric, ordained only a few years ago, returns to the world of Bach, Beethoven, and bop, hopeful that the musical instrument he carries around in a case that's seen better days will comfort and aid the confined personnel he visits.

ORDAINED IN 1942

"My clarinet is a religious instrument," he confides, recalling its many accomplishments down through the years since the day he received the holy orders from Francis Cardinel Spellman at St. Patrick's Cathedral in New York City 13 years ago.

Thumbing through a voluminous scrapbook he keeps, we noted that Father Positano has been billed under such titles as "The Benny Goodman of the Cloth" and "The Man Who Plays His Prayers."

But, the one that thrilled him most was the term "The Pied Piper of South Philadelphia." "That came while I was stationed at St. Nicholas of Tolentine Church out there; we were tagged with it because we were able to bring so many back to the sacraments," he reminisced while chatting over a cigarette the other night.

UNDERSTOOD PROBLEMS

"The clarinet instilled confidence. * * * I was a musician and understood the musician problems. There were many who came and made their peace with God in the confessional because they knew their mistakes would be understood."

This story goes back more than a dozen years. Jack Foster was torn between his music and the life of a priest. His father had passed away and the clarinet was now helping take care of the Positano family.

"If I went to the seminary, where would the money come from to support the house? * * * And, then, mother won a sweepstakes prize. * * * There was one answer to the problems at hand.

"Another time, I was scheduled to sit in with a band over in New York and had a solo all prepared. * * * When I got on the stand, not a single note would come from the instrument. I don't say it was a miracle, but it was certainly another incident and circumstance that helped me make up my mind," he mused across the newsroom desk.

Jack packed the clarinet away planning never to use it again.

He was going to be a priest.

But the good Lord had other ideas.

One day during his years at the seminary, the superior, who had found out about his seminarian's musical talent, asked if he would round up entertainment for graduation. "The licorice stick came out of storage for that occasion and it's been out ever since, I guess," Father John recalls.

REVITALIZED SOCIETY

During the war, while he was a curate at St. Nicholas Church in Philly, he revitalized the parish Holy Name Society whose ranks were being depleted with member after member being inducted into the Armed Forces for duty here and abroad.

Auxiliary fire fighters, officers, messengers, air-raid wardens, all enrolled in civilian-defense projects, came to meetings attired in the uniform particular to the unit they served.

The project, undertaken on a military footing, expanded as an extracurricular activity for Father John who was kept busy with his clerical duties. But, grow it did, and before long an entertainment unit comprising cabbies, bellhops, pressers, barkeeps, as well as professional men was organized to play, sing, and dance for service personnel in camps and hospitals under United Service Organization auspices.

BUILT UP GOOD WILL

"It built up good will among peoples of all faiths and the unit's reputation spread to various sections," the priest recalled, leafing through the scrapbook.

In addition, he kept contact with all parishioners in the Armed Forces and, Father John estimates, some 18,000 pieces of mail were sent to personnel stationed in various quarters of the globe.

Each man and woman from the parish was remembered at mass and holy communion on ecclesiastic feasts, and at other times during the year a letter went out to them containing small items about life at home and reporting on the organization's activities.

With the end of hostilities came a lull of interest for servicemen but not so with the St. Nicholas of Tolentine troupe. Not only had interest ebbed, USO also ended activities because of financial shortage.

"Why disband now?" they asked in unison. * * * And, remain together they did with Father Positano, because of his renown and fame, asked to assist President Truman's Committee on Religion and Welfare in the

Armed Forces. He appeared on a national radio hookup to stimulate renewed care for the welfare of personnel still confined to hospitals because of service-incurred wounds and ailments.

And, so it was that the Holy Rosary Church curate was honored as the only clergyman ever to receive the USO gold award, became the only man to receive the Italian Star of Solidarity Medal solely for his work in behalf of servicemen, and the fourth person to be given honorary membership in the Italian-American World War of the United States, Inc., joining Senator John Pastore, of Rhode Island, ex-President Truman, and President Eisenhower.

OTHER REMEMBRANCES, TOO

There were other remembrances, too—commendations and citations from the Catholic War Veterans and high-ranking service representatives, a resolution of appreciation passed unanimously in the Pennsylvania House of Representatives and a commendation from the Governor of that State when he was honored at a dinner because of his "outstanding contribution to the morale and welfare of service personnel."

These are all pasted in the scrapbook. They are silent testimonials of his accomplishments.

Not there in print but more important to him than all the medals, awards, and commendations, is a roster of the persons who have returned to the "straight and narrow" or found life worth living again because of the influence and confidence the licorice stick instilled in them.

SERVICEMAN SMILED

There is the case of a serviceman who hadn't smiled from the time he had been admitted to the mental section of a veterans' hospital. A broad grin broke across his face as Father John played a tune not far from his bedside.

"We work hard to bring these men back into the world of normality," commented a Jewish chaplain one day. "You can do it by playing a few notes on your clarinet. Look at that ward. Every man there is smiling and happy."

Tomorrow afternoon, Father Positano starts out again under any billing you want to give him. * * * "The Benny Goodman of the Cloth," or "The Man Who Plays His Prayers," or maybe, "Father John and His Musical Medicine."

Whichever it is, he's hoping it will benefit his listeners physically, mentally, and spiritually.

POLISH LIBERATION

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, American Polish Constitution Day has come and gone and the world still gazes upon the sorry spectacle of a Poland shrouded in the darkness of Soviet subjugation.

What a great tragedy, what a pathetic eventuality, what a gross violation of human decency to behold the great proud historic Polish nation shackled in bondage by the acquiescence and affirmative action of its own Allies in whose cause she has sacrificed the flower of her youth and the blood and treasure of her people. President Eisenhower's pronouncement of sometime ago declaring for the liberation of subject nations was a noble and inspiring document which the liberty-loving peoples of the world received with enthusiastic acclaim.

It is regrettable that because of misguided international diplomatic strategy the policy announced therein still remains unconsummated. A declaration by the American Congress proclaiming the right to freedom and liberation of oppressed nations would be the great unifying force in welding together the human and material resources of the entire free world. It would be a most effective way of implementing our program against all-world domination by ruthless communism.

There are some trusting souls who put their faith in pious dogmas, high-sounding phrases and exalted maxims. It is but a short jump from "Save the world for democracy" to "Give us the guns and we will finish the job" and the altruistic professions of the Atlantic Charter, "governments of their own choosing." The containment of communism became a shibboleth for a while, and now it is "coexistence with communism," a phrase hatched rather dubiously at 10 Downing Street and parroted around the free world as if it were a magical, automatic formula for peace.

Why cannot men who sincerely seek peace speak with candor, earnestness and truth? Why do they have to use fraudulent, hypocritical speeches to veil their thoughts or to employ a catch word in order to avoid squarely meeting the issue?

What is the objective of world communism? Is it peaceful coexistence, or is it world conquest and world communism? For that answer, we do not have to speculate because it is readily available to anyone who can read and hear in the writings, speeches and pronouncements of any one of a dozen outstanding Soviet leaders and their stooges in this and every other country in the world.

If we peacefully coexist in a world side by side without combating a fierce conspiracy striving for our destruction, we can, if we are willing to embrace it enjoy a pyrrhic victory and a Carthaginian peace. On the other hand, if we face the facts, take the Soviet leaders at their own word, we are driven to the conclusion that a doctrine of coexistence is abortive and foredoomed to failure since it does not solve the problem of peace or war but only defers it. Many prominent Soviet leaders have heretofore declared in no uncertain terms that communism and capitalism could not live together in the same world. Many speeches and documents attest to the fact that it is the declared intention of the Soviet first to weaken by propaganda infiltration and every other despicable underhanded method and then to destroy existing free democracies and finally to subjugate the entire world under the abominable slave system of Karl Marx.

This Nation does not seek war, nor does it wish to promote belligerency by utterance or by action, but it is a great free Nation and it must provide the courageous leadership for the free world to fight against the powers of darkness enveloping and encompassing it.

Let us make it clear to the Soviets and every other Nation that we are pledged to justice between men and nations and that a peace based upon injustice cannot endure for long. Peace based upon the subjugation of small nations, upon the oppression of millions of freedom-loving peoples is a farcical travesty upon the eternal, God-given principles of human liberty.

It is appropriate that we should congratulate Poland and the Polish people today but it is even more appropriate that we should pledge to them and to all small nations now suffering under the lash of tyranny that we fearlessly and unequivocally stand for their liberation. If the free world intends to preserve its freedom, it can afford to lose no more time shadow-boxing with the grave issues of survival underlying current world politics. The Soviet must realize sooner or later, and it may as well be now, that this Nation will never yield to domination and will never be terrorized or intimidated by armed aggression, by subtle conspiracy or by threats of atomic destruction.

The decision for war or peace lies not with us, but with the Soviet. Peace can be theirs for the asking once they manifest a sincere, honest purpose to abandon their nefarious aims to conquer the world for their slave police state, once that they demonstrate in concrete and practical ways their intention to abandon oppression of their fellow men and nations and walk in the ways of a just peace.

Let the sons and daughters of noble Poland continue to be strong and unyielding in their faith in God and their faith in liberty. Let them be assured that this great Nation, born in travail, struggle and sacrifice, founded in freedom and justice, will ever stand by their side, will extend them a helping hand in thowing off the chains of Marxist slavery.

When the wrongs of Poland and other free nations have been righted in the councils and tribunals of nations, when oppression is ended and tyranny banished, the dove of peace will again find welcome in the world. Then and not until then will we enjoy the fruits of universal disarmament and good will and a world devoted to human brotherhood and progress through freedom and justice.

ANNOUNCEMENT

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Speaker, Members of this body and their families are invited to participate in a rare treat.

The musical play, The Vanishing Island, is being performed for their benefit Tuesday and Wednesday evening of this week at 8 at the National Theater. You are invited to be the guests of Moral Re-Armament, a nonsectarian, world-wide, ideological movement that millions of people now believe will be the deter-

mining factor in the struggle for the minds of men.

I have seen this play and, I assure you, in addition to the message it carries, it is a most delightful, captivating, and altogether satisfying play. Having had the aid of the top professionals of Hollywood in its production, it is truly a professional production, plus that extra something that can only come from inspiration.

May I respectfully urge that every Member of this body, regardless of what other engagements you have for either Tuesday or Wednesday evenings, make it a point to see this musical play, The Vanishing Island, at the National Theater, and bring your families, without charge.

Thursday the troupe leaves for Japan, at the express invitation of Premier Hatoyama, for production in Tokyo. From there it will have successive runs in the Philippines, Formosa, Thailand, Indonesia, Pakistan, Ceylon, India, Iraq, Iran, Egypt, Turkey, Greece, and will wind up its world tour at Caux, Switzerland, on September 1.

This is your last chance to see and enjoy this captivating play, at least until next year, if then. Do not miss it. I urge you.

CONSENT CALENDAR

The SPEAKER pro tempore (Mr. MILLS). This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PENSION FOR MEDAL-OF-HONOR HOLDERS

The Clerk called the bill (H. R. 735) to increase the rate of special pension payable to certain persons awarded the Medal of Honor.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

APPOINTMENT OF CONGRESSIONAL DELEGATION TO ATTEND NORTH ATLANTIC TREATY ORGANIZATION PARLIAMENTARY CONFERENCE

The Clerk called House Concurrent Resolution 109.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

INCREASING THE FEE FOR EXECUTING AN APPLICATION FOR A PASSPORT FROM $1 TO $3

The Clerk called the bill (H. R. 5844) to increase the fee for executing an application for a passport from $1 to $3.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, a colleague has requested that I have this bill passed over without prejudice. I therefore withdraw my reservation of objection and ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CONSTITUTIONAL CONVENTION IN ALASKA

The Clerk called the bill (H. R. 5166) relating to a constitutional convention in Alaska.

Messrs. CUNNINGHAM, DEANE, and ASPINALL objected.

JEFFERSON AND PLAQUEMINES DRAINAGE DISTRICT, LOUISIANA

The Clerk called the bill (H. R. 1768) for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred on the Court of Claims to hear, determine, and render judgment fixing the boundary between the east right-of-way line for Harvey Canal (a segment of the Intracoastal Canal in Louisiana), south of the 80-arpent line, and abutting properties and the easement, servitude, and right of use for levee purposes adjacent to said right-of-way line, claimed by the Jefferson and Plaquemines Drainage District, and which said right-of-way was conveyed to the United States by act of sale from Harvey Canal Land & Improvement Co. on March 10, 1924, and registered in the records of the parish of Jefferson, State of Louisiana, on March 10, 1924, in conveyance book 61, folio 443. In the determination of such matter all defenses of the United States based upon laches, lapses of time, statutes of limitation, prescriptive periods, and estoppel arising out of the issuance of permits for any activities or constructions along said Harvey Canal, are hereby waived.

SEC. 2. Such suit may be instituted at any time within 1 year after the enactment of this act by Jefferson and Plaquemines Drainage District and/or any of said abutting property owners, and any of said other parties may join or intervene in such action. Nothing in this act shall be construed as an implication of liability on the part of the United States.

With the following committee amendments:

Page 1, line 3, strike out "Court of Claims", and insert in lieu thereof "United States District Court for the Eastern District of Louisiana, New Orleans Division."

Page 2, line 14, after the name "District", strike out "and/".

Page 2, line 18, after the period, insert:

"SEC. 3. No monetary benefits or claims against the United States shall accrue as a result of the determination of the said boundary under this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Do not three objections take a bill from the Consent Calendar?

The SPEAKER pro tempore. Not the first time the bill is called from the Consent Calendar. The Clerk will call the next bill.

SUBPENA POWER FOR COMMODITY EXCHANGE AUTHORITY

The Clerk called the bill (H. R. 4514) to strengthen the investigation provisions of the Commodity Exchange Act.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. DEANE. Mr. Speaker, I ask unanimous consent that the bill (S. 1398) be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the third sentence of section 6 (b) of the Commodity Exchange Act (7 U. S. C. 15) is amended to read as follows: "For the purpose of securing effective enforcement of the provisions of this act, and for the purpose of any investigation or proceeding under this act, the provisions including penalties, of the Interstate Commerce Act, as amended and supplemented (49 U. S. C. 12, 46, 47, 48), relating to the attendance and testimony of witnesses, the production of documentary evidence, and the immunity of witnesses, are made applicable to the power, jurisdiction, and authority of the Secretary of Agriculture (or any person designated by him), the commission, and any referee designated pursuant to the provisions of this act, and to any person subject thereto."

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 4514) was laid on the table.

A motion to reconsider was laid on the table.

LOWERING LIGHTHOUSE SERVICE RETIREMENT AGE

The Clerk called the bill (H. R. 3399) to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DEANE. Mr. Speaker, I ask unanimous consent that a similar Senate bill—S. 1419—be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes," approved June 20, 1918, as amended (33 U. S. C., sec. 763), is amended by striking out "who shall have reached the age of 65 years, after having been 30 years in the active service of the Government," and inserting in lieu thereof the following: "who (1) shall have reached the age of 60 years, after having been 30 years in the active service of the Government, or (2) shall have reached the age of 62 years, after having been 25 years in the active service of the Government."

SEC. 2. This act shall take effect on the first day of the second month beginning after the date of enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3399) was laid on the table.

RETIREMENT OF CERTAIN OFFICERS IN COAST GUARD

The Clerk called the bill (H. R. 5875) to amend title 14, United States Code, entitled "Coast Guard," for the purpose of providing involuntary retirement of certain officers, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That chapter 11 of title 14 of the United States Code is amended by—

(1) inserting, in the analysis thereto after item 244 the following:

"245. Repealed.
"246. Repealed.
"247. Rear admirals; involuntary retirement; retention on the active list.
"248. Captains; retention on the active list; involuntary retirement.";

and

(2) inserting, immediately after section 244 thereof, the following new sections:

"§ 247. Rear admirals; involuntary retirement; retention on the active list

"(a) Any rear admiral, unless retired under some other provision of law or retained on the active list under subsection (b) of this section, shall be placed on the retired list on June 30 of the fiscal year in which he completes a total of 7 years of service in the permanent grade of rear admiral or a total of 35 years of active commissioned service, including service creditable for retirement purposes under sections 432, 433, and 434 of this title.

"(b) Notwithstanding subsection (a) of this section, the Commandant, with the approval of the Secretary, may by annual action retain on the active list from fiscal year to fiscal year any rear admiral who would otherwise be retired under subsection (a). A rear admiral so retained, unless retired under some other provision of law, shall be placed on the retired list on June 30 of that fiscal year in which no action is taken to further retain him under this subsection.

"(c) Subsections (a) and (b) of this section do not apply to any officer serving as Commandant, Assistant Commandant, or Engineer-in-Chief. However, time served in any of those offices shall be included in any computation made under subsection (a) after the officer has vacated the office.

"§ 248. Captains; retention on the active list; involuntary retirement

"(a) The Secretary shall convene annually during January a board consisting of not less than five commissioned officers of the grade of rear admiral. The board shall consider for retention on the active list, and shall select for retention on the active list 75 percent of, all captains who have completed or who during the fiscal year in which the board meets will complete, a total of 8 or more years of service, whether permanent or temporary, in the grade of captain, and a total of 30 or more years of active commissioned service, including service creditable for retirement purposes under sections 432, 433, and 434 of this title. When a final fraction occurs in any computation made of the number of captains to be retained under this section, the nearest whole number shall be taken, and if the fraction be one-half, the next highest whole number shall be taken.

"(b) Any captain who is considered by the board and is not selected for retention under subsection (a) of this section, unless retired under some other provision of law or retained on the active list under subsection (c) of this section, shall be placed on the retired list on June 30 of the fiscal year in which considered by the board.

"(c) Notwithstanding subsection (b) of this section, the Commandant, with the approval of the Secretary, may by annual action retain on the active list from fiscal year to fiscal year any captain who would otherwise be retired under subsection (b). A captain so retained shall not be considered for retention on the active list by any subsequent board convened under subsection (a) of this section, and, unless retired under some other provision of law, shall be placed on the retired list on June 30 of that fiscal year in which no action is taken to further retain him under this subsection."

SEC. 2. This act shall become effective on July 1, 1955.

With the following committee amendments:

On page 2, line 5, delete the words "shall be placed on the retired list" and insert in lieu thereof "shall be retired."

On page 2, lines 16 and 17, delete the words "shall be placed on the retired list" and insert in lieu thereof "shall be retired."

On page 3, lines 21 and 22, delete the words "shall be placed on the retired list" and insert in lieu thereof "shall be retired."

On page 4, lines 6 and 7, delete the words "shall be placed on the retired list" and insert in lieu thereof "shall be retired."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF LAND TO THE CITY OF WOODWARD, OKLA.

The Clerk called the bill (H. R. 1762) to provide for the conveyance of certain lands by the United States to the city of Woodward, Okla.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. COOLEY. Mr. Speaker, will the gentleman withhold that request for a moment?

Mr. BYRNES of Wisconsin. I will.

Mr. COOLEY. I would just like to say to the gentleman that there was no objection to the bill in committee. My recollection is that it was unanimously reported.

Mr. BYRNES of Wisconsin. Maybe the gentleman can answer a question, then, to resolve the issue. I notice that the bill provides for the conveyance of this property to the city of Woodward for the construction of a water-storage tank for one-half of its appraised value. Now, the United States purchased this tract. The Federal Government paid full value for this property, as I understand, in 1938. The question I have is, Why do we sell property back for half of its value rather than for its true appraised value at the present time?

Mr. COOLEY. I would like to call attention to the fact that this parcel of land contains actually ninety-four one-hundredths of 1 acre or something like that. I would like for the gentleman from Oklahoma [Mr. BELCHER], the author of the bill, to answer the gentleman's inquiry.

Mr. BELCHER. This tract consists of ninety-four one-hundredths of an acre, which is in the corner of a tract of land which was bought in 1938. I believe the value of this ninety-four one-hundredths of an acre is probably not in excess of $100.

Mr. BYRNES of Wisconsin. I see nothing to prevent the community, then, from paying the full value. It seems there is quite a precedent here to sell property for half of its value without any reason for doing so.

Mr. COOLEY. I do not have the report before me, but I would like to ask the gentleman from Oklahoma if it is not a fact that the Department has approved and recommended the passage of this bill.

Mr. BELCHER. The bill was first introduced to convey the land to the city of Woodward, Okla., and the Department wrote a report in which they said they thought the city of Woodward should pay half of the appraised value of the land.

Mr. COOLEY. I would like to call attention to the fact that an identical bill, Senate 998, has already passed the Senate, and it is the purpose of the gentleman from Oklahoma [Mr. BELCHER] to ask unanimous consent that the Senate bill be substituted for the House bill.

Mr. BYRNES of Wisconsin. We have to get past the House bill first, as I understand.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Oklahoma.

Mr. ALBERT. It is my understanding that this report, as written by the Department, was written to conform more or less to the Recreation Act under which Federal properties can be sold for a reduced consideration for public purposes.

Mr. BYRNES of Wisconsin. Where the general public has access to it and so forth. I would not consider that this is in the same category, because this is operating a waterworks.

Mr. ALBERT. Well, it is a public purpose, certainly, for the benefit of the entire community.

Mr. BYRNES of Wisconsin. It is not my purpose to argue the point with the gentleman. I ask that it be passed over, and I would like to ask the author of the bill whether or not he would be satisfied with an amendment which would provide that they shall pay the appraised value

of the property. I can see no basis for the Federal Government giving away land for less than its true value.

Mr. BELCHER. In the 5 years I have been a Member of the House, I voted for bill after bill where property has been transferred to cities and municipalities and subdivisions of the Government without any money being paid whatsoever. This is certainly for a public purpose. It goes to the city of Woodward. This is a very small amount. This is of no value to the Federal Government as far as that experiment station is concerned.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. COOLEY. I think the gentleman suggested that we were providing here for the sale of this parcel of land to the city of Woodward at one-half of its value. That means one-half of its appraised value rather than one-half of the cost to the Government when originally acquired. If I am correct in my recollection, this is a part of a much larger tract of land. Formerly there was a house upon it. Now there are some old foundations there and it is practically worthless to the Federal Government, but it can be of some value to the city of Woodward.

Mr. BYRNES of Wisconsin. Mr. Speaker, I appreciate what the gentleman says, but it seems to me that we would be establishing a precedent here. In these other cases to which the gentleman has referred, we have conveyed property but there was always a reversionary interest in the United States in the event that the property was not used for the purpose for which we dedicated it. I do not recall any case where we have dedicated property for a type of function such as proposed in this case.

Mr. Speaker, so that we do not take more of the time of the House on this matter, I ask unanimous consent that the bill be passed over without prejudice, and I shall confer with the gentleman from Oklahoma [Mr. BELCHER] and the chairman of the Committee on Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PROVIDING FOR THE RELIEF OF CERTAIN MEMBERS OF THE ARMY AND AIR FORCE

The Clerk called the bill (H. R. 5652) to provide for the relief of certain members of the Army and Air Force, and for other purposes.

Mr. FORD. Mr. Speaker, reserving the right to object, I note in the committee report that the sum involved here is considerably more than the total amount normally authorized for the Consent Calendar. The objector's committee has set up a restriction of $1 million. This is $2,385,000.

Consequently, I withdraw my reservation of objection and ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONSTRUCTION OF TOLL BRIDGE ACROSS RAINY RIVER AT OR NEAR BAUDETTE, MINN.

The Clerk called the bill (H. R. 4630) to extend the times for commencing and completing the construction of a toll bridge across the Rainy River at or near Baudette, Minn.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JUDD. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 528, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act approved December 21, 1950, entitled "An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn.," be, and is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 2 years and completed within 4 years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 4630) was laid on the table.

INVITATION TO HOLD WINTER OLYMPIC GAMES AT SQUAW VALLEY, CALIF.

The Clerk called the resolution (H. J. Res. 296) extending an invitation to the International Olympic Committee to hold the winter Olympic games in the United States at Squaw Valley, Calif.

The SPEAKER pro tempore. Is there objection to the present consideration of the House joint resolution?

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that an identical Senate resolution, Senate Joint Resolution 51, be considered in lieu of the House resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That whereas the United States Olympic Association will invite the International Olympic Committee to hold the winter Olympic games in the United States at Squaw Valley, Calif., in 1960, the Government of the United States joins in the invitation of the United States Olympic Association to the International Olympic Committee to hold the 1960 winter Olympic games in the United States at Squaw Valley, Calif.; and expresses the sincere hope that the United States will be selected as the site.

SEC. 2. The Secretary of State is directed to transmit a copy of this joint resolution to the International Olympic Committee.

The joint resolution was ordered to be read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H. J. Res. 296) was laid on the table.

BURLEY TOBACCO MARKETING CONTROLS

The Clerk called the joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That for the purpose of developing basic information which will aid the Congress in formulating an improved program for the production and marketing of burley tobacco, the Secretary of Agriculture is authorized and directed (a) to make a study of the various methods of marketing control which have been or could be made applicable to burley tobacco, including farm marketing quotas, poundage limitations, acreage limitations, and a combination of both poundage and acreage limitations, and (b) to submit to the Congress on or before July 1, 1955, a detailed report thereon showing among other things the probable costs, effects, and feasibility of each type of operation studied and what legislation, if any, would be needed to put it into effect. The Secretary may conduct such hearings and receive such statements and briefs as are necessary to carry out the purpose of this joint resolution.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGIA STATE BOARD OF EDUCATION

The Clerk called the bill (H. R. 2973) to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the Georgia State Board of Education all of the right, title, and interest of the United States in and to a tract of land containing two hundred twenty-six and one hundred forty-eight one-thousands acres more or less, in Macon County, Ga., and more particularly described as follows:

That certain tract or parcel of land known as the Barrow Place in the Ninth District of Macon County (formerly Houston County), Georgia, and described on the plat of said county as lot 161 in said district and county, and more particularly described as follows:

"Beginning at the northeast corner of the said land lot, said corner being an iron axle and thence along the east line of said road south one degree sixteen minutes fifty-eight seconds east 3,263.79 feet to an iron pipe, thence north eighty-nine degrees eleven minutes forty-three seconds west 3,056.88 feet to an iron pipe, thence north zero degrees fifteen minutes eight seconds west 3,246.16 feet to an iron pipe, thence south eighty-nine degrees thirty minutes four seconds east

2,998.04 feet to the point of beginning, containing 226.148 acres, more or less."

With the following committee amendment:

Page 1, strike out lines 3, 4, 5, and the words "States in and to" in line 6, and insert the following: "That upon the written consent of the Georgia Livestock Development Authority the United States of America, acting through the Administrator of the Farmers' Home Administration, is authorized and directed to convey by quitclaim deed to the Georgia State Board of Education, its successors and assigns, all of the right, title, and interest retained by the United States of America in its quitclaim deed to the Georgia State Board of Education, dated December 18, 1945, and recorded on January 28, 1946, in deed record book WW, page 156, in the Office of the Clerk of the Superior Court of Macon County, Ga., covering."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPLE PRICES

The Clerk called the bill (H. R. 5188) to prohibit publication by the Government of the United States of any prediction with respect to apple prices.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Reserving the right to object, Mr. Speaker, I am curious to know what prompts this proposed legislation. Will someone give me a brief explanation?

Mr. HARRISON of Virginia. This bill applies only to the apple industry. It seeks to put apples in the same situation in which the cotton crop is—to prevent the Department of Agriculture from predicting what future market prices will be. Experience has shown that the Department of Agriculture is not capable of guessing the future of any market. If the officials could do that they would hardly be working on a salary for the Government; they would be making millions. It has worked a great hardship to both the consumer and the producer.

Mr. GROSS. I wonder if the gentleman would suggest the same thing for soybeans and for Iowa hogs?

Mr. HARRISON of Virginia. I would suggest the same thing for any crop or product where experience has shown that the estimate of prices does injury to the ordinary marketing of the crop.

Mr. GROSS. I am sure that has happened a good many times in the history of midwestern agriculture.

Mr. HARRISON of Virginia. I suggest the gentleman present a bill.

Mr. GROSS. I regret I did not know the gentleman had introduced this bill or I perhaps would have added an amendment to cover other products.

Mr. HARRISON of Virginia. If I had known the gentleman was interested, I certainly would have been willing to have him offer such an amendment.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Speaker, the gentleman says there is something in the bill for apple growers?

Mr. HARRISON of Virginia. No, there is something in there to stop the Department of Agriculture from doing something for apple growers at public expense that apple growers do not want done.

Mr. HOFFMAN of Michigan. It is for the benefit of apple growers?

Mr. HARRISON of Virginia. The gentleman asked whether there was something in there for them. There is nothing in there for them. This bill will save the Treasury a little money without doing anybody else any harm.

Mr. HOFFMAN of Michigan. How come you are trying to do something for the apple growers? I thought it was all right for cotton and wheat and things like that.

Mr. HARRISON of Virginia. I beg the gentleman's pardon.

Mr. HOFFMAN of Michigan. Could not the gentleman hear what I said?

Mr. HARRISON of Virginia. The apple growers, like a great many other farmers, hoe their own row.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 15 (d) of the Agricultural Marketing Act (act of June 15, 1929; 12 U. S. C. 1141j (d)), as amended, is hereby amended by inserting after the word "cotton," the words "or apples."

With the following committee amendment:

Page 1, line 6, strike out "apples" and insert "apple."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGISTRATION OF CERTAIN PERSONS TRAINED IN FOREIGN ESPIONAGE SYSTEMS

The Clerk called the bill (H. R. 3882) to require the registration of certain persons who have knowledge of or have received instruction or assignment in the espionage, counterespionage, or sabotage service or tactics of a foreign government or foreign political party, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 20 of the Internal Security Act of 1950 is amended by repealing subsection (a), and by deleting the designation "(b)" which appears in said section.

SEC. 2. Except as provided in section 3 of this act, every person who has knowledge of, or has received instruction or assignment in, the espionage, counterespionage, or sabotage service or tactics of a government of a foreign country or of a foreign political party, shall register with the Attorney General by filing with the Attorney General a registration statement in duplicate, under oath, prepared and filed in such manner and form, and containing such information as the Attorney General, having due regard for the national security and the public interest, by regulations prescribes.

SEC. 3. The registration requirements of section 2 of this act do not apply to any person—

(a) who has obtained knowledge of or received instruction or assignment in the espionage, counterespionage, or sabotage service or tactics of a foreign government or foreign political party by reason of civilian, military, or police service or employment with the United States Government, the governments of the several States, their political subdivisions, the District of Columbia, the Territories, or the Canal Zone;

(b) who has obtained such knowledge solely by reason of academic or personal interest not under the supervision of or in preparation for service with the government of a foreign country or a foreign political party;

(c) who has made full disclosure of such knowledge, instruction, or assignment to officials within an agency of the United States Government having responsibilities in the field of intelligence, which disclosure has been made a matter of record in the files of such agency, and concerning whom a written determination has been made by the Attorney General or the Director of Central Intelligence that registration would not be in the interest of national security;

(d) whose knowledge of, or receipt of instruction or assignment in, the espionage, counterespionage, or sabotage service or tactics of a government of a foreign country or of a foreign political party, is a matter of record in the files of an agency of the United States Government having responsibilities in the field of intelligence and concerning whom a written determination is made by the Attorney General or the Director of Central Intelligence, based on all information available, that registration would not be in the interest of national security;

(e) who is a duly accredited diplomatic or consular officer of a foreign government, who is so recognized by the Department of State, while he is engaged exclusively in activities which are recognized by the Department of State as being within the scope of the functions of such officer, and any member of his immediate family who resides with him;

(f) Who is an official of a foreign government recognized by the United States, whose name and status and the character of whose duties as such official are of record in the Department of State, and while he is engaged exclusively in activities which are recognized by the Department of State as being within the scope of the functions of such official, and any member of his immediate family who resides with him;

(g) who is a member of the staff of or employed by a duly accredited diplomatic or consular officer of a foreign government who is so recognized by the Department of State, and whose name and status and the character of whose duties as such member or employee are a matter of record in the Department of State, while he is engaged exclusively in the performance of activities recognized by the Department of State as being within the scope of the functions of such member or employee;

(h) who is an officially acknowledged and sponsored representative of a foreign government and is in the United States on an official mission for the purpose of conferring or otherwise cooperating with United States intelligence or security personnel;

(i) who is a member of a force of a NATO country who enters the United States under the provisions of article III, paragraph (1) of the Agreement Regarding Status of Forces of Parties of the North Atlantic Treaty, or who is a civilian or one of the military personnel of a foreign armed service who has been invited to the United States for training

purposes at the request of a military department of the United States; or

(j) who is a person designated by a foreign government to serve as its representative in or to an international organization or is an officer or employee of such an organization or who is a member of the immediate family of, and resides with, such a representative, officer, or employee.

SEC. 4. The Attorney General shall retain in permanent form one copy of all registration statements filed under this act. They shall be public records and open to public examination and inspection at such reasonable hours and under such regulations as the Attorney General prescribes, except that the Attorney General, having due regard for the national security and public interest, may withdraw any registration statement from public examination and inspection.

SEC. 5. The Attorney General may at any time, make, prescribe, amend, and rescind such rules, regulations, and forms as he deems necessary to carry out the provisions of this act.

SEC. 6. (a) Whoever willfully violates any provision of this act or any regulation thereunder, or in any registration statement willfully makes a false statement of a material fact or willfully omits any material fact, shall be fined not more than $10,000 or imprisoned for not more than 5 years, or both.

(b) Any alien convicted of a violation of this act or any regulation thereunder is subject to deportation in the manner provided by chapter 5, title II, of the Immigration and Nationality Act (66 Stat. 163).

SEC. 7. Failure to file a registration statement as required by this act is a continuing offense for as long as such failure exists, notwithstanding any statute of limitation or other statute to the contrary.

SEC. 8. Compliance with the registration provisions of this act does not relieve any person from compliance with any other applicable registration statute.

SEC. 9. If any provision of this act or the application thereof to any person or circumstances is held in valid, the remainder of the act, and the application of such provisions to other persons or circumstances, is not affected thereby.

With the following committee amendments:

Page 2, lines 4 and 5, strike out the word "information" and substitute in lieu thereof "statements, information, or documents pertinent to the purposes and objectives of this act."

Page 4, line 23, change subparagraph (1) to read as follows:

"(1) who is a civilian or one of the military personnel of a foreign armed service coming to the United States pursuant to arrangements made under a mutual defense treaty or agreement, or who has been invited to the United States at the request of an agency of the United States Government; or"

Page 5, line 8, after the word "organization", insert "in which the United States participates."

Page 5, line 15, after the word "examination", strike out "and inspection."

Page 5, line 19, after the word "examination", strike out "and inspection."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXECUTION OF CERTAIN MORTGAGES AND DEEDS OF TRUST

The clerk called the bill (H. R. 4802) to authorize the execution of mortgages and deeds of trust on individual Indian trust or restricted land.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

INCREASING THE PUBLIC BENEFITS FROM THE NATIONAL PARK SYSTEM BY FACILITATING THE MANAGEMENT OF MUSEUM PROPERTIES RELATING THERETO

The Clerk called the bill (H. R. 5597) to increase the public benefits from the national park system by facilitating the management of museum properties relating thereto.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GAVIN. Reserving the right to object, Mr. Speaker, I wonder if the gentleman from California [Mr. ENGLE] will explain this bill.

Mr. ENGLE. The purpose of this bill is to permit the Secretary of the Interior to handle museums and objects for museum purposes which are donated to the Secretary of the Interior. At the present time a donation for museum purposes cannot be shifted from one museum to another. This bill would authorize and facilitate the management of museum property by permitting that to be done and by permitting the Secretary of Agriculture to use funds donated for the purpose of helping museums for the explicit purpose of acquiring collections and properties to be displayed in park museums.

Mr. GAVIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the purpose of this act shall be to increase the public benefits from museums established within the individual areas administered by the Secretary of the Interior through the National Park Service as a means of informing the public concerning the areas and preserving valuable objects and relics relating thereto. The Secretary of the Interior, notwithstanding other provisions or limitations of law, may perform the following functions in such manner as he shall consider to be in the public interest:

(a) Accept donations and bequests of money or other personal property, and hold, use, expend, and administer the same for purposes of this act;

(b) Purchase from such donations and bequests of money, museum objects, museum collections, and other personal properties at prices he considers to be reasonable;

(c) Make exchanges by accepting museum objects, museum collections, and other personal properties, and by granting in exchange therefor museum property under the administrative jurisdiction of the Secretary which is no longer needed or which may be held in duplicate among the museum properties administered by the Secretary, such exchanges to be consummated on a basis which the Secretary considers to be equitable and in the public interest;

(d) Accept the loan of museum objects, museum collections, and other personal properties and pay transportation costs incidental thereto, such loans to be accepted upon terms and conditions which he shall consider necessary; and

(e) Loan to responsible public or private organizations, institutions, or agencies, without cost to the United States, such museum objects, museum collections, and other personal property as he shall consider advisable, such loans to be made upon terms and conditions which he shall consider necessary to protect the public interest in such properties.

With the following committee amendment:

Page 2, line 6, following the word "Purchase", insert the words "from such donations and bequests of money."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1747) to increase the public benefits from the national park system by facilitating the management of museum properties relating thereto, and for other purposes, which is a similar but not identical bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the purpose of this act shall be to increase the public benefits from museums established within the individual areas administered by the Secretary of the Interior through the National Park Service as a means of informing the public concerning the areas and preserving valuable objects and relics relating thereto. The Secretary of the Interior, notwithstanding other provisions or limitations of law, may perform the following functions in such manner as he shall consider to be in the public interest:

(a) Accept donations and bequests of money or other personal property, and hold, use, expend, and administer the same for purposes of this act;

(b) Purchase from such donations and bequests of money, museum objects, museum collections, and other personal properties at prices he considers to be reasonable;

(c) Make exchanges by accepting museum objects, museum collections, and other personal properties, and by granting in exchange therefor museum property under the administrative jurisdiction of the Secretary which is no longer needed or which may be held in duplicate among the museum properties administered by the Secretary, such exchanges to be consummated on a basis which the Secretary considers to be equitable and in the public interest;

(d) Accept the loan of museum objects, museum collections, and other personal properties and pay transportation costs incidental thereto, such loans to be accepted upon terms and conditions which he shall consider necessary; and

(e) Loan to responsible public or private organizations, institutions, or agencies, without cost to the United States, such museum objects, museum collections, and other personal property as he shall consider advisable, such loans to be made upon terms and conditions which he shall consider necessary to protect the public interest in such properties.

SEC. 2. Before disposing permanently (including a disposition made as part of an exchange) of any object or collection received

as a donation authorized by this act, the Secretary of the Interior shall (1) give notice of such disposal, at least 30 days prior to the making thereof, to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives, and (2) make a reasonable effort to give notice of such disposal to the donor of such object or collection, or to his heirs if such donor is deceased.

Mr. ENGLE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGLE: Strike out all after the enacting clause of the bill, S. 1747, and insert the provisions of the bill, H. R. 5597, as agreed to.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

(By unanimous consent (at the request of Mr. ENGLE) the proceedings whereby the bill, H. R. 5597, was passed were vacated and that bill was laid on the table.)

PRESERVING HISTORIC PROPERTIES IN THE CITY OF BOSTON

The Clerk called the joint resolution (H. J. Res. 207) to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S. J. Res. 6) to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Whereas there are located within the city of Boston and vicinity a number of historic properties, buildings, sites, and objects of the Colonial and Revolutionary period of American history which, because of their historical significance or their architectural merit, are of great importance to the Nation; and

Whereas at this critical period, as well as at all periods in our national life, the inspiration afforded by such prime examples of the American historical heritage and their interpretation is in the public interest; and

Whereas it is proper and desirable that the United States of America should cooperate in a program looking to the preservation and public use of these historic properties that are intimately associated with American Colonial solidarity and the establishment of American independence: Therefore be it

Resolved, etc., That a Commission is hereby created for the purpose of investigating the feasibility of establishing a coordinated program in which the Federal Government may cooperate with local and State governments and historical and patriotic societies for the preservation and appreciation by the public of the most important of the Colonial and Revolutionary properties in Boston and the general vicinity thereof which form outstanding examples of America's historical heritage.

SEC. 2. The Commission shall be known as the Boston National Historic Sites Commission, and shall be composed of seven individuals, who shall serve without compensation, to be appointed as follows: One Member of the United States Senate, to be appointed by the President of the Senate; one Member of the United States House of Representatives, to be appointed by the Speaker of the House; one member to be appointed by the Secretary of the Interior, and 4 persons, at least 1 of whom shall be a resident of the city of Boston, to be appointed by the President of the United States. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

SEC. 3. The Commission shall meet for the purpose of organizing within 90 days after the enactment of this act. The Commission shall elect a chairman and executive secretary from among its members.

SEC. 4. The Commission shall (a) make an inventory and study of the historic objects, sites, buildings, and other historic properties of Boston and the general vicinity thereof, including comparative real estate costs; (b) prepare an analysis of the existing condition and state of care of such properties; (c) recommend such programs by the local, State, or Federal Governments and cooperating societies for the future preservation public use, and appreciation of such properties as the Commission shall consider to be in the public interest; and (d) prepare a report containing basic factual information relating to the foregoing and the recommendations of the Commission thereon. Such report shall be transmitted to the Congress by the Secretary of the Interior within 2 years following the approval of this act and the securing of appropriations for purposes hereof. Upon submission of the report to the Congress, the Commission shall cease to exist.

SEC. 5. (a) The Secretary of the Interior may appoint and fix the compensation, in accordance with the provisions of the civil-service laws and the Classification Act of 1949, as amended, of such experts, advisers, and other employees, and may make such expenditures, including expenditures for actual travel and subsistence expense of members, employees, and witnesses (not exceeding $15 for subsistence expense for any 1 person for any 1 calendar day), for personal services at the seat of government and elsewhere, and for printing and binding, as are necessary for the efficient execution of the functions, powers, and duties of the Commission under this act. The Commission is authorized to utilize voluntary and uncompensated services for the purposes of this act. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $40,000, to carry out the provisions of this act, including printing and binding.

(b) The Commission shall have the same privilege of free transmission of official mail matters as is granted by law to officers of the United States Government.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar joint resolution (H. J. Res. 207) was laid on the table.

NONMINERAL LAND LAWS

The Clerk called the bill (S. 265) to amend the acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such acts to 320 acres.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to provide for agricultural entries on coal lands" approved June 22, 1910 (36 Stat. 583), is amended by deleting the following: "no desert entry made under the provisions of this act shall contain more than 160 acres, and."

SEC. 2. The first section of this act entitled "An act to provide for agricultural entry of lands withdrawn, classified, or reported as containing phosphate, nitrate, potash, oil, gas or asphaltic minerals," approved July 17 1914 (38 Stat. 509), is amended by deleting the following: "; but no desert entry made under the provisions of this act shall contain more than 160 acres."

SEC. 3. Any person who, prior to the date of approval of this act, has made a valid desert-land entry on lands subject to such act of June 22, 1910, or of July 17, 1914, may, if otherwise qualified, enter as a personal privilege, not assignable, an additional tract of desert land subject to the provisions of such acts, as hereby amended, and section 7 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934, as amended (48 Stat. 1269; 1272; 43 U. S. C., sec. 315f). Such additional tract shall not, together with the original entry, exceed 320 acres. The holder of an additional entry authorized under this section shall comply with all the requirements of the desert-land law on the lands embraced by such additional entry.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEALING LAWS RELATING TO TIMBER AND STONE ON PUBLIC DOMAIN

The Clerk called the bill (H. R. 4894) to repeal certain laws relating to timber and stone on the public domain.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GAVIN. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. ENGLE. Mr. Speaker, this bill repeals certain obsolete laws that have been on the books but are dead letters. The purpose of the bill is explained in the committee report, which says:

The purpose of this bill is to repeal certain outmoded provisions relating to disposals of land under the timber and stone laws. Its enactment is requested, and the reasons therefor specified, in the following executive communication from the Department of the Interior.

In other words, the Department sent up and asked us to take out some obsolete laws relating to the disposal of these particular materials.

Mr. GAVIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to valid existing rights and claims, sections 1 to 3, inclusive, of the act of June 3, 1878 (20 Stat. 89), as amended (43 U. S. C., secs. 311, 312, and 313), are hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING AGRICULTURAL ENTRIES UNDER NONMINERAL LAND LAWS

The Clerk called the bill (H. R. 1844) to amend the acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such acts to 320 acres.

The SPEAKER pro tempore. This bill appears to be the same as the bill that was just passed.

Mr. ENGLE. I desire to have the Senate bill passed, and then I would move to vacate the action taken on H. R. 1844, and have that laid on the table.

The SPEAKER pro tempore. The Senate bill has already been passed.

Without objection, this bill will be laid on the table.

There was no objection.

ERECTION OF MEMORIAL GIFT FROM GOVERNMENT OF VENEZUELA

The Clerk called the resolution (H. J. Res. 232) authorizing the erection of a memorial from the Government of Venezuela.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the Secretary of the Interior is authorized to accept, on behalf of the Government of the United States, a statute of the liberator, Simon Bolivar, to be erected on public grounds, under the administration of the Secretary of the Interior, as a gift to the Government of the United States from the Government of Venezuela as a token of friendship.

SEC. 2. The design and site of such statute shall be approved by the Secretary of the Interior, the National Capital Planning Commission, and the Commission of Fine Arts, and the United States shall be put to no expense in or by the erection of this statute.

SEC. 3. (a) The authority conferred pursuant to this joint resolution shall lapse unless the erection of such statute is commenced within 5 years after the date of the passage of this joint resolution.

(b) All acts or parts of acts inconsistent herewith are hereby repealed to the extent of such inconsistencies.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEDICATING LEE MANSION AS A PERMANENT MEMORIAL TO ROBERT E. LEE

The Clerk called the resolution (S. J. Res. 62) dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

There being no objection, the Clerk read the resolution, as follows:

Whereas the 9th day of April 1955 is the 90th anniversary of the Appomattox cessation of hostilities between our States; and

Whereas of the two great figures therein involved, one, Gen. Ulysses S. Grant, has been highly honored by becoming President of the United States, but the other, Robert E. Lee, has never been suitably memorialized by the National Government; and

Whereas Robert E. Lee had graduated from West Point, dedicated himself to an Army career, and became a colonel in the United States Army, then the commander of the Confederate forces, attained world renown as a military genius, and after Appomattox fervently devoted himself to peace, to the reuniting of the Nation, and to the advancement of youth education and the welfare and progress of mankind, becoming president of the Washington and Lee University at Lexington, Va.; and

Whereas the desire and hope of Robert E. Lee for peace and unity within our Nation has come to pass in the years since his death, and the United States of America now stands united and firm, indivisible, and unshakable; and

Whereas Public Resolution No. 74, 68th Congress, approved March 4, 1925, provided for the physical restoration of the Lee mansion but did not dedicate the same as a permanent memorial to Robert E. Lee: Now, therefore, be it

Resolved, That the Congress of the United States, at this anniversary time, does hereby pay honor and tribute to the everlasting memory of Robert E. Lee, whose name will ever be bright in our history as a great military leader, a great educator, a great American, and a truly great man through the simple heritage of his personal traits of high character, his grandeur of soul, his unfailing strength of heart; and be it further

Resolved, That the Congress of the United States does hereby express its humble gratitude to a kind providence for blessing our Nation with leaders of true greatness who, like Robert E. Lee, have been able to see beyond their times, and by whose vision, guidance, and wisdom this Nation has gone forward to a place of world leadership as the unfaltering and powerful champion of peace, liberty, and justice; and be it further

Resolved, That the Lee Mansion in the Arlington National Cemetery, Va., is hereby dedicated as a permanent memorial to Robert E. Lee, and the Secretary of the Interior is authorized and directed to erect on the aforesaid premises a suitable memorial plaque.

With the following committee amendment:

Page 3, line 4, strike out all of lines 4, 5, 6, 7, and 8, and insert:

"*Resolved*, That the magnificent manor house situated in its prominent position at the brow of a hill overlooking the Potomac River in Arlington National Cemetery, and popularly known as Lee Mansion, be officially designated as the Custis-Lee Mansion, so as to give appropriate recognition to the illustrious Virginia family in which General Lee found his wife, and that the Custis-Lee Mansion is hereby dedicated as a permanent memorial to Robert E. Lee, and the Secretary of the Interior is authorized and directed to erect on the aforesaid premises a suitable memorial plaque, and to correct governmental records to bring them into compliance with the designation authorized by this joint resolution."

The committee amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEXAS CITY TIN SMELTER

The Clerk called the resolution (S. Con. Res. 26).

There being no objection, the Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that, pursuant to the provisions and authority of Public Law 125, 80th Congress, as amended, the Government tin smelter at Texas City, Tex., shall be continued in operation until June 30, 1956, and so long thereafter as may be hereafter authorized by the Congress.

SEC. 2. The President is hereby requested to have conducted a study and investigation for the purpose of recommending the most feasible methods of maintaining a permanent domestic tin-smelting industry in the United States; and, in connection with such study and investigation, the Federal Facilities Corporation, or any other designee of the President, is requested to show the plant and facilities to any interested persons and to provide them with all necessary and appropriate information within the limits of security considerations upon which to base appraisals and to formulate proposals to the Government for the future operation of the smelter by the Government or under private lease or ownership arrangements.

SEC. 3. The President is requested to report to the Congress prior to March 31, 1956, the findings of this study and his recommendations with respect to the future operation of the tin smelter.

The Senate concurrent resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. R. 619 PROVIDING FOR THE INSCRIPTION OF "IN GOD WE TRUST" ON ALL UNITED STATES CURRENCY AND COINS

The Clerk called the bill (H. R. 619) to provide that all United States currency shall bear the inscription "In God We Trust."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, I think this is meritorious legislation, but I wonder if American currency with the inscription "In God We Trust" will be acceptable in Communist Poland in payment for the canned hams that are pouring into this country in competition with American farmers and packers.

I withdraw my reservation of objection, Mr. Speaker.

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT of Florida. Mr. Speaker, H. R. 619, which provides for the inscription of "In God We Trust" on all United States currency and coins is here today because of the kindness of the Committee on Banking and Currency in scheduling and hearing this legislation. I particularly want to thank and commend the distinguished chairman of that committee, the gentleman from Kentucky [Mr. SPENCE], and, in fact, all of the members of that committee, for their enthusiastic support of this measure, which has made expeditious handling of the bill possible.

I wish to express my deep gratitude to Congressman HERMAN EBERHARTER and Congressman OREN HARRIS, who gave splendid testimony in behalf of the principles of this legislation at the hearing and who, themselves, introduced H. R. 4661, H. R. 6174, and H. R. 5150, respectively, along these lines, and I wish to express my deepest gratitude for their splendid testimony. In a very real sense they are cosponsors of the legislation before the House today.

"In God We Trust" has never been used on United States currency. H. R. 619 pioneers in requiring that it be on our paper money. However, this bill also completes the evolution of the use of this inscription on our coins by requiring for the first time that it be on all United States coins. Since 1908, use of the motto on most coins is mandatory, but there are certain coins as to which there is no such requirement. By administrative action this motto is on these coins as well as on those for which it is mandatory. However, there is need for a clear requirement, such as that in H. R. 619, that the motto continue to be inscribed on all our coins.

After the introduction of H. R. 619, I discovered for the first time that there was a need for statutory requirement as to the inclusion of the motto on coins; and I, therefore, contacted the Treasury Department and urged them to include some remark on this matter in their report on the bill. The Treasury Department complied with the request, and in its favorable report on this bill stated that it has no objection to the inclusion of coins in this legislation as well as currency.

The report on this bill contains a scholarly discussion of the use on coins of inscriptions of spiritual inspiration. Nothing can be more certain than that our country was founded in a spiritual atmosphere and with a firm trust in God. While the sentiment of trust in God is universal and timeless, these particular four words "In God We Trust" are indigenous to our country. As far as the record shows, these precise words are first urged as our proper motto by Secretary of the Treasury S. P. Chase, who was later Chief Justice of the United States Supreme Court. In 1861, before choosing these precise words, he said:

No nation can be strong except in the strength of God, or safe except in His defense. The trust of our people in God should be declared on our national coins.

Later he directed that these specific words "In God We Trust" be placed upon United States coins.

I sincerely hope that the Senate will give its prompt approval to this proposal. In these days when imperialistic and materialistic communism seeks to attack and destroy freedom, we should continuously look for ways to strengthen the foundations of our freedom. At the base of our freedom is our faith in God and the desire of Americans to live by His will and by His guidance. As long as this country trusts in God, it will prevail. To serve as a constant reminder of this truth, it is highly desirable that our currency and coins should bear these inspirings words, "In God We Trust."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all currency of the United States issued more than 6 months after the date of the enactment of this act shall bear, at such place or places thereon as the Secretary of the Treasury may determine to be appropriate, the inscription "In God We Trust."

With the following committee amendment:

Strike out all after the enacting clause and insert "That at such time as new dies for the printing of currency are adopted in connection with the current program of the Treasury Department to increase the capacity of presses utilized by the Bureau of Engraving and Printing, the dies shall bear, at such place or places thereon as the Secretary of the Treasury may determine to be appropriate, the inscription 'In God We Trust', and thereafter this inscription shall appear on all United States currency and coins."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN PROPERTY UNDER JURISDICTION OF THE HOUSING AND HOME FINANCE ADMINISTRATOR TO THE STATE OF LOUISIANA

The Clerk called the bill (H. R. 5512) to provide for the conveyance of certain property under the jurisdiction of the Housing and Home Finance Administrator to the State of Louisiana.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I notice in the first place that there is no report from the Bureau of the Budget. However, that is not the main purpose of my reserving the right to object.

I wonder if this bill has been checked by the Department of Health, Education, and Welfare, which has to do with the Hospital Surveys and Construction Act, and if they approve this matter of providing that any allotments available under the Hospital Surveys and Construction Act may be used toward the purchase of this property?

Mr. LONG. Does the gentleman mean the Housing Administrator?

Mr. BYRNES of Wisconsin. No. I can see they want to get rid of this property, but as I understand this bill, it provides for a purchase price of $300,000 for the property, and that there can be offset against this $300,000 any allotment to the State of Louisiana for hospital construction under the provision of the Hospital Surveys and Construction Act. The Housing and Home Finance Administrator has nothing to do with the administration of that particular act. I am wondering if the agency that does have the responsibility of administering the Hospital Surveys and Construction Act approves of the use of the allotment in this manner.

Mr. LONG. We have had no objection from any Department. We have checked every place we could. We had some discussion about the use of the Hill-Burton money, and that is all. Nobody objected, as far as I know.

Mr. BYRNES of Wisconsin. One further question. Is it the understanding that this housing development will be converted into hospital facilities?

Mr. LONG. Yes, sir; absolutely. It is now a part of the hospital land that was leased from the Government for use during the emergency.

Mr. BYRNES of Wisconsin. Hence the justification for using Hill-Burton funds toward the purchase of the property?

Mr. LONG. That is right.

Mr. BYRNES of Wisconsin. I withdraw my reservation of objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of any other law, the Housing and Home Finance Administrator shall convey all right, title, and interest of the United States in and to the projects identified as LA–16011 and LA–16012, constructed under the provisions of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended (42 U. S. C., sec. 1521, and the following), on real property constituting a part of the grounds of the Central Louisiana Hospital for the Insane leased from the State of Louisiana. Such conveyance is to be made in consideration of the payment of $300,000 by the State of Louisiana in three equal annual installments, the first such installment to be paid within six months after the date of enactment of this act.

SEC. 2. Any allotment available to the State of Louisiana for hospital construction under the provisions of the Hospital Survey and Construction Act, as amended (42 U. S. C., sec. 291, and the following), may be applied by the State of Louisiana to the purchase price established in the first section of this act.

With the following committee amendments:

Page 1, line 4, after the word "convey", insert "to the State of Louisiana."

Page 2, line 6, after, after "installments", strike out ", the first such installment to be paid within 6 months after the date of enactment of this act."

Page 2, line 14, insert:

"SEC. 3. The provisions of this act shall be effective only if the first installment is paid within 6 months after the date of approval of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN WAR HOUSING PROJECTS TO THE CITIES OF WARWICK AND HAMPTON, VA.

The Clerk called the bill (S. 755) to authorize the conveyance of certain war-housing projects to the city of Warwick, Va., and the city of Hampton, Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provisions of law, the Housing and Home Finance Administrator is authorized to sell and convey at fair market value as determined by him on the basis of an appraisal made by an independent real estate expert (a) (1) to the city of Warwick, Va., or to a public housing authority for such city, or to any agency or corporation, established or sponsored in the public interest by such city, all of the right, title, and interest of the United States in and to War Housing Project VA-44061, and that portion of War Housing Project VA-44067 which lies within the limits of said city of Warwick, and (2) to the city of Hampton, Va., or to a public housing authority for such city, or to any agency or corporation, established or sponsored in the public interest by such city, all of the right, title, and interest of the United States in and to that portion of War Housing Project VA-44067 which lies within the limits of the city of Hampton, or (b) to the cities of Warwick and Hampton, Va., jointly, or to a public housing authority for such cities, or to any agency or corporation jointly established or sponsored in the public interest by such cities, all of the right, title, and interest of the United States in and to both or either of the projects mentioned in (1) and (2) above. Any sale pursuant to this authorization shall be on such terms and conditions as the Administrator shall determine, and the amount received for each project shall be reported by the Administrator to the Banking and Currency Committee of the Senate and the Banking and Currency Committee of the House of Representatives.

SEC. 2. The provisions of this act shall be effective only during the period ending 6 months after the date of approval hereof.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF CERTAIN PROPERTY TO WYOMING

The Clerk called the bill (H. R. 1843) authorizing the Secretary of the Interior to transfer certain property of the United States Government—in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.—to the State of Wyoming.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that the bill S. 266, an identical Senate bill, be substituted for the House bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to transfer to the State of Wyoming certain property of the United States Government situated near Lake Guernsey, Platte County, Wyo., described as follows:

Lots 1, 2, 3, and 4 of section 5; lots 1, 2, 3, 5, and 6, east half southwest quarter, west half southeast quarter section 6; northwest quarter northeast quarter, west half southwest quarter, southeast quarter southwest quarter section 17; northeast quarter, north half northwest quarter, southeast quarter northwest quarter, northeast quarter southwest quarter, north half southeast quarter section 20; all in township 28 north, range 66 west, sixth principal meridian.

Southwest quarter northwest quarter, section 1; lots 3 and 4, west half southeast quarter, section 3; lots 1, 2, 3, and 4, south half north half section 4; south half southwest quarter section 5; lots 1, section 7; southeast quarter northeast quarter section 13; lots 2 and 3, northeast quarter southwest quarter section 18; southeast quarter northeast quarter, northwest quarter southeast quarter section 24; all in township 27 north, range 67 west, sixth principal meridian.

South half southwest quarter section 2; northwest quarter southwest quarter, northeast quarter southeast quarter, south half south half section 3; northwest quarter northeast quarter, south half northeast quarter section 8; northwest quarter northeast quarter, northeast quarter northwest quarter, south half north half, north half south half section 9; northwest quarter, north half southwest quarter, southeast quarter southwest quarter section 10; north half northwest quarter, southwest quarter northwest quarter, northwest quarter southwest quarter section 14; northeast quarter southwest quarter southwest quarter, north half southeast quarter, southwest quarter southeast quarter section 15; northeast quarter, northeast quarter southeast quarter section 17; northeast quarter southeast quarter section 20; west half southwest quarter section 21; north half northwest quarter, southeast quarter southeast quarter section 22; southwest quarter northeast quarter, northeast quarter northwest quarter, south half northwest quarter, southwest quarter section 23; east half northwest quarter section 24; northwest quarter southeast quarter section 25; east half northwest quarter, northeast quarter southwest quarter section 27; southwest quarter northeast quarter, southwest quarter, west half southeast quarter section 28; northeast quarter southeast quarter section 29; southeast quarter southeast quarter section 31; all of section 33; northeast quarter of section 35; all in township 28 north, range 67 west, sixth principal meridian; consisting of approximately five thousand seven hundred and eighty acres. Such property shall be conveyed, together with all buildings, improvements thereon, and all appurtenances and utilities belonging or appertaining thereto, and the Secretary of the Interior shall execute and deliver in the name of the United States in its behalf any and all contracts, conveyances, or other instruments as may be necessary to effectuate the said transfer: *Provided,* That there shall be reserved to the United States all minerals, including oil and gas, in said lands.

Such conveyance shall contain a provision that said property shall be used primarily for training of the National Guard or Air National Guard and for other military purposes, and that, if the State of Wyoming shall cease to use the property so conveyed for such purposes, then title thereto shall immediately revert to the United States and, in addition, all improvements made by the State of Wyoming during its occupancy shall vest in the United States without payment of compensation therefor.

Such conveyance shall contain the further provision that whenever the Congress of the United States shall declare a state of war or other national emergency, or the President declares a state of emergency to exist and upon the determination by the appropriate Secretary that the property so conveyed is useful or necessary for military, air, or naval purposes, or in the interest of national defense, the United States shall have the right, without obligation to make payment of any kind, to reenter upon the property and use the same or any part thereof, including any and all improvements made by the State of Wyoming, for the duration of such state of war or other national emergency, and upon the cessation thereof plus six months said property is to revert to the State of Wyoming together with any or all facilities and improvements, appurtenances, and utilities thereon or appertaining thereto.

SEC. 2. (a) Where lands described to be conveyed herein are being used under valid outstanding United States grazing leases, the Secretary of the Interior shall convey the lands only after he finds suitable provision, equitable to such lessees, has been made to compensate them for losses resulting from the use of the lands for the purposes of this act and to assure them appropriate preference to such future use of the lands for grazing as may be consistent with the purposes of this act.

(b) The Secretary of the Interior, at the earliest possible date after the execution of the conveyance authorized by this act, shall issue a permit to the State of Wyoming allowing the State the free use of the lands described below for the purposes described in the first section of this act and subject to adequate protection of the lands for Federal purposes:

Lots 1, 2, 3, and 4, southwest quarter northeast quarter, southeast quarter northwest quarter, northwest quarter southeast quarter, southeast quarter southeast quarter section 1; lots 1, 2, 3, and 4, south half northwest quarter, east half southwest quarter, southwest quarter southeast quarter section 2; northeast quarter, northwest quarter southeast quarter section 10; north half northeast quarter, southwest quarter northeast quarter section 11; east half northeast quarter, southwest quarter northeast quarter, west half southeast quarter section 12; northwest quarter northeast quarter section 13, all in township 27 north, range 67 west, southeast quarter section 35, township 28 north, range 67 west, sixth principal meridian, State of Wyoming.

SEC. 3. The State of Wyoming may dispose of interests and rights in the land by lease, license and easement, provided that the exercise of such rights and uses shall not impair the use of the land for the purposes set out in the first section of this act. Revenues derived from such transactions by the State of Wyoming shall be expended by the State for the protection, maintenance, and preservation of such land for the purposes expressed in this act and for the protection and preservation of the natural resources thereon. The United States and the State of Wyoming shall share equally in any residual revenue beyond the cost for those purposes. All moneys to which the United States is entitled under this act shall be deposited in the Treasury as miscellaneous receipts. The Secretary of the Interior and the Secretary of the Army are authorized to enter into any necessary agreements with the proper authorities of the State of Wyoming for the purpose of carrying out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider, and a similar House bill (H. R. 1843) were laid on the table.

DEPOSIT OF PHOTOGRAPHS IN LIEU OF CERTAIN PUBLISHED WORKS

The Clerk called the bill (H. R. 5876) to amend the copyright law to permit, in certain classes of works, the deposit of photographs or other identifying reproductions in lieu of copies of published works.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 13 of title 17, United States Code, is amended to read as follows:

"§ 13. Deposit of copies after publication; action or proceeding for infringement

"After copyright has been secured by publication of the work with the notice of copyright as provided in section 10 of this title, there shall be promptly deposited in the Copyright Office or in the mail addressed to the Register of Copyrights, Washington, D. C., two complete copies of the best edition thereof then published, or if the work is by an author who is a citizen or subject of a foreign state or nation and has been published in a foreign country, one complete copy of the best edition then published in such foreign country, which copies or copy, if the work be a book or periodical, shall have been produced in accordance with the manufacturing provisions specified in section 16 of this title; or if such work be a contribution to a periodical, for which contribution special registration is requested, one copy of the issue or issues containing such contribution; or if the work belongs to a class specified in subsections (g), (h), (i) or (k) of section 5 of this title, and if the Register of Copyrights determines that it is impracticable to deposit copies because of their size, weight, fragility, or monetary value he may permit the deposit of photographs or other identifying reproductions in lieu of copies of the work as published under such rules and regulations as he may prescribe with the approval of the Librarian of Congress; or if the work is not reproduced in copies for sale there shall be deposited the copy, print, photograph, or other identifying reproduction provided by section 12 of this title, such copies or copy, print, photograph, or other reproduction to be accompanied in each case by a claim of copyright. No action or proceeding shall be maintained for infringement of copyright in any work until the provisions of this title with respect to the deposit of copies and registration of such work shall have been complied with."

With the following committee amendment:

Page 1, line 5, after the word "publication", strike out the comma and insert a semicolon.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLIGHT TO AVOID PROSECUTION FOR ARSON

The Clerk called the bill (H. R. 3233) to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1073 of title 18 of the United States Code is amended by inserting "arson punishable as a felony", after "weapon."

SEC. 2. The amendment made by the first section of this act shall take effect on the 30th day after the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND TITLE 18 OF UNITED STATES CODE

The Clerk called the bill (H. R. 3333) to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the bill S. 600, a similar Senate bill, be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the first paragraph of section 1461 of title 18 of the United States Code is amended to read as follows:

"Every obscene, lewd, lascivious, indecent, filthy, or vile article, matter, thing, device, or substance; and * * *."

SEC. 2. The fifth paragraph of section 1461 of title 18, United States Code, reading "Every letter, packet, or package, or other mail matter containing any filthy, vile, or indecent thing, device, or substance; and", is hereby repealed.

Mr. WALTER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: Strike out all after the enacting clause and insert the following: "That the first paragraph of section 1461 of title 18 of the United States Code is amended to read as follows:

" 'Every obscene, lewd, lascivious, indecent, filthy or vile article, matter, thing, device, or substance; and—'.

"SEC. 2. The fifth paragraph of section 1461 of title 18, United States Code, reading 'Every letter, packet, or package, or other mail matter containing any filthy, vile or indecent thing, device, or substance; and', is hereby repealed.

"SEC. 3. Chapter 71 of title 18 of the United States Code is amended by inserting, immediately following section 1464 of such chapter, a new section, to be designated as section 1465, and to read as follows:

" '§ 1465. Transportation of obscene matters for sale or distribution

" 'Whoever knowingly transports in interstate or foreign commerce for the purpose of sale or distribution any obscene, lewd, lascivious, or filthy book, pamphlet, picture, film, paper, letter, writing, print, silhouette, drawing, figure, image, cast, phonograph recording, electrical transcription or other article capable of producing sound or any other matter of indecent or immoral character, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

" 'The transportation as aforesaid of two or more copies of any publication or two or more of any article of the character described above, or combined total of five such publications and articles, shall create a presumption that such publications or articles are intended for sale or distribution, but such presumption shall be rebuttable.

" 'When any person is convicted of a violation of this act, the court in its judgment of conviction may, in addition to the penalty prescribed, order the confiscation and disposal of such items described herein which were found in the possession or under the immediate control of such person at the time of his arrest'.

"SEC. 4. The analysis of chapter 71 of title 18 of the United States Code is amended by inserting, immediately after and underneath item 1464, as contained in such analysis, the following new item:

" '1465. Transportation of obscene matters for sale or distribution'."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To amend title 18 of the United States Code relating to the mailing and transportation of obscene matter."

A motion to reconsider and a similar House bill (H. R. 3333) were laid on the table.

OREGON AND CALIFORNIA COMPACT RELATING TO KLAMATH RIVER

The Clerk called the bill (H. R. 3587) granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of the Congress is hereby given to the States of Oregon and California to negotiate and enter into a compact, providing for an equitable apportionment between the said States of the waters of the Klamath River and its tributaries, including Lost River which is not naturally tributary to the Klamath River but which is an interstate stream within the Klamath Basin which has become tributary to Klamath River by virtue of a diversion canal constructed by the Bureau of Reclamation, United States Department of the Interior, and for matters incidental thereto, upon the condition that one qualified person, not a resident of either Oregon or California, who shall be appointed by the President of the United States, shall participate in said negotiations as a representative of the United States and shall make a report to the Congress of the proceedings and of any compact so negotiated. Said compact shall not be binding or obligatory upon any of the parties thereto unless and until the same shall have been ratified by the legislature of each of the States aforesaid and approved by the Congress of the United States.

With the following committee amendments:

Page 2, line 7, following the words "report to", insert the words "the President and."

Page 2, line 12, strike the word "approved" and insert in lieu thereof the words "consented to."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third

time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. That completes the call of the Consent Calendar.

THE ANNUAL DEMOCRATS VERSUS REPUBLICANS BASEBALL GAME AT GRIFFITH STADIUM, WASHINGTON, D. C.

Mr. HERLONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HERLONG. Mr. Speaker, I take this opportunity to announce to the Members of the House, especially to those on my left, that there is going to be the usual debacle out at Griffith Stadium this evening when the Democrats will again trounce the Republicans in the annual charity baseball game.

Mr. HARRISON of Virginia. Mr. Speaker, will the gentleman yield?

Mr. HERLONG. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. The gentleman is the manager of the Democratic baseball team?

Mr. HERLONG. Yes.

Mr. HARRISON of Virginia. May we anticipate that the gentleman will be as alert tonight in presenting the Democratic side as he is at this time?

Mr. HERLONG. Well, the game cannot be played until we get there.

Mr. HARRISON of Virginia. The gentleman will be there tonight?

Mr. HERLONG. If the gentleman will permit me to proceed, if we are not sabotaged by our own side tonight any more than I am right now, we will be alert enough to win.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HERLONG. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Will the CIO or the Teamster's Union umpire this game?

Mr. HERLONG. The game is going to be umpired properly, certainly more properly than the game will be played, I am sure.

Mr. HOFFMAN of Michigan. But the gentleman ought to know what dirty work he is up to.

Mr. HERLONG. There are two sides engaged in this ball game, as the gentleman knows. May I say that the Democrats are going into the game tonight under somewhat of a handicap because, while in football the weight of the players has a great deal to do with how the game comes out, the heaviest teams usually win, in baseball, however—and in this game especially—weight does not amount to so much but age amounts to a great deal. I saw in the papers this morning the ages of the respective players and we on our side are out-aged about 3 or 4 months per man. So we may be in difficulty from that standpoint. We do have experience, however, and I believe that experience is going to stand us in good stead.

To the Members on my left may I say that this is a good opportunity for you to come out and see once more former "Iron Man" now "Four-and-a-half-inning" DAVIS go out on the mound for you. I am sure that the gentleman will do well for part of the time at least. We have a fine team on our side. I want to give the Democrats every assurance that we will win. You can make your preparations to clean up because we are going to take care of the Republicans again tonight.

Mr. ROGERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. HERLONG. I yield to the gentleman from Texas.

Mr. ROGERS of Texas. I have noticed some stories about a black cat having run out on the diamond last year. I just wonder if that black cat's name was SIEMINSKI and if the cat came from New Jersey? Do we still have him?

Mr. HERLONG. We still have him. He is going to throw his cap out there and when he does at least one very prominent member of the Republican team will faint immediately.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. HERLONG. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Can we expect that the manager of the Democratic team will be called in as a pinch-hitter again?

Mr. HERLONG. Only in the event we agree to lose the game in advance.

Mr. CEDERBERG. Can we expect the same results?

Mr. HERLONG. Naturally.

Mr. CEDERBERG. I thank the gentleman.

Mr. HERLONG. I want to say that in the event of rain tonight the game will be played tomorrow night at the same time in Griffith Stadium.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Speaker, weather permitting and the condition of the players permitting also we will have our annual baseball game tonight.

For the benefit of the new Members may I say that this game is sponsored by the Evening Star in connection with its general drive to raise funds to send underprivileged children to summer camp. It is a worthwhile objective and program and merits the support of everybody.

I would urge, therefore, that every Member who can, purchase tickets and come to the game. Certainly the players merit your support, those people who have been turning out week in and week out, year in and year out. As a matter of fact, they have done so at considerable personal sacrifice of time and energy and I might say on occasions bloodshed. No year has passed without several of the Members having broken fingers, broken arms, and broken ankles. We kept no account or record of the sprained backs, the sore arms, bruised legs, or sore heads. We can promise you, maybe, some good baseball and some bad baseball, but most of all some very funny baseball. This year the Republicans anticipate playing with both hands. Last year and the year before we played with one hand tied behind our backs, and for four innings our iron man from Wisconsin, GLENN DAVIS, succeded in holding the opposition scoreless and hitless. Then we tried playing without any hands, and they scored a few runs. I urge you all to come out. The objective, as I have indicated, is a worthwhile one. You will have a lot of fun. Come on out.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the first bill on the calendar.

GEORGIA KAOLIN CO.

The Clerk called the resolution (H. Res. 250) providing that the bill H. R. 6401, and all accompanying papers, shall be referred to the United States Court of Claims.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 6401) entitled "A bill for the relief of the Georgia Kaolin Co.," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal and equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to; and a motion to reconsider was laid on the table.

MR. AND MRS. DERFERY WILLIAM WRIGHT

The Clerk called the bill (H. R. 1015) for the relief of Mr. and Mrs. Derfery William Wright.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Derfery William Wright, Amherst, Va., the amount which the Administrator of Veterans' Affairs certifies to him would have been payable to them as death compensation under part I of Veterans Regulation No. 1 (a) if their application therefor had been filed with the Administrator of Veterans' Affairs within the 1-year period beginning on December 17, 1944 (the date of death of their son, Herman P. Wright), for the period beginning on such date, and ending on the date they began to receive such death compensation: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the name "Wright", insert "father and mother of Herman P. Wright, deceased of."

Page 1, line 9, strike out "if their application therefor had been filed with the Administrator of Veterans' Affairs within the one-year period beginning on December 17, 1944 (the date of death of their son, Herman P. Wright), for the period beginning on such date, and ending on the date they began to receive such death compensation" and insert in lieu thereof "for the period from February 1948 to the date which they began receiving such death compensation."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARGARET A. SWIFT

The Clerk called the bill (H. R. 1219) for the relief of the estate of Mrs. Margaret A. Swift.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Mrs. Margaret A. Swift, formerly of San Francisco, Calif., the sum of $1,399.92, in full settlement of all claims of such estate against the United States for the amount of the check for pension due which arrived at the post office of the addressee, Mrs. Margaret A. Swift, after her death and was returned to the Treasury for cancellation: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent of attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALEKSANDRA BORKOWSKI

The Clerk called the bill (H. R. 1447) for the relief of Aleksandra Borkowski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of Public Law 622, 79th Congress, the Secretary of the Treasury be, and he is hereby authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,900 to Mrs. Aleksandra Borkowski, of Brooklyn, N. Y., in full settlement of all claims of the said Mrs. Aleksandra Borkowski, as widow of Wladyslaw Borkowski, to that amount of money being held in miscellaneous receipts account of the Treasury Department. Such sum represents the balance of compensation payments due said Wladyslaw Borkowski held during his internment in Poland. Only $1,000 of the total sum of $2,900 was paid Wladyslaw Borkowski prior to his death and the balance, payment for which this bill provides, was held only because allegedly no claim was filed by Wladyslaw Borkowski therefor: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ESTHER REED MARCANTEL

The Clerk called the bill (H. R. 1488) for the relief of Mrs. Esther Reed Marcantel.

There being no objection, the clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Esther Reed Marcantel, Oberlin, Allen Parish, La., the sum of $25,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Esther Reed Marcantel against the United States arising out of the death of her late husband John Dorcena Marcantel, who was killed on December 26, 1944, as a result of an accident involving a United States Army truck in Oberlin, La., at the intersection of United States Highway No. 165 and Louisiana State Highway No. 25: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$25,000" and insert "$6,134.12."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EUGENE ALBERT BAILLY

The Clerk called the bill (H. R. 1708) for the relief of Eugene Albert Bailly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the lapse of time or any other provision of law to the contrary, Eugene Albert Bailly, service number 110 15 52, of Jersey City, N. J., who served in the United States Navy during World War I and received a discharge under honorable conditions from such service pursuant to the action of a board of review, discharges and dismissals, shall be entitled to the benefits of the World War I Adjusted Compensation Act, as amended, and the Adjusted Compensation Payment Act, 1936, as amended, if he files application therefor within 90 days after the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM J. BOHNER

The Clerk called the bill (H. R. 1739) for the relief of William J. Bohner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (5 U. S. C. 765–769), are hereby waived in favor of William J. Bohner for compensation for disability caused by an injury allegedly sustained by him on May 14, 1945, while an employee at the St. Louis Ordnance Plant, Medical Depot, St. Louis, Mo., and his claim is authorized and directed to be considered and acted upon under the remaining provisions of such act, as amended, if he files such claim with the Bureau of Employees' Compensation not later than 6 months after the date of enactment of this act. No benefits shall accrue by reason of the enactment of this act for any period prior to the date of its enactment, except in the case of such medical or hospitalization expenditures which may be deemed reimbursable.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. CLARENCE M. AUGUSTINE

The Clerk called the bill (H. R. 1963) for the relief of Mr. and Mrs. Clarence M. Augustine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Clarence M. Augustine, of Natick, Mass., the sum of $10,000, representing the amount which the said Mr. and Mrs. Clarence M. Augustine would have received, as beneficiaries under a policy of national service life insurance in the amount of $10,000, if George Augustine, United States Navy, deceased son of the said Mr. and Mrs. Clarence M. Augustine, had applied for and been granted such policy under the provisions of the National Service Life Insurance Act of 1940, had paid premiums, and had designated the said Mr. and Mrs. Clarence M. Augustine as beneficiaries of such policy. The death of the said George Augustine in the Naval Hospital, Memphis, Tenn., 17 days after he reported for duty with the United States Navy, did not permit registry of application for such policy: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EUGENE DUS

The Clerk called the bill (H. R. 2946) for the relief of Eugene Dus.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eugene Dus, Hamburg, N. Y., the sum of $2,000. The payment of such sum shall be in full settlement of all claims of the said Eugene Dus against the United States for damages on account of the loss of his Mercedes-Benz automobile in Germany after it had been impounded by a representative of the United States Military Government in Germany: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$2,000" and insert "$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEO E. VERHAEGHE

The Clerk called the bill (H. R. 3027) for the relief of Leo E. Verhaeghe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leo E. Verhaeghe, of Bay City, Mich., the sum of $455.91. Such sums represents the amount of judgment and costs for which Leo E. Verhaeghe was held liable to Thomas R. Wiltse and the General Exchange Insurance Corp. on November 29, 1954, in a civil action in the United States District Court, Eastern District of Michigan, Northern Division. This civil action was the result of an accident which occurred on United States Highway No. 23 in Bay City, Mich., on August 16, 1952, and which involved a United States mail truck driven by Leo E. Verhaeghe, a motor-vehicle employee in the United States Post Office, Bay City, Mich. Such sum shall be paid only on the condition that Leo E. Verhaeghe shall use such sum, or so much thereof as is necessary, to pay such judgment and costs in full: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVELYN HARDY WATERS

The Clerk called the bill (H. R. 3193) for the relief of Evelyn Hardy Waters.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any statute of limitation or lapse of time or any provision of law to the contrary, suit may be instituted within 1 year after the date of enactment of this act by Evelyn Hardy Waters, of Pensacola, Fla., upon her claim against the United States for personal injuries sustained by her as a result of the alleged improper administering of an anesthetic in the course of an operation performed on her August 12, 1948, by the personnel of the naval hospital at Pensacola, Fla. In any such suit brought pursuant to this act proceedings shall be had and the liability, if any, of the United States shall be determined in accordance with the provisions of law applicable in the case of tort claims against the United States: *Provided*, That nothing in this act shall be construed as an inference of liability on the part of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARY A. SANSONE

The Clerk called the bill (H. R. 3376) for the relief of Mrs. Mary A. Sansone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Mrs. Mary A. Sansone, of 489 Henry Street, Brooklyn, N. Y., in full settlement of all claims against the United States as reimbursement for bond posted for her husband, Zaccaria Sansone: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES H. R. STUMBAUGH

The Clerk called the bill (H. R. 3982) for the relief of James H. R. Stumbaugh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James H. R. Stumbaugh, of Pensacola, Fla., the sum of $3,160.46 representing lump-sum leave payment due him upon the termination of his employment outside the continental United States on September 7, 1949: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES C. HAYES

The Clerk called the bill (H. R. 4026) for the relief of James C. Hayes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James C. Hayes, captain, Medical Corps, United States Army, of Passaic, N. J., the sum of $2,192.69. The payment of such sum shall be in full settlement of all claims of the said James C. Hayes against the United States arising out of the destruction of his personal property by fire on June 17, 1953, while such property was being shipped by the United States from Fort Richardson, Alaska, to Fort Sam Houston, Tex. The said James C. Hayes has recovered the maximum of $2,500 allowed under the Military Personnel Claims Act of 1945 and the loss incurred in excess of that amount ($2,192.69) cannot be recovered under that Act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$2,192.69" and insert in lieu thereof "$880.68."

Page 2, line 4, after the word "amount" strike out "($2,192.69)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KAHZO L. HARRIS

The Clerk called the bill (H. R. 4162) for the relief of Kahzo L. Harris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Kahzo L. Harris of Danville, Va., formerly a captain in the United States Army, the sum of $2,313.81, in full settlement of all claims against the United States for the damages sustained by him on account of the loss of personal property and household goods as a result of fire in his quarters at Camp Breckinridge, Ky., in January 1952, for which he has not heretofore been compensated: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any

contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

P. F. CLAVEAU

The Clerk called the bill (H. R. 4181) for the relief of P. F. Claveau, as successor to the firm of Rodger G. Ritchie Painting & Decorating Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to P. F. Claveau, of Post Office Box 1958, Anchorage, Alaska, as successor to the firm of Rodger G. Ritchie Painting & Decorating Co., the sum of $3,841.45, in full settlement of all claims of the said P. F. Claveau and the said firm of Rodger G. Ritchie Painting & Decorating Co., against the United States for additional compensation under the contract dated June 16, 1953 (No. AF 65(501)-369), between the United States and such firm for the exterior painting of 13 buildings at Elmendorf Air Force Base, Anchorage, Alaska. Such claims are based on additional expenses incurred by the said P. F. Claveau and the said firm of Rodger G. Ritchie Painting & Decorating Co., because of the extra work required of them in the performance of said contract as the result of conditions not set forth in the contract and specifications for such painting and which could not reasonably have been anticipated at the time the said contract was entered into: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. COL. GEORGE H. CRONIN

The Clerk called the bill (H. R. 4634) for the relief of Lt. Col. George H. Cronin, United States Air Force.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Lt. Col. George H. Cronin (Air Force service No. AO-132251) is hereby relieved of all liability to refund to the United States any sums representing certain overpayments for longevity and flying pay made to him during the period beginning August 1, 1942, and ending June 1, 1949. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for any amount for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUY FRANCONE

The Clerk called the bill (H. R. 5871) for the relief of Guy Francone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Guy Francone, Chicago, Ill., the sum of $500 in full settlement of all claims against the United States for reimbursement in the amount of a departure bond which was posted on September 18, 1950, in connection with the admission on such date of the alien Rocco Morisco, nephew of the said Guy Francone, to the United States as a temporary visitor: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAMUEL E. ARROYO

The Clerk called the bill (H. R. 5951) for the relief of Samuel E. Arroyo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Samuel E. Arroyo, 2929 Sunrise Avenue, Corpus Christi, Tex., the sum of $1,411.84, in full satisfaction and final settlement of his claim against the United States for destruction of his household goods by fire while in Government storage at the port of Whittier, Alaska, incident to his change of station in March 1953, from a post in Alaska to a post in the State of Washington while on active duty in the Army of the United States, such amount being in addition to the amount of $2,500 already administratively paid to him under the provisions of the Military Personnel Claims Act of 1945, as amended (31 U. S. C. 222c): *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEMORAN J. PIERRE, JR.

The Clerk called the bill (H. R. 6082) for the relief of Nemoran J. Pierre, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. O. (jg) Nemoran J. Pierre, Jr., of 2036 Monroe Lane, Gary, Ind., the sum of $1,293.65 in full settlement of all claims against the United States for the damages sustained by him on account of the destruction of his household goods and personal effects when the house occupied by him and his family under a private rental agreement at Hayama, Honshu, Japan, was destroyed by fire on November 15, 1953, for which he has not heretofore been compensated: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents or attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. WILLIAM S. AHALT AND OTHERS

The Clerk called the bill (H. R. 6281) for the relief of Capt. William S. Ahalt and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That relief is hereby granted the various disbursing officers of the United States hereinafter mentioned in amounts shown herein, or in such lesser amounts as may be outstanding on the date of enactment of this act, said amounts representing amounts of erroneous payments made by said disbursing officers of public funds for which said officers are accountable as listed in and under the circumstances described in identical letters of the Secretary of the Army to the Speaker of the House of Representatives and to the President of the Senate, and that the Comptroller General of the United States is hereby authorized and directed to credit in the accounts of following officers of the Army, Air Force, Navy, and Marine Corps the amounts set forth opposite their names, or such lesser amounts as may be outstanding on the date of enactment of this act: Capt. William S. Ahalt, Finance Corps (now major), Army, $3,817.86; Lt. Col. Joseph Marcel Barrette, Finance Corps, Army (now relieved from active duty), $2,580.82; Maj. Richard J. Bearr, Finance Corps, Army (now lieutenant colonel), $301.60; Col. Jose R. Berrios, Finance Corps, Army (now relieved from active duty), $1,595.84; 1st Lt. Ralph M. Bounds, Finance Corps, Army (now captain), $166.76; Lt. Col. Vernon Morgan Budge, Finance Corps, Army (now colonel), $3,356.44; Lt. Col. Henry Graper Buck, Finance Corps, Army (now retired), $4,852.81; Capt. John James Carroll, Finance Corps, Army (now major), $2,417.74; Col. James Clarke Carter, Finance Corps, Army (now relieved from active duty), $666.49; Lt. Col. Buster Cornett, Finance Corps, Army, $340.50; Col. Richard David Daugherity, Finance Corps, Army (now retired), $8,637.50; Maj. Elmer W. Dean, Finance Corps, Army (now lieutenant colonel), $1,913.47; Col. August William Farwick, Finance Corps, Army, $3,469.40; Lt. Col. Ocie A. Coleman, Finance Corps, Army, $429.09; Lt. Col. Edwin Harding, Jr., Finance Corps, Army $2,932.27; Capt. Robert Edward Hastings, Finance Corps, Army (now relieved from active duty), $2,231.25; Lt. Col. Nelson Blaine Hill, Finance Corps, Army, $1,642.88; Lt. Col. Benjamin Heath Johnston, Finance Corps, Army, $6,783.43; Maj. Harold Wesley Kasserman, Finance Corps, Army, $1,720.67; Col. Joseph C. Kovarik, Finance Corps, Army (now retired), $1,722.27; Lt. Col. Charles P. Law, Finance Corps, Army (now colonel), $601.83;

UNIVERSITY OF MICHIGAN

Col. Columbus Bierce Lenow, Finance Corps, Army (now retired), $968.98; Maj. William Harry Lord, Finance Corp, Army (deceased), $775.14; Harry E. Luttrell, special disbursing agent, Army, $450; Lt. Col. John M. Lydick, Finance Corps, Army (now colonel), $2,965.73; Maj. Clyde L. Martin, Finance Corps, Army (now lieutenant colonel), $2,826.06; Maj. Anthony Gaul Merritt, Finance Corps, Army (now lieutenant colonel), $1,087.40; Col. Joe Floyd Miner, Finance Corps, Army, $1,310.46; Capt. Robert E. Mulcahy, Finance Corps, Army (now major), $320; Lt. Col. Louis C. Mulvaney, Finance Corps, Army, $325.94; Lt. Col. Walter Knox Payne, Finance Corps, Army (now retired), $720.90; Lt. Col. Quenna A. Pearson, Finance Corps, Army, $75; Lt. Col. Merrill William Phoenix, Finance Corps, Army, $2,386.44; Lt. Col. George P. Price, Finance Corps, Army, $807.17; Maj. Paul Lee Rodgers, Finance Corps, Army (now lieutenant colonel), $370.10; Lt. Col. Stilson Hilton Smith, Jr., Finance Corps, Army (now colonel), $11,043.66; Capt. Donald M. Soliday, Finance Corps, Army, $2,326.61; Col. Wallace Chace Steiger, Finance Corps, Army (now retired), $2,377.88; Col. Grover A. Summa, Finance Corps, Army (now retired), $1,910.66; Maj. James F. Vaughan, Finance Corps, Army, $2,132.72; Maj. Burrel V. Waite, Finance Corps, Army, $181.05;

Lt. Col. Alson E. Williams, Finance Corps, Army, $2,813.97; Maj. John Charles Young, Finance Corps, Army (deceased), $1,110.49; Maj. Robert E. Zunwalt, Finance Corps, Army (now warrant officer, junior grade), $1,488.12; Capt. Carroll Eugene Adams, Air Force, $483.92; Capt. Gene Carlyle Anderson, Air Force, $76.75; Capt. Frank Lewis Bachman, Air Force (now major), $1,639.99; Maj. Fred Carl Baker, Air Force (now lieutenant colonel), $278; Maj. James Luther Barber, Jr., Air Force, $3,649.27; Maj. Frank Jerome Begley, Air Force, $16.50; Maj. Elton August Bohrens, Air Force (now lieutenant colonel), $4,346.57; Capt. James Levi Biles, Jr., Air Force (now major), $543; Capt. Albert Paul Blue, Air Force (now major), $849.36; 1st Lt. Laurin Carson Bort, Jr., Air Force (now captain), $7,308.05; Lt. Col. Harold Odell Brickell, Air Force, $639.75; Capt. Charles William Brock, Air Force (now major), $421.21; Lt. Col. Clarence H. Burd, Air Force, $9,393.48; 1st Lt. John Baxter Campbell, Air Force (now captain), $246.70; Capt. Neal Hotton Carpenter, Air Force (now lieutenant colonel), $1,517.24; Lt. Col. Floyd William Clark, Air Force, $534.91; Capt. Ross Leo Clements, Air Force, $3,045.38; Maj. Douglas Lee Clinely, Air Force, $192.80; Capt. Weldon Stanley Daubard, Air Force, $149.42; Lt. Col. Bruce Gregory Duncan, Air Force, $787.52; Maj. Jacob Clayton Eckart, Air Force, $1,852.70;

Capt. Kenneth Ronald Enyeart, Air Force, $130.20; Maj. Grover Cleveland Farmer, Air Force (now lieutenant colonel), $1,835.45; Capt. George Alexander Finan, Jr., Air Force, $758.39; Lt. Col. Stanley A. Fulcher, Air Force, $194.89; Capt. Owen Earl Hague, Air Force (now major), $2,809.97; Lt. Col. Harold William Hansen, Air Force, $594.23; Capt. Charles Oscar Harden, Air Force (now major), $2,983.40; Maj. Fred Paul Hardy, Air Force, $207.40; Capt. Daniel Blaine Harris, Air Force, $615.69; Lt. Col. Robert Yerby Harriss, Air Force, $2,093.94; Maj. Ober Marion Heath, Air Force, $2,562.09; Maj. Frederick Earl Hellenga, Air Force, $1,707.78; Capt. Sidney Belmont Hendren, Air Force (now major), $1,817.83; Maj. Gilbert Dean Hereth, Air Force, $2,673.91; Maj. Harold James Herrick, Air Force, $4,487.03; Maj. Edward H. Hoffman, Air Force (now lieutenant colonel), $1,295.54; Maj. Gould Kingery Holland, Air Force, $3,092.48; Lt. Col. Farrell E. Hupp, Air Force, $669.37; Lt. Col. Richard Perkins Hurd, Air Force, $773.62; Maj. Clarence Clifford Jamison, Air Force, $635.64; Lt. Col. Mallie Johnson, Air Force, $80.77; Capt. William Aubrey Jones, Air Force, $76.85; Capt. Thomas Lee Keal, Air Force, $1,127.07; Maj. Edward Julian Krocker, Air Force, $1,444.54; Maj. Fred O. LaFevers, Jr., Air Force, $132.90; Maj. Frank Browne Leggette, Air Force, $760.34; Capt. George Frederick Lewis, Air Force, $117.14; Maj. Victor James Loughnan, Air Force, $2,621.51; Maj. Francis Mathew Malone, Air Force, $898.16; Maj. Thomas Sutton Martin, Jr., Air Force, $471.08; Capt. Raphael Martinez, Air Force (now major), $2,484.95; Capt. Robert Wilburn Masters, Air Force (now major), $1,273.73; Maj. Harry James McAuley, Air Force (now lieutenant colonel), $1,316.49; Capt. Sidney Gale McGavic, Air Force, $604.74;

First Lt. H. W. McGuire, Air Force, $3,556.13; Lt. Col. William Louis McKnight, Air Force, $423.90; Lt. Col. Hoke McWhorter, Air Force, $1,594.45; Lt. Col. Ray Mills, Air Force, $119.90; Maj. Junior Donald Murfield, Air Force, $126.40; Maj. Henry Harper Myers, Air Force, $614.42; Maj. Harold Leo Oldenburg Air Force (now deceased), $1,920.18; Maj. Claybert Wilson Reid, Air Force, $822.81; Maj. Arval R. Ricketts, Air Force (now lieutenant colonel), $770.37; Col. Harold Eric Russell, Air Force, $2,239.90; Capt. William Hardwick Simmons, Air Force (now major), $1,638.79; Capt. Dudley Guy Simpson, Air Force, $419.47; 1st Lt. John Merle Smith, Air Force (now major), $275.88; Lt. Col. Vincent Edgar Smith, Air Force, $99.12; Lt. Col. Luther Russell Stebbins, Air Force (now colonel), $645.14; Maj. Frederick Parks Steck, Air Force, $846.60; Maj. Otis V. Stephenson, Air Force (now lieutenant colonel), $764.83; Maj. Lawrence Trupe, Air Force, $387.67; Capt. Austin Wayne Turner, Air Force, $1,558.59; Maj. Fred Vann, Air Force, $1,174.58; Maj. F. J. Verhulst, Jr., Air Force, $172.36; Maj. Earl Woodall Wolslagel, Air Force, $318.33; Comdr. W. G. Bacon, Supply Corps, Navy Reserve, $165; Capt. E. F. Parker, Supply Corps, Navy, $1,409.44; Lt. T. F. Beck, Supply Corps, Navy, $10.75; Lt. (jg.) J. J. Beckham, Supply Corps, Navy, $12.80; Lt. (jg.) W. P. Bennett, Supply Corps, Navy Reserve, $18.75.

Lt. (jg.) Edward F. Bailey, Supply Corps, Navy, $260.41; Ens. Jack M. Brennan, Supply Corps, Navy, $57.50; Lt. (jg.) B. E. Blum, Women Volunteer (special), Supply Corps, Navy Reserve, $187.50; Lt. (jg.) W. L. Blumling, Supply Corps, Navy, $210; Lt. Frank L. Brogdon, Supply Corps, Navy, $86.60; Ens. Carol H. Brooks, Supply Corps, Navy, $92.80; Ens. William H. Brownell, Supply Corps, Navy, $114.41; Ens. Wright A. Burnham, Supply Corps, Navy, $216.97; Ens. Richard B. Campbell, Supply Corps, Navy Reserve, $80; Lt. (jg.) Darrell Newcomb Coba, Supply Corps, Navy, $66; Lt. (jg.) Mary B. Crooks, Supply Corps (Women), Navy Reserve, $75; Lt. Comdr. Philip C. Dahlquist, Supply Corps, Navy, $133.50; Lt. (jg.) Marshall E. Domash, Supply Corps, Navy Reserve, $37.50; Ens. James G. Downey, Supply Corps, Navy, $150.80; Lt. Maurice K. Downs, Supply Corps, Navy, $18.75; Lt. (jg.) Austin L. Finan, Jr., Supply Corps, Navy Reserve, $93.75; Lt. (jg.) John C. Fitzpatrick, Supply Corps, Navy Reserve, $252; Ens. John Harris Ford, Supply Corps, Navy Reserve, $56.25; Lt. Comdr. Lyon H. Fowler, Supply Corps, Navy Reserve, $35; Lt. Helen R. Gorham, Supply Corps, Navy, $200; Lt. (jg.) Eugene Gralla, Supply Corps, Navy, $12.53; Ens. James Robert Greene, Supply Corps, Navy, $600; Lt. Thomas C. Hemmick, Supply Corps, Navy Reserve, $37.50;

Lt. Comdr. Robert E. Henderson, Supply Corps, Navy Reserve, $34.66; Lt. Simeon G. Higgins, Supply Corps, Navy, $102.93; Ens. Earl Wallace Horngren, Supply Corps, Navy, $107.60; Ens. Ben Johnson, Supply Corps, Navy, $150; Ens. Karl August Johnson, Supply Corps, Navy, $357.20; Lt. (jg.) Cecil Franklin Jones, Supply Corps, Navy, $75; Lt. (jg.) John Edward Juracka, Supply Corps, Navy, $210.42; Comdr. Stephen Jurika, Jr., Supply Corps, Navy, $74.50; Lt. Joseph G. Kaiser, Supply Corps, Navy, $311.94; Lt. Comdr. Charles A. Kasdorf, Jr., Supply Corps, Navy, $1,104.50; Lt. Comdr. Robert John Kliese, Supply Corps, Navy, $150; Ens. Donald Hedges Lake, Supply Corps, Navy, $42.50; Lt. Arthur W. Lazcano, Supply Corps, Navy, $9; Ens. Bob R. Lindsey, Supply Corps, Navy, $149.12; Lt. Irene Lillian Lumby, Supply Corps (Women), Navy Reserve, $393.75; Lt. Norman C. Lunde, Supply Corps, Navy, $57.60; Lt. Comdr. Sam Cruse, Supply Corps, Navy, $131.78; Lt. George W. MacFerren, Supply Corps, Navy, $318.75; Lt. Joseph Ronald McGuinn, Supply Corps, Navy Reserve, $150; Ens. Charles G. Maggi, Jr., Supply Corps, Navy, $150; Lt. Orville L. Marlett, Supply Corps, Navy Reserve, $18.75; Lt. William W. Miller, Supply Corps, Navy, $100; Lt. O. B. Molidor, Supply Corps, Navy Reserve, $30; Lt. John B. Morgan, Supply Corps, Navy Reserve, $75;

Lt. (jg.) Frederick L. Morrill, Supply Corps, Navy Reserve, $240; Lt. Comdr. Robert Stone Morrison, Supply Corps, Navy Reserve, $155.10; Lt. Carroll E. Neely, Supply Corps, Navy, $18.75; Lt. (jg.) Burl D. Pollock, Supply Corps, Navy, $660; Lt. (jg.) Robert K. Ponder, Supply Corps, Navy, $14; Ens. Stanley W. Potts, Supply Corps, Navy, $18.75; Lt. James A. Robinson, Supply Corps, Navy, $18.75; Ens. J. Forest Schnaible, Supply Corps, Navy Reserve, $105; Lt. Leland A. Schmidt, Supply Corps, Navy Reserve, $112.50; Lt. Russell W. Sharpe, Supply Corps, Navy Reserve, $281.25; Ens. Raymond W. Sitz, Supply Corps, Navy, $10; Comdr. Ray E. Snedaker, Supply Corps, Navy, $27.50; Lt. Comdr. E. D. Spencer, Supply Corps, Navy, $2,800.92; Lt. (jg.) Robert M. Spicer, Supply Corps, Navy, $238.75; Ens. William J. Vogel, Supply Corps, Navy, $149.24; Lt. (jg.) George N. Wade, Supply Corps, Navy, $115.20; Capt. Clarence G. Warfield, Supply Corps, Navy Reserve, $320; Lt. (jg.) William D. Warne, Supply Corps, Navy, $104.10; Lt. William B. West, Supply Corps, Navy, $1.20; Ens. David E. Whelan, Supply Corps, Navy, $34.60; Lt. (jg.) Charles R. Wilson, Supply Corps, Navy Reserve, $92.50;

Lt. (jg.) Marjorie E. Wright, Supply Corps, Navy Reserve, $37.50; Lt. Robert M. Wilson, Supply Corps, Navy, $45; Lt. Robert J. Thede, Supply Corps, Navy Reserve, $56.25; Comdr. C. F. Ray, Supply Corps, Navy, $153.85; Lt. (jg.) Bernard B. Wright, Supply Corps, Navy, $50; Lt. (jg.) James C. Keener, Supply Corps, Navy, $120; Lt. (jg.) Albert L. McGlaun, Jr., Supply Corps, Navy, $350; Lt. Bernard J. Hackenson, Supply Corps, Navy, $4,469; Ensign Paul M. Korman, Supply Corps, Navy Reserve, $56.25; Capt. Stanley Addison Joy, Supply Corps, Navy Reserve $684.51; Lt. (jg.) E. B. Barnett, Supply Corps, Navy, $20; Lt. Peniston E. Browne, Supply Corps, Navy, $1,650.23; Maj. Thea A. Smith, Marine Corps (now lieutenant colonel), $73.85; Maj. Charles E. Yale, Marine Corps (deceased), $724.10; the foregoing amounts representing erroneous payments of public funds for which these officers are accountable, which payments resulted from accounting differences and minor errors in determining amounts of pay and allowances due former officers, enlisted men and civilian employees of the services concerned or contractors and vendors from whom collection of the overpayments has not been effected and which amounts have been disallowed by the Comptroller General of the United States.

SEC. 2. Any amounts refunded by any disbursing officer or his heirs in connection with any item of indebtedness in accounts cleared herein and any amount otherwise due any disbursing officer or his heirs which was set off against any item of indebtedness which is cleared herein, shall be refunded to such disbursing officer or his heirs from the account to which credited if that account is available for disbursement, or if not, from the appropriation "Payment of Certified Claims." No part of the amounts authorized under this section to be refunded shall be charged against any individual other than

the person to whom the erroneous payment was made or the person who received the benefit thereof.

SEC. 3. In all cases where disbursing officers' accounts are cleared or relieved under the authority of this act, such clearance or relief shall be considered and construed as precluding the recovery from such disbursing officers of any interest charges (whether in connection with judicial proceedings or otherwise) arising from any item so cleared or relieved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATHAN L. GARNER

The Clerk called the bill (H. R. 6282) for the relief of Nathan L. Garner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. Sgt. Nathan L. Garner, Mount Olive, N. C., the sum of $1,600, together with interest at the rate of 4 percent per annum from November 10, 1954, to the date of making payment under this act, and the sum of $110.22, representing accrued interest on certain deposits to November 10, 1954, in full settlement of all claims against the United States for the loss sustained by him when certain deposits of his savings made at Fort Bragg, N. C., in 1953–1954 to soldiers' deposits were never applied or returned to him by the responsible officer and for which he has not heretofore been fully compensated: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS W. BEVANS AND OTHERS

The Clerk called the bill (H. R. 6395) for the relief of Thomas W. Bevans and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to the following disbursing officers and former disbursing officers of the armed services the amounts listed opposite their names, which amounts represent moneys paid from their personal funds to liquidate deficiencies incurred in their accounts in good faith and without fraud or collusion on their part:

Lt. Thomas W. Bevans, Supply Corps, United States Navy, $6.50; Ensign Franklin E. Clay, Supply Corps, United States Naval Reserve, $50; Lt. Comdr. William R. Davenport, Supply Corps, United States Naval Reserve, $24.23; Ens. Albert R. Dow, Supply Corps, United States Naval Reserve, $22.10; Ens. Jack Futerfas, Supply Corps, United States Navy, $17.44; Lt. (jg.) Aloys A. Godar, Supply Corps, United States Naval Reserve, $5.52; Lt. (jg.) Richard K. Greenlee, Supply Corps, United States Naval Reserve, $30.88; Ens. Owen D. Griffin, Supply Corps, United States Naval Reserve, $4,000; Ens. Hobart D. Harvey, Supply Corps, United States Navy, $1,503; Lt. Richard C. Hoskins, Supply Corps, United States Naval Reserve, $15.60; Lt. (jg.) Alvin D. Jacobs, Supply Corps, United States Naval Reserve, $56.44; Lt. (jg.) R. V. Kelly, Supply Corps, United States Naval Reserve, $10; Victoria Kralka Le Brou (widow of Col. Richard K. Le Brou, Finance Corps, symbol No. 210257), $400.89; Comdr. James T. Mathews, Jr., Supply Corps, United States Navy, $181.60; Lt. (jg.) Vincent J. McCabe, Supply Corps, United States Naval Reserve, $36.25;

Lt. (jg.) James E. McDonald, Supply Corps, United States Naval Reserve, $30.33; Ens. Charles H. McKenzie, Supply Corps, United States Navy, $135.40; Ens. James K. Meritt, Supply Corps, United States Naval Reserve, $23.30; Commissioned W. O. Norman V. Miller, United States Marine Corps, $452; Mae R. Nagel (widow of Col. Jacob Louis Nagel, Finance Corps, symbol No. 210601), $769.43; Mrs. Florence Netcher (widow of Col. Fred Charles Netcher, Finance Corps, symbol No. 211971), $104.74; Ensign R. P. Schmitt, Supply Corps, United States Naval Reserve, $109; Lt. (jg.) Jean M. Shaefer, Supply Corps (W), United States Naval Reserve, $57.47; Lt. (jg.) William John Vogel, Supply Corps, United States Navy, $585.16; Comdr. John Byron Warner, Supply Corps, United States Navy, $437; Ens. LeRoy William Adams, Supply Corps, United States Naval Reserve, $15; Lt. (jg.) John Joseph Beck, Supply Corps, United States Navy, $326.82; Lt. (jg.) Mason V. Carlson, Supply Corps, United States Naval Reserve, $37.50; Ens. William E. Dorion, Supply Corps, United States Naval Reserve, $19.88;

Lt. Ernest Telford Grant, Supply Corps, United States Navy, $12; Lt. (jg.) Lloyd Russell Jones, Supply Corps, United States Naval Reserve, $73.54; Lt. Comdr. George Garland Jordan, Supply Corps, United States Navy, $56.25; Lt. Ben T. Karnes, Supply Corps, United States Navy, $104.40; Ens. Samuel Thompson Lattimore, Supply Corps, United States Navy, $9; Lt. Oscar William Levy, Supply Corps, United States Navy, $28.58; Lt. Robert Charles Lyons, Supply Corps, United States Navy, $126.96; Lt. Fred A. McCuan, Supply Corps, United States Navy, $300; Lt. (jg.) Louis G. Pierce, Supply Corps, United States Naval Reserve, $104.27; Ens. Max B. Reed, Supply Corps, United States Navy, $98.50; Ens. Robert Lee Rigel, Supply Corps, United States Naval Reserve, $100; estate of Capt. John Manning Speissegger, Supply Corps, United States Naval Reserve, $100.10; Ens. James M. Waters, Supply Corps, United States Naval Reserve, $50; Ens. Franklin C. Wright, Supply Corps, United States Naval Reserve, $78; Lt. Robert C. Zell, Supply Corps, United States Navy, $19.50.

SEC. 2. The relief herein authorized in no way shall bar recovery from the payees or beneficiaries of the amounts improperly received by them.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE PROTESTANT EPISCOPAL CHURCH IN THE HAWAIIAN ISLANDS

The Clerk called the bill (H. R. 3636) to authorize the issuance of a land patent to certain lands situate in the city and county of Honolulu, Island of Oahu, to The Protestant Episcopal Church in the Hawaiian Islands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioner of Public Lands of the Territory of Hawaii, with the consent of the Governor of said Territory, be authorized to issue a land patent to The Protestant Episcopal Church in the Hawaiian Islands, a religious corporation, covering the following described land: Lot No. 186, of the Waimanalo Beach lots, containing an area of approximately 14,351 square feet. Said patent to be subject to such conditions as the said Commissioner of Public Lands, with the approval of the said Governor, shall prescribe.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STANISLAVAS RACINSKAS

The Clerk called the bill (S. 39) for the relief of Stanislavas Racinskas (Stacys Racinskas).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Stanislavas Racinskas (Stacys Racinskas). From and after the date of enactment of this act, the said Stanislavas Racinskas (Stacys Racinskas) shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVANTIYI YORGIYADIS

The Clerk called the bill (S. 68) for the relief of Evantiyi Yorgiyadis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Evantiyi Yorgiyadis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARGARET ISABEL BYERS

The Clerk called the bill (S. 89) for the relief of Margaret Isabel Byers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Margaret Isabel Byers shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNIVERSITY OF MICHIGAN

AHTI JOHANNES RUUSKANEN

The Clerk called the bill (S. 93) for the relief of Ahti Johannes Ruuskanen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ahti Johannes Ruuskanen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SULTANA COKA PAVLOVITCH

The Clerk called the bill (S. 121) for the relief of Sultana Coka Pavlovitch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sultana Coka Pavlovitch shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIROSLAV SLOVAK

The Clerk called the bill (S. 129) for the relief of Miroslav Slovak.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Miroslav Slovak shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided*, That the past membership of Miroslav Slovak in the classes defined in section 212 (a) (28) of the Immigration and Nationality Act shall not hereafter be a cause for his exclusion from the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUISE RUSSU SOZANSKI

The Clerk called the bill (S. 193) for the relief of Louise Russu Sozanski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Louise Russu Sozanski shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHANNA SCHMID

The Clerk called the bill (S. 236) for the relief of Johanna Schmid.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Johanna Schmid, the fiancée of Edmond J. Bolz, Jr., a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Johanna Schmid is coming to the United States with a bona fide intention of being married to the said Edmond J. Bolz, Jr., and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act. In the event that the marriage between the above-named persons does not occur within 3 months after the entry of the said Johanna Schmid, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Johanna Schmid, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Johanna Schmid as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. DIANA COHEN AND JACQUELINE PATRICIA COHEN

The Clerk called the bill (S. 320) for the relief of Mrs. Diana Cohen and Jacqueline Patricia Cohen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Diana Cohen and Jacqueline Patricia Cohen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNI MARJATTA MAKELA ET AL.

The Clerk called the bill (S. 321) for the relief of Anni Marjatta Makela and son, Markku Paivio Makela.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anni Marjatta Makela and son, Markku Paivio Makela, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELLEN HENRIETTE BUCH

The Clerk called the bill (S. 351) for the relief of Ellen Henriette Buch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ellen Henriette Buch shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN ZAFRED URBANIC

The Clerk called the bill (S. 407) for the relief of Helen Zafred Urbanic.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Helen Zafred Urbanic, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Frank Urbanic, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCY PERSONIUS

The Clerk called the bill (S. 439) for the relief of Lucy Personius.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Lucy Personius, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Glen C. Personius, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRISKA ANNE KARY

The Clerk called the bill (S. 504) for the relief of Priska Anne Kary.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Priska Anne Kary may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZEV COHEN (ZEV MACHTANI)

The Clerk called the bill (S. 844) for the relief of Zev Cohen (Zev Machtani).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Zev Cohen (Zev Machtani) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATHRYN A. GLESENER

The Clerk called the bill (H. R. 1216) for the relief of Cathryn A. Glesener.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cathryn A. Glesener, of Underwood, Wash., the sum of $70,031.38, in full satisfaction and final settlement of all her claims against the United States for compensation arising out of (1) the damage caused to her leasehold rights in certain shorelands, located on the north side of and extending into the Columbia River, near Underwood, Wash., caused by the United States engineers in the construction of the Bonneville Dam, and (2) the damages sustained by her as the result of the destruction of her rafting and booming business as such leasehold property by the construction of said dam: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "70,031.38", and insert in lieu thereof "18,151.97."

Page 2, line 3, after the word "business", strike out "as", and insert "at."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIANNE ANITA ZELINKA

The Clerk called the bill (H. R. 1245) for the relief of Marianne Anita Zelinka.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Marianne Anita Zelinka, shall be held and considered to be the natural-born alien child of Raymond G. Grogg, citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENNARO SAVARESE

The Clerk called the bill (H. R. 1275) for the relief of Gennaro Savarese.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Gennaro Savarese shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUDOLFO M. GOMEZ (CAPAZ)

The Clerk called the bill (H. R. 1463) for the relief of Rudolfo M. Gomez (Capaz).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Rudolfo M. Gomez (Capaz), may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JOAN CRAIG NEWELL

The Clerk called the bill (H. R. 1540) for the relief of Mrs. Joan Craig Newell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Joan Craig Newell shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARIA DICRAN SIMON

The Clerk called the bill (H. R. 1541) for the relief of Mrs. Maria Dicran Simon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Maria Dicran Simon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER LUIGIA PELLEGRINO ET AL.

The Clerk called the bill (H. R. 1648) for the relief of Sister Luigia Pellegrino, Sister Angelina Nicastro, and Sister Luigina Di Martino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Luigia Pellegrino, Sister Angelina Nicastro, and Sister Luigina Di Martino shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LINDA BERYL SAN FILIPPO

The Clerk called the bill (H. R. 1997) for the relief of Linda Beryl San Filippo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Linda Beryl San Filippo may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

UNIVERSITY OF MICHIGAN

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENGT WIKSTAM

The Clerk called the bill (H. R. 2073) for the relief of Bengt Wikstam.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Bengt Wikstam may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 9, strike out the word "have" and insert "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTONI RAJKOWSKI

The Clerk called the bill (H. R. 2495) for the relief of Antoni Rajkowski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Antoni Rajkowski shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIHAI INDIG

The Clerk called the bill (H. R. 2721) for the relief of Mihai Indig.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mihai Indig shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 7, after the word "fee.", strike out the balance of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK SCRIVER

The Clerk called the bill (H. R. 2756) for the relief of Frank Scriver.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Frank Scriver shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN RELATIVES OF UNITED STATES CITIZENS OR LAWFULLY RESIDENT ALIENS

The Clerk called the bill (H. R. 6086) for the relief of certain relatives of United States citizens or lawfully resident aliens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, the aliens hereinafter named may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: Maria Alexandrina Martins Almeida, Selma H. Bakmazian, Olga Bartley, Lucia P. Boscarino, Athanasia Bratsis, Johanna I. H. Brink, Colette M. Brown, Eva Burlew, Mrs. Ellen Byrne, Viviane Lucienne Therese Felicie Renee Vennin Carter (Mrs. Billy Ray Carter), Anastasio Cauchon, Clara B. Cheas, Rosa M. Cheney, Elsa Schott Cicca, Antonio Da Prato, Marianne Schuster Dawes, Elisabeth Van V. De Mik, Vasiliki Demos, Sylvia T. East, Elsa Wahl Enlow, Ines Lenzi Erickson, Mrs. Marielise Fallotico, Regine M. G. Freund, Mrs. Isolde Frohne, Mrs. Margarete Schober Frugia, Mrs. Emma Gafner, Michael Gerdelan, Salvatore Gineo, Renata C. E. M. Gould, Rosie Lu Hall, Helen K. Hart, Brunhilde Walburga Golomb Hartsworm, Joan Hawkins, Charles M. Hendrix, Margarete Wanda Hockenberry, Margit Hood, Beryl R. Irrer, Gerhard Kamp, Sofia B. P. Kanell, Kathleen B. Kircher, Erma Marie Yasuko Kuzina, Fotini Lambridis, Regina Chan Lee, Yvette M. Levin, Mrs. Young See Louie, Giacomo Marzi, Margaret A. J. H. Mayberry, Mrs. Maria J. McPherson, Margers Nulle-Siecenieks, Monique A. G. Owens, Mr. Giovanni Pane, Loretta Pereira, Martha Petersen, Barbara B. Pleskow, Maria da Conceicao Prentice, Helene Ramo, Joseph Ritchie, Enrico Salvo, Hermine M. Sarkissian, Irene Schaetzel, Bernd Schmidt, Sheila M. Skipp, Julius Gyula Sternberger, Mrs. Rosa Pfiffner Stout, Alzbeta Katerina Szwabe, Mary T. Toner, Skevos N. Tsoukalas, Mrs. Jean Barbara Laing Vance, Demetra S. Victor, Mrs. Theresa Vlassopoulos, Maria K. A. I. Walther, Mrs. Kazuko (Takeda) Williams, Dung Kwai Wong (also known as Dung Wong Kwai), Charlotte S. Zornow.

With the following committee amendments:

On page 1, line 5, after the words "after named may", insert the words "be granted visas and."

On page 2, line 3, after the name "Almeida", insert the names "Rosemarie E. Anstett, Anita S. Armstrong."

On page 2, line 4, after the name "Bakmazian", insert "Anna V. Barbour."

On page 2, line 7, after "(Mrs. Billy Ray Carter)", insert "Hildegard Case."

On page 2, line 9, after "Cicca", insert "Antonio Ciccone."

One page 2, line 9, after "Dawes", insert "Pietro Degnitti."

On page 2, line 13, after "Gerdelan", insert "Felice Ghersi."

On page 2, line 14, after "Gould", insert "Willemina K. Haaijer."

On page 2, line 17, after "Irrer", insert "Juliana P. Jones."

On page 2, line 19, after "Lambridis", insert "Brigite Seydl Lattig."

On page 2, line 20, after "Levin", insert "Ramon Martin Lopez."

On page 2, line 21, after "McPherson", insert "Elvira P. Motsenbocher."

On page 2, line 24, after "Ramo", insert "Henriette R. Rawlins, Patricia R. Redding."

On page 2, line 24, after "Ritchie", insert "Ursula Ross."

On page 3, line 5, strike out the name "Paul S. Wieandt", and substitute in lieu thereof the name "Stephan J. P. Wieandt."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROGERIO SANTANA DE FRANCA

The Clerk called the bill (H. R. 1537) for the relief of Rogerio Santana de Franca.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Rogerio Santana de Franca shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee" strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEAN ISABEL HAY WATTS

The Clerk called the bill (H. R. 1538) for the relief of Jean Isabel Hay Watts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jean Isabel Hay Watts shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon

payment of required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the year that such quota is available.

With the following committee amendment.

On page 1, line 7, after the words "visa fee.", strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DALISAY LOURDES CRUZ

The Clerk called the bill (H. R. 1552) for the relief of Dalisay Lourdes Cruz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Dalisay Lourdes Cruz shall be held and considered to be the natural-born minor alien child of Mr. and Mrs. Antonio Cruz, citizens of the United States.

With the following committee amendment:

On page 1, lines 5 and 6, delete the word "natural-born."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIM DONG SU

The Clerk called the bill (H. R. 1661) for the relief of Kim Dong Su.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kim Dong Su shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", strike out the period and insert a colon and add the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BARBARA KNAPE

The Clerk called the bill (H. R. 1693) for the relief of Barbara Knape.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Barbara Knape may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAX STEINSAPIR

The Clerk called the bill (H. R. 2911) for the relief of Max Steinsapir.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of the 11th category of section 3 of the Immigration Act of 1917, as amended, Max Steinsapir may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of the immigration laws.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Max Steinsapir may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAZARA CAMARGO BERNOUDY

The Clerk called the bill (H. R. 2929) for the relief of Lazara Camargo Bernoudy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Lazara Camargo Bernoudy shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALVACION CARBON

The Clerk called the bill (H. R. 1549) for the relief of Salvacion Carbon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Salvacion Carbon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the period to a colon and insert the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUALBERTO ESTRALLA ALABASTRO ET AL.

The Clerk called the bill (H. R. 1551) for the relief of Gualberto Estralla Alabastro, Pura Zarco Alabastro, and Arlene Alabastro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Gualberto Estralla Alabastro, Pura Zarco Alabastro, and Arlene Alabastro shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELENA GIGLIOTTI

The Clerk called the bill (H. R. 1750) for the relief of Elena Gigliotti.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Elena Gigliotti shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

UNIVERSITY OF MICHIGAN

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARGARETE GARTNER

The Clerk called the bill (H. R. 1883) for the relief of Margarete Gartner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Margarete Gartner, the fiance of Sfc. William M. Thompson, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Margarete Gartner is coming to the United States with a bona fide intention of being married to the said Sfc. William M. Thompson and that she is found admissible under the Immigration and Nationality Act, other than the provisions of section 212 (a) (9) thereof: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Margarete Gartner, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Margarete Gartner, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Margarete Gartner as of the date of the payment by her of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALEJANDRO FLORENTINO MUNOZ

The Clerk called the bill (H. R. 2274) for the relief of Alejandro Florentino Munoz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alejandro Florentino Munoz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS ELVIRA BORTOLIN

The Clerk called the bill (H. R. 2724) for the relief of Miss Elvira Bortolin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Miss Elvira Bortolin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFELIA MARTIN

The Clerk called the bill (H. R. 2791) for the relief of Ofelia Martin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Ofelia Martin, shall be held and considered to be the natural-born alien child of Sgt. and Mrs. Gentry Martin, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARMELO RODRIGUEZ PEREZ, ALSO KNOWN AS CARMELO RODRIGUEZ FENALD

The Clerk called the bill (H. R. 2925) for the relief of Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 250 of the Immigration and Nationality Act, the minor child, Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald, shall be held and considered to be the natural-born alien child of Sydney Fenald, citizen of the United States.

With the following committee amendment:

Page 1, line 4, strike out "250" and insert "205."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ASSUNTINO DEL GOBBO

The Clerk called the bill (H. R. 3048) for the relief of Assuntino Del Gobbo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Assuntino Del Gobbo may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 9, strike out "have" and insert "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIUSEPPA ARSENA

The Clerk called the bill (H. R. 3270) for the relief of Giuseppa Arsena.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Giuseppa Arsena shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVELINE WENK NEAL

The Clerk called the bill (H. R. 3504) for the relief of Eveline Wenk Neal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Eveline Wenk Neal may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 9, strike out "have" and insert "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUISE ISABELLA CHU, ALSO KNOWN AS LUISE SCHNEIDER

The Clerk called the bill (H. R. 3628) for the relief of Luise Isabella Chu, also known as Luise Schneider.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Luise Isabella Chu, also known as Luise Schneider, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State

shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BIRGIT CAMARA, ALSO KNOWN AS BIRGIT HEINEMANN

The Clerk called the bill (H. R. 3635) for the relief of Birgit Camara, also known as Birgit Heinemann.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Birgit Camara, also known as Birgit Heinemann, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. That completes the call of the bills on the Private Calendar.

SALE OF LAND TO THE CITY OF WOODWARD, OKLA.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 98 the bill (H. R. 1762) to provide for the conveyance of certain lands by the United States to the city of Woodward, Okla. I previously asked that this bill be passed over without prejudice. I have conferred with the author of the bill, with the leadership on the majority and the minority sides, and there is no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 998, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the city of Woodward, Okla., all of the right, title, and interest of the United States in and to the following-described land situated in Woodward County, Okla.:

Beginning at a point 66.0 feet south and 283.0 feet west of the northeast corner of the northwest quarter of section 35, township 23 north, range 21 west, Indian meridian, and running thence south 273.0 feet, thence west 150.0 feet, thence north 273.0 feet, thence east 150.0 feet to the point of beginning, all lying in the northwest quarter of section 35, township 23 north, range 21 west, Indian meridian, and including an area of 0.940 acre more or less.

SEC. 2. The conveyance authorized by this act shall be made subject to (a) the condition that the city of Woodward, Okla., pay into the Treasury of the United States, in return for the land conveyed, an amount equal to 50 percent of the fair market value of such land to be determined by the Secretary of Agriculture after appraisal of such land, and (b) such other conditions, limitations, or reservations as the Secretary may deem necessary to protect the interests of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 1762) was laid on the table.

DEFENSE DEPARTMENT APPROPRIATIONS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, yesterday I brought to the attention of the House the off-again, on-again, Finnegan defense policy of appropriations of the Defense Department. Now I understand the Defense Secretary, Mr. Wilson, not only wants $356 million, in addition to what he told this House he wanted when we passed the defense appropriation bill, to make bombers the accelerated program, and now, today, I understand that we need additional fighters and that more funds will be asked for additional fighters. When the appropriation bill passed the House, I pointed out the fact that the presentation was not in proper form and that the cuts in the Army, the Navy, and the Marine Corps should not be made. The Defense Department yesterday and today asked for $356 million more than the House gave them, and that would supply the full cut made in the Army, the Navy, and the Marine Corps and maintain these services until June 30, 1956, at the level of June 30, 1955.

Mr. Speaker, we have much more to hear about the defense appropriation bill. Why, today, Adm. Roscoe F. Good, Deputy Chief of Naval Operations for Logistics, declares that the Soviet Navy has jumped from seventh to second among the navies of the world, and is still building fast—though we have cut our Navy in the defense appropriation bill passed by the House over my objection. Admiral Good warned:

We are up to our gunnels in a contest for supremacy in seapower. First prize in this contest is national survival. There is no second prize.

WHITE COUNTY BRIDGE COMMISSION

The SPEAKER. Pursuant to the provisions of House Resolution 244, 84th Congress, the Chair appoints as members of the Select Committee To Conduct an Investigation and Study of the Financial Position of the White County Bridge Commission, established by Public Law 37, 77th Congress, the following Members of the House: Messrs. DENTON, PRICE, and SIMPSON of Illinois.

TRINITY RIVER DIVISION, CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 263, Rept. No. 732), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

THE LATE HONORABLE CHARLES ANDREW JONAS

The SPEAKER. Under previous order of the House, the gentleman from North Carolina [Mr. JONES] is recognized for 60 minutes.

Mr. JONES of North Carolina. Mr. Speaker, on Thursday, May 26, 1955, it was my sad duty to announce in the House the death of the late Honorable Charles Andrew Jonas, a Member of this body during the 71st Congress and father of our distinguished colleague from North Carolina, the Honorable CHARLES RAPER JONAS. Mr. Jonas passed away on May 25, 1955, and funeral services were held in his hometown of Lincolnton, N. C., on May 27.

All my life, Mr. Speaker, I have had a profound respect for the character and ability of Mr. Jonas and I would like at this time to pay a personal tribute to his record of public service and his accomplishments in behalf of the people of North Carolina.

Charles Andrew Jonas was born near Reepsville, Lincoln County, N. C., on August 14, 1876. He was the son of the late Cephas A. and Martha Scronce Jonas, descendants of those sturdy German pioneers who came into the Catawba Valley region of western North Carolina prior to the American Revolution. Mr. Jonas' grandfather, Daniel A. Jonas, was a valiant North Carolinian who gave his life fighting for the Confederacy in the War Between the States.

When Mr. Jonas was born, the full force and effect of reconstruction was being felt in North Carolina and throughout the South. Due to the poverty and desolation of the times, his parents, like those of thousands of other

UNIVERSITY OF MICHIGAN

southern boys, did not have the financial means to provide for his education. Mr. Jonas, however, had a brilliant mind and a keen thirst for knowledge and through his own efforts, he attended, for several winters, the public schools of his day. In 1896 and 1897 he studied at Ridge Academy, Lincoln County, and following this he was able to attend for 2 years Fallston Institute in Cleveland County, N. C. These fine old schools have long since given way to our modern high schools in North Carolina but in their day they served their generation well and turned out graduates who rose to places of leadership and trust.

In September 1899, Mr. Jonas arrived at the University of North Carolina at Chapel Hill with $40 in his pocket and a burning desire in his heart for a college education. By hard work and a determination to get ahead in life, he was able to support himself, pay for his school expenses, and finish a 4-year college course in 3 years, graduating in June 1902 with honors.

In August following his graduation, he married Miss Rosa Petrie, daughter of a pioneer family in western North Carolina, and for the next several years he taught in the public schools of his native State. During this time he was superintendent of the schools at Mount Holly and Dallas, in Gaston County, N. C.

Mr. Jonas had expressed a desire early in life to become an attorney and while employed as a school teacher in winter, he spent his summer months studying law at the University of North Carolina. In 1906 he finished his law course and was admitted to the bar. Clients were not so numerous in those days and he found time to be postmaster in 1907 at Lincolnton, N. C., his hometown. However, his law practice grew to such an extent in the next several years that he was forced to resign as postmaster in 1910 and devote full time to his legal work.

In 1915, Mr. Jonas actively entered politics when he was elected to the North Carolina State Senate. He served in the senate for two terms and was thereafter for several years attorney for the city of Lincolnton. From 1921 to 1925, he was assistant United States attorney for the western district of North Carolina, and in 1927 and 1935, he was a member of the North Carolina House of Representatives from Lincoln County. In 1917, Mr. Jonas became a member of the board of trustees of the University of North Carolina, and served in that capacity for a number of years.

Mr. Speaker, Mr. Jonas was a lifelong Republican and worked hard throughout North Carolina for the principles of his party. Beginning in 1927, he served for many years as a member of the Republican National Committee.

In the general election of November 1928, the people of the old Ninth Congressional District of North Carolina elected Mr. Jonas to the 71st Congress. At that time, his district contained four of the counties which are now embraced in the district I am proud to represent in this body, the present 11th Congressional District of North Carolina. These are the counties of Madison, Gaston, Cleveland, and Yancey. Mr. Jonas is well remembered in these counties for the service he rendered to his people.

Mr. Speaker, Mr. Jonas made an outstanding record for a freshman Congressman in the 71st Congress. During his 2 years in this House he was responsible for the establishment of Kings Mountain National Military Park to commemorate the victory won by American patriots at the Battle of Kings Mountain. He was also responsible for securing the appropriation to build the new United States courthouse and post office building at Charlotte, N. C., one of the finest public buildings in the State. In countless other ways, Mr. Jonas was a faithful servant of his people.

I am sure he was proud indeed when the people of a part of his old congressional district elected his distinguished son and our colleague, Hon. CHARLES RAPER JONAS, to the 83d Congress and re-elected him to the 84th Congress.

Mr. Jonas has now passed on to the great reward that awaits those who unselfishly serve their fellow men and keep the Commandments of Him who guides all of our destinies. He was a devout Methodist and throughout his life he served his church with the same devotion he gave to public service. His countless friends in North Carolina and elsewhere mourn his passing and will long remember him for his sterling character and his devotion to the fundamental principles of our forefathers, principles which have sustained us in times of great national distress and which have enabled us to become a leader among the nations of the world. Charles Andrew Jonas was a self-made man who rose from the farm to membership in this august body. He was a great Christian and churchman; a successful lawyer, and statesman; a devoted husband and father.

I extend my deepest sympathy to his widow, Mrs. Rose Petrie Jonas; his daughter, Mrs. L. T. Gibson, Gibson, N. C.; his sons, Donald Jonas, of Charlotte, N. C., and our colleague, Hon. Charles Raper Jonas, of Lincolnton, N. C.

[From the Charlotte (N. C.) Observer of May 28, 1955]

CHARLES A. JONAS, PUBLIC SERVANT

Charles A. Jonas, who died Wednesday after a long career of public service, represented the highest type of citizenship and proved with his own life that character is still the test by which men must finally be judged.

Being a member of the minority party in politics was itself a test. It is easy to go along with the majority or to follow the crowd, but it is sometimes desperately hard to stick to principle when that principle is held by a minority and when fidelity to it calls for personal sacrifice.

Mr. Jonas did that. He went to Congress in 1928 on a wave of Republican popularity, but he was out again 2 years later when the great depression struck the country and caused a revulsion against the party in power at the time. In that election the people were voting against the depression and not against Charlie Jonas.

His brief congressional career was not by any means the sum of his service to his State and to his community. As a member of the North Carolina Assembly, as a teacher in the public schools, as publisher of the Lincoln Times, as city attorney for Lincolnton, and as assistant United States district attorney for the western district of North Carolina he spent most of his life in the service of his native county and State.

If he missed greatness in public life because he threw his lot with the minority, he achieved it in his private life, where his name became a synonym for integrity.

That was his legacy to his able son, CHARLES RAPER JONAS—a legacy more precious than any wealth locked in a strongbox.

[From the Hickory (N. C.) Daily Record of May 27, 1955]

CHARLES ANDREW JONAS

One of Catawba County's most illustrious native sons—Charles Andrew Jonas—was laid to rest today in nearby Lincolnton, his adopted town.

Mr. Jonas—the first Congressman Jonas—is one of the few, if not the only United States Congressman to be born in Catawba County during the past 75 years. During his brief tenure in the Federal Congress he conducted himself so well in line with the wishes and beliefs of his constituents and built such a reservoir of good will that a generation later when the tide ran again to his party, his son, CHARLES RAPER JONAS, was the district's choice to represent it in the Congress. We doubt if this record can be equaled elsewhere in America. Only ill health prevented him from enjoying fully the satisfaction which any father derives from seeing his son follow in his own footsteps.

The late Mr. Jonas was born in the Hog Hill section of this county—between Banoak and Vale, and the site of some of the best farmland in the county. Two of his brothers still live in that community, and Mr. Jonas himself found his niche in the county seat of Lincoln. He was always ready to serve his neighbors in any capacity, and his ability was quickly recognized. He taught school, published a community newspaper, was city attorney, served in both houses of the State general assembly and on the board of trustees of the University of North Carolina. Then, in 1928 when the tide of politics swung to his party—the party he stuck by through thick and thin when those with more ambition than principle found it expedient to shift allegiance—he was elected to Congress.

We believe Congressman WOODROW JONES, of the neighboring congressional district, spoke for most of North Carolina Thursday in Congress when he said:

"Without a doubt, Mr. Jonas played a very active role in the making of the history of North Carolina during the last 50 years. He was a great churchman, lawyer, and statesman. Throughout North Carolina, he was recognized as a man of honor, character, and integrity. His wise counsel will be missed but his influence will live long after him. I am sure that one of the proudest moments of his life was to live to see his son, Hon. CHARLES RAPER JONAS, come to serve with us in this great body. I extend my deepest sympathy to his widow, Mrs. Rose Petrie Jonas; his daughter, Mrs. L. T. Gibson, of Gibson, N. C.; his sons, Donald Jonas, of Charlotte, and our colleague, Hon. Charles Raper Jonas, of Lincolnton, N. C."

[From the Lincoln (N. C.) Times of May 30, 1955]

"MR. CHARLIE" JONAS: A GREAT CITIZEN, PATRIOT, STATESMAN

Charles Andrew Jonas, 78, was truly one of Lincoln County's greatest men—the most outstanding and dynamic personality locally of the past half century. He leaves a remarkable record of accomplishment.

During his long and illustrious career he was known as a man of indomitable moral courage, rare mental ability, great faith, humility, integrity, understanding, and sincere love and respect for his fellowman. These characteristics and other attributes of rugged honesty and invincible courage led to his

meteoric career—from the plowshares of a tenant farm to great heights of prestige in the legal, political, civic, and religious affairs of Lincoln County, his State and Nation.

Although Mr. Jonas was born just across the Lincoln County line in Catawba County, he spent most of his life in Lincoln County and Lincolnton. For over 50 years he played active roles in all phases of Lincoln County and Lincolnton life during this period. He was a Republican in politics, the "Champion" to his followers and the man the Republican Party members respected deeply and looked to for leadership and counsel, but he was nonpartisan in the discharge of his duties. He was a modest man and never allowed any of his honors to "go to the head." The story is told that when "Mr. Charlie," as he was affectionately known to countless of his friends, retired from Congress in 1930, he was invited to join several well established and lucrative law firms in North Carolina and in Washington. To accept either would have forced him to permanently leave his children, his friends, and neighbors, and his Lincoln County soil. So, he elected to come back to the home folks—to the place he liked best—and pursue the even tenor of his way, practicing law. Throughout the years, as long as his health permitted, Mr. Jonas loyally supported and served in various capacities his beloved First Methodist Church of Lincolnton.

How did the people of "Mr. Charlie's" beloved Lincoln County best know him? We think the following by E. F. Mullen, in an article in the Lincoln Times about Mr. Jonas and his candidacy for the United States Senate in 1938, expressed the true sentiments: "They know him as the son of a poor tenant farmer, born far back in the clay hills. They know him as the bright-faced, ambitious farmer boy, who later worked his way through the State university. They know him as a school teacher, as a struggling young lawyer, as postmaster, as editor of his home-town weekly newspaper. They know him as a member of the local school board, as city and county attorney, as member of the House of Representatives and State senate, as United States district attorney, and as Congressman from his district. They also know him as a great churchman, as Sunday school teacher, as a temperance crusader. They know him as a born leader who, incredibly, seems always to be on the right side. Verily, they know him as their prophet."

Lincolnton and Lincoln County has suffered a tremendous loss in the death of Charles Andrew Jonas—respected citizen, outstanding leader, patriot, statesman. As a father, husband, homemaker he set an example worthy of emulation. By his exemplary life he leaves a heritage for which all Lincoln County can be proud. His influence will live on in the hearts of all as a guide and incentive toward complete dedication.

[From the Lincoln County News, Lincolnton, N. C., of May 30, 1955]

CHARLES A. JONAS

"Mr. Republican," of North Carolina, is dead.

North Carolina had its Marion Butler and its Jeter Pritchard but for the past half century it had its "Charlie" Jonas as the guiding light, the hand that pointed the way and led a minority party to the place of respect and leadership that it occupies today.

Mr. Jonas, through his magnetic personality and determined leadership forged a Republican Party in Lincoln County and Piedmont, N. C., that has had to be reckoned with in general elections down through the years since he took over.

Not only in politics, where he served his county, town and district in appointive and elective offices and the State as national committeeman for 15 years, but in church and civic circles and in his chosen profession of law, did he excel and perform outstanding services. As a Methodist layman he was prominent in his own church and in the Western North Carolina Conference and wielded a tremendous influence in church governing bodies. In law he was recognized as one of the outstanding and most influential members of the bar in the State. He served as Lincolnton postmaster, city attorney, member of the city school board, in both houses of the State legislature, a trustee of the University of North Carolina, trustee of Rutherford College, assistant United States attorney, and Member of Congress from the old Ninth District.

He wrought well and left a glorious heritage to his children, a name honored and respected wherever it's heard.

[From the Newton (N. C.) Observer & News-Enterprise of May 27, 1955]

A DISTINGUISHED CITIZEN PASSES

The Observer & News-Enterprise extends sympathy to Congressman CHARLES RAPER JONAS in the death of his illustrious and distinguished father.

Charles A. Jonas was one of the ablest men North Carolina has ever produced. He served in both the House and Senate in the State legislature. Charles A. Jonas, who died Wednesday, and in 1928 was the first Republican from North Carolina to be elected to the Congress of the United States, where he was a leader of national note. He was a statesman in every respect and was admired by men of all political faiths.

It must have been a source of great joy to Charles A. Jonas to see his son, Congressman CHARLES RAPER JONAS following on the high principles and public service that he himself had rendered to his State and his fellow citizens.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the distinguished gentleman from Massachusetts.

Mr. MARTIN. I join with the distinguished gentleman from North Carolina in paying tribute to one of his late constituents, a man who through a useful life left the world better for his having lived. It was my privilege to be associated with Charles A. Jonas in the Halls of Congress and as a member of the national committee. I knew him through those close associations to be a splendid citizen. He never had but one purpose in mind, and that was to do what was best for his country. I recall his faithful service here in the 73d Congress, his great zeal for building a better America and his devotion to the State he represented.

He had a great reputation as a jurist. He was generally recognized as one of the ablest lawyers not only of the South but throughout the country. He was devoted to the Republican Party and gave to that party very generously of his time. I appreciate the great loss his death means to his native State. He was proud of North Carolina and worked for its progress. I express my deepest sympathy to his family and to his beloved son, who serves in Congress with us today with the same distinction and ability. He truly is a worthy son of a fine father. To the other members of his family may I say they have lost a loving father. The State has lost a fine citizen and the country has lost a great American.

Mr. JONES of North Carolina. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Speaker, I join today in paying tribute to a man of strong convictions. A man whose contributions to the State of North Carolina have been many. I knew him, of course, as a student at the University of North Carolina. I knew him as a judge, and I knew him as a Congressman, but I knew him best as a citizen of North Carolina whose contributions and efforts were always in the interest of his State and his Nation. I like to remember the early days at the University of North Carolina. I was a young boy at that time. My father was very much interested in debating societies. In those days, the great outstanding institution at that time were the debating societies, Di and Phi. I remember well hearing him in those debates when I was a young man of some 10 or 12 years of age. Throughout his life, he carried with him the convictions he had while he was in college, and his contribution, as I have said, has been great to his State. I am sure that his son, who is here today, is proud of the fact that he today is here following in his father's footsteps. If his father were living, I know that he would feel that his district is in competent hands, being represented by a man who has made an outstanding record not only here in this House of Representatives but at the institution which his father loved so well. He contributed and took an interest in his alma mater, the University of North Carolina, as long as he lived. While it is not known here on the floor of the House so well, Charlie who has followed in his footsteps here in Congress was president of the student body of the university, which is a very high honor, and an honor which is very much sought after, and something that is remembered long after the student leaves the university. His father was a man who regarded his family life as the most important and No. 1 interest, and as a citizen his family life was always impressive. He was a man whom we in North Carolina all loved and we do honor to his memory today.

Mr. JONES of North Carolina. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Speaker, I wish to associate myself with the well deserved tribute being paid to Mr. Jonas, a former Member of the House of Representatives from the State of North Carolina. He was truly a fine citizen and an outstanding North Carolinian. He loved his State. He loved to serve his State. He loved to serve his country and his people. He was a truly fine Christian man and an able lawyer. I am proud of the fact that I had the opportunity to know him personally when he was here in Washington. It so happened that he, a Member of the Congress, and I at that time, served on the Board of Governors of the North Carolina Society.

We met on one occasion when the society was tremendously in debt. His philosophy was instead of signing a joint note that each one pay his part. That was his philosophy in life, that each man play his part and give to society and give to whatever the task was his part of the job; this he did.

He was a fine, splendid gentleman, and all who knew him were proud to have the pleasure of saying that they were happy to be associated with him.

To his family and those whom he leaves behind, I express my deep sorrow.

Mr. JONES of North Carolina. I yield to the gentleman from North Carolina [Mr. SHUFORD].

Mr. SHUFORD. Mr. Speaker, I wish to join my colleagues in paying tribute to a former Member of this body, Hon. Charles Andrew Jonas, who died in his native State of North Carolina May 25, 1955. He represented the old Ninth Congressional District in the 71st Congress.

I never knew Mr. Jonas personally but his magnificent record and reputation of service to others is known far and wide. Diligent in his work and affable in his demeanor he was an effective public servant and filled every office entrusted to him with distinction. He loved the State in which he was born and reared and worked unceasingly for its growth and advancement. Truly he was a great citizen. His death will be sorrowfully felt by all who knew him and by those who benefited by his good influence.

Mr. Jonas is survived by his wife; a daughter, Mrs. L. T. Gibson, and two sons, Donald, and the Hon. Charles Raper Jonas, a close and warm friend of mine, and a distinguished Member of this Congress, representing the 10th Congressional District which is composed of some of the counties formerly represented by his father. He is also survived by four grandchildren, Eric and Alice, children of Donald; and Charles Raper, Jr., and Richard Elliott, children of the Honorable Charles Raper Jonas.

To the family I extend my deepest sympathy.

Mr. JONES of North Carolina. I yield to the gentleman from North Carolina [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I desire to take this opportunity to join with my colleagues in paying brief but very sincere tribute to the character, life, and public service of the late Charles A. Jonas, ex-Member of the United States House of Representatives and father of my distinguished colleague, CHARLES R. JONAS.

Mr. Jonas was a man possessed of the highest attributes of Christian character and all of the sterling qualities of manhood which were reflected in his demeanor at all times. His high-minded sense of duty to public service, his unselfishness and untiring efforts in the interest of the people of his State and country were recognized by all who knew him.

Mr. Jonas practiced his chosen profession of law in the county of his birth and during his career he held many public offices of trust including that of city attorney, several terms in both Houses of the General Assembly of North Carolina, member of the board of trustees of the University of North Carolina, and United States attorney for the western district of North Carolina, as well as serving as a Member of the House in the 71st Congress of the United States.

A life such as his cannot end without a sense of loss to the people of his home town, State, and Nation, but in a very real sense he had so far completed his work that it might truly be said of him that he had fought the good fight and finished his course.

His memory will remain as a choice possession for his entire family and for a multitude of friends who knew and loved him.

Mr. JONES of North Carolina. Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I rise to join in the tribute that is being paid to the memory of a great man, Charles A. Jonas, of North Carolina. It was my privilege to know Mr. Jonas for nearly 30 years, and during that time to call him my friend. While I did not share the pleasure of serving in Congress with Mr. Jonas, I did serve with him for many years on the Republican National Committee, of which he was one of the outstanding members.

Charles A. Jonas was a man who believed in the two-party system. He supported his party loyally and well, yet in every instance whenever the action so required he placed the welfare of his beloved State and of his country ahead of that of his party.

He has left behind him a wonderful family, and a very distinguished son, who has followed him into the Halls of the Congress of the United States and who serves here now with the same distinction with which his father served.

Mr. Jonas has left his son and his family the priceless heritage of a good name, and to those who knew him and the thousands who called him friend, many precious memories.

Mr. KEATING. Mr. Speaker, I desire to join in the tribute today to former Representative Charles A. Jonas, and in the expressions of sympathy to our distinguished colleage, his illustrious son, who now represents the 10th District of North Carolina. Those of us who have served here with CHARLIE JONAS have come to appreciate his sterling qualities of character and his great ability, which he so generously and unselfishly employs without stint on behalf of his district, his State, and the Nation. While it was not my privilege to know the father, the qualities which shine so brightly in the son furnish the strongest possible evidence regarding the outstanding qualities of the father.

Mr. JONAS. Mr. Speaker, on behalf of my mother and all of the other members of our family, and speaking, of course, for myself, I wish to express profound thanks to my colleagues who have just spoken. These tributes to the memory of my father have touched me deeply and I am finding it difficult to express in words the appreciation I feel for all that they have had to say.

Those who have experienced the loss of a loved one will agree that a word of sympathy from a friend can mean a great deal at such a time. I am very grateful to my friends who have spoken of my father this afternoon.

My father lived a full and useful life and, while of course we all hated to give him up, it is consoling to realize that he left to the people who honored him on so many occasions a record of public service, and left to his children the heritage of a name honored and respected wherever it was known. That is a legacy far more important than any amount of material wealth.

To my colleagues who have spoken today, and to the many who have expressed their sympathy privately during these last few days, I say thank you from the bottom of my heart.

THE CLASP OF FRIENDSHIP BETWEEN NORWAY AND SWEDEN

The SPEAKER. Under the previous order of the House, the gentlewoman from Minnesota [Mrs. KNUTSON] is recognized for 5 minutes.

Mrs. KNUTSON. Mr. Speaker, 50 years ago today in June 1905, a great example of friendship and peace was revealed to the world. That example of Norway and Sweden settling a potential dispute, not by fire and arms, but in peace and harmony, is a beacon to a restless world. Fifty years later, two prime ministers speak from the same platform built on the boundary line of their nations, their hands still clasped in peace. I feel a teeming satisfaction at the bond on trust so well placed against strains of distemper that could easily prevail. This day commemorates the peaceful dissolution of the union between Norway and Sweden which had lasted from 1914.

First, my experience in Minnesota is of two Scandinavian peoples developing a community of respect amongst themselves as well as among other people. Attending the same schools has brought understanding of each other. Friendly bantering indicates the degree of congeniality. Norsemen have intermarried with Swedish girls and Swedish girls with Norsemen. They even entertain each other. Norwegian sons partake of Swedish smorgasbords. Swedish families reciprocate by enjoying Norwegian lutefisk and lefse on holidays. Even colleges in Minnesota are so well mixed a Swedish school is not untouched, and Norwegian schools are full of Swedes.

Second, Scandinavians in their mother countries have learned to cooperate democratically for mutual benefit. Recent actions have brought them closer together than at any time in the past half-century. Since mid-1954 there has been a common labor market in Scandinavia. Workers in search of jobs can wander freely across frontiers and compete on equal terms with natives.

Travel barriers are gone. They are free to travel in one another's countries without visa-stuffed booklets. Nordics are even thinking of partially dropping their barriers to outsiders. A single port-of-entry system is under consideration. Under it, foreigners would go through the customs only once and would then be free to roam the area as though it were a single unified nation.

Trading laws and commercial regulations have been made nearly uniform in order to assist across-borders marketing. They have mutual feelings. Business and government leaders in all three nations grumble about the way they are treated by stronger countries. All are low-tariff advocates of free trade.

A perfect example of their profitable teamwork is seen in the Scandinavian airlines. The Scandinavian airline system is in the novel position of having three parents. They pooled money, Sweden about three-sevenths, Norwegian and Danish companies about two-sevenths each. But each has equal number of votes in the control. This made Scandinavian airlines one big airline capable of planning big and thinking big in terms like its new polar route between Scandinavia and Los Angeles. Next year Viking pioneering will cut 2,500 miles off the present route to Tokyo.

They even cooperate militarily. Sweden and Norway agreed this spring to let Sweden use Trondheim, Norway, in event of a Soviet blockade of Sweden. A new year-round highway will be built and the railway will be improved. Sweden will have an oil harbor at Trondheim, with storage tanks in rock shelters in the fjords.

Such endeavors indicate the truly good will of these friendly countries.

Third, democracy has been the cornerstone of their civilized approach that can well dedicate a model for other people. Norway did not fight militarily for her freedom, and she did not beligerently throw away her past. Her monarchy was not discarded through revolt of the people, rather it was retained through a vote of the people. King Haakon VII became a "Saga King." The monarchy remained the symbol of the realm. Yet Norwegians elected their officials and their representatives, and they elected their king.

During the negotiations which led to the dissolution of the Union some leading Norwegians feared a vote of the people might refuse a king. They wanted to dispense with votes and enthrone the king. Here is one of the interesting chapters in history. Prince Carl of Denmark, now King Haakon of Norway, refused the throne unless he was approved by a vote of the people. One person beseeched the king not to do so. He even pointed to Bjornstierne Bjornson, the great poet and patriot who would support him. However, King Haakon replied, "Yes, that is what you say now, but in 20 years time Bjornstierne Bjornson will be dead, and you too will be dead. Then the Norwegians may come to me and say, "What are you doing here?" King Haakon is the only king in history to be elected by the people.

Truly, the clasp of friendship between Norway and Sweden is a monument for us all.

SPECIAL ORDERS GRANTED

Mr. FLOOD asked and was given permission to address the House for 45 minutes on Thursday next, following the legislative business of the day and any special orders heretofore entered.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that a special order heretofore entered on behalf of the gentleman from New York [Mr. POWELL] for Thursday, June 9, be vacated and in lieu thereof that the gentleman from New York may address the House for 30 minutes on tomorrow, June 8, following the legislative program and previously entered special orders.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. HOLTZMAN.

Mr. REUSS and to include extraneous matter.

Mr. DODD and to include extraneous matter.

Mr. CELLER in four instances.

Mr. ASPINALL and to include extraneous matter.

Mr. MULTER.

Mr. DONOHUE and to include extraneous matter.

Mr. SCHERER.

Mr. LIPSCOMB and to include extraneous matter.

Mr. THOMSON of New Jersey and to include extraneous matter.

Mr. HOSMER in six instances and to include extraneous matter.

Mr. RADWAN and to include extraneous matter.

Mr. MCDOWELL and to include extraneous matter.

Mr. PRESTON (at the request of Mr. MCCORMACK) and include a speech recently made by Speaker RAYBURN.

Mr. RIVERS and include two separate speeches by Admiral Radford, Chairman of the Joint Chiefs of Staff.

Mr. RAYBURN and to include an address he delivered to the graduating class of the University of Texas on June 4.

Mr. SHELLEY.

Mr. SCOTT.

Mr. FEIGHAN.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 107. An act to provide for the conveyance of a portion of the Fort Devens Military Reservation, Mass., to the Commonwealth of Massachusetts; to the Committee on Armed Services.

S. 309. An act for the relief of Rosette Sorge Savorgnan; to the Committee on the Judiciary.

S. 2078. An act to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions; to the Committee on Armed Services.

S. 2127. An act to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3825. An act to make retrocession to the Commonwealth of Massachusetts of jurisdiction over certain land in the vicinity of Fort Devens, Mass.;

H. R. 4294. An act to amend section 640 of title 14, United States Code, concerning the interchange of supplies between the Armed Forces;

H. R. 4725. An act to repeal sections 452 and 462 of the Internal Revenue Code of 1954.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 153. An act to amend the Rural Electrification Act of 1936.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 33 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 8, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

868. A letter from the Chairman, Public Utilities Commission of the District of Columbia, transmitting the 42d Annual Report of the Public Utilities Commission of the District of Columbia for the year ended December 31, 1954, pursuant to paragraph 20 of section 8 of an act approved March 4, 1913; to the Committee on the District of Columbia.

869. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to amend the Fair Labor Standards Act of 1938, as amended"; to the Committee on Education and Labor.

870. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended"; to the Committee on Interstate and Foreign Commerce.

871. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956"; to the Committee on Armed Services.

872. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to prohibit in any lawsuit or action for damages the use and admission as evidence of investigations by the military departments of aircraft accidents conducted in the interest of air safety"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. COLMER: Committee on Rules. House Resolution 263. Resolution for consideration of H. R. 4663, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws; without amendment (Rept. No. 732.) Referred to the House Calendar.

UNIVERSITY OF CALIFORNIA LIBRARY

Mr. MORRISON: Committee on Post Office and Civil Service. S. 35. An act to permit the transportation in the mails of live scorpions; with amendment (Rept. No. 733). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 692. A bill to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or post-marking die bearing the words "Pray for peace"; with amendment (Rept. No. 734). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H. R. 6678. A bill to increase the annual salaries of the Chairman and members of the Board of Directors of the Tennessee Valley Authority; to the Committee on Public Works.

By Mr. BONNER:

H. R. 6679. A bill authorizing the construction of two nuclear-powered merchant ships to promote the peacetime application of atomic energy, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BURDICK:

H. R. 6680. A bill to prohibit experiments upon living dogs in the District of Columbia and providing a penalty for violation thereof; to the Committee on the District of Columbia.

By Mr. CELLER:

H. R. 6681. A bill to amend sections 323, 334, 335, 336, 337, and 376 of the Bankruptcy Act approved July 1, 1898, and acts amendatory thereof and supplemental thereto; to the Committee on the Judiciary.

H. R. 6682. A bill to authorize the abbreviation of the record on the review or enforcement of orders of administrative agencies by the courts of appeals and the review or enforcement of such orders on the original papers and to make uniform the law relating to the record on review or enforcement of such orders and for other purposes; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 6683. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. DORN of New York:

H. R. 6684. A bill to provide that marine schools established under the provisions of the act of March 4, 1911, which prohibit participation in religious worship on their premises shall not receive Federal aid; to the Committee on Merchant Marine and Fisheries.

By Mr. DORN of South Carolina:

H. R. 6685. A bill to alter certain bases for disability pension awards; to the Committee on Veterans' Affairs.

By Mr. FALLON:

H. R. 6686. A bill providing for a preliminary examination and survey by the Secretary of the Army for the purpose of controlling water chestnut infestation in the upper Chesapeake Bay tributaries; to the Committee on Public Works.

By Mr. FERNÓS-ISERN:

H. R. 6687. A bill to extend the benefits of the Watershed and Flood Prevention Act to Alaska, Hawaii, and Puerto Rico; to the Committee on Agriculture.

By Mr. HYDE:

H. R. 6688. A bill to provide for the appointment of a district judge for the district of Maryland; to the Committee on the Judiciary.

By Mr. KEAN:

H. R. 6689. A bill to provide for carryback and carryover of foreign tax credit; to the Committee on Ways and Means.

By Mr. MACHROWICZ:

H. R. 6690. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. MOSS:

H. R. 6691. A bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. O'BRIEN of New York:

H. R. 6692. A bill to authorize the transfer to the Department of Agriculture, for agricultural purposes, of certain real property in St. Croix, V. I.; to the Committee on Interior and Insular Affairs.

By Mr. PATTERSON:

H. R. 6693. A bill for the establishment of a Commission on Atomic Defense; to the Joint Committee on Atomic Energy.

By Mr. RAINS:

H. R. 6694. A bill to aid in the provision of housing needed at military installations; to the Committee on Banking and Currency.

By Mr. REECE of Tennessee:

H. R. 6695. A bill to authorize the United States of America acting by and through Tennessee Valley Authority, a corporation created by and existing under an act of Congress known as the Tennessee Valley Authority Act of 1933, as amended, to convey land in Hamblen County, Tenn., to the mayor and aldermen of the town of Morristown, a municipal corporation in Hamblen County, Tenn., organized and existing under the laws of the State of Tennessee; to the Committee on Public Works.

H. R. 6696. A bill to assist the States in the removal of adult illiteracy by the development and maintenance of special programs of basic elementary education for adults, and for other purposes; to the Committee on Education and Labor.

By Mr. RHODES of Pennsylvania:

H. R. 6697. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mrs. ROGERS of Massachusetts:

H. R. 6698. A bill to provide a further period for presuming service connection in the case of veterans suffering from Hansen's disease (leprosy); to the Committee on Veterans' Affairs.

By Mr. ROOSEVELT:

H. R. 6699. A bill to provide research and technical assistance relating to air-pollution control; to the Committee on Interstate and Foreign Commerce.

By Mr. TUMULTY:

H. R. 6700. A bill to provide that vessels engaged in the coastwise trade of the United States pass through the Panama Canal without payment of tolls; to the Committee on Merchant Marine and Fisheries.

H. R. 6701. A bill to amend section 501 (a) of the Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. DODD:

H. J. Res. 336. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

By Mr. FJARE:

H. Con. Res. 154. Concurrent resolution to study the question of dispersion and relocation in the interior of the country of industries and facilities essential to national defense and security in case of atomic attacks; to the Joint Committee on Atomic Energy.

By Mr. SPRINGER:

H. Res. 264. Resolution favoring a reduction of armaments with a view to improving world living standards; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR:

H. R. 6702. A bill for the relief of Anastacio de Vega; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 6703. A bill to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. CRAMER:

H. R. 6704. A bill for the relief of Luciano Grower; to the Committee on the Judiciary.

By Mr. DAWSON of Utah:

H. R. 6705. A bill for the relief of Dr. Fu-Chuan Chao (also known as Fuk Kun Chiu) and his wife, Chui Lai Yuk (also known as Lai Yuk Chao); to the Committee on the Judiciary.

By Mr. GARMATZ:

H. R. 6706. A bill for the relief of Gay Street Corp., Baltimore, Md.; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 6707. A bill for the relief of Thomas F. Milton; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 6708. A bill to exempt the National Conference on Citizenship from certain taxes; to the Committee on Ways and Means.

By Mr. PERKINS:

H. R. 6709. A bill for the relief of Harry M. Caudill; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 6710. A bill for the relief of Lagoureta Evangelos; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

307. By Mr. BUSH: Petition of members of Kellenbach-Meade Barracks No. 163, Veterans of World War I, Williamsport, Pa., urging favorable action on H. R. 4264 and H. R. 4439; to the Committee on Veterans' Affairs.

308. By Mr. DODD: Petition of Mrs. Norma Burgess Moore, president of the Woman's Christian Temperance Union of Connecticut, Inc., and 350 others of the First Congressional District of Connecticut, urging Congress to get alcoholic beverage advertising off the air and out of the channels of interstate commerce and thus protect the people and the rights of States to prevent advertising of commodities which have been declared unlawful by the rights of local option granted them under State law; to the Committee on Interstate and Foreign Commerce.

309. By Mr. FORAND: Petition of Simon Charon and 53 other members of the Amalgamated Clothing Workers, CIO, Woonsocket, R. I., urging the Congress of the United States to enact during this session a Federal minimum wage of $1.25 per hour; to the Committee on Education and Labor.

310. By Mr. HAYS of Arkansas: Petition of Jeff Burnett, secretary, Arkansas Bankers Association, Little Rock, Ark., urging amendments to the Federal tax code to remove favoritism now enjoyed by cooperative and mutual competitors of commercial banks; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

The Role of the Military

EXTENSION OF REMARKS
OF
HON. L. MENDEL RIVERS
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. RIVERS. Mr. Speaker, on the occasion of the graduating class of 1955 at The Citadel, the military college of South Carolina, Charleston, S. C., the distinguished Chairman of the Joint Chiefs of Staff, Adm. A. W. Radford, delivered the address on Saturday, June 4. His subject was The Role of the Military.

In plain, simple, and everyday language, this outstanding officer, the holder of innumerable decorations and citations for leadership, courage, and valor, in the most deadly wars in which this country has ever been engaged, related to the graduates of that fine institution the tremendous necessity for participation in the mission assigned to the military during the years in which they, as graduates, will be called upon to give service to their country.

Admiral Radford's address demonstrates to these fine young men how the military man, during this global participation to which this Nation is committed, among other things is part and parcel of our economic and diplomatic life as well as the military.

I doubt that any man in the Nation is better qualified to speak on this subject than Admiral Radford. The Congress has confidence in his leadership. The Nation likewise knows that Admiral Radford regards its safety and security as one of his most sacred obligations.

The address of the distinguished Chairman follows:

THE ROLE OF THE MILITARY

(Graduation address by Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff, before The Citadel, Charleston, S. C., June 4, 1955)

Quite naturally, a ceremony like this carries me back around 40 years to when I was a member of the brigade of midshipmen at the United States Naval Academy. I saw the graduation ceremonies then, including my own, and I have seen quite a few since.

As a result of my visit here, yesterday and today, I have become impressed by the high standards in your scholastics and training. It makes me very proud to take part this morning in your graduation.

Like other top military schools, The Citadel has more than a century of honorable tradition in contributing to the security of our country. Its graduates have gone out to serve the Nation both as soldiers and as civilians. As one of the oldest schools in the country, The Citadel has the reputation, the curriculum, and the tradition of good education combined with a sound military orientation.

In this day and age, most of you are going to be given the opportunity of service to your flag. Some of you probably expect to begin a tour of duty as a member of one of our active services. Others probably will enter our Reserves. It is my hope that many of you will go on, as so many of your distinguished alumni have done, to follow military careers.

But even if you do not choose to continue as professional soldiers—and I use the term soldiers to refer to all military men—the training and the sense of integrity instilled in you by The Citadel will prove invaluable to you and to the Nation in whatever profession you may pursue.

In my judgment, the greatest opportunity to which you can aspire is the opportunity of service—both military and civilian. You gentlemen have this opportunity for service directly on behalf of the United States of America. There is no greater honor than that.

It is on the subject of this role of the military that I want chiefly to speak, and it is to you graduates that I primarily address my remarks.

Perhaps some of you wonder why so many of your contemporaries are needed by the military services; and why so many, having completed their military service, must continue available for military duty in a national emergency.

The answer is simple: Today our Nation is confronted with the world's greatest and most dangerous menace to our freedoms and our way of life; namely, militant international communism.

Communism is backed by an immense military establishment, and is led by a handful of ruthless individuals who, at any time they see fit, could plunge us into war. Communist leaders have declared their intention to dominate the entire planet on which we live—and they have demonstrated extraordinary capacities for pursuing this intention. Needless to say, it is a struggle we must not lose.

This being the case, what would you say must be done by the Armed Forces in order to protect our peace and security? What is the role of the military?

The Armed Forces exist for one ultimate purpose: the security of the United States. They are organized, trained, and equipped for prompt and sustained combat operations—land, sea, and air—when and as directed by the President and the American people in accordance with our constitutional processes.

Our fighting role is probably our most obvious role. It is our hardest and most difficult role, but it is also our last-resort role, and one used only when our Government calls upon us to use force in defense of our vital interests.

READINESS ROLE

Our second role is our readiness role. "Readiness" is the word for the graduates of The Citadel on this day—a glad and happy day.

Readiness means preparedness. Readiness is your response to your country's call. Readiness is years of practice. It is training, and training means skill, and skill produces efficiency, and efficiency is economical of human life and resources.

Admiral Dewey demonstrated his keen understanding of the philosophy of readiness when he said: "You may fire when ready, Gridley." His words became an epigram destined to live as a part of American military tradition.

Reflect for a moment on the significance of those timeless words. Note how the thought construction of that quiet command describes so well the complete confidence and faith Admiral Dewey had in Gridley's judgment and courage on the eve of that great victory in Manila Bay.

Just as Admiral Dewey trusted Gridley's judgments that day, so Gridley was strengthened by his commander's confidence; and by the certain knowledge that the ships and the men of the American Fleet were ready to do their job.

There is a parallel for this readiness in our more modern times. As President Eisenhower has said: "We will never commit aggression, but we must always be ready to defeat it."

I wish I could assure each of you personally that the threat to our security has so diminished that the United States no longer requires strong military forces—and that there is no possibility of a war resulting from today's conflict between two opposing ideologies.

But I cannot. I must state flatly that a strong military posture is not only essential to our security, but it is clearly necessary for all the free world.

There has been, of course, a noticeable change in tactics on the part of the Communist high command. Symptoms of this change are the successful conclusion of the Austrian Treaty, and the apparent Soviet willingness to participate in Four-Power talks. But there has been no real indication so far that this represents a fundamental change, either in their character or in their basic long-term objectives.

Thus, while all America sincerely hopes and works for peace, there is still a definite requirement for us to maintain strong military forces in being. In this day, ready forces are strong forces. I stress this word "ready." Our active forces must be ready forces. So must our Reserve forces be ready forces. And all America must be ready to promote unity of action among free nations in establishing long-term security.

ADVISORY ROLE

A third important role or function of the Armed Forces, and these are not set forth in any order of priority, is to give military advice on national security matters. Let's examine for a moment just what this role means.

When I was a young man most of us in uniform were inclined to regard foreign policy as an interesting subject for an evening's academic discussion. We did not feel directly affected by foreign policy decisions unless the decision involved the use of military force.

This has changed—just as the world itself has changed. Fifty years ago our own security was relatively self-sufficient. Today our security is bound up with the security of the free world. Fifty years ago the military had but little concern with foreign policy. Today there is often no clear line of demarcation between foreign and military policy.

Instead, there is overlap. There are military implications in foreign policy, and, conversely, political implications in military policy.

In our democracy military men do not make foreign policies. Such policies are determined by the Chief Executive and the State Department. But their studies are not made without advice of other governmental agencies in pertinent fields; for example, legislative, economic, scientific, and military. Hence, there must be a breadth of comprehension and understanding by the specialists of each as to the roles of the others. After all, the United States is a partnership of all America.

INDIVIDUAL ROLE

Gentlemen, seldom has there been an opportunity for service to your country such as now. You must realize, as I am sure you do, your country expects great things from you in the future.

In your early years you will not be dealing with the broader aspects of global strategy,

UNIVERSITY OF MICHIGAN

new weapons developments, or big business. But you will be dealing with the men and the weapons themselves, and that in itself is no small task today. It is during these early years that you will have to prepare yourselves for the time when you will assume greater responsibilities.

Now, what should you do, personally and individually, to measure up to your increasing responsibilities in both military and civil life?

I feel confident that several thoughts occur to each of you. First is to learn your job and know it thoroughly. Second, keep yourself physically and mentally fit. Third, set a proper example for the people with whom you are associated. And fourth, strive to maintain that spiritual strength and vigor which you have acquired during your life here at The Citadel.

Inherent in all four of these guidelines is your American mission in life: To keep faith in your country and the freedom for which it stands; and to be ready to defend it against all those who would overthrow it.

For you who are being graduated today, I wish I might have the power to instill in each of you a sense of the historic faith in this mission of America that has been handed down through the ages.

After you leave The Citadel, you will find that your education in the broad sense has only begun. The man who thinks he knows everything has ceased to learn. You should keep the insatiable urge to learn more and more about this great civilization of ours—history, geography, science, philosophy, administration, and so on.

How well you develop yourselves during your early years after graduation—how well you continue to learn all that you can—will determine how good you will be in handling greater problems as you advance into positions of greater responsibility.

Let me urge you in the strongest words possible to throw yourself into this military life—completely and enthusiastically while you are in it. Military service gets into your blood. It will be a constructive help to you in whatever career you follow afterward. This is something which is a little hard to express in words, but easy to feel in inspiration.

And now if I may take a minute more to address a special word to the families and friends of this graduating class. To you I say that your young man has proven his mental ability, his physical stamina, and his good character. He truly belongs with our country's finest. You can be proud of him.

And you can show your pride in ways he will appreciate. You can bear with him his absences on far-flung duties. You can share his sense of dedication to duty. In so doing, you contribute not only to his well-being—you contribute to the overall strength of our country.

Members of the graduating class, this is your graduation day. Your parents have looked forward to it almost from the day you were born. It may be that you will find it difficult to appreciate all they have accomplished for you, until you attempt to do the same thing for your children. I am sure that all present here today congratulate them, as well as you.

Then your professors and instructors are to be congratulated on the fine product here before us in the class of 1955. The improvement, discipline, and cultivation of the youthful mind always is a goal worthy of man's finest efforts.

And, finally, you gentlemen are to be congratulated. This ceremony is symbolic of the great responsibility that is placed in your hands today—not by me, or the president of this college—but by all the American people.

Regardless of the career you have chosen, what will count the most in your future will be the service you give to your flag and to your country. You have been judged and found worthy. Now it is up to you to prove your worth as dedicated American citizens.

For the greatest place of honor is really the place of service.

I am sure I speak for everyone when I say: You have made us very proud. Our heartfelt congratulations and best wishes go with each one of you, and with your families.

Soviet Union Is Graduating 300,000 More Scientists and Engineers Than the United States

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, this country faces a severe shortage of engineers and technically trained personnel. The critical nature of the shortage was emphasized by Allen W. Dulles, director of the Central Intelligence Agency in a speech before the Alumni Federation of Columbia University. Mr. Dulles said that in the decade from 1950 to 1960, the Soviet Union would graduate 1,200,000 scientists and engineers, compared to 900,000 in the United States. He warned that unless something was done at once, Soviet scientific manpower might well outnumber ours in many key areas.

I have introduced two bills, H. R. 2211 and H. R. 5152, which would go far toward meeting the problem facing our country today.

The Nation cannot afford to discourage young scientists. At a time when its requirements for trained men are rising sharply, bachelor degrees in science have been dropping, 20 percent in 1950–51, another 25 percent in the next year. In 4 years all bachelor degrees in science and engineering have dropped from 80,000 to 34,000.

During this same period, Russia has been extolling the scholar and scientists and encouraging its best brains to go into research. In a few years, Russia will be graduating 80,000 engineers a year. Last year the United States graduated 19,000. Experts say it would be fatal to underestimate the growing quality of Russian engineers.

It is figures like these which led Dr. John R. Dunning, dean of the Columbia University School of Engineering to say, "We have almost lost the battle for scientific manpower."

One of the major factors in this discouraging situation was discussed by Ben H. Bagdikian in one of a series of important articles which appeared recently in the Evening Star, Washington, D. C. The article was titled "Supersecrecy Slows Advance of Science." It is included here together with an article by Dr. Benjamin Fine, education editor of the New York Times.

I have introduced in the House a companion measure to the resolution offered in the Senate by Senator HUBERT HUMPHREY and Senator JOHN STENNIS. This resolution would establish a special commission on Government security. I am pleased to note that the creation of such a bipartisan commission was unanimously backed recently by a Senate subcommittee even though the administration so far has turned a cold shoulder to the plan.

The commission plan provided in this measure of mine has been urged by many of the country's leaders during the past 3 or 4 years. It is high time that the Congress moved to create such an impartial body and I am sure the country will heartily back the two-party inquiry when it is established.

It is a matter of the most serious national importance when, as a 1954 poll showed, half of all new Ph. D.'s say they would prefer a lower salary to going through the present uncertainties of security practices. The 1954 poll showed also that the 33 percent of Ph. D.'s who wanted to work for the Government had dropped to 8 percent and gave the chief reason as the present security program of the Federal Government. If the bipartisan commission, when it is established, will come to grips with this problem we may still win the "battle for scientific manpower."

[From the New York Times of June 5, 1955]

CRITICAL SHORTAGE OF TECHNICALLY TRAINED AMERICANS IS CAUSING MUCH CONCERN

(By Benjamin Fine)

This country faces a severe shortage of engineers and technically trained personnel. The critical nature of the shortage was emphasized last week by Allen W. Dulles, Director of the Central Intelligence Agency. Speaking before the Alumni Federation of Columbia University, Mr. Dulles said that in the decade from 1950 to 1960, the Soviet Union would graduate 1,200,000 scientists and engineers, compared to 900,000 in the United States. And he warned that unless something was done at once, Soviet scientific manpower might well outnumber ours in many key areas.

This month, for example, just about 20,000 engineers will be graduated from American colleges and universities. At the same time, the Soviet Union will graduate more than 55,000. In addition, Russia will graduate far more men in the subprofessional fields of engineering, in the "technical" areas that are so vital in a technological age.

For a long time we boasted that our engineers had greater technical know-how, and were superior in every way to those coming from the Soviet Union. However, experts who have studied the problem say this is no longer true. The caliber of training received by the Russian engineers is rapidly approaching ours, and in some respects may even surpass it.

CHANGES SINCE THE WAR

What is the cause of the engineer shortage? There is no simple answer. Some educators say that the Government itself is to blame. Soon after World War II, when the veterans began to flood the college campuses, the engineering courses became extremely popular. Back in 1950 about 50,000 men were graduated from the engineering colleges. Government-sponsored reports at that time, said that this was too large a number, that our economy could not absorb them. Many engineers could not find jobs.

Then came Korea, and the frenzied attempt to build up our defense establishment in a hurry. We found that we did not have enough engineers or technically trained men to go around. The civilian economy, plus the military needs, absorbed them faster than schools could turn them out.

Other factors entered the picture. The draft took away many potential engineers. The colleges found that it was difficult for them to compete with industry for well-trained faculty members. Somehow, an interest in engineering dipped to a new low, despite the great interest in all things of a technical nature, such as jet planes, atomic weapons and scientific developments.

TO MEET THE PROBLEM

From the long-range point of view, educators are greatly disturbed at the sharp decline in interest in the sciences by high school students. Figures issued recently by the United States Office of Education show that proportionately fewer students now take courses in chemistry, physics, science and mathematics than ever before. More than half the high schools in the country do not even offer chemistry today.

Educators are seriously concerned at the apparent indifference to the engineering and scientific fields shown by college students and high school graduates. At recent conferences, some called for this very purpose, they have proposed certain steps that might bring the situation into better balance.

Among the most frequently mentioned proposals are these:

The creation of a Reserve Officers Training Corps in the fields of engineering and science. At present the campuses support these corps in the various branches of the Army, in the Navy and Air Force. It is known that the Pentagon has under consideration an extension of these programs, to include ROTC units devoted to engineering and scientific students. Under this plan, if approved, the military officials would provide financial support to qualified students in the technical fields. The suggested program appears to have considerable merit. Certainly it would aid those who are interested in the scientific fields but, for financial reasons, are unable to continue in this area.

ENGINEERING SCHOLARSHIPS

Scholarships for engineering and scientific students have been frequently suggested. In effect, the State or Federal Government would "subsidize" potential science or technical students. It is costly to attend engineering schools. MIT, for example, has just announced that its tuition will be increased still further, and will go over the $1,000 mark. Financial support, it has been argued, should go to liberal arts students as well as those in the fields of science. This question, at the moment, is receiving the thoughtful attention of the educational authorities.

Higher salaries for teachers of science and engineering are essential if the faculties are not to be depleted. Although it is true that higher salaries should go to all teachers generally, it is doubly essential in the case of the professors in engineering schools. The competition from industry is so severe that the top-notch men are being drawn off by research groups, the Government and private industry.

More adequate physical facilities are essential. The country needs more engineering laboratories more scientific equipment, better working conditions for the scientific and engineering students.

AVOIDING THE DRAFT

It is also essential, the educators almost unanimously agree, that a more realistic attitude be taken toward the question of selective service. Many complaints have been registered in recent months that scientific and engineering students have been drafted before they have completed their studies. This is particularly true, the educators say, concerning graduate students. They point to men who get half way through their graduate work in engineering, only to be called into service.

Finally, a better public relations program appears to be badly needed. The educators want their story told to the American public so that greater support will be forthcoming. It is not commonly known that the United States is falling behind the Soviet Union in the training and preparation of able scientists, engineers and technical personnel. The story should be told.

[From the Washington Evening Star of May 31, 1955]

WHAT PRICE SECURITY?—SUPERSECRECY SLOWS ADVANCE OF SCIENCE

(By Ben H. Bagdikian)

Today there is a physicist in a Government laboratory waiting to hear whether he is a "security risk" and therefore in danger of ending his professional career.

Six years ago he asked security officers whether his forthcoming marriage would affect his secret clearance. His fiance had no security problem, but her parents occasionally associated with persons thought to be pro-Communists. The physicist planned never to see his in-laws after the wedding. The security officers assured him the marriage would not jeopardize his status.

Five years later the physicist suddenly had his clearance revoked. The charge: His wife's parents are believed to associate with alleged pro-Communists. The information against him was precisely that volunteered by himself and accepted by the Government. He has appealed at a cost to himself of about $1,000 and approximately $10,000 to the Government. He is still waiting for a decision.

Last year an aeronautical engineer who had worked for the Government for 14 years was suspended from his top secret project in Seattle, putting him out of a job and all but stopping the urgent project. The charge involved information he had given the Government in 1940, which had been investigated and cleared at least twice since then. After 6 months he was restored. The personal cost of the appeal to him was $3,242.83, to the Government, 6 months' loss of time on an important defense project.

These are the kinds of cases that today are causing America's best young scientists to fear Government work. In 1953 a poll of science Ph. D.'s graduating from research universities showed them equally divided on where they would like to work, one-third each in Government, industry, and universities. In 1954—after the investigation of Fort Monmouth and the case of Dr. J. Robert Oppenheimer—a poll of Ph. D.'s showed that the 33 percent who wanted to work for the Government had dropped to 8 percent. The chief reason given: security.

In fact, about half of all the new Ph. D.'s said they would prefer a lower salary to going through the present uncertainties of security practices.

The Nation cannot afford to discourage young scientists. At a time when its requirements for trained men were rising sharply, bachelor degrees in science have been dropping, 20 percent in 1950–51, another 25 percent the next year.

In 4 years all bachelor degrees in science and engineering have dropped from 80,000 to 34,000.

During this same period, Russia has been extolling the scholar and scientist and encouraging its best brains to go into research. In a few years, Russia will be graduating 80,000 engineers a year. Last year the United States graduated 19,000. And experts say it would be fatal to underestimate the growing quality of Russian engineers.

It is figures like these which led Dr. John R. Dunning, dean of the Columbia University School of Engineering, to say, "We have almost lost the battle for scientific manpower."

Similarly, the Government as a whole cannot afford to encourage public contempt of highly trained, studious men, or "eggheads." The Federal establishment would collapse without them. Twenty percent of all Federal employees are of professional rank, most of them with graduate degrees. Another 37 percent are of top industrial skill. But while more than half are of top-grade talent, only 1 percent of Government workers get $9,000 or more. The legal limit for civil service is $14,500 a year. It is precisely in these badly needed skills that the Government cannot compete with private industry in attracting talent.

SECRECY HIT

Another factor in discouraging Government research is supersecrecy. It hampers not only the individual scientist, but at times the Government itself.

Recently, the Department of Defense completed a "secret" project. All that can be said of it is that it cost somewhere between $10,000 and $100,000 and took a number of senior scientists about a year to complete.

Unaware of the "secret" projects, some non-Government scientists in a university did exactly the same work and published their results. The published results were seen by scientists everywhere, who criticized and used them to improve their own projects and push to new horizons. This demonstrates a number of things:

(1) There is no such things as a permanent secret of nature; (2) any scientific discovery is a link to the future which, if kept secret, stalls the next step but does not prevent others from creating their own links; and (3) safes, security officers, and generals do not create new weapons like atomic bombs or defenses against them; only the "eggheads" can do that.

Few scientists want abolition of secrecy in military research, but almost all make a distinction between tactical secrets (such as actual weapons designs, military plans, storage points of bombs, etc.) and secrets of nature (such as the basic information on matter which any scientist anywhere can work on).

NO ONE HAS MONOPOLY

The fact that no nation has a monopoly on research was demonstrated last year when fallout ash covered a Japanese fishing vessel after a hydrogen bomb test at Bikini. The Atomic Energy Commission has not revealed scientific data on fallout materials for fear it would tell something of materials in the bomb. But 4 months after Japanese scientists began their analysis of materials on the fishing vessels, they had published an open paper giving the elements involved, their proportions, and the amount of radioactivity in each—more information than the AEC has published to date.

Another facet of secrecy keeps scientific facts bottled up in sealed compartments, giving each scientist only the information he needs in his own work. This is sound military doctrine on secrets, but it can be fatal to scientific progress. Some of the greatest advances have come from men who saw information they did not need in their own work, or at least thought so. The telegraph was born, for example, because a physicist, Allesandro Volta, in 1778 discovered a mistaken interpretation by Luigi Galvani of Galvani's own work. Under today's Government secret research rules, Volta would never see Galvani's data and discovery of the error would have been delayed.

Today a secret-cleared AEC scientist in Los Alamos has a laboratory problem. A friend in an eastern university, also a secret-cleared AEC man doing AEC research thinks he has the answer but cannot question his friend because in his own project he has no need to know details of his friend's work at Los Alamos.

Security measures, as typified in the Walter-McCarran Immigration Act, also impede scientific progress which in the past had been aided by friendly foreign scientists.

UNIVERSITY OF MICHIGAN

Since enactment of the law about half of all foreign scientists applying have been forbidden to visit the United States. Some have contributed much to this country. Dr. Marcus Oliphant, of England, for example, gave information on radar during World War II which the United States said was "probably the most important single item of reverse lend-lease." Yet, under the McCarran Act, Oliphant was not permitted to attend a nonsecret conference here. Prof. E. B. Chain, of England, codiscoverer of penicillin, whose wartime collaboration saved hundreds of American soldiers, was not permitted to set foot on United States soil for a 3-day visit.

Of the 12 men who headed the Los Alamos atom bomb project, half were foreign born and thus of questionable clearance today. The leader, J. Robert Oppenheimer, was declared a security risk last year.

The combination of supersecrecy and distrust of scientists from friendly nations does not produce the strength which the United States depends on. This was only too clear in an incident during the building of the atomic submarine, the *Nautilus*.

At one time it was feared the sub would require extensive redesign because of sleeping-sickness paralysis of its atomic engine by accumulation of a chemical, xenon, whenever the engine stopped. The Government desperately needed basic information on the nature of xenon. A Canadian with top clearance in his native country's atomic project was brought to this country to do open research under an AEC grant.

COULDN'T GET CLEARANCE

Being a Canadian he could not get American clearance, a fact that did not bother anyone until it was discovered that he seemed to have discovered certain reactions and equations which might apply to the sleeping-sickness problem. But he could not be asked to apply his reactions to American data because he was not permitted to know the American data.

A fairly high-level conference was held in New York. An elaborate plan was devised to have the Canadian apply his reactions to some dummy figures, while concealing the true American figures. But at the last minute a nervous security officer dismissed the Canadian from the room, fearful that some secrets might be disclosed.

This left the American data secret and secure. But it also left them useless. Fortunately, the Canadian's data was recovered later and the sub did not have to be redesigned. No one knows in how many other instances we are not so lucky.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the Navaho irrigation project in New Mexico.

The Navaho project is a part of the proposed multi-billion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Navaho project would be $11,000 an acre. Yes, that is right, $11,000 per acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

Address by Hon. Sam Rayburn on the Occasion of the 20th Anniversary of the Rural Electrification Administration of Atlanta, Ga., May 11, 1955

EXTENSION OF REMARKS

OF

HON. PRINCE H. PRESTON, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. PRESTON. Mr. Speaker, on May 11 more than 1,200 enthusiastic members of REA cooperatives assembled in Atlanta, Ga., to mark the 20th anniversary of that great progressive organization that has done so much to take the farmer out of the bondage of backbreaking toil.

Officials of the Georgia electric membership corporation, in casting about for the most able American to address this great anniversary celebration inevitably decided to invite the father of the legislation that created the Rural Electrification Administration, our beloved Speaker, the Honorable SAM RAYBURN.

Fortunately for the good people of Georgia, SAM RAYBURN decided to accept the invitation to deliver the address celebrating the 20th anniversary of the REA. This was a statewide meeting, but the eyes of REA members the country over were focused on Atlanta for this mammoth celebration.

It was my privilege to accompany our speaker to Atlanta for this occasion. Together with hundreds of my fellow Georgians, I thrilled to the message of Speaker RAYBURN as he described his fight to overcome the opposition to the establishment of this great farm cooperative organization. I shared the inspiration of his words as he told of the tremendous success of the REA both economically and in banishing darkness from the homes of rural America.

I know many would want to read the stirring words of Speaker RAYBURN on this splendid anniversary occasion, and I know many Members want to keep for their records his message to Americans, urban and rural, who look to his unparalleled wisdom and experience for guidance and counsel.

The Speaker's address follows:

Mr. Chairman, ladies and gentlemen, I am deeply honored to be here with you tonight. As author and sponsor of the Rural Electrification Act in the Congress of the United States, I would be less than frank if I did not tell you that I have a deep and abiding interest in your progress and welfare. On this 20th anniversary of the Rural Electrification Administration, please believe me when I say to you that it is a source of profound satisfaction to me that I was permitted to take part in the creation of a movement and a program which has contributed so magnificently to the economic and cultural life of all Americans.

The miracles of Aladdin's lamp have virtually been transposed into the everyday life of the rural people of this Nation through the accomplishments of the REA program. A fair appraisal of these accomplishments during the past 20 years is convincing proof that your efforts and the work of your cooperatives is responsible for the greatest economic upsurge in the history of rural America.

And, let me say, here, now that the ultimate responsibility of the success of the program rested upon the shoulders of each of you who are the creators and organizers of the 1,000 rural electric cooperatives in this Nation. No segment of the population of any nation ever discharged its duties and responsibilities with more zeal and devotion than have you. Therefore, to you who have labored along the dusty roads, in the rich farmlands, and on the steep hillsides to sign up members by the light of a wood fire or a kerosene lamp goes the everlasting credit for the impetus given an agricultural movement which in two decades has contributed more to the agricultural industry than that industry has had contributed to it from all other sources since the founding of this Nation.

Although less than half of the farms of the Nation were served by electricity before World War II, today 95 percent, or more than 5 million, of our farms are electrified. In 1935, only 10.9 percent of those homes had electric service.

Fifty-five percent of the electrified farm homes of America are served by the 1,000 rural electric cooperatives which you represent.

During the debate on the floor of the House of Representatives while the Rural Electrification Act was being considered, many men wise in the financial world of this Nation argued eloquently that such a program was doomed to failure. Fears were expressed that even though the farmers and ranchers joined in such a movement, that they would certainly discontinue the service and refuse to pay their first monthly bill. Sincere though these men were, they could not have been more wrong. They reckoned without the spirit and determination of the people who form the backbone of this Nation—your actions have been even more convincing than were those of us who answered their arguments.

The repayment record of REA borrowers shows that only 14 of the 1,000 cooperatives are delinquent in their loan liquidation. This ratio of one-tenth of 1 percent is far below that shown by any bank loan record.

Approximately three-fourths of all rural electric cooperatives have made advance payments on their loans. In 1954, these advance payments totaled $78.5 million. In 1953 the advance payments were $62.5 million and in 1952, $52.5 million represented the amount prepaid. It is obvious that year by year the cooperative repayments record is steadily improving.

To date, the Rural Electrification Administration has loaned to all of the electric cooperatives approximately $2.5 billion. But that is not the interesting part of the story. Surveys made by the electrical industry show that for every dollar loaned to the cooperatives, the members of those cooperatives spend $4 for electrical wiring and appliances. Conservative estimates from all sources available are that the farmers and ranchers have purchased in the neighborhood of $15 billion worth of merchandise which they obviously could not have used without electricity.

Has this program spelled the doom of the privately owned electric industry? Certainly not. You have created and are daily creating new markets for these privately owned

companies. In 1954 alone, you purchased from these companies $57 million worth of wholesale power, in order that you might serve your markets and customers through your network of 1,332,000 miles of electric wires.

At what price have the farmers and ranchers been able to receive this most valuable of all services? Today, electricity marketed by rural cooperatives and public-utility companies cost the average farmer approximately one-third less per kilowatt-hour than it did in 1940. By contrast, during this same period, feed prices advanced 225 percent, farm wages 400 percent, and farm machinery prices 100 percent. The rural market today is the largest user of electrical energy per average consumer by about 50 percent.

Surveys made this year reveal that more than 200 different services are performed on our farms and ranches by electricity. New equipment is constantly being designed and manufactured by the industries of this Nation to meet the ever-growing demand for rural homes and fields, for irrigation, milking, fertilization, incubating—for virtually every function which in the past has meant only back-bending and heart-breaking drudgery.

But these statistics are in a large sense only the cold entries in a dollar ledger, which reflect little of the contribution which your program has made in the life of our Nation.

We are today concerned with people throughout the world who are oppressed—oppressed economically, socially, and spiritually. In our own land we are confronted with these same problems to a lesser degree. Throughout all the ages, mankind has engaged in a never-ending struggle to emerge from the physical darkness of economic tyranny, and to pierce the dark shroud of cultural and spiritual blindness. Thomas Jefferson once said, "I have sworn on the altar of God everlasting hostility to every form of tyranny over the mind of man." It is self-evident that no man or race of men can achieve mental and spiritual freedom when chained too long in economic bondage.

It was in the spirit of Thomas Jefferson that your Government felt the least of its obligations was to provide a financial atmosphere whereby through your own efforts you might have hopes of emerging from the darkness which surrounded you and your children. You sought no charity, and you received none. You sought only opportunity for self-betterment. No responsive government could do less for its governed, and no government will long endure which does not provide hope for its people that one day they may achieve, with dignity, freedom of mind and soul and body.

On this 20th anniversary of the creation of your program, it is well to reflect upon your achievements, but it behooves us even more to pause and consider that relatively few people in all the lands of the world have little reason to hope that their lot will ever approach that which we now enjoy. In his wisdom, God gave man the power to forget—lest his struggles and unconquerable hardships would become unbearable. Likewise, we are prone to forget the hardships which we have overcome and the blessings which we enjoy. If I could leave you with but one thought today, it would be that you rededicate your mind and your energies to your program which has meant so much to so many people, and further, that you express your divine gratitude that you live in a land of hope and promise—a land where you might hope that your earthly span will be more bountiful through your own endeavors, and a land where you might fulfill the promise of eternal life as preached by the humble man who walked the shores of Galilea.

Inclusive Amendments to Refugee Relief Act Introduced

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. CELLER. Mr. Speaker, I have introduced a bill H. R. 6642, to amend the Refugee Relief Act of 1953, as amended. The bill as written by the administration—professedly following President Eisenhower's recommendations—and introduced in the House and the Senate contains provisions that are unrealistic and do not go far enough to insure that we achieve the humanitarian objectives of this legislation.

There is no provision to remove Mr. McLeod as administrator of the act. A change of law does not insure a change of heart, and Mr. McLeod's administration to date has been inept and frustrating.

My bill provides, in the main, as follows:

First. Increase of 15,000 in the number of authorized visas; inclusion, in addition to the NATO countries, Turkey, Sweden, Iran, and eligible refugees now residing in Spain and in the now highly disturbed areas of North Africa.

Second. Unused allotments of visas will be carried over to all categories in proportion to the original percentage set forth in the bill. If, after such allotments, there remain still unused visas, these shall be used to fill applications remaining unfilled on December 31, 1956.

Third. The administration of the Refugee Relief Act is taken away from the Bureau of Security and Consular Affairs and given to a full-time administrator within the Department of State.

Fourth. In addition to individual assurances, voluntary agency assurances for housing and employment will be acceptable.

Fifth. Distinction between refugees and escapees is withdrawn and only one category is established, to include those who escape from behind the Iron Curtain and refugees dating to World War II.

Sixth. The requirement for a 2-year security history is eliminated.

Seventh. The cutoff date for all reallocations of unused visas is moved forward to December 31, 1960.

Eighth. Under the present law, members of a family must all be admitted together or not at all. I have provided that members of the family need not all leave together but may be reunited at a later date.

Ninth. The affliction of tuberculosis will not render a member of a family ineligible if he submits to the safeguards to be established by the Attorney General and the public-health authorities.

These provisions follow closely the provisions of the bill introduced by Senator LEHMAN earlier in the session and the last two follow the suggestions contained in the President's message. We shall have, then, both in the Senate and in the House, a bill designed to make the act effective, accomplish its purposes, and remove the impediments both in the law and in the person of the present Administrator. We have a bill that is workable, realistic, and humanitarian.

Federal Aid for Highway Construction

EXTENSION OF REMARKS
OF
HON. GORDON H. SCHERER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. SCHERER. Mr. Speaker, the House Public Works Committee has been considering legislation to modernize the Nation's highways. There seems to be universal agreement that modernization is needed if our transportation system is not to bog down.

The Senate has passed a bill which came before our committee just as we were concluding hearings on a bill before us.

I should like to point out some defects in the Senate bill.

The formula for distribution of funds to the States is based 50 percent on population and 50 percent upon the existing Federal-aid formula of one-third population, one-third mileage, and one-third area in each State.

This formula cannot result in the uniform development of an interstate system.

Under it, 31 States and the District of Columbia, as shown in the attached table, would not receive sufficient funds to meet their needs in a 10-year period. Eighteen others would receive more than is required to meet their needs. In the extreme case, New Jersey would not be able to complete its portion of the interstate system before the year 1998 even assuming that apportionments would be maintained after the 5-year life of the bill at the maximum rate authorized in the bill.

In contrast, the distribution formula proposed in H. R. 4260, the bill our committee has been considering, would provide for the distribution of the available funds in exact relation to the needs in all the States. The whole system would go ahead on a uniform basis with assurance that it would be completed within 10 years rather than 40 or more.

FINANCING

The Senate bill does not guarantee funds for the completion of the interstate system. Even if the present formula were corrected, the total funds made available by the Federal Government for this purpose would be $7½ billion in 5 years on a 90–10 matching basis. Total needs are $23 billion. While the bill says that it is the intent of Congress to complete the system at the earliest possible date, no further funds are provided.

Since the Senate bill provides for only 5 years' programing, the States cannot

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properly plan their development of the entire system because they do not know whether or when sufficient funds will be made available. The effect would be that they would use these funds to do the most urgently needed spot-type work rather than developing an entire system.

H. R. 4260 provides a complete assurance of financing of the entire interstate system in 10 years through the provision of bonds on roughly a 95–5 matching basis. Further it takes the project out of the deficit-financing class through a provision that existing gasoline and diesel oil taxes shall be used not only to amortize the bonding costs but also to continue other existing Federal-aid programs at least at current levels.

Under this bill, the improvement would be effective without large increases in taxes which the Senate bill requires unless the Government is to go further into debt.

Here is an authoritative table giving the comparison of interstate needs with approximate apportionment of interstate funds under 5-year program pursuant to the Senate bill.

Comparison of interstate needs with approximate apportionment of interstate funds under 5-year program pursuant to the Senate bill

State	Interstate needs (millions of dollars)	5-year total, Federal funds (millions of dollars)	Percent of needs	Interstate system mileage		
				Rural	Urban	Total
Alabama	$365	$159	44	790	114	904
Arizona	210	89	42	1,148	33	1,181
Arkansas	203	113	56	467	61	528
California	2,322	440	19	1,680	219	1,899
Colorado	156	104	67	628	33	661
Connecticut	555	74	13	158	109	267
Delaware	66	49	74	23	3	26
Florida	495	132	27	993	143	1,136
Georgia	700	182	26	996	108	1,104
Idaho	107	78	73	635	20	655
Illinois	1,065	365	34	1,283	265	1,548
Indiana	867	190	22	884	184	1,068
Iowa	276	160	58	632	65	697
Kansas	206	143	69	677	51	728
Kentucky	492	145	29	590	66	656
Louisiana	493	127	26	507	99	606
Maine	147	63	43	272	27	299
Maryland	434	92	21	204	66	270
Massachusetts	838	164	20	206	141	347
Michigan	1,296	278	21	849	136	985
Minnesota	483	176	36	750	106	856
Mississippi	246	124	50	608	76	684
Missouri	599	212	35	996	79	1,075
Montana	152	109	72	1,209	28	1,237
Nebraska	107	110	103	455	22	477
Nevada	73	81	111	529	11	540
New Hampshire	66	49	74	183	30	213
New Jersey	1,357	169	12	102	102	204
New Mexico	236	94	40	968	45	1,013
New York	1,336	548	41	740	305	1,045
North Carolina	247	198	80	627	87	714
North Dakota	107	87	81	496	21	517
Ohio	1,361	332	24	996	235	1,231
Oklahoma	377	140	37	747	62	809
Oregon	319	105	33	668	61	729
Pennsylvania	760	412	54	1,068	296	1,364
Rhode Island	123	49	40	21	26	47
South Carolina	183	105	57	694	55	749
South Dakota	95	91	96	503	17	520
Tennessee	380	166	44	958	80	1,038
Texas	872	446	51	2,487	283	2,770
Utah	238	75	32	659	57	716
Vermont	177	49	28	309	34	343
Virginia	569	156	27	796	112	908
Washington	468	124	26	507	86	593
West Virginia	259	92	36	179	42	221
Wisconsin	322	177	55	427	45	472
Wyoming	296	78	26	991	28	1,019
Hawaii						
District of Columbia	152	49	32		17	17
Puerto Rico						
Total	23,253	7,750	33	33,295	4,391	37,686

Our Merchant Marine

EXTENSION OF REMARKS
OF
HON. JOHN F. SHELLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. SHELLEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

OUR MERCHANT MARINE

(Address by Hon. JOHN F. SHELLEY at American University Transportation Institute banquet, Washington, D. C., May 25, 1955)

Our merchant marine is an industry vital to the development of our foreign trade in peacetime. In time of national emergency it is the means of joining our great productive capacity and our troops and allies overseas. Historically, in wartime, the word "our" when applied to our Armed Forces and merchant marine is proudly used by the general American public. During war the American public is made keenly aware of the heroic exploits of our Armed Forces and merchant marine assigned to the serious task of defending the freedom cherished by us and the free peoples of other democratic nations. Unfortunately, in peacetime many of our citizens as well as other nationals quickly forget the great accomplishments of our Army, Navy, Air Force, and merchant marine. In fact, up to pre-World War II it was common to hear such expressions as "only a bum joins the Army or Navy, and only a tramp or thief goes to sea as a merchant seaman." In times of peace the word "our" as applied to our Armed Forces and merchant marine sharply shrinks to a relatively small nucleus of Americans who refuse to forget the painful lessons we had been taught in the past.

MERCHANT MARINE IN PEACE

In peacetime the average American has little interest in the complex multibillion dollar American export and import trade. Many of us realize that our export-import trade is essential to the development of our economy which permits us to enjoy our high standard of living. Too many of us accept the theory of natural world markets which fall into specific relationships without the exertion of efforts aimed at developing such world markets.

Few Americans realize the importance of American shipping agents in foreign ports. These agents are busy drumming up business which normally means the exporting of American farm products and manufactured commodities. In return for the exports, our ships carry to our shores the raw materials and finished commodities which are required to bolster our economy and raise our standard of living.

A recent study shows that in 1952, the exports of our automobile industry totaled nearly $1 billion. One passenger car and truck out of every 20 manufactured in the United States was shipped to a foreign market.

The American merchant marine is extremely important to the agricultural segment of our economy. Annually we export approximately two-fifths of our wheat crop, more than a quarter of all the cotton and tobacco, and one-half of our rice crop. Other important agricultural exports are soybeans, barley, dried fruits, and such meat products as beef, pork, lard, and tallow. Over the last 10 years $1 out of every $8 of our farmers' income was realized by the export of his produce overseas.

A recent study revealed that annually there were 82,500,000 meals served to passengers and crew members aboard our merchant ships. The conclusion of that study is that these meals represent approximately $55 million worth of food. Since American ships purchase their supplies in the American market, this means a substantial contribution to our farm economy.

It has been estimated that our American merchant marine consumes approximately 3 million electric light bulbs a year. It also consumes over 9 million bars of soap a year. Taking into consideration American ships' purchases of such items as linen, glassware, dishes, washing machines, etc., it is evident that our merchant marine affects almost every segment of our domestic economy. Some critics state that even if our ships were swept off the high seas, foreign merchant ships would purchase the abovementioned items in the American market. This is not true. We know that foreign merchant ships purchase their supplies in their home markets or in world markets other than the United States. The main exception has been during austerity periods in the world when foreign merchant ships were compelled to purchase their supplies in the American market.

Many American shippers utilize foreign merchant marines because they believe that it results in great savings. This is untrue for general cargoes which are carried aboard berth liners. Foreign and American berth liners are members of conferences which establish uniform shipping rates for all ships regardless of flag. In this field it is obvious that the shipping industry must conduct a public relations program designed to convince the American shipper to utilize American-flag ships. This would result in the desirable equalization of the policies and practices of foreign shippers who utilize ships flying the flag other than their national flag

only when their ships are definitely not available.

One of the greatest reasons for permitting the American merchant marine to wither in time of peace is the false belief that we can rely upon the merchant ships of our allies in time of war. This theory has been and is accepted by many despite the fact that it has been disproved during every major war.

MERCHANT MARINE IN WAR

World War I

Prior to World War I, the United States, leaning heavily on the false theory of reliance on foreign-flag shipping, permitted our merchant marine to shrink to the point where we were carrying less than 10 percent of our export and import trade. At the outbreak of the war in 1914, the myth exploded and our foreign and domestic economy nearly collapsed. We were trapped in the untenable position of being a neutral productive giant without ships to transport our agricultural and manufactured commodities overseas and to import the raw materials required to keep our production machinery in gear. The piers and warehouses in our American ports looked like garbage dumps and junkyards heaped high with rotting farm produce and rusting manufactured commodities.

In August 1913, we exported 257,172 bales of cotton. One year later in August 1914, only 21,219 bales of cotton were exported. During the last 5 months of the first year of World War I, the price of cotton tumbled from $62.50 a bale to $36.25.

The foreign shipowners who sent a few ships to service our trade became wealthy overnight. After the war had flared into its full violence, the average rate on general cargo increased over 1,000 percent. Shipping profits from one voyage often paid the entire cost of the ship.

Our Government spent over $3 billion in acquiring an American-flag merchant marine that was adequate to service the war needs of our Nation. We came out of World War I with 2,547 low-quality merchant ships which were purchased or built in a hurry.

President Woodrow Wilson, in his third annual message to Congress given in May 1915, warned Congress that we must maintain an adequate peacetime merchant marine in order to be prepared to meet world aggression. He stated:

"It is high time we repaired our mistake and resumed our commercial independence on the seas. For it is a question of independence. If other nations go to war or seek to hamper each other's commerce, our merchants it seems are at their mercy, to do with as they please. We must use their ships, and use them as they determine. We have not ships enough of our own. We cannot handle our own commerce on the seas. Our independence is provincial and is only on land and within our own borders."

Despite the knowledge that the lack of an adequate American-flag merchant marine prolonged a terrible war with the resultant cost of many thousands of lives, the end of the war saw the virtual end of our merchant marine. Our ships were stuck in the mud to become rust buckets.

World War II

At the outbreak of World War II on September 1, 1939, the United States merchant marine consisted of only 1,379 seagoing ships of 1,000 gross tons and over. At this time the total world tonnage was 80 million deadweight tons of which Britain and France controlled approximately 27 million tons. A great proportion of the remaining tonnage was under the control of neutral nations which were friendly to the Allies. German submarine warfare, especially at the beginning of the war, was extremely effective. During the entire war the losses of allied shipping totaled over 36 million deadweight tons. Of this tonnage 733 were American merchant ships aggregating almost 7 million deadweight tons.

In order to service our Nation and our allies, the United States embarked on the biggest shipbuilding program in history. We constructed over 5,000 merchant ships, aggregating more than 54 million deadweight tons. Approximately 10 percent of our new ships were made available for the operation by our allies with the remainder flying the American flag. In turn, our allies made available to us only 715,000 gross tons. This exploded the theory of our pre-World War II experts who had claimed that in the event of war the United States would require only 1,200 merchant ships because our allies could adequately service the free world.

During the war, American merchant ships delivered almost 300 million long tons of dry and liquid cargoes. During the last year of the war, our merchant ships delivered an average of 8,500 tons of cargo every hour of every day and night. The successful American shipbuilding and ship-operating programs enabled the Allied armed forces to meet and defeat the Fascist aggressors.

The total American cost of the shipbuilding and ship-operating program during World War II totaled over $22.5 billion. Of this staggering amount, $12.5 billion was for shipbuilding and the remainder for ship operating. Unfortunately, in our haste to build an adequate wartime merchant marine, we were compelled to construct the relatively simple design and slow-speed Liberty-type dry-cargo and tanker ships. Approximately three-fifths of all of our wartime ship construction were Liberty ships, which were obsolete on the drawing board. Had the Merchant Marine Act of 1936 been properly administered, we would have had a more adequate merchant marine to meet the initial war needs. This would have given us the time needed to design and construct more modern ships which would have been of greater commercial value in the postwar period. Also, it would have saved billions of the $12.5 billion taxpayer dollars which were spent for a hasty but necessary emergency shipbuilding program. This is a good example of saving pennies in peacetime and, as a result, spending dollars in time of war.

Korean war

Immediately prior to the outbreak of the Korean war our active American merchant marine had shrunk to the approximate size it had been immediately pre-World War II. Again we were taught that we could fully rely only upon our own merchant ships in a national emergency. Fortunately, our Nation had placed a great number of our World War II ships in mothballs. We activated from 25 to 75 of these ships a month, up to the total of over 700 additional ships which were needed to service our troops overseas. During the Korean war, American merchant ships carried over 80 percent of the cargoes to the war theater. It is my opinion that if it had not been for our merchant marine we would have been driven out of Korea or compelled to engage in an allout third world war.

Atomic age

Today, at the beginning of a possible third world war, our merchant marine has again shrunk to its pre-World War II and pre-Korean war size. There is some loose talk that a merchant marine will have little, if any, place in this atomic age. I sharply disagree with this dangerous kind of thinking. To begin with, we know that the Communist aggressors have been and are following a war strategy of nibbling away at the periphery of the spheres of influence of the free world. Examples of this strategy are Korea, Indochina, and at the present time the dangers over Formosa. In order to adequately meet this type of aggression, we need a large modern merchant marine flying the American flag. This strong belief of mine was recently confirmed by Secretary of the Navy Charles Thomas. In a Maritime Day speech given 2 weeks ago before the Propeller Club of Washington, D. C., Secretary Thomas emphatically stated that it was absolutely essential to achieve and maintain an adequate American-flag merchant marine today. He strongly emphasized the fact that the atomic age does not make our merchant fleet obsolete.

50–50 fight

Last year we passed a law which provides that American bottoms shall carry at least 50 percent of our foreign-aid cargoes, cargoes financed by the United States Government or for the United States account, and cargoes financed by foreign currencies of which convertibility is guaranteed by the United States Government. Since Col. Arthur Syran, of the Foreign Operations Administration, has given you a 1-hour lecture on the transportation of our foreign-aid programs, I shall not go into the history or details of the so-called 50–50 concept. However, the most recent intensive attack by foreign shipping lobbyists and some foreign nations on the requirement that American bottoms carry 50 percent of our farm surplus products under Public Law 480 warrants special attention and comment.

Recently, several foreign nations have stated that unless the 50–50 provision is waived they would not accept American farm surplus commodities to be shipped under Public Law 480. They argue that these are commercial transactions which are paid for in foreign currencies guaranteed for convertibility by the United States Government. I challenge their definition of commercial transactions. To me, a commercial transaction is one in which one party receives a given commodity which is paid for with money or, in the case of barter, with other commodities. There the commercial transaction between the two parties ends. This is not the type of transaction which takes place under Public Law 480. Under this law, foreign nations who are able to pay for our farm surplus commodities receive those commodities and, in turn, are supposed to pay for them in their soft currencies. However, recently the Secretary of Agriculture reported that during the first year of Public Law 480 operation, 50.7 percent of the soft currencies received by the United States were directly contributory to overseas economies and were not reimbursable to the United States.

Recently, one foreign nation refused to accept $7.7 million worth of our farm surplus commodities because of the 50–50 provision. In this particular case their currency was merely a bookkeeping entry. In return for the grain they were offered, they were to ship a given amount of their manufactured products to underdeveloped areas of the world. To me, it is amazing that a foreign government would classify such a transaction as a purely commercial one. In this particular case we send them grain and boost their industrial production which is sent as aid cargoes to the world's more unfortunate peoples. All we demand is that our depressed merchant marine carry 50 percent of the grain to the recipient nation.

Another foreign maritime nation refused to accept surplus American tobacco unless the 50–50 provision was waived. Our Nation compromised, compromised spelled g-a-v-e, to the point where we agreed to ship them $15 million worth of surplus tobacco for which the foreign government would spend their currency to build housing which they would lease to the American Air Forces stationed in their country. The negotiators for that particular foreign nation quickly agreed that this was not a purely commercial transaction and, therefore, they were willing to permit American ships to carry 50 percent of the tobacco. Then an astounding thing happened. The foreign shipping lobbyists of that country immediately protested their

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government's "bowing down to the American merchant marine." To my knowledge the agreement has not yet been signed by the representatives of that foreign nation.

The maneuverings of the foreign shipping lobbyists and their foreign governments are clear. They want our farm surplus commodities and they are satisfied with the terms of payment. However, they are hopeful that their temporary refusals to accept the farm commodities will cause the powerful American farm bloc to take action against their own American merchant marine.

Recently a spokesman for one of the farm organizations stated that by applying the 50–50 provision to the $700 million available in Public Law 480, $70 million would be paid to American shipowners. He stated that this would result in a correspondingly lower shipment of farm surplus commodities. This is absolutely not true.

Of the $700 million worth of commodities to be shipped under Public Law 480, approximately 80 percent will be carried in berth liners. Since American and foreign berth liners operate under conference rates, the cost of shipment will be the same whether the cargoes are carried by American or foreign ships. Therefore, the only possible additional cost would be for the American tramp carriage of the 20 percent of the total exports under this program. It is estimated that the total freight money which would be paid to American and foreign tramp ships would be $15.3 million. With the estimation that the freight rates of American tramps will be 25 percent higher than foreign tramps, it means that American tramps would receive $8.5 million and the foreign tramps would receive $6.8 million. The estimated difference for the entire program is $1.7 million, or one-quarter of 1 percent of the cost of the commodities in the basic disposal program itself.

It is important to note that the so-called additional cost for using American tramps to carry 50 percent of the tramp cargoes is based on the assumption that foreign tramp rates would remain the same should we withdraw the American tramps from the market. However, being realistic, we know that as soon as we withdraw our tramp fleet the foreign tramp rates would rise and the so-called $1.7 million saving would evaporate.

It has been estimated that the revenues to the American merchant marine resulting from the carriage of the surplus farm commodities under Public Law 480 would result in estimated disbursements of $30 million within our domestic economy. These disbursements would create some 8,000 man-years of employment. Approximately 3,000 man-years of this employment would be direct employment of American merchant seamen who are now suffering from great unemployment. This contribution to our economy is an important one.

It has been estimated that the revenue received by American shipowners by the carriage of farm surplus commodities under Public Law 480 will result in a direct return of some $9 million of taxes to the United States Treasury in the form of personal income taxes on wages and salaries and corporation taxes.

Another important potential saving may be realized by our Government via the recapture provision contained in the Merchant Marine Act of 1936. This provision enables the Government to recapture one-half of the profits of a subsidized shipowner which are over 10 percent of capital necessarily employed during the period of the operating subsidy contract up to the amount of the entire subsidy accrual. During the years 1948 through 1952, the estimated gross subsidy accrual is $279,046,000 and the gross estimated recapture is $80,141,000. This estimated recapture savings of over $80 million is to a great extent due to the revenues the subsidized ship operators received under 50–50 legislation. I state that our Government makes a good investment when it ships cargoes aboard the subsidized ships.

CONCLUSION

In conclusion I wish to emphasize that the problems confronting our merchant marine are serious ones. During the few short days that you have been attending these informative lectures at this great university, you have been briefed on some of the major problems. I am hopeful that some of you now fall within the definition of the word "our" when we say "our merchant marine."

Your American Mission

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. RIVERS. Mr. Speaker, Adm. A. W. Radford, immediately upon delivering the address at The Citadel on Saturday, June 4, boarded his plane and journeyed to East Lansing, Mich., where, on Sunday, June 5, he delivered the commencement address to the graduating class of Michigan State College.

His subject was Your American Mission.

This was a great address and one fraught with advice every young man would do well to heed. We in the Congress could hearken to his timely remarks. Few men have the capacity to speak in everyday language of wisdom of which Admiral Radford is an enviable possessor. I want the Congress and the Nation to read this address:

YOUR AMERICAN MISSION

(Commencement address by Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff, before Michigan State College, East Lansing, Mich, June 5, 1955)

Today as you graduate, you are about to take your new places in the world, or perhaps continue your education in some other institution of learning. You have been fortunate so far, for your formal education here has given you an excellent start in life. I am sure you recognize in truth that it is only a start—a commencement to a whole future.

Many years ago, longer than I care to remember, the big event of my graduation finally occurred. It was a very hot day. I was sitting there like you, and a commencement speaker was standing here in my place.

In fact, we had two commencement speakers that day at Annapolis, early in June 1916. One was the President of the United States, Woodrow Wilson; and the other was the Secretary of the Navy, Josephus Daniels.

Probably most of the matters discussed by these two eminent commencement speakers have been long since forgotten. But one idea they expressed in common that day, I have never forgotten. It stood the test of time so well that I would like to take this opportunity to pass it along to you. I want you to know about it. I hope you will remember it, and set your sights on the target right now.

I do not recall the exact words, but the idea was simply this: We who were about to be graduated in that class of 1916 had a special mission in life. Our mission, individually and collectively, was to be ready to defend our country and our freedom.

The emphasis was on that word "ready." We were to be ready to respond to any call our country might place upon us. We were to be ready to sustain the best traditions of our forefathers. We were to be ready to assume some of the responsibility and the accountability for our fundamental beliefs.

For we, too, had a share in this freedom. We were responsible and accountable for it, under God, to the American people.

You, too, should be ready. You should be ready to perform useful functions in your chosen careers. You should be ready to accept individual responsibility in accordance with your abilities and skills. And you should be ready to help defend our American way of life.

This is a mission which is applicable today to every American. As you progress along the paths of your chosen careers, you will see for yourselves there is no way of escaping this mission without surrendering the things you value most. It requires just plain common sense to figure out that things worth having are things worth defending.

Now, I realize that most commencement speakers are expected to admonish you to beware of the pitfalls in the world outside the college campus; or to exhort you how best to achieve success in the world marketplaces.

But I wish neither to admonish you nor to exhort you this afternoon. Instead, I hope to set forth briefly in clear-cut, unmistakable terms how important this mission in life is to you personally for your long-term future.

MEANING OF FREEDOM

In the early days of our United States, our Founding Fathers established the framework in which freedom could flourish. Those who conceived this Nation, and brought it to life, breathed into it a sense of mission—a sense of destiny—and of progress.

As representative government grew, these early Americans realized that our governmental processes would have to be free of dependence on the few, and rest on the informed cooperation and hard work of the majority. We rejected tyranny, and took up democracy. Thus our country and our history began to take on substance. We became in fact the living proof that freedom is the most worthwhile heritage of all.

What is freedom? What does it mean to you? Billions of words have been spoken about its concept. Entire books have been written about even a single phrase, such as: "Life, liberty, and the pursuit of happiness."

Actually, it is set forth best in the basic documents of our Nation. We commonly refer to it as "the American way." President Lincoln made a blueprint for it when he said: "A new nation, conceived in liberty and dedicated to the proposition that all men are created equal."

We also refer to freedom as "the rights of men." We hold certain truths to be self-evident: That to secure these rights of men, governments derive their just powers from the consent of the governed. You know about this, for you here at Michigan State College have been the recipients of the benefits of this heritage.

THREAT TO FREEDOM

But this is not a heritage which we are able to take for granted. Time after time, it has been challenged; and free men have had to join together like the minutemen of yesteryear, and fight to protect our liberty.

In the early part of this century, World War I came about as a challenge to this heritage of ours. I can recall very well the triumphant end of that war. There seemed no doubt then that not only was freedom our ideal, it was the most powerful and worthwhile concept of human life in history. As a matter of fact, it was a concept which had just been fully vindicated by the outcome of the war.

November 1918 was a great month all right. No one in that hour of triumph could have believed that fascism and nazism soon would threaten us. No one could have believed that communism would become the ruthless and relentless menace which later would spread across half the world to plot our destruction.

But we can believe it now. We can see it, hear it, feel it, and know it. Today, we are threatened by a formidable and sinister adversary whose Communist doctrine specifies a program for world domination. The military threat of communism is a very real one since the Communist bloc maintains forces far in excess of that required for its own defense.

There has been, of course, a noticeable change in tactics on the part of the Communist high command. Symptoms of this change are the successful conclusion of the Austrian Treaty, and the apparent Soviet willingness to participate in Four-Power talks. But there has been no real indication so far that this represents a fundamental change, either in their character or in their basic long-term objectives.

Indeed, communism continues to be the major challenge to our way of life—yours and mine. Its impact bears directly on man's destiny. At issue is the true nature of man himself. It is a struggle which goes to the roots of the human spirit—a struggle we must not lose.

Where does it lead? What can the intelligent college graduate of 1955 do about it?

DEFENSE OF FREEDOM

For one thing, you can keep faith in your country and the freedom for which it stands; and be ready to defend it against all those who would overthrow it.

For you who are being graduated today, I wish I might have the power to instill in each of you a sense of the historic faith in this mission of America that has been handed down through the ages.

After you depart from this campus, you may encounter some individuals who will try to tell you that we live in a world which could be destroyed without notice. They may speak with voices that say we are like Rome was in its declining years. They may even try to tell you that our national values have decayed; that we have no great cause to guide our future history; and that it is futile to try to maintain feelings of true patriotism and self-sacrifice.

This leads, of course, to a newer version of an old saying: "Eat, drink, and be merry, for tomorrow we die."

But what if you do not die? Suppose you should live and face the consequences of not defending your freedom and your way of life with all that is in you—even your life if need be.

I suggest that if any of you young people ever think of betting your future on the world being destroyed, you better take a long look at the odds. These end-of-the-world predictions are not new. Archeologists find them chiseled on stone tablets thousands of years old.

In a similar vein, in our own country, men have been wringing their hands over the end of freedom ever since the days of George Washington. Perhaps this occurs when there is a lack of "can do" spirit in fulfilling our mission. Perhaps it comes from Communists themselves who would like us to think that communism is irresistible.

Regardless of where it comes from, or what the cause of it is, I can tell you that communism is not the irresistible force or the only way of the future. I can tell you that we are fortunate—and that we have a good cause.

I can also tell you that the United States, its institutions, its people, and its great progress are refutations of the Communist dogma. We are living proof that the assumptions on which communism is based are false. Our free system is the complete antithesis of Communist dictatorship.

I can tell you all this but, in the final analysis, you must know it for yourself. You, individually and collectively, must be strong in your determination to preserve this Nation, and the freedom for which it stands. You must be stronger and more durable than the forces which would destroy us.

"We hold these truths * * *"—indeed we hold these noble truths right in our own hands. We hold them in trust. If we doubt our mission in the world, we probably will cease to progress. If America ever loses confidence in herself, we will retain the confidence of no one. We could even lose our chance to remain free.

Members of the graduating class: This is your commencement day. Your parents have looked forward to it almost from the day you were born, and they too are to be congratulated. It may be that you will find it difficult to appreciate fully what they have accomplished for you until you endeavor to do the same thing for your children. I am confident that all present here today congratulate them, and are proud of them as well as you.

Then your professors here are to be congratulated. It was no easy task for them to turn out a product such as we see before us in the class of 1955. The improvement, discipline, and cultivation of the youthful mind always is a goal worthy of man's finest efforts.

And now I return to you and me. It is my hope you always will keep with you your American mission in life, and realize how extremely practical and realistic it is.

Keep the defense of our freedom and our way of life first among your goals in life. Serve your country well. This may not be easy, but it will be a rewarding experience.

For the greatest place of honor is really the pl.ce of service.

Congratulations. Good luck. And God bless each of you and your families.

David Marcus

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. MULTER. Mr. Speaker, on June 9, 1948, 7 years ago today, a fine American, David Marcus, died fighting for Israel. He had a distinguished World War II record behind him, and a promising law practice ahead. But he dropped everything to answer the call and on the eve of victory, a few hours before the truce, his life ended.

Mickey Marcus, as he was known, had led a good life. An American soldier, trained and commissioned at West Point, he served 6 years as a deputy commissioner of correction in New York City under Mayor LaGuardia, and became full commissioner in 1940. With the coming of World War II, he left this career to return to his earlier one and entered the Civil Affairs Division of the Army. He became head of this division in 1943. During the war he saw action on many fronts, serving in the Pacific theater and the Normandy landing. V–E Day found him a full colonel and at this time he left the Army to reopen a law practice.

Then came a summons from Palestine. The new nation sought an experienced soldier with advanced professional training who could command the loyalty of its then undisciplined and unorganized guerrilla fighters. It was Col. Mickey Marcus who organized these guerrillas, supervised their training, and created the blueprint for the fighting Army of Israel. He then returned to Brooklyn, N. Y. But not for long, for he was to be called to Palestine once more—there to end his life.

He was mourned by Americans of all creeds—those who knew him as a soldier, lawyer, city official, or simply as a neighbor. Today fighting continues in Israel and I am sure that those fighting still remember the good American who came to help his coreligionists in their struggle for peace and freedom. May his soul rest in peace.

Public Opinion Sample of Fifth Congressional District of Wisconsin

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. REUSS. Mr. Speaker, I wish to announce the results of a sample I have taken of public opinion in the Fifth Congressional District of Wisconsin. I prepared this questionnaire with the help of public-opinion experts at Wisconsin State College, University of Wisconsin Extension, in Milwaukee, and Marquette University. The questionnaire reached 5,000 people in all walks of life in every ward and precinct of the Fifth District, a true cross section of the people I represent.

I am pleased to announce that 21 percent, or 1,058, of those receiving the questionnaire mailed me their replies before the deadline of May 25, and from these returns the results have been tabulated.

As the final question, I asked what worried people the most. The answer given showed that 30 percent were worried most about the possibility of another world war. Next, with 9 percent, were those worried about their own financial security and the cost of living. The third highest group was 7.8 percent, those worried about Government spending. Then came 2.6 percent worried about national defense and 2 percent worried about communism.

The questionnaire reflects the viewpoints of many occupational groups. The tabulated returns are from the following:

Factory workers	320
White-collar workers	278
Professional	155
Housewives	76
Businessmen	51
Students	48
Retired	45
Servicemen	32
Miscellaneous	53

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Of the 21 percent answering the questionnaire, the following are the results:

1. Do you favor Federal appropriations to deepen the Lake Erie Channel so as to complete the St. Lawrence Seaway, permitting oceangoing vessels to enter Lake Michigan ports? Yes, 95 percent; no, 2 percent; don't know, 3 percent.

2. Do you favor tax reduction for families in low- and middle-income groups:

(a) Even though it will increase the Federal deficit? Yes, 53 percent; no, 42 percent; don't know, 5 percent.

(b) If the Government can make up for the loss in revenue by plugging tax loopholes? Yes, 89 percent; no, 6 percent; don't know, 5 percent.

3. At present the prices of natural gas you use in Milwaukee are regulated by Federal law at the source in Texas and Oklahoma. Are you in favor of a change in the law which would exempt natural-gas producers from Federal regulation? Yes, 14 percent; no, 75 percent; don't know, 11 percent.

4. Do you think that widows should be eligible to receive social-security benefits at age 60 without waiting until 65? Yes, 88 percent; no, 9 percent; don't know, 3 percent.

5. Recently 17 first-term Congressmen made recommendations to President Eisenhower in regard to our foreign policy:

(a) The President should take steps to end the cold war deadlock by proposing a U. N. trusteeship and defense of Formosa. Approve, 60 percent; disapprove, 18 percent; no opinion, 22 percent.

(b) The President should ask Russia to withdraw to her original frontiers, which would free Poland, Czechoslovakia, and other enslaved countries and permit unification of Germany. In return for this withdrawal, Central Europe would be demilitarized so that it could not make aggressive war. Approve, 61 percent; disapprove, 23 percent; no opinion, 16 percent.

6. Do you favor the continuation of the reciprocal-trade program of lowering tariffs so as to increase exports and imports? Yes, 63 percent; no, 23 percent; don't know, 14 percent.

7. Do you favor Government assistance to companies and workers injured by foreign competition due to lowered tariffs? Yes, 35 percent; no, 47 percent; don't know, 18 percent.

8. Do you favor statehood for: Hawaii? Yes, 82 percent; no, 11 percent; don't know, 7 percent. Alaska? Yes, 83 percent; no, 11 percent; don't know, 6 percent.

9. Do you favor Federal financial aid to States for school construction? Yes, 76 percent; no, 20 percent; don't know, 4 percent.

Taken by occupational groups, the following chart shows how these groups voted on particular issues in the questionnaire:

	1. Deepen seaway channels			2a. Tax cuts—Even if deficit raised			2b. Tax cuts—If tax loopholes plugged			3. Exempt natural-gas producers from regulation			4. Social security for widows at 60			5a. U. N. trusteeship for Formosa		
	Yes	No	Don't know	Yes	No	Don't know	Yes	No	Don't know	Yes	No	Don't know	Yes	No	Don't know	Approve	Disapprove	Don't know
Factory workers	305	6	9	184	73	15	268	14	21	38	242	33	296	18	1	194	33	72
White collar	266	6	6	106	128	8	238	21	8	42	201	36	236	30	9	161	52	53
Professional	146	4	5	47	79	9	126	13	7	23	118	15	125	16	11	77	38	29
Housewives	68	3	5	32	26	5	62	4	5	10	51	14	68	3	4	35	13	19
Businessmen	50	0	1	30	12	2	41	0	2	11	38	2	47	3	1	22	7	14
Students	48	0	0	14	29	2	45	0	3	8	34	5	45	2	1	32	12	5
Retired	44	0	1	31	6	0	40	1	2	4	38	3	40	3	1	26	2	11
Servicemen	31	0	1	7	19	0	25	3	0	1	24	6	27	2	3	19	9	4
Miscellaneous	47	0	3	28	13	4	40	5	2	13	34	5	38	13	1	24	10	11

	5b. Russian withdrawal to historic borders, unified Germany, neutralized Central European Community			6. Continue reciprocal-trade program			7. Federal aid to companies injured by foreign competition			8a. Statehood for Hawaii			8b. Statehood for Alaska			9. Federal aid for school construction		
	Approve	Disapprove	Don't know	Yes	No	Don't know	Yes	No	Don't know	Yes	No	Don't know	Yes	No	Don't know	Yes	No	Don't know
Factory workers	211	40	54	174	83	55	146	95	66	276	26	25	271	18	20	259	39	15
White collar	156	70	36	181	59	30	72	157	42	232	30	15	231	30	17	201	69	5
Professional	73	55	22	112	29	9	33	85	25	125	19	11	132	15	8	105	47	3
Housewives	38	18	17	37	20	17	19	33	21	63	6	7	64	5	6	62	10	3
Businessmen	31	7	7	29	13	7	22	22	6	42	3	5	42	2	5	41	6	3
Students	21	21	4	37	5	5	11	27	8	35	10	3	33	11	3	36	8	4
Retired	37	1	4	26	9	7	24	15	5	39	0	5	37	1	5	33	8	2
Servicemen	18	7	5	23	6	3	6	21	4	22	9	1	20	12	0	24	7	1
Miscellaneous	28	14	10	29	15	7	22	25	3	35	13	3	29	15	2	31	17	4

Protecting Gas Consumers

EXTENSION OF REMARKS
OF
HON. EDMUND P. RADWAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. RADWAN. Mr. Speaker, it was with considerable amazement that I read an editorial which appeared in the Washington Post and Times Herald on June 6 entitled "Speaking for the Consumer."

According to that editorial, the Federal Power Commission, an agency charged with certain regulatory duties, is ignoring its primary obligation to the American public. It was the Federal Power Commission that in the first instance took the position that it did not have the power to regulate the prices charged by natural gas producers, and for this reason it took no steps in that direction. However, the Supreme Court decided last year that the Federal Power Commission does have such power and responsibility.

The editorial points out, "the FPC apparently is biding its time in the belief that it will be rescued by Congress." I think this is a pretty brazen attitude for the Federal Power Commission to take, because they most certainly have a duty to function under the law as written and as interpreted by the Supreme Court. Certainly they have no right to anticipate that Congress will modify the Supreme Court decision. It is passing strange that Congress should be taken for granted this way. Such an attitude on the part of the Federal Power Commission is an affront to the Congress.

To further quote from the editorial:

The FPC is charged with regulating the price of gas at the wellhead. But it is not effectively carrying out this duty since it has established no procedures and has acted more or less automatically in approving schedules submitted to it. It has thus set off a chain reaction that will cost consumers in this area millions of dollars. Theirs is not the only interest at stake, but it is a primary interest, and the four utility commissions have performed a notable service in bringing the matter forcefully to public attention.

Mr. Speaker, I am this day dispatching a letter to the Chairman of the Federal Power Commission demanding a full explanation in this matter.

Bananas on Pikes Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the La Barge irrigation project in Wyoming.

The La Barge project is a part of the proposed multibillion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the La Barge project would be $1,250 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

European Wheat Requirements

EXTENSION OF REMARKS
OF

HON. ANDREW F. SCHOEPPEL

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, June 7, 1955

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed in the RECORD a paper entitled "European Wheat Requirements," which was presented by Dr. John A. Shellenberger at the Hutchinson meeting of the Kansas Wheat Improvement Association on May 27. Dr. Shellenberger is head of the flour and feed milling industries department of Kansas State College. He is also a consultant to the Grain Division of the Foreign Agricultural Service in connection with the world wheat quality survey.

I believe that Dr. Shellenberger, in the presentation of his paper, discusses some matters which are very important to the wheat-producing sections of the country, not only in my State, but in other States. He has sought to point out ways to deliver better wheat than we have been supplying for some of the export shipments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. LANGER. Mr. President, reserving the right to object, may I inquire who this gentleman is?

Mr. SCHOEPPEL. He is the head of the flour and feed milling industries department of Kansas State Agricultural College. He has made a considerable study of wheat. He is also a consultant to the grain division of the Foreign Agricultural Service, in connection with the world wheat quality survey.

Mr. LANGER. Is he an expert on soft wheat, or hard wheat?

Mr. SCHOEPPEL. He is an expert on all kinds of wheat.

Let me say to the distinguished Senator from North Dakota that if he will check up on the article which I am presenting for the RECORD, he will find it informative and productive of the development of a better quality of wheat for general use over the country. I heartily commend the article to the Senator from North Dakota.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

EUROPEAN WHEAT REQUIREMENTS

(By Dr. J. A. Shellenberger)

The feeling seems to prevail among wheat growers that surplus wheat, regardless of quality, can be sold in foreign countries, particularly in Europe, if only a sufficient effort is made to create the market. That this is not true sometimes comes as a shock to the American farmer. It is often not realized that two wars in Europe within the span of a lifetime have brought about many profound changes in the thinking of people and in the policies of the governments of European nations. Having suffered through food privations as a result of war, the peoples and their governments have developed strong nationalistic tendencies to be as self-sufficient in food as the agricultural economy of the country will permit. This policy has been implemented by high price supports for agricultural products, especially wheat. Several European countries encourage the growing of wheat with support prices higher than these in the United States. In fact more than 96 percent of the world's wheat crop today is produced and marketed under price supports or other forms of official incentive to grow more wheat.

A fact we must learn to accept is that governments encouraging the growing of wheat, plus favorable weather, has changed profoundly the older concepts regarding potentialities in Europe for the marketing of wheat. The situation can be illustrated effectively by comparing the 5-year average wheat production in several countries during the period 1935–39 with the 5-year period from 1945–49. France, Germany, and Sweden all produced much less wheat during the period 1945–49 than during the period 1935–39 but Switzerland increased production slightly. The specific increases are shown in this table:

Wheat production

	Average, 1935–39	Average, 1945–49	1954	Increase
	Bushels	*Bushels*	*Bushels*	*Percent*
France	286,505,000	238,200,000	386,500,000	62
Germany (Western)	92,400,000	67,420,000	105,600,000	57
Sweden	25,351,000	23,222,000	37,870,000	63
Switzerland	6,050,000	7,800,000	9,370,000	20

However, the 1954 wheat harvest in France was 62 percent above the average production for the 5-year period 1945–49; for Germany the same comparison shows an increase of 57 percent; Sweden 63 percent, and Switzerland 20 percent. It becomes obvious that Europe is not dependent to the same extent as previously upon the importation of wheat. Thus market potentialities have been reduced. But most of the wheat produced in Europe is soft wheat; therefore, there continues to be a market for strong type wheats.

There are two important aspects in the European market for wheat that need to be reemphasized, first, the large increase in the production of wheat and, second, the need for the importation of strong wheats to blend with the locally grown wheats to produce satisfactory flour for bread production. Thus there is a market for United States wheat, if the price is right and the quality satisfactory. It is in regard to the quality of our wheat exports that your special attention is directed.

The United States Department of Agriculture through its Foreign Agricultural Service has worked hard to develop markets for wheat in foreign countries. To be competitive in a market it is essential, among other things, to know the caliber of your competition with respect to price and the quality of the merchandise. To obtain factual information on the quality of wheat imported into northern European countries the Foreign Agricultural Service has arranged to obtain samples from cargoes of wheat as the ships arrive at the ports and for the determination in the United States of the complete grading, chemical analysis, baking, and physical dough determinations of the samples. I have had the pleasure of being associated with this project and I thought you might like to have some advance information on the tests being performed and the results obtained. It is expected that approximately 136 samples will be received from various importing countries during the sampling period extending through the months of February, March, and April of this year. The evaluation work on the samples will be completed by June 30 and full details will be available later from the Foreign Agricultural Service, USDA.

It is common knowledge that dissatisfaction has been expressed in Europe with the quality of some of the wheat shipments originating from the United States. Usually the grain trade rates Canadian and Argentine wheats as being stronger and more satisfactory than shipments from the United States. The opinion prevails, in some quarters of Europe, that only the poorer quality wheats are delivered to port terminals for export. It is therefore important to learn what quality of wheat is reaching Europe from the United States and how these shipments compare in quality with cargoes from other countries.

Foreign buyers of United States wheats often complain that our system of grain grades and standards is inadequate or misleading insofar as describing the milling and baking quality to be expected from wheat of a particular grade and market class. FAS has prepared material for our agricultural attachés which explains the significance of our grain standards. Unfortunately for us, the only other important wheat exporter using numerical grades is Canada. The coincidence of wheat of comparatively uniform baking value, and somewhat more rigorous grade specifications for damage and foreign material, makes a Canadian No. 1 or No. 2 an appreciably more valuable wheat than our No. 1 or No. 2. The Canadians enjoy another advantage in that the average protein of their exportable surplus will range between 12 and 13 percent, whereas a special contract specification is required to insure the delivery of such protein wheat from the United States.

Our system of official grades, on the other hand, is much more informative to a buyer than is the system of f. a. s. deliveries under which much of the European imports are purchased. In countries that do not have a grading system, admixtures of Durum with White and Hard and Soft Winter wheats are often encountered as well as high amounts of shrunken or broken kernels, foreign seeds, and also stones.

The application of our grading system to some of the wheat shipments arriving in Europe from other countries would be an improvement because the grading and classification of the wheat would provide much helpful information regarding the characteristics of the shipment prior to its arrival. Thus the situation prevails whereby the application of our grading system helps our Nation to deliver better wheat than that which originates from some other exporting countries. But our system is not functioning as effectively as would be desirable for the delivery of wheat of a quality competitive with that which is being delivered by other exporters, particularly Canada.

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The majority of the wheat shipments from the United States arriving in the Northern European countries during the period February-April 1955 graded Soft Red Winter. Comparing the hard wheat shipments from the United States which graded Dark Hard or Hard Winter or Dark Northern or Northern Spring with the wheat shipments from some of the other exporters, it is understandable why our hard wheats are not in greater demand. We are supplying, on the average, hard wheats of slightly lower test weight and protein content than are obtainable from some of the other exporting countries. The flours from the United States wheats have a lower absorption and produce smaller loaf volumes than do the flours milled from important competing hard wheats. In other words, even the hard wheat shipments from the United States are surpassed in strength and in desirability by the wheats delivered by some of the other exporters.

A partial solution can be effected as a result of the efforts of our foreign representatives to explain the quality characteristics of our market classes. There is no doubt, however, about the need for improving the quality of our bread wheat exports to Europe. We can take pride in the fact that we are supplying better wheat to Europe than that grown locally or delivered from some other countries, but generally the fact seems to be that wheat exported from the United States is less satisfactory for bread-making purposes than that obtainable elsewhere.

A way must be found to deliver better wheat than we have been supplying for export shipments, if we desire to meet the competition in Europe. Wheat production throughout Europe is on the increase. The wheat produced is predominantly soft and hence hard wheat is required to blend with it for the production of bread flour.

Mechanization of the baking industry is on the increase in Europe. This trend will increase the requirements for stronger wheat. It is an inescapable fact that a means must be found whereby wheat of better quality is made available for export. This means that farmers must give more serious consideration than ever before to the strength characteristics of the wheat grown. It also means that every effort should be made by all segments of the wheat industry, including Federal and State agencies, to work collectively to develop and grow better wheat, to prevent the debasement of good wheat by admixtures of poor quality wheat or foreign material, and to segregate wheat on the basis of protein, variety, and baking quality considerations.

There is no hungry Europe ready and willing to take whatever quality wheat we may wish to dispose of and all indications are that the demands for strong, good quality wheat will increase rather than decrease in the years ahead.

Bananas on Pike's Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. HOSMER. Mr. Speaker, if Congress approves the multibillion dollar upper Colorado River project, it would not quite grow bananas on Pike's Peak, but the taxpayers in each of 13 States would pay more for the project as now planned than all four of the States that benefit from it put together:

States that would benefit from project:	*What taxpayers would pay*
Colorado	$36,400,000
New Mexico	15,200,000
Utah	16,000,000
Wyoming	8,000,000
Total	$75,600,000

The taxpayers in these 13 States would pay:

Massachusetts	$127,600,000
Maryland	102,400,000
Pennsylvania	277,600,000
Texas	194,400,000
Illinois	276,000,000
Michigan	196,400,000
California	372,800,000
New Jersey	144,000,000
New York	493,600,000
Ohio	236,000,000
Missouri	100,000,000
Indiana	102,400,000
Wisconsin	88,000,000

Twenty-eight States each would pay more than the State of Colorado.

Thirty-seven States would pay more than the State of Utah.

Thirty-nine States would pay more than the State of New Mexico.

Forty-one States would pay more than the State of Wyoming.

The Congress might as well appropriate money to grow bananas on Pike's Peak as to approve the upper Colorado River project.

Available Aluminum Supplies for Industrial Use

EXTENSION OF REMARKS
OF
HON. W. KERR SCOTT
OF NORTH CAROLINA
IN THE SENATE OF THE UNITED STATES

Tuesday, June 7, 1955

Mr. SCOTT. Mr. President, at the request of the senior Senator from Montana [Mr. MURRAY], I ask unanimous consent that an exchange of correspondence between his office and the Director of the Office of Defense Mobilization, Attorney General Herbert Brownell, Jr., and Representative SIDNEY R. YATES, of Illinois, relating to available aluminum supplies for industrial use, be printed in the RECORD of today.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., May 24, 1955.

Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SENATOR MURRAY: This will acknowledge your letter of May 3, 1955. You ask by what directive to General Services Administration, the agency charged by Executive order with administering the guaranteed marketing contracts, or to any other Government agency, has the Office of Defense Mobilization protected the rights and interests of the nonintegrated aluminum users by guaranteeing that the additional aluminum available for industrial use as a result of the cancellation of proposed stockpile purchases will be made available for sale to them by the primary producers.

The reply to your question is that no directive was issued by the Office of Defense Mobilization for the reason that in the opinion of my general counsel the rights of the nonintegrated users are set forth very clearly in existing contracts between the producers and the Government.

As you pointed out in your letter, the guaranteed market contracts between the Government and the primary aluminum producers provide that two-thirds of the production of primary aluminum covered by the contracts, less the quantities purchased by the Government, must be made available by the primary producers for sale to the nonintegrated users.

Accordingly, when the Office of Defense Mobilization directed the General Services Administration to reduce its acquisition of aluminum for the stockpile by 150 million pounds in the first 6 months of 1955, the primary producers were obligated by contract to make additional aluminum available to the nonintegrated users unless deliveries already arranged were sufficiently in excess of contract obligations as to cover the increment.

In carrying out its responsibilities for administering procurement contracts, the General Services Administration receives periodic reports as to the distribution of all aluminum produced in facilities covered by the guaranteed marketing contracts to assure that nonintegrated users receive the amount of aluminum which the primary producers are contractually obligated to deliver to them. Thus far it appears that the primary producers have provided nonintegrated users with primary aluminum in amounts in excess of those called for by the contracts.

Sincerely yours,
ARTHUR S. FLEMMING,
Director.

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
June 6, 1955.

Mr. ARTHUR S. FLEMMING,
Director, Office of Defense
Mobilization, Washington, D. C.

DEAR MR. FLEMMING: Senator MURRAY is in Geneva, Switzerland, attending an international conference as United States delegate, and I have communicated with him about your letter of May 24 in answer to his of May 3. We have now exchanged five letters on the current primary aluminum shortage for independent users and your recent order deferring aluminum shipments to the stockpile. The Senator recognizes that you have only recently received his latest letter. However, he considers that your answers to date have been unseemly brief and almost totally nonresponsive.

In his initial letter to you dated April 1 he pointed out that a deception was perpetrated in the writing of the Government guaranteed marketing contracts. This resulted in a travesty on the original intent of these contracts which sought in part to assure additional supplies of primary aluminum for nonintegrated users. Your failure to comment on this statement leads him to believe that you share this view.

You provide no answer to question No. 1 of Senator MURRAY's April 1 letter which asked whether the Government knows if the provisions of the guaranteed marketing contracts are being carried out by the primary producers. He assumes, therefore, that you do not know whether these provisions are being enforced.

You indicated, in answer to question No. 2, that the General Services Administration is responsible for administering the guaranteed marketing contracts. Senator MURRAY wants to know who in GSA determines policy matters concerning equitable distribution of aluminum under these contracts.

In answer to the Senator's question No. 3 of April 1 regarding steps taken by GSA to assure equitable distribution of aluminum under the contracts and in answer to his question of May 3 asking specifically what directive action ODM took to protect the rights and interests of the nonintegrated aluminum users, you indicate that no directive was issued because, in the opinion of your general counsel, "the rights of the nonintegrated users are set forth very clearly in existing contracts between the producers and the Government."

The testimony of the three primary producers on Tuesday and Wednesday of this week, May 24 and 25, before House Small Business Subcommittee No. 3 belies the clarity which you contend exists in these contracts. Each of these primary producers appears to have a separate and different view of the rights of the nonintegrated users under these contracts.

Mr. Richard S. Reynolds, Jr., president of the Reynolds Metals Co., told the subcommittee: "Our primary reason for producing pig was to provide our own fabricating plants with raw material." He also told the subcommittee: "We are fabricators and merchants; we went into the business for that purpose, not to supply other people aluminum."

Reynolds does not consider itself a supplier of aluminum pig, notwithstanding requirements of the guaranteed marketing contracts that they sell primary aluminum to independent users. Has it been Reynolds' intention not to live up to their contracts with the Government?

In 1951 the same Mr. Reynolds, testifying before a subcommittee of the House Judiciary Committee studying monopoly in the aluminum industry, testified: "But let me point out we went into the aluminum production not to supply ingots; we went in as having a source of raw material for our own fabricating plants. We have fabricating plants that can fabricate twice as much aluminum as we can produce."

Either Reynolds' representation that it would supply aluminum to independent users under a guaranteed marketing contract was not true or the contract was given to Reynolds by the Government irrespective of Reynolds' disavowal of intention to live up to the contract.

The benefit of the Nation's credit was extended to Reynolds to support its own credit to enable the company to build facilities to produce additional primary aluminum. Either they obtained the benefits of Government aid by trick and device, or it was forced upon them by a Government agency that knew in advance that the company would not live up to the guaranteed marketing contract.

The general counsel of GSA, testifying before the House Small Business Subcommittee Number 3 on May 23, told the subcommittee the primary producers have a moral obligation to sell primary aluminum produced from facilities covered by these contracts to the nonintegrated users. Does this moral right flow from the contract?

In light of these varying versions of the obligations of the primary producers under these contracts, Senator MURRAY insists on having your counsel's views on the rights and obligations of all parties to the contracts. This should not be too difficult to detail if the contracts are as clear as your counsel tells you they are.

Irrespective of any revival of the third round of primary aluminum expansion which seems presaged by recent announcement in the press that two companies have made proposals to enter the primary production field, Senator MURRAY wants a prompt and detailed answer to all the foregoing.

Sincerely yours,

CHARLES A. MURRAY,
Administrative Assistant.

UNITED STATES SENATE,
COMMITTEE ON INTERIOR AND
INSULAR AFFAIRS,
June 6, 1955.

Hon. HERBERT BROWNELL, Jr.
United States Attorney General,
Department of Justice,
Washington, D. C.

DEAR MR. ATTORNEY GENERAL: Senator MURRAY is in Geneva, Switzerland, attending an international conference as United States delegate, and so he has asked me to transmit to you a copy of a letter from Director Arthur S. Flemming of the Office of Defense Mobilization regarding the aluminum shortage for independent users and the reply which the Senator directed to be sent to Mr. Flemming.

Sincerely yours,

CHARLES A. MURRAY,
Administrative Assistant.

UNITED STATES SENATE,
COMMITTEE ON INTERIOR AND
INSULAR AFFAIRS,
June 6, 1955.

Hon. SIDNEY R. YATES,
Chairman, Subcommittee No. 3,
Select Committee on Small Business,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN YATES: Senator MURRAY is in Geneva Switzerland, attending an international conference as United States delegate, and in his absence I am acknowledging your letter of May 31.

I am sure the Senator will be pleased at your reaction to his letter of May 24 and that it will be inserted in the record of your proceedings.

Senator MURRAY has asked me to transmit to you a copy of Mr. Flemming's answer to his letter of May 3, together with our answer thereto.

With best regards, I am,

Sincerely yours,

CHARLES A. MURRAY,
Administrative Assistant.

Chester G. Hanson, of the Times, Retires

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. HOSMER. Mr. Speaker, for many years anyone remotely connected with politics in southern California, on the local, State, or National levels, has known, respected, and loved "Chick" Hanson, political columnist and correspondent for the Los Angeles Times. In addition, his pithy style, accurate reporting, and the philosophical musing which sometimes crept into his writing endeared him to millions of readers.

"Chick," whose formal byline identifies him as Chester G. Hanson, is retiring from service with the Times after having served with that newspaper since 1932. The passing of time has brought him up to the retirement age as inevitably as it brought this milestone to the lives of millions of others.

His thousands of friends have refused to let the event go uncelebrated. In fact, the lower house of the California Legislature not only passed unanimously a congratulatory resolution wishing Hanson good luck in the future, but topped off this legislative kudo by singing "For he's a jolly good fellow" at the conclusion of their vote. Every member of the legislature, Democrat and Republican, joined in coauthorship of the resolution, which received similar speedy treatment in the California State Senate.

The resolution declared that while Hanson, as a reporter, often differed with legislators and politicians, he had "held the respect and affection of thousands of men and women in public life in California." It praised Hanson as a "student of government" as one who "during all his years had done an outstanding job of consistent, forthright, and objective reporting." The resolution closed with a "wish for many more years of happiness together for Chick and his wife Helen."

Certainly, all of us who serve from California in Washington echo this appreciation to a true and able friend and join in the good wishes for future happiness for him and his family.

Actual Cost of Reclamation Projects Below Cost Estimates

EXTENSION OF REMARKS
OF
HON. WAYNE N. ASPINALL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. ASPINALL. Mr. Speaker, on numerous occasions recently in hearings before the House Committee on Interior and Insular Affairs and before this body statements have been made which leave the impression that the Bureau of Reclamation consistently underestimates the cost of its projects. In order to have accurate information on this matter I requested the Commissioner of Reclamation to furnish by Subcommittee on Irrigation and Reclamation a comparison of project final costs, or the presently estimated final costs in the case of projects not yet completed, with the original estimates of costs that were furnished the Congress at the time of authorization.

This information has been furnished for all Bureau of Reclamation projects which have been authorized and started since the end of World War II. The comparison demonstrates that the Bureau of Reclamation in recent years has been consistently conservative in its estimates of project costs. The study shows that the Bureau of Reclamation has built or is building all of the projects authorized and started since World War II at a cost of only about 4 percent above initial estimates as compared with an increase due to inflation alone of from 15 to 30 percent, depending upon the construction cost index used. Expressed in another way this means that the Bureau of Reclamation is building its overall program for 10 to 20 percent below the estimates made at the time of authorization if these estimates were adjusted to reflect the general rise in construction costs at the time of actual construction.

UNIVERSITY OF MICHIGAN

This study indicates, then, that in recent years the Bureau of Reclamation has an excellent record in estimating costs for reclamation projects.

In view of pending legislation on reclamation projects I am sure that my colleagues are interested in this information and I desire, therefore, to include the material and the letter of transmittal in the CONGRESSIONAL RECORD following these remarks:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D. C., May 26, 1955.

Hon. WAYNE N. ASPINALL,
House of Representatives,
Washington, D. C.

MY DEAR MR. ASPINALL: In compliance with your recent request, I am pleased to furnish you a comparison of the presently estimated costs of all Bureau of Reclamation projects which have been authorized and started since the end of World War II with the estimates of their cost that were furnished the Congress at the time of authorization. By including every one of the projects which has been authorized and started during this period, we avoid selecting only those projects which would present the best picture from the Bureau of Reclamation's point of view, and we also avoid doing what some of Reclamation's critics have done—selecting only certain projects which, without detailed explanation, would appear to show that Reclamation consistently underestimates costs. Actually, as the attached comparison demonstrates, Reclamation, in recent years, has been consistently conservative in the estimate of project costs.

The date selected as a cutoff point was the end of World War II, which gives us approximately a 10-year period which should be sufficient to demonstrate that the Reclamation administrators and engineers have been making good on the estimates which they furnish to the Congress and congressional committees when seeking the authorization of new projects.

With more research, the analysis could have been extended to cover a longer period and we are confident that such a larger study would result in equally favorable findings, if all pertinent factors were considered. However, to account adequately for pre-World War II cost estimates, we could be faced with endless argument, as in the past, not only on how to adjust for the general inflation, which would be relatively simple, but also on how to evaluate cost increases due to partial or complete shutdown because of the war and to justify changes in scope of the project which took place during the war period, when time was available for studying ways and means for improving and generally enlarging the project to meet increased needs at the later date of initial operation.

From time to time Congress has written into the appropriation acts provisions to the effect that current construction prices should be used. For example, the Interior Department Appropriation Act of 1950 provides "that no part of this appropriation shall be available for the preparation of any comprehensive plan or project report the construction estimates for which are not based upon current construction prices and costs. * * *" Similar language appeared in the appropriation acts of 1947, 1948, and 1949.

By such provisions it is clear that the Congress did not want the Bureau of Reclamation to make any guesses as to future trends in its project cost estimates.

Since the end of World War II the Bureau of Reclamation has had authorized and put under construction 27 projects, or new divisions of projects, the initial cost estimates for which at the time of authorization totaled $506,232,898. If this amount is adjusted to reflect construction cost increases existing at the times when Federal investments were made, as computed by the Bureau of Reclamation, the initial estimates would be increased to $581,124,900 on the basis of inflation alone. The Bureau of Reclamation cost index is based on periodic studies of current bids on the materials and labor that go into reclamation projects.

As a further check, our staff also adjusted the total initial estimates of $506,232,898 to reflect the independent index of construction cost as published by the Engineering News-Record in the October 7, 1954, issue. This index is a composite of the cost of selected construction materials and common labor and does not, therefore, reflect fully all the categories of cost that enter into reclamation projects; for example, skilled labor. Based on the Engineering News-Record construction cost index adjustment, the initial Reclamation estimate would be increased to $657,320,600. Of the 27 projects included in the analysis, 13 have been completed and the remaining 14 are well underway, ranging from 4 percent complete in the case of Glendo to 99 percent in the case of Cachuma. However, in the case of Glendo, although only a small amount of actual work has been done, the major construction contract on Glendo Dam has been awarded. The total cost to date of all of these 27 projects, plus the estimated cost of completion of those projects not yet completed, is $526,833,790.

This study shows that Reclamation has built, or is building, all of the projects authorized and started since World War II, at a cost of only about 4 percent above initial estimates, as compared with an increase due to inflation alone of 15 percent based on the Bureau of Reclamation index and 30 percent based on the Engineering News-Record construction cost index as applied to the times during which the work was done.

Expressed in another way, Reclamation is building its overall program for 10 percent (based on the Bureau of Reclamation index) to 20 percent (based on the Engineering News-Record index) below the estimates made at the time of authorization, if these estimates were adjusted to reflect the general rise in construction costs at the time of actual construction.

There is enclosed a table showing the analysis of each of these 27 Reclamation projects. While it is true that changes in project scope and the individual makeup of any one project might cause a somewhat different conclusion for that one project than was reached by applying the general construction indexes to the initial cost, the special circumstances tend to offset each other in the consolidation of the entire program. Consequently, it is believed that the analysis of the entire new program since 1945, as outlined above, is a fair one.

In your use of this material, you may wish to use only one of the indexes in order to simplify the presentation. If you used the Bureau of Reclamation cost index, there would be a better correlation with some of the other analyses that have been prepared by this office on cost increases. On the other hand, if you used the construction-cost index of the independent non-Federal organization, such as the Engineering News-Record, you could better refute criticism that Reclamation had developed a special yardstick to make its estimates look favorable. As a matter of fact, Reclamation's cost-estimating record looks even more conservative when the Engineering News-Record index is used than when its own index is used.

Sincerely yours,

E. G. NIELSEN,
Acting Commissioner.

COMPARISON OF BUREAU OF RECLAMATION COST ESTIMATES OF ALL PROJECTS AUTHORIZED AND STARTED SINCE THE END OF WORLD WAR II

Since the end of World War II 27 reclamation projects have been authorized for construction or rehabilitation. This program covers practically all types of construction performed by the Bureau of Reclamation including earthwork, canal construction, distribution system repair, concrete structures, major concrete dams, powerplants, and transmission lines. The total of the cost estimates of these projects at the time the work was authorized is $506,232,898.

During the period these projects were authorized and placed under construction the cost of labor, materials, and other construction services has experienced a continual rise so that construction costs at the end of fiscal year 1954 or the beginning of fiscal year 1955, the latest date that cost data are available, are considerably greater than at the close of World War II. The composite construction cost index of the Bureau of Reclamation, which is based on periodic studies of current bids on materials and labor that go into concrete dams, power generating plants, power transmission systems, earth dams, canals, laterals, and drains shows this overall increase to be 1.40. By comparison, the index of construction costs published in the Engineering News-Record for October 7, 1954, which is based on costs of selected construction materials and common labor, shows this overall increase to be 1.98. The rise in costs during only a portion of this period for any particular project would be something less than 1.40 or 1.98, depending upon the date the project was authorized and the years when funds were spent on construction.

Therefore, if the estimated costs of reclamation projects and rehabilitation work which were authorized since World War II were adjusted in accord with the cost indexes and without taking into account any other factors which affect the estimates, such as unforeseen site conditions, change in project plan, or bids actually received, the cost of this work today would greatly exceed the estimates at the time the work was authorized. If, for instance, the unspent portion of the estimates of these projects had followed the construction cost index of the Engineering News-Record since the time the initial estimates were made, the total today of the estimates of construction in progress and actual cost of work completed would be $657,320,600. Similarly, if the estimates of this work were based on the composite cost index of the Bureau of Reclamation the total would be $531,124,900. Compared to these figures the total of the official fiscal year 1955 estimates for projects under construction and actual costs of completed work is $526,833,790.

To date construction has been completed on 13 of the 27 projects and progress on the remaining 14 ranges from 4 percent of completion on Glendo to 99 percent on Cachuma. However, despite the fact that only 4 percent of the cost of Glendo has been spent, the major contract has been awarded, and the present estimate appears satisfactory. From the figures cited it is evident that for all of the projects authorized and started since World War II, the Bureau of Reclamation is completing the work at an estimated cost of 80 percent of what the initial estimate would have been if it had been adjusted to the index of the Engineering News-Record, or 90 percent of what the cost would have been if it had been adjusted to the Bureau of Reclamation composite index.

The attached tabulation shows for each project the estimated cost at the time the project was authorized, what the estimated cost would have been at the beginning of fiscal year 1955 if the uncosted portion of the initial estimate had followed the Engineering News-Record cost index and the Bureau of Reclamation composite index, respectively, and the official estimated cost or completed cost of the projects at the beginning of fiscal year 1955.

While, in general, the estimated costs of individual projects based on the construction cost indexes as shown in the tabulation are

higher today than the current official estimates, there are several instances where this does not occur. In the case of the Cachuma project, approximately $15 million was added to the construction cost in addition to general price increases as a result of unforeseen and extremely unfavorable conditions encountered in excavation of the tunnel. The current estimate for the Eklutna project has greatly overrun the initial estimate adjusted to 1955 prices by virtue of the fact that the initial estimate was Reclamation's first job in Alaska and did not account sufficiently for the higher construction costs prevalent in that area, nor include adequate provision for the type of construction contemplated. On the other hand, as a result of favorable bids and savings through modification in project plan, the current estimates for the Weber Basin, the Palisades project, and the Glendo unit are substantially less than the estimates at the time the projects were authorized and it is expected that these projects will be completed at a cost in accord with the current estimates with resultant savings to the Government.

Thus, considering the overall program which has been authorized and started since World War II, which includes the broad range of construction undertaken by this Bureau, and taking into account both the favorable and unfavorable circumstances where current or completed costs are compared to the initial estimates, it is seen that the Bureau of Reclamation is constructing these projects at a cost less than would be the case if all costs followed the general price trend during the same period.

Comparison of Bureau of Reclamation project cost estimates at time of authorization; adjusted to reflect subsequent changes in construction cost indexes; and current official estimate or completed cost

(This table covers all projects or separable divisions of projects which have been authorized for construction since World War II)

Project	Estimate at time of authorization			Initial estimate adjusted to date investment actually made [1]		Official estimated cost [2] fiscal year 1955	Percent of construction completed June 30, 1955
	Date of authorization, fisca. year	Date of estimate, fiscal year	Amount of estimate	E. N. R. construction cost indexes	BuRec composite cost index		
Lewiston Orchards, Idaho	1947	1946	$1, 466, 000	$1, 971, 000	$1, 758, 000	$2, 484, 000	100
Paonia, Colo	1947	1947	[3] 3, 030, 000	4, 383, 000	3, 866, 000	6, 677, 000	30
Arnold Irrigation District, Oregon	1948	1947	220, 000	272, 000	257, 500	296, 000	100
Cachuma, California	1948	1947	32, 310, 000	46, 458, 000	40, 428, 000	43, 816, 000	99
Hayden Lake Unit, Rathdrum Prairie, Idaho	1948	1947	90, 650	111, 000	103, 400	118, 000	100
Kennewick Division, Yakima, Wash	1948	1947	10, 736, 000	17, 000, 000	14, 470, 000	13, 760, 000	69
Preston Bench, Idaho	1948	1948	453, 000	463, 000	461, 700	450, 000	100
Wellton-Mohawk Division, Gila, Ariz	1948	1946	24, 376, 948	42, 489, 000	33, 149, 000	39, 940, 000	86
Ochoco Dam Division, Deschutes, Oreg	1948	1948	1. 500, 000	1, 644, 000	1, 592, 000	849, 000	100
Solano, Calif	1949	1948	45, 577, 000	63, 783, 000	54, 882, 000	47, 111, 000	21
American River Division, Central Valley, Calif	1950	1949	59, 200, 000	73, 695, 000	64, 245, 000	45, 924, 000	95
Fort Sumner, N. Mex	1950	1948	1, 798, 000	1, 940, 000	1, 867, 000	2, 432, 000	100
Grants Pass—Northwest Pipeline, Deschutes, Oreg	1950	1949	100, 000	100, 100	99, 900	100, 000	100
Middle Rio Grande, N. Mex	1950	1947	30, 179, 000	48, 234, 000	40, 784, 000	29, 606, 000	23
Weber Basin, Utah	1950	1949	69, 534, 000	88, 968, 000	77, 168, 000	65, 362, 000	22
Sacramento canals, Central Valley, Calif	1951	1951	54, 396, 000	62, 167, 000	63, 117, 000	57, 762, 000	6
Eklutna, Alaska	1951	1949	20, 365, 400	24, 771, 000	20, 836, 000	29, 500, 000	100
Alcova powerplant, Kendrick, Wyo	1951	1951	6, 377, 000	6, 888, 000	7, 143, 000	6, 428, 100	100
North Side Pumping Division, Minidoka, Idaho	1951	1948	11, 395, 000	15, 821, 000	13, 531, 000	9, 759, 000	59
Palisades (present progress), Idaho	1951	1949	76, 601, 000	96, 531, 000	83, 631, 000	74, 400, 000	61
Vermejo, N. Mex	1951	1950	2, 679, 000	3, 489, 000	2, 980, 000	2, 743, 000	100
Savage Rapids Dam, Grants Pass, Oreg	1953	1952	678, 000	722, 000	705, 000	713, 490	100
Avondale, Idaho	1954	1953	221, 100	230, 000	224, 100	277, 000	100
Dalton Gardens, Idaho	1954	1953	267, 800	277, 500	271, 300	270, 200	100
Alamogordo Spillway, Carlsbad, N. Mex	1955	1954	1, 526, 000	1, 526, 000	1, 526, 000	1, 526, 000	20
Crescent Lake Dam, Oreg	1955	1953	297, 000	310, 000	302, 000	320, 000	80
Glendo unit, MRBP, Wyoming	1955	1953	50, 859, 000	53, 077, 000	51, 727, 000	44, 300, 000	4
Total			506, 232, 898	657, 320, 600	581, 124, 900	526, 833, 790	

[1] Amounts remaining to be invested adjusted to latest ful. year (fiscal year) for which indexes are available.

[2] For completed projects, estimates shown are actual total costs.

[3] Does not include cost of Minnesota unit which is now being considered for authorization as part of Paonia project.

A Bill To Provide Assistance to Communities, Industries, Business Enterprises, and Individuals To Facilitate Adjustments Made Necessary by the Trade Policy of the United States

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. DODD. Mr. Speaker, I have today introduced a bill to provide assistance to communities, industries, business enterprises, and individuals to facilitate adjustments made necessary by the trade policy of the United States.

This proposal is identical to H. R. 229, which was introduced by our esteemed colleague, Mr. HARRISON WILLIAMS, of New Jersey.

I am introducing this bill today for the purpose of cosponsorship with Congressman WILLIAMS, of New Jersey.

I believe that this legislation if passed will do much to help develop world trade.

It will certainly help the people of the United States of America to make adjustments that will be necessary if we are to operate an effective reciprocal trade policy.

This trade adjustment bill would establish a Government-wide adjustment assistance board which would be empowered to step in when low tariffs under the reciprocal trade policy would endanger the American market. It would provide that if the President in the overall national interest disregards the escape clause or peril point findings of the Tariff Commission, he could at the same time authorize the Board to extend the following benefits to United States communities and industries which are hurt by the foreign competition.

First. The Government would finance technical assistance to companies and communities needing it, to encourage diversification. Engineers, market researchers, and other technicians would be financed for expert surveys out of Federal funds. Easier tax provisions for building new plants would be allowed and import firms would be encouraged to enter such communities to stimulate new markets.

Second. Unemployment compensation assistance would be doubled. Under present law, jobless payments last for 26 weeks. Under the trade adjustment bill, this would be extended to 52 weeks.

Third. Older workers would be allowed to retire at the age of 60 instead of 65. In addition, counseling and placement and special training allowances would be allowed, coupled with special moving allowances for workers seeking employment in other areas and fields.

This legislation would, in my opinion, make the individual enterprise system even stronger than it now is, relative to totalitarian systems. It would go a long way toward dissipating unreasoning fear and, at the same time, would strengthen our own economy by bringing the economies of the other countries of the free world closer to ours. Unity here means economic strength. Economic strength makes spiritual courage and determination easier, and together with the military preparedness that is already under way, such strength can go a long way toward the creation of a truly strong free world.

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The text of the bill is as follows:

A bill to provide assistance to communities, industries, business enterprises, and individuals to facilitate adjustments made necessary by the trade policy of the United States

Be it enacted, etc., That this act may be cited as the "Trade Adjustment Act of 1955."

PURPOSE

SEC. 2. (a) It is recognized that the maintenance of a sound domestic economy and healthy international relations requires that the United States engage in trade among the free nations of the world. Further, the Reciprocal Trade Agreements Act of 1934 reflects the congressional desire that the President be authorized to negotiate with the other countries of the world with a view to lowering trade barriers. The Congress has also recognized, in enacting the peril point and escape clause provisions of the Trade Agreements Extension Act of 1951, that there are situations in which the reduction of trade barriers, although redounding to the benefit of the Nation as a whole, may have serious adverse effects on particular domestic industries. These provisions provide mechanisms for determining at what point reductions in trade barriers, either in prospect or already accomplished, will have such adverse effects. They provide no method by which greater prosperity and security for the Nation as a whole can be secured by the reduction of trade barriers, while avoiding or ameliorating the economic losses which particular communities, industries, enterprises, and individuals may suffer in the adjustment of their productive activities which may be made necessary by such reduction. It is the purpose of this act to resolve this problem by providing assistance to communities, industries, enterprises, and individuals in the adjustment of their productive activity to the economic conditions created by the national trade policy. It is not the purpose of this act to provide a permanent subsidy, but rather to provide the means by which those affected by lowered trade barriers may be assisted in the period of their adjustment.

(b) It is the intention of Congress that, in determining eligibility for the assistance provided for under this act, the act shall be construed liberally and that any doubt regarding eligibility shall be resolved in favor of the applicant.

ESTABLISHMENT AND FUNCTIONS OF ADJUSTMENT ASSISTANCE BOARD

SEC. 3. The President shall appoint a 5-member board to be known as the Trade Adjustment Board (hereinafter called the Board), 1 member of which he shall designate as Chairman. The members of the Board shall be appointed from among the officers and employees of the executive branch of the Government and shall serve without compensation in addition to that otherwise received as officers or employees in the executive branch of the Government, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Board.

SEC. 4. For the purposes of performing its duties, the Board is authorized to—

(a) hold such hearings, to sit and act at such times and places, and to take such testimony, as the Board may deem advisable;

(b) secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics needed to carry out the purposes of this section; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Board upon request made by the Chairman;

(c) require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths, to take testimony, to have printing and binding done; and to make such expenditures as it deems advisable within the amount appropriated therefor. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board. Subpenas shall be issued under the signature of the Chairman and shall be served by any person designated by him. The Board is authorized to exercise any of the powers conferred upon the Securities and Exchange Commission by subsection (c) of section 21 of the Securities and Exchange Act of 1934, and subsection (d) of such section shall be applicable to witnesses before the Board; and

(d) establish such rules, regulations, and procedures as may be appropriate to permit the Board to perform the functions prescribed in this act.

SEC. 5. (a) Whenever the President, in accordance with the provisions of sections 4 and 7 of the Trade Agreements Extension Act of 1951, as amended by sections 12 and 13 of this act, shall determine to invoke the provisions of this act with reference to any article as to which a modification in the rate of duty or other import restriction, or any other concession, has been found either to threaten or to have caused serious injury to a domestic industry, he shall notify the Board of his decision.

(b) After the notification by the President provided for above, the Board shall, upon application by any community, industrial development corporation, business enterprise, employee, or organization representing employees, determine whether the applicant is eligible, or represents persons eligible, to receive the benefits provided for in this act. If the Board shall determine that any community, industrial development corporation, business enterprise, employee, or organization representing employees is eligible for the benefits provided for in this act, or represents persons so eligible, it shall issue a certificate describing the community, industrial development corporation, business enterprise, or employees found eligible which shall conclusively establish for a period of 18 months or such shorter period as the Board may determine that the described persons are eligible for the benefits provided for in this act. Such certificates shall state the period for which they are valid and shall automatically expire at the end of such period. Upon application, the Board shall have authority to renew any certificates of eligibility for successive periods of 18 months, or less, upon a showing that such renewal is necessary to accomplish the purposes of this act. The Board shall also have authority on its own motion or upon the motion of any interested person, to cancel any such certificate of eligibility if it finds the continued existence of such certificate is not necessary to accomplish the purposes of this act.

(c) The following may be determined by the Board to be eligible for the benefits provided for in this act:

(1) Any business enterprise engaged in the production of an article identical to or directly competitive with an article with reference to which this act shall have been invoked.

(2) Any unemployed individual whose last regular employment shall have been in a business enterprise which is eligible or may be determined to be eligible for the benefits provided for by this act.

(3) Any community a substantial number of the residents of which are individuals who are eligible or may be determined to be eligible for the benefits provided for by this act.

(4) Any industrial development corporation organized for the purpose of aiding the development of a more balanced and diversified economy or diversification of production in a community which is eligible or may be determined to be eligible for the benefits provided for by this act.

In determining whether a particular business enterprise is eligible for the benefits provided for in this act, the Board shall consider what portion of the total production of such enterprise consists of the production of an article identical to or directly competitive with the article with reference to which this act shall have been invoked. In determining whether any such enterprise or any community or industrial development corporation is eligible for such benefits the Board shall also consider whether such enterprise, community, or industrial development corporation has developed satisfactory proposals for programs of economic adjustment consonant with the purposes of this act.

(d) As used in this act—

(1) The term "industrial development corporation" includes any body organized and operated by private citizens for the purpose of aiding the development of a more balanced and diversified economy or diversification of production in a community through industrial development, the training or retraining of employees, or through any other means.

(2) The term "employee" includes an unemployed individual whose last regular employment shall have been in a business enterprise which is eligible or may be determined to be eligible for the benefits provided for in this act.

ADJUSTMENT BENEFITS

SEC. 6. Information and advice: Any business enterprise found to be eligible by the Board for assistance under this act may apply to appropriate departments and agencies of the Government for technical information, market research, or any other form of information and advice which might be of assistance in the development of more efficient methods of production and in the development of new lines of production. Similarly, any community or industrial development corporation found eligible for assistance under this act may apply to appropriate departments and agencies of the Government for such information and advice as will enable it to develop a more balanced and diversified economy.

SEC. 7. Loans: Section 207 of the Small Business Act of 1953 is amended—

(a) by striking out the word "and" at the end of subsection (d);

(b) by striking out the period at the end of subsection (e) and inserting in lieu thereof a colon and the word "and"; and

(c) by adding at the end thereof a new subsection as follows:

"(f) to make such loans as the Administration may determine to be necessary or appropriate to business enterprises and communities, either in their corporate capacity or as represented through industrial development corporations or similar agencies, for the adjustment by such business enterprises and communities to economic conditions resulting from the trade policy of the United States: *Provided, however,* That no such loans shall be made by the Administration to any business enterprise, or community unless the Trade Adjustment Board, as established under the provisions of the Trade Adjustment Act of 1954, shall have certified to the Administration that such business enterprise, or community is eligible for benefits under the Trade Adjustment Act of 1954: *And provided further,* That the requirements of paragraph (1) of subsection (a) of this section shall be applicable to the loans authorized to be made under this subsection."

SEC. 8. Unemployment compensation: (a) (1) The Secretary of Labor (hereinafter referred to as the "Secretary") shall on behalf of the United States enter into an agreement with any State in which an enterprise, or community, with respect to which a certificate of eligibility has been issued under this act, is located, under which the State, as

agent of the United States, will make payments of supplementary compensation to unemployed individuals in the State as provided for in this section, and will otherwise cooperate with the Secretary and with other State agencies in making payments of supplementary compensation under this section.

(2) Payments of supplementary unemployment compensation under this section shall be made only to individuals within the class of individuals determined by the Board under section 5 of this act to be eligible to receive the benefits provided for in this act.

(3) In any case where an unemployed individual is no longer entitled to payment of compensation under the unemployment compensation laws of the State solely by reason of the expiration of the period for which such compensation is payable under such laws, there shall be paid to such individual, out of amounts paid to such State by the United States for such purpose and without cost to such State, supplementing compensation in an amount equal to the rate of State unemployment compensation which he was receiving immediately prior to the time he was no longer entitled to receive such rate. In order to remain eligible for supplementary compensation under this paragraph, an individual must comply with the provisions of State law with respect to ability and availability for work, and with respect to the acceptance of offers of suitable work, and failure to so comply shall result in immediate cessation of payment under this paragraph. The total period during which an unemployed individual may receive benefits under this section shall not exceed 26 weeks.

(4) The amount of the Federal supplementary compensation to an individual for a week of partial unemployment shall be the amount necessary to provide such individual with a weekly benefit equal to the amount he would have received under paragraph (3) of this subsection for a week of total unemployment, less his earnings for such week in excess of the partial earnings allowance, if any, permitted by the unemployment compensation law of the State.

(5) Any agreement under this section shall provide that compensation otherwise payable to any individual under the State's unemployment compensation law will not be denied or reduced for any week by reason of any payment made pursuant to such agreement. No agreement under this section for payment of compensation by a State agency shall be valid if compensation payable to any individual under the law of such State is less than it would have been under such law as it existed on January 1, 1955.

(b) Whenever the Board, either upon application of an interested party or upon its own motion, determines that unemployment among individuals found by the Board to be eligible to receive the benefits provided for in this act is no longer attributable to the trade policy of the United States, no further payments shall be made under this section to such individuals with respect to weeks of unemployment occurring after the date of such determination by the Board, or occurring during any period for which there is not in effect a certification under section 5 describing such individuals.

(c) Each State shall be entitled to be paid by the United States an amount equal to the additional cost to the State of payments of compensation made under and in accordance with an agreement under this section which would not have been incurred by the State but for the agreement.

(d) In making payments pursuant to this section, there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this section for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical sampling, or other method, as may be agreed upon by the Secretary and the State agency.

(e) The Secretary shall from time to time certify to the Secretary of the Treasury for payments to each State sums payable to such State under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds available for carrying out the purposes of this act.

(f) All money paid to a State under this section shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this section, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this section may be made.

(g) An agreement under this section may require any officer or employee of the State certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds available for carrying out the purposes of this section.

(h) No person designated by the Secretary, or designated pursuant to an agreement under this section, as a certifying officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this section.

(i) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by a certifying officer designated as provided by this section.

(j) For the purpose of payments made to a State under title III of the Social Security Act, administration by the State agency of such State pursuant to an agreement under this act shall be deemed to be a part of the administration of the State unemployment compensation law.

(k) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this act, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act.

(l) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase for himself or for any other individual any payment authorized to be paid under this section or under an agreement thereunder shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

(m) The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this section. The Secretary shall insofar as practicable consult with representatives of the State unemployment compensation agencies before prescribing any rules or regulations which may affect the performance by such agencies of functions pursuant to agreement under this section.

SEC. 9. Training and transportation: (a) The Secretary shall—

(1) prescribe and provide suitable training for unemployed individuals eligible for the benefits of this act who are in need of retraining, reemployment, vocational education, or vocational rehabilitation;

(2) utilize and extend all existing Federal governmental facilities, and utilize the facilities of any other governmental agency maintained by joint Federal and State contributions, to carry out the purposes of this section; and

(3) by agreement or contract with public or private institutions or establishments, provide for such additional training facilities as may be necessary to accomplish the purposes of this section.

(b) The Secretary shall have the power and the duty to cooperate with existing Federal, State, and local agencies and officials in charge of existing programs relating to retraining, reemployment, vocational education, and vocational rehabilitation for the purpose of coordinating his activities with those of such Federal, State, and local agencies.

(c) Whenever the Secretary shall determine that (1) no job opportunity for an unemployed individual found eligible for the benefits of this act exists within his own current labor market area, (2) a job opportunity for such individual equivalent to his former employment is available at a place in the United States outside of his current labor market area, (3) such individual agrees to take the job opportunity outside of his labor market area, and (4) the acceptance of such employment would be in the best interest of the United States, then the Secretary is authorized to make available to such individual at Government expense, facilities for the movement of such individual, his dependents, and his household effects to a location designated by such individual and approved by the Secretary, by using Government or commercial means of transportation.

SEC. 10. Retirements: (a) Whenever the Secretary shall determine that any individual, 60 years or older, included within a certificate of eligibility issued by the Board is unemployed as a result of the national trade policy of the United States and is unable to find employment because of his advanced age, the Secretary shall issue a certificate containing such a finding.

(b) Section 216 (a) of the Social Security Act is hereby amended to read as follows:

RETIREMENT AGE

"(a) (1) Except as provided in paragraph (2), the term 'retirement age' means age 65.

"(2) In the case of an individual who is certified by the Secretary of Labor as unemployed by reason of the trade policy of the United States and unable to find employment because of advanced age, the term 'retirement age' means age 60."

(c) The amendment made by this section shall take effect with respect to payments made for months beginning more than 1 month after the date this act is enacted.

SEC. 11. Accelerated amortization: (a) Section 168 (e) (1) of the Internal Revenue Code of 1954 is hereby amended by adding after the words, "necessary in the interest of national defense during the emergency period," the words "or necessary for the development of new or different lines of production by an eligible business enterprise or of a more balanced economy in an eligible community"; and by adding after the words "attributable to defense purposes" the words "or the national trade policy of the United States, as the case may be."

(b) Section 168 (d) of the Internal Revenue Code of 1954 is hereby amended by adding the following:

"(3) Eligible business enterprise, community: As used in this section the terms 'eligible business enterprise' and 'eligible community' refer to business enterprises or

UNIVERSITY OF MICHIGAN

communities holding certificates of eligibility under the Trade Adjustment Act of 1954."

SEC. 12. Section 4 of the Trade Agreements Extension Act of 1951 is amended by adding the following:

"(c) In any case in which the President is required, under the provisions of subsection (a) above, to transmit a message to Congress identifying an article with respect to which a trade agreement has caused or threatens to cause serious injury to a domestic industry, he may determine to invoke the provisions of the Trade Adjustment Act of 1954 by notifying the Trade Adjustment Board, created under the provisions of such act, to that effect. The President shall include in his message to Congress, provided for in subsection (a) above, a statement indicating whether he has so notified the Trade Adjustment Board."

SEC. 13. Section 7 (c) of the Trade Agreements Extension Act of 1951 is amended to read as follows:

"(c) Upon receipt of the Tariff Commission's report of its investigation and hearings, the President may (1) make such adjustments in the rates of duty, impose such quotas, or make such other modifications as are found and reported by the Commission to be necessary to prevent or remedy serious injury to the respective domestic industry, or (2) notify the Trade Adjustment Board, created under the provisions of the Trade Adjustment Act of 1954, that he has invoked the provisions of the Trade Adjustment Act of 1954 with respect to such industry. If the President does not take either of such actions within 60 days, he shall immediately submit a report to the Committee on Ways and Means of the House and to the Committee on Finance of the Senate stating why he has not made such adjustments or modifications, imposed such quotas, or invoked the provisions of the Trade Adjustment Act of 1954."

United States Foreign Policy

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, June 7, 1955

Mr. WILEY. Mr. President, last Saturday, June 4, it was my privilege to journey to Columbus, Ohio, to address the Buckeye state department of a great veterans organization of which we are truly proud—American Veterans of World War II.

I ask unanimous consent that the text of my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

UNITED STATES FOREIGN POLICY

(Address by Hon. ALEXANDER WILEY at State convention, AMVETS, Department of Ohio, June 4, 1955)

Last summer I was in Europe on an assignment from the Secretary of State and in my capacity as then chairman of the Committee on Foreign Relations. It was during that critical period when the French Chamber of Deputies rejected the European Defense Community. During the days immediately following rejection of the EDC, there was widespread dejection. If the French wouldn't accept the EDC, there was no alternative. My voice seemed a lone one in the wilderness. But I kept repeating that the idea of the European Defense Community would not die.

Several days later I met with then Premier Mendes-France. As I spoke with him across his desk, he remarked that many people in France were disturbed at press reports of my comments to the effect that the idea of the EDC would not die. Mendes-France said that he wanted me clearly to understand that the EDC was dead. But he added that he knew what I meant. What I was saying, said the Premier, was that the spirit of a united free Europe was not dead.

MUST NOT DEAL IN ABSOLUTES

I tell this story because in foreign policy we must not deal in absolutes.

In Western Europe last summer, it was not the EDC or nothing, as many of our friends thought. There were alternatives. They have been explored and today—some 9 months after the EDC was rejected—we see a new hope in Europe. Western Germany has regained her sovereignty; Western European Union is a going concern; plans are well under way to help the Germans build defense forces; and we have in prospect large possibilities of settlement in Europe.

It was erroneous to think that it was EDC or nothing.

Diplomacy has been described as the art of letting the other man have your own way. Diplomacy cannot operate effectively if people think constantly in terms of absolutes—of everything being either black or white.

AMERICANS DEMAND RESULTS

There is perhaps a tendency on the part of Americans to think in these absolute terms. We want to move fast and get things done. "Put up or shut up" is an American phrase that indicates our impatience with halfway measures. We are not satisfied with little results; we want big results, and we want them now.

Having so recently emerged from a frontier period, we feel that all things are possible. Within the confines of the United States, we have been able to control our destiny. As a result of our experience in the last 100 years, it is perhaps but natural that we have a feeling of omnipotence—a capacity to see things that need doing, and then do them.

Now that we move into a position of great importance in the international community, there is a tendency for us to feel that we can manage things in international affairs much as we have managed them in domestic affairs. We tend to think of other nations as box cars that we can move from place to place at will.

LIMITATION ON CONTROL OF FOREIGN AFFAIRS

But there are some great differences between domestic and international affairs. For one thing, most of the world is outside the boundaries of the United States. Fifteen-sixteenths of the land area of the world is not under our jurisdiction. Sixteen-seventeenths of the people of the world are foreigners to us, again not subject to our jurisdiction. This means that many events take place over which we can have but little influence and no control.

We may not like what goes on behind the Iron Curtain, but there is not much we can do to prevent it. We may not like to see the Communists take control of China, but we have not been able to stop it. We may not like what Mr. Nehru does in India, but our legislative mandate does not run to India.

Although many of the things which occur outside of the United States may have a terrific impact upon this country, they may in fact be largely beyond our control. Sometimes foreign relations is a little like the weather. We do a lot of talking about it, but not much can be done to control it.

MUST NOT BE DEFEATIST

I do not emphasize this fact with the idea of being defeatist. I underline it because we must understand the world in which we live if we are to be able to exert our maximum influence in it.

Unless we realize that we are but 1 of some 80 nations, albeit the most powerful, we will be a frustrated people when events occur in the international community which we do not like. A frustrated people is not a good foundation on which to build a strong foreign policy—and I must emphasize that public attitudes are extremely important in the formulation and the conduct of our foreign policy. The Senate and the President cannot carry on a foreign policy which is not supported by a substantial majority of the American people. Every single person constitutes one element in that majority, or minority, as the case may be.

INFLUENCING FOREIGN POLICY

I referred earlier to the fact that the United States cannot bring order to the international community by government fiat. There are, of course, ways in which the United States can and does influence international events. Let me mention a few.

INFLUENCE OF MILITARY POWER

In the first place, the military power of this Nation is one of the most important ways of influencing foreign relations. I am not one who believes that our power should be used to compel nations to take courses of action which we might find desirable. Power so used would surely corrupt. But it is necessary that the United States maintain sufficient military power to deter potential aggressors from seeking by force to impose their will on less powerful nations. It has been American military power in the past few years which, in my opinion, has served to prevent Communist encroachment in Europe, south Asia, and to some extent in the Far East.

I have long advocated the establishment of American Air Force bases overseas within striking distance of the centers of production in the Soviet Union. I am convinced that these bases have exercised a tremendous deterrent effect on the Soviet Union. We and our friends know these bases do not exist for purposes of aggression. But they are available in the event the Kremlin should embark on a military adventure against the free.

We need the cooperation of friendly nations throughout the world to maintain these bases. We must not let current dove-like noises from Moscow persuade us to abandon these bases.

INFLUENCE OF ECONOMIC ASSISTANCE

There is another way in which this Nation may influence foreign policy. We can seek to influence policy with economic assistance. Some of our enemies have accused the United States of using its foreign-aid programs to influence the policies of foreign countries. There may have been isolated instances when this has been the case. As a general rule, however, our foreign money programs have not been used to coerce nations to follow a course of action that would be acceptable to this Nation. By way of illustration, I would point to the hundreds of millions of dollars which the United States has made available to India in recent years. I see no evidence that American assistance has corrupted Mr. Nehru or made him change his policy with respect to the United States one bit.

INFLUENCE BY PERSUASION

Another way to influence nations is by persuasion. Our delegates to the United Nations are constantly engaged by word of mouth in expressing American attitudes in the field of foreign policy. They seek to persuade other nations by the honesty of American convictions and the logic of our argument. They try to show that the courses of action we desire are in the best interests not only of the United States, but of the world at large. We also endeavor to influence events abroad by our information programs, which include the Voice of America,

libraries, the exchange of students, and motion pictures.

INFLUENCE OF FREEDOM

The most important way in which the United States can influence foreign policy is not by military power, not by money, and not by persuasion. The best way to influence foreign nations to accept American principles of foreign policy is to convey to them the democratic ideas which underlie our system.

For 2,000 years, since the time of Christ, the idea of individual freedom has constantly grown. Man has won liberties for himself in centuries of struggle. There have been times when the individual's deep aspiration to control his own destiny has been thwarted by tyrants, dictators, and authoritarian movements. But over the span of history, the area of man's individual freedom has constantly grown.

THE ROLE OF THE INDIVIDUAL

This is the idea upon which our Nation is founded—the idea that government is the servant of the people and that no nation can expect to develop to its fullest unless it appreciates and honors the role of the individual living in freedom. It is as a result of individual freedom that we get motive power for invention, for economic development, and eventually for a world in which individual free men may live at peace with each other.

This idea of individual freedom is, I believe, the greatest power we have. It is the weapon of free men able to influence other nations to conduct themselves in a way which will be beneficial not only to themselves, but to the United States.

Unfortunately, while the idea of individual freedom is perhaps our greatest strength, we have been weak in using it.

The democratic idealism that fired the imagination and the creative powers of the founders of this Nation has been corrupted by materialism. We have been so busy developing this Nation that we think in terms of production, salesmanship, and investment. We seem to have a capacity to sell and export every product of America except the bedrock ideals upon which our system rests.

EXPORTING AN IDEA

In concentrating on building a nation we have come close to losing the ability to export an idea. I do not believe we have lost the individual freedom ideals of our forefathers, but those ideas have gotten so mixed up with material things that their underlying importance is lost upon many of us.

That is why I have said that while ideas are our strongest weapon in the worldwide ideological struggle characteristic of this century, we do not use ideas effectively.

AMERICANS AS FREE MEN

Our job throughout the world is to get foreigners to think of Americans not as rich men, but as free men. When the nations of this earth think of the United States not as a rich nation, but as a free nation, and realize that the democratic way offers them also the chance to be free, we will need have no fear but that the Communist conspiracy that walks like a state will be destroyed from within.

One of the best ways by which our democratic ideals can influence foreign nations is to exhibit those ideals in our daily life in the United States. It has been said that the United States is a showcase of democracy. There is truth in this observation. It is certain that the better democracy works in this country, the greater the influence this Nation will have abroad.

ATTAINMENT OF FOREIGN POLICY GOALS

It is easy to state the aim of our foreign policy. It is our policy to bring about and to maintain conditions in the world in which the United States may live at peace and be secure in its freedoms. The difficulty in the conduct of foreign policy is not a difficulty in stating aims, but it is the difficulty of making the day-to-day decisions that will promote our aims. The goals are important, but the means by which we try to attain those goals are equally important.

MILITARY DEFENSE

In recent years United States foreign policy has proceeded along two main lines with bipartisan support.

In the first place, we have sought to maintain our military defenses, and those of allies, at a level sufficiently high to prevent the Communist conspiracy from seeking to impose on free nations its philosophy of collectivism by force. I wish we did not need to maintain a military posture of this kind. As long as the threat continues, we need to be prepared. But the constant maintenance of such a military posture is not the way to settle forever the conflict between communism and democracy.

In a local community, if there is a problem of juvenile delinquency, one way to handle it may be to increase the size of the police force. This may protect the community. It will not, however, eliminate juvenile delinquency. Steps must be taken instead to get at the fundamental causes of juvenile delinquency.

It is somewhat the same in the international community. Free states must maintain their military defenses, but only until it is possible to establish conditions in the world which will prevent situations from arising where force may be needed.

I believe our military defensive strength is now beginning to pay off. The Communists understand forces in being.

ECONOMIC DEFENSE

The second aspect of our present policy is to try to create conditions in the world that will promote stability and eliminate the dangers of military conflict.

The technical assistance program, for example, provides assistance to backward countries which, without such aid, might find themselves in such chaotic conditions that they would tend to throw away their aspirations for individual freedom in exchange for promises of plenty under a collectivist system. I have supported economic and technical assistance over the years. I propose to continue to support those programs because they provide permanent cures for conditions which might otherwise encourage violence.

RELATIONSHIP OF MILITARY AND ECONOMIC DEFENSES

It seems important to me that the American people realize the close relationship which exists between the military aspects of our foreign policy and the economic aspects. Last year the United States spent 75 cents out of every dollar of national expenditures for military purposes. Only some 3 cents was available for economic and foreign policy programs of a nonmilitary type. This balance is not right. We must gradually put more of our national expenditures in the economic column and less in the military column. But movements in this direction cannot take place overnight. They require first the creating of world conditions in which tensions are lessened and the threat of force abated.

GERMANY

In the weeks ahead one of the spots that will merit our special attention is Western Germany. That nation, now reendowed with the attributes of sovereignty that were wrested from her during the war, has cast her lot with the West. Western Germany is now a full-fledged member of NATO. She will soon start creation of forces to serve with other NATO forces in defense of the free nations of Western Europe. Under the able leadership of Chancellor Adenauer, Germany has moved rapidly toward the creation of a genuine democracy.

Yet Germany is in very real danger. She naturally desires to be reunited and it is for that reason that the recent suggestion that Germany be neutralized must be viewed with suspicion. That was a seductive, dangerous, and unrealistic doctrine. Seductive because it may have a wide appeal to those who do not want Germany to become a strong military power again; dangerous because it would take the heart out of our Western defense system; and unrealistic because no nation, with Germany's location, population, and industrial might, could long remain neutral.

But it is just this kind of thing that we must guard against in the weeks ahead.

THE FAR EAST

We must also keep a wary eye on the Far East. The Chinese Communists have recently had a demonstration of the strength of the idea of freedom in Asia. At the Bandung Conference, many of the newly free nations gave positive evidence that they know the dangers of communism. That statesman of the Philippine Republic, Gen. Carlos Romulo, recently told me that he came back from the Bandung Conference "exalted." He told of hearing representatives of newly free Asian nations quote the language of the American Declaration of Independence, the language of Magna Carta, and the language of the Gettysburg Address.

But the fact that there are many in Asia who know of the dangers of communism and who have attached themselves to the ideas of democracy, does not lessen the possibility of Communist China seeking to precipitate situations in which her agents might take over by subversion, supported by force.

Formosa, though a quiet area now, might again become a focal center for potential conflict.

The situation in Vietnam is fraught with danger for freedom. Unless her gallant Premier Diem is able to consolidate his strength, there is danger that communism will infiltrate and conquer that new country.

I mention these matters because they are likely to give us trouble in the weeks ahead.

I wish it were possible for me to predict a future in which all our foreign policy problems would be small ones. I cannot do that. There is one thing we can be sure of in the future and that is that we have lots of trouble ahead of us. There will be occasions when we will feel that the only recourse open is for us to use force. There will be occasions when we will be frustrated almost beyond endurance. There will undoubtedly be instances in which we will be offered panaceas which, though attractive on the surface, may hold within them dangers to our individual liberties.

NEED FOR RESTRAINT AND UNDERSTANDING

As we face the future, I would emphasize the constant need for restraint in our relations with foreign nations and the need for understanding on the part of our people. This is especially important in the weeks immediately ahead.

Our President will be meeting with the leaders of the United Kingdom, France, and Russia. This will be the first face-to-face encounter by the heads of these states since the Potsdam Conference at the end of World War II—nearly 10 years ago. There have been several such meetings among the Big Three, but none with the head of the Soviet State.

I have the greatest confidence that President Eisenhower will represent us faithfully and well. We must back him up 100 percent because this is one of the times when unity in time of peace is nearly as important as unity in time of war.

The kind of unity of which I speak was demonstrated earlier this week when the Senate passed the Mutual Security Act of 1955. It has been our unity in support of

UNIVERSITY OF MICHIGAN

these programs over the past years that is now paying off.

I recently asked Mr. Dulles how he felt about this. He replied: "The policy of the Soviet Union with reference to Western Europe has failed. Today marks the death knell of the great Soviet policy for Western Europe which they have pursued with every means at their command for the past 3 years. They now have to throw up their hands and admit they have failed. Therefore * * * they have to find new policies."

No one would deny that there has been a clash of Soviet and United States policy throughout most of the globe for the past 10 years. The longer the peoples of the world have to examine communism on the one hand with its outward evidences of unity imposed by the domestic threat of force, and democracy on the other hand with its unity achieved as the result of the give and take of free men, the more likely they are to choose the unity of the free.

In conclusion, I should like to revert for a moment to the point made at the beginning of my remarks, that we must not think in terms of absolutes.

I do not expect the meeting at the summit will ring in the millenium of peace. Neither do I expect that a failure at that meeting would leave us with no alternative but preparation for eventual war. The results of the conference are not likely to be all white or all black.

It is essential that great organizations such as the AMVETS take the lead in helping the people of this Nation to realize that we must not expect too much of this meeting; we must not succumb to a feeling of frustration if the conference does not go too well.

We have a long pull ahead. The American people must have patience and fortitude. Ultimately we know that the way of freemen will prevail and that man can live at peace.

Bill Introduced To Prohibit Pay TV

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. CELLER. Mr. Speaker, I have introduced a bill today which will expressly prohibit television stations from imposing any toll, subscription, fee, or other charge on the general public for the privilege of viewing TV programs in their own homes.

In addition to its high cost, pay television (a) would reduce listening, by blacking out, for those who do not pay, channels now devoted to free programs; (b) it would siphon off the best programs which the public is now receiving free; and (c) it would divide the television audiences along economic lines.

The biggest ailment of TV today is not the lack of money, but the lack of talent. TV is suffering from a dearth of authors, performers, and so forth, who are needed to meet the continued, tremendous demand for novelty and variety in our TV performances. If telecast stations could continually supply good shows they would attract not only large audiences but also advertisers who would be willing to sponsor their shows in order to place their products before the public. Pay or gas-meter television cannot guarantee good shows.

Let no one be deceived that toll television will be inexpensive. A week's programing of subscription telecasts, in time, will cost the average family between $3 and $5. While many shows may only charge a fee of 25 cents, before long some telecasts, like baseball, will be charging 50 cents to $1. In fact, telecasts of certain prizefights, which are shown exclusively over closed circuits in movie houses, have already charged from $2 to $5.

In addition, pay TV will preempt the peak hours of the evening, between 8 and 10 p. m. Today's most popular shows, like I Love Lucy will be the first ones to be brought under the pay-as-you-see programs. Thousands of viewers recently enjoyed the delectable Peter Pan starring Mary Martin. Such a spectacular will, in the future, only be viewed after payment in a slot.

The price charged the public would not, of course, be limited by the cost of programing the show. Instead, it would be set by the pay television operator at the figure which would bring in the largest box return. Pay television contemplates no modest rate rise. The cost per home per program today is about 1 cent now borne by the advertiser. Under pay television, this could would be multiplied by 25 or 200 or more and would be borne entirely by the viewing audience. We were told that toll TV would eliminate advertising but already people like Walter O'Malley, of the Brooklyn Dodgers are openly indicating that advertising is a planned part of pay TV. Thus some of the inane, inept, if not insane TV commercials, will still be with us.

The proponents of toll TV talk about only what free television has not brought to the public. They refuse to talk about what they do not care to see or admit. Television is in its infancy and already it has brought into the American home great box-office attractions, including opera, ballet, concerts, the legitimate theater, omnibus shows, sports events, children's programs, educational programs, current and patriotic events. All it needs is time to grow. Let us not be impatient.

The television spectrum is limited. It is in the public domain and the interest of the public should therefore come first. The interests of telecasters are secondary.

The text of the bill follows:

A bill to prohibit the charging of a fee to view telecasts in the home

Be it enacted, etc., That section 303 of the Communications Act of 1934 (48 Stat. 1082) as amended, is amended by changing the semicolon at the end of clause (b) to a colon and adding the following: *"Provided, however,* That it shall not authorize or permit any television station to impose a toll, fee, subscription or other charge, directly or indirectly, on the general public for the privilege of viewing television programs received over television sets located in the home."

SEC. 2. The Communications Act of 1934 (48 Stat. 1064) as amended, is amended by adding the following section:

"Sec. 508. Charging fees for viewing telecasts in home: Any television station, its agents, officers, or employees, who, directly or indirectly, impose or attempts to impose any toll, fee, subscription, or other charge, on the general public for the privilege of viewing television programs transmitted by it and received over television sets in the home, shall be fined not to exceed $10,000 or imprisoned for more than 5 years, or both."

Distribution of Salk Vaccine

EXTENSION OF REMARKS
OF
HON. LESTER HOLTZMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. HOLTZMAN. Mr. Speaker, since the announcement of the discovery of the Salk polio vaccine almost 2 months ago, thousands upon thousands of parents throughout these United States have been awaiting positive action by the Federal Government in insuring prompt inoculations for their children.

They are still waiting, and the entire inoculation program is presently bogged down with no assurances that there will be a definite plan set up which would make this vaccine available to our youngsters without further delay. Already valuable time has been lost.

The people in my home district, in New York, are naturally concerned, and rightly so, about the lack of Federal action on this important problem. We can only hope that the Government will realize the seriousness of the situation confronting us, and will put into effect an equitable program for the distribution of the vaccine.

I would like to include in my remarks a copy of the letter I wrote to the Secretary of Health, Education, and Welfare, Mrs. Oveta Culp Hobby, on April 21, 1955, shortly after the announcement of the vaccine discovery. And I will also include a copy of Mrs. Hobby's reply of May 6, 1955, which indicated that several committees were studying the problems involved.

To date nothing has been accomplished. Confusion still reigns, and the polio season is upon us. The Government must accept its responsibility and put into effect an equitable distribution system immediately. I hope and pray that this will be done.

The letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 21, 1955

Hon. OVETA CULP HOBBY,
Secretary of Health, Education, and Welfare, Department of Health, Education, and Welfare, Washington, D. C.

DEAR MRS. HOBBY: Since the recent announcement of the discovery of the Salk vaccine, one of our greatest problems is its equitable distribution.

The conference to be held at the Department of Health, Education, and Welfare tomorrow should strive to set up a workable plan whereby the vaccine will be administered to every child in the United States, regardless of cost. This is an investment in our future well-being, and the Federal Government must take the lead in putting into operation a national plan which will abolish the confusion and vague proposals which have been heard since the announcement.

This is a tremendous medical achievement, and with the results indicating that

the vaccine is 80 to 90 percent effective in preventing paralytic polio, we can feel that the dread disease is now facing defeat. Thousands and thousands of children, whom it strikes most frequently, will be able to live out their lives without any crippling effects, and the many serious and oftentimes uncontrollable outbreaks of poliomyelitis will be terminated.

The National Foundation for Infantile Paralysis, which has been conducting research against polio for a number of years, has initiated the rule of "children first," and I believe that this rule should apply in the nationwide inoculations which have already started. No child should be deprived of this vaccine because of an inability to pay for it. I believe that no time should be lost in determining whether or not each child can afford the inoculation. If the cost of the shots cannot be undertaken by the child's family, then ways and means of appropriating sufficient funds to care for this expense should be developed. This is a step forward in the field of medicine, the benefits of which should be extended to everyone.

The distribution of the vaccine calls for calm and orderly deliberation and planning, and the problems of making it available—first to our children, and then to adults when the supply is more equal to the demand—can be resolved without delay if the Government will act quickly and decisively to set up controls on allocations and prices, which will ensure against any exploitation of the discovery by special interests, or those seeking personal gain.

I realize that there are many problems to be overcome in setting up such a system of controls, but I am confident that the urgency of the situation will be recognized by those at the conference, and I earnestly hope that a satisfactory policy will be developed.

Sincerely yours,

LESTER HOLTZMAN,
Member of Congress.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
May 6, 1955.

Hon. LESTER HOLTZMAN,
House of Representatives.

DEAR CONGRESSMAN HOLTZMAN: This will acknowledge your letter of April 21, 1955, concerning Salk poliomyelitis vaccine.

This Department has established a National Advisory Committee on Poliomyelitis Vaccine to advise on the problems of distribution and an Expert Technical Advisory Committee on Poliomyelitis Vaccine. The responsibilities of these committees relate to equitable distribution, as well as to a safe and effective vaccine. The questions raised in your communication are currently being studied by these committees and will be discussed in our report to the President which will be completed in a few days.

Sincerely yours,

OVETA CULP HOBBY,
Secretary.

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Bananas on Pike's Peak

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pike's Peak as to approve the Seedskadee irrigation project in Wyoming.

The Seedskadee project is a part of the proposed multibillion dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Seedskadee project would be $2,200 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

American Foreign Policy in the Far East

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 7, 1955

Mr. MANSFIELD. Mr. President, on May 22 last it was my privilege to deliver a commencement address at Carroll College, Helena, Mont., on the subject American Foreign Policy in the Far East.

I ask unanimous consent to have the address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICAN FOREIGN POLICY IN THE FAR EAST

It is good to be with you young men and women of Carroll College, with your distinguished faculty and your families and friends. It is also good to be home again in Montana.

In the years ahead many of you will use those same words, "It is good to be home again," and some of you will use them often. I say that because the world of today and tomorrow, for better or worse, is the kind of world that propels people and especially young people to distant places. It is a world of change, a world of movement.

You will find, however, that no matter where you may go, the roots are here. The reason for that will become clearer as time goes by. You will find that from these roots, from these years that have already been, years of training and experience at home, in church, in schools and college—from these roots you draw the strength to grow in understanding. From these roots comes the background to put the vast and complex panorama of modern life into meaningful perspective. These are roots which hold fast to the enduring in what is otherwise a world of incessant and rapid change.

It is to this world, this world of the enduring and the changing that American foreign policy must be adjusted. There was a time when we could largely ignore peoples and developments beyond the Atlantic and Pacific shores of the Nation. That time is past. American foreign policy is now crucial to the preservation of freedom in this country and the world over. And the content of American foreign policy is of transcendant importance to each of us if for no other reason than that it can move us toward peace or toward war.

While foreign policy is by no means a simple thing to understand, neither is it beyond the understanding of American citizens who try to fulfill the obligations of their citizenship. Foreign policy is the course by which we attempt to provide for the safety of the Nation and its institutions and to advance its total interests in the world. If it is to serve the Nation in that fashion and, if it is to develop in accord with the religious and moral principles of the Nation, it must be fixed in the understanding of the American people.

Now I know that you graduates have heard many lectures over the past few years. You are probably not, on this day, in a mood to tolerate another, at least not a long one. I shall not, therefore, tax your patience too heavily by attempting to review in detail American policy throughout the world.

Let me say in passing only that the prospects for peace and for liberty in Europe are brighter today than they have been for a long time. The patience of this country and other Western nations has finally produced a satisfactory peace treaty with Austria after 379 previous attempts had failed because of the negativism of the Soviet Union.

Sovereignty has, at long last, been restored to Western Germany and that nation has become a member of the North Atlantic Treaty Organization on the basis of full equality with the other Western countries. All that remains in order to bring the whole of Western Europe under the protective cover of this defensive organization is to secure the inclusion of Spain, a step which I have urged on numerous occasions in the past.

In the Middle East, the continued strife between the State of Israel and the Arab countries and the economic and political difficulties of the latter create a dangerous situation. Your Government, however, is aware of the situation and is attempting to prevent a deterioration in it which might open the region to Communist penetration.

Africa is beginning to press itself on the consciousness of the rest of the world. A conference of Afro-Asian nations was recently held at Bandung, Indonesia. For the first time the voice of this least known but vitally important continent was raised forcefully in the councils of the nations. It is a voice that is bound to grow in strength and significance as the years go by. We in this country, particularly our younger citizens, will do well to educate themselves in an understanding of Africa so that we may establish sound relations with the nations that will inevitably emerge and grow powerful on that continent.

Latin America remains an area of primary concern to us. We are linked with the other American Republics in defensive arrangements and by cultural and economic ties. Nevertheless we cannot take these relations for granted. Our failure to pay sufficient attention to them in the past has constituted a serious gap in our foreign policy which we may be able to remedy in time. As in the case of Africa much will depend on the consideration which is given to Latin America by our younger citizens.

I have taken you on a 2-minute tour of two-thirds of the world in order that I might have 20 minutes for the remaining third, the Far East. That region, I know, is uppermost in the minds of Americans these days when they think of foreign policy because it is in that region that peace has been most consistently threatened in recent years. Developments in the far Pacific and our policies with respect to them are not the sole concern of Washington.

Every State, every community, and every home in the land has a stake in them because they involve the issue of war or peace. I can think of no question of greater concern to you men and women at the beginning of maturity. Your interest is this situation in Asia thousands of miles away is direct and vital. Your right to the facts in connection with it is fundamental.

Let me, then, try in the balance of my remarks to give you some background on recent developments in the Far East. When the Chinese Communists came to power on the mainland of Asia in 1949, the Government of the Republic of China, under Generalissimo Chiang Kai-shek, moved to the

island of Formosa. The United States continued to recognize his government as it has done for decades. For the past 5 years military and other aid, hundreds of millions of dollars of it, has been provided to support and to sustain that Government. That policy of aid has been based on the belief that if the Communists were permitted to take Formosa by aggressive force the safety and the freedom of this country and other free nations would be seriously jeopardized. It is a policy which was instituted by President Truman and reaffirmed by President Eisenhower. It has had the continuing support of Congress. It has also had the support of both great political parties.

A few months ago President Eisenhower asked Congress to pass a resolution supporting the defense of Formosa. He believed the resolution would strengthen his hand in dealing with the crisis created by the threat of the Chinese Communists to invade the island. Congress passed the resolution by overwhelming votes in both Houses. It did so, however, only after three points had been clarified. Many of us in the Senate sought to make clear in debate that the President by the resolution would not dilute his constitutional power and responsibility to command the Armed Forces and execute foreign policy. We also tried to make clear that Congress was not transferring to the President its sole power and responsibility to declare war. Finally, we sought to establish beyond doubt that the only purpose of the resolution was to strengthen the defense of Formosa against the Chinese Communists and to prevent further bloodshed in the Formosan Straits, if that were possible.

The responsibility for keeping Formosa out of the hands of the Chinese Communists now rests squarely with the President. He is responsible to God and to the American people for what action he may or may not take in carrying out this responsibility.

I do not know whether we shall avert war or be plunged into war in the Formosan Straits. No one can make a meaningful prediction of that kind. I believe, however, I speak for all of the people in this room when I say that it is our common and our deepest hope that families shall not be separated once again by the demands of war. I believe further that it is the obligation of all and particularly those of us who are elected servants of the people to work to safeguard this country in peace and not by war so long as peace is humanly and honorably possible.

That is why I want to go, today, a little deeper into the difficulties in which we now find ourselves in the Far East. In some ways the crisis in Formosa is a symptom rather than a cause of the difficulties. And if there is to be peace in Asia—if there are to be long-term solutions in Asia, it is to causes rather than symptoms that our attention must be directed.

The crisis in the Formosan Straits is not an isolated incident. Our difficulties in the Far East include obvious threats of Chinese Communist expansion in Korea, Indochina, and Formosa. They also include others that are not so obvious.

The most important of these difficulties center on Japan. That nation, as I have pointed out on many occasions, is the ultimate objective of Communist expansion in Asia. Its position is precarious in the extreme. There are some 90 million Japanese living in an area smaller than Montana—only 16 percent of which is arable. Japan has three alternatives for survival.

1. To expand trade with other free nations on a mutually beneficial basis;

2. To live on a more or less permament subsidy from the United States;

3. To turn toward the Communist bloc in Asia not because of ideology but out of sheer economic necessity.

The attitudes of this country as well as economic circumstances in the Far East and elsewhere will determine in the near future which path Japan shall tread.

Unity among the nations of Western Europe and ourselves can be strained by differences in policy over Formosa and that is another difficulty with which we have to contend. The attitude of certain neutral states in the Far East—countries like India, Burma, and Indonesia—toward Communist China differs from our own and creates additional problems of foreign policy. Furthermore an outbreak of hostilities in the Formosa area could signalize the resumption of hostilities in Korea and Indochina. Finally, behind all these and other factors in the Asian situation we must reckon with the tie-in of the actions of Communist China and the policy of the Soviet Union.

The difficulties in the Far East, in short, are interrelated difficulties and action to deal with any one of them is not likely to be effective unless due regard is paid to the others. Yet in recent years, it seems to me, we have been thinking of these crises and dealing with them in a piecemeal fashion. Today the question is, What are we going to do about Formosa? Yesterday it was, What are we going to do about Indochina? And the day before, What are we going to do about Korea?

The answer almost invariably has been more millions in economic or military aid dispensed in what appears often to be a disconnected and haphazard fashion. In the last 2 or 3 years we have, I repeat, contributed hundreds of millions of dollars of economic aid to Formosa and the other free countries of Asia. And we have provided billions of dollars of arms and military equipment in an attempt to strengthen their defenses. These efforts, however, have so far failed to put a stop to the recurrent crises in the Far East. Unlike the Marshall plan aid which saved Europe from famine and kept alive the light of freedom, our aid appears to have been far less effective on the other side of the globe.

As a result we have exercised in the Far East in recent years a kind of chain-reaction diplomacy, a kind of crisis-foreign policy. We have jumped from the effects of one crisis to its successor. From the Korean crisis we rushed too late to Indochina to quench a fire which had spread beyond control. We have now rushed to the fire in Formosa. We may be blinded by the glare in Formosa to the fire which is being kindled in Japan or Indonesia. We have, in short, never been ahead of the game.

That the crises continue to occur seems to me to be evidence that either our positive measures have been insufficient or the situation has been beyond our control. I think it is probably a little of both. There are limits to what we can do to control the flow of events in Asia short of war, and even with war.

That does not mean the answer is to pick up our marbles and go home. Asia is too important to us, to our security and to our other national interests to permit that kind of response. That would simply amount to postponing the day of reckoning. Furthermore, as Pope Pius XII said in his Christmas message in 1948:

"A people threatened with unjust aggression or already its victim may not remain passively indifferent, if it would think and act as befits a Christian. All the more does the solidarity of the family of nations forbid others to behave as mere spectators, in an attitude of apathetic neutrality."

In a world as integrated as is ours today the chances are slight that we alone can continue to move forward in freedom while the rest of it, whether in Europe or Asia, slips backward into communist totalitarianism. From a practical standpoint, we would have little hope for continued advance as a free people if we cut ourselves off from the spiritual, the economic, the defensive, the cultural and the scientific relationships which we now have with other nations.

A few still cherish the notion that the United States is a self-sufficient, invulnerable fortress. They would like for the United States to turn inward in space and backward in time. We can do neither. We can only face the problems of national life in this modern world with such intelligence and courage as God has seen fit to bestow upon us.

I, for one, am convinced that we have exhausted neither our intelligence nor our courage in dealing with the situation in the Far East. The effort in the last 2 or 3 years has been confined to pouring dollars into the situation there. It has required neither great intelligence nor outstanding courage, unless it be the courage to face irate taxpayers at income-tax time.

Economic and military aid has a place in our policies in the Far East, but it is not a cure-all. It has not worked very successfully to date, yet it is the only formula that has been tried to date. It has not worked, it seems to me, because those who have operated it have overlooked one ingredient, an ingredient which does not carry a price tag and yet can be far reaching and profound in its effect.

The missing ingredient is the human factor and it is to be found in the realm of attitudes and ideas. I think that most of us would agree that "man does not live by bread alone" and we might also add that "freedom is not preserved by weapons alone." What I am trying to suggest is that the struggle in Asia is fundamentally a struggle of ideas and attitudes, a struggle for the deeper loyalties of millions of people. And if that is the case, then it is in the spiritual as well as the military and economic arenas where the long-term solutions to our difficulties in that part of the world may possibly be found.

What I am suggesting is that we examine the Asian attitudes which give rise to many of the basic problems with which we must deal. I am suggesting, too, that we examine Asian reactions to our state of mind and our actions. Perhaps, then, we will find some of the answers to the peace we seek. Such answers will not lead to a purchased peace, or a power peace. They could, however, lead to a peace based on mutual understanding.

We have grown too accustomed to wrapping all the ills of Asia into the single package marked "militant communism." Of course this threat exists; we have seen a half billion Chinese brought under the influence of that ideology. Countless millions more are threatened with it elsewhere. We have spent blood to prevent the conquest of Korea by Communist aggression. Too late, we saw Vietnam north of the 17th parallel brought within the orbit of communism. We have seen militant Communist expansionism advanced not only by armies but by political penetration, by organized propaganda, by the activities of disciplined cadres of intimidators and by calculated economic policy. The Communists have alternated military threats and the allurements of trade, industrialization, and cultural exchanges to capture converts to communism. In Indochina we see the Communists and their agents using blackmail, bribery, and intimidation in attempting to undermine the honest government of Prime Minister Ngo Dinh Diem. We see the new maps of Communist China brazenly include the territory of its southern neighbors. North Korea has been placed within a stranglehold of Communist control. And now, the Communist sword is pointed at Formosa.

It is all too evident that militant communism is a force in Asia. But why, we may well ask ourselves, has it not met with more resistance? Why haven't Asian patriots who in great measure were stimulated by our own history interposed a more formidable bulwark to the Communist advance?

Some have assumed in recent years, in a cynical fashion, that merely by pouring billions of dollars into Asia, we could guide that continent toward our own precepts of democracy; some have also assumed that by arming Asian nations heavily we could prevent Communist penetration. These efforts may have been necessary, but as I have already said, I do not think they have been conspicuously successful. Why is that the case?

Perhaps we may find part of the answer to that question in the experience of Indochina. As you may know, I have had occasion to visit that area in the course of official duties on several occasions in recent years.

We poured hundreds of millions of dollars in military and other aid into Indochina, into the State of Vietnam, in an effort to help repulse the Communists. This aid failed to prevent the disastrous defeat of the French colonial forces at the battle of Dienbienphu last year. It failed to prevent the loss of northern Vietnam to the Communists at the Geneva Conference.

Months before the defeat at Dienbienphu I had reported to the Senate that Vietnam was not going to be saved by economic and military aid alone. The fundamental problem then as now was one of mobilizing the people of Vietnam behind an independent, honest, responsible government able to lead them and to serve their interests.

At the 11th hour, when the Indochinese situation was lost almost beyond retrieving, a government of that caliber was installed in the Vietnamese capital of Saigon. It was headed by Ngo Dinh Diem, a Vietnamese patriot of deep religious conviction, who had spent a good deal of time in the United States and France.

Diem faced monumental problems. The State of Vietnam was split across the middle by the Geneva agreement. The Communists had fastened a tight grip on the northern half of the country. In the south near anarchy reigned outside the capital. Diem had to establish the authority of his government while at the same time providing food, shelter, and a livelihood for some 700,000 refugees from the Communist-held parts of the country.

When I was in Saigon last fall refugee ships were arriving in a steady stream from the north. Most of them were American vessels; our Navy was doing a magnificent job in transporting these uprooted human beings. I went aboard one of these American ships in Saigon Harbor. It was carrying several thousand Vietnamese, mostly Catholics, led by their priests. They had chosen to come to the south with nothing but the rags on their backs rather than to live under the Communists.

In his attempts to salvage the situation in Vietnam, Ngo Dinh Diem has had the support and encouragement of the United States. At the same time, he has been opposed, not only by the Communists, but by a fantastic assortment of gangsters, racketeers, ex-river pirates, witch doctors of strange religious sects, and French colonial adventurers, all of whom had terrorized and exploited the Vietnamese people for years.

These underworld forces, as I pointed out in a report to the Senate some 8 months ago, were engaged in a constant conspiracy designed to sabotage the Diem government almost from the moment he took office. The conspiracy finally came into the open and staged the revolt in Saigon which you have been reading about in the papers during the last few weeks.

The conspiracy has been defeated. It has been defeated largely because there was in Ngo Dinh Diem a native non-Communist leader who had the spirit and the courage to champion the independence and the interests of his people against their oppressors. Now, for the first time, there is at least a glimmer of hope that Communist totalitarianism in Vietnam may be stopped and turned back. Now, for the first time, freedom has a fighting chance.

What does this experience in Indochina suggest for our policy respecting the rest of the Far East? It suggests to me that part of our difficulty has been due to an unwarranted emphasis on the material and our ignoring of the spiritual factors which move people in that part of the world.

Although the era of colonialism is almost over in Asia, its after effects remain. There is extreme sensitivity among Asians and especially among Asian leaders about being recognized and dealt with on a basis of absolute equality. There exists most of all an ever-present sensitivity, an often unreasonable sensitivity, to any action which resembles a return of the colonial relationships of an earlier era. And force, the military force of foreign powers, is associated very closely in their minds with colonialism.

These deep-seated attitudes of Asia toward the West form a base which is readily exploited by Communist propaganda. As Asians look at the West from these attitudes, and particularly as they view the United States there is a tendency for many of them to interpret present United States policy as a policy which emphasizes force. When irresponsible spokesmen for the Government boast of our power, it undermines our dignity and our prestige. For the mightiest power on the face of the earth to flaunt its strength in this manner is readily interpreted in Asia in the light of a man who threatens to shoot his neighbor if the latter's cow comes into his pasture. The Asian, like the average American, would prefer that he keep his pistol out of sight and discuss the problem of mending the fence.

To be sure, the reactions vary in different parts of Asia, but I think it is correct to say that Asians in general, including the Chinese people—in spite of recent actions stimulated by their Communist rulers—are a peaceful people and they tend to admire the strong who are also peaceful. Much of the great respect which this country enjoyed in Asia in the past derived from that fact. President Theodore Roosevelt's admonition to "speak softly but carry a big stick" won us a backlog of goodwill in Asia. This sensible advice seems to have been forgotten by too many of our present leaders.

Those who know the peoples of Asia, and I know there are several here today who have given years of selfless service in that region, can attest to the great emphasis which they place on negotiations. A spirit of negotiation permeates their everyday life; it involves adjustments and give-and-take and prolonged discussion. Those who know Asia will also attest to the lack of the visible use of force in the everyday relations among Asians.

The constant mention of force by our leaders therefore is easily misinterpreted in the Far East. Instead of enhancing the strength of our position it has the effect of suggesting that we are incapable of coping with the situation on a plane of reason. The irony in this situation is that communism, where it is not known firsthand in Asia, is portrayed and widely accepted as a movement for peace despite the fact that its deity is force. This country, which has grown to greatness on the premise of reason rather than coercion in relations among men and nations, is branded in the minds of many Asians as a worshipper of force.

Communist propaganda of that kind aided by the irresponsible and boastful statements of some of our own officials negates much of the good that is done by our constructive efforts in Asia. What then should be the role of force in our policy in Asia? We know that in all realism no great power, least of all the United States, can afford at present to abandon or weaken its military power on a unilateral basis. We must continue to maintain our military defenses in the Far East. Is it not, however, in the interest of peace in Asia, and in our own national interest, that we relegate force to the background? Is it not in our interest to explore any measure which offers some hope of leading to peace?

As a first step it seems to me essential that we keep clearly in mind that our national interest in the Formosan area is the defense of the islands of Formosa and the Pescadores; President Eisenhower, in submitting the Formosan resolution to Congress, stressed that point. He also made clear that he was trying to prevent further warfare in the Formosan Straits rather than to enlarge the conflict. In that objective, the President should have the full support of the people of the Nation regardless of political parties.

I believe it is also essential to recognize that it is not enough to build a military wall to contain communism in the Far East. We must maintain adequate defenses there, but in the foreground our energy, our intellect, and our courage should be directed toward building bridges of understanding across the chasms which separate the free nations.

It will take more than what we call military and give-away economic aid to do that. The challenge is to move into spheres of cooperation in which the common progress of all free nations becomes possible. If we are equal to that challenge, if we have the patience and understanding to stay with it, we need have no fear of the outcome of this contest between totalitarian communism and freedom—in Asia, in Europe, or anywhere else.

I believe the President is trying to move in that direction now and in so doing he has had the encouragement and support of a preponderance of the Senate. He has many times in recent months emphasized the need of a policy of partnership. Such a policy calls for close collaboration with other free nations based on national equality, mutual respect, tolerance of differences, and free association for the pursuit of essentially common goals.

Partnership in international affairs, if it is to be successful, requires forbearance, compassion, understanding and accommodation. It is not an easy approach to foreign policy. It means give and take. If it succeeds, however, it can produce a united strength which will make each free nation impervious both to the blustering threats and the glittering allures of Communist totalitarianism. Most of all it will provide an international environment in which individuals in this country and elsewhere will have an opportunity to develop and to prosper in peace.

Bananas on Pikes Peak?

EXTENSION OF REMARKS
OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the Paonia irrigation project in Colorado.

The Paonia project is a part of the proposed multi-billion-dollar upper Colorado River project.

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Hearings Before House Antitrust Subcommittee

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. CELLER. Mr. Speaker, in my statement on May 10 opening the hearings on emerging monopoly problems by the Antitrust Subcommittee of the House Committee on the Judiciary, I pointed out the six major reasons why our antitrust inquiry had been launched:

First. To probe deeply into the operation and enforcement of the antitrust laws at this time.

Second. To assess the dimensions of, and generating forces behind, the current merger movement.

Third. To study the adjustments in antitrust policy made necessary by new foreign economic policies here and abroad.

Fourth. To secure up-to-date information from political, industrial, agricultural, and labor leaders concerning the new monopoly problems which they now face because of the new forces now transmuting the economy.

Fifth. To provide a forum for the presentation, from all points of view, of recommendations concerning remedial measures whereby present antitrust laws might be flexibly adapted to preserve and promote strong, independent, growing, competitive enterprises.

Sixth. To take inventory of the political and social dangers now involved in concentration of decision-making in the hands of giant aggregates of economic power. As Shakespeare stated in Measure for Measure. It is excellent to have a giant's strength; but it is tyrannous to use it like a giant.

On all these points the Antitrust Subcommittee had the privilege of listening to antitrust experts from every walk of life inside and outside the Government. Senator ESTES KEFAUVER, of Tennessee; Senator JOSEPH C. O'MAHONEY, of Wyoming; Senator PAUL H. DOUGLAS, of Illinois; Senator WAYNE MORSE, of Oregon; and Congressman WRIGHT PATMAN, of Texas; Congressman HENRY S. REUSS, of Wisconsin; and Congressman ABRAHAM MULTER, of New York, gave generously of their counsel and knowledge derived from their rich experience in the antitrust field.

The Antitrust Subcommittee was likewise most fortunate in eliciting highly thoughtful and detailed presentations and recommendations from several of the Nation's most eminent university specialists in antitrust matters, including such veterans of years of responsible service in the Antitrust Division and leading professors of law and economics as Prof. Louis B. Schwartz, of the Law School of the University of Pennsylvania; Prof. Leonard J. Emmerglick, of the School of Law of Georgetown University; Mr. Sigmund Timberg, for many years Chief of the Judgments and Judgment Enforcement Section of the Antitrust Division; Prof. Milton Handler, of the Law School of Columbia University; Prof. Walter Adams, of Michigan State; and Prof. Eugene V. Rostow, of the Yale Law School.

Witnesses were heard representing the Chamber of Commerce of the United States, the National Association of Manufacturers, important trade associations, leading farm and labor organizations, and many national retail and wholesale grocery, tire, petroleum, candy, and druggist associations.

On the first of the six matters mentioned above, that of enforcement of the antitrust laws, the Antitrust Subcommittee received testimony from several witnesses, including Assistant Attorney General Barnes, in charge of the Antitrust Division; Chairman Edward F. Howrey, of the Federal Trade Commission; and, among several others, Prof. S. Chesterfield Oppenheim, cochairman of the Attorney General's Committee To Study the Antitrust Laws, which in its report on March 31, 1955, made no less than 73 suggestions of general guides or recommendations to enforcement agencies and the courts. Practically all of these were bitterly attacked by associations representing small business, farm, labor, retail and wholesale organizations, university professors, lawyers for private plaintiffs in antitrust cases—in fact, by nearly every group except giant business organizations.

While more evidence and testimony is obviously necessary to determine which, if any, of these suggestions merit embodiment in actual policy, the hearings have already borne fruit: First, in apprising Government agencies that many of these suggestions may contravene the will and intent of the Congress, and, secondly, in evoking increased support for measures, two of which I have introduced that have now passed the House, and are presently awaiting action by the Senate. These are H. R. 3659, raising the maximum fine for violation of the antitrust laws from $5,000 to $50,000, and H. R. 4954, permitting the Government of the United States to recover as a party injured by antitrust violations and setting a uniform statute of limitation at 4 years in private antitrust cases. Senator SPARKMAN introduced a bill, S. 2075, that requires any corporation with assets over $1 million to give 90 days' notice to the Department of Justice and the Federal Trade Commission before consummating or being a party to a merger. Congressman PATMAN has introduced a bill, H. R. 6748, that not only requires advance notification but suspends a merger if a complaint is filed by the enforcement agencies.

Other bills have also been dropped in the hopper such as mine, H. R. 6404, reversing the Glenshaw decision taxing the entire amount of a treble damage recovery, and Representative WALTER'S, H. R. 4958, on the problem of triple damages. As more evidence is accumulated and digested no doubt other bills will be drafted, debated, and passed.

The testimony relative to the current wave of mergers, item 2 above, was voluminous. The Federal Trade Commission, on May 20, 1955, brought out its Report on Corporate Mergers and Acquisitions, which documented such facts as that it is the large firms that are merging at present rather than the small; and that 2 out of 5 acquisitions consist of "additional capacity to supply a market already supplied by the acquirer." In addition, Mr. George F. Mooney, superintendent of banks for the State of New York, Mr. Gidney, Comptroller of the Currency, and others gave extensive statistical documentation of the present-day trend to mergers in the banking field.

Again there have been certain immediate results. In addition to the bills already mentioned strengthening the Celler-Kefauver Antimerger Act, there are several measures designed to apply the standards laid down in that act to the entire field of industry and finance, whether regulated by Government or not. Such as H. R. 2115, that originated with the Federal Reserve Board, and my bills, H. R. 6405 and 5948, the former amending the Federal Deposit Insurance Act, the latter the Celler-Kefauver Antimerger Act, both bringing bank mergers within the orbit of the Clayton Act policy of keeping whatever free, independent profitably competitive enterprises we have wherever it is working effectively. To let a vigorous, independent unit swallow another like unto it in strength and competitive vigor is to sanction an economic cannibalism destructive of the American system of free, competitive enterprise.

Perhaps in no area do our antitrust laws require greater strengthening and modernization than in the field of foreign trade and foreign economic policy. It is here that better economic weapons are urgently needed wherewith to win the cold war on the economic front.

The evidence presented by Prof. Leonard J. Emmerglick, Thorsten Kalijarvi, Deputy Assistant Secretary of State for Economic Affairs, Sigmund Timberg, and Eugene V. Rostov was most disturbing. In fact, the testimony with respect to the Iranian Oil Consortium and the operations of the alleged international oil cartel revealed such jeopardy to the national security interests of this country that I announced the intention of the antitrust subcommittee to hold soon a complete investigation in this field. Such extensive international commercial agreements in practical effect constitute private treaties between American companies and foreign governments, which are undertaken and consummated without adequate control or supervision by duly constituted authorities of the United States Government.

Numerous recommendations were made concerning antitrust policy in the foreign economic field. Mr. Timberg advocated repeal of the Webb-Pomerene Act since the position of American firms in export markets no longer resembles that of 1918. He also suggested legislation reducing or removing the tariff protection on commodities produced or sold by firms found guilty of violating the antitrust laws. He urged implementation of the Thye amendment and together with Professor Rostow castigated the action which on April 4, 1955, terminated United States membership in the United Nations Ad Hoc Committee on Restrictive Business Practices. They

pointed out that notions of extensive cartelism abroad are hangovers of the Fascist-Nazi period and completely ignore the extensive liberalization of trade that has taken place under the aegis of the Marshall plan. Removal of Fascist trade barriers and of war controls coupled with the inauguration of controls over cartels have created a new freedom of enterprise which has been an important factor bringing West Germany and Europe generally to an all-time high in prosperity.

The fourth item—current vexing monopoly problems—was dealt with by almost a score of witnesses from every field of commerce, industry, and labor. The gas-station owners, the tire dealers, the wholesale grocers, the retail druggists, the cooperatives, small-business men—all gave concrete and direct witness of their difficulties. In this connection Dr. Julian Caplan, of San Francisco, became the first expert to be heard in recent years whose practice covered representation of plaintiffs in private antitrust actions. From his decade of experience he gave the Antitrust Subcommittee extensive documentation concerning the plight of small west coast steel fabricators who compete with subsidiaries or operating departments of large integrated steel producers but are dependent upon "big steel" for sheet or other semifabricated materials. His evidence taken from court records of cases settled in favor of the plaintiff both in and out of court showed coercion, intimidation, obstructive and discriminatory tactics in delivery of materials and even as condition of settlement in one case the brazen and, in my judgment, clearly illegal requirement that plaintiff bind his lawyers not to take on a single additional antitrust case for a period of 5 year.

The evidence here became crystal clear that there are hundreds of thousands of small-business men and farmers who regard themselves as victims of monopoly practices. There seem to be a dozen or more areas here crying for intensive investigation. Senator WAYNE MORSE opened up a Pandora's box of monopoly problems in the field of electric power. Senator DOUGLAS highlighted the plight of the farmer squeezed between the upper millstone of higher prices for the things he buys, farm machinery, fertilizers and other finished goods—and the lower millstone of declining prices for the things he sells. Such monopolistic price spreads and huge accumulations of corporate profits brought on the depression of 1929, he warned. Senator KEFAUVER, Congressman PATMAN, and others called for intensive scrutiny of the impact of monopoloid enterprises and restrictive trade tactics upon retailers and wholesalers, notably of tires, gasoline, food, and drugs. Senator O'MAHONEY showed how, despite explicit congressional policy, no new entries had been certificated among the trunk airlines since 1938, the field being wholly preserved by the Civil Aeronautics Board for 16—due to mergers, now 13—"grandfather" carriers. Congressman REUSS suggested an exhaustive probe of the forces which manage to award some $30 billion of Government procurement contracts almost wholly to large firms despite heroic efforts and constant investigation by the Senate Small Business Committee and the Small Business Administration to get a fair share for small business. Congressman MULTER advocated further examination of bank mergers. And so on.

Equally diverse and numerous were the recommendations—point 5 above—tentatively offered for study and action. The witnesses can be readily counted on the fingers of one hand who testified with respect to the Attorney General's report that all of the 12 recommendations for legislation and the 73 suggestions for enforcement be endorsed. More than 9 out of 10 witnesses dissented to a lesser or greater extent, primarily on the grounds of their conviction that the antitrust laws should be strengthened rather than weakened.

Many thoughtful and important substitute proposals were made to the Antitrust Subcommittee. So numerous were they, in fact, that only a small sample can be accorded space in this preliminary report. The subcommittee was urged to look into the pros and cons of legislation, for example, which might prohibit companies of specified size from merging except upon advance approval based on a showing of technological necessity, or which might repeal the Reed-Bulwinkle bill, or repeal the McGuire Act, or amend the Motor Carrier Act to eliminate control of entry and rates for trucks and buses, or prohibit restrictive licensing of patents by large patentees. In addition, the Antitrust Subcommittee was urged, for example, to compile a list of the restraint of trade cases brought against the "100 largest" firms, thereby identifying habitual offenders; to examine carefully a few leading patent pools; to conduct pilot studies of a few of the very largest industrial giants with a view to drawing up tentative reorganization plans that might limit such enterprises to activities geared in kind and volume to minimum technological requirements; to compile a who's who of megalolatry, that is, of representatives and ideological fellow travelers of giant enterprises or their satellites who comprise the big-business network in Federal and State Governments; and others of this genre.

The sixth and last reason for probing antitrust and monopoly problems, the fear that concentration of power in industry, in labor, and in agriculture may generate concentration of power in government, ran like a connecting thread through the testimony of nearly all witnesses. They repeatedly stressed the urgent need for full investigation of monopolistic trends and abuses to protect the country against the threat of unlimited agglomerations of private power of such proportions as to be inconsistent with the survival of genuine private enterprise or the successful functioning of democracy itself.

A highly interesting development in the hearings on this point was the emphasis on the need for tightening incorporation laws, and especially the revival of a proposal long advocated by Senator O'MAHONEY that a national rule be established for national corporations. This proposal was made the subject of a special message by President Theodore Roosevelt, was endorsed by Presidents William Howard Taft and Woodrow Wilson, and has been urged by numerous experts on antitrust problems up to the present day. Of interest is the fact that the Twentieth Century Fund in its three-volume study of cartels and competition puts first and foremost a proposal for Federal incorporation.

Finally, the hearings of our Antitrust Subcommittee reemphasized that the basic goals of the American way of life are individual freedom first and foremost, then a system of justice establishing the zones of creative voluntarism within which a maximum of individual freedom can be obtained; and third, and least important, economic efficiency. It is not enough for big enterprise merely to be efficient. It must not limit freedom or generate injustice. Americans have repeatedly given heavily of their treasure to preserve their freedom. Vigorous enforcement of the antitrust laws that preserves small business and other recruiting centers for managerial skill and free enterprise is necessary for the preservation of democracy.

Address by Robert B. Anderson, Deputy Secretary of Defense, Before the Graduating Class, University of Texas, Austin, Tex., Saturday, June 4, 1955

EXTENSION OF REMARKS
OF
HON. SAM RAYBURN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by placing therein an address by Robert B. Anderson, Deputy Secretary of Defense, to the graduating class of the University of Texas on Saturday, June 4, 1955.

I commend this address to you for thoughtful reading. It is a very able address delivered by a very able man.

The address follows:

ADDRESS BY ROBERT B. ANDERSON, DEPUTY SECRETARY OF DEFENSE, BEFORE THE GRADUATING CLASS, UNIVERSITY OF TEXAS, AUSTIN, TEX., SATURDAY, JUNE 4, 1955

Into the crucible of his experience, man has poured the elements of time, endless effort, experimentation, hope, drudgery, and slavery, and a multitude of other concomitants, all aimed at producing things and services suited to his requirements. The products of this crucible have been continuous—some of them good and some evil; some of them tangible and other describable only in terms of a general sensing and appreciation. Through the course of history man's lot has been shaped by the adding of ingredients, the achievement or failure of production, the masters of the brew and the uses of the end results.

Ever so often the pot boils furiously and man's hopes are raised or new fears are generated. Some of the time the restless tides of human activity are perceptibly slow and progress seems to retrograde, although measured in centuries this appearance is essentially unreal. Thus the panorama moves on. At any given point of time and place

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in history there always seeps into man's consciousness the realization that this moment, and only this moment, is his. Hence he represents the conjunction of the past with the future in the transiency of the present. What of today? What of tomorrow? What of the measurement of opportunity? How great is the challenge to effort? How rich is the reward of achievement? What to be hoped for? What do we dream of? Where is the door to the undiscovered, the key to the locks of comprehension and creativeness?

In recent months many of the headlines in America and around the world have told of the development of power and the strength of nations; the capabilities of violence, the destructive uses to which energy can be put.

There has been a parade of dreary items of uncertainty, crisis, and danger.

We cannot turn our backs upon these grim realities of our time, and this we will not do. We have, and we will maintain, both the military capability and the resolution to fulfill our role as one of the primary custodians of freedom and hope for the whole world.

But tonight I come to join with you in lifting the veil to see what may lie beyond us that can give new reality to hope and new purpose to life.

A recent example of the opening of the door to the future is the unfolding story of man's first conquest of polio, offering freedom and escape from a crippling disease. For this our hearts are filled with thanksgiving.

Thus the progress of medicine moves along its way, healing the sick, relieving pain and wretchedness, and enabling people to live longer, healthier, and more enjoyable lives. And we are assured that, while medicine is thus contributing significantly to man's health and comfort, the discoveries and innovations we are making everywhere else in the realm of natural science are likewise adding to the prospects of a more abundant life for people. In almost every way the years ahead will be marked by breathtaking scientific progress, which may or may not be employed in ways which add to the prospects of human happiness. But the opportunities for good certainly will be there, and to a large extent the choice as to how we dispose of them will be ours.

With the coming of the fission and fusion of the atom, mass became directly convertible to energy, and the greatest source of power of all time became in a measure subject to man's control. This triumph of science has been regarded with a marked ambivalence by our people. Inadequately controlled, it could presage a new age of destruction and fear—fear of the unknown and of those who would use this power destructively, and fear that man's capacity for moral and political responsibility cannot measure up to its demands.

Yet at the same time, it represents the hope of a vast new source of productive energy which may in time free millions of human beings from the necessity of physical drudgery, and in so doing create the material conditions in which life, liberty, and the pursuit of happiness may have meaningful reality to those who now are able to regard them only as vague and distant abstractions.

This does not mean—it should not mean—the lessening of a demand for useful work. Labor is indispensable to useful life, and usefulness is indispensable to happiness. It means rather that man—freed from the drudgery of toil, may address his talents to a higher order of intelligent achievement, to the discovery of the new, to the order of society by examination of cause and effect, and to the other endless pursuits which may stem from the efforts of beings created in the image of God.

Last year saw the beginning of the first atomic powerplant for commercial use, at Shippingport, Pa. This plant, and the many which will someday follow it, will supplement the power installations utilizing conventional fuels as we prepare to meet a demand for mechanical energy which is almost certain to double by 1980. Our experience with the sea trials of the submarine *Nautilus* daily increases our knowledge of the possibilities of the atomic engine for the whole field of marine propulsion. This knowledge we shall put to excellent use in the next few years as we proceed with the construction of the world's first nuclear-powered merchant ship.

But the production of usable energy is only one of the many possibilities of the peaceful atom. From the progress of our experiments in producing beneficial mutations in plants, we can hope to reduce some of our staggering agricultural production loss to diseases such as rust and wilt. Meat exposed to mild gamma-ray pasteurization can be kept safely for much longer periods than formerly. Radioactive isotopes are used as tools of measurement and observation in factories, laboratories, and hospitals all over the country. Radiocobalt, radioiodine and radiophosphorus are regularly used in the diagnosis and treatment of diseases such as cancer and leukemia.

A look at what is transpiring in our laboratories today gives some clue as to what we may someday expect to see in common practice. It is of course true that many successful laboratory experiments never get out of the laboratory stage, but our State of material abundance attests to the fact that a great many of them do. About 2 years ago scientists at MIT succeeded in decomposing water into its component elements of hydrogen and oxygen using only solar energy aided by catalysts, and last year at the University of California, sunlight was actually harnessed to create starch and sugar from carbon dioxide and water for the first time outside the living cells of green plants. We have developed a battery which yields electric energy directly from the sun's rays. We have discovered chemicals which kill cancer cells without harming the normal cells about them. We have heated houses entirely through the radiant energy of the sun. We have done some astonishing things with chlorella, a sea plant which holds promise of becoming an important source of food. We have found ways to make sea water drinkable without resorting to the process of distillation. We have discovered and developed new techniques in the production and utilization of petroleum and coal.

Meanwhile we are witnessing a continuing increase in the productivity of an economy that is already maintaining the world's highest standard of living on a 42-hour average workweek. The continued development of our industrial technology holds out the prospect that the American family in 1980 may have an income after taxes of almost half again what it was last year on the basis of a workweek which may not exceed 36 hours.

If any proof were needed of man's ultimate capacity to master his physical environment, it would seem that the example of America in mid-20th century would be sufficient. There is no question about that. It can be said that man is substantially the master of the physical world about him. Yet all these scientific triumphs have a common characteristic; they belong to the external world of things. They are the product—not the essence—of man's creativeness, his humanness, his divine relationship with his Heavenly Father. We must not forget that. We must not forget that these things have meaning only to the extent that they serve to enhance the dignity, the uniqueness, and the separateness of men as individuals. We are resolved not to produce a society of human automatons, conditioned like Pavlov's dogs to a dreary set of uniform signal responses to outside stimulation. We shall instead produce a material environment which tends to differentiate people, not drive them together into some drab and formless egalitarianism, which promotes individuality rather than conformity, which demands from each member the very best of his own distinctly personal contribution to the group. We shall direct our energies to realizing a world in which material advances mean increased possibilities for the further expression of human talents, ideas, abilities, and creativeness.

These objectives require that the improvements to our social structure, such as our political organism and our systems of production and distribution, keep equal pace with our advances in the physical sciences. I know of no more auspicious climate for such a demonstration than that provided by America. Here is the birthplace of government by all the people. Here religious freedom is not only written into organic law, but, more importantly, it is practiced in the customs and mores of the people. Freedom of person, of speech, and of the press are specifically provided for in our Bill of Rights. Our legal system is based upon an immutable higher law above the passion and prejudice of man in the fallibility of his interpretation. We work constantly to improve its integrity.

The philosophy of our competitive economy announces the thesis that if man works to produce the goods and services required by others for the betterment of life, his own lot may be benefited by additions of goods and services as well. Other theories of economy—that of the Communist and Fascist dictatorships—improve the lot of the favored few by the appropriation of the labors of the rest. Only in a free world with the privilege of competition does the whole level of living standards rise at one time, and only in a free world are there rewards in proportion to the energy, the resourcefulness, and the pride of workmanship which a man invests in his contribution to society.

It is one of the high offices of education to keep our material opulence and success in its proper perspective; to make it meaningful in terms of human living; to differentiate between culture and the things it uses. It is a continuous task, one which must be undertaken anew each year and each generation. For no people can "inherit" a civilization merely by falling heir to its material relics. Civilization is a matter of spirit; of conviction and belief; of folkway and tradition. It is a shared attitude toward life and living that is felt and practiced by a whole people, into which each succeeding generation is born, and upon which it is nurtured throughout childhood to maturity. Within this great and endless process the university finds its place not merely as the repository of accumulated wisdom, but as a source of new truth and new understanding which dedicated men and women may present to the world of their own time and to all those who follow them. I dare say that there are few, indeed, among you for whom tonight marks the effective end of your contact with this university. More than likely its influence will touch your life again and again over the years of the future, in ways so intimate as to be surprising. For the future is inextricably bound up with the present and the past. Society is, as Burke remainds us, "a contract. It is a partnership in all science; a partnership in all art; a partnership in every virtue, and in all perfection. And as the ends of such a partnership cannot be obtained in many generations, it becomes a partnership not only between those now living, but between those who are living, those who are dead, and those who are not yet born."

We are thus within and of the great stream of humanity, receiving of its bounty and morally bound to return to it all that our efforts can bring forth in a lifetime of useful endeavor.

Unused knowledge, for example, serves little better than ignorance. In fact, it may well be worse, because it represents a waste, not only of the talent and capacity of him who possesses it, but to that extent, it means also a waste of the efforts and contributions of all those who made it possible for such knowledge to be owned without being used. Learning is a privilege which all too few enjoy, and because it is thus a privilege, it carries with it the responsibility that it be intensively and productively employed in ways which contribute to the prospects of human happiness in our world.

In pursuit of this objective, we are concerned with the past because we must use the tools and the knowledge it has given us; we are concerned with the present because we must live in it, largely within the scheme of things as they exist. It is only the future which we are free to influence, and to which we have any chance of making a real contribution.

So the future becomes the justification for the existence of those who live in the present. It will be largely the kind of future that we have the wit, the wisdom, and the moral goodness to make. At all events it is certain to be a very lively one. But if it is to be productive in the sense that there is a spreading and diffusion of those values upon which our civilization is founded and from which it draws its strength, it will only be because we who are the present custodians embrace them with genuine conviction, live by them, and include them in our legacy to the world of our children. It is not simply a matter of copybook answers or of any ritualistic laying-on of hands. It is a matter of loving and hating the proper things; a matter of rejecting that which is known to be false in favor of that which is known to be true; of putting principle before expediency, of cherishing universal values rather than those of limited worth and application. It is a problem of stark realism and honesty in the evaluation of fact; it is one of meshing humanity and science; of balancing frailties and determinations; of recognizing responsibility and acknowledging both the restraint and demand of unimpeded conscience. The future will depend upon the instruments which we are able to bring to its solution: our moral conviction, our vision, our wisdom, and our will.

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Is Moscow's "Sweet Reasonableness" a Mirage?

EXTENSION OF REMARKS

OF

HON. HARRIS B. McDOWELL, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. McDOWELL. Mr. Speaker, under leave to extend my remarks, I wish to include the following address I delivered at the Memorial Day exercises of the Veterans of Foreign Wars at Seaford, Del., May 30, 1955:

IS MOSCOW'S "SWEET REASONABLENESS" A MIRAGE?

Memorial Day this year occurs at one of the most strategic moments in a very critical era of world history.

It is for this reason that I propose to give you—if I may—a briefing, that's what they call it in Washington, a briefing, from my own angle of vision, on the situation that confronts the free world.

I hope this briefing is even more pertinent because I am addressing myself particularly to the American veterans.

American veterans, I know, have a prior right to avail themselves of my impressions, a prior right also to my services as their Representative in Washington and in the Congress. As your Representative at Large, I suppose I am correct in regarding myself your eyes and your ears, in fact, your voice and your will at the heart of the Government of the United States where the decisions are made that affect the lives of us all and that will determine the survival of the free world.

Let me disabuse you to begin with of any notions that you may have from what I have just said that I am going to let you in on some top secrets. On the contrary, I hope very much today that the Kremlin has an agent in this audience to report back to Moscow precisely and accurately and fully what I am going to say.

The first point I have to make and that I wish the Kremlin to recognize is that Soviet Russia has no credit—no credit whatever—for integrity with the free world and that this credit for integrity is even less than zero with the Government of the United States.

If we start from that position, we can then proceed to evaluate realistically what has been happening in recent weeks: The strategic moments I spoke of in this critical era of world history.

Little Austria has her independence back again. To be sure, it is a bit shriveled. Her substance has been drawn out of her by the greedy paw of the Soviet Union. But nevertheless, she has her independence. And the Soviet Union did make concessions—precisely those concessions she had failed to make all along, which would have permitted sovereignty returned to Austria 6 years ago. One of the concessions, just incidentally, to achieve this end, was the relinquishment by the Soviet Union of its cruel claim to the lives of refugees from communism in Austria. It had hoped to bring them back for punishment—and we can imagine the kind of punishment—behind the Iron Curtain.

Thus the Soviet Union on this point and others reversed itself in signing the Austrian Treaty.

The Soviet Union has been making gracious overtures to dictator Tito of Yugoslavia, its estranged fellow Communist and semi-enemy. Tito replied by all but slapping the Soviet Union in the face with his declaration of his continuingly favorable attitude toward the West, irrespective of what the Kremlin delegates to Belgrade may propose.

Tito, who should know the Kremlin even better than we know it, has no faith in Soviet diplomacy either. But the Yugoslav dictator remains loyal to the Communist techniques. He has been talking to the West more recently in the same tone he has applied to the East. It looks at the moment as if he were playing both ends from the middle.

We know also that the wily Soviet commissars are engaged right now in what they hope is a monumental realinement of the international power situation in Europe and that the major key in this alinement is Germany and its possible unification under some questionable stipulations of guaranteed neutrality as between the East and the West, thus alienating the rebuilt free Germany from its Western alliance. The Soviet Union would undoubtedly like to weaken NATO—if possible even nullify it—and strike some kind of a bargain whereby the painfully constructed, democratically negotiated defenses we have built up in Europe against possible Soviet aggression, would be turned into so much scrap. And by defenses I mean both military bases as well as diplomatic safeguards, and economic and political fortifications.

This could then be expected to have repercussions in the Far East with like results.

The Soviets have accepted the invitation of the Western governments for a meeting "at the summit." They have even been making pleasant little personal overtures to the White House in the form of letters of admiration from Marshal Zhukov, the Soviet Defense Minister, to the President. This was followed up by a message of "friendly greetings" from Marshal Sokolovsky through Americans visiting Moscow on the occasion of the 10th anniversary of the meeting of American and Russian Armies on the Elbe. The Communist oligarchy seems at the moment to be in a state of lull from the business of murdering one another. And this has afforded them the opportunity to make themselves seem as if they have indeed rendered themselves harmless to world peace.

Now we live in a thermonuclear age, and we know there is no such thing as winning a war even if you win it. That's the paradox of world war III. And there are those who find that even if you should win the third world war, you are very likely to lose much more than you win: civilization itself. This fact plus the horror of the two World Wars this generation has been through—and the cost—have deeply intensified the instinctual desire of the average American for peace and decency. It is a feeling we share with the British and the French—with all of Europe and the East. In fact, it is a feeling we share, I am sure, with the oppressed and harassed Russian people themselves, mass victims of a form of government known as the police state.

The free world is thus caught between the Soviet threat and the risk of world destruction, partial or total. And over all hangs the danger of the psychology of a dynamic oligarchy of diplomatic and political gamblers—without moral principle—who may play with the peace and safety of the world, as some of their compatriots are known to play Russian roulette. The world—slave and free—is thus at the mercy of ruthlessness and caprice.

There are Yalta and Potsdam, Moscow and Berlin, the United Nations and Korea, Geneva and Bandung—a hundred and one conferences—to testify to a voluminous record, with full documentation, of Communist trickery and betrayal.

What policies we shall pursue with such an antagonist will depend upon many factors, and I do not propose today to invade the province of the President, his Secretary of State, and the leaders of Congress who are engaged in this very sensitive and crucial area of direct decision. I ask only for a reemphasis on what we already know: The Soviet Union has no credit for integrity with us and with the free world. That is the conviction, I believe, of the American people. In this, I am sure, all American veterans will go along with me and my fellow citizens here in Delaware. Nor will we seek to obstruct—those of us who have these suspicions of the Soviet Union—any negotiations that may develop and are in process now. If there is good to come of what is now going on, let it come.

If Zhukov and Sokolovsky mean their friendly greetings to the President and they have the power to act, let it happen. If there is an iota of sincerity from the Soviet side in the Austrian Treaty, let us on the show of proof act accordingly. If the death of Stalin means in fact a change in the aggressive expansionism of the Soviet Union let us, by all means, take the fullest advantage of this change of heart, for the good of all the world. A meeting at the summit or a meeting at the base, or a meeting at any of the intermediary points, if it will advance the cause of peace another inch, another minute, another dollar's worth, is in order.

All I can say from the conduct of the past of Soviet negotiations and from the known facts about Soviet philosophy, and the teachings of Stalin and Lenin is that I—for one—cannot be made to believe it. For me, it is

not enough that the parties to any negotiations in the future are in oral agreement, however clearly and plainly, in any form of words. For me it is not enough that the parties to such negotiations put it all down in writing, spelling out the details, item for item, and word for word, in a commonly understood mutual translation of each other's language.

All I can say is that nothing is enough—except performance.

Performance is enough. We cannot accept anything less.

That means that every move we make should depend upon our strength and not upon the supposition of honest dealing and anticipated performance from the other side of the conference table. Nothing can be accepted by the West less than the deed itself. And this must be so implemented that the continuing guaranties will insure the physical impossibility of a betrayal of a Soviet promise, or a reversal after the promise is half or all fulfilled.

I make no recommendations of policy, and I have the highest respect for those vested with that responsibility, on both sides of the aisle in Congress and in the administration.

All I say is that for me the Soviet Union is now playing a complicated game of chess and we shall be on the alert at every move. It is right and good that they shall know they are not trusted. That is why I hope my words today, however humble and however slight, may be heard in the Kremlin as a symptom of what all the American people think. A nation without credit for integrity cannot through a splurge for world attention and by making minor concessions—still minor as of this hour, I insist—come to the bargaining table and expect us to fool ourselves into believing that her unclean hands are clean. They drip with blood and the lost liberties of vast masses of the earth's population.

We must not forget that Communist tyranny rules one-fourth of the world's surface and one-third of the earth's population.

How much of it will they give up to prove their good will?

How much of the tyranny they have exercised and the powers they have usurped will they surrender in the captive countries of Poland, Hungary, Albania, Czechoslovakia, Bulgaria, Rumania, Lithuania, Latvia, Estonia, East Germany, Russia, and the non-Russian nations of the U. S. S. R.?

That is the answer all the world is waiting for.

After that there are counterpart problems in the Far East.

Until these questions are answered according to the established laws of justice and sovereignty, how can the West take with anything like a respectful mien the Soviet protestations of peace and its recommendations—ridiculous on the face of it—for disarmament?

Disarm who? For what?

The Soviet disarmament plan was answered by the British through Anthony Nutting, the British Minister of State for Foreign Affairs, and by James J. Wadsworth, the United States delegate to disarmament talks in London. I have studied the Soviet proposals and the replies to them. And what this all comes down to, as I appraise the Soviet offer is, just so much hogwash for which the modern term is "propaganda." There is the subtle presumption that the Soviet has somehow come around to the view on disarmament we advocated as long ago as 1947 and that the Kremlin has reversed its line. They are now putting up a polite posture to what we told them was right and they formerly rejected.

The Soviet position regarding an effective international control system, Britain's Anthony Nutting points out, is "still obscure."

And "obscure" is the key word to describe all Soviet negotiations.

If there is anything in this series of faked up "sweet reasonableness" attitude of the Soviet Union it is this: They are in the midst of a domestic economic convulsion. They are issuing to their own people exhortations that reveal low production in industry, and confusion and disorder in agriculture. They have deposed the ostensible successor to Stalin—Malenkov—in humiliation and self-abasement. They have murdered the formerly powerful Beria.

They may be bidding for time to consolidate their power at home.

This may very well be an opportune time for the West to seize on the situation for the enduring enforcement of peace on the basis of guaranteed, concretely implemented, terms, protected by the West's strength in being.

This is Memorial Day, and we cannot forget the sacrifices of those who made possible the freedom under which we live. We shall not betray the heritage they left us.

What remains of the free world is living on the profit of their heroism.

This is the hour for heroism on our part, for firm resolution and a demand for performance in the face of Soviet blandishments. It is the hour for assurance, in the form of unmistakable and irrevocable guaranties, from the Soviet Union, that the world will have peace and that this peace will endure for ourselves and for our children.

On this principle we can and will stand fast. To negotiate through strength—to accept only the deed, not the word of the discredited Commissars of Red Russia.

Betray me once—shame on you. Betray me twice—shame on me.

The Elks Contribute to Community and National Progress

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. DONOHUE. Mr. Speaker, I have been asked to include the address I delivered at the dedication exercises of the new Elks Building, June 5, 1955, sponsored by the Framingham (Mass.) Benevolent and Protective Order of Elks, Lodge No. 1264.

The address follows:

It is a high privilege and pleasure to take part in these dedication exercises, not so much, indeed, as your Representative in Congress, but more as a fellow member of the great Order of Elks.

The subscribers who have contributed so generously to this beautiful structure and those who have labored so tirelessly and earnestly toward the completion of this project now see the result of their efforts. It is eminently fitting that such a result should crown the devoted and self-sacrificing work of the many who have given freely of their time, energy, and means in its behalf.

The dedication of a building such as this represents an offering on the altar of the noblest aims of civilized mankind. It is more than foundation stones, walls, beams, steps, and a roof. It embodies the principles of fraternalism, good fellowship, and cooperation which exists within the Benevolent and Protective Order of Elks.

The primary object of fraternal organizations is to bring together men with kindred interests, thoughts, and ideals so that they may enjoy each other's society and gain mutual benefit. In this order we have banded ourselves together so that each individual may lend to the entire group the strength and talents which he possesses and, in turn, receive the help, inspiration, and protection of the whole organization.

Fellowship is to be valued for what is in it—not for what may be gotten out of it. When a group of people unite for purely material benefit, that union is not a fraternity. It is impossible not to have differences of opinion. That is democracy. But without unity and cooperation there can be no progress. It was this spirit which caused the founders of Massachusetts, Pennsylvania, and Virginia each to lay aside his individual interests and prejudices and unite in forming the Continental Congress which laid the foundation for the world's great Republic.

The building we dedicate today will provide our organization with greater facilities for becoming more useful and give us more capacity for enjoyment. Elkdom has expanded and grown because within it men find social fellowship which they can combine with the opportunity to give expression to their instinctive desire to be of genuine service to their fellow men. An Elks Lodge in any community gives that community new civic strength and enthusiasm.

The passage of years is marked by changes all about us. Sometimes the changes are so sudden that they are immediately noticeable, and we reflect upon the inevitability of change and the instability of men and ideas and institutions. More often, however, change comes so subtly that we are unaware of the process and only later is it realized that modification has occurred.

The 87 years through which the Order of Elks has grown and prospered have brought changes in the Order. These changes have been for the better. They have made no fundamental alteration in the character of the order; on the contrary, we have held firmly to those principles laid down by our founders, adding to them, yes, and strengthening them. Succeeding generations of Elks have clung to the earliest traditions, and have added to them wisely to give us a rich and valuable heritage.

Of fundamental importance to the order is our Elks ritual. It states with beautiful clarity the noble ideals that inspire us. It is the golden cord that binds us together in fraternity with our brothers of today, of the past, and with those yet to come. From the very first lodge, stress has always been laid on the faithful, dignified, and impressive rendition of the ritual. Through good times and bad, the high standards set by the founding Elks were adhered to, and without question, this example has had a profound influence throughout the order.

So it is with the tradition of Elk hospitality. The visitor from far places always has found a hearty and generous welcome awaiting him at the door. Times, men and places have changed, but the spirit of hospitality has never waned.

The willingness of Elks to assist our Government and our Armed Forces was made evident at the outbreak of World War I, when adequate care of sick and wounded servicemen overseas was of urgent necessity. Our grand lodge appropriated $1 million for this purpose, and it was through this fund that the first 2 base hospitals set up in the battle area in France were made possible. The first reconstruction hospital for war casualties to be established in the United States was a 700-bed facility constructed and equipped by the order in Boston, Mass., and turned over to the Government in November 1918.

It was at that time that our order created its revolving fund through which it was able to assist over 40,000 disabled veterans during their vocational training period. The detailed system of disbursement of these moneys originated by our grand lodge was found so practicable that it was adopted by

a Government agency in distributing its own funds.

When World War II presented its problems to our Government, the order's reputation for ready cooperation and know-how was well established and its assistance in recruiting flying cadets was requested. Over 400 lodges organized and conducted refresher-course schools to qualify men for the Air Corps with such excellent results that the Army called upon the Elks for aid in recruiting 45,000 Air Corps ground crewmen; within a few months 97,000 had been secured. The Elks came through in such record time when the Navy asked for help in recruiting fliers that we were the only organization solicited when both the Army and Navy were in vital need of engineers and Seabees. This faith in our efforts was rewarded when we were able to fill their quota 3 months ahead of schedule.

With this record of accomplishment for reference, it is not surprising that our Government continues to call upon the Elks for assistance in its projects benefiting our servicemen.

When the Veterans' Administration set up a Public Information Committee in its national advisory group in order to bring to the public a better understanding of the work being done by volunteers of all organizations in its hospitals, the Elks National Service Commission's representative was named chairman. In that capacity, not long ago, he enjoyed the privilege of delivering his committee's first, and well-received, report before national representatives of leading veteran, fraternal, and service organizations in Washington, D. C.

Another outstanding contribution the Elks have made to society is our interest in American youth. Our order has noticeably increased its sponsorship of youth programs in recent years. Every major town in America has its youth problems. We must redouble our efforts and increase our program of scholarships, leadership contests, Boy Scouts' programs, athletic contests, playgrounds, parks, swimming pools, and summer camps. Such activities are of great help and influence if properly planned. We desire to reach all sorts of children, to do more for the underprivileged child.

By proclamation of our Grand Exalted Ruler, May 1 is designated as Elks national youth day. Every lodge is expected to sponsor some particular event paying tribute to the youth of our country "to demonstrate to the world that we have a real interest in, and concern for, the welfare of our youth, and that we are proud of them."

For many years our organization has been concerned with improving our national health. We have played an important part in the care for crippled children. Convalescent homes, diagnostic and rehabilitation services for thousands have been provided.

About 10 years ago the Elks began to realize that the victims of cerebral palsy were not necessarily deficient in mentality and that they could be helped to live normal and useful lives through proper, intelligent treatment. Little by little, subordinate lodges, groups of lodges and States began to take up this work. The trustees of the Elks National Foundation became interested in this movement and played a part of strong leadership in the movement. Our national foundation is constantly broadening its activities in the cerebral palsy treatment field. Up to July 1954, it has expended over $100,000 to train doctors, teachers, nurses, and other qualified persons in the treatment of cerebral palsy.

Occasionally we meet someone who tries to tell us that the Elks are nothing but a lot of "good time Charlies" without serious thoughts in their heads. I would say they are dead wrong. I doubt whether many social or fraternal organizations in our American communities could surpass our record over the last 50 years. We have established solid public relations in our communities which have demonstrated to our fellow man that our order typifies Americanism. We have demonstrated not only to our own membership, but to the country as a whole, that our aim is to translate into realities the cardinal principles of Elkdom.

Our program is one of expansion. Those who work the hardest in our order develop an even more profound love for it as they work. From our service to each and every community in the Nation we symbolize the ideal relationship between the citizen and his Government. Government in the hands of active, honest, faithful citizens is safe. The fundamental articles of faith of all liberty-loving American citizens contain an unswerving belief in basic human rights. The fundamental articles of faith of all loyal Elks contain an unswerving belief in basic human rights. We believe in the dignity of man, the freedom of the individual, and the Christian principles upon which these United States were founded.

If our American institutions are to survive, our manhood must be characterized by a great regard for the day set apart by God Himself. William H. Seward said: "The ordinances which require the observance of 1 day in 7 and the Christian faith which hallows it are our chief security for all civil and religious liberty."

Perhaps the 20th century has been prone to direct too much attention toward materialism. Ralph Waldo Emerson wrote: "The true test of civilization is not the census, nor the size of cities, nor the crops—no; but the kind of man the country turns out." Accordingly, to counteract any landslide of our civilization into materialism, we must give our attention not only to political, diplomatic, military, and economic endeavors, but we must also look with a large and steady eye at ourselves and attempt to add spiritual stature to our own society. The role that spiritual ideals have played in our national life has filled volumes. Thirty-five years ago Woodrow Wilson, in one of his last messages to the American people, said: "Our civilization cannot survive materially unless it be redeemed spiritually."

These dedication ceremonies should include a rededication of ourselves to the Christian ideals of human brotherhood for all in which our order so thoroughly believes.

Elks can continue to demonstrate to the world the true principles of Christian brotherhood through our four great principles of charity, justice, brotherly love, and fidelity. We want our free America to continue as a free Nation. but we should not forget that America will be no stronger, no more free than the people who are America.

When an Elks lodge assumes the leadership of any activity, bringing into play its organizational ability, enthusiasm, and steadfastness of purposes, there is action; things happen, and another successful project results. That has been the case whenever Elkdom has demonstrated its unwavering vigilance in preserving Americanism against the encroachments of communism.

The record of Soviet aggression has in it much of the quality of Aesop's fable of the wolf and the lamb who were standing in a shallow stream. The wolf complained that the lamb was muddying the water the wolf wished to drink. The lamb pointed out that this could not be, for the wolf was upstream and the water flowed from him down to the lamb. "Anyway," said the wolf savagely, "I heard that you told lies about me last year." "How could that be," pleaded the lamb, "since I wasn't born until this year?" "Well, then," snarled the wolf, "it was someone in your family, anyway. But no matter who it was, I do not intend to be talked out of my breakfast." And without further ado, he leaped upon the lamb and devoured him. The moral Aesop points out, is that the tyrant can always find an excuse for his tyranny.

The principles of our order are exactly the opposite of those embodied in communistic practices. We believe in and have a concern for the rights, privileges, and responsibilities of citizenship under our constitutional government. We believe in community betterment for the good of all. We believe that the blessings of liberty which we enjoy should be passed on to posterity. We are here today as Elks, but in a much larger sense, we are here as Americans.

When the Benevolent and Protective Order of Elks had its origin approximately 87 years ago, the Golden Rule became its foundation. The eternal truths of this foundation have been proven by the growth and virility of our order. Our accomplishments are proof positive that Elkdom is composed of those who want to share their lives with their fellow man.

It is a man's privilege to assume the responsibilities of citizenship. And it is his responsibility to insure the privileges of his fellow citizens. Two things are vital to democracy: that every man grant every other the rights he claims for himself, and that every man accept the obligations he expects others to exercise. The good citizen concerns himself with the privileges of others and the responsibilities of himself.

The Benevolent and Protective Order of Elks in this community has assumed the responsibilities of citizenship in its finest interpretations for the good of mankind.

It is tremendously important that a building be erected on a firm foundation, lest it sag and cause cracks to appear in the walls, or even topple. It is impossible for a building to be constructed properly without a plan. Regardless of the size of a structure, good building material is needed.

The foundation upon which this beautiful structure rests, the planning and material which has gone into it, represent these ideals of firmness, proper planning, and good material that are contained in our order.

We are happy and proud to have arrived at the completion of this structure. Founded on charity, justice, brotherly love, and fidelity, we can have complete hope in the fact it will fulfill its mission and assist in spreading the ideals of Elkdom, that we may remain free to continue the tasks which lie before us. May our ambitions for all the great and good things which our order represents be fulfilled within these walls. As we dedicate this home, may we hope to be rededicated to the principles of our order—to the principles of America.

The Test of Real Leadership

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. FEIGHAN. Mr. Speaker, on June 5, 1955, it was my honor to address the commissioning ceremonies of the Reserve Officers Training Corps at John Carroll University, Cleveland, Ohio. I chose as my subject for that address The Test of Real Leadership. In that address, I have suggested four basic objectives which should guide our preparation for, and any participation in, a conference with the Russians looking forward to an easing of world tensions. I hope the President and his advisers will give some thought to my recommendations, because I sincerely believe they have a vital bearing on the future welfare and se-

UNIVERSITY OF MICHIGAN

curity of the people of the United States. Under leave granted, I insert my address in the RECORD:

THE TEST OF REAL LEADERSHIP

(Address by Hon. MICHAEL A. FEIGHAN, Member of Congress, 20th Ohio District, at the commissioning ceremonies, Reserve Officers' Training Corps, John Carroll University, June 5, 1955, Cleveland, Ohio)

I offer my hearty congratulations to each and every one of you who today has been signally honored by being commissioned a Reserve officer in the Army of the United States.

This is a moment of great pride for all those who have played a part in helping you achieve this high honor.

The officers on the faculty of the John Carroll University see in you well-trained leaders eminently qualified to carry out such tasks as may be necessary to defend the security and welfare of the people of the United States. The good fathers and the entire faculty of John Carroll University look upon you as men well grounded, not only in the science of military tactics, but equally as well prepared with a philosophy of life which immediately gives you complete dedication to God and to country. For your parents this occasion is the climax to their hopes and prayers and sacrifices. They can take real comfort and satisfaction in knowing that you have had the best preparation available to anyone to meet the challenge of life as you must face it in the days and years that lie ahead.

The Reserve officers movement in the United States has had a long and glorious history. The first congressional stimulus to the Reserve officers program occurred during the Civil War. During World War I and between the wars, it became, of necessity, a fixed part of our national life. It is no surprise, therefore, that during World War II more than 100,000 graduates of the Reserve Officers Training Corps program served in the Armed Forces in all ranks from second lieutenant to general. Without such advance preparation it would have been impossible for us to have put together so rapidly the mighty fighting machine required for us to meet the challenge of aggressive tyranny which brought about World War II.

The basic foundation and indeed justification for the Reserve Officers Training Corps rests on the fact that we, as a Nation, want to avoid a huge standing army with all the implications it has with respect to our family life, our educational system, the training of our professional men and women, and the development of careers in a free-enterprise system. Paired with this basic requirement is the realization that human freedom has been won by and will be preserved only by men who are prepared to fight to defend it.

We Americans understand full well the great sacrifices made in freedom's cause on our very land as well as the sacrifices we have made in all parts of the world to maintain it. We are aware that the tyrants down through history have fought to destroy all those things of the spirit which symbolize freedom's cause and which we hold to be as dear as life itself. The Reserve Officers Corps has been a happy and safe answer to those basic requirements. Through that program we are assured of trained, alerted, dedicated officers in all branches of the service who are real leaders of men. As leaders of men, we know that in time of national emergency they quickly form the nucleus around which emerges a powerful fighting force competent to meet and destroy any form of tyranny which challenges our national existence.

Being leaders of men, the Reserve Officers Corps must at all times be well informed on all issues having to do with the basic question of war or peace. This is necessarily so because informed leaders are the strongest leaders as well as the most inspired type of leaders. I would like, therefore, to discuss with you briefly what I consider to be some of the basic issues of our day having to do with the question of peace or war. Following World War II all of us had hoped that mankind would find the road to universal peace and freedom. That was the goal toward which we fought during World War II and it was only reasonable, with the magnificent victory that was ours, that we could expect a rich reward for our great sacrifices. Consequently we rapidly turned our attention to peacetime pursuits and problems of a purely domestic character but still finding time to perform multiple errands of mercy in a world torn half apart by war. We envisioned on the immediate horizon a golden era of peace, with freedom, as the heritage for all men for all time. This state of mind, in a large measure, took us into a deep slumber out of which we have not as yet fully awakened.

We, as a nation, were disturbed by the drums of war that were being thumped in every quarter of the world by the masters of the Kremlin. Slowly we became aware of the fact that a new and well organized tyrant was on the march. A new type of warfare was being waged against us and all other free people. This new type of warfare was completely unlike the classical or orthodox type which history records altogether too frequently, but nevertheless we soon found it to be total warfare, directed against the complete destruction of the civilization of which we are a part.

There can be no doubt that the world of our day is in a deep political crisis. Every hamlet in every nation of the world—every man, woman, and child is involved. This is not merely an economic crisis—that is only a part of the upheavel. This is not merely a social crisis in the sense that we understand social values. That too, is only a part of the crisis. This is not a military crisis, because the use of military forces and weapons in the orthodox sense have been used to a minimum extent. I have called it a political crisis because it affects every element of society as we know it.

Some people have called the crisis of our times a cold war. Almost all of us have come to realize that we were engaged in a new kind of war and cold war seemed like a good description because it indicated the absence of a shooting war. But, we have made a grave mistake in calling it a cold war because the warfare being waged against civilization as we know it is hotter than any war ever known to mankind. In this new type of warfare, more people have already been tortured, maimed, imprisoned, and killed, than in any other war in history. As an example of my point, I would only cite these elementary facts to you. During the period of 1932 to 1933 the Russian Communists starved to death by means of a man-made famine, over 5 million patriotic God fearing Ukrainians. In the Soviet Union alone there are over 15 million human beings held in slave labor camps under the term political prisoners. In most of these prison camps, the life span rarely exceeds a period of 2 years. Millions of people have been forcibly deported from their Communist occupied homelands to the interior reaches of the Russian Federated Soviet Republic, bringing about the separation of husband from wife and parents from children—few of whom will ever be united, and still fewer will be returned united to their beloved homelands. Entire nations have been destroyed by this new type of warfare—nations such as the Crimean Tatars, the Chechen-Inguish, and the Kalmucks. Yes, some of these ancient non-Russian nations were destroyed by the process of mass deportations carried out in a period of less than 43 hours. These are some of the crimes against humanity which have been carried on under the name of cold war. The long list of similar crimes committed by the international Communist conspiracy is almost endless and ever-increasing in its violence.

Against this background of criminal warfare being directed against all forms of civilization, the Kremlin recently called for peaceful coexistence between the still free world and the world enslaved by the Russian Communists. The propaganda organs of the Kremlin then began to blast out statements attributed to the leaders of the world Communist conspiracy to the effect that the time had come for a concentrated effort to ease world tensions. The pleas for peaceful coexistence by the Russians was quickly followed up by a propaganda and diplomatic offensive on a worldwide basis. The clear objective of that propaganda and diplomatic offensive is to split the political and military alliances of the free world, to neutralize Germany and Austria, thereby providing a neutral belt between the Communist empire and the free world and finally to isolate the United States and the Western Hemisphere.

In the face of this propaganda and diplomatic offensive engaged in by the Kremlin, the Congress of the United States, through the reports of the Select Committee To Investigate Communist Aggression, has attempted to alert the people of the United States to the true nature of communism and the meaning of its current propaganda drive for peaceful coexistence with the free world. That committee, on which I had the honor to serve, recommended in January of this year, that to meet this new propaganda challenge by communism and to avert world war III, the Government of the United States engage in a bold, positive political offensive. That basic recommendation was supported by 12 definitive recommendations which were in the nature of concrete steps that should be taken to initiate such a political offensive. These recommendations were arrived at after hearing the direct testimony of over 300 eye witnesses who themselves had been the victims of communism, and after the study of thousands of sworn statements and all available documentary evidence. Moreover, this was the work of a truly bipartisan committee attested to by the fact that all 27 of its reports were unanimous. Since that time, many prominent Americans have come forward to urge the Government to take up a political offensive against the conspiracy of communism. It is encouraging to see that there is an awakening to the fact that if we are to avert world war III and at the same time extend the cause of freedom and peace, bold and resolute action is required. The record is clear that if we continue to engage in weak, half-hearted, fearful measures based upon a desire to placate the Russians, we are taking the course which inevitably leads to war and possibly slavery for our people.

We are told of the likelihood of what one statesman of the free world has called a Conference at the Summit. This, of course, implies a meeting of the leaders of the United States, Great Britain, France, and the Soviet Union. We are also told the primary objective of that conference is to find ways and means for easing world tensions and opening the door to peace and freedom. You and I, because of our basic spiritual beliefs and our faith in the free institutions as we know them here in America, must always seek with fervor and determination the goal of peace, justice, and freedom. But facing the facts as we know them to be, we realize that any agreement entered into with the Russian Communists, whether it be on a bilateral basis or developed at an international conference, it is not worth the paper it is written on. That is the irrefutable record which the Russian Communists have made for themselves and it is a record which must, of necessity, guide us in any discusisons we may have with them now or in the future.

Since we must arrive at all times for the great goal of peace and avoid missing any opportunity for winning it, it may be necessary for our leaders in Washington to attend a conference with the Russians before this year is out. If such a meeting does take place, I believe that the guideposts to our participation in such a conference must be those unalterable principles upon which our Nation is founded. As a step in that direction, I would commend the following to your attention as minimum goals we would seek in such a conference:

First, we must regard such a conference as nothing more than an opportunity for us to spell out for the entire world what we stand for and what we stand against. In this connection, we should make it clear that we stand for the rights of all nations, large and small, to national self-determination, and the natural rights of all people to the basic freedoms. We should make it equally clear that we stand unqualifiedly against any form of colonialism or imperialism and in particular, we will never acquiesce to the new Russian colonialism which is being carried out under the camouflage of Communist imperialism.

Second, as a logical followup to this first condition, we must demand that the Communist-enslaved non-Russian nations be permitted to determine their own destiny by the use of free elections, including multiple political parties, the secret ballot, together with international supervision to guard these basic requirements. If we fail to do otherwise, the good people of Estonia, Latvia, Lithuania, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Ukraine Byelorussia, Georgia, Turkestan, Idel-Ural, Armenia, Azerbaijan, Cossackia, and Russia will look upon any United States participation in a conference at the so-called summit as the failure of the last great hope of mankind and a sellout of all those moral and political principles which the United States has stood for during the 179 years of our national existence.

Third, the Russians must agree to dismantling and completely removing the Iron Curtain which they have constructed from the Baltic Sea to the Pacific Ocean. They must remove the minefields, the barbed wire, the vicious dogs, the special squads of machine-gunners, and all other unnatural barriers which the Russians have concocted in order to divide the world into separate parts. The Russians must agree without reservation that the Iron Curtain is the basic obstacle to true peace and freedom.

Fourth, we must abide by the proven principle of open covenants openly arrived at. There can be no secret understandings reached at such a conference. To insure against this possibility, the administration should avoid being party to any joint communique being issued from such a conference because the constant Russian demand for unanimity would mean that any joint communique would serve primarily the Kremlin interests. President Eisenhower would be wise to issue his own communique, on a day-to-day basis, covering developments and any successes or failures that might come out of such a conference.

The proposed conference at the summit, if it takes place, will have much to do with the fundamental question of peace or war. All mankind will watch with keen interest the developments that come out of such a conference. Those who are enslaved behind the Iron Curtain will be watching anxiously to see whether we, as a nation, by act or omission, confirm their enslavement. They regard our beloved America as man's last great hope. All the people in the still-free world will watch this event with equal concern. Our responsibilities are heavy. Consequently we must stand resolutely by our principles whatever the transitory cost may be.

The role of a leader in the affairs of nations must not be guided by a desire to win the popularity contest. Real leaders are seldom popular, but real leaders are respected. That inspiring lesson of history applies both to nations cast in the role of leaders as well as those men cast in the role as spokesmen for those nations.

I have tried in these few minutes to present to you some of the facts as I know them, so that you would be a better-informed officer in the Reserve Corps of the Army of the United States. I know that you have had the best possible training in military science. I am also keenly aware that in preparing you to meet all the trials of life, the good fathers at John Carroll University have left no stones unturned. It is now your responsibility to go forth in the world as a trained and responsible leader. I know that you will respond without hesitation to all those demands that a leader in life must expect. Remaining a well-informed leader will make you not only a better man, but a better citizen of our beloved country.

My wishes for every success go to each and every one of you.

The Federal Trade Commission

EXTENSION OF REMARKS
OF

HON. GLENARD P. LIPSCOMB

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1955

Mr. LIPSCOMB. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to direct the Members' attention briefly to the recent record of achievement of the Federal Trade Commission.

Under the leadership of Chairman Edward F. Howrey, of Virginia, an outstanding lawyer, this small but active organization has since 1953 become one of the most important agencies in Washington. Life and vitality have been breathed into a heretofore almost moribund body. All of us who believe in fair, vigorous, and effective law enforcement should commend the present FTC.

The administrative structure of the Commission has been reorganized, its procedures have been modernized and strengthened, and, perhaps best of all, the element of delay in its work has been eliminated. Those who follow the Commission's work closely feel that its activities reflect—now as never before—the basic principles intended by Congress in 1914 when it had before it the original FTC legislation, proposed earlier by the Republican Party and later agreed to by President Wilson.

As Chairman Howrey has pointed out, the new FTC no longer believes in wasting its energies on peripheral test cases of doubtful validity that in years past consumed a substantial share of the agency's appropriations and which often required years to reach the Supreme Court; rather, FTC is giving timely attention to the predatory and fraudulent practices that do damage to the fabric of our free enterprise system, and it has been effective in doing so. During the present fiscal year, the Commission has instituted more legal proceedings than for many years. In the field of false advertising and related deceptive practices well over 100 complaints have been filed, a number not exceeded in 10 years. This year also will be one of the greatest in history in the field of antimonopoly actions instituted.

FTC has entered cease and desist orders in an equally large number of cases this year, including more antimonopoly orders than in any 1 of the 4 preceding years. In addition, more civil penalty actions—for violation of existing orders—are now pending trial in the Federal courts than ever before.

Where inadvertent violations of law occur, the Commission has also secured widespread compliance. For example, in the fiscal year 1955 FTC has already approved 13 new or revised sets of trade practice rules, each embracing an entire industry on a voluntary basis, a record unsurpassed in more than 20 years.

The people of my State have shared the benefits of this outstanding record; it has taken on a real meaning to us. Businessmen of California have long been plagued by the out-of-State poacher who manufactures goods elsewhere and falsely labels them as being "made in California" or deceptively marks styles or designs as having come from within the State. So effective has the Commission been recently in stopping this unlawful practice that the California Legislature passed a resolution, which was filed with the California secretary of state on May 2, 1955, as resolution chapter No. 135, congratulating the Federal Trade Commission on its activities. The resolution follows:

Assembly Joint Resolution 21

Joint resolution relative to the use of the word "California" on labels of garments manufactured by out-of-State garment manufacturers

Whereas the Legislature of the State of California, in 1953, by assembly joint resolution 5, requested that the Federal Trade Commission investigate all instances of the use of the word "California" on labels by firms in the apparel industry other than those who actually manufactured such apparel in California, and in the proper cases, issue cease and desist orders; and

Whereas the Commission is to be commended for its prompt and vigorous action in this regard; and

Whereas in the interest of a better informed public the Commission should publish a report on such activities; and

Whereas since, however, there are still some firms that are mislabeling their products in an attempt to capitalize on the sales value of the word "California," the Commission should not relax its vigil: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California does hereby congratulate the Federal Trade Commission on its activities to date, urges it to publish a report of such activities, and finally, to continue unabated its good work; and be it further

Resolved, That the chief clerk of the assembly is directed to transmit a copy of this resolution to the Federal Trade Commission.

I feel the Congress of the United States agrees with these sentiments of the legislature of my State.

It should not be overlooked that two former Members of this body have recently joined Chairman Howrey as Federal Trade Commissioners. All of us

UNIVERSITY OF MICHIGAN LIB

remember with pride John Gwynne, of Iowa, and Robert Secrest, of Ohio. Greater competence and integrity could not be found, and President Eisenhower is to be commended for his choice in each instance.

Opposition to Antitrust Immunity for Business Under Defense Production Act

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1955

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith the statement I made before the Senate Committee on Banking and Currency today in opposition to S. 2163 and S. 2165:

Mr. Chairman and members of the subcommittee, I am grateful for your kindness and cooperation in scheduling my appearance before this subcommittee. Members of the Banking and Currency Committees in both Houses deserve the thanks and commendation of the people of this country for their diligence and ability in presenting to the Congress proposed enactments dealing with our defense program which were models of legislative draftsmanship. Mandatory control legislation is complicated at best, and I believe considerable credit for the successful transition of this country from a peacetime to a mobilization economy and a subsequent return to more normal conditions is due this committee.

The success of the defense legislation drafted by this committee has been attested to by many eminent persons who have pointed out that almost all of the controls necessitated by the Korean conflict have now been removed. OPS, PAD, DPA, are now buried with their brethren wartime Government agencies, with only their records in the Archives remaining as epitaphs to their eminent success. Thus, it was that your committee was able to state—and I think with some degree of satisfaction—that as of 1953:

"Very substantial expansion in the Nation's capacity for the production of goods and services since Korea has brought supply and demand in most segments of the economy substantially into balance. That is why it has been possible to decontrol prices and wages and essentially limit the use of materials controls to military production. That is why it has been possible to discontinue the general distribution of materials throughout the civilian economy except for a few scarce and critical items essential to defense."

It is just because of the successful progress made by this Nation under the statutes previously drafted and recommended by this committee that I today strongly urge upon you to allow another section of the Defense Production Act to expire at this time according to its terms. I refer specifically to section 708.

Section 708, unfortunately, is not one of the better known and more widely discussed provisions of your Act. It is, however, in my consideration, one of the most significant and far-reaching pieces of legislation now on the statute books of the United States. I do not feel I exaggerate in this regard. Let me summarize, in brief, exactly what this portion of the act permits, so that you will see with me some of its tremendous implications.

First, it authorizes the President to consult with representatives from various sectors of the economy with the view toward approval by the President of voluntary agreements and programs to further the objectives of the act.

Second, the act provides that—

"No act or omission to act pursuant to this act * * * if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) * * * shall be construed to be within the prohibition of the antitrust laws or the Federal Trade Commission Act of the United States."

What these and other provisions of section 708 do, in effect, is to authorize the President directly or his designate, who must secure the approval of the Attorney General after consultation with the Chairman of the Federal Trade Commission, to exempt conduct in violation of the antitrust laws from prosecution if such conduct is requested in the interests of the defense program. In other words, with no limitations as to the nature of the activity involved, immunity from antitrust prosecution may be granted by this statute. This may be justified in an all-out emergency. When the emergency is over, however, competition and free enterprise should be encouraged, not lessened.

I therefore believe this committee must now seriously question whether there is any longer need for abandoning our traditional antitrust policy in favor of concerted action among competitors and special treatment for monopolies.

We have, of course, recognized that in times of dire emergency, certain exceptions to our antitrust laws and free competition must be made just as during such periods, certain exceptions to the personal liberty and freedom of individuals occur. To be perfectly frank, as the price of survival, we had no choice. Wartime, unfortunately, has therefore been a catalyst which has stimulated the development of monopolies and retarded the growth of competition; it has led to procurement policies favoring a few select concerns with military and Government purchase orders while smaller firms were literally driven to the wall. When my monopoly subcommittee studied the recent mobilization program, it found that 55 percent of the total volume of prime defense contracts had gone to just 100 large corporations. A similar experience was had in World War II when, between June 1940 and September 1945, two-thirds of the prime contracts awarded by the Government had been placed with the top 100 corporations. Thus, as Donald Nelson frankly confessed, during wartime "business firms of subaverage size more often than not did get the dirty end of the stick."

Take the matter of allocation of materials which are scarce. Small companies without historical positions with large suppliers or without integrated facilities of their own are unable to obtain raw or semifabricated products and perish by the thousands. Even today, as you know, small aluminum fabricators are finding it difficult to obtain needed supplies from the large producers, such as Reynolds and Kaiser, notwithstanding the fact that these latter corporations have profited by millions of dollars through Government tax-amortization programs and other assistance.

I need go no further to emphasize the fact that the effects of monopoly are heightened and the tempering effects of competition halted during emergency periods. But gentlemen, isn't that all the more reason for removing monopoly restrictions and preventing further restraints of trade just as rapidly as we can upon the termination of a wartime crisis?

These voluntary agreements provide a ready vehicle for serious restraints upon the country's economy. As the Attorney General himself said in a sharply critical report on the potential effects of such agreements under the act:

"The use of voluntary agreements and programs to carry out the mobilization program may result in business enterprise, vigorously competitive in normal times, evolving common courses of action to restrain production, retard technical development, limit expansion, reduce quality, and raise prices. To the extent that the mobilization program requires joint action by businessmen, opportunities are presented to work out restrictive agreements either within or without the framework of a Government-sponsored program. It is important that the public need shall not become a cloak for concerted action undertaken privately to the public detriment."

I emphasize to you again that the antitrust laws have formed the basic foundation of this country's economy since the Sherman Act was put on the books in 1890. Deviations therefrom, such as are proposed to be continued in section 708, have been permitted only under the most serious national emergencies. The provisions of section 708, for example, were enacted solely because of the grave situation confronting the Nation as a result of the Korean conflict. As the distinguished chairman of the House Banking and Currency Committee explained in the report he submitted on behalf of the act:

"The second fact is that in spite of these considerations we are at the moment faced with certain grim problems."

Similar considerations motivated this committee as explained in the committee report accompanying the Defense Production Act of 1950:

"The seriousness of the situation which was thrust not only upon the United States but upon the whole world as well when the forces of communism were unleashed on the Republic of South Korea has impressed upon every American the necessity and importance of taking prompt and vigorous action to meet the threat of Communist aggression."

Even in the period of crisis, however, I want to point out that no attempt was made to forsake utterly our reliance upon competition and free enterprise. As this committee so forthrightly stated in its report accompanying the Defense Production Act:

"The situation (referring to the crisis) has been the motivating factor in all the considerations of your committee in making an effort to bring out a bill broad enough to give the Executive necessary powers to cope with this critical situation, but not so broad as to regiment the economy of our Nation to the extent that the fundamenal democratic principles of free enterprise are endangered."

I submit to the committee that in view of the drastically changed conditions which have obviated the need for mandatory rationing of scarce materials, the control of prices, and vast authority for supervising agencies, there is no longer any need at all for continuing the immunity provisions accorded to businesses from prosecution under the antitrust laws. Indeed, the better argument lies on behalf of removing these immunities and encouraging more vigorous enforcement of these statutes so as to promote free and open competition. Yes; far from "encouraging the making * * * of voluntary agreements and programs * * *" as advocated in the specific language of section 708, we should devote more of our attention toward discouraging such agreements and other restrictions upon competition.

I have thus far limited my remarks to opposing the extension of section 708 for another 2 years as is provided in S. 2163. I would like to devote the remainder of my remarks to S. 2165, which would not only extend the section of the act but would make such far-reaching extensions in the voluntary agreement program as presently established by statute so as to render the

antitrust laws virtually useless in this area of the economy for the next 20 years.

Section 4 of this bill, S. 2165, would add a new section to 708 as now constituted, which would enlarge the exemption provision substantially. Under the law as it now stands, exemption from the antitrust laws is given only for the period, and I quote, "while this act is in effect." In other words, all immunity will vanish should section 708 be allowed to expire at the end of June of this year. If the act is extended for a 2-year period, exemption for activities will be allowed until June 30, 1957—but no longer. If you read S. 2165, however, you will see that it empowers the President to continue any exemption already granted and approved for a period as long as 20 years. And this immunity will stand, notwithstanding the fact that Congress may have seen fit in the interim to let the act expire by its terms. In other words, the immunity and exemption may be granted for a period of time in futuro although Congress may very well believe that there no longer exists any need for the Defense Production Act or section 708.

As Dr. Flemming, ODM Administrator, testified yesterday, extension of the immunity provisions of the Defense Production Act beyond the termination date of the act was recommended by the Attorney General's National Committee to Study the Antitrust Laws. The Attorney General's national committee indicated that such extension may be needed at least with respect to programs for preserving the supply of critical and strategic materials from abroad. It indicated extension also may be needed to protect large-scale investments committed in such programs for long periods of time.

The House Antitrust Subcommittee, of which I am chairman, in connection with its recent exploratory hearings on current antitrust problems has investigated extensively the Attorney General's Committee and the recommendations made by it. You should recognize that the Attorney General's Committee did not undertake to collect statistics or to assemble a body of factual data with respect to the antitrust problems on which its recommendations were based. The Attorney General's National Committee primarily undertook to examine the existing case law in the antitrust field and attempted to enunciate a theory encompassing all past cases and statutory enactments in this field. Accordingly, this committee should realize that the recommendation of the Attorney General's Committee with respect to the advisability or necessity for extending the immunity provisions of the Defense Production Act are not based upon an examination into Government and business activities under section 708. Nor were these recommendations based upon economic studies or security considerations upon which any justification for authorizing immunities beyond the extension period of the Defense Production Act must rest.

Furthermore, in addition to having neither the information nor the qualifications for passing upon the factors involved in granting immunities, under the Defense Production Act, this Attorney General's Committee's recommendations suffered from other deficiencies. Our Antitrust Subcommittee has received considerable testimony bearing upon the objectivity of the Attorney General's Committee's recommendations. Testimony has been presented that of the 61 members of the Attorney General's Committee, 42 members were attorneys practicing in the antitrust field primarily representing corporate defendants. Further half of these practicing attorneys either personally or through their law firms represented defendants in antitrust cases instituted by the Department of Justice or the Federal Trade Commission which were pending at the time the committee prepared its report.

Witnesses before our subcommittee have claimed that lack of fair representation for divergent viewpoints on the Attorney General's Committee resulted in bias in the committee's recommendations. It may be that the Senate Banking and Currency Committee, before it acts upon recommendations attributed to the Attorney General's Committee, may wish to investigate into whether any particular interests would receive special advantages from extension of the immunity provisions of the Defense Production Act in the manner recommended.

As you know, the Department of Justice did not and does not endorse the recommendations of the Attorney's General's Committee. The Attorney General himself has under study at the present time his committee's recommendations in order to ascertain which he wishes to endorse. It therefore seems anomalous for the Defense Mobilizer, Mr. Flemming, to base proposed legislation upon these recommendations without any other economic or policy basis therefor.

On June 14, 1955, I requested the views of the Department of Justice with respect to S. 2163 and S. 2165 concerning extensions of the immunity provisions of section 708. In Assistant Attorney General Stanley N. Barnes' response to my inquiry the Department did not adopt the Attorney General's Committee's recommendation. He emphasized that the Department of Justice takes no position at all with respect to either the necessity for extending the antitrust immunity provisions of the Defense Production Act, or for exempting from antitrust certain conduct beyond the termination of the Defense Production Act. The position of the Department of Justice seems to be that these problems rest upon national security considerations beyond the competence of the Department of Justice to evaluate. Justice is concerned that the existing procedures for granting antitrust immunity not be changed in such extension. Judge Barnes said specifically, and I quote:

"S. 2165's declaration of policy, as well as the necessity for amending its present antitrust exemption to effectuate defense aims, rests on national security considerations beyond the competence of this Department to comment upon. Accordingly, I assume Congress finds necessary extending present law. In addition, I assume Congress concludes that, to best effectuate defense policies, certain conduct be exempt from antitrust even beyond the Defense Production Act's proposed 2-year extension. My comments thus focus upon means for assuring that in administering whatever exemption Congress deems necessary, antitrust considerations are brought to bear in a forceful and timely fashion. * * * What justification is there for extending immunity under the Defense Production Act longer than the requirements of the Defense Production Act? Justification for authorizing immunity beyond extension of the Defense Production Act must rest upon national security considerations beyond the competence of this Department to evaluate."

I wish to put this letter into your record at this point.

Accordingly, it would seem to me that before determining this question, it is incumbent upon your committee to examine thoroughly into the past operations of the Government and activities of industry under section 708 programs. The answers to the following questions, among others, would afford a basis for ascertaining whether in fact further extension of the immunity provision is necessary at the present time:

1. How many programs involving international trade have been granted immunity under section 708?

2. Are there any voluntary agreements now in operation or proposed concerned with stockpiling strategic raw materials?

3. What evidence did the Attorney General's Committee have with respect to the need for extension of the immunity provisions of section 708?

4. What evidence did the Attorney General's Committee have with respect to the need for extending these provisions beyond the expiration date of the Defense Production Act?

5. Has the President requested any voluntary program which required the participants to commit large funds for long periods of time? What are they? Are any of these programs now operative? Are any now proposed?

6. Does the Department of Justice review the activities of the participants in voluntary programs in order to ascertain whether the participants adhere to the terms of the program? How current is the Department's review of existing approved programs?

7. What qualifications did the Attorney General's committee possess for evaluating national security questions which justify the authorization of immunity beyond the period of the Defense Production Act?

8. Is there any evidence available anywhere as to the need for continuing the immunity provisions of the Defense Production Act?

9. Is there any evidence available from any source indicating the need for giving 20-year immunities from antitrust prosecution?

The amendment to S. 2165 suggested jointly by the Department of Justice and the Office of Defense Mobilization, set forth on page 2 of Assistant Attorney General Barnes' letter to me, does not meet my criticisms. All that it accomplishes is to insure that the President's delegate, if one is appointed, will get the approval of the Attorney General and consult with the chairman of the Federal Trade Commission. The amendment still permits the President personally to authorize voluntary programs and permits immunity to be granted for 20 years after the expiration of the act with no standards, limitation, or supervisory control.

While Judge Barnes' statute, of course, is to be preferred to the statute as now written, it nevertheless leaves unanswered the basic questions:

1. Is there any need for giving immunities?

2. Why must any 20-year exemption be given?

As I said before, I understand that the Attorney General does not feel qualified to answer these questions.

The power accorded under this new section to exempt from the antitrust laws is a blank check delivered to the President to repeal the Sherman Act for any special or influential group for as much as 2 decades. If you look carefully, you will see that the extension may be made by the President or his delegate merely upon the formality of making certain findings which cannot be challenged anywhere, either judicially, legislatively, or executively. Nor need the President obtain the approval of the Attorney General or the chairman of the Federal Trade Commission. In fact, consultation with these expert agencies is not even required under the bill as presently written.

I do not wish to belabor the point, Mr. Chairman. But if you will ask yourself certain questions, I am sure you will see with me that this new section is fraught with serious implications to the very basic economic framework of this country. Who is to supervise these agreements exempted from the antitrust laws during the 20-year period? How can anyone know if the activities of the concerns involved will, with a 20-year monopoly franchise, continue to "further the objectives" of the Defense Production Act as required by statute? Who will the President select to make the formal findings required by the statute providing for 20-year exemptions?

I deplore witnesses who present a parade of horribles before a committee, Mr. Chairman. But I must confess that if this new section is enacted, it would be well to estab-

UNIVERSITY OF MICHIGAN LAW

lish at the same time a new Cabinet post entitled Secretary of Monopolies who would award 20-year monopoly franchises to well deserving institutions with power, prestige, or a long history of contributions to campaign funds. The power to grant monopolies, gentlemen, was one of the evils of royalty for which revolutions were fought in Britain. I trust you will not permit those who would seek special privileges to obtain this right in the United States without even a struggle.

Gentlemen, let me make my position on this legislation clear. I believe that with the passing of the crisis that had actually involved the United States in a shooting war, we are presently in a position to accomplish virtually all of our defense requirements within the traditional framework of the antitrust laws. Free competition has provided the American people the wherewithal to resist open aggression in the past, and, certainly, will continue to do so in the future.

I want to add, nevertheless, that if you, in your wisdom, see fit to extend the immunity provisions from the antitrust laws, they should be carefully limited to terminate at the end of the Defense Production Act. We need no widespread monopoly licensing provisions which would grant a privileged few the right to violate the antitrust laws for as much as two decades with no supervision or control. Immunity, if immunity there must be, should be confined to the period in which you extend the Defense Production Act for all other purposes. And any exemptions from the act should be carefully restricted to matters coming within the aims, objectives, and purport of the basic statute.

WOC PERSONNEL

Section 5 of S. 2165 provides for the establishment of a reserve force of WOC's so that they would be ready to take over top Government positions in the event of any emergency. I believe the committee should carefully study the background and need for such a provision before enacting any such provision.

Reference was made in your hearings yesterday to our experience with these WOC's during World War II. I would therefore respectfully call to your attention in this connection the study of WOC's made by the Truman committee (S. Rept. No. 480, 77th Cong., 2d sess. (1942), pp. 7–10). In part, this is what the committee concluded—and I commend the report in full for your study:

"Although the contracts obtained by the companies loaning the service of dollar-a-year and WOC men are not passed upon by the men so loaned, such companies do obtain very substantial benefits from the practice. The dollar-a-year and WOC men so loaned spend a considerable portion of their time during office hours in familiarizing themselves with the defense program. They are, therefore, in a much better position than the ordinary man in the street to know what type of contracts the Government is about to let and how their companies may best proceed to obtain consideration. They also are in an excellent position to know what shortages are imminent and to advise their companies on how best to proceed, either to build up inventories against future shortages, or to apply for early consideration for priorities. They can even advise them as to how to phrase their requests for priorities. In addition, such men are frequently close personal friends and social intimates of the dollar-a-year and WOC men who do pass upon the contracts in which their companies are interested.

"These are only a few of the advantages which large companies have obtained from the practice, and it should be especially noted that they are the very same ones which the small and intermediate businessmen attempt to obtain by hiring people who they believe have 'inside information' and 'friends on the inside' who could assist them in obtaining favorable consideration of contracts. Therefore, in a very real sense the dollar-a-year and WOC men can be termed 'lobbyists' * * *.

"The committee is opposed to a policy of taking free services from persons with axes to grind, and the committee believes that the Government should not continue to accept the loan of dollar-a-year and WOC men by companies with so large a stake in the defense program."

Our experience with these WOC's in the recent hot-war period of Korea has been no more successful. Mr. Fleming referred to the Executive orders of the President designed to implement the WOC provisions of the Defense Production Act with respect to the use of WOC's. But these were blatantly and continue to be blatantly ignored. For example:

1. Section 102 (a) of Order 10182 provides that as far as possible "operations under the act shall be carried on by full time, salaried employees of the Government." However, Mr. Chairman, if you read the statements of officials in setting up the Business and Defense Services Administration, you will find that there is expressed a preference and an avowed policy of hiring WOC's notwithstanding the availability of Government personnel on a paid basis. This policy was expressed by Mr. Weeks in a speech describing the aim of the new Business and Defense Services Administration on June 9, 1953, as follows:

"We propose * * * (5) to establish approximately 20 main industry divisions with key advisers, recommended by various industries to represent them, and staffed for operation purposes by industrial experts from the career services, * * * the functions of the proposed business services agency will be to. * * *(6) See to it that, while private business, of course, cannot dictate Government policy and plans, it be placed in a position where it can effectively approve or disapprove of the implementation of such policy and plans from the standpoint of their practical workability in every day industrial operation."

And, of course, that is exactly what this legislation would approve of on a long-term basis.

2. Section 301 (d) of Order 10182 requires that in obtaining WOC's, the administrator or head of the hiring agency must certify that he has been unable to obtain a person with the qualifications necessary for the position on a full-time, salaried basis. Mr. Chairman, it would be interesting indeed to see in how many instances even the slightest attempt was made to find full-time Government employees before hiring a WOC. Certainly that can't be the policy now when a preference has been expressed in the Business and Defense Services Administration for hiring WOC's without thought to whether there were qualified personnel on a paid basis available.

3. Section 301 (c) requires that in appointing WOC's for the head of the department to certify "That the appointee has the outstanding experience and ability required by the position." If you examine how WOC's have been and are chosen in practice you will find that they are appointed not on the basis of individual merit but on a company rotation basis. Large companies are requested—yea, urged, to send a man to Washington to staff the agency. The agencies get what the company can spare. As a result, you will find that any number of WOC's have been nothing but salesmen, with no particular skills to contribute that could not have been found elsewhere. A number of WOC's have been so called "Washington representatives" of large and powerful concerns. And it would make a most interesting study to learn how many WOC's once having worked in the Government thereafter remain in Washington to represent their companies in Government transactions.

In closing, Mr. Chairman, I want to leave with you for inclusion in your record, pp. 78–91; and 97–98 of House Report No. 1217 of the 82d Congress which has some valuable information relating to the use of WOC's. This study was completed by a subcommittee of which I was chairman. The committee concluded that: "the employment of WOC's during the mobilization period should be kept at a minimum." If this conclusion was true during a period of actual hostility, how much more is it valid now during a period when there is no overt military action.

For these reasons, Mr. Chairman, the committee should require Secretary Weeks to furnish it a list of all WOC's with positions they have occupied in government and their corporate affiliations. I respectfully urge a full and complete examination of the WOC program before any such blanket recruitment of persons representing private interests for important government policy provisions is undertaken by statute.

SENATE

WEDNESDAY, JUNE 8, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, help of the ages past, hope for the years to come: Thou God of grace and glory, we would yield our flickering torch to the flame of Thy redeeming love. Closing for these dedicated moments the door upon the outer world, with its shouting and its tumult, we know ourselves for what we are, petty, proud creatures who seek their own wills and whims in spite of the polished courtesies and noble professions with which we come to Thee. But in the light of Thy presence we pour contempt on all our pride. As every ray of sunshine leads back to the sun, so, as we bow at this wayside shrine, teach our thoughts to travel up the road of Thy benedictions to Thyself:

"For every virtue we possess,
And every victory won,
And every thought of holiness,
Are Thine alone."

We pray that Thou wilt make every personal and national blessing a transparent window in the temple of service, so that the effulgent light of Thy spirit may shine through it in glory for human good. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 7, 1955, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of

the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills and joint resolutions of the Senate:

S. 39. An act for the relief of Stanislavas Racinskas (Stacys Racinskas);

S. 68. An act for the relief of Evantiyi Yorgiyadis;

S. 89 An act for the relief of Margaret Isabel Byers;

S. 93. An act for the relief of Ahti Johannes Ruuskanen;

S. 121. An act for the relief of Sultana Coka Pavlovitch;

S. 129. An act for the relief of Miroslav Slovak;

S. 193. An act for the relief of Louise Russu Sozanski;

S. 236. An act for the relief of Johanna Schmid;

S. 265. An act to amend the acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such acts to 320 acres;

S. 266. An act authorizing the Secretary of the Interior to transfer certain property of the United States Government (in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.) to the State of Wyoming;

S. 320. An act for the relief of Mrs. Diana Cohen and Jacqueline Patricia Cohen;

S. 321. An act for the relief of Anni Marjatta Makela and son, Markku Paivio Makela;

S. 351. An act for the relief of Ellen Henriette Buch;

S. 407. An act for the relief of Helen Zafred Urbanic;

S. 439. An act for the relief of Lucy Personius;

S. 504. An act for the relief of Priska Anne Kary;

S. 528. An act to revive and reenact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950;

S. 755. An act to authorize the conveyance of certain war-housing projects to the city of Warwick, Va., and the city of Hampton, Va.;

S. 844. An act for the relief of Zev Cohen (Zev Machtani);

S. 998. An act to authorize the conveyance of a certain tract of land in the State of Oklahoma to the city of Woodward, Okla.;

S. 1398. An act to strengthen the investigation provisions of the Commodity Exchange Act;

S. 1419. An act to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service;

S. J. Res. 6. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area;

S. J. Res. 51. Joint resolution extending an invitation to the International Olympic Committee to hold the 1960 winter Olympic games at Squaw Valley, Calif.; and

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 26) providing for the continued operation of the Government tin smelter at Texas City, Tex.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, and it was signed by the Vice President.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Securities Subcommittee of the Committee on Banking and Currency be authorized to meet during the session of the Senate today. This request has been cleared with the minority leader [Mr. KNOWLAND].

The VICE PRESIDENT. Without objection, it is so ordered.

SUSPENSION OF CERTAIN IMPORT TAXES ON COPPER

Mr. JOHNSON of Texas. Mr. President, I am about to ask unanimous consent—and I call the request to the attention of the distinguished Senator from Nevada [Mr. MALONE] and the minority leader, the distinguished Senator from California [Mr. KNOWLAND]—that debate on all amendments and on the bill (H. R. 5695) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper be confined to an hour and a half, the time to be equally divided between and controlled by the Senator from Nevada and the Senator from Texas.

In order that the proposed agreement may be formalized in the usual language contained in such agreements, I send it to the desk in writing, and ask that it be read.

The VICE PRESIDENT. The proposed agreement will be read.

The legislative clerk read as follows:

Ordered, That, effective on Wednesday, June 8, 1955, at the conclusion of routine morning business, during the further consideration of the bill (H. R. 5695) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper, debate on all amendments, motions, or appeals, except a motion to lay on the table, shall be limited to 1½ hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be equally divided and controlled, respectively, by the majority and minority leaders.

Mr. JOHNSON of Texas. Mr. President, it is the intention to limit debate on both the amendments and the bill to a total of 90 minutes.

The VICE PRESIDENT. Is there objection to the proposed agreement? The Chair hears none, and the agreement is entered into.

TRANSACTION OF MORNING BUSINESS

Mr. JOHNSON of Texas. Mr. President, inasmuch as the Senate met today following an adjournment, there is the usual morning hour. I ask unanimous consent that during the morning hour speeches be limited to 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, EXECUTIVE OFFICE OF THE PRESIDENT (S. Doc. No. 48)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, for the fiscal year 1956, in the amount of $1,250,000, for the Executive Office of the President, in the form of an amendment to the budget for the said fiscal year (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT RELATING TO JURISDICTION OF BOARDS OF REVIEW

A letter from the Secretary, Department of the Air Force, transmitting a draft of proposed legislation to amend section 301, Servicemen's Readjustment Act of 1944, to further limit the jurisdiction of boards of review established under that section (with an accompanying paper); to the Committee on Armed Services.

DISPOSITION OF CERTAIN REMAINING ASSETS SEIZED UNDER THE TRADING WITH THE ENEMY ACT

A letter from the Attorney General, transmitting a draft of proposed legislation to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941 (with accompanying papers); to the Committee on the Judiciary.

INCREASED EXPENDITURES FOR ENFORCEMENT OF CUSTOMS AND IMMIGRATION LAWS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended (with accompanying papers); to the Committee on Public Works.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 1790. A bill to amend section 4153 of the Revised Statutes, as amended, to author-

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ize more liberal propelling power allowances in computing the net tonnage of certain vessels (Rept. No. 500);

H. R. 4359. A bill to amend the act of September 30, 1950 (64 Stat. 1096), to provide for the conveyance of certain real property to the city of Richmond, Calif. (Rept. No. 501);

H. R. 5146. A bill to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade (Rept. No. 502); and

H. R. 5398. A bill to increase the efficiency of the Coast and Geodetic Survey, and for other purposes (Rept. No. 503).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce; with amendments:

S. 1791. A bill to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats (Rept. No. 504).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Ralph L. Pfau, and sundry other persons, for permanent appointment in the Coast and Geodetic Survey;

John H. Graham, and sundry other persons, to be chief warrant officers in the United States Coast Guard.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Thirty-five postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 2174. A bill to provide for the creation of an 11th judicial circuit to be comprised of Alaska, Idaho, Montana, Oregon, and Washington, and for the circuit judges constituting the 9th and 11th circuits; to the Committee on the Judiciary.

By Mr. WELKER:

S. 2175. A bill for the relief of certain alien sheepherders; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2176. A bill to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress; and

S. 2177. A bill to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia; to the Committee on the District of Columbia.

By Mr. WILEY:

S. 2178. A bill to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.; to the Committee on Finance.

By Mr. IVES:

S. 2179. A bill to incorporate the National Academy of Design; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2180. A bill for the relief of Mrs. Rosa Georges Yacoub (Jacob); and

S. 2181. A bill for the relief of Gulwant Kaur and her two children, Pargan Singh Kaur and Gurdev Kaur; to the Committee on the Judiciary.

By Mr. NEELY:

S. 2182. A bill for the relief of the city of Elkins, W. Va.; to the Committee on the Judiciary.

ADDITIONAL FUNDS FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—REFERENCE OF RESOLUTION TO COMMITTEE ON RULES AND ADMINISTRATION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the resolution (S. Res. 106) to provide additional funds for the Committee on Interior and Insular Affairs be taken from the calendar and referred to the Committee on Rules and Administration.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR THE PRINTING OF A STUDY ON THE ESSENTIALITY OF AMERICAN HOROLOGICAL INDUSTRY (S. DOC. NO. 49)

Mr. DUFF. Mr. President, I ask unanimous consent to have printed as a Senate document the staff study of Preparedness Subcommittee No. 6 of the Senate Armed Services Committee of the 83d Congress on the essentiality of the American horological industry.

This study reflects the work of the staff done preliminarily to the formulation of the report of the subcommittee published as a committee print and entitled "Essentiality of the American Watch and Clock Industry—Report of Preparedness Subcommittee No. 6 of the Committee on Armed Services, United States Senate, Under Authority of Senate Resolution 86, 83d Congress."

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 8, 1955, he presented to the President of the United States the enrolled bill (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD as follows:

By Mr. HRUSKA:

Address delivered by him at the Masaryk memorial dedication at Chicago, Ill., on May 29, 1955.

By Mr. DUFF:

Address entitled "Sweden and America," delivered by Senator MAGNUSON on the 300th anniversary of the founding of the Lutheran Mission in Pennsylvania.

By Mr. BUTLER:

Statement prepared by him outlining his views on current appropriations for various maritime activities of the Federal Government.

By Mr. LEHMAN:

Statement made by him on June 8, 1955, before the Senate Subcommittee on Refugees, Escapees, and Expellees.

By Mr. NEELY:

Article entitled "Ike's Endless Buck-Passing Denounced by Schnitzler," published in Labor's Daily of May 26, 1955.

THE SALK ANTIPOLIOMYELITIS VACCINE—REMARKS OF MRS. OVETA CULP HOBBY AND DR. LEONARD A. SCHEELE

Mr. DANIEL. Mr. President, last evening the Secretary of Health, Education, and Welfare, Mrs. Oveta Culp Hobby, and Dr. Leonard A. Scheele, Surgeon General of the United States Public Health Service, made to the American people most informative and enlightening remarks on one of the most important subjects before the Nation today, namely, the Salk antipolio vaccine. I ask unanimous consent that the remarks of Mrs. Hobby and Dr. Scheele be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY OVETA CULP HOBBY, SECRETARY OF HEALTH, EDUCATION, AND WELFARE, AND DR. LEONARD A. SCHEELE, SURGEON GENERAL, UNITED STATES PUBLIC HEALTH SERVICE

Mrs. HOBBY. Good evening, ladies and gentlemen, poliomyelitis and the safety of the Salk antipolio vaccine are vitally important to all of us. Scientific processes are often difficult for us as laymen to understand. Yet it is important that we understand the results of scientific findings so that we can be intelligent in making decisions about our own children.

The Public Health Service of the United States, whose duty it is to protect the health of the Nation, is a corps of physicians, scientists, and other professional health workers. It has served us with integrity since 1798.

I have asked the Surgeon General of the Public Health Service to talk to you tonight about vaccines and the Salk vaccine in particular. He has served as an officer in the Service since 1930—and has served as your Surgeon General since 1948.

It is my privilege to present a distinguished public servant, Dr. Leonard A. Scheele.

Dr. SCHEELE. Thank you, Mrs. Hobby.

Many questions have been raised in recent weeks about the new vaccine against poliomyelitis.

People are asking: Is it absolutely safe? Does it really protect against polio? Will there be enough vaccine for large-scale use this summer?

I will give you the facts about the vaccine as I know them, and I want to give you some idea of the outlook for the future.

First, something about the disease itself. Polio occurs everywhere—in this country and throughout the world. It is caused by a virus so small that its presence cannot be known except by its effect on living animals or on cells in tissue culture.

Nearly everyone is in repeated contact with the virus and is infected by it at some time in his life. The disease is generally very mild and goes unnoticed.

In cases that come to the attention of physicians, there is fever, sometimes a sore throat. Sometimes the muscles ache, but recovery is usually prompt. However, in about 1 percent or less of these cases the virus invades the spinal cord or the brain and causes muscle weakness or paralysis.

Polio brings many personal tragedies each year. It is a national health problem.

But we should recognize that more children die each year from pneumonia, cancer, and heart disease, for instance, than from polio. Even without immunization, during an average year the chance that any individual of any age will get paralytic poliomyelitis is 1 in 7,500. One in 32,000 will suffer permanent crippling—and, the chances are, only 1 in 68,000 will die from polio.

So far this year throughout the Nation in the age group from 1 to 19, there have been 1.3 cases of paralytic polio among each hundred thousand. Last year for the same period the rate was 1.4. The comparable 5-year average was 1.1.

While it is much too early to make any predictions, there is no reason to believe that incidence of polio this year will be greater than the 5-year average. Experience indicates, however, that there will be scattered local epidemics, and some may be severe.

Let me tell you in a few words about the development of the polio vaccine.

Dr. Jonas Salk had the knowledge, intuition, and tenacity to create a poliomyelitis vaccine out of the sum of available scientific knowledge in virology and immunology. The National Foundation for Infantile Paralysis, through public contributions, supported the development and application of Dr. Salk's vaccine. It was carried through the experimental stage, tested on a large scale last year, and launched this year as a major nationwide immunization program under foundation leadership.

Now, I want to explain how a vaccine works—and how it is made.

To acquire immunity against contagious disease, our bodies must create defenses against the bacteria or viruses which cause these diseases. These defenses are called antibodies.

Antibodies of various kinds are always present in the system. Whenever the organisms of disease invade the body, the system becomes a battleground between the forces of health and disease.

Vaccines are the product of infectious agents. A vaccine stimulates the body to produce its own antibodies. These antibodies then can help prevent disease.

That is how a vaccine against poliomyelitis works. Now let me tell you how it is made.

First, polio virus is grown on tissue from monkey kidneys. Since there are three important types of polio virus, each type must be grown separately.

Second, virus of each type is inactivated separately by treatment with formaldehyde over a period of days.

Third, the three inactivated virus types are mixed.

Finally, the mixture is bottled for distribution.

Now this is what we mean by "inactivation" of the polio virus. At the beginning, there might be as many as 4 million live virus particles in a teaspoon of the substance. At the lowest point that virus concentration can be measured, there might be only one virus particle in a quart of material. But, in practice, the manufacturers don't stop there. The inactivation process is continued beyond this point.

You may wonder why the manufacturers cannot treat this vaccine fluid indefinitely with formaldehyde for added safety. This is not possible because the vaccine loses some of its power to give immunity if it is treated too long. A good vaccine must be made both as effective and as safe as possible.

The basic theory has been that during the period of treatment with formaldehyde, the course of inactivation followed a straight line down. With continuing treatment, it is calculated there should be perhaps as little as one live virus in a million tons of vaccine fluid. Actual experience in large-scale manufacture has demonstrated that—whether for theoretical or practical reasons—the course of inactivation does not necessarily follow a straight line. Instead, it often tends to form a curve. This means that we cannot be sure that there had been adequate inactivation by getting a negative test at a single point. We have learned that it is necessary to have 2 consecutive negative tests 3 days apart.

From experience accumulated since April 12, we learned that it was possible to build into the large-scale manufacturing and testing process the added safeguards. Our policy has been safety, not speed, except as the latter is compatible with safety.

There are three key points for safety testing during this process.

The first is during the period of inactivation. Two consecutive tests in tissue culture, 3 days apart, must show no active virus before the 3 types are mixed.

The second test is done after the mixture. This test must show no live virus—not only in tissue culture, but also in monkeys.

The third is a test made on samples of the vaccine after it has been bottled and before distribution.

I want to make it clear that there is always the possibility of very minute amounts of active virus in the vaccine. However, these amounts of active virus have been reduced as low as science can reduce them without destroying the effectiveness of the vaccine. The possible presence of very small amounts of active virus is true of all vaccines made—as this polio vaccine is made—from active virus. We have successfully used vaccines made from live organisms for as long as 50 years, because medical science knows that they convey a great benefit to mankind.

It took time to work out the extremely technical details of these additional safeguards with scientists and manufacturers. The new standards require some changes in production and testing processes by the manufacturers. Making and testing vaccine is a difficult and delicate process. You cannot make viruses meet deadlines. You cannot force scientific work to meet dates on a calendar. And it must be kept in mind that the entire process of manufacturing a batch of vaccine takes about 90 days.

This is a reason why we can give you no precise estimates of how much vaccine will be available at any given time.

The manufacturers have assured me that they can and will produce vaccine under these requirements. But I want to make it clear that they will not be able to produce enough vaccine to immunize all children this summer.

The field trial of 1954 showed that though a child is vaccinated, there still will remain a chance that he will acquire paralytic poliomyelitis because the vaccine does not cause all children to develop immunity. This is true with respect to all immunization procedures. It is true because there is no such thing as a perfect vaccine—against poliomyelitis or any other disease. But—and this is the important point—the risk is much less than if the child were not vaccinated.

I've been presenting the national picture as I see it as Surgeon General of the Public Health Service.

By releasing more vaccine for use as I did yesterday, I have demonstrated our confidence in its safety and effectiveness.

But conditions vary widely in different sections of the country and at different times of the year. These general considerations must be applied by doctors in each community.

Each physician has his own training and experience. And — most important — he knows the individual needs of his patients at a particular time and in a particular community. The family doctor always has, in addition, access to the technical information from health officers and from medical organizations. It is the family physician, then, who can best help parents who have special questions and problems.

Decisions on polio vaccination, like many others concerning health that arise from time to time, are decisions that parents have to make with the advice of their physicians.

Mrs. HOBBY: Ladies and gentlemen, from Dr. Scheele's report to you, I know that you feel that the scientists, the Public Health Service, the doctors, and the manufacturers are working together to give our children a safe and effective vaccine.

To that end we shall all continue to work.

REGISTRATION OF CHARITY COLLECTIONS

Mr. WILEY. Mr. President, I send to the desk a brief statement on the subject of voluntary self-regulation and information on charity solicitation and an accompanying table.

I ask unanimous consent that they be printed in the body of the CONGRESSIONAL RECORD at this point.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

ASSURING SOUND FRUITS FOR THE GENEROSITY OF THE AMERICAN PEOPLE

Not long ago, it was my pleasure to send a congratulatory message to the Milwaukee County Kiwanis Foundation on the occasion of its dedication of a new one-third-million-dollar cerebral palsy clinic.

This clinic—erected in cooperation with the famous United Cerebral Palsy Organization—is a tribute to the selfless generosity of innumerable citizens of the Greater Milwaukee area. It is symbolic of the great and warm philanthropic heart of the American people.

AMERICA'S GREAT SYSTEM OF CHARITIES

The system of private charities in our country—charities of our great religious faiths, charities of lay organizations—fraternal, civic, social, veterans, professional—charities combined into Community Chest drives and all others, represent one of the great and distinguishing hallmarks of this Republic.

The willingness—yes—the eagerness of the American people to fulfill their personal responsibilities, to prove that they are indeed their brother's keeper, is a heartwarming proof, if any proof be needed, of the heights to which a free system can inspire men in giving of themselves.

CHISELERS, PROMOTERS CREEP IN

Unfortunately, one aspect of this situation is that, as in every other worthwhile field of endeavor, there is a small minority of chiselers, of self-serving promoters, who creep in.

I am not simply referring to the out-and-out frauds, as detestable as they are.

They, of course, are just about the vilest of all parasites, for they swindle the American people, they rob Americans of the good-will outpouring of their generous hearts. These out-and-out frauds, these fake charities which exist in name and letterhead only, must be curbed to the fullest extent of State and local law.

ENORMOUS OVERHEADS OF SOME GROUPS

But then there are the groups which do not openly violate the letter of the law. A small proportion of their collected funds are expended for the charitable purpose, but the pity and the tragedy of the situation is that an enormous overhead, a tremendous percentage for promoters' solicitation, is siphoned off.

With these facts in mind, one of the distinguished leaders of the Milwaukee County Kiwanis Foundation (a completely bona fide and voluntarily self-regulated group, I may

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add) conveyed to me his earnest recommendation that consideration be given to ways and means of preventing the abuse of charity solicitations.

I, for one, certainly feel that every bona fide charity, or, for that matter, any other public-service enterprise, should be ready, willing, and eager to present a complete financial account of its entire bookkeeping system. Every bona fide group should be ready, willing, and eager to put a voluntary and strict limitation on the amount of funds which can be deducted for overhead purposes. Most of the major charitable groups with which I am familiar do definitely observe these safeguards already. I congratulate them for it.

I, for one, would very definitely like to see their example expanded upon. I would like to see all such groups—soliciting in interstate channels—come forward openly and demonstrate anew to the American people the absolute worthwhileness of sound charitable contributions. I emphasize, I am not speaking of mandatory registration, but only of voluntary action in the public interest—so as to sustain complete public confidence.

I hope that the Department of Health, Education, and Welfare will give its encouragement to this voluntary objective. That Department has of course no statutory authority for this specific purpose. Yet, within the broad framework of its overall humanitarian objectives, it is well entitled to help voluntarily in this effort.

GREATER NEED FOR CHARITY TODAY

Certainly, in our country, there is a greater need today than ever before for private philanthropic contributions.

Money is needed for hospitals, for outpatient medical care, for old-age homes, for orphans, for schools, for colleges, for battling diseases, for helping the underprivileged, and for a thousand and one sundry purposes, which government cannot hope completely to perform, and which government should leave, in certain measure, to private individuals to perform.

America is more prosperous today than ever before, and it is also more civic-conscious and socially minded than ever before. We are no longer content to witness snails' progress in battling arthritis or multiple sclerosis or muscular dystrophy or blindness; we will not ignore the plight of foundlings nor the problem of juvenile delinquency. We want to see these problems met and met efficiently.

Yet, inflation has cut seriously into the ability of America's charitable organizations to meet their existing, much less their future, workloads.

CHURCHES ENTITLED TO SUPPORT

The churches of America—the three great religious faiths—are particularly hard-pressed. They are certainly entitled to continued enthusiastic support by their members in both their direct religious and in their charitable phases. The churches have always faithfully fulfilled their responsibilities to God and country.

Not a single dime which might go to them should be misdirected to an extravagant charity or, what is worse, to an outright fraud.

In the District of Columbia area alone, the Evening Star recently estimated that $300,000–$500,000 each year may go down the drain through the bogus appeals of phony charities.

And so, under these circumstances, it is important that every single penny—every single dollar—which is raised for a noble cause, in the tradition of a Good Samaritan, be expended precisely for that cause and for none other, and that the swindler, the chiseler, the self-serving promoter, who would otherwise cash in on America's charitable instinct, be eliminated to the greatest possible extent.

In the meantime, I wish Godspeed to such noble groups as the Community Chests, as well as specific charities like the Arthritis and Rheumatism Foundation, United Cerebral Palsy, and others.

I wish continued success to the law enforcement authorities at State and local levels in combatting frauds. I commend the outstanding work of better business bureaus in this protective function as well.

LIST OF DISTRICT OF COLUMBIA CHARITIES DRIVES

Finally, as an illustration of the considerable and diverse scope of local United States charities, I append a table from the April 24 Evening Star which listed the bonafide charities in the District of Columbia—charities contributing indispensably to the well-being of the Greater Washington area.

I reiterate that my own basic comments are of course directed to charities soliciting in interstate commerce, since that is the only legal basis for Federal interest, as such.

MAJOR FUND CAMPAIGNS IN AREA ARE TABULATED

Major fund drives for health, education, welfare, and recreation in this area

	Raised 1954	Goal 1955
American Cancer Society, District of Columbia	$279,025	$279,000
Arlington County	28,681	30,000
Fairfax County	16,000	20,000
Montgomery County	19,600	20,000
Prince Georges County	9,821	10,000
Alexandria Cancer Information Center	14,689	15,000
American Red Cross	1,418,000	1,424,000
American Veterans of World War II	500	500
Arlington Association for Retarded Children	264	15,000
Arlington Hospital	84,000	32,000
Arthritis and Rheumatism Foundation	64,000	103,000
Baker's Dozen—Youth Center	6,000	30,000
Big Brothers of District of Columbia	1,000	20,000
Boys' Club, Metropolitan Police	350,000	350,000
Central Union Mission	42,246	[1] 42,246
Children's Hospital	40,000	40,000
Columbia Lighthouse for the Blind	90,249	[1] 90,249
Columbia Hospital for Women	90,000	260,000
Community Chest Federation	3,809,000	[1] 3,809,000
Additional appeals by chest agencies:		
Boy Scouts	100,712	122,000
Salvation Army, District of Columbia	77,146	85,000
Alexandria	9,000	9,000
Arlington	20,000	13,500
Urban League	5,000	8,000
YWCA, District of Columbia		148,000
District of Columbia Society for Crippled Children	162,000	210,000
Federal Association for Epilepsy		[2] 50,000
Garfield Hospital Nursing School		30,000
German Orphan Home	2,600	
Goodwill Industries	126,000	100,000
Gospel Mission	4,000	[1] 4,000
Hebrew Academy of Washington	65,000	80,000
House of Mercy	10,000	10,000
Junior Chamber of Commerce Charities	4,829	4,800
Junior Police and Citizens' Corps	9,000	15,000
Mary L. Meriweather Home for Children		1,840
Muscular Dystrophy Association of America	110,000	65,000
National Association for Advancement of Colored People	14,000	25,000
National Foundation for Infantile Paralysis, District of Columbia	319,524	246,000
Alexandria	27,000	25,600
Arlington County	70,000	75,500
Fairfax County	62,623	50,300
Montgomery County	93,849	86,200
Prince Georges County	60,006	60,000
National Conference of Christians and Jews	33,000	35,000
National Multiple Sclerosis Society	19,930	40,000
National Welfare League, Inc.	64,000	[1] 64,000
Planned Parenthood Association, District of Columbia	21,031	22,000
Planned Parenthood League, Montgomery County	3,700	[3] 5,500
Providence Hospital	100,000	
St. John's College High School		250,000
Seventh-Day Adventist Ingathering	93,000	108,663
Stony Ridge Country Day School of the Sacred Heart		$300,000
Suburban Hospital, Montgomery County	$55,000	600,000
Tuberculosis Association, District of Columbia	152,000	152,250
Alexandria	22,100	21,660
Fairfax County	33,163	35,000
Prince Georges County	30,000	32,000
Arlington Tuberculosis and Health Association	52,800	52,900
Montgomery County Tuberculosis and Heart Association, tuberculosis collections	75,300	78,000
United Cerebral Palsy of Washington	11,000	150,000
United Jewish Appeal	1,267,000	1,800,000
United Negro College Fund	30,000	30,000
Veterans of Foreign Wars	7,055	12,750
Volunteers of America	29,792	30,000
Washington Committee for Education on Alcoholism	1,896	[1] 1,896
Washington Federation of Churches	80,000	90,000
Washington Heart Association	120,000	165,000
Northern Virginia Heart Association	11,500	29,778
Montgomery County Tuberculosis and Heart Association heart fund collection		20,500
Prince Georges County Heart Association		7,335
Washington Home for Foundlings	17,000	
Washington Home for Incurables	7,100	7,100
Washington Housing Association	18,472	[1] 18,472
Washington Humane Society	1,100	1,100
Grand total	10,590,450	12,870,786
MISCELLANEOUS APPEALS		
Board of trade, economic development program	80,000	80,000
Greater National Capital Committee	140,000	150,000
Crusade for Freedom	39,000	45,000
National Symphony Orchestra	230,000	300,000
Washington Home Rule Committee	16,318	[1] 16,318
National Wildlife Federation, seal sales	3,829	[1] 3,829
Total	509,147	595,147
Grand total	10,590,450	12,855,786

[1] 1955 goal not set, 1954 figure used.

[2] Sum to be raised by a telethon; national goal is $1 million.

[3] Also gets funds from Thrift Shop in Bethesda and obtains some funds from fees.

NOTE.—These figures were obtained in response to inquiries for the amounts obtained and to be obtained through public appeals for contributions. In many cases the organizations must obtain additional funds from their own members, from sales or other fund-raising devices.

APPROPRIATIONS TO COMBAT TUBERCULOSIS

Mr. WILEY. Mr. President, I have received an urgent message from the Wisconsin Anti-Tuberculosis Association, a grassroots organization which has done invaluable work in my State, along with its associated groups throughout the Nation, in combatting tuberculosis.

The association recommended a change in the appropriation for the coming fiscal year in the tuberculosis program, as against the version recommended by the Senate Appropriations Committee.

I ask unanimous consent that the text of the association's telegram be printed at this point in the body of the RECORD.

I may say that I have received similar messages, including a telegram from Dr. John D. Steele, of Milwaukee, Wis., along this same important line. I earnestly hope that the association's position will be sustained by the Senate.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MILWAUKEE, WIS., *June 7, 1955.*

Senator ALEXANDER P. WILEY,
Senate Office Building,
Washington, D. C.:

We believe Senate Appropriations Committee erred in reducing $1,500,000 grant for direct operations tuberculosis program, Public Health Service, to $1 million. Reduction hurts vitally important research and limits necessary consultation services to States. We urge holding this appropriation at $1,500,000 and grants to States at $4,500,000.

WISCONSIN ANTI-TUBERCULOSIS ASSOCIATION.

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

SUSPENSION OF CERTAIN IMPORT TAXES ON COPPER

The Senate resumed the consideration of the bill (H. R. 5695) to continue uhtil the close of June 30, 1958, the suspension of certain import taxes on copper.

Mr. MALONE obtained the floor.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Nevada desire that there be a quorum call?

Mr. MALONE. I suggest that there be a quorum call.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MALONE. Mr. President, I yield myself 40 minutes.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The Senator from Nevada is recognized for 40 minutes.

COPPER—PRINCIPLE OF FREE TRADE VERSUS FAIR AND REASONABLE COMPETITION — PROTECT AMERICAN WORKINGMEN AND INVESTORS—EQUAL ACCESS TO THEIR OWN AMERICAN MARKETS

Mr. MALONE. Mr. President, the extension of this act is a national policy effectively preventing any privately financed American groups or interests from entering the domestic copper mining field without Government financing, guaranteed unit price, or short amortization periods, or all three.

The reason why private capital cannot enter this field in the United States without a definite principle of protection established by Congress is that lower cost production from Africa and South America can effectively undersell any copper produced on the American wage standard-of-living level.

"ONE WORLDERS" DEPRIVE UNITED STATES WORKERS OF LAST PROTECTION

The "one economic worlders" have made more progress during 1955 than ever before in our history. They have succeeded in removing the last vestige of protection for the American workingmen and investors from the foreign low-wage standard-of-living workers.

The 84th Congress is continuing the open door to American markets for the low-wage standard-of-living nations of the world through the 3-year extension of the 1934 Trade Agreements Act.

CONGRESS' CONSTITUTIONAL RESPONSIBILITY TO THE PRESIDENT

It has put the stamp of approval on the 1934 Trade Agreements Act, a transfer of the last important function of the legislative branch of our Government to the executive branch—that of the regulation of foreign trade and our domestic economy—and the approval of trade treaties by a two-thirds vote of the Senate of the United States.

It comes now with H. R. 5695, a bill already passed by the House, extending for 3 years the free trade on copper.

TWO WAYS TO REVIVE UNITED STATES COPPER EXPLORATION OUTLINED

There are two ways by which prospecting and exploration for copper in this Nation may be resumed:

First. A flexible duty or tariff adjusted on the basis of fair and reasonable competition—not a high or low tariff, but the difference between the effective wages, taxes, and the general cost of doing business here and the wages, taxes, and cost of doing business in the chief competitive country, in the case of each product. That difference should represent the duty. Such duty gives to workingmen and investors equal access to their own markets.

Second. A Government guaranty, over a period of years, of a substantial unit price over a period of years sufficient to amortize the investment of the Federal loans or grants, or both. In this connection, the San Manuel copper property, in Arizona, received a $94 million-loan and guaranteed unit price per pound for its production.

Mr. President, Congress has adjusted neither in principle, but has continually nibbled at both, so that the procedure is neither fish nor fowl. The existing duties or tariffs, after 22 years, are well below the differential of cost production between this country and the chief competitive nation, on each product, and have followed a haphazard and sharpshooting method of Government financing, through guaranteed unit prices and short amortization periods, in addition to the loans or grants of substantial amounts of capital.

THIS NATION COULD BE SELF-SUFFICIENT

If the present 36 cents a pound price could be established by the Government over a 20-year period, with an esculator clause for inflation, then well within a 10-year period we would be producing all the copper this country could possibly consume.

The same result could be brought about by the defeat of this proposal to extend the suspension of the duty on copper, as provided by H. R. 5695, and by the President canceling the trade agreement on copper which cut the duty from 4 cents a pound to 2 cents a pound, and referring the matter to the Tariff Commission, the rate to be fixed by it on the basis of fair and reasonable competition, making it flexible so that when the living standard of the competitive nation went up the duty or tariff would go down; and so that when their living standard approached ours, free trade would be the automatic and immediate result.

PRESENT NATIONAL POLICY PREVENTS FAIR AND REASONABLE COMPETITION

Our present annual consumption is approximately 1,500,000 tons. We might easily require 2 million tons per annum within 20 years or less.

The same general result could well be obtained by Congress reestablishing the principle of a flexible duty or tariff to be continually adjusted by the Tariff Commission, an agent of Congress, on the basis of fair and reasonable competition.

The extension of this act is a part of a national policy which effectively prevents fair and reasonable competition.

PRESENT POLICY BARRIER TO PRIVATE INVESTMENT

The principle of fair and reasonable competition, that is the adjustment of duties or tariffs to make up the differential in costs, is the only principle that will bring private money into the business. Properly executed by the Tariff Commission, the principle guarantees equal access to American markets for American workingmen and investors.

NO HIGH OR LOW DUTY OR TARIFF

No high or low tariff is included in the principle of adjusting the flexible duty on the basis of fair and reasonable competition. The duty represents the cost differential, determined by the effective wage standard of living, taxes, and other business expenses in this country, as compared to those in the chief competitive nation with respect to each product.

Executive order control has been substituted for this principle. Without such a principle, and with our market control subject to Executive orders and multilateral trade treaties under the Geneva General Agreement on Tariffs and Trade, the opportunities for graft, corruption, and special influence through control of imports is unlimited.

NATIONAL SECURITY LINKED WITH DEFENSE OF WESTERN HEMISPHERE

The chief overriding interest of the 21 Western Hemisphere nations is defense of the Western Hemisphere. Each of these nations should manage its own economy, dealing with one another as the best economic interests of each country dictates.

Our future is irrevocably linked with that of the Western Hemisphere. Our trade future is in South America. It is not in old Europe. Among the 21 sovereign nations of the Western Hemisphere, each is, and should be, truly sovereign.

We should not try to push them around, and they should not try to direct our actions, for each is equal in its own sovereignty.

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CHILEAN LEADERS LAUDED

I have traveled the length and breadth of South America, visiting every nation in that great area, and have met most of their statesmen and leaders. I have enjoyed the hospitality of Chile, the principal copper-producing country of South America, and admire its statesmen and leaders.

The President of Chile, Carlos Ibanez, is a fine, capable man. He has the best interests of his country at heart, and is making notable progress toward establishing a favorable investment climate.

UNITED STATES COPPER COMPANIES OPERATING IN CHILE EFFICIENT

The two copper companies doing business in Chile and in the United States are efficient and well managed, and the executives of both companies have the best interests of their companies at heart, and serve those interests well. Both have large, successful production enterprises in my State.

The principle of fair and reasonable competition for trade between countries is for their own protection, and for the protection of the companies or individuals involved, since South Africa can undersell producers in both North and South America, thus threatening not only the investments and workingmen in both areas, but the defense of the hemisphere.

A duty of 2 cents a pound, which would be the existing duty were it not for the extension of the suspension of the duty, would be at best only a slight token. There is before the Senate today a proposal to extend the suspension of the duty of 2 cents a pound.

EQUALIZE DIFFERENCE ON WAGE—STANDARDS OF LIVING

The difference in production costs should be the guiding principle of fair and reasonable competition. Even the original duty of 4 cents a pound might or might not be sufficient to equalize the cost of production. The flexibility of the tariff, or the excise tax, adjusted on the basis of fair and reasonable competition, would have not the slightest effect on the imports of copper into this country when needed, but would guarantee to American workingmen and investors equal access to their own markets.

H. R. 5695 A TROJAN-HORSE BILL

Mr. President, H. R. 5695 is a free-trade Trojan-horse[1] bill. It is a bill to continue total free trade on foreign copper at the expense of American miners, potential producers, and taxpayers. What makes it a Trojan-horse bill is that it is the freetrader's approach to scuttling permanently all tariffs and protection for American private enterprise. Destroying even the small existing protection for copper is only a step toward following the Geneva General Agreement on Tariffs and Trade with respect to other metals and products of which America produces a substantial amount, thus stifling all incentive for new private capital in financing, prospecting, and exploration for new production in this Nation, and turning the market over to foreigners and importers.

"ONE-WORLDERS" GOAL IS TOTAL FREE TRADE

The ultimate goal is all-out free trade without regard to the difference in the wage standard of living, sacrificing American investment and workingmen to foreign interests. This bill, of course, goes far beyond the 1934 Trade Agreements Extension Act which the House and Senate recently passed at the request of the administration. The Extension Act permits the President—actually the State Department—to cut duties of tariffs another 15 percent over a 3-year period.

ENACTMENT OF H. R. 5695 BRANDS 84TH A FREE-TRADE CONGRESS

The pending bill would wipe out tariffs on copper entirely for another 3-year period, setting the precedent for all American products. The Congress, if it passes the bill, must assume total responsibility. Enactment of the bill would brand the 84th Congress a free-trade Congress, going even beyond the Geneva General Agreements on Tariffs and Trade, and beyond the free trade advocacy of the administration.

DIFFERENCE IN THE PRINCIPLE

The difference is that of principle. In adjusting flexible duties on the basis of fair and reasonable competion we hold our wage standard of living while assisting foreign nations to raise their own. But under the free-trade principle as operated by the Geneva General Agreement on Tariffs and Trade under the authority granted the President by the 1934 Trade Agreements Act, our standard of living can be brought down to the world standard.

Free trade in copper has been a continuing policy of the Congress since 1947.

In 1932 the Congress fixed a duty or excise tax on copper of 4 cents per pound. With copper selling for 6 cents a pound it meant an ad valorem tax of 66 percent. The State Department reduced that duty to 2 cents a pound through GATT, the 34-nation Geneva agency aimed at American markets and producers.

With copper at the present price of 36 cents a pound, the duty would now amount to 5½ percent ad valorem had it not been suspended.

All duty on copper was suspended in 1947 for 2 years, the same year the Geneva agreement was adopted. In 1949 it was suspended for 1 year and periodic suspensions have continued. This bill proposes a further suspension to June 30, 1958.

EARLY WARNING GIVEN ON HARMFUL EFFECTS OF TARIFF SUSPENSION

When the initial suspension bill was under consideration in 1947, Mr. President, the then chairman of the Senate Finance Committee [Mr. MILLIKIN] asked a pertinent question. He asked it of an important witness, Mr. John A. Church, a consulting mining engineer.

Said the chairman:

> If the domestic industry got the notion that the proposed extension was merely a Trojan horse to a permanent extension, what effect would that have on exploration?

Mr. CHURCH. I am afraid a very bad effect, Mr. Chairman.

TEMPORARY "EMERGENCIES" USED TO PUT OVER COSTLY PERMANENT LEGISLATION

Mr. President, the supposed temporary legislation to continue for only 2 years was, of course, a Trojan horse to permanent free trade.

In that respect it is like the 1934 Trade Agreements Act, which was said at that time to be a temporary emergency measure, but which has continued for 21 years, and, because of recent congressional action, is to continue for another 3 years.

Free traders will continue to make it permanent by periodic extensions until the American people wake up to what it is costing them in taxes, jobs, and investments.

FOUR-YEAR FOREIGN-AID HOAX RUSE FOR PERMANENT GIVEAWAY POLICY

The foreign-aid program is a fine example. It was to continue for 4 years only and then terminate, and was to cost not more than $17 billion, but which has now cost more than $50 billion, and is recommended by many prominent Government officials and by all "one-economic-one-worlders" as a permanent policy.

Foreign aid has continued now under one guise or another ever since the end of World War II; has cost the American taxpayers more than $50 billion; and, if Mr. Harold Stassen, the administration's Santa Claus to foreign nations, has his way, will go on forever.

PRO-FOREIGN-GIVEAWAY PROGRAMS ALL FOLLOW SAME PROPAGANDA PATTERN

All these have been Trojan-horse measures, Mr. President; all have been put over on the American people by the same trick—propagandizing the American people and the Congress that they are designed to meet some emergency or crisis and are only temporary.

When the time comes for them to expire, a new crisis or emergency is invented, new fears or new blackmail threats from foreign countries are created, and the measures are continued.

So, to all purpose and effect, these Trojan-horse measures are all permanent, and will remain permanent until the Congress comes to its senses and begins putting American interests above foreign interests.

That is what the Congress has not to date been disposed to do. All of the 1-year, 2-year, or 3-year Trojan horses have been taken to its bosom, welcomed into our national life and policy, and made a permanent part of our foreign policy. We constantly hear the remark made, "Well, we have been doing this for years; we have been extending the suspension on duties on copper for years. Thererfore, we should continue it.

FOREIGN-TRADE-AID POLICY BASED ON FOREIGN IDEOLOGIES

All of the Trojan horses are alike, too, Mr. President; all of them were conceived and built on foreign ideologies. Free trade, share the wealth, colonial integrity, and international socialism—all are foreign concepts.

All are aimed at reducing America's prosperity and wealth to a world level, lowering American wages to the world

[1] In Greek mythology the hollow figure of a horse, in which a number of Greek warriors were hidden, introduced within the walls of Troy by a stratagem.

wage rate, and lowering American production to a point where we will become dependent on foreign cartels and foreign slave-wage products for our existence.

UNITED STATES RICH IN COPPER BUT FOREIGN METAL POURS IN

Copper is only one example of the efforts to put foreign interests above American interests, Mr. President, but it is a very significant example.

The United States is rich in copper.

Charles H. Johnson, Chief of the Base Metals Branch, Bureau of Mines, testified before the Minerals, Materials, and Fuels Economic Subcommittee of the Senate Committee on Interior and Insular Affairs last year:

> United States known reserves are estimated as about 25 million tons, or 27 times the 1952 production: New discoveries and new technology are expected to add many millions of tons of copper to these reserves in coming years.

That statement is true, of course, only if America's copper industry is permitted to survive.

MINORITY REPORT ON H. R. 5695 CITED

As I pointed out in my minority views on the pending bill, H. R. 5695, and as I have pointed out in my minority views on previous extension bills, free trade in copper has removed the incentive for finding new deposits through prospecting and exploration.

When a 4-cent-a-pound duty on copper existed, it pointed the way to more prospecting and exploration for the red metal and to new capital investments in the copper-mining field. That era has now ended, and there will be no change for the better if this pending free-trade Trojan horse bill is passed.

We also have a world of copper in South America. If any imports of copper are needed at all until we bring in new copper mining areas of our own, we should obtain it from our good neighbors to the south. We do obtain much of our foreign copper from South America—areas we could defend in time of war.

COPPER IMPORTED FROM AFRICA, ASIA—AREAS WE COULD NOT DEFEND IN WAR

But we also are importing copper from Africa, Asia, Australia, and Europe, particularly from Rhodesia in South Africa, where the cost of producing copper, according to testimony that has been presented in hearings, is 9 cents a pound, or only one-fourth of price today in the world market.

A 2-cent-per-pound import fee on copper would still give the Rhodesians and the importers a 25-cent per pound profit margin, which I am sure any producer would consider very substantial.

H. R. 5695 GRANTS FOREIGN PRODUCERS, IMPORTERS TREMENDOUS WINDFALL

The pending bill, therefore, is a bonus bill for foreign producers and importers. It is a windfall bill.

On May 27, the distinguished Senator from Delaware [Mr. WILLIAMS] discussed a windfall profit of $400,000 which he said had been given to 3 copper companies by our Government. It was a very informative and excellent presentation.

The windfall which he estimated has been received by these companies as a result of Government manipulation amounted to $400,000.

Four hundred thousand dollars is a significant amount of money, Mr. President, but it is an infinitesimal amount compared by the windfall that has been given to foreign producers and importers.

ONE HUNDRED SIXTY-FOUR MILLION, TWO HUNDRED THOUSAND DOLLARS WINDFALL TO FOREIGN COPPER BORNE BY UNITED STATES TAXPAYERS

By virtue of the 2 cents per pound tariff suspension on copper which we are asked to extend today, our Government has given producers of foreign copper since 1947 a windfall of millions of dollars and sets the stage for a monopoly production since the price per pound can be manipulated to prevent competition.

Imports of copper for consumption in 1947 amounted to 453,000 short tons. A short ton is 2,000 pounds. Imports for the 7 years since then have averaged slightly over 586,000 tons, for a total of 4,105,000 tons or 8,210,000,000 pounds. With the 2-cents per pound tariff taken off by Congress, Congress has thus given these foreign producers and importers a windfall of $164,200,000 in 7 years, or an average windfall of $23,457,000 per year. But the most dangerous result of this manipulated policy is that independent private investments are prevented. American jobs are controlled—and South African competition could later force out Western Hemisphere production and make us dependent upon areas not available in time of war.

TARIFF LOSSES ADD TO UNITED STATES TAXPAYERS' HEAVY BURDEN

The American taxpayers, Mr. President, get no windfalls.

It must be remembered that the duty or tariff also brings in revenue for our institutions which foreign areas would otherwise not pay, and assists our harried taxpayers.

CONSTITUTION GAVE CONGRESS FULL TAXING POWER

A tariff is a tax on imports. That is what it is. When the Constitution in article I, section 8, gave Congress power over taxes, it gave them power over imposts and duties, meaning tariffs. The tariff power was a revenue power, and an economic power, vested solely in the Congress, as the representatives of the people.

Tariff taxes through many years supplied a substantial part of the revenues on which we operated our Government. Tariffs were also used, with the approval of our first President, George Washington, to encourage American production. Congress has now turned to encouraging foreign production at the expense of our workingmen and investors.

EXECUTIVE BRANCH NOW SETS TAX RATES WITH HELP OF PLIANT CONGRESS

The income tax turned on the faucet for successive administrations to tap the American people for whatever taxes they could induce a pliant Congress to impose.

The first income tax was very low. That was another Trojan horse piece of legislation.

Most Americans were exempted from any tax at all and the few who did have to pay an income tax paid only small rates.

TAXES ON FOREIGN IMPORTS CUT 75 PERCENT WHILE TAXES ON UNITED STATES CITIZENS MOUNT

Since then successive Congresses, with 1 or 2 exceptions, have increased income-tax rates, or continued wartime rates during peacetime.

The American people have had to pay out more and more to support the Government, and have had to pay it out of their resources, investments, earnings, and incomes.

But during the same years that American citizens have had to pay more and more in taxes, foreigners have had to pay less and less.

In 1934 the Congress authorized the President to reduce taxes on imports by 50 percent. This was a tax boon for foreign producers and importers, a special-privilege segment if there ever was one.

In 1947 the President was empowered by Congress to reduce the tax on foreign producers 50 percent more, or half of the remaining tax. In other words, the Congress cut taxes on foreigners 75 percent while taxes on American citizens have been constantly increased.

PRESENT CONGRESS AUTHORIZED FURTHER 15-PERCENT TAX CUT ON IMPORTS FROM FOREIGN COUNTRIES

Recently the Congress passed legislation to permit the President to make a further 15-percent tax cut to foreigners over a period of 3 years.

The same administration that wanted a 15-percent tax cut for foreign producers and foreign investors, has opposed any tax cut in this Congress for Americans, and the Congress has concurred in the administration's wishes.

H. R. 5695 MORE THAN TAX CUT—IS TAX ELIMINATION ON FOREIGN COPPER

The pending bill is more than a tax cut. It is a tax elimination on all imports of copper.

The bill follows the principle of the past three administrations—tax cuts for foreigners or producers of foreign goods in foreign countries, high taxes for Americans.

There has been only one slight tax cut for Americans since the Korean war, and that one was voted during the Korean war. Foreigners are to receive a 15-percent tax cut on the goods they ship to the United States. Foreign producers, in addition to tax cuts, also have received more than $50 billion in foreign aid to build up competition against American producers and are to get approximately three and a half billion more during the coming year.

SUBSIDIES FOR FOREIGNERS, HIGH TAXES FOR AMERICANS, ADMINISTRATION POLICY FOR 22 YEARS

There is already a backlog of $9 billion voted by Congress to subsidize foreign countries in this competition, in contrast to virtually no backlog to subsidize American producers.

Subsidies for foreigners and taxes for Americans seems to be the prevailing theory of the past 22 years.

Mr. President, in 1954, 604,000 tons of copper were imported into the United

UNIVERSITY OF MICHIGAN LAW

States for consumption from Africa, Asia, and South America.

This is the equivalent of 1,208,000,000 pounds on which the 2 cents a pound tariff had been suspended by the Congress. This, of course, gave the foreign producers and importers a $24,160,000 windfall, a windfall which the pending bill would continue for 3 years at the same volume of imports.

AMERICAN PRODUCTION DROPS AS FREE-TRADE POLICY ON COPPER PREVAILS

Domestic production in 1954 declined in value $34,018,726 from the previous year. In other words, American production slips while foreign production gains under the policy this bill would continue. American producers of copper in America lost $34 million, while producers in foreign countries gained a windfall of $24 million. Copper values, I may add, shrank in 1954 in Arizona, California, Montana, New Mexico, Washington, and Utah.

Not only did producers of copper in America lose, but American workers lost, investors lost, communities lost, and States lost—while foreign labor, investors, producers, and governments gained.

Americans will continue to lose and foreigners to gain if this bill is enacted to give foreign producers and importers a 2-cents-a-pound bonus on every pound of copper they send to the United States.

Mr. President, it is time for the Congress to start thinking for America and about America.

AMERICA SUFFERS AS CONGRESS PREOCCUPIED WITH FOREIGN PROSPERITY AND WELFARE

During the entire 84th Congress we seem to have been preoccupied with foreign prosperity and foreign welfare to the disadvantage of American citizens and producers.

The foreign-aid bill was a 100-percent proforeign bill.

The trade-agreements extension bill was a proforeign bill.

The pending legislation is proforeign.

Other bills to come before us, the so-called customs-simplification bill, the deceptive legislation to authorize a new international trade organization under the guise of an international organization for trade cooperation, and the bill to cut income taxes on American investors abroad, are all bills favoring producers in foreign countries at the expense of America's labor, investors, and taxpayers.

They are all Trojan-horse bills.

H. R. 5693 CONTINUES PREFERENCES TO FOREIGNERS AT EXPENSE OF AMERICANS

The bill before us today is precisely in the same category. It grants preferences to foreigners at the cost of American production, American free enterprise, and American security.

Why should a foreign copper miner in Rhodesia be given concessions to market his slave-wage labor-produced copper in America, when all of us know that African copper would be cut off completely in time of war?

Mr. President, I have consistently fought this bonus windfall to foreign producers outside the Western Hemisphere.

1949 TESTIMONY OF SENATOR MALONE RECALLED

I was not a member of the Senate Committee on Finance in 1947 nor in 1949 at the time of the hearings. But was privileged to present testimony and a statement at the 1949 hearings.

At that time I said in part:

We have transferred the copper jobs from the independent copper mines of America to Chile, South America, and Africa. We all know with the $2 and $2.50 labor in Chile, they can produce copper much cheaper than we can here. They can add the freight to it and still the wages must be substantially lowered in this country to meet the low-wage living standard foreign competition.

What we do when we remove the import fee on copper or any other mineral, when we lower it on textiles, or precision instruments or any other industry, is to say to the workingmen of America that we are lowering the floor under wages.

Since that date the Chilean Congress at the behest of the president of that sovereign nation have moved toward an investment climate through a fairer exchange and other corrections.

In 1953, as a member of the Senate Committee on Finance, I again testified, and also submitted a statement.

STATE DEPARTMENT HELD RESPONSIBLE FOR DOMESTIC COPPER LAG

One of the proponents of free trade in copper had pleaded that the duty should be taken off because we were short of copper. I said:

The reason that we are now short of copper is because the irresponsible State Department, to which the constitutional responsibility of Congress to regulate foreign commerce has been transferred, lowered the tariff and made it impossible to get investment capital into the industry.

Congress has politely transferred its authority to the State Department to do this thing to all industry, not only to the mining industry but to the textile and other industries.

In my statement to the committee I covered in greater detail the situation confronting the mining and other industries of the United States.

I ask unanimous consent to have printed in the RECORD my statement of February 4, 1953, on the almost identical extension bill which was before the committee at that time proposing a continuance of free trade on copper imports.

SENATOR MALONE'S 1953 STATEMENT ON COPPER EXEMPTION REPRINTED

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. GEORGE W. MALONE, A UNITED STATES SENATOR FROM THE STATE OF NEVADA

Senator MALONE. Mr. Chairman, I want to say that in my opinion the Finance Committee of the United States Senate can and should be the safeguard of the economic system of this Nation. The question particularly before us today is that of foreign trade.

RESPONSIBILITY OF CONGRESS

The Constitution of the United States charges the Congress with the responsibility of regulating foreign trade and this committee is charged generally with the subject that is covered by the bill before us that relates to foreign trade.

Mr. Chairman, the whole tone of the President's message yesterday laid down the policy of constructive plans to encourage the initiative of our citizens. He was equally positive in rejecting secret military treaties at Yalta, Tehran, and Potsdam. While he did not mention the name of these places, it was generally taken for granted that he included them.

The President could well have included secret economic treaties made at Geneva, Switzerland, and later at Torquay, England, by that same State Department.

NO AMERICANS ALLOWED

Mr. Chairman, no American workers, investors nor Members of Congress were allowed to attend the Torquay economic conference sponsored by our State Department any more than they were allowed to attend the military conferences at Yalta, Tehran, and Potsdam. It was under these conditions that the agreement was made with Chile at Geneva, Switzerland, to reduce the tariff on copper. The floor under wages and investments in that important industry of 4 cents per pound reduced to the arbitrary and meaningless amount of 2 cents a pound.

LONG RANGE WAGE EQUALIZING POLICY NEEDED

Now, Mr. Chairman, the crux of the question seems to be whether the Congress should resolve the equalizing medium between the wage standard of living, here and abroad, whenever the foreign price is higher, or whenever we do not produce sufficient copper.

In other words, the point has been made here several times that you only need a tariff on a product when you have an oversupply.

OBJECTIVES—STATE DEPARTMENT

To arrive at a wise conclusion, objectives must be clear and well defined. The objectives of the State Department have been clearly to admit certain products of their own choosing of the foreign low-wage standard of living for the products produced by our own standard of living working people, and therefore remake the industrial map of the United States of America.

It is easy to do that. By manipulating that protection that makes up roughly the differential between the wage living standard here and abroad, you can remake the wage standard of living in this country and we have been engaged in doing that for 20 long years. The thing they have done in many cases to hold this industry to a certain point and not let it fail entirely—and we are talking about minerals, which is in that field—was to provide certain kinds of subsidies, and when we have emergencies—and they have had them almost continuously—to fix prices, premium prices, short amortization periods, guaranteed unit prices, loaning the money direct to the operator, and many other subterfuges to keep the industry from dying entirely but not allowing it to stand on its own feet. Such a fallacy as the State Department has followed puts all investors in jeopardy and discourages venture capital in the particular business and the policy discourages such investments in the business since it is a sharpshooting method and no assurance can be given any business that it will not be the next on the list.

CONGRESS DISCOURAGES PRIVATE INVESTMENTS

I might say that Congress, to the extent of its machinations in the copper field and other entries into this field has encouraged that feeling. Congress has in its power to lay down the principle upon which the protection of the workingmen and investors will be based that will encourage the investment of venture capital.

Venture capital is the only kind of capital that goes into a mining business until the soundness is proved in that particular mine. In other words, it is just like a wildcatter in the oil field, the prospector, and the explorer.

Unless they have reasonable assurance that over the long years stretching ahead of them, where they have been spending money without return, that when they find this ore there will be an adequate return, then the money will not be spent.

FLOOR UNDER WAGES AND INVESTMENTS

Such a floor under wages and investments should be flexible and adjusted on the basis of fair and reasonable competition and should be, Mr. Chairman, without any doubt, in the hands of an agency of Congress. It always was in the hands of an agency of Congress, created by Congress, created by the legislative branch of the Government—not the executive branch of the Government or the judicial branch of the Government, but by the legislative branch of the Government. That was the Tariff Commission.

Now whatever you call it, whether you call it a foreign trade authority or Tariff Commission, that is immaterial. Whether you call a tariff a cow or an orange or an import fee it does not make any difference. The principle is there and must be maintained if you are to maintain your standard of living without a continual war, or emergencies, upon which you can base your reason for continually raising taxes and issuing more bonds to buy everything in sight.

OBJECTIVES—CONGRESS

The objective, Mr. Chairman, then of the Congress would be to maintain our own economic integrity and encourage the domestic production of strategic minerals and materials in the interests of national defense and our national economy.

My concern, Mr. Chairman, is to develop new copper supplies in the United States. In the mining industry you must have prospectors. You must have investors who are willing to put up their money for exploration. To keep these men in the field at their own expense they must have reasonable assurance that they are not going to be destroyed from Washington, either by the legislative or the executive department.

I point out again, the executive department is always fighting for more power. I hope we have passed the peak of that fighting for power, and naturally, of course, the Congress in days gone by probably fought for power. Even the Supreme Court has been accused of trying to make law through decisions. I am not a lawyer and I will not comment on that.

CONGRESS SHOULD REGAIN ITS CONSTITUTIONAL POWER

However, if we could just get back to the Constitution of the United States and let the Congress of the United States regulate that which it says it must regulate, in this case I feel there would be very little difficulty.

To keep these men, exploration organizations and prospectors, in the field at their own expense, they must have reasonable assurance that they are not going to be destroyed from either the executive or the legislative department in Washington. To have large mines you must first have small mines. For small mines you must have prospects.

PROSPECTOR—SMALL MINE—LARGE MINE

I would say over 35 years of observation and experience, perhaps 500 prospects may yield a small mine. Every one of those prospects represents the buried hopes of some prospector. Perhaps he goes on, gets another stake and goes to another prospect. While he is digging in that prospect and until it inches out on him or until someone convinces him it is hopeless, his full hope is buried in that one prospect. Five hundred of them would be a minimum for a small mine.

Perhaps 100 small mines—a prospect where some engineer might come in and recommend a company with whom he has connections or an individual would spend $500 or $1,000 or $5,000 or whatever it would take—take 100 of those small mines and it would produce a larger mine. I expect if the record were searched, it would be nearer 200 or 300. All along are strewn the hopes of these men who are trying to do this. Why do they stay with it? They do it because prospecting, exploration, and mining gets to be a disease once they are in it and they have that bag of gold or they think they have it at the end of the rainbow. That is what keeps them going. Lately we have not been developing many of those men because for 20 years there has been no hope. Instead, what you do is move into Washington and try to get next to some Government department to loan you the money and guarantee a unit price and a short amortization period and maybe other emoluments so that what you are doing is furnishing the know-how—if in fact you have it and a lot of them get the money who do not have it. The result is that the taxpayers of the United States are in the business whether they like it or not. That, of course, we have all kicked about, that that is one of the reasons why taxes are too high and appropriations are too high.

GOVERNMENT DOES NOT PAY TARIFF

The Government does not pay the tariff. That has been established here before this committee time and again. That is true on any product imported for the use of the stockpile. The President has that power and the power has been exercised.

If any material is imported by a private concern selling its products to the Government for national defense, the tariff would be paid to the Government and charged back to it through the manufactured product. In any case, the cost of the raw materials in proportion to the labor and other costs going to the manufactured article is comparatively small.

I want to refer briefly here to a remark that is made in editorials and articles in newspapers, who either mistakenly or otherwise support such a policy, to the effect that the original tariff was $40 a ton on copper. That sounds like an awful lot of money. But I would point out that the tariffs on the brass products that are manufactured are 15 or 20 percent. There is copper in something like a lipstick that costs a dollar, the copper content would be so small you can hardly measure it, but still, let us say it was half an ounce. What would 50 cents of ad valorem on that, amount to per ton? Nearer $10,000 or $15,000 a ton, I would say. So I agree fully with Senator FLANDERS that it has no possible connection with the flow of copper.

NEED CONSISTENT CONGRESSIONAL POLICY

Of course, the point is continually made and has been made before this committee this time, and it was made 2 years ago when this matter was up for extension, by the advocates of free trade on a certain product, that since we do not currently produce enough copper for our own use, we must eliminate the protection to the domestic producer. In fact concerning any product which is in short supply, free trade should be the rule.

The point is further made that when we reach the point of full and adequate domestic production for the domestic market, then such product or industry must have protection.

The utter fallacy and futility of such a policy is fortunately readily apparent. The argument falls of its own weight. The conclusion is inescapable, if you take that philosophy, then, that if they believe that in the fields of minerals, precision instruments, crockery, and dozens of other essential products and industries, such industries must, prove their ability to produce to the saturation point of the American market in competition with the products of low-wage foreign labor before protection will be afforded them.

CHURCHILL CLAIMED THE "TRADE, NOT AID" SLOGAN

It is a preposterous statement. They are selling it to the country through such slogans as "reciprocal trade," "trade, not aid," and all the preposterous slogans that, in the first place, Americans rarely invent. The last one, "trade, not aid," is the only one recently that I have seen Mr. Churchill claim. He said when he landed in America that what they meant by "trade, not aid," was lower American tariffs. I quoted him in a release.

In other words, it was not an American slogan. I have a pile of photostats from national magazines and editorials which covered this country nearly a foot deep immediately following the election. Mostly they were in the weeks immediately following the week of the 17th of November. That week was the thickest wave that went out, selling "trade, not aid."

In other words, they were telling us to milk the taxpayers of this country and give them the money.

They would let us off the hook for a certain amount of that money if we would give them our markets or a source of the income that we have.

REQUIRES YEARS TO DEVELOP A MINE OR A MINER

It requires, as I have already stated, years to develop a mine or a miner. A miner is like a watchmaker or is like a mechanic or anyone else. It takes years to develop a good one. Mere technical information is not sufficient. Nor is it very much necessary. Experience is necessary for a workingman in a mine.

Four or 5 years is necessary to develop a mine.

Mr. Chairman, I have worked in the mines. I have worked in the mills.

The first job I had in a mill was using a No. 2 shovel on a concrete floor, on the mill floor. I finally worked up to the filters, which is not a highly technical job. You do not have to understand all the effects of the chemicals but you have to know the proportions to mix. Many of us learned that before we went to the universities.

You cannot develop, as I have already said, a mine during an emergency. It has to be done over a period of years. The history of nearly all the large mines will show anywhere from 3 or 4 to a half-dozen organizations and individuals who have wrecked themselves and their fortunes in working on these things. They have taken up a homestead. It sounds nice to take up a homestead out in the sagebrush. About the third fellow who gets it will make something out of it. The other two fade out of the picture for some reason.

The representative of the Tariff Commission here yesterday testified that some of the mines the Government is financing or supporting in one way or another would require as long as 7 years to bring into production. I would say that is not uncommon. I think they are very lucky and they will find these mines they are bringing in like the Yerington one were very well prospected, as much as could have been done with nominal finances, long before these companies came in who now have the Government's support. I would say they would be lucky if they could do it within 7 years, and after all the work had been expended.

Anaconda Co. would take about 5 or 6 years, counting their exploration work and expenditure, before they go into production.

As a matter of fact, they went through all this work before they were even willing to take the money from the Government and the short amortization period and go to work for them.

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NEED GOING-CONCERN MINING INDUSTRY

Mr. Chairman, you are from a mining State and you know the record is a familiar one in the development of mining properties. This time that it takes to develop a mining property; a long time is the rule and not the exception. Nothing but experience develops a prospector or a miner. Years and not months are required for the job. Therefore we must have a going-concern mining industry. How can you do that? By a Congress whose duty it is establishing a definite policy relating to the domestic production and foreign production and foreign trade and allowing such policy to become the settled principle upon which the potential investor of venture capital can depend. Congress set the precedent in establishing the Interstate Commerce Commission on principle. The railroads had for many years treated shippers as individuals making concessions as pleased them, every road having a different rate in many cases and almost a different rate for every principal shipper.

CONGRESSIONAL POLICY SIMILAR TO ICC

Congress established the ICC, the Interstate Commerce Commission, to have jurisdiction over all railroad rates and set down a definite policy to be followed. What was that policy? It was the principle of a reasonable return on the investment. They did not say that a rate should be a certain amount here and a certain amount there, but they said that there should be a reasonable return on the investment, and they set up the ICC to study what that investment was truly, and establish a reasonable return.

Mr. Chairman, I have served 8½ years on a State regulatory body and have held many hearings for the Interstate Commerce Commission. The principle works.

Congress could do exactly the same thing in this field. It could say to the Tariff Commission, or the Foreign Trade Authority, or whatever they wanted to set up with that responsibility—certainly not the State Department—and say to them, "You shall determine the tariff or the import fee, or whatever you choose to call that differential between the production cost in this country and abroad due mostly to the difference in the living standards here and abroad; you shall determine it on a basis of fair and reasonable competition." That is what they could do. Turn them loose. Let them go.

There are competent men in the Tariff Commission. I have not reviewed the list very recently but the only difficulty with them in the last 20 years is that you have had a State Department and a Tariff Commission—at least 2 or 3 members of it—who have definite ideas on how it ought to be done. They have no right to have ideas on how it ought to be done. The Congress should establish the policy as to how they should do it and they are the technicians to do the work.

They do have a right under the so-called Reciprocal Trade Act, which is not reciprocal at all, and the two words do not occur in the act—I guess the committee is entirely familiar with that; it is a 1934 Trade Agreements Act and it is simply an act that transferred from the long experience of the Tariff Commission, the responsibility of fixing tariffs to a State Department that has no interest in, or knowledge of, industry.

They have some foreign policy where they think they can trade certain industries to bring about free trade.

STATE DEPARTMENT ESTABLISHED "FREE TRADE"

Congress did not set this free-trade policy. The executive department set it through the State Department. In other words, the mere transfer of the responsibility of setting these tariffs did not establish a free-trade policy. However, Congress made the mistake of bestowing that power on a State Department that had free-trade ideas. Therefore, they carried them out.

They proceeded, of course, to lower practically all tariffs below that point of the differential of cost of production here and abroad due to the differences in the wage standards of living. That has the effect of free trade, even if it is only a few percentage points below that differential.

Now, Congress in my humble opinion must take cognizance of the effect of transferring its constitutional responsibility to the State Department and regain and accept its responsibility. It must return that responsibility to its own agent, the Tariff Commission. If they want to change the Tariff Commission in any respect, they have full power to do it, and lay down the policy which it is to follow, just as it did in the case of the ICC.

Now, Mr. Chairman, there has never been any question in the minds of the people who want to protect the investor and the workingmen, of a high or a low tariff. You have that thrown at you from every side—that you want to put a fence around the United States; that you want to preclude the entry of all products. Nothing of the kind is contemplated. Of course, an industry may have that wish at times, but no one who is charged with the responsibility of such a policy wants to do it. What they want is a tariff or import fee or whatever you choose to call that differential to be based on a fair and reasonable protective basis where the foreign countries have equal access to our markets but no advantage.

It must return the responsibility to its own agent, the Tariff Commission, or whatever we choose to call its own agent.

The policy laid down should be that of a flexible tariff or import fee, and be continuously adjusted upon the basis of fair and reasonable competition.

There is no tariff on products which we cannot produce or do not produce in sufficient quantities for competition, such as tin, nickel, natural rubber, spices, hemp, and so forth. No one has ever contemplated such a thing. That would simply be a tariff for revenue only.

However, we are past the point of sharpshooting. You cannot say to zinc and lead and copper that you must have free trade because there is short supply.

You cannot say to the textile industry that you will lower the tariff to allow England and Scotland and other competitors to come in with their low-cost labor, but make it unprofitable for those countries to hold their labor costs down.

In other words, if they paid the difference into the United States Treasury a while it would not be long until the wages and the standard of living would go up and create a market in their own country.

THE WOOL INDUSTRY

Now, Mr. President, I want to show further the utter fallacy of the theory that anything in short supply must be free trade. Of course, when you take the tariff off then you are always going to be in short supply.

I just had a wire this morning. I have not seen K. C. Jones, who is the secretary of the National Wool Growers Association for almost a year. This is a wire from Denver, Colo., dated the 3d:

"Allied Wool Industry Committee with National Wool Growers Association, National Wool Marketing Corp., and Western Wool Handlers Association, meeting in Denver today, adopted resolution of policy your statement on foreign trade as made by you in Reno, May 9, 1952."

What was that statement, Mr. Chairman? The wool people of the United States, represented nationally in Denver, your own hometown. What is this principle they adopted on the third? This is it. It is taken from domestic and foreign principles that I laid down in one of my speeches.

"Promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingmen or the American farmer or threaten serious injury to a domestic industry."

Now, Mr. Chairman, to establish the utter fallacy that these things only refer to an industry where there is a full production for the domestic market or an overproduction, I have established here the wool production for the years' domestic production 1949, 1950, 1950–51, and the consumption for those years, both domestic and imported. I wanted to read one of them and submit it for the record.

[Pounds]

Year	Domestic produced	Imported	Consumption
1949	120,376,000	272,503,000	500,361,000
1950	119,086,000	466,848,000	634,809,000
1951	117,915,000	361,216,000	484,157,000

Now, Mr. Chairman, the question of wool is not before us. It will be before we are through. It is a strategic material because we do not produce the amount we need. So what did we do? We passed the tariff in 1947 which was vetoed by the President and then a subsidy encouraged by him or suggested, and we passed it. But the subsidy has long since passed out of all usefulness because it does not make up the difference and we are going out of the sheep business and wool business in the United States of America. Of course, we will never entirely go out of it but there is no incentive to go into it. No one in his right mind is going to buy a band of sheep because of the continual fussing with the tariff in the Congress and in the State Department.

WORKERS' WAGES—CHILE

Now, Mr. Chairman, there was particular reference to the production of copper in Chile, which is the principal exporter to the United States and will be for some time until probably we are in full production or increased production in South Africa. One of our domestic companies is interested in Africa, and I think some English companies and there is a tremendous potential production there. This thing has only started.

The Chilean copper worker receives an average of about 146 pesos per day. The free market exchange of the Chilean peso fluctuates at around 125 pesos to $1. Therefore if a copper worker wanted to convert his wages into dollars he would receive about $1.17 per day. In comparison, the purchasing power of the Chilean copper worker to the American copper worker is $1.17 to $15. We could say roughly $15. There may be some of the wages under $15. Say $11 to $15 in this country. That was the average wage paid to copper miners in the United States for the month of November 1942. November 1952 was the most recent month averaged by the Department of Labor. The figure of $15 per day includes some overtime pay. It is not important except to show it is about one-tenth.

Most of the 35.5 cents paid for Chilean copper goes to the Government of Chile. The purchasing power of the workers' peso is only $1.17 per day, and the copper companies gross only about 8 cents per pound on copper.

I want to say right here, Mr. Chairman, this information is being gained independently of the copper companies who have those contracts, and they are subject to any correction in detail.

(The following was later received regarding the above:)

ANACONDA COPPER MINING CO.,
New York, N. Y., February 4, 1953.

Hon. EUGENE D. MILLIKIN,
Chairman, Finance Committee, United States Senate, Washington, D. C.

DEAR SENATOR MILLIKIN: During the course of the hearing before the Finance Committee on the above bill, reference was made to the low-cost foreign labor in Chile, which is the principal source of imports of copper into the United States, and at the session this morning it was stated by Senator MALONE that this labor was paid 146 pesos per day by the companies operating in Chile.

The company which I represent is a large domestic producer of copper and is the largest producer of copper in Chile. The committee hearing was adjourned at the conclusion of the testimony of Senator MALONE, and I consequently was unable to present the facts in regard to the remuneration received by laborers at the Chile operations. Consequently, I would like to furnish for the consideration of your committee and of the Senate of the United States the following information:

The last month for which I have information at this time is October 1952. During that month the Chile Exploration Co., a subsidiary of Anaconda Copper Mining Co. operating the Chuquicamata mine in Chile, which is the largest copper mine in the world, employed an average of approximately 4,000 laborers on that property working a total during that month in excess of 100,000 shifts. The average cost to the company per shift for such laborers was 584.82 pesos. Converted into dollars at the rate of exchange required to be paid by our company, this amounted to $20.78 per shift, which was the average dollar cost to our company in October 1952 of laborers engaged at our Chuquicamata property in Chile.

This, I believe, would be fairly typical of the labor costs of the companies which export copper from Chile to the United States.

This is substantially in excess of the shift costs in the United States and certainly does not represent low-cost foreign labor. As the result of such labor costs, the per pound cost of our production in Chile substantially exceeds the per pound cost of the low-cost open-pit producers in the United States.

Since the month of October 1952, adjustments have been made which increase the Chilean labor shift costs above referred to. This cost is on the basis of an 8-hour shift.

Very truly yours,

R. H. GLOVER,
Vice President and General Counsel.

Senator MALONE. The net receipts for the copper companies is much less. It costs the copper producer on an average of about $7.54 per day per worker for wages, not including benefits. Yet the purchasing power of the wages for the worker is only $1.17 and the difference goes to the Chilean Government. We are in fact subsidizing the Chilean Government. I am not commenting on whether it is a good or a bad idea, but I am giving you what I believe to be the facts.

Of the current Chilean price of 35.5 per pound, 16.5 cents reverts to the Chilean Government. The remaining 19 cents accrues to the producing companies. The method of imposition of this tax is as follows: A base price of 13.5 cents per pound for electrolytic copper; 13.25 cents for fire-refined copper, and 13.125 cents for Bessemer copper is established by Law 1760 as amended. That portion of the sale price between 13.5 cents and 24.5 cents is divided equally between the companies and the government. It is rather an intricate setup, Mr. Chairman. The companies have, in my opinion, plenty to explain about.

The income received by the companies which is subject to this tax is as follows: Income in excess of 13.5 cents per pound is deductible from taxable income for the purpose of computing income tax.

Now, Mr. Chairman, in closing—and I hope that Senator Danaher, or any member of the copper companies or anyone else may feel free to ask questions. I think I am tough enough to take it and I know it is a tough subject. It is going to get tough.

SAME SITUATION—ZINC AND LEAD

What I am concerned about is that we are going to face the same situation with particular reference to zinc and lead in a very little while. The junior Senator from Nevada has recently been appointed chairman of the Minerals and Fuels Subcommittee of the Senate Interior and Insular Affairs Committee and the distinguished Senator from Colorado, the chairman of this committee is a member of it, and we have our work cut out for us. We cannot read the menu backward. We have to go into this thing and find out what will keep us in the mining business in this country. We have to find out how that principle fits into the principle of other people in the mining business in this country. In other words, how we fit into the intricate economy of this Nation.

FREE TRADE FOR COPPER HAS RAISED COSTS TO UNITED STATES CONSUMER

Mr. MALONE. Mr. President, this year I have submitted further minority views, which are published in the Senate Finance Committee's report on the pending bill. In them I point out that lowering the duty or suspending it has in no way reduced costs to the consumer. If it has had any effect on the consumer at all it has been to raise the price of copper.

In 1954 the average domestic price for copper was approximately 29 cents a pound. The foreign price was 35 cents.

This year the domestic price was boosted to 36 cents by the three major companies producing approximately 80 percent of the domestic supply.

I have no quarrel with this price. It is a fair price. But it is also the world price and world prices of copper have been increased at the same time tariffs were being cut or dropped.

The consumer has not received one iota of benefit from any of these tariff concessions.

NATIONAL SECURITY IMPAIRED BY FREE-TRADE COPPER POLICY

The Nation as a whole has not received any benefit.

Copper is one of the most critical metals affecting our national security. Exploration and development of copper deposits in this country are being thwarted. They are being deliberately thwarted by the free-trade drive to substitute foreign imports for domestic product.

That would not be too dangerous to our security if our imports were confined to South American copper. We can defend the Western Hemisphere.

But it is folly to encourage South African production by imports from Africa. We could not bring in a pound of copper from Africa in the event of an all-out war.

The South African potential is approximately 25 percent of the 2,750,000 tons of annual world production, or about 700,000 tons, and it cannot be protected.

American taxpayers, our own citizens, contributed to the development of the South African copper production. Congress has contributed to it.

CENTURY-OLD AMERICAN POLICY DESTROYED BY CONGRESS

Congress destroyed the century-old principle of protection of the workingmen and investors when it turned over its constitutional tariff-making powers and powers to regulate foreign commerce to a foreign-minded State Department.

The State Department, in turn, turned these powers over to GATT, the 34-nation organization which meets periodically in Geneva, Switzerland.

GATT set the 2-cents-per-pound rate, reduced from 4 cents, which Congress for the past 7 years has eliminated entirely and which the Congress proposes to eliminate entirely for 3 more years.

What does this mean? Either with the 2-cents-a-pound GATT tariff or the no-cents-a-pound free trade voted in the past by Congress, no new individuals or companies dare enter into the business of copper production.

FIELDS OF OPPORTUNITY FOR NEW UNITED STATES MINING ENTERPRISES CLOSED

It would be insane to make new investments in American copper exploration or development when foreign copper dumped on the United States without duty could at any time wipe those investments out.

The small companies already have been largely eliminated.

Three companies today produce 80 percent of all our domestic copper, and seven companies produce 92 percent.

Congress has thus closed off the fields of opportunity for new mining enterprises. It has virtually eliminated the small producers, who given any encouragement or incentive might grow ultimately to be big producers and make important contributions to our security.

Congress likewise has utterly destroyed the century-old principle of protection, as I stated previously, and has foreclosed American free enterprise from engaging in new developments of our mineral resources.

AMERICAN SMALL BUSINESS BEING RUINED BY FOREIGN COMPETITION

Small business is on its way out, not only in the mining field but in hundreds of other production fields; and Congress is to blame. It is Congress that has put every American enterprise into competition with foreign producers with the foreign producers given every conceivable advantage.

The copper producer in Rhodesia does not have to worry about living standards or fair wages. He does not have to pay high taxes to maintain a huge military establishment or foreign aid. The only thing he knows about foreign aid is the aid which in all probability he has been getting at the expense of the American taxpayer.

He does not have to worry about workmen's compensation, unemployment insurance, social-security taxes, or the possibility of paying a guaranteed wage.

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He does not have to concern himself with welfare or pension benefits.

All he has to do is to mine his ore with native labor working for a bare subsistence, then dump it on the American market tax free and tariff free.

FREE-TRADE PRINCIPLE HAS COST UNITED STATES TAXPAYERS MORE THAN $50 BILLION SINCE WAR

Free trade is free to foreign countries, but it is the most expensive trade there is from the standpoint of America's security and American advancement.

To help support the free-trade principle we have had to vote more than $50 billion in the past 9 years to foreign countries, giving them the money to buy our goods at the same time they are earning money from us through sales of their goods in America.

We have succeeded in building the prosperity of England and her colonies, France and her African colonies, and other European nations which have colonies, such as Belgium.

PROSPERITY CLOCK TURNED BACK OR STOPPED ON MANY UNITED STATES INDUSTRIES

We have done that at tremendous cost to our own taxpayers, our industries, investors, and producers.

While we have been building up the economy of other nations we have stopped the clock or turned it back so far as many of our own industries are concerned.

In the 3 years of this administration, or 2½ years of this administration to be more precise, we have witnessed the number of distressed areas in the Nation increase from 37 to 156.

We have turned the clock back on our coal industry; on our lead, zinc, chrome, mercury, tungsten, and almost every other metal or mining industry.

We have stopped the clock on our textile industry, glass and chinaware industries, and scores of our other manufacturing industries.

We have stopped the clock on our copper industry, and propose to keep it stopped for 3 more years, having already slowed the clock down, as the statistics show.

1954 UNITED STATES COPPER PRODUCTION LOWEST SINCE 1949

Domestic copper production, primary copper production last year was the lowest since 1949, and for the first time since 1949 dropped below 900,000 tons. It was 828,000 tons last year.

What it will drop to in the next 3 years if we continue this free trade calamity no one can guess. But that it will drop there can be no doubt.

RETURN TO CONSTITUTION AND AMERICAN SYSTEM URGED

Mr. President, let us get back to sanity, and to the American way, the American system, and the constitutional way.

Let the Congress reassert its constitutional responsibility to levy duties and imposts—meaning tariffs—and to regulate foreign commerce.

Let Congress look to America's economy and welfare.

The Congress could well take the first step now. It could restore the 2-cents-per-pound tariff on copper, a tariff that to be truly effective should be the original 4 cents per pound or more.

This is a good time and place to start returning to the constitutional way.

CONGRESS SHOULD END FREE TRADE AND FOREIGN FREE LOADING AT UNITED STATES EXPENSE

The Congress should end this free trade which is killing American free enterprise and incentive.

It should end these windfalls to producers of foreign copper which have totaled $164 million in the past 7 years, and let that money go into our National Treasury for the relief of the American taxpayer.

Foreign imports should be compelled to share the American burden of taxes, as the Constitution intended, instead of enjoying our hospitality on a free-trade basis like free loaders at a banquet.

The pending bill should be defeated.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the marked paragraphs in the minority views submitted by me to the Senate on May 27, 1955.

EXCERPTS FROM MINORITY VIEWS ON H. R. 5695 INCLUDED

There being no objection, the marked paragraphs of the minority views were ordered to be printed in the RECORD, as follows:

TABLE 1.—*Salient statistics of the copper industry, 1919–53*

[All figures in short tons, except price and tenor of ore]

Year	Mine production	Average tenor of copper ores (percent)	Refinery production (primary) from—			Imports (refined) [1]	Exports (refined) [1]	Apparent consumption of new copper [2]	Quoted price at New York [3] (cents per pound)	World production (smelter)	Production from scrap as metal and in alloys		
			Domestic materials	Foreign materials	Total						Old scrap	New scrap	Total
1919	606,167	1.65	716,743	168,341	885,084	17,569	219,080	457,236	18.90	1,095,696	152,600	134,590	287,190
1920	612,275	1.63	591,212	171,871	763,083	54,372	275,613	526,919	17.50	1,057,200	168,960	143,500	312,460
1921	233,095	1.70	304,707	170,682	475,389	34,625	298,059	305,494	12.65	614,600	131,990	85,310	217,300
1922	482,292	1.74	452,335	175,423	627,758	51,572	326,333	448,317	13.56	952,400	202,800	133,100	335,900
1923	738,870	1.58	732,083	257,835	989,918	80,356	364,690	650,237	14.61	1,341,500	270,900	140,000	410,900
1924	803,083	1.59	837,107	292,931	1,130,038	72,955	604,812	677,371	13.16	1,493,600	266,200	122,100	388,300
1925	839,059	1.54	841,448	260,839	1,102,287	49,887	484,033	700,506	14.16	1,546,500	291,010	129,200	420,210
1926	862,638	1.46	865,649	295,594	1,161,243	85,283	428,062	785,068	13.93	1,608,300	337,300	142,500	479,800
1927	824,980	1.41	859,476	303,406	1,162,882	51,640	461,233	711,480	13.05	1,673,300	339,400	150,800	490,200
1928	904,898	1.41	895,899	347,905	1,243,804	42,365	474,737	804,269	14.68	1,880,500	365,500	170,900	536,400
1929	997,555	1.41	991,366	378,690	1,370,056	67,007	411,227	889,293	18.23	2,098,800	404,350	222,200	626,550
1930	705,074	1.43	695,612	382,918	1,078,530	43,105	297,057	632,509	13.11	1,760,000	342,200	125,000	467,200
1931	528,875	1.50	537,303	213,418	750,721	87,225	202,698	451,032	8.24	1,536,000	261,300	85,700	347,000
1932	238,111	1.83	222,539	117,895	340,434	83,897	110,977	259,602	5.67	1,027,000	180,980	67,200	248,180
1933	190,643	2.11	240,669	130,120	370,789	5,432	124,582	339,350	7.15	1,143,000	260,300	77,800	338,100
1934	237,401	1.92	233,029	212,331	445,360	27,417	262,366	322,638	8.53	1,448,000	310,900	66,500	377,400
1935	386,491	1.89	338,321	250,484	588,805	18,071	260,735	441,371	8.76	1,681,000	361,700	87,200	448,900
1936	614,516	1.54	645,462	177,027	822,489	4,782	220,390	656,179	9.58	1,895,000	382,700	101,900	484,600
1937	841,998	1.29	822,253	244,561	1,066,814	7,487	295,064	694,906	13.27	2,585,000	408,900	123,200	532,100
1938	557,763	1.34	552,574	239,842	792,416	1,802	370,545	406,994	10.10	2,254,000	267,300	92,500	359,800
1939	728,320	1.25	704,873	304,642	1,009,515	16,264	372,777	714,873	11.07	2,396,000	286,900	212,800	499,700
1940	878,086	1.20	927,239	386,317	1,313,556	68,337	356,431	1,008,785	11.40	2,734,000	333,890	198,156	532,046
1941	958,149	1.15	975,408	419,901	1,395,309	346,994	103,602	1,641,550	11.87	2,905,000	412,699	313,697	726,396
1942	1,080,061	1.09	1,064,792	349,769	1,414,561	401,436	131,406	1,608,000	11.87	3,076,000	427,122	500,633	927,755
1943	1,090,818	1.04	1,082,079	297,184	1,379,263	402,762	175,859	1,502,000	11.87	3,038,000	427,521	658,526	1,086,047
1944	972,549	.99	973,852	247,335	1,221,187	492,395	68,373	1,504,000	11.87	2,847,000	456,710	494,232	950,942
1945	772,894	.93	775,738	332,861	1,108,599	531,367	48,563	1,415,000	11.87	2,436,000	497,095	509,421	1,006,516
1946	608,737	.91	578,429	300,233	878,662	154,371	52,629	1,391,000	13.92	2,067,000	406,453	397,093	803,546
1947	847,563	.90	909,213	250,757	1,159,970	149,478	147,642	1,286,000	21.15	2,513,000	503,376	458,365	961,741
1948	834,813	.92	860,022	247,424	1,107,446	249,124	142,598	1,214,000	22.20	2,580,000	505,464	467,324	972,788
1949	752,750	.91	695,015	232,912	927,927	275,811	137,827	1,072,000	19.36	2,600,000	383,548	329,595	713,143
1950	909,343	.89	920,748	319,086	1,239,834	317,363	144,561	1,447,000	21.46	2,915,000	485,211	492,028	977,239
1951	928,330	.90	951,559	255,429	1,206,988	238,972	133,305	1,304,000	24.37	3,095,000	458,124	474,158	932,282
1952	925,359	.85	923,192	254,504	1,177,696	346,960	174,135	1,360,000	24.37	3,115,000	414,635	488,562	903,197
1953	926,448	.85	932,232	360,885	1,293,117	274,777	109,510	1,435,000	28.92	3,275,000	429,388	529,076	958,464
1954									30.00				
1955									36.00				

[1] Imports and exports may include some refined copper produced from scrap. Categories not wholly comparable from year to year. Copper is also imported in crude form and shows up as refinery production from foreign ore. Exports, on the other hand, take place also in forms beyond the refined stage.

[2] Adjusted for changes in stocks.

[3] American metal market price for electrolytic copper in New York; f. o. b. refinery through August 1927. New York refinery equivalent thereafter.

Principal producing companies, with their 1953 output

Company [1]	Short tons	Percent of total United States
Kennecott Copper Corp	429,000	46
Phelps Dodge Corp	224,000	24
Anaconda Copper Mining Co	74,000	8
Inspiration Consolidated Copper Co. (Anaconda holds 28 percent of issued stock)	40,000	5
Miami Copper Co. (including Castle Dome Copper Co., Inc.)	47,000	5
Magma Copper Co	25,000	3
Calumet & Hecla, Inc	20,000	2
Total above companies	859,000	93
Total United States	926,000	

[1] Individual company figures from Yearbook of the American Bureau of Metal Statistics, 1953.

MINING

There were over 300 active copper-producing mines in the United States in 1953, most of them relatively small. The 25 largest mines produced 98 percent of the total copper. The mines are listed in table 6.

SMELTING

The primary copper-smelting companies in 1953, their approximate capacities in terms of charge (according to the Yearbook of the American Bureau of Metal Statistics), and the percentages of the total represented, are as follows:

Company	Annual capacity, tons of material	Percent of total capacity (charge)
American Smelting & Refining Co	[1] 2,883,000	34
Phelps Dodge Corp. and Phelps Dodge Refining Corp.	2,650,000	32
Anaconda Copper Mining Co.	1,000,000	12
Kennecott Copper Corp	840,000	10
International Smelting & Refining Co.[2]	360,000	4
American Metal Co., Ltd	265,000	3
Magma Copper Co	250,000	3
Tennessee Copper Co	70,000	1
Lake smelters:		
Calumet & Hecla, Inc	100,000	1
Quincy Mining Co	12,000	
Total	8,430,000	

[1] The greater part of the capacity (1,608,000 tons) of the smelter at Garfield, Utah, and of the capacity (300,000 tons) of the smelter at Hayden, Ariz., is used in treating concentrates from the Utah division and the Ray division, respectively, of the Kennecott Copper Corp.
[2] Owned by Anaconda.

REFINING

The copper-refining capacity of primary producers in the United States in 1953, according to the American Bureau of Metal Statistics, aggregated about 1,896,000 tons. The copper-refining companies and their approximate percentage of the total are listed in order of magnitude of available facilities.

Company	Annual capacity, tons	Percent of total capacity
American Smelting & Refining Co.	[1] 486,000	26
Phelps Dodge Refining Corp	405,000	21
Kennecott Copper Corp	264,000	14
International Smelting & Refining Co.[2]	240,000	13
American Metal Co., Ltd	200,000	10
Anaconda Copper Mining Co	150,000	8
Calumet & Hecla, Inc	100,000	5
Inspiration Consolidated Copper Co.[3]	39,000	2
Quincy Mining Co	12,000	1
Total	1,896,000	

[1] Part used for refining copper produced by Kennecott.
[2] Owned by Anaconda.
[3] 28 percent of stock owned by Anaconda.

About 10 percent of the primary refined copper produced from domestic materials in the United States is recovered by fire refining in Michigan, New Mexico, and Texas from crude materials produced in Michigan, New Mexico, and Arizona.

FABRICATION

Fabricators are the principal customers of the primary copper producers. It is in the fabricating plants that the bulk of the new copper is put into semifinished forms—wire, rods, extruded, and rolled shapes, etc.—which constitute the raw materials for many other industries.

About 30 companies in the United States are generally recognized as important fabricators of raw copper. Many of the largest are owned by or associated with the great copper mining, smelting, and refining companies, giving them integrated operations from the mines to the finished brass and copper products. A list of the fabricating companies affiliated with copper-producing companies follows.

Fabricating companies of principal copper producers:

Fabricating company	Parent company or company having part stock ownership
Chase Brass & Copper Co.	Kennecott Copper Corp.
Kennecott Wire & Cable Co.	Do.
American Brass Co	Anaconda Copper Mining Co.
Anaconda Wire & Cable Co.	Anaconda Copper Mining Co. (owns 70 percent of stock).
Phelps Dodge Copper Products Corp.	Phelps Dodge Corp.
Revere Copper & Brass, Inc.	American Smelting & Refining Co. (owns 36 percent of stock).
General Cable Corp	American Smelting & Refining Co. (owns 42 percent of stock).
Wolverine Tube Division.	Calumet & Hecla, Inc.
C. G. Hussey & Co	Copper Range Co.
New Haven Copper Co	Tennessee Corp. (parent company of the Tennessee Copper Co.).
Titan Metal Manufacturing Co.	Consolidated Coppermines Corp. (owns 64 percent of stock).

The more important independent fabricators not affiliated with the major producers include the following: Bridgeport Brass Co., Bristol Brass Corp., Chicago Extruded Metals, Lewin Metals Division, Lewin Mathes Co., Olin Mathieson Chemical Corp., Mueller Brass Co., Reading Tube Co., J. A. Roebling's Sons Corp., Rome Cable Corp., Scoville Manufacting Co., Triangle Wire & Cable Co., Inc., and Volco Brass & Copper Co.

GEOGRAPHIC DISTRIBUTION OF COPPER INDUSTRY

Copper occurs so widely in nature that almost every country has some copper-ore deposits; 21 countries each mined over 10,000 tons of recoverable copper in 1953, and some 16 other nations reported some output. In spite of this wide distribution, most of the world mine production is made in but a few places. Concentration mills are found almost always at the mines, although some mills receive custom ores from short distances. Smelting facilities are usually within short distances of mines and mills, and absence of such facilities retards development of new areas of production. Smelter products frequently must be shipped long distances for refining. The smelter products are of such high purity that little, if any, saving in transportation costs would result from shipping refined instead of smelted copper to consumption localities. The scrap supply is chiefly in the industrial areas.

RESOURCES

About 90 percent of unmined world copper resources is in 5 regions—south-central Africa, Chile, the western United States, eastern Ontario and southern Quebec in Canada, and Kazakhstan, U. S. S. R. Table 2 lists 12 districts or mines containing 85 percent of the world copper resources. This list includes both developed reserves that are surely economic under present conditions and partly explored semieconomic deposits that are so large they probably will be important for the future. Deposits not known to contain copper reserves in quantities greater than 3 million tons of copper metal have been omitted from the list.

Senator MALONE. Mr. Chairman, I want to discuss the position of these same companies on fabricated articles in this country. They are for free trade on copper, which is a raw material that comes in and which is used in the fabrication of brass and copper articles.

I ask permission that the complete table appear as a part of my testimony.

The CHAIRMAN. Without objection, it may be included in the record.

(The list referred to is as follows:

The attached list shows the principal fabricating companies and the parent company or companies having part stock ownership. The principal copper-producing companies are Anaconda, Kennecott, and Phelps Dodge. Their brass-manufacturing subsidiaries producing semifabricated or semimanufactured items which are used in the finished item to the consumer. Examples of this are sheets, rod, wire, extruded shapes, drawn shapes, brass and copper pipe, and similar items which can be further manufactured into a finished commercial article going to the individual consumer.

Under the suspension of the 2 cents excise tax on imports of copper material, the only tax on the importation of these is shown in the following items. Under the Trade Agreements Act, a tariff on items such as these may be cut by the President 5 percent per year or a total of 15 percent during the next 3 years.

Tariff

	Copper	Brass alloys
Sheet, roll, strip plate cents per pound	1¼	2
Wire percent	12½	12½
Rod, shafting, piston rod cents per pound	1¼	2
Extruded shapes:		
Rolls and rods do	1¼	
Tube do	3½	
Brazed tubing do		5½
Drawn shapes: Rod do	[1] 1¼	
Brass and copper pipe:		
Seamless brass do		2
Brazed do		6

[1] Same as extruded.

The above items are used by a large number of manufacturers who make the finished and completed articles that go to individual shops and consumers. Examples of the tariff on the completed articles are as follows. With a possible exception of the Revere Copper Co., which makes kitchenware largely of stainless steel, none of the leading brass mills make the completed articles for the individual consumer.

Kitchenware brass, table, household, and hospital, 15 percent ad valorem.

Incandescent lamps, 12½ percent.

Manufacturers of brass not plated with gold or silver, 22½ percent; also bronze, 22½ percent.

Brass bases for lamps, 22½ percent.

Flashlight cases, 35 percent.

Electric cooking stoves, 12½ percent.

Furnaces, 12½ percent.

Various items not specified elsewhere, 12½ percent.

Washing machines and parts, 17½ percent.

Dental instruments, 17½ to 22 percent.

Surgical instruments, 40 to 45 percent.

Brass wind instruments, 20 to 30 percent.

Tuned bells, 15 percent.
Metal buttons, 22½ percent.
Safety pins, 22½ percent.
Pins with solid head, 20 percent.
Electrical fixtures, 22½ percent.
Snap fasteners, 55 to 60 percent.
Shoe fasteners, 40 to 60 percent.
Jewelry and parts valued not over $5 per dozen, 55 percent.
Jewelry and parts valued over $5 per dozen, 55 percent.
Cigarette cases, compacts, etc., valued not over $5 per dozen, 65 percent.
Cigarette cases, compacts, etc., valued over $5 per dozen, 35 percent.
Larger items for component parts made of copper or brass and are listed as follows:
Generator and parts, 15 percent ad valorem.
Transformers, 12½ percent.
Switches, 17½ percent.
Motors, 12½ percent.
Fans-blowers, 17½ percent.
Telegraph apparatus, 17½ percent.
Radios, 12½ percent.
Television, 12½ percent.
Telephones, 17½ percent.
Electric furnaces, 12½ percent.
Bare wire and cable, 12½ percent.
Insulated wire and cable, 17½ percent.

History of the import excise tax: Copper ores were on the free list from 1894 to June 21, 1932. Prior to that time the ores were taxed on their copper content. Under the act of 1883 the duty was 2½ cents per pound of fine copper, but this was reduced to ½ cent by the act of 1890.

Copper matte and regulus was dutiable at 3½ cents per pound of copper content under the act of 1883, but it was cut to 1 cent in 1890, and in 1894 the material was placed on the free list until June 21, 1932.

Copper metal: In the Tariff Act of 1883 the metal paid a duty of 4 cents per pound.

In 1890 the duty was cut to 1¼ cents per pound. In 1894 it was removed entirely. Since that date copper ore, matte, and unmanufactured copper was on the free list until the imposition of the excise tax in June 21, 1952.

Section 601 (c) (7) imposed 4 cents excise tax. The 4 cents excise tax was continued from 1932 to 1945. In 1948 it was reduced to 2 cents per pound, but the imposition of the 2 cents tax has been suspended until June 30, 1955.

During World War II copper was imported duty free for Government use. Executive Order No. 9177, dated May 30, 1942.

Public Law 42, 80th Congress, April 29, 1947, suspended duty from date of enactment to March 31, 1949.

Public Law 33, 81st Congress, March 31, 1949, suspended duty from April 1, 1949, to June 30, 1950. Tax effective July 1, 1950, to March 31, 1951.

Public Law 38, 82d Congress, May 22, 1951, suspended duty from April 1, 1951, to February 15, 1953.

Public Law 4, 83d Congress, February 14, 1953, extends to June 30, 1954.

Public Law 452, 83d Congress, June 30, 1954, extends to June 30, 1955.

Senator MALONE. Mr. Chairman, I have a number of tables which are pertinent to this discussion. I would like to list their subjects and ask that they be included in the record:

Tax Amortization Certified for Copper Companies.

Domestic Copper Contracts Involving Loans.

ECA Copper Contracts—Administered in London.

Contracts for Expansion and Maintenance of Supply Copper Under Defense Production Act as Amended in 1953.

The CHAIRMAN. Without objection, they may be included.

(The matter referred to is as follows:)

Tax amortization certified for copper companies

Docket No.	TA No.	Name of company	Amount certified	Percentage	Date certified
124	1547	American Smelting & Refining Co., Silver Bell, Ariz	$10, 855, 800. 00	85	Jan. 4, 1952
156	9805	White Pine Copper Co., Copper Range County, Mich	62, 881, 638. 00	55	Nov. 16, 1951
443	1517	United Mine Operators, Inc., Wickenburg, Ariz	221, 000. 00	75	June 15, 1951
607	2744	Kennecott Copper Corp., Deep Ruth, Nev	3, 987, 910. 00	85	Apr. 4, 1951
852	3957	Phelps Dodge Corp., Cochise County, Ariz	12, 401, 435. 00	75	July 6, 1951
929	4673	San Manuel Copper Corp., Mazma, Ariz	51, 420, 000. 00	75	Dec. 28, 1952
1095	7696	Anaconda Copper Mining Co., Butte, Mont	28, 213, 552. 00	75	Oct. 15, 1951
2212	15905	Bagdad Copper Co., Arizona	11, 134, 207. 00	75	July 15, 1952
2846	24544	Banner Mining Co., Arizona	577, 130. 59	75	Apr. 29, 1953
2866	24943	Copper Creek Consolidated Mining Co., Arizona	150, 000. 00	75	Apr. 21, 1953
	7696	Yerrington, Nev	25, 265, 000. 00	75	

Source: Materials Division, EPS, May 19, 1955.

Domestic copper contracts involving loans (Public Law 774)

Contract No.	Contractor	Product	Amount of loan	Source of loan	Method of loan repayment	Copper production		Price to Government
						Annual	Total	
DMP-83	Banner Mining Co., Tucson, Ariz.	Copper	$473, 665	DMPA advance	3½ cents per pound of copper produced.	*Pounds* 4, 320, 000	*Pounds* 12, 960, 000	*Cents per pound* 31
GS-OOP(D) 12084	Copper Cities Mining Co., Gila County, Ariz.	do	7, 500, 000	RFC	Loan repaid in cash during 1954.	*Short tons* 22, 500	*Short tons* 96, 250	[1] 23
GS-OOP(D) 12190	White Pine Copper Co., White Pine Mich. (Copper Range Co.).	do	66, 395, 600	do	Cash payments as required by RFC.	36, 000	275, 000	[1] 25. 5
DMP-19	San Manuel Copper Co., Pinal County, Ariz.[1]	Copper, molybdenum.	94, 000, 000	do	do	{ [3] 50, 000 [4] 70, 000 }	365, 000	[1] 24
DMP-3	Campbell Chibougamau Mines, Ltd., Canada.	Copper	5, 500, 000	Export-Import Bank.	Cash payment as required by Export-Import Bank.	*Pounds* 37, 250, 000	*Pounds* 63, 200, 600	[1] 24. 5
GS-OOP(D) 12095	National Lead Co., Fredericktown, Mo.	Copper, cobalt, nickel.	7, 500, 000	DMPA advance	Cash payments in quarterly installments after commencement of production.	1, 417, 500	7, 087, 500	[1] 24. 4

[1] Wholly owned subsidiary of Magma Copper Co., in which Newment owns 140,000. shares.
[2] As escalated.
[3] 1st year.
[4] After 1st year.

Source: Materials Division, GSA EPS, May 17, 1955.

AMERICAN INCENTIVE DESTROYED BY FREE TRADE

Mr. MALONE. Mr. President, much is being made in newspapers and other means of communication of the point that we do not produce all the copper we need, which has nothing whatever to do with the subject, except that when we adopt a free-trade attitude in the case of a commodity the costs of producing which are greater in the United States than in foreign countries, we remove the incentive to produce more of the article in this country. Not only would we not be likely to produce more, but most likely we would produce less.

In other words, for 22 years, starting with the 1934 Trade Agreements Act, the Congress of the United States has followed a policy which has slowly cut down production in these fields which need the protection of a duty or tariff that would make up the difference between the labor standards here and abroad and the taxes and costs of doing business in this country as compared with those of the chief competitive nations.

FREE TRADE IMPOSES BARRIERS TO AMERICAN INVESTMENTS IN AMERICA

When Congress continually nibbles at this principle it destroys the principle. Then private capital cannot possibly be invested in the business with any assurance of its return unless the Government goes into the business. It is already in the business, but it must continue furnishing money to open up new businesses, just as it gave $94 million through a Government organization to a copper company in Arizona to open up a new deposit.

Those things would not be necessary if the principle of protection had not been destroyed.

Mr. JOHNSON of Texas. Mr. President, if there are no amendments, the bill might be read the third time. Then I will suggest the absence of a quorum, the time for the quorum call to be charged to the time allotted to me.

Following the quorum call, the Senator from Virginia [Mr. BYRD], the chairman of the Committee on Finance, will be prepared to make a brief statement, and the Senator from Nevada will still have 5 minutes remaining.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable to the Senator from Nevada, I will suggest the absence of a quorum, following which the chairman of the committee will make his statement. The Senator from Nevada may then use his remaining 5 minutes. If he needs an additional 5 minutes, I shall be glad to yield the time to him.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I yield 3 minutes to the Senator from Virginia [Mr. BYRD], the chairman of the Committee on Finance.

Mr. BYRD. Mr. President, I shall make a brief statement in explanation of House bill 5695.

The Committee on Finance, to whom was referred the bill to continue until the close of June 30, 1958, the suspension of certain import taxes on copper, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

H. R. 5695 would amend the act of May 22, 1951, Public Law 38, 82d Congress, as amended, so as to continue through June 30, 1958, the suspension of certain import taxes on copper imposed under section 4541 of the Internal Revenue Code of 1954, formerly section 3425 of the 1939 code. It would continue in effect the provision in Public Law 38 that the President shall revoke the suspension of the import taxes before the specified termination date if the average price of electrolytic copper, delivered Connecticut Valley, for any calendar month falls below 24 cents per pound. The domestic market price of copper has averaged 30 cents per pound from March 1953 through January 1955. The current price is about 36 cents per pound.

TARIFF STATUS

Import taxes on copper have been suspended by congressional action almost continuously since the early part of 1947. Public Law 42, 80th Congress, suspended these import taxes from April 30, 1947, through March 31, 1949; Public Law 33, 81st Congress, extended the suspension through June 30, 1950; Public Law 38, 82d Congress, suspended the import taxes from April 1, 1951, through February 15, 1953; Public Law 4, 83d Congress, amended Public Law 38 to provide for a continuation of the suspension through June 30, 1954; and Public Law 452, 83d Congress, extended the suspension through June 30, 1955. Although congressional action for suspending the import taxes on copper did not become effective until April 30, 1947, practically all imports which entered during the war period were for Government account and were admitted free of the import taxes under other special authority. The import tax on the copper content of copper-bearing scrap metal also has been suspended by other legislative enactments continuously since March 1942; the last act, Public Law 678, 83d Congress, extended the suspension from June 30, 1954, through June 30, 1955.

The import taxes, the suspension of which would be continued with the enactment of H. R. 5695, apply to the copper content of copper-bearing articles, including ores and concentrates, copper mattee, blister copper, refined copper, copper shapes and forms, copper-containing alloys—brass, bronze, bell metal, nickel silver, and phosphor copper—and copper content of all chemicals. The copper content of copper sulfate and of composition metal which is suitable both in its composition and shape, without further refining or alloying, for processing into castings would continue to be subject to the import tax.

Mr. President, I wish to call attention to the further fact that all the departments and agencies of Government dealing with this question advise that they are in favor of the passage of H. R. 5695. That includes the Acting Secretary of State.

In the report, there is a letter from the Acting Secretary of State, addressed to me as chairman of the Finance Committee.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. BYRD. Mr. President, up to this point I have been stating what appears in the majority report, and I ask unanimous consent that the remainder of the report of the committee to which I was referring may be printed in the RECORD at this point.

There being no objection, the remainder of the report was ordered to be printed in the RECORD, as follows:

The import tax on refined copper and on copper-bearing ores, which represent the principal forms in which copper is imported, originally was 4 cents per pound as provided for under the Revenue Act of 1932 (now sec. 4541 of the Internal Revenue Code of 1954). As a result of concessions granted by the United States in the General Agreement on Tariffs and Trade (Geneva), the United States reduced this tax by 50 percent, effective March 16, 1949, to the present rate of 2 cents per pound on the copper content.

UNITED STATES SUPPLY AND REQUIREMENTS

As indicated by data presented in the following table, United States requirements for copper, including withdrawals of copper for the strategic stockpile as well as consumption, have equaled more than half of the total world consumption in recent years. Although the United States is also the world's largest copper producer, its requirements are so large that over one-third of the requirements (about 36 percent in the last 3 years, 1952–54) have been imported. Principal sources of copper imports in the first 11 months of 1954 were Chile (45.0 percent), Canada (14.6 percent), Africa (16.1 percent), Mexico (8.7 percent), and Peru (4.0 percent).

Copper is included in the stockpiling program of the United States as a strategic and critical material.

Unmanufactured copper: World consumption and production, and United States consumption, production, imports, and exports, in specified years 1935 to 1954

[1,000 short tons]

Period	Consumption		Production				United States trade	
	World	United States [1]	World smelter output	United States			Imports for consumption	Domestic exports
				Primary [2]	Secondary [3]	Total		
1935–39, average	1,607	881	2,162	625	342	967	218	324
1943	(4)	1,992	3,038	1,091	428	1,519	736	177
1946	2,401	1,518	2,070	600	406	1,006	354	54
1947	2,694	1,798	2,491	863	503	1,369	453	149
1948	2,807	1,722	2,579	842	505	1,347	485	147
1949	2,563	1,490	2,601	758	384	1,142	567	146
1950	2,980	1,891	2,916	911	485	1,396	600	155
1951	[5] 3,171	1,828	3,097	931	458	1,389	539	141
1952	[5] 3,278	1,801	3,114	927	415	1,342	[6] 637	[6] 184
1953	[5] 3,168	1,839	3,274	943	429	1,372	[6] 673	[6] 145
1954 [6]	[7] 3,100	1,631	3,200	828	422	1,250	[8] 604	[9] 295

[1] Data are compiled from statistics on production, imports, and exports, and changes in producers' and consumers' stocks, and represent approximate consumption plus withdrawals for the strategic stockpile.
[2] Represents smelter output from domestic ores, concentrates, mine-water precipitates, and tailings.
[3] Represents copper recovered in all forms from old copper and copper-base scrap.
[4] Not available.
[5] Partly estimated by applying to U. S. Bureau of Mines data for the previous year the percentage increase shown by data in 1953 Yearbook, American Bureau of Metal Statistics.
[6] Preliminary.
[7] Estimated from world production and changes in producers' stocks.
[8] Data for December estimated by assuming imports at average monthly average of preceding 11 months; quantity imported during January–November 1954 amounted to 554,000 short tons.
[9] Data for December estimated by assuming exports at average monthly average of preceding 11 months; quantity exported during January–November 1954 amounted to 270 tons.

Source: Consumption and production data from official statistics of the U. S. Bureau of Mines, except as noted; imports and exports from official statistics of the U. S. Department of Commerce.

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During 1954, United States supplies (production, imports, and producers' stocks) and requirements for copper (for industrial use and strategic stockpiling) were close to 10 percent below 1953 levels.

Mine output declined in 1954 despite the opening of several new large mines because of voluntary cuts in production by some large companies near the beginning of the year and because of work stoppages, owing to labor disputes, later in the year. (Similar curtailments in copper production occurred in Chile.) In the United States the reduction in production in August, September, and October because of the strikes led the Government to assist inadequately supplied consumers both by release in October of substantial quantities of copper accumulated by the Government under the Defense Production Act and by the diversion of additional quantities scheduled for delivery to the Government in October, November, and December.

Although substantial quantities of copper (including 100,000 tons of accumulated stocks of Chilean copper purchased in May) were purchased by the United States for the strategic stockpile, this was not sufficient to offset the decline in industrial consumption of copper in 1954.

Copper imports in 1954 were about 10 percent below those of 1953.

DEPARTMENTAL REPORTS

This legislation is endorsed by the Departments of Defense, Commerce, State, and Treasury as shown in the following reports received by the chairman:

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE, LEGISLATIVE AND PUBLIC AFFAIRS,
Washington, D. C. May 16, 1955.

Hon. HARRY FLOOD BYRD,
Chairman, Committee on Finance, United States Senate.

DEAR MR. CHAIRMAN: Reference is made to the request of your committee for the views of the Department of Defense on H. R. 5695, a bill to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

It should be noted that the proposed legislation would extend the suspension of certain import taxes on copper for a period of 3 years, rather than for the usual 1-year period.

At the present time, supplies of domestic copper are sufficient to meet military requirements. However, large quantities of foreign copper must be imported to meet combined military and industrial needs.

Therefore, in consideration of the above, the Department of Defense has no objection to the enactment of the proposed legislation.

The Bureau of the Budget has advised that there is no objection to the submission of this report to the Congress.

Sincerely yours,

RICHARD A. BUDDEKE,
Director, Legislative Programs.

THE SECRETARY OF COMMERCE,
Washington, D. C., May 18, 1955.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: This is in reply to your request of May 10, 1955, for the views of this Department with respect to H. R. 5695, an act to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

This Department recommends enactment of this legislation.

At the present time, we are faced with a short supply of copper raw materials, and an unprecedented demand for copper from the automotive and durable goods industries. To meet the supply situation domestic industry normally imports more than one-fourth of the copper which it consumes. The attached table gives the statistics on domestic production and import for the year 1954 and the first quarter of 1955. It appears that domestic requirements for copper will increase and that domestic production cannot be increased correspondingly. Failure to continue the suspension of import duties would not only result in an increase in the price of foreign copper to domestic users but might also result in a loss of imports. In fact, at the present time, imports have decreased to some extent due to the higher European market. Where the need for large quantities of foreign copper is so apparent, it is believed to be essential to encourage the flow of imports by suspending the tariff. This is especially true since the suspension can have no possible adverse effect upon the domestic industry, which has been incapable of producing sufficient refined copper to meet currrent domestic needs.

The provisions of the present law which H. R. 5695 would extend appear to have sufficient safeguards against a reduced demand. If demand falls, the price of copper likewise would fall. If the price goes below 24 cents per pound the tariff would be reimposed automatically by administrative action.

For these reasons we recommend enactment of H. R. 5695.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of this letter.

Sincerely yours,

WALTER WILLIAMS,
Acting Secretary of Commerce.

Supply of refined copper

[Thousands of short tons]

	1954					1955, 1st quarter [1]
	1st quarter [1]	2d quarter [1]	3d quarter [1]	4th quarter [2]	1954 year [2]	
Total production and imports	378	458	386	386	1,608	378
Production, domestic ores and scrap	259	268	222	283	1,032	273
Foreign ores	79	110	97	79	365	75
Imports of refined	40	80	67	24	211	30
Foreign copper	119	190	164	103	576	105
Percent of total	31.5	41.5	42.5	26.7	35.8	27.8

[1] Actual reported data.
[2] Estimated by the Copper Division.

DEPARTMENT OF STATE,
Washington, May 11, 1955.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance, United States Senate.

DEAR SENATOR BYRD: I refer to your letter of May 10, 1955, transmitting for the views of the Department of State a copy of H. R. 5695, to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

The requirements of the United States for copper, including defense and stockpiling requirements, substantially exceed domestic production. At current high prices for copper it does not appear that the tax is necessary for the protection of American producers. Under the proposed legislation the tax would apply at prices below 24 cents per pound. The interests of American producers would, therefore, seem adequately protected under a 3-year extension.

Reinstatement of the copper tax when it is clearly unnecessary for the protection of domestic producers would, however, have an adverse effect on our relations with friendly foreign countries, principally Chile, which export copper to us.

The Department, therefore, supports the enactment of H. R. 5695.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

THURSTON B. MORTON,
Assistant Secretary
(For the Acting Secretary of State).

TREASURY DEPARTMENT,
GENERAL COUNSEL,
Washington, D. C., May 18, 1955.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of May 10, 1955, requesting a statement of this Department's views on H. R. 5695, to continue until the close of June 30, 1958, the suspension of certain import taxes on copper. You stated that if the Department's views are the same as those expressed in a report to the Committee on Ways and Means, copies of that report would be satisfactory.

This Department did not submit a written report to the Committee on Ways and Means on H. R. 5695. However, it did report on an identical bill, H. R. 3202. There are enclosed copies of the Department's report on H. R. 3202.

Very truly yours,

DAVID W. KENDALL,
General Counsel.

MARCH 8, 1955.

Hon. JERE COOPER,
Chairman, Committee on Ways and Means, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of February 2, 1955, requesting a statement of this Department's views on the bill (H. R. 3202) to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

The proposed legislation would amend the act of May 22, 1951 (Public Law 38, 82d Cong.), to continue until June 30, 1958, the suspension of the import taxes imposed by the Internal Revenue Code on articles other than copper sulphate and other than composition metal provided for in paragraph 1657 of the Tariff Act of 1930, as amended, which is suitable both in its composition and shape, without further refining or alloying, for processing into castings, not including as castings; ingots or similar cast forms. The present suspension will terminate on June 30, 1955.

It is suggested that the bill also provide for the substitution of "section 4541 of the Internal Revenue Code of 1954" for "section 3425 of the Internal Revenue Code" in both places where the latter appears in the act of May 22, 1951.

This Department anticipates no unusual administrative difficulties under the proposed legislation and would have no objection to its enactment.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

"ACT OF MAY 22, 1951 (PUBLIC LAW 38, 82D CONG.)

"*Be it enacted, etc.*, That the import tax imposed under section 3425 of the Internal Revenue Code shall not apply with respect to articles (other than copper sulfate and other than composition metal provided for in paragraph 1657 of the Tariff Act of 1930, as amended, which is suitable both in its composition and shape, without further refining or alloying, for processing into castings, not including as castings ingots or similar cast forms) entered for consumption or withdrawn from warehouse for consumption during the period beginning April 1, 1951, and ending with the close of [June 30, 1955] *June 30, 1958: Provided*, That when, for any 1 calendar month during such period, the average market price of electrolytic copper for that month, in standard shapes and sizes, delivered Connecticut Valley, has been below 24 cents per pound, the Tariff Commission, within 15 days after the conclusion of such calendar month, shall so advise the President, and the President shall, by proclamation not later than 20 days after he has been so advised by the Tariff Commission, revoke such suspension of the import tax imposed under section 3425 of the Internal Revenue Code.

In determining the average market price of electrolytic copper for each calendar month, the Tariff Commission is hereby authorized and directed to base its findings upon sources commonly resorted to by the buyers of copper in the usual channels of commerce, including, but not limited to, quotations of the market price for electrolytic copper, in standard shapes and sizes, delivered Connecticut Valley, reported by the Engineering and Mining Journal's 'Metal and Mineral Markets'."

Mr. BYRD. Mr. President, I hope that the Senate will sustain the action of the Senate Finance Committee and of the House, and will vote to pass the bill.

GOVERNMENT PAYS NO TARIFF ON MATERIALS STOCKPILED

Mr. MALONE. Mr. President, I have listened attentively to the distinguished Senator from Virginia, chairman of the Finance Committee [Mr. BYRD].

I wish to say, in the first place, that the Government, in importing any material for its use in stockpiling, does not pay the tariff, regardless of what arrangements have been made before.

If the material is imported by a private company and processed and fabricated for the Government, the private company pays a tariff when the material comes into the country, and it is charged back to the Government when the company gets paid for the processed material. The money goes out of one pocket into another.

FREE-TRADE FALLACIES EXPOSED

There are a couple of fallacies which have been very widely circulated. The first is that if we are to have foreign trade, we must have free trade.

Following the passage of the 1934 Trade Agreements Act, and until the present moment, we have not had the percentage of foreign trade with respect to our exportable goods that existed previous to the enactment of the act. We have always had foreign trade. No individual or nation buys an article from someone else if he himself can produce the article conveniently. When an individual or nation cannot conveniently produce an article, the article will be bought wherever the required grade can be bought at the lowest cost.

That is certainly not true in the case of our country. We have priced ourselves out of the world markets.

THREE COMPANIES DETERMINE HOW MUCH COPPER IMPORTED

This free trade act effectively prevents any independent private investment, demonstrated by the fact that 3 copper companies in the United States, which produce 80 percent of the copper, determine the amount to be imported and the amount to be produced.

The 36-cents-a-pound price is fixed by the companies. So that if an independent investor, desiring to engage in the business, were silly enough to put $10 million or $15 million into the business, and he needed a price of 36 cents a pound to operate, he would suddenly find the price cut to 28, 25, or 20 cents a pound, where it would remain until he was out of business, and then the price would go back to what it was formerly, or higher.

In closing, I wish to call attention to the fact that, regardless of all the talk about free trade, the large copper companies now control the processing copper companies, such as the Chase Brass & Copper Co., the Kennecott Wire & Cable Co., and the American Brass Co.

RELATIONSHIP OF FABRICATING AND PARENT COPPER COMPANIES SHOWN IN TABLE

Mr. President, I have already introduced into the RECORD tables showing that these same copper companies who want the raw material imported free of duty control these fabricating companies producing most of the manufactured and processed copper articles, and that they demand and have established a 15 to 60 percent ad valorem duty or tariff on these articles.

They, like all people, want free trade on what they buy and a tariff on what they sell.

TARIFF ON WHAT THEY SELL AND FREE TRADE ON WHAT THEY BUY

Mr. President, the tariff on processed products varies from 15 to 60 percent ad valorem value on all processed products.

A table showing the tariff or duty on selected processed copper products has already been introduced into the RECORD.

FREE TRADE FOR IMPORTED RAW MATERIALS, PROTECTION FOR PROCESSED PRODUCTS, AIM OF MANY

Mr. President, the tariff on shoe fasteners is from 40 to 60 percent; on dental instruments, from 17½ to 22 percent; on kitchenware brass, table, household, and hospital, 15 percent ad valorem. And so it goes, but they want free trade on the raw material they buy—copper.

Every processed product is protected, but the processor wants the raw material imported free, just as every producer in the United States wants material he desires to buy brought in under free trade, and tariffs applied to products he sells.

The PRESIDING OFFICER. The question is on the final passage of H. R. 5695.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MALONE. Mr. President——

The PRESIDING OFFICER. The time of the Senator from Nevada has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 3 more minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 3 minutes more.

INVESTORS DARE NOT INVEST MONEY UNLESS GOVERNMENT BECOMES FULL PARTNER

Mr. MALONE. Mr. President, just before the quorum call, I had explained that in the case of copper or any other commodity which needs the protection of a tariff, as it is customarily called, in order to make up the difference between the wage standard of living, taxes, and the cost of doing business in the United States, and the corresponding cost in the chief competitive nation, if a free-trade policy is established—which is being done in this case—it means that no independent, private investments will be made in that business unless, generally speaking, the Government provides most of the money. In other words, the investors invented the phrase that "unless the Government becomes your partner, you dare not put your money in the business."

Previously, I pointed out that the Government put $94 million into a copper-development project in Arizona—to which I had no objection, simply because if there is to be free trade it must be financed, at least in part, by the Government, because otherwise no independent private funds will go into the business.

PROTECT ALL AMERICAN INDUSTRIES, RAW MATERIAL, AND PROCESSING ALIKE

I also called attention to the fact that the same companies which are asking for free trade in the case of copper own most of the processing copper companies; and those companies, together with the same companies which want free trade, have in the case of every product they make the benefit of a tariff ranging from 15 to 60 percent ad valorem. Without it, they would not be in business 60 days.

Mr. President, I am in favor of the protection of these fabricated products; and I also favor having a tariff or duty to make up the difference between the wage standard and taxes and cost of

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doing business in the United States, and the corresponding cost in the chief competitive nation, in the case of copper since no independent investments will be made in this field without it.

FREE TRADE MAKES NATION DEPENDENT ON FOREIGN AREAS ACROSS MAJOR OCEANS

What the absence of such a tariff or duty is doing, and will continue to do, is to make us dependent upon off-shore areas, across major oceans, for critical materials we must have for peace or war, and then cannot secure them when the war is on. I am referring now to South Africa, where some of the greatest copper deposits in the world are located. That factor alone could lose a war—in addition to destroying the independent investor and workingmen in that field.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back or has expired.

If there be no amendment to be proposed, the question is, Shall the bill pass?

The bill (H. R. 5695) was passed.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2168.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. Calendar No. 502, Senate bill 2168, to amend the Fair Labor Standards Act of 1938, in order to increase the national minimum wage, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed unanimous-consent agreement, which I ask to have stated.

The PRESIDING OFFICER. The proposed agreement will be stated.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, during the further consideration of the Senate bill 2168—the Fair Labor Standards Amendments of 1955—debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader; *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

The Chair hears none, and the agreement is entered into.

The bill is open to amendment.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time required be not charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I yield 20 minutes to the distinguished Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, yesterday the Committee on Labor and Public Welfare reported Senate bill 2168, a bill to amend the Fair Labor Standards Act of 1938. The bill has been very thoroughly considered. The subcommittee held hearings for nearly 5 weeks and took more than 2,000 pages of testimony and evidence, which it considered. This testimony and evidence are contained in the three volumes which are on the desks of Senators.

We listened to more than 200 witnesses, representing all points of view, and we tried to give every interest a fair opportunity to be heard.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSON of Texas. I am obliged to leave the Chamber temporarily. I should like to ask the Senator from Illinois a question. He has stated that the pending bill was reported from the Committee on Labor and Public Welfare. What was the vote by which the bill was ordered to be reported by the committee?

Mr. DOUGLAS. The final vote was a viva voce vote, and no formal record was made. A previous motion, to establish a wage of 90 cents, had been defeated by a vote of 11 to 2, but no formal record was made of the final vote. It was a voice vote.

Mr. JOHNSON of Texas. For the information of the Senator from Illinois and other Members of the Senate, under the unanimous-consent agreement 1 hour may be taken on each amendment, to be equally divided, and 2 hours on the bill, to be equally divided. It is the plan of the leadership to have the Senate remain in session late this evening, if necessary. So far as I know, there are not many amendments—at least, I hope there are not. There is every reason to believe that it may be possible, if there are not many amendments, to vote on the bill this afternoon. If we are unable to do so, it is my hope that the Senate will convene early tomorrow and try to vote on the bill tomorrow.

The bill represents the overwhelming sentiment of members of the Committee on Labor and Public Welfare, who spent several months considering it. I hope the bill reported by the committee may be passed by the Senate without amendment. If that can be done, I hope it can be done today.

I thank the Senator.

Mr. DOUGLAS. I thank the Senator from Texas. I assure him that I share his hope that the bill may be passed without amendment.

Mr. President, I wish to express my appreciation to the chairman of the Committee on Labor and Public Welfare, the eminent senior Senator from Alabama [Mr. HILL], and other members of the committee; also to members of the subcommittee on both sides of the aisle, who worked very long and faithfully on the bill. I also wish to express my appreciation to the very competent staff which we assembled. The staff not only helped to prepare the brief report which was submitted, but also prepared a very thoroughgoing analysis of the evidence, 10 copies of the proofs of which I have before me. I shall be glad to furnish a copy to any Senator who wishes it. The analysis will be in final form tomorrow.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HILL. I deeply appreciate the words of the Senator from Illinois. However, in all frankness and candor, I should say that appreciation should be expressed to the Senator from Illinois for the very exceptional work he has done on the bill. As Senators well know, the reports of the hearings are very voluminous and comprehensive. The Senator and his subcommittee heard about 225 witnesses, from all over the United States, and went into the subject very thoroughly and painstakingly. We know that during a considerable part of the hearings the Senator from Illinois was not well. He has been tortured by a very virulent and tedious ailment. Nevertheless, he has carried on, and he has reported the bill which is now under consideration.

I wish to express to the Senator from Illinois my great appreciation and my hearty congratulations for the exceptionally fine and able task he has performed in bringing the bill before the Senate.

Mr. DOUGLAS. I thank the distinguished Senator from Alabama. It was a great privilege to have a modest share in the preparation of the pending bill. In the words of Justice Holmes "It is extraordinary with what fortitude a man can listen to excessive praise of himself."

The committee has reached the conclusion, after very full consideration of the evidence, that the time has come to increase the basic wage from 75 cents an hour to $1 an hour, and to make this increase effective on the 1st of January 1956.

The committee decided that it would not consider at this time any amendment dealing with coverage or exemptions

from the act. That issue is very complicated and needs a great deal of study; and the committee felt, therefore, that this issue should be postponed. However, it intends to give further study to it, and, as soon as practicable, develop, we hope, a legislative measure which may be presented to Congress early in the next session.

It is proper to ask, What were the considerations which influenced us to recommend a minimum wage of $1 an hour, with coverage unaltered?

In the main, they were two: the increase in the cost of living since the minimum wage was last raised, in 1950, and the increase in productivity since that time. We have analyzed the cost of living index of the Bureau of Labor Statistics very carefully indeed, and we find that that increase since January 1950, is almost precisely 14 percent. On one basis it is 13.6 percent, and on a more refined weighted basis, affecting low-income families, it is 14.1 percent. The general average of 14 percent is probably the closest that can be reached.

If we take the 14 percent increase, it means that now 85½ cents would be the equivalent of 75 cents in January 1950. That is, it would now take 85½ cents to buy the same physical quantity of goods and services which 75 cents could have purchased in 1950.

Therefore, an increase of 10½ cents would be needed to put the worker in precisely the same physical position in which he was more than 5 years ago. However, as we all know, since that time there has been a general increase in physical productivity in industry as a whole and in virtually every individual industry; and up to date there has been a general increase in productivity of approximately 19–20 percent.

We know that since the last amendments to the act went into effect there has been, and until the 1st of January, during the coming 6 months, there will be a continuing increase. Therefore we are perfectly safe in saying that the increase by the first of January will be a little more than 20 percent over the initial period.

We believe that labor, particularly the lower ranks of labor, should share in this increase in productivity, and that it is not fitting for labor merely to stand still, when the economy as a whole is advancing.

If we apply the 20 percent increase either to the original 75 cents or to the 85½ cents, we get a figure somewhere between 99½ cents and $1.02. Therefore we felt that a wage of $1 an hour was completely justified.

Perhaps a question should be raised as to why we did not increase the minimum wage to $1.25. That is what I believe many of the members of the committee desired. It is true that in order to provide what we call a minimum standard of living, even for a single man and a single woman, a wage somewhere between $1.15 and $1.28 would be required. We had great sympathy for such a proposal; but we felt it would impose too great a shock on the economy. A wage of $1.25 an hour would mean an increase of 50 cents, or 67 percent. That would be too severe for many industries and for many firms to absorb.

The present act has a dual purpose: To assure to the workers an adequate standard of living, and not to curtail employment substantially. We were rather loath to go as high as $1.25, lest it have an adverse effect on employment. We believe, therefore, that the recommended increase to $1 is a happy reconciliation of these two purposes. It is our belief that the economy can absorb the recommended increase in the minimum wage.

We have studied the effects of increasing the basic wage from 40 cents to 75 cents in 1950. Such study showed that that increase had very little adverse effect upon employment. It is true that the Korean war began in June, but the amendments to the act went into effect in January. Therefore, there was a period of 6 months during which there was no war stimulation; indeed, we were just emerging from a recession. But in spite of that fact, very little, if any, adverse effect upon employment was noted by the Department of Labor in the very thorough study it made. We believe that the effect of the dollar minimum will be closer to the effect of the increase in 1950 than a 90-cent minimum would be, and that, on the whole, the relative increase in the wage bill in 1950 was closer to the relative increase that would be caused by a dollar wage than by a 90-cent wage.

Therefore, we feel that the dollar wage is superior to the 90-cent wage as a minimum. The 90-cent wage would little more than compensate for the increase in the cost of living since 1950, and would allow a maximum of only 4½ cents an hour for increased productivity, for the elimination of substandard living, and so forth.

The committee feels the American economic system has demonstrated, and will continue to demonstrate, its capacity for continuous growth and development.

In times past the Fair Labor Standards Act has suffered, and perhaps it suffers at this moment, from the fact that revisions are made sporadically. The increase was postponed from 1944 to 1949; therefore, instead of a gradual increase, a jump was then made from 40 cents to 75 cents.

I believe it would have been well, had we been able to do so, to have increased the wage since 1950 and to have taken account both of the increased productivity and the increase in the cost of living which has occurred.

We would like to provide a method of easier transition to higher schedules in the future; and the bill which the committee has reported requires the Secretary of Labor to include in his annual report recommendations for any changes in the amount of the minimum wage which he may deem advisable to make. In making his recommendations, the Secretary is also required, under the bill, to take into consideration any changes which may have occurred in the cost of living, changes in productivity, changes in the levels of wages and manufacturing, the ability of industry to absorb wage increases, and such other factors as he may deem relevant.

We believe this requirement of reporting annually to the Congress and making definite recommendations will make it possible for the Congress to act more quickly in the future than has been the case in the past.

Although the chairman of the subcommittee must confess to the personal belief that perhaps in the future we may want to return to some of the principles established in the original 1938 act and create wage boards to deal with specific industries which may have a greater ability or a lesser ability to increase wages, that, however, is merely the personal opinion of the chairman and is in no sense a recommendation of the committee.

Mr. President, I think I should say a word or two about the problem of Puerto Rico and the Virgin Islands. This was the most perplexing problem with which the committee had to deal. We were torn between two sets of valid considerations. On the one hand, we wished to protect the workers in Puerto Rico from low wages and to improve their condition to the degree that legislation can improve the condition of wage earners. We did not wish the mainland to be subjected to unfair low-wage competition from Puerto Rico. But we were also fully aware that Puerto Rico is faced with a difficult economic problem in that it has a comparatively large population for a relatively small area which is not too fertile; that the pressure of population upon the physical resources of Puerto Rico is great; that the productivity of labor in agriculture is relatively low, and that the population is growing at the rate of from 50,000 to 60,000 a year, since the death rate has decreased from approximately 18 per 1,000 to less than 8 per 1,000 in 15 years, while the birth rate has not changed. We did not wish to impose on Puerto Rico wage standards which would cripple the industry of that Commonwealth, because we know that at least one of the remedies for the situation in Puerto Rico is to have as rapid an industrialization of that country as may be possible.

Minimum wages in Puerto Rico have been set by wage boards which, in general, have operated with great slowness and have established a wide variety of wages, ranging, a few days ago, from 17½ cents an hour in the needle trades up to the full 75 cents provided on the mainland for wages in heavy industries and finance.

On Monday of this week, 2 days ago, the minimum wage in the needle trades, which had been 17½ cents, was raised to 22½ cents. It will, therefore, be seen that as of the present moment the minimum wage in the lowest-wage industry in Puerto Rico is approximately 30 percent of the American minimum. This, I may say, is about the relationship between the average wage in Puerto Rico and the average wage in the United States.

We have made a series of recommendations, after consultation with representatives of Puerto Rico and representatives of the unions, which I think are not satisfactory to either group. The Secre-

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tary of Labor of Puerto Rico, Mr. Sierra, has informed me that he cannot support these recommendations either in principle or in respect to the steps in the formula which we have developed. However, I believe our recommendations constitute the best solution we could find.

So the bill provides that, in the case of industries in Puerto Rico whose basic wage has not been increased during 1955, on the 1st of January 1956 wages shall be increased by the same relative amount as the increase in the minimum in this country. Since that increase is 33⅓ percent, namely, from 75 cents to $1, in Puerto Rico a minimum wage of 30 cents would become 40 cents, a wage of 45 cents would become 60 cents, a wage of 75 cents would become $1, and so on. That is to take effect as of the 1st of January 1956.

In the case of industries, notably the needle trades, where an increase has been in effect during 1955, and prior to July 1, 1955, on the 1st of January 1956 there is to be an absolute increase of 7½ cents an hour. That will raise the needlework minimum from 22½ cents to 30 cents an hour.

In the case of 2 or 3 other industries——

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 5 additional minutes to the Senator from Illinois.

Mr. DOUGLAS. In the case of 2 or 3 other industries where the wage will be increased during 1955, but subsequent to July 1, then 1 full year after the new order has gone into effect, the statutory minimum will be raised by one-third. That would mean that industries in which the increase takes place on the 1st of September of this year will have until September 1956, when the wage will go up by one-third.

Finally, there is a target date of January 1, 1958, 2½ years from now, and 2 years after the act goes into effect both in Puerto Rico and on the mainland, when wages in Puerto Rico will be raised above their July 1, 1955, rates by the same absolute amount that the minimum in the United States is raised on the 1st of January 1956, namely, by 25 cents an hour.

In the case of the needle trades in Puerto Rico it will mean that on the 1st of January 1958, the minimum will be 47½ cents an hour.

It will be noted that on the 1st of January 1956, the minimum wage in the Puerto Rican needle industry will still be 30 percent of the United States minimum, but after 2 years the differential is to be reduced, and on the 1st of January 1958, the Puerto Rican minimum will be 47½ percent of the wage which we are now establishing, but we hope and believe that during those 2½ years the actual wages in the United States will go forward.

The intermediary steps between the 33.3 percent increase and the 25-cent increase to be achieved by January 1, 1958, are determined by wage boards. We have cut some of the red tape in connection with the establishment and operation of wage boards which in the past has greatly slowed down procedures.

The bill also provides for the Secretary of Labor to make recommendations to the Congress for slowing down the rate of increase if an unforeseen emergency situation arises.

Mr. President, I think that includes virtually all the substantive features of the bill. I believe it is a good bill, and I hope it will commend itself to the Congress and to the public.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, I yield to the senior Senator from New Jersey. How much time does the Senator yield himself on the bill?

Mr. SMITH of New Jersey. I yield myself a half hour; I may not use it all.

The PRESIDING OFFICER. The senior Senator from New Jersey is recognized for 30 minutes.

Mr. SMITH of New Jersey. Mr. President, in opening my remarks, I wish, first, to extend my compliments to the senior Senator from Illinois. He is chairman of the labor subcommittee and was one of the most faithful chairmen I have ever observed conduct a series of hearings. I myself, as a member of the subcommittee, tried, so far as I could, to attend most of the hearings, but I had some obligations in the Committee on Foreign Relations, so I could not always attend the hearings of the labor subcommittee of the Committee on Labor and Public Welfare.

The Senator from Illinois conducted the hearings in the fairest possible way, and assembled a splendid array of witnesses.

I am in accord with most of the bill and report except the figure set for the minimum wage itself. I agree with what the Senator from Illinois has said about the Puerto Rican situation. I especially agree with the suggestion in the report and the provision in the bill itself with regard to a periodical checkup by the Department of Labor and requiring the making of reports and recommendations based on changes in living conditions, changes in productivity, and so forth. I think this is most desirable.

But I admit that I am disturbed by the rate of $1 which has been suggested by the committee. As we all know, a 90-cent minimum wage was the recommendation of the administration, and on January 6 I introduced a bill so providing. So I feel I am justified in saying a word in defense of the position of the administration.

Since the proposal of a $1 minimum wage has been published in the press I have received a good many calls and communications from small-business people, who say that the effect of the difference between 90 cents and $1 will be such as to put some of them out of business and to cause unemployment. It is very hard to dispute that claim.

While I do not attempt to speak dogmatically on the question, I am nevertheless convinced that some business people, especially in my State, are disturbed about the proposed increase in the minimum wage rate to $1. Principally, they are small-business men who are employers of probably 100 persons or less. I have not thought in terms of suggesting any exemptions for small companies, because I do not believe it would be wise to extend the exemption list on the basis of size or any other basis. But I feel that if we are to vote upon a bill providing for a $1 minimum wage we should consider some of the results which might flow from the establishment of such a rate.

It is my purpose, for the RECORD, to make clear my own position and to state why I feel that a minimum wage of $1 would be too high, and why the 90-cent figure would be sounder in light of the whole record which has been made.

The Senate is now considering a review of the level of the minimum wage under the Fair Labor Standards Act as reported by the Committee on Labor and Public Welfare. I want to state briefly why I think that the minimum wage should be raised to 90 cents an hour for all the workers to whom it now applies, as proposed in S. 57, the bill introduced by me on January 6, 1955, and why I am convinced that it would be unsound to attempt raising it to more than 90 cents at this time.

At the outset, I point out that there is apparently a great deal of misunderstanding about the nature and the purpose of the Federal minimum wage. The minimum wage is not meant to be a tool for creating inflation. It is the policy of the Eisenhower administration to stabilize the value of money and to encourage a sound and healthy growth of the American economy. The minimum wage law does not attempt to regulate the entire wage structure of this country. The minimum wage merely sets a floor under wages for covered employment. The minimum wage law certainly is not intended to direct the growth of various branches of industry or to direct the development of various regions of the country. However, to some extent its operation serves to temper the rate at which movement of industry may take place. In this way it moderates too abrupt a change away from any area and helps all parts of the country to move forward.

I think we are all generally agreed that the minimum wage, when properly applied, has a wholesome effect on the entire wage structure.

The basic idea underlying the minimum wage provision is very simple. If a particular job cannot support the minimum wage that the Congress deems suitable and feasible in terms of current economic conditions, then that job is not worth doing. The marketplace does not want it. If the job can support the minimum but is not now doing so, it is the function of the minimum wage to encourage improvement. This clearly implies that the upward pressure exerted by the minimum wage provision must be within the amount that the bulk of the low-wage plants can reach for. If more than that is required by the law, the results would be noncompliance, or layoffs of low-paid workers in large numbers, or business failures among those businesses which must absorb the burden of the increase in the minimum.

The question of the extent to which the minimum wage can be raised must be

answered in terms of how much of a rise can be successfully sustained by low-wage branches of industry and low-wage covered employments generally. This central question must be emphasized, for so much of the talk on the subject of minimum wages has been only indirectly related to the real question. Small business, especially, is vitally concerned with a realistic answer to the basic question.

I am speaking now of small business in my own State particularly.

A few of the basically irrelevant points to which reference has been made are such overall aggregates and averages as total corporate profits, national income, average wages for all manufacturing, the consumer price index, and estimated trends in overall productivity. Upward movements in these yardsticks encourage the belief that the underlying economic situation is favorable to an increase in the minimum wage, but they do not tell us how much the minimum wage can be raised without adverse effects of a serious nature on the earnings of the low-paid workers and the survival of marginal businesses. Changes in the cost of living make it important for us to review the minimum wage. We would certainly want to do everything we can to restore buying power of the minimum wage that was lost in the Korean war inflation. If all of that can be restored without serious harm to the low-paid workers, whom the law is intended to benefit, we should certainly do it. If more than that can be done without such adverse effects we should do more.

We must first determine what proportion of the employees in low-wage branches of industry would have to receive a wage increase in order to bring them exactly to the new minimum, and how much this would add directly to the wage bill of their employers. We have information on what these proportions would be for several low-wage industries. This is available now since there were surveys of wages just before and just after the 75-cent minimum wage became effective on January 25, 1950. These surveys show how much was absorbed in the immediate short-run period. However, longer-run effects of the 75-cent rate were mitigated by the Korean war inflation. In addition to these studies, some surveys were made in 1954 which give us a recent statistical base that is especially valuable since wages in low-wage industries have been relatively stable since these surveys were made.

On the basis of this actual survey information, compiled and released by the Department of Labor, we find that the direct wage-bill impact today of the 90-cent rate which I recommend would be equivalent to the impact in 1950 of the 75-cent rate. An attempt has been made to relate the two figures.

Even considering that impact as justified, we must remember that there were highly favorable factors when the 75-cent rate was introduced that made it relatively easy to sustain. For example, residential construction increased one-third between January 1949 and January 1950. I checked these figures yesterday. This created a strong demand for lumber and was a powerful factor in helping the Southern sawmilling industry to sustain the enormous increase in wages required by the 75-cent rate. That rate was raised from 40 cents to 75 cents, as we know.

Also, the low-wage industries generally were in a favorable position as a result of a vast reserve of consumer purchasing power built up during World War II and the post-war inflation when goods were scarce.

But no increase in construction such as accompanied the introduction of the 75-cent rate can be expected now. There is now no inflationary pressure such as I have just described as of 1950. We must always remember that we do not know what the longer-run effects of the 75-cent rate would have been. Nevertheless, I believe we should attempt the maximum increase that has any reasonable expectation of success.

I believe from my study of the evidence before the committee and from the analysis made by my staff that the increase should be to 90 cents—the figure provided in the bill which I introduced—and no more at this time.

A minimum wage of $1 would have more than double the impact on low-wage industries that the 90-cent rate would have.

It appears, superficially, as though the difference between 90 cents and $1 is not large. But statistics show that a minimum wage of $1 would have a much greater impact on low-wage industries than a 90-cent minimum wage would have.

We cannot forget that anything over 90 cents goes beyond any basis in experience. There is serious danger that more than doubling the impact by moving to a dollar would create serious hardship among the low-paid workers whom the law is intended to help. It also invites added exemptions from the law as an alternative to large-scale unemployment of the low-paid workers.

Raising the minimum above 90 cents may win some public acclaim from some quarters, but not from the low-paid workers who are hurt by it. The man who has lost a job paying a dollar an hour does not benefit after he has been laid off.

So, in concluding these brief observations, I should like to stress four points.

First. As I read the testimony, and as my staff has studied it, a 90-cent minimum wage would have the same impact that the 75-cent minimum had in 1950, except that the favoring circumstances which existed then are not present now. In other words, even the 90-cent minimum wage, which I am advocating and supporting, involves some dangers, if we compare it with the 75-cent minimum wage fixed in 1950.

Second. Establishment of a $1 minimum would create more than double the impact of a 90-cent minimum.

Third. A 90-cent minimum involves dangers, but a $1 minimum could probably not be successfully absorbed. That is what some of us are concerned about. If the $1 minimum could not be successfully absorbed, there might be more layoffs than we should reasonably expect in these good times.

Fourth. Unless a minimum-wage increase can be absorbed, it cannot benefit the low-paid workers for whom it is intended.

So my general conclusion, Mr. President, is that it would seem to be a wiser and safer policy to go more slowly and review the situation periodically, then provide increases paralleling the cost of living and paralleling the ability of small industries to adjust themselves to the increase.

Therefore, I submit the 90-cent rate is the maximum that can be sustained at the present time.

In this connection, Mr. President, I had thought of offering an amendment to the pending bill, in order to test the sentiment in the Senate with regard to the 90-cent rate recommended by the administration. On reflection, I realize a great many Senators are committed to the $1 minimum, and I realize the influence of the recommendation of the committee, so I am not going to offer the amendment. However, I shall offer an amendment, and now send it forward and ask that it lie on the table, to be called up later in the debate. This amendment has the purpose of doing what I set forth at the end of my introductory remarks, when I said it seems to be a wiser and safer policy to go more slowly and review the situation periodically.

The amendment which I intend to offer comes in on page 2, lines 7 and 8, and proposes to strike out the words "by striking out '75 cents' and inserting in lieu thereof '$1' ", and to insert in lieu thereof the following:

To read as follows:

"(1) not less than—

"(A) 90 cents an hour during the calendar year 1956,

"(B) 95 cents an hour during the calendar year 1957, and

"(C) $1 an hour after the calendar year 1957."

Mr. President, the purpose of the amendment is to give industries time to readjust to the change, so that complaint cannot be made by small industries, whose representatives have been calling on me, that fixing the effective date as the 1st of January 1956 does not give them time to readjust. Since the administration recommended a 90-cent minimum, most of them expected that would be the minimum wage, and they have been trying to readjust themselves to that figure. But if the minimum is to be fixed at $1 an hour beginning January 1, 1956, as is recommended by the committee, I am sure certain industries will be in trouble. Therefore I am suggesting that the minimum wage be fixed at 90 cents an hour during the calendar year 1956, at 95 cents an hour during the calendar year 1957, and at $1 an hour after the calendar year 1957.

I offer the amendment and ask that it lie on the table, to be called up later in the debate, after we have heard from other Senators.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The amendment will be received, and will lie on the table.

The bill is open to amendment.

Mr. HILL. Mr. President, on behalf of the majority leader, I yield the distinguished Senator from Illinois 5 minutes.

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Mr. DOUGLAS. Mr. President, I wish to thank the able Senator from New Jersey [Mr. SMITH] for the complimentary personal references to me, and to say that although the Senator from New Jersey was burdened with a very heavy load of work as a member of the Committee on Foreign Relations, the subcommittee considering the pending bill benefited from his presence and from his advice and assistance.

There are some points which the Senator from New Jersey has raised which should be answered in order that the record may be complete. The first is as to the relative scope and effect of the 90-cent-an-hour impact and that of the $1 minimum. Based on the distribution of actual earnings in April 1954, the introduction of a minimum wage of 90 cents an hour would directly increase the wages of only 1.3 million workers in this country, of whom an even 1 million would be in manufacturing, and the total direct increase in wages would amount to only $220 million, or three-tenths of 1 percent of the total wage.

On the same basis, the $1 minimum would increase wages for 2,100,000 workers, of whom 1,600,000 would be in manufacturing. It would effect a direct increase in wages of $560 million, or about seven-tenths of 1 percent of the total wage bill in covered employment.

Of course, there would be an indeterminate amount of indirect increase which such an increase would call into play. It would be of unknown magnitude, but as to certain cases we have checked, it would amount to about 20 percent of the direct benefit.

The Senator from New Jersey has stressed, as has the Department of Labor, the claim that the fixing of a 90-cent an hour minimum wage would have an effect more nearly approximating the rather successful effect of increasing the minimum in 1950, than would the fixing of a $1 minimum. The actual figures do not support this contention.

As a result of the 75-cent-an-hour minimum which was made effective in January 1950, the percentage of increase in wages in southern sawmills was 14 percent. There would be a 9-percent increase as a result of the proposed 90-cent minimum wage this year, or 5 percent less than occurred in January 1950. An increase in the minimum wage to $1 would cause an increase of 18 percent, or 4 percent more than in January 1950.

In establishments making men's dress shirts and nightwear, which is another low-wage industry, the increase in direct wages, as a result of the 1950 minimum wage, was 5 percent. The 90-cent minimum wage would increase wages by 3 percent. The $1 minimum would increase wages by 7 percent. So that in this case one minimum is over by the same amount that the other is under.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am happy to yield to the Senator from Kentucky.

Mr. BARKLEY. I suppose it may be an oversimplification, but in order to arrive at the net result of the legislation now proposed, I think it is desirable that we consider the results from a weekly basis. A minimum wage of $1, for an 8-hour day, and a 40-hour week, would mean $40 a week for a man who is working. Roughly, that is $160, or a little more, a month.

Mr. DOUGLAS. Or about $2,000 a year.

Mr. BARKLEY. Yes. It is rather difficult for me to conceive how any man with a family can maintain himself and his family on such a salary, in view of the high cost of rent, food, clothing, and everything else, which we all recognize, and of which we are all victims.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DOUGLAS. Mr. President, I request 5 minutes more.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes more to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for another 5 minutes.

Mr. BARKLEY. Mr. President——

Mr. DOUGLAS. Mr. President, I yield further to the Senator from Kentucky.

Mr. BARKLEY. I thank the Senator from Illinois.

Mr. President, let me say that it is hard to conceive how the head of a family could, on that wage, support his family, much less have anything left for luxuries or for anything beyond the bare necessities of life.

Mr. DOUGLAS. The answer is that the head of a family cannot support his family on such a wage. We have the benefit of studies which have been made in 34 cities. From those studies it is found that the cost of supporting a family of 4 ranges from about $3,700 to $4,300, at a minimum standard. The proposed minimum wage per hour, on the basis of 2,000 hours, would not enable a man to support a family, and not even support himself.

Mr. BARKLEY. The 90 cents an hour proposal submitted by the Senator from New Jersey would provide approximately $36 a week, instead of $40 a week.

Mr. DOUGLAS. That is correct.

Mr. BARKLEY. And for a month of 4 weeks, let us say, it would amount to $16 less, or approximately $192 less a year.

Mr. DOUGLAS. Or a total of about $1,800 for a 2,000-hour year.

Mr. BARKLEY. Yes. So, looking at it from the standpoint of the bare necessities—and every man who is responsible for the support of a family wants for them a little more than the bare necessities—it does not appear that we would be justified in reducing the minimum provided in the bill from $1 to 90 cents an hour.

Therefore, Mr. President, as for myself, I shall be compelled to vote against any such amendment, if one is offered.

Mr. DOUGLAS. I thank the Senator from Kentucky.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD three tables. One of them shows the estimated annual costs in 34 large cities as of October 1951, in the case of a city worker's family budget for four persons. Another table shows the cost of maintaining a self-supporting woman without dependents—and it would cost a man about as much; and the third table shows the average hourly earnings needed to earn the required amount, indicated by this second table.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—*Estimated annual costs in city worker's family budget for 4 persons, 34 large cities, October 1951*

City	Total October 1951 budget	March 1955
New Orleans, La	$3,812	$3,887
Kansas City, Mo	3,960	4,038
Mobile, Ala	3,969	4,047
Scranton, Pa	4,002	4,080
Portland, Maine	4,021	4,100
Indianapolis, Ind	4,044	4,127
Savannah, Ga	4,067	4,147
Philadelphia, Pa	4,078	4,158
New York, N. Y	4,083	4,163
Manchester, N. H	4,080	4,170
Cleveland, Ohio	4,103	4,183
St. Louis, Mo	4,112	4,193
Buffalo, N. Y	4,127	4,208
Norfolk, Va	4,146	4,227
Portland, Oreg	4,153	4,234
Minneapolis, Minn	4,161	4,243
Chicago, Ill	4,185	4,267
Memphis, Tenn	4,190	4,272
Detroit, Mich	4,195	4,277
Denver, Colo	4,199	4,281
Jacksonville, Fla	4,202	4,284
Pittsburgh, Pa	4,203	4,285
Cincinnati, Ohio	4,208	4,290
Baltimore, Md	4,217	4,300
Boston, Mass	4,217	4,300
Birmingham, Ala	4,252	4,335
San Francisco, Calif	4,263	4,347
Seattle, Wash	4,280	4,364
Houston, Tex	4,304	4,388
Los Angeles, Calif	4,311	4,395
Atlanta, Ga	4,315	4,400
Richmond, Va	4,338	4,423
Milwaukee, Wis	4,387	4,473
Washington, D. C	4,454	4,541

Source: Appendix III, table XIX.

TABLE 2.—*Current annual earnings required to earn an amount sufficient to maintain a self-supporting woman without dependents*

State	Date	Annual budget	Subsequent change in living costs	Current annual costs
(1)	(2)	(3)	(4)	(5)
New Jersey	October 1954	$2,933	−0.2	$2,927
Washington	May 1952	2,664	+1.2	2,695
New York City.[1]	September 1954	2,488	−.3	2,479
Utah	October 1950	2,230	+8.9	2,428
Maine	December 1950	2,236	+6.9	2,391
Pennsylvania	November 1949	2,121	+12.5	2,386
Arizona [2]	February 1954 [2]	[2] 2,312	[2] −.6	[2] 2,298
Kentucky	February 1949	1,992	+12.5	2,245
District of Columbia	May 1953	2,209	+.3	2,214
California	October 1950	2,004	+8.9	2,182
Connecticut	March 1949	1,867	+12.2	2,094
Colorado	January 1949	1,813	+11.3	2,018
Massachusetts	February 1954	1,967	−.6	1,961

[1] New York City budget is lower than the New York State budget.
[2] Median.

TABLE 3.—*Average hourly earnings needed to earn the required amount*

State	50 weeks at 40 hours	45 weeks at 40 hours	40 weeks at 40 hours
New Jersey	$1.46	$1.63	$1.83
Washington	1.35	1.50	1.68
New York	1.24	1.38	1.55
Utah	1.21	1.35	1.52
Maine	1.20	1.33	1.49
Pennsylvania	1.19	1.33	1.49
Arizona [1]	[1] 1.15	[1] 1.28	[1] 1.44
Kentucky	1.12	1.25	1.40
District of Columbia	1.11	1.23	1.38
California	1.09	1.21	1.36
Connecticut	1.05	1.16	1.31
Colorado	1.01	1.12	1.26
Massachusetts	.98	1.09	1.23

[1] Median.
Source: Appendix II, tables V–XVI.

Mr. KENNEDY. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. KENNEDY. The figures in the tables also show that there is not the tremendous variance between the cost of living in the North and the cost of living in the South there sometimes is said to be. For instance, I believe the figures show that, according to the Bureau of Labor Statistics, it costs more to live in Birmingham, Ala., than it does to live in Boston, Mass. I believe a similar situation is shown as between various other areas in the North and in the South.

Mr. DOUGLAS. The Senator from Massachusetts is correct. The index shows that as of March 1955, the cost for a family of 4 in Boston, Mass., would have been $4,300; and that with the same items, in the case of a family budget for 4 persons in Birmingham, Ala., the cost would be $35 more, or $4,335. So the Senator from Massachusetts is correct.

Mr. KENNEDY. I thank the Senator from Illinois.

Mr. DOUGLAS. Furthermore, as we suspect, Washington, D. C., seems to be the highest-living-cost city in the country.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Illinois yield to me for a question?

Mr. DOUGLAS. I am glad to yield.

Mr. SMITH of New Jersey. I ask the chairman of the subcommittee this question: Did not we discover that if we tried to obtain a figure which would take care of a family of four, we would have to increase the amount to $2-plus, or something of the sort?

Mr. DOUGLAS. That is correct.

Mr. SMITH of New Jersey. So we cannot consider the proper minimum-wage figure from that point of view.

Mr. DOUGLAS. But we should get closer to it.

Mr. SMITH of New Jersey. But if we get closer to it, some men will not have jobs, because some plants will be closed.

The information I have obtained from the Department of Labor and from some economists I know is that we are on very dangerous ground if we go above 90 cents an hour in setting the minimum wage.

But I do not wish to labor the point, because I know the Senator from Illinois has come to a different conclusion, and I certainly respect his views and his judgment.

Mr. DOUGLAS. I thank the Senator from New Jersey.

Mr. President, I say that if we consider merely the amount required to maintain a single woman for 50 weeks a year, at the rate of 40 hours a week, or a total of 2,000 hours, the average for 13 States would be $1.15 an hour; and for a single man, the amount would presumably be at least that much.

Certainly we would not maintain ethically that the head of a family should receive only enough to support himself, because there must be a surplus over and above that amount, in order to provide for meeting the family burdens.

So we feel that the estimate of $1 is extremely conservative, and that 90 cents an hour would fall very far short of the mark.

The PRESIDING OFFICER. The time of the Senator from Illinois has again expired.

Mr. DOUGLAS. Mr. President, I do not wish to take too much time, but I desire to deal with some of the contentions which have been made by the Senator from New Jersey.

Mr. JOHNSON of Texas. Mr. President, does the Senator from Illinois desire to have more time?

Mr. DOUGLAS. I should like to have 5 minutes more.

Mr. JOHNSON of Texas. Mr. President, I shall be delighted to yield the entire hour to the Senator from Illinois. However, he has already had 35 minutes, whereas the other side has used only 14 minutes. I understood that the Senator from New Jersey [Mr. SMITH] would speak for 30 minutes; but after speaking for only 14 minutes, he yielded back the remainder of his time.

At this rate, the Senator from Illinois will find himself in the position of having used all the time available on his side of the question, and with the remaining time available to the other side having been yielded back.

Mr. DOUGLAS. Mr. President, I wish to reply to the intellectual arguments which have been made, so that the RECORD will be complete and the public may know why we have acted.

Mr. JOHNSON of Texas. Mr. President, how much more time does the Senator from Illinois need?

Mr. DOUGLAS. Mr. President, if the Senator from Texas will yield just a further moment to me——

Mr. JOHNSON of Texas. I yield.

Mr. DOUGLAS. I wish to have printed at this point in the RECORD a table showing that the total effect of a $1 minimum wage would be very slight, even in the case of low-wage industries. For instance, if we consider the labor cost as a percentage of sales value and the ordinary retail markup, in the case of the southern sawmills, we find that the increase in retail price, due to a minimum wage of $1, assuming no compensating factors of any kind, would be only 3.84 percent; in the case of work clothing, it would be only 1.86 percent; in the case of men's and boys' dress shirts, it would be only 1.26 percent; and in the case of men's seamless hosiery, it would be only 1.29 percent.

I believe that all this evidence taken together indicates that, in all probability, the general economic effect of a $1 minimum wage would be good, and that it would have very few, if any, injurious effects.

I ask unanimous consent to have the table printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—*4 recently surveyed low-wage industries in which the wage bill would increase by 5 percent or more*

(1) Industry	(2) Percent of workers below $1	(3) Total number of workers in industry	(4) Increase in direct wage bill		(5) Allowance for indirect increase, percent	(6) Labor cost as percentage of sales value	(7) Percentage increase in sales value of manufactures due to minimum wage of $1			(8) Estimated retail markup, percent	(9)	
			Percent	Millions of dollars			Direct increase	Indirect increase	Total		Estimated markup as percentage of wholesale price	Increase in price due to minimum wage of $1 assuming no compensating factors of any kind, percent
Southern sawmills	84	171,000	18	49	20	25	4.54	0.91	5.44	30	42	3.84
Work clothing	67	66,000	11	13	20	20	2.2	.44	2.62	30	42	1.86
Men's and boys' dress shirts	46	89,000	7	12	20	22	1.75	.35	2.10	40	67	1.26
Men's seamless hosiery	45	32,000	6	4	20	30	1.80	.36	2.16	40	67	1.29

Sources: Department of Labor, Wage and Hour Division; Department of Commerce, Bureau of the Census, Census of Manufactures 1938 and 1947 and 1953 Annual Survey of Manufactures, Series MAS-53-5, Feb. 14, 1955.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. To which side will the time required for the quorum call be charged?

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the time required for the quorum call not be charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. KNOWLAND. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. I understand that the distinguished Senator from New Jersey [Mr. SMITH] has an amendment he wishes to offer.

The PRESIDING OFFICER. Without objection, the order for the quorum call is rescinded.

Mr. SMITH of New Jersey. Mr. President, on behalf of the distinguished Senator from Delaware [Mr. WILLIAMS]

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and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The CHIEF CLERK. On page 2, lines 7 and 8, it is proposed to strike out "by striking out '75 cents' and inserting in lieu thereof '$1'", and to insert in lieu thereof the following:

To read as follows:

"(1) not less than—

"(A) 90 cents an hour during the calendar year 1956,

"(B) 95 cents an hour during the calendar year 1957, and

"(C) $1 an hour after the calendar year 1957."

Mr. JOHNSON of Texas. Mr. President, I have an agreement with the distinguished Senator from New Jersey that I will yield back the remainder of my time, with the exception of 3 minutes, with the understanding that he will do likewise.

Mr. SMITH of New Jersey. I am glad to agree to that arrangement.

Mr. JOHNSON of Texas. The Senator from New Jersey has 3 minutes to explain his amendment.

Mr. SMITH of New Jersey. Mr. President, my amendment speaks for itself. In my statement a few minutes ago I referred to my feeling that it was dangerous to go beyond 90 cents. I suggested that the approach to the minimum-wage question should be in successive steps, so that those who will be required to make adjustments may have more time. Therefore my amendment calls for a rate of 90 cents during the calendar year 1956, 95 cents the calendar year 1957, and $1 thereafter. So, under my amendment, the $1 figure upon which the committee agreed and which it recommends would be reached, but it would be reached in successive stages.

I yield 1 minute of my time to the distinguished Senator from Delaware.

Mr. WILLIAMS. Mr. President, I am glad to associate myself with the Senator from New Jersey as a cosponsor of this amendment. I recognize that while a rate of 90 cents might be low, yet a job at 90 cents an hour is better than no job at $1 an hour. I feel that if we make the minimum wage too high, many men will find themselves out of jobs.

Personally, I am very much concerned that what we are doing here, instead of helping labor as they think, will in the long run actually hurt in that it only further contributes to the inflationary spiral now underway in this country. Temporary wage increases sound attractive, but unless they can be passed on into increased purchasing power they are false.

The large employers, represented by big business, are not affected by what we do here today. Their wage scale is already substantially above the minimum proposed, but our actions can and will have an adverse effect upon many small-business men, their employees, as well as our farmers throughout the country.

I think this amendment which I have joined with the Senator from New Jersey in offering represents more than a reasonable compromise in its approach.

There is a great danger that unless we are careful we can price the small employer and his employees out of the market.

I hope that this modification will be accepted.

Mr. SMITH of New Jersey. Mr. President, I yield 1 minute of my time to the Senator from Colorado [Mr. ALLOTT].

Mr. ALLOTT. Mr. President, I should like to make my own position on this subject clear. During the hearings I conferred repeatedly with my distinguished colleague, the chairman of the subcommittee [Mr. DOUGLAS] and stated my own position.

I do not believe that the unorganized and more sparsely populated areas of the country have been properly taken into consideration in determining the amount which should be the minimum wage. I favor the 90-cent figure, but I realize that there is very little prospect of such a measure passing this body. I therefore associate myself with my distinguished colleague, the Senator from New Jersey [Mr. SMITH] in his amendment.

Mr. SMITH of New Jersey. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, I yield myself such time as I may require.

The committee considered this question long and thoroughly. I am hopeful that we shall not start amending the bill.

I yield back the remainder of my time, and ask for a vote.

The PRESIDING OFFICER. Does the Senator from New Jersey yield back the remainder of his time?

Mr. SMITH of New Jersey. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been used or yielded back. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH] for himself and the Senator from Delaware [Mr. WILLIAMS].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. BUSH subsequently said: Mr. President, I ask unanimous consent to have printed in the body of the RECORD, before the vote on the minimum wage bill, a letter I have received from Mildred P. Allen, secretary of state of Connecticut, and House Joint Resolution 30, of the Legislature of Connecticut, memorializing Congress to enact legislation to increase the Federal minimum wage rate.

There being no objection, the letter and joint resolution were ordered to be printed in the RECORD, as follows:

JUNE 7, 1955.

Hon. PRESCOTT BUSH,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: By command of the General Assembly of the State of Connecticut, I am transmitting to you a copy of House Joint Resolution 30, memorializing Congress to enact legislation to increase the Federal minimum wage rate.

Sincerely yours,

MILDRED P. ALLEN,
Secretary of State.

House Joint Resolution 30

Resolution memorializing Congress to enact legislation to increase the Federal minimum wage rate

Whereas in today's highly competitive struggle for markets, Connecticut manufacturers are faced with unfair competition from a few States and areas with wage rates far below the national average; and

Whereas such large differentials present a serious threat to established industry in other parts of the Nation, particularly where labor is an important factor; and

Whereas the Connecticut textile industry has been especially hard hit by ruinous price competition based on low wage rates at a time when the industry nationally has been in a serious slump causing severe unemployment and wage cuts; and

Whereas extremely low wage rates in any part of the Nation are a drag on the entire national economy, reducing employment and income levels at a time when increased consumer purchasing power is essential to national economic health;

Resolved, That the general assembly now respectfully calls these facts to the attention of the Congress of the United States, and urges the immediate enactment of legislation to increase the Federal minimum wage rate to at least $1 per hour; and be it further

Resolved, That the Senators and Representatives from the State of Connecticut in the Congress of the United States are urged to use their best efforts in this behalf; and be it further

Resolved, That the secretary of state is hereby authorized and directed to transmit to the presiding officers of both branches of Congress and to the Senators and Representatives from the State of Connecticut in the Congress of the United States, duly certified copies of this resolution.

Passed house as amended, May 27, 1955.
Passed senate as amended, May 26, 1955.

In testimony whereof, I have hereunto set my hand, and affixed the seal of said State, at Hartford, this 7th day of June A. D. 1955.

MILDRED P. ALLEN,
Secretary of State.

Mr. KNOWLAND. Mr. President, unless there is a desire on the part of other Senators to speak on the bill, I am prepared to yield back the remainder of my time.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The bill having been read the third time, the question is, Shall it pass?

The bill (S. 2168) was passed, as follows:

Be it enacted, etc., That this act may be cited as the "Fair Labor Standards Amendments of 1955."

SEC. 2. Subsection (d) of section 4 of the Fair Labor Standards Act of 1938, as amended, is amended by adding at the end thereof the following: "Such report shall contain an evaluation and appraisal by the Secretary of the prevailing minimum wages established by this act, together with his recommendations to the Congress for any changes in such amounts as he may deem desirable. In making such evaluation and appraisal, the Secretary shall take into consideration any changes which may have occurred in the cost of living and in productivity and the level of wages in manufacturing, the ability of industries to absorb wage increases, and such other factors as he may deem pertinent."

SEC. 3. Effective January 1, 1956, paragraph (1) of subsection (a) of section 6 of such act is amended by striking out "75 cents" and inserting in lieu thereof "$1".

SEC. 4. Subsection (c) of section 6 of such act is amended to read as follows:

"(c) The provisions of paragraph (1) of subsection (a) of this section shall be superseded in the case of any employee in Puerto Rico or the Virgin Islands engaged in commerce or in the production of goods for commerce only for so long as and insofar as such employee is covered by a wage order heretofore or hereafter issued by the Secretary pursuant to section 8 of this act."

SEC. 5. Effective July 1, 1956, subsection (a) of section 8 of such act is amended by inserting at the end thereof the following: "Minimum rates of wages established in accordance with this section shall be reviewed by such a committee at least once each fiscal year."

SEC. 6. Subsection (d) of section 8 of such act is amended by striking out the second sentence and inserting in lieu thereof the following: "Upon the filing of such report, the Secretary shall publish such recommendations in the Federal Register and shall provide, under appropriate regulations or by order, a reasonable period in which interested persons may submit affidavits with respect to facts and file written statements of views or contentions on matters of law or fact which the Secretary is required by this section to consider in acting on such recommendations, and a reasonable further period in which such persons, before the effective date of any order or orders proposed by the Secretary to carry such recommendations into effect, may file exceptions to the order or orders proposed. After the termination of such periods the Secretary shall by order approve and carry into effect the recommendations contained in such report, if he finds that the recommendations are made in accordance with law, are supported by the evidence, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of this section; otherwise he shall disapprove such recommendations."

SEC. 7. Section 8 of such act is further amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting a new subsection (e) as follows:

"(e) Notwithstanding the preceding provisions of this section the Secretary of Labor shall issue such orders as may be necessary in order that minimum rates of wages to be paid under section 6 by employers in Puerto Rico or the Virgin Islands or in Puerto Rico and the Virgin Islands shall—

"(1) in the case of any such rate which has not been increased during the calendar year 1955, be increased effective January 1, 1956, by an amount equal to 33⅓ percent of such rate;

"(2) in the case of any such rate which has been increased during the calendar year 1955, be increased to the extent necessary in order that such rate shall, effective January 1, 1956, be 7½ cents an hour greater than it was on July 1, 1955, and shall, effective 1 year after the effective date of the last increase in such rate during the calendar year 1955, be 33⅓ percent greater than it was on July 1, 1955; and

"(3) in the case of all such rates, be increased to the extent necessary in order that any such rate shall on January 1, 1958, be 25 cents an hour greater than it was on July 1, 1955.

In computing rates to be established in accordance with this subsection, the Secretary shall, if the amount of such rate is not a multiple of one-half cent, increase or decrease such amount to the next multiple of one-half of 1 cent, except that multiples of one-quarter of 1 cent shall be increased to the next multiple of one-half of 1 cent."

SEC. 8. The Secretary shall submit a special report to Congress after January 1, 1957, but not later than June 1, 1957, with respect to the operation of the amendments made by this act affecting minimum wage rates in Puerto Rico and the Virgin Islands, and such report shall include an appraisal of the progress being made toward the achievement of the 25 cents per hour increase in minimum wage rates provided for in section 8 (e) (3) of the Fair Labor Standards Act of 1938, as amended by this act.

SEC. 9. The first sentence of subsection (a) of section 10 of such act is amended to read as follows: "Any person aggrieved by an order of the Secretary issued under section 8 of this act (other than an order so issued under subsection (e) thereof) may obtain a review of such order in the United States court of appeals for any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days after the entry of such order, a written petition praying that the order of the Secretary be modified or set aside in whole or in part."

SEC. 10. The term "Secretary" as used in this act and in amendments made by this act means the Secretary of Labor.

Mr. NEELY. Mr. President, this has been a senatorial red letter day for labor. With a minimum of debate, a maximum of efficiency and a majestic measure of humanity, we have amended the Fair Labor Standards Act by increasing the minimum wage from 75 cents to a dollar an hour. This action will cause rejoicing in thousands of American homes, happiness in tens of thousands of American hearts, and an increase in prosperity and the promotion of the general welfare all over the land.

Mr. HUMPHREY. Mr. President, will the Senator from West Virginia yield to me at this point?

Mr. NEELY. I gladly yield.

Mr. HUMPHREY. I wish to join with my friend, the great Senator from West Virginia, in heralding this occasion, namely, the passage of a fair labor-standards bill which provides $1 an hour as a minimum wage. Some of us had hoped the amount would be somewhat larger. But, surely, by this very decisive action in the Senate, we have raised the economic levels of vast numbers of persons in the United States.

Furthermore, I wish to compliment the Committee on Labor and Public Welfare for reporting the bill. As the Senator from West Virginia, who is a member of the committee, knows, there were many controversies over the terminology and details of the bill.

I think we owe an especial debt of gratitude to the Senator from Illinois [Mr. DOUGLAS], who was chairman of the subcommittee which handled and processed the minimum-wage proposal; and we also wish to extend the same commendation to the other members of the subcommittee who sat through the hearings.

I know that the working people of the State of Minnesota will be pleased to know that the Senate of the United States has now gone on record in favor of a minimum wage of $1 an hour. I think it is one of the best psychological answers we can give to people throughout the world concerning what the Congress thinks in terms of the men and women who work in the shops and the mines and the factories, whether organized or unorganized. Of course, this forward step is particularly important to the unorganized workers, inasmuch as the organized workers have already been able, through collective bargaining, to improve their economic position.

I also wish to thank the distinguished senior Senator from Texas [Mr. JOHNSON], the very able majority leader, for giving us his guidance and help in connection with this measure and, in fact, for providing for the action here on the floor of the Senate which brought about this result quickly and affirmatively, so there is no shadow of doubt where the Senate stands.

Mr. NEELY. Mr. President, let me wholeheartedly concur in the expressions of gratitude to the able Majority Leader. The distinguished Senator from Minnesota [Mr. HUMPHREY] is not the only one who hoped that the minimum wage would be increased to more than a dollar an hour. A number of the members of the Committee on Labor and Public Welfare, of which I was one, voted to increase the minimum to $1.25 an hour. But a majority of the committee were apparently of the opinion that it would be impossible to obtain final approval of an increase to more than a dollar.

Let me sincerely congratulate the eminent junior Senator from Massachusetts [Mr. KENNEDY] upon returning to Washington in unusual and difficult circumstances to vote for the bill in question, first in the committee and later on the Senate floor.

Mr. KENNEDY. Mr. President, I should like to express my appreciation to the Senator from West Virginia [Mr. NEELY] for his very kind remarks.

In January 1953 I introduced the first $1 minimum-wage bill. I had hoped the minimum wage would be set at $1.25, and that the coverage would be extended. But I did not think it would be possible to have such a bill passed at this time by the Congress.

I hope additional consideration will be given to this subject next year or the year thereafter.

I should like to associate myself with the remarks of the Senator from Minnesota [Mr. HUMPHREY] in regard to the very outstanding work the distinguished senior Senator from Texas [Mr. JOHNSON] has done this week. On Monday we passed an appropriation bill providing additional funds for health research, an extremely important matter. On

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Tuesday we passed the housing bill, which provides for 135,000 housing units—the number which, since 1945, we have been talking about as being needed each year.

Today we have passed the bill increasing the minimum wage to $1 an hour—a most important piece of legislation. In fact, all three of these bills are most important and very liberal.

So it is, Mr. President, that the distinguished senior Senator from Texas deserves the congratulations of all of us.

Mr. MANSFIELD. Mr. President, I wish to concur in the remarks of the Senator from Massachusetts, who, under great difficulties, returned to participate in the voting, today, on the bill which raises the minimum wage from 75 cents to $1 an hour.

I also wish to join the distinguished Senator from West Virginia [Mr. NEELY] and the distinguished Senator from Minnesota [Mr. HUMPHREY], as well as the Senator from Massachusetts [Mr. KENNEDY], in commending the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], for the fine organizational ability he has shown and for making it possible to have the Senate act on this measure without undue or prolonged debate. I also wish to congratulate him because of the fact that we were able to show to the country that on an occasion such as this, as well as on many other occasions, we are able to do what we think best for the welfare of the Nation as a whole, and to do it quietly and cooperatively.

Mr. JOHNSON of Texas. Mr. President, first of all, I wish to express my deep appreciation to all my colleagues who have been so generous to me, particularly the Senator from West Virginia [Mr. NEELY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Montana [Mr. MANSFIELD].

I should like to observe—and I particularly ask the attention of the Senator from Massachusetts [Mr. KENNEDY]—that after his recounting of the major legislation we have passed this week, it should be pointed out that if we could do that in the first week of his return to the Senate, it is wonderful to contemplate what we shall be able to do from now on, with his continued attendance.

Mr. KENNEDY. I thank the Senator from Texas.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (S. 600) to amend title 18 of the United States Code, relating to the mailing of obscene matter, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, each with an amendment, in which it requested the concurrence of the Senate:

S. 1747. An act to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto; and

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

The message further announced that the House had agreed to the amendments of the Senate to the amendment of the House to the bill (S. 654) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5085) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 6, 8, 11, 21, 34, 36, 38, 46, and 47 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 18 and 24 to the bill and concurred therein, each with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate numbered 14 and 15 to the bill.

The message also further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 619. An act to provide that all United States currency shall bear the inscription "In God We Trust";

H. R. 1015. An act for the relief of Mr. and Mrs. Derfery William Wright;

H. R. 1216. An act for the relief of Cathryn A. Glesener;

H. R. 1219. An act for the relief of the estate of Mrs. Margaret A. Swift;

H. R. 1245. An act for the relief of Marianne Anita Zelinka;

H. R. 1275. An act for the relief of Gennaro Savarese;

H. R. 1447. An act for the relief of Aleksandra Borkowski;

H. R. 1463. An act for the relief of Rudolfo M. Gomez (Capaz);

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

H. R. 1537. An act for the relief of Rogerio Santana de Franca;

H. R. 1538. An act for the relief of Jean Isabel Hay Watts;

H. R. 1540. An act for the relief of Mrs. Joan Craig Newell;

H. R. 1541. An act for the relief of Mrs. Maria Dicran Simon;

H. R. 1549. An act for the relief of Salvacion Carbon;

H. R. 1551. An act for the relief of Gualberto Estralla Alabastro, Pura Zarco Alabastro, and Arlene Alabastro;

H. R. 1552. An act for the relief of Dalisay Lourdes Cruz;

H. R. 1648. An act for the relief of Sister Luigia Pellegrino, Sister Angelina Nicastro, and Sister Luigina Di Martino;

H. R. 1661. An act for the relief of Kim Dong Su;

H. R. 1693. An act for the relief of Barbara Knape;

H. R. 1708. An act for the relief of Eugene Albert Bailly;

H. R. 1739. An act for the relief of William J. Bohner;

H. R. 1750. An act for the relief of Elena Gigliotti;

H. R. 1768. An act for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana;

H. R. 1883. An act for the relief of Margarete Gartner;

H. R. 1963. An act for the relief of Mr. and Mrs. Clarence M. Augustine;

H. R. 1997. An act for the relief of Linda Beryl San Filippo;

H. R. 2073. An act for the relief of Bengt Wikstam;

H. R. 2274. An act for the relief of Alejandro Florentino Munoz;

H. R. 2495. An act for the relief of Antoni Rajkowski;

H. R. 2721. An act for the relief of Mihai Indig;

H. R. 2724. An act for the relief of Miss Elvira Bortolin;

H. R. 2756. An act for the relief of Frank Scriver;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 2911. An act for the relief of Max Steinsapir;

H. R. 2925. An act for the relief of Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald;

H. R. 2929. An act for the relief of Lazara Camargo Bernoudy;

H. R. 2946. An act for the relief of Eugene Dus;

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education;

H. R. 3027. An act for the relief of Leo E. Verhaeghe;

H. R. 3048. An act for the relief of Assuntino Del Gobbo;

H. R. 3193. An act for the relief of Evelyn Hardy Waters;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody, or confinement after conviction, for arson;

H. R. 3270. An act for the relief of Giuseppa Arsena;

H. R. 3376. An act for the relief of Mrs. Mary A Sansone;

H. R. 3504. An act for the relief of Eveline Wenk Neal;

H. R. 3587. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California;

H. R. 3628. An act for the relief of Luise Isabella Chu, also known as Luise Schneider;

H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

H. R. 3636. An act to authorize the issuance of a land patent to certain lands situate in the city and county of Honolulu, island of Oahu, to the Protestant Episcopal Church in the Hawaiian Islands;

H. R. 3882. An act to require the registration of certain persons who have knowledge of or have received instruction or assignment in the espionage, counterespionage, or sabotage service or tactics of a foreign government or foreign political party, and for other purposes;

H. R. 3982. An act for the relief of James H. R. Stumbaugh;

H. R. 4026. An act for the relief of James C. Hayes;

H. R. 4162. An act for the relief of Kahzo L. Harris;

H. R. 4181. An act for the relief of P. F. Claveau, as successor to the firm of Rodger G. Ritchie Painting & Decorating Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

H. R. 4894. An act to repeal certain laws relating to timber and stone on the public domain;

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices;

H. R. 5512. An act to provide for the conveyance of certain property under the jurisdiction of the Housing and Home Finance Administrator to the State of Louisiana;

H. R. 5871. An act for the relief of Guy Francone;

H. R. 5875. An act to amend title 14, United States Code, entitled "Coast Guard," for the purpose of providing involuntary retirement of certain officers, and for other purposes;

H. R. 5876. An act to amend the copyright law to permit, in certain classes of works, the deposit of photographs or other identifying reproductions in lieu of copies of published works;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6082. An act for the relief of Nemoran J. Pierre, Jr.;

H. R. 6086. An act for the relief of certain relatives of United States citizens or lawfully resident aliens;

H. R. 6281. An act for the relief of Capt. William S. Ahalt and others;

H. R. 6282. An act for the relief of Nathan L. Garner;

H. R. 6395. An act for the relief of Thomas W. Bevans and others; and

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles, and referred as indicated:

H. R. 619. An act to provide that all United States currency shall bear the inscription "In God we trust"; and

H. R. 5512. An act to provide for the conveyance of certain property under the jurisdiction of the Housing and Home Finance Administrator to the State of Louisiana; to the Committee on Banking on Currency.

H. R. 1015. An act for the relief of Mr. and Mrs. Derfery William Wright;

H. R. 1216. An act for the relief of Cathryn A. Giesener;

H. R. 1219. An act for the relief of the estate of Mrs. Margaret A. Swift;

H. R. 1245. An act for the relief of Marianne Anita Zelinka;

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H. R. 1768. An act for the relief of the Jefferson and Plaquemines Drainage District and certain persons whose properties abut on the Federal Government's right-of-way for Harvey Canal in Louisiana;

H. R. 1883. An act for the relief of Margarete Gartner;

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H. R. 2724. An act for the relief of Miss Elvira Bortolin;

H. R. 2756. An act for the relief of Frank Scriver;

H. R. 2791. An act for the relief of Ofelia Martin;

H. R. 2911. An act for the relief of Max Steinsapir;

H. R. 2925. An act for the relief of Carmelo Rodriguez Perez, also known as Carmelo Rodriguez Fenald;

H. R. 2929. An act for the relief of Lazara Camargo Bernoudy;

H. R. 2946. An act for the relief of Eugene Dus;

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H. R. 3193. An act for the relief of Evelyn Hardy Waters;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction for arson;

H. R. 3270. An act for the relief of Giuseppa Arsena;

H. R. 3376. An act for the relief of Mrs. Mary A. Sansone;

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H. R. 3635. An act for the relief of Birgit Camara, also known as Birgit Heinemann;

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H. R. 5871. An act for the relief of Guy Francone;

H. R. 5876. An act to amend the copyright law to permit, in certain classes of works, the deposit of photographs or other identifying reproductions in lieu of copies of published works;

H. R. 5951. An act for the relief of Samuel E. Arroyo.

H. R. 6082. An act for the relief of Nemoran J. Pierre, Jr.;

H. R. 6086. An act for the relief of certain relatives of United States citizens or lawfully resident aliens;

H. R. 6281. An act for the relief of Capt. William S. Ahalt and others;

H. R. 6282. An act for the relief of Nathan L. Garner; and

H. R. 6395. An act for the relief of Thomas W. Bevans and others; to the Committee on the Judiciary.

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education; and

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices; to the Committee on Agriculture and Forestry.

H. R. 3587. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California;

H. R. 3636. An act to authorize the issuance of a land patent to certain lands situate in the city and county of Honolulu, island of Oahu, to the Protestant Episcopal Church in the Hawaiian Islands; and

H. R. 4894. An act to repeal certain laws relating to timber and stone on the public domain; to the Committee on Interior and Insular Affairs.

H. R. 5875. An act to amend title 14, United States Code, entitled "Coast Guard," for the purpose of providing involuntary retirement of certain officers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela; to the Committee on Rules and Administration.

CONSTRUCTION OF CERTAIN GOVERNMENT BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 405, S. 1290.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1290) to provide for the construction of certain Government buildings in the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works, with an amendment, to strike out all after the enacting clause and insert:

That, the Public Buildings Act of 1949, as amended, is further amended by redesignating section 412 as section 413 and by inserting a new section 412 reading as follows:

"SEC. 412. (a) In exercising the authority contained in section 411 within the southwestern portion of the District of Columbia, the Administrator of General Services shall conform to the plan for redevelopment of that area pursuant to the District of Columbia Redevelopment Act of 1945. Purchase contract agreements for this area shall be for terms of not less than 10 years nor more than 30 years.

"(b) The Administrator of General Services is authorized to transfer lands of the

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United States under his control needed by the District of Columbia Redevelopment Land Agency to said Agency within the southwestern portion of the District of Columbia, and in consideration therefor, to accept from said Agency other lands and interests of equivalent value within the same area.

"(c) Whenever the Administrator of General Services initially occupies a building in the southwestern portion of the District of Columbia pursuant to a purchase contract agreement, he shall thereupon cause to be demolished temporary Government building space in the District of Columbia of equivalent occupancy.

"(d) In exercising the authority contained in section 411 within the southwestern portion of the District of Columbia, the Administrator of General Services is hereby authorized, pursuant to section 302 (c) (14) of the Federal Property and Administrative Services Act of 1949, as amended, to negotiate purchase contracts, in accordance with title III of such act. In negotiating such contracts, the Administrator shall take all practicable steps to insure competition among prospective contractors.

"(e) The limitation of 3 years set forth in the second sentence of section 411 (e) shall be read as 5 years with respect to purchase contracts for projects within the southwestern portion of the District of Columbia.

"(f) In transmitting the prospectus required by section 411 with respect to any proposed purchase contract for a project within the southwestern portion of the District of Columbia, which shall be published in the Federal Register for a period of 10 consecutive days from date of submission to the respective committees, the Administrator shall not be required to include the certificate referred to in subdivision (3) of section 411 (e)."

Mr. JOHNSON of Texas. Mr. President, this bill extends the principles of lease-purchase, contained in a law enacted by the Congress last year, to the construction of Government buildings as a part of the plans for the redevelopment and rebuilding of the southwestern portion of the District of Columbia, a notorious slum area.

This bill is intended to aid in obtaining the objectives of slum clearance, eliminating certain temporary Government buildings, and constructing adequate office space coordinated with the removal of such temporary buildings.

The bill provides a new section 412 in the Lease-Purchase Act in order to fit the removal of temporary buildings and the construction of new buildings into a balanced southwest development plan.

The committee report on this bill is brief and takes up clearly each of the subsections in this new section of the Public Buildings Act. Hence, I will not take the Senate's time to go into the details.

However, I should like to emphasize that the objectives of the bill are sound; that the procedures fit with those approved by the Congress last year; that the choice of negotiation or competitive bids is permissive to the executive branch of the Government, while requiring that all practical steps be taken to insure competition among prospective contractors; that it is the responsibility of the executive branch to carry out this program in the best interests of the Government and the District of Columbia; and that the committee has no predetermined idea as to who the contractors or enterprisers should be.

This bill requires any proposed purchase contract for the southwestern area to be published in the Federal Register for a period of 10 consecutive days from date of submission to the respective congressional committees—an implementation of the "goldfish bowl" policy.

Public hearings were held on this bill, and the committee considers that the measure is the result of the constructive ideas presented by witnesses, both from private industry and the Government. In the final language, assistance and accord was received from both GSA and the Bureau of the Budget.

The distinguished Senator from South Dakota [Mr. CASE] is very much interested in this measure. He has some comments he would like to make prior to its final passage. In order that he may have an opportunity to do so, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. Mr. President, the committee amendment in the nature of a substitute follows the recommendation of the General Services Administration by making the language of the bill an amendment to the Lease-Purchase Act, as it is popularly known.

It provides authority for the development of projects in Southwest Washington.

The bill as reported by the committee also provides that in transmitting the prospectus required under section 411 with respect to any proposed purchase contract for a project within the southwestern portion of the District of Columbia, the Administrator shall publish it in the Federal Register for a period of 10 consecutive days from the date of its submission to the respective committees of Congress.

The reason for that is to make it possible for the public to know what is going on in the form of a negotiated contract and to have an opportunity to register objections if it wishes to do so.

It is recognized that in any proceeding of this nature, it is difficult to write a statute which will meet all contingencies. However, by making certain that the negotiation of a contract will take place in a "goldfish bowl" atmosphere, so to speak, with the public and the people of the community aware of the proposals, any unhappy situation or provision will be explored and due action taken.

The committee feels that this proposed legislation opens the way for a substantial improvement of blighted areas in the Nation's Capital, and, generally speaking, it will aid in the beautification of the Capital City and the development of buildings consistent with the standards desired in the National Capital.

I hope the committee amendment will be agreed to and that the bill will be passed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Public Buildings Purchase Contract Act of 1954."

ENTITLEMENT OF VETERANS TO OUTPATIENT DENTAL CARE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 466, House bill 5100.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5100) to amend veterans regulation No. 7 (a) to clarify the entitlement of veterans to outpatient dental care.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, this bill comes from the Committee on Labor and Public Welfare, and was unanimously reported by that committee. It provides that outpatient dental service and treatment or related dental appliances shall be furnished by the Veterans' Administration only if the dental condition is service-connected, and of compensable degree, or is service-connected and shown to have been in existence at the time of the discharge, and application is made within 1 year after discharge, or by December 31, 1954 whichever is the later.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

SERVICEMEN'S LOANS FOR FARM HOUSING

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of order No. 467, House bill 5106.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5106) to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the bill amends section 501 of the Servicemen's Readjustment Act of 1944 by adding a new subsection (c). This new subsection is broken down into four parts and provides that, notwithstanding section 502 of this title, but subject to

paragraphs (1), (2), and (3) of subsection (a) of the section amended, any loan to a veteran under this title may be guaranteed if the proceeds thereof will be used for any of the following purposes:

First. To purchase a farm on which there is a farm residence to be occupied by the veteran as his home.

The intent of this is apparent in that it provides that a veteran can purchase a farm on which there is an existing farm residence to be occupied by the veteran as his home. Under this section, in the case of a veteran buying an improved farm, the guaranty would go, not only to the purchase of the farm and residence, but to all other buildings which are considered a part of the realty.

Second. To construct on land owned by the veteran a farm residence to be occupied by him as his home.

The intent of this is to provide a veteran with the facilities for constructing a residence on a farm owned by him and to be occupied by him as his home. This would include the farm residence, garage, utilities, and necessary appurtenances thereto, together with landscaping, in order to provide a completed dwelling unit on the farm.

Third. To repair, alter, or improve a farm residence owned by the veteran and occupied by him as his home.

The bill was reported unanimously by the Committee on Labor and Public Welfare, and I hope the Senate will pass it.

The PRESIDING OFFICER. The bill is open to a amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

RURAL ELECTRIFICATION ADMINISTRATION

Mr. ALLOTT. Mr. President, last year during the course of the political campaigns which were being conducted in the United States, we heard, particularly those of us who live in the West and in farm areas, a great many remarks and noticed a great many discussions being carried on by certain pressure groups as to the effectiveness or the supposed lack of effectiveness of the REA. It is, therefore, with the greatest of pleasure that I ask unanimous consent to have printed in the RECORD at this point a copy of a telegram to Hon. Ancher Nelsen, Administrator, Rural Electrification Administration, from the Colorado-Ute Electric Association, Inc., and also an original letter from John W. Carlson, president of that association, to myself, in which Ancher Nelsen is commended for his exemplary and untiring efforts in behalf of REA and in which it is stated that his work in behalf of REA in Colorado has given the economy of the last frontier in Colorado a development which it could not have expected to obtain otherwise.

There being no objection, the telegram and letter were ordered to be printed in the RECORD, as follows:

DENVER, COLO., *May 26, 1955.*

Hon. ANCHER NELSEN,
Administrator, Rural Electrification Administration,
Washington, D. C.:

Our deepest gratitude and appreciation your untiring effort and devotion in obtaining G and T loan for Colorado-Ute. The economy of the last frontier in Colorado can now be developed to its fullest extent and take its place among the important areas in the Nation.

Again thanks to you and your staff for your good work.

COLORADO-UTE ELECTRIC ASSOCIATION, INC.,
GEO. G. WILSON, *Secretary.*

NUCLA, COLO.

LA PLATA ELECTRIC ASSOCIATION,
Durango, Colo., May 26, 1955.

Hon. GORDON ALLOTT,
United States Senate,
Washington, D. C.

MY DEAR SENATOR ALLOTT: Thank you for your telegram yesterday advising us that the Colorado-Ute Electric Association loan has been approved by Administrator Nelsen.

We believe that the consequences of this action will be far-reaching, and that the progress of the western slope of Colorado will be greatly accelerated.

We sincerely appreciate all that you have done toward making this development possible.

Yours very truly,
JOHN W. CARLSON,
President.

RECONVEYANCE OF PORTION OF VETERANS' ADMINISTRATION HOSPITAL RESERVATION, COLUMBIA, S. C.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 468, House bill 5177.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5177) to authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Te..as.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. House bill 5177, as passed by the House, would authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., without consideration, all right, title, and interest of the United States in and to a tract of approximately 110 acres of land constituting a portion of land conveyed to the United States by Richland County.

Section 2 of the bill authorizes the inclusion in the deed of conveyance of such terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

The distinguished junior Senator from South Carolina has discussed this bill with me, and he is now on the floor. I hope the Senate will act favorable on the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AUTOMOBILES FOR DISABLED VETERANS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 469, House bill 5089.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5089) to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, to authorize assistance in acquiring automobiles or other conveyances to certain disabled persons who have not been separated from the active service, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare, with amendments on page 2, after line 19, to strike out:

SEC. 2. Section 6 of said act is hereby renumbered 7 and said act is further amended by inserting immediately following section 5 the following.

After line 23, to strike out:

SEC. 6. Any person in the active service who has a condition as specified in section 1 which was due to disability incurred or aggravated in line of duty in the active military, naval, or air service during one of the periods specified in section 1, and who has remained in the active service since sustaining such disability, shall be entitled to the benefits of this act subject to the other applicable provisions, except that application under this section must be made within 1 year after the effective date of this amendment.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is, first, to extend for 2 additional years the period for making application for assistance in obtaining the $1,600 payment on an automobile or other conveyance under Public Law 187 of the 82d Congress; second, to extend this benefit to a veteran meeting the basic eligibility requirements whose qualifying disability occurred subsequent to his discharge, and who makes application within 3 years after the occurrence of the disability; and third, to give a veteran whose disability was not adjudicated as service connected until long after discharge, or perhaps after the expiration of the basic time for filing, at least 1 year in which he may file.

The bill comes from the Committee on Labor and Public Welfare and is reported unanimously, and I hope it will be passed by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

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CONVEYANCE OF CERTAIN LANDS IN THE TURTLE MOUNTAIN INDIAN RESERVATION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 501, Senate bill 1397.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1397) providing for the conveyance to St. Mary's Mission of certain lands in the Turtle Mountain Indian Reservation.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments.

ORDER FOR RECESS TO FRIDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until Friday next at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to say that it is our plan to take up noncontroversial bills on Friday, including private bills. I expect to have a calendar call on Monday. So far as I am informed at this time, no controversial legislation will come up on Monday, although any bill can be controversial if some Senator decides to make it so.

In order that Senators may be on notice, as soon as insertions have been made in the RECORD and Senators who wish to address the Senate have done so, I intend to move that the Senate stand in recess until Friday. I am informed that there is no further business to come before the Senate today.

I have just been reminded by my delightful friend the distinguished minority leader that there is a possibility that the Senate may be able to act on the Department of the Interior appropriations conference report this afternoon.

Mr. KNOWLAND. The conference report is at the desk.

Mr. JOHNSON of Texas. Then I shall plan to have it called up before the Senate concludes its business for the day.

HOUSING ACT OF 1955

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by me in opposition to the housing bill, S. 2126, which was passed by the Senate yesterday.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR THURMOND

My opposition to the extension and expansion of the public-housing program is based on the belief that private enterprise can do and is doing the housing job necessary.

We are not faced with any emergency requirement for quick construction. Therefore, I see no logical reason to put up an outlay of billions of dollars of the taxpayers' money for additional public housing. One of the principal sponsors of this legislation has pointed out that it would involve the Government to the extent of $10 billion a year. Another prominent legislator has estimated it would run even higher than that.

Since the close of World War II, 9,225,200 units of housing have been constructed by private enterprise, compared with 193,000 units of public housing through 1954, excluding military housing. This provides evidence that private enterprise is able and willing to do the job. If the Federal Government will stay out of the public-housing field, I believe sufficient housing will be provided on a continuing basis by private enterprise, unless some special reason might arise which should be met by the Government. Such a reason might be the sudden influx of people into an area requiring a large number of units of temporary housing.

Recent decisions of the Supreme Court on housing and in the school-segregation case indicate that the "separate but equal" doctrine will no longer apply. This denial of the right of a State or a city to determine its own regulations with regard to housing cannot be taken lightly when we are considering the ultimate result.

As a result of the Supreme Court ruling on the school case last year and on a housing case from California, my distinguished predecessor, the late Senator Burnet R. Maybank, who had long supported public housing, reversed his position and moved to strike all public housing from the bill in 1954. In the California case the Supreme Court had refused to consider an appeal from the California court in which that court had ruled segregation in public housing unconstitutional.

I am also opposed to a principle involved in the operations of public-housing projects which I consider to be socialistic. That is the regulation under which the same unit of housing is rented to different tenants at different rates of rent, or where identical units, side by side, are rented at different rates, based on the fact that the tenants have different incomes. Rentals should be based on the value of the property and not on the income of the tenants.

I do not believe it fair or in keeping with democratic principles for us to adopt such a socialistic program.

COST DIFFERENTIAL FOR WEST COAST SHIPYARDS

Mr. KUCHEL. Mr. President, for a long period of time many industries and business enterprises in the western part of the United States have been compelled to operate under a severe handicap in establishing firm foundations and expanding their establishments. One of the most serious obstacles and disadvantages has been a higher cost of production, which is due to a varied number of factors.

I am sure virtually all of my colleagues can recall seeing advertisements for miscellaneous products which carry a line—generally in small type and tucked away in an obscure place—reading more or less as follows: "Prices slightly higher west of the Mississippi." This warning to would-be purchasers of products fabricated in the eastern half of the United States characterizes a situation which has been unpleasant but which still has not, I am happy and proud to point out, prevented the people of the Pacific coast from marching forward and building up a vigorous economy. However, our people have literally paid a premium price for their progress and have been compelled to overcome a number of disadvantages to reach the place where they and their enterprises now stand.

I shall not attempt to discuss the factors that make it more costly to produce various articles on the Pacific coast, but I am forced to call this condition to the attention of the Senate because recently a move has started that would penalize one important industry in my State and the neighboring States of Washington and Oregon. I refer to proposals to repeal a provision of the Merchant Marine Act of 1936 which was designed to equalize the competitive situation of Atlantic and Pacific coast shipyards.

Mr. President, I am disturbed—and I am sure my colleagues from the Pacific coast share my feeling—by the suggestion that this feature of the law drafted 20 years ago should be wiped from the books. The proposal to repeal section 502 (d) of the Merchant Marine Act is like kicking a man when he is down and would arbitrarily reverse a precedent which has been followed in a number of other pieces of legislation in the hope of protecting our economy and maintaining a vital adjunct to the national defense.

The differential which is recognized by the Merchant Marine Act is modest. It amounts only to 6 percent. I should like to point out, incidentally, that this figure was written into the law following thorough investigation by the Department of Commerce after my illustrious predecessor, Senator Hiram Johnson, brought the matter to the attention of the Senate. When the 1936 law was under consideration, Senator Johnson sought an allowance of 10 percent for west coast shipbuilders to equalize conditions with the east coast industry and enable them to participate in future merchant-ship construction. A 6-percent differential is barely enough to cover higher costs of obtaining materials and machinery that often have to be shipped halfway across the Nation or even further from the big centers of production in the Middle West and the East.

All Senators from maritime States—and I am certain many others from the interior of the Nation—realize the extremely depressed state of this country's shipbuilding industry. In recent years virtually no construction has been going on, and dozens of once-thriving shipyards have been limping along at reduced rates with conversion and repair work or small craft building. This is especially true on the Pacific coast.

If our shipbuilding industry in California, Washington, and Oregon is ever going to revive, it will need the protection of the differential clause in the Merchant Marine Act. This industry is absolutely indispensable to national security, as was evidenced during World War II when shipyards from Los Angeles to Vancouver set superhuman records in turning out the tankers, cargo vessels, and other craft needed for our fighting forces and

for the bridge of ships that linked the United States with such faraway places as Australia, New Guinea, North Africa, and Europe.

The hundreds of thousands of men and women who sweated around the clock to turn out those essential ships during wartime have dwindled to small forces in the port areas where shipbuilding still is carried on—but on a pitifully limited scale. Our Nation cannot afford to have the present limited numbers, the vital backbone, of experienced craftsmen further reduced and dissipated into other industries and areas. The 6-percent differential in cost permitted under the Merchant Marine Act may be the critical factor in keeping these present yards in existence and the workers on the job and available for any possible emergency.

Mr. President, the importance of this feature of the Merchant Marine Act is so obvious I earnestly hope that no further thought will be given to any proposed repeal. The differential clause was included in that legislation from the outset in the House, was retained by the Senate in what otherwise was an almost complete job of rewriting, and was incorporated in the conference report. Certainly a provision of law with such history should not be tampered with, particularly at such a crucial time in the life of this historic American industry.

I refer in these comments to S. 2038, introduced by the senior Senator from Maryland [Mr. BUTLER]. I denounce the bill; I believe it to be wrong. I feel certain that my views will appeal to an overwhelming majority of the Senate, no matter from what section of the country they may come. The bill is one which should be defeated; it should never get to the floor of the Senate.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1956—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, the conference report on the Department of the Interior appropriation bill is at the desk. I hope the Senate may act on it now. I observe on the floor the distinguished chairman of the Committee on Appropriations [Mr. HAYDEN], and I yield to him.

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5085) making appropriations for the Department of the Interior and related agencies, for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN. Mr. President, the appropriations for the Department of the Interior and related agencies for the fiscal year 1955 were $301,474,676. The budget estimates for 1956 were $314,523,056. The bill as passed by the House appropriated $297,925,546. As passed by the Senate the bill appropriated $327,987,088. The amount agreed upon by the conferees and included in the conference report is $317,573,627. In other words, the appropriations recommended in the conference report as compared with the appropriations for 1955, represent an increase of $16,098,951. They are above the Budget Bureau estimate by $3,050,571. Above the amount provided by the House by $19,648,081, and only $10,413,461 less than the amount provided by the Senate when it passed the bill.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. NEUBERGER. A good many conservation groups have asked me about one phrase which appears in the conference report, and that is in the authorization for the highway along the George Washington Memorial Parkway, in which the following statement is made: "but that the maximum possible protection shall be provided to maintain the C. & O. Canal and the lands bordering it in their natural state."

That language is quite nebulous and ambiguous, and a great many conservation groups are afraid that if the proposed highway is constructed it will have the effect of totally marring the scenery and wiping out the wildlife in that area. Was it the intention of the conference committee really to provide some protection when the highway is constructed along the George Washington Memorial Parkway?

Mr. HAYDEN. That was certainly the intent of the conferees. The testimony before the committee was that it is a mistaken idea to think that the entire length of the highway would crowd right up to the canal. That is not true. In many places, it would be at a considerable distance from the canal. There are certain places where the bluff comes so close to the canal that the roadway will have to be constructed close to the canal, and then depart from it again.

The determining factor was that the State of Maryland is cooperating on the project, and has contributed funds for 50 percent of the cost of acquiring the right-of-way. The parkway was authorized by law to be undertaken jointly by the Park Service and the State of Maryland. The State of Maryland, having advanced a certain sum of money, according to an agreement embodied in an act of Congress, was very insistent that the project should be proceeded with.

Neither the State nor the Federal authorities have in any way attempted to indicate that action should be taken which would disturb the canal. On the other hand, we have tried to indicate that the highway should stay as far as possible away from the canal, except where it is impossible to do so.

Mr. NEUBERGER. I thank the Senator. For the RECORD, I should like to say, so that it will be available when the highway is being constructed, the area along the canal is one of the most important recreational sites for groups such as the Boy Scouts and the Audobon Society in the area of the Nation's Capital. I very much hope the distinguished chairman of the Committee on Appropriations and his colleagues will see to it that the National Park Service carries out what the chairman certainly thinks to be the intent of this part of the conference report. I wish to thank the distinguished chairman for giving me this assurance. I know that certain groups were very much concerned over the question.

Mr. HAYDEN. We also have the assurance of the National Park Service that no agency is more interested in providing recreational facilities than it is, and that objective will not be abandoned in this case.

Mr. NEUBERGER. I thank the Senator. I think it is important that this colloquy be in the RECORD, in the event there should be any dispute over the meaning of this provision of the report and the purpose intended.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KUCHEL. My colleague and I have both been most interested in amendment No. 39. I am sure he shares my delight over the fact that the amount provided by the Senate with respect to the Forest Service generally was accepted by the House conferees. Can the Senator indicate what part of this amount is earmarked for fire protection or fire control in southern California?

Mr. HAYDEN. The Senate increased the amount by $625,000 over the budget request, and in conference $300,000 of the increase was retained.

Mr. KUCHEL. I thank the Senator very much. I express my sincere appreciation of his sympathetic interest for our problem.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5085, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 8, 1955.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 6, 8, 11, 21, 34, 36, 48, 46, and 47 to the bill (H. R. 5085) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes", and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 18 to said bill and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: ", of which $100,000 shall be available for the completion of payments for the execution of the new figure for the Yorktown Monument, upon the completion of the figure to the satisfaction of the Secretary, and

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the Secretary shall release the contractor from all obligations under the contract with respect to the removal of the present damaged figure, the repair of the shaft, and the mounting of the new figure on the shaft: *Provided*, That prior to any payments made pursuant to this provision the contractor shall release the Government from any and all claims arising from the execution of the figure or any presently existing contract between said contractor and the United States Government: *Provided further*, That the sum provided herein is in addition to the sum of $59,000 specified in contract No. I-100np-147."

That the House recede from its disagreement to the amendment of the Senate numbered 24 to said bill, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert: ", of which $500,000 shall be available for the establishment of a revolving fund for loans to locally owned private trading enterprises, to continue during the fiscal year 1956".

That the House insist upon its disagreement to the amendments of the Senate numbered 14 and 15.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 18 and 24.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I move that the Senate recede from its amendments Nos. 14 and 15.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a statement giving a breakdown of the appropriations in the Department of the Interior and related agencies appropriation bill.

There being no objection, the breakdown was ordered to be printed in the RECORD, as follows:

Department of the Interior and related agencies appropriation bill, for the fiscal year ending June 30, 1956

Appropriation title	Appropriations, 1955	Budget estimates, 1956	House allowance	Senate allowance	Conference allowance
(1)	(2)	(3)	(4)	(5)	(6)
TITLE I—DEPARTMENT OF THE INTERIOR					
OFFICE OF THE SECRETARY					
Research in utilization of saline water	$400,000	$400,000	$400,000	$400,000	$400,000
Salaries and expenses, Oil and Gas Division	390,000	390,000	390,000	390,000	390,000
Office of the Solicitor	(2,569,000)	2,525,000	2,525,000	2,525,000	2,525,000
Office of Minerals Mobilization		300,000	250,000	225,000	225,000
Emergency flood and storm repairs	100,000				
Total, Office of the Secretary	893,000	3,615,000	3,565,000	3,540,000	3,540,000
BUREAU OF LAND MANAGEMENT					
Management of lands and resources	12,263,000	13,400,000	13,400,000	13,500,000	13,450,000
Construction	2,500,000	2,500,000	2,300,000	2,300,000	2,300,000
Range improvements	(387,976)	(587,000)	(587,000)	(587,000)	(587,000)
Total, Bureau of Land Management	14,763,000	15,900,000	15,700,000	15,800,000	15,750,000
BUREAU OF INDIAN AFFAIRS					
Education and welfare services	37,060,668	41,675,000	41,675,000	41,865,995	41,764,995
Resources management	12,763,045	12,532,000	12,332,000	12,432,000	12,432,000
Construction	12,916,433	7,847,356	2,847,356	7,979,003	7,979,003
Road construction and maintenance (liquidation of contract authorization)		7,000,000	7,000,000	7,000,000	7,000,000
General administrative expenses	2,460,000	2,600,000	2,600,000	2,600,000	2,600,000
Relocation of the Yankton Sioux Tribe	50,000	56,500	56,500	56,500	56,500
Total, Bureau of Indian Affairs, exclusive of tribal funds	65,250,146	71,710,856	66,510,856	71,932,498	71,832,498
Tribal funds (not included in totals of this tabulation)	(3,000,000)	(3,200,000)	(3,200,000)	(3,100,000)	(3,100,000)
GEOLOGICAL SURVEY					
Surveys, investigations, and research	25,735,000	26,285,000	26,285,000	26,985,000	26,635,000
BUREAU OF MINES					
Conservation and development of mineral resources	13,500,000	12,893,000	12,893,000	13,393,000	12,893,000
Health and safety	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
General administrative expenses	1,000,000	970,000	970,000	970,000	970,000
Construction	6,000,000			2,000,000	
Total, Bureau of Mines	25,500,000	18,863,000	18,863,000	21,363,000	18,863,000
NATIONAL PARK SERVICE					
Management and protection	9,098,390	9,800,000	9,800,000	9,825,000	9,825,000
Maintenance and rehabilitation of physical facilities	8,425,000	8,950,000	8,950,000	8,950,000	8,950,000
Construction	13,618,200	4,725,000	3,725,000	5,776,400	5,425,000
Construction (liquidation of contract authorization)		20,000,000	19,654,300	19,654,300	19,654,300
Jones Point Bridge	600,000				
General administrative expenses	1,084,000	1,175,000	1,175,000	1,175,000	1,175,000
Total, National Park Service	32,825,590	44,650,000	43,304,300	45,380,700	45,029,300
FISH AND WILDLIFE SERVICE					
Management of resources	6,301,000	6,728,500	6,650,000	6,753,500	6,728,500
Investigations of resources	4,127,000	3,977,000	3,977,000	4,187,000	4,187,000
Construction	300,000	140,000		1,000,000	1,000,000
General administrative expenses	725,000	760,000	760,000	760,000	760,000
Administration of Pribilof Islands	(1,654,640)	(1,827,600)	(1,827,600)	(1,827,600)	(1,827,600)
Total, Fish and Wildlife Service	11,453,000	11,605,500	11,387,000	12,700,500	12,675,500
OFFICE OF TERRITORIES					
Administration of Territories	3,400,000	2,624,000	2,600,000	2,619,000	2,609,500
Trust Territory of the Pacific Islands	5,000,000	5,000,000	4,000,000	4,500,000	4,500,000
Alaska public works	9,500,000	5,000,000		5,000,000	3,000,000
Construction of roads, Alaska	8,000,000	7,800,000	4,800,000	7,800,000	6,300,000
Operation and maintenance of roads, Alaska	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Construction, Alaska Railroad	2,900,000	4,100,000	4,100,000	4,100,000	4,100,000
Total, Office of Territories	32,300,000	28,024,000	19,000,000	27,519,000	24,009,500

Department of the Interior and related agencies appropriation bill, for the fiscal year ending June 30, 1956—Continued

Appropriation title (1)	Appropriations, 1955 (2)	Budget estimates, 1956 (3)	House allowance (4)	Senate allowance (5)	Conference allowance (6)
ADMINISTRATION, DEPARTMENT OF THE INTERIOR					
Salaries and expenses	$2,330,000	$2,081,000	$2,065,000	$2,081,000	$2,065,000
Total, Department of the Interior	211,046,736	222,734,356	206,680,156	227,301,698	220,399,798
TITLE II—RELATED AGENCIES					
Commission of Fine Arts	21,200	21,200	21,200	21,200	21,200
Federal Coal Mine Safety Board of Review	75,000	70,000	70,000	70,000	70,000
Department of Agriculture:					
Agricultural Research Service:					
Salaries and expenses				150,000	150,000
Forest Service:					
Salaries and expenses:					
National forest protection and management	30,536,500	32,411,500	32,411,500	37,111,500	35,511,500
Fighting forest fires	6,000,000	5,250,000	5,250,000	5,250,000	5,250,000
Control of forest pests	7,507,500	6,107,500	4,937,500	6,537,500	6,272,500
Forest research	7,054,000	7,254,000	7,254,000	7,754,000	7,754,000
Subtotal	51,098,000	51,023,000	49,853,000	56,653,000	54,788,000
Roads and trails	22,500,000	24,060,600	24,000,000	24,000,000	24,000,000
Acquisition of lands for national forests:					
Weeks Act	125,000			190,000	190,000
Special acts	(10,000)			(10,000)	(10,000)
State and private forestry cooperation	10,683,690	9,600,000	10,683,690	12,983,690	11,337,129
Cooperative range improvements (special account)	(400,000)	(280,000)	(400,000)	(700,000)	(700,000)
Total, Forest Service	84,406,690	84,623,000	84,536,690	93,826,690	90,315,129
Indian Claims Commission	117,000	119,500	119,500	119,500	119,500
Jamestown-Williamsburg-Yorktown Celebration Commission	100,000	100,000	100,000	100,000	100,000
John Marshall Bicentennial Commission	10,000				
National Capital Planning Commission:					
Salaries and expenses	143,000	200,000	143,000	143,000	143,000
Land acquisition	545,000	900,000	500,000	500,000	500,000
Salaries and expenses, transportation survey	200,000				
Total, National Capital Planning Commission	888,000	1,100,000	643,000	643,000	643,000
Smithsonian Institution:					
Salaries and expenses, Smithsonian Institution	3,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Salaries and expenses, National Gallery of Art	1,300,000	1,355,000	1,355,000	1,355,000	1,355,000
Total, Smithsonian Institution	4,300,000	5,355,000	5,355,000	5,355,000	5,355,000
Woodrow Wilson Centennial Celebration Commission		10,000	10,000	10,000	10,000
Total, related agencies	89,917,890	91,398,700	90,855,390	100,295,390	96,783,829
TITLE III—VIRGIN ISLANDS CORPORATION					
Grants	510,000	390,000	390,000	390,000	390,000
Administrative expenses	(130,000)	(160,000)	(160,000)	(160,000)	(160,000)
Grand total, titles I, II, and III	301,474,626	314,523,056	297,925,546	327,987,088	317,573,627

STATUS OF APPROPRIATION BILLS

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. JOHNSON of Texas. I should like to inquire what the plans of the Appropriations Committee are for the remainder of the week. Does the Senator plan to report the Department of Commerce appropriation bill?

Mr. HAYDEN. The subcommittee is engaged in marking up the bill for consideration by the full committee, which we hope will be done before the weekend, so that there may be a report from the full committee by next Monday.

Mr. JOHNSON of Texas. Unless some unforeseen developments occur, does the Senator expect the hearings and report to be available for Senate consideration on Monday next?

Mr. HAYDEN. That is our hope. We shall send the manuscript to the Government Printing Office, so that there may be as prompt action as possible.

Mr. JOHNSON of Texas. Does the Senator plan to have action on any other appropriation bills this week?

Mr. HAYDEN. A subcommittee is making an effort to mark up the armed services appropriation bill, but it will be impossible to report the bill to the Senate until the middle of next week.

Mr. JOHNSON of Texas. As I understand, a subcommittee is holding hearings on the District of Columbia appropriation bill?

Mr. HAYDEN. Yes; today.

Mr. JOHNSON of Texas. And hearings are about concluded on the public works appropriation bill?

Mr. HAYDEN. We have made satisfactory progress. That is, we have heard all the outside witnesses on the Corps of Engineers projects, but, after having heard from ladies and gentlemen from all over the country who desire certain projects to be constructed, it is necessary to make inquiry of the Corps of Engineers as to what their opinion is of the representations which have been made, and the feasibility of some of the requests.

Mr. JOHNSON of Texas. As I understand, that proceeding is expected to be concluded this week?

Mr. HAYDEN. Yes, but that is only one phase of the public works bill.

Mr. JOHNSON of Texas. I understand the atomic energy and the TVA items will have to be considered.

Mr. HAYDEN. There will have to be considered appropriations for the Tennessee Valley Authority, the Atomic Energy Commission, the Bureau of Reclamation, the Southwestern Power Administration, the Southeastern Power Administration, and the Bonneville Power Administration.

Mr. JOHNSON of Texas. Hearings are being conducted on the reclamation features of the bill, are they not?

Mr. HAYDEN. Yes. They were held on yesterday and the day before.

Mr. JOHNSON of Texas. Again I wish to express my great appreciation to, and my admiration for, the Senator from Arizona, and the very fine committee which he heads. The members have done excellent work this session. I am hopeful, if everything goes according to plan, that all the appropriation bills will be reported and acted on before the beginning of the next fiscal year. I commend the Senator and all the members of his committee.

Mr. HAYDEN. I indulge in no prophecy, but I can say I am exceedingly for-

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tunate in having some old, experienced hands on the job, persons who understand the bills and have worked on them before. The situation is very different than it would be if we had greenhorns.

Mr. JOHNSON of Texas. I assume the Senator from Arizona includes the distinguished minority leader in the group he calls old hands.

Mr. NEELY. Mr. President, when the eminent Senator from Arizona [Mr. HAYDEN] said that he had some old and experienced hands on the Appropriations Committee, he looked directly at the distinguished Senator from California [Mr. KNOWLAND]. Therefore, I move to strike out the word "old" so far as Senator KNOWLAND is concerned, and venture to say of him, in Shakespearean language:

Age cannot wither him, nor custom stale
His infinite variety.

IMPORTANCE OF SAVING THE HELLS CANYON DAM SITE

Mr. NEUBERGER. Mr. President, the increasing public recognition of important national policies involved in the struggle to save the great Hells Canyon Dam site has recently been reflected in segments of the American press. This is an indication of the alarm which people feel over the future of their natural resources.

Part of this alarm is the result of what Columnist Thomas L. Stokes described in the June 7 issue of the Washington Evening Star as "a strange sort of report" by a Federal Power Commission examiner.

The FPC examiner found that a high Federal dam at Hells Canyon "would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake." But, as Mr. Stokes pointed out, the examiner took it upon himself to decide that Congress would not do the right thing—namely, authorize construction of a high dam at Hells Canyon—when confronted with the facts.

I do not share with the examiner his apparent disdain for the willingness of Congress to legislate in the public interest. As I have pointed out before, the Hells Canyon case is a challenge to Congress to exercise its responsibility for true conservation and development of our natural resources. This is the thread of logic which runs through a number of recent newspaper articles regarding Hells Canyon Dam.

I ask consent to have printed in the RECORD the article by Mr. Stokes, a significant editorial from the Oregonian, of Portland, Oreg., of June 2, 1955, and a letter to the editor of that newspaper by Samuel Moment, a noted economist, from the issue of June 6, 1955.

There being no objection, the article, editorial, and letter were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of June 7, 1955]

CRUCIAL TEST ON HELLS CANYON—TRIED-AND-TRUE CONSERVATION POLICIES AT STAKE IN HIGH DAM VERSUS LOW DAM FIGHT

(By Thomas L. Stokes)

The great gash carved by the Snake River along the Idaho-Oregon border, known by the intriguing name of Hells Canyon, is isolated in nature, and seems remote perhaps to you who live in other more tame regions.

But what happens at Hells Canyon in the way of development of the river for electric power, irrigation, flood control and navigation will affect you in the future wherever you live in the United States, as it will affect residents and industry of the great Pacific Northwest. You might as well recognize this; for it is recognized and being acted upon by the highly organized private utility interests which have seized upon the Hells Canyon issue to try to check further development of your rivers by your Government in your interest.

Two principles, each long established, are at stake in the battle over Hells Canyon which will move into the Senate for a showdown shortly.

First is the policy defined half a century ago by President Theodore Roosevelt for integrated development of our water resources for their best utilization for everybody in irrigation, flood control, and hydroelectric power.

Second is whether we will cling to the so-called "yardstick" policy established with the aid of Congress by another and later Roosevelt—Franklin D.—whereby such public projects as TVA and others were created as pilot projects to show what it cost to produce electricity and thus keep rates of privately owned utilities in line.

Both principles would be preserved if the Government is permitted to build a high dam across the Snake River as recommended by the Army engineers. Such a dam would be authorized in a bill sponsored by 29 Senators which is slated for final approval at a session tomorrow by an Interior and Insular Affairs subcommittee that has been considering it, after which the measure would go to the full committee and thence to the Senate floor.

If, instead, this invaluable resource of the people is handed over to the Idaho Power Co., which is chiefly absentee-owned by eastern interests, for proposed piecemeal development by 1 to 3 low dams, it would stop forever the wise, sound, integrated development of the great Columbia River system. The Snake River is a part of this system that is so necessary for the expanding economy of the Northwest. It would also, of course, strike a deadly blow at the "yardstick" policy which, it is no secret, the private utilities are determined to break down.

Sponsors of the Government-built high dam, both in House and Senate, are attempting to exercise the prerogative that belongs to Congress to legalize it and to instruct the Federal Power Commission to license it. The FPC held hearings for months on Hells Canyon. Recently, an FPC examiner issued a strange sort of report. He found that the high dam was the better project for the watershed, but then took it upon himself to decide that Congress never would approve it. Consequently he recommended that the Idaho Power Co. build 1 low dam, instead of the 3 it proposed. The FPC itself has not rendered its decision. Meanwhile, champions of the high dam are taking the initiative in Congress on legislation that would supersede any FPC decision.

How President Theodore Roosevelt in 1908 ordered that the Hells Canyon power site be made a part of our forest reserve so it could be protected by the Government from private exploitation is described in an exhaustive and authoritative study of the Hells Canyon issue by a distinguished economist, Father Mark J. Fitzgerald, a member of the faculty of Notre Dame University, who argues for a federally built high dam.

"It was Theodore Roosevelt's firm conviction that a river system from its headwaters to the sea is a single unit and should be treated as such," he wrote in an article in America, going on to say later that there is more at stake than just Hells Canyon itself.

"If this power source fails of realization, a number of other dams projected in the Columbia Basin may face congressional rejection because their economic feasibility depends on coordination with Hells Canyon. In a larger sense the national conservation policy first set forth over 50 years ago is facing serious danger. Invaluable power sites throughout the Nation, which have been under public protection as part of the Federal conservation program, may become easy prizes for private exploitation at public expense."

As a plain dollars-and-cents matter, he points out how the three low dams proposed by Idaho Power Co. would produce 576,000 kilowatts of power less each year than the projected Government high dam. That would mean 26,000 fewer jobs in industry, about the same number in the service trades, and $180 million less each year in payrolls and more than a half billion dollars less in production annually.

"The oft-cited tax return of almost $10 million per year predicted from the 3-dam project appears small compared to the loss of tax revenue of 4½ times that amount on income and investment from private enterprise that would be excluded from the area because of the high power rates," Father Fitzgerald wrote.

[From the Portland Oregonian of June 2, 1955]

CHAOTIC POWER STRUGGLE

The Hells Canyon riddle, made more complex by the decision of Examiner Costello of the Federal Power Commission, continues to confuse the people of the Northwest with weird angles:

Mr. Costello, it will be recalled, employed many pages and examples to assert the all-round superiority of a single high dam at the Hells Canyon site, advocated as a Federal project, over Idaho Power Co.'s three-dam proposal. Then he recommended a license for just one of Idaho Power's projects, at the Brownlee site. Stepping out of his proper role as an executive employee, he based this decision on the belief that Congress would not vote to build a high dam.

At Missoula, Mont., the other day, ex-Governor Len Jordan, of Idaho, now Chairman of the American section of the International Joint Commission, lashed out at the Canadian Government with whom he is trying to negotiate agreements for American investment in Canadian storage and hydro dams on the upper Columbia and Kootenai Rivers. He termed the Canadian valuation of such storage at 7 mills a kilowatt of capacity fantastic—as, indeed, it is. He urged early and complete development of upriver storage in this country.

But, said Mr. Jordan, who has been a strong supporter of Idaho Power's petitions, this should not be interpreted to mean that he favors a high, Federal Hells Canyon Dam. Storage could be obtained cheaper elsewhere, he said.

This baffling position may be related to (1) Secretary of the Interior McKay's public endorsement of the Idaho Power projects, and (2) Reclamation Commissioner Dexheimer's recent suggestion that the Federal Government build Mountain Sheep and Pleasant Valley Dams in the Middle Snake below the Brownlee site. (A group of private utilities already has been granted preliminary FPC permits to study these projects, with a potential of a million kilowatts—a private financing venture which seems to fit the administration pattern.)

What does all this mean? It could mean that at least one segment of the administration now thinks the full storage capacity of the Middle Snake for at site and downstream power benefits can be obtained by a combination of the million acre-feet Brownlee Dam and a high dam at the Pleasant Valley site backing water up to Brownlee.

This is possible; the Oregonian long ago suggested such a private and public compromise, using the Idaho Power three-dam plan and a high dam at the original Mountain Sheep site which would also tap the Salmon River by means of a diversion tunnel. But Government engineers later ruled out the first Mountain Sheep site because of poor foundations and moved the site upstream, beyond the mouth of the Imnaha River.

But Mr. Dexheimer appears to have made a serious error in calculation, if he means to utilize the entire head of the Snake between the new Pleasant Valley site and the Brownlee site. He suggested a Federal Pleasant Valley Dam 65 feet higher than that proposed by the Northwest Power Co. This would leave about 50 feet of head still not utilized. Should the entire flow be leveled off in a pool to Brownlee, the Pleasant Valley Dam would have a hydraulic height of 692 feet—the world's highest dam. If that is practical, why not Hells Canyon?

Is it any wonder that the people are confused? Or that serious consideration is being given throughout the region to a proposal long indorsed by this newspaper? The latter is a regional power corporation which would resolve these planning and construction projects on a basin-wide foundation, finance public projects by issuing revenue bonds, build new dams according to a master plan (and atomic power plants as well), and wholesale the power at cost to public and privately owned utilities on a fair and equal basis.

The prodding and pulling of private power, public power and governmental agencies are giving the Northwest nothing but chaos. In the meantime, industries and jobs are going elsewhere in the Nation and to Canada. A serious shortage of power will cripple the area in the early 1960's. Again, we offer the self-financing regional power corporation as the only logical solution to these difficulties.

[From the Portland Oregonian of June 6, 1955]

WAY OUT OF CHAOS

To the EDITOR:

Your editorial on June 2, Chaotic Power Struggle, accurately points out that the Northwest is getting nothing but chaos and losing industries and jobs because of the prodding and pulling of private power, public power, and governmental agencies.

Having worked 15 years with the Bonneville Power Administration, I suggest that into the pot of confusion you also throw the following:

1. Secretary of the Interior Douglas McKay rejected the Hells Canyon bill (S. 1333) on May 2, 1955, in a letter to the Senate Interior and Insular Affairs Committee, partly because with transmission lines it would cost the Treasury around $500 million. Yet, to the same committee on February 25, 1955, he approved the Federal upper Colorado River project in S. 500, which will cost the Treasury over $1,600,000,000, and produce power at a cost double that at Hells Canyon Dam.

2. The Federal Power Commission examiner decided on May 8, 1955, that the Hells Canyon Dam would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake, and would contribute 400,000 more kilowatts of prime power to the Northwest than the inferior Idaho Power Co. proposal. Yet he disapproved Hells Canyon Dam and recommended one of the inferior dams.

3. On June 1, the State engineer of Oregon held up hearings on the proposal of the Eugene Water Board to develop a mere 30,000 kilowatts at Beaver Marsh on the upper McKenzie, possibly interfering with recreation and fishing there and at Clear Lake. So 400,000 kilowatts are to be lost forever at Hells Canyon through private development, forcing Oregon utilities to consider such little dams as the Beaver Marsh project, Pelton on the Deschutes, and others on the Siletz and other coastal streams, hurting sports fishing and the recreation industry.

4. Oregonians are being asked by their Governor and Pacific Power & Light Co. to approve the Columbia Basin interstate compact under which it would have been impossible for Oregon to have obtained the full amount of power it now receives from Bonneville and McNary Dams, and under which it would have been impossible for Oregon to have the chemical and metallurgical industrial plants now located at Troutdale, Springfield, Salem, Riddle, and Portland.

5. The present "partnership" policy of the administration is the same as the one proposed by the board of Army engineers in the 1933 "103" report on the Columbia River. The board recommended against Federal development and in favor of development by local utilities as power was needed. Had that recommendation been carried out, Bonneville, Grand Coulee, Hungry Horse, McNary, The Dalles, and Chief Joseph would never have been built because in the 1930's the utilities in the region contended that there was ample power surplus for years to come.

There are two ways out of the chaos. One is to get back to Federal planning and development of major projects on the same self-liquidating basis that is now so helpful to the taxpayers and to private enterprise. The other is to set up a regional power corporation that you recommend. Either solution can end the chaos and produce for Oregon and the entire Northwest far more low-cost power, new industries, new jobs, flood control, navigation, recreation, sports fishing, and other benefits than the present "partnership" concept.

SAM MOMENT.

REPUBLICAN POLICY—LETTER FROM W. A. CALLAWAY

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by Mr. W. A. Callaway, of Charlottesville, Va., and published in the Washington Post of a week ago today, which is as follows:

MESS IN WASHINGTON

In the days of the Democratic dispensation a "mess" was something to be cleaned up; under the Republican renaissance it is something "magnificent." And under the spell of the press agent and of a Hollywood aura a smiling incompetence rolls merrily and ineluctably on to a rude awakening by the citizenry at the polls. Or so I hope.

W. A. CALLAWAY.

CHARLOTTESVILLE, VA.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I desire to give notice that sometime next week, or as soon as possible thereafter, it is planned to have the Senate proceed to the consideration of Calendar No. 243, Senate bill 256, to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association; also Calendar No. 269, Senate bill 1633, relating to a constitutional convention in Alaska; Calendar No. 361, Senate bill 51, a bill to amend the statutes relating to State jurisdiction over Indians; and Calendar No. 363, Senate bill 922, a bill to amend the Domestic Minerals Program Extension Act of 1953.

I do not know just what day we shall be able to bring those bills before the Senate for consideration. I assure the distinguished minority leader that before I make any motion to proceed to consider any of them I shall give him ample notice. It may be desired to add 1 or 2 bills to the list, but I shall do my very best to cooperate with the distinguished minority leader.

REPORT OF ATTORNEY GENERAL'S COMMITTEE TO STUDY THE ANTITRUST LAWS

Mr. HUMPHREY. Mr. President, I wish to make a very brief statement in reference to the report of the Attorney General's Committee To Study the Antitrust Laws.

The Senate Small Business Committee has been reviewing the report of the Attorney General's National Committee To Study the Antitrust Laws. This report was released March 31, 1955. It is a detailed study of the Sherman Act, the Clayton Act, the Robinson-Patman Act, and the Fair Trade Act, along with the enforcement and administration of these acts by the Federal Trade Commission and the Department of Justice Antitrust Division. Every businessman should be aware of this report, know its contents, and clearly understand the recommendations.

The Attorney General's study of the antitrust laws is of particular importance to all independent business and especially the retail merchant. The recommendations offered concerning the Robinson-Patman Act and the Fair Trade Laws may very well determine the future course of American free enterprise. The Robinson-Patman Act, which prohibits discriminatory pricing, is the Magna Carta of independent business, and particularly the retailer. The enforcement of this act is under the jurisdiction of the Federal Trade Commission. The attitude and the spirit of the Federal Trade Commission is equally important. No law is any better than its administration. A good law with weak administration becomes ineffective. The situation becomes even more intolerable when the basic law is changed either by weakening amendments or administrative rulings.

I respectfully suggest that under the recommendations now before the Attorney General, the basic intent and purpose of these fundamental laws, such as the Sherman Act, the Clayton Act, and the Robinson-Patman Act, can be drastically changed by an administrative rule or regulation.

I have studied carefully the Attorney General's National Committee report on the antirtust laws. That Committee has recommended several drastic changes in the Robinson-Patman Act. All of these changes would serve only to weaken the law. The report recommends the outright repeal of the so-called fair trade law. I vigorously opposed these recommendations, and during the hearings held by the Senate Small Business Committee on the Attorney General's report and recommendations, served notice that I would do all in my power to strengthen the Robinson-Patman Act and to main-

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tain the fair trade law. These basic laws need to be enforced, not weakened. They need to be continued and improved, not repealed.

Independent free enterprise must organize and mobilize its manpower and resources to fight against this fundamental change in national wholesale and retail trade policy.

I raise my voice in the Senate to alert the independent businessmen of America to the necessity of organizing and mobilizing their manpower and resources to fight against a fundamental change in national wholesale and retail trade policies.

The independent businessmen of America have worked for years to obtain laws to protect and encourage fair competition. If the recommendations of the Attorney General's committee are put into effect, the standards of fair competition, which have become accepted public policy, will be uprooted, changed, and weakened to a point where our independent retailers will be at the mercy of predatory, unfair price competition.

The recent report of the Federal Trade Commission reveals another threat to our American free-enterprise competitive economy, namely, the rapid growth of mergers and combines, both in manufacturing and wholesaling. Both the Sherman Anti-Trust Act and the Clayton Act were designed to check the tendency toward mergers and monopolistic practices. The existing antitrust laws may very well provide a suitable program for preventing and undoing significant restrictions on competition. But antitrust laws do not enforce themselves. Eternal vigilance by Government is necessary for positive action. Section 7 of the Clayton Act has been weakened due to court and administrative interpretations in the past years. We need an authoritative clarification of section 7. It is this provision of law which was designed to prevent mergers when such mergers would have an adverse effect on competition.

In fact, it has been suggested that the law be changed so that, before a merger takes place, the Federal Trade Commission will be notified, and will be in a position to examine the economic effect of such a merger before the fact—in other words, before the exchange of stocks and the establishment of the new company, because once the new enterprise, or the merger of two or more enterprises, comes into being, it is rather difficult for the Government to act expeditiously.

If we want a free economy, it will require more than merely keeping Government out of business. A free competitive economy requires that Government help maintain the conditions of fair competition. In recent years many businessmen have been concerned about the threat of Government competition with private enterprise. This is a legitimate concern. But, the real threat today is the failure of Government to use the laws that are now on the statute books to prevent monopoly, to curb and restrain unfair trade practices, and to maintain a competitive economic system. Fair competition provides automatic regulation for a free economy. But fair competition is not maintained by just hoping for it. The power of big business today is so immense that it can overwhelm many smaller businesses unless the authority of law is used to protect the weak from the strong and to prohibit discriminatory practices.

What I have just said I have brought to the attention of the business people of the State which I represent in part in the Senate, in the form of a statement and newsletter. I feel that it is important that the business community, particularly the independent retailer and the small manufacturer and wholesaler, recognize the threat which is actually lying on the desk of the Attorney General today, in the body of many of these recommendations.

Mr. President, I now desire to say a few words on another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

DEVELOPMENTS WITHIN THE SOVIET UNION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a news item from the New York Times of May 29, 1955, written by the distinguished expert on the Soviet Union, Mr. Harry Schwartz.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KHRUSHCHEV PUTS PREMIER IN SHADE—BULGANIN IN SECONDARY ROLE TO SOVIET PARTY SECRETARY AT YUGOSLAV PARLEY

(By Harry Schwartz)

In the Soviet talks with the Yugoslavs, Nikita S. Khrushchev has been giving a demonstration that he, not Premier Nikolai A. Bulganin, is the "summit."

This demonstration has interested Western diplomats who have long wondered whether a Big Four conference of heads of government including Premier Bulganin would really be a meeting "at the summit" so far as the Soviet Union was concerned.

In every public appearance in Yugoslavia Mr. Khrushchev, who holds no formal government post but is first secretary of the Soviet Communist Party, has monopolized the spotlight in the Soviet delegation. The silence of Premier Bulganin, his secondary role in pictures of the Soviet team, and the fact that President Tito, of Yugoslavia, has appeared to treat Mr. Khrushchev, not the Premier, as his opposite number and equal in rank, all seem to testify to Mr. Bulganin's subordination to Mr. Khrushchev.

VIEW CONTRADICTED

The formal Russian contention now is that the Soviet Union is ruled by a "collective leadership" rather than one man. To buttress that idea the names of the highest Soviet figures are usually printed alphabetically. The naming of Mr. Khrushchev as leader of the delegation to Belgrade and his conduct there have seemed to contradict this contention, however.

Observers have noted that corroborative evidence on Mr. Khrushchev's leading role was supplied by Marshal Ivan S. Konev in a recent Moscow speech. Marshal Konev not only put Mr. Khrushchev's name first among those responsible for victory in World War II, but also separated Mr. Khrushchev's name from others mentioned. The treatment was similar to that once given Stalin's name. When the speech appeared in Pravda, however, Marshal Konev's wording was changed so as to eliminate this special treatment.

Observers are speculating on the status of others in the Soviet hierarchy. One factor that has aroused special interest has been the absence of Nikolai M. Shvernik, an alternate member of the Communist Party Presidium, and Nikolai N. Shatalin, a member of the secretariat of the Communist Party, from public view in recent months. Both are among the top 15 figures in the Soviet Union.

THE ROLE OF ZHUKOV

There is a strong view in some diplomatic circles, too, that the status of Marshal Georgi K. Zhukov, Soviet Defense Minister, is being exaggerated by Western public opinion.

It is held that this exaggeration arises from the fact that the Western press has attached political significance to the correspondence President Eisenhower said last month he had had with Marshal Zhukov. Actually, it is reliably reported, Marshal Zhukov's correspondence with the President involved only his plea that the United States return Valerie A. Lysikov, son of a Soviet officer, who defected to the West in Berlin and then chose to return to his parents.

The same diplomats believe they discern a studied Soviet effort to reduce Marshal Zhukov's importance before the Soviet and foreign public. Two chief items of evidence are presented for this view.

In Moscow on May 8, Marshal Konev and not Marshal Zhukov held the center of the stage as the orator at the celebration of the tenth anniversary of the defeat of Hitler Germany.

At the same time, Marshal Zhukov was in East Berlin, a subordinate member of a delegation headed by a relatively second-ranking Communist party leader, Mikhail G. Pervukhin. The Zhukov speech in East Berlin received relatively secondary prominence in the Soviet press then.

Mr. HUMPHREY. The article is significant in corroborating two very important developments in the Soviet Union which some of us have brought to the attention of the Senate on previous occasions.

First is the fact that the true leader of the Soviet Union is Mr. Khrushchev, first secretary of the Soviet Communist Party. This reaffirms the all-powerful position of the Communist Party in the Soviet Union, because Mr. Khrushchev holds no formal government position other than his party position. I have pointed this out earlier in the Senate—in fact, 6 or 7 years ago.

Mr. Schwartz points out that in the recent visit of Soviet leaders to Yugoslavia it was Mr. Khrushchev and not Premier Bulganin who monopolized the spotlight and took the position of leadership both in the discussions and in public appearances.

This is significant, Mr. President, because it raises a question in my mind as to whether a Big Four Conference of the heads of government, including Premier Bulganin, would be really a meeting at the "summit" insofar as the Soviet Union is concerned. These developments should be considered very carefully by our Government as it prepares for the conference and as it may build any expectations as to what might conceivably come out of the conference.

In other words, if Mr. Khrushchev was No. 1 in Yugoslavia, and Mr. Khrushchev was No. 1 in forcing through the Austrian Treaty, it seems to me that if there is to be a conference at the "summit,"

as the headlines term it, between the so-called heads of state, we may very legitimately ask the question, "Just who is the head of the Soviet Union?" Is it Mr. Bulganin? If so, why was he No. 2 man in the Soviet entourage in Belgrade, Yugoslavia? I believe our planners and our leaders should give this matter very serious consideration.

It is important to hold the conference, Mr. President, and to go into that conference in good faith. There is, however, reason for us to be cautious with regard to our expectations from the conference if the true leader of the Soviet Union is in fact not present at the conference.

The second item of significance related by Mr. Schwartz refers to the role of Marshal Zhukov, Soviet Defense Minister. I have on a number of occasions pointed out to the Senate that we ought not to be misled into thinking that Marshal Zhukov is in a position of real power in the Soviet Union. The real power is in the Communist Party and it is the Communist Party which dominates all aspects of the Soviet world, including the Soviet military establishments.

Marshal Zhukov is now being cleverly thrust forward by the Soviet Union as a symbol of "reasonableness" in view of his previous associations with leaders of the West, particularly President Eisenhower. Let us again not be misled into thinking Marshal Zhukov's "reasonableness" is a direct reflection of Soviet intentions or of the Soviet power relationships.

Marshal Zhukov will be used as long as he is handy, and as long as he performs what the real hierarchy of the Soviet Union wants him to do. I said sometime ago that I felt placing Marshal Zhukov in the position of Defense Minister was but a further effort to try to divide the West by bringing to the front a very popular World War II hero, who could attract the attention of most of the people of the Western World, particularly at a time when delicate negotiations centered around Germany and the inclusion of Germany's power in the Western defense system.

Mr. Schwartz points out that the role of Marshal Zhukov is being exaggerated by Western public opinion. This undoubtedly arises out of wishful thinking on the part of so many peace-loving peoples. The fact of the matter is that his importance is minimized within the Soviet Union itself and that in fact he is looked upon as a subordinate rather than a high leader in Soviet affairs.

We, in this Nation of ours, desire peace, and hope for international understanding. That can only come about, however, if it is accompanied by a hard-headed realism on our part as to the enemy we face and the obstacles we must overcome. It is to help establish that realism that I make this comment on the floor today.

THE UPPER COLORADO RIVER STORAGE PROJECT

Mr. BENNETT. Mr. President, I have a statement which I had expected to make on the floor of the Senate today. However, time has run out on me. Therefore, I ask unanimous consent that the statement be printed in the body of the RECORD, together with certain newspaper excerpts which are required to complete it.

There being no objection, the statement and the excerpts from newspapers were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BENNETT

I am constantly amazed at the tremendous financial resources available in apparently unlimited amounts to a forbiddingly impressive array of high-powered lobbyists who are throwing their money into an all-out fight to kill the upper Colorado River storage project.

The anti-Colorado project lobbyists constitute an intriguing alliance with mutually antagonistic goals, except for their union against the upper Colorado project. They are paced by southern California water and power interests who are providently blessed by the law of gravity which dictates that water belonging to Utah and the upper Basin States shall flow downhill to southern California. With the law of gravity on their side, delay is to their advantage, and they can have their cake and drink our water, too. Their cake consists of nearly a billion dollars of reclamation projects already built in the lower basin made doubly palatable by our water.

Strangely enough, the southern Californians, made wealthy themselves by reclamation, now join with a second group of the triumvirate, the antireclamationists, in attacking the entire reclamation law and program. They ask that the rules which prevailed during their innings should now be changed in the middle of the stream (the Colorado River) and that new rules should be applied to the upper Basin States during our turn.

Of course, southern California power lobbyists are anxious to have the 7,500,000 acre-feet, which belong to the upper basin each year under the Colorado River Compact of 1922, continue to flow uninterrupted through lower basin power plants. Our water is being wasted into the Pacific Ocean at a prodigious rate of 4 million acre-feet annually and is used for the sole purpose of furnishing firm power at dump power rates to industries in the Los Angeles area. We in Utah and the upper basin have been subsidizing cheap power to southern California for two decades and they seem overly greedy in their present efforts to forbid us the use of our share of the Colorado water.

In spending their money for delay, the southern California lobbyists flee piously, on selective occasions, to the Colorado River Compact, portions of which they say are now in issue before the Supreme Court. However, they conveniently overlook the fact that even if all the points in contention are resolved against the upper basin, there will still be available to the upper basin much more water than we can possibly put to use in the entire upper Colorado project.

The third group in the triple entente consists of the so-called conservationists. Early in the game they opposed only the Echo Park Dam and assumed a cloak of objectivity about the remainder of the project. However, this illusion of objectivity has been totally dispelled by their recent statements happily embracing the antireclamationists and southern California interests in wholesale opposition to the complete project.

Since the conservationists' Echo Park invasion theory into the national parks has been totally exploded, both on legal and on moral grounds, they undoubtedly find it more comfortable at this juncture to debate economics rather than rely on their outmoded argument. They must feel rather sheepish as they contemplate the thousands upon thousands of dollars which they have wasted ostensibly in the name of protecting our national parks. It must be sobering indeed for these conservationists to realize the tremendous good which they could have accomplished if they had spent their wealth on improving the national parks and monuments instead of wasting it on a baseless issue.

I hope that the rank and file of sincere conservationists will demand an accounting from their national leaders who are wasting the money and who appear to be more interested in conserving their jobs than they are in conserving water and our national parks.

The triumvirate is headed by a fascinating group of lobbyists. One of them, employed by some of the California interests, is Mr. Northcutt Ely, a high-powered and high-priced attorney, who, the Library of Congress tells me, reports receiving over the past 4 years almost a quarter of a million dollars from a few of the California water interests. He is, of course, fighting the project.

But the most intriguing lobbyist is Mr. Fred Smith of New York, a professional public relations consultant. He revealed to a New York Herald Tribune reporter last December that sometime ago he, with his assistant, a Mr. Provin, had formed a two-man council of conservationists. This was an effective device by which tax-free groups of conservationists, who couldn't use their own organizations to lobby without risk of losing their tax-free status under section 501–C–3 of the Internal Revenue Code, could develop a campaign against a power dam in the Adirondack Mountains. When the firm was hired to fight the Colorado River project, Mr. Smith beefed up the 2-man council with 5 new men, each of whom is an official of a tax-free conservation group. He explained to the reporter that these men were careful to serve only as individuals in order to stay within the law.

Mr. Smith also said that last year he had received between $25,000 and $30,000 from one man to fight the project if it included the Echo Park Dam. In commenting on his 1955 activities, he made the statement that he didn't know where the money was coming from but that he had been told "we can get all the money we need."

[From the Washington Post and Times Herald of May 18, 1955]

ECHO PARK PLAN

In your issue of May 4 Senator WATKINS denies that he was trying to confuse the public on the Echo Park Dam issue. In that connection your readers might be interested in the statement made by Senator WATKINS' colleague, Senator BENNETT, as quoted in the Salt Lake Tribune of April 21.

After describing the Senate vote as an important step ahead for the upper Colorado project, he said: "Our strategy of moving quickly without giving the opposition a chance to develop undue strength apparently worked well."

I know of no more devastating admission of weakness in a case than that statement. In a fair debate there is never any question of moving quickly in order to choke off the opposition before the judges' decision is given. It may perhaps be a defensible move in political maneuvering, but before the bar of American public opinion, which is bound to judge this debate in the long run, it is a dead giveaway of intention to confuse.

C. EDWARD GRAVES,
Western Representative, National Parks Association.
CARMEL, CALIF.

[From the Washington Post and Times Herald of May 28, 1955]

THE UPPER COLORADO RIVER PROJECT

Thanks for publishing on May 18 the letter of the Californian, C. Edward Graves, who

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claimed that I am afraid to permit adequate time for a fair debate of the upper Colorado River project. Thus you put me in an "I'm-glad-you-said-that" position and permits an explanation for my statement.

We in the West have good cause to fear the power of the wealthy anti-Colorado River project lobbyists and their damaging program of "propaganda for delay." One has only to glance at the reported incomes and expenditures of some of these lobbyists, made available by the Federal Lobby Act, to realize just how much wealth and power these individuals and groups have at their command to pour into this fight.

A very significant measure of the power of this lobby is its ability to get access to the columns of important national magazines with articles that present its propaganda—magazines that have denied us the opportunity to present our story on the grounds that "the issue is not controversial." This is a striking contrast with the impartial attitude taken by the Washington Post and Times Herald.

When I view this alarming concentration of wealth and power which is bold enough to brag about its unlimited resources, it is small wonder that I expressed a certain sense of relief in seeing the Senate act promptly. There are no wealthy patrons to support us in the Mountain States to meet this publicity challenge.

In his letter, Mr. Graves says I made a devastating admission of weakness because I wanted to choke off the opposition before the judges' decision is given. Certainly, he must have made that statement with his tongue in his cheek, for this project has been under consideration for many years. In 1950, the Department of the Interior conducted open hearings and came to the conclusion that the Echo Park Dam was the necessary wheelhorse dam for the project. In 1951, full hearings were held in both Houses of Congress and ample time was allowed for each side. This year there has been another set of hearings in both Houses with time for full presentation. Actually, we had reached a stage where we were hearing the same arguments from the same people. The conservationists and southern California water wanters were dancing to the same tune, with only the change of date to vary the theme.

The thing that has concerned all of us in the West is that when the discussion moves from the committee to the floor of the House (and the longer the time for consideration is delayed), the greater opportunity these people will have to increase their propaganda in a stepped-up program based on emotion. Even we from the West have been deluged with this propaganda, ranging in style from blatantly deceptive figures about interest cost to expensive, beautifully bound, slick paper books presenting carefully chosen photographs of the area calculated to create the impression that it is unique and irreplaceable.

But, we who live in this area know that before this propaganda storm was created, no more than a handful of persons a year visited this area. We know that, taken as a whole, it is a parched, arid waste, whose basic features are repeated many times all over the region. We know that the name "dinosaur" came from a quarry far removed from the Echo Park area, from which the only known dinosaur bones in the region were removed many years ago.

We are not blind to beauty or the appeal of the primitive West. We firmly believe that if the dam is built, it will not only help make it possible for us to use the water, but it will make the area accessible to millions of Americans, and not just to the wealthy or adventurous few.

The Colorado River compact, which gave the upper States a right to approximately one-half of the waters of the Colorado, was signed 33 years ago. Under it, southern California has grown and blossomed. Over those years we have seen our water flow away to be wasted in the Pacific, to choke Lake Meade behind Hoover Dam with silt, or to be absorbed by selfish interests in the lower basin, who not only have their share of the water but want ours, too.

These powerful lobbies who work on the emotions of people far removed from the area, and thus indirectly upon the fears of their congressional representatives, know that every day and year of delay brings the time closer when the people at the end of the river can acquire rights by use to that share of the water which was reserved by compact to the upper basin States. With so rich a prize at stake, every dollar they spend with their professional lobbyists must seem to them a good investment.

Do you wonder, after hearings that stretch over 5 years, that we fear further delay and rejoice when Congress acts promptly?

WALLACE F. BENNETT,
United States Senator from Utah.

SUGAR LEGISLATION

Mr. KUCHEL. Mr. President, the sugar industry of America is in trouble. I was very happy to join with a group of Senators from the sugar-producing areas of our country in introducing proposed legislation to assist the industry. The last sugar legislation adopted by Congress was in 1951. In that year American citizens who were engaged in the production of sugar voluntarily accepted restrictions in order to permit one foreign country to bring its sugar production back to normal levels.

I congratulate the junior Senator from Utah [Mr. BENNETT], who announced earlier today that the Departments of Agriculture and State have apparently agreed upon a series of recommendations for sugar legislation at this session of Congress.

I trust that those recommendations may provide a basis upon which adequate and reasonable legislation may be enacted by Congress. In my position as a California citizen, I can testify to the need for remedial action by the Federal Government.

Yesterday I received a letter from the distinguished Governor of California. It outlines the plight in which the sugar industry of California finds itself.

I ask unanimous consent that the letter may be printed at this point in the RECORD, and I commend to my colleagues in the Senate the argument which my friend, the Governor of California, makes with respect to this problem.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF CALIFORNIA,
Sacramento, June 1, 1955.

Hon. THOMAS H. KUCHEL,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Notwithstanding your splendid efforts, as a coauthor of S. 1635, in sponsoring legislation to bring relief to the domestic sugar industry through amendments to the Sugar Act of 1948, the conditions facing this important industry are becoming so increasingly critical that I feel it has become imperative that I urge your special attention to the present need for prompt action by Congress.

As you know, rapid technological developments and improved farming methods have increased sugar-beet tonnage per acre by 20 percent since 1948. Domestic areas have been subject to acreage reductions under the Sugar Act; but during the last 2 years, the application of its restrictions has resulted in increasingly sharp curtailment of domestic production in order to remain within the rigid marketing quotas.

Last year, sugar-beet acreage was 10 percent less than it was during the year before the first Sugar Act went into effect, but production has more by 14 percent, or nearly 2 million tons. The present fixed quota of 1,800,000 tons will result in a further acreage reduction of 10 to 15 percent this year by growers in most of the 22 beet-producing States; while farmers who have not been growing beets have little or no chance of obtaining permission to plant sugar beets, although they are vitally neded for proper crop rotation.

The continuance of the restrictions in beet plantings presents an immediate threat to the economy of every beet-producing community. Production is exceeding marketing quotas in spite of acreage cuts, with the result that sugar producers are faced with rapidly increasing inventories. These inventories must be reduced; but their reduction will further curtail sugar production with resulting loss of work for thousands of persons and with severe economic hardship, not only to the farmers and farm workers, but to all other persons involved in the production, transportation, and processing of sugar beets, as well as those in related activities.

The present plight of the sugar industry is the direct result of certain provisions of the Sugar Act of 1948, and amendments adopted in 1951, when the domestic sugar industry generously accepted restrictions in order to permit Cuba to bring its sugar production back to normal levels. It is a matter of record that at that time, our domestic sugar industry's representatives reserved the right to ask Congress to review the fixed quotas if circumstances should change materially before the act's expiration date of December 31, 1956.

Today circumstances have not only altered but it has become imperative that the sugar industry obtain prompt relief from the hardships it is undergoing as a result of its willingness to help a sister nation. Our domestic industry seeks only a fair share of the ever-increasing American market. Today no portion of the increasing American sugar consumption can be supplied by our own industry; but all of it is reserved for Cuba and other foreign producers.

The increasingly distressed condition of California's important sugar industry, as well as that of the other 21 Western States, two Southern States, and the Territory of Hawaii, has become so critical that prompt and effective action is now imperative.

May I urge you to remind your colleagues in the Congress, in connection with this legislation, that the remedial action they are asked to take at this time represents a minimum recognition of the basic principles of equity and justice. The right of American citizens to enjoy their just and historic share of the ever-expanding American market is one whose recognition throughout this Nation's legislative and judicial history, has been the primary cause of this country's present world position as the champion of free enterprise and individual liberty.

I am sending this same letter to Senator KNOWLAND and to all Congressmen from California, in order to call their attention to the present need for immediate action.

Cordially,

GOODWIN J. KNIGHT,
Governor.

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LEIF ERICSSON

Mr. BUTLER. Mr. President, when introducing his resolution to provide for the erection of a statue of Leif Ericsson in the District of Columbia, my good friend the Senator from Washington [Mr. MAGNUSON] stated that the "intrepid Viking set foot on our New England coast in the year A. D. 1002."

Without minimizing the purpose of Senate Joint Resolution 74, I should like to bring to the attention of the Senator from Washington [Mr. MAGNUSON] and the Members of the Senate that more recent calculations would seem to indicate that Leif Ericsson landed in the Chesapeake Bay area, south of Washington, D. C. While I am unable to speak on the subject with any degree of authority, and despite the statement of the Senator from Virginia [Mr. BYRD], sitting on my left, that Leif Ericsson landed first in Virginia, I should like to believe that, in the light of the new developments, the great Viking explorer and navigator first touched the soil of the great free State of Maryland.

My search to obtain confirmation of this belief was prompted by the following observation which appeared in the October 25, 1954, issue of Newsweek magazine:

OSLO.—Startling new calculations by Norwegian historians make it seem probable that Leif Ericsson, who sailed to America around A. D. 1000, landed in the Chesapeake Bay area rather than the northern United States, as previously supposed.

Investigation of this report by the information service of the Embassy of Norway has brought forth the following excerpts from editions of its bulletins entitled "News of Norway," which I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the News of Norway of October 14, 1954]

WHERE DID THE VIKINGS LAND?

For several generations, leading scholars have discussed and advanced conflicting theories as to the location of Vinland, where Leiv Eirikson made his first landing in North America, about A. D. 1000, or some 500 years before Columbus. Now, an authoritative study of this and related problems has been written by Dr. Almar Naess, a noted Norwegian mathematician-navigator.

Published by Dreyer A/S, Stavanger, Hvor LÅ Vinland? is in large measure based on calculations made by the late M. M. Mjelde (1862–1924), an experienced navigator, who later became press attaché at the Norwegian Legation in London. According to Mr. Mjelde's uncompleted findings, Vinland was situated at 36'54'' latitude north, or much farther south than previously assumed.

Dr. Naess arrives at nearly the same conclusion. According to his calculations, which occupy 45 pages, the Leiv Eirikson camp and thus Vinland could not have been farther north than 36' latitude north. Consequently, the northern limit of Vinland must be sought in Chesapeake Bay, somewhere south of Washington, D. C.

His scholarly work also discusses other Viking voyages to North America, as described in the sagas. Moreover, Dr. Naess presents reasons for his belief that the old Norsemen had developed a compass. (See News of Norway, vol. 11, No. 9.)

[From the News of Norway of March 4, 1955]

VIKING COMPASS

Bergens Tidende reports that a round oak disk, unearthed in southern Greenland, strongly indicates that the ancient Vikings indeed had developed an effective navigation instrument for use on their voyages across the North Atlantic, from Norway to Iceland, thence to Greenland, and eventually to North America, about a thousand years ago. As restored by curator Peder Soleim, of Bergen Fisheries Museum, the disk actually appears to have been a bearing finder, with 32 directions carved around the edge, same as on a mariner's compass. Judging from runic inscriptions, the disk dates back to around 1200 A. D.

The find was made in 1951 by the Danish archeologist C. L. Vebaek. Digging under the floorboards of the Benedictine cloister ruins in Siglufjord, he discovered a number of wood and iron tools with runic inscriptions. He also found a semicircular oak disk, with a hole in dead center and evenly spaced notches around the edge, clearly suggesting that it had been designed to serve as a direction finder

In reconstructing the original disk, curator Soleim assumed that the center hole must have been intended for a loosely fitted handle, with a pointed pin thrust vertically into the upper end, and a direction indicator extending from the base of the pin to the edge of the disk. Held against the noon sun, with the shadow from the pin falling on the notch for due south, the disk would act as a compass. By turning the handle and therewith the attached indirection indicator, the Viking navigator would thus have been able to set his course quite accurately. In similar manner, he could find his way at night by means of the Polar Star, which the old Norsemen called leidarstjerna.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BUTLER. I am happy to yield to my friend from Minnesota.

Mr. HUMPHREY. I am extremely gratified to have the Senator's additional historical clarification of the achievements and exploits of that great Viking, Leif Ericsson. Although Leif Ericsson may well have landed in the Chesapeake Bay area, I am proud to say, as a citizen of the State of Minnesota, that many of his offspring have landed in my State. I am equally proud to say, as one who had a Norwegian-born mother, that hearing words about Leif Ericsson spoken in the Senate does something to my 50-percent Norwegian blood. I thank the Senator.

Mr. BUTLER. I am very happy that my remarks have made the Senator from Minnesota happy, which is always a desire on my part.

RECESS TO FRIDAY

Mr. HUMPHREY. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 3 o'clock and 40 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Friday, June 10, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 8, 1955:

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 759, 80th Congress, Public Law 36, 80th Congress as amended by Public Law 37, 83d Congress, and Public Law 625, 80th Congress:

To be major

Fried, Julian J., MC, O445972.

To be captain

Garbarino, Robert J., MC.

To be first lieutenants

Ceccarelli, Frank E., MC, O1938834.
Christensen, John F., JAGC, O999567.
Delmer, Jacqueline A., WAC, L1010553.
Fink, Barbara P., ANC, N901320.
Granger, Carl V., Jr., MC, O4021741.
Guernsey, Louis H., DC, O1922045.
McGregor, John G., Jr., MC, O2268824.

To be second lieutenants

O'Brien, Elizabeth A., WMSC, J100195.
Slawson, Elizabeth F., WAC, L1010742.
Steinbach, Edna M., WAC, L1020656.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Armstrong, Frederick S.
Faircloth, James R.
Gottlieb, M. Milton, O2273755.
Hathaway, Clinton R., Jr., O2273863.
Hooper, Donald
Lawler, James C., O4038154.
Murphy, Frank P., O4040591.
Toll, Richard J., O4030394.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenants

Belteau, Robert J., O1882147.
Blaser, Charles O., O1879035.
Browning, Freddie L., O1924831.
Buchan, Earl K., O1331599.
Burch, George L., O1919307.
Campbell, Clarence P., O1341629.
Carlson, William E., O2003049.
Chrisco, Robert H., O990881.
Clohecy, Richard M., O1874475.
Cochran, James F., III, O1882297.
Cress, William, O2263400.
Dooley, Michael J., O2203883.
Drenkhahn, Andrew O., O2208884.
Evans, John C., O982816.
Finsterle, James C., O993779.
Fountain, Foster F., Jr., O2021008.
Gause, Joseph W., Jr., O2206386.
Gilliam, Robert, O1885305.
Gould, Jack W., O1924854.
Hardin, Harold F., Jr., O2102996.
Heffelfinger, Edwin C., O1341782.
Hooker, Robert W., O1913239.
Ison, Glenn W., O981716.
Jerrett, Robert M., O1338957.
Kugler, Robert N., O1917791.
Leeper, John J., O1333494.
Lindorff, Robert L., O2262938.
MacDonald, Hugh A., O2262792.
Marine, George E., O998862.
Matkovich, Ludwig D., O957641.
McCord, Sherwood J., Jr., O2021046.
Meeker, Ernest L., O1876411.
Milligan, George, III, O1876778.
Morris, John P., O2014615.
Murrie, Burt J., O1876522.
O'Rahilly, Patrick J., O971438.
Palmer, Harold B., O1874555.
Palmore, Glenn L., O996795.
Pelosky, Edwin F., O1913395.
Piercefield, Fremont, O2262732.
Poole, Grady R., O961472.

Powell, Royce M., Jr., O1882612.
Shareck, Everett P., O1924705.
Sullivan, John P., Jr., O1876446.
Tinker, Martin, Jr., O1881624.
Traylor, Robert J., O1886559.
Waldron, Garald L., O2030466.
Weston, Robert A., O973559.

To be second lieutenants

Allen, Stanley C., O1932302.
Andrews, Wilson P., O1886686.
Basic, Nick J., O1933679.
Blalock, Charlie L., O1937674.
Boggs, Joseph C., O4011681.
Butler, Don A., O1888126.
Butler, Frank C., Jr.
Dunn, Charles H., O1890402.
Evans, Ira K., Jr., O1933661.
Frenier, Julius A., O1925794.
Heath, Bobby R., O4009037.
Hendricks, Arthur D., O1889346.
Hoyle, Frank E., O1931301.
Jobert, A. Philip R., O4030594.
Logan, Francis S., O1936241.
Lynch, Gordon P., O1936684.
Marcy, Edwin J., Jr., O4026393.
McIntosh, John H., O1883468.
McIntosh, Theodore W.
McKenzie, Colin W., Jr., O1935197.
Meadows, Benjamin T., O1880696.
O'Connor, Edward C., O1893054.
O'Donohue, John D., O1926777.
Olin, Irwin D.
Porter, Clair E., A1935804.
Pulver, Elmer W., O1937642.
Riggs, Harold B., O1935393.
Riley, Clemens A., O1936158.
Robinson, Edgar B., Jr., O4009111.
Schnarr, Charles A., O1931099.
Solomon, Robert B., O1937873.
Stewart, David T., O1935188.
Ward, Edward W., O4007016.
Whipple, Richard G., Jr., O2103511.
Zoeckler, William R., O1932484.

The following-named distinguished military student for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Larson, Richard H.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, effective June 15, 1955, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Dancer, Earl W., Jr.
Lange, John H.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1955, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Akin, Havis D.
Ameel, Joseph B.
Anderson, Karl R., Jr.
Anderson, Valjean C.
Ashe, Oliver R.
Barrett, Gilbert J.
Beach, Edmund J.
Bihler, John O., Jr.
Bookout, Jerry P.
Bradshaw, Don L.
Brown, Arnold K., Jr.
Browning, William W., Jr.
Buice, Randall A.
Burnette, Charles D.
Cabral, Walter K.
Case, Franklin D.
Chouinard, Richard J.
Cochran, Glen V.
Cohen, Sydney G.
Collier, Gary D.
Costello, Charles J.
Count, Elmer E.
Daves, Phillip E.
Delahunty, Thomas C.
Delifus, Edward
Diamond, George B.
Dodd, Calvin G.
Draper, Edwin L.
Edmunds, William R.
Fair, Cecil G., Jr., O2266383.
Farrell, Robert D.
Feeley, Robert F.
Fox, Frederick W.
Foy, Robert A.
Fucella, Edward D.
Gange, William B.
Goodger, Charles J.
Greene, Donald J.
Griffen, Charles F.
Gudger, Robert M.
Hall, Harry T.
Hamel, John F., Jr.
Hammond, Rudolph E., O4041563.
Hannum, Alden G.
Haught, V. Ronnald
Henry, John D.
Hess, John P.
Hoffman, Glenn F.
Huff, Roy P., Jr.
Jacobs, Talmadge J.
Janek, Floyd R.
Janning, Thomas B., O4004813.
Janson, Paul J.
Lascola, Harry R.
Lauthers, David E.
Lilje, Donald H.
Lillich, Edward R.
Luetge, Arnold E.
Macedonia, Raymond M.
Mahaffey, Fred K.
Maney, John D.
Marino, Andrew S.
Maynes, George E.
McCormick, John J.
McKay, Gerald E.
McKinley, John R.
McMichael, Donald E.
Merchant, Frederic L., Jr.
Miller, Charles G.
Mitchell, Glenn W.
Mourer, Dennis J.
Muckenhirn, Charles F., O4041538.
Murdock, Norman A.
Murphy, Walter H.
Murray, Roland N., Jr.
Parson, Joe W.
Pfeil, Kenneth A.
Pilitteri, Salvatore J.
Polak, Alexander P.
Powers, Donald L.
Priore, Fortunato R.
Reed, Paul R., O4041570.
Richardson, George A., Jr.
Rinedollar, John D.
Roddy, Patrick M.
Rosie, Gerald J.
Roth, Robert H.
Royal, Charles M., O4025575.
Schelhorn, Carlton L.
Schukar, Harry T.
Settle, Thomas A.
Shepardson, John A.
Simoni, Richard J.
Spinelli, Angelo R., Jr.
Stout, Anthony N.
Strimbu, George
Sutton, James L.
Svirsky, William R.
Trigg, Jasper A.
Wallace, James W.
Ward, Thomas J.
Watson, Robinson R.
Waterman, Stephen, III
Wegley, Frederick L., Jr.
Wescott, Charles E.
Winne, Ross W., Jr.
Woolworth, Wesley B.
Yuhas, Robert J.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 8, 1955

The House met at 12 o'clock noon.

The Reverend Charles Edward Berger, St. Anne's Episcopal Church, Annapolis, Md., offered the following prayer:

Almighty God, the fountain of wisdom, whose statutes are good and gracious, and whose law is truth: We beseech Thee to guide and bless the House of Representatives of the United States of America, that it may ordain for our governance only such things as please Thee, to the glory of Thy name and the welfare of the people. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House with amendments to a bill of the Senate of the following title:

S. 654. An act to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2061. An act to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1956

Mr. KIRWAN. Mr. Speaker, I call up the conference report on the bill (H. R. 5085) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 731)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5085) "making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 27 and 37.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 7, 9, 10, 16, 20, 23, 28, 29, 30, 31, 32, 33, 35, 41, 42, 44, 45, 49, and 50, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,450,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$41,764,995"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,635,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,350,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree

to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,425,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,728,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,609,500"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert:

"For an additional amount for expenses necessary for carrying out the provisions of the Act of August 24, 1949, as amended (48 U. S. C. 486-486j), to remain available until June 30, 1959, $3,000,000, of which not to exceed $525,000 shall be available for administrative expenses: *Provided*, That funds previously appropriated under this head shall remain available until June 30, 1959."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,300,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$35,511,500"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,735,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,272,500"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$11,337,129"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "*Provided*, That the Smithsonian Institution is authorized without regard to section 505 of the Classification Act of 1949, to place two positions in GS-18, two positions in GS-17, and one additional position in GS-16 of the General Schedule established by said Act"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert:

"Unless otherwise provided by law, appropriations"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6, 8, 11, 14, 15, 18, 21, 24, 34, 36, 38, 46, and 47.

MICHAEL J. KIRWAN,
W. F. NORRELL,
ALFRED D. SIEMINSKI,
DON MAGNUSON,
CLARENCE CANNON,
BEN F. JENSEN,
IVOR D. FENTON,
Managers on the Part of the House.

CARL HAYDEN,
DENNIS CHAVEZ,
HARLEY M. KILGORE,
WARREN G. MAGNUSON,
SPESSARD L. HOLLAND,
EARLE C. CLEMENTS,
RICHARD B. RUSSELL,
KARL E. MUNDT,
MILTON R. YOUNG,
WILLIAM F. KNOWLAND,
EDWARD J. THYE,
HENRY C. DWORSHAK,
EVERETT M. DIRKSEN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5085) making appropriations for the Department of the Interior and Related Agencies for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

Office of the Secretary

Office of Minerals and Mobilization

Amendment No. 1: Appropriates $225,000 as proposed by the Senate instead of $250,000 as proposed by the House.

Bureau of Land Management

Management of Lands and Resources

Amendment No. 2: Appropriates $13,450,000 instead of $13,400,000 as proposed by the House and $13,500,000 as proposed by the Senate.

Bureau of Indian Affairs

Education Welfare Services

Amendment No. 3: Appropriates $41,764,995 instead of $41,675,000 as proposed by the House and $41,864,995 as proposed by the Senate. A total of $400,000 has been provided for the item "Maintaining Law and Order."

Resources Management

Amendment No. 4: Appropriates $12,432,000 as proposed by the Senate instead of $12,332,000 as proposed by the House.

Construction

Amendment No. 5: Appropriates $7,979,003 as proposed by the Senate instead of $2,847,356 as proposed by the House.

Amendment No. 6: Reported in disagreement.

Amendment No. 7: Increases the number of acres of land to be purchased within the Klamath Indian reservation from 8 acres as proposed by the House to 15 acres as proposed by the Senate.

Administrative Provisions

Amendment No. 8: Reported in disagreement.

Tribal Funds

Amendment No. 9: Makes available from Tribal funds $3,100,000 as proposed by the Senate instead of $3,200,000 as proposed by the House.

Amendment No. 10: Strikes out House language relating to compensation for attorneys.

Amendment No. 11: Reported in disagreement.

Geological Survey

Surveys, Investigations, and Research

Amendment No. 12: Appropriates $26,635,000 instead of $26,285,000 as proposed by the House and $26,985,000 as proposed by the Senate.

Amendment No. 13: Makes available $4,350,000 for the state cooperation program for water resources investigations instead of $4,000,000 as proposed by the House and $4,700,000 as proposed by the Senate.

Bureau of Mines

Conservation and Development of Mineral Resources

Amendment No. 14: Reported in disagreement.

Amendment No. 15: Reported in disagreement.

National Park Service

Management and Protection

Amendment No. 16: Appropriates $9,825,000 as proposed by the Senate instead of $9,800,000 as proposed by the House.

Construction

Amendment No. 17: Appropriates $5,425,000 instead of $3,725,000 as proposed by the House and $5,776,400 as proposed by the Senate. The additional projects and the reprogramming of funds under this heading as set forth in the Senate report are approved by the conferees of both Houses.

Amendment No. 18: Reported in disagreement. The motion will provide language requiring full and final payment to the sculptor on the new figure for the victory monument at Yorktown, Va. It is the desire of the conferees that the Park Service accept delivery of the figure, upon completion, at its present location and that everything possible be done to expedite final settlement in conformance with the provisions of the bill language.

Construction (Liquidation of Contract Authorization)

The conferees on the part of both Houses are in agreement that the Park Service should not enter into any obligations for the construction of Fort Drive, Route FD1A, MacArthur Boulevard to Nebraska Avenue, grading and other work, 1.1 miles, R-206; Nebraska Avenue overpass, R-210. The conferees of both Houses are also in agreement that the funds programmed for the George Washington Memorial Parkway: grading and draining, District of Columbia City line to Cabin John, 3 miles, R-11 (portion) may be obligated as proposed in the Budget but that the maximum possible protection shall be provided to maintain the C. & O. Canal and the lands bordering it in their natural state.

Fish and Wildlife Service

Management of Resources

Amendment No. 19: Appropriates $6,728,500 instead of $6,650,000 as proposed by the House and $6,753,500 as proposed by the Senate. The conferees on the part of both Houses are in agreement that within the funds provided $5,000 is to be used for operation of the Frankfort Fish Cultural Station at 100 percent capacity, and $20,000 is to be used for the propagation of fresh water mussels.

Investigations of Resources

Amendment No. 20: Appropriates $4,187,000 as proposed by the Senate instead of $3,977,000 as proposed by the House.

Construction

Amendment No. 21: Reported in disagreement. The managers on the part of the House will move to insert language proposed by the Senate providing for the continua-

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tion of construction of the Devil's Kitchen Dam in the Crab Orchard Wildlife Refuge, Illinois. This action, agreed to in conference, will be taken with the understanding that the sale of water from this completed project to municipalities and industries will result in a substantial return to the Treasury of the United States.

Funds available from the prior year appropriations shall be available for the projects listed in the Senate report.

Office of Territories

Administration of Territories

Amendment No. 22: Appropriates $2,609,500 instead of $2,600,000 as proposed by the House and $2,619,000 as proposed by the Senate.

Trust Territory of the Pacific Islands

Amendment No. 23: Appropriates $4,500,000 as proposed by the Senate instead of $4,000,000 as proposed by the House.

Amendment No. 24: Reported in disagreement. The motion will be to insert language to establish for the fiscal year 1956 a revolving fund for loans. This is a temporary expedient in the absence of organic legislation. Such legislation is urgently needed for guidance of the appropriations committees in considering proposed programs for this critical area.

Alaska Public Works

Amendment No. 25: Eliminates House language making available only those funds previously appropriated and appropriates $3,000,000 instead of $5,000,000 as proposed in the Senate language.

The conferees of both Houses are concerned about the large unobligated balances being carried over each year in a number of the Department's construction programs. More realistic estimates and a general tightening up of fiscal controls on such programs will be expected in the future.

Construction of Roads, Alaska

Amendment No. 26: Appropriates $6,300,000 instead of $4,800,000 as proposed by the House and $7,800,000 as proposed by the Senate.

Administration, Department of the Interior

Salaries and Expenses

Amendment No. 27: Appropriates $2,065,000 as proposed by the House instead of $2,081,000 as proposed by the Senate.

General provisions, Department of the Interior

Amendments Nos. 28, 29, 30, 31, 32, and 33: Make technical corrections in language.

Amendment No. 34: Reported in disagreement.

Amendment No. 35: Corrects reference to title.

Amendment No. 36: Reported in disagreement.

Amendment No. 37: Strikes out language relating to vehicles proposed by the Senate. The managers on the part of the House feel that the House should consider such language if it is later proposed and opportunity is provided to explore the need for it.

TITLE II—RELATED AGENCIES

Department of Agriculture

Amendment No. 38: Reported in disagreement.

Forest Service—Salaries and expenses

Nation Forest Protection and Management

Amendment No. 39: Appropriates $35,511,500 instead of $32,411,500 as proposed by the House and $37,111,500 as proposed by the Senate.

Control of Forest Pests

Amendment No. 40: Appropriates $2,735,000 for control of white pine blister rust instead of $2,570,000 as proposed by the House and $3,000,000 as proposed by the Senate.

Amendment No. 41: Appropriates $3,537,500 for carrying out the Forest Pest Control Act as proposed by the Senate instead of $2,367,500 as proposed by the House.

Amendment No. 42: Earmarks $3,137,500 as proposed by the Senate instead of $1,967,500 as proposed by the House for apportionment for use pursuant to section 3679 of the Revised Statutes.

Amendment No. 43: Changes figure to reflect the correct total for funds appropriated under the "Control of Forest Pests" heading.

Forest Research

Amendment No. 44: Appropriates $7,754,000 as proposed by the Senate instead of $7,254,000 as proposed by the House.

Acquisition of Lands for National Forests

Amendment No. 45: Inserts heading.

Amendment No. 46: Reported in disagreement.

Amendment No. 47: Reported in disagreement.

State and Private Forestry Cooperation

Amendment No. 48: Appropriates $11,337,129 instead of $10,683,690 as proposed by the House and $12,983,690 as proposed by the Senate.

Cooperative Range Improvements

Amendment No. 49: Deletes subheading.

Amendment No. 50: Appropriates $700,000 as proposed by the Senate instead of $400,000 proposed by the House.

Smithsonian Institution

Amendment No. 51: Strikes language proposed by the House and inserts language proposed by the Senate amended to provide specific grades for 5 supergrade positions.

TITLE IV—GENERAL PROVISIONS

Amendment No. 52: Inserts language proposed by the Senate amended to provide a technical correction.

MICHAEL J. KIRWAN,
W. F. NORRELL,
ALFRED D. SIEMINSKI,
DON MAGNUSON,
CLARENCE CANNON,
BEN F. JENSEN,
IVOR D. FENTON,
Managers on the Part of the House.

Mr. KIRWAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 7, line 9, insert ", of which not to exceed $11,647 shall be available for reimbursing the city of New Town, N. Dak., for the cost of improvements to streets and appurtenant facilities adjoining property under the jurisdiction of the Bureau of Indian Affairs, and not to exceed $40,000 shall be available for assistance to the public-school district for constructing additional classroom facilities at Seligman, Ariz."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 9, line 15, insert "advance payments for service (including services which may extend beyond the current fiscal year) under contracts executed pursuant to the act of June 4, 1936 (25 U. S. C. 452), and legislation terminating Federal supervision over certain Indian tribes."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 11, line 10, insert ": *Provided further*, That not to exceed $100,000 from the funds credited to the Indians of California under the act of May 18, 1928 (45 Stat. 602), for expenses of moving and relocating houses available to said Indians under the act of August 2, 1954 (68 Stat. 590, 613), but not more than $300 may be expended for any house: *Provided, however*."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 14: Page 14, line 3, strike out "$12,893,000" and insert "$13,393,000."

Mr. KIRWAN. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 14, line 8, insert:

"*Construction*

"For the construction of the necessary laboratory and pilot-plant facilities for conducting research on the distillation of coal and the products obtained therefrom and the direct reduction of low-grade iron ores to their minerals, $2,000,000, to remain available until expended: *Provided*, That the products derived from such facilities may be sold by the Bureau of Mines and the receipts therefrom deposited in the Treasury as miscellaneous receipts."

Mr. KIRWAN. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 16, line 25, after the figure insert ", of which not to exceed $100,000 shall be available for additional payments for the execution of the new figure for the Yorktown Monument, upon the completion of the figure to the satisfaction of the Secretary, and the Secretary may release the contractor from all obligations with respect to the removal of the present damaged figure, the repair of the shaft, and the mounting of the new figure on the shaft."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate numbered 18, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert ", of which $100,000 shall be available for the completion of payments for the execution of the new figure for the Yorktown Monument, upon the completion

of the figure to the satisfaction of the Secretary, and the Secretary shall release the contractor from all obligations under the contract with respect to the removal of the present damaged figure, the repair of the shaft, and the mounting of the new figure on the shaft: *Provided,* That prior to any payments made pursuant to this provision the contractor shall release the Government from any and all claims arising from the execution of the figure or any presently existing contract between said contractor and the United States Government: *Provided further,* That the sum provided herein is in addition to the sum of $59,000 specified in contract No. I–100np–147."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 19, line 12, insert:

"Construction

"For construction and acquisition of buildings and other facilities required in the conservation, management, protection, and utilization of fish and wildlife resources and the acquisition of lands and interests therein, $1,000,000 to remain available until expended: *Provided,* That the funds appropriated herein for the continuation of the construction of the Devils Kitchen Dam on the Crab Orchard Wildlife Refuge, Ill., shall be transferred to the Corps of Engineers, Department of the Army."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 22, line 24, insert ", of which $500,000 shall be available for the establishment of a revolving fund for loans to locally owned private trading companies."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert ", of which $500,000 shall be available for the establishment of a revolving fund for loans to locally owned private trading enterprises, to continue during the fiscal year 1956."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 27, line 20, after "title" insert "or in the Public Works Appropriation Act, 1956."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 36: Page 28, line 10, insert "or in the Public Works Appropriation Act, 1956."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: Page 30, line 7, insert:

"AGRICULTURAL RESEARCH SERVICE

"Salaries and expenses

"Research: For the construction of roads at the National Arboretum in accordance with the provisions of the act of March 4, 1927 (Stat. 1422, 20 U. S. C. 191–194), $150,000: *Provided,* That the construction of said roads may be performed by the Bureau of Public Roads, Department of Commerce."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 46: Page 36, line 9, insert:

"Weeks Act

"For the acquisition of forest lands under the provisions of the act approved March 1, 1911, as amended (16 U. S. C. 513–519, 521), $190,000, to be available only for payment of the purchase price of any lands acquired, including the cost of surveys in connection with such acquisition: *Provided,* That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further,* That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 36, line 20, insert:

"Special Acts

"For the acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forest, in accordance with the provisions of the following act authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amount from such receipts: Cache National Forest, Utah, act of May 11, 1938 (Public Law 505), as amended, $10,000: *Provided,* That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further,* That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT OF 1944

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 654) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes, with Senate amendments to the House amendment, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments to the House amendment, as follows:

Page 1, line 2, after "That", insert "subsection (a) of."

Page 4, line 19, strike out "June 30, 1956" and insert "June 30, 1957."

Page 4, line 22, strike out "June 30, 1956" and insert "June 30, 1957."

Page 4, line 25, strike out "June 30, 1957" and insert "June 30, 1958."

Page 5, lines 3 and 4, strike out "June 30, 1956" and insert "June 30, 1957."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, this bill which provides for an extension of the direct loan program of the Veterans' Administration was passed by the House on last Thursday, June 2. It passed by having the bill H. R. 5715, which I had the honor to sponsor, inserted as an amendment for the entire bill. Identical bills were sponsored by the following Members: Messrs. SHUFORD, North Carolina; WEAVER, Nebraska; AYRES, Ohio; ELLIOTT, Alabama; JONES, Alabama; and SELDEN, Alabama.

As approved by the Senate, this legislation would have extended the direct loan program for 2 years until June 30, 1957, authorized $200 million each year for financing the program, and made other technical changes in the law. As reported by the Committee on Veterans' Affairs and passed by the House, H. R. 5715 extended the direct loan program for 1 year to June 30, 1956, provided $150 million for financing the program, established a formula of relationship between direct loans and guaranteed loans, and made certain that loans for veterans on the farm would be treated in the same manner as loans for veterans in small towns and communities.

Mr. Speaker, the Senate has now concurred in the amendment of the House with an amendment of its own which keeps all of the House language intact except for extending the program for 2 years until June 30, 1957, rather than 1 year as contemplated by the House bill. The Subcommittee on Housing of the Committee on Veterans' Affairs unanimously believes that this is a reasonable amendment, and I have talked to other colleagues on the committee, who concur in our decision that the Senate amendments should be approved. It is for that reason, Mr. Speaker, that I moved that the House concur in the Senate amendments to the House amendment to S. 654.

The Senate amendments to the House amendment were concurred in.

A motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

Mr. REUSS asked and was given permission to address the House today for 45 minutes following the legislative program and any special orders heretofore entered.

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Mr. UDALL asked and was given permission to address the House on Tuesday next for 40 minutes, following the legislative program and any special orders heretofore entered.

ADMINISTRATION'S "NEW LOOK" RECKLESSLY THREW AWAY TIME WHILE SOVIET CONDUCTED CRASH PROGRAM TO BUILD AIR POWER

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I observe with satisfaction that the Air Force has decided to step up the production of modern, fast long-range jet bombers of the latest B–52 model.

I very frankly give credit to the Members of Congress for the situation in which the Air Force is able to make this announcement—for the simple fact that the Air Force has the capacity to step up the production of anything to meet the growing threat of Soviet air power.

It was 2 long years ago, Mr. Speaker, when we were told that the New Look in defense expenditures from the military expert in the White House would enable us to grow stronger by cutting our goals and spending less money.

It now turns out that at the exact time we were cutting our defenses and our preparation, in the name of dollar economy, the Russians obviously were carryout something of a crash program.

At the very time we decided to let ourselves grow progressively weaker, the Soviets undertook a program of growing progressively stronger, so that our relative position has clearly changed for the worse.

Members of this House and our colleagues in the Senate are responsible for the fact that things are no worse. We warned against the New Look 2 years ago. I, myself, in 1953, when orders came down from on high that the 143-wing Air Force goal must be scrapped, warned on the floor that we might run into serious dangers in 1955 and 1956.

I warned that it simply was not true that we got stronger in the air by cutting our spending for airpower. I cited the wise comment of Senator RUSSELL, of Georgia, who said that, if cutting the Air Force by $5 billion made it stronger, why not cut it $10 billion and make the Air Force twice as strong.

Now the 2 long years have passed and the blunders cannot easily be erased. Time is the essential ingredient and we have recklessly thrown away time.

We have a belated confession that a mistake was made; that the all-knowing military expert was wrong; that we must now step up our procurement.

I am glad that the Air Force is able to order a stepup in deliveries of actual planes in existence, capable of fighting in combat-trained units, ready to match the Soviet airpower, of which we have alarming reports. I am glad that the belated confession of error has come.

I suggest, however, that we still need a 1955 New Look at the tragically mistaken 1953 New Look. We checked part of the damage but not all. I think we need a completely new appraisal—a serious 1955 appraisal—to see whether we cannot salvage more than the self-glorified experts think we can.

The responsibility for the reappraisal rests right here. It rests with the Armed Services Committee of this House, which should schedule full-scale hearings to determine the facts on what we still need for national security.

I think we should have the facts, no matter how ugly or disturbing. We need executive hearings, with complete frankness from intelligence sources, to give this House the benefit of the facts.

I, for one, am not willing to trust the advice of any one man, no matter how experienced in commanding armies in a single theater in a war now 10 years old, to tell us we can trust our responsibilities elsewhere.

The final appropriations for the armed services have not yet been cleared by the Congress. The time for us to get the facts—to make a reappraisal—is before the ultimate decisions are made. We should take more steps—new steps—to start rebuilding American strength in the air as rapidly as possible.

BIG FOUR MEETING

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, according to the press, leaders of the administration have been warned by the White House not to rock the boat by any inflammatory or speculative speeches or statements on foreign policy prior to or during the meeting of the Big Four at Geneva next month. I applaud this directive if it will lead to less confusion at home and among our allies abroad as to what the true intentions of this Nation are in world affairs.

Despite this directive there seems to be some confusion remaining as to whether or not the Big Four meeting should be played up. Vice President NIXON recently said that it was the last hope for peace in the world. For this he was chided by members of his own party who felt that he was creating an expectation which the conference might not meet.

It seems to me that this conference could accomplish something of tremendous importance even if not one single protocol or treaty is signed, and that something is a relaxation of world tensions. That is what we need now, first and foremost. If there should come from this conference a relaxation of world tensions, then the nations of the world can thenceforth work together in a peaceful attitude toward specific agreements with real hope of success.

There are grave questions in both Europe and Asia. The future of Formosa and her subsidiary islands is at issue. The future of a united Germany is at issue. It does not seem to me that either of these questions is capable of firm solutions at this time. It will take far more time and far more patience to solve these perplexing questions than is available between now and the end of the pending conference.

We should not, and I believe must not, expect such solutions at this conference. What we can achieve, however, is a relaxation of tensions around the world which eventually will allow a calmer appraisal of these and other problems. If we can do this, it will be a real achievement.

Russia started the cold war. When the Marshall plan was proposed she made the break that divided the world into distinct camps. It was an historic mistake. It led to the rearmament of the United States and its allies. When she faces us at the conference she will be facing a nation which occupies a position of strength. But I hope that we can use that position not to bluster, but in a manner of reasonableness. We must maintain our new-found strength, Mr. Speaker, but at the same time, until we are assured of genuine disarmament everywhere, I hope that our negotiators will speak in the accents of peace. If the nations meeting at Geneva can emerge from it in an attitude and an atmosphere of reasonableness, and one might say humility in the face of the great task of keeping the peace which is the supreme challenge of our time, then the world will be far along toward the concrete solutions which may be decided later.

AUTHORITY OF FEDERAL COURTS IN ADMINISTRATION OF EDUCATIONAL SYSTEMS IN STATES

Mr. ABBITT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ABBITT. Mr. Speaker, I rise in support of H. R. 3769, introduced by the distinguished gentleman, Mr. FORRESTER. The purpose of the bill is to prohibit the courts of the United States and all Federal agencies from deciding or considering any matter drawing in question the administration by the several States of their respective educational systems.

In my opinion, Mr. Speaker, we are faced with the greatest crisis this country has ever faced. The Supreme Court of the United States has arrogated unto itself powers it never has been given by the people. They have flouted past decisions of that Court and contrary to all judicial principle and legal precedent have changed our Constitution which has been such a bulwark to our people since the Founding Fathers set up this great country of ours.

As a result of the decision of the Supreme Court declaring segregation unconstitutional the officials in my section of Virginia are faced with the greatest problems they have ever faced in their lives. The officials and people of Prince

Edward County are now at the crossroads. They must make a decision as to the operation of their schools. They need the help, guidance, and assistance of the best minds in the Commonwealth of Virginia. It is not right, fair, or just for them to have to meet the issue alone because it affects all of our people. I congratulate the people of Prince Edward on the determined stand they have taken, and it is now incumbent upon the other counties and the officials of the Commonwealth of Virginia, legislative and executive, to join hands with the citizens of Prince Edward because it is our joint problem and together find the proper solution.

I realize that many Members of this body do not understand nor recognize the problem that we in the South face today. Our forefathers came over to this country and founded a civilization second to none. Through sweat, blood, and tears they set up a government of the people, by the people, and for the people; but in recent years we have seen the Federal Government grow into a giant octopus that is gradually squeezing the freedom and rights from our people. Unless we stop the spread of this octopus, our people will soon be vassals of the Government. I call on all those who believe in the rights and freedom of the individual, who believe in the sovereignty of our States, who believe that the Government was founded for the people, to get behind this bill and help preserve our way of life in America today. I know not what course others may pursue, but as far as I am concerned, I stand foursquare behind the officials and people of Prince Edward County and expect to lend them all the support and help that I am capable of, and I call upon the officials in the surrounding counties and of the Commonwealth to do likewise and not wait until it is too late.

GOVERNMENT LIABILITY FOR USE OF COPYRIGHT PROPERTY

Mr. CRUMPACKER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. CRUMPACKER. Mr. Speaker, it has long been an established principle that the Federal Government shall not appropriate private property without making just compensation to the owner thereof. The constitutional language on this point may be found in the provision of the fifth amendment which states: "nor shall private property be taken for public use without just compensation." For most types of property this constitutional provision has been implemented by legislation permitting a property owner to bring suit against the Federal Government when he believes that just compensation has not been made, as for example in the fields of admiralty, contracts, torts, and patents. In the case of patent property, section 1498 of title 28, United States Code, provides that—

Whenever an invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the Court of Claims for the recovery of his reasonable and entire compensation for such use and manufacture.

There is, however, one form of property, property in copyrights, for which existing law does not provide a definite, workable and equitable procedure for the property owner. There has been no specific legislative provision authorizing suits against the Government as there has long been for patents; and the legal situation is thus ambiguous. Federal officers and employees are personally liable for infringements of copyright done in the course of their official duties—*Towle* v. *Ross* (D. C., Oregon, 1940, 32 F. Supp. 125); but this is inadequate remedy for the copyright owner and also one which is inequitable for the Federal employee who may be ordered to take an action and then find himself held personally liable.

I have today introduced a bill (H. R. 6716) designed to correct this situation both with respect to the copyright owner and to Federal officers and employees. The bill is based in general upon the related provisions now existing for patents, but with modifications appropriate to the nature of copyright property. Provision is made for suits in the district courts as well as in the Court of Claims. In addition recourse to administrative remedy under the procedure of the Tort Claims Act is made available for claims up to $1,000. During the next few months I hope that the various Government agencies, the bar associations and the several industry and professional groups concerned with copyright will review the bill carefully so that we may have the benefit of their suggestions and advice before proceeding with further legislative consideration.

CONGRESSIONAL CHARITY BASEBALL GAME

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, yesterday our good friend and colleague the gentleman from Florida [Mr. HERLONG] said these words:

There is going to be the usual debacle out at Griffith Stadium this evening when the Democrats will again trounce the Republicans in the annual charity baseball game.

He also said as follows:

I want to give the Democrats every assurance that we will win. You can make your preparations to clean up, because we are going to take care of the Republicans again tonight.

As usual the Democrats talked a good game. The Republicans did the cleaning up. The score is much more eloquent than I can be—Republicans 12, Democrats 4.

REPUBLICANS WIN BALL GAME

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include the box score and the article from the Evening Star on the game played last night at Griffith Stadium.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, my friend and colleague, the gentleman from New York [Mr. DEROUNIAN], has very aptly summarized the results of last evening's activities at Griffith Stadium. A large share of the credit for this victory is the result of the capable managing of the Republican team by my colleagues, the gentleman from Wisconsin [Mr. DAVIS] and the gentleman from Washington [Mr. TOLLEFSON].

Under unanimous consent, I include the article from today's Evening Star at this point in today's RECORD:

GOP WINS BASEBALL GAME, 12 TO 4—REAL VICTOR IS SUMMER CAMP FUND

(By Richard Rodgers)

Hungry after years of losing to the Democrats, the Republicans got fat last night, 12 to 4, in the annual congressional baseball game.

The real winners, of course, were the needy youngsters benefited by the Evening Star summer camp fund, sponsor of the game.

Representative GLENN DAVIS, of Wisconsin, pitcher and comanager of the Republicans, allowed four hits. His own team collected 10 hits off 3 Democratic throwers.

Some 2,000 persons cheered, sneered, and doubled in laughter in Griffith Stadium as the GOP took its second victory in the 8 years the Star has sponsored the contest.

Not since 1949 have the Republicans been able to do much about their opponents. This was largely because of DON (FIREBALL) WHEELER, of Georgia, who year after year pitched the Democrats to success. Mr. WHEELER was not around this season, his constituents having benched him in the last election.

Military bands and drill units participated in a parade before the game. In another sideshow, two model plane experts staged a "dogfight."

Chief Justice Earl Warren threw out the first ball. From then on, dignity deteriorated.

The battle went something like this:

FIRST INNING

Republicans: Ohio's WILLIAM H. AYRES doubled to center. The Democrats immediately filed telegrams to all wards, requiring quick reassessment of the opposition strength. THOR C. TOLLEFSON, of Washington perpetrated an infield out. Mr. AYRES took advantage of it by moving to third base. STEVEN B. DEROUNIAN, of New York, singled his Ohio friend to the first run, and scored himself on a double by Comanager GLENN R. DAVIS, Wisconsin. Mr. DAVIS made the third run when an accomplice went to first on a deplorable relay.

Democrats: HUGH Q. ALEXANDER, North Carolina, was unable to hit the ball. One out. But OLIN E. TEAGUE, the Texan, cracked an appropriate Texas League single. Alas, he was thrown out at second when ROBERT E. JONES, the Alabamian, hit into a fielder's choice. Mr. JONES stole second. But he was rash enough to be picked off.

SECOND INNING

Republicans: The GOP made 3 runs after the first 2 men were out. BRUCE ALGER,

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Texas, struck out: ELFORD A. CEDERBERG popped to short. Mr. AYRES, up for his second time, singled. The pitcher stopped his drive but, flat on his dignity, was unable to locate the ball behind him before Mr. AYRES reached first base. Mr. AYRES then stole second and when the throw went awry, kept going to third base. Wisconsin's MELVIN R. LAIRD came in to run for him. Mr. LAIRD scored on Mr. TOLLEFSON'S single. Mr. TOLLEFSON stole second. Wasn't there a lot of larceny, though! He scored on Mr. DEROUNIAN'S second single. Mr. DEROUNIAN also stole second, then stole third, and arrived home on the catcher's bad throw. Co-manager DAVIS walked and was replaced on first base by PHIL WEAVER, of Nebraska. Inspired by his predecessors, Mr. WEAVER stole second, where he was stranded as Nebraska's CARL T. CURTIS grounded out.

Democrats: Trailing by six runs, the Democrats put EUGENE J. MCCARTHY, of Minnesota, up at bat. He whiffed. TORBERT H. MACDONALD, the pitcher, waited out a walk. He stole second and got home on a double by New Jersey's HUGH J. ADDONIZIO. The New Jersey man also scored, on a single by FRANK M. CLARK, of Pennsylvania. L. MENDEL RIVERS, of South Carolina, hit a single. California's HARLAN HAGEN stood in for Mr. RIVERS and went to third on a single by WILLIAM H. NATCHER, Kentucky. Mr. NATCHER had lost a ball the preceding pitch, knocking it into the right-field stands for the longest hit or near-hit of the night. A walk loaded the bases. But then two batters struck out. Democratic National Headquarters sent tracers on its earlier telegrams.

THIRD INNING

Republicans: California's DONALD L. JACKSON reached first on a wild throw. GERALD R. FORD, Jr., Michigan, singled him to second. Each advanced a base on a wild pitch. Mr. ALGER again struck out. Mr. CEDERBERG walked, loading the bases. Mr. AYRES, singularly successful up to now, popped out. Mr. TOLLEFSON, however, still had the range. He singled, scoring two friends. Mr. DEROUNIAN'S fly to center ended it.

Democrats: It went quickly. Mr. MCCARTHY lined one to Mr. TOLLEFSON, who, recovering from his surprise, flung it to first in time. Pitcher MACDONALD fouled out. After fouling four pitches, Mr. ADDONIZIO struck out.

FOURTH INNING

Republicans: They batted around again. Mr. DAVIS singled and CHARLES M. TEAGUE, the California TEAGUE, relieved him of running. Mr. TEAGUE advanced a base on a fielder's choice. Mr. JACKSON walked and PAUL A. FINO, New York, entered to run for him. Another walk filled the bases. Mr. ALGER withdrew as a courtesy to DEWITT S. HYDE of Bethesda, who struck out. SAM COON of Oregon, batting for Mr. CEDERBERG, singled in Mr. TEAGUE and then permitted WILLIAM C. CRAMER, Florida, to run for him. Mr. AYRES walked. Since the bases were loaded, that scored Mr. FINO. Mr. TOLLEFSON reached first on a mismanaged grounder, scoring another run. THOMAS L. ASHLEY, Ohio, entered to pitch for the Democrats and struck out Mr. DEROUNIAN, ending the inning.

Democrats: Mr. CLARK filed to center. Substituting for Mr. RIVERS, ALFRED D. SIEMINSKI of New Jersey grounded out, pitcher to first. Mr. NATCHER, a bulwark for his party, singled. JAMES M. QUIGLEY, Pennsylvania, walked. A wild pitch advanced both runners. A fumble let in a run and put Colorado's BYRON G. ROGERS on first. A slow roller terminated that Democratic turn at bat.

LAST INNING

Republicans: Ardor undimmed, the GOP kept on working. Pitcher DAVIS was reserving his strength but his substitute drew a walk, stole second and reached third on a passed ball. Mr. TEAGUE, pinch-hitting, walked. The Democrats called a caucus. Mr. ADDONIZIO became their pitcher and T. JAMES TUMULTY, New Jersey, took over defensive duties at third. Mr. TUMULTY, the weightiest figure on the Hill, filled practically all the second-to-third baseline. WILLIAM C. CRAMER, Florida Republican, walked. Mr. FINO entered as a pinch-hitter, and fanned. Mr. LAIRD took over at homeplate for Mr. ALGER, forcing a confederate at home but achieving first base himself. Mr. ADDONIZIO yielded the pitching duties to Mr. MCCARTHY. The new pitcher promptly walked a man, forcing in the Republicans' final run, then struck out Mr. AYRES.

Democrats: An added starter, whose name didn't even make the program, JOHN JAMES FLYNT, Jr., singled to center. Halfway to first he stumbled and went flat on his face. But he made it the rest of the way in time. L. H. FOUNTAIN, North Carolina, batting for Mr. MCCARTHY, walked. Affairs were looking up. Raindrops were falling and the trailing team was considering a filibuster. But Mr. TUMULTY hit a fly, and a runner was thrown out, leaving the Democratic hopes to JAMES ROOSEVELT, California. Mr. ROOSEVELT was voted down by pitcher DAVIS, on a strikeout.

THE BOX SCORE

Republicans

	AB.	R.	H.	O.	A.	E.
Ayres, lf	4	1	2	0	0	0
[1] Laird	1	1	0	0	0	0
Tollefson, 3b	4	1	2	2	2	0
Derounian, cf	4	2	2	1	0	0
Davis, p	2	1	2	0	2	0
[2] Weaver	0	0	0	0	0	0
[3] C. Teague	0	2	0	0	0	0
Curtis, c	2	0	0	6	0	0
Jackson, 2b-rf	2	1	0	3	1	0
[4] Fino	1	1	0	0	0	0
[5] Cramer	0	0	0	0	0	0
Ford, 1b	2	2	1	3	0	0
Alger, ss	2	0	0	0	1	1
[6] Hyde	1	0	0	0	0	0
Cederberg, rf	1	0	0	0	0	0
[7] Coon	1	0	1	0	0	0
Totals	27	12	10	15	6	1

Democrats

	AB.	R.	H.	O.	A.	E.
Alexander, lf	1	0	0	0	0	0
[8] Quigley	0	0	0	0	0	0
Roosevelt, lf	1	0	0	0	0	0
Teague, 2b	2	0	1	0	1	0
Rogers, 2b-ss	1	0	0	0	1	0
Jones, ss	2	0	0	1	1	1
[9] Harris	1	0	0	0	0	0
Magnuson, 2d	0	0	0	0	0	0
McCarthy, 1b	2	0	0	4	0	0
Thompson, 1b	0	0	0	0	0	0
[10] Flint	1	0	1	0	0	0
Macdonald, p	1	1	0	0	2	1
Ashley, p	0	0	0	0	0	0
[11] Fountain	0	0	0	0	0	0
Addonizio, 3b-p	2	1	1	0	0	1
Tumulty, 3b	1	0	0	0	0	0
Clark, c	2	1	1	9	0	2
Rivers, cf	1	0	1	1	0	0

[1] Ran for Ayres in 2d, stole a base, and scored; ran for Ayres in 4th and hit into a fielder's choice for Alger in 5th.

[2] Ran for Davis in 2d and stole a base, and walked for Davis in 5th.

[3] Ran and scored for Davis in 4th, walked and scored for Curtis in 5th.

[4] Ran and scored for Jackson in 4th, struck out for Ford in 5th, and ran for Coon in 5th.

[5] Ran for Coon in 4th, walked for Jackson in 5th.

[6] Struck out for Alger in 4th.

[7] Singled for Cederberg in 4th, walked for Cederberg in 5th.

[8] Walked for Alexander in 4th.

[9] Grounded out for Jones in 4th.

[10] Singled for Thompson in 5th.

[11] Walked for McCarthy in 5th.

THE BOX SCORE—continued

Democrats—Continued

	AB.	R.	H.	O.	A.	7.
[12] Hagen	0	0	0	0	0	0
[13] Sieminski	1	0	0	0	0	0
Edmondson, cf	0	0	0	0	0	0
Natcher, rf	2	1	2	0	0	0
Udall, rf	0	0	0	0	0	0
Totals	21	4	7	15	5	5

[12] Ran for Rivers in 2d.

[13] Grounded out for Rivers in 4th.

Republicans	3	3	2	3	1—12
Democrats	0	3	0	1	0— 4

Runs batted in—Ayres, Tollefson (3), Derounian (2), Davis, Coon (2), Addonizio, Clark, Natcher. Two-base hits—Ayres, Davis, Addonizio, Natcher. Stolen bases—Macdonald, Jones, Ayres, Tollefson, Derounian (2), Weaver (2). Sacrifice—Curtis. Double play—Jackson to Tollefson. Left on bases—Republicans, 10; Democrats, 6. Bases on balls—Off Davis, 4; off Macdonald, 5; off Ashley, 2; off Addonizio, 1; off McCarthy, 1. Struck out—By Davis, 6; by Macdonald, 4; by Ashley, 1; by Addonizio, 1; by McCarthy, 1. Hits—Off Macdonald, 10 in 3⅔ innings; off Ashley, 0 in ⅓ inning; off Addonizio, 0 in ⅔ inning; off McCarthy, 0 in ⅓ inning. Runs and earned runs—Off Davis, 4–3; off Macdonald, 11–7; off Ashley, 1–1; off Addonizio, 0–0; off McCarthy, 0–0. Wild pitches—Davis, Macdonald. Passed balls—Clark (2). Umpires—Davis, Juniano, Wagner, Garland. Time—2:27. Attendance 2,000.

PERSONAL INCOME

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, I am amazed at the continued efforts the prophets of gloom and doom are making to convince us that we are headed into a depression. Without challenging the purposes or motives of any Member of the Congress, I cannot help but wonder at the flood of propaganda being inserted in the RECORD by some who apparently think they would gain political advantage from a recession of major proportions.

Fortunately the campaign to convince us we are on a greased track to economic perdition and chaos cannot help but fail in the face of our booming, expanding economy.

In the Washington Post and Times Herald for June 6 appears the following interesting article about our soaring personal income. The facts contained in this short story from a newspaper that has never been hesitant to point up our economic shortcomings should prove an effective dam to counteract the flood of depression talk with which we are being deluged:

PERSONAL INCOME SOARS TO RECORD $295.6 BILLION

Personal income rose to a new record rate of $295.6 billion per year in April, the Commerce Department reported yesterday.

The April increase continued a trend which started last November. The biggest part of the increase was a result of more people finding factory jobs, particularly in industries which produce metals, nonelectrical machinery, and some durable goods.

The take-home portion of this record personal income—that is, the amount left over

after taxes—is also a record. In the first quarter of 1955, take-home pay was at a record rate of $260.6 billion per year. The individual rate was $1,586 per year, another record.

Total personal income in April was running $1 billion higher than in March, which was the previous record. It was $11 billion higher than a year ago.

The highest point reached in the 1953 business boom was an annual rate of $287.5 billion at midyear.

These personal-income figures include wages, salaries, the income of partnerships and proprietorships (including farms), dividends, interest, and rent collected by the landlord.

LEGISLATIVE PROGRAM FOR THE REMAINDER OF THIS WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, may I inquire of the majority leader if he is able to tell us the program for tomorrow?

Mr. McCORMACK. If we dispose of the 2 bills programed for today, on tomorrow there will be 2 rules to be considered, the 1 on the Bank Holding Company Act and the 1 regarding the Trinity River project. There will be just the adoption of the rules.

Mr. MARTIN. The legislation will go over to next week?

Mr. McCORMACK. The consideration of the bills will go over until next week. Without holding myself definitely to this program, the probabilities are that the bank holding company bill will come up on Monday for general debate only. If I can, I shall assign it for general debate only on Monday, with debate under the 5-minute rule on Tuesday.

The program for today, of course, is the consideration of the 2 bills I have mentioned, and the rules on these 2 bills will be acted on first.

COMMITTEE ON BANKING AND CURRENCY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have permission to sit during general debate today while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEFENSE APPROPRIATIONS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I rise again doing my daily stint in directing the attention of the House to the fact that if you were voting today on the defense appropriation bill you would not be voting the same bill you told me 3 weeks ago you would not give $1 more for. The Defense Department has now asked you to give $356 million more than you voted 3 weeks ago, and I asked you to restore the cuts in the Marine Corps, the Army, and the Navy, which would be just about the same amount in dollars that the Department of Defense then said was unnecessary and that this House refused to vote, but which the Department now wants as added funds to accelerate plane production.

Yesterday the Deputy Director of Logistics for the Navy advised the Nation that the Soviet Navy has moved from seventh place to second place and leads the world in submarines. Let me tell you that in the great new field of guided missiles the Soviet Government is far, far ahead of you and going farther and faster.

That is the situation. That is the defense appropriation bill today. Somebody made a mistake.

Mr. Speaker, in this game there is no second prize.

COMMITTEE ON EDUCATION AND LABOR

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that the Subcommittee on School Construction of the Committee on Education and Labor be permitted to sit during general debate today while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CONTROLLED REGULATION OF BANK HOLDING COMPANIES

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 265, No. 735), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. No amendments shall be in order to the portions of the bill beginning on line 7, page 19, and ending on line 13, page 30, amending the Internal Revenue Code, except amendments offered by direction of the Committee on Banking and Currency and such amendments shall be in order notwithstanding any rule of the House to the contrary, but shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous questions shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

MUSEUM OF HISTORY AND TECHNOLOGY, SMITHSONIAN INSTITUTION

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 259 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6410) to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and at this time yield myself such time as I may consume.

Mr. Speaker, House Resolution 259 which will make in order the consideration of the bill (H. R. 6410) to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto, provides for an open rule with 1 hour of general debate.

H. R. 6410 would authorize and direct the regents of the Smithsonian Institution to plan and to have constructed, under the direction of the Administrator of the General Services Administration, a building to be used by the Smithsonian Institution as a National Museum of History and Technology.

According to the report on this bill, Mr. Speaker, the building would be erected between 12th and 14th Streets and Constitution Avenue and Madison Drive, NW., and the design would be approved by the Commission of Fine Arts.

In addition to the above provisions, H. R. 6410 would establish a joint congressional committee to advise with the regents of the Smithsonian Institution in the planning of the building and this Commission would report to the Congress periodically on the progress that was being made in the construction of the building. There would be 10 members of this Commission: 5 Senators and 5 representatives, and 3 of the Senators and 3 of the Representatives would be the respective members of the Board of Regents of the Smithsonian Institution.

H. R. 6410 would also authorize the appropriation of not more than $36 million to build the museum and as the report on the bill points out this building would house the collections now on dis-

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play in the present Arts and Industries Building which is 75 years old. There are more than 800,000 objects crowded into the present building and the space is totally inadequate for the advantageous types of display that such objects should have. More than 5 million visitors enter the institution annually and we all know that when a visitor comes to Washington the Smithsonian Institution is always high on the list of places that must be visited.

The objects that are presently on display and the objects that would be on display if the space were available are an invaluable record of our past history and achievements. When we visit this institution and see for ourselves what our forefathers have created and the progress that has been made in so many fields, most of us, I am sure, feel a well of pride spring up. The articles themselves are an inspiration to our generation of Americans and they should be arranged in such a way that they will have the full and complete effect upon the viewers that they should. I hope that the House will adopt the rule and that the bill itself will pass.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, the able gentleman from Missouri has explained the rule and the main provisions of the bill. There is no objection on this side that I know of either to the rule or the bill.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The question is on the resolution.

The resolution was agreed to; and a motion to reconsider was laid on the table.

INTER-AMERICAN HIGHWAY

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 260) providing for the consideration of H. R. 5923, a bill to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

I yield myself such time as I may consume.

Mr. Speaker, House Resolution 260 which will make in order the consideration of the bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway provides for an open rule with 1 hour of general debate on the bill.

Mr. Speaker, H. R. 5923 is designed to expedite the completion of the Inter-American Highway by providing the basic statutory authority for accelerating its completion. The authority would provide for the completion of the 2 or 3 links in the road between the United States and Panama City which have not been finished. The highway has been under construction at various times since 1934 and up to 1955 the sum of $53,723,000 has been appropriated by Congress to take care of the United States share in the project.

In order to complete the Inter-American Highway within 3 years it will be necessary to spend $112,470,000. The United States would contribute $74,980,000 while the other cooperating Central American countries would appropriate $37,490,000 in order to complete the road.

The Federal Aid Highways Act of 1952 and 1954 provided an authorization of $56 million to finish the project but since that time it has been determined that an additional $25,730,000 would be necessary.

Funds appropriated against the original $56 million authorization have amounted to $6,750,000 which leaves a balance of $49,250,000 plus the new additional cost of $25,730,000 which must be appropriated in order to finance our share of the highway.

Mr. Speaker, the completion of the Inter-American Highway has been recommended by the President, the Departments of State, and Commerce, as well as the Bureau of Public Roads. The President in his message for supplemental appropriations recommended the full amount needed and in the interests of defense, improved commerce, and tourist travel and in general economic progress this highway should be completed. I hope that the rule will be adopted and that the bill itself will pass. This highway has been a slowly developing dream for a great many years. It would be of incalculable benefit to the whole Western Hemisphere. I feel that it is time that the Inter-American Highway became a completed and functioning reality.

Mr. Speaker, I reserve the remainder of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, I would like to make inquiry of someone who knows something about the bill. About how many miles of highway are now under contemplation south of the United States border?

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. DONDERO. The entire road, 1,590 miles long, with the exception of 186 miles of blacktop.

Mr. HOFFMAN of Michigan. Where are the 186 miles located?

Mr. DONDERO. Part of it south of the Mexican border. The other portion is mostly between San Jose in Costa Rica and the Panama Canal.

Mr. HOFFMAN of Michigan. All of this highway that this bill provides money to construct is south of the border?

Mr. DONDERO. It is. I may say to my colleague that Mexico completed her entire road down to the Guatemalan border and did it at her own expense.

Mr. HOFFMAN of Michigan. Without any help from us?

Mr. DONDERO. That is true.

Mr. HOFFMAN of Michigan. Are you sure?

Mr. DONDERO. Yes, I am sure of that. Guatemala has also constructed a portion of the road at her own expense. It is a matching proposition with us, as the gentleman knows.

Mr. HOFFMAN of Michigan. About how many miles have not been completed?

Mr. DONDERO. About 186.

Mr. HOFFMAN of Michigan. Between the central portion of Michigan and the border, how many highways would we have to build so that you or I could go down to the border, then, and use this highway?

Mr. DONDERO. You could drive today to the northern part of Guatemala without leaving a good hard road.

Mr. HOFFMAN of Michigan. Over a good highway in the United States?

Mr. DONDERO. Over a good highway all the way.

Mr. HOFFMAN of Michigan. Are you sure about that?

Mr. DONDERO. I am quite certain about it.

Mr. HOFFMAN of Michigan. I have been over a part of the highway in Michigan, Ohio, Pennsylvania, Maryland, lately, and it was not too good.

Mr. DONDERO. That must have been some years ago.

Mr. HOFFMAN of Michigan. There is no other use for the money which will be carried in this bill?

Mr. DONDERO. It is an authorization bill.

Mr. HOFFMAN of Michigan. I ask is there no other use here in the United States for the money which would be carried in this bill?

Mr. DONDERO. That is right. Oh, there might be, yes.

Mr. HOFFMAN of Michigan. Which is it, yes or no?

Mr. DONDERO. I think this is a good investment for more reasons than one.

Mr. HOFFMAN of Michigan. Maybe it will help the automobile industry in Detroit, but while we are on that subject—now that the stockholders of the automaking vehicles are getting a pretty good return on their investment and the officers seem to be well paid for what they do, for the services they render, and the workers are going to get the guaranteed annual wage—have you any suggestion as to what companies can do with

reference to reducing the price of their product and afford an opportunity to the poor fellow who wants to purchase one?

Mr. DONDERO. I never thought I was an expert on economics, I may say to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. But you must have a desire for an automobile.

Mr. DONDERO. We just hope there may be.

Mr. HOFFMAN of Michigan. Yes, I understand the theory of building this highway—that one of the objectives of building this highway is so that it will help industry.

Mr. DONDERO. That is only one of the minor reasons for building this highway. There is more than meets the eye in this proposition, and that deals with the national security and the defense of our country.

Mr. HOFFMAN of Michigan. Defense of this country?

Mr. DONDERO. The people in Central America——

Mr. HOFFMAN of Michigan. Want to come up here and help us if we get in war. Is that it?

Well, I will yield back the balance of my time. I think we should take care of our own needs before we spend this money on this project.

The SPEAKER. The question is on the resolution.

The resolution was agreed to; and a motion to reconsider was laid on the table.

Mr. FALLON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5923, with Mr. ABERNETHY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Maryland [Mr. FALLON] will be recognized for 30 minutes and the gentleman from Michigan [Mr. DONDERO] for 30 minutes.

The gentleman from Maryland is recognized.

Mr. FALLON. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, today we will consider H. R. 5923, which authorizes the appropriation of certain sums to accelerate the completion of the Inter-American Highway. As the Members of this House are aware, this project is one about which the President of the United States recently wrote the Speaker of the House. The President termed the completion of the Inter-American Highway "a clearly established objective of United States policy" and pointed out that "the incompleted state of this project prevents realization of maximum benefits."

The Secretary of State has expressed full support toward the accelerated highway program. He stated it was his opinion that "the most effective, and immediate contribution which this Government can make toward the establishment of strong, self-reliant, and durable economies in the Central American Republics is to cooperate in the early completion of the Inter-American Highway."

Completion of the highway has long been a clearly established objective of United States policy and the Congress to date has supported the program with appropriations amounting to almost $54 million. For many years, the United States together with its Central American neighbors has been cooperating in the construction of the Inter-American Highway. However, the road is still unfinished and unless its completion is accelerated, it will be many years before traffic can make its way over a passable route from the United States to the Canal Zone. If we are to obtain maximum returns from our contribution and are to share with those countries the beneficial results of economic and political stability, the completion of the Inter-American Highway should be accelerated.

Among the benefits which will result from an accelerated completion of the Inter-American Highway are the following:

First. Political stability: The political stability resulting from early completion of the highway would increase the growing influence which these Central American countries and the other republics of this hemisphere are now exerting in world affairs. This stability would strengthen them against internal violence and outside aggression. The political strength of our neighbors to the south is essential to the free world today.

Second. Economic development: It is for our own benefit, as well as for theirs, that we encourage these countries to attain the greatest degree of economic development. Surface transportation is one of the main factors retarding economic development in the area. With completion of the Inter-American Highway will come feeder roads and the opening of undeveloped lands. I am confident that opening the entire length of the Inter-American Highway to all-weather traffic will stimulate economic growth in the area and enlarge opportunities for free trade and new markets. Internal development would result and essential trade relations between the neighboring countries would be stimulated.

Third. Increased trade: As markets for our exports and as suppliers of our imports, the United States has great ties with the countries through which the Inter-American Highway passes. Since the highway was started, trade between the United States and this area has increased many times. In 1936, the year in which we first began direct assistance in the construction of the highway, our exports to these countries had a total of a little over $116 million. In 1954 our exports to the same countries increased to approximately $950 million. In 1936 we imported about $78 million worth of goods from these countries, while last year this had increased to almost $560 million. It is evident that a partially completed route has been beneficial to United States industry and export trade. A fully completed Inter-American Highway would give even greater impetus to our trade relations.

Fourth. Increased tourism: Tourists from the United States are now spending nearly a billion dollars a year in the Caribbean area. A large and continuous flow of United States tourists over the Inter-American Highway would be an important element in the commerce of these countries which have so many places of interest and natural beauty.

The highway will be a means of travel of an increased number of Central Americans to the United States. The importance of strong cultural and spiritual ties which would result cannot be exaggerated. The expenditures by these visitors will be advantageous to American commerce and industry.

Fifth. Strategic benefits: The existence of such an all-weather highway would be of substantial security importance, both in providing overland contact and communication as far southward as the Panama Canal, and in bringing an important physical link between these countries in our common defense of the Western Hemisphere against aggression from without and subversion from within.

The countries themselves are ready and willing to contribute their share toward the added cost of an accelerated program, which for the United States is estimated to be in the amount of $11 million.

Although previous estimates had included an item for placing an asphalt surface, this portion of the work was suspended when it became apparent that the presently authorized funds would not complete the project to include a paved surface. This action was taken so as to assure completion of an all-weather road within available authorizations. The revised estimate now includes sufficient funds for placement of an asphalt surface. Completion of this standard is recommended by the highway engineers as necessary in order that the load carrying properties of the roadway base may be preserved. Without this asphalt surface, or cover, traffic, wind action, and heavy rains tend to rapidly deteriorate and wear away the exposed stone surface, requiring heavy maintenance expense, and actual replacement within a relatively short period. In addition, an asphalt surface is considered desirable to properly and safely provide for traffic needs. Stone or gravel surfaced roads, which present a loose and dusty travel surface, are well known for their high accident rates and lack of favor with tourists. It would seem that no serious exception should be taken to the inclusion of an asphalt surface on a highway as important as this one.

An accelerated program for completion of the Inter-American Highway requires a substantial change in plan of operation and certain additional costs must be considered. Although local contractors, skilled labor, materials, and supplies would be used to the extent available, they are not in sufficient supply to accomplish the work remaining to be

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done in the period now considered desirable. This means that United States contractors to a substantial degree will be called upon to accomplish the program and that an enlarged fleet of road-building equipment, with the necessary skilled operators and supervisory personnel, will be required to be shipped from the States. It is apparent that it takes more equipment and skilled labor to do a specific job in a given period of time than it does to do the same job in a longer period of time. American labor rates, plus transportation and housing of American skilled labor is an element incident to an accelerated program. Labor and equipment costs together make up about 70 percent of construction costs on highway projects such as this one. In this instance these two major elements of highway construction cost are those most affected in this proposed program for completion of the Inter-American Highway.

I do not wish to single out any one purpose for which the road should be built or any one country which will receive special benefits from completion of the Inter-American Highway because this is a cooperative program which will bring many positive results to the whole Central American area. However, a completed Inter-American Highway will result in a more forceful hemisphere stand against communism and will give individual countries strength to also resist this menace.

You are aware that international communism, which recently dominated the Government of Guatemala for 10 years, was endangering the peace of the Americas by attempting to extend Communistic colonialization to this hemisphere. The Government of Guatemala was on the verge of becoming an evil Communist puppet. Economic progress was stifled, the treasury depleted and Guatemala's relations with the countries of the free world were at a low ebb. These were 10 years of neglected promises for the Guatemalan people who, only last year, were able to overthrow the Communist regime and make Guatemala a living monument to the defeat of communism.

What happened in Guatemala could be repeated in the other American republics for we know that the Communists wait for any sign of weakness in Guatemala or elsewhere in the hemisphere through which they might regain or extend their political control.

The United States has pledged itself not only to political opposition to communism, but also it has pledged itself to help improve conditions in areas which might afford communism an opportunity to spread throughout the hemisphere. Therefore, we must, for our own benefit, as well as for theirs, cooperate with the Central American countries to see that they become economically, politically, and socially stable and add their strength to the free nations of the world.

I believe, and I might say that President Eisenhower and the Department of State concur with me in this belief, that the most significant single action which the United States could take to bring about this desired stability would be to accelerate completion of the Inter-American Highway.

DEPARTMENT OF COMMERCE,
BUREAU OF PUBLIC ROADS,
April 1955.

A BRIEF HISTORY AND PRESENT CONDITION OF THE INTER-AMERICAN HIGHWAY

The first direct efforts of the United States Government to encourage the Latin American countries in road construction were made in 1923 at the fifth conference of American States held under the Pan American Union in Santiago, Chile. A resolution was adopted at that conference urging on all the Latin American countries that they plan a system of motor roads, international in character and connecting so far as possible all of the capital cities.

In 1924 largely under the sponsorship of industry, a group of engineers and administrators, from the highway or public-works organizations of the several countries, were invited to the United States, and through the Bureau of Public Roads an opportunity was given to the entire group to study our national and State highway organizations and observe progress made in construction of highways under our Federal-aid system.

Other conferences of an international character were held and finally in 1930, the Government of the United States gave its first direct support to the extension of highways in Latin America by providing funds for a reconnaissance survey of a road to connect North and South America. This survey was started in 1930, finished in 1933, and a complete report was published in June 1934, as Senate Document No. 224 of the 73d Congress, 2d session.

The route surveyed from Laredo, Tex., to Panama was called the Inter-American Highway. No route in the United States has been designated as an extension of this route since traffic through Laredo has origins and destinations scattered over the entire United States.

The Government of Mexico had already completed part of the highway in Mexico, and they have since elected to construct and finance the Mexican section entirely without aid from the United States.

In 1934 this country made available an international construction fund of $1 million to be expended on the Inter-American Highway. The money was used largely to build, in the countries south of Mexico, bridges or sections of the highway which would be immediately serviceable and which would demonstrate the possibilities of modern road and bridge construction. This work was completed in 1939.

On December 26, 1941, an appropriation of $20 million was authorized by Congress for cooperation with the countries south of Mexico, to and including Panama, on terms which required that each country cooperating with the United States pay at least one-third of the cost of the work. This action created a joint fund of $30 million.

Construction with this fund started in February 1942 and continued uninterruptedly until the funds were exhausted in 1951. An additional special appropriation of $12 million was made by Congress in 1943 for extraordinary heavy construction encountered in the mountains of Costa Rica south of San Jose. This appropriation did not have to be matched by Costa Rica because such matching would have been beyond the reasonable economic capacity of that country. This construction progressed along with construction under the $30 million program.

The Federal-aid Act of 1950 authorized $8 million for construction on the Inter-American Highway, the Federal-aid Act of 1952 authorized $16 million, and the Federal-aid Act of 1954 authorized $40 million for its completion at the rate of $8 million per year for 5 years. The sum of $14,750,000 has been appropriated under the above authorizations, and with this sum construction has been continued and every effort is being made to convert the funds to completed roads as rapidly as possible. The cooperating countries are required to pay one-third of the cost of construction, but exceptions may be made with certain portions of the funds.

At the beginning of the work on the Inter-American Highway in 1930, only about 22 percent of the route was suitable for motor traffic at all times, and most of that was below the standards of construction generally accepted at that time. Some sections of the highway had been in use and passable at all times to such traffic as existed since colonial times, but there was no continuity of development and about 78 percent of the route was either impassable or passable only in dry weather. At the present time about 94 percent of the highway is passable at all times by motor vehicle, and only 6 percent impassable. The following table shows the status of the Inter-American Highway in 1930 and in 1954:

	1930 Percent	*1954 Percent*
Paved	7	63
All weather	15	31
Dry weather	9	—
Impassable	69	6

Total length approximately 3,200 miles (this includes 1,600 miles in Mexico upon which no United States funds have been expended).

At the present time there are three impassable gaps in the highway. One in Guatemala, extends about 25 miles from the Mexican border southerly. Construction has been resumed recently on this section. Another short section in Costa Rico for about 10 miles south from the Nicaraguan border is not passable but construction is under way and it is expected to be passable soon. The longest impassable section is in southern Costa Rico and northern Panama from San Isidro, Costa Rico, to Concepcion, Panama, a distance of about 150 miles. Surveys are presently under way on this section.

Tourist travel beyond the southern border of Mexico is not recommended.

INTER-AMERICAN HIGHWAY SUMMARY CURRENT ACTIVITY, APRIL 1955

Survey and construction work on the Inter-American Highway is currently active in 5 republics, with a total of 16 active projects. All of these projects are financed through project agreements between the Bureau of Public Roads, United States Department of Commerce, and the several cooperating republics, which agreements provide funds on the basis of two-thirds United States and one-third cooperating republics. The principal objective at this time is toward opening of the impassable portions of the route. These impassable gaps are located in northern Guatemala, northern and southern Costa Rica, and northern Panama.

There follows a summary, by countries, of projects active as of April 1955:

Guatemala:

Project 4–A: Grade, drain, base course, and permanent bridges on the impassable section between Colotenango and the Mexican border, 25 miles.

Project 5: Completion of survey, design and plans on the Inter-American Highway throughout Guatemala.

El Salvador: Project 2: Base course and bituminous paving between Sirama and Goascoran Bridge (Honduras border), 21 miles. (NOTE.—This project will complete the highway in El Salvador to acceptable standards.)

Nicaragua:

Project 3–A: Construction of 16 permanent bridges between El Espino (Honduras border) and Sebaco.

Project 4–A: Grade, drain, and base course construction between El Espino and Somoto, 13 miles.

Project 5–A: Construction of permanent bridges between Rivas and Penas Blancas (Costa Rica border).

Project 6–A: Grade, drain, and base course construction between Rivas and La Virgen, 6 miles.

Project 7–A: Grade, drain, and base course construction between Somoto and Dondega, 22 miles.

Costa Rica:

Project 1A–2: Grade, drain, base course, and permanent bridges between San Ramon and Nicaragua border, 148 miles.

Project 3–A: Completion of surveys and plans between San Isidro del General and Panama border, 134 miles.

Panama:

Projects 3 and 5: Grading, paving, and permanent bridges on 25-kilometer section from David, southward, 16 miles.

Project 6: Construction permanent bridges between Rio Hato and Anton.

Project 7: Grading and paving between Rio Hato and Rio Guabas, 7 miles.

Project 8: Grade, drain, base course, and permanent bridges between Anton and Penonome, 10 miles.

Project 9: Grade, drain, and base course from end of project 3 to 5, 5 kilometers southward, 3 miles.

Projects 4 and 10: Survey, design, and plans on the Inter-American Highway throughout Panama.

Inter-American Highway active projects (allotment of funds by countries) fiscal year 1950 to fiscal year 1954

Country	No. of project	Funds		
		Cooperating	United States	Total
Guatemala	2	$762,500	$1,525,000	$2,287,500
El Salvador	1	250,000	500,000	750,000
Honduras	1	100,000	200,000	300,000
Nicaragua	5	1,318,861	2,637,723	3,956,584
Costa Rica	2	2,050,000	5,480,000	7,530,000
Panama	6	1,357,000	2,714,000	4,071,000
Subtotal, construction		5,828,362	13,056,723	18,895,084

United States funds summary

Reserve for construction contingencies	$140,000
Reserve for engineering and administration	250,000
Unapportioned reserve	404,949
Allotted to engineering and administration	898,328
Subtotal	1,693,277
Above construction subtotal	13,056,723
Total United States appropriations	14,750,000

Mr. DONDERO. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, after listening to my able colleague from Maryland [Mr. FALLON], who has presented the subject in detail and thoroughly, there is very little that remains to be said in behalf of this bill. It so happens that we both had the privilege, with three other Members of the House, of paying a visit recently to Central America to look at and observe the condition of the road that we are building from one end of Central America to the other, known as the Inter-American Highway. We visited with the people and its leaders. We observed at firsthand the kind of improvement which I think will prove one of the best investments the United States ever made.

It is true that Guatemala presents an example of the only country in the world where communism obtained a foothold for 9 long years and then was expelled by the people themselves. For a year only now has that country been back to its normal self, and, again under its laws, carrying on its program of progress and benefits to its people.

Much can be said in behalf of this highway, especially as it passes through Guatemala and the part that she has played in constructing this Inter-American Highway.

How long is this road? It is 1,590 miles in length, extending from the Mexican border to the Panama Canal.

How much of it has been completed or partly completed? All but about 186 miles.

There are some portions of it that need a hard top or a bituminous top, to be sure. Some bridges are to be built. The greater part that remains incomplete is between San Jose, Costa Rica, and the Panama Canal.

Can you vision countries 1,590 miles in extent without a road running from the Pacific to the Atlantic or from the Atlantic to the Pacific? There may be trails and footpaths. But there is no good road over which can be carried traffic or commerce. This will be the only road running north and south from the Mexican border—yes, from the United States—to the Panama Canal.

I say that we have a stake in this road more than meets the eye when we understand that the Panama Canal is at the other end of the road. National defense and security enter into this for two reasons. Not only in the matter of defense of the Panama Canal, but to keep at our backdoor people who are friendly to the United States, who believe in us and in our freedom and form of Government, and who will not in any way tolerate communism in the Western Hemisphere.

Those two reasons ought to be enough. I am sure they were in the mind of the Executive when he suggested that we complete this road in the next 3 years. We have been building this road over a period of 21 years and the time has come when we should complete it. That is why this accelerated authorization is before the House today.

I hope it will receive the unanimous approval of this body, in the interest of our country. It will facilitate trade, it will facilitate friendship, it will facilitate commerce. It will not only make it possible for the people of the United States to visit Central America but it will even make it possible for the people of the countries themselves, the six Republics that make up Central America, to visit and trade with each other. There are no roads connecting them. They cannot even go from one country to another without this great road. So in my judgment it will in many ways prove a great benefit and a lasting benefit to the people of Central America, the people of the United States, the people of the Western Hemisphere, and I think the entire world, on behalf of freedom and our way of life.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Pennsylvania.

Mr. FULTON. May I compliment the gentleman on that statement. As a member of the Committee on Foreign Affairs, I think it is necessary for the defense of this country to have these roads open and have an access so that we can have defenses further distant from our great cities.

Mr. DONDERO. I appreciate the observation of my able friend from Pennsylvania. He is correct that it does lend itself to security and the improvement of the defenses of our own country.

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Pennsylvania.

Mr. FENTON. I wonder if the gentleman can tell us the length of the portion in Guatemala.

Mr. DONDERO. I do not know the exact number of miles, but I can say to the gentleman that the portion that is not completed immediately adjoins the Mexican border.

Mr. FENTON. I am interested in the part north and south of Nicaragua.

Mr. DONDERO. The larger portion, as I explained, is between San Jose, Costa Rica, and the Panama Canal. There are 1 or 2 small portions. But we drove over a large portion of the road. Some of it is not black topped. That is contemplated in the authorization before us, to make it a hard-surface road.

Mr. FENTON. I think the gentleman and his committee are to be commended on their forward-looking attitude on this matter.

Mr. DONDERO. I thank the gentleman for his contribution.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the chairman of my subcommittee.

Mr. FALLON. I have the figures here about which the gentleman from Pennsylvania was inquiring. Twenty-five miles in Guatemala, 134 miles in Costa Rica, and 14 miles in Panama are now impassable. That is the part that will entail most of the cost to complete at this time.

Mr. DONDERO. That is correct. I thank the gentleman for providing those figures.

Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Chairman, first I want to pay my respects to the distinguished chairman of the subcommittee on roads, the gentleman from Maryland [Mr. FALLON], and his coworkers on the majority side, for the considerate treatment they have given the minority members. It has been a cooperative effort during the entire hearings on this legislation and no partnership has been involved. I am very happy to say that this bill is here by a unanimous vote of our committee, so I again pay my respects to the gentleman from Maryland.

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I think the question before us today for consideration is just whether we want to do this work in a short period of time or drag it over a long period of time. As the capable gentleman from Maryland called to your attention, the President and the Secretary of State, Mr. Dulles, have stated that time is of the essence. We all realize it is going to cost a little more money to hurry a project than to extend it over a period of years. I think probably the figures will bear us out. However, I am one of those individuals who believe that we are not taking into consideration the economic value not only to our country but to our neighbors on the south when we say that it would cost more to do this in a short period than in a long period. I am also one of those individuals who firmly believes that this will mean a great deal to our American economy. Certainly, it will mean a lot to solidify American relations. The question was raised relative to the total mileage of the project. I might say it is approximately 3,200 miles. This includes about 1,600 miles in that great neighbor to the south of us, Mexico. I might add that Mexico has built their entire program without a single dollar from this Government. This program was started a long time ago in 1923. It has come to the point where now it is ready to be completed. I hope the membership of the House in order to show the friendly feeling we do have and the cooperative spirit that we do have for our neighbors to the south will pass this with a unanimous vote. The committee gave many days of consideration to this problem, and listened to a great deal of testimony which might be considered of high priority, which we cannot explain to the House at this particular time. Like my friend, the gentleman from Pennsylvania, said a few moments ago, this road is badly needed. I hope you will be careful when any amendments are brought before you for your consideration to make certain that we are not scuttling the program. This program is of vast importance. While I am not one who feels that the work of any committee is above question, I think if you will read the testimony you will find that the subcommittee on roads of the Committee on Public Works went carefully into every detail of the particular legislation. I hope the membership will realize that and pass this legislation by unanimous vote. May I give a brief history and analysis of this subject.

I would like to discuss H. R. 5923, Inter-American Highway legislation. President Eisenhower many months ago recommended this legislation to the Congress so that the Inter-American Highway might be completed within 3 years, in order that all of the nations of this hemisphere could obtain the maximum benefits from this cooperative venture.

For my service as a member and past chairman of this House's Subcommittee on Roads, I have had an opportunity to become well acquainted with the Inter-American Highway. From this knowledge has come an appreciation of facts which, unfortunately, are not well enough known to the American public. One of these facts, for example, is that the highway is truly a cooperative venture. Each of the countries through which the highway passes has paid and is paying a large share toward the completion of the highway. And in the case of Mexico, an all-weather paved highway running the length of that country has been completed using Mexican funds exclusively.

Another aspect of the highway which probably is not fully understood is just what the rapid completion of an all-weather highway from the United States' southern border to the Panama Canal will mean—economically, politically, and strategically—to the United States and to the nations through which the highway will pass.

Economically, this highway demonstrates exactly what we mean when we talk about enlightened self-interests. It is clearly to the advantage of the United States, as it is also clearly to the advantage of the nations of Central America that we assist and encourage these countries to attain the greatest degree of economic development. In almost all cases, the absence of reliable adequate, extensive land transportation has been the principal factor retarding their economic development. The completion of the Inter-American Highway will lead to the development of feeder roads and thus to the opening of undeveloped lands thereby stimulating economic growth in the area and enlarging opportunities for free trade and new markets, not only amongst the countries of Central America but also between those countries and the United States.

These countries have long been prime markets for United States exports and important supplies of our imports. Our economic stake in this area is sizable. Ever since the highway was first started annual exports from the United States to the area has increased and it is to be expected that the economic stimulation, country by country, which will result from the completion of the highway, will provide an opportunity for even greater trade between these countries and the United States.

Increased trade; increased economic development; increased tourism which will also serve as a stimulus to the economies of the countries of Central America; all these mean, inevitably, increased economic stability. Hand in hand with such economic stability will also come increased political stability. Any area anywhere in the world in which there is political instability is an area which is ripe for Communist infiltration and exploitation. We all know that the Communists attempt whenever and wherever they can to stimulate political unrest. They have found that the greatest opportunity for success arises when political chaos is present. If we can, through rapid completion of this highway, create a stable economic and political climate in Central America and make thus impossible or more difficult the entrance of international communism on our very doorstep, I say we should do so immediately and without hesitation.

I do not think I need to remind the Members of this House of what happened not so long ago in the Republic of Guatemala. There a small, determined group of Russian-trained Communists managed to infiltrate and seize control of the political institutions of that country. The United States and all the other nations of this hemisphere, with the exception, of course, of Guatemala, realized that this Communist domination constituted a threat to the peace and security of this hemisphere and were prepared to meet in Rio de Janeiro for the purpose of deciding ways and means to eradicate this subversive threat. At that moment, however, a group of exiled Guatemalans, under the leadership of Col. Castillo Armas, risked their lives to free their fellow countrymen from the Communist tyranny. They were successful and the Communists were forced from their position of control. But how did the Communists manage to get that control in the first place? The reasons are numerous but one of the things which the Communists utilized effectively was the isolation of the people of Guatemala; the physical isolation of the people of that Republic from the other Republics of Central America. Dependable land transportation will eliminate that type of isolation. It will permit the people of Central America to meet more easily with each other to discuss their problems and aspirations, and to recognize the enemy when it appears.

The strategic considerations involved in the completion of an all-weather road to the Panama Canal from the United States are obvious. What may not be so obvious, however, is that a great number of the strategic materials which the United States requires as a part of its defense of the free world are obtained from the area which will be served by the Inter-American Highway. Another strategic fact, which is not generally recalled, is that many of these countries are cooperating with the United States in hemisphere defense for which purpose strategic sites have been developed. The highway would link these points and would be an auxiliary route in the transport of strategic materials.

As I indicated earlier, larger sums have already been expended by the United States and the nations of Central America toward the completion of this highway. However, if we are to obtain the maximum returns from our previous contributions, and if we are to share with the countries of Central America in the beneficial results of economic and political stability, an all-weather Inter-American Highway stretching from the United States to the Panama Canal should be completed within the next 3 years. It is estimated that the cost to the United States over the next 3 years to complete this task will be $74,980,000, which is less than the cost of a light cruiser. It is my understanding that the nations of Central America through which the highway will pass are prepared now to put up their share of the cost so as to insure its completion within the next 3 years.

Prompt effective action on our part can bring to Central America the economic and social progress which is the aim and the birthright of its people and which we, as their partners, wish for them. A good partner does not stand idly by, however, and merely wish his partner success and well-being. He rolls up his sleeves and goes to work with him. I ask the Members of this House to go to work with our good partners in Central America by taking action now which will result in the appropriation of funds for the completion of the Inter-American Highway in 3 years.

Mr. FALLON. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, as a member of the Committee on Public Works, which has had this project before it for thorough and careful consideration several times, I think it is about time that we completed it. It was sometime back in the early thirties when the Inter-American Highway was authorized by the Congress. We have been spending a little money on it now and then, but not in any appreciable amount. When we are going to construct a highway or anything else we must realize delay in construction is costly. When we start it—finish it expeditiously and it will not cost nearly as much money as if we carry it along from year to year as we have this highway. We set up such a small amount of money, and we had no contractors on the highway except foreign contractors. That is perfectly all right, but with this new setup to complete this highway in 3 years, American contractors will go down there and the job will be completed early. I do not think we have any better markets than there are in Central America; I do not think we have any better brains than there are in Central America. I believe we should do something for the countries that are helping us. In that way we are helping our own country.

When the road was originally laid out, it was laid out as a military highway. In other words, the Department of Defense was extremely interested in the Inter-American Highway. When this road is completed, it will mean that we will have a black-top highway from Maine to Panama. I think that will mean very, very much to the United States of America. I sincerely hope, as our colleague, the gentleman from Ohio [Mr. MCGREGOR] said to you, that no amendments to this bill will be offered or adopted which will delay the construction and completion of this highly essential road. We are committed to it and the sooner we complete it, the better.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield.

Mr. BOW. In the testimony before the Subcommittee on Appropriations dealing with this subject several weeks ago, there was testimony to the effect that if we did this on a crash basis of completing the highway within 3 years, and this testimony came from representatives of the Public Roads, it would cost us, perhaps, 11 percent more than if it was completed over a period of 6 years. I might say to the gentleman that that disturbed some of the members of the committee. I wonder if the gentleman from New Mexico could discuss that subject and give us some light on this question of the increased costs for the 3-year plan as against the 6-year plan because, may I say to the gentleman, while I did not agree with them completely, the experts made that statement. Will the gentleman discuss that question?

Mr. DEMPSEY. I am amazed that any expert would tell you that if you planned a project that would take 6 years to complete you would save money if you finished it in 3 years.

Mr. BOW. Mr. Chairman, will the gentleman yield further?

Mr. DEMPSEY. I yield.

Mr. BOW. If the gentleman will read the hearings of the Department of Commerce appropriation bill, the gentleman will find that the Bureau of Public Roads did give us that information. I may say that was very disturbing to the Members, and I hoped that in the discussion today, in this debate, that question would be cleared up so that when the matter does come to the Committee on Appropriations we will have that information.

Mr. DEMPSEY. I thank the gentleman for bringing this to my attention.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield.

Mr. FALLON. One of the main reasons for the increased cost in getting this job done in 3 years is because American engineers and contractors and equipment will have to be sent down there. The contractors in Central America do not have the organization and equipment to do this job in 3 years, so it is going to be necessary to put these bids out to American contractors, and the cost of American contractors' construction is larger than those in Central American countries. That is the reason for the increased cost of this program.

Mr. DEMPSEY. I would like to add that the amount of money authorized to be expended was not sufficient to have contractors from the United States move down there. We could have done this job for about $56 million some years ago. Now, because of the delay, it will cost over $70 million. Nothing but delay has caused that loss of $14 million.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield.

Mr. DONDERO. I want to reiterate what the gentleman has said. I think in answer to the gentleman from Ohio [Mr. BOW], the report on page 4, line 2, gives a complete answer. In addition to the contractor it will require more American skilled labor to be taken down there to be added to the cost that the gentleman from Maryland [Mr. FALLON] pointed out. May I take this opportunity to say that I appreciate the cooperation on both sides that we have had in our committee in bringing this matter to the House in order that we may complete a great project, which will be of benefit to this country for centuries to come, and for the part the gentleman from New Mexico [Mr. DEMPSEY] has played in the matter.

Mr. DEMPSEY. I thank the gentleman from Michigan.

Mr. MCGREGOR. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Ohio.

Mr. MCGREGOR. I would like to concur in the statement of the gentleman from Michigan [Mr. DONDERO], with respect to the part the gentleman from New Mexico [Mr. DEMPSEY] has played in this matter.

Mr. DEMPSEY. I thank the gentleman very much. We are all familiar with it and we believe in it. I think the quicker we get this program completed the better off we will all be. Anybody who knows anything about construction—I do not know much about it, but I have had 55 years' experience in construction—knows that delay is costly and wasteful. I have never heard any man who knows anything about construction say that by deferring completion you would save money. That would be contrary to every basic principle of economical and efficient building.

But saving in construction costs is not the only incentive for the earliest possible completion of the Inter-American Highway. It will serve as a truly good-neighbor traffic artery in establishing better business, cultural, and mutual defense relationships with our friends to the south. If we are to be perfectly honest with ourselves we are forced to admit that in this period of critical world situations we have been inclined to place greater emphasis on our relationships in faraway parts of the world than we have close by. Perhaps the cold war has forced this situation upon us but I still believe the stronger the alliances we have in this Western Hemisphere the more secure we shall be.

A goodly part of the billions we have been pouring into foreign lands will not bring even a small part of the return in friendship and security that this comparatively small investment in the Inter-American Highway will bring. It is good business and good sense for us to complete this road as soon as possible under reasonable building conditions.

Mr. DONDERO. Mr. Chairman, I yield 9 minutes to the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Chairman, I have great respect for the good judgment and ability of my friends, the gentleman from Michigan [Mr. DONDERO], the gentleman from Ohio [Mr. MCGREGOR], the gentleman from New Mexico [Mr. DEMPSEY], and the gentleman from Maryland [Mr. FALLON], who have just addressed you. Ninety-five percent of the time I yield to their judgment on matters of this kind. On this particular bill my opinions are different from those which have been expressed by these gentlemen.

First, let us discuss the provisions of this bill. If no bill is passed today, we still will have existing authorization for the construction of the Inter-American Highway of $17,250,000.

In addition to this we have $8 million of authorization now in effect for each of the next 4 years, or $32 million additional. In other words, there is existing authorization already approved by

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the Congress for the Inter-American Highway of $59,250,000.

This bill in effect proposes to increase the existing authorization by $25,730,000 so that if it is approved there will be $75 millions authorized for the construction of the Inter-American Highway.

The reason given for asking authorization of the $75 million for the construction of this highway is that the State Department desires to complete this road in a period of 3 years' time. The State Department wants to do a crash hurry-up job.

We have been 21 years working on this road; in those 21 years we have spent something less than $54 million on that road. Now the State Department proposes to complete this project by expending $75 million in a 3-year period. If the expenditure of this $75 million in a 3-year period would reduce the cost of building this road there might be an excuse for providing this $75 million for a 3-year road job. But rushing this job to completion in 3 years will not lessen the cost of building this road. It will increase the cost of building it.

The other day the chairman of the Commerce Department Subcommittee on Appropriations, the gentleman from Georgia [Mr. PRESTON], made the statement that to construct this highway in a 3-year period, according to the engineers of the Public Roads Administration, would involve an additional cost of $12 million. The gentleman from Georgia [Mr. PRESTON] said this job can be done for $63 million if it is done over a 6-year period, but that it will cost us $75 million if we crowd it into a 3-year period.

It seems to me it would be good business, since we have been 21 years on building this highway, to take another 6 years to complete it and thereby save $12 million for the American taxpayers over what the road will cost us if we undertake to build it in 3 years.

When the United States finishes this highway that will not end all our road-building in Central America, we are still going to be called upon year after year to furnish them money to improve this road or to the construction of other roads. When this matter was before the Congress 2 years ago the then head of the Roads Division, Mr. MacDonald, was asked by the gentleman from Ohio [Mr. MCGREGOR], what type of road the Inter-American Highway is? He said it would correspond to a secondary road in the United States. In places it is 20 feet wide and in others 24 feet wide. The time will come, if we crash this job through, when we will be asked for more money to widen that road and strengthen it.

I am in favor of the construction of the Inter-American Highway. I would not be opposed to doing it in 6 years, but I do object to rushing it through in 3 years at the additional cost of $12 million which is the estimate of the Government's highway engineers. The engineers of the Bureau of Public Roads on whom we must depend for information say it will add to the cost of this highway $12 million.

This is not a project alone of the present administration. In 1950 the Truman-Acheson administration came before the House Public Works Committee and asked for $56 million authorization to complete this highway. The Public Works Committee rejected the request of the Truman-Acheson administration for that $56 million. The committee and the Congress approved only $8 million a year for 2 years in authorizations for this highway. Later the Appropriations Committee did not give them the $8 million our committee, this House, and the Congress had authorized. The Appropriations Committee approved only $1 million for the Inter-American Highway and $1 million for the Rama Road.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield.

Mr. DEMPSEY. The record shows that appropriations for this road started in 1930.

Mr. MACK of Washington. That is correct.

Mr. DEMPSEY. Under President Hoover.

Mr. MACK of Washington. That is correct.

Mr. DEMPSEY. I wonder when the gentleman from Washington talks about delay in the project and savings whether he realizes the additional cost that is added to irrigation and reclamation projects, particularly in the building of one dam which took 4 or 5 years longer and cost many millions of dollars more because of the delay, and how does that compare with the $75 million for the completion of this road?

Mr. MACK of Washington. I only know that the gentleman from Georgia [Mr. PRESTON], chairman of the Commerce Department Subcommittee on Appropriations, said here on the floor the other day that the estimate of the Bureau of Public Roads engineers was that if we built this road in 3 years, it would cost an additional $12 million more than if the Government takes 6 years to complete construction of this highway.

Mr. DEMPSEY. I cannot understand that. Up your way it would not cost that much to speed it up, would it?

Mr. MACK of Washington. The gentleman from Georgia is here. He can answer the question.

Mr. DEMPSEY. I understood the gentleman to say that the gentleman from Georgia was quoting somebody else.

Mr. MACK of Washington. He was quoting the engineers of the Public Roads department, who are the highway engineers of the Federal Government upon whom the Congress must rely for information.

Mr. DEMPSEY. I would not accept the statement of any engineer who would tell you that by deferring completion you save money. That is just ridiculous.

Mr. MACK of Washington. Perhaps the fact highway construction work down there can be done only during a 5-month period out of the year may have something to do with the increased cost.

Mr. DEMPSEY. I do not know what the period of construction is down there during a year but I think it is much more than 5 months. As a matter of fact I do not see what would stop them because the weather is warm down there.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Michigan.

Mr. DONDERO. I think perhaps this road has cost the United States more money than it should because of the fact we have been at it so long. Had we built this road 20 years ago or even 15 years ago no doubt the cost would have been cut in two. What I fear and the thing what the gentleman fears too is if we delay it longer it will cost still more money.

Mr. MACK of Washington. I think the gentleman is partly correct; but according to the Government engineers of the Public Roads Administration if we take 6 years to complete this highway we can save $12 million.

Mr. DONDERO. On the same theory they may be mistaken in prolonging it 6 years rather than 3 because the cost might increase again in that period of time and cost us still more money.

Mr. MACK of Washington. Under the terms of this bill the State Department can give $25 million for work on this highway to these countries without requiring them to pay any part of the cost. The State Department then can give $50 million more if these countries put up $25 million. To do $100 million of roads on this highway the State Department can provide the Central American countries $75 million if these countries put up $25 million.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Maryland.

Mr. FALLON. The original law was 66⅔ against 33⅓. That was the original law.

Mr. MACK of Washington. Yes.

Mr. FALLON. It is continued that way. The additional authorization remains the same.

Mr. MACK of Washington. But in this authorization bill there is a provision which allows the State Department to grant one-third of this money—75 million—for highway construction without any of these 6 nations putting up anything.

Mr. FALLON. Oh, no, there is not. It is two-thirds and one-third, and they are willing to put up the one-third to do it. They are putting up one-third of the accelerated money in here.

Mr. MACK of Washington. In the last sentence of the bill it is stated "not to exceed one-third" may practically be given to them.

Mr. FALLON. That was in the original McGregor bill of last year.

Mr. MACK of Washington. It has been in the previous two bills. I think it is an unwise provision.

Mr. FALLON. There is a reason for that. The bridges that are being constructed in South America, under their code of building a bridge, are not the type of bridges that our Defense Department wants in Central America; so we are asking them to build a heavier type bridge on which we make a contribution.

Mr. MACK of Washington. That is partly true, of course, but I do not think the one-third provision or grant

of free money in the bill should be there because it will encourage the executives and the members of their legislative bodies in Central America to say, we cannot afford to put up money. That will get them one-third of the money without their matching the money at all. It gives them $25 million as a gift without these republics having to match the money the United States provides.

Mr. FALLON. The last paragraph of the bill was in question in the committee.

Mr. MACK of Washington. I know it was in both previous bills.

Mr. FALLON. That was in question. The State Department and the Bureau of Public Roads said they can work without that language being in there but they would rather have it in there for defense purposes.

Mr. MACK of Washington. I have an amendment that I shall offer later in reference to that matter.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Florida.

Mr. CRAMER. Is it not true that the testimony before us was to the effect that all of the nations involved, with one possible exception, had entered into agreements with the State Department that they would contribute their one-third of the money involved; therefore the gentleman's supposition that the Federal Government would have to put up more than two-thirds, does not have any real effect on this matter?

Mr. MACK of Washington. It would still have an effect. The State Department still could grant one-third of the money free without matching funds being required. State Department officials said they had contacted six countries. Four countries said they would match our funds 1 to 2 and two countries said they might need a loan from the Export-Import Bank to do so. In my opinion it is better to loan them the money than give it to them as a gift.

Mr. DONDERO. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. BOW].

Mr. FALLON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio.

Mr. BOW. Mr. Chairman, I have taken this time because of the confusion on the question of the cost between the 6-year program and the 3-year program. I want to say at the outset that I am in favor of the earliest possible completion of the Inter-American Highway. I have been over it. I think it is a fine project and should be completed at the earliest possible date, provided we do it in an economical manner.

The distinguished gentleman from Georgia [Mr. PRESTON], as chairman of the Commerce Subcommittee of Appropriations, in the hearings this year—and I refer to pages 555 to 558—went into some detail on the question of the cost of the accelerated program, and I hope the great Committee on Public Works will be able to answer some of these questions, because if they are not answered, there is going to be some difficulty in having this House appropriate the sums requested. Mr. Turner, from the Bureau of Public Roads, appeared before the subcommittee, and I asked him the question that I was confused on, whether it was going to cost more or less on a cash basis, and I asked him to explain it. He said:

> We already have that. We have an estimate that to do it on a 6-year basis would at the present time take $63 million, and what we are asking for on the basis of the present estimate is $74,980,000.

So there is approximately $11 million increase for the accelerated program. Now, we went over that in great detail from that time on with him, and I refer the members of the committee to the hearings and the examination by the gentleman from Georgia [Mr. PRESTON]; but, all the way through, regardless of what questions were asked of Mr. Turner, he indicated that it would cost $11 million more to complete the highway on the accelerated program.

Now, I am hoping sincerely that somebody on this committee can point out how we can meet the question of this $11 million increase if we do it in 3 years against the 6-year program, for I feel that we have that barrier to meet that I am concered with.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Michigan.

Mr. DONDERO. I think the question that the gentleman from Ohio has raised, has been answered. Nevertheless there are four lines in the report which I think answer it so anyone can understand it. We point out that the cost is that much more because we have got to obtain American contractors with their heavy equipment to take American skilled labor down there to do the job. It is not available in those countries. That is the reason for it.

Mr. BOW. Then, does the gentleman agree with the engineer from the Bureau of Public Roads that if we do it at the accelerated program, it is going to cost us $11 million more than if we complete it in 6 years?

Mr. DONDERO. It will, but no one can say what prices will be 5 or 6 years from now, and we may save more than $11 million by doing it now.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Maryland.

Mr. FALLON. I think the gentleman from Michigan has called attention to the 4 or 5 lines in the report which explain the additional cost of $11 million. But, what the report does not say is that the sooner this highway is completed, the sooner we get benefits from our investment. It would more than pay to build this highway in 3 years, more than pay the United States in benefits derived by an open highway through these countries than this $11 million amounts to. Of course, the additional cost was explained, that in order to do it, you have to take American skilled labor, American contractors, American engineers down into Central America, because they do not have large enough organizations to do the job.

Mr. BOW. I want to say to the gentleman that I am in favor of this highway. I can see great advantages to this country in the completion of this highway at the earliest possible date. I have been over it. I know what it will mean to this country and to trade with our Nation.

More particularly I believe it is of great importance, if we should get into a conflict with a nation that has a great number of submarines because, if they were off both our coasts, it would give us an opportunity to send materials through Central America into Panama. It would be of help as a defensive force.

I want to say to the gentleman and to the committee that I favor this bill and I am going to vote for it. But I do hope we can find some answer that we will be able to make to those who are critical of spending $11 million more to complete this program in 3 years instead of in 6 years.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. CRAMER. From the testimony before the committee I believe it is not proper to say that this extra cost of $11 million is caused by its being a 3-year period instead of a 6-year period or whether the program is made a crash program or not. I understand that the construction between Costa Rica and Panama is of such a difficult nature that whether it is done in a 3-year period or a 6-year period it is going to require American engineering, it is going to require American equipment and the cost is going to be substantially more than originally estimated because of that.

Mr. BOW. I will say to the gentleman that the testimony before our committee was on the basis of the present figures and not on the basis of the old figures.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. McGREGOR. I would certainly take exception to the judgment of any engineer who would say that this was going to cost $11 million more if we completed it in 3 years instead of a period of 5 or 6 years. Anyone who has been in the contracting business—and I know the gentleman from New Mexico [Mr. DEMPSEY] has—knows that the sooner you get a metal surface on a road so that climatic conditions do not interfere with your subgrade, the better you are going to be, the sooner you will have your job finished and the more money you will save. If you were to extend the period for laying this subgrade over 6 years, with certain climatic conditions, and you did not have a metal surface on the road so that the water could run off, the result would be increased cost. So I think this proposed program will definitely save money instead of adding to the cost.

Mr. BOW. I know of the gentleman's background in construction of this kind, and of his ability, and I would certainly be willing to take his word. But I am hoping that the gentleman will be able to spell it out in such a way that we can convince others. I am convinced, I will say to the gentleman from Ohio, but my purpose in taking the floor today was to try to get information which we could use to convince others of the need for this accelerated program.

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Mr. FALLON. Mr. Chairman, I have no further requests for time, and I yield the balance of my time to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. I thank the chairman. At this time I yield 3 minutes to the gentleman from California [Mr. BALDWIN], a member of the committee.

Mr. BALDWIN. Mr. Chairman, it seems to me that in this discussion we have perhaps overemphasized the question of relative cost. To say the least, the question of relative cost is only one of a whole series of factors that are involved in this discussion of the need of completing this highway within 3 years' time.

The committee report indicates clearly that the evidence presented to the committee pointed very strongly to an urgent need to complete this highway and as soon as possible.

There are very strong diplomatic reasons why this highway should be completed as soon as we can. There are six Central American countries that are involved. We know that we have had very serious problems involving several of them. Fortunately, they have worked out in such a way that we now have friendly governments in those countries.

The completion of the Inter-American Highway in a short period of time may be of tremendous benefit to this country in our future relations with those countries. In addition to that, we have very strong military reasons for the completion of this highway. It was pointed out by the gentleman from Ohio when he stood here a moment ago that it is most essential that we have a road that will go all the way through to the Panama Canal Zone that would be available for use whenever it became necessary to use it.

As far as trade advantages go, the possible merits of completing this highway certainly are enormous. It is really hard to conceive of the fact that many of these countries in Central America are being stifled economically because of the fact people cannot even travel from one country to an adjoining country. It would be hard for us to visualize having a border between here and Canada of such a nature that we could not even drive into the area above the Canadian border because of the difficulties in getting over the roads. So the future relationships of all these six countries in Central America with the United States and with each other may depend on the urgent completion of this highway.

It seems to me we should give careful consideration to those factors. I think the gentleman from Ohio stated it very well when he said that although there is a difference in cost between completing this highway quickly and over a period of time he felt that there are reasons involved here that impel him to support this bill, and he intended to do so. I think those reasons are compelling in this case. I hope the House of Represenatives will give serious consideration to those factors so that we can pass this bill and make this road a reality.

Mr. DONDERO. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. CRAMER], a member of the committee.

Mr. CRAMER. Mr. Chairman, I want to go along with the suggestions of my colleague and the gentleman from California [Mr. BALDWIN] and perhaps enlarge upon his idea.

The question of inter-American relations has been one of primary concern before this committee as it has considered this proposed legislation. I think it is important to point out the tremendous inroads being made not only in Central but in South America by the nations of Europe, economically, diplomatically, and specifically.

I read an article just the other day which pointed out that in Argentina, for instance, Japan is sending back its colonies of workers to do work; some 600,000 persons already; and the Japanese merchant fleet is back on all prewar runs; also that France is shipping automobiles, trucks and agricultural machinery to South America; that Germany is offering cheap credit to Central and South America; and that France is building a new factory for producing machinery for oil and steel industries, outside of Rio de Janeiro. Russia has completed two-way trade agreements with Argentina and Uruguay and Red dominated Czechoslovakia with several more. So you see these European and Asiatic nations are sending direct economic aid and attempting to build friendly relationships with the Central and South American nations. Certainly Russia is trying to do the same thing. So we are actually in a competitive position with these other nations in trying to build not only our own economic but our friendly diplomatic relationships with these nations.

I believe we have a giant inherent but presently far too dormant source of unlimited friendship for the free world in Central and South America. We are willing to vote $3.5 billions for aid to Europe and aid to Asia but when we start talking about an additional few million dollars to finish this Inter-American Highway we have a lot of difficulties. I say in all sincerity that I believe this to be one of the best possible ways we here in Congress can take advantage of this great dormant but inherent source of unlimited friendship of Central and South America by completing this highway.

I was very much concerned with the remarks about the additional estimated $12 million resulting from accelerated construction because, as far as I am concerned, the benefits resulting from building this highway in a 3-year rather than a 6-year period unquestionably will be worth far more than $12 million to America, not only economically but with regard to our inter-American relationships. I think that is proven beyond a doubt by the figures quoted by the chairman of our committee, the gentleman from Maryland [Mr. FALLON], who stated the figures indicating the increase in imports and exports over the short period of 20 years. The increase in exports was from $119 million to $950 million over that short 20-year period, even with this highway being only partially built, and the increase in exports from America was up to $500 million over this period. This clearly shows the tremendous advantage of building this highway as soon as humanly possible.

Mr. DONDERO. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. ALGER], a member of the committee.

Mr. ALGER. Mr. Chairman, in a troubled world where we have contributed some $50 billion to other countries, we do not have a road to our own Panama Canal. I recommend the passage of this legislation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 7 of the Federal-Aid Highway Act of 1954 is amended to read as follows:

"SEC. 7. For the purpose of carrying out the provisions of section 1 of the Act entitled 'An Act to provide for cooperation with Central American Republics in the construction of the Inter-American Highway,' approved December 26, 1941 (55 Stat. 860), as amended by section 11 of the Federal-Aid Highway Act of 1950, approved September 7, 1950 (64 Stat. 785), there is hereby authorized to be appropriated, in addition to the sums heretofore authorized, the sum of $8 million for the fiscal year ending June 30, 1955, and an additional sum of $57,730,000 which shall be available immediately and remain available until expended, to enable the United States to cooperate with the governments of the American Republics situated in Central America—that is, with the governments of the Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama—in the survey and completion of construction of the Inter-American Highway within the borders of the aforesaid republics, respectively. Not to exceed one-third of the appropriation authorized by this section may be expended without requiring the country or countries in which such sums may be expended to match any part thereof, if the Secretary of State shall find that the cost of constructing such highway in such country or countries will be beyond their reasonable capacity to bear."

Mr. MACK of Washington. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MACK of Washington: On page 2, strike all wording after the period on line 12.

Mr. MACK of Washington. Mr. Chairman, this amendment would prevent the State Department from supplying one-third of the money to complete construction of the Inter-American Highway without requiring the Central American Republics to match any part of that money. Department of State witnesses said that they probably would never use the provision which enables them to give one-third of the money free for construction of this highway. Under this section of the bill, as it now stands, however, the Department of State can provide $25 million for work on this highway without the Central American Republics contributing one single cent. I based this amendment upon the testimony which was given before the committee to the gentleman from Florida [Mr. ROGERS] and to myself by State Department witnesses. I made inquiry of Mr. Charles Nolan, Secretary of State in charge of transportation in Central America. He said that the State Department had asked the six Central American Republics if they

could match American road dollars—one of their dollars for each $2 the United States puts up. He said four countries replied that they were not only willing, but they were able to pay their full one-third of the cost of building the road. The other two Republics, Guatemala and Costa Rica, said that it might be necessary for them to borrow some of the money to match United States grants. The representative of the Department of State said he had consulted with the Export-Import Bank and was assured its officers would view favorably the making of such a loan. If this section remains in the law, it is going to be very natural for officials of Central American countries to say, "Well, we have no money." And in that case, it would be very easy for the Department of State to give them free this $25 million without these countries contributing anything. Here is the conversation and the questioning which occurred in committee between the gentleman from Florida [Mr. ROGERS] and the representative from the Department of State, Mr. Nolan:

Mr. ROGERS. Mr. Chairman, I just want to get straight on a couple of points here. Actually, you see no need of this provision then providing not to exceed one-third of the appropriation authorized may be expended without requiring the countries' contribution, since it seems these countries will be able to get loans to carry out their position, at least two of them will, and all the others are capable of making their proportionate share. Is that true?

Mr. NOLAN. That is correct. We see no likelihood at the moment for any of these countries seeking recourse to that particular part of the legislation which is presently in effect.

Mr. ROGERS. Would it not be a good idea to cut this out of the act, which would rather encourage them to make a loan rather than just expect an outright grant? Do you not think that would be a good policy?

Mr. NOLAN. Well, as I stated earlier, since we have more or less of a commitment from all of them that they will put up their one-third, speaking for myself I can see no reason why we have to maintain the language, if the committee so desires.

Mr. ROGERS. And if some situation did come up, then you could come back to Congress at that time?

Mr. NOLAN. Yes, sir.

Mr. ROGERS. Would that be feasible?

Mr. NOLAN. Yes, sir; and at the moment we see no possibility of that.

I take it from this testimony of the State Department that the Department is willing to strike from the bill the clause which gives them an option to pay one-third of the cost of this highway without the Central American Republics contributing 1 cent. The Central American Republics will naturally want to take advantage of this clause if it remains in the bill. We can save a good deal of money for American taxpayers by striking this provisoin out of the bill. From the testimony of the State Department witness himself there was no objection to the striking of that language.

Why should we give $25 million of American taxpayers' money free to help Central American countries build a highway in Central America while here in the United States we insist that every State must match dollar for dollar every dollar that the Federal Government puts up for highways?

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The problem comes up in conjunction with this road of not only making it a road for economic purposes but for having an addition to the defense of this country. I want to be fair about it, but the State Department and the Defense Department might want some kind of a military road for our heavy equipment that the local country might not be willing to supply. So should we not have this leeway for our defense when it is recommended as an administration proposal?

The CHAIRMAN. The time of the gentleman from Washington has expired.

(By unanimous consent, Mr. MACK of Washington was granted 3 additional minutes.)

Mr. MACK of Washington. Mr. Chairman, Mr. McDonald, in 1952, when he was Administrator of Roads, said that this 1,600 miles of road in Central America would roughly be equal to about a secondary road in the United States. The road is 20 feet wide in some places and in others 24 feet wide. It extends from Laredo, Tex., on the Mexican border, down to the Canal Zone, 3,200 miles away. While I know little about military logistics, it seems to me such a highway would not be of great value as a military road if you had to haul heavy equipment over this narrow, secondary road approximately 3,200 miles from the Mexican border to the Canal Zone. We had better depend for the defense of the Canal Zone on our Navy and our Air Corps rather than upon such a 3,200-mile long narrow highway and at that one not built for heavy traffic.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield.

Mr. MEADER. In at least two points on this highway that road goes over mountains 10 or 11 thousand feet high. How are you going to get military trucks to use a road like that?

Mr. MACK of Washington. In addition to that, our Defense Department would have to secure permission of seven foreign countries before we could move military equipment over such a highway.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. McGREGOR. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Washington [Mr. MACK].

Mr. Chairman, I dislike to disagree with my distinguished colleague and friend from Washington, but I call to your attention the exact facts relative to his amendment.

This House of Representatives, and the other body, last year passed legislation which was signed by the President which, if my memory serves me correctly, was passed with only a few dissenting votes. It is known as the Highway Act of the 83d Congress, Public Law 350.

The very section my distinguished friend endeavors to strike from this particular bill was carried in the legislation and it was accepted by this House and the other body and is now part of the law. I am wondering what is back of the attempt to scuttle Public Law 350 as it affects this particular subject.

I have heard no opposition to Public Law 350 and now it is rather amazing to me to find after we had discussed it in our committee, discussed it informally, there was no amendment offered to take it out.

My distinguished friend who offered the amendment opposed this very paragraph on the floor of Congress when the road bill which is now Public Law 350 was before us, and he was soundly defeated on his amendment; so why bring up the same question again?

I do differ most emphatically with the statement made that possibly this road does not have a military value; it does have a military value, Mr. Chairman. Are we going to say to our neighbors to the south that we are going to change our minds and not agree to the program we agreed to last year?

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. FULTON. And is it not a fact that we cannot ask the local countries for contributions because it is not for local use? Obviously if it is for our own defense we ought to put the extra money in there ourselves.

Mr. McGREGOR. Without question the gentleman is right, because there are some countries down there possibly temporarily financially unable to participate in this program. Certainly, Mr. Chairman, if we can send money to some of the other countries without question, we can spend the money we agreed to appropriate last year rather than to come in and defeat the program and say we said "Yes" last year. Now we say "No." That procedure certainly does not help our friendly relations.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I am most happy to yield to our distinguished Speaker.

Mr. RAYBURN. And does not the gentleman also think that to the south lies the greatest prospect of having friends—more so than anywhere in the world and where we need them most should the day come in God's providence but against His will when we may be crowded into the Western Hemisphere and they might be all the friends we have? By doing a little thing like this to make those people feel better toward us, I think, would be money well expended because, as the gentleman has so well said, a great many of those countries change governments every once in a while, and some do not have the money to match this. I think that had the United States of America furnished every dollar for the construction of this road from the Rio Grande to the Panama Canal, it would have been money well spent in the interest of the United States.

Mr. McGREGOR. I thank the distinguished Speaker for his very able remarks.

I sincerely trust the amendment offered by the gentleman from Washington will be defeated and that the bill will be passed unanimously.

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Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope that, if this bill goes through and the money is appropriated and spent, the distinguished gentleman from Texas, the Speaker of the House [Mr. RAYBURN], will not come along later and criticize the Republicans for being a spending, wasteful, unthoughful group.

I do not know just exactly why we are sent here, but I have always thought it was to pass legislation in the interest of our people, to improve the welfare of our people, to give them opportunities along material lines as well as educational and spiritual lines, and to protect the security of the Republic.

Too long we have been ruled by fear—fear pumped into us to force out appropriations for every conceivable purpose.

Well, if I am to be hung, I would rather be hung now and avoid all that worry and apprehension and speculation as to where I am going if any part of me remains after I am hung.

I am getting in a terrible state of mind over this thought that we must continue to pour out the tax dollars which we collect from our people and give them to somebody who or some nation which might, it is said, destroy this Nation. Oh, I know the story. Maybe this highway is of some use as a defense measure—it may create good will—it may cause complaint because it is not larger. But does there not come a time, and will it not be soon when we will be forced to quit trying to buy friendship? Are we not big enough, are we not strong enough, have we not the courage, the endurance and ability to defend ourselves, instead of always doing something to weaken ourselves in order to get somebody else to help us? To save us? How long since we have heard that we continued to exist only because the British Navy stood between us and the Germans or Russians?

Build this highway? I want to say to my Republican friends it is about time we begin to do something for Michigan. We have been buying cotton, tobacco, and rice from the southern boys.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. We buy automobiles, and they make those in Michigan.

Mr. HOFFMAN of Michigan. As I said earlier today, they charge us a whale of a price for the automobiles while the workers get an increase in wages. The stockholders increases in dividends. Company officials an increase in salaries. But the poor customer, the fellow who buys and keeps the cars going and by his purchase enables the factory to operate, gets no consideration.

Mr. Chairman, Michigan was a Republican State for a long, long time. Quite recently the CIO, under Reuther and Gus Scholl, took over the Democratic Party, and persuaded everybody in Michigan that if they would vote for somebody with a Democratic label everyone would be rolling in prosperity. The Democrats are going to be sorry when the time comes, as come it will, and they find Reuther and his folks have taken over their party, kicked you out, put in union officials as your nominees. They may use your party name, all right, but there will not be any Democratic doctrines in the organization. Why have the Republicans of Michigan not had something from the Federal Government in the past? Because their representatives have not been on the ball? Because they have not been beggars? Now, why cannot the Democrats do something for Gus Scholl and Reuther up in Michigan so that they can get the county offices as well as the State offices?

Why can you not appropriate a little money to protect the coastline along Lakes Michigan, Erie, and Ontario and the bordering States? Houses are being washed into the lakes because the banks have been undermined by the high water which comes down from Canada, contributed in part by excessive rainfall. We cannot do anything about the rainfall, or, at least, I do not think we can. Why can we not do something about that situation to protect our own people instead of building these highways down through those countries to aid South America? Is it not about time that we really start doing something for Michigan? Money for the Northwest, money for the South, money all over the world, except for the home folks in Michigan. What do we pay in taxes? Are we not third among the States contributing to the Federal Treasury? How about that? Now, in fairness, if the issue cannot be considered on its merit, how about getting a little political support there for Reuther and his outfit? Even though, incidentally, Michigan people other than those in the CIO might receive just treatment?

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, last year the Congress, by appropriate legislation, pledged the word of this Government that the United States would make its contribution to the completion of the Inter-American Highway.

This project has been under construction since 1934, and the Congress has appropriated funds from time to time. However, the present uncompleted state of the project prevents the realization of the real benefits to this country.

This highway, when completed, would connect our own road system in Texas with the Panama Canal at the southernmost end of Central America. The completion of this all-weather highway is of substantial security importance to the United States. At the present time our sole means of communication with the Panama Canal is by air or by sea. This highway would provide overland contact as far southward as the Panama Canal and would bring an important physical link between the Central American countries in our common defense of the Western Hemisphere against aggression.

The President realized early this year the desirability of accelerating the completion of the Inter-American Highway. In an appropriate letter to the Speaker of the House on March 31, he called to the attention of the House that the completion of this highway is a clearly established objective of United States policy. The President states as follows in his letter to the Speaker:

> Among the considerations which make me feel that an accelerated construction program on the highway is essential are these:
>
> 1. A completed highway will provide a very important contribution to the economic development of the countries through which it passes.
>
> 2. There will be an opportunity for increased trade and improved political relations among these countries and the United States.
>
> 3. The resultant increase in tourist traffic would not only improve cultural relations, but also serve as a very important element in the development of their economies through earnings of foreign exchange.
>
> The stabilizing effect of these factors will tend to bar any possible return of Communism which was so recently and successfully defeated in this area.

From the evidence before the Committee on Public Works, a completed main highway would encourage construction of feeder roads over which products could be transported to market. This is expected to encourage development of new agricultural areas and lead to general development of natural resurces in very undeveloped areas. This improved access to and among these countries will open up new possibilities for the investment of United States capital and would promote greater trade between us and the Central American countries. Every qualified witness who appeared before the committee was convinced that for economic and political reasons now is the time to speed completion of the Inter-American Highway. In my estimation, there is no single action which the United States could take in Central America and Panama to bring about more mutually advantageous results.

This legislation is in line with the Eisenhower philosophy in foreign policy of promoting better relations among our neighbors in the Western Hemisphere. It is a program which I believe has borne and will continue to bear both the fruits of friendship and peace.

May I say further at this time that this is not a one-sided program in which we are making a major contribution in the interest of other countries. The United States has a definite economic, political, and security interest in the completion of this highway.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. MACK].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. ABERNETHY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway, pursuant to House Resolution 260, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. FULTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 353, nays 13, not voting 68, as follows:

[Roll No. 80]

YEAS—353

Abbitt	Coudert	Hébert
Abernethy	Cramer	Henderson
Adair	Cretella	Hess
Addonizio	Crumpacker	Hiestand
Albert	Cunningham	Hill
Alexander	Curtis, Mass.	Hinshaw
Alger	Curtis, Mo.	Hoeven
Allen, Calif.	Dague	Hoffman, Ill.
Allen, Ill.	Davidson	Holifield
Andersen, H. Carl	Davis, Ga.	Holmes
	Davis, Tenn.	Holt
Andresen, August H.	Davis, Wis.	Holtzman
	Dawson, Utah	Horan
Andrews	Deane	Hosmer
Anfuso	Delaney	Huddleston
Arends	Dempsey	Hull
Ashley	Denton	Hyde
Ashmore	Derounian	Ikard
Aspinall	Devereux	Jackson
Auchincloss	Dies	Jarman
Avery	Dixon	Jenkins
Bailey	Dodd	Jennings
Baker	Dollinger	Jensen
Baldwin	Dolliver	Johansen
Bass, N. H.	Dondero	Johnson, Calif.
Bass, Tenn.	Donovan	Johnson, Wis.
Bates	Dorn, N. Y.	Jonas
Baumhart	Dorn, S. C.	Jones, Ala.
Beamer	Dowdy	Jones, Mo.
Becker	Doyle	Jones, N. C.
Belcher	Durham	Judd
Bell	Edmondson	Karsten
Bennett, Fla.	Elliott	Kean
Bennett, Mich.	Ellsworth	Kearney
Bentley	Engle	Kearns
Berry	Evins	Keating
Betts	Fallon	Kee
Blatnik	Feighan	Kelley, Pa.
Blitch	Fenton	Kelly, N. Y.
Boiling	Fernandez	Keogh
Bolton, Frances P.	Fino	Kilburn
	Fisher	Kilday
Bonner	Fjare	Kilgore
Bosch	Flynt	Kirwan
Bow	Fogarty	Klein
Boyle	Forand	Kluczynski
Bray	Ford	Knox
Brooks, La.	Forrester	Laird
Brooks, Tex.	Fountain	Landrum
Brown, Ga.	Frazier	Lane
Brown, Ohio	Frelinghuysen	Lanham
Brownson	Friedel	Lankford
Broyhill	Fulton	Latham
Buchanan	Gary	LeCompte
Budge	Gathings	Lesinski
Burleson	Gavin	Lipscomb
Burnside	Gentry	Long
Bush	George	Lovre
Byrd	Granahan	McConnell
Byrne, Pa.	Grant	McCormack
Byrnes, Wis.	Gray	McCulloch
Cannon	Green, Oreg.	McDonough
Carlyle	Griffiths	McGregor
Carnahan	Gross	McIntire
Carrigg	Gwinn	McMillan
Cederberg	Hagen	Macdonald
Chelf	Haley	Machrowicz
Chenoweth	Hand	Mack, Ill.
Christopher	Harden	Madden
Chudoff	Hardy	Magnuson
Church	Harris	Mahon
Clark	Harrison, Nebr.	Mailliard
Colmer	Harrison, Va.	Marshall
Coon	Harvey	Martin
Cooper	Hays, Ohio	Matthews
Corbett	Hayworth	Meader
Merrow	Rabaut	Taylor
Metcalf	Radwan	Teague, Calif.
Miller, Calif.	Rains	Thomas
Miller, Nebr.	Ray	Thompson, La.
Mills	Rees, Kans.	Thompson, N. J.
Minshall	Reuss	Thompson, Tex.
Mollohan	Rhodes, Ariz.	Thornberry
Morgan	Rhodes, Pa.	Tollefson
Morrison	Richards	Trimble
Moss	Riehlman	Tuck
Multer	Riley	Tumulty
Murray, Ill.	Rivers	Udall
Murray, Tenn.	Roberts	Utt
Natcher	Robeson, Va.	Vanik
Nelson	Robsion, Ky.	Van Pelt
Nicholson	Rodino	Van Zandt
Norblad	Rogers, Colo.	Velde
Norrell	Rogers, Fla.	Vinson
O'Brien, Ill.	Rogers, Mass.	Vorys
O'Brien, N. Y.	Rogers, Tex.	Vursell
O'Hara, Ill.	Rooney	Wainwright
O'Hara, Minn.	Roosevelt	Walter
O'Konski	Rutherford	Watts
O'Neill	Sadlak	Weaver
Osmers	Saylor	Westland
Ostertag	Schenck	Wharton
Passman	Scherer	Whitten
Patman	Scott	Wickersham
Patterson	Scudder	Widnall
Pelly	Seely-Brown	Wigglesworth
Perkins	Selden	Williams, Miss.
Pfost	Sheehan	Williams, N. J.
Philbin	Shuford	Willis
Phillips	Simpson, Ill.	Wilson, Ind.
Pilcher	Sisk	Winstead
Pillion	Smith, Miss.	Withrow
Poage	Smith, Va.	Wolcott
Poff	Spence	Wolverton
Polk	Springer	Wright
Preston	Staggers	Young
Price	Steed	Younger
Priest	Sullivan	Zablocki
Prouty	Talle	

NAYS—13

Burdick	Mack, Wash.	Taber
Clevenger	Mason	Wier
Cole	Scrivner	Williams, N. Y.
Hoffman, Mich.	Siler	
McVey	Smith, Wis.	

NOT VOTING—68

Ayres	Gamble	Mumma
Barden	Garmatz	Powell
Barrett	Gordon	Quigley
Boggs	Green, Pa.	Reece, Tenn.
Boland	Gregory	Reed, Ill.
Bolton, Oliver P.	Gubser	Reed, N. Y.
	Hale	St. George
Bowler	Halleck	Schwengel
Boykin	Hays, Ark.	Shelley
Buckley	Herlong	Sheppard
Canfield	Heselton	Short
Celler	Hillings	Sieminski
Chase	Hope	Sikes
Chatham	James	Simpson, Pa.
Chiperfield	King, Calif.	Smith, Kans.
Cooley	King, Pa.	Teague, Tex.
Dawson, Ill.	Knutson	Thompson, Mich.
Diggs	Krueger	
Dingell	McCarthy	Thomson, Wyo.
Donohue	McDowell	Wilson, Calif.
Eberharter	Miller, Md.	Yates
Fascell	Miller, N. Y.	Zelenko
Fine	Morano	
Flood	Moulder	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Celler with Mr. Heselton.
Mr. Eberharter with Mrs. St. George.
Mr. Gregory with Mr. Simpson of Pennsylvania.
Mr. Sikes with Mr. Short.
Mr. Chatham with Mr. Miller of Maryland.
Mr. Cooley with Mr. Canfield.
Mr. Boykin with Mr. Halleck.
Mr. Dingell with Mr. Chiperfield.
Mr. Moulder with Mr. Thomson of Wyoming.
Mr. McCarthy with Mr. Hale.
Mr. King of California with Mr. Reece of Tennessee.
Mr. Shelley with Mr. Miller of New York.
Mr. Sheppard with Mr. Chase.
Mr. Yates with Mr. Morano.
Mr Zelenko with Mr. Reed of Illinois.
Mr. Powell with Mr. Gubser.
Mr. Garmatz with Mr. Krueger.
Mr. Gordon with Mr. Wilson of California.
Mr. Fine with Mr. Reed of New York.
Mr. Barrett with Mr. Mumma.
Mr. Green of Pennsylvania with Mr. Hope.
Mr Hays of Arkansas with Mr. James.
Mr. Quigley with Mr. King of Pennsylvania.
Mr. Donohue with Mr. Ayres.
Mr. Buckley with Mr. Smith of Kansas.
Mr. Boland with Mr. Gamble.
Mr. McDowell with Mr. Schwengel.
Mrs. Knutson with Miss Thompson of Michigan.
Mr. Boggs with Mr. Hillings.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. FALLON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made during general debate on the bill just passed and to insert extraneous matter and a table.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may sit during general debate during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING BUILDING OF MUSEUM OF HISTORY AND TECHNOLOGY

Mr. JONES of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6410) to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6410, with Mr. KLEIN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. JONES of Alabama. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill authorizes the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications and all other work incidental thereto. It provides that the regents of the Smithsonian Institution may prepare drawings and specifications for, and to construct, a suitable building for a Museum of History and Technology for the use of the Smithsonian Institution, to be located on that part of reservation 3 which is bounded by 12th Street NW on the east,

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14th Street NW on the west, Constitution Avenue on the north, and Madison Drive on the south, the title to which is already held by the Federal Government.

The site proposed for the location of this new building was first designated in 1901. It was set aside as a space to be occupied by a building housing the displays of the valuables belonging to the National Museum.

This bill comes to you by unanimous report from the Committee on Public Works. In the preparation of the bill we have consulted constantly with the Board of Regents and those members serving on the Board of Regents who are Members of the House of Representatives. The Members of the House on the Board of Regents are the gentleman from Ohio [Mr. VORYS], the gentleman from Missouri [Mr. CANNON], and the gentleman from Louisiana [Mr. BROOKS]. So we have had the benefit of the wealth of their experience as members of this Board.

If there have been any differences we have ironed them out and we bring to you this bill which is an expression of common accord of the members of the Committee on Public Works and the Board of Regents of the Smithsonian Institution.

The gentleman from New Jersey [Mr. AUCHINCLOSS] has done a great deal of work in connection with this bill and he, I am sure, will express the feeling of the minority as to the unanimity of opinion that exists so far as this bill is concerned.

Mr. AUCHINCLOSS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from New Jersey.

Mr. AUCHINCLOSS. It might be well to have in the RECORD the fact that this proposed building does not interfere in any way with the proposed reconstruction of southwest Washington, known popularly as the Webb-Knapp plan or with the Zeckendorf plan.

Mr. JONES of Alabama. This bill will not interfere with those developments. It will not interfere with any proposal for the redevelopment of any section of the city of Washington by Webb and Knapp or any other proposal for the redevelopment of the Greater Washington area.

Mr. AUCHINCLOSS. I thank the gentleman.

Mr. JONES of Alabama. Mr. Chairman, this bill has the approval of every agency of Government concerned, the Smithsonian Institution, the National Capital Planning Commission, the Commission of Fine Arts, and the General Services Administration.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The Secretary of the Smithsonian Institution is Dr. Leonard Carmichael who for years was president of Tufts College, of Massachusetts, located in Greater Boston. Dr. Carmichael is one of the outstanding educators of our country, and one of the most highly respected citizens of our country.

In a letter to me on June 6 he said, among other things, that the Smithsonian, in the number of objects cataloged, is the world's greatest museum, but its present physical plant is two generations behind the buildings of the national museums of even some of the second- or third-class powers of the world. I can assure my colleague that the opinion of Dr. Carmichael, whom I have known for years and whom I value as one of my friends, is worthy of our profound consideration.

Mr. JONES of Alabama. I thank the gentleman.

The buildings that the Smithsonian now occupies are 75 years old. They are totally inadequate to house the display of fine objects that they have accumulated at the museum. We ought to have a national museum that will reflect to our credit and it is essential that we have an adequate building for this purpose. The Smithsonian Institution has served the Nation well for over a century by the increase and diffusion of knowledge and as the principal repository of the Government for objects of historic and scientific value, many of which are irreplaceable national treasures. It is world famous as a scientific institution and also for its art galleries and museums. It is one of the major points of interest for visitors in Washington, of whom more than 5 million, including many thousands of schoolchildren on class pilgrimages from all over the country, annually enter its museum buildings.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Ohio.

Mr. McGREGOR. I would like to pay my respects, Mr. Chairman, to the distinguished gentleman from Alabama [Mr. JONES], who is chairman of the subcommittee that handled this subject. He has put in a great deal of time, not only of a physical nature but in research and so forth, and I heartily concur in his views. He has done a splendid job, and I hope this bill passes by a unanimous vote.

Mr. JONES of Alabama. I thank the gentleman from Ohio. He, too, has been most patient in working out some of the problems that have arisen and, as I stated earlier, many of the issues that we were at odds on we have been able to reconcile.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I, too, would like to commend the distinguished gentleman. This is just another example of the cognizance that more and more people are taking each and every day for the need of a greater understanding of our own culture here and abroad, and I certainly commend this legislation and the gentleman's advocacy of it.

Mr. JONES of Alabama. I thank the gentleman.

Mr. SCHENCK. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentlemen from Ohio.

Mr. SCHENCK. I would like to associate myself with the splendid remarks of the gentleman from Alabama [Mr. JONES]. The Smithsonian Institute is really a great institution of these United States and is particularly of interest to the many school children who visit Washington from my district each year. I am interested in another phase of this problem, and I take this time to inquire of the distinguished gentleman from Alabama whether or not there is any plan or thought in his committee or in his own mind of charging admission to the Smithsonian Institute.

Mr. JONES of Alabama. I would be emphatically opposed to the charging of admission to the Capitol Building, to the Smithsonian Institute, the Museum of Natural History, or any other public building owned by the people of this country.

Mr. SCHENCK. Mr. Chairman, I am very happy to hear the gentleman say that, and I should like to associate myself with him in those remarks, because I feel the same way and very deeply.

Mr. JONES of Alabama. Mr. Chairman, I will say to the gentleman from Ohio that the committee did not deal with that subject, and I am expressing only my personal feeling about it. Since it was not a matter that came within the deliberations of the committee, naturally I must confine my remarks to my own personal feeling.

Mr. SCHENCK. I am sure the gentleman agrees with me that we do not want to make a Midway out of Washington's Pennsylvania Avenue and Constitution Avenue.

Mr. JONES of Alabama. No. I would say to the gentleman that we have insisted that this proposed building be no second-rate building, but one adequate to the job the Smithsonian is supposed to do.

Mr. SCHENCK. I thank the gentleman.

Mr. VURSELL. Mr. Chairman, will the gentleman yield further?

Mr. JONES of Alabama. I yield to the gentleman from Illinois.

Mr. VURSELL. I would like to say that over in Europe they maintain buildings like our Smithsonian Institution, even when they are a thousand years old. I went through this building on Sunday, and I have never seen a building in finer shape nor better adapted to the purpose for which it is now being used.

When we are talking about decentralization of Government activities, and the danger of an atomic attack, I am wondering whether it is the point of wisdom to spend $35 million of the taxpayers' money, when we have to go out and borrow it, to put up a new building at this time. In my judgment, this proposed building is not necessary. I have never seen a building in finer shape inside than the present building. It is in splendid shape. I went through it Sunday without any idea that this bill was coming up today. I think it is bad judgment to spend this much money, in effect to desecrate and perhaps tear down this old building.

Mr. JONES of Alabama. Mr. Chairman, I am pained to find that the gentleman from Illinois [Mr. VURSELL] is in disagreement with the committee and

with the Board of Regents on this bill. Of course, we did not attempt to reconcile the construction of a new Smithsonian Institution building with the national defense program. Had we gone afield in that way, we perhaps could not have brought out a bill. The compelling reason for approving a new building is that the present building is inadequate. The Smithsonian has thousands of objects that they cannot put on display because they do not have sufficient space to display properly those articles that they have.

Mr. DONDERO. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I am very much in favor of this bill. If there is any one spot in the Nation's Capital which is attractive to the tourists, to our citizens who come here, it is the Smithsonian Institution. A week ago last Sunday I went down and spent part of the afternoon in that building and unlike my able friend the gentleman from Illinois [Mr. VURSELL] I did not find the building to be in such fine shape as he indicated.

Be that as it may, the present building is not to be torn down. This bill provides for a new building. The able chairman of the committee, the gentleman from Alabama [Mr. JONES] who just preceded me, has covered the ground so well that there is very little left to be said in behalf of this bill.

Mr. Chairman, we are going to consider on this floor, not long from now, a bill calling for $3½ billion which is to be sent across the water. This bill provides for $36 million to be spent here at home. What would the boys and girls and the people of this country do, if they did not have a place where they could see for themselves some of the priceless historic objects and exhibits of this Nation's birth and growth as seen at the Smithsonian Institution? Think of it, five million people a year cross the threshold of that Institution. Where can you find a more interesting place to visit here in the Nation's capital than the Smithsonian Institution, yet not all of the things we own are on exhibition. We, who have been on the committee, all know that a great deal of the material that ought to be displayed in the Smithsonian Institution is not even in the Nation's capital. It is stored in the city of Chicago. A large portion of this material is stored in a basement, packed in boxes, because the Institution has no room to display the articles.

Can you go down there and look upon the things that are presented—the clothes of Washington, the first plane to cross the ocean, the first steam engines, electrical equipment, and many, many others that had their birth here in the United States—without a thrill of pride that you are an American? All have contributed toward the making of the great Nation we are today.

All we are asking today is to erect a new building where those things can be preserved for succeeding generations, not alone for our pleasure.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Iowa.

Mr. GROSS. Do I correctly understand that the building is to be constructed on the site of the present building?

Mr. DONDERO. I do not understand that to be the case. I do not understand they intend to tear the present building down. I think it will be repaired and renovated.

Mr. GROSS. Where is the new building proposed to be erected?

Mr. DONDERO. I think the site is described in the committee report on the bill. You will find it on page 2. Perhaps the gentleman from Ohio [Mr. VORYS], who is one of the regents of the Smithsonian Institution, could answer the gentleman from Iowa better than I could.

Mr. VORYS. The bill provides on page 2 that it shall be located on that part of reservation 3 which is bounded by 12th Street NW. on the east, 14th Street NW. on the west, Constitution Avenue on the north, and Madison Drive on the south, title to which is in the United States. As I understand, it would go just east of the present Natural History Building, which is part of the Smithsonian.

Mr. DONDERO. It will be built on what is commonly known in Washington as the Mall.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. JONES of Alabama. The location is described as now being occupied by a temporary building, and it is desired to remove the temporary building whether or not the proposed building would be constructed there or not.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Illinois, who makes a mistake once in a while, and that shows he is a great man.

Mr. VURSELL. I realize that when I interposed this objection it would be a voice crying in the wilderness, but I should like you to know that I think no one prizes the history and the industrial accomplishments of our country any more than I do. I observed last Sunday those things of which the gentleman speaks, the sword of Washington and all of the fine historic things that are being housed in this building. When I saw the fine condition of the building, which has been freshly painted and decorated, apparently, I thought to myself what a shame it would be to destroy this building that so many people love to come to because it is an old building and it fits in with the older things it is housing. I have great respect for all of those things. It would serve the purpose better than a new building.

Mr. DONDERO. I am sure the gentleman has been comforted by the fact he has learned since coming on the floor that the building is not to be torn down.

May I say one other thing to my friend from Illinois. I am sure he does exactly what I do when my constituents or the high school graduating classes come to see the city of Washington. He takes them down to the Smithsonian Institution just as I do, and he does it with a feeling of pride that it belongs to the United States and is a part of our great historical background.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. GROSS. I hope, and I believe I can have the assurance of the gentleman from Michigan that we could cut this foreign giveaway bill enough to save enough money and get enough money to build this building and also to build the Inter-American Highway. I am hopeful that the gentleman on the Committee on Foreign Affairs, one of the regents, will join us in that endeavor.

Mr. DONDERO. I am sure I can go along with the gentleman from Iowa in that statement.

Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Chairman, Members of this body and their families are invited to participate in a rare treat.

The musical play, The Vanishing Island, is being performed for their benefit tonight at 8 at the National Theater. You are invited to be the guests of Moral Rearmaments, a nonsectarian, worldwide, ideological movement that millions of people now believe will be the determining factor in the struggle for the minds of men.

I have seen this play and I assure you in addition to the message it carries, it is a most delightful, captivating, and altogether satisfying play. Having had the aid of the top professionals of Hollywood in its production, it is truly a professional production, plus the extra something that can only come from inspiration.

May I respectfully urge that every Member of this body, regardless of what other engagements you have for tonight, make it a point to see this musical play, The Vanishing Island, at the National Theater, and bring your families.

Thursday the troupe leaves for Japan, at the expressed invitation of Premier Hatoyama for production in Tokyo. From there it will have successive runs in the Philippines, Formosa, Thailand, Indonesia, Pakistan, Ceylon, India, Iraq, Iran, Egypt, Turkey, Greece, and will wind up its world tour at Caux, Switzerland, on September 1.

This is your last chance to see and enjoy this captivating play, at least until next year, if then. Do not miss it. I urge you.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS], a regent of the Smithsonian Institution.

Mr. VORYS. Mr. Chairman, as background for this request for a new building, I thought it might be well to remind my brethren of the unusual nature of this Smithsonian Institution. In 1826, an Englishman named James Smithson died. He had been an illegitimate child.

UNIVERSITY OF MICHIGAN LIT

He had made most of his money in India and had never been in the United States, but he willed all his property to the United States of America to found at Washington, under the name of the Smithsonian Institution, an establishment for the increase and diffusion of knowledge among men. The Congress in 1846 had to tackle the problem of what to do when somebody has left by will such a bequest to a nation. They decided it would not be proper for the Federal Government to accept it and execute the bequest directly, so they set up what is called in this quaint law, an "establishment." This establishment consists first of the President, the Chief Justice, and the head of the executive departments, and then a managing board, who, instead of being called trustees or directors, are called regents. There are 13 of them. The chairman is labeled "chancellor" in the law, and is the Chief Justice. Then there is the Vice President and 6 Members of the Congress—3 from this body and 3 from the other body, and then 6 citizens. The Smithson bequest of $550,000 has grown in value, although its income has been used year after year until, with other gifts, this endowment amounts to about $1,800,000. That is the unrestricted part of the endowment. There is another approximately equal amount that is restricted in its use. Then a man named Freer left a bequest for the Freer Gallery of Oriental Art which now amounts to $6,900,000, which is administered by the Smithsonian. If you will take a look at the Congressional Directory on pages 512 and 513, you can find information about this unique institution:

SMITHSONIAN INSTITUTION

Secretary: Leonard Carmichael.

THE ESTABLISHMENT

Dwight D. Eisenhower, President of the United States.

Richard M. Nixon, Vice President of the United States.

Earl Warren, Chief Justice of the United States.

John Foster Dulles, Secretary of State.

George M. Humphrey, Secretary of the Treasury.

Charles E. Wilson, Secretary of Defense.

Herbert Brownell, Jr., Attorney General.

Arthur Summerfield, Postmaster General.

Douglas McKay, Secretary of the Interior.

Ezra T. Benson, Secretary of Agriculture.

Sinclair Weeks, Secretary of Commerce.

James P. Mitchell, Secretary of Labor.

Oveta Culp Hobby, Secretary of Health, Education and Welfare.

BOARD OF REGENTS

Chancellor: Earl Warren, Chief Justice of the United States.

Members of the Board: Richard M. Nixon, Vice President of the United States; Clinton P. Anderson, Member of the Senate; Leverett Saltonstall, Member of the Senate; H. Alexander Smith, Member of the Senate; Clarence Cannon, Member of the House of Representatives; Overton Brooks, Member of the House of Representatives; John M. Vorys, Member of the House of Representatives; Vannevar Bush, citizen of Washington, D. C.; Arthur H. Compton, citizen of Missouri (St. Louis); Robert V. Fleming, citizen of Washington, D. C.; Jerome C. Hunsaker, citizen of Massachusetts (Cambridge); (one vacancy).

Executive committee: Robert V. Fleming, chairman; Vannevar Bush; Clarence Cannon.

BRANCHES UNDER DIRECTION OF SMITHSONIAN INSTITUTION

United States National Museum.
Bureau of American Ethnology.
Astrophysical Observatory.
National Collection of Fine Arts.
Freer Gallery of Art.
National Air Museum.
National Zoological Park.
Canal Zone Biological Area.
International Exchange Service.
National Gallery of Art.

The Smithsonian is somewhat like an iceberg—only part appears on the surface. As shown in the directory, it has 10 branches—7 of which are in different places. It has a branch in the Canal Zone. It has an Astrophysical Observatory with stations in California and Chile. It has the physical administration of the National Gallery of Art. The zoo in Washington is under the Smithsonian.

Its greatest present need is for adequate exhibition of our historical and technological exhibits. I have found from being a member of this Board of Regents that experts in museums say there are three things a museum should do: First, place a well-known exhibit so that it will draw in the public; second, place other educational exhibits so that the public will see and learn from them after they come in; and, third, provide study space for students and scholars to have access to the valuable material which is not on exhibit which comes piling in each year. In this year's annual report there are seven pages of Smithsonian acquisitions during the past year. One is a one-horse open sleigh purported to have been used by George Washington. Another is from the discoverer of penicillin, who donated a specimen of the mold and two of the original vessels used in the discovery of penicillin. There are over 800,000 different historical and technical items. They need to be better exhibited. There simply is not room to exhibit them properly.

I do not see how anyone can call the sheet-iron shanty where we have our present aircraft exhibit an adequate place. The able staff have done wonders with the 75-year-old Arts and Industries Building, but anyone who says it is adequate does not understand the fire hazard, and also does not know what he is missing, because he cannot see the priceless things stored away in attics and basements.

The project for the new museum of history and technology has been described by others today. I certainly hope that we go ahead with this development which means so much for the increase and diffusion of knowledge, for inspiring patriotism, in the 5 million tourists who come to Washington every year. I hope we will not say to the schoolchildren who come to their Capital—who are inspired by seeing the Washington Monument, the Lincoln Memorial, the White House, and the present Smithsonian exhibits—that they have to go away some place else to see the historic and technical exhibits; and I hope that we put this on the Mall as the Fine Arts Commission and the National Capital Planning Commission and the Regents of the Smithsonian and the members of this great Committee on Public Works have provided. I hope this bill will pass without amendment.

Mr. JONES of Alabama. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Chairman, as a member of the Committee on Public Works, and also a member of the Subcommittee on Public Lands and Buildings, I am very happy this afternoon to see H. R. 6410 on the floor for consideration.

H. R. 6410 was voted out of the Subcommittee on Public Lands and Buildings and the full Committee on Public Works unanimously.

I want to congratulate the gentleman from Alabama [Mr. JONES] for his untiring efforts and for his patience during the hearings on this bill, and in bringing the bill to the floor.

The Smithsonian Institution has served the Nation for over a century. It is world famous as a scientific institution, and also for its art galleries and museum. It is one of the major points of interest for the visitors to Washington, of whom more than 5 million, including school children from all over the country, enter annually.

Some of these buildings are inadequate, worn out and overcrowded, and cannot be economically reconstructed. That proposed building is indicated for use as a National Museum of History and Technology to house the exhibits now occupying the 75-year-old Arts and Industries Building.

This bill, H. R. 6410, adds to the number of the Board of Regents so that there will be 5 Members of the House and 5 Members of the Senate.

Mr. Chairman, this is a very worthwhile bill and I hope it will have the unanimous support of the membership.

I yield back the balance of my time.

Mr. DONDERO. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, we have a national debt—or I will say an acknowledged national debt—of around $275 billion. Then we have an additional debt, no one knows just how much it is, for it grows out of either the issuance or guaranty of bonds of Government-created corporations by the Federal Government. Of course, every appropriation we make not taken care of by current taxes adds to that debt, the payment of which we generously and thoughtlessly pass on to future generations. I am sure they will, when the time comes, be—shall I say—grateful for that action on our part?

But remember, even the bankrupt must have something to eat, must find a place to stay overnight, either in a flophouse, with some friend, or in some shelter of his own; so I can see why on a matter of this kind I should vote for the appropriation when the vote comes and pass on to those who vote for billions for foreign-aid giveaways, pass on to them the responsibility for this national debt created for our future generations to pay.

I can see why a vote for this bill, even if it should from a technical standpoint add to the national debt and the interest charges on it, can be justified. Why I should say to my friend from Ohio who favors billions for other nations: "Well, I did vote for this money," when he charges me with voting for an appropriation which will add to the debt, and further say: "Well, John"—whether this is a breach of the rules—I guess maybe it is—"Why don't you cut down on some of these giveaway appropriations?" Or to my good friend from Pennsylvania: "Why don't you stop voting to give so much away, when it does not do any good?"—or in my opinion does not do any good. Or to my good friend from Michigan, our colleague, who is always teaching us what the rules of the House are: "George, why should we vote to authorize this appropriation for this road down there in other countries?" The authorization of the House for millions for that was just adopted with but 13 votes against it. So I am not worrying about my part in adding to the national debt by authorizing the expenditure for this sum for museum building.

The Smithsonian Institution means many things to many people. To some it means amusement. To others entertainment. To others instruction; but every time I go down there I get one overpowering thought. What a wonderful system of government we have that has enabled our people to build up our Nation to what it now is. Every exhibit speaks to me of the foresight, the courage, the ability, the endurance, the industry, the patriotism of our people.

One other thought, the overpowering one I get when I visit that institution, and I view those ancient aged things from other generations long, long gone, and that is the conclusion that after all, I do not as an individual amount to very much in this world, never did, and never will. That many, many millons of better people have gone before and all I can do is to strive to follow along in their footsteps, profit by their example, endeavor to do the best I can for my country and its people.

That is the lesson I get, George. A lesson in humility; a desire and determination to make the most of my opportunities.

Mr. DONDERO. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, support for the Smithsonian Institution does not require any talking on my part, since adequate support has been indicated by Members already. However, the reason I want to say a few words about this organization is that I was at one time one of the regents of this great Institution and thus came to know how instructive and constructive the program of the Institution is. That was the most interesting assignment I have had in my 13 years of service in Congress.

One thing that has not been mentioned here today and that perhaps some of the Members do not fully realize, is that the Smithsonian Institution carries on a great many scientific research problems. Perhaps the largest and most interesting one is that on the so-called Barro Colorado Island project which is located in the Panama Canal Zone.

At the time the United States engineers were building the canal they dammed up the Chagres River. That raised the ordinary water level of the Chagres so that they could put in the locks in order for the ships to go through the canal. The raise of the water level isolated a rather large area, in which we have a real tropical jungle. The water surrounded the peak known as Barro Colorado. Dr. Zetek is the man in charge of the scientific research program down there. He is there to direct and work out various scientific problems. For instance, the Institution has an extremely large project involving the study of ants and termites. It is the largest project, I believe, of its kind in the world. The scientists under Dr. Zetek's direction study all kinds of jungle problems. It was my interesting privilege and that of my wife to walk 6 or 8 miles through these jungles, where we saw various kinds of birds, monkeys, animals—both land and water animals—snakes, and so forth.

It is not only a matter of something interesting to look at, but also a matter that from the scientist's standpoint produces very valuable data that will benefit mankind. This doctor to which I have referred has been down there for 50 years. Just recently he wrote a letter to all the regents asking to be relieved of his duties because, as he said, he had served his time. It is interesting, as I said, to observe that the Institution is carrying on quite a program in the present poor buildings, including an art project. Last year and the year before we brought a Japanese artist over from Japan to correct and fix up some works of art that had been partially ruined by time and neglect. This man did a wonderful job, but he threatened to quit and leave the Institution unless he could bring back two of his children and his wife. I believe that a bill has been passed and he has his family with him.

This Institution is one of great popularity. Five million people annually visit it. This shows what a magnificent grasp it has for the imagination of not only the youth of America but of the older people of America. My first trip to this Institution was in 1929 for the purpose of looking at the type of airplane on exhibit down there that I flew in the First World War. Of course, they have every conceivable thing in there, the dresses of the wives of our Presidents and things, old mechanical devices, and so forth, which attract many millions of people, and which give knowledge and pride of past accomplishment to our people.

Dr. Carmichael, mentioned by the majority leader a while ago, is a very unusual and remarkable man. He is a noted educator, having been connected with Tufts College in Massachusetts for some time. He is a very outstanding individual and we are fortunate to have a man with his ability as an educator and his ability as an administrator to manage this institution. Without doubt the Smithsonian Institution has a wider appeal to the American people than possibly any other single institution in our country. It should be properly housed so that these relics of the past may be preserved.

Mr. Chairman, I hope and pray that this bill will be passed and that it will not be many years until the edifice to which they are entitled will be constructed at the site selected. I want to compliment the committee on the very fine work they did in connection with the study of this problem and also in picking out the site they did. I hope this will be accomplished in the next few years.

The CHAIRMAN. If there are no other requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Regents of the Smithsonian Institution are hereby authorized and directed to have prepared drawings and specifications for, and to construct, a suitable building for a Museum of History and Technology (with requisite equipment, approaches, architectural landscape treatment of the grounds, and connections with public utilities and the Federal heating system) for the use of the Smithsonian Institution, to be located on that part of reservation 3 which is bounded by 12th Street NW. on the east, 14th Street NW. on the west, Constitution Avenue on the north, and Madison Drive on the south, title to which is in the United States, at a cost not to exceed $36 million.

SEC. 2. That the exact location of the building on the site shall be approved by the National Capital Planning Commission, and the design shall be approved by the Commission of Fine Arts.

SEC. 3. That the preparation of said drawings and specifications, the design and erection of the building, and all work incidental thereto shall be under the supervision of the Administrator of the General Services Administration in accordance with provisions of the Public Buildings Act of May 25, 1926, as amended.

SEC. 4. That there is hereby established a Joint Congressional Committee on Construction of a Building for a Museum of History and Technology for the Smithsonian Institution. It shall be the duty of the Joint Committee to advise with the Board of Regents of the Smithsonian Institution during the planning and construction of such building. The Joint Committee shall be composed of 10 members as follows: Five Senators appointed by the President of the Senate, 3 of whom shall be the Senate members of the Board of Regents of the Smithsonian Institution; 5 Representatives appointed by the Speaker of the House of Representatives, 3 of whom shall be the Representative members of the Board of Regents of the Smithsonian Institution. The Joint Committee shall from time to time, but at least once annually, submit to the Congress a report on the progress of the planning and construction of the building. Upon completion of the building, the Joint Committee shall submit a final report.

SEC. 5. That there are hereby authorized to be appropriated to the Regents of the Smithsonian Institution such sums, not to exceed $36 million, as may be necessary to carry out the provisions of this act: *Provided*, That appropriations for this purpose, except such part as may be necessary for the incidental expenses of the Regents of the Smithsonian Institution in connection with this project, shall be transferred to the General Services Administration for the performance of the work.

The CHAIRMAN. Under the rule, the Committee rises.

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Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KLEIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6410) to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto, pursuant to House Resolution 695, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks at this point in the RECORD on the bill H. R. 6410 and that all Members who have spoken on the bill may have permission to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HENDERSON. Mr. Speaker, we have before us today a bill to provide $36 million for the construction of a new Museum of History and Technology to be a part of the Smithsonian Institution. This museum will house the Nation's outstanding present and evergrowing collection of historical items which are of great interest to our people.

That the need for such a building is great has been known for some time and, I think, we must now take into consideration the relative importance of this need.

This Smithsonian Institution is a most valuable part of the Nation's Capital. I do not mean to imply that its value is limited to one city. Rather it is a kind of national museum belonging to all of our people. It has provided a showplace for the pageant of our national progress for over a century despite its inadequate facilities. It is a center of knowledge and repository for its collection of priceless treasures. The Smithsonian has also become world famous as a scientific institution reflecting great credit to our country. Certainly an organization which serves us so well deserves a building sufficient to its needs.

The present building was constructed 75 years ago on a budget which was extremely limited even for the time. Consequently, there is not nearly enough floor space to provide for display and much that is worthwhile goes unseen by the tens of thousands of visitors each year. This portion of the collection must, of necessity, be hidden away in some storeroom. Due to the building's age and condition, any sort of reconstruction would be impossible. With this in mind the Regents of the Smithsonian have been working for some time to perfect plans for a new building.

They have wisely chosen a site which is directly in line with the National Gallery of Art so that these two buildings would form part of a path leading from the Capitol to the Washington Monument, an ideal location from the point of view of the visitor to Washington. The building would provide sufficient space not only for the present collection, but also for the many contributions now unavailable to the Smithsonian because of the lack of display area.

We must remember the importance of the Institution to the Nation. It is high up on the list of almost every visitor to the Capital, with 5 million persons visiting the museum every year. How much more meaningful an experience it would be for them with a background planned to display properly the impressiveness of this collection. Our visitors, young and old alike, would go away with a greater sense of pride in what America has accomplished and a greater enthusiasm to add to these accomplishments. Not only would the museum have more meaning for our own citizens, but it would be a clearer demonstration of our national progress for those coming from all points of the globe.

With the facilities proposed in this bill, the Smithsonian would better fill its present role and would also be able to attempt education on a nationwide scale. With expanded facilities it would be possible to originate radio and television programs from the museum itself, allowing many more millions across the country to enjoy some of the benefits our National Museum has to offer. Many people who would never be able to make the trip to Washington would have the opportunity of witnessing our Nation's greatness and of feeling the same stir of patriotism experienced by those who are fortunate enough to make the trip.

I wish to state my conviction that this bill, H. R. 6410, deserves our serious consideration and the support of all Members of Congress.

PERSONAL ANNOUNCEMENT

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, had I been here during the consideration of H. R. 5923, I would have voted "aye." I was unavoidably detained on official business. I realize the importance of completing the construction of the Inter-American Highway as necessary for the political relations between the United States and the Central American countries and also of great importance to our trade relationships.

SPECIAL ORDER GRANTED

Mr. SAYLOR asked and was given permission to address the House today for 20 minutes, following any special orders heretofore entered.

FEDERAL BUDGET PROCEDURE

Mr. MINSHALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MINSHALL. Mr. Speaker, the Cleveland Chamber of Commerce has developed a plan to improve Federal budget procedure and help balance the budget which merits the careful attention of each Member of Congress.

Federal budget procedure and the goal of balancing the Federal budget are matters of vital concern to each and everyone of us in our endeavor to provide the best possible government for the least number of the taxpayer's dollars, and I feel certain the Cleveland plan offers many recommendations which the Congress will want to consider.

The Cleveland plan follows:

CLEVELAND CHAMBER OF COMMERCE PLAN TO IMPROVE FEDERAL BUDGET PROCEDURE AND HELP BALANCE THE BUDGET

(Report of committee on Federal budget, Cleveland Chamber of Commerce, June 1955)

The battle of the budget is still the Nation's all-important fiscal problem.

What can we do to help rid ourselves of the deficit problem?

First, the budget can be made more effective by (1) improving the kind of information presented, (2) treating the budget as a whole, (3) weighing expenditure decisions against each other, and (4) considering past performance of agencies and departments.

Second, we can provide cash to help balance the budget by the sale of Government business operations that compete with private enterprise.

IS THERE A NEED FOR BUDGET REFORM?

Despite the recent progress that has been made in budget procedures and the refinements in budget presentation and budget philosophy, there remains an urgent need for further improvement.

The great significance of the budget and the budget process in the United States makes it highly important that they be developed to keep abreast of the tasks which this Nation and its Government must face.

Among recent reports which recognize the need for better budget procedure are the comprehensive statements by the National Planning Association and the Committee for Economic Development.

HOW CAN WE IMPROVE THE BUDGET?

Now is the time to consider improvement in Federal budget procedure. Preparation of the budget begins in the executive departments a year or more before the beginning of the fiscal year concerned. Preparation of the fiscal 1957 budget is already underway.

1. We need to improve the kind of information in the budget. Certainly, it is not a question of the volume of information. The budget for fiscal 1956 is a single document of 1,224 pages.

Much of the detail presented in the budget is not relevant to major budget issues. Too little of this information is helpful in evaluating the usefulness of the various Government services in relation to their costs. The description of services is often too vague and too brief. Unit cost figures should be developed wherever possible.

A program budget places emphasis on services performed by Government and their costs. We should accelerate the movement

toward a program budget that the administration has sponsored.

2. The budget should be considered by Congress as a whole rather than as a series of unrelated parts. A serious deficiency in the present budget process is that no congressional committee gives specific consideration to the budget as a whole.

Congress now has no formal procedure that ensures the coordination of expenditure and revenue decisions. The revenue committees and the appropriations committees act largely independently of each other.

3. Expenditure decisions presently tend to be made 1 by 1 without weighing each 1 against the competing claims for funds. The burden of the total is not adequately considered.

4. More information on past performance is needed to allow Congress to make expenditure decisions in the light of changes in efficiency. There should be a systematic review of performance or evaluation of efficiency.

Information should be made available that permits comparison of the present operations of a Government agency with its past performance. Such information would permit comparison of the performance of agencies engaged in similar activities.

THE BUDGET MUST BE STABILIZED

The administration's budget for the fiscal year ended June 30, 1956, forecasts less spending and more revenue than a year ago.

Receipts of the Federal Government will only slightly exceed expenditures. This is an encouraging step. However, it tells only part of the story. The budget has been helped by a gradually advancing payment of taxes. By the end of the first half of fiscal 1956, there is expected to be a substantial cash deficit. The accelerated tax collections in the second half of fiscal 1955 were necessarily used to help offset the deficit of fiscal 1955.

THE TIME IS NOW

One way to help stabilize the budget and especially help the interim cash position is by the sale of Government business operations that compete with private enterprise. This would provide cash to help balance the budget, cut taxes and eliminate unfair competition. The present period offers the best profit opportunities for the sale of Government business assets in 25 years.

GOVERNMENT BUSINESS OPERATIONS MUST BE SOLD

National Associated Businessmen, Inc. is now engaged in a campaign to get Government out of competitive business. They have recently publicized a report by the Senate Small Business Committee, which urges a quick end to Federal invasion of private enterprise, and a report by the Hoover Commission, which proposes abolishing or reorganizing 104 Federal financial agencies.

SENATE COMMITTEE URGES END TO GOVERNMENT COMPETITION

"During recent years," says the report of the Senate Small Business Committee, "it has become apparent that the tentacles of Government competition were embracing many areas of business activity * * * in some cases entirely eliminating the private business firm."

The report adds: "It is alarming to consider that the military departments are operating in such commercial-type lines of endeavor as railroading, coffee roasting, logging and sawmill operations, trucking, warehousing, hotel and laundry operations, scrap processing, tire retreading, banking, dry cleaning, salvage, and the manufacture of ice cream, maps, flags, paint, clothing, and numerous others."

LENDING AGENCIES SHOULD BE REVAMPED

The Hoover Commission has recommended a general revamping of the Federal Government's 104 lending agencies. The Commission states that "lending or guaranteeing loans is a function which the Government should handle only when private enterprise cannot or will not perform the function."

To get Government out of business, the Commission recommends that certain agencies which have served their purpose be liquidated; the 12 production credit corporations, the Agricultural Marketing Act Revolving Fund, the Federal Farm Mortgage Corporation, and loans for college housing.

Other agencies, says the Commission, should be organized on a self-suporting basis: the banks for cooperatives, the Federal Housing Administration, the Federal intermediate credit banks, the Federal National Mortgage Association, and the Rural Electrification Administration.

PROGRESS IS BEING MADE

Worthwhile progress has already been made by the Congress and the administration in the drive to take the Government out of competitive business.

The Federal barge lines have been sold and synthetic rubber plants are now being sold. As a result of action by the Defense Department, some coffee roasting plants, bakeries, scrap metal processing yards, and box-making plants are being closed or curtailed.

The Budget Bureau has ordered all departments and agencies to list all of their business activities.

HEARINGS TO BE HELD ON GOVERNMENT COMPETITION

S. 1003, introduced by Senator MCCLELLAN, of Arkansas, would establish a Federal policy concerning the termination, limitation, or establishment of Government business operations conducted in competition with private enterprise.

This important bill will likely be given hearings soon by the Senate Government Operations Committee. Each of us should write to his Senator concerning the need for passage of such a bill and how the sale of Government business properties will help balance the budget and add to tax revenues on a continuing basis.

EVERYONE WILL BENEFIT

The fulfillment of this twofold program of improving the effectiveness of the Federal budget and the sale of the Government's business assets will result in material benefits to all segments of our society.

A balanced budget, lower taxes, and competitive business will bring greater economic stability and greater opportunity for all our people.

COMMITTEE ON FEDERAL BUDGET

W. W. Hancock (chairman), vice president in charge of finance section, Republic Steel Corp.

R. D. Ashman, partner, Ernst & Ernst.

Ralph M. Besse, executive vice president, Cleveland Electric Illuminating Co.

R. E. Channock, comptroller, National Acme Co.

James H. Coolidge, vice president, Thompson Products, Inc.

Paul J. Eakin, partner, Hornblower & Weeks.

David C. Elliott, vice president, Cleveland Trust Co.

S. H. Elliott, director-vice president, sales, Standard Oil Co.

W. V. Farr, treasurer, American Steel & Wire Division, United States Steel Corp.

Vollmer W. Fries, vice president, White Motor Co.

H. Stuart Harrison, vice president, Cleveland-Cliffs Iron Co.

Paul W. Johnston, president, Erie Railroad Co.

C. B. McDonald, McDonald & Co.

R. H. Metzner, vice president, Central National Bank.

Logan Monroe, comptroller, Eaton Manufacturing Co.

John P. Murphy, president, The Higbee Co.

L. T. Pendleton, vice president, Ohio Bell Telephone Co.

William G. Rogers, president, East Ohio Gas Co.

L. H. Schroeder, vice president-treasurer, Sherwin-Williams Co.

John Sherwin, partner, Pickands, Mather & Co.

Hylas E. Smiley, treasurer, The Stouffer Corp.

John K. Thompson, president, Union Bank of Commerce.

THE CZECHOSLOVAKIAN UPRISINGS AGAINST SOVIET TYRANNY

Mr. BYRNE of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, it is a privilege for me to address this body today in commemoration of the second anniversary of the uprisings of the Czechoslovakian workers against their Soviet masters, and I am sure that my colleagues join me in saluting these fearless resistors of tyranny.

It is fitting that the House of Representatives of the United States of America pay tribute to another group of men and women who are representative of the dauntless spirit of liberty and democracy. Their brave actions in the face of merciless reprisals are an example to us of the extent to which freedom-loving peoples will go to assert their convictions of the dignity of the individual and the value of democratic ideals.

Two years ago this month, in June 1953, the Communist regime in Czechoslovakia announced a currency devaluation program which would take effect immediately. Although prices of basic commodities were cut substantially, wages were decreased so drastically that an era of starvation was feared to be imminent. The reaction to this situation was immediate. Dissatisfaction with the newly initiated program extended even to party and union officials. However, it was the workers themselves who organized and carried through the daring revolt, news of which spread quickly to all parts of the globe.

Throughout Czechoslovakia—in the heavily industrialized towns of Pilzen, Brno, Bohumin, and Koprivnice, and in the mines in Ostrave—demonstrations in protest of the most recent Communist indignity took place. Groups marched on the town hall, tearing down placards and posters depicting Soviet "heroes" and erecting in their places pictures and banners of the true Czechoslovakian martyrs, Benes and Masaryk. They commandeered the local communications systems and sent out messages of inspiration to the villagers. They took control of the local government and even of some of the factories. Police authorities refrained from interfering with them and the riots continued until dispelled by contingents of armed guards from as far away as Prague. When the haze of battle had lifted, it was found that over

UNIVERSITY OF MICHIGAN LIF

100 had died in the fracas. In addition, thousands were arrested and imprisoned in retaliation by the Red warlords.

Throughout the month of June, similar uprisings took place in Eastern Germany and in Hungary, Poland, and even Russia itself. It was heartening news to the free world, the first positive sign in several years that hope still fills the hearts of the people behind the Iron Curtain. We know that the heritage and traditions of their glorious past are not forgotten. Truly, they are our assurances that the nations of Eastern Europe are only in temporary subjugation. We are promised that these peoples are our allies, in spirit if not in fact. Thus, it is our duty and our obligation to convey to them, by every means at our disposal, that their continued resistance to the atheistic, materialistic tyranny of the U. S. S. R. is vitally necessary to the present world struggle between democracy and totalitarianism. We await the day when they will proudly rejoin the family of free nations and we pray God that that day is not far off.

THE ADMINISTRATION'S GIVEAWAY OF MIGRATORY WATERFOWL

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. REUSS] is recognized for 45 minutes.

Mr. REUSS. Mr. Speaker, the President's valet has just found a hen mallard on the White House fountain, and has proudly presented it to the Eisenhower family. President and Mrs. Eisenhower are kindly people, and directed that the migratory waterfowl be returned to her pool.

Unfortunately, while this particular duck is receiving such sympathetic treatment, an event with even greater significance for the other 50 million wild ducks in America is taking place in the Department of the Interior. This week Albert M. Day, a veteran of 37 years in the Department of the Interior and for 7 years Director of its Fish and Wildlife Service, is being eased out by Secretary of the Interior McKay because he had the courage to stand up to the pressure groups which are trying to restore the evil practice of baiting waterfowl.

PUBLIC SERVANT SACRIFICED

This splendid career public servant is being sacrificed because he refused to do the bidding of the wealthy game hogs who now call the tune in the Department of the Interior.

Let us look at the story of ducks and geese in this country, and at the reasons for the ban on baiting.

Prior to the early 1930's, waterfowl were abundant in North America. Long open seasons and generous bag limits were the order of the day. Hunting aids of various sorts, including baiting, were legally employed to assure heavy kills.

THE BAN ON BAITING

But times have changed. All of us will recall the great drought which swept the country in the early 1930's. Ducks and geese that had previously found abundant water in the prairie States declined alarmingly. In 1935 the Fish and Wildlife Service of the Department of the Interior was obliged to protect the rapidly disappearing waterfowl resources by banning baiting. The Department's regulation is clear and unequivocal:

> Migratory game birds may not be taken by the aid of salt, or shelled, or shucked, or unshucked corn, wheat, or other grains, or other feed or means of feeding similarly used to lure, attract, or entice such birds to, on, or over the area where hunters are attempting to take them. (Regulations Relating to Migratory Birds and Certain Game Mammals, sec. 6.3 (b), 1954.)

Indeed, many true sportsmen felt that the Fish and Wildlife Service's ban on baiting was insufficient, and that a complete prohibition of all hunting was needed to protect waterfowl. But at least there was agreement that baiting had to go.

The year 1935 marked the start of other State and Federal action to keep our waterfowl. Land was acquired to develop a system of refuges for the resting and nesting of waterfowl.

PRESSURE ON WATERFOWL POPULATION

Despite the ban on baiting and other unfair practices, and despite the program of setting up refuges, the pressure on our waterfowl population is greater today than ever before. Ducks and geese today are hunted over the length and breadth of the North American Continent for over 7 months of each year. Beginning on September 1 in Alaska and northern Canada, they are hunted until March 10 in the Republic of Mexico, where they take up their wintering grounds.

The number of duck hunters has increased greatly in the past 20 years. Whereas in 1935 there were only 635,000 duck hunters today there are 2¼ million, an increase of over 300 percent.

DUCK HUNTERS INCREASE

Although the number of waterfowl has increased since the low of the 1930's, this increase has by no means kept pace with the greatly increased number of hunters. The duck population has trouble increasing while resting and nesting areas are steadily being curtailed. Particularly in the three important duck-breeding prairie States of North and South Dakota and Minnesota, waterholes have been drained at an alarming rate in recent years. In recent years the rate has been 32,000 a year. Canada's prairie Provinces, which produce the bulk of North America's waterfowl, likewise are undergoing a revolution in land use. Since 1905, the farmland of the prarie Provinces has increased from 3½ million to 50 million acres, much of this increase at the expense of nesting waterfowl.

Nor is the prospect for the future hopeful. Our human population has more than doubled since 1910. Demographers tell us that in another 20 years, the United States will have 200 million people. Much additional land will undoubtedly come under the plow to feed these new mouths, all to the further detriment of waterfowl.

WASTEFUL AND INHUMAN PRACTICE

With more hunters on the one hand, and fewer breeding and resting areas on the other hand, we should be thinking, and thinking hard, of how we can conserve what is left of our waterfowl. Instead, believe it or not, voices are being raised urging that we return to the wasteful and inhuman practice of baiting ducks and geese.

Let me explain to those who have never hunted waterfowl the deadly effectiveness of baiting. Through this deathtrap, ducks can be exterminated as thoroughly as were the passenger pigeons. Baited ducks will keep on coming to the feeding grounds in the face of the gunfire. The hunters who resort to baiting can fill up their bags quickly, but they would have done better to have stopped off at the poultry market and bought their limit there.

In my State of Wisconsin, a hunter who tried to bait ducks would not find himself very popular. We cannot understand how any individual feigning genuine interest in outdoor sport can urge the return to the slaughter conditions that existed in times past.

THE ALBERT DAY CASE

Now, let us get back to the Albert Day case. Former Under Secretary of the Interior Ralph A. Tudor, a San Francisco businessman who was a party to the removal of Mr. Day, tells the story of the replacement of Mr. Day by Mr. John L. Farley with considerable frankness in an article in the Saturday Evening Post of November 27, 1954:

> Even before I left for the Capital to take on the new job, my friends in the banking business were telling me that I must do something about the Fish and Wildlife Service. Complaints about Fish and Wildlife continued to reach me at my desk in Washington, and 90 percent of them were from bankers.
>
> This puzzled me at first, for it would seem more logical for unhappy bankers to be writing the Secretary of the Treasury. It turned out, however, that apparently every banker on the west coast is a duck hunter.
>
> Fish and Wildlife has a rough job, for among its many duties it must tell people when and how long they can hunt and how many ducks they can take—and evidently it is impossible to satisfy a duck hunter.
>
> I turned the tables on the complainants in this instance by making them talent scouts. My reply to them was that the best way to start improving the Fish and Wildlife Service was to get the best man available to head it—and had they any suggestions?
>
> The upshot was that they had, and that is how John L. Farley, ardent fisherman, former schoolteacher, businessman, and one-time executive officer of the California Fish and Game Department, came to head the Fish and Wildlife Service.

The California bankers have not had to wait long in getting a return on their interest in Mr. Farley. In the past two hunting seasons, California hunting clubs have been flagrantly violating the Federal regulation I have quoted above which prohibits the use of bait to entice waterfowl "to, on, or over the area where hunters are attempting to take them." With the connivance of the California Fish and Game Commission, 140 sportsmen's clubs in California have been openly shooting ducks that have been lured by grain placed as close as 200 yards to the guns.

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FARLEY DOES NOTHING ABOUT VIOLATIONS

What has Fish and Wildlife Director Farley done about these flagrant violations of the Federal law? The answer seems to be: Nothing. During the entire 1954 hunting season, not a single arrest for baiting was made by the Federal Fish and Wildlife Service throughout the entire State of California.

This winking at the baiting that is going on in California has undoubtedly contributed to the revival of the probaiting interests in two other trouble spots, Maryland and Ohio. During the last hunting season, both the eastern shore of Maryland and the Erie marshes of Ohio have had numerous shocking violations of the Federal baiting regulation. Fortunately, a stout fight to stop the baiting was put up by devoted field representatives of the Fish and Wildlife Service in both areas. But they had to carry out their good work in the face of bullying and browbeating by high administration political figures.

Last December a group of Fish and Wildlife agents, under the leadership of Curtis Allen, enforcement chief for the Fish and Wildlife Service for the Atlantic seaboard, arrested 141 baiters on Maryland's eastern shore. Caught in one raid was the chairman of Maryland's Department of Tidewater Fisheries and Natural Resources Board, Arthur H. Brice. Mr. Brice was caught at Lloyd's Creek Bar near Betterton, at the mouth of the Sassafrass River, with 23 ducks in his blind and with a stack of corn and wheat within 35 yards of his decoys.

UNDAUNTED BY SCANDALS

Undaunted by these scandals, special-interest groups in Maryland are today urging a return to baiting, which they call feeding of waterfowl. To a canvasback who is met by a charge of number six magnum shot, it would seem to make little difference whether he is being fed or baited.

In another local hog bed of baiting activity, the marshes of Lake Erie, one valiant Federal Fish and Wildlife agent, Fred Jacobson, alone caught 71 individuals redhanded in the act of baiting during this past season. One of the more flagrant violators was Maurice Kocher, a member of the Ohio Wildlife Council, who pleaded guilty to baiting ducks with wheat and corn in the United States District Court in Detroit on April 18, 1955.

FRED JACOBSON DID HIS DUTY

For doing his duty, Fred Jacobson should have been commended. Instead, he has been abused and threatened by high administration officials. I speak somewhat feelingly of Fred Jacobson because before his Federal appointment he served as warden for the Wisconsin Conservation Commission, and served it well. But the best tribute to Fred Jacobson for doing his duty against the baiters is given by the Wisconsin Federation of Conservation Clubs, affiliated with the National Wildlife Federation, in the recent News and Views by its executive secretary, Mr. Les Woerpel, of Stevens Point, Wis.:

Fred Jacobson has never been one to compromise with his principles, and that is one reason we hated to see him leave our State. But that propensity has gotten him into difficulty with those people who are so ignorant that they cannot see the handwriting on the wall. At a time when conservation organizations all over the country are trying by every means possible to help their States and the Federal Government acquire wetlands at a greatly stepped-up pace so that we might have at least an even chance of maintaining our duck populations, which appear to be heading for their second great decline, but this time because of a complete loss of wetlands and not just because the Maker decided to withhold the rains for a short time; when States are doing everything possible to stop drainage, and intelligent legislators and Congressmen are trying to help support these programs so that we need not erect another stone monument to a bird that will no longer wing its way in the limitless skies as we have done with the passenger pigeon; we find it almost impossible to imagine politicians with the temerity to get in the way of the Nation's newly aroused hunters and conservationists. * * *

It appears that Fred has been enforcing the law to the letter in Ohio. That's what we have laws for and we are glad that we have some men with enough guts to stand up for what they think is right, because only by the success we have in keeping this kind of man in service are we going to be able to measure our success in preserving our natural resources, whether it be ducks, wetlands, fisheries, soils, or what have you. God bless them and give us more like them. * * *

I didn't write this article to try to protect Fred Jacobson because he is Fred Jacobson. I wrote it in protest against the forces that take away our best men, the men that can help us preserve a resource by enforcing the laws impartially that are made to protect the public right. I wrote it in protest against an administration that is more concerned with the amount of jingle in a few people's pockets than they are in maintaining some of the blessings that God gave us to break the monotony of a whirling world, and which we must have to continue as a "have nation." I wrote it in protest against the ignorant, irresponsible attempt to localize a problem that is nationwide and affects all of us.

The 2,000 hunters on the Lake Erie marshes and the 300 marsh owners have no more right to special treatment than any of the other 163 million people of the United States, and we protest vehemently anyone who is so far out of line as to use political pressure so that a few can reap the harvest which many are sacrificing to create.

I think Mr. Woerpel has summed up very well the attempt of this administration to turn the natural resources clock back to the bad old days.

WILD DUCKS AND GEESE BELONG TO ALL

Mr. Speaker, wild ducks and geese belong to the people of all the States along their flyways. A duckling from the Horicon Marsh of Wisconsin may wing his way over the marshes of Lake Erie in October, and over the Eastern Shore of Maryland in December. Game hogs in one State can ruin the hunting for conservation-minded sportsmen in another State. If baiting is allowed in one section of a flyway, its effect is instantly felt on all the rest of the flyway.

These migratory waterfowl not only belong to all of the States, Mr. Speaker. They belong to all of the people of all of the States. In Europe, the wealthy landlord may purchase outright his hunting area and by expensive corn and grain lure waterfowl his way. In America, on the other hand, the theory is that on the duck marsh, bankers and boilermakers are brothers under the skin. Success in the hunt should go to the straightest shooter, not to him who has the wherewithal to buy bait. It beats me, how those who are noisiest in their devotion to 100-percent Americanism should be so keen about introducing the European system of baiting.

BAITING WATERFOWL IN OHIO

It is interesting to note the source of most of this pressure for a return to baiting waterfowl. In Ohio, it seems to come largely from the clubs and wealthy individuals who own the shooting areas on the Erie marshes. Here is what the Toledo Blade had to say on this subject on March 30, 1955:

If our hunters can outwit the duck, that seems fair sport to us. * * *

But when it comes to baiting marshes, that appears to us to be something else again. Man did not create the food which the Lord put on earth for all His creatures to enjoy. And it's not their wits but a universal gift men employ when they have to lure ducks to their doom with food. Of course, this makes it possible for the hunters to get their limit quicker, but where's the sportsmanship in it?

Aye, that's the rub. Duck hunting has been commercialized to the extent that it has become big business. It's a lucrative sideline to the farmers who can sell shooting rights at their holes at a goodly fee each year. It's the most luxurious entertainment a corporation can offer its customers, actual or potential. It's a tourist attraction for the resort towns in the marshland area. And when everyone has so much money invested or involved, they naturally want to have plenty of ducks around to be shot easily and quickly. * * *

We have no objection to grownup men outwitting ducks if they can. But it would be a shame, it seems to us, if in the process they should outwit themselves and destroy the species.

Incidentally, wealthy duck hunters on the Erie marsh properties constitute only 5 percent of the duck hunters of Ohio—but they bag 20 percent of the ducks. By browbeating an honest law enforcement officer like Fred Jacobson, perhaps they can up their percentage to 50 percent of Ohio ducks.

CALIFORNIA BANKERS EXPONENTS OF BAITING

In California, it is apparently the bankers who are the great exponents of baiting. At least, that is the only conclusion I can draw from the candid memoirs of former Under Secretary of the Interior Ralph A. Tudor, quoted heretofore.

John Biggs, director of game for the State of Washington, made a survey of baiting at the California duck clubs this last season. His view is quoted in the Seattle Daily Times for January 6, 1955:

Duck hunting is big business in California. It is mainly in the hands of powerful, wealthy men, who take a large part in the political management of waterfowl.

In Maryland it is the club hunters again who are doing most of the pressuring for a return to baiting. One of the club owners recently publicly bemoaned the antibaiting regulation, complaining that he and his 9 fellow club men had killed only 220 ducks last year, an average of only 22 apiece. Apparently it never occurred to this overstuffed Nimrod that if the other 400,000 hunters on the Atlantic flyway had ex-

perienced the same miserable luck—only 22 ducks apiece—the overall kill would have been 9 million ducks, which would have meant exterminating every single living waterfowl on the flyway, and then looking around for more ducks to kill.

WISCONSIN'S PATRON SAINT OF CONSERVATION

As is evident, Mr. Speaker, I feel strongly about this attempt to bring baiting back. I know what the late Aldo Leopold of Wisconsin, patron saint of the conservation movement, meant when he said:

> There are some who can live without wild things and some who cannot. I am one of those who cannot.

As Rachel L. Carson, author of The Sea Around Us, has said:

> The real wealth of the Nation lies in the resources of the earth—soil, water, forests, minerals, and wildlife. To utilize them for present needs while insuring their preservation for future generations requires a delicately balanced and continuing program, based on the most extensive research. Their administration is not properly and cannot be a matter of politics. * * *
>
> For many years public-spirited citizens throughout the country have been working for the conservation of the natural resources, realizing their vital importance to the Nation. Apparently their hard-won progress is to be wiped out, as a politically minded administration returns us to the dark ages of unrestrained exploitation and destruction.
>
> It is one of the ironies of our time that, while concentrating on the defense of our country against enemies from without, we should be so heedless of those who would destroy it from within.

If the President is interested in protecting wildlife, he is making a tragic mistake this week in easing Mr. Day out and retaining Secretary McKay. Instead of acting as guardian of our natural resources, Mr. McKay seems bent on presiding at their liquidation. If the President will study the record, I think he will come to the conclusion that he should restore Mr. Day and fire Mr. McKay.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield.

Mr. SAYLOR. I appreciate and congratulate the gentleman on his comments with regard to baiting; it is a practice that should be prosecuted to the fullest extent of the law. However, it would interest the gentleman from Wisconsin and the entire public to know that the activities of this same Mr. Albert M. Day whom you so highly praise were included within the scope of an investigation by a special subcommittee of the House Interior and Insular Affairs Committee because, among other things, according to allegations by one of his own law-enforcement agents, Mr. Day was caught redhanded himself shooting ducks over a baited blind down here in Maryland.

These special subcommittee hearings last year resulted in a conclusion that the then Director, Albert M. Day, did everything within his power to fire his own Acting Director and chief law enforcement officer because these two individuals felt that the charges against Day should be prosecuted as would similar charges against any other person allegedly violating the Federal waterfowl regulations.

The subcommittee conclusions, involving this activity as well as other activities by Mr. Day, were transmitted in writing to the Secretary of the Interior for whatever action the Secretary deemed appropriate.

I would suggest that the gentleman from Wisconsin [Mr. REUSS] consult with Mr. Day to determine whether there is any relation between the subcommittee's report and the removal of Mr. Day from Federal employment in the Fish and Wildlife Service.

I heartily concur in your sentiments with regard to prosecuting anyone who hunts over a baited blind. But I want to call your attention again to the fact that the gentleman whom you are praising so loudly who is to be "relieved" was himself guilty on the basis of the subcommittee's report of the offenses of which you are saying others are guilty.

Mr. REUSS. I thank the gentleman for calling my attention to a matter which I have no way of checking up on at the present time. I certainly will accept the gentleman's report of what happened. Let me say then that the other winkers at baiting, Secretary McKay, the so-called fish and wildlife authority, should suffer the same fate as Mr. Day.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield.

Mr. HOFFMAN of Michigan. I wish to commend the gentleman for his effort and I join my friend, the gentleman from Pennsylvania [Mr. SAYLOR], who just spoke in suggesting that the violators all get a dose of what they have coming to them. If I can be of any assistance in putting their names in the RECORD and in their home papers so that their neighbors may know what kind of individuals they are and whether or not they obey or disregard the law, I will be happy to do so.

Mr. REUSS. I thank the gentleman from Michigan, who I know is a devoted conservationist and a true sportsman and a man who, I feel sure, will do all he can to see that the Department of the Interior stops winking at this outrageous evasion, avoidance, and violation of the Federal laws and regulations.

Mr. HOFFMAN of Michigan. Mr. Speaker, I might add that it would be helpful—I know it would be helpful to those who put in a day's work before they can go fishing—if some of these writers for the local papers when they print a story about how the shad are running here and there and the other place, and call attention to the fact that some individual got so many the day before, would add to their stories information as to whether the fish to which they refer were caught in a net or on a lure.

Mr. REUSS. I thank the gentleman from Michigan for pointing out that this problem of conserving our natural resources is not just a problem having to do with waterfowl, but has to do with fish and soil conservation and trees and all things that grow, and water and so on, and that we must be on the alert on all fronts to see that our priceless natural heritage is not wasted.

Mr. ASHLEY. Mr. Speaker, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Ohio.

Mr. ASHLEY. The problem which the gentleman from Wisconsin has discussed so candidly is one of considerable importance to citizens in every part of the country. It is the kind of problem which will affect future generations. Being a resident of the Great Lakes port of Toledo, Ohio, and also as a member of the House Committee on Merchant Marine and Fisheries, I have become increasingly aware in recent months of the necessity of conserving our Nation's migratory waterfowl.

In all justice, it must be said that there are two sides to this issue, and that the proponents of each point of view are sincere in their beliefs. I have met a number of men, many of whom I count as my personal friends, who honestly believe that present regulations can and should be changed to allow duck feeding. I am glad to say that the various plans which they have recently devised have received every consideration by top officials of the Fish and Wildlife Service.

And in all justice again, Mr. Speaker, I think that any criticism of the Fish and Wildlife Service should be tempered by consideration of the emotion which surrounds the diverse points of view on this matter. I, myself, have firsthand knowledge of the kind of pressure to which wildlife officials can be subjected and I have a deep respect for the honest approach they take to a complicated and difficult problem.

Mr. Speaker, Dr. Ira N. Gabrielson, president of the Wildlife Management Institute, Washington, D. C., an organization dedicated to wildlife restoration, has recently called public attention to the growing widespread concern about whether the Nation's migratory waterfowl are being given sufficient consideration by those responsible for the administration of the Migratory Bird Treaty Act.

Dr. Gabrielson was the first Director of the United States Fish and Wildlife Service and is a former chief of the old Biological Survey. In view of his criticism of the manner in which the Migratory Bird Treaty Act is presently being administered, I think it is interesting to point out that Dr. Gabrielson is a brother of Guy Gabrielson, former chairman of the Republican National Committee.

Excerpts from Dr. Gabrielson's speech, delivered before the National Citizens' Planning Conference on Parks and Open Spaces for the American People in Washington on May 24, follow:

> Since the passage of the Migratory Bird Treaty Act, there is no question but what the administrative policy of the Biological Survey and of the Fish and Wildlife Service has generally given primary consideration to the welfare of the waterfowl resource. Since the welfare of the ducks and geese is the prime consideration, it is necessary to be somewhat conservative in making regulations.
>
> There has, however, been a growing doubt in the minds of many conservationists as to whether the welfare of the resource is now

being given sufficient consideration by those responsible for the administration of the Migratory Bird Treaty Act. In the face of a declining population for 2 years, there has been a considerable relaxing of the regulations. This has been particularly noticeable in California where special consideration has been given to that State under the guise of helping in an admittedly serious depredation problem. Former Under Secretary of Interior Ralph Tudor, following his resignation, stated in an article in the Saturday Evening Post that the waterfowl administration had been set up to please the California duck hunters, and a review of the record provides some evidence to support this statement.

The California experimental feeding program has now been in effect for 2 years. Following the first year's operation, there was widespread criticism of the manner in which it had been carried out. A review of the information furnished by the California Department of Fish and Game does not indicate that the program has improved materially in its second year's operation and that it has had little value in reducing depredations, the chief reason given in justifying it.

In the first year, 141 clubs were licensed to feed, and this year 140 clubs actually participated. The real depredations on the rice and other grain crops in California normally come before the hunting season, and feeding before the hunting season is probably the major contribution that this feeding program could possibly make. Reports indicate that in 1953, slightly under 20 percent of the total amount of feed provided was used prior to the hunting season; while in 1954, it was slightly over 20 percent. The total amount of food so provided is not great enough to provide any significant part of this food supply for waterfowl reported from California at that season, and it appears certain that, as far as reducing depredations is concerned, this has not been a conspicuous success.

The statement has been made many times by club members that it did not noticeably increase their duck kill to be able to feed, but that it did enable them to get their birds in a shorter period of time, which according to their statements is the real inducement for their use of feed under this program.

There are reported to be 1,300 duck clubs in California with a membership of about 13,000. According to the latest figures, there were 193,196 duck stamps sold in California. These figures indicate how small a part of the California hunters really desire this feeding program. About 10 percent of the clubs, or a little over one-half of 1 percent of the hunters, operated under it in each of the 2 years.

This concession to California is, as could be anticipated, leading to serious complications for the Department of the Interior in its dealings with other sections of the country. For example, both Ohio Senators and both Maryland Senators recently have been getting considerable publicity for their persistent efforts to get equal favors for a small minority of the waterfowl hunters in their States.

In Ohio, about 5 percent of the total number of waterfowl hunters hunt in the Erie marshes, and this is the group that wants the privilege of baiting. Their kill, according to the figures of the Ohio Conservation Department, amounts to about 2.6 ducks per hunter per day, as compared to an average of 0.7 of 1 duck per hunter per day for all those who shoot outside the Erie marshes. Despite the fact that the Erie marsh hunters already enjoy a 4-to-1 advantage over the average gunner, this group is exerting vigorous political pressure for added privileges for themselves, in the face of the fact that waterfowl populations have declined for 2 successive years, and that the winter inventory shows a decrease for this year. It will take better-than-average hatching and breeding success to prevent a decline from showing up for the third successive year when the birds come south in the fall.

In Maryland the demands are the same that were voiced back in the mid-thirties when the birds reached their lowest ebb. At that time the delegations came to my office and demanded about the same things that are being voiced in behalf of a certain element of Maryland duck hunters by the Senators from that State. As I recall it now, they wanted baiting and live decoys restored, longer seasons, and bigger bag limits. I vividly recall one ex-Governor of that State pounding my desk and shouting, interspersed with considerable profanity, that he did not care whether there were any waterfowl left after he was dead; he wanted to shoot ducks while he was alive. After that he did not care. He was a lot more frank than the average, but his objective was much the same.

The question is often asked, What is wrong with baiting? As a matter of fact, all States have long since outlawed the practice of baiting or using salt to attract resident game to the guns, and only in the case of migratory birds was it legally permitted to continue until it was banned during the great duck depression in the mid-thirties. There are two things against it, aside from ethical questions, that are raised by many sportsmen. First, it is too efficient. As long as it was used by a limited number of hunters it did not adversely affect the waterfowl populations. As its use became more widespread, it became more efficient and more deadly. With the growing number of duck hunters, I can see no possibility of a return to baiting without the destruction of the waterfowl resource. Second, it further stacks the deck in favor of a group of hunters who already have great advantages over the average fellow who buys a duck stamp.

These demands, at a time when waterfowl populations are declining, and coming from States in which no depredation problem is involved to confuse the thinking on the subject, are bringing the situation to a definite showdown. Conservationists should extend a vote of thanks to the baiting advocates, BRICKER, BENDER, and BUTLER, and BEALL, for bringing it into focus so sharply.

The original concessions made to California have brought their inevitable results in increasing demands for similar consideration for other groups in other places, and the situation will continue to get worse until it is corrected. Conservationists throughout the country earnestly hope that the Department of the Interior, in view of the growing crisis which apparently confronts the waterfowl populations, will give the birds the breaks in the 1955 regulations; that they will take another look and another approach to the depredations problem; and that no consideration will be given to the political pressures so prominently discussed in the press in recent weeks.

Is it too much to hope that the Department of the Interior will chart a straight course based on sound management principles? If they do, I believe they can be assured the support of every conservationist in the country.

Mr. REUSS. I thank the gentleman.

SPECIAL ORDER GRANTED

Mr. JOHNSON of Wisconsin asked and was given permission to address the House for 15 minutes, following the address of the gentleman from Pennsylvania [Mr. SAYLOR].

NATIONAL PARK SYSTEM THREATENED

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. SAYLOR] is recognized for 20 minutes.

Mr. SAYLOR. Mr. Speaker, the plan to build Echo Park Dam as a unit of the Colorado River storage project has raised a storm of protest from the millions of people throughout the Nation who appreciate our magnificent system of national parks and monuments. There is good cause for their alarm. Echo Park Dam would flood a substantial portion of Dinosaur National Monument, a beauteous stretch of wilderness in Colorado and Utah that is part of our National Park System. But the partial destruction of one of our cherished national monuments is only part of the reason for the great concern across the land. Equally important is that Congress would be setting a dangerous precedent that would open the door to the invasion of our entire network of national parks and monuments for nonrecreational uses.

The debates and discussions on Echo Park Dam have raged long and feverishly. The arguments in favor of the dam reached a climax on March 28, 1955, when one of its chief proponents, Senator WATKINS of Utah, appeared before the House Irrigation and Reclamation Subcommittee to present a lengthy and legalistic statement in which he attacked conservationists for having "consciously or unconsciously deceived and misled thousands of sincere and well-meaning American citizens" on the Echo Park issue.

This was an unfortunate slur on a group of sincere and honest Americans who share with millions of fellow citizens a deep appreciation of the natural wonders of our parks and monuments, and who are concerned over their threatened destruction. Senator WATKINS argued that the dam would not invade a national monument, but rather that the national monument is invading a power development area. This effort to turn the facts upside down was a noble one, but it was totally unsuccessful.

The basic issue involved is simple and clear. The Echo Park Dam site is located inside the boundaries of the Dinosaur National Monument. The reservoir to be created by the dam would inundate a substantial portion of the monument. It is equally clear that Congress never before has authorized an invasion of a national park or monument for a nonrecreational purpose. The issue is simply whether Congress wants to make an unprecedented deviation from this long-established policy.

No one challenges the power of Congress to authorize the construction of Echo Park Dam. Congress could destroy every inch of our national parks and monuments if it wanted to. No one has any vested rights in these great natural preserves. They are privileges which we all may enjoy, but which Congress may take away from us at any time. The only restraint on Congress is its good sense.

UNIVERSITY OF MICHIGAN LI

Fortunately, up to this point Congress has had the good sense to recognize the ever-increasing value of the National Park System to our constantly growing population. Senator WATKINS was in error at the very outset of his statement when he said that opponents of Echo Park Dam "challenge not only the propriety but also the legal right of public use of these reservoir and dam sites." Of course, no one challenges the power of Congress to deviate from its own policy of protecting the national park system. Only the propriety of such action by Congress is challenged, and it is challenged earnestly.

The essence of Senator WATKINS' argument is that when President Roosevelt, by proclamation of July 14, 1938 (53 Stat. 2454), enlarged Dinosaur National Monument to its present size, he said that the monument was not to interfere with the future development of the Echo Park Dam site. That this is a strained interpretation of President Roosevelt's 1938 proclamation becomes clear when the proclamation is examined. The text of the proclamation is as follows:

Whereas certain public lands contiguous to the Dinosaur National Monument, established by proclamation of October 4, 1915, have situated thereon various objects of historic and scientific interest; and

Whereas it appears that it would be in the public interest to reserve such lands as an addition to the said Dinosaur National Monument:

Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, under and by virtue of the authority vested in me by section 2 of the act of June 8, 1906, chapter 3060 (34 Stat. 225 U. S. C., title 16, sec. 431), do proclaim that, subject to all valid existing rights, the following-described lands in Colorado and Utah are hereby reserved from all forms of appropriation under the public-land laws and added to and made a part of the Dinosaur National Monument:

* * * * *

aggregating 203,885 acres.

Warning is hereby expressly given to any unauthorized persons not to appropriate, injure, destroy, or remove any feature of this monument and not to locate or settle upon any of the lands thereof.

The reservation made by this proclamation supersedes as to any of the above-described lands affected thereby, the temporary withdrawal for classification and for other purposes made by Executive Order No. 5684 of August 12, 1931, and the Executive order of April 17, 1926, and the Executive order of September 8, 1933, creating water reserves No. 107 and No. 152.

The Director of the National Park Service, under the direction of the Secretary of the Interior, shall have the supervision, management, and control of this monument as provided in the act of Congress entitled "An act to establish a National Park Service, and for other purposes," approved August 25, 1916, 39 Stat. 535 (U. S. C., title 16, secs. 1 and 2), and acts supplementary thereto or amendatory thereof, except that this reservation shall not affect the operation of the Federal Water Power Act of June 10, 1920 (41 Stat. 1063), as amended, and the administration of the monument shall be subject to the Reclamation Withdrawal of October 17, 1904, for the Brown's Park Reservoir Site in connection with the Green River project.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this 14th day of July, in the year of our Lord 1938, and of the independence of the United States of America the 163d.

[SEAL] FRANKLIN D. ROOSEVELT.

By the President:

CORDELL HULL,

The Secretary of State.

The language that Senator WATKINS first seizes upon is "subject to all valid existing rights." He argues that prior power withdrawals are valid existing rights. Power withdrawals are not rights of any kind. The only effect of a power withdrawal is to close the area designated to entry under the public-land laws. The President's authority to withdraw public lands for waterpower sites and other purposes is spelled out in section 141 of title 43 of the United States Code Annotated:

SEC. 141. Withdrawal and reservation of lands for waterpower sites or other purposes. The President may, at any time in his discretion, temporarily withdraw from settlement, location, sale, or entry any of the public lands of the United States, including Alaska, and reserve the same for waterpower sites, irrigation, classification of lands, or other public purposes to be specified in the orders of withdrawals, and such withdrawals or reservations shall remain in force until revoked by him or by an act of Congress. (June 25, 1910, ch. 421, par. 1, 36 Stat. 847.)

A power withdrawal is merely a precautionary measure to assure that prospective power development sites do not pass to private ownership under the public-land laws. A power withdrawal does not guarantee to anyone that the site will be developed for power purposes. Many many more power withdrawals are made than power dams are built. Many withdrawals which are made are never used. The President is even authorized by the statute to revoke a power withdrawal any time he sees fit. This means that President Roosevelt could have gone through the process of revoking the power withdrawals within the enlarged area of Dinosaur National Monument before he issued the 1938 proclamation. But this was unnecessary. The proclamation revoked the withdrawals by implication.

In effect, President Roosevelt decided that it was more in the public interest to designate this scenic area as a national monument than to save it for future power development. He had undisputed statutory authority to make this decision. The President's authority to designate Government-owned or controlled lands as national monuments was established by act of June 8, 1906—34 Statutes 225.

When Senator WATKINS refers to power withdrawals as "solemn reservations" that are "binding and legal reservations for water development," he is inflating their legal status far out of proportion to reality. The President, through the Secretary of the Interior, may create them one day and destroy them the next. The President's discretion is limited only when some private rights are vested. Private rights have never attached to the power withdrawals in Dinosaur National Monument. Even the application for a preliminary permit by the Utah Power & Light Co. was withdrawn before the 1938 proclamation enlarging the monument to its present size.

Senator WATKINS also tries to make much of the language in the Presidential proclamation, "except that this reservation shall not affect the operation of the Federal Water Power Act of June 10, 1920—Forty-first Statutes, page 1063—as amended." It is difficult to see how this language supports Senator WATKINS' position that the proclamation contains "a specific exemption of power withdrawals." The fact is that the Federal Water Power Act of 1920 had been amended in 1935 to remove any possible suggestion that the Federal Power Commission had any jurisdiction over public lands designated as national parks or monuments. This conclusion is supported by two opinions by solicitors of the Department of the Interior—M. 29936, dated August 19, 1938—Frederick L. Kirgis, acting solicitor—and M. 30471 dated December 5, 1939—Nathan R. Margold, solicitor. Mr. Margold's conclusion is especially significant:

Any attempt to preserve this authority—

To grant licenses for power works—

in the Commission by specific provision in the national monument proclamation would be ineffective since the authority of the Commission has been prescribed by Congress and cannot be extended by provisions in an Executive proclamation of this character.

A review of the Federal Water Power Act of 1920 and amendments thereto demonstrates how firmly Congress established the policy of not permitting the development of water power sites within national parks and monuments. By the Federal Water Power Act of June 10, 1920, in Forty-first United States Statutes at Large, page 1063, the Federal Power Commission was authorized to issue licenses for building power works "upon any part of the public lands and reservations of the United States." "Reservations" was defined to include "national monuments" and "national parks."

The very next year, by act of March 3, 1921, in Forty-ninth United States Statutes at Large, page 838, the FPC's authority was restricted so that it could not operate "within the limits as now constituted of any national park or national monument." Finally, by act of August 20, 1935, in Forty-first United States Statutes at Large, page 1353, any doubt that the FPC's authority might extend to parks or monuments created or enlarged after 1921 was resolved when the basic definition of "reservations" was changed so as to expressly exclude national monuments or national parks. The purpose of this unequivocal amendment was made doubly clear in House Report No. 1318, 74th Congress, 1st session, at page 22:

The definition of the former term ("reservations") has been amended to exclude national parks and national monuments. Under amendment of the act passed in 1921, the Commission has no authority to issue licenses in national parks or national monuments. The purpose of this change in the

definition of "reservations" is to remove from the act all suggestion of authority for the granting of such licenses.

Senator WATKINS stated that "all the talk about the restriction of FPC licensing authority under the 1921 and 1935 amendments to the Federal Water Power Act of 1920 has just been a legal smokescreen to obscure the facts." This comment demonstrates most dramatically the weakness of Senator WATKINS' entire argument. Recall that the only issue in controversy here is whether Congress would be establishing a precedent if it authorized the construction of a dam in a national monument. Although Congress has the undisputed power to invade a national monument for power purposes, it has never exercised that power. And the significance of the amendments to the Federal Water Power Act of 1920 is that Congress even took the trouble to assure that the Federal Power Commission could not invade our national park system by removing all FPC jurisdiction over lands within parks and monuments.

The final conclusion reached by Senator WATKINS is a curious one. He asserts that since Echo Park Dam would be a Federal project, there would be no necessity for the FPC to issue a license. He stated:

> It would be necessary for Congress to authorize the construction of such dams, which it has full authority to do.

Of course, Congress has such authority. But the issue is whether Congress should exercise that authority. In short, Senator WATKINS goes through an extremely elaborate legalistic argument to conclude what no one disputes—that Congress can authorize Echo Park Dam if it wants to. But Senator WATKINS has never answered the basic argument of those opposed to Echo Park Dam: Congress never before has permitted a dam to be built within the boundaries of a national park or monument. If it approves Echo Park Dam, it will destroy a magnificent stretch of natural scenery and at the same time will set a dangerous precedent for the invasion of our entire national park system. This is an argument that has never been answered because it is unanswerable.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. HOSMER. Is not this Echo Park Dam an integral part of the proposed upper Colorado storage project?

Mr. SAYLOR. The proponents of the upper Colorado River storage project would have you believe that; in fact, they have even gone so far as to say that if this dam is not built the entire upper Colorado River project is not feasible. I disagree.

Mr. HOSMER. As I recall the testimony on this project given to the Interior Committee last year by then Under Secretary of the Interior Ralph Tudor he stated that to take Echo Park Dam out of the upper Colorado River project would be like taking the pistons out of an engine; in other words, this thing could not possibly work financially without the added power that Echo Park Dam would bring to supplement that produced at Glen Canyon so that between the two dams they could raise the amount of firm power and then possibly, although there was not any clear testimony on that, obtain sales for the power in an attempt to turn back to the Treasury at least a part of its multimillion dollar investment. So I would say to the gentleman that in this instance if that testimony is to be believed, and I know of no reason why it should not be, whether or not the upper Colorado storage project as presented to this Congress has the words "Echo Park Dam" printed in it, it is still there, because you cannot take the dam out of the project any more than you can abolish history by tearing a page out of a book and burning it up, because it is an integral part, it is the pistons of the engine. If you do not give it to them when the bill first comes in they are going to put it in in conference, if not this year, then next year or the year after. They will say: "We have spent a billion dollars out of the Treasury. We have now come to the point where we need the pistons for our engine; give us Echo Park Dam." In the face of this argument those who oppose it can do nothing but yield so the Treasury can hope to get some return possibly out of this thing. Unless the entire upper Colorado River project is revised as it should be to be an irrigation project and not principally a power project subsidized out of the United States Treasury for the benefit of a few people in the upper basin States of Wyoming, Utah, New Mexico, and Colorado.

Mr. SAYLOR. I would like to say to the gentleman that while the Under Secretary did appear and make those statements, other competent engineers have appeared before our committee and stated that there are alternate sites which have not been presented; that while they probably would not produce quite as much power or not have all the facilities that Echo Park Dam would have, yet they would make the entire upper Colorado River project feasible.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. I am sure I agree with the gentleman in that statement and I assume that the gentleman would agree to an amendment to the bill, if that were necessary, to permit the Echo Park issue to be decided by competent engineers at a later date if the Echo Park Dam were stricken out.

Mr. SAYLOR. No; I will not agree to that. That is the thing that the people who are interested in preserving our national parks and monuments are deeply concerned about, that Congress not violate what has been the rule since 1872 when our first national park was established.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield further?

Mr. SAYLOR. I yield.

Mr. DAWSON of Utah. Is it not a fact that Gen. U. S. Grant III, and others who were in charge of the conservationists who appeared against Echo Park Dam were urging that very thing, that a study be conducted by disinterested persons to determine whether Echo Park Dam should be deleted?

Mr. SAYLOR. From the time they offered their suggestions they have been held up to ridicule by the people who come from the upper basin States. Gen. U. S. Grant III, grandson of a former President of the United States, the leader of the Union forces, General Grant III, an engineer of note for over 40 years, has been held up to ridicule and scorn by the people who live in the 4 upper basin States because he has had the integrity and courage to stand up and challenge the word of the boys downtown in the Bureau of Reclamation. I think it is important that members of the public know this: He challenged them with regard to the figures on evaporation which they said was absolutely important and that was the all-important factor as to why we had to have Echo Park. General Grant has proven, incidentally, that there was an error of 600 percent in those evaporation figures.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Does the gentleman recall the testimony of U. S. Grant III, that he had not been out to the area, he had not seen the dam sites, he had not made any personal investigation?

Mr. SAYLOR. I can say that I recall that, but I also recall the fact that many of the people who appeared for the Bureau of Reclamation also admitted that they had never been down there. There had only been a handful of people who had been down there and it was not until this year that we got the Bureau to admit that the plan they drew up in 1947 for building a dam at Glen Canyon at mile 4 involved such impossible conditions that it would never be feasible to build a dam. They did not come up and tell the committee. It was not until some of us found out the situation, that they had to move 11 miles up the river to mile 15 where the present site is to build a dam.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. HOSMER. On that particular point of the attitude of the naturalist group, I talked to several of them in the last few days and they have universally expressed to me the thought as I mentioned a moment ago that whether or not the words "Echo Park Dam" are printed or whatever may come to the House floor, Echo Park Dam is there as a part of the project. It cannot be taken out at this point. I commend the gentleman's efforts in attempting to get the Bureau and other interested people to look around at some alternative sites. But the constant answer is, as I understand it, there are none, you have to have Echo Park. In other words, Echo Park is the piston that makes the engine work.

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I do not want to see anybody in the House deluded when this bill comes to the floor and not see Echo Park there, I do not want them to believe that it is not there. It is just as much a part of the project as a man's arm is a part of his body. It never will be out unless and until the gentleman's request to the Bureau and others to go in and look over these alternate sites is treated with the sincerity with which it has been made by the gentleman from Pennsylvania.

Mr. DAWSON of Utah. I would like to direct an inquiry to my friend from California, but the gentleman may submit it for me. I would like to ask the gentleman from California if he would vote for Echo Park Dam.

Mr. SAYLOR. That is completely beside the point and that is not the purpose of my discussion. I am here at this time to discuss the legal arguments which Senator WATKINS made with regard to his basis for invading a national park or monument.

Mr. DAWSON of Utah. I would like to hear the gentleman's answer.

Mr. HOSMER. I may say to the gentleman from Utah I think anyone should vote to keep Echo Park Dam in if this legislation is to become law for the simple reason that if you do not do so you will have a million or $2 million investment of the taxpayers' money involved in a direct loss plus all the hidden costs, the interest and compound interest on that money you have to go out and borrow. You would have that whole thing involved and you might have to try to get some of it back. The words I have just spoken do not indicate my approval of Echo Park Dam or the Glen Canyon Dam, or of the 11 participating projects that are in this bill or of the some 200 other projects that are projected and planned in the future and that Congress will be asked to spend money for in these four Western States.

Mr. SAYLOR. I appreciate the gentleman's remarks because it has been our observation, the gentleman from California and myself, that the bill as it came from the Senate will cost the taxpayers of this country $1,658,000,000, and that is only the initial cost.

Mr. HOSMER. Mr. Speaker, will the gentleman yield further?

Mr. SAYLOR. I yield.

Mr. HOSMER. Before the gentleman concludes his remarks, I would like to point out that not only involved in this project is the matter of the Dinosaur National Monument but another one of the great, beautiful monuments of the Nation's heritage, Rainbow Natural Bridge. The other power dam in this initial phase, the Glen Canyon Dam, is in the immediate area of the Rainbow Natural Bridge, and, as you know, that is a great natural arch of sandstone that presents itself in the middle of this formation. And what would happen is this: That if Glen Canyon is built it will back water up 183 miles along the Colorado River and some 70 miles up along the Yampa River, and it will back up into one of the valleys that feeds into the Colorado system water up to Rainbow Natural Bridge unless, of course, they go ahead and build, according to the witnesses' testimony, a dam 200 feet high and 100 feet wide to prevent this flooding of Rainbow Natural Bridge. Now, they do not know how they are going to do it. The geologist in testifying before the committee testified that the only possible way to build dams and to dig tunnels out in the Navaho sandstone formation was by means of blasting out by explosives and bringing the mountains down. Now, they have also testified that within a mile of this fragile natural bridge they are going to be blowing off explosives to build this dam 100 feet wide and 200 feet high, and within a mile on the other side of Natural Bridge they will be blowing off other explosives and digging a tunnel to divert the water. What does that mean? If they do not build this dam, Rainbow Natural Bridge will be destroyed by water. If they do build this dam, there is a good chance that Rainbow Natural Bridge will be destroyed in the process of blowing away rocks in order to put up this supposed protection. That is another thing in addition to the Dinosaur National Monument that all of the Members of this House should have in their hearts and minds when and if they ever have to consider this bill here in the House.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield further?

Mr. SAYLOR. I yield.

Mr. DAWSON of Utah. I would like to make an observation on the comments of my friend from California. It is a strange thing that the Representatives from southern California come in here and complain about the destruction of the beauty of these canyons. I think there is something else involved besides the beauty that they have in mind. However, as far as Glen Canyon is concerned, I simply want to remind the gentleman that the southern California interests have spent a lot of money up at Glen Canyon, and they at one time intended to construct that dam themselves. They sent their engineers up there and they made an application, as I understand, to construct a dam. Yet now they say it is going to destroy some of the beauty.

Mr. SAYLOR. Because they probably found, as others have found, that if they would build that dam, it would destroy Rainbow Natural Bridge.

FARMERS UNION OFFERS DAIRY PROGRAM PLAN

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. JOHNSON] is recognized for 15 minutes.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on Friday, June 3, one of the major farm organizations—the National Farmers Union—presented to the House Dairy Subcommittee a comprehensive program addressed to the production and distribution of milk and butterfat as it affects farmers and consumers. The program presented by the Farmers Union is a broad one in that it covers the economic problems of milk producers selling their milk for buttermaking, manufactured purposes, and retail fluid sales. With respect to Farmers Union's proposals for fluid-milk sales, I may say that it covers city markets under Federal marketing orders and State regulations as well as milk sold in unregulated fluid markets.

In the course of their testimony, Farmers Union officials strongly recommended enactment of legislation along the lines of H. R. 4360 which I introduced on February 24, 1955. Incidentally, I wish to say at this point that I introduced H. R. 4360 for the purpose of determining farmers' reactions to the general idea of using production payments and marketing quotas as a method of supporting the prices and incomes of milk producers at a more realistic and adequate level than is provided by existing legislation and administration policies.

I wish to say further that since I introduced H. R. 4360 I have had numerous letters from dairy farmers all over the Nation requesting particulars as to how the proposed program can be carried out. It was with interest, then, that I listened to the detailed proposals outlined by Farmers Union officials in their extensive testimony on how a program for production payments and marketing quotas can be applied to the dairy industry in all of its various ramifications.

While I do not necessarily subscribe to all of the suggestions made by the National Farmers Union in their testimony, I do believe that they have made proposals which indicate the organization has given long and thoughtful consideration to our pressing dairy problems.

I believe that these proposals can be used as a basis for further study by Members of Congress. If some of the proposals have merit, they can be incorporated in basic and long-range legislation. On the other hand, other proposals can be used as a starting point to improve the program with the assistance of dairy farmers.

The full testimony, which follows, was given by James Patton, president of the National Farmers Union; E. E. Bottomley, vice president of the Virginia Farmers Union; K. W. Hones, president of the Wisconsin Farmers Union; Albert Hopkins, president of the Arkansas Farmers Union; Edwin Christianson, president of the Minnesota Farmers Union; Dwyte Wilson, general manager of the Equity Union Creameries of Aberdeen, S. Dak.; and James C. Norgaard, manager of the Farmers Union Creameries of Nebraska. Following is the testimony of these men.

In view of the importance of this testimony—which brings to Congress for the first time a new, exploratory and tentative approach for solving the economic problems of dairy farmers—I include as part of my remarks the testimony given by the various Farmers Union

officials to the House Dairy Subcommittee on June 3, 1955:

SOLUTIONS TO ECONOMIC PROBLEMS OF MILK

(Statement of James G. Patton, president, and other representatives of National Farmers Union on economic problems of milk, before the Dairy Subcommittee of the House of Representatives Committee on Agriculture, June 3, 1955)

Mr. Chairman and members of the committee, for the record, I am James G. Patton, president of National Farmers Union.

As we reported to your committee at an earlier hearing, the board of directors of National Farmers Union, composed of all State presidents, inaugurated several years ago a long-term scientific research and field educational program on the economic problems of milk. Our study has progressed through only the exploratory steps. Yet, even at this early date in our planned long-term project, certain economic trends in rural areas are so obviously and universally adverse that the major outlines of corrective action are abundantly clear.

The growing dairy economic problem of the United States is bounded on one side by national underconsumption of milk and its products and on the other by unnecessarily and distressingly low income of milk producing farm families.

A few of the problems of underconsumption and low dairy farm income can and should be alleviated or solved by action by local and State governments and by individual dairy farmers and their cooperatives. Probably some improvements can be made in the market-area milk orders. But the big, crucial, key solutions of the economic problems of milk and the good people who produce it must come by way of nationwide action programs adopted by the Congress of the United States and administered by the Federal Government.

A very large majority of Farmers Union members produce some milk for sale. For many Farmers Union members the sale of milk is the major source of family income. As a result, the economic and production problems of milk have always been a major concern of National Farmers Union. Some Farmers Union members sell milk under Federal orders, others under State milk price regulations, and others sell milk for butter production and other manufactured products. Many Farmers Union dairy farmer members belong to milk producer cooperatives, some of which are directly affiliated with the Farmers Union organization and carry the words "Farmers Union" in their corporate names. Other dairy farmer members of Farmers Unions have not yet been able to establish dairy marketing and processing cooperatives and still sell directly to whatever market is available.

Because of this wide diversity of conditions, we felt that we should make available to your committee the knowledge and opinions of a wide range of representatives of Farmers Union members who can give you firsthand information on the different situations. While we have a large number of witnesses, we shall studiously avoid the presentation of cumulative testimony. Each of our witnesses will discuss with you different phases of our complete list of recommendations. After our witnesses have all spoken, I shall briefly list our recommendations for new and improved Federal legislation that in our opinion is currently feasible and which milk-producing farm families in all areas of the Nation will support and in which consumers and dairy farmers alike will be able to see a substantial area of agreement in the public interest.

It would probably conserve the time of the committee and prevent some confusion in your proceedings if you will hear all of us to the end, except for questions of clarification, and then after we have presented our statements we shall be glad to stay as long as the committee sees fit, to answer any questions that members desire to raise.

DAIRY FARM INCOME AND NEED FOR IMPROVED FEDERAL MILK PRICE-SUPPORT PROGRAM

As members of this committee know, National Farmers Union strongly urges that farmers' returns on the family farm production of all farm-produced commodities should be supported by Federal action at 100 percent of a reasonable parity price. Personally, I am deeply convinced of the workability, soundness, and justice of this recommendation. We strongly recommend that Congress enact legislation making it mandatory upon the Department of Agriculture to support the returns to milk producers at 100 percent of the parity price.

If the price received by farmers for milk were at 100 percent of parity, this would be $4.75 per hundredweight for milk, and 75 cents per pound for butterfat in cream, national average parity price based upon March 15, 1954 conditions. Such prices would have given a total national gross value of the 124.5 billion pounds of milk produced in 1954 of $5,913,750,000. A similar volume of milk is expected to be produced in 1955.

On April 1, 1954, President Eisenhower's Secretary of Agriculture put milk on the sliding scale and dropped supports to 75 percent of parity. At 75 percent of parity for the national average price received by farmers for milk, the total national gross value of the expected 1955 production of milk figures out to be only $4,435,312,500.

The difference in gross value of milk produced between 100 percent of parity figure and Eisenhower's 75 percent of parity figure amounts to a loss to America's 3 million dairy farmers of almost $1½ billion. This is an average cut in income, gross and net, because high and rigid production costs have not fallen, of approximately $500 per family. When one recalls that the pre-Benson family income of typical family-type dairy farmers was only about $2,000, this $500 cut in income amounts to one-fourth drop over the last 2 years.

These figures measure the magnitude of the milk income difference between the mandatory minimum level of support recommended by National Farmers Union and the bottom of the sliding scale put into effect on April Fool's Day of 1954 by the Eisenhower Administration. I assure the committee earnestly that to dairy farmers it was a cruel joke, if a joke at all. In fact, the decision appeared to us to better fit a dunce than a joker.

Actual cash receipts by farmers from sales of milk and cream in 1954 totaled $4,131 million, down 6 percent from $4,416 million in 1953 and down by more than 10 percent from $4,590 million in 1952 although the 1954 volume was considerably larger. If present support levels are not raised, cash receipts from sale of milk will drop still further in 1955. These figures are according to official United States Department of Agriculture reports.

Other reports of the department show that the family income of a larger-than-average, typical commercial family-operated dairy farm in Western Wisconsin dropped by over $600 per farm from 1952 to 1953, as the price received for milk dropped from 100 percent of parity in 1952 to a 1953 average of 86 percent of parity. A further drop in 1954 to an average of 80 percent of parity prices probably meant another $300 drop and the reduction to 75 percent of parity in 1955 would cut still another $300 off dairy farm family income.

This would be a total drop from $2,681 in 1952 to $1,681 in 1955, or 40 percent. In such circumstances, dairy farmers cannot maintain their families and replace worn out capital equipment. What they'll be forced to do is go out of business or go further into debt. And the end of the latter road is the bankruptcy sale if current depressed conditions continue. The Wall Street Journal, which has had a reporter studying the situation, reports that some are selling their cows and others are trying to increase their milking herds.

Simple justice to the 3 million farm families who produce the Nation's milk requires that the prospect of this distressing trend be reversed. But more than the financial solvency of and justice to 3 million dairy farm families is involved.

Also involved are the more general questions of (1) whether the family-type farm is to be preserved as the basic pattern of our agriculture; (2) whether American farmers are going to be permitted to participate fully and make their fair purchasing power contribution to an expanding full-employment economy; and (3) whether we want to take the chance, in view of uncertain world conditions and our growing population numbers, that we shall destroy the productive base of the Nation's future food supply.

I do not want to go into detail on these matters inasmuch as we covered them generally before the full House Committee on Agriculture earlier this year in connection with our appearance on H. R. 12.

As members of the committee will recall, we invited your attention to the disastrous effect upon food production in the Soviet Union of the policy they have followed in abolishing the family-farm pattern of agriculture. We said then and say again, that it is unwise for any national government to destroy family farms by pushing down prices and income. We are unalterably opposed to the entire Communist philosophy and we point to their destruction of family farms as a particular feature of the Soviet Union farm program that is directly contrary to the National Farmers Union program. We bring the Soviet Union into this discussion not because we think your committee can do anything to reestablish family farms where they have been destroyed behind the Iron Curtain; rather we bring it up here because we know that you do not want to be parties to the destruction of family farms in the United States.

Yet we are gravely concerned that the Eisenhower administration appears to be devoted to a philosophy of the survival of the biggest, of the factory-in-the-field, of the industrialized-type of agricultural production or corporate-collective, if you please. Both their actions and statements lead us to fear that the sliding scale philosophy they have accepted intact and unchanged from a contemporary farm organization is designed to slide all the Federal farm action programs out of existence and the American farm family into the economic subbasement.

Present and past rulers of the Soviet Union, according to the New York Times article we placed in the record of the full committee hearing on H. R. 12, abolished family farms and set up small collectives. They combined the small collectives into large collectives. Still using the excuse of need to increase efficiency and utilize fully the few good managers, they, then, combined the large collectives into supercollectives.

In the process, the same territory where family farms under the previous government of Russia had produced an exportable surplus of food, began to see agricultural deterioration under the Soviet Union totalitarian policies. First they saw their livestock enterprises begin to disappear. More recently, in 1952, total food production in the Soviet was less than in 1950, and in 1954 was less than in 1952. This is causing them trouble, we read, in the face of a growing population.

We are gravely concerned, Mr. Chairman, when we hear Eisenhower spokesmen such as Secretary Benson, Under Secretary Morse, and Assistant Secretary Butz, talk favorably

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about an adapt or die; adjust or perish economic law they say they believe in. We do not agree with them that efficiency requires combining family farms into corporate collectives.

Instead of this sliding-scale philosophy of the Eisenhower administration, Mr. Chairman, we shall present here, as we have before other committees, a program that we are convinced will preserve and improve the family farm as a bulwark of democracy and free private competitive enterprise against the importation of foreign ideology and totalitarian systems of government from the Soviet Union or anywhere else.

We strongly recommend that eligibility for milk price-support protection be limited for any one farm family to the total production of a family farm. The essence of the family farm is that all major economic functions and decisions are performed by the farm family. A family farm is one on which the family not only contributes the ownership or secure tenant tenure and management, and makes financing arrangements, but also provides the bulk of the manual labor in operating the farm. Under present conditions this would indicate that the upper limit of price-support eligibility per farm family should be set in the neighborhood of $25,000 to $30,000, at parity prices.

I have devoted my statement to indicating why we recommend that returns to family farmers for milk should be supported at 100 percent of parity as candidate Eisenhower seemed to promise in his first farm speech at Kasson, Minn.

Other elements of our total recommendations will be presented by our other witnesses. These elements include: Measures to insure an expanding full employment economy; Federal financing of free fluid milk for schoolchildren; enactment of a nationwide food stamp plan to enable low income consumers to buy enough milk and its products and other foods to have adequate nutrition; expanded exports; improved Federal milk orders; a nutritional education program; and a 100 percent of parity price support program for milk carried out by means of production payments, with eligibility limited to family farm production and buttressed with standby marketing quota authority.

Only a nationwide system of firm supports on returns from milk and butterfat promises to be of lasting benefit to all dairy farmers. Slick-sounding panaceas will not solve the economic problems of milk. There has been some unfortunate demagoguery to the effect that abolition of Federal milk orders or elimination of city sanitary ordinances would increase dairy farmers' income in Minnesota or Arkansas or South Dakota. Such claims simply are not true, as competent testimony before your committee has demonstrated. Abolition of Federal orders would not help any dairy farmer I know of and it would be grossly unfair to the many milk producers who have adopted these programs in about 70 areas around the Nation.

May I also say categorically that neither National Farmers Union nor any of its responsible officials favor or condone the use of milk strikes or similar violent direct action as a device for trying to solve the economic problems of milk.

URGE PRODUCTION PAYMENTS AS METHOD OF SUPPORT

For the record, I am E. F. Bottomley, vice president of Virginia Farmers Union. Although Virginia is not particularly noted as a dairy State, a large share of the farm income of our State comes from the sale of milk. I wish to associate myself with the recommendations made by Mr. Patten and those that will be made by Farmers Union witnesses that follow me on the stand. I should like to remind the committee, in connection with Patton's statement, that it was a great man and a gentleman from my State of Virginia who did so much to firmly establish the concept of the family farm as a traditional policy of our Federal Government. I am speaking of Thomas Jefferson, the Virginia farmer who did so much to establish democracy in America and make it live.

National Farmers Union recommends that support of returns on the family farm production of milk be provided by Federal statute by means of production payments.

The concept of compensatory payments is not new to dairy farmers—they participated in the relatively successful dairy payment program during World War II that was designed to maintain production and to hold down the retail price of milk to consumers.

As members of this committee know, the production payment principle has been successfully used in administration of the sugar program for more than 20 years. Last year the Congress enacted a law directing its use at up to 110 percent of parity returns for wool, and the wool program is now in operation. We are convinced that a similar program is well adapted to milk and should be instituted without delay.

The principle of production payments is that the total production, or a regulated volume of production as in the case of sugar beets and sugar cane, is allowed to flow into the market at whatever prices the market will pay. Handlers, wholesalers, and retail customers would pay the producer the going market price, and the milk or milk product would flow through the normal channels of trade in full volume to the ultimate consumer—with prices determined in whatever way they are now by middlemen and other forces.

If the resulting price of milk paid to farmers should be less than 100 percent of parity or other adequate support level, the difference would be made up in the form of a direct payment from the Department of Agriculture to the producer, or to his cooperative, if he chooses. The amount of the payment would be calculated seasonally and by regions. It would be that percentage of the individual's sales total that is equivalent to the percentage the parity equivalent or established support price was above the average butterfat or milk prices received by farmers in the region during the period. If the support price for the region and period were $3.99 and prices received were $3.80 per hundredweight for milk, this percentage would be 5 percent. Each producer would be eligible to receive a production payment of 5 percent of his gross sales up to the family farm volume.

The nature and advantages of this method of supporting returns to milk producers are fully discussed on pages 48 through 56 of House Document No. 57, prepared by the United States Department of Agriculture. I shall not burden your record with a repetition of the material in that document.

However, I do want to invite your attention to several aspects of the production payment method of supporting farm returns from milk. The production payment will take the Government out of the business of buying, storing, and distributing butter, cheese, and dry milk for which a ready use through exports, school lunch, or other direct distribution is not in sight at the time of the Government purchase. Authority for the dairy product purchase program should be continued for use to prevent wide seasonal fluctuation in supplies and prices of milk. But use of production payments as the basic method of support would keep such purchases at a minimum.

The production-payment method of support, unlike the purchase-and-store method, does not act to provide a special incentive for unusual and abnormal imports of dairy products from other nations. If production payments are used instead of market diversion, we would not need to put so much dependence upon raised tariffs and import fees and restrictive import quotas to protect the domestic price-support program. This is true because the production-payment method allows United States market prices to drop to market-clearing levels which will not act as a suction pump for abnormal imports as a Government-purchase program does.

Fully as important, production payments allow the entire market supply to flow to ultimate consumers at lower prices than the Government-purchase method, and thus would result in greater consumption, lower retail prices, and better health from more nearly adequate diets, rather than allowing dairy products to pile up in Federal storage and requiring the Nation to go through the national embarrassment and agony of selling Government-owned human food for animal feed, as President Eisenhower's administration has done.

Moreover, I want to point to the manner in which the use of production payments will aid in adjusting milk production to genuine consumer demands. Let us assume that Congress had enacted a law giving dairy farmers the right to make use of marketing quotas, as I am convinced should be done. Let us further assume that dairy farmers by more than a two-thirds favorable vote had approved quotas in a referendum, as I am confident they would. In that case a milk producer would be eligible for payments on his sales only up to the amount of his marketing quota. If he made sales in greater volume than his marketing quota, he not only would not receive payments on above-quota sales and have a pay an excess-marketing penalty; he would also be rendered ineligible for payments on his within-quota sales. In that case production and sales above established quotas would be rare. We in Virginia are very familiar with the operation of marketing quotas on tobacco and peanuts and we treasure the programs dearly, as we have shown by our votes in repeated referendums.

The dairy price-support program should be accompanied by a positive and aggressive program to expand domestic and foreign consumption of American milk and its products. We should expand Federal financing for greater use of fresh milk and dairy products in our schools. Low-income consumers should be enabled by some type of Federal program to buy the milk and its products they need for better nutrition standards. The retail prices of fluid milk should be lowered in ways that will not reduce the so-called blended price received by farmers.

MARKETING QUOTAS

For the record, I am Kenneth Hones, president of Wisconsin Farmers Union, and a member of National Farmers Union board of directors. My home State of Wisconsin has earned for itself the name of America's Dairyland. On the type-of-farming maps put out by the Department of Agriculture, our entire State is shown as being in the dairy area. We are rather proud of the record we have made in the production of sanitary, wholesome milk. Practically all of the farmers in Wisconsin produce milk for sale and most of them derive almost all of their income from this source. Dairy farmers in my State have been grievously hurt by the application of the Eisenhower sliding-scale philosophy to milk prices.

I wish to associate myself with the recommendations that have been made by previous Farmers Union witnesses and with those who will follow me. We have a well-thought-out program that we are presenting to you today and I completely endorse all of it.

My particular assignment as one of several Farmers Union witnesses today is to outline what we think would be a workable and acceptable method of making milk eligible

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to be classified by Federal law, as well as in fact, as a basic commodity. I cannot blame the producers of other basic farm commodities, nor their representatives in the Congress, for wanting to withhold the legal privileges of being basic from other commodities if the producers of those commodities are not willing to assume the same responsibilities to keep produced supplies in line with genuine consumer demand, and if we cannot recommend a workable and acceptable method of doing so.

I agree fully with the statement Mr. Vance has made and wish to expand on his comments with particular regard to our recommendation that dairy farmers be given the authority by law to utilize the device of marketing quotas to help protect our incomes.

There is no overproduction of milk in relation to consumer needs, as other Farmers Union witnesses will point out this morning. A great deal more fluid milk and milk products could well be consumed in the United States, in the interest of better health, and overseas, in the interest of programs of education and more rapid economic growth. I am convinced that it would be good public policy for Congress to enact laws providing Federal funds to expand programs for domestic and foreign milk consumption. The Congress and all of us should go as far in that direction as we possibly can. If we did as much as I think we should, and as much as National Farmers Union has urged, we would not be talking about a 7 percent surplus of milk in this country—we would be worrying about a shortage of milk.

As a Nation, we also ought to be doing a great deal more than we have been doing the last 2 years to lower interest rates instead of raising them, increasing personal tax exemptions, raising minimum wages in industry, and in all other ways contributing to a growing full employment economy that is not disgraced, as we now are, by growing numbers of chronic unemployment, many of whom the Government has even dropped from its statistical reports. If we did the things that are necessary to have an expanding full employment economy, including an adequate farm price support program of the type we in Farmers Union have recommended, we would have very little so-called surplus milk production to be worrying about. The 1954 recession, brought on by faulty policies of the executive branch, did more, in my opinion, than the increased production of milk to put dairy farmers on the sliding scale toward the economic sub-basement and ultimate bankruptcy when their capital and credit resources are exhausted.

My point is that we would not need to make use of the milk marketing quota device at all if we could convince the Government that it should undertake the consumption-expanding programs we shall recommend.

However, to the extent that we as citizens and dairy farmers canont convince the Government that it should engage in these activities to expand the consumption of milk and its products to the necessary degree, then I do not believe that we should ask dairy farmers to go bankrupt or to waste their time, energy, and resources in the production of milk that cannot be sold for fair prices, or that will not be used except for animal feed. Therefore, I submit to you, that milk-producing farmers should be extended the legal authority to make use of the marketing quota device, as a means, in combination with production payments, to help keep milk production and sales in balance with what we hope would be augmented consumer demand under conditions of full employment.

Two questions have been repeatedly raised in these hearings with respect to giving milk the legal, as well as the factual, dignity of being known as a basic commodity with the right to utilize the marketing quota device. Can a workable system of milk marketing quotas be developed? And do dairy farmers want this authority? I shall answer both questions in the course of my statement.

We have been impressed by the testimony before your committe of Professor Johnson of Connecticut, in his observations concerning milk marketing quotas. You will remember that he said a workable marketing quota system for milk could be devised, that he favored making the quotas transferable from farmer to farmer, and that he favored putting the quota on a poundage basis rather than a cow basis. We agree with all those recommendations. The quota, in my view, should be the property of the farm family, not an inalienable part of the farm real estate.

Over the weeks since my appearance before the full House Committee on Agriculture earlier this year, I have been giving this matter of milk-marketing quotas a great deal of careful thought. I have discussed it with a very large number of milk-producing Farmers Union members in Wisconsin and those from other States I have met at various meetings.

The milk marketing quota law which I recommend be adopted should not authorize the reduction of milk sales below the amount that consumers would buy at parity prices in a year of full employment. To establish this, the law should provide that the national milk marketing quota would be established by the Secretary of Agriculture at an amount sufficient to give a supply of milk that would result in a per person national supply, exclusive of normal exports, equal to the per person consumption of milk and its products in the last 3 or 5 years of full employment. Some definition of full employment would have to be incorporated in the bill, such as not more than 3.5 percent of the civilian labor force out of a job or something of that nature.

If the 3.5 percent figure were used, this would establish 1953, 1952, 1951, 1948, and 1945 as the base years for establishing the national milk quota for a 5-year base, or 1951, 1952, and 1953, if a 3-year base is used. During the base period years of 1951, 1952, and 1953, the per person consumption of milk and its products averaged 696 pounds of milk equivalent. The national milk marketing quota for 1955 should be established to provide for at least this per person supply. The total volume of commercial milk sales by farmers for the same years, after subtracting the milk equivalent of Government purchases of milk products, averaged 96 billion pounds per year. The average United States population in the base years was 157 million people. The 1955 population of 165 million is 5 percent greater than in the base period. This would mean a 1955 milk marketing quota of approximately 101 billion pounds of milk or only 6 billion pounds less than was actually marketed in 1954. Thus the milk marketing quota that we recommend would require a cut in sales by the average farmer in 1955 of about 5.6 percent of his actual sales in 1954. Details of the calculation are shown in the following table:

Year	Per person consumption of milk (pounds)	Percent of civilian labor force unemployed	United States population (millions)	Milk sales by farmers (millions of pounds)	Milk equivalent of Government purchase of products (millions of pounds)	Net sales of milk through commercial channels (millions of pounds)
1951	707	3.0	154	96,691	13	96,678
1952	694	2.7	157	97,788	348	97,440
1953	688	2.5	160	104,292	9,981	94,317
Total	2,089		471			288,429
Average	696		157			96,143
1954:						
Number			162	107,086	9,050	98,036
Percent			102.5			
Marketing quota for 1954						[1] 98
						Marketing quota (billions of pounds)
1955:						
Number			165			101
Percent			105			105
1956:						
Number			168			104
Percent			107.5			107.5

[1] Billions of pounds.

If the producers stayed within their sales or marketing quota but did not cut production, this 6-billion-pound cut in sales would be added to the over 16 billion pounds of milk used on the farms where produced, or a little more than a 37-percent increase in milk used on the farm. Much of this could be used without waste, and probably many milk-producing farm families would like to use more milk and products in the home if they could afford to do so.

Based upon the above example, the Secretary would establish 101 billion pounds of milk as the national milk marketing quota for 1955; each future year the quota would change as the base period shifts and the population of the Nation grows. In 1956, for example, the national milk-marketing quota would be 103 billion pounds. Incidentally 1951 would remain in the 3-year base period until such time as another full year comes along in which the number of unemployed has been less than 3.5 percent of the civilian labor force. If in some future year national policies should encourage and bring about a condition of full employment (rate of unemployment in March 1955 was 5 percent), then that new year would be picked up and 1951 would be dropped.

It is significant to note that expected 1955 milk sales are only 3 percent greater than the full employment level national milk marketing quotas we are recommending for 1956 and only 9 percent greater than the quota would have been in 1954.

The Secretary would then distribute the national milk quota among States, and within States to counties, and within counties to individual producers, on the basis of relative total sales of milk in the immediately preceding 3 or 5 years. The individual producer would then have a figure stating on a seasonal basis how much milk he could sell and still be eligible for price-support payments and not subject himself to the requirement of paying an excess marketing penalty.

Let us assume that a producer sold 200,000 pounds of milk in the base period and that

a 4-percent cut for 1956 is required by the quota. This producer would be eligible to sell 192,000 pounds of milk and receive production payments on them. If the average market price for milk were 10 percent below parity or support level that year, and his sales slips showed he received an average of $4 per hundredweight, he would receive a gross income of $8,525, $7,680 from the market, and $845 in production payments. If, however, he decided to market the entire 200,000 pounds, he would not receive the $845 of payments and in addition would be required to pay a 75 percent of support level penalty ($3.33 per hundredweight) on the excess sales of 8,000 pounds. His gross would be $8,000 minus $266, or $7,734, compared to a gross income of $8,525 if he stayed within quota. See following table for calculation:

Alternatives of milk producer with 200,000-pound-base production and 192,000-pound-marketing quota

Alternative	Market price of milk per hundredweight	Rate of production payments or penalty	Gross income			
			Farm sales	Payment	Penalty	Net
Stays within quota	$4	11 percent	$7,680	$845	0	$8,525
Sells entire base production	4	$3.33	8,000	0	$266	7,734

The law establishing milk marketing quota authority should provide that quotas would not be in effect until after the affirmative vote of two-thirds of the producers voting in a referendum. This is the same provision as for the other basic commodities and has worked relatively well. Moreover, the law should exempt from quotas and from the referendum any producer who is producing solely for class I sales under a Federal or State milk order, and any producer with fewer than 5 cows, or less than 30,000 pounds of sales. It should, also, be noted that no farmer is forbidden to sell milk over quota. He has every right to do so and can do so if he wishes to sell at the average market prices minus penalty or excess sales.

Individual milk marketing quotas should be assigned to families, not land and should be transferable either in whole or in part. This would provide a considerable amount of flexibility for shifts of production among producers, and between farms, counties, and States. Since producers would be able to qualify for production payments only upon the basis of certified sales slips, the process of enforcement would be capable of administration.

As to the acceptance of milk marketing quotas by farmers, it is my mature conviction, after discussion of the above recommendations with a large number of farmers, that milk producers in Wisconsin would vote "yes" in a referendum on quotas on the basis of a program such as we are recommending.

Except in rare years, the recommended program would require no production payments at all if national policies maintain an expanding full employment economy and adopt the school milk and food stamp programs. Thus the program we are recommending would be virtually costless, except in years of less than full employment and artificially low consumer purchasing power.

EXPANDING FULL EMPLOYMENT AND FREE MILK FOR SCHOOLS

For the record, I am J. Albert Hopkins, president of Arkansas Farmers Union, and a member of National Farmers Union board of directors and of its executive committee.

I fully endorse all of the recommendations that have been made here today to your committee by the Farmers Union witnesses who accompany me. Arkansas is not usually listed as being in the dairy area, but many of the farmers in our State obtain all or a large share of their family income from the sale of milk and cream.

My particular part on the agenda in our National Farmers Union presentation is to point up the importance to expanded milk consumption of an expanding full employment economy and the great significance of the milk-for-schools program.

Our study of the statistical record over the past 40 years indicates that farm prices and incomes have a tendency to drop any time that the national economy fails to grow by as much as 8 or 10 percent over the previous year. I don't pretend to know all of the reasons why that is so. But the record shows, as during the 1920's, even though the economy as a whole expands a little, farmers continue to go downhill unless the total national expansion is considerably larger than 5 percent a year. Coal mines and miners, the textile industry, and those who get laid off of jobs by contracted production in big industries with administered prices such as automobiles, steel, farm machinery, and petroleum, share the same fate and have had the same experiences.

So farmers have a strong stake in national policies that will develop and maintain an expanding full employment economy. Farmers, as a whole, more than any other large group in our population, depend for their economic well-being upon whether the Nation attempts to reduce its rate of unemployment or allows it to increase. Farmers, as a whole, more than any other large group, have a personal economic interest in raising minimum wages in industry to adequate levels, in more nearly adequate unemployment compensation, in the economic multiplier effects, if you please, of Federal appropriations for school, hospital, and road construction.

As the figure Ken Hones used indicate, we would not have very much trouble selling all the milk we can produce at parity prices if the level of unemployment is held below 3 percent of the civilian labor force.

Careful estimates by the United States Department of Agriculture in 1947 indicated that the national need for milk and its products, of a total population 20 million less than now, was in the neighborhood of 150 billion pounds of milk. This compares with the 124.5 billion pounds produced in 1954. Based on the same average per person consumption estimate as in the 1947 study, our present national population would require the production of approximately 170 billion pounds of milk.

Even if a 15 percent downward adjustment is made in this figure to make up for increased use of milk fat substitutes, this would still leave a national need for a production of 145 billion pounds of milk in 1955 compared to the 124.5 billion pounds the Department of Agriculture expects to be produced.

The 1947 per person consumption estimates were based upon the actual per person average consumption of milk and its products in 1942 by families with incomes of $2,000 per year and upward. Such a consumption figure would not reach the optimum scientific nutrition level, but is based upon records of actual purchases by middle and high income families.

These figures indicate there is a great unmet need and desire for milk and its products. This potential demand could be released if the Nation takes the actions required to maintain an expanding full employment economy and to augment the food-purchasing power of low income consumers. To do this job we strongly recommend a nationwide trial run of the food stamp plan on milk and its products.

Now I should like to turn to another recommendation we want to make. That is this: We recommend that legislation be enacted that will authorize appropriation of Federal funds to finance the distribution of at least 2 half-pints per day of free fresh fluid milk to every school child in America attending a nonprofit school and to provide funds for administration of the program. We remind you, in this regard, of the expert testimony before your committee by Professor Johnson, of Connecticut.

The value of milk to the future health and stamina of growing children is so well known that I need not elaborate it here. So far, we as a Nation have arranged to put a free marginal additional supply of milk in about one-fourth of the schools in the Nation. We urge expansion to all the nonprofit schools and change in the scope of the program so that all milk needed by the children will be supplied by Federal funds rather than just a marginal additional part of it.

In our opinion there are some roadblocks in the administration of the fluid-milk-for-schools program that need clearing up. And we should increase the size of the appropriation. We understand that the administration does not plan to spend this year's $50 million appropriation for this purpose. This record is painfully remindful of similar stubbornness on the part of the administration with respect to rural electric loan funds, farmers home funds, agricultural conservation funds, and watershed protection money.

It just looks to us as if somebody down in the Department of Agriculture or in the White House or the Budget Bureau just plain does not want to spend money that has been appropriated to operate programs that help farmers, children, and common people. The only way you can get activity is to have a program to help the financiers. The Eisenhower administration seems to be greatly interested in squeezing a dollar until the eagle screams and if they do turn loose of a dollar or two they want to be sure that some rich folks get it.

Various corrections should be made in the administrative methods of the school milk program. Schools with a long and successful school milk program are penalized under present procedures. We approve the suggestions made to your committee by Professor Johnson: (1) Make some funds available to pay costs of administration in the school district, (2) eliminate the historical base quota requirement that penalizes schools that have done a good job in the past and, (3) do whatever it takes to expand the program into the 3 out of 4 schools that are now unable to participate in the program.

Direct milk-distribution programs to Armed Services, veterans' facilities, and eleemosynary institutions should be continued and expanded funds should be made available for a nutritional education program.

Fluid-milk consumption could also be further expanded if the retail prices charged for fluid milk could be reduced. We are deeply concerned that although the price of milk generally paid to farmers has been cut around 17 percent, the retail prices per quart of fluid milk to consumers has dropped only four-tenths of a cent. We are told that retail prices of fluid milk in Detroit have actually been raised while prices farmers receive have been dropping. We have not completed our studies of this but we believe solutions will be found in two approaches.

1. We urge a full-scale congressional investigation of the spread between prices received by farmers and those paid by consumers, and

2. We think that after a stable, acceptable, permanent nationwide milk price support program is in operation, the producers in Federal milk order areas will be willing to revise class I pricing formulas so that handlers can be forced to reduce retail prices of fluid milk without lowering the blended average price paid to producers.

NEEDED: A WORKABLE NATIONAL PROGRAM

My name is Edwin Christianson. I am president of the Minnesota Farmers Union.

Minnesota produces about 7 percent of the Nation's milk and is the leading butter producing State. The production of creamery butter in 1954 was 270 million pounds.

About 125,000 of the State's 155,000 commercial farmers are engaged in dairying. We depend upon dairying for about 20 percent of the State's total cash farm income.

In my testimony, I wish to make some observations on the dairy price and income situation in my State and the Nation.

For comparative purposes, I want to go back to 1952. That was the last year in which we had a 90-percent dairy-support program which was administered efficiently and effectively in line with the spirit and intent of the support law.

Farm income from dairying in the United States in 1952 was $5.3 billion. In 1954 it was $4.7 billion, a drop of 11 percent in the 2 years.

In Minnesota, cash income from dairy products in 1954 was $232 million; down 10 percent from the figure of $260 million in 1952.

The average price of all milk wholesale in Minnesota in March 1955 was $3 per hundred, a drop of 88 cents or 23 percent since 1952.

Butterfat in Minnesota in March 1955 was 62 cents, down 19 cents per pound from 1952, a slump of 20 percent.

The average price paid to farmers for milk for manufacturing into butter and other creamery products was $2.93 in Minnesota in February 1955, a drop of 75 cents a hundred or 20 percent since 1952.

On the national level the February 1955 price was $3.14 per hundred, a drop of 99 cents or 24 percent.

The price of 93-score butter in March 1955 was 57.35 cents per pound; down 15 cents or 20 percent from the 1953 average.

The price paid for milk by 18 Midwest condenseries was $3.01 in March 1955, down 77 cents a hundred, or 20 percent, from 1952.

Reflecting these prices, the value of milk cows in Minnesota in March 1955 was $160 per head, a drop of $111, or 41 percent, since 1952.

The prices for milk under the Minneapolis-St. Paul milk-marketing order have dropped about 15 percent in the past 2 years. This indicates that prices in the market-order areas are effected by general conditions in the dairy industry.

At one time during 1954, the month of June, the price of milk for manufacturing purposes in Minnesota reached $2.89 per hundredweight. This was 60 percent of the parity price for all milk wholesale, and the lowest point reached in terms of parity since 1934.

I need hardly emphasize that this situation is serious from the standpoint of the dairy producer.

Since the operating costs have remained almost unchanged, it is obvious that the drop in dairy prices must come almost entirely out of the dairyman's net income.

At 75 percent of parity, the total national gross value of the 1955 dairy production figures out to about $4.4 billion.

If the prices received by farmers were at 100 percent of parity, this would be $4.75 per hundred for milk and 75 cents per pound for butterfat. Such prices would mean a national gross value of the expected 1955 production of $5.9 billion. This would be a difference of $1.5 billion in income for the Nation's dairy farmers.

It is worthwhile to examine how we have come down from parity prices in 1952 to 75 percent of parity at the present time.

We did not have any serious surplus problem on January 1, 1953. Farmers had produced about 115 billion pounds of milk in 1952 and it had cleared the markets at about 100 percent of parity on the average.

Government holdings at the end of 1952 totaled only 2.7 million pounds.

Although there was only 94 million pounds of butter in the price support inventory in March 1953, Secretary Benson began talking about the large surpluses and for a time threatened to reduce the supports from 90 percent of parity.

Finally, he was prevailed upon to retain the 90 percent supports for another year beginning April 1, 1953. He warned, however, that the dairy industry must get its house in order.

Whether intentionally or not, this talk and action caused uncertainty and tended to depress the markets. The talk of surpluses and the hint of a support cut to come in 1954 certainly had a weakening effect upon the market. It could not help weakening both the current and the future market.

The Secretary's actions also tended, whether intentionally or not, to build up surpluses and to hoard them.

Although there was ample precedent and authority and available funds, there was little attempt made to move the dairy stocks into use. Donations of butter for welfare or relief totaled only $28 million pounds in 1953 according to testimony given by the Department before the Agricultural Appropriations Subcommittee of the House Appropriations Committee.

Dairy products owned by CCC were not priced competitively to move them into the world markets.

You will recall that a continual war of nerves was carried on in the newspapers regarding the surpluses and plans for their disposal. There were recurring plans for bargain sales, 2-for-1 sales, etc. When Secretary Benson cut the support from 90 to 75 percent of parity, the housewife had heard so much about the bargain butter which was to come that she did not rush to buy, even when the price dropped a few cents.

By the end of March 1954, the Secretary had built the butter surplus to 330 million pounds and had used this situation to discredit the 90 percent support program.

Having done this and having been successful in beating down efforts in Congress to restore a higher level for dairy supports, the Secretary in late summer began a new strategy. Now, the aim was to make the 75 percent supports look good.

Where he had only given away 28 million pounds of butter in 1953, the policy changed and he gave away 207 million pounds in 1954.

Apparently he tried to avoid a further buildup of surpluses and showed considerable more energy in moving dairy products into consumption.

It is very obvious that if the Secretary had used the same energy in avoiding surpluses and in disposing of dairy stocks under the 90 percent support program as he has under the 75 percent program, we would have had no serious dairy problem at all.

A good deal of straining at statistics has been done to attempt to show that 75 percent supports on dairy products are working out.

Yet, it is a matter of record that national milk production in 1954 set an alltime record. Butter production was at a 10-year high, cheese production set an alltime record. In Minnesota, butter production was the highest since 1943 and cheese set an alltime record.

Claims are made that butter consumption increased in 1954 by 4½ percent per capita. This figure would sound more impressive if it was not known that the gain in consumption was achieved by giving away 12 percent of the butter production.

The Government gave away 10 times as much cheese and 3 times as much dry milk in 1954 as in 1953.

There is little doubt in my opinion that the 90 percent support program could have worked very effectively had there been a will to make it do so.

The 75 percent support program has accomplished nothing in itself. Whatever gains have been made are explained entirely by the giveaway program. I do not say there was anything wrong with giving away the butter. I merely say that if it was proper to do so under the 75 percent of parity program, it should have been done under a 90 percent support program.

While it is true a 90-percent program could be restored and run effectively under proper administration, there are several reasons why a production-payment type of program would be more practical.

It should be remembered that even under a 90-percent purchase type of program, the returns to farmers have fallen as low as 82 to 84 percent of parity.

In contrast, a production-payment type of support would assure that the producer would get the full benefit of the intended level of support.

In addition it would make any large-scale purchase and storage by the Government unnecessary.

A frequent criticism which we heard about the 90-percent support program was that it priced the dairy products out of the market, encouraged use of substitutes, and reduced the per capita consumption.

There is little evidence to substantiate this criticism. There is evidence that per capita food consumption has always been high at a time when farmers enjoyed 100 percent of parity prices. This is undoubtedly because farm prosperity reflects itself quickly in added purchasing power in the cities and towns.

We believe that use of production payments, by allowing the food to find its own level in the open market, would avoid the criticism that the products are being priced out of the market.

Whether any great increase in consumption would result without any improvement in the national economy is questionable.

Under a full-employment economy, however, there is no question that an increase in per capita consumption of dairy products would result.

We need go back only to 1947 to see the level at which dairy products were consumed when our people had the purchasing power. If we had consumption at such a rate, we would need perhaps 150 billion pounds of milk to meet the market demands.

I am sure your committee is familiar with the study of dairy-support methods made by the Secretary of Agriculture and reported to the Congress.

The Secretary makes a comparison of the various support methods and estimates the returns to farmers and the costs of the programs.

The Secretary makes two faulty assumptions in preparing his estimates. He assumes that the market price under a production payment system would go lower than the market price in the event of no support program at all. He also assumes that the return to the farmer from a 90-percent purchase program would be the same as the return from a 90-percent production-payment system. Neither of these assumptions appear correct and of course his estimate of the benefit to the farmer and the cost to the consumer is thrown off.

It is quite evident that the operation of a 90-percent support system through production payments would yield the farmer about

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$1.2 billion more income than the present 75-percent purchase program.

The Secretary's estimates of the cost of the production-payment system are exaggerated by his assumption that the market price would fall below the free-market level.

He does not attribute any beneficial economic effect to the production-payment type of support.

In actual practice, the production-payment system would be much less costly than the purchase type of program in any years in which we had a strong national economy.

Relatively small purchases, if any, would be needed if we had a full-employment economy.

Another point which the Secretary does not recognize is that the $1.2 billion in additional income which the 90-percent production payments would bring to farmers, would reflect itself in a gain of perhaps $8.5 billion in gross national product.

This in itself would represent a gain of about 2 percent in the gross national product and be an important force in encouraging an expanding economy.

It has been tragic that there has been no real move in the dairy industry as a whole towards a unified support of some plan on behalf of the producer.

Some groups are still apparently unconcerned about the plight of the producers. Some are still chasing will-o'-wisp programs such as the self-help plan. It would probably be better if the self-help plan were named the self-defeating plan because in practice it would never assure parity prices. It would only assure that if prices were below parity, the farmer would take the loss.

There has been a general lack of concern in milk marketing order areas about the support program on dairy products. Lately, however, there seems to be the first signs of a recognition that the milk marketing orders alone will not protect producer prices. It is just becoming apparent to some in the order areas that the drop of dairy supports to 75 percent of parity has become a drag on the prices in the Federal order markets.

It seems to me that producers in the Federal order markets will be in increasingly severe price difficulty as long as the 75 percent of parity supports are kept in effect.

There is a genuine doubt in my mind that the Federal-order program can be maintained for an indefinite length of time if the price of the manufactured dairy products is allowed to stay completely out of relation with the fluid milk.

By lowering the dairy supports to 75 percent of parity, the differential between fluid milk and manufacturing milk has gotten out of relation by as much as $1 or more per hundredweight more than the normal spread.

There is no question in my mind that the milk market orders are in for the same fate from the Secretary as the supports on dairy products. Time is running out for them. They are headed for the scrap-heap the same as the rest of the farm program. They have been spared up to now because Secretary Benson needed the support or the neutrality of the eastern vote to put across the flexible-support program.

But some of the statements which he has been making and some of the magazine and newspaper articles which have begun to appear have the same pattern as the opening of the attack on the 90-percent supports.

It is high time that dairy producers began to join together on a program including those within the Federal order markets because they cannot survive if the dairy supports are kept at 75 percent of parity or cut out altogether.

I think it was very significant early last month that the Secretary in a news conference was quoted in the daily newspapers as having said that he would like to see a "little greater flexibility" in the dairy-support program.

According to his line of thinking, we could assume that 5 percent is a little flexibility for he has always defined 5 percent as a gradual adjustment. So we can guess that the Secretary would like to have authority to drop dairy supports to 70 percent whenever he thought advisable.

I was very interested in this statement because I had been reading his report to Congress on support methods and his claim in that report was that dairy prices would level off at about 70 percent of parity if there were no support program at all.

In other words, what the Secretary would like is to have the support program at a level where it would not have to do any supporting. That is very much in line with the whole theory of flexible supports which always takes away the support when it is most needed.

There is a good deal of confusion about the milk marketing orders and whether they are unfair to producers outside the Federal order markets.

No one is seriously suggesting that milk marketing orders should be thrown out altogether.

But to put one class of dairy producers on a minimum price-fixing program for a part of their milk while leaving all others practically at the mercy of the free market, cannot work out to the benefit of anyone in the long run.

The purpose of the milk marketing orders according to the law is to provide an adequate supply of milk. Of course, to provide an ample supply for the consumers there must be a 15- to 20-percent reserve so that the housewife can get the extra quart of milk at any time she needs it.

But, while the outside producer has been left with 75-percent supports, the producer in the Federal-order markets has been given prices which not only brought forth an adequate supply plus 20 percent, but in many cases is bringing out an adequate supply plus 90 to 100 percent.

For example, the percentage of milk used for fluid-milk requirements in 1953 in New York was 49.1 percent, Boston 52.8 percent, Minneapolis-St. Paul 58.5 percent, Chicago 63.2 percent, Cincinnati 63.3 percent.

In New York the production is twice the necessary amount. In Boston it is about 96 percent above the fluid-milk requirements.

The producers in the Federal-order markets are in a favorable position because they not only have the guaranteed price on the class I milk but they enjoy the same support as any other producer on the milk which goes into manufactured dairy products.

In this manner producers in the Federal-order markets are encouraged to go into surplus production.

What is happening is that we are seeing a shift of production into the milk-order areas, despite the higher costs of production in those areas.

Milk production on farms in the West North Central States, which includes Minnesota and containing only a relatively small production which goes into Federal-order markets, has seen a drop of 12 percent in production over the last 11 years.

In contrast, production in the Northeast States in which about 40 percent of the production is under Federal milk-marketing orders, has seen an increase of 14 percent in the same period.

By administering the programs in a way which widens the spread between manufacturing milk and fluid milk, Secretary Benson is allowing the Midwest dairyman to be driven out of production.

It does not seem justifiable in the national interest that production should be shifted into the high-cost areas.

This is not a fault of the legislation. It is a fault of the interpretation of the legislation and of the management of the dairy support program in general.

One of the criticisms of the milk marketing orders is that the class I prices are too high and that they encourage underconsumption of fluid milk and overproduction which is turned into manufactured dairy products such as butter, cheese, and ice cream. Because of the favorable price on the fluid milk, it is explained, the milk order producers can manufacture the butter or other products at a lower price and compete at an advantage over other producers. In this manner, the milkshed producers can still end up with a blended price somewhat higher than the 75 percent of parity of other producers.

I am not convinced that the prices received by farmers for class I milk in the East are too high even where they are well above parity. I have studied the cost figures of Dr. L. C. Cunningham, of Cornell. His figures show that the New York statewide average cost of production in 1953–54 was $4.78 per hundredweight, a few cents more than the parity price. The average price received per 100 pounds of milk was $4.30 per hundredweight or 48 cents per hundredweight below the cost of production.

Even with the protection of milk marketing orders, it is clear that New York farmers have been hurt by the drop of dairy supports to 75 percent of parity.

Considering the cost of production, a class I price in the neighborhood of $6 per hundredweight would not be out of line in some of the eastern markets.

The class I price should be at a level which will induce a sufficient amount of milk and give the farmer a fair return on that production. It is precisely because the dairyman does not have a sufficient return from his class I milk that he must produce in surplus and attempt to increase his total income.

What is true in New York is true also in Minnesota. The class I prices in the Twin City and Duluth areas are completely unrealistic—they are about $3.50 per hundredweight—only about 75 percent of the parity for all milk wholesale.

The class I prices should be at a level which will give the producer a fair return for an adequate supply of fluid milk. That is, they should allow the producer a price which will give him a fair return for the amount of fluid milk needed in the market plus a reserve of about 20 percent.

Beyond that point, of course, the Federal order market producer should control his production in one manner or another.

He is benefiting by a restricted market through the legislative power of the Government. He should not use this privilege to the disadvantage of other dairy producers.

It is, of course, very unfortunate that many farmers in the East, who are very happy with price fixing for themselves through Federal milk-marketing orders, have taken the position that price flexing is O. K. for the other fellow.

Dairy prices are made in Washington for the eastern dairyman, but it seems they feel other farmers should be happy with prices made in the free market place. How they justify these two opposite opinions, I do not know.

It seems to me that it is time that all dairy producers joined together on a program that will give stability to the entire industry.

Such a program is not impossible to devise.

One of the knottiest problems connected with a production-payment and marketing-quota program for butter and manufacturing milk producers has been in connection with their application in milk-order areas. Here is a suggested approach.

The milk-marketing orders are a good starting point, but they need some improvement and can be made more effective. The law should be amended to provide that in no case should the class I milk price be set at

less than 100 percent of a reasonable retail fluid-milk parity.

The law should also provide for some method of controlling supplies when the production in the Federal order market exceeds the retail fluid-milk requirements.

For the remainder of the Nation's dairymen and for excess production of market-order producers the logical step is to enact a program of full parity supports through production payments direct to the producer backed up by a manufacturing milk order or quota system.

Enactment of 100 percent of parity supports on all raw milk for manufacturing purposes through production payments, of course, would be a great stabilizing influence for farm family income in the dairy industry.

I was very interested to read in Secretary Benson's dairy report to Congress the following statement: "Marketing agreements and orders are well adapted to the maintenance of orderly marketing and pricing conditions in the fluid milk industry and they could be used for such purposes in the manufacturing milk industry."

It might very well be possible that the establishment of a milk marketing order for manufacturing milk on a nationwide basis would have some real possibilities. However, it would still seem most reasonable even under such a system to use a production payment system rather than propping the market with a series of minimum milk prices.

I would suggest rather than a national milk marketing order for manufacturing milk, that it would be more promising to consider a system under which given areas would be designated as "commercial fluid milk areas" and "commercial manufacturing milk areas" somewhat in the same manner that we now designate commercial corn and wheat areas.

Under such a plan, it would be possible to classify all producers who sell regularly to a Federal regulated milk order market as being within the "commercial fluid milk area."

All producers outside the Federal order markets would be considered as being within the commercial manufacturing milk area.

In the commercial fluid milk areas class I milk prices would be set after public hearings much as in the present manner, except that in no case could the Secretary of Agriculture establish a fluid milk price lower than 100 percent of a reasonable fluid milk parity. The rate could be higher if conditions warranted a higher price.

This fluid-milk price would be obtainable on the fluild milk requirements in each market. Producers in each market order area could choose either of two alternatives: (1) to limit marketings by marketing quotas, or (2) to accept support on the milk which goes into manufactured products at 75 percent of the support rate in the commercial manufacturing milk areas. This would be in line with the support levels provided in the noncommercial corn or wheat areas. When the producers in a given Federal order market area choose under alternative No. 1 to join with manufacturing milk producers in their production payment and marketing quota program they would agree to limit marketings for manufacturing purposes in the same manner as other producers.

Such a system would tend to assure the market order producer a fair return for the milk he supplies to a restricted fluid-milk market. It would give him an opportunity either to control surplus marketings or to get some support on the surplus production if it goes into manufactured dairy products.

Support in the commercial manufacturing milk areas and on excess marketings in the commercial fluid-milk areas should be on the raw milk so that farmers' returns will be protected and that manufacturers will have some flexibility in putting the milk into whatever manufactured item happens to be most practical at a given time.

Of course, the authority of the Government to buy manufactured dairy products should be continued. Purchases for school lunch, welfare, and other purposes would be very useful at times of seasonal surpluses in reducing the stocks on hand. In this way it would be a valuable supplement to the production payment support program.

From a long-range standpoint, I believe such a plan should be well forth considering.

At such time as a nationwide milk program of this type were in stable operation, it may well be that producers in Federal milk order areas and milk price regulation States may wish to revise class I pricing formulas so as to increase the volume of milk sold in retail fluid form at somewhat lower prices to consumers while maintaining the average blended price received by producers.

For the present moment, the single action which would do the most to solve the cost-price squeeze for the average dairyman and minimize the spread between fluid milk and manufacturing milk prices would be to restore 90 percent supports on milk through production payments to the producer.

I would heartily recommend such action to the Congress. I want to thank the members of the subcommittee for the opportunity to express my views on this problem which so seriously concerns us all.

SOME OPERATING DEFECTS OF EXISTING PROGRAM

For the record, I am Dwyte Wilson, general manager of the Equity Union Creameries, Inc., with general offices at Aberdeen, S. Dak. The Equity Union Creameries is a dairy processing and marketing cooperative with over 10,000 active producer members. It is affiliated with the Farmers Union.

At the outset I would like to say that I concur with and support the position taken by the other Farmers Union members appearing here today.

It is the hope of members of the Equity Union Creameries that we can replace the present price-support program with a compensatory payment program and a food stamp plan such as recommended here today. Our organization feels that such a support program would be a decided improvement over the present program.

There is one facet of the present program that I would like to commend highly. That is the school milk program. While 98 percent of the members of our creameries market farm-separated cream in the form of butter, a small percentage are marketing grade A fluid milk. We have had some experience with the school milk program. We find, like any new program, it is slow to get under way and in many cases it has to be sold. The schools that have not been in the program in prior years find that it costs them a little more than the schools which have had the program previously. It is our feeling that few if any schools which served milk under the program this year will discontinue next year. On the other hand, I feel that many more schools in our area will come into the program next year. It is our feeling that the program ought to be expanded and extended. It will certainly pay big dividends in healthier boys and girls.

While at the outset I stated that we would favor a compensatory payment plan moving dairy products into consumer channels and returning the dairy farmers full parity, there are improvements that could be made in the administration of the present program.

During a big part of the year the price of butter is governed by the support price. However, during many months in some recent years the price has been governed by the CCC resale price of dairy products. This resale price has been set, I believe, at cost plus 5 percent with the exception of milk powder which they are reselling below cost. This latter product depressed the price of dried buttermilk and in turn lowered the return to the dairy producer.

Not long ago we were told that the support price on butter April 1, 1955, would be the same in dollars and cents as in 1954. However, it would now be around 80 percent of parity as against 75 percent the previous year. To the dairy producer who sees his costs going up all around him, this is a little difficult to understand.

The Department of Agriculture could help this if they would set their resale at a higher figure. No one would suggest that the dairy products removed under the present price-support program should not be resold to the trade when needed. But why not hold the resale at a price of 100 percent (or full parity) or slightly above and give the dairy farmer an opportunity to hold his own under the parity price formula instead of losing 5 percent in a single year?

Another administrative decision that costs our producers money is the manner in which the base price has been set the past 2 years.

Normally about 50 percent or better of our production moves to west-coast markets at a freight cost equal to the east coast. The present administration has completely ignored the historical price relationships and set the west-coast support price below New York and on a par with Chicago.

They originally said the producers on the west coast wanted a lower support price. Can you believe that a west-coast producer would say 75 percent or 80 percent of parity is too much and would the Department please set the support price lower? Now they say that it didn't stop the west-coast movement and point to the volume of dairy products shipped from the Midwest to west coast last year. They did not point out that Midwest producers subsidized this movement because they were reluctant to lose their west-coast customers.

These are just a couple of many administrative decisions that seem designed to either make the present price-support system break down or to lower the returns to dairy producers.

These latter things I have mentioned constitute patchwork that could be done to improve the present system. More desirable, of course, would be the construction of an entirely new program for dairy farmers such as proposed by the Farmers Union.

SUMMARY OF NATIONAL FARMERS UNION RECOMMENDATIONS FOR SOLUTION OF THE ECONOMIC PROBLEMS OF MILK AND MILK PRODUCTS

(By James G. Patton)

The growing United States dairy problem is bounded on one side by national underconsumption of milk and its products and on the other by unnecessarily and distressingly low income of milk producing farm families.

We shall continue to urge and support enactment of domestic consumption expansion programs for milk and its products. We believe our Nation should arrange to inaugurate all the programs that are needed to enable consumers to buy all the milk they need for good nutrition and to provide free milk for all school children. If this were done, we are quite sure that market prices received by farmers for milk would be at an adequate parity level and there would be no surplus milk problem.

To the extent, however, that the Nation fails to maintain full employment and fails to adopt fully adequate milk consumption programs, we cannot stand idly by and see milk-producing farm families driven into bankruptcy and low living standards.

To prevent this we shall continue to support enactment of legislation that will provide firm protection to returns on sale of family farm production of milk and butterfat at 100 percent of the parity price by means of production payments buttressed when needed by marketing quotas.

Proposed Federal legislation which purports to eliminate State and local barriers to milk shipments or which appears to claim that elimination of Federal milk orders will

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solve dairy farmers' income problems is almost surely sheer demagoguery in that such claims do no more than raise false hopes of distressed milk producers. We are advised legally that some such proposals are probably unconstitutional, and economically, if enacted, would do little to improve the income of the great bulk of America's dairy farmers. This is a complex subject, one on which our study of possible solutions is only in the beginning phases. There are countless detailed problems of State and local sanitary and pricing regulations relating to milk. We suggest for your consideration the adoption of legislation to establish within the appropriate bureau of the United States Department of Agriculture, a fully qualified staff to provide technical assistance to State and local sanitary and pricing regulatory bodies to promote rapid adoption of improved, simplified and more uniform regulations.

Mr. Chairman, one of our scheduled witnesses was unable to be here today. He is Mr. James C. Norgaard, general manager of Farmers Union Cooperative Creamery Co., of Nebraska. I request that his letter and accompanying statement be printed in the record at this point in my testimony.

LETTER AND STATEMENT OF JAMES. C. NORGAARD

SUPERIOR, NEBR., *May 10, 1955.*

Mr. JOHN A. BAKER,
Assistant to the President, National Farmers Union, Washington, D. C.

DEAR MR. BAKER: I am enclosing, herewith, a copy of my report to the shareholders at the annual farmers union meeting which sets forth some of the reasons why we are having difficulty in the dairy industry, and I also suggest what can be done about it. Of course, I don't know if it will work, but in my opinion, we need to protect the farmers on the basis of 100 percent parity, and yet keep the dairy products within the reach of everybody in the United States. The best way we can accomplish that in my opinion is a direct subsidy to the farmers and let the supply and demand take care of the price. This will eliminate the need for Government purchases of so-called surpluses.

If you care to use this report as a statement before the committee, it will be all right with me. Thank you for sending me the statements of the various farmers union leaders who will appear at the Dairy Subcommittee hearing.

Sincerely,
FARMERS UNION CO-OP CREAMERY CO.,
By JAMES C. NORGAARD, *General Manager.*

STATEMENT BY JAMES C. NORGAARD, MANAGER OF THE FARMERS UNION CO-OP CREAMERIES, SUPERIOR, AURORA, FREMONT, FAIRBURY

I am sure you have all heard that there is a surplus of butter. In my opinion, that is not entirely correct, but we do have an underconsumption of dairy products. Up to World War II we consumed on an average from 15½ to 17½ pounds of butter per capita. At present we consume only 9 pounds of butter per capita. Our annual United States production of butter is only 11 pounds per capita; it is, therefore, obvious that if we had a normal consumption of butter, we would have a shortage instead of a surplus. You may ask, "Why have we lost half of our butter consumption?"

There are several reasons:

1. The Government held the price of butter down during the war by paying a direct subsidy to the farmers, so that butter would not sell for over 50 cents per pound, while other food products were permitted to go to relatively much higher prices.

2. Rationing of butter created artificial barriers, so that butter could not move freely. For example, the west coast did not get its fair share of the Nation's butter during the war, because a large share of the west coast's dairy production was diverted from butter into evaporated and condensed or dried milk, and because of the great influx of people to work in the war plants on the west coast, and the OPA rules made it practically impossible for butter to be shipped to the west coast. The Armed Forces' needs were set aside first by the creameries, and the balance of the butter produced was rationed to the civilian population. The result was that very little butter was available and many people began using other spreads, such as jelly, marmalade, honey, and oleo. You will find many people have not used butter since before the war.

Third. Oleo. During the butter scarcity, the oleo interest capitalized on the unfavorable publicity the dairy industry was getting because of its fight against coloring oleo, and the Armed Forces after the war started to buy considerable oleo for our men in the service.

WHAT CAN BE DONE

That brings up the question "What can we do to regain the favor of the public and get butter consumption up to production levels?"

So here is what I think must be done:

I believe we must let the butter price drop to a level where the consumers can and will buy all the butter produced. We must recognize that the staggering tax load that the average family is carrying is far greater now than before World War II, so the purchasing power of the average family is actually lower, in spite of higher wages, than it was before.

The farmer must either receive a direct subsidy from the Government, so he will get 100 percent of parity, or a rollback plan of butter prices can be worked out so the creameries will receive the difference between the market price for butter and parity, so they can pay full parity price for cream to the producers, or it would spell ruin for the dairy farmer as his living cost and the cost of farming operations and taxes have likewise increased during and after World War II.

We must not forget it was the direct subsidy and rollback prices that the farmers and creameries received during the war that kept the price down to the consumers. In reality it was the consumer who received a subsidy during the war in the form of lower prices, and we must now use the same techniques to get the so-called surplus into consumption. I, for one, would rather see the American housewife get our butter cheaper, than to sell it cheap in foreign countries and ruin the market for dairy producers in other lands at the expense of the American taxpayer.

OUTLINE OF NATIONAL FARMERS UNION POSITION ON ECONOMIC PROBLEMS OF MILK

To provide a convenient reference, the following is a brief list of our major recommendations:

A. Consider basic problems to be:

1. Under consumption of fluid milk and milk products;

2. Unnecessarily and distressingly low income of milk-producing farm families.

B. Measures to expand consumption of milk and its products:

1. Enact measures to insure expanding full employment economy;

2. Federal funds to finance free milk for all schoolchildren, including administrative costs;

3. Enact food allotment (food stamp) plan (H. R. 4577);

4. Continue direct distribution to eleemosynary institutions, Armed Forces, Veterans' facilities;

5. After stable permanent milk price-support program at an adequate level has been enacted and established, revise class I milk pricing formulas in Federal milk orders to reduce retail price of fluid milk;

6. Nutritional-education program.

C. Measures to protect incomes of milk-producing family farmers:

1. Farmer returns on milk should be supported at 100 percent of parity price;

2. Use production payments as method of support;

3. Only family-farm volume of production would be eligible for payments;

4. Favor enactment of authority for milk producers to use marketing quotas to keep production balanced with genuine consumer demand.

D. Establish, within appropriate bureau of United States Department of Agriculture a staff of qualified employees to provide technical assistance to State and local milk sanitation and pricing regulatory bodies to promote more rapid adoption of improved, simplified, and more uniform regulations.

E. Raise Commodity Credit Corporation sell-back prices on sales of dry milk to feed manufacturers and on its stocks of butter to 100 percent of the parity price.

UNITED STATES LOSING BATTLE OF BOOKS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I rise to call the attention of my colleagues to an article of five columns appearing in the Chicago Daily News of Monday, June 6, 1955.

In Chicago there was formed voluntarily and informally a group, some months ago, members of which were Dr. Harold Fey, executive editor of the Christian Century; Jerome G. Kerwin, chairman of the Charles R. Walgreen Foundation at the University of Chicago; Richard P. McKeon, professor of philosophy at the university and a State Department visitor to universities in India; Emery T. Filbey, vice president emeritus at the university; Thomas B. Stauffer, humanities instructor at Wilson Junior College; and Leland G. Stauber, an undergraduate student at the university.

I might say that, of this group, Mr. Stauffer acted without pay, and giving service of great value for many months as the unofficial secretary. Through his efforts, and under the direction of the distinguished group I have mentioned, a survey was made on a national scale of the thinking of many persons representative of the faculties of our great universities, of the editorial staffs of our great newspapers, and of our leaders in the field of political action. This survey seemed to show that in the opinion of those participating we were losing the battle for the minds of the people of the world.

The article in the Chicago Daily News, to which I am calling the attention of my colleagues, and which is written by Van Allen Bradley, the literary editor of the Chicago Daily News, and a man of high standing and prestige, begins by saying:

If it is true that the pen is mightier than the sword, then the United States is in a perilous position in the worldwide struggle between democracy and communism for the minds of men.

It is in danger of losing the "Battle of the Books" to Soviet Russia.

This is followed by reports sent in from the foreign correspondents of the Chicago Daily News. As all my colleagues know, the Chicago Daily News is a Knight publication, one of a chain of great and influential newspapers in Chicago, Detroit, Akron, and Miami.

The Chicago Daily News did not accept the conclusions of the group I have referred to as necessarily well founded. It did accept them, however, as a challenge to find what actually were the facts. Therefore, it called upon its foreign correspondents throughout the world to report upon the availability of the classics of American democracy in translated and inexpensive editions in the respective countries of their assignments.

This article of five columns to which I am calling the attention of my colleagues presents the reports from these correspondents.

The article in the Chicago Daily News mentions that among the Members of this body who are interested in this matter of winning the minds of men in the only sensible way suggested are the distinguished gentleman from Iowa [Mr. GROSS], the distinguished gentleman from Ohio [Mr. BOW], the distinguished gentleman from Michigan [Mr. BENTLEY], the distinguished gentleman from Texas [Mr. POAGE], and the distinguished gentleman from North Carolina [Mr. COOLEY], and others.

Mr. Speaker, I include as part of my remarks the full text of this remarkable and illuminating article in the Chicago Daily News of June 6, 1955. I urge upon my colleagues the necessity of immediate action. The case is so clearly an authoritatively presented that if we fail through procrastination the fault is ours.

(The article referred to is as follows:)

RED LITERATURE FLOODS WORLD—UNITED STATES LOSING BATTLE OF BOOKS—CLASSICS OF DEMOCRACY URGED IN CHEAP EDITIONS

(By Van Allen Bradley)

If it is true that the pen is mightier than the sword, then the United States is in a perilous position in the worldwide struggle between democracy and communism for the minds of men.

It is in danger of losing the "Battle of the Books" to Soviet Russia.

While the Kremlin is engaged in a giant international program of subsidized book distribution, the United States Information Agency is carrying on an appallingly weak and inadequate counteroffensive.

Russia is making sure that in every country where communism seeks a foothold the classic books and pamphlets of Communist political theory are abundantly and easily available in cheap native-language editions.

The United States, on the other hand, is virtually ignoring the classic statements of democratic thought while it translates and distributes such secondary items as John Steinbeck's The Red Pony, Arthur E. Hertzler's Horse and Buggy Doctor, and Eleanor Roosevelt's The U. N. and How It Works.

Russia is turning out, in many languages, millions of volumes of inexpensive editions of the classic Communist statements of Marx, Lenin, Stalin, and other writers.

The USIA book translation program includes only a little of Thomas Jefferson and selections from The Federalist as representative of the basic political philosophy on which the American concept of freedom was built.

The books on its lists for translation are, at least to date, overwhelmingly in the category of devotional works and repentances of sinners. The gospels of democracy go virtually unknown in favor of books like former Russian Gen. Alexander Barmine's One Who Survived and Arthur Koestler's Darkness at Noon.

Nowhere on the USIA lists are there such basic works of democratic thought as Locke's Letters on Toleration, John Stuart Mill's on Liberty, De Tocqueville's Democracy in America, Bryce's The American Commonwealth, the works of Abraham Lincoln, and Emerson's Moral and Political Essays.

CHICAGOANS TAKE CASE TO CONGRESS

These are the conclusions made by a group of Chicagoans interested in how the United States is faring in spreading the gospel of democracy abroad.

It was this group that was responsible on April 14 for focusing national attention on the problem when Representative BARRATT O'HARA, of Chicago, a Democrat from the Second District, brought it up before the House in debate on the State Department appropriations.

Their conclusions are supported, in part, by informal surveys made of the USIA's book program by members of the worldwide staff of the Chicago Daily News foreign service.

The Chicago group has been studying the program for more than a year. Their object is to influence Congress to broaden the book program to make the basic documents of American democratic thought widely available in native languages and cheap editions wherever democracy faces a struggle with the Communist philosophy.

Their reason for stressing these documents is based on an observation of history: Wherever there has been a movement for constitutional democracy, it has been accompanied by a recourse to the original and fundamental statements of the democratic theory.

The Federalist, for instance, appeared in Paris in 1792 and was one of the textbooks for the statesmen of the French Revolution. De Tocqueville and Mill were used by the Russian liberal leaders of the 19th century, Bryce's American Commonwealth was a textbook for Queen Elizabeth.

The men who have joined in trying to persuade Congress and the USIA of the need for such books are Dr. Harold Fey, executive editor of the Christian Century; Jerome G. Kerwin, chairman of the Charles R. Walgreen Foundation at the University of Chicago; Richard P. McKeon, professor of philosophy at the university and a State Department visitor to universities in India; Emery T. Filbey, vice president emeritus at the university; Thomas B. Stauffer, humanities instructor at Wilson Junior College, and Leland G. Stauber, an undergraduate student at the university.

Their spadework recently brought them a letter of approval in principle from the advisory committee on books abroad for the United States Advisory Commission on Information.

This Commission was appointed by the President to advise the Secretary of State, the USIA, and the President on information problems.

Mark A. May, chairman of the committee and director of the Institute of Human Relations at Yale, in reporting his committee's approval to seek an expanded translation program, called upon the Chicagoans to supply a list of books to be considered.

Such a proposed list was submitted by Stauffer, serving informally as secretary of the Chicago group.

It included the following titles:

Madison, Hamilton, and Jay's The Federalist; Thoreau's Walden and Civil Disobedience; Locke's Letters on Toleration and Of Civil Government; Mill's On Liberty and Representative Government; Jefferson's selected writings; De Tocqueville; Bryce; Emerson's selected essays; John Dewey's The Public and Its Problems; Woodrow Wilson's The New Freedom; Mazzini's The Duties of Man; Abraham Lincoln's Selected Papers; and Learned Hand's The Spirit of Liberty.

FAIL TO OBTAIN FUNDS FOR BOOKS

On the basis of this encouragement, the Chicago group's fight was taken up by Representative O'HARA on April 14 in an unsuccessful attempt to amend the State Department appropriations bill.

Representative O'HARA said:

"Briefly stated, this is our program:

"Select 20 or 30 classics of American democracy, such as The Federalist and the writings of Thomas Jefferson, translate them into all the languages of the world, issue them in inexpensive paper editions and make them available at trifling cost to the little people everywhere.

"This was the literature that inspired and guided our forefathers in the task of building this democracy. It will inspire and guide those who now, in foreign lands, are looking for the light.

"It will bring them into closer understanding with us, since the founts of our faith will come to be the founts of their faith."

Representative O'HARA cited a report of the Special Study Commission to Southeast Asia and the Pacific headed by Representative JUDD, Republican, Minnesota, which noted "the large number of Communist works printed in the local language on sale in local bookstores for small sums because of heavy subsidy."

He also took note of the mission's statement: "The market is there, as evidenced by the eagerness on the part of the population to absorb foreign ideas."

Representative FEIGHAN, Democrat, Ohio, got into the discussion to note the size of the Russian book-subsidy program.

"The Russians," FEIGHAN argued, "are far ahead of us in the issuance of pamphlets, books, and other information. As an example in Moscow they have a Russian Printing Bureau which is going full speed ahead, printing in 40 languages 24 hours a day."

FEIGHAN cited Russian admissions that a book entitled "Marxism and the National Question" had been printed in 37 different language editions totaling 80 million copies.

He told the committee that Russia published a billion volumes of propaganda books in a wide variety of languages in 1953 as a part of the work of the Soviet Trade Ministry. The book program alone, he estimated, was more than the budget for all the operations of the USIA for 1953.

Among the other congresisonal figures who have expressed sympathy for the program are Representatives SCHWENGEL and GROSS and Senator HICKENLOOPER, Republicans, of Iowa; Representative BOW (Republican, Ohio); Representative BENTLEY (Republican, Michigan); Representative POAGE (Democrat, Texas), Representative COOLEY (Democrat, North Carolina), and Senator CAPEHART (Republican, Indiana).

DAILY NEWS GETS FIRSTHAND REPORT

The Chicago Daily News in February called upon its correspondents in different parts of the world to investigate the extent of the Communist book campaign and what the United States is doing to meet it. Following are some of their reports:

Paris (William H. Stoneman reporting):

"There are at least 6 bookshops in France that are devoted almost exclusively to the sale of Communist literature * * * in either Russian or French * * * generally attractive in appearance and sold at low prices.

"Works of the basic American philosophers are difficult to buy in France because of the high cost of American books.

"However, a vast volume of good American literature is available to the French public, in English, through the production of English publishing houses. These houses sell English and American classics in paperback or pocket-size books at extremely low prices."

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Kano, Nigeria (David Reed reporting):

"It is fairly safe to say there are no Communist bookstores in most of colonial Africa."

(Reed had no report on United States books in bookstores, but he commented that the USIA libraries in Nairobi, Leopoldville and Lagos "do a fine job.")

Rome (Charlotte Ebener reporting):

"There are many Communist bookshops in Rome. * * * All the Communist classics as well as later writings * * * are available in Italian, at approximately half the price of the paperbacks on Italian or American political and economic thought.

"There is no American bookstore. * * *

"There is a tremendous difference between the distribution methods of the Soviet Union and the United States. The Soviet Union subsidizes books in Italian with broad mass appeal, at a very low price, through the large Communist Party. The books are available in neighborhoods.

"The Americans, on the other hand, concentrate on getting their books into the hands of the intelligentsia, students, and professional classes."

Miss Ebener reported that instead of giving a subsidy, the State Department arranges for Italian publishers to translate and print American books and guarantees the purchase of a few thousand copies, which it then distributes to libraries, universities, and "opinion molders."

Bonn, Germany (David Nichol reporting):

"The Communist Party of Germany maintains its own bookstores in several of the large cities. * * * Marx and Engels * * * can be obtained, but there isn't much demand for them, or so it seems. Works of Lenin and Stalin in German translation can be obtained only in the Soviet Zone."

London (Ernie Hill reporting).

"There are numerous bookstores that sell Marx & Co. at a low cost. The Communist party itself operates 36 regional bookstores and sells at below cost. Then there are several privately run stores that sell Communist literature for a profit—but still the costs are extremely low because they get them for almost nothing.

"Central Books at Red Lion Square * * * is advertising a new Russian book, 'A Book for Parents,' at 7 cents a copy. It is also publishing a booklet, 'Public Education in the U. S. S. R.' for 10 cents.

"Nowhere can you buy Jefferson, Adams, Lincoln et cetera at anything like these prices. * * *

"The USIA people * * * were rather disappointed recently when Congress turned down an appropriation to create a Government publishing house to produce cheap books to be distributed throughout the world to compete with the U. S. S. R.

"The fact remains that we have nothing to compare with the Communists' cheap books distribution plan."

EXTENSION OF REMARKS

Mr. PRIEST. Mr. Speaker, the Secretary of State, Mr. Dulles, has addressed, under date of June 6, 1955, a letter to the Speaker of the House of Representatives enclosing a draft bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended.

I have introduced the bill as sent up by the State Department, and I ask unanimous consent, in order that Members may have information about the proposed legislation, that I may include in an extension of my remarks the letter to the Speaker and the text of the explanation of the bill as sent up by the Department.

Mr. Speaker, in the event this should run beyond the allowable limit, I ask that notwithstanding the additional cost it may be printed.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. THOMAS.

Mr. FLOOD and to include a statement on a bill introduced by him today.

Mr. POFF.

Mr. HINSHAW and to include an editorial entitled "Radioactive Fallout" by Dr. Willard F. Libby of the United States Atomic Energy Commission.

Mr. BURDICK.

Mr. KEOGH and to include an editorial appearing in the New York Herald Tribune.

Mr. HESELTON (at the request of Mrs. ROGERS of Massachusetts) on the postal pay raise bill.

Mr. BROWNSON and to include two editorials.

Mr. PRIEST.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DIGGS (at the request of Mr. MACHROWICZ) for June 8, 9, and 10, 1955, on account of absence from city on official business.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2061. An act to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 3825. An act to make retrocession to the Commonwealth of Massachusetts of jurisdiction over certain land in the vicinity of Fort Devens, Mass.;

H. R. 4294. An act to amend section 640 of title 14, United States Code, concerning the interchange of supplies between the Armed Forces; and

H. R. 4725. An act to repeal sections 452 and 462 of the Internal Revenue Code of 1954.

ADJOURNMENT

Mr. HALEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Thursday, June 9, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

873. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to amend section 301, Servicemen's Readjustment Act of 1944 to further limit the jurisdiction of boards of review established under that section"; to the Committee on Armed Services.

874. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941"; to the Committee on Interstate and Foreign Commerce.

875. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend the act entitled 'An act to provide better facilities for the enforcement of the customs and immigration laws,' to increase the amounts authorized to be expended"; to the Committee on Public Works.

876. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 12, 1954, submitting a report, together with accompanying papers and an illustration, on a review of reports on Herring Creek, St. Marys County, Md., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on August 17, 1949 (H. Doc. No. 159); to the Committee on Public Works and ordered to be printed with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Virginia: Committee on Rules. H. Res. 265. Resolution for consideration of H. R. 6227, a bill to provide for the control and regulation of bank holding companies, and for other purposes; without amendment (Rept. No. 735). Referred to the House Calendar.

Mr. BARDEN: Committee on Education and Labor. H. R. 3253. A bill to amend section 6 of Public Law 874, 81st Congress, so as to provide for the continued operation of certain schools on Marine Corps installations; without amendment (Rept. No. 736). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Second intermediate report of the Committee on Government Operations pertaining to military procurement of air navigation equipment; (Rept. No. 737). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BELL:

H. R. 6711. A bill to amend the Tariff Act of 1930 so as to increase the duty imposed upon the importation of broom corn; to the Committee on Ways and Means.

By Mr. BOGGS:

H. R. 6712. A bill to amend section 1237 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 6713. A bill to provide for the establishment of a Federal Advisory Commission on the Arts, and for other purposes; to the Committee on Education and Labor.

By Mr. COUDERT:

H. R. 6714. A bill to encourage the provision of housing for families of low and moderate income by means of special incentives

relating to income taxes; to the Committee on Ways and Means.

H. R. 6715. A bill to incorporate the National Academy of Design; to the Committee on the Judiciary.

By Mr. CRUMPACKER:

H. R. 6716. A bill to amend title 28 of the United States Code relating to actions for infringements of copyrights by the United States; to the Committee on the Judiciary.

By Mr. DODD:

H. R. 6717. A bill to provide assistance to communities, industries, business enterprises, and individuals to facilitate adjustments made necessary by the trade policy of the United States; to the Committee on Ways and Means.

By Mr. DOYLE:

H. R. 6718. A bill to establish the Federal Agency for Handicapped, to define its duties, and for other purposes; to the Committee on Education and Labor.

By Mr. DURHAM:

H. R. 6719. A bill to provide for the issuance of a special postage stamp in commemoration of the 175th anniversary of the Revolutionary War Battle of Guilford Court House, N. C.; to the Committee on Post Office and Civil Service.

By Mr. FLOOD:

H. R. 6720. A bill to increase the annual income limitations governing the payment of pension to certain veterans and their dependents; to the Committee on Veterans' Affairs.

By Mr. O'HARA of Minnesota:

H. R. 6721. A bill to amend the act entitled "An act to save daylight and to provide standard time for the United States," approved March 19, 1918, as amended (15 U. S. C. 261–265); to the Committee on Interstate and Foreign Commerce.

By Mr. PELLY:

H. R. 6722. A bill to amend the act of June 17, 1902, to remove the prohibition against the employment of Mongolian labor in the construction of irrigation projects; to the Committee on Interior and Insular Affairs.

By Mr. REUSS:

H. R. 6723. A bill to protect and preserve the national wildlife refuges, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. STAGGERS:

H. R. 6724. A bill to require compliance with the National Labor Relations Act as a condition of receiving Government contracts; to the Committee on Education and Labor.

By Mr. VINSON:

H. R. 6725. A bill to provide a lump-sum readjustment payment for Reserve officers who are involuntarily released from active duty; to the Committee on Armed Services.

H. R. 6726. A bill to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956; to the Committee on Armed Services.

By Mr. ZABLOCKI:

H. R. 6727. A bill to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.; to the Committee on Veterans' Affairs.

By Mr. BOGGS:

H. R. 6728. A bill to provide for carryback and carryover of foreign-tax credit; to the Committee on Ways and Means.

By Mr. DORN of South Carolina:

H. R. 6729. A bill to provide that the Secretary of the Navy shall appoint certain former members of the Navy and Marine Corps to the Fleet Reserve or Fleet Marine Corps Reserve, as may be appropriate, and thereafter transfer such members to the appropriate retired list; to the Committee on Armed Services.

By Mr. PRIEST (by request):

H. R. 6730. A bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. McINTIRE:

H. R. 6731. A bill to authorize the Secretary of Agriculture to assist States in the carrying out of plans for forest land tree planting and reforestation, and for other purposes; to the Committee on Agriculture.

By Mr. SCOTT:

H. R. 6732. A bill to grant a new 6-month period within which applications may be made to the Secretary of the Navy for donation of the U. S. S. *Olympia*, and for other purposes; to the Committee on Armed Services.

H. R. 6733. A bill to liberalize the provisions of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

By Mr. STAGGERS:

H. R. 6734. A bill for the relief of the city of Elkins, W. Va.; to the Committee on the Judiciary.

By Mr. LANHAM:

H. J. Res. 337. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. COOLEY:

H. Res. 266. Resolution to authorize the Committee on Agriculture to make investigations into certain matters within its jurisdiction, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Connecticut, memorializing the President and the Congress of the United States to enact legislation to increase the Federal minimum wage rate; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 6735. A bill for the relief of James Wanleung Mann and Mrs. Diana Biren Tung Mann; to the Committee on the Judiciary.

By Mr. CLARK:

H. R. 6736. A bill for the relief of Mrs. Filippina Huber; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 6737. A bill for the relief of Milica Ebenspanger; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 6738. A bill for the relief of William Winter and Mrs. Regina Winter; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 6739. A bill for the relief of Giacomo Tremul; to the Committee on the Judiciary.

By Mr. METCALF:

H. R. 6740. A bill for the relief of Theodore M. (also known as Ted M.) Cote; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 6741. A bill for the relief of Elfriede Rosa (Kup) Kraft; to the Committee on the Judiciary.

By Mr. TABER:

H. R. 6742. A bill for the relief of Rumiko Fujiki Kirkpatrick; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

311. By Mr. OLIVER P. BOLTON: Petition of John J. Kulnane, president of Local 482, Textile Workers of America, CIO, and 80 CIO employees of the Industrial Rayon Co., Painesville, Ohio, supporting an increase in the Federal minimum wage to $1.25 an hour; to the Committee on Education and Labor.

312. By Mr. HORAN: Petition of 168 residents of the State of Washington urging that Congress exercise its powers to get alcoholic beverage advertising off the air and out of the channels of interstate commerce, and thus protect the rights of States to prevent advertising within their borders; to the Committee on Interstate and Foreign Commerce.

313. By the SPEAKER: Petition of the Secretary, National Federation of Settlements and Neighborhood Centers, New York, N. Y., petitioning consideration of their resolution with reference to urging Congress to make available funds, at least on the same basis as last year, for the continued operation of the international educational exchange program of the United States Department of State; to the Committee on Appropriations.

EXTENSIONS OF REMARKS

Our Scandinavian Heritage

EXTENSION OF REMARKS

OF

HON. JAMES H. DUFF

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 8, 1955

Mr. DUFF. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech entitled "Our Scandinavian Heritage," delivered by our colleague, the distinguished senior Senator from Washington [Mr. MAGNUSON], on the occasion of the 300th anniversary of the founding of the Lutheran Mission in Pennsylvania. It was also the 175th anniversary of the arrival in Pennsylvania of the Swedish officer who came to give his technical advice to the colonists, during the American Revolution. This was an able and informative address on "Our Scandinavian Heritage," and it is a privilege to have the honor of presenting it for printing in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SWEDEN AND AMERICA

America, it has been said, is a nation of nations. From the ends of the earth men have come to these shores seeking freedom and a chance to build a new life for themselves and their families. As they have become part and parcel of the American community, they have nevertheless remembered,

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as indeed they should, the lands from whence they sprung. It has become something of an American tradition to honor the contributions to our common life of the sons and daughters of those great nations across the seas from whom we are descended. We are gathered here today representing an important and vital part of that tradition.

The first immigrants from Sweden, save for a few scattered adventurers, arrived on the American Continent in the spring of 1638. The colony of New Sweden represented a dream of the great Gustavus Adolphus put into action by his daughter Queen Christina. For a time it seemed that New Sweden—established in an area embracing parts of Pennsylvania, Maryland, Delaware, and New Jersey—where no other power was firmly established would be a success. But Sweden, preoccupied with the gigantic European struggle of the Thirty Years' War could not support expansion into the New World. Thus in 1655 New Sweden fell to the Dutch and 9 years later the Dutch—in their turn—were displaced by the English.

But if New Sweden was not fated to be a strong bastion from which Swedish political influence could spread over this continent—it nevertheless laid the foundations for the deep and lasting Swedish contribution to American life. Thus, in 1640, with the arrival of the Reverend Reorus Torkillus in New Sweden, the Lutheran confession entered into the mainstream of American religous life. The Reverend Mr. Tarkillus was not only the first Lutheran minister to serve in the New World, he was also the first Protestant clergyman to serve in the Delaware River Valley. He and his successors, notably the Reverend Johan Campanius, were the first Luthern missionaries to the American Indians and laid the foundations for the religious tradition in the valley which continued long after the Swedish authority had been extinguished.

The members of the Swedish colony were excellent farmers, men unafraid of hard work whose diligence was admired by William Penn. To their eternal credit, the Swedes of the Delaware Valley had a record of fair dealing with the Indians similar to that of Penn and the Quakers. As a matter of fact, Swedes served as Penn's interpreters, and because the Indians knew and trusted them, they accepted their assurances that the Quakers, too, were humane and trustworthy. The Colony of New Sweden was a haven for the persecuted—dedicated to liberty of person and security of property in a world where to espouse these ideas required a true pioneering spirit. Unlike some other colonies, neither slavery nor the slave trade was ever permitted in New Sweden.

This Swedish tradition of liberty found a cause to admire in our Revolution. Many Swedish officers served in the American, French, and Dutch naval and military forces and participated in the fighting against the British. There were Swedish sailors with John Paul Jones. In June 1780 Count Axel Von Fersen, the best known of the Swedish officers, served the cause of American independence with skill and distinction. In this country thousands of men who had descended from the earliest Swedes served in the Continental Army and two men of Swedish lineage, John Hanson and John Morton, were outstanding figures of the Revolution. The former was elected "President of the United States in Congress Assembled" in 1781—the chief officer of government under the Articles of Confederation—while the latter is credited with casting the decisive vote in the Pennsylvania delegation, which became in fact the decisive vote in the whole Continental Congress, in favor of independence. His signature is appended to that historic declaration. When the Revolution was over and the independence had been won Sweden was the first European nation to sign a treaty of friendship and commerce with the infant Republic, United States.

The story of that latter migration is well known to all of you, how the America letters were read and reread by entire Swedish villages, how America became known as the "Framtislandet"—the land of the future. Our Middle West became a new home to hundreds of thousands of Swedish folk. As a northern people they were quite naturally partial to the northern areas of this country and spread throughout Illinois, Wisconsin, Minnesota, Iowa, Nebraska, and the Dakotas. But man soon looked for new horizons and moving across the country in straight lines they pioneered again in the building of the Pacific Northwest.

The men and women of Swedish origin who came to this country brought with them the sterling qualities of the race—the vigor, the appetite for work, the desire to lead useful lives—that soon enabled them to fit right into the American picture and become among the most valuable and valued members of the national community. Swedish farmers helped make our land among the most productive in the world. Swedish-American loggers played an indispensable part in the development of our lumbering industry. Swedish laborers by the thousands were employed in building the railroads of the great Northwest.

But if Swedish contributions were essential to our peaceful development, they were no less vital to our national defense.

In the fields of American art and culture, Swedish contributions have likewise been highly significant. Wherever they settled in considerable numbers, people of Swedish origin founded academies or colleges. No immigrant group was more concerned about education than the Swedes, and it is no wonder, in consequence, that people of Swedish background are always found among our intellectual leaders. From the vast array it is extremely difficult to single out any individuals for special mention, but none would begrudge, I am sure.

People of Swedish descent have been active in civic and political enterprise. They have demanded the best in their public servants and have furnished political leaders of the highest type at all levels of our Government.

In 1687 William Penn wrote: "I must needs comment the Swedes' respect to authority and kind behavior to the English. They do not degenerate from the old friendship between both Kingdoms. As they are people proper and strong of body, so they have fine children and almost every house full. Rare to find one of them without 3 or 4 boys and as many girls. Some 6, 7, and 8 sons. And I must do them that right; I see few young men more sober and laborious."

Like all Americans, they felt the urge to move West—to develop. The colony in Pennsylvania furnished only the beachhead. From that point their story was the story of all Americans. The West offered a challenge. They met that challenge head on.

And they are meeting the challenge in the same fashion today.

There is another characteristic virtue of the Swedish people. A most important virtue because it is the basis and cornerstone of international peace. It is their respect for the rights and integrity of others. They have not established colonies by the force of arms or lived off the fruits of the toil of the vanquished. Instead they have assisted others in realizing their legitimate economic and social ambitions. That the only secretaries of the United Nations have been Swedish emphasizes this.

In our own country today peace is the most important of all issues. It is dearest to our hearts, the greatest goal we can achieve.

At the present moment in the press and in the Congress, there is much debate as to who is ahead in the race for mastery of the air, ourselves or the Russians. The fact is that we are today, but the accelerated productions of Soviet factories will put them ahead tomorrow. This will result in fresh effort on our part. The arms race is never ending.

The cold reality is that in arms, planes, battleships and devilish destruction there is no guaranty or even mild assurance of peace. We cannot rattle an atomic or hydrogen bomb at the world and say "massive retaliation to those who do not agree with us." That same retaliation will be the fate of those who first employ it. A very few if any of us here today, will survive such a conflict.

There is no safety in atomic arms. The answer to peace is not to be found in war. It is only to be found in the patient practice of this virtue of consideration of the economic and political rights of others, characteristic of Scandinavia.

As a Nation, I feel we tend to talk about this more than putting it into active practice as do the Swedes.

But we must realize that so long as any people in this world are denied a right to a place in the sun. So long as one people is permitted to exploit another people, there is no peace on earth.

This is a terrific responsibility for us. There is so much profit to be made by exploitation, but we must restrain in our own citizens from indulging it. It is so easy for us to tolerate a friendly government that oppresses its citizens on the basis that it is no business of ours. In my opinion it is and must be if we are ever to achieve peace. For I am quite sure that a just God is as jealous for the rights and happiness of a Malayan as of any American.

One of the greatest goals we have sought to reach as long as I can remember is peace in our time. We have had it off and on; between World War I and World War II. We thought we had it permanently after World War II, only to have the Korean war come along.

We have attempted to achieve it with everything from top level to low level conferences in this country and abroad. We have had many high sounding words and phrases thrown about on the subject. We have had experts thoroughly conversant with the foreign situation as it existed at that particular moment, but I wonder if we have achieved through all these discussions, conferences, any semblance of the meaning that you and I attribute to the word "peace." A few moments ago, I mentioned the arms race that has been underway certainly through my generation and yours, the weapons that the arms race produced. As I view the situation, we have achieved a sort of an armistice, an uneasy one at that with the world tottering on the brink of peace or war. Actually, it depends upon whether you are an optimist or a pessimist, which one, peace or war?

It is one of the most unusual situations to hear words about peace on every hand. As far as I can tell, everyone you talk to wants peace. Certainly the wishes for peace aren't reserved to the White House or the State Department. We in the Senate want it just as badly as anyone else, regardless of party. In my talks to the Members of the House of Representatives, they feel the same way. Carry the discussions into the street and you won't find a single person who openly says he wants a war. We are led to believe that everyone in Russia except the high command wants peace. I think that story would be generally true throughout Europe, if we were to take a poll of sentiment among the people.

By this time you are probably reaching the same conclusion I am. The whole world clamors for peace, yet prepares for war. The individual in Russia whose inner spirit cries out most for world peace is the busiest right now in an airplane factory turning out planes that can fly faster, farther, and carry a heavier load than our B–52's. Or, he is feverishly working to improve their version

of the atomic or hydrogen bomb. Or, probably, some of them may be studying maps of the free world trying to see what people to put under the totalitarian thumb next.

The sad part about all of this are the other needs that go wanting through this confusing picture. For example, medical research. Mental health. Research into agriculture. Use of our forest industries. Attempting to get the earning level of the average man throughout the world to the point where he can enjoy more than the bare essentials of existence.

Probably as a nation, we have done more to get the world thinking along those lines than any other. But we should, because of all the world, ours has been the most productive nation, mentally and physically. But even with our efforts they have not been enough. Nor will they be enough until a few of the goals we talk about are achieved and achieved they must be if we are ever to convince the rest of the world that we honestly are bent on betterment—not exploitation—if we can convince peoples elsewhere that we merely intend to help them develop their own resources and then use them even more wisely than we have been able to use own. If we can convince them that this talk they get about our capitalistic system being out strictly for dollars instead of bettered lives is nothing but propaganda—then I think that world peace will be ours during our generation because we will have shown them the way through deeds, not talk. Through action, not conferences. Through humanitarian efforts—not through gestures. Through a helping hand from the heart, not through a closer look at the almighty dollar.

Introduction of Legislation for Limited Return of Enemy Property

EXTENSION OF REMARKS
OF
HON. J. PERCY PRIEST
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1955

Mr. PRIEST. Mr. Speaker, the Secretary of State, John Foster Dulles, has addressed, under date of June 6, 1955, to the Speaker of the House of Representatives a letter enclosing a draft bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended. The letter together with the draft bill and an explanatory memorandum on the draft bill, were referred to the Committee on Interstate and Foreign Commerce on June 7, 1955.

As chairman of the committee, I have introduced the bill as drafted by the Department of State and, in order to afford all interested parties an opportunity to study the recommendations made by the Department of State in its letter to the Speaker of the House of Representatives and the explanatory memorandum, I am making these two documents public simultaneously with the introduction of the bill.

JUNE 6, 1955.

DEAR MR. SPEAKER: I enclose a draft bill "To amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended." The first part deals with the assets in the United States, title to which was vested in the Government under the Trading With the Enemy Act as a consequence of World War II. By far the greatest portion of these assets was owned by nationals of Germany and Japan. In general, this part of the draft bill provides for a limited return as a matter of grace of the vested assets, or of the proceeds of their liquidation, to such of the former owners or their successors in interest as are natural persons not in territory behind the Iron Curtain. The maximum value of property or proceeds returnable to any one individual is fixed at $10,000. In the few instances where property of charitable, religious, and educational organizations was vested, such property would be returned without regard to its value. Interests in trademarks would be returned to business enterprises as well as natural persons. All interests in copyrights would be divested in favor of the former owners or their successors in interest. Patent interests would not be returned.

The second part of the draft legislation deals with certain claims of United States nationals against Germany arising out of World War II. This part establishes a fund of $100 million to finance payments to such claimants. The compensation payable to any single claimant probably would not exceed $10,000.

I enclose also with the proposed bill a memorandum describing its provisions in detail and, where necessary, explaining the reasons for particular provisions. However, in order to afford a clear understanding of the general purposes of the draft legislation, it will be helpful to add here a brief statement of the events which have led to its recommendation.

By the first War Powers Act of December 18, 1941, Congress amended the Trading With the Enemy Act of 1917 to grant the President extensive powers to vest assets in the United States owned by foreign countries or their nationals. The 1917 act already contained provisions for the return of such of the property to be vested as might ultimately prove to be owned by nonenemies. However, neither the 1917 act nor the 1941 act provided for the disposition of World War II vested assets finally determined to be owned by enemy governments or their nationals. That matter was left open.

Early in 1942 the President created the Office of Alien Property Custodian as an independent agency and delegated to the Alien Property Custodian the power to vest property other than securities, cash and credits. In June 1945, the Custodian's vesting power was expanded to include German and Japanese-owned securities, cash and credits. As a result, substantially all the German and Japanese assets known to be in the United States as of December 7, 1941, were vested by the Custodian or by his successor, the Attorney General.

In January 1946 the United States and 17 allied nations other than the Soviet Union and Poland executed the Paris Reparation Agreement whereby they agreed upon the division of the limited German assets in kind available to them as reparation from Germany, including German external assets located within the respective signatory countries. The 18 Allies agreed to hold or dispose of these external assets in such a way as to preclude their return to German ownership or control. This program was formulated in light of the Allied experience after World War I when the attempt in effect to exact reparation from Germany's current production failed and led to Germany's default on its obligations. Moreover, it was clear after the end of World War II that the United States would have to provide major assistance to Germany to prevent disease and unrest. This country, therefore, favored measures which would limit Germany's World War II reparation to its external assets and other assets in kind, thus relieving Germany of reparation payments from current production and avoiding the indirect financing of reparation by the United States. The Paris Reparation Agreement met this objective.

In 1946 Congress enacted section 32 of the Trading with the Enemy Act authorizing returns of vested property to persons having merely technical enemy status and to enemy nationals who were persecuted by their own governments. In the same year, Congress added section 34 to the Act, providing for the payment of pre-vesting debt claims of Americans against enemy nationals whose property was vested.

By the War Claims Act of 1948 Congress added section 39 to the Trading with the Enemy Act, providing that German and Japanese assets not returnable under section 32 should, after the payment of debt claims therefrom, be retained by the United States without compensation to the former owners. In addition, the War Claims Act of 1948 gave priority to the use of the net proceeds of liquidation of this retained property for the payment of compensation to American civilian internees of the Japanese, to American servicemen captured by the forces of Germany, Japan and other governments which failed to provide adequate subsistence as required by the Geneva Convention and to certain Philippine religious organizations which had rendered aid to American personnel. This Act did not provide for the payment of war claims of Americans arising out of war-caused property damage but authorized a study of the problem. The Attorney General has advanced a total of $225 million from the proceeds of vested assets for purposes of the War Claims Act of 1948. Thus that act constituted a Congressional disposition of the German and Japanese assets vested under the Trading with the Enemy Act during World War II. Furthermore, that act, in effect, gave confirmation to the reparation program set forth in the Paris Reparation Agreement by devoting German external assets to the satisfaction of certain American war claims.

The Japanese Peace Treaty of 1952 also followed the policy incorporated in the Paris Reparation Agreement with respect to enemy external assets. It provided that the Allied powers should have the right to retain and liquidate Japanese property within their jurisdictions. In addition, the peace treaty provided that Japan should compensate nationals of the Allied Powers in Japanese currency for war damage to property located in Japan. In consequence of these and other provisions the United States and the other Allied Powers waived any additional war claims against Japan.

The Bonn Convention of 1952 for the settlement of matters arising out of the war and the occupation, between the Federal Republic of Germany and the United States, Britain, and France, also affirmed the policy of the Paris Reparation Agreement. In that convention the Federal Republic of Germany agreed to compensate its own nationals for their loss of external assets by the vesting and other action of the Allied powers. For their part these countries gave the Federal Republic a commitment that they would not assert any claims for reparation against its current production. These provisions of the Bonn Convention were carried forward and approved in the Paris Protocol of 1954 which was approved by the Senate April 1, 1955, and came into force on May 5, 1955.

On July 17, 1954, Chancellor Adenauer wrote to the President to enlist his support for legislation which had been introduced in Congress for the general return of vested German assets. The Chancellor referred to the hardships suffered by many of the German individuals whose property had been vested. He mentioned old people, pensioners, and beneficiaries of insurance policies and inheritances in particular, and urged that alleviation of these hardship cases would make a considerable contribution to furthering the friendship between the peo-

UNIVERSITY OF MICHIGAN LIT

ples of the United States and Germany. The President's reply of August 7, 1954, referred to the fact that the Allied Governments decided to look to German assets in their territories as a principal source for the payment of their claims against Germany. The President expressed sympathy with individuals in straitened circumstances in Germany for whom the operation of the vesting program in the United States had created particular hardship. He pointed out that American nationals who had suffered losses arising out of the war had received no compensation, also with resultant hardship in many cases. Finally, the President stated that although none of the bills then pending in Congress with regard to the return of vested assets had the approval of his administration, the problem was receiving earnest consideration and he hoped that a fair, equitable, and satisfactory solution could be achieved. The matter was also raised by Chancellor Adenauer with the President during the former's visit to Washington in October 1954 and conversations between representatives of the two governments were agreed upon.

The Japanese Government also expressed a hope that the return of vested Japanese assets would be considered. The subject was discussed by Prime Minister Yoshida with the President on November 9, 1954.

As a result, the executive branch formulated the plan represented by the enclosed draft bill. Thereafter representatives of the United States and the Federal Republic of Germany discussed the matter of vested German assets and the related problem of American war claims against Germany. Subsequently, similar discussions were held between representatives of the United States and Japan. During these discussions representatives of the Federal Republic of Germany and Japan were informed that the executive branch would recommend a limited return of vested assets to natural persons up to a maximum of $10,000 as a matter of grace for the purpose of alleviating the cases of hardship caused by vesting. The United States representatives pointed out that this action would result in a full return to approximately 90 percent of the former owners whose property had been vested and would achieve the equitable solution sought by the President. The United States representatives expressed the hope that, in addition to relieving hardships of an appreciable number of German and Japanese people, this action would serve to make even more secure the ties between the United States and those countries. The representatives of the German Federal and Japanese Governments expressed the hope that the proposed return would subsequently be followed by a wider program. They were informed, however, that the administration did not envisage a broader return than was contained in the present recommendation.

It appears that the contemplated return program can be financed out of vested assets, or their proceeds, presently held by the Attorney General. After taking into account the payment of $225 million under the War Claims Act of 1948, returns and debt claims paid and payable under existing provisions of the Trading With the Enemy Act, and the payment of other authorized sums, it is estimated that there will remain a balance of $60 million for use in the proposed program. Its cost would be approximately $50 million for West German assets and $7.5 million for Japanese assets. If the funds in the possession of the Attorney General should prove to be inadequate or not readily available for the program, alternative supplemental means of financing are provided for in the bill.

The proposed bill would amend section 9 (a) of the Trading With the Enemy Act, as amended, to permit the sale of important vested properties despite the pendency of a suit for the return thereof and to permit the substitution of the proceeds of sale or just compensation, at the election of the claimant, as the subject of the suit. This provision is included in order to facilitate the expeditious termination of the alien-property program and in order to remove the Government from the operation of certain American business enterprises.

It will be noted that returns of vested assets would not be made to persons behind the Iron Curtain. It would be desirable for the program to be extended to such persons by supplemental legislation when conditions warrant.

The second part of the proposed bill provides for the compensation of American claimants against Germany for war damage to property. This part of the bill would set aside for this purpose a fund of $100 million out of sums payable by the Federal Republic in settlement of its indebtedness to the United States for postwar economic assistance. The Foreign Claims Settlement Commission estimates that there are 24,000 claims of American nationals outstanding against Germany for property damage during World War II, amounting to approximately $232,500,000. The Commission also estimates that a fund of $100 million would permit the satisfaction in full of all claims not over $10,000.

The proposed earmarking of $100 million of the repayments the Federal Republic of Germany is to make for postwar economic assistance rendered by the United States would be, in effect, a restoration of the $100 million of reparation from Germany used for other purposes under the War Claims Act of 1948. The total value of vested Japanese assets is approximately $60 million. Consequently, it is clear that of the $225 million deposited by the Attorney General in the Treasury under the War Claims Act of 1948, at least $165 million was derived from German assets. According to estimates of the Foreign Claims Settlement Commission, total payments under that act to satisfy American prisoners of war and other claims which arose in Europe will amount to approximately $60 million. As a result, about $100 million of the proceeds of German vested assets will have been used to satisfy claims attributable to countries other than Germany—i. e., in the main, Japan. If this sum had not been so used, it would have been available at the discretion of the Congress to pay American property damage claimants against Germany. The creation of the $100 million fund would, therefore, not establish a precedent for the payment of American property damage claims against foreign governments out of public moneys.

The draft legislation was prepared by the Department of State, the Department of Justice, the Treasury Department, and the Foreign Claims Settlement Commission. It is based upon a full and careful consideration of the problems involved, and represents the considered position of the administration. The proposals should be considered as a whole. Prompt and favorable action would resolve a troublesome problem in the field of our foreign relations and would strengthen the ties of friendship with the Federal Republic of Germany and Japan.

I respectfully request that early consideration be given to the proposed legislation which is transmitted herewith. A similar communication is being sent to the Vice President.

The Bureau of the Budget advises that the enactment of the proposed legislation would be in accord with the program of the President.

Sincerely yours,

JOHN FOSTER DULLES.

EXPLANATORY MEMORANDUM ON DRAFT BILL "TO AMEND THE TRADING WITH THE ENEMY ACT, AS AMENDED, AND THE WAR CLAIMS ACT OF 1948, AS AMENDED"

The first part of the proposed bill is designed to effect: (1) The return in general as a matter of grace of vested assets other than patent interests to natural persons not behind the Iron Curtain up to a limit of $10,000; and (2) the return of trademark and copyright interests to business enterprises as well as to natural persons without regard to the $10,000 limitation on value and, insofar as copyright interests are concerned, without regard to the limitation on return to persons behind the Iron Curtain. Property owned by charitable, educational, and religious organizations would also be returned without regard to the $10,000 limitation. It would treat several types of vested assets in a manner different from the treatment accorded the great bulk of such assets. The differences are deemed advisable by virtue of past policy, facility of administration of the contemplated return program and the desirability of terminating the World War II alien property program as quickly as possible. There is set forth below a résumé of the manner in which the proposed bill would affect various categories of assets.

CATEGORY I. ASSETS OTHER THAN TRADEMARK, COPYRIGHT AND PATENT PROPERTIES, AND PRINTS OF MOTION PICTURES

The great bulk of the vested assets falls within this category. The proposed bill would effect return of these assets in an amount not exceeding $10,000 to natural persons. Natural persons would not be deemed to have had any ownership interest in assets vested from a business enterprise in which they have stock or some other beneficial interest. Consequently, no part of such assets would be returned to them. Persons who have made settlements or compromises of claims or suits with respect to vested property would be barred from obtaining any property in addition to that which they obtained in the settlement or compromise. Persons convicted of war crimes would be excluded from return.

The following property would be excluded from the return program by reason of United States commitments to foreign governments:

1. Vested property located in the Philippine Islands and subject to transfer to the Republic of the Philippines under the Philippine Property Act of 1946 (22 U. S. C. 1381–86).

2. Certain securities of American issue looted in the Netherlands by Germany during its occupation of that country. Under an agreement with the Netherlands executed January 9, 1951, the United States undertook to return such securities to the Government of the Netherlands or its nationals.

3. Property which this Government is obligated to release or to receive or retain pursuant to existing agreements between the United States and certain World War II Allies relating to the resolution of conflicts between the alien-property custodians of the signatories. These agreements, entered into by the United States pursuant to Public Law 857, 81st Congress, provide for transfers of various categories of vested property by and to the United States.

Returns of property in category I would be effected under a claims program. Claims would have to be filed with the Attorney General within 1 year of the enactment of the proposed legislation. In order to facilitate the administration of the contemplated program new claims would be required of persons who have previously filed claims under section 9 or section 32 of the Trading With the Enemy Act. This requirement would obviate the necessity of reopening thousands of closed claims and examining additional thousands of claims now pending under those sections to obtain the new data required by the proposed legislation.

The proposed bill provides that in general a return of vested property in this category will be subject to a deduction of the amount of conservatory expenses incurred with respect to such property, a deduction to cover general administrative expenses, a

reserve for any unpaid taxes with respect to the property, and a reserve for any pending debt claims against the property under section 34 of the Trading With the Enemy Act. If the Attorney General should hold property vested from the prevesting owner in addition to the property returnable under the proposed bill, the amounts of expenses and reserves would be deducted, to the extent possible, from such additional property.

A person who has a pending claim under section 9 (a) or section 32 could claim return under the proposed bill only upon the filing of a written waiver renouncing his claim under section 9 (a) or section 32 to the amounts retained for expenses and reserves. As a practical matter this provision would reduce the amount of vested property returned under this bill to a section 9 (a) or section 32 claimant by the amount of the deduction for administrative expenses plus the amount of any debt claims. On the other hand, it would permit the claimant to receive a return under this bill without the necessity of establishing himself as a nonemeny under section 9 (a) or as a persecuted person or other eligible claimant under section 32. The provision for waiver has been included in the proposed legislation in an attempt to close out as expeditiously as possible the great majority of the pending title claims—that is, those which are filed against vested property worth less than $10,000. Elimination of these claims would be a major step toward the termination of the administration of World War II vested property.

CATEGORY II. TRADEMARK PROPERTIES

Since the use of a vested trademark would be deceptive except in connection with goods made by the prevesting owner of the mark, or the successor in interest of such owner, it is deemed advisable to make a general return of trademarks and unexpired interests in prewar contracts relating to trademarks. The proposed bill would authorize returns of trademarks or contract interests therein without regard to the $10,000 ceiling and thus would enable a natural person to receive such marks and contract interests in addition to $10,000 of other vested property. However, royalties or other income received from the marks on contract interests during the period of vesting would be charged against the $10,000.

The proposed bill would authorize the return of trademarks and contract interests therein to business enterprises as well as natural persons. However, any royalties or other income derived from such marks or contract interests during the period of vesting would not be returned to business enterprises. Also excluded from return by reference to specific vesting orders are certain possible reversionary or other similar rights relating to trademarks and good will which, since prior to World War II, have been assigned to and held by vested corporations which are still controlled by the Attorney General and which conduct manufacturing businesses. In general, the vesting orders excluded from the return provisions are "catchall" vesting orders issued as a precautionary measure for the purpose of cutting off any unknown or undiscovered rights which may have been retained by enemy nationals with respect to the good will, trademarks, and trade names of these vested corporations. Some of the excluded vesting orders vested contract rights which related to such trademarks and trade names. In many cases these nebulous reversionary rights may be nonexistent or without any real value, although the catchall vesting orders still serve a precautionary purpose. To return the rights vested by these vesting orders might invite unnecessary harassment of vested corporations and their involvement in litigation with respect to those portions of their businesses in which the trademarks are used, notwithstanding the fact that the vested corporations for many years have operated these businesses independently of the former owners of any purported reversionary rights.

Inasmuch as the Attorney General has only about 325 vested trademarks and trademark contract interests, the return of such property would not involve the administrative problems described below with regard to copyrights. Consequently the return would be effected by the claims program described under category I and would be subject to the restrictions mentioned there. The proposed bill provides that where a trademark or trademark interest was owned prior to vesting by a person in East Germany, it would be returned to a person in the Federal Republic of Germany if a competent agency of the Federal Republic certifies that an equivalent trademark has been registered by it for such person.

CATEGORY III. COPYRIGHT PROPERTIES

Vested copyright interests number more than 300,000. These cover vested copyrights and copyrights which are the subject of prewar contracts. A program for the return of copyrights and unexpired contracts interests in copyrights of the nature described under category I might well become unmanageable because of the number of claims which might be filed and the complexity of claims of authors and composers in connection with vested pre-war contract interests. Furthermore, since a substantial number of copyrights and contract interests would not be returned under the program proposed for category I by reason of the exclusion of East Germans, the Attorney General's Office would be forced to continue the administration of such copyrights and interests without any apparent practical means of terminating such administration within a reasonable time.

As a result of these considerations it has been deemed advisable in the proposed bill to effect the return of copyrights and unexpired contract interests therein by means of a statutory divestment which would require no action on the part of the Attorney General. Such divestment would be effective without regard to the value of the copyrights and contract interests and would serve to effect returns to business enterprises as well as to natural persons. The divestment would not extend to royalties or other income received during the period prior to divestment. Such funds would be returnable only to natural persons within the limits and pursuant to the claims program described under category I.

It should be noted that the divestment proposed in the draft bill would serve to return copyrights and unexpired contract interests therein to persons and firms in the east zone of Germany. Thus, although such persons and firms would not receive the return of any money in the hands of the Attorney General they would become entitled to any income from their copyrights and contract interests which might accrue after divestment. It is not possible to estimate the future annual amount of such income since the number and identity of former owners in the east zone of Germany are not known at this time. However, the annual income realized from all vested copyrights and copyright contract interests during the past 5 years has averaged approximately $200,000. Even assuming that a substantial part of this figure would be paid annually to persons behind the Iron Curtain during the next several years, divestment seems preferable to the administrative problems and substantial expense inherent in an extended claims program or other procedure for separating East Germans from other persons entitled to copyrights and contract interest therein. In addition, the divesting technique would enable the Attorney General to be rid of the administration of copyright properties and thus hasten the termination of the alien property program.

The proposed bill specifically excludes from return the moneys collected in connection with the publication in the United States of Hitler's Mein Kampf, the diaries of Paul Joseph Goebbels, the memoirs of Alfred Rosenberg, and a work by a leading Nazi, Otto Skorzeny. The copyrights and contract interests connected with these works are also excluded from divestment. A photographic history of the Nazi Party, formerly owned by Heinrich Hoffman, its official photographer, has been excluded from return. In addition, the copyright to a scientific motion picture entitled "Meiosis" has been excepted from divestment because of its wide use by American educational institutions. Since this copyright was owned by an East German firm prior to vesting divestment, this might impede its future use in this country.

CATEGORY IV. PATENT PROPERTIES

Patents and interests in prevesting patent contracts are excluded from return by the proposed bill. It has been the policy of the United States since 1942 to make the patents and technology vested from World War II enemy nationals readily available to American industry by means of revocable nonexclusive royalty-free licenses for the life of the patents. This policy has been widely publicized and has been relied upon by licensees in making investments to develop and exploit the patents. The exclusion of patent interests from the return program is thus in keeping with the Government's longtime policy and will serve to safeguard the interests of American licensees.

With two exceptions, the income received by the Alien Property Custodian and the Attorney General from vested patents and contract interests in patents would be returned by the proposed bill to natural persons up to a limit of $10,000 in the same manner as other property in category I. One exception is the money collected from American licensees under prewar contracts with enemy nationals deemed violative of the antitrust laws. This money was collected because the Government did not suffer the disability of the enemy party. (See *Standard Oil Co. v. Markham*, 57 F. Supp. 332, affirmed sub. nom. *Standard Oil Co. v. Clark*, 163 F. (2d) 917 (C. C. A. N. Y. 1947), certiorari denied, 333 U. S. 873). It would of course, be inequitable to enrich a returnee with a gift of funds which he himself could not collect. The second exception arises from the fact that much of the income received from vested patents and patent contract interests was derived from their use in war production. In returning vested patents and patent contract interests to nationals of Allied countries the Attorney General deducts royalties received from war production and turns them over to the Treasury. The returnee is compensated by his own government pursuant to reverse lend-lease arrangements. In the negotiation of the understanding between the United States and Italy which led to the return of vested Italian property it was agreed that patent royalties derived from war production should not be returned. In view of the fact that the segregation of such royalties would have been difficult, it was agreed that all royalties earned by vested Italian patent and patent contract interests prior to the end of 1945 would be deemed attributable to war production. The policy and date agreed upon in the Italian understanding have been used in the proposed bill.

CATEGORY V. PRINTS OF MOTION PICTURES

The Attorney General administers a considerable number of prints of motion pictures. Few, if any, of the individual prints are of more than nominal value. The aggregate value is not commensurate with the expense which would be involved in proc-

UNIVERSITY OF MICHIGAN LIT

essing claims for their return. Furthermore, these prints can be duplicated elsewhere in almost every instance. Accordingly, the proposed bill excludes the prints from return except in cases where claims thereto have already been filed under existing law. The bill further provides that the Attorney General deliver the prints to the Library of Congress, which may retain or dispose of them in any manner it deems proper.

A section analysis of the first part of the proposed bill is set forth below:

The proposed section 1 would make technical amendments to section 39 of the Trading With the Enemy Act necessitated by other provisions of the proposed bill.

Section 2 of the proposed bill would add new sections 40 to 43 to the Trading With the Enemy Act to effect the proposed returns of vested property. Such returns will not affect or be affected by transfers of the proceeds of liquidation of vested property to the War Claims Fund under the War Claims Act of 1948.

The proposed section 40 (a) would effect the returns in general of vested property to natural persons up to a limit of $10,000. It specifically excludes from return the securities subject to the looted securities agreement with the Netherlands, copyrights and copyright contract interests, motion-picture prints, patent and patent contract interests, property transferable to the Philippine Government and property subject to intercustodial agreements with foreign countries. It further provides that if the property of a prevesting owner exceeds $10,000 in value and cannot be divided into a portion having a value of $10,000, then return would consist of a lesser portion, if practicable, augmented by a supplemental return. Finally, section 40 (a) would make returns thereunder subject to deductions for expenses and reserves as set forth in section 40 (m).

The proposed section 40 (b) relates to trademarks and trademark contract interests. It would provide that they should be deemed to have no value in connection with the $10,000 limit on returns and in connection with valuation for the purpose of deducting general administrative expenses under section 40 (m). Section 40 (b) would make business enterprises eligible for the return of trademarks and contract interests therein. The reference to specific vesting orders would exclude from return certain possible reversionary or other similar rights relating to trademarks and goodwill connected with vested corporations still administered by the Attorney General. Trademark registration by the German Federal Government authorities would govern the return of trademarks in certain instances. All returns of trademarks would be subject to outstanding licenses issued with respect thereto.

The proposed section 40 (c) would authorize return of vested property to charitable, religious and educational institutions without regard to its value.

The proposed section 40 (d) would limit to $10,000 the amount of property to be returned to the estate or the heirs of a prevesting owner who has died since the date of vesting. In addition, it would specifically prohibit any one person from receiving more than $10,000.

The proposed section 40 (e) would bar returns to persons claiming vested property who have previously settled or compromised suits or claims with respect to such property, to persons or firms behind the Iron Curtain as of January 1, 1955, or subsequently, and to persons convicted of war crimes. Section 40 (e) (2) uses the phrase "maintained his principal dwelling place" in connection with the disqualification of persons behind the Iron Curtain. This phrase is used in preference to language appearing in section 2 of the Trading With the Enemy Act which defines an enemy as including a person resident within enemy territory. The definition in section 2 has caused difficulty, in part because of uncertainty as to the weight to be given to a person's intent as to the future place of his abode. The phrase "principal dwelling place" would eliminate such intent from consideration.

The proposed section 40 (f) would exclude from return by reference to specific vesting orders any income received by this office from Mein Kampf and other works mentioned above and would exclude the Hoffman photographic collection both as to income and actual physical property.

The proposed section 40 (g) would exclude the return of moneys received from patent licensing contracts deemed to be violative of antitrust statutes and moneys received from the use of patents prior to the end of 1945.

The proposed section 40 (h) would bar return of property to a person claiming such property through his stock ownership or other beneficial interest in a business enterprise which owned the property prior to vesting.

The proposed section 40 (i) is practically identical with section 32 (d) of the Trading With the Enemy Act. It would restore persons to whom return is made to all rights, privileges and obligations in respect of the returned property which would have existed if the property had not been vested. This section would specifically exculpate the Government from any liability in connection with its administration or use of the property during vesting. It would also bind the returnee by any notice received by the Attorney General prior to return and impose on him any obligations which accrued with respect to the property during the time of its vesting. The period of vesting would not be included for the purpose of determining the application of any statute of limitations to the assertion of any rights by such person.

The proposed section 40 (j) is practically identical with section 32 (e) of the Trading With the Enemy Act. It would permit persons eligible for return under the proposed section 40 to sue subsequent to the return to establish as against the returnee any right, title or interest they may have in the returned property. The period of vesting would not be included in determining the application of any statute of limitations to any such suit.

The proposed section 40 (k) would require that claims for return under section 40 be filed within 1 year from enactment in such form as the Attorney General shall prescribe. New claims would be required from persons who have filed previously under other sections of the Trading With the Enemy Act.

The proposed section 40 (l) would prevent anything in section 40 from affecting the rights of claimants to pursue remedies under sections 9 (a), 32 or 34 of the act. It would prohibit a person claiming property under section 9 (a) or section 32 from receiving a return under section 40 unless he waives his claim under section 9 (a) or section 32 to the amounts of expenses and reserves retained under section 40 (m). A return of property to any person under section 40 would be prohibited while a claim to the same property filed by some other person is pending under section 9 (a) or section 32.

The proposed section 40 (m) would provide for the retention by the Attorney General of the amount of conservatory expenses incurred with respect to the returnable property, a charge for administrative expenses and reserves for the payment of taxes and debt claims. It would provide that such expenses and reserves be retained from any additional property of the owner prior to vesting. Any unused portion of a reserve for the payment of taxes or debt claims would become returnable as though it had not been a part of a reserve. Returnees would be permitted to pay the amounts of expenses or reserves in lieu of the liquidation of returnable property to provide funds therefor.

The proposed section 40 (n) relates to the controls exercised by the Treasury Department pursuant to section 5 (b) of the Trading With the Enemy Act over assets owned by Communist Chinese and certain other blocked nationals. Returned property would be subject to these controls if owned by such persons.

The proposed section 40 (o) would make the determinations of the Attorney General in the administration of section 40 final.

The proposed section 40 (p) contains definitions.

The proposed section 41 (a) would permit the use of currency of the Federal Republic of Germany payable to the United States to finance returns to persons in the Federal Republic or the western sectors of Berlin when the Attorney General deems that such action should be taken.

The proposed section 41 (b) would provide for the same possibility with respect to Japan if circumstances permit.

The proposed section 42 (a) defines "copyrights."

The proposed section 42 (b) would provide for the divestment of vested copyrights effective 90 days from the enactment of the section. This 90-day period is proposed in order to afford time for adequate notice and instructions to American licensees and American parties to vested prewar copyright contracts regarding the effect of divestment on their future payments of royalties and taxes thereon. Divestment would be made subject to outstanding licenses previously issued and assignments of interests in such licenses. The rights remaining in the Attorney General under licenses would be transferred effective the day of divestment to the owner of the divested copyrights. All royalties accrued up to that day would have to be paid to the Attorney General.

The proposed section 42 (c) would divest the vested interests in prewar contracts relating to copyrights effective 90 days from the enactment of the section. All sums payable under such contracts prior to the day of divestment would have to be paid to the Attorney General.

The proposed section 42 (d) would exclude from return the right to sue for infringement during the period of vesting.

The proposed section 43 would authorize the transfer of motion-picture prints to the Library of Congress with the exception of prints subject to claims under present law. The Library would have full discretion to retain or dispose of the prints in any manner it deems appropriate.

Section 3 of the proposed bill would amend section 32 (h) of the Trading With the Enemy Act to exclude from returns to designated successor organizations thereunder any property returnable under the proposed section 40.

Section 4 of the proposed bill would amend section 9 (a) of the Trading With the Enemy Act to permit the sale of vested property held subject to suit under that section upon a determination by the President that the interest and the welfare of the United States so requires. Any claimant in the suit would be permitted to elect, after the sale, whether to take his share of the proceeds of sale, if successful in the suit, or to request a determination of just compensation.

The final part of the proposed bill is to provide for the settlement of five categories of American war claims against Germany. Payments on allowed claims are to be made from the proposed German claims fund which is to consist of $100 million to be set aside from repayments by the Federal Republic of Germany under the agreement settling the United States claim for postwar economic assistance to Germany. The general types of claims authorized in the proposed measure are as follows:

(1) Physical damage to or physical loss or destruction of property located in Albania, Austria, Czechoslovakia, Germany, Greece,

Poland, or Yugoslavia in the period beginning September 1, 1939, and ending May 8, 1945. Such losses must have occurred, under the proposed bill, as a direct consequence of military operations of war or of special measures directed against such property because of the enemy or alleged enemy character of the owner. The property must have been owned directly or indirectly by the claimant at the time of the loss, damage, or destruction. Certain items of personal property and intangibles are expressly excluded from the types of property, loss of which would otherwise be compensable under the bill.

(2) Damage to or the loss or destruction of ships or ship cargoes owned by the claimant at the time of such damage, loss or destruction, which must have occurred as a direct consequence of military action by Germany in the period beginning September 1, 1939, and ending May 8, 1945.

(3) Net losses by insurance companies incurred in the settlement of claims for insured losses, including reinsured losses, of American owned ships or ship cargoes as a direct consequence of military action by Germany in the period beginning September 1, 1939, and ending May 8, 1945.

(4) Loss or damage on account of the death or injury of any civilian national of the United States who was a passenger on any vessel engaged in commerce on the high seas if such death or injury was a result of military action by Germany during the period beginning September 1, 1939, and ending December 11, 1941 (the date upon which the United States declared war against Germany). In this general category the proposed bill would also include claims for the loss or damage to the property of any such passenger.

(5) Losses resulting from the removal of industrial or other capital equipment in Germany which was owned by the claimant on May 8, 1945, and removed for the purpose of reparation including losses from any destruction of property in connection with such removal.

Within the limits of the categories of claims provided for in the proposed bill, except with respect to death or personal injury claims, provision is made for the recognition of claims based upon assignments to the claimant of the rights or interests in lost or damaged property or property that was subject to reparation removal.

Recognition of claims of stockholders or the direct or indirect owners of any other proprietary interest in a corporation or other entity, under the proposed bill would be conditioned upon 25 percent ownership, direct or indirect, of such interest at all times between the date of loss and the date of filing claim, by United States citizens or nationals. Each award under this type of claim would be in an amount equal to the respective percentage interest of each claimant in the total corporate ownership. In other words if one-half of the stock of a corporation were owned by five persons, each having a one-tenth ownership of the total stock and the total loss was $1 million, such individuals collectively would be entitled to one-half the loss and each claimant to one-fifth of such one-half or $100,000.

Payment of awards certified to the Secretary of the Treasury by the Foreign Claims Settlement Commission would be made in the following order of priority:

(1) Death and disability claims would be paid in the full amount of each award certified.

(2) Payments of up to $1,000 would then be made on awards certified for all other claims. Thus, if the award is for $1,000 or less the full amount certified would be paid.

(3) Thereafter, payments would be made on the unpaid principal of awards in equal amounts on each award or in the total amount of the remaining unpaid principal amount, whichever is less. The total payments under priorities (2) and (3) on any single award would not exceed $10,000 under the bill.

(4) Within the limits of any remaining funds available for payment of awards and after satisfying the requirements of priorities 1, 2, and 3 in that order, any remaining unpaid principal of an award would be paid on a prorated basis. If the funds remaining available for payment of awards, for example, amounted to 10 percent of the aggregate of such unpaid awards, each such unpaid award could be paid to the extent of 10 percent of the unpaid balance of such award.

Eligible claimants in the case of natural persons are required to be nationals of the United States on the date of the loss for which a claim is filed and continuously thereafter until the date of filing such claim. In the case of a person who may have lost United States citizenship through marriage to a citizen or subject of a foreign country, such person would be an eligible claimant if citizenship is reacquired prior to the date of enactment of the proposed bill, and if such person would have been a national of the United States at all times on or after the date of such loss if such marriage had not taken place. A national of the United States is defined as any person who is a citizen of the United States or who owes permanent allegiance to the United States. Aliens are expressly excluded from such definition.

Eligible claimants in the case of corporations or other business entities, under the proposed bill, are required to have been incorporated or otherwise organized under the laws of the United States or of any State or Territory thereof or the District of Columbia on the date of the loss, damage, destruction, or removal of its property, and not reincorporated or otherwise reorganized under any other laws in the period beginning with the date of the loss and ending with the date of filing claim. In addition the proposed bill requires as a condition of eligibility for such corporations or business entities that at least 50 percent of the outstanding capital stock or other proprietary interest in such entity was owned directly or indirectly by natural persons who could qualify as eligible claimants as described in the preceding paragraph.

These provisions of eligibility follow the traditional and generally accepted principle of international law relating to the nationality of claimants asserting claims against governments other than their own. It is believed a strict compliance with the eligibility requirements established by international law is essential since, in theory, the claims are to be paid from the proceeds of vested German assets that have been vested as reparation.

In addition to the foregoing major provisions of the proposed bill certain necessary collateral provisions are included relating to the claims-filing period, limitation of attorneys' fees, deduction for administrative expenses, and similar administrative matters.

These are more particularly described in the following section-by-section analysis of this part of the proposed bill.

Section 5 amends the War Claims Act of 1948, as amended, by designating such act as title I.

Section 6 amends new title I by changing the word "act" to "title" wherever the word "act" appears.

Section 7 further amends the War Claims Act of 1948, as amended, by adding at the end thereof the following proposed title II containing sections No. 201 through 220. These sections provide as follows:

Section 201 contains definition which would require that the loss, damage, destruction, or removal for which compensation is claimed shall have occurred within the territorial limits of Albania, Austria, Czechoslovakia, Germany, Greece, Poland, and Yugoslavia as those limits existed in continental Europe on December 1, 1937. These countries are included since no provision has been made or is likely to be made for the payment of American war claims arising in these areas. In addition this section defines the term "Commission" to mean the Foreign Claims Settlement Commission of the United States.

Section 202 creates in the Treasury of the United States a fund to be known as the German Claims Fund and directs the Secretary of the Treasury to cover into this fund $100 million from the moneys to be paid to the United States by the Federal Republic of Germany under the agreement dated February 27, 1953, settling the United States claim against Germany for postwar economic assistance. In addition this section requires the deduction from such fund of an amount equal to 5 percent thereof as reimbursement to the United States for expenses incurred by the Commission and the Treasury Department in the administration of the claims program subsequently authorized.

Section 203 contains the basic authorization to the Commission for the receipt and settlement of five categories of claims which have been previously described in the summary of the major provisions of the bill.

Section 204 specifically excludes certain items of personal property, including tangible property, from the types of property the loss, damage, destruction or removal of which forms the subject matter of any claims authorized under section 203. Section 204 further provides that in determining the amount of any award credit shall be given for the amount which any claimant has received or is entitled to receive from any source on account of the same loss, damage, destruction or removal, thus preventing double benefits.

Section 205 relates to the eligibility of natural persons and corporations or business entities as claimants under proposed title II. The provisions of these sections have heretofore been described in more detail.

Section 206 relates to claims based upon proprietary or other interests in corporations or business entities. These provisions have been heretofore summarized and need not be repeated.

Section 207 requires the Commission to give public notice in the Federal Register within 60 days after enactment of the proposed bill or within 60 days after enactment of legislation making appropriation for administrative expenses, of the time limit for filing claims, and permits a maximum of 18 months after such publication within which claims may be filed.

Section 208 restricts recoveries under any claim which accrued to a national of the United States and purchased by another national of the United States to the amount of the actual consideration last paid for such claim prior to January 1, 1953. In other words, this section is designed to prevent unconscionable gains as a result of purchases motivated by this legislation.

Section 209 requires the certification of claims to the Secretary of the Treasury for payment.

Section 210 requires all awards to be paid from the German claims fund and permanently appropriates the money in such fund for the making of payments on all certified awards.

Section 211, subsection (a), sets forth the order in which awards shall be paid by the Secretary of the Treasury. The provisions of this section have been heretofore described in the summary of the proposed bill and need not be repeated here.

Subsection (b) requires payments and applications for such payments on certified awards to be made in accordance with regulations of the Secretary of the Treasury.

Subsection (c) provides that the term "award" shall mean the aggregate of all awards certified in favor of the same claimant

UNIVERSITY OF MICHIGAN LIF

except awards made with respect to death or disability claims where the basis of the claim would not consist of a series of losses by the same claimant.

Subsection (d) authorizes the issuance of a consolidated award in favor of several claimants having an interest in the subject matter of the claim and provides that such awards shall indicate the respective interests of such claimants therein. In other words, for example, where the original owner of destroyed property, who would have been an eligible claimant, dies either before or after filing a claim, the heirs of such deceased original owner would be entitled to a consolidated award based upon such loss to the extent of their respective fractional interests therein.

Subsection (e) expressly authorizes the Secretary of the Treasury to create a reserve for the payment of certified awards and to defer payment thereof if such deferment is necessary or desirable and thereupon to make payments on account of all other awards. In other words, this provision is designed to prevent payments under later priorities from being delayed because of legal problems or other difficulties arising in connection with payments under awards having an earlier priority. For example, payment of an award may become impossible to make at a particular time because of litigation among survivors of an award holder or possibly because of corporate dissolution. Under these circumstances the payment of such award might be delayed for several years. Under this provision, meanwhile, a reserve could be set up in an amount sufficient to cover such an award and the Secretary could thereupon proceed with payment of awards having a later priority.

Section 212 provides that the payment of any award unless in the full amount of the claim shall not divest the claimant, or the United States in his behalf, of the right to assert a claim against any foreign government for the unpaid balance of his claim filed with the Commission.

Section 213 provides that the decisions of the Commission in the settlement of claims shall be final and conclusive without recourse to review in any court. It contains, further, the usual provision authorizing the Comptroller General to allow credit in the accounts of any certifying or disbursing officer for payments in accordance with the decisions of the Commission.

Section 214 authorizes appropriations by the Congress for necessary funds with which to administer the program.

Section 215 limits the fees of attorneys or others acting in behalf of any claimant in connection with any claim filed with the Commission to a maximum of 10 percent of the total amount paid pursuant to a certified award and sets forth certain criminal penalties for violation of this provision. This provision represents the accepted policy of limiting such fees in connection with claims and other services in matters involving agencies of the Government of the United States.

Section 216 authorizes payments under certified awards to the legal representative of any deceased person or persons under legal disability except where such payments will not exceed $1,000 and there is no qualified executor or administrator. In such cases the Comptroller General would be authorized to determine who is entitled to such payment. In other words, where the payment does not exceed $1,000 the expense of obtaining the appointment of administrators or guardians or of probating a will will not be required.

Section 217 prevents payments to any persons who collaborated with the enemy in World War II.

Section 218 incorporates certain definition and administrative provisions contained in the War Claims Act of 1948, as amended, making such provisions applicable to the administration of the German claims program. These provisions relate to rule-making authority, notice of the claims filing period, hearings, subpena powers and related administrative matters.

Section 219 requires the completion of the German claims program within 5 years after the enactment of legislation making appropriations to the Commission for administrative expenses and provides that nothing in the provisions with respect to such program shall be construed to limit the life of the Commission or its authority to act with respect to other claims programs.

Section 220 directs the Secretary of State to make available to the Commission records and documents required by the Commission in the settlement of the claims authorized under proposed title II.

Section 8 of the proposed bill is a severability provision.

Masaryk Memorial Dedication

EXTENSION OF REMARKS
OF

HON. ROMAN L. HRUSKA

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 8, 1955

Mr. HRUSKA. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD an address delivered by me in Chicago, Ill., on May 29, 1955. The occasion was the dedication of the Thomas G. Masaryk Memorial, which is located on the Midway near the University of Chicago campus.

The dedication was under the joint auspices of numerous patriotic, religious, fraternal, and civic organizations, whose membership is composed chiefly of Americans of Czechoslovak birth or descent.

It was a splendid demonstration of unity and harmony.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF HON. ROMAN L. HRUSKA, OF NEBRASKA, AT MASARYK MEMORIAL DEDICATION, CHICAGO, ILL., MAY 29, 1955

This day is destined to remain for many years as an important milestone in the lives of hundreds of thousands of Americans of Czechoslovakian descent. Many are with us here in body, all are here in spirit to honor the memory of one of the truly great men of our century. This day has similar import for all Americans for we are here to honor not a nationalist nor the patriot of a single country, but a world renowned figure of deep meaning to all humanity. We are here to dedicate formally this splendid tribute in granite and bronze, erected in the memory of Thomas Garrigue Masaryk, whose greatness far outreaches the boundaries of his own beloved Czechoslovakia.

Masaryk has a permanent place in the hearts of men everywhere to whom the ideals of democracy are more than just mere political catch phrases. One effective way to evaluate fully his meaning and his devotion to the cause of the common man is to see in his personality and life something of the qualities of great Americans who worked, lived and fought for human liberties through the past 9 score years of our own Nation's history.

The names of Masaryk and George Washington are often linked. Each is justly called father of his country. Anyone familiar with Masaryk's devotion to the concept of the utter need for dignity and integrity of the individual man, is struck immediately with the similarity between Thomas Masaryk and Thomas Jefferson, the ideological father of the American Republic. It was Abraham Lincoln who carried further the ideals of pure brotherhood and who fought against dissension and cleavages of the American Union. It was Masaryk who carried on similar battles in his own Czechoslovakia—4 scores of years after Lincoln's untimely death. And finally there are Masaryk and Wilson, both dreamers of a better, peaceful world; both advocates and supporters of international cooperation designed to bring about peace and good will among men the world over.

Viewed in this way, it is no wonder that we see in Masaryk more than just the founder of the Czechoslovak Republic and its first president during the hesitant years following World War I. We see him as a true world figure, as one of the rare occurrences of a century when a really outstanding man rises on the crest of world history and plays his role nobly, honorably and to a successful conclusion. This is no doubt why a famous world author, when once asked who should be chosen as the head of the United States of Europe, answered without a moment's hesitancy, that only Thomas G. Masaryk of all the men of Europe could fill such a lofty position.

Masaryk had a great love for America. This love and his affinity with its ideals were based not only on book learning but upon personal contact and observation as well. His American wife was a tremendous influence and inspiration in his life. Some 50 years ago, he lectured here at the University of Chicago. In the early days of May 1918, after returning from Siberia where he inspired his legionnaires in their courageous efforts, he came to this great city of Chicago to receive truly unforgettable acclaim.

Then occurred a highly significant event in his life. From Chicago he went directly to Gettysburg to visit its famous memorial battlefield. During his uninterrupted study and meditation, much of it while strolling along the silent paths of that sacred ground, Masaryk rounded out his thoughts, reevaluated the world situation, and formulated his historical message to Woodrow Wilson wherein he stressed the importance of Czechoslovakia's independence to the needs of world history then unfolding.

During this stay, Masaryk made the acquaintance of a local minister who was greatly impressed by the appearance, personality and thoughts of this lonely stranger gathering strength and resolve from the hallowed soil of Gettysburg. In appreciation of his sympathy for Masaryk, the minister gave him a souvenir—an old cannonball, taken from the battlefield there.

This cannonball Masaryk brought with him to Prague and treasured it always as a symbol and reminder of the insight which he gained at Gettysburg into the essence of the American proposition and of the great possibilities which that essence possessed for infusion into the lifestream of his own beloved Czechoslovakia.

What is it that he learned at Gettysburg? What was the deep truth and the inspiration which he grasped there? We can best tell that from his message of welcome delivered to a delegation of American Legionnaires at the Independence Day celebration July 4, 1919, at the Old Castle in Prague. Here are his words:

"The entire battlefield at Gettysburg is but a museum of monuments. Not only every officer but every single private who fought and fell there is remembered here, either by a headstone or by his name engraved on a joint monument. It was there that I fully realized the profound foundation of the American democracy, yes democracy in the

Army too, a democracy which remembers not only its generals, but all those who have lost their lives in defense of man's liberties. And when later I read Lincoln's immortal words, engraved in steel, that the Government of the people, by the people and for the people shall not perish from this earth, I was deeply moved and fully understood the meaning of American democracy. I say American democracy because there are as many forms of democracy as there are states and nations. For myself, I feel nearest to and accept the principles of American democracy. At this time I can declare that these principles always were, are now and ever shall be the guiding principles of the political aspect of my life, because they are near to our nation, and because our people accept them for their own, and will ever be united by them with America, united in this spirit of freedom and democracy."

Masaryk never wavered from this belief. He clung to it to his dying day. During all those years, the old cannonball from Gettysburg occupied a place on his writing desk as a steadfast reminder and memento of the deep, stirring, emotional experience at that memorial battlefield in Pennsylvania.

This is but one of many instances which clearly show how close Masaryk was to the spirit and soul of America.

It is highly fitting that this historical dedication be held in honor of this great champion of the rights and aspirations of individual man. We honor him as one to whom biographers and writers have referred as "the finest intellect of the century." We honor him as the philosopher who became a statesman in spite of himself, as the father of a state who was also its simplest citizen, and as an unchallengeably firm democrat who believed in the rule of tolerance. It is especially fitting that this memorial is being dedicated so close to the University of Chicago where 50 years ago Professor Masaryk delivered his first series of lectures on the problems of the small nations.

But let us note that at this same time there goes on behind the Iron Curtain a long and sustained program in which his memory is being vilified, maligned, and smeared by the Communists. Recently in Masaryk's own city of Prague there was unveiled a monument to Stalin the Conqueror, in further evidence of the uneasy anxiety of the powers that be to drive the memory of Masaryk from the hearts and minds of his faithful people.

Ladies and gentlemen, knowing history and human nature as we do, knowing the mind and determination of the Czechoslovakian people for what they are, we can state unequivocally our faith and confidence that no monuments like that of Stalin, no suppression, no oppression, no amount of slander and vituperation cast in Masaryk's direction will ever change or conquer the people of this brave nation.

These people will not accept the Communist credo of hate which is now busy trying to destroy all that is noble, fine, and lofty in man. Their inborn steadfastness and loyalty, developed through the centuries, will not change over night or in a few short years.

Only a few short weeks ago, after a decade of painstaking, torturous effort, the Austrian Treaty was signed. Under its terms, the Soviet will recede from its post World War II high watermark for the first time. May it be the first of similar additional retreats. Under the leadership of President Eisenhower and Secretary of State Dulles there have been other events of great meaning in the international field which have resulted in a new and optimistic trend for easing of tensions and toward real peace. This gives rise to renewed hope that restoration of liberty and freedom in Masaryk's native land will not be far off. Constant and renewed demand is in order for free and fair elections in the small nations still held in bondage, including Czechoslovakia, so that the great day will be hastened. Every suitable and legitimate avenue should be explored and used to the utmost in the incessant search for peace so that the President liberator's dreams for his fellow countrymen will once again come to full fruition.

Masaryk's own words inscribed at the base of this memorial well express an eternal truth which no Communist regime can eradicate, "Jesus, not Caesar." It is not blood, bestiality, and oppression which will rule the world, but rather love, brotherhood, and humanity. Let us all envision and pray for that better, peaceful world, the kind of world Masaryk believed in, worked for, and dreamed about. It is the kind of world in which the philosophers and the wise shall be as kings and yet as the simplest of citizens, and in which men like Thomas G. Masaryk will be better understood and looked upon with awe and reverence.

It is in this spirit that we dedicate this memorial.

Appropriations for Maritime Activities

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, June 8, 1955

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement outlining my views with respect to current appropriations for various maritime activities of the Federal Government, which I made before the Commerce Subcommittee of the Senate Committee on Appropriations on June 4, 1955.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

Mr. Chairman, I deeply appreciate your kindness in making available to me this opportunity to express my opinions on appropriations for various maritime activities of the Federal Government. These opinions are fortified by detailed considerations and intense studies by myself, not only as a member of the Senate Committee on Interstate and Foreign Commerce, but as chairman, last year, of the Subcommittee on Water Transportation. I shall be brief and to the point.

It seems to me that the time has come for the Congress to cease its irresolute pose in regard to the need for an American merchant marine.

Long ago, in 1920 and 1928, again in 1936 and 1946, and on numerous other occasions Congress has affirmed and reaffirmed as a national policy, that there must be maintained a privately owned merchant marine adequate to the needs of peace or war.

Yet there is always much hemming and hawing, whenever the question of financial implementation of that national merchant marine policy arises.

Our military leaders are unanimous in declaring that American shipping is an indispensable arm of defense in event of war. The Department of Commerce, after a most thorough study of all aspects of our maritime problems, proclaims that the national policy with regard to shipping is essentially sound, and enunciates certain reasonable conclusions as to what is reasonably necessary to assure establishment and maintenance of the prescribed adequate merchant marine.

Yet each year, again and again, there are those in the Congress who refuse to face squarely the obligations imposed by the national maritime policy. The Commerce appropriations measure for fiscal 1956 is a typical instance of congressional backing and filling in this respect.

The House bill as transmitted to the Senate might justly be termed an irresponsible bill, that ignores not only the Nation's contractual obligations toward the American shipping industry, but turns its back likewise on sound policies of preparedness, an action that could result in incalculable harm should the Communist attack, so long feared, actually become a reality.

By eliminating $25 million from the budget figure for payment of operating subsidies to the shipping lines, the House has placed this Nation in the position of defaulting on its obligations. The Maritime Administration, acting under authority given by the Congress, agreed to pay these subsidies to the lines, to enable them to operate in the face of competition by foreign shipping whose lower wage and other costs give them an enormous competitive advantage. Without these operating subsidies, our shipping is confronted by even bleaker times. We have told them to continue operating—that we would help to the extent of the operating differential in costs. And now we are in the position of "welshing" on our promises—a position which I am certain you, the members of the Appropriations Committee, would not sanction.

In reducing the ship construction funds from $102,800,000 to $64,700,000, the House has uttered an emphatic—but I believe thoroughly unwise—"No" to provisions for the construction of prototype cargo vessels and tankers that would prevent, in the event of further war, another fiasco like the Liberty-ship program of World War II.

When emergency strikes, there is no time for planning the types of cargo ships and tankers that would be most useful to the military. We had no plans for such construction in World War II and, such was the need for haste, we had to settle for the slow Liberty ships that were outmoded before construction, and have been of little use since.

The prototype ships for which funds were eliminated by the House are intended to serve a most strategic purpose—they are to be the models upon which a construction program, to meet any future emergency, could be formulated. If constructed now, and thoroughly tested in actual use, they would save valuable time and probably millions or billions of dollars in any future war.

These penny-wise, pound-foolish cuts should be restored in the interest of our own self-respect, as well as in the interest of national security. We suffered the agonies of exorbitant costs in World Wars I and II for lack of forethought in the matter of ship planning. We certainly should not make that same mistake a third time.

Thank you so much for your courtesy. I fervently hope that your subcommittee will recommend the restoration of these funds.

Statement by Hon. Herbert H. Lehman, of New York, Before Senate Subcommittee on Refugees, Escapees, and Expellees

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Wednesday, June 8, 1955

Mr. LEHMAN. Mr. President, I ask unanimous consent that a statement made this morning by me before the

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Senate Subcommittee on Refugees, Escapees, and Expellees be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HERBERT H. LEHMAN, OF NEW YORK, BEFORE THE SENATE SUBCOMMITTEE ON REFUGEES AND ESCAPEES IN SUPPORT OF S. 1794, AMENDMENTS TO THE REFUGEE RELIEF ACT OF 1953

Mr. Chairman, I am extremely pleased to appear before this subcommittee on the critical matter now pending before you, namely the question of amending the Refugee Relief Act of 1953.

As I understand it, the hearings today and tomorrow are to be devoted primarily to S. 1794, the bill introduced by myself in association with Senators HUMPHREY, KEFAUVER, and DOUGLAS. But there is also pending before this subcommittee S. 2113, introduced by Senator WATKINS and others, consisting of the proposals submitted by President Eisenhower. There has also been introduced within the past 2 days a bill by the chairman of this subcommittee, S. 2149.

Mr. Chairman, I have not had the opportunity, or the time, to study the bill you introduced, the Langer bill. I am sure that it contains constructive proposals. However, not having been able to study it, I shall direct my remarks today to my own bill, S. 1794, and the Watkins bill, S. 2113.

Although I am well aware of the fact that these hearings are on S. 1794, I am sure the subcommittee would want me to include reference to S. 2113 also and to compare the 2 bills. If I had the time to study it, I would have liked to make detailed reference to the Langer bill as well.

Mr. Chairman, I know of your personal interest—and I am sure of all the members of this subcommittee—in the subject matter at hand. This subcommittee has conducted hearings in the recent past on the manner in which the Refugee Relief Act and the refugee relief program have been administered. You have heard a number of witnesses and have compiled a most useful record.

I am sure it is plain to you—as it is plain to the majority of the American people—that the refugee relief program, hopefully inaugurated with the passage of the Refugee Relief Act in the summer of 1953, has gone very badly. In my judgment, it has been a failure. It has brought heartbreak and disappointments to thousands and even hundreds of thousands. This program has floundered on the rocks of administrative red tape, of administrative obsession with so-called security, and of primary defects in the law itself.

Almost 2 years have gone by since the Refugee Relief Act was approved by this Congress and signed by the President. In those 2 years, only a small percentage of the authorized number of 209,000 refugees and escapees have been admitted to the United States. Under this act, which was passed for the primary purpose of admitting refugees and escapees from behind the Iron Curtain, only a handful—some say about 1,000—the official figure is about 6,000—of actual refugees and escapees have received visas for entry into the United States.

This discrepancy in figures is due to the fact that some of these refugees and escapees are also relatives of persons already legally resident in the United States, including citizens. Under the terms of the law, it is much easier for relatives to enter the United States than for refugees and escapees who have no relatives. I am heartily in favor of admitting relatives of American citizens and of permanently resident aliens into this country, but that isn't what we set out to do when we passed the Refugee Relief Act. We told the world that we were going to do a great and humanitarian act. We were going to do our part to provide haven and asylum for those who had fled and might yet flee from behind the Iron Curtain, and for those who constituted the flotsam and jetsam of war and political upheaval in the Old World.

We were going to receive a fair number of these into America.

But the record shows that we haven't. We have failed. Shame has been cast upon the prestige of the United States. While exhorting people from behind the Iron Curtain to take flight from tyranny, we have turned our backs upon them, once they have escaped. We have herded them into concentration camps in Western Germany, Austria, and Italy. There they live, I am told, under the most incredible conditions of hardship—behind barbed-wire fences—not so very much different from the conditions from which they fled.

As far as coming to the United States is concerned, we tell them we are sorry, but the refugee-relief program has such high standards of security and eligibility that they can't come in. We have closed the door in their faces.

I have heard accounts of what goes on in those refugee camps, how the individuals and their families, wives, and children live and subsist. I hope some of the witnesses who appear before this committee, in the course of these hearings, will tell you what they have seen, so that your heart may be wrenched, as mine was.

At this point, Mr. Chairman, I should like to read from a bulletin sent out by the American Friends Service Committee, the great humanitarian voluntary agency of the Quakers, reporting on some of the conditions in the refugee camps in Germany. I should like to quote an excerpt from a report submitted by a Miss Gwen Gardner, a Friends Service Committee field worker, who has been working among and with these refugees, trying to find jobs for them in Germany, while they are waiting for permission to emigrate some place—any place.

I am quoting from the report by Miss Gardner:

"Those of you who are cudgeling your consciences because you wonder if we ought to move DP's who prefer to stay where they are, come with us and visit Landshut. We'll show you things that will tear your heart and put your doubts to rest. Perhaps, as on my second visit with Doris Borrusch, the men will mob us in the dark corridor. They've got wind of our purpose. There is a man with an amputated arm. 'Aren't you the American Quakers finding jobs for people? Look, I'm a painter, too. Can't you get me a job?' And the tall thin man with pleading brown eyes: 'I'm a cook. I've worked with the Americans * * *.' And the burly man with the working overalls: 'I'm a metal worker * * *. You said you wanted metal workers. I'm 53, but I'm healthy. I can work.' But the whole camp is coming. There are rows of men advancing down the corridor. It's the same in the rooms. This gray-haired, square-built, honest-looking man follows us. 'I've got a trade. I'm a carpenter. I want work, too. I'm strong. I'm 55. But I'm stronger than that young man. He's sick. Don't help the young ones * * *; they can get work. The employers take them. It's we older men who need your help. We'd work if they'd let us. Look at that chap. He's a welder. He's strong. He's fit. He doesn't drink. He wants to work. But he's nearly 60. Help him to get out of here.'

"Two young men, both too slightly built to be suitable for the iron foundry that Doris Borrusch has come to offer, pursue us out of the room after we've filled in the questionnaire and seen their papers. 'Please get us out of here. Please help us. Don't leave us. We'll rot if we have to stay here,' says the one who has had a 2 months' prison sentence for fighting.

"We have 3 jobs to offer among 400 men. Which shall we choose? Whom must we reject? The ones who need our help most are the ones with handicaps, the ones who are sliding down. But the employers don't see it that way.

"Herr Marton, who has been filling in forms and interrogating since 7 a. m., looks tired and drawn, but he looks at me with a smile as we pack up our day's work as it gets dark, and says: 'I'm glad you've given me this to do. It's very worthwhile work. I don't think we shall do it in vain. We've got to get these people out of here. * * * Some of them can be saved.' "

There is more, much more to this report, but I am not going to read any more. I wanted only to indicate the nature of our obligation * * * and the enormity of our failure thus far to contribute significantly to its solution.

Oh, Mr. Chairman, descriptions like this one should haunt our dreams and bedevil our consciences, until we do something about it.

Thanks in part—in very large part—to the hearings held by this subcommittee on the administration of the refugee relief program some weeks ago, which in turn were largely inspired by the Corsi incident—and I hope Mr. Corsi is going to testify on the legislative proposals now pending before you—national attention was focused on the failure of the Refugee Relief Program.

As a result—and belatedly, if I must say so—President Eisenhower, just 2 weeks ago, sent a message to the Congress proposing certain amendments to the Refugee Relief Act. Even he admitted that "the purposes of the act are not being achieved as swiftly as we had all hoped." President Eisenhower said further in his message that "a number of the provisions of the act require amendment, if the act's objectives are to be fully achieved."

Mr. Chairman, I and other Senators, including members of this committee and Members of the House of Representatives, have been talking about the failure of this program for a long time. Regularly, for the last 18 months, we have been making speeches on the floor of Congress and elsewhere, warning against the collapse of the refugee program, decrying its frustration and urging its rescue, both by administrative improvement and by amendments to the law. Our voices were not much heeded in the past but now, at last, the President of the United States has taken cognizance of the situation—he has recognized it—and has proposed to the Congress a set of amendments to the Refugee Relief Act. He has also pledged that changes would be made—some of them have possibly already been made—in the administration of the act.

Let me say at this point that the amendments proposed by the President are, for the most part, sound ones. Some of them were proposed by Representative WALTER in the House early this year, and some by Representative CELLER. Other proposals for changes in the law, as contained in the President's message, are new and reflect both the experience of the administrators of this act, and a newborn anxiety on their part to make this program work. They know that they are going to be held to account before the bar of public opinion.

In any event, the President's proposals have been submitted to Congress and they have been introduced as S. 2113 by Senator WATKINS and others. The Watkins bill was introduced on May 31, just a week ago.

I introduced my set of amendments, S. 1794, on April 25, in association with the junior Senator from Minnesota [Mr. HUMPHREY], the senior Senator from Tennessee [Mr. KEFAUVER], and the senior Senator from Illinois [Mr. DOUGLAS]. I shall explain in some detail the purport of our proposals.

I want to say, however, that I have no pride of authorship in the language of our bill. I would be glad to have S. 1794

amended, where appropriate, by this subcommittee, on the basis of either the President's recommendations or the Langer bill, in order that the best bill possible may be reported to the Senate and acted upon by both the Senate and the House.

I shall append to my testimony a detailed comparison between the President's proposals and those contained in S. 1794. I want to say, however, that in my judgment, the President's proposals do not go far enough in several major respects. I do not think that the Watkins bill, S. 2113, would fully accomplish what we all want to accomplish—and I am sure that the distinguished members of this subcommittee, including Mr. WATKINS, share with me a desire to make the refugee relief work. I have no doubt of that whatsoever. While the Watkins bill, in its present form, would certainly improve the act, it would not do the job altogether.

There are several provisions recommended by the President, however—and one especially—which are not included in my bill and which I think are very good indeed. I will mention one of these provisions particularly at this point.

I refer to section 3 of the Watkins bill, which amends section 4 of the Refugee Relief Act by authorizing the admission of up to 1,000 aliens who are members of family units eligible to enter the United States under the Refugee Relief Act but who would otherwise be prevented from entering on account of tuberculosis.

I think this feature of the Watkins bill is an excellent, a very humane and forward-looking one. If my bill is reported out by this committee, I hope it will be amended by adding to it section 3 of the Watkins bill. I commend the administration and Senator WATKINS for having proposed it. I will refer to the other sound feature in the Watkins bill, not covered in my bill, later on in my remarks.

Mr. Chairman, before going into further detail about my bill or S. 2113, I would like to refer to my personal interest in this general subject. I have been concerned with the problem of American policy toward immigration—toward displaced persons and refugees—for many years—indeed, since World War I. Even before I became a Government official, I took a very active part in the work of the joint distribution committee, which, as most of you know, has played an important role as a voluntary agency in arranging for the immigration and resettlement of persons of the Jewish faith who have been subjected to persecution, or who have been uprooted and displaced by war and political upheaval.

When I became a public official of New York State, I took, of course, a special interest in what the Government was doing and should be doing about the problem. New York City is the place where most aliens and immigrants arrive. We have a higher percentage of naturalized citizens and of first-generation citizens in New York than in any other State in the Union. In my judgment, this has been a major factor, perhaps the most important single factor, in the tremendous growth and development of New York State, not only in population, but in industry, commerce and individual enterprise.

I would like to say at this point that I consider New York State to be in a way the most typical State in the Union in the sense that it represents in essence one of the basic ideas which have made America great—the idea of the melting pot.

It is natural, therefore, for New York State to have a special interest in the subject before us. And New York State has such an interest, I assure you.

I would also like to recall that I served for some years as director-general of the United Nations Relief and Rehabilitation Administration—UNRRA. I was the first director-general, and in that capacity I was responsible for the program to relieve the hunger and sufferings of millions of refugees and dislocated persons during and following World War II. We set up refugee camps all over Europe and the Middle East. We fed people by the millions. We arranged for their migration to other parts of the world which were ready to receive these displaced persons.

I have seen countless thousands of refugees with my own eyes. I think I know, to some extent, what it means to be a refugee. There is nothing more heartrending and more appealing to the humanitarian instincts in all of us than the sight of a refugee camp.

So let us look at the legislation before us in human terms. It should not be just a matter of statistics, of visas issued, or aliens admitted. No; it should be a question of succoring hundreds and thousands of homeless persons—of persons who have gone through the hell of war and of displacement, of individuals who have survived slave labor camps and who have escaped from the unbelievable tyranny and indignity of Communist rule.

I would like to digress at this point from the subject of the refugee relief program and say a few words concerning our basic immigration and citizenship laws. To me the question of the refugee program is collateral to the more fundamental question of amending the McCarran-Walter Immigration and Naturalization Act. As you know, the refugee program must work within the framework of the restrictions and regulations of our basic immigration law. In my opinion, this is one of the reasons—not the only one, by any means—why the refugee program has not been more effective. I hope that we can make the refugee program work by amending it—and then get on with the major problem—that of amending our basic immigration laws.

There is one major administrative action which I believe must be taken to achieve the major purpose of the refugee program. The President and the Secretary of State can and should direct the responsible officials to turn the present cumbersome program into a "crash" program. Such a directive from the President would do a great deal to change the attitude of many of the officials connected with this program who have, until now, insisted that this legislation was merely permissive and really didn't mean that refugees had to be admitted into the United States.

Yes; some changes in administrative attitude are necessary, if this program is to be snatched from the brink of failure. It is a fact that until the recent furor over the firing of Mr. Edward Corsi no one in the administration seemed particularly concerned with the failure or success of the program.

Fortunately for our Nation, and for the refugees, Mr. Corsi had the courage to stand up and call attention to the failure of the program.

I do not know that in the last few weeks there has been an unusual flurry of activity on the part of the officials responsible for the operation of this program.

Mr. Chairman, one of the spokesmen for the administration who came before this committee some time ago and tried to explain the delays which have occurred in carrying out the operations of the Refugee Relief Act compared the processing of the applicants under the act to an automobile production line. The analogy with automobile production seems to come easily to the officials of this administration, for some reason or other.

It was explained that the slowness in issuing visas was due to the fact that it took time to establish a production line.

Mr. Chairman, I, for one, feel that this figure of speech, comparing the handling of human beings with the production of automobiles, was a most unfortunate one. Human beings are not automobiles and cannot be assembled or disassembled as such.

No, Mr. Chairman, I do not believe that there is or was any excuse for the roadblocks thrown in the way of this program by the negative attitude of those who were in charge of it. Their attitude was, in my judgment, completely unjustifiable.

I have taken note of the assurances which have recently been given me that this attitude, on the part of the administrators of this program, has changed, at least on the part of the top administrators, and that they are now determined to carry out the program in the spirit in which it was originally intended.

I am willing to accept these assurances at something less than their face value, but still to accept them and to hope for the best if the Congress decides, in its wisdom, to continue to vest the administration of this program in the same hands which have held it up to now.

Even the administrators of this program now concede that amendments are necessary to the act. A year ago they said that no amendments were necessary. Now the President proposes some amendments and those in charge of the administration of this program are urging the Congress to follow the President's recommendations. Their conversion is tardy—and has been costly to the United States. And who can say what the cost has been to the human beings who have been forced to endure so much longer the sufferings and privations which have been experienced by the refugees and escapees from behind the Iron Curtain. That cost cannot be measured. It can only be felt.

And now, Mr. Chairman, I come to the details of the legislation before us. I address myself to S. 1794, and also to the Watkins bill, S. 2113. As I said before, I have not had a chance to study the bill introduced by you, Mr. Chairman, the Langer bill, S. 2149.

Comparing S. 1794 and S. 2113, Mr. Chairman, I would say that there are several good provisions in the Watkins bill which are not included in my bill. I have already referred to one of these, namely section 3 of the Watkins bill, which authorizes the admission of 1,000 tubercular members of families otherwise eligible under the terms of the act.

There is also language in section 2 of the Watkins bill which permits members of family groups to follow rather than to accompany senior members of the family group who have been found eligible under the act and have been granted visas. Thus, under the terms of this provision, children, wives and spouses could follow later, if for one reason or another they were not ready or not yet found eligible to accompany the member of the family who has been granted a visa under this program. There is no comparable provision in my bill. I strongly urge that the bill that is reported out include such a provision.

There is also a good provision in the Watkins bill which provides that the eligibility of the applicants under the refugee relief program shall be determined solely by the consular officer and shall not be subject to review by the immigration officer. This means that the consular officer will be given the authority to decide whether the applicant fulfills all the special requirements of the Refugee Relief Act, as distinct from the general requirements of the McCarran-Walter Act. Under the present Refugee Relief Act provisions, both the consular officer and the immigration officer have separate authority to determine whether an applicant is an eligible refugee or escapee. This has resulted in much confusion, delay and contradiction between the rulings of the consular officer and the rulings of the immigration officer. I believe this is a very sound provision. There is no comparable provision in my bill.

Otherwise, and in general, Mr. Chairman, I believe my bill is broader and better in its terms, although there are a few provisions which are virtually identical in their effect. One such provision is in section 7 of my bill and section 10 of the Watkins bill, which would eliminate the present requirement of a 2-year security check on escapees and refugees—a provision which virtually defeats the whole purpose of the act and the program.

Under present law each applicant must provide documentation covering 2 years of his past life, showing everything that he has been doing during those 2 years, and that he is anti-Communist, among other things. For those who have just escaped from behind the Iron Curtain, this is an obvious impossibility in all but rare cases. Both the Watkins bill and my bill recognize this fact and both bills would repeal this requirement which is found in subsection 11 (d).

The first major difference between the two bills is in the definitions. The Watkins bill relaxes somewhat the presently unworkable definition which requires an escapee also to be a refugee, under the very strict definition in section 2 (a) of the present law. My bill would combine the two definitions and eliminate entirely the term "escapee." I provide a sample, workable definition for "refugee," which would cover both refugees and escapees.

Under my amendment the term "refugee" would include persons who are displaced from their country of birth or nationality as a result of events prior, during, or subsequent to the outbreak of World War II, and as a result of present political conditions, fear of persecution, military operations, etc., are unable to return to their natural place of abode. This would cover both refugees and escapees. There is no reason to make a distinction between refugees and escapees. Any distinction is only cumbersome and contributes to delay and confusion in interpretation. I believe in this respect my bill is preferable to the Watkins bill.

In my bill the definition of expellee—those of German descent who were forced to flee when the Communists approached—is left the same as in present law. In the Watkins bill this definition is modified somewhat—in an obscure way, in my judgment. I do not understand the reason for it.

In both bills the requirement for a valid passport is eliminated, and this is a good thing. Many refugees and escapees cannot obtain passports. They are stateless. Obviously, it is difficult for an escapee to get a passport from the officials of the country from which he has fled. This has been a great source of difficulty in the administration of the program. Both bills relax this requirement.

There is a related requirement in present law which has also been a source of frustration, confusion, and delay, and that is the requirement for a certificate of readmission to the country from which he migrates for each individual who is admitted under the refugee-relief program. This has required agreements with other countries and resulted in endless delay. Some countries will not give certificates of readmission. My bill eliminates this requirement. The Watkins bill also eliminates it, but not quite as plainly, in my judgment, as S. 1794.

S. 1794 increases the quota for refugees now residing in North Atlantic Treaty countries by 15,000 and adds Spain and north Africa to the list of countries from which such refugees are eligible to be admitted into the United States. There are a number of Yugoslav refugees in Spain and a number of refugees of assorted national origins in north Africa whom we should surely include in the refugee program. They are as needy and as deserving as the others in the same group. This change is found in section 2 of S. 1794, amending paragraph 3 of section 3 (a) of the present law.

My bill would strike out the word "ethnic" wherever it appears in the bill, except in the definition of German expellees. I believe that this is an odious term at best. It has no use and no place in those parts of the bill, other than in section 2 (c) of the act, in connection with German expellees. The term is repugnant to our national concepts. It should be eliminated. It serves no purpose but to obstruct and delay this program.

My bill would raise the age of eligible orphans from 10 to 14. There is no real reason to limit the definition of orphans to children of 10 years or under. All the responsible voluntary organizations working in this field are agreed on this fact. An orphan is just as appealing, just as desirable, and just as adaptable to the United States at the age of 14 as at the age of 10. The Watkins bill raises the age limit to 12.

It has been brought to my attention that there may be some difficulty in raising the age limit to 14 because of the requirement by regulation that persons 14 years of age or older must undergo full security clearance. Setting the age limit at 13 years would obviate this difficulty. I am sure the committee will act justly in this regard.

My bill also repeals outright section 12 of the present act, a section which sets up a completely unworkable system of priorities for the issuance of visas. As far as I can learn, nobody has been able to understand thoroughly what Congress meant by section 12. This provision has been ineffective and it has caused delay and confusion without any constructive benefits for the United States or for the program. I propose the outright elimination of this section. I think it would speed things up considerably.

The provisions of both the Watkins bill and S. 1794 are similar in their effect in the important matter of agency assurances. The present act prohibits the use of agency assurances. This has been one of the chief barriers to the orderly operation of this program. The voluntary agencies have been ready, willing, and anxious to cooperate with this program and to help make it a success, but they have been severely handicapped in doing so by the language of this act—and by the administrative interpretation of it—which has prevented the voluntary agencies from providing the assurances and from assuming the responsibility for placing these immigrants in suitable housing and jobs.

There has been very bitter feeling about this provision and I believe it should be repealed and agency assurances should be accepted. These agencies are fine, upright, and reputable organizations. They did a marvelous job with the displaced persons program. They can be trusted to perform similarly with the refugee relief program. The agency assurances worked with the displaced persons program—and they will work with the refugee relief program.

The provision covering this matter in S. 1794, namely section 6 (a) is, in my judgment, preferable to that in the Watkins bill.

Both bills have a provision relaxing present restrictions for individuals already in the United States who qualify under the terms of the Refugee Relief Act. The Watkins bill increases the number who will be so eligible from 5,000 to 10,000. I strongly approve of this increase in the number. It is not included in my bill.

Both bills relax the present requirement that an alien, to be eligible to have his status adjusted, must have entered the United States legally. I propose to eliminate that requirement, presuming that the alien has conducted himself in a proper manner while he has been in the United States, and has otherwise conformed to the requirements of admission as a legally resident alien. The Watkins bill would specifically authorize the Attorney General to waive this requirement in cases where he finds such a waiver justified. My bill would accomplish the same purpose and in a simpler way. In the case of both bills the Attorney General would be required to rule on whether the alien in question should, in fact, be considered a suitable person to have his status adjusted.

Finally, we come to two major differences—the most vital differences—between S. 1794 and the Watkins bill, S. 2113.

These two differences pertain in the first place to the administrative setup, and in the second place to the use of unused visa numbers under the program.

My bill proposes that the present provision of the law dealing with the administration of the program—a legislative monstrosity, in my judgment—be changed to make the administrator of the program responsible directly to the Secretary of State and only to him, and to free the Administrator from subservience to any bureau in the State Department.

At the present time, under the present law, it is required that the administrator be the Director of the Bureau of Security and Consular Affairs—an incredible confusion of functions. The Director of the Bureau of Security and Consular Affairs has enough to do. His is a police and review function. The administrator of the refugee program should have no other job and no other responsibility. His is a humanitarian mission, not a police function.

I strongly urge upon this subcommittee the approval of my section 10, which sets up the administrator of this program in direct line of responsibility to the Secretary of State. The President or the Secretary of State can redesignate the present administrator, if they so desire. That is their responsibility. But the administration of this program should not be tied to the Bureau of Security and Consular Affairs.

I challenge anyone who believes in sound governmental and administrative principles to justify such an association.

I don't want to interfere with the orderly progress of the program. I can see that it would require quite a readjustment to break in a new administrator in the middle of the program. But I think that this provision of my bill should be adopted. I am sure that the President of the United States will do what is necessary to keep the program going without interruption or delay. I think this change in the law will greatly accelerate the program.

Finally, Mr. President, my bill envisions, as the Watkins bill does too, the strong probability that many of the visa numbers in some of the categories established under section 4 of the present law will not be used up. I would hope this would not be true, but it is most likely to prove true. My bill would extend the life of the program until 1960 and provide that persons eligible under the act can be admitted until 1960.

My bill provides for the reallocation of unused visas among those groups which have the greatest need for visas.

In those categories under section 4 where there are long lists of applications which cannot be granted, the unused visa numbers would be distributed among the various categories in section 4 in proportion to the numbers of applications which have been filed and which have not been acted upon, due to the exhaustion of available numbers in those categories.

The Watkins bill would make these unused numbers available for a worldwide orphan pool. I do not think that such a pool would use up the unused numbers, nor do I think that this is especially the way to handle the orphan problem.

I want to point out, Mr. Chairman, that President Eisenhower, in his message to the Congress, referred to the need for a provision for the use of unused numbers. He did not recommend the worldwide orphan pool as the only solution to this problem. He suggested it merely as an example of what might

be done with the unused numbers. I refer you to the text of his message, the pertinent sentences from which I quote:

"I recommend that there be a provision for the use of unused numbers. Such unused numbers might well be used, for example, for orphans on a worldwide basis."

The Watkins provision on this subject is not necessarily the last word on this matter, even as far as the President of the United States is concerned.

Now, Mr. Chairman, I have completed my summary of the differences and similarities between the two bills. I am going to submit for the record a detailed comparison between the two bills and a detailed analysis and justification for each provision of my bill.

I ask your permission, Mr. Chairman, that these two documents appear in the record at the completion of my remarks, to be made available to all the members of this subcommittee. I will file them subsequently.

Now, Mr. Chairman, I would like for a moment in conclusion to refer to the experience we had with the displaced persons program.

When the displaced persons program was launched in 1948, there was no staff. The displaced persons program was organized as an independent governmental agency, faced with the vast problem of creating a completely new organization. But with all these handicaps, and with a law which in many aspects was even more unworkable than the present refugee law, the record of the displaced persons program in bringing refugees to our country is so far superior to that under the refugee relief program and it defies comparison.

The Displaced Persons Commission worked out many of the techniques which have been followed by the administrator under the present act. The refugee relief administrator has belatedly followed the precedent established in the displaced persons program of stimulating the organization of State commissions to aid in the resettlement of the newly arrived immigrants. Under the displaced persons program there were 36 such State commissions. I would point out that these commissions were started 1 week after the displaced persons program got underway. One year went by after the passage of the Refugee Relief Act before President Eisenhower wrote to the Governors of the States requesting similar commissions to be created.

Under the displaced persons program 4,182 orphans were brought to the United States. The Displaced Persons Commission pioneered in working out arrangements with welfare agencies in the United States and with the various European governments to expedite and safeguard the adoption of these orphans. It is my information that the experience of the Displaced Persons Commission in this field has greatly aided the orphan program under the Refugee Relief Act.

Finally, Mr. Chairman, for the record, I would like to correct a serious error which has cropped up at various times in discussions of the comparison between the displaced persons program and the refugee program. This error relates to the thoroughness of the security checks utilized by the Displaced Persons Commission. Individuals under the displaced persons program were checked by the following governmental security agencies—the FBI, the CIA, the CIC, the CID, the Provost Marshall's office of the Army, the DP investigative staff, the consul's investigative staff, and the investigative staff of the Immigration and Naturalization Service. Certainly the security program under the Refugee Relief Act could hardly be more thorough.

In light of these facts it is appalling to me that in terms of comparative length of operations under the displaced persons program and the Refugee Relief Act, 152,528 visas were issued under the displaced persons program after 20 months of operation while over a similar period, only 34,810 visas have been issued under the Refugee Relief Act.

Mr. Chairman, I hope I have not belabored this point too much. I hope I have not spent too much time reciting the past failures of the program. I had not intended to deal disproportionately with the mistakes of the past, which are, of course, irretrievable.

Now we face the problem of rescuing this program, of salvaging it, and of making the best we can of it.

I assume that this subcommittee will report out some kind of a bill. I am sure that this is your purpose. I am sure that from all the proposals that have been made, a very constructive bill can be put together. I hope this will be done by appropriate changes in S. 1794.

My purpose in appearing here, however, is not only to explain my bill, but to appeal to you to speed action on a set of amendments to revise the Refugee Relief Act in a way that will permit the refugee program to be carried forward to completion and to make it truly possible for the authorized number of refugees, escapees, and relatives to be admitted to this country.

Will Scientists Destroy the Earth?

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1955

Mr. BURDICK. Mr. Speaker, the scientists of today attribute to themselves unlimited power and insight into matters that are invisible and are trying to remake the world and undo what God has done.

God hath made everything beautiful in His time; also He has set the world in their heart, so that no man can find out the work that God maketh from the beginning to the end. I know that whatsoever God doeth, it shall be forever; nothing can be put to it, nor anything taken from it, and God doeth it, that men should fear before Him. That which hath been is now, and that which is to be hath already been.

If anyone thinks that scientists can blow up the world and destroy civilization he is attributing more power to them than they possess. He is ascribing more divine ability to these long-whiskered individuals than their Creator possessed when he peopled the earth.

We get literature here every day explaining the possibility of the complete destruction of the world by the H-bomb, invented and made by scientists.

Since Christians believe that what God has created shall ever be, that nothing can be put to it, or anything taken away from it, can we put any trust in men who say they can destroy what God has made? If the instrument that man has made can destroy what God has made, then we admit that there is no power higher than the mind of man. God is the one who gave him life and God can take it away. We see that enacted every day.

Have we come to a time in this country where we deny the power of the Almighty and say that man is just as powerful, or maybe more so?

This sort of published information is put out among the people all the time, but I do not think it is intentionally done to show the superiority of man's mind over the Divine Creator of the universe. I believe it is done to keep the people in a constant state of fear, and thus to get them to approve a further continuance of our exploits in foreign countries, which have already caused us to expend over $800 billion since our first departure from the advice of Washington and other great men who founded this Government.

One of the astonishing things done here in Congress every year is this: George Washington's Address is read to us by some Member who can dramatically present that address. We listen to it with great satisfaction and approval, yet before another day passes Congress is right back appropriating billions to do just what we were admonished not to do.

Some of these days—I do not predict when—there will be a reversal of this sentiment, and we will get back on the proper course which we followed for 160 years, and which enabled us to build upon these shores the best form of government yet devised by man. Our example has been the guiding light of people everywhere, and at least one spot on the earth's surface should be maintained where liberty and freedom of the individual can be enjoyed. Further cripple this Nation with senseless expenditures and we are endangering the future of this great Government.

I, for one, am not going to sit idly by and see this experiment in government buried in the dust of history as a once grand and glorious institution, nor am I willing to transfer my faith from the Grand Architect of the Universe and rely upon a few midget-minded scientists who have challenged the power of our Creator. This earth is here to stay, regardless of the chanting of those ignorant individuals who feel it can be blown asunder by a few gadgets invented through man-made science.

Statement by the Honorable Daniel J. Flood, of Pennsylvania, on His Bill To Increase the Annual Income Limitations Governing the Payment of Pension to Certain Veterans and Their Dependents

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1955

Mr. FLOOD. Mr. Speaker, I have felt for some time that the income limitations for pensioned veterans has been restrictive and in too many cases has worked a terrible financial hardship upon the loyal and brave Americans who fought in the several conflicts in which we have found ourselves in comparatively recent history.

In the instances where the widow is the recipient of the pension, the financial burden imposed upon her by archaic income limitations is also of a severe nature.

I ask this session of the Congress, on the grounds of humanitarian relief and a logical analysis of the present economic situation in this country, to raise the annual income limitations for certain pensioned veterans and their dependents.

Therefore, I am introducing this bill which I trust will do justice to these long-suffering veterans and their families and with the fervent hope that it will assist them in living out their lives on a higher economic and social plane.

Undesirable Literature

EXTENSION OF REMARKS
OF
HON. RICHARD H. POFF
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1955

Mr. POFF. Mr. Speaker, I most warmly commend the gentlewoman from Michigan [Miss THOMPSON] upon her authorship of the bill, H. R. 3333, a companion bill to S. 600 passed by the Senate. Those who have had the pleasure of serving with her on the Committee of the Judiciary are aware of her keen interest in this subject and the zeal with which she has worked in bringing her convictions to a fruitful climax.

Early this year, I introduced a bill, H. R. 3456, on a related phase of the same subject, and I am only too pleased to say that Miss THOMPSON's bill is better than mine. My bill provided for the establishment of a commission to study the problem and recommend legislation to cure the problem; whereas, I conceive her bill to be the very kind of legislation which I expected the commission to recommend.

Under present law, it is difficult for the Federal Government to exercise any effective form of restraint in the sale or distribution of salacious literature. Publishers and vendors have evaded postal laws and regulations by the simple expedient of transporting the publications across State lines by vehicular conveyances. Once delivered to the local newsstand or retailer, public sale of this literature and other lewd objects, including obscene statuettes, snapshots, movie films, and phonograph records, loses its interstate character and thereby becomes subject to the laws, if any, of the individual State. The Thompson bill states that whoever knowingly transports in interstate or foreign commerce for the purpose of sale or distribution any such obscene objects shall be fined not more than $5,000 or imprisoned not more than 5 years, either or both. Under this language Federal jurisdiction would attach not only when the mails are used but also when vehicular conveyances are used for transportation across State lines.

It has been well said that a Nation's literature fashions a Nation's culture. In recently modern times our young people have been swamped with a great avalanche of literary barbarism in the form of so-called comic books and natural art magazines. To my mind, there can be no question but that such literature has in a measurable degree contributed to the alarming increase in juvenile delinquency. Magazine articles and pictures glamorizing crime and horror and glorifying sex cannot help but incite the passions of our young people. The printed page and the colored picture, in the inquisitive and impressionable minds of teenagers, tend to validate and legitimize the mode of conduct they portray. According to Dr. Frederic Wertham, consulting psychiatrist of the New York Department of Hospitals, it is not so much the emotionally maladjusted child but the emotionally normal child upon whom this literature has its greatest detrimental effect. The natural curiosity, the inventive nature, and the desire for social acceptability of the adolescent boy or girl makes him or her peculiarly vulnerable to this insidious appeal.

Some of these publications not only glorify crime and inflame the passions but actually teach the techniques of immoral and criminal conduct. Testifying before a Senate committee, Dr. Wertham gave an example in the following words:

> I had no idea how one would go about stealing from a locker in Grand Central, but I have comic books which describe that in minute detail and I could go out now and do it.

Because of American abhorrence of governmental censorship, and because of the basic American concept of a free press operating in a free land for a free people, the Federal Government has never been able to deal with this problem at the publication level. Be it said to the credit of the publisher that, especially since the Congress has manifested an interest in the subject, there has been a commendable campaign of self-regulation. Publishers themselves have the initial and primary responsibility for the contents of these publications. The national distributor, of which there are 13 in America, also holds one of the key positions in the industry. By refusing to handle certain publications, these distributors can control the contents of future publications. Local newsdealers and other retailers can help to solve the problem in a similar way.

Local citizens' groups, however, are perhaps the best weapons in the fight. In the Sixth Congressional District, which I have the honor to represent, many such groups are waging aggressive campaigns. Responsible and concerned men and women from every walk of life have taken time from their busy schedules and given voluntarily and generously of their substance and effort in combating the menace. Private organizations all over the Nation have taken up the challenge. In one city, interested citizens have organized a committee on evaluation of literature. Each spring it makes a study of publications which appear on local newsstands. After the study is completed, it publishes and distributes to parents an annual index of books and magazines, listing the morality rating of each. Other organizations conduct a comic-book exchange which operates as a trading post and clearinghouse for objectionable comic books donated by children of the community.

I realize that there are many who contend that, in the interest of a free press, Congress should pass no legislation whatever on this subject; that all regulation and censorship should be voluntary; that civic and religious organizations should shoulder the burden; and that the parents should solve the whole problem by selecting the child's reading material. This sentiment is splendid and, if workable, would be sufficient without the intervention of legislation. Human nature being what it is, however, we must be not only idealistic but realistic. The Thompson bill is a realistic approach to a practical problem.

No nation is truly strong unless it is morally strong. Someone has said that "nothing in the world is great but man, and nothing in man is great but mind and soul." Accordingly, in defense of the impressionable mind of young America, the cultural heritage which is ours and the moral fabric of our society, I am proud to support the Thompson bill.

Senator John F. Kennedy

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1955

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I am privileged to insert the following editorial which appeared in the New York Herald Tribune of Wednesday, May 25, 1955, saluting the distinguished Senator from Massachusetts, JOHN F. KENNEDY, upon his return to the Senate after a prolonged absence due to illness caused by his wartime injuries. I am sure that the entire membership of the Congress joins in the sentiments expressed in this fine tribute and wish for Senator KENNEDY a return to his usual vigorous and constructive legislative life in which he so well serves the best interests of his country and his State. The New York Herald Tribune is to be commended, too.

The editorial is as follows:

SENATOR KENNEDY RETURNS

It is a pleasure to welcome Senator JOHN F. KENNEDY, of Massachusetts, back to the United States Senate. Mr. KENNEDY has been away from his desk in Washington for 8 months, the time it took him to recuperate after an operation for an injury he received when his PT boat was rammed by a Japanese destroyer in World War II.

Senator KENNEDY is a Democrat and, teamed with Senator LEVERETT SALTONSTALL, the Massachusetts Republican, he has helped give his State vigorous and intelligent representation in the Senate. He was one of the first legislators in Washington to take a clear and unequivocal stand in favor of the St.

Lawrence Seaway; on this and other issues he has displayed characteristic forthrightness and understanding of national interests.

When he fell ill, there were some who doubted that he would be able to return to the stress and strain of Senate life. But young JACK KENNEDY comes from a bold and sturdy breed, and he is back on the job again. We join his colleagues on both sides of the Senate in greeting him warmly.

Ike's Endless Buckpassing Denounced by Schnitzler

EXTENSION OF REMARKS
OF
HON. MATTHEW M. NEELY
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 8, 1955

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article entitled, "Ike's Endless Buckpassing Denounced by Schnitzler," which appeared in Labor's Daily on the 26th of May.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ATLANTIC CITY, N. J.—President Eisenhower's "endlessly buckpassing" administration was thunderously denounced here by AFL Secretary William F. Schnitzler for the polio "vaccine mess" and a dozen other "conscienceless" blows at the public welfare.

Schnitzler spoke before a banquet of the New Jersey State Federation of Labor. He set a new high for labor militancy under the GOP by charging that certain employer circles will not shrink from kidnaping and even murder.

He ticked off the Eisenhower regime as government by avoidance. He left clawmarks on Newell Brown, Mrs. Oveta Culp Hobby, and the President himself, describing the White House occupant as a man who meets questions by saying, "Don't ask me; I only live here."

"The pattern has been the same in every area," he said: "If, despite Federal inaction, constructive progress is achieved in some field, members of the official team are eager to horn in on the publicity that follows so as to foster the impression that they are in some way entitled to a share of the cerdit, as did the administration in the case of the Salk vaccine.

"If, as a result of Federal inaction, matters turn out badly, and a mess develops, the technique is to shift the blame, hide behind the slogan of States rights and the voluntary way, deny that such a development could possibly have been foreseen in Washington, and, as a last-ditch move, announce with suitable flourishes another program which does nothing more than recommit the mess back to the States and private enterprise, as the administration is now attempting to do in the case of the Salk vaccine.

"A sensible and responsible government would immediately recognize that the marketing of a vital drug cannot safely be left to the free play of the profit motive, at the expense of the Nation's children.

"The traditional principles of private enterprise—Let the buyer beware, and charge what the traffic will bear—cannot be tolerated in the distribution of a product so essential to the public health and safety."

Schnitzler declared that the welfare of the country's children rated far above the special interests of the pharmaceutical and medical lobbies.

"Unfortunately," he went on, "those lobbies have had the ear of the administration from the beginning, to the exclusion of spokesmen for consumers and the public at large.

"On April 18, shortly after the announcement of the success of the vaccine, AFL President Meany called upon the Secretary of Health, Education, and Welfare (Mrs. Hobby) to broaden the membership of her advisory group to include representatives of the religious faiths, workers, farmers, and women's organizations. * * *

DRUG INTERESTS' INFLUENCE

"Yet to this day, all of the interests involved in the marketing of the vaccine seem to have great influence with the administration—except the people.

"The result was inevitable. When a program of sorts finally emerged from the Department it was far too little and far too late."

Schnitzler compared this "bungling, confusion, and mismanagement" with the handling of the vaccine in Canada, where an effective program was ready as soon as the vaccine was released for public use.

The AFL secretary-treasurer, who came out of the bakers' union, threw some oldtime haymakers: He said:

"Recent developments have demonstrated that—contrary to the myth of managerial enlightenment expounded by the organs of business—the old-fashioned, feudal-minded type of employer is far from becoming extinct.

"The record of the Louisville & Nashville Railroad strike and other incidents in the South prove that the old doctrine of divine right still has powerful advocates in employer circles who will not shrink from kidnaping or even murder in the effort to maintain or to secure absolute control of the labor market."

He charged that the Eisenhower administration's technique is one of a perpetual rotating buckpassing which goes on until a scapegoat is finally found in some obscure hireling, who is then thrown to the wolves.

"There are other items for which we should, no doubt, be equally grateful. I am sure, for instance, that Newell Brown, whose antilabor record as employment security director in New Hampshire is well known to us, was the best nominee for wage and hour administrator that could be found in Sherman Adams' back pocket."

He found it natural that spokesmen for big business should raise a "cry of alarm" at the pending merger of the AFL and CIO.

"But the greater number of citizens who share our own basic interests and aspirations have nothing to fear," he added. "For them it holds a new hope and a brighter promise of a better tomorrow."

The Postal Pay Increase

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1955

Mr. HESELTON. Mr. Speaker, on June 7, 1955, when the postal pay raise bill was before the House, I am recorded as "not voting" on rollcall No. 79. I have always been in favor of a well-deserved and fair salary increase for the postal worker and have supported the administration's recommendations on this legislation. If I had been present, I would have voted in favor of this bill and "aye" on rollcall No. 79 and would like to have the RECORD show my support of it.

Foreign Aid

EXTENSION OF REMARKS
OF
HON. CHARLES B. BROWNSON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1955

Mr. BROWNSON. Mr. Speaker, since I first came to the House of Representatives in the 82d Congress, back in 1951, I have supported foreign aid authorizations and appropriations every year except one. I have frequently voted for amendments to reduce the amount of aid to certain areas and for certain purposes, but I have supported the overall purposes of mutual security by favorable votes except in 1953 when the amount exceeded that which I felt we could afford for the program, forcing me to vote against the bill and the conference report. I cannot support an omnibus foreign aid bill again this year.

In casting these votes in previous years on behalf of my half million constituents I have carefully examined and reexamined not only these programs but my own position. I have regretted the fact that technical aid has gradually been perverted from its original concept of providing carefully trained technicians at the request of an underdeveloped country to a point where it seemed to emphasize the transfer of equipment and aid supplies. It has disturbed me to discover that frequently reports providing a clear, comprehensive and tightly written statement of the previous programs on a country by country basis were not available to the Congress as a whole. This increased immeasurably the difficulty of an individual Congressman making either a postaudit review or a careful evaluation of future needs. The fact that 34 separate agencies with a total of over 115,000 employees overseas have been engaged directly or indirectly in activities related to foreign aid has not simplified congressional consideration of this complex problem nor has the utilization of security classifications to surround many of these projects facilitated congressional scrutiny except for the privileged few on appropriate committees.

The Eisenhower administration and the 83d Congress under Republican leadership deserve credit for taking preliminary steps to bring foreign aid spending under control. The 83d Congress appropriated for fiscal years 1954 and 1955 a total of $7,313,006,816 for foreign aid under President Eisenhower's program as contrasted with the 82d Congress, which appropriated for fiscal years 1952 and 1953 a total of $13,330,851,726 under President Truman's program. This represented a saving of $6,017,844,910 in

foreign-aid appropriations during the first 2 years of the Eisenhower administration. It should, in all fairness, be pointed out that actual grants and credits in the form of actual net payments and deliveries show a total of $11,558,000,000 for 1953 and 1954 as compared to $9,020,000,000 in 1951 and 1952. This, of course, represents delivery of end items previously contracted for and possibly an expenditure of uncommitted or committed items from previous appropriations. It is significant that even now the Foreign Operations Administration has about $8,728,000,000 in previous authorizations and appropriations left over which it, or its successor, could spend next year even if no appropriations were made in this session.

So complex is the present organization and so diverse the commitments for foreign aid that no two sources agree exactly on the overall carryovers from previous appropriations for the various agencies. The Hoover Commission task force currently estimates that there will be $7,900,000,000 in unexpended balances available on June 30 of this year. In addition, they note, there was available as of December 31, 1954, in foreign currencies the equivalent of $973 million in counterpart funds, some of which will remain as of June 30, 1955. I find myself in agreement with the Hoover Commission that it is time to ascertain how much of these unexpended funds are committed by definite contractual obligations as of June 30, 1955, with view to finding whether these unexpended appropriations do not permit a substantial reduction of cash appropriations for the fiscal year 1956.

Since the end of World War II there have been many agencies charged with responsibility for economic and military aid and there have been many different terminal dates suggested for such worldwide assistance programs. Congress determined in the Mutual Security Act of 1954 that the Foreign Operations Administration in particular should be ended as an independent agency on June 30, 1955. I suggest that the omnibus concept of mutual security appropriations be allowed to die with it and be replaced by a realistic country by country authorization and appropriation. This is not an untried idea. Our concept of foreign aid was born on a country by country basis back in 1947 when the British Ambassador informed the Secretary of State that Great Britain was no longer able to subsidize Greece and Turkey at a time when the Greek Government was fighting a Communist-led rebellion while Russia was threatening Turkey. The 80th Congress passed the Greek-Turkey aid program. It was a specific program designed to help two specific countries solve specific problems. It worked.

In connection with that specific program, President Truman told the Congress it was American policy, "to help free peoples maintain their free institutions and national integrity against aggressive movements that seek to impose upon them totalitarian regimes." This loosely formulated policy statement has been cited ever since as authority for the grand assortment of worldwide projects lumped together as mutual security. It started with $400 million to Greece and Turkey. To date the military and economic assistance given by the United States to foreign countries since the end of World War II, including both ECA and MSA totals $46,847,000,000 through fiscal year 1954 with some $4,300,000,000 more to be spent in accordance with the 1955 budget. The Marshall plan was sold to Congress as a worldwide 4-year plan to make non-Soviet Europe self-supporting again. I say, after 8 years, the time is up, at least for worldwide omnibus programs. Where individual countries request, merit, and justify aid let it be appropriated in that manner, not as a worldwide package deal, take it or leave it. Careful consideration to several bills, each providing aid tailored to the specific needs of an ally requesting our assistance might well be substituted for the more expansive and more expensive omnibus bills which reportedly caused economist C. Hartley Grattan to write:

> It seems to me that we are getting more foggy and evasive about the kind of reality we are facing every day that passes. We never quite say what we are doing, or what is being done to us, for fear apparently that if we begin giving things their right names they will really and truly scare us to death.

By and large the economy of war-torn Europe has been rebuilt to levels far above those of pre-war days. Our attention has now been turned to the vast and eternal problems of Asia. Here, many sound thinkers abroad and at home urge us to program in terms of individual Asiatic countries and their problems rather than of Asia as an homogenous whole. Only 3 weeks ago, meeting in Simla, India, representatives of 13 Asian countries who met to discuss utilization of a $200 million regional aid fund proposed by President Eisenhower, are understood to have welcomed the prospect of these additional funds but only if distributed to individual Asian countries. The delegates were subcabinet officials of the Asian nations involved. United States Foreign Operations Administrator Harold Stassen visited Asia earlier this year and said Asians must decide for themselves how to use the money. As far as I am concerned, they have now decided.

I am bitterly disappointed that our own national budget is not yet in balance. If we cannot balance the budget in this era of Eisenhower peace and prosperity, when will we ever start to pay our own way and stop living off the future earnings of our children. I am one who did not find it amusing or reassuring when Assistant Secretary of the Treasury Robert B. Blyth said recently in Atlantic City that our national debt has its constructive side, which includes the billions in public debt interest paid each year to individuals, banks, insurance companies, and others on the Government bonds and securities they hold. "These interest dollars we are paying out are helping to provide jobs," Blyth said. Evidently the man does not realize that money invested in industry does the same thing without saddling the taxpayer with the interest rates and the obligation.

Because I believe in a balanced budget, and because I believe that, at a time most of our allies are either reducing taxes or refusing to collect taxes from their elite, the American taxpayer merits tax reductions, I cannot again vote to support a world-wide omnibus foreign-aid package. I could and would vote to appropriate funds to carry out our obligations in such areas as Korea, Spain, and Turkey on an individual country basis. I cannot include such other countries as India and Yugoslavia in the same package any more than I can vote aid to areas which were thrown in largely to round out the bundle.

I am disappointed that the Foreign Operations Administration will not be discontinued June 30 as Congress thought it provided. It dies, momentarily, only to be reincarnated as the International Cooperation Administration. When, through the courtesy of our chairman, the gentleman from Michigan [Mr. HOFFMAN], I was allowed to occupy the chair of the Government Operations Committee during hearings on Reorganization Plan No. 7, I heard a parade of able witnesses from the State Department and from Foreign Operations Administration testify as to the essentiality of separating these two agencies in the interests of efficiency, economy, and intelligent implementation of our foreign economic policy. Scarcely 2 years later the same people argue that the 2 agencies can function properly only if they are again back in essentially their former relationship.

As a well-prepared mourner at the funeral of FOA I find it difficult to consort publicly with its capricious ghost, ICA, especially before the body is interred.

I believe in international cooperation and in the fundamental concept of some United States aid in creating a strong, free bloc of nations. I do not believe our program of economic and military aid can continue forever at its present high level. I cannot conceive of the need for $757 million more for aid this year than last, especially with an $8 billion holdover. Surely the time has come to apply the brakes and re-examine the objectives and techniques of the program in the interest of the American economy and the American taxpayer. I am convinced that the day of the shotgun approach to foreign aid programs is over. Is it not time to reach for the rifle, pinpoint our aid targets and save on ammunition?

Mr. Speaker, had I more time, I would like to quote at length from last Sunday's lead editorial in the Indianapolis Star, Representing Whom?; last Monday's editorial from the Indianapolis News, Let This Set the Pattern; and from Peter Edson's column in today's Washington Daily News which will probably be carried by the Indianapolis Times, Foreign Aid, Like the Weather, Goes Right Along. Under unanimous consent, I ask they be inserted in the RECORD.

[From the Indianapolis Star of June 5, 1954]

REPRESENTING WHOM?

Sometimes we wonder just whom our "representatives in the House and Senate really think they represent. Some recent votes on bills to increase expenses, add new projects, increase foreign aid without decreasing either taxes or the budget deficit are surprising.

The American people are paying and have been since 1948, the biggest tax bill in American history. Yet we still have no balanced budget. We still have had only token tax reduction. We are still adding to, not subtracting from, the expensive and expansive nature of a government that is today the biggest in our history.

This year one or both Houses of Congress have approved bills to increase Government salaries—including their own—but they have not decreased the people's taxes. The Senate has just increased foreign aid over last year and the new total is about the size of the Federal deficit. It is noteworthy that in the foreign aid bill is $40 million for Communist Dictator Tito plus some planes and guns of undisclosed cost. Also about $65 million is earmarked for "neutralist, socialist" Nehru of India. Both of these gentlemen have of late expressed direct opposition to American foreign policy plans. Each vigorously support entrance of Communist China into the U. N. which only 10 percent of the American voters (according to the Gallup poll) support and 67 percent vigorously oppose. Now whose interest does a Senator or Congressman serve by voting against the wishes of 67 percent of the American people—and probably more?

If foreign aid were stopped right now, we could immediately balance the budget. If foreign aid were stopped right now we would save enough to reduce individual income taxes by 10 percent. Do Members of the Senate or House think their constituents would oppose such a tax cut or an end to deficits? Do they really believe the voters would rather send out more foreign aid than pay 10 percent less in taxes?

As a matter of fact how much do we really need that additional money just approved by the Senate for foreign aid? The Foreign Operations Administration right now has $8,728,000,000 left over which it can spend for foreign aid next year if it wishes. The Senate voted to add $2,500,000,000 to this for next year. That is over $11 billion. Do you know how much money that is? It is enough to reduce your taxes by more than 25 percent. It is enough to give us a Federal surplus of $7,500,000,000 next year. It is over 18 percent of the total Federal budget. And it is all going abroad.

Almost every European nation we propose to aid has a balanced budget or surplus. Asiatic nations, no doubt, can use technical help, administrative help, and medical and agricultural assistance. But most of them cannot absorb large amounts of capital, they have no industrial base. Special programs for States like Pakistan, or Nationalist China or Korea and the Philippines, which support us, might be worthwhile. But $11 billion? That is almost one-third of what we spend on our total arms program.

Congress is making foreign aid a permanent, not a temporary program. It is leading other nations to expect foreign aid whether they help themselves or help us or whether they do not. Congress, at least the majority, is now in the very strange position, for a democratic body, of paying greater heed to people in foreign countries and listening more to Washington bureaucrats than they do to the American people and their own constituents.

We do not believe the inevitable and angry backfire from the American people is going to be long in coming.

[From the Indianapolis News of June 6, 1955]

LET THIS SET THE PATTERN

In a new agreement with Pakistan, the Washington Government is getting onto the right track in its foreign-assistance programs. It is providing incentives for private capital investment.

Pakistan, with a dynamic industrial and public-works program, is an inviting market for American investors. Prime Minister Mohammed Ali declares: "We believe without reservation in the free-enterprise system."

Our State Department has announced that we are prepared to consider making guaranties to any person of new investments for the establishment, expansion, modernization, or development of enterprises in Pakistan.

In return, the Karachi Government has pledged to permit repatriation of capital and profits, to grant special tax concessions, and to allow accelerated-depreciation allowances.

This is a welcome return to sound foreign economic policy. It is the very opposite of down-the-drain free Government grants. It is a policy of mutual profit.

Such a policy, of course, requires that private capital be freed of the possibility of seizure, nationalization, and confiscatory taxation. Other countries which need and expect our economic assistance should take note.

And our own Government could well follow this pattern in encouraging free-enterprise financing for projects in Latin America and elsewhere.

The first test should be proved friendship for the United States. The second should be stability of government. And the third should be the removal of all discriminations against the outside investor, with fixed safeguards against expropriation.

The sooner needy countries take the attitude of Pakistan in these matters, the sooner can they receive the benefits of our free-enterprise brand of prosperity. It is up to them. Meanwhile, it is to be hoped that the Pakistan agreement signals the end of American taxpayer doles for indefinite indigence abroad.

[From the Washington Daily News of June 8, 1955]

FOREIGN AID, LIKE THE WEATHER, GOES RIGHT ALONG

(By Peter Edson)

In spite of all the objections, American foreign-aid programs roll on year after year.

Last year Congress ordered the Foreign Operations Administration liquidated as of June 30. But the United States Senate has now approved continuation of this spending under a new International Cooperation Administration in the State Department.

New funds of nearly $3,500,000,000 are authorized for next year. This is $800 million more than was appropriated last year. It is some $17 million more—for technical assistance—than President Eisenhower recommended to Congress.

The battle today moves over to the House where the usual opposition to foreign aid is expected.

ARGUMENTS AGAINST

It will be argued that aid to neutrals like India and maybe Yugoslavia, too, should be cut off.

It will be maintained that any country having trade with Iron Curtain countries should not get aid so long as Americans are held prisoner by Chinese Communists.

Figures will be cited that the foreign-aid programs have $8 billion worth of carryover funds and that therefore no new appropriations are necessary.

It will be patriotically declared that no American aid should be given to build up the industrialization of foreign countries so that they will become competitors.

HOOVER REPORTS

These principal arguments will be backed up by recommendations made in the latest task-force report from Herbert Hoover's Commission on Government Reorganization.

The Hoover report recommends savings of $360 million on nonmilitary foreign aid for the coming fiscal year. This is a little over 20 percent of the $1,700,000,000 economic half of the foreign-aid budget.

It is noteworthy that the Hoover task force recommended no cut at all in the military aid budget of $1,700,000,000. Also, it does not recommend that the economic-aid program be completely discontinued. It merely wants the program reorganized.

Gen. George Marshall, as Secretary of State, thought foreign aid should be administered by his Department. Congress wouldn't have it that way and set up an independent operation.

So after 7 years of kicking the dog around under various names—ECA, MSA, FOA, and ICA—the Eisenhower administration and the Hoover Commission recommend that the business be put back in the State Department kennel, to complete the walk around the block.

DULLES IS RELUCTANT

Secretary of State John Foster Dulles apparently isn't too keen to have this responsibility thrust upon him. John B. Hollister, designated as the new administrator of the program, hasn't revealed his ideas on the subject.

Anyway, it's their pup now. And what all this juggling has accomplished is impossible to determine.

Friends of the foreign-aid program maintain that it would have been far better to set a firm policy and then stick to it. This would have created more confidence in American intentions among the friendly countries being helped. It would also cause more consternation among potential enemies.

Radioactive Fallout

EXTENSION OF REMARKS
OF
HON. CARL HINSHAW
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 8, 1955

Mr. HINSHAW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarks by Dr. Willard F. Libby, Commissioner, United States Atomic Energy Commission, at the alumni reunion, University of Chicago, Chicago, Ill., Friday, June 3, 1955:

RADIOACTIVE FALLOUT

Radioactive fallout is the radioactivity which falls out of the atmosphere after the explosion of a nuclear weapon. The nuclear reactions furnishing the energy in atomic and thermonuclear weapons produce radioactivities as end products. In the ordinary atomic bomb, for each 20,000 tons of TNT equivalent, about 2 pounds of radioactive materials are produced. In these 2 pounds are some 90 different radioactive species, varying in natural lifetime from fractions of a second to many years. The mixture as a whole decreases in radioactivity in such a way that for every sevenfold increase in age, the radioactivity is decreased tenfold.

Thus the radioactivity by 7 hours after the explosion has decreased to 1/10 the radioactivity at 1 hour; at 49 hours (roughly 2 days) to 1/100; at 2 weeks to 1/1000; and at 3 months to 1/10000.

The conditions of fallout, of course, are largely determined by the amount and type of material vaporized into the fireball of the bomb itself. A bomb fired in the air contributes such a small amount of matter to the cloud that the particles are of necessity very tiny and very slow in settling. The result is that most of the radioactivities are expended in the air and the area of dissemination is very large indeed, usually extending to the ends of the earth in minute though detectable amounts.

A bomb fired on the surface of the earth, however, may have a major portion of its radioactivity reprecipitated within short distances. In fact, bombs fired beneath the surface of the earth may place essentially no radioactivity in the atmosphere. So, the question of the area of contamination to be expected from atomic and thermonuclear weapons cannot be answered categorically without specifying the degree of contact of the fireball with the surface of the earth, and probably also the chemical characteristics of the surface. Certainly it seems clear that firing over water should create very different precipitation conditions from firing over soil. It also seems likely that firing over various kinds of soil must affect, to a great degree, the rate and extent of contamination by fallout.

In general, the principles are simple, although difficult of exact application. The radioactive cloud, formed by the cooling of the fireball, has in it the radioactivities characteristic of the nuclear explosion. Many of these are nonvolatile materials and will settle upon and condense upon the first solid surface which they contact. In this way, they are precipitated in and upon the solid particles formed by the condensation of the bomb materials and any other materials drawn into the fireball. It also is true that material drawn up into the stem and passing through the cloud can be contaminated superficially and can in itself serve as an important precipitation mechanism for the radioactivity. Thus, we see that it is difficult, indeed, to predict in advance exactly what fraction of the radioactivity the bomb produces will fall near the test site as compared to the fraction falling at great distances. One can say that the fraction precipitated near the test site usually is large for surface shots and relatively small for aerial shots, defining aerial shots as those in which the fireball does not touch the ground and surface shots as those in which the fireball does come in appreciable contact with the surface of the earth.

The extent to which the radioactive fallout is spread, is determined, of course, by the winds, the particle size in the cloud, and to a certain degree by the atmospheric and meteorological conditions, such as rainfall. All of these factors are complicated and require close and careful monitoring, in order to predict with any real accuracy, the probable contamination of a given area. Thus, when we say that the March 1, 1954, shot in the South Pacific, contaminated 7,000 square miles to a dangerous level, it should be borne in mind that these were under the particular weather conditions operating at the time, and that on another occasion, the area might be larger or smaller by a considerable factor. The point made in the AEC statement of February 15 was that the area is large and constitutes a real problem for civilian defense.

Let us consider for a moment, the fundamentals of the effects of radioactive fallout on living systems. How does radiation affect the organism? It disintegrates molecules in the system. This disintegration in itself constitutes a change, but possibly just as important is that the disintegration products may themselves have effects. This latter point is not clear although there is some evidence to indicate that it may be a very serious consideration. If the latter point is sound, it may afford us an opportunity to counteract the radiation-generated chemicals with medicines which will thus counteract the effects of exposure to radiation. Some evidence that this is possible is already available.

It is known that radiation dosages in the levels of 400 roentgen units (called r units later) are lethal to about half the individuals exposed, the symptoms following the exposure being remarkably predictable and reproducible. It is obvious that these radiation levels cannot be tolerated under present conditions, only some major discoveries in therapy could change them appreciably. Assuming for the moment that levels of 400 r are lethal, we can sketch out areas which might be contaminated from explosions of various dimensions. The uniform dissemination of 1,000 curies per square mile leads to a dosage rate of 1/10 r per day. At the present time, or rather on January 1 of this year, the average contamination of the United States corresponded to a dosage rate of 1/1000 r per year. The actual contamination of the United States was determined by direct measurements at a large number of stations located over the country. These data have been presented in a recent publication by Mr. Merril Eisenbud and Dr. John Harley of the New York Operations Office. This article appeared in the May 13 issue of the magazine Science, a few weeks ago. Of course, the rate of disintegration of the radioactive fallout decreases so rapidly with time that the low dosage rate on January 1 of this year should not be taken to indicate that the dosage during the Pacific tests was correspondingly low. In fact, as we can best estimate the average dosage in the United States was about 15 times higher, or about 15/1000 r during 1954. If all of the dosage from all atomic tests in all time, that is since 1945, be added together, the total dosage for people in the United States averages considerably less than 1/10 r, or the dose that would be attained in 1 day for a distribution of 1,000 curies per square mile, and is in itself, 1/6000 of the lethal dose.

To understand this situation more completely, let us follow a nuclear explosion releasing 10 megatons of fission energy, or 1,100 pounds of fission products. For purposes of illustration and simplification, let us make some assumptions about the rate at which the material will precipitate. Let us assume that it is airborne for 1 day and then is disseminated uniformly over an area corresponding to 100,000 square miles. Since the total fission products from an explosion of a bomb giving 10 megatons fission products, 1 day old, will be 66,500 million curies, the initial dosage rate will be 67 r per day. In other words, a residence or exposure time of a few days in such an area could be dangerous. Of course, realizing that the disintegration rate decreases rapidly in time, we might well say that a matter of several days would be available for evacuation, or more importantly for decontamination of the inhabited parts of the area. An area of 100,000 square miles is so large that evacuation may be a bit impractical. One should remember that the contaminating material is a light dust which, of course, will settle extremely gently on the surface of the earth and should be easily dislodged and removed. One envisages all sorts of devices and methods so that a contamination of 67 r per day dosage rate, one ought really to be able to do very considerable in decontaminating an area. Of course, if this same amount of radioactivity had been precipitated over a 10 times smaller area, there would have been no hope of decontamination until the material had cooled about tenfold, but, it is always true that in regions of heavy fallout, such as these two, decontamination and protective measures must follow. In a period of waiting for cooling to occur to a level where decontamination is possible there is only a choice between staying indoors in shelters and shielded evacuation in shielded cars or by helicopter. Under no conditions in such areas should people remain resident without shelter or decontamination.

How should decontamination be conducted? In the first place, there should be some way of measuring the radiation—such as geiger counters, or scintillation counters. Some type of instrumentation is necessary. Then with just native intuition and good sense the clean up should be conducted according to the rules of the Federal Civilian Defense Agency. One should know that a yard of earth or water is fairly good protection and that 2 or 3 feet of concrete is excellent, and that getting away from a contaminated area is best. For example, a basement of a house will have low radiation levels, since the contamination will lie on the roof. The interposition of the distance in itself is protection. All of these matters are matters of commonsense which are not difficult to grasp. It would seem that the use of brooms, fire hoses, and similar devices and methods as well as the intervention of natural forces, such as rain and wind, may do a very great deal to decontaminate an area. Probably it would be necessary to keep an area posted so that the levels of radiation be known to the inhabitants. It is clear that this type of activity of the Federal Civilian Defense Agency could be one of its most important and deserves the fullest cooperation of all of us. Mose tests on methods of decontamination need to be made.

Returning to the fission products themselves, one can imagine that certain of the materials which last longer deserve special attention. Among these is a long-lived isotope of strontium, strontium-90. Its average lifetime of 30 years means that it will be with us for a generation. It also is produced in high quality, about 2.5 percent of all the fission explosions or fission acts yield this particular isotope. It also is chemically so similar to the element calcium, which is so fundamental to the human body that it is incorporated into living organisms in the bone structure and thus irradiates it and constitutes a potential source of bone tumor. The Atomic Energy Commission has conducted careful assays of the strontium over the earth's surface and in the biosphere—the living matter in the world. The article of Mr. Eisenbud's and Dr. Harley's, referred to earlier, gives quantitative data for the occurrence of strontium-90 in the soil of the United States obtained over the last several years, the latest figure being 1/1000 curie per square mile in the top few inches of soil. This is an interesting number to consider. Assuming that the whole earth is contaminated at this level, and remembering the strontium-90 fission yield, one can say that the 200 million square miles which constitute the surface of the earth corresponded to 200,000 curies of strontium-90, or to about 2 megatons total fission, since 1 megaton of fission corresponds to 90,000 curies of strontium-90. Actual assay of the soils in various places over the earth indicates that the value for the United States is fairly typical, although possibly a little higher than average, and that the world does have in its topsoil something like the amount of strontium-90 produced by 1 megaton of fission products. The level of strontium-90 in the milk products and other

products carrying calcium which are derived from the soil corresponds well. The level is about 2.2 disintegrations of strontium-90 per minute per gram of calcium in the biosphere, though it varies somewhat with conditions and localities. This fairly average assay for bone structures and other calcium containing systems in living organisms is to be compared with the natural radioactivity of the carbon of the body which has 15 disintegrations per minute per gram and the potassium which has 2,000 disintegrations per minute per gram.

The question of the safe level for strontium-90 contamination of the biosphere is, of course, a very important one. It is estimated that the first noticeable effects of strontium-90 would be in the formation of bone tumor. Estimating from the experience obtained with radium—which, by the way at the present time is approximately as hazardous at the moment as strontium-90, that is the radium in ordinary drinking water happens to constitute about the same level of radiological hazard as does the strontium-90 in ordinary foodstuffs—all of the evidence indicates that the first effects, namely the formation of bone tumor would appear at levels about 10,000 times greater than the present. In other words, instead of having 2 disintegrations per minute per gram of calcium in the body, 22,000 disintegrations per minute per gram might well be expected to give an observable increase in bone tumors. It is interesting in this connection that since the strontium-90 segregates to the bones it constitutes no genetic hazard insofar as we know, because the genetic hazard arises from direct irradiation of the reproductive organs.

The interesting question arises as to why the strontium-90 level is not higher since much more has been produced than is found scattered around the world. However, on further thought it is obvious that the large bombs fired at the Pacific testing grounds had a large fraction of their radioactivity precipitated rather immediately into the depths of the ocean and, therefore, removed from the biosphere. Possibly an additional explanation of the low strontium-90 assay in the world is that there is a considerable amount of it still residing in the atmosphere. It seems likely that both considerable local precipitation into the Pacific, and long residence in the atmosphere are involved. In fact, direct samples of the atmospheric dust do show a higher strontium-90 content than of other fission products. And there is no doubt a considerable amount of strontium-90 stored in the atmosphere which is slowly being precipitated. In the case of strontium-90, in contrast to other fission products, storage times of many years in the atmosphere will not be effective in reducing its activity appreciably, so we can be quite certain that whatever strontium-90 resides in the atmosphere will find its way to the surface of the earth and probably have a chance to enter the biosphere before its radioactive disintegration. However, the amounts in the atmosphere probably are small compared to the fallout of strontium-90, so we need not fear any large additional contamination from this source.

To recapitulate—the explosion of nuclear weapons has given a detectable quantity of fission products over the whole earth's surface and in amounts which are fractions of the total amounts actually fired. It seems that the local fallout removes a considerable fraction of the fission products produced. The largest bombs fired, namely, those in the Pacific, have all been surface shots so this seems a reasonable conclusion. In fact, it probably is a prediction. We know, therefore, that no hidden sources of fission products will be discovered and we believe that the data at present available from the measurements made at the monitoring stations of the Atomic Energy Commission are valid and sound—the whole set of assays make a reasonable and integrated picture. A good fraction, but a small fraction, of the fission products produced in the surface shots are carried over great distances, in fact, over nearly the entire earth's surface. But the most of the radioactivity is precipitated locally, from surface bursts.

If we return now to our 10 megaton figure and imagine that the bulk of the radioactivity is precipitated locally, say in an area of 100,000 square miles, producing at the time of 1 day, 67 r per day dosage rate, we can say that the people who live in this area would have a good chance of survival if they were educated in the facts of radioactivity, and proceeded without panic and with good sense, to take care of themselves. What should they do?

First, they must have instruments to know what the dosage rates are. They should set reasonable tolerance limits such as 10 r. This means that during the first day they must be extremely careful not to run into pockets of radioactivity and they must stay indoors most of the time in shelters. After a week, the permissible exposure time will be 10 times longer and the radiation rate will have been reduced to about 6.7 r per day, so that it will be possible to spend several hours outside. It is also clear, of course, that ingenious devices such as streetsweepers, in which the driver sits on a bag of sand or a thick metal slab to protect him from radiation, could be used with great effectiveness. It is also clear that crews could operate with street-cleaning and fire-fighting machinery, to decontaminate cities. In the countryside such devices as plowing fields might be most effective. The natural weathering processes which occur in the open probably are extremely effective in reducing the contamination level, in fact, just the blowing of the winds and the movement of dust and soil will help to cover up the material.

Remembering that the natural disintegration rate decreases tenfold for every sevenfold increase in age, we can say that after a week we are down to 6.7 r per day, and considerable freedom of motion is allowed. Even at the time of first contamination in 1 day, a matter of a few minutes is allowable. In fact, several people have received dosages of 100 r and survived. This is well below the lethal dosage rate of 400 r. However, dosage rates of 100 r are serious, particularly if applied to large populations.

At the rate of 100 r, about 12 percent of the reproductive cells will be expected to have 1 or more new gene mutations. Since new mutations are usually deleterious in effect, exposures of people to dosages like 100 r can lead to undesirable genetic effects in later generations. We can expect, therefore, exposures of large numbers of people to dosages like 100 r can lead to deaths and mutilations in later generations. However, in the case of a nuclear war, the immediate deaths and the question of survival may somewhat outweigh the genetic effects which will be introduced and, in keeping our minds on the question of survival, we can see how an area of 100,000 square miles contaminated with 10 megatons of fission products, will still allow people to get along although at considerable inconvenience until radioactive decay, human efforts at decontamination, and natural weathering processes have returned the area to a completely safe condition.

At this point, I should like to speak to you about the facts of life as far as natural radioactivities are concerned. As of January 1 of this year the total dosage rate averaged over the United States due to all nuclear explosions as I said earlier, was about 1/1000 r per year, though the total received during the year was higher at about 15/1000 r. To orient ourselves, the workers in the Atomic Energy Commission plants are allowed to have a maximum tolerance exposure of 15,000 times this. Of course, it is to be remembered that such a rate if applied to the entire population of the world might have significant genetic effects. However, a small fraction of the population can accept such irradiations with relative safety since the chances of individuals having genes mutated in the same way, marrying, are so infinitesimally small if a small fraction of the population is exposed. However, as far as immediate or somatic damage to the health is concerned, the fallout dosage rate as of January 1 of this year in the United States could be increased 15,000 times without hazard. In fact, it seems clear that it is very, very conservative indeed as far as these immediate effects on the health are concerned. Tests, therefore, do not constitute any real hazard to the immediate health.

Let us examine now the radioactivities which are always present and compare them with the fallout radiations, because these general background radiations do affect the question of the genetic effects from fallout since everyone in the whole world has always been exposed to these natural dosages. The world in all its parts in the sense is radioactive and always has been. The carbon in the body, in your bodies, is naturally radioactive. It has in it enough radioactive carbon so that 15 atoms disintegrate every minute for each gram of carbon. In this disintegration a certain amount of energy is released which can be described in r units. You receive from the radioactive carbon in your body 1.5/1000 r per year. However, carbon in the body is the smallest part of its radioactivity. The largest source of radioactivity in the human body is potassium. It gives 1,800 disintegrations per minute per gram to form calcium and 180 disintegrations per minute per gram to form argon. In other words, 1,980 disintegrations per minute total. From these the human body receives 19/1000 r per year, to give a total together with the radiocarbon of 20/1000 r per year of natural inherent dosage. In fact, the radioactivity of the human body and the nature of its radiation is such that people receive dosages from one another which are measurable and considerable in terms of the fallout dosages. It can be calculated that people packed in a dense crowd receive about 2/1000 r per year dosage from the radioactive potassium in their neighbors' bodies, somewhat more than that which applied in the United States on January 1 of this year from the total of test fallout.

The principal sources of natural dosages, however, are not the human body, but the cosmic rays and the radioactivities in the earth itself. The cosmic rays at sea level give between 33/1000 and 37/1000 r per year, depending on latitude, being least intense at the equator. At 5,000 feet altitude, the dosages climb and range between 40/1000 and 60/1000, depending on latitude; at 10,000 feet, they range between 80/1000 and 120/1000; at 15,000 feet, between 160/1000 and 240/1000; and at 20,000 feet, between 300/1000 and 450/1000 r per year. It is clear, therefore, that people dwelling at high altitudes, receive dosages from the cosmic rays which are large as compared to the body dosages and to the test fallout dosages. In addition, the surface of the earth is radioactive because of the potassium, thorium, and uranium which are naturally present. In ordinary granite rock, there are about 13 grams of thorium per ton, about 4 grams of radium, and about 30 kilograms of potassium. These give dosages, which together with those from the cosmic rays and the human body radiation produce total radia-

tion dosages due to normal background irradiation at sea level over granite rock of between 143/1000 and 147/1000 r per year, depending upon latitude. These are increased at 5,000 feet to 150/1000–170/1000; at 10,000 feet, to 190/1000–230/1000; 15,000 feet, to 270/1000–350/1000; and at 20,000 feet, to 414/1000–560/1000 r per year. All of these dosages are for people living on the surface of the earth. In other words, the 15,000 feet figure here pertains to natives living in the high reaches of the Andes Mountains. The 5,000 feet level would apply to people living at that altitude on the surface of the earth.

If one considers the dosage rates for airplane pilots, the radiation from the surface of the earth is absorbed by the air, 50 percent absorption occurring in about 370 feet of air at sea level. In other words, at something like 100 yards, the radiation dosage from the rocks and earth surface is cut to half, and so the dosage for airplane pilots is very largely due to the dosage in their bodies themselves, about 20/1000 r per year and, to the cosmic rays which at 20,000 feet may amount to as much as 450/1000 r per year, and even at the equator as much as 300/1000 r per year. Interestingly enough the open ocean is the least radioactive of the various portions of the earth's surface. The total dosage of open oceans is 53/1000 r per year at the equator, and may rise to as high as 57/1000 r per year in northern and southern latitudes, the large decrease relative to the granite surface figures being due to the fact that uranium and thorium are practically absent from sea water, being less than 1/1000 as abundant as in granite rock. Although potassium is present, it also is only 1/100 as abundant as in granite rock. Therefore, the seafarer has the lowest natural dosage rate of any other profession.

Sedimentary rocks are less radioactive than granite rocks for the reason that opportunities have presented themselves for the removal of natural radioactive constituents. Of course, by the same token certain sedimentaries may be even higher than granites, but on the average, we take that the typical sedimentary rock has about one-fourth of the uranium, thorium, and potassium content as granites. In this way, we expect that at sea level, the typical dosage rates over typical sedimentary rocks will vary between 76/1000 and 80/1000 r per year. All of these dosages are applied to the whole of the human population, and so we can expect that whatever the genetic effects of radiation be, they have been in application since the beginning of human time.

There are certain other hazards which apply to a limited fraction of the population. For example, the luminous dial wristwatch, which on the average contains about 1 microcurie of radium per watch, will give 40/1000 r per year to the central portions of the body, if we assume that the average distance from the wrist is 1 foot, a very considerable dosage comparable to the natural dosages. If we take our airplane pilot again and assume he has 100 dials, each with 3 microcuries of radium per dial, at an average distance of 1 yard, his dosage from these dials alone is 1300/1000 r per year, a very, very large increase over the natural. It, of course, is to be borne in mind that the airplane pilot is like the Atomic Energy Commission worker, he is a very small and selected fraction of the population and the principal hazards to the human race must be to his immediate health. Tolerance for this type of hazard being some 15,000/1000 r per year, a conservative basis, he really runs very little hazard. However, it is obvious that it could be dangerous for the whole human race to fly airplanes under these conditions. Other types of abnormal exposures are X-rays, although these, of course, are fairly common. The lumbar spine, anterior-posterior exposure, involves 1500/1000 r for each exposure; the lumbar spine, lateral, involves 5700/1000 r; pregnancy, anterior-posterior, involves 3600/1000 r; pregnancy, lateral, involves 9000/1000 r. It is well to remember that the roentgen is itself a measure of the energy added to the system by the radiation per unit weight of tissue and high local doses are not necessarily dangerous. In other words, our principal worries are about whole body radiations and not about local radiations. However, some of the X-ray exposures cover considerable portions of the body.

Uranium miners have higher dosage rates. The ore of lowest uranium content which the AEC will buy corresponds to 0.1 percent contained uranium. A surface rock made of this material will give people living on it 2800/1000 r per year, and a worker in a mine, all of the walls and ceilings of which consist of ore of this type, will receive 5600/1000 r per year. This neglects radon gas which may also be present and constitutes a slight additional hazard. Phosphate fertilizer also can constitute a radiation hazard on these levels. Phosphate fertilizer may vary between 0.01 and 0.025 percent uranium. Flat ground surface consisting of this rock will give radiation of between 280/1000 and 700/1000 r per year.

Considering all of these things, it is quite clear that the natural radioactivities of the body, the effects of the cosmic radiation and the natural radiation of the radioactivities of the earth's surface constitute hazards which are much greater than the test fallout hazards. It is also clear that if the genetic damages from radiation are real at these levels, we have always had them in much larger measure. This does not, of course, mean that they are desirable but it does mean that any genetic effects of the test fallout must indeed be small fractions of the effects which are normally present in the human population. It also means that in case of a full scale atomic war, where the amounts of fallout might well be expected to increase by large factors like a thousandfold, there will be additional hazards due to the fallout, additional to the blast and thermal and other better known effects of nuclear weapons, that should be seriously considered. In fact, there is a possibility that the strontium–90 in the foodstuffs at such level might increase the occurrence of bone cancer. Also, we should expect that genetic effects might be appreciable if they are appreciable for the normal radiation background. We should expect also that the immediate effects on health would be noticeable. These latter effects, of course, are well known to those who have studied the unfortunate Japanese people who were subjected to the full effects of the nuclear detonations in Hiroshima and Nagasaki in August of 1945.

I would like now to read a statement on the genetic question prepared by Drs. Failla, Warren, Burnett, Cantril, Doisy, and Stern of the Advisory Committee for Biology and Medicine to the Atomic Energy Commission:

"In its recent meetings the Advisory Committee for Biology and Medicine has carefully reviewed the state of our knowledge concerning the genetic effects of ionizing radiation with particular reference to the problem in relation to radioactive fall-out from atomic weapons. The following statement, in which we all concur, represents our best analysis of the problem and our considered opinions based on all of the evidence which has been collected.

"GENETIC CONSIDERATIONS OF ATOMIC WEAPONS TESTS

"One of the important tasks of the Division of Biology and Medicine of the United States Atomic Energy Commission has been the safeguarding of the public against the effects of atomic radiation. The Advisory Committee for Biology and Medicine, consisting of independent scientists from various institutions throughout the country, share this concern.

"The ability of radiation to change the genes, the heredity material of mankind, has been a topic of much public discussion. In view of the widely contrasting opinions which have been voiced, the Advisory Committee wishes to point out the following facts and estimates.

"1. The AEC from its inception has supported a large number of studies on animals and plants in order to increase knowledge on the genetic effects of radiation, particularly on mammals. These studies, conducted in numerous universities and research institutes, have been freely published in the scientific literature. The AEC has also supported the extensive investigation carried out, under the auspices of the National Academy of Sciences, on the survivors of Hiroshima and Nagasaki and the children born to them.

"2. Experiments on animals and plants and observations on man show that mutations occur spontaneously at all times. Most of these mutations act unfavorably on the development, growth or well being of individuals. The spontaneously mutated genes have accumulated in large numbers in all human populations. Their presence accounts to a considerable extent for the fact that at least 1 percent of all newborn exhibit developmental abnormalities, most of them to a very slight degree but some in a more serious way.

"3. Irradiation of animals and plants adds to the number of more or less detrimental mutations. Human genes must be considered as being equally subject to the mutagenic effect of radiation. Indeed, a considerable fraction of the so-called spontaneous mutations of man are probably caused by the natural background irradiation from cosmic rays, soil, and food.

"4. The radiation produced by fallout from atomic weapons tests as well as from present and future peaceful applications of nuclear energy will result in additional mutations in human genes. The number of these cannot be estimated accurately at this time. At the current rate of irradiation from fallout, among the 4 million children born each year in the United States perhaps from a hundred to several thousand may carry as a result of this irradiation a mutated gene. At most, a small percentage of these genes will produce any noticeable effect in the first generation. Only slowly, over hundreds of years will the majority of these radiation-induced genes become apparent, in a few individuals at a time, usually by causing a less than normal development or functioning of the person concerned. It will be impossible to identify these individuals among the large number of similar ones, affected by genes already present in the population due to accumulated spontaneous mutations.

"5. No measurable increase in defective individuals will be observable at any time as the result of current weapons tests, since the few radiation-induced defectives will not change measurably the number of about 40,000 defectives who will occur spontaneously among the 4 million births of each year in the United States. It may be pointed out that no significant change in the percentage of malformed children has been observed among those conceived after the war whose parents had been exposed to the atomic bombs in Hiroshima and Nagasaki.

"6. The foregoing conclusions apply only to the genetic effects of weapons tests carried out at the present level and of foreseeable peactime uses of atomic energy. The genetic effects of a generalized nuclear war would be one of many catastrophic consequences of such a disaster.

"May 12, 1955."

As you all know, the National Academy of Sciences is to undertake a general study of the effects of fallout on life. It is to be supported financially by the Rockefeller Foundation. The Atomic Energy Commission has offered to collaborate fully in furnishing information and other aid necessary. A similar study is underway in England by the Medical Research Council under the chairmanship of Sir Harold Himsworth, and we hope that the American and British studies will be fully coordinated.

Hon. Oveta Culp Hobby

EXTENSION OF REMARKS
OF
HON. ALBERT THOMAS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1955

Mr. THOMAS. Mr. Speaker, last week the Texas Senate passed a resolution praising Oveta Culp Hobby, Secretary of Health, Education, and Welfare, for distinguished service she has rendered the Nation. The resolution is certainly most timely and expresses sentiment to which I subscribe. The people of Texas and the Nation can be justly proud of Secretary Hobby and the outstanding job she is doing. She is filling one of the most difficult Cabinet posts in our Government, with great ability and distinction.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 9, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, whose thoughts toward us are always those of love and peace, wilt Thou give us this day a calm and courageous spirit.

We penitently confess that our minds and hearts are so often disquieted and distracted with thoughts of doubt and fear.

Help us to believe that we never go through the hours of any day alone and unattended and that Thou wilt keep us in perfect peace if our minds stayed on Thee.

May this faith daily become a blessed reality, for we know that without it life loses its strength and its song.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 5100. An act to amend Veterans Regulation No. 7 (a) to clarify the entitlement of veterans to outpatient dental care;

H. R. 5106. An act to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing;

H. R. 5177. An act to authorize the Administrator of Veterans Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C.; and

H. R. 5695. An act to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5089. An act to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, to authorize assistance in acquiring automobiles or other conveyances to certain disabled persons who have not been separated from the active service, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1290. An act to amend the Public Buildings Purchase Contract Act of 1954; and

S. 2168. An act to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum wage, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5085) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 18 and 24.

Resolved, That the Senate recedes from Senate amendments Nos. 14 and 15 to the above-entitled bill.

PROVIDING AUTOMOBILES OR OTHER CONVEYANCES FOR DISABLED VETERANS

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5089) to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, to authorize assistance in acquiring automobiles or other conveyances to certain disabled persons who have not been separated from the active service, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out all after line 19 over to and including line 6 on page 3.

Amend the title so as to read: "An act to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, I would like to inquire what this is about.

Mr. DORN of South Carolina. Mr. Speaker, this bill which was reported unanimously by the Committee on Veterans' Affairs on March 24 and passed by the House on May 2, on the call of the Consent Calendar, is an extension to the program of providing automobiles for veterans who have lost or lost the use of one or both hands or feet or who are blind as defined in Veterans' Administration regulations.

As passed by the House, the bill accomplished four things: First, it extended the time for applying for 2 additional years or until October 20, 1956; second, it broadened the law to cover those veterans who had this type of disability but who had remained in one of the branches of the Armed Forces; third, it extended the benefit to the veteran meeting the basic eligibility requirements but whose qualifying disability occurred subsequent to his discharge, and who made or makes application within 3 years after the occurrence of the disability; and lastly, it provided a veteran with a 1-year period to apply where the disability was not adjudicated as service-connected until long after his discharge, or perhaps after expiration of the basic time for filing.

The Senate committee in reporting the bill recommended only one amendment, and that was to delete the provision granting this benefit to men who remain in the service. The bill passed the Senate in that fashion.

While, of course, we would prefer to have the bill enacted in the form in which it was reported by the Committee on Veterans' Affairs and in the manner in which it passed the House, in view of the time element and other factors, I think the interest of all concerned will be served by concurring in the Senate amendment.

The gentlewoman from Massachusetts [Mrs. ROGERS], who originally sponsored this program, concurs in the decision to agree to the Senate amendment.

Mr. HOFFMAN of Michigan. Does the gentlewoman from Massachusetts, a minority Member, approve of the bill?

Mr. DORN of South Carolina. That is right. She is right here.

Mr. HOFFMAN of Michigan. I withdraw my objection, Mr. Speaker.

Mrs. ROGERS of Massachusetts. I do not like the elimination of that provision, but I think due to the fact that we might adjourn quickly, it is better to accept it and get the other provision through a little later.

Mr. DORN of South Carolina. I agree with the gentlewoman from Massachusetts.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. DORN]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

NATIONAL PROSPERITY

Mr. MOLLOHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. MOLLOHAN. Mr. Speaker, our President has, on more than one occasion, proclaimed his very proper concern for the welfare of all the American people. This is indeed heart warming, and I am sure we all share his gratification over the continuing high level of prosperity which so much of the country enjoys. Corporation profits have reached a new peak. Business and industry flourish and the fortunate possessors of stocks and bonds are enjoying fatter dividends than ever before.

Consequently, to some 20 million Americans it must seem a little odd that the President is so adamant in his determination that their share of the national prosperity shall be no more than 15 cents.

This is not being very generous, Mr. Speaker. Nor is it any more generous to veto an extra 1.2 percent raise for a half million postal workers or to declare a 6 percent raise for classified employees sufficient as their share in the general well-being.

Yet, it was only yesterday, June 8, at his press conference that the President is reliably quoted to have said it was news to him that it was unofficially reported he would accept the Senate Labor Committee's proposal to increase the minimum wage from 75 cents to a dollar an hour. He still believes, he declared, that it should be boosted only to 90 cents.

A $6-a-week raise in pay for those struggling to accomplish the impossible—to maintain even a minimum standard of decent living for themselves and their families on $30 a week—is not, it would seem to me, a very fair share of the national prosperity their efforts have helped to produce.

Even $36 a week can buy only the bare necessities of life today. But it will not purchase the television sets, the automatic dishwashers, the nice new electric refrigerators, the new model cars, and houses our big business administration is happily turning out at such amazingly accelerated production rates.

It would, therefore, seem clearly the responsibility of Congress to make known to the President that great concentrations of the wealth of the Nation among the upper-income brackets cannot provide an adequate market to absorb this vastly increased national output. Only the great majority of the American people can provide such a market, Mr. Speaker, and they can do this only when we are sufficiently enlightened to see that they earn enough to purchase a little more than the food they eat and the roof over their heads. But they cannot do it on $36 a week.

SOCIAL SECURITY

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, for many years at every session of the Congress, I have introduced a bill to lower the social-security retirement-age limit from 65 to 60 years. I believe my bill or a similar bill should be favorably acted on by this session of the Congress. The need of this legislation is becoming urgent. The population of the United States is increasing by leaps and bounds. The annual birth rate is ever larger and more aliens are becoming citizens daily. Since the enactment of social security in 1936 our population has increased by 36 million.

Senator NEELY's subcommittee conducted a thorough investigation of employment throughout America and found widespread unemployment in many industries. In fact, at this moment there are 2½ million unemployed in the United States. This poses a very serious economic problem that must be solved. Many industries in America are not expanding and are not in a position to expand for some time to come. The best and practically only way to solve this population problem, unemployment problem, and static industry situation is for this Congress to lower the social-security retirement age and provide benefits for those who have become disabled.

In seeking a solution to this problem, I have talked to employers and employees and the vast majority contacted in both categories agree that the age limit should be lowered. Management is presently carrying many people on the payrolls who have become unable to do much work. These employees should have the opportunity to retire, enjoy social security, and make room for younger men and women who otherwise might be unemployed.

In my district almost daily I hear from textile employees who have worked as long as 45 and 50 years in the textile industry, having started at an early age, yet who have several years to go to reach the age of 65. Many of them have become unable to do any constructive work. They are just holding on until they reach 65. These people are anxious to retire and make room for others who have earned advancement. By lowering the social-security age we can take thousands off public welfare and old-age assistance at a savings to the taxpayers of this country. To lower the social-security age from 65 to 60 and to take care of the disabled can be done without any additional cost to the taxpayers of America. It will strengthen our economy and permit many employees to enjoy their declining years.

This legislation is right, it is just, and will promote the general welfare of our great country.

TAX RECORD OF REPUBLICAN PARTY

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therewith a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, the Republican Party has reason to be proud of its tax record. Since the present administration took office, not one single general tax increase has been proposed or enacted. That fact alone distinguishes the Republican record from that of the Democratic Party, which during its years in office created the greatest tax burden and at the same time amassed the greatest public debt in the history of our country. The Republican Party has changed that picture. Look at the record. The Republican Party has reduced taxes by about $7 billion annually. At the same time, we have brought a balanced budget close to reality. We have stopped inflation and given the country a sound dollar. Personal income is the highest in history. The economy is strong and expanding.

Mr. Speaker, a year ago last April the Republican 83d Congress enacted a major excise tax reduction. We anticipated then that there would be a resulting loss in revenue of about $1 billion. However, we also predicted that those excise cuts would stimulate sales and economic activity generally. That our policy was sound has now been proven. The tremendous increase in business activity which followed the excise tax reduction has resulted in the revenue loss being $400 million less than anticipated. Sales of the articles and services on which we cut excise taxes increased $4 billion in the year immediately following the reductions. Thus, the Republican Party has demonstrated the soundness of its tax policy designed to help all of the American people.

Mr. Speaker, the following newspaper article describes in detail the beneficial results of the excise reduction enacted by the Republican 83d Congress:

GAIN IN SALES SINCE EXCISE-TAX REDUCTIONS EASE REVENUE LOSS

(By Irvin D. Foos)

WASHINGTON, June 3.—Sales have climbed $4 billion since Congress cut excise taxes on many goods and services April 1 last year. A spurt from $10 billion to $14 billion in sales of the tax-cut items has held the Government's loss in revenue down to $600 million.

When Congress cut excise taxes, the Treasury estimated a revenue loss of $1 billion. The administration reluctantly agreed to the cuts, however, as a means of heading off an increase in the personal-tax exemption, which threatened an even larger loss in revenue.

The excise cuts in April 1954, came at a time when business generally was slipping, and they can be credited with helping to bring on the upturn in business that showed up later last year.

SALES UP IN EVERY CASE

A report today by the Internal Revenue Service makes it possible to compare collections in the 12-month period from April 1, 1954, to April 1, this year, with those in the preceding year when the old high rates applied.

In every instance the cut in excise rates has been accompanied by a rise in sales volume that partially offsets the revenue loss.

Jewelry, for example, is one of several items on which the retail excise tax was cut from 20 percent to 10 percent. The old rate represented sales of $1,087,405,000 from April 1, 1953, to April 1, 1954. Tax collections totaled $217,481,000. At the new rate of 10 percent, tax collections dropped to $155,513,000 from April 1, 1954, to April 1, 1955, but jewelry sales rose by $467,725,000 to $1,555,130,000.

On electric, gas, and oil home appliances (except air-conditioners) a cut from 10 percent to 5 percent in the manufacturers' excise tax reduced revenues by $39,865,000, but produced a sales gain of $217,530,000.

SALES AND TAXES

The record for some other items on which the retail excise tax was cut from 20 percent to 10 percent is shown in the following table:

	Under old tax	Under new tax
Toilet preparations:		
Sales	$559,910,000	$811,470,000
Tax collected	111,982,000	81,147,000
Luggage:		
Sales	439,600,000	556,170,000
Tax	87,920,000	55,617,000
Furs:		
Sales	192,980,000	295,630,000
Tax	38,596,000	29,563,000

With a cut from 15 percent to 10 percent on local phone service, tax collection dropped by $78,277,000 to $290,841,000, but the dollar volume of traffic rose by $447,610,000 to $2,908,410,000.

Travel on public carriers has also increased with a cut from 15 percent to 10 percent in the tax on passenger tickets. Ticket sales rose by $286,780,000 to $2,028,080,000. The Government collected $202,808,000 in revenue, a drop of $58,397,000 from the preceding year.

RED HAT DAY

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, Red Hat Day, proposed and sponsored by the Portland Chapter of the Izaak Walton League of America, launches a unique program in the State of Oregon to promote greater public appreciation of and interest in the recreational opportunities offered within the State. The program is officially supported by the State of Oregon through the selection by Gov. Paul Patterson of a governor's committee for Red Hat Day.

The Red Hat Day Committee, in cooperation with conservation organizations, sportsmen's clubs, agriculture, business, and industry groups will conduct an educational program in coming weeks through the schools, press, radio, television, advertising, and in talks at public meetings, which will culminate in the statewide observation of Red Hat Day on September 23. It is expected that Federal and local agencies interested in and responsible for law enforcement, fire control, protection of property, conservation, and maintenance of recreational facilities will join in the program.

The purpose of the program is multiple, namely, to encourage better sportsmanship practices, prevent fires in timbered and range areas; promote greater caution and increased safety in hunting; show proper respect for the property and rights of others; and to encourage observance of the game laws. Oregon recognizes the need for such an effort in view of the fact that during the past year 13 were killed and 37 wounded as a result of hunting accidents and carelessness in the handling of firearms. More than 200 fires on forest and range lands were credited to hunters. Substantial unassessed damages accrued to both public and private property throughout the State.

Oregon takes leadership in meeting a problem which also exists in other States of the Union. Preservation of recreational values depends upon the success with which citizens conserve and protect the outdoor resources and facilities for recreation. Other States might well follow the lead of Oregon and ultimately join in establishing a national program of education for the greater enjoyment of and protection of the Nation's recreational resources.

CIGARETTE LABELING ACT

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, on March 21, I introduced a bill, H. R. 5091, entitled "Cigarette Labeling Act," which provides that cigarettes sold in interstate commerce shall be packaged and marked so as to show to the smoking public the nicotine content of the total number of cigarettes in the package or other container.

My purpose in sponsoring this type of legislation is to protect the cigarette smoker in the selection of the cigarette he believes less harmful and injurious to his health. It is our aim as legislators to see that proper and adequate legislation is enacted where the interest of public safety is involved. In this instance, the health and welfare of 120 million cigarette smokers is at stake. And it is our responsibility not to abolish or prohibit smoking, but to safeguard the cigarette smoker.

At the time I introduced my bill, I stated that reliable surveys have indicated a definite association between smoking and cancer and heart disease. There has been statistical evidence showing the use of nicotine in the form of cigarette smoking is harmful to the individual. Scientific reports have shown that the known safety level of nicotine is 0.65 milligram per cigarette—anything higher has proved to have a deadly effect on the human body.

Now we have a report just released by the American Medical Association which confirms my fears. This disturbing report reiterates previous findings that there is a direct relationship between smoking and cancer.

If ever there has been need for this type of remedial legislation, it is now. This distressing report emphasizes the need for protection of our smoking consumers.

This Cigarette Labeling Act which I have proposed can twice benefit the public. First, it will provide the cigarette smoker a standard for selecting the brand he believes may be potentially less dangerous to his health; and, secondly, it will stimulate competing cigarette manufacturers to take specific and definite action to reduce the nicotine content of their products to a safety level.

I am sure that every Member of Congress will agree that the health, safety, and welfare of 120 million American smokers are more important than the possible inconvenience or added expense that the cigarette manufacturers may have to undergo in selling their products. I urge that this Congress give my bill, H. R. 5091, serious and immediate consideration.

SLUM CLEARANCE AND URBAN REDEVELOPMENT

Mr. DAVIDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DAVIDSON. Mr. Speaker, I desire at this time to introduce for the consideration of the Congress a bill to amend certain provisions of the law relating to housing. It is my feeling that if Congress had enacted a measure similar to the one I now propose some years ago, two important things would have been the result. First, we would have had genuine progress with regard to slum clearance and urban redevelopment because we would have had a realistic basis for evaluation and the Federal Housing Administration might have been in a position to proceed in accordance with a realistic and understandable policy. Secondly, we would not have had the scandal of windfall profits and federally assisted housing would not have gotten an undeserved black eye which has acted as a setback to progress in the field of housing which is so vital to our country.

I believe it superfluous on my part to expound on the need and desirability for more and improved housing for millions of Americans now living in substandard shelters. Private industry has not supplied the need in the case of low- and middle-income housing because of small profit margins. Slums and blighted areas in many of our large cities have been growing steadily worse and have increased in size. My experience for many years as a judge in a criminal court has convinced me beyond a shadow of a doubt

that crime, especially juvenile crime, is bred and fostered by the unhealthy, sordid conditions which exist in substandard homes and slum areas. It is in these localities that policing activities, fire and health programs, are taxed to the utmost.

That Federal assistance is necessary to enable the State and local governments to effectively combat the spread of slum conditions has long since been established. As a member of the House Committee on Banking and Currency, which is presently holding hearings with regard to amendments to our Federal laws relating to housing, I am convinced that the agencies concerned with the administration of our housing laws are in need of renewed direction by the Congress, and that our Housing Act itself is in need of legislative revamping. Last year Congress amended the Housing Act to include an authorization for the FHA to insure urban renewal and slum-clearance projects. The purpose of the law is obviously laudable, but despite many applications which have been made for Federal assistance, FHA has not approved a single one.

At the public hearings held by the Committee on Banking and Currency, Mr. Cole, the Housing Administrator, was questioned at length by me. At first there was some question as to where the responsibility and the jurisdiction for slum clearance and urban redevelopment might lie. Mr. Cole indicated that the administration of section 220 of title I was primarily the responsibility of FHA. However, he stated:

> The Urban Renewal Administration, in granting contracts for planning and approval of the redevelopment project, does have some impact upon the redevelopment, and therefore has some impact upon section 220.

Mr. Cole pointed out that when "a community desires to clear and redevelop a given slum or blighted area, it proceeds by going to the Urban Renewal Administration and asking for planning funds." Mr. Cole later stated:

> Heretofore there has not been very much of a closely coordinated effort between FHA and Urban Renewal.

I have no desire, Mr. Speaker, to castigate the Federal Housing Administrator who stated at the hearings that he agreed with me and was himself "not satisfied with the swiftness of the program."

Renewed questioning brought out this fact: Not a single application for slum clearance and urban redevelopment had been granted under section 220 because the FHA had established no policy of appraisal or cost evaluation. I believe my bill would cure that by striking out "estimated value" and inserting "replacement cost."

My measure would require the builder in his application for a mortgage to agree that upon completion of the physical improvements on the mortgage property or project that he would file a sworn certificate subject to the scrutiny of the Government's accountants with regard to the actual cost of such physical improvements, and that if the mortgage loan exceeded the actual cost of such physical improvements, the builder would promptly repay any excess—windfall surplus—over the approved percentage, and apply same to the reduction of the principal obligation of the mortgage. In simple language, the mortgage loan, which is insured by the Government, would simply be reduced by the amount not needed. Mr. Speaker, this is far better than having the excess go into the pockets of builders in the form of windfall profits.

However, more important than this alone, the FHA would and must lose its investigation jitters and proceed with a practical, workable housing program.

One of the most important provisions of this bill is that it would provide 150,000 public-housing units a year beginning immediately. The administration bill calling for only 35,000 units is totally inadequate and has already been rejected by the Senate. If the slum-clearance and urban-renewal projects are to go forward, the people who now live in these blighted areas must have homes to which they can move. Thus an adequate public-housing program, such as my bill suggests, is required, in order that the indecent and inadequate substandard houses might be torn down and replaced.

ANNOUNCEMENT

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, yesterday afternoon when rollcall No. 80 was in progress I was at a conference in the Department of Labor with constituents. Had I been present, I should have voted enthusiastically in the affirmative.

SPECIAL ORDER GRANTED

Mr. BURNSIDE asked and was given permission to address the House for 20 minutes today following the legislative business of the day and previously entered special orders.

STRENGTH OF OUR ARMED FORCES

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I have been advised by one of my colleagues that Facts Forum, hardly an antiadministration organization, has conducted a nationwide poll and that the result of the poll was that the people voting in it were opposed to any cut in the Army.

You will recall I have been making a point in the House against making any appropriation cuts affecting the size of the Army.

Today you find that a regiment of marines is being sent to Okinawa. We have no replacement to send to Japan, where they came from. The French have pulled a division out of NATO and sent it to North Africa. Neither the United Nations, NATO, nor the United States have replacements for that withdrawn division of the NATO forces. What are you going to do to replace the American divisions that may be withdrawn from Germany? You do not have them and goodness knows when you are going to get them.

Mr. Adenauer is going to Moscow. Tito has 20 divisions, but you do not know where Tito is.

Mr. Speaker, the appropriations for our defense need further consideration.

ENLARGEMENT OF OUR ARMED FORCES

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I know I am not and I do not pretend to be even as good a man as the gentleman from Pennsylvania, our dear colleague [Mr. FLOOD] who just left the floor. I gather from his remarks—and I may be mistaken as I often am—that if he had his way he would cure unemployment by sending our young men all over the world wherever anybody wants them or thinks they want them, either as customers for commercial items or just to stay there or for the defense of that particular country—though, of course, his remarks were, I assume, in support of what he considers a part of an adequate defense program.

I cannot go along with the idea that we should continue to supply other countries with either occupation or combat forces. Sure, it would give to the undertakers and the monument makers more business, do away with unemployment, give false prosperity, but I would like to have someone give me just one good sound reason why we should continue to draft or solicit the enlistment of American boys and have them stationed, perhaps some of them with their families but more of them without—all over the world, taking them out of this country to do some job for some other nation. I cannot see it. For national defense I will vote, but I will not vote to cut into the opportunities the normal lives of our youth just to serve or gratify the ambitious desires of politicians of other nations.

SPECIAL ORDERS GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

Mr. POWELL (at the request of Mr. MCCORMACK) was given permission to address the House for 30 minutes today, following the legislative program and any special orders heretofore entered.

Mr. ANFUSO (at the request of Mr. McCORMACK) was given permission to address the House for 1 hour on Wednesday, June 15, following the legislative program and any special orders heretofore entered.

UNEMPLOYMENT

Mr. MURRAY of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MURRAY of Illinois. Mr. Speaker, for the purpose of the RECORD and for the information of the Members of this House the remarks of the gentleman from Pennsylvania, in my opinion, ought to be clarified, in view of the statement made by the gentleman from Michigan. The action and the great fight that the gentleman from Pennsylvania has been making in the interest of our Armed Forces is with the view of protecting our country from the aggressive imposition of a state of being that is the complete antithesis to liberty under God.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Illinois. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. May I say to the gentleman that for the first time to my utter amazement I am in complete accord with the distinguished gentleman from Michigan.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Illinois. I yield to our distinguished majority leader.

Mr. McCORMACK. Of course, we have now gone through 2⅓ years of the present administration and so far as unemployment is concerned certainly the present administration is accountable for it.

Mr. MURRAY of Illinois. It is and I think the gentlemen on the opposite side of the aisle are well aware and are quite disconcerted about it.

TRADE AGREEMENTS EXTENSION ACT OF 1955

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tomorrow night to file a conference report on the bill H. R. 1.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

FLAG DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I believe it fitting and proper that the membership of this House take official cognizance, by proper ceremonies from this floor, of Flag Day which takes place on June 14. This is the one day that we set aside to pay homage and tribute to the heraldic symbol of our great Nation. It is the one day that we unite as a nation and lift our eyes and hearts and dwell upon 48 stars in a field of blue with 13 alternate red and white stripes. It is a day of allegiance to our belief in freedom and human decency for which that symbol has historically been the principal inspiration to all the world.

Of added significance is the anniversary observance of the Rabaut amendment that placed the important words "under God" in our pledge of allegiance—our verbal expression of patriotic devotion to our flag. In this day and age when the world is being rent with the gospels of godless disciples, when the minds of men are being contended for, it is most significant that our great Nation assure those who we would lead, that our country is a God-loving nation, united, under the Almighty God, and indivisible in the face of the atheistic forces of communism.

EMPOWERING SPEAKER TO DECLARE A RECESS ON JUNE 14

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Tuesday, June 14, for the Speaker to declare a recess for the purpose of observing and commemorating Flag Day in such manner as the Speaker may deem appropriate and proper.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BANK HOLDING COMPANY ACT OF 1935

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 265 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. No amendments shall be in order to the portions of the bill beginning on line 7, page 19, and ending on line 13, page 30, amending the Internal Revenue Code, except amendments offered by direction of the Committee on Banking and Currency and such amendments shall be in order notwithstanding any rule of the House to the contrary, but shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and yield myself such time as I may require.

Mr. Speaker, this resolution calls for the consideration of the bill H. R. 6227 reported by the Committing on Banking and Currency. It is known as the bank holding company bill. It is a matter that will be somewhat controversial. There was some opposition to the bill in the Committee on Banking and Currency.

Mr. Speaker, the bill itself seems to me to carry only two very important features, and they are important features. The subject of control of bank holding companies has been before this House in various forms for a long, long time. I think it has been pretty generally recognized that there are potentials of evil in any situation that permits banks to engage in business other than banking business. There are only two main features in this bill, and they are these:

There is a provision in the bill allowing bank holding companies—a bank holding company being defined as a company that controls two or more banks—to continue just as they are; they may continue to operate as they are with the requirement that they file reports and submit to examinations, but if they seek to expand and acquire other banks, they must first seek and obtain permission of the Comptroller of the Currency, that is, really the governors of the Reserve Board, but then submit it to the Comptroller of the Currency and get his permission. Now, it seems to me there ought to be no valid objection to that feature.

The other important thing in the bill is the requirement that bank holding companies engaged in other business—that is, if they own a canning factory, as some of them do, and they own this business or that business and the other businesses scattered all around the country—must make up their minds whether they want to be in the banking business or in the commercial business. They must divest themselves of one or the other. In other words, they cannot be engaged in the banking business and be engaged in other miscellaneous businesses. That is the most controversial feature of this bill, I think. The question that is going to be submitted to the House is whether that is the right thing or is not the right thing. It seems to me that any organization would have enough to do to run a string of banks without going into various and sundry other kinds of businesses. This bill requires them to divest themselves of the other kinds of businesses, if they want to remain in the banking business. They may keep their banks, but they must divest themselves of businesses other than the banking business. They are given 2 years within which to do that.

Then we come to a feature of this rule which Members may have noticed, which is the closed feature of the rule. It is an open rule as to everything I have been talking about. But when you require the banks to divest themselves of other businesses, they have got to sell them and it was felt that it would not be fair to force

them to sell these banks and then pay a tax on this forced profit. The Committee on Ways and Means collaborated with the Committee on Banking and Currency in working out the tax features so that justice may be done in the elimination of taxes which ought not to be imposed on a forced sale of assets. In accordance with the usual custom that we have in regard to intricate tax bills, that feature of the bill is subjected to a closed rule and will not be subject to amendment other than amendments offered by the committee.

Mr. Speaker, that covers the bill generally as to the administration of it. There is a feature that preserves the rights of the States to control branch banking or what is the parallel situation, holding company banking so that the Federal agency is required to seek the advice of the State whenever it is proposed to increase the holdings of any holding company. That cannot be done unless it conforms to the State system. That follows what is true now with respect to branch banking and all other features. The Federal Reserve always seeks to conduct its affairs within the State in accordance with the laws of the State.

Those are about all the important features of this bill. I favor the bill. I think it ought to be passed. I think it is long overdue. I might say, as far as I can ascertain, the independent bankers of the country unanimously favor the passage of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. ELLSWORTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H. R. 6227 has for its purpose the correction of evils, as I understood the testimony before the Committee on Rules, which might occur in the banking business or with reference to bank holding companies. We did not hear any testimony in our committee to the effect that it was for the purpose of correcting any present or existing difficulties.

The bill appears to represent a good principle. The gentleman from Virginia [Mr. SMITH] has explained the basis of it. He has explained that the independent bankers over the country are in favor of it. Apparently the principle embodied in the bill is proper. In other words, the purpose of the proposed legislation seems to be good.

But I found myself confused, as a member of the Committee on Rules, after hearing the testimony of members of the Committee on Banking and Currency, both those who were for the bill and those who felt it was not quite right. I had the feeling that the House of Representatives would be faced with a very difficult situation when this bill came before it, particularly under the 5-minute rule.

The House faces this kind of situation, we are considering a bill which is laudable and desirable in principle but regarding which there is apparently considerable difference of opinion as to the details of the provisions of the bill and the language of some of the sections of the bill.

The Committee on Rules was told that the bill as it is now coming before us is not the bill recommended or approved by the Federal Reserve Board. We were told that the Federal Reserve Board approves the idea of this legislation. It suggested legislation which would be desirable and helpful and accomplish all of the objectives which the independent bankers and others over the country want. The bill recommended by the Federal Reserve Board would do that, those who oppose the bill say. On the other hand, as far as I could determine, the Board was silent as to whether or not the provisions in the bill before us are desirable, and there was some indication that they were not considered desirable by the members of the Board. That is the agency which has to administer this legislation. So the Committee on Rules, having heard this testimony, sent the resolution to the floor as it is now before you in the form of House Resolution 265.

I think it is just as well that the House adopt this resolution, but in adopting it I believe every Member of the House should be put on notice that this is by no manner of means a routine piece of legislation. There probably, almost certainly, will be improving amendments offered by those who understand the technicalities of it, and it is a highly technical bill. So having called the attention of the House to what the situation is likely to be when this bill comes up for general debate and then is read under the 5-minute rule, it is my opinion that this rule should be adopted and that the House should with great deliberation work its will on this legislation.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, briefly, I want to bring out a few points and raise some questions with reference to the effect upon the general public of powerful force on the part of industry, and powerful forces representing labor in collective bargaining arriving at agreements.

May I say I am a stanch advocate of genuine collective bargaining, as it is our best implement that business and labor can use to arrive at decisions, which will best advance the welfare of the workers and at the same time increase the productivity of the Nation.

I realize that we are on a high plane of living, of economic production, and that labor should and must have high wages, good safe working conditions, and reasonable hours. As the economy of the country advances, wages and security contracts should also advance.

However, we have reached a point, both from the standpoint of the bigness of certain employers, and corporations, and the bigness, on the other hand, of segments of labor where they can reach collective-bargaining agreements that can work a great hardship not only on the public, but upon millions of other members of organized labor who, for lack of numbers and the concentration of power, cannot wield such an influence at the bargaining table.

For instance, after the big and dramatic show over the so-called bargaining table of the giant Ford Motor Co., employing 150,000 people, and Mr. Walter Reuther, president of the CIO, representing the workers, the news flashes through the country that the big strike has been avoided, and a contract agreed to.

The question I want to raise is: How good is this news for the public which has to pay the 25-cents-an-hour wage increase that Mr. Walter Reuther, president of the CIO, won for the employees, and how good is the news to the general public who will have to pay the $55 million guaranteed wage provided, a part of which will be added to every car and truck any person buys throughout the Nation? We all know that costs in production are passed on to buyer or consumer.

How good will the news be that will soon come at the end of another dramatic bargaining show between the General Motors Corp. and Mr. Walter Reuther, who speaks for a total of about 350,000 General Motors employees?

Mr. Reuther insists he wants a more liberal contract from General Motors, and he may get it. The more he gets, through the power of his organization, for the employees he represents, the more it will cost the 58,400,000 citizens of our country who buy automobiles, including all farmers; yes, and the over 15 million laboring men who will not belong to the United Automobile Workers of the CIO.

The facts are that the millions of people who buy and use automobiles, who have to pay the bill from the so-called bargaining, had no representation whatsoever, not even a whisper was raised in their behalf while they were being committed to pay the millions being imposed on them.

It would seem only fair, that the public that has to pay the bill resulting in the agreements made between giant industries and giant unions, should and ought to have a place of equal importance in any such bargaining that has been and is being conducted.

The Ford Motor Co. in its present fierce competition with General Motors knew that economically it could not afford to permit a strike to be called. Reuther knew that as well as Ford. The General Motors realizes that since Ford has signed up, financially and economically they can hardly afford to let a strike be called, so they will doubtless sign up. Reuther knows that too.

The Ford organization and General Motors know that by signing up, they can prevent a strike, and the cost will be passed on to the public, who has to pay the bill. Of course, there is another angle where the public and the workers as well will all be punished—that is, with the drive now on throughout the Nation to increase wages by the big labor leaders, it will be a miracle if this administration, which has stopped inflation, can keep it stopped and prevent

another wave of inflation that will increase the cost of living to everyone. Were it not for these strikes, the cost of living which has reached the lowest point in a good many years and could and should go down instead of entering on another forced wave of inflation which will be set off by the chain reaction all over the country following these contracts and the cost of living could be reduced with great benefit to everyone.

The result of this so-called bargaining will cost the farmers additional money for their trucks and other motor equipment—millions upon millions of dollars will be added to the present serious burden in which the farmer finds himself during the present price squeeze, and with surplus commodities overhanging and depressing his markets.

It will add an additional cost to every man and woman in America who buys an automobile, truck, or farm implement. It will actually take money out of the pockets of every one of them. The record shows 53,400,000 of them are buying these automobiles and trucks.

Oh, what price bargaining, when the public has no representation.

Mr. SMITH of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. RABAUT] and I ask unanimous consent that he may speak out of order.

The SPEAKER. Is there objection?

There was no objection.

Mr. RABAUT. Mr. Speaker, it is very odd when certain people here tell us about Walter Reuther, but let it be remembered that Walter Reuther represents the great CIO movement in the automobile industry. Walter Reuther is very highly regarded in many, many sections of this country, not only in labor sections but he is recognized favorably everyplace where men with brains gather and talk about policies and the progress of America. Walter Reuther sat down with John Bugis in Ford's negotiations. Bugis was the FBI man at Detroit, and Ford asked him to take the position of labor relations for the Ford Motor Co. and do the bargaining for Ford. But voices are always raised when benefits accrue to labor. Nobody raised their voice when interest rates went up under the new administration. Nobody said anything about new bonuses that must be paid now to buy homes. Nobody said anything about the effect of the new technological trends in manufacturing. But when any new money comes to those who toil, it seems necessary to search for someone to represent them on the floor of Congress.

I am going to raise my voice as long as I am here for those who toil, for those who have families to exist behind the meager amounts earned by those who toil. You need no champion for the character of the person who toils. You champion him as the bread winner, those who bared their breasts and fought side by side with the sons and daughters from every home in America. Oh, yes, there will always be those here who take proper cognizance of the leadership of men like Walter Reuther when asking for a new wage; not one under his whole domain receives the sum as small as a dollar or a dollar and a quarter an hour. They all receive more. So he shows his genuine devotion to the principles for which he stands, the betterment of the people that toil in America.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I wish to commend the gentleman from Illinois [Mr. VURSELL], who follows so faithfully in the footsteps of that other great statesman from Illinois, Abraham Lincoln, and who, as did Abe, honestly, conscientiously, and effectively speaks for the common people.

I wish to commend my good friend from Detroit [Mr. RABAUT], who so vigorously and enthusiastically championed Walter Reuther.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. Just temporarily.

Mr. VURSELL. Yes. I just want to say I am sorry the other gentleman did not have time to yield to me.

I respect Walter Reuther. Walter Reuther has done a great deal for labor and all that goes with it. This is not a fight against any laboring man, as I prefaced my remarks; this is in the interest of a great many million people who do not belong to any labor organization. I am speaking for them as well as for the 15 million who do but not to that particular organization.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. Yes. May I have more time, then?

Mr. RABAUT. Walter Reuther's championship of an increase in the hourly wage, I said, affects no one in his domain. His championship of that is for the very people about whom the gentleman speaks, people who have no one to say a word for them, yet it will not benefit Reuther's organization directly. Indirectly, however, it will benefit every union in the country and also benefit the industry and economy of this Nation.

I want to thank my friend for yielding to me.

Mr. HOFFMAN of Michigan. You do not need it. I will yield any time if I can get more time.

In one respect I am just like Walter. I am willing to give away anything that does not cost me anything and that will please the recipient. Both my friend from Illinois [Mr. VURSELL] and my friend from Michigan [Mr. RABAUT] make clear their views. There is no uncertainty about what they mean.

Walter Reuther is a powerful man—and, if power means greatness, he is a great man. I agree with my friend from Detroit, Walter Reuther is a powerful man, and I am glad he was able to get some kind of agreement. A strike would have been bad for all concerned. I also agree with my friend from Illinois, who says that what Walter and Ford have agreed to give the workingmen of Detroit comes out of those who buy the automobiles; and there are more in that group than there are in the CIO or the AFL, or both. Of course, I realize that the gentleman from Michigan did not, and none of us, in fact, ever speaks here with the political effect of our statements in mind; we have no idea of getting the votes of any particular group by what we say. The gentleman shakes his head. He agrees with me.

Mr. RABAUT. Absolutely right.

Mr. HOFFMAN of Michigan. No, we do not think of things like that; we are not selfish. We are talking for the improvement, the betterment, of our country and the good of all the people of the country; and I can see as Walter said and as was printed in that little pamphlet he sent out which carried the picture of my good friend from North Carolina [Mr. COOLEY] and the picture of Mr. Reuther on the same page; working together as buddies for the farmer—I can see why Walter can say that he is speaking in the interests of every one of the farmers, for example, that is if we accept his interpretation of what he advocates. In that little pamphlet he tells—it is a wonderful thing; you should read it among other things—how he is working for the farmer. He said that one of the finest crops of the farm—he is a very eloquent gentleman—he said the finest crop from the farm was the young men and the young women who come to Detroit and who are there employed in the automobile industry.

What he forgot to say was that when they got to Detroit from the farm they could not get a job in an automobile factory, or any other factory in Detroit for that matter, until they paid Walter's or some other labor organization initiation fees, dues, special assessments, including on occasion an assessment for political purposes, a large part of which Walter and his cohorts use in influencing the elections in Michigan. Walter thoroughly and to the limit cultivates that crop of young men and young women who, leaving the farms, go to Detroit seeking opportunity, seeking employment. And the harvest Walter or Walter's union reaps is a rich one—it comes from the sweat and the toil of the farm boys and girls. And, incidentally, although he makes no effort to get it, my good friend from Michigan receives the benefit of those contributions made by the wonderfully fine young people who come from the farm and who contribute to the political war chest of the CIO. And a part of the information is in the Clerk's report over here of how the CIO supports the Democratic Party and its candidates.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. RABAUT. How would the gentleman propose that the great labor organizations could match, for instance, the bargaining power of the Ford Motor Co. or General Motors, or anybody else, unless they had a fund behind them?

Mr. HOFFMAN of Michigan. Of course, they cannot match it. They can-

not effectively represent the workers without that, and labor unions; I have no objection; I think that is fine. Just as farm organizations have lobbyists here or as any other organization that has the ability and the funds to have their representatives here, labor should be represented. That is all right. When Reuther and our colleague the gentleman from Michigan [Mr. RABAUT] were talking about Reuther's desire to help the farmers, at least our colleague forgot that—Reuther, in the illustrated booklet, the Power of Abundance, that being an expression of the CIO's views on the farm problem and quoting Reuther's statement before the House Committee on Agriculture, boasted that—

> We in the Automobile Workers Union have most of the farm-equipment plants organized under the jurisdiction of our union. We have the Harvester plant, we have the Massey-Harris, the John Deere, the J. I. Case plant, the Allis-Chalmers plant, where they make most of the agricultural implement equipment, and we know that while we have had very real and sizable and serious unemployment in the automobile industry proper, we have had a higher percentage of unemployment in the agricultural implements industry than in any other major industry. Why? Is it because the American farmers do not need equipment? No; it is because their incomes have been cut back and they are afraid to spend the little bit of money that they may have in buying new equipment.

But he conveniently forgot to mention that, through his organizations in the plants just mentioned, he had assisted in outrageously boosting the price of farm equipment; that it was not primarily the lack of funds which prevented farmers from buying farm equipment, but that the high wages of factory workers insisted upon by Reuther's organizations had forced the price of farm equipment unconscionably higher.

When Reuther stated in the publication to which I just referred that "the Michigan Employment Security Commission came up with the figure, in which they said that in a 12-month period, unemployment in the State of Michigan alone had robbed the workers in Michigan of $640 million in purchasing power—$640 million less in the hands of the farmers' most important customers," he did not add the fact that the higher wages demanded and insisted upon by Reuther's organization had made it impossible for the people of Michigan to supply the dollars to purchase the products which would have given employment to industrial employees.

Someday Reuther and those who entertain a similar philosophy will realize and admit that they, too, can price a commodity out of the market as did John L. Lewis when he continued to force the price of coal ever higher.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. ELLSWORTH. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I thank the gentleman and I appreciate his courtesy very much.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman talks about political support. Practically all of the big bankers and big-business men are Republicans. Does the gentleman refuse to take their support?

Mr. HOFFMAN of Michigan. I have not had the opportunity of refusing so far in my political experience. I do believe that any candidate for Congress, either as a Member of the House or Senate, who accepts any money which might, as they call it, be dirty money, that any candidate for Member of Congress, either for the House or Senate, who would accept that money is fully capable and would conscientiously and thoroughly renovate and disinfect such money and use it for laudable purposes. I think the gentleman will agree with me on that.

The majority leader [Mr. McCORMACK], when he stated that practically all of the big bankers and big-business men are Republicans, evidently forgot the Lehmans of New York, Harriman, now Democratic Governor of New York, Rascob, Jesse Jones, and a long, long list of multimillionaires who for so long have breathed financial life into the Democratic Party.

Mr. Speaker, going back just a moment, may I say that Walter Reuther speaks for the members of his union, and that is all right, but the point that was made by the gentleman from Illinois as I get it is that someone other than Walter or his union members is going to have to pay the bill. I can understand why the Ford organization which has billions of dollars at its command, I can understand why members of the Ford family—and give them credit for ability, patriotism, and all of the good qualities that man should possess—I can understand why they can go along, with payments for unemployment, it does not hurt them—to take $55 million of the profits of the Ford Co. and spread it out so as to pay for what would be continuous employment over a year. I can understand that. But the point that was made by the gentleman from Illinois and so clearly made, I merely reiterate his views or part of them, was that the rest of the people had to pay that bill of $55 million. It does not cost Ford anything, it does not cost Walter Reuther anything. He will get more in the way of salary and expenses and political power. I hope that when Walter Reuther runs for President or Vice President or names the candidates for those offices the gentleman from Detroit will wholeheartedly support him both by words and by song. The gentleman sings so beautifully, so inspiringly. I hope he will go out and campaign for Walter and his candidate, sing a lot of those hymns you know, sing all of those campaign songs they will write for Walter, but be careful that you get on the ticket, otherwise he will put on some member of the union to run against you. The sweet song may end with a sour note.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Michigan.

Mr. RABAUT. The gentleman is right about the song business. You know, at one time I wrote a song called Look Out for the Kick of the Democratic Mule.

Mr. HOFFMAN of Michigan. Yes; we felt it—the kick in 1952 and the taxpayers have been feeling it ever since and the boys who have been drafted or who have enlisted for the 3 wars that the Democratic Party has given us have realized and felt that kick in a more tender spot and far greater degree.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I have not even gotten into the matter I want to discuss, but I yield to the gentleman.

Mr. ARENDS. Does the gentleman mean to indicate that Reuther is so strong he may possibly take the Democratic nomination away from our Illinois friend, Mr. Adlai Stevenson?

Mr. HOFFMAN of Michigan. He certainly will if that be his desire—at least if he want to in Detroit, Wayne County, or Michigan. Walter Reuther can, or in collaboration with or in cooperation with Jimmie Hoffa of the teamsters. They control the nominations. Hoffa testified before a congressional committee that he had $1 million in that one local union of which he was president which the executive committee authorized him to use for political purposes.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Illinois.

Mr. VURSELL. Is it not a fact that the Ford organization has said they are going to continue to operate the business and then will pass on this increase to the little people, the little merchants, who will have to pay the increase?

Mr. HOFFMAN of Michigan. I just want to say one more thing with this largess, with this money, this $55 million, that Ford is going to give to the workers—maybe they need it, maybe they only want to work parttime and still get paid for a year's work. Perhaps they earn and deserve it. I am not talking about that. I am calling attention to those from whom the $55 million will be taken. That money, as my colleagues tried to explain, will come out of the citizens, the young people, who buy or hope to buy the production of those factories. That is where it comes from, and it is hardly fair, I think, to force those who need motor vehicles to pay an ever higher price while giving company officials increased salaries, workers higher wages, stockholders larger dividends.

If car buyers go on strike either for lack of funds or because of resentment or for any other reason both Reuther and Ford will fall flat.

Mr. SMITH of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, bank mergers are in the news. Big mergers have become news, but what of the small independent banks? In New York City, my home city, in the last 7 years there have been 17 bank mergers, and every time we have a merger of large banks—and those mergers in New York are of large banks—that merger begets a second merger, and the second begets a

third, so that eventualy in New York unless the trend is stopped—and I believe the bill for which we are now asking a rule will have a tendency to stop these mergers—why, we will get into a situation where we will have huge concentrations of financial power in just a few banks. And, you must remember that that is the way toward socialism. In England, where you had large concentrations particularly of financial power, it was a very simple matter for the Government to step in and nationalize the banks. I warn the bankers of this country that unless this trend is stopped, we are going the way that England went, and it will be very, very easy to nationalize 3 or 4 huge banks rather than to nationalize several thousands of banks.

The Comptroller of the Currency told a subcommittee of the Committee on the Judiciary a few days ago that his office had before it applications for 376 bank mergers of national banks in the past few years, and not a single application for a merger was formally turned down. Every single one of those applications for mergers was granted. It seems to me that we have the spread of the cult of what economists call megalolatry, which is "the bigger the better." And I think it is time to call a halt. We had the superintendent of banks of the State of New York before this same subcommittee yesterday, and he said that over 100 applications had been filed for bank mergers in New York State within the last few years. Informally, one or two or a few of them were turned down, but in the main every important one of these mergers was approved by the superintendent of banks of the State of New York. This is no criticism of the present incumbent of that office, because there were others before him who had passed upon these mergers. But the present superintendent of banks in New York approved the bank merger of the Chase National Bank and the Bank of Manhattan Co. That merger wiped out of existence a strong competitive banking force. It was definitely in violation of the Celler Antimerger Act—an amendment to the Clayton Act—which provides that any merger that substantially lessens competition in any section of the country shall be banned. And when the words "any section" are used, it means a county or subdivision of a county; it means a city or a State or the whole Nation. Most of the recent mergers, in my opinion, were unlawful as being violative of the antitrust laws of the Clayton Act.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I am today introducing a special resolution which would authorize and direct our Committee on Interstate and Foreign Commerce of the House to investigate the cost of transportation in Interstate Commerce and distribution of natural gas to the consumers of America.

It would include all factors entering into the price paid by the consumers for natural gas.

Included in the investigation, which I firmly believe to be necessary, would be the extent to which and by what means these companies are controlled by or under common control with and are affiliated with other companies, to the extent by which the policies and management of the companies are controlled by other persons. The effect of interlocking directorates, holding companies, investment trusts, corporations, or associations.

During the past 3 months our committee has held extensive hearings, investigated and obtained full information as to the effect of producers' cost of natural gas in the field where produced. As a result of these hearings and subsequent executive sessions of the committee a bill was reported yesterday proposing to clarify the status of producers of natural gas as to relieve the present chaotic conditions within the industry as a result of the Supreme Court decision a year ago.

It is quite obvious to me, as illustrated by the closeness of the vote by which the bill was reported that before this situation is cleared up in the interest of the industry as well as the consumer other factors are going to have to be considered.

We started on this problem with the objective of relieving the independent producers of natural gas from Federal regulation as was intended by the Congress when the Natural Gas Act was passed in 1938. This concept was based on the fundamental principle that the production and gathering of natural gas and its sale in the field is a highly competitive, speculative, and hazardous operation. It is agreed by most everyone that it cannot be treated as a utility and regulated as such in the interest of the public.

However in the course of the hearings the committee developed facts which led it to the conclusion that in the interest of the consumer there must be Federal regulation of prices which the consumer would pay, of not only future contracts, but existing contracts between pipelines and producers. The committee provided in the bill which was reported authority for such regulation. It did so within the framework and under the principle adopted by the White House Cabinet Commission on Energy, Resources, and Fuels.

Even so, this apparently is not sufficient from the viewpoint of a great many people.

The spotlight has been on the producing segment of this important industry. The field price paid to the producer is only an average of 10 percent of what the consumer pays for this important fuel.

The American people are entitled to know where the cost to the consumer actually is. In order to determine where most of the cost, that is 90 percent of it, which the consumer pays, is derived, other factors must be obtained.

Therefore, the spotlight should now be turned on the real source of this greater cost to the consuming public which is in the interstate transportation and particularly on the very high cost of distribution in most places.

In other words, Mr. Speaker, I think we should find out why the average residential consumer here in Washington is required to pay $1.39 per thousand cubic feet for natural gas which has a field cost of only 11 cents per thousand cubic feet to the producer.

I think we should find out why it is that the average residential consumer of Baltimore must pay $1.57 per thousand cubic feet for natural gas, which has a cost of 11 cents to the producer in the field.

I think we should find out why in the city of Elizabeth, N. J., the average residential consumer for typical cooking and water heating use pays $2.73 per thousand cubic feet for natural gas which has a field cost of about 8 cents.

I think we should find out why it is that in New York the average cost to the residential consumer is $2.43 per thousand cubic feet for natural gas, which has a field price of 8 cents.

And so it is with so many other places. I hold here in my hand a large book with information in most every State in the Union containing this very revealing information.

It might very well be asked why this extraordinary high price of transportation and distribution. What is responsible for it?

Is it because of interlocking relationship among various companies? Is it because of certain types of management and operation? Is it because outmoded, obsolete equipment is being carried as indicated in one case at several millions of dollars, included in the rate charged to the public. Is it because of holding company operations, as it is with one company which has several of the largest distributing subsidiaries in the East and the North. Is it because one affiliate of a company is selling to another, then another before it ever gets to the consumer?

Do we actually have effective regulation in the interest of the consumer by the public commissions?

These are some of the questions which must be resolved if the consumer is going to be adequately protected.

There has not been a thorough investigation into these operations since 1935. It was a relatively small industry at that time. Much has happened. It is today one of our largest and most important industries, serving some 27 million consumers throughout the United States.

We should have full information across the board and all the facts should be fully developed.

The Chairman of the Federal Power Commission stated before our committee that there should be an investigation into the interlocking directorship or relationship among these big companies. In fact, he expressed a desire for the Commission to have control over such interlocking control and ownership.

Let us see, Mr. Speaker, who is calling the kettle black. Let us find out who is making fabulous profits before taxes. Let us find out actually where legislation may be necessary to adequately protect the consumer.

To me, from the limited information I have on this overall problem, this is one of the most important problems in the interest of the people of America, and I hope that we can have early consideration by the Rules Committee of this resolution.

PROGRAM FOR NEXT WEEK

Mr. SMITH of Virginia. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, I have asked for this minute to ask the majority leader if he will please inform us as to the program for next week.

Mr. McCORMACK. While Monday is District day, I am informed there are no District bills to be considered on that day.

If the rule on the bank holding company bill, H. R. 6227, is adopted, that will come up Monday for general debate, which I understand is limited to 4 hours.

On Tuesday, the first action will be the Flag Day recess, which will take place shortly after the House meets. Then there is the conference report on the Trade Agreements Extension Act of 1955. Next there will be a continuation of the consideration of the bank holding company bill, under the 5-minute rule. If it can be taken up on that day, House Resolution 210, relating to the investigation of the Federal Open Market Committee will be considered also.

The situation may be such on Tuesday with the Flag Day recess that we may want to meet at 11 o'clock. That is a matter for discussion on Monday, but I refer to it now so that Members may be alerted to that probability.

On Wednesday, Thursday, and Friday there will be the following legislation:

Public works appropriation bill for 1956.

H. R. 4663, relating to the Trinity River project in the Central Valley area of California.

I make the usual reservation that conference reports may be brought up at any time. Any further program will be announced later.

There is one appropriation bill in conference, and that is the bill for the Department of Health, Labor, and related agencies. Whether or not the conferees will agree by next week so that the bill can be brought up, I am unable to state.

Mr. ARENDS. Then on Monday, there will simply be general debate?

Mr. McCORMACK. That is correct.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. GROSS. Can the gentleman from Massachusetts give us any idea when the $3½ billion foreign handout authorization bill will be brought up?

Mr. McCORMACK. The foreign aid authorization bill is still in committee and has not been reported out. But I will state to the gentleman that after it is reported out, it is the intention of the leadership to bring it up just as quickly as possible. But it is not on our program for next week, and it will not be on the program.

Mr. GROSS. May I say to the gentleman, I hope he will do everything he can to expedite the clearance of that bill out of the committee to the House floor so that we can have a reasonable opportunity to debate the bill.

Mr. McCORMACK. I can assure the gentleman from Iowa that not only the leadership but the chairman of the Committee on Foreign Affairs has that distinctly in mind so that every effort is being made to expedite it. Naturally, no one would want to deny a reasonable opportunity for hearings on the bill.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BANK HOLDING COMPANY ACT OF 1935

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on the resolution.

The resolution was agreed to; and a motion to reconsider was laid on the table.

TRINITY RIVER DIVISION, CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 263) providing for the consideration of H. R. 4663, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

At this time I yield myself 10 minutes.

Mr. Speaker, I rise to urge the adoption of House Resolution 263 which will make in order the consideration of the bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws.

House Resolution 263 provides an open rule with 2 hours of general debate on the bill.

H. R. 4663 would reauthorize the Trinity River division of the Central Valley project, California, to provide for modifications in both the physical and the operating plan. The primary purpose in constructing this addition to the Central Valley project would be to supply badly needed water for irrigation in the Sacramento and San Joaquin River basins and also to supply electric energy to meet the growing needs for power in northern California.

The Trinity River project was first approved by Secretary of Interior Chapman on January 2, 1953, and Secretary McKay on February 17 of this year also approved the project and recommended its construction.

The report on H. R. 4663 indicates, Mr. Speaker, that the State engineer of California as well as the Governor of the State approve the project and urge its construction. The reason for the construction of this project stems from the fact that there has been a critical drop in the water table level in recent years on the west side of the San Joaquin Valley and unless the Trinity River water can be used to irrigate this area most of it will have to go out of farm production within a few years. The report also indicates, Mr. Speaker, that northern California is expanding rapidly and the Trinity River could supply the power needs of this part of California if it were utilized.

Basically the bill proposes to divert water from the Trinity River Basin into the Sacramento River Basin of the Central Valley, with the Trinity Reservoir on the Trinity River being the major water storage depot. The Trinity River division, if built, would be integrated physically with the Central Valley project and its operation would be coordinated with that of other features of the Central Valley project.

The report indicates that the estimated cost of the Trinity River division would be about $225 million, practically all of which would be reimbursable. About $156 million of this amount would be spent on building the power facilities and about $68 million would be spent on irrigation. Under the proposed plan, the money spent on building power facilities would be repaid by 1988 or within 26 years after the last power unit was placed in operation, and the money that had been allocated to irrigation would be repaid within 50 years, including the

development period. I think these figures prove that from the economic standpoint alone the project is completely feasible.

The bill would authorize the construction of the power facilities by the Federal Government, but the bill also authorizes and directs the Secretary of the Interior to negotiate and report to the Congress within 18 months on the results of its negotiations with the Pacific Gas & Electric Co. with respect to that company's proposal for the purchase of falling water. Any agreement reached between the Secretary and the company would have to be approved by Congress before being executed and in the absence of this approval by Congress, Federal construction of the power facilities could proceed.

Mr. Speaker, the rule that has been granted on this bill gives ample time for debate on the subject and would allow amendments to be offered from the floor. In view of these facts, I hope that the House membership will adopt the rule and that the House will consider the bill.

There was a provision of the bill that gave some of us on the Committee on Rules considerable concern. I have reference to section 5 of the bill, which would authorize the Secretary to pay out of appropriations to Trinity County, Calif., for such additional costs as might be incurred as a result of the construction of this project, in the nature of additional police powers, operation of schools, and a number of allied subjects. That gave the Committee on Rules considerable concern, because we thought it was a departure from the customary practice and one of those things that might mushroom into great expense in the future and set a bad precedent. I understand that a committee amendment will be offered which will considerably cut down the effect of that provision. In other words, we have assurance from the committee chairman and others that an amendment will be offered which will substantially curtail the broad provisions of that section.

I certainly hope the House will see fit to adopt that amendment, because I think it would be a dangerous precedent to establish.

Mr. Speaker, I reserve the remainder of my time.

Mr. ELLSWORTH. Mr. Speaker, in addition to the question in the bill regarding section 5, when this bill was brought before the Rules Committee there was also a question regarding the protection of another area of California. I might say parenthetically that an interesting feature of the hearing on the bill before the Rules Committee when this resolution was under consideration was that everybody who appeared before the committee said this was a splendid reclamation bill, an excellent bill; even those who were opposed to some parts of the bill declared that the project was a splendid one. I think, therefore, the House should have no hesitancy whatever in adopting this rule and bringing the bill to the floor.

But in addition to the question regarding section 5, which I understand is going to be corrected by an amendment to be offered by the gentleman from California [Mr. ENGLE], it is also my understanding informally that another amendment will be offered by the committee which will probably satisfy the opposition to the bill by another Representative from California. As I understand it, this amendment will be offered to assure to Humboldt County, Calif., an additional 50,000 acre-feet of water from the rivers concerned, which should properly take care of the neighboring area.

I should like also to mention another provision of the bill, one that I am pleased to see included in it. On the west coast and in the northwestern part of the United States we have two very different areas: First, the area east of the Cascade Mountains and in the Columbia River Basin; and second, the coastal plain and the area between the Cascade Mountains and the coastal range. There is one type of hydroelectric-power problem in the Columbia River Basin and another type in the area west of the Cascades.

The coastal streams running into the Pacific Ocean from the Cascades offer great opportunities for hydroelectric power development. Many hydroelectric power dams have been built on those streams. Some have been built as multiple-purpose dams, operated by the Federal Government. Other sites have been preempted by the Federal Government for multiple-purpose projects. The purpose of the Federal portion of such projects is flood control.

This project known as the Trinity River division of the Central Valley Project, has this problem connected with it. It is a reclamation project, but connected with it and part of the reason why the project is a good one from the standpoint of benefit-to-cost ratio is the fact that the project can and will develop a very large amount of hydroelectric power. The bill authorizing the project provides that although the project may be constructed under the Reclamation Act of 1902 entirely and the power portion of it be developed by the Government, the bill also takes into consideration the fact that it might be to the advantage of the Government to have the power part of this project financed from non-Federal sources. After all, the figures speak for themselves. Of the $225 million which the project will cost, only $68 million is properly a Federal responsibility under existing law, the portion dealing with reclamation; $156,500,000 will be the cost of the power generating facilities.

The committee very wisely provided in the bill that the Secretary of the Interior—and I am reading from the bill, the amendment made by the committee. The committee provided in this amendment:

> That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water, and not later than 18 months from the enactment of this act report the results of such negotiations including the terms of the proposed agreement, if any, that may be reached, together with his recommendation: *Provided* That such agreement, if any, shall not become effective until approved by Congress.

The point of that amendment is simply that if the Department of the Interior after passage of this act is able to come to a reasonable and satisfactory arrangement with a non-Federal interest, a private utility that can afford to put up that $156,500,000 for the power part of this project, that merely saves the Federal Treasury from going into debt another $156,500,000.

I commend the committee for leaving that opportunity open for non-Federal participation in a reclamation project. I think it is a principle that this House should approve, in fact did approve three times last year, in the case of a project in Alabama, another one in Oklahoma, and a third in the State of Washington. I think it is a splendid thing for us to go ahead with this idea that the Federal Government is not obliged to pay for all of the power facilities in a dam. If there is non-Federal money from any source, whether it be from a city or from a district or from a private utility company—if there is non-Federal money available—the Government should allow and arrange for that type of participation.

Mr. Speaker, with that discussion of the proposed committee amendments, and there will be 2 major ones offered on the floor, 1 regarding section 5, and 1 to protect Humboldt County in California, I urge approval and adoption of the pending resolution.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the resolution.

The resolution was agreed to; and a motion to reconsider was laid on the table.

THE TUNA INDUSTRY

Mr. WILSON of California. Mr. Speaker, the condition of the great tuna fleet of southern California grows more difficult day by day because of the increasing flood of duty-free frozen tuna imported from Japan.

The American consumer will be the one who will ultimately suffer if this condition continues. While some of the canners have accepted large shipments of frozen tuna, they do so with the knowledge that their only reason for existence in this area is the tuna fishing fleet which has traditionally supplied their demands. If this fleet vanishes from the seas, and, believe me, there is every reason to believe such a thing could happen, there will be no need for tuna to be imported in the raw frozen state and canned in this country. The producers in Japan, by helping to eliminate our fleet as a competitive threat, would create for themselves a monopoly and a dangerous control on the selling price of this important foodstuff. Our tuna fleet is rapidly decreasing in numbers due to losses by fire, accident, and overage at the same time the Japanese fleet is rapidly increasing in size.

Our long-range tuna boats are important to the protection of this domestic industry. They are important to the stabilization of prices to the consumer.

They are important from a national defense standpoint since the entire tuna fleet, including their crews, went to war early in World War II, serving as long-range patrol boats and in other important activities.

Several months ago I suggested to the executive department that a conference between tuna industry leaders of this country and their counterparts in Japan be sponsored by the White House or State Department in an attempt to come up with some reasonable allocation of the American market between these two major producing areas. While we have not yet had any assurance that sponsorship of such a meeting is contemplated, it is significant to note the interest by California governmental bodies in such a conference. It is also interesting that the Japanese Government has taken unilateral steps to set a voluntary limitation on imports for June and July.

The entire tuna industry is hoping for some official action by our Government that will indicate a willingness to work out a mutually satisfactory agreement that will guarantee for Japan a fair share of the American market and reassure the great America tuna industry that it is not to be completely sacrificed in our desire to build Japan's economy.

As a portion of my remarks, I include several resolutions and statements pertinent to the subject I have discussed. These include a resolution by the Harbor Commission of the City of San Diego, a resolution by the California State Commission on Interstate Cooperation, a resolution by the county of San Diego, and an editorial from the San Diego Evening Tribune of June 1, 1955.

Resolution 2695

Be it resolved by the Harbor Commission of the City of San Diego, as follows:

Whereas the trade policy of the United States is substantially that foreign trade should be encouraged with no serious injury to domestic industry, agriculture, or labor in that process; and

Whereas the Harbor Commission of the City of San Diego is fully in accord with that policy; and

Whereas the tuna fishing fleet, processing plants, the shipbuilding and repair facilities, the marine service stations, and San Diego's position as a port in the value of fishery products are suffering serious injury which is not in conformance with the said trade policy of the United States; and

Whereas these reverses are resulting in economic distress in this community and particularly in the number of unemployed in the fisheries and allied industries; and

Whereas present negotiations which are underway between the Government of the United States and the Government of Japan will have a major effect upon the economy and unemployed in San Diego, and a particularly detrimental effect upon our high seas fishing fleet: Now, therefore, be it

Resolved, That the Harbor Commission of the City of San Diego recommends that the United States Government and the Government of Japan enter into discussions wherein agreements may be reached whereby both industries might compete fairly for and participate equitably in the tuna market which has been developed in the United States; be it further

Resolved, That the two governments enter into no agreement which might perpetuate the entry of frozen tuna on a duty-free or quota-free status; be it further

Resolved, That no reductions be made in the existing duty rates on canned tuna and tunalike fish; be it further

Resolved, That serious consideration be given to the establishment of equitable quotas relative to the importation of frozen tuna, canned tuna, and tunalike fish in all its forms in order that there may be adequate and equitable competition for the tuna market of the United States.

Recommendation

Re Assistance to tuna fishing industry.

Whereas the tuna fishery of California ordinarily represents a most important segment of this State's economy, involving the gainful employment of thousands of persons in maritime pursuits, processing, and other handling; and

Whereas the United States Government is aware of the fact that disastrous competition is upsetting this economy by virtue of the acceptance of disproportionate tonnages of tuna from foreign sources without the proper protective limitations that either fair and equitable tariffs or reasonable quotas could provide; and

Whereas official and industry studies have been conducted for several years on this problem, whereby to prevent an increasing imbalance detrimental to fishermen, boat owners, cannery workers, and employees in associated industries; and

Whereas a determined effort to arrive at a more speedy solution to this vital problem becomes increasingly apparent: Now, therefore, be it

Recommended by the California Commission on Interstate Cooperation, meeting at Sacramento, Calif., Monday, May 23, 1955, That the several interested Federal agencies proceed to coordinate their activities toward developing (1) more equitable tariff schedules, and/or (2) a reasonable quota allocation designed to reestablish the tuna fishery in the Pacific Coast States to its normal and historic economic status; and be it further

Recommended, That copies of this action be forwarded to the President of the United States, the Secretaries of State, Interior, and Agriculture, the United States Tariff Commission, the Senators and Representatives in Congress from the Pacific Coast States, and to the executive director fo the Council of State Governments.

Resolution Urging Support of Local Tuna Industry

On motion of Supervisor Austin, seconded by Supervisor Robbins, the following resolution is adopted by the board of supervisors:

"Whereas the tuna fishery and the tuna canning industry are of major importance to the economy of San Diego; and

"Whereas these are activities which began in southern California; since the earliest days of the development of the tuna market of the United States, San Diego has played a most prominent part; and it was in San Diego that the tuna clipper was developed to take its place among the finest fishing vessels in the world; and

"Whereas a vigorous, growing, competitive industry developed, despite declines which occur from time to time in any business activity; severe reverses have been felt by the local tuna industry and by much of the industry of southern California; and

"Whereas in 1949–50 there were approximately 3,000 persons employed in San Diego canneries; in 1955, at the time of this report, there are approximately 650 persons so employed; this represents a decline of approximately 2,350 persons employed; and

"Whereas in 1949–50 there were approximately 2,500 full-time jobs for fishermen, engineers, radio operators, navigators, and other skilled seamen; and this number rose to above 2,700 in 1951; in 1955, at the time of this report, there are approximately 2,100 such jobs; this represents a decline of approximately 600 full-time berths in the high seas clipper fleet; employment declines are also felt by the local albacore fleet which has largely lost its auxiliary commercial fisheries; and

"Whereas employment in local shipyards on maintenance, repair, and construction of large and small fishing vessels has proportionately declined; and service and supply establishments report similar experience: Now, therefore, be it

"*Resolved*, That the State Department and the Congress of the United States deal realistically with this problem, to the end that this important local industry shall not be destroyed; and that we commend most earnestly the valiant effort of the wives of tuna fishermen of the San Diego and San Pedro area of California to save the industry from ruin through continued unrestricted importation of tuna—raw fish and processed."

Passed and adopted by the Board of Supervisors of the County of San Diego, State of California, this 24th day of May 1955 by the following vote:

Ayes: Supervisors Bird, Robbins, and Austin.

Noes: Supervisors, none.

Absent: Supervisors Gibson and Howell.

[From the San Diego Evening Tribune of June 1, 1955]

Realistic Aid Is Required To Save the Tuna Industry

Commercial tuna fishing, a major San Diego industry, requires preservation.

American tuna men face a harsh threat from foreign competition, mainly Japanese. Fair and realistic treatment to assist them is essential.

It's not desirable to go to extremes that would scuttle the Japanese tuna business. At the same time, it would be wrong to abondon the American trade, centered on the southern California coast and of great importance to San Diego.

Tariff negotiations are in progress between the United States and Japan. Suggestions have been heard that they'd lead to cutting in half the present duties of 12½ percent of value on tuna canned in brine and 45 percent on tuna canned in oil, and freezing the duty-free status of frozen tuna.

When the American industry is obviously suffering, it seems less than wise to confirm or extend benefits to competition.

Frozen tuna went on the free list before modern techniques of refrigeration made it important. Last year, though, 82,500,000 pounds of frozen tuna came into California ports, four-fifths of it from Japan. Even more is expected this year.

As to canned tuna imports, Japan sends 95 percent of them. South American sources don't pose the greatest threat, and the Latin fisherman are nearer those of the United States in costs, while Japanese wages and other expenses are far lower.

New methods and new situations require new treatment. The sanest plan would appear to be full review of the whole affair, and an attempt by the United States and Japan to negotiate agreements, perhaps setting quotas, that would give all concerned fair shares and proper opportunities.

PUBLIC WORKS APPROPRIATION BILL, 1956

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight tomorrow night to file a report on the public works appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, can the gentleman from Missouri tell us when he expects to ask for conferees on the State and Justice Department bill.

Mr. CANNON. At the earliest convenience of the subcommittee.

Mr. GROSS. Would that be next week or this week?

Mr. CANNON. It has not yet been determined when the request will be made.

Mr. GROSS. My understanding is that the other body has appointed some 16 conferees. I assume the House will appoint an equal number. I assume also that there is some unusual reason for 16 conferees being appointed by the other body, and it would seem to me that 32 conferees on that bill would constitute a convention rather than a conference committee. I should like to know from the gentleman, if he can possibly tell us, when he proposes to ask for the appointment of conferees.

Mr. CANNON. I can assure the gentleman that that will be done at the earliest date compatible with orderly procedure.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. DAVIS of Wisconsin reserved all points of order on the bill.

TRADE AGREEMENTS EXTENSION ACT OF 1955

Mr. COOPER submitted a conference report and statement on the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

REFUGEE RELIEF ACT OF 1953

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks at this point in the RECORD and include a statement by Mr. Crete Anderson.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, it was with great pleasure that I read today a statement of Mr. Crete Anderson, chairman of the subcommittee on immigration and naturalization of the national Americanism commission of the American Legion. Mr. Anderson is a respected businessman from Canton, Ohio, who appeared before the subcommittee of the Senate Committee on the Judiciary which is presently engaged in holding hearings on bills designed to amend the Refugee Relief Act of 1953, as amended.

Mr. Speaker, it is a pleasure and an honor to commend once more the American Legion for the fine, patriotic, and at the same time truly realistic point of view expressed in their statement and in their analysis of the proposed amendments to the Refugee Relief Act of 1953, as amended. I respectfully urge my colleagues in the House to read very carefully Mr. Anderson's statement.

STATEMENT OF CRETE ANDERSON, CHAIRMAN, SUBCOMMITTEE ON IMMIGRATION AND NATURALIZATION OF THE NATIONAL AMERICANISM COMMISSION, THE AMERICAN LEGION, BEFORE SUBCOMMITTEE ON REFUGEE RELIEF OF THE SENATE JUDICIARY COMMITTEE, HELD JUNE 8, 1955

Mr. Chairman, in a statement of May 27, 1953, before the Senate Committee on the Judiciary subcommittee on S. 1917 and other bills, special quota immigration visas (83d Cong.), the American Legion quoted from the Americanism Manual of the American Legion, page 41, as follows:

"The American Legion has consistently opposed any great influx of immigrants and has insisted that immigration should be on such a moderate and regulated scale that immigrants may be readily absorbed into the lifestream of our country. The Legion has insisted that immigrants should not be admitted in such numbers that they would displace veterans from either employment or housing. Thirty years ago it supported the National Origins Quota Act of 1924 and, more recently, Public Law 414 (82d Cong.), commonly known as the McCarran-Walter Act, which set a quota for immigration from the respective countries, based on a selective and restrictive system (in proportion to the number of United States citizens, who themselves or through their ancestors, originated in the respective countries). The Legion has vigorously opposed exceptions to this quota system, except (1) as they applied to honorably discharged wartime veterans of the United States Armed Forces, their wives, or immediate dependents, and, except (2) emergency admission of 400,000 displaced persons and German ethnics as the United States fair share of this humanitarian task."

The Refugee Relief Act of 1953 authorized the issuance of special nonquota immigration visas over a 3-year period to 186,000 refugees and 4,000 orphans. A Senate-House conference compromise added 19,000 immigrant visas to nonrefugee Italian, Greek, or Netherlands nationals. The act also provided for adjustment of status to permanent residence of a maximum of 5,000 refugees who had been lawfully admitted temporarily. These categories total 214,000.

On August 31, 1954, the Refugee Relief Act was amended to the effect that allotments of visas to certain groups shall be available bilaterally within each of the three ethnic groups. Under this amendment the nonrefugee nationals within each ethnic group could use the visas originally allocated to refugees. This amendment to the act increased the number of visas potentially available to nonrefugees from 19,000 to 94,000, thus changing the original purpose of the act from one of refugee relief to approximately a 50-percent Refugee Relief Act and 50-percent General Immigration Act.

The bills under consideration by this committee, S. 1794 and S. 2113, propose such drastic alterations in the already amended act as to make the intent of the Refugee Relief Act of 1953, originally a law for the relief of refugees, expellees, and escapees, practically unidentifiable.

Proposed amendments in S. 1794 and/or S. 2113 are, in part, as follows:

1. The pooling of unused visas. Senate Report No. 629, 83d Congress, 1st session, states in part:

"The committee wishes to emphasize, however, that the overall quota stated in the bill is an upper limit and is not intended as a mandate to those who will have the responsibility of administering the act requiring them to achieve the number declared by the Congress to be maximum.

"It is specifically stated by the committee that none of the safeguards provided in this legislation and in the Immigration and Nationality Act are to be sacrificed or compromised in the slightest degree in the interest of moving people for the sake of fulfilling quotas or allotments."

House Report No. 1069, 83d Congress, 1st session, also states, in part:

"The conferees desire further to stress that this legislation constitutes in no way a mandate to issue, within the prescribed period of time, the full number of visas allocated under this legislation. These are, in each case, maximum limitations, not quotas to be filled. It is to be clearly understood that this bill offers opportunities to enter the United States to a certain number of eligible aliens but that no special effort should be made to evade any of the provisions of this act or the Immigration and Nationality Act in order to bring in such number or any number."

Both bills under consideration propose the pooling of unused quotas.

The proposal to use unused numbers for the relief of orphans under 12 years of age would find no objection in the American Legion if done following proper adoption procedures. The American Legion suggests that here is a field of opportunity for the welfare organizations operating internationally to perform humanitarian services. Such an intensified program would strike a responsive chord in the hearts of the 1 million members of the American Legion Auxiliary which has a long and laudable experience in the field of child welfare. The fact that 4,000 numbers in the act are available for orphans and that only 713 applications have been filed to date would indicate a lack of attention to this commendable portion of the act, for here no security screening or other delaying factors are involved.

The bill S. 1794 proposes an extension of the operative effect of the act until December 31, 1960.

In respect to this proposal, and again quoting from Senate Report No. 629, 83d Congress, 1st session, this positive intention is expressed:

"The committee further states that if on the expiration date of this legislation the maximum number of visas authorized to be issued has not in fact been issued, the committee will not be disposed to entertain petitions for further extensions of time in order to utilize any visa numbers which have not been used by the expiration date provided for in the legislation."

The practical effect of pooling the unused visa numbers would be to transfer a still greater percentage of the visas available from the refugee categories to the nonrefugee national categories.

This, together with other proposed amendments, would mean that the Refugee Relief Act would be predominantly a general immigration act for nationals and displaced persons who, since 1939, have been firmly resettled.

These proposals in the opinion of the American Legion, constitute a flagrant intrusion on the Immigration and Nationality Act and would create dangerous precedents leading to the destruction of established quota limitations and the national origins quota system.

2. The American Legion strongly opposes the proposals for blanket assurances. The Refugee Relief Act requires, in most categories of cases, that there be an assurance by a citizen or citizens of the United States that the applicant, if admitted into the United States, will have suitable employment and housing without displacing some other person from employment or housing. Section 7 (a) specifically states:

"Blanket assurances, or assurances not submitted by a responsible individual citizen or citizens, shall not be considered as satisfying the requirements of this section."

Both bills propose elimination of the prohibition against blanket assurances.

The provision against blanket assurances contained in the act stems from the experi-

ence in the administration of the Displaced Persons Act in which nationality and relief organizations gave wholesale assurances without any specific jobs or housing available. As a result, thousands of displaced persons were moved into areas where no jobs or housing were available or where they displaced American citizens from jobs and housing. It should be noted that the prohibition against blanket assurances does not preclude the processing of the assurances by nationality and relief organizations, but only requires individual sponsorship by a citizen or citizens.

3. The American Legion opposes repeal of the so-called 2-year history provisions in the Refugee Relief Act of 1953.

Both bills under consideration (S. 1794 and S. 2113) propose outright repeal of this provision.

Subsection (d) of section II of the act reads as follows:

"(d) No person shall be issued a visa under this act or be admitted into the United States unless complete information shall be available regarding the history of such person covering a period of at least 2 years immediately preceding his application for a visa: *Provided*, That this provision may be waived on the recommendation of the Secretaries of State and Defense when determined by them to be in the national interest."

Under the Displaced Persons Act a "calculated risk theory" was evolved whereby displaced persons were brought into the United States without first securing the security reports. It was subsequently revealed that approximately 1,200 displaced persons who were admitted into the United States had warrants of arrest for deportation outstanding against them for fraud, or criminal or subversive activities. How many additional persons have avoided apprehension or detection is, of course, unknown.

Investigative officers and agencies have urged the retention of the 2-year-history provision in the act. The American Legion, likewise, urges its retention. Congressman FRANCIS WALTER (Pennsylvania), on his return from a recent trip to Europe, stated on the floor of the House of Representatives that a colonel in charge of counterintelligence in Berlin told him he was disturbed by the report that an effort was to be made to repeal the 2-year-history provision. He said: "Congressman, do not let that happen. If it is possible that a change is made, change it to 5 years."

4. The American Legion is opposed to the lowering of health standards, as set forth in section 212 of the Immigration and Nationality Act, to permit admission of persons afflicted with tuberculosis.

The American Legion believes that the recent speeding up of the refugee-relief program indicates that satisfactory objectives will be attained under the framework of the present act and, therefore, strongly opposes the lowering of standards and safeguards as proposed in the bills under consideration by this subcommittee.

ANALYSIS OF PROPOSED AMENDMENTS TO THE REFUGEE RELIEF ACT OF 1953

On April 25, 1955, the bill (S. 1794) was introduced in the United States Senate by Senators LEHMAN, HUMPHREY, DOUGLAS, and KEFAUVER to amend the Refugee Relief Act of 1953. In a message dated May 27, 1955, the President urged upon the Congress 10 amendments to the act. On May 31, 1955, the bill (S. 2113), embodying essentially the amendments urged by the President, was introduced in the Senate by Senators WATKINS, IVES, DUFF, and CASE of New Jersey. In order to appraise properly these proposed amendments it is necessary to review briefly the background and principal provisions of the act.

I. Refugee Relief Act of 1953

The Refugee Relief Act, enacted in 1953, authorized the issuance of special nonquota immigration visas over a 3-year period to 186,000 refugees and 4,000 orphans. A Senate-House conference compromise added provisions for 19,000 immigrant visas to nonrefugee Italian, Greek, or Netherlands nationals who are relatives of citizens of the United States. In addition, the act provided for the adjustment of status to permanent residence of a maximum of 5,000 refugees who had been lawfully admitted temporarily.

1. Allocation of visas: The allocations of visas provided by the original act are as follows:

German expellees	55,000
Escapees in Western Germany, Berlin, and Austria	35,000
Escapees in NATO countries	10,000
Polish, exsoldiers	2,000
Italian refugees	45,000
Italian nonrefugee nationals	15,000
Greek refugees	15,000
Greek nonrefugee nationals	2,000
Netherlands refugees	15,000
Netherlands nonrefugee nationals	2,000
Far East refugees (non-Asian)	2,000
Far East refugees (Asian)	3,000
Chinese (passports endorsed by National Government)	2,000
Arab refugees	2,000
Orphans	4,000
Adjustments of refugee status	5,000
Total	214,000

2. History of security and public interest safeguards:

The act contains several security and public interest safeguards which were based not only on a study by a Senate subcommittee which had just completed an intensive investigation of the subject matter in Europe (S. Rept. No. 522; 83d Cong., 1st sess., Escapees and Refugees in Western Europe), but also on experience with the administration of the Displaced Persons Act of 1948 which embraced 415,744 aliens, plus an indeterminate number who were allotted 50 percent of the nonpreference portion of certain quotas for 5 years.

During 1949 and 1950 a special subcommittee of the Senate Committee on the Judiciary conducted an intensive investigation of the administration of the Displaced Persons Act of 1948. (Displaced Persons, hearings before the subcommittee on amendments to the Displaced Persons Act; 81st Cong., 1st and 2d sess.) The voluminous hearings revealed a complete breakdown in the administration of the law.

As a result of the foregoing, the Senate Judiciary Committee recommended, and the Congress enacted, amendments designed to strengthen the administration of the law and the committee in its report stated that it was deeply concerned over he evidences of laxity in the administration of the law. (S. Rept. No. 1237; 81st Cong., 2d sess.)

The security and public interest safeguards of the Refugee Relief Act of 1953 are considered specifically in this memorandum in connection with the proposed amendments which would repeal them.

3. Reallocation of visas—the 1954 amendments: On August 31, 1954, a little over a year after original passage, the Refugee Relief Act was amended. The principal amendment provided that the allotments of visas to certain groups "shall be available bilaterally within each of the three ethnic groups." Thus, although the original Refugee Relief Act authorized visas for 45,000 Italian refugees and 15,000 Italian nonrefugee nationals; 15,000 Greek refugees and 2,000 Greek nonrefugee nationals; 15,000 Netherlands refugees and 2,000 Netherlands nonrefugee nationals, under the amendment the nonrefugee nationals within each ethnic group could use the visa originally allocated to refugees. In other words, the number of visas potentially available to nonrefugee nationals of Italy, Greece, and the Netherlands was increased by the amendment from 19,000 to 94,000. The practical effect of the amendment was to make the Refugee Relief Act approximately a 50-percent Refugee Relief Act and approximately 50-percent General Immigration Act.

4. Visas issued—reasons for lag: Although the Refugee Relief Act was approved on August 7, 1953, as of May 13, 1955, only 29,397 visas were issued under the act, as follows:

Italy	18,490
Greece	4,920
Netherlands	512
Germany	1,966
Austria	2,422
France	109
Great Britain	85
Belgium	210
Far East	620
Others	63
Total	29,397

NOTE.—No breakdown is available as between refugees and nonrefugee nationals.

The chief reasons for the relatively small number of visas are: (1) The time lag necessary to recruit and train screening personnel; (2) the difficulty of procuring complete information on refugees; and (3) the lack of refugee applicants due to increasing employment opportunities in Western Europe.

II. Proposed amendments to the Refugee Relief Act

1. Security history provision:

Subsection (d) of section 11 of the act reads as follows: "(d) No person shall be issued a visa under this act or be admitted into the United States unless complete information shall be available regarding the history of such person covering a period of at least 2 years immediately preceding his application for a visa: *Provided*, That this provision may be waived on the recommendation of the Secretaries of State and Defense when determined by them to be in the national interest."

Both the bill (S. 1794) and the President's message propose outright repeal of this provision.

This provision was based not only on the disastrous experiences in the administration of the Displaced Persons Act, but also on the opinions of the United States intelligence officers in Europe. (See S. Rept. No. 522; 83d Cong. 1st sess. on Escapees and Refugees in Western Europe.)

Notwithstanding the provisions of the Displaced Persons Act requiring thorough screening and security reports of each applicant as a prerequisite to eligibility, the Displaced Persons Commission evolved a "calculated risk theory" whereby displaced persons were brought into the United States without first securing the security reports. As a sequel to the "calculated risk" it was subsequently revealed that approximately 1,200 displaced persons who were admitted into the United States had warrants of arrest for deportation outstanding against them for fraud, or criminal or subversive activities. How many additional persons have avoided apprehension or detection is, of course, unknown. (See Subversive and Illegal Aliens in the United States; Progress Rept. No. 2; Senate Committee on the Judiciary; 82d Cong. 1st sess.)

2. Unused visas and extension of time:

The Senate report on the refugee bill contained the following language:

"The committee wishes to emphasize, however, that the overall quota stated in the bill is an upper limit and is not intended as a mandate to those who will have the responsibility of administering the act requiring them to achieve the number declared by the Congress to be the maximum.

"The committee is further of the opinion that the bill in its amended form allows ample time for completion of the quotas stated in the bill and it wishes to go on record as not in favor of future extensions of this legislation.

* * * * *

"It is specifically stated by the committee that none of the safeguards provided in this legislation and in the Immigration and Nationality Act are to be sacrificed or compromised in the slightest degree in the interest of moving people for the sake of fulfilling quotas or allotments. The committee further states that if on the expiration date of this legislation the maximum number of visas authorized to be issued has not in fact been issued, the committee will not be disposed to entertain petitions for further extensions of time in order to utilize any visas numbers which have not been used by the expiration date provided for in the legislation." (S. Rept. No. 629; 83d Cong., 1st sess.)

The statement of the managers on the part of the House, which accompanied the conference report on the refugee bill, contained the following language:

"The conferees desire further to stress that this legislation constitutes in no way a mandate to issue, within the prescribed period of time, the full number of visas allocated under this legislation. These are, in each case, maximum limitations, not quotas to be filled. It is to be clearly understood that this bill offers opportunities to enter the United States to a certain number of eligible aliens but that no special effort should be made to evade any of the provisions of this act or the Immigration and Nationality Act in order to bring in such number or any number. Similarly, it is the unanimous consensus of the conferees that no efforts should be made to induce aliens to seek entry to the United States under this bill." (H. Rept. No. 1069; 83d Cong., 1st sess.)

Both the President's message and the bill (S. 1794) propose pooling of unused visas.

The bill (S. 1794) proposes an extension of the operative effect of the act until December 31, 1960. This would be a complete reversal of the above-quoted pronouncements contained in the committee report.

In view of the amendment which was enacted a year after the passage of the original Refugee Relief Act and which makes certain refugee visas available also to nonrefugee nationals, the act is already approximately a 50-percent Refugee Relief Act and approximately a 50 percent General Immigration Act. The practical effect of pooling the unused visa numbers would be to transfer a still greater percentage of the visas available from the refugee categories to the nonrefugee national categories. This, together with the proposed amendments considered in paragraph 3 below (Definition of a Refugee—Repeal of Definitions of Escapee and German Expellee), would mean that the Refugee Relief Act would be predominately a General Immigration Act for nationals and displaced persons who, since 1939, have been firmly resettled.

3. Broadening of definition of a refugee—repeal of definitions of escapee and German expellee:

Section 2 (a) of the Refuge Relief Act defines a refugee as follows: "'Refugee' means any person in a country or area which is neither Communist nor Communist-dominated, who because of persecution, fear of persecution, natural calamity or military operations, is out of his usual place of abode and unable to return thereto, who has not been firmly resettled, and who is in urgent need of assistance for the essentials of life or for transportation."

Both the bill (S. 1794) and the President's message propose elimination of the clause "who has not been firmly resettled."

The bill (S. 1794) proposes also the elimination of the clause "who is in urgent need of assistance for the essentials of life or for transportation."

The bill (S. 1794) also broadens the term "refugee" to embrace any person whose displacement was occasioned by "events subsequent to September 1, 1939."

In view of other proposals, both in the President's message and in the bill (S. 1794) the term "refugee" would embrace persons who over the course of the last 16 years have been firmly resettled in various countries all over the world.

In view of the proposed broadened definition of the term "refugee," both the President's message and the bill (S. 1794) propose (a) repeal of the definition of "escapee," which was designed to embrace that category of refugees who have escaped from behind the Iron Curtain and to whom the act allocates 45,000 visas, and (b) repeal of the definition of "German expellee", which was designated to embrace certain Germans who were expelled from behind the Iron Curtain and to whom the act allocates 55,000 visas.

The result of the proposed amendments would be that (a) untold numbers of persons who have been firmly resettled in other countries all over the world, including millions in the old displaced-persons category, would be embraced as "refugees" and would become eligible to compete for the available visas; and (b) the escapees and German expellees would be diluted among the larger group of refugees for the purpose of competing for visas.

The net effect of these proposed amendments, together with the proposed amendments considered in paragraph 2 above (unused visas and extension of time), would mean that the Refugee Relief Act would be predominately a general immigration act for nationals and displaced persons who, since 1939, have been firmly resettled.

4. Job and housing assurances—blanket assurances:

Section 7 (a) of the Refugee Relief Act requires in most categories of cases that there be an assurance by a citizen or citizens of the United States that the applicant, if admitted into the United States, will have suitable employment and housing without displacing some other person from employment or housing. The section specifically states: "Blanket assurances, or assurances not submitted by a responsible individual citizen or citizens, shall not be considered as satisfying the requirements of this section."

Both the bill (S. 1794) and the President's message propose elimination of the prohibition against blanket assurances.

The provision against blanket assurances contained in the Refugee Relief Act stems from the experience in the administration of the Displaced Persons Act in which nationality and relief organizations gave wholesale assurances without any specific jobs or housing available. As a result, thousands of displaced persons were moved into areas where no jobs or housing were available or where they displaced American citizens from jobs and housing. It should be noted that the prohibition against blanket assurances does not preclude the processing of the assurances by nationality and relief organizations, but only requires individual sponsorship by a citizen or citizens.

5. Travel documents:

Section 7 (d) of the Refugee Relief Act reads as follows:

"No alien shall be issued a visa under this act or be admitted into the United States unless he shall present to the consular officer at the time of making application for a visa or to the immigration officer at the time of application for admission (1) a valid unexpired passport or other suitable travel document, or document of identity or nationality, or other documentary evidence that he will be assured of readmission to the country of his nationality, foreign residence, or in which he obtains a visa under this act, and (2) a certificate of readmission guaranteeing his readmission to the country in which he obtains a visa under this act if it is subsequently found that he obtained a visa under this act by fraud or by misrepresenting a material fact."

It is elemental in immigration procedures that no one can be deported to a country unwilling to receive him. At the present time there are literally thousands of deportable aliens whose deportation cannot be effected because travel documents for admission to some other country are not available. Since many of the aliens embraced in the Refugee Relief Act do not have passports from the country of their birth, the act requires that they have either a valid unexpired passport or other documentary evidence so that if found to be inadmissible they can be returned to either the country of their nationality, foreign residence, or the country in which they obtain a visa.

Both the bill (S. 1794) and the President's message propose waiver of the provisions of this section.

On this point, the President's message states:

"Obviously people who have risked their lives to escape from totalitarian nations often have no passports. The Refugee Relief Act, however, requires passports, and in many cases this has served to defeat the very purpose of the Congress. I recommend amendment to permit waiver of the need for passports and similar documents in the discretion of the Secretary of State and the Attorney General as is already provided in the basic immigration and nationality laws."

With reference to the foregoing language in the President's message, it should be noted, however, that the Refugee Relief Act does not require a passport as the exclusive travel document, nor does it require that the document be one which was procured in the country from which the alien fled or in which he was born.

6. Adjustment of status:

Section 6 of the Refugee Relief Act provides for the adjustment of status to that of permanent residence of not to exceed 5,000 aliens who, prior to July 1, 1953, lawfully entered the United States and who cannot return. Both the President's message and the bill (S. 1794) propose repeal of the word "lawfully."

With reference to the foregoing proposal, Representative FRANCIS E. WALTER, chairman of the House Subcommittee on Immigration and Nationality stated on the floor of the House of Representatives on May 27, 1955, as follows:

"Now, as to waiving the requirement that a person applying for adjustment of status under section 6 of the act, must have bona fide, nonimmigrant, lawful entry into the United States, do you want to invite ship jumping on a larger scale than exists today? Do you know that there are probably over 500,000 aliens illegally in the United States along the Atlantic seaboard alone? The majority are deserting seamen. If we waive the requirement as to the legality of the admission of an alien into the United States, as a prerequisite to eligibility under section 6, that is an open invitation to half of the crews on all of the ships that arrive at Boston, New York, Baltimore, Philadelphia, and San Francisco to desert the moment they get there." (CONGRESSIONAL RECORD, May 27, 1955, p. 7196.)

7. Waiver of exclusion on contagious disease cases:

Section 212 (of the Immigration and Nationality Act) makes inadmissible aliens "who are afflicted with tuberculosis in any form, or with leprosy, or any dangerous contagious disease."

The President's message proposes a blanket waiver of this provision "under safeguards provided by the Attorney General and the

Surgeon General of the United States, assuring protection of the public health and adequate treatment of the afflicted individual and also assuring that such individual will not become a public charge."

8. Office of the Administrator of the Refugee Relief Act:

The bill (S. 1794) provides for the establishment in the Department of State of an office to be known as the Office of the Administrator of the Refugee Relief Act, with an Administrator to be appointed by the President, by and with the advice and consent of the Senate.

The Refugee Relief Act vests the administration of its provisions in the established security, consular, and immigration officials of the Department of State and the Immigration and Naturalization Service. This policy was based on the experience with the Displaced Persons Act.

In Senate Report No. 1237, 81st Congress, 2d session, the Senate Committee on the Judiciary sharply criticized the administrative practices of the Displaced Persons Commission for trespassing on the jurisdiction of the officials of the Immigration and Naturalization Service and the American Foreign Service. The committee pointed out that the Displaced Persons Commission "has, through a substantial number of employees, many of whom were aliens, been exercising the prerogative which the Congress contemplated would be vested in the officials of the Immigration and Naturalization Service, including the determination of eligibility of applicants."

In the Senate report which accompanied the refugee relief bill (Rept. No. 629, 83d Cong., 1st sess.) the committee stated:

"In order to achieve full and complete confidence, a fresh and current approach should be made to the existing refugee problems. The committee directed that there be included in the report language to the effect that those who occupied policymaking positions in the administration of the DP Act did not in the judgment of the committee engender complete public confidence in their administration and the committee would look with disfavor upon their designation for the administration of the policy of the instant act."

A BILL TO PROVIDE FOR PRIOR NOTIFICATION AND SUSPENSION OF CERTAIN ACQUISITIONS, MERGERS, AND CONSOLIDATIONS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, recently the business press and the daily press have been filled with reports about mergers. The news is so replete on the fact that large combinations are being formed through mergers that we are mindful a new and great wave of mergers is sweeping over us. On May 20, 1955 the Federal Trade Commission published a 233-page report in which it confirmed this news we had been picking up from the press.

In its report on mergers the Federal Trade Commission stated that during the period 1948–54 more than 1,773 mergers were consummated. It also reported that since 1951 the pace of important mergers and acquisitions has been rising; in 1954 the number reported in financial manuals was three times that of 1949. It reported that a few big corporations, each with assets of more than $10 million, have merged 643 other corporations since 1948, and that most of these, 522, were corporations merged by huge combines having in excess of $50 million of assets.

On June 1 Edward F. Howrey, chairman of the Federal Trade Commission, testified before the Antimonopoly Subcommittee of the United States Senate. Much of his testimony had to do about this alarming wave of mergers. During his testimony he admitted to the members of that committee that the "high incidence of mergers is one of the disturbing facts of life in our economy today. Presented are questions which are perhaps more difficult and challenging than any other in the entire field of antitrust."

On the same day Commissioner Gwynne, of the Federal Trade Commission, testified about this wave of mergers. In that connection he stated:

> There is no one place where complete information can be had about the facts of a particular proposed merger. No notice of intention is required. Many of the initial steps are often taken before the public or Government knows about it. After that, some investigation must be made to determine whether the merger violates the law. There are a certain number which have no competitive importance. Nevertheless, considerable time and effort must be spent in finding that out.

Considerable additional testimony has been received to the same effect in recent weeks by the Antitrust Subcommittee of the Committee on the Judiciary, House of Representatives, and the Senate Small Business Committee. Those giving the testimony have included Assistant Attorney General Stanley N. Barnes, in charge of the Antitrust Division of the Department of Justice, and a number of others who are well versed in the field of antitrust law. If that testimony has developed any fact to a status where it is beyond dispute, it is the fact that there is need for the law to be amended so that these merging corporations would be required to notify the enforcing agencies of their intention to merge and to provide those agencies with pertinent information. If that were done the difficulties of enforcing our antimerger laws would be substantially reduced. In the Senate, Senator SPARKMAN has introduced a bill, S. 2075, which would provide for prior notification of certain mergers. Much discussion is going on in both the House and Senate concerning the need for legislation in this respect.

During his recent appearance before the Senate Antimonopoly Subcommittee, Chairman Howrey, of the Federal Trade Commission, expressed the view that a requirement for advance notice or prior notification of mergers has merit. However, he also expressed the thought that if any legislation in that respect did not contain a safeguard it would present a danger in that after the Federal Trade Commission had notice and if it should fail to indicate disapproval before the merger occurred such failure to act might imply approval. Senator SPARKMAN'S bill, S. 2075, removes any such danger by providing that failure to approve or disapprove shall not affect the right of the Government to later proceed against any merger. Likewise, I have prepared a bill which, while providing for prior notification, contains the same safeguard in that respect that is contained in Senator SPARKMAN'S bill. In addition, the bill I have prepared requires that merging corporations provide the law-enforcing agencies with pertinent information requested by them before the merger takes place. It also provides that if after reviewing such factual information the Attorney General of the Federal Trade Commission should be of the opinion that the proposed merger would probably violate the law, they may proceed to test its legality before it is consummated and that the merger shall not proceed until the test of its legality is completed.

We have noted another weakness in the Clayton Antitrust Act, namely, that orders by the Federal Trade Commission under it are not enforceable unless they are appealed to an appellate court by the respondent against whom they are directed. Hence we have on the books many orders of the Federal Trade Commission entered under the Clayton Antitrust Act down through the years, but which today cannot be enforced. Therefore, they are largely no more than advisory rulings. Since the antimerger provisions are contained in the Clayton Antitrust Act, as well as other important provisions of our antitrust laws, it does not appear that there is any reason why the orders of the Federal Trade Commission entered under the Clayton Antitrust Act should be left unenforceable. With that thought in mind, I have included in the bill that I have prepared to amend the antimerger provisions a provision to make Federal Trade Commission orders under the Clayton Act final and enforceable. This has been recommended by the Federal Trade Commission.

Mr. Speaker, I am introducing at this time the bill that I have prepared. Section 1 of the bill provides for prior notification concerning proposed mergers. Section 2 provides for finality and enforceability of Federal Trade Commission orders entered under the Clayton Antitrust Act. Section 3 also provides for enforceability of such orders which have been entered in the past but only after the elapse of a 60-day period within which the person subject to such order may petition for review of such order in the appropriate appellate court.

I hope that this bill will receive prompt and serious consideration because, as I have stated, it has been demonstrated that it is much needed legislation.

THE HOOVER COMMISSION REPORT: A DECLARATION OF WAR ON VETERANS' RIGHTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oklahoma [Mr. EDMONDSON] is recognized for 1 hour.

Mr. EDMONDSON. Mr. Speaker, every American war veteran, and every friend of the war veterans' widow and orphan, would do well to examine closely the recent Report on Legal Services and

Procedure of the Commission on Organization of the Executive Branch of the Government, otherwise known as the Hoover Commission.

If I read this report correctly, one of its recommendations is nothing more or less than a declaration of war on veterans' rights, and an outright proposal to abandon one of our most worthwhile and necessary veterans' programs.

The program to which I refer is the so-called guardianship service of the Veterans' Administration, under which VA attorneys and other personnel provide some supervision over the funds, welfare, and custodial treatment of more than 95,000 incompetent veterans and more than 230,000 minor children of veterans.

It is a protective program which dates back in its origin to the World War Veterans' Act of 1924, which followed a Senate investigation that exposed scandalous and tragic conditions in unsupervised guardianships of veterans and their children throughout the country.

Today, estates with an estimated value of $500 million, and with annual receipts of $190 million, come under the protective attention of this 1924 act, as amended in 1934 and 1952.

It is almost incredible that any study commission would propose an end to this program, but the recommendation is plainly stated in the letter to Congress from Commission Chairman Herbert Hoover, dated April 11, 1955. Here is the language of that letter, beginning at page 8:

E. Veterans' Administration guardianship service:

Our legal task force considered the discontinuance of some of the legal services in the executive branch.

It found that the Veterans' Administration has a staff of 844 attorneys, second in size only to the Departments of Justice and Defense. A primary purpose of this staff is Veterans' Administration guardianship service. The administrative cost of that service, according to the Veterans' Administration, runs to $7 million annually. This service was created at a time when the standards of the probate proceedings in large areas of the country were inadequate. The Uniform Veterans Guardianship Act has since been substantially adopted in 45 States, so the need for the guardianship service is now obviated. The safeguards which the service was intended to provide are now provided in the normal operation of guardianship proceedings.

On the basis of our task force's study, we conclude that most of this service could be eliminated and the legal staff performing it reduced, without endangering rights of the beneficiaries, and with annual savings of about $5 million.

This is discussed in detail in part 2 of our task force report on pages 68 through 71.

The Hoover letter then lists as recommendation No. 5:

The guardianship service of the Veterans' Administration should be confined to those States which have not substantially adopted the Uniform Veterans Guardianship Act, and conducted there only on a limited follow-up basis. The Veterans' Administration legal staff should be reduced accordingly.

When you turn to pages 68 to 71 of the task-force report of the Commission, you find considerable additional history of the guardianship service, but practically no facts demonstrating a need for terminating the service.

The task-force report makes reference to the adequacy of State legislation and states:

The methods of appointment of guardians, and their rights and liabilities to the Veterans' Administration wards, have been clarified, recognized, and established by law. The duty of fiduciaries to report their activities and accounts to the Administrator of the Veterans' Administration has been clearly established and is generally recognized.

The reasons which I have thus far listed from the Hoover letter and the task-force report, Mr. Speaker, are the only reasons given in either document for concluding that the need for the guardianship service is now obviated.

A careful analysis of the true conditions in the field of guardianship over veterans' estates, and of current statistics concerning the fiduciary accounts under supervision of the Veterans' Administration, provides convincing proof of the following:

First. The Hoover Commission study was both inadequate and superficial.

Second. The Hoover Commission recommendations are both inconsistent and ill-considered.

On the point of the study's adequacy, what consideration was given to the millions of dollars in fiduciary accounts not covered by the Uniform Guardianship Acts to which the report attaches so much importance?

Of the 95,000 incompetent veterans in April of 1955, only 55,652 were subject to guardianships coming under jurisdiction of the protective State laws.

More than 30,000 of these unfortunate veterans are institutional cases, in either State of Federal hospitals. In more than 8,000 cases outside institutions, payments of Government funds are made to wives or other legal custodians not under guardianship.

The Hoover Report would make no provision whatsoever for protection of veterans' rights in these instances. They are forgotten veterans, in the study and in the recommendations.

An even more obvious oversight is present in the case of payments for minors and other incompetent survivors or dependents.

Of the 230,000 children benefiting from fiduciary payments, 155,268 are in so-called legal custody status—not under guardianship. The only supervision of these children's funds by a Governmental agency is that provided by the VA guardianship service—and no State court comes into the picture at all, except on a custody question of law.

The Hoover report would make no provision whatsoever for protection of these children in legal custody. They are forgotten children, in the study and in the recommendations.

And what about other incompetents who are dependent relatives or survivors under wardship?

There are 10,885 cases in this group, and 2,416 of them are under legal custody rather than guardianship—unprotected by State guardianship acts.

They, too, are forgotten people in the Hoover Report and in its recommendations.

The total of estates involved in legal custody cases protected by VA guardianship service is presently estimated at $78,527,432, and the annual income to these wards is estimated at $50,520,000—all of which is outside State guardianship laws.

This, I suppose, can be classified as forgotten money in the Hoover report—although it is a rare thing to discover forgotten money in one of their studies.

The Hoover study also takes little note of the fact that the State Guardianship Acts on which so much reliance would be placed are laws which anticipate considerable supervision by VA lawyers and personnel.

Why provide for regular reports and accounting to the VA, if no personnel is to be available to review and study these reports and accounts of guardians?

Why provide for review and study, if no lawyers are to be available to go into court, as friends of the court as well as the veteran, and to see that veterans' rights are protected?

Who will perform these duties, and protect these rights, if the guardianship service is abolished?

Will it be the attorneys of the Hoover Commission?

It will be no one—for certainly the State and county courts, overloaded and shorthanded in most communities, do not have the personnel to oversee guardianships of American veterans.

The Hoover report has also elected to overlook or ignore the very substantial achievements of the guardianship service, in recoveries and savings for beneficiaries, and in recoveries and savings for the United States.

In 1954 alone, the service effected $906,577 in recoveries and savings for the United States, $260,771 in recoveries for beneficiaries, and $1,895,144 in savings for beneficiaries.

Since the year 1948, more than $6,700,000 in recoveries and savings for the United States resulted from guardianship service action, and the figure with regard to beneficiaries is much larger—totaling more than $13 million.

Does this indicate that State laws, operating alone, are sufficient to protect the incompetent veterans, or the children of veterans, or the interests of the United States?

Does it not indicate, on the contrary, that we have in the guardianship service an alert and vigilant and efficient arm of justice and fair play for veterans—which has fully justified its existence and should be continued.

I stated some minutes ago, that the Hoover study was inadequate and superficial. One further example of this is in the cost figures on which the study was based.

Apparently the commissioners, in their $7 million figure, simply totaled up all personnel costs of the chief attorneys' offices, field stations, and guardianship and field examination services of the VA. These do total $7,986,000, in round figures, as of February 28, 1955.

As of the same date, however, the costs in the VA of personnel administering the guardianship service only totaled $4,521,827. In the $7-million figure cited by the Hoover report are salaries for chief attorneys, loan-guaranty attorneys, field examiners, and many other employees who render services completely outside the guardianship service.

To say the least, the Hoover cost figures and savings estimates are on the misleading side. If any guardianship service is to be continued, and the Hoover letter at least recommends it in States not having the Uniform Act, then how is $5 million to be saved?

And how much will it cost the needy beneficiaries, and the United States itself, in savings and recoveries, to make the dollar-and-cent saving envisioned by the Hoover Commission?

The case for the report, to say the very most for it, is a weak and shallow one which takes very little account of the historic responsibility of the United States for disabled veterans, their children and wives, and the widows and orphans of American servicemen.

It may be charged that your speaker is prejudiced and biased on the subject of a veterans' program, because he is a veteran himself.

If bias and prejudice are the products of service in the wartime forces of our country, at the side of some men who sacrificed health and even life in its behalf, then I have no apologies to make for them.

I have also visited some of the mental wards of our VA and our State hospitals, and have seen there the broken and shattered men who are the most pitiful victims of modern war.

As a county attorney, and for a brief period as a county judge, I have had firsthand dealings with some of these disabled veterans, and with their children and their parents and their wives and sweethearts.

These things, too, have no doubt created some prejudice on the subject, but I make no apology for it.

The men whose minds and spirits have been shattered in wartime service for their country are entitled to every service and aid which their country can afford to extend to them—and their children and wives are also entitled to that service and aid.

Is there any true American who honestly contends that our Government cannot afford $5 million a year—or 3 times that sum if necessary—to see that these men are not robbed or mistreated, and to see that their dependents receive the benefit of the Federal funds provided for their care?

Is there any true American who believes the responsibility of our Government to a veteran's orphan child is ended when we mail a check to a local address?

In such a fashion, in the pattern recommended by the Hoover report, can we truly keep faith with those who have sacrificed everything in their country's hour of need?

Mr. Speaker, I have no doubt about America's answer to these questions, when the facts are made known to the people.

Mr. LONG. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I am glad to yield to my friend from Louisiana, who is a member of the Committee on Veterans' Affairs.

Mr. LONG. Mr. Speaker, I wish to commend the gentleman from Oklahoma [Mr. EDMONDSON] for calling to the attention of the House the report of the Hoover Commission on Legal Services, which to my mind contains a vicious attack upon the guardianship program of the Veterans' Administration.

As is usual in reports emanating from the Hoover Commission, there have been conclusions presented which have been based upon very scanty facts and, in some cases, no facts at all. In others, the material presented has been of a distorted nature and in some cases has bordered on dishonesty.

For example, the Hoover Commission has found that the Veterans' Administration has 844 attorneys. It is indicated that the primary purpose of this staff is to operate the guardianship service. The implication is given that these attorneys do little or nothing else except handle guardianship cases. Now Mr. Speaker, I know from personal knowledge that this is not the case. There are a large number of attorneys in the Veterans' Administration, necessitated by the fact that the Veterans' Administration administers hundreds of laws involving the welfare of millions of veterans. This, by the very nature of the laws which the Congress has enacted, requires a great deal of personal service. I assume that the basic philosophy of the Hoover Commission recommendation is to provide more business for the attorneys of the country who are not a part of the Government service.

Mr. Speaker, I have many friends who are attorneys and have the greatest respect for the legal profession, but I submit that there has been no showing by the Hoover Commission or by any other quasi-public body to warrant a change of the magnitude recommended for the Veterans' Administration guardianship service. As the gentleman from Oklahoma has so well pointed out, prior to the creation of the guardianship service, a senatorial investigation was necessary because of the abuses which had grown up in this field, abuses which could recur again unless the affairs of these veterans are subjected to the closest sort of scrutiny and care by persons who are disinterested and are representing only the public interest.

I certainly share with the gentleman from Oklahoma his conclusion that in the final analysis to follow the recommendation of the Hoover Commission and its task force would mean that no one would look after these veterans, who need the care presently afforded them. With State and county courts already overloaded and short handed, I do not see how any other result could be contemplated.

Again I congratulate the gentleman from Oklahoma for so forcefully bringing this matter to the attention of the House and in doing so, in my opinion, he has performed a real public service.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I am glad to yield to my good friend from Oklahoma.

Mr. ALBERT. Mr. Speaker, I desire to commend my colleague upon his very able presentation and for calling this matter to the attention of the House. I should like to express my amazement that the Hoover Commission would make the recommendations which the gentleman has described.

Mr. EDMONDSON. I thank my good friend from Oklahoma whose long friendship for the cause of the veteran in Oklahoma is well known.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I am glad to yield to my friend from Colorado.

Mr. ASPINALL. Mr. Speaker, I, too, wish to associate myself with my distinguished friend from Oklahoma. I have some idea of the matter that he is bringing to our attention. I, too, am surprised at the report that he speaks of, which has been made by a distinguished official body of the United States. I wish to join with my colleague in anything we can do to take care of the situation and to continue the service which I truly believe the veteran deserves.

Mr. EDMONDSON. I thank my distinguished friend from Colorado.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to my friend from Arizona.

Mr. UDALL. Mr. Speaker, I, too, wish to commend my colleague for a very forceful and timely presentation. I wonder if he would agree with me that it seems, as some of these Hoover Commission reports come in, that the Commission suffers from an overabundance of business brains and a failure to grasp the humanitarian spirit which activated the Congress in enacting many of these laws in the first place. Would the gentleman agree with me in that statement?

Mr. EDMONDSON. Sometimes I question the presence of real brain power in some of the conclusions that are drawn, regardless of their source. But I would certainly agree with the gentleman that humanitarian considerations seem to have very little weight in the conclusions by the Commission that have come to my attention.

Mr. UDALL. I certainly drew that conclusion from the gentleman's discussion here today. It does seem to me that many of the reports—not all of them—are subject to that criticism.

Mr. EDMONDSON. I thank the gentleman.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Texas.

Mr. WRIGHT. I congratulate my distinguished colleague from Oklahoma on his clear and incisive statement. May I ask if my understanding is correct that this guardianship service provides the only insurance the moneys provided by a grateful nation will actually go to the benefit of the orphans of the veterans of

our wars, and is it their recommendation that this actually be discontinued?

Mr. EDMONDSON. In most of the States, may I say to my friend, recommendation No. 5 of the letter to which I have referred would terminate the guardianship service. It would be continued in three States where they do not have the uniform guardianship act.

Mr. WRIGHT. I do not think the present Congress would implement any such recommendation. May I ask my colleague his opinion as to the future activities of some future administration, if this bodes ill for the veterans' benefits under another administration?

Mr. EDMONDSON. Certainly the acceptance which some of the Hoover Commission reports have won from the present administration would run up a pretty clear storm signal, to my way of thinking, as to the likelihood that any future administration of the same party in Washington would follow Hoover Commission reports on down the line, and that would include in the field of veterans' services the veterans' guardianship service.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Indiana.

Mr. BROWNSON. Just what logic does the gentleman use in reaching the conclusion that the Republican Party has demonstrated unfriendliness to the veteran?

Mr. EDMONDSON. The gentleman did not understand me at all. I said that the acceptance which other Hoover Commission reports on other subjects had won from this administration would seem to me a storm signal that they would be very likely to follow Hoover Commission reports in the field of veteran services.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Ohio.

Mr. BOW. Is it not a fact that in the previous administration many of the Hoover Commission recommendations were accepted, and there, too, was one that had to do with veterans that was not accepted? So, if storm signals might go up because of the Hoover Commission's recommendations being accepted by this administration, I would remind the gentleman that the recommendations of the Hoover Commission were also accepted by the previous administration as well. I think the gentleman will agree with that.

Mr. EDMONDSON. May I say to the gentleman it would be very surprising to me if he saw the same storm signals in this report as I see because I have my point of view and the gentleman has his.

Mr. BOW. I am pointing out to the gentleman that the recommendations of the previous Commission were adopted by the last administration. The gentleman is saying that this administration is adopting the recommendations of the Hoover Commission. Will the gentleman not agree that the former administration also adopted many of the reports of the previous Hoover Commission?

Mr. EDMONDSON. To this extent. In past years, the Hoover Commission reports have pretty much stuck to the question of reorganization matters. It is only in recent years that it has apparently become the practice of the Hoover Commission to go into the field of policy and to seek to change policy, which is just what this report seeks to do. I would say this—that I know of no instance in which a Democratic administration has followed the recommendations of the Hoover Commission on a question of policy involving service to the people or to any large group of our people.

Mr. BOW. Has the gentleman studied all those reports which were adopted by the previous administration?

Mr. EDMONDSON. I could not say that I have studied all of them in detail. No, sir; I would not make such a statement as that at this time at all.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. BOLLING. It happens, Mr. Speaker, that during the 81st Congress, when most of the reports of the first Hoover Commission were received, I was a member of the Committee on Government Operations and of the subcommittee on reorganization, and it seems to me very important in considering the second Hoover Commission's recommendations to recognize the very fundamental difference which exists between the so-called second Hoover Commission and the first Hoover Commission. The terms under which the first Hoover Commission operated were very clear. They were not authorized under the terms of the law to enter into policy matters. Their concern was entirely with efficiency and economy in government. The second Hoover Commission is drastically different in that the law specifically authorizes it to go into the area of policy. I do not believe there is any reasonable or valid comparison between the operations of this Hoover Commission and the operations of the first Hoover Commission. I think it is very clear that while the first Hoover Commission did a superior job with which the Executive and the Congress cooperated is more than 50 percent of the recommendations and in seeing that they were carried into effect, the second Hoover Commission is an entirely different type of operation. I do not believe any comparison can or should be made between the first Hoover Commission and the second Hoover Commission. I commend the gentleman for bringing to our attention this specific case and the fact that the policy recommendation made by the Hoover Commission is, in his opinion and also in my opinion, ill advised with too much emphasis on the desire to save money and with too little emphasis on the needs—the urgent needs—of these hundreds of thousands of people who so desperately need adequate supervision and care.

Mr. EDMONDSON. I thank the gentleman for his statement. I know how carefully he has followed the activities of the Hoover Commission. The gentleman has made a constructive contribution to our discussion.

OUR MILITARY PREPAREDNESS

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 45 minutes.

Mr. FLOOD. Mr. Speaker, this administration has repeatedly equated military preparedness and air supremacy with peace. Over and over again, from the President and Vice President and every member of the Cabinet concerned with our defenses, we have been told that unless we maintain the best Military Establishment in the world and the best Air Force, our security will be endangered.

Mr. Speaker, I find no quarrel with that premise. This House well knows that. We are now going through the agony of reappraising our air supremacy. In the words of a Washington columnist, Fletcher Knebel, in his column Potomac Fever:

> The name of the administration's New Look defense policy is being changed to the "new overlook." They overlooked the bombers which Russia was building.

We wonder do we still have the best Air Force in the world. We know we have the best pilots. Do we still have the best planes? What do we know about Russian pilots and Russian planes?

We have suddenly become very concerned about Russia's air force. In the last 3 weeks we have been jolted into the realization that Russia has an intercontinental bomber equal or superior to ours. Why did we just find that out? Two years ago the Russians had no intercontinental bomber. One year ago we were told the Russians had a mockup of the intercontinental bomber, similar to our B–52. Now we are told by our Intelligence that two sets of Russian intercontinental bombers, their T–37's, were observed officially in flight. We also learned that now they have large numbers of supersonic MIG 17's in combat groups. That is equal to or superior to our F–100, the best we have, and we do not have very many of them. I know how many, but I cannot tell you. There are not many. Is there a MIG–19? Is there a MIG X? How did the Russians manage to build these planes inside of a year? How are they able to cut in half the lead time we expected them to take in building these planes? What technological miracles did they work to spring this surprise into the air?

Mr. Speaker, these Russian planes are no Potemkin aircraft. Until recently we did not expect to have large numbers of our B–52's in the air until 1958.

We must have counted on the Russians taking as long or longer to develop and produce their globe-circling bombers. Now they are doing it. If we did not so calculate, then our Department of Defense has deluded itself, Congress, the President, and the people about our air supremacy.

On May 18, the President in his press conference sought to assure us that the United States had not lost control of the air to Soviet Russia. But even he conceded that periodic reports have shown Russian scientific and technical develop-

ments to be ahead of previous predictions, way ahead.

On that very same day—Mr. Speaker, that was May 18—the Assistant Secretary of the Air Force Trevor Gardner told a Senate Military Appropriations Subcommittee that it is urgently necessary for the United States to reestablish a margin of air superiority over Russia.

The word "reestablish" means but one thing to me.

Let us face it.

If we have to reestablish the margin of our air supremacy over Russia, then we have lost that supremacy, or is there to be a margin for error? In this business, Mr. Speaker, there is no margin for error; in this game there is no second prize. No amount of public relations palaver is going to persuade me differently. At best one way or the other that margin is much, much too close for comfort.

Mr. Gardner told the Senate subcommittee that Russia is a "resourceful opponent whose accomplishment in the field of air weapons in the past 10 years are a phenomenon of military history." Those are not my words. The Secretary said further:

A technological margin—

He said—

has prevented an all-out war for 10 years, and this is both lesson and precedent for our course of the future.

That is the statement of the Assistant Secretary of the Air Force.

Our Air Force, he said, is pressing hard to develop planes that will fly faster, farther and higher. You want that and I want that; but, Mr. Speaker, let me ask you this: In what nation in the world has there been the greatest technological advance in the air in the last 10 years? What nation? Russia. Not the United States, not England—Russia.

Why must this Nation—the United States—that has created the world's most efficient mass-producing industrial economy based upon the world's best technological know-how, why must we press hard to develop the aircraft we need? Why?

The Secretary of Defense says Russia's airpower is not as good as ours. Where does he get his basis for comparison? An Assistant Secretary of the Air Force says we have to reestablish a margin of superiority over the Russians. The President concedes that Russia is making scientific and technical developments faster than we had expected. What does the Secretary of Defense know that the President and the Air Force do not know?

It is apparent that technological know-how is the lifeline of our air supremacy. To regain the margin of supremacy we have lost, we must seize every opportunity to push and develop our technology in aircraft development and in production.

Five years ago, Mr. Speaker, my Subcommittee on Defense and the full Committee on Appropriations, upon which I served, voted an Air Force heavy press program at a cost of $389 million. This program was for the purpose of building and operating 17 huge forging and extrusion presses.

The heavy press concept was first developed in Germany during World War II and helped make Hitler's wehrmacht the best air force in the world. In a single operation, heavy presses squeeze out and press out full wing sections, entire wing spars, and other aircraft structural components. We turned to heavy presses to produce aircraft components for today's high-speed, long-range aircraft. The heavy presses cut down production time, save materials, and give us the components to produce the faster, farther, and higher-flying planes Assistant Secretary Gardner spoke about.

I do not profess to know the detailed intricacies of building or flying airplanes. But I do know that these heavy presses could be the answer to our technological lag behind the Russians. We adopted the program because the Air Force came up here and told us the presses would contribute to United States air supremacy and this House gave them the money.

I want to know the connection between the margin of supremacy we must regain in the air over the Russians and the cutback this administration made in 1953 in the Air Force heavy-press program. They sacrificed half the production capacity of the heavy presses in the program and they saved only 20 percent of the original cost of the program.

The Russians have heavy presses. They captured at least 1 German 33,000-ton press. They took it and several smaller presses behind the Iron Curtain and they are building more.

Examination of a MIG a little over a year ago by our engineers revealed that at least one large wing spar had been produced as a single piece.

I believe that every time the Russians say something publicly about their production they really want us to believe the opposite. This is the way they try to throw us off our guard.

On May 16, shortly after our intelligence reports on Russia's intercontinental bombers were made public by the Pentagon, Moscow radio reported Premier Bulganin as saying that Russian forging and pressing equipment is lagging sharply behind.

Coincidence? Perhaps. But in my book it means that Russia's heavy presses may very well be the answer to their margin of supremacy.

Now, I like Mr. Talbott, Secretary of the Air Force. I think he is a terrific man. He has appeared before my committee and testified, and is a hard worker. I think he is on top, so far as his job is concerned, and I have no quarrel with what Mr. Talbott tells us. He has an impossible job, and I think he is doing as good as anybody could do, certainly better than I could.

Our Department of the Air Force is rapidly achieving a reputation bordering on notoriety for its miscalculations about heavy presses and even about smaller-size extrusion press facilities. The Air Force has owned an extrusion facility in Adrian, Mich., for several years. They have leased this plant to major companies no less than five times. They have never succeeded in getting an operator to work this plant at its capacity yet. The Gerity-Michigan Co., Bohn Aluminum Corp., Reynolds Metals Co., and now Bridgeport Brass have all had a crack at it. It makes me wonder, Mr. Speaker, what criteria our Air Force uses to find operators for so important a plant as an extrusion facility.

The Air Force right now is in the process of getting an operator for its heavy press extrusion facility at Halethorpe, Md. It took me a long time to get there, but I am over in Maryland now. This is one of the plants that our Air Force will have to rely upon to develop the production capacity and technical know-how to regain our lost margin of superiority.

Mr. Speaker, how did the Air Force choose an operator for this plant?

In November 1954, while the Kaiser Aluminum & Chemical Corp. negotiated with the Air Force for a contract for this facility, Air Force Secretary Talbott suddenly announced he was considering dropping Kaiser as a potential operator of the plant. Mr. Talbott was quoted in the public press as saying:

I just want a firm operating these presses that will do the best job for the Air Force.

Now that you and I certainly agree with. I could not have said it better myself. That is right.

A committee of the other body of Congress investigated Kaiser's lack of technical know-how and production inefficiencies when his company fell behind in the production of C–119 and C–123 planes for the Air Force. Kaiser's record, so they said, proved so bad that the Air Force canceled the company's contracts for these planes. Now, that is it. Of course, assembling a C–119 is an altogether different thing than extruding and forging aluminum.

Probably this is what Secretary Talbott had in mind when he found Kaiser unfit to operate the very important Halethorpe heavy press facility. But we find, Mr. Speaker, that little more than a month ago, on April 29 of this year, Secretary Talbott announced that he was going to give Kaiser the contract to operate this very same facility he was talking about in November. If Kaiser was unfit to operate this facility in November 1954, he cannot be any better fit to operate it today. Or can he? I do not know. I want to find out. I am not mad at Kaiser. As far as I know, he is a terrific guy. He has done tremendous and wonderful things. More power to him.

What transpired in that brief time to make the Secretary of the Air Force change his mind about Kaiser?

I have learned from friends in eastern banking circles that no less a personage than the chairman of the board of the First Boston Corp., G. D. Woods, went to the Secretary of the Treasury and asked him to intervene with the Air Force to get the facility for Kaiser. I certainly hope that is not so.

Is it not strange, less than 2 weeks after Secretary Talbott's announcement, a financial newsletter revealed that the First Boston Corp. is understood to be handling financial details of a public sale

of shares in the Henry J. Kaiser Co.? Now, I am not mad at the First Boston Corp. I understand it is one of the greatest banking corporations in the world. It has a great reputation, a fine reputation.

The First Boston Corp. is an outstanding financial institution. But they should not be permitted to meddle in the affairs of our national defense for the sake of profit and at the expense of our Air Force if that is what happened.

I tell you I have nothing against Kaiser. They have done some tremendous things—automobiles, ships, aluminum and what not. But Kaiser should not be permitted, or his industrial empire should not be permitted to be enriched at the expense of our Air Force, unless he can do the job as well as anybody else. I do not care who does it. I am not drawing chestnuts out of the fire for Harvey, or Alcoa, or anybody else interested in this matter. Nobody could care less about all of them put together than I.

I do not know whether they can successfully operate the Halethorpe heavy press extrusion facility. I am not trying to get my name in the papers by resorting to the practice of beating the Kaiser people over the head. I say I do not know.

It is up to the Air Force to make sure it has the best operator for this facility.

Does the Air Force intend to award a contract for operation of these heavy extrusion presses on the basis of the size of a company and the bankers it can bring to Washington?

Was the decision to award a contract to Kaiser for operation of this facility based upon the interests of our national defense, or on the interests of banks and bankers? I do not know. I think it was national defense, myself. And I will bet you that that is what it turns out to be. And I hope I am right. And so do you.

However, if there was even a scintilla of doubt then which way and by what yardstick was that doubt resolved? I want to know, and so do you.

We have the world's finest pilots and we are entitled to the finest planes that we can build and they are entitled to them now, to face and outfight anything that any other country can put into the skies. That is the stuff from which air supremacy is made, nothing else—pilots and aircraft. We have got the pilots. Where are the aircraft?

The Armed Services Committee of the other body of Congress made this abundantly clear to officials of the Defense Department and the Air Force when they were called up here after intelligence reports about Russia's planes were made public.

The response was almost immediate. Subsequently, the Secretary of Defense announced acceleration of our B–52 program. That was 10 days ago. Planes we expected to get in 1958 will now be available in 1957. That is good. And he asked for $356 million to do it. He told us a month or two ago that he would not need another dime. Now, somebody goofed. Three hundred and fifty-six million dollars is a lot of dough, even here.

The response, then, to this demand of the other was immediate.

The officials of the Defense Department had the facts before they were called to Congress. Why did they not act without congressional prodding? Does the Congress have to examine every defense project to make sure we are getting the best Defense Establishment and the finest Air Force to keep the peace? Within reason, of course—but this Defense Department change of pace on Russian aircraft is most disconcerting if I may make a careful understatement.

The heavy presses, in the hands of capable operators, may be our answer to cutting our leadtime in production of the planes we need to regain our margin of superiority. Does the Congress have to bring Defense Department and Air Force officials back to make sure that the Halethorpe heavy extrusion press facility is placed in the hands of a qualified operator capable of working this plant at capacity? Out of an abundance of caution, if for no other reason, as far as I am concerned the answer is "Yes"—and at once.

Before the Appropriations Defense Subcommittee Secretary Wilson, Secretary Talbott, and General Twining—I was there—assured us that with the requested funds they had, then, the air situation was well in hand; a few weeks later the Russians flew some bombers over Red Square. A few days later, the Defense Department assured us, that even though the Russians did fly those planes, the situation was well in hand and that they would require no additional funds. In 2 days more they changed their minds again, and now they demand more funds to accelerate the air-production program. Secretary Wilson last week at a news conference stated that the latest display of Russian airpower would not cause the Air Force to ask the Congress for more money. It was 2 days after that, that the Air Force itself announced that it was stepping up production of B–52 bombers by 35 percent; and on Monday, June 6, the Defense Appropriations Subcommittee of the Senate Appropriations Committee was asked to vote an additional $300 million to finance the increase. Besides this lag in bomber production, in my opinion we lack effective fighter defenses against Russia's big, new jet bomber, and this in spite of all the assurances from our Defense people that they can take care of this problem.

They told me that on bombers. They were wrong, and I think they are wrong on fighters.

Not only are we in the middle of a cold war, but it now looks as though the Defense Department and administration wish to engage in a paper war with the Russian Air Force. We cannot fight Russian bombers and Russian supersonic fighters with paper aircraft of the kind made by children, manufactured from pages torn from a budget which has not been, will not, and cannot be balanced. That may be good politics but it is bad air tactics.

I have all the respect in the world for this man Kaiser and his organization. I repeat that for the purpose of emphasis—and for his First Boston Corp., whoever they are—I do not travel in that league—and for our Defense Department, certainly; but it is their sudden combination, under all the circumstances, in aluminum forging and extrusion which makes me very, very unhappy.

I am no snooper, but I wish someone would take a good look at this one and do it now.

Mr. Speaker, in my judgment, from all the evidence, for what it is worth, good, bad, or indifferent, the United States has lost its margin of air superiority over Soviet Russia, as far as aircraft are concerned. I ask, therefore, for a congressional investigation of the award by the Air Force to the Kaiser company of this heavy press contract.

KAISER ALUMINUM & CHEMICAL CORP.

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BURNSIDE] is recognized for 20 minutes.

Mr. BURNSIDE. Mr. Speaker, I have listened with interest to the comments of my colleague from Pennsylvania [Mr. FLOOD] about the inability of the Kaiser Aluminum & Chemical Corp. to operate the Air Force's heavy extrusion press plant at Halethorpe, Md. Now I would like to set the record straight.

The gentleman from Pennsylvania [Mr. FLOOD] said that in November 1954, the Air Force considered dropping Kaiser Aluminum as a potential operator of the Halethorpe plant, and he quoted Secretary of the Air Force Talbot as stating:

> I just want a firm operating those presses that will do the best job for the Air Force.

I assume my colleague is quoting from the Wall Street Journal. In November of 1954, the Wall Street Journal quoted Secretary Talbot on this matter. Here is the entire quote:

> "I'm not dissatisfied with anybody," he (Secretary Talbot) said. "I just want a firm operating those presses that will do the best job for the program."

This, to me, does not indicate any dissatisfaction with Kaiser Aluminum & Chemical Corp. as the gentleman from Pennsylvania implied. The fact is, the Air Force gave Kaiser Aluminum a contract to construct and operate the Halethorpe plant in 1952. Subsequently, the Armed Services Committees of the Congress approved the Air Force choice of Kaiser Aluminum.

It was only when the construction of the new plant was nearing completion and another company engaged in the extrusion of aluminum indicated a strong interest in operating the Halethorpe plant that the Secretary of the Air Force invited sealed competitive bids to determine who should operate the facility.

Personally, I thought this action constituted a tremendous imposition on Kaiser Aluminum, which had a letter contract to operate the Air Force plant. Kaiser Aluminum had already demonstrated over a period of years at an adjoining extrusion plant, which it has under lease, that it knew how to successfully operate such a plant.

Kaiser Aluminum, I would like the gentleman from Pennsylvania [Mr. FLOOD] to know, is not a newcomer to the extrusion field. It is a qualified, competent operator of an aluminum extrusion plant that has consistently exceeded its rated capacity.

When the Secretary of the Air Force called for sealed bids on the new extrusion plant, he said that his reason for doing so was because the interest in operating the plant was so keen that it was to the Government's interest to invite competition.

I would also like to call my colleague's attention to the Air Force news release of April 23, 1955, in which the Secretary said that "only those companies with experience in the production of aluminum extrusions for the aircraft industry are being invited to participate." Apparently, the Secretary was aware of the fact that Kaiser Aluminum was experienced in the production of aluminum extrusions.

Subsequently, Kaiser Aluminum submitted a sealed bid to operate the new Air Force plant. Its offer was the best bid. The company had again demonstrated its qualifications to operate the facility and it received the award.

When the Secretary of the Air Force called for competitive bids, he also ordered an extensive engineering survey of the companies which had indicated an interest in operating the plant. Consequently, the Secretary had at his command, when the decision was made, all of the facts necessary to select the most qualified company. Kaiser Aluminum & Chemical Corp. was that company.

My colleague stated that—

It is up to the Air Force to make sure it has the best operator for this facility.

I fail to see how there could be any doubt in his mind that the Air Force did just that. It mustered all the available facts before it decided. It left nothing to chance.

We are all in accord with Mr. FLOOD'S desire to see to it that the United States Air Force is the best equipped in the world. That is why the Air Force selected Kaiser Aluminum to operate this important facility. Kaiser Aluminum has proved that it can do the job.

My colleague also stated that he had "all the respect in the world for Kaiser." I am pleased to hear that. I am sure that if all the facts had been available to the gentleman from Pennsylvania [Mr. FLOOD], he would have found no possible reason for demanding an investigation of the Air Force's award.

To give a more complete picture of this entire matter, I would like to insert the following memorandum, which outlines in detail all of the facts in connection with the awarding of the contract to operate the Halethorpe plant.

Mr. Speaker, I ask unanimous consent that this statement be inserted in the RECORD at this point.

The SPEAKER pro tempore. Is there objection?

There was no objection.

(The matter referred to is as follows:)

MEMORANDUM

Subject: Award of operating contract for Halethorpe heavy press plant.

In 1952, the Air Force awarded a letter contract to Kaiser Aluminum & Chemical Corp., to build a heavy aluminum extrusion press plant at Halethorpe, Md., and to operate the plant under lease for 5 years. As construction of the plant was nearing completion another company sought to displace Kaiser Aluminum as the operator. As a result, the Air Force requested competitive sealed bids to operate the plant. Kaiser Aluminum submitted the high bid and on April 29, 1955, the Air Force announced that this bid was accepted.

The facts relating to this decision are as follows:

1. In 1952, the Air Force awarded Kaiser Aluminum a letter contract to build the plant and operate it under lease for 5 years on agreed rental and other terms.

2. On March 9, 1954, at the request of the Air Force and after hearings, the House Committee on Armed Services approved the lease of the Halethorpe plant to Kaiser Aluminum on the terms contained in the letter contract.

3. On February 23, 1954, at the request of the Air Force and after hearings, the lease to Kaiser Aluminum was approved by the Senate Committee on Armed Services.

4. The 1952 letter agreement for Kaiser Aluminum to construct and operate the plant provided that the parties would enter into a formal definitive contract. The formal definitive contract was duly drafted and submitted by the Air Materiel Command to Kaiser Aluminum for signature. It was signed by Kaiser Aluminum in July 1954, as of June 21, 1954, and was sent to the Secretary of the Air Force for approval in accordance with its terms.

5. Harvey Machine Co. then launched an intensive campaign to bring about the termination by the Air Force of the arrangement with Kaiser Aluminum and lease the plant to Harvey.

6. Sustained pressures from Harvey presumably influenced the Air Force, even though Kaiser Aluminum already had the contract to operate the Halethorpe plant, to invite proposals to operate the plant from other qualified bidders. When the invitation was issued March 23, 1955, the Air Force also issued a press release stating:

"In making the announcement the Secretary said that interest in operating this plant was so keen that he felt it was in the Government's interest to invite competition.

"Potential operators are being invited to submit proposals on a 5-year lease, and only those companies with experience in the production of aluminum extrusions for the aircraft industry are being invited to participate."

7. Although Kaiser Aluminum already had a binding letter contract to operate the plant on stated terms, Kaiser Aluminum acceded to the request of the Air Force to submit a proposal in competition with other bidders. Kaiser Aluminum submitted a proposal offering lease terms substantially more favorable to the Government than those contained in the definitive agreement Kaiser Aluminum had already signed. Kaiser Aluminum's bid was the high bid by a substantial margin.

8. Kaiser Aluminum is fully qualified to operate the Halethorpe plant. This is the considered opinion of the Department of the Air Force, and this opinion has already been accepted by the House and Senate Armed Services Committees when they previously approved the award of the plant to Kaiser Aluminum. Kaiser Aluminum is one of the three major producers of primary aluminum and semifabricated products in the country. It has been in the extrusion business since 1951. Its products have met with widespread acceptance by industry and by the Air Force. It built the Halethorpe plant to the satisfaction of the Air Force and of the designer and builder of the heavy presses to be installed at the plant.

9. The superior qualifications of Kaiser Aluminum have been and are recognized by the aircraft companies as well as by industry generally. It is one of the 3 integrated aluminum companies in the United States with assets in excess of $355 million and sales having an annual rate of $295 million.

Kaiser Aluminum has an exceptional engineering and metallurgical staff whose contributions to the knowledge of aluminum alloys and extrusions have been outstanding.

10. There are five heavy aluminum extrusion presses in the Air Force program. The Air Force is permitting these presses to be used under lease not only to manufacture military components, but also to manufacture civilian items. While the entire heavy press development is still in an experimental stage, it promises to become of extreme importance to the aluminum extrusion industry.

11. Of the 5 presses in the program, 2 (a 12,000-ton press and an 8,000-ton press) have already been awarded to Harvey, and 1 (a 14,000-ton press) has already been awarded to Alcoa. The remaining 2 presses (8,000 tons each) are in the Air Force plant at Halethorpe. If operation of the Halethorpe presses had been awarded to Harvey, Harvey would be operating 4 of the 5 heavy extrusion presses in the Air Force program—the only heavy aluminum extrusion presses in the country. These 4 presses would include all 3 of the 8,000-ton presses in the program. An award of the Halethorpe presses to Harvey would thus have placed Harvey in control of 80 percent of the heavy aluminum extrusion presses in the country, including 100 percent of the 3 8,000-ton presses.

12. To summarize:

(a) Kaiser Aluminum was awarded a letter contract in 1952 to construct and operate the Halethorpe plant. The Air Force at that time considered the qualifications of a number of aluminum extruders, including Harvey, when it made the original Halethorpe and other awards under the heavy extrusion-press program.

(b) The Armed Services Committees in 1954 approved the Air Force's award of the operating agreement to Kaiser Aluminum.

(c) Subsequently Harvey tried to persuade the Air Force to take the plant away from Kaiser Aluminum and give it to Harvey.

(d) Harvey appeared active in efforts to wrest the plant from Kaiser. The Air Force decided in March 1955 to invite competitive bids from qualified bidders. Kaiser, Harvey, and Reynolds Metals were the only companies who accepted the invitation and submitted bids April 21, 1955.

(e) The Kaiser Aluminum bid was the high bid and is substantially more favorable to the Government than the lease terms which Kaiser Aluminum had previously offered, the Air Force had previously accepted, and the Armed Services Committees had previously approved.

(f) Kaiser Aluminum's qualifications are outstanding. It is one of the three completely integrated aluminum companies in the United States. It has an outstanding metallurgical and engineering staff and has rendered extremely satisfactory service to the Air Force and the aircraft industry.

(g) Kaiser Aluminum has now been awarded the Halethorpe contract by the Air Force twice after fair competition with other aluminum extruders, including Harvey.

(h) If Harvey, nevertheless, had succeeded in obtaining the Halethorpe presses for itself,

it would have been operating 80 percent (4 out of 5) of the presses in the entire program, including all 3 of the 8,000-ton presses.

For all of the above reasons, the public interest is far better served by the competitive award of the Halethorpe presses to Kaiser Aluminum than by upsetting this award as part of still another attempt to obtain these presses for Harvey.

CIVIL RIGHTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 30 minutes.

Mr. POWELL. Mr. Speaker, yesterday morning at the press conference of the President of the United States, two amendments offered by me, one of which you accepted and the other one which has not yet come before you, were commented on by the President. In his comment on my two amendments he said that they were erroneous, extraneous, and that they represented me trying to get my own way. He also indicated that Congress should have the right to decide issues by themselves and not be clouding these issues with amendments that are extraneous.

Mr. Speaker, I rise today to say that no one has done more than the present Chief Executive of our Nation in the field of civil rights. I feel deeply sorry today that he has been so misinformed and misled that he has now been maneuvered into a position where all of the good he has accomplished may be in danger of being lost.

Mr. Speaker, the following is a press release issued by the National Association for the Advancement of Colored People which shows the concern of my people for the President's remarks:

NAACP TO CONTINUE DRIVE FOR ANTIBIAS AMENDMENTS

Roy Wilkins, executive secretary of the National Association for the Advancement of Colored People, today issued the following statement in answer to President Eisenhower's press conference remarks in opposition to antibias amendments to the military reserve training and school-construction bills:

"The NAACP recognizes that the administration has taken positive executive action to implement the President's pledges to curb racial discrimination and segregation wherever the Federal authority extends. However, President Eisenhower has not only refused to recommend civil rights legislation to the Congress but has consistently indicated apathy toward and, in today's press conference, opposition to efforts to bring Federal legislation in line with executive action and judicial decrees in this area.

"The armed services have been desegregated by Executive order. The Powell amendment to the military reserve-training bill would extend that principle to National Guard units to which reservists could be assigned. This amendment concerns military service only. It is by no means extraneous or irrelevant. It simply implements an established Federal policy.

"Similarly with the school-construction-aid bill. The NAACP-sponsored amendment merely reaffirms the unanimous Supreme Court decisions of May 17, 1954, and May 31, 1955, outlawing racial segregation in public education. In view of openly announced defiance of these rulings by certain demagogs, the amendment is vitally needed. To pass the bill without such an amendment would be to strengthen the hands of those who defy the Supreme Court.

"The President raised the question: 'Why do we make the defense of our country dependent upon us getting our way?' This is a question which properly should be addressed to the Dixiecrat filibusterers who adamantly refuse to permit enactment of any legislation in conformity with our constitutional guaranties of equal rights and freedom from official discrimination. Let them answer this question.

"The NAACP will continue to press for enactment of amendments to afford equal protection to our servicemen and our schoolchildren."

I saw this coming during the past week, and that is why I have been getting orders to address the House off and on for the past 7 days.

The New York Times and other daily publications have been pointing out that since we in this House adopted my amendment to abolish segregation in the National Guard, tremendous pressure has been exerted on the White House to make an open statement against my amendment which you adopted.

The New York Times reported that the Democratic leaders of the House and the Senate have been conferring with the Republican leaders to ask the President to take an open stand.

The New York Times reported that outstanding labor leaders of our Nation, without mentioning names, have been going around to the labor Members of the House and Senate asking them to come out against my amendment.

The New York Times reported that certain liberal northern Republicans and Democrats are working on the other liberal Members of the House and Senate to reverse their position.

Representatives of 10 veteran groups called on the President to even go on television to fight what we adopted here.

Just before the press conference yesterday morning, the daily press reported that the Republican leaders of the House and Senate conferred with the President on this particular problem.

I repeat that all of these people, leaders of my party and leaders of your party, labor leaders, and so-called liberals, have misled and misinformed the President.

I rise, therefore, to see if I can say a few things that may get this problem back into proper focus. Let us discuss, first, the Reserve bill.

When I first rose to offer the amendment to abolish segregation in the National Guard, you, my colleagues, adopted that amendment. Overnight tremendous pressure was put on all of us, including me. We came back the next day and we reaffirmed our stand by 40 more votes than we had voted the day before.

Now, I did not want to do anything that would endanger our national defense, and so I waited for someone to come to me and talk to me about what could be done to straighten out the problem. No one came to me, but they went to you. They pressured you. They went to the President and maneuvered him into answering that question yesterday that was obviously a planted question.

But voluntarily I went to see our distinguished chairman of the Armed Services Committee, the gentleman from Georgia [Mr. VINSON]; of my own free will I went to him. I picked up the phone and said, "I would like to come talk to you and see what we can do"; and he said all right. I told him I would be amenable to doing anything that would help our national defense, even though I was opposed to the Reserve bill; but that I would not retreat from my position and I would not betray my colleagues in the House.

Mr. VINSON's last words to me as he left his office that day were, "Well, the only thing we have got to do, then, is to make the present Reserve Act work."

Now, that is all a lot of us have been saying all along; and by a lot of us, I include the top people from our military and National Guard organizations.

I think the President should know, and the American people should know, that the representatives from our National Guard organizations, including the national secretary of the Naval Reserve Association, the executive director of the Air Force Association, the president of the Active Duty Reservists' Association, the Deputy Chief of the Air National Guard, and Major General Walsh, president of the National Guard Association, all testified this year that they were opposed to the Reserve bill:

From the published hearings on the national Reserve plan, Subcommittee No. 1, House Armed Services Committee, 1955:

"Forcing a person to do something simply cannot give maximum results. * * * Therefore, the Naval Reserve Association unequivocally holds for a volunteer Naval Reserve in all its phases * * * this program cannot meet the Navy's requirements." (Frank S. Pohanka, Jr., national secretary, Naval Reserve Association, pp. 2115f.)

The bill "is premised, according to its spokesmen, on compulsory military service for every able-bodied male in certain age brackets, regardless of the need. For example, the size of the Army Reserve after a 5-year period, under this plan, would be staggering, and very costly, with no military requirement to support that size of a force. In reading some testimony on the bill it is difficult to tell whether equity is thought of as means to an end or the end itself. * * * this legislation would actually harm both the Air Guard and Air Reserve." (James H. Straubel, executive director, Air Force Association, pp. 2078, 2082.)

"I have heard the Army, the Navy, and the Air Force testify and I have heard them all disagree on points in the program which affect them particularly. These disagreements indicate to me that we do not need a new Reserve program at all—the trouble with our present program is in its administration—not the laws creating it. Congress can go on legislating till they are black in the face, but, if the services insist on putting their own interpretations into the legislation for their own particular benefit, you then get implementation by discrimination. And there is plenty of evidence around that this is being done." (Col. Robert J. Philpott, president, Active Duty Reservists Association, p. 1825.)

"We are meeting our requirements with the present legislation that we have. * * * the Air National Guard I do not think needs any further legislation than it presently has to get a combat force." (Brig. Gen. W. P. Wilson, Deputy Chief of Air, National Guard, pp. 1686, 1688.)

"Unfortunately, as the guard sees it, the proposed National Reserve plan will not ac-

complish the purposes as stated. We cannot help but feel that, instead of strengthening the Reserve forces and making them more virile, it will have just the opposite effect where the Army and Air National Guard are concerned." (Maj. Gen. Ellard A. Walsh, president of the National Guard Association of the United States, p. 2223.)

THE RECORD: THE VOLUNTARY RESERVES HAVE BEEN NEGLECTED

1948:

"Representative PHILIP J. PHILBIN. In other words, as you interpret the attitude, they [the Army] felt that they need not build up either the Organized Reserves or the National Guard because they were going to get UMT or the draft?

"General EVANS. I have heard that statement made.

"Representative DEWEY SHORT. My contention, General, is that if the Army had done its duty and supported the guard and the Reserves, having made a sincere, earnest, and determined effort to build them up, we would not have this [UMT] legislation here.

"General EVANS. I agree with you completely.

"Representative SHORT. There would be no need for a draft, UMT, or anything else.

"General EVANS. I agree with you entirely." (House Armed Services Committee hearings, April 22, 1948.)

1949:

"The Army was charged with inept budgetary planning, by John P. Bracken, national president of the Reserve Officers' Association, today. He was criticizing the Army's decision to cut back, starting January 1, its paid drills for certain categories of reservists. Mr. Bracken estimated that about 2,800 units out of a total of 4,000 in the Army Reserve set-up would be adversely affected by the new policy. * * * 'This is the kind of irresponsible lack of consideration that has marked the relationship of the Army to its Reserves for many years.'" (The New York Times, December 25, 1949.)

1951:

"* * * And frankly, gentlemen, those of us who had experience with it do not want compulsion used in the attendance drills. It hasn't worked. We want to retain that basic American concept of our Organized Reserve, that they are volunteers. They are there because they want to be." (Maj. Gen. Mel Maas, Civilian Components Policy Board, House Armed Services Committee, hearings on Reserve Components (1951), p. 403.)

"Had the will to do existed in the Military Establishment, both prior to and subsequent to June 25, 1950, this country could have a strong, well-organized, well-trained Reserve force under existing laws." (Col. A. B. McMullen, executive director, Air Reserve Association, ibid., p. 552.)

1955:

"* * * Let's face it. For years, the Reserve training program has been a joke in many parts of the country.

"And let's further face it.

"Those long-faced generals who've been begging Congress for bigger Reserve forces are the same military leaders who, in the last 10 years, have made a mess out of the Reserve program they already had." (Editorial, the Washington Daily News, March 29, 1955.)

The gentleman from Georgia [Mr. VINSON] said to me: "We have got to make the present act work." Therefore, Mr. President of the United States and colleagues, our Nation is not in any serious trouble. We have the law now. Over there in the Pentagon they just have not done anything to make the present act work.

What guaranty is there that they will do anything to make any act work when they are not doing anything with the present one?

I will tell you what has happened: The administration has made a grave tactical error concerning our national defense. What happened? The administration cut the men in our Army, Navy, and Air Force first, and then came to us asking for this new Reserve bill.

We are in trouble today; yes, we are; our national defense is in trouble today, because the administration cut the Armed Forces first when they should have left the Armed Forces as they were and tried to get the Reserve bill through first. But they thought they would put us over the barrel by cutting the Armed Forces first, creating a crisis, and then we would give them the kind of Reserve bill they wanted. This is nothing but a thinly disguised universal military training act that has been turned down by this House time and time again and that every single church group in this Nation of ours is unalterably opposed to.

Now I do not intend to retreat one bit. If the bill comes back again I intend to offer my amendment again. However, I want to explode this now on the floor, so that you will all know it. The strategy now is to circumvent the processes of democracy, and do away with our action of 2 weeks ago. The Senate Armed Services Committee is right now attaching to the draft bill which we passed in this House the UMT bill without the Powell amendment in it, of course, which we adopted on the floor of this House. In other words, when the Senate passes the draft bill, with UMT attached to it, it goes to conference. The House conferees from the Armed Services Committee are going to agree to the Senate attaching the UMT bill to the draft bill. That is being done, as I understand it, right now. That means we in the House will have to vote "yes" or "no" on a conference report which will include UMT and a segregated National Guard.

Let us get ready for it—I mean we, the American people. Let the church people speak now. Let them tell Mr. Eisenhower this trick is not democracy, it is a circumvention of democracy, this is not letting the will of the people be worked. When the conference report comes here to the House we as men and women who acted from the depths of our consciences 2 weeks ago must act the same way again and we must defeat the conference report and send it back again and again until it comes here as we passed it in the House. Let us refuse to be rubber stamps.

In the meantime, do not worry about national defense. Let the Pentagon get busy and make the present act work. I heard a Pentagon story. It seemed one of the young men from West Point over there at the Pentagon was trying to get a promotion for himself. The general called him in and said: "I understand you are trying to get a promotion?" The young man answered, "Yes."

He said, "I understand you have even been praying to God about it?"

"Yes."

He said, "What is the idea of going over my head?"

Now, I have offered to the gentleman from Georgia [Mr. VINSON] this compromise. I said, "Bring back the Reserve bill and drop the National Guard out of it, do not have that in there." The head of the National Guard, Major General Walsh, does not want it. He states it will hurt the National Guard, it will ruin the National Guard. That is his testimony. So let us just drop it out and bring back the bill without the National Guard in it.

But they will not compromise, Mr. Speaker. The only thing they want is their way—the way of the minority.

The second amendment that President Eisenhower referred to yesterday is my amendment to the bill to provide about $7 billion to build schools. This bill is in a subcommittee of the Committee on Education and Labor of which I am a member. It is being drafted now by our colleague from Pennsylvania [Mr. KELLEY] and the subcommittee. It will be before us soon.

I am pressing in committee—if I fail there I will bring it to the floor—a very simple amendment, an amendment that says that any State that refuses to abide by the law of the land, that refuses to accept the Supreme Court decision, shall not receive any Federal funds. Now what is wrong with that? What is extraneous about that? It seems to me the extraneous thing, Mr. President, would be to give Federal funds to a State which is openly saying: "We will not obey the laws of the United States of America." I do not believe the majority of American citizens want to see their money go to any State that refuses to be a part of the United States of America.

I would like to remind Mr. Eisenhower that on March 19, 1953, at his press conference, in reply to a question from Mrs. Alice A. Dunnigan, he stated in substance, "I will repeat it again and again, whenever Federal funds are expended I do not see how any American can justify, legally, logically, or morally, discrimination in the expenditure of these funds. If there are any benefits to be derived from them all should share, regardless of such inconsequential factors as race or religion."

That is Mr. Eisenhower's own philosophy of March 19, 1953, reaffirmed again on April 7, 1954, in response to a question from Miss Ethel Payne at the White House: "That where Federal funds are involved there should be no discrimination based on any reason."

My amendment is only following the oft-stated policy of the President of the United States. My amendment merely says, "No Federal funds where there is no compliance with the laws of the land."

Now, this is not even an invasion of States' rights, because without my amendment, why, the bill would be literally forcing on the States $7 million, but with my amendment the States have a choice: If they do not want the money, they do not have to accept it; they can continue to go along defying the Supreme Court. If they want the money, then they must become a part of the United States and obey the decree of the Supreme Court.

Mr. Speaker, I believe it is immoral to give Federal funds to States that will not abide by the Supreme Court decision, especially in view of the fact that most

of the Federal funds of the United States come from people in the North, West, East, and in the Midwest who are abiding by the Supreme Court decision. The very States that are refusing to follow the Supreme Court decision are the ones who need money for education the most. Walk along the New England countryside and see the tall, gaunt specters of chimneys that have not had fires in them for years, factories that have gone down into the South and left New England with a very serious economic problem. Those same factories going to the South are tax free. Yet you are being asked to appropriate money from the depleted returns in New England to places where industries can operate tax free and also where the people refuse to obey the laws of the land. I do not see anything extraneous or erroneous in my kind of an amendment that no one shall receive Federal funds unless they follow the law of the land. I am following your policy, Mr. President.

I saw this coming, and I wrote a letter to our Chief Executive last Friday, because you see there is no one on this side of the aisle who has stood up and publicly praised, at great political risk, Mr. Eisenhower as much as I have. I put my political future on the block by so doing, but I knew he was right. Vice President Nixon told me that I was the only one who came out and actually praised President Eisenhower for what he had been doing. I speak therefore to the President not as an enemy but as a friend. I wrote this letter just a few days ago, last Friday, to the White House, and I said in this letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 3, 1955.

The PRESIDENT OF THE UNITED STATES,
The White House.

MY DEAR MR. PRESIDENT: Now that the Supreme Court has handed down the implementation decree on the question of desegregating our public-school system, certain new developments have resulted which force me to write this letter.

You are aware of the statements made by the governors of several States saying they will not abide by the final decree of the Supreme Court, including the most vigorous one of the Governor of Georgia.

Also, within 48 hours the school authorities of the county of Prince Edward, Va., backed up by the unanimous vote of 200 citizens present, refused to appropriate money for a new building which was to be used for an integrated public-school system.

Now, in view of these actions and attitudes, do you not think therefore that my amendment to the bill to provide aid in the construction of school buildings is not more necessary than ever. My amendment simply says that any State that does not abide by the decisions of the United States Supreme Court in the field of public-school education shall not be eligible to receive any Federal funds for construction of schools. I take the position that you have always announced that not one cent of Federal funds shall be used to support segregation, and I further take the position that no Federal funds shall be used to support any State which refuses to abide by the law of the land.

I am forced to write this letter because during my absence at the Bandung Conference a letter came from a member of your staff indicating that your position on the use of Federal funds in support of segregation had been modified. I am sure this does not represent your thinking and in view of the recent Supreme Court decision, I am positive that you would not countenance the allocation of Federal funds to any State which openly through its governor and/or State legislature have announced that they will defy the decrees of the United States Supreme Court.

With every good wish,
Sincerely yours.

You know, when any leader of the executive branch of the Government tells us, who belong to the legislative branch, that some of the things we pass here are "erroneous" and "extraneous," I must rise simply as a Member of Congress to defend my body. If anything is "erroneous," our Parliamentarian is the one who tells us; and if anything is "extraneous," then we, the people, defeat it. That is the way we operate in the legislative branch of the Government.

Mr. Eisenhower in his press conference said he did not believe that these amendments should be brought up and tacked onto bills; that they should be considered separately, as separate legislation.

I could agree with no statement by anyone more thoroughly than I agree with that. But it just so happens that during the 12 years I have been in this body there has been no way of getting any bills on to this floor dealing with the problem of democracy and integration. I have had my bills blocked by the Republican chairman of my committee, the gentleman from Pennsylvania [Mr. MCCONNELL], and I am having my bills blocked now by the Democratic chairman of my committee, the gentleman from North Carolina [Mr. BARDEN]. There is just no other way of getting these bills before us.

A group of us have just written the chairman of the Committee on the Judiciary, the gentleman from New York [Mr. CELLER], asking him what is he going to do about the bills that are before him in his committee. The major civil rights bills are lying there. No subcommittee has been appointed. In fact, the scuttlebutt says that he does not intend to appoint any. I am trying to find out whether that is true or not.

We would not have had to consider my amendment concerning the National Guard if this body had considered 6 years ago Congressman MULTER'S bill, H. R. 682, a bill to abolish segregation in the National Guard. But he has never had a hearing. The committee does not intend to give him one. So this is the only way we can operate, Mr. President.

That is why I say the President has been misinformed. We cannot consider, because of roadblocks in the House and in the Senate, any civil rights bill on its own merit. We cannot get them out of committees; and if we do, we cannot get them through the Committee on Rules; and if we do, we are filibustered against. So this is the only way we can operate by offering amendments on the floor.

I would like nothing better than to see civil rights bills brought out and voted up or down. In fact, I suggest to President Eisenhower, since he believes as I believe that they should be considered separately, that he should follow his own suggestion of yesterday morning and send a strong message to Congress immediately calling for a consideration of civil rights bills on their merits. If he sends up such a message, then I know the Republicans will support him, and I know many of the Democrats will also. Even though our committees refuse to bring them out, if the President sends up such a message, I shall immediately file discharge petitions on every one of my civil rights bills. And all we need to have is 218 Members of the House sign the discharge petitions and we can bring them up for a vote.

So I suggest, therefore, in view of his statement of yesterday, that our Chief Executive send to Congress a message supporting his stated position that these bills should be considered on their merits.

There is another little thing he said that I would like to try to correct also. He said that we cannot always have our own ways, referring to the fact that we did have our way and passed the amendment abolishing segregation of the Armed Forces.

"We cannot always have our own way." For 12 years I have been suggesting amendment after amendment and they have been defeated. This is the first civil rights amendment to be passed by the House of Representatives in this century. Surely that does not sound like anyone is having his own way. And if it is, then that is the way democratic process works. That is the legislative process of the Congress of the United States, that we do have our own way when the majority votes in favor of it. That is the way our laws are made: working the will of this body.

Surely the President would not want that to be changed so that the minority should have their way. So, during the years when I was defeated time after time and some of my colleagues were defeated we did not weep or cry "unfair." It was democracy—the will of the majority.

We had faith in America, we had faith in the people, we had faith in our colleagues, and faith in the onward surge of events. We knew that the day would come when the consciences of our colleagues would be so profoundly moved by the utterly new kind of world we are living in that they would rise up and vote like men and women. And so that day has come.

So, Mr. Speaker, I say civil-rights amendments are not erroneous; they are correct. They are not extraneous; they are germane, germane to the world in which we live. They are also necessary and they are now mandatory. I do not intend to retreat one bit.

I hope the President of the United States will live up to his own words of yesterday and his oft-repeated statements of days gone by, not one cent of Federal funds for segregation or discrimination. If he truly believes that these bills should be brought up on their own merits, then send a strong message over here. I know we will support him, even if we have to circumvent our committees and sign discharge petitions.

May I say one thing to my distinguished colleague, the gentleman from Ohio [Mr. BOW]. When his amendment

was brought up and adopted that day just before mine, it was mentioned in the press that you would wreck the NATO alliance. Nevertheless, the next day, even at the expense of risking our far-flung military alliances in Europe, the chairman of the Committee on Armed Services accepted the gentleman's amendment but still refused mine. So it was not the fact we were going to wreck our military alliance in Europe that disturbed the gentleman from Georgia [Mr. VINSON], what was more important was the fact we were trying to make democracy work at home through an integrated National Guard.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from Ohio.

Mr. BOW. The gentleman knows I supported his amendment, and I say to him I will support it again if it comes on the floor.

May I say this further: There have been statements made that the amendment I offered just previous to the gentleman's amendment, and which was adopted by a vote of about 3 to 1 here in the House, would kill the bill. I resent that. It was not done to kill the bill. It was done in an effort to preserve for American forces their constitutional rights in countries where we have the status quo treaties. That can easily be remedied, too, if the chairman of the Committee on Foreign Affairs, that great committee, will hold hearings on House Joint Resolution 309, which accomplishes the same thing. If they will have hearings on it and bring it to the floor and let the membership work their will in the orderly process of adoption, then certainly it will come out of the Armed Forces Reserve bill and we will adopt it. It has to be done to get these matters to where the Members of the House have an opportunity to work their will and preserve constitutional rights.

Mr. POWELL. The gentleman is absolutely correct. I thoroughly concur.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from Indiana.

Mr. BROWNSON. I am very happy the gentleman has preserved his position. I have observed his fight in this regard since the 82d Congress, when I think we had mutual concern about similar segregation in the universal military training bill at that time. May I ask the gentleman if it is not a fact that a vote on the Powell amendment, or a vote on the bill in whatever form it may become, with or without the Powell amendment, is going to represent the most direct opportunity the House has to face the civil rights question that has appeared on this floor within his time here in the House?

Mr. POWELL. Absolutely. I say now and I would say again when that conference report comes before us, that if the conference report does not include the question of segregation in the National Guard, then anyone who votes for that conference report will be voting against civil rights and anyone who votes against it will be voting in favor of civil rights and against universal military training.

Mr. BROWNSON. In the gentleman's analysis of the bill, which interested me, he pointed out that many devoted Reservists and National Guardsmen opposed this bill. Is it not true that in the vote the other day and in the discussion on the floor of the House many of those of us with military service who are still active in the Reserves and who have had recent military service feel that this particular bill is not the answer and believe, as the gentleman has stated, that the Pentagon has legislation available which is already passed and which it has not even begun to use as yet?

Mr. POWELL. That is absolutely correct. There was just a sheer mass of testimony from experts, from the heads, as I said in my remarks, of all the units—the Air Force, the Navy, and the National Guard, the active duty Reservists and so on that this was totally unnecessary. I have a quotation of a statement made years ago by General Evans. Congressman SHORT made this statement:

> My contention is that if the Army had done its duty and supported the Guard and the Reserves and had made a sincere, earnest, and determined effort to build them up, we would never have to have this kind of legislation here.

And General Evans said:

> I agree with you completely and entirely; yes, sir.

EQUAL PAY FOR EQUAL WORK

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include therewith certain letters.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, today I introduced, by request, and I was very glad to do so, a bill providing for equal pay for equal work. I can see no reason why it should not pass. The gentlewoman from Oregon [Mrs. GREEN] introduced such a bill, I believe, about 2 weeks ago and I was asked to introduce one, and I have done so with great pleasure.

IRISH FREE STATE AND THE TEACHER EXCHANGE PROGRAM

Mrs. ROGERS of Massachusetts. Mr. Speaker, the following is a letter which I addressed to Dr. Samuel Brownell, United States Commissioner of Education of the Department of Health, Education, and Welfare:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 2, 1955.

Dr. SAMUEL BROWNELL,
United States Commissioner of Education, Department of Health, Education, and Welfare, Washington, D. C.

DEAR DR. BROWNELL: I was certainly pleased to hear, some time ago, from Miss Selma M. Borchardt, that "Dr. Brownell is sincerely interested in making the teacher exchange program in relation to the Irish Free State actually come into being." This is certainly good news to me.

It is because I have confidence in you personally that I am sure you will try to effect this program. But I am concerned with the fact that 14 months after I first wrote the Department on this subject that nothing has been done. I fully appreciate that in your day-by-day very busy world you simply must rely heavily on the reports given and the statements prepared for you by your staff. Won't you please personally check any memorandum given you by those in top authority in the Division of International Education on the following specific points:

1. As the teacher exchange program is administered exclusively by the United States Office of Education, what steps has your Office taken to assure the inclusion of Eire in the teacher-exchange program?

2. As exchanges are now regularly conducted with the United Kingdom including Northern Ireland which is recognized as a distinct and separate school system, and France and Canada, please tell me exactly why arrangements cannot be made with the Irish Free State for recognition in such a program as recognition is now given these other countries?

3. While interchanges are conducted principally through the Department of State is not the sole role of the Department of State, in relation to teacher exchange, to treat with the United States Education Commission in Ireland so as to make sure there is money set aside to pay the very small cost of transportation for the exchangees (considerably less than $1,000 per person)? The only cost for the teacher exchange program is in the allowance for transportation.

4. Specifically, who, on your staff is personally responsible for asking the authorities in the Department of State and in Ireland to cooperate in arranging the exchange for Eire's teachers with ours, as well as the exchange between the teachers of Northern Ireland and the United States? Has the division chief responsible for this work taken the necessary steps to effect the program for next fall? If so, could I please have the dates on which your staff member took the necessary steps, with the Department of State?

Please forgive me for asking such pointed questions yet, I am sure, you can understand my personal concern. I am genuinely interested in effecting this exchange, primarily because I respect the cultural history of Ireland and also because I will not permit the Irish Free State to be ignored when Northern Ireland is recognized as a distinct governmental unit, without my protest being fully answered. If your Office reports that the exchange cannot be effected under existing law or your Office holds that the Department of State is solely responsible, I shall forthwith introduce a bill through which to assure the participation of Eire and any other free country which merits the respect and confidence which such an exchange program implies, under our governmental exchange programs. The hearings on such a bill would show where the trouble lies, so that the necessary adjustments can be made. You see, Dr. Brownell, 14 months ago I was given an answer saying that the exchange with Eire was impossible because the Department of State had failed to appropriate the necessary funds. Yet, your Office failed to show where or why the Department of State had appropriated funds for exchanges with Northern Ireland.

You and I both know that no appropriation bill and no piece of substantive law expressly excludes the Irish free state.

Someone in authority in either the Department of State or in the Division of International Education in the Office of Education is at fault. I do hope you will be

good enough to help me clear up this matter so that we may enjoy the pleasures and cultural benefits which a teacher-exchange program with Eire will bring to us.

I am sure, Dr. Brownell, that you will personally check on this matter and let me have the answers to these definite questions I have herein asked. Will you also please tell me if this proposed exchange can be handled as an administrative matter or if you believe legislation is necessary.

I close, as I began this letter, with an expression of complete confidence in you and a belief that through you this question will be adjusted equitably and promptly.

With my repeated thanks to you for your personal interest, I am,

Sincerely yours,

EDITH NOURSE ROGERS,
Member of Congress.

Mr. Speaker, yesterday I talked to Dr. Brownell and he promised to give this his very sympathetic and immediate attention. I can see no reason why it could not be done. It would mean a great deal for us to have Irish culture come to this country via Irish teachers. This will require no additional appropriation, I understand.

INCORPORATING ARMY AND NAVY UNION

Mrs. ROGERS of Massachusetts. Mr. Speaker, earlier in this session of the Congress, the gentleman from Ohio [Mr. AYRES] introduced a bill which is cosponsored by the gentleman from Massachusetts [Mr. MCCORMACK], our distinguished majority floor leader, and I, today, have introduced a companion bill which has for its purpose the incorporation of the Army and Navy Union of the United States of America. This is the oldest veterans' organization in our country. It was founded in 1886. It was incorporated in Ohio in 1888. The Army and Navy Union has a long and distinguished record of service to our men in the Armed Forces, to those who have served honorably in uniform and to their dependents.

Led by public-spirited men of vision, it has had lasting influence in the Nation toward wider exercise of truer patriotism in the community.

It is our desire to afford this organization the recognition and the opportunity for wider service to which its history of past services entitle it.

The gentleman from Massachusetts [Mr. MCCORMACK], I understand, is a member of the Army and Navy Union and also, I believe, the gentleman from Ohio [Mr. AYRES]. The proposed bill would provide a charter for the Army and Navy Union. He has cosponsored my bill.

A bill to incorporate the Army and Navy Union of the United States of America

Be it enacted, etc., That the following-named persons, to wit: George F. Harnois, Needham Heights, Mass.; Lawrence N. Fariello, New York, N. Y.; Joseph C. Gulotti, Astoria, N. Y.; Noah A. Eckstein, Pleasantville, N. J.; Woodrow J. Koehler, Mishawaka, Ind.; Earle J. Thomas, San Leandro, Calif.; Clarence A. Eberle, Akron, Ohio; Lawrence H. Banks, Boston, Mass.; John McClain, Miami, Fla.; the Reverend Lawrence M. Brock, Boston, Mass.; Dr. Miron Silberstein, New York, N. Y.; R. R. Niemi, Warren, Ohio; and James M. Callahan, Victor, Iowa; and their associates and successors, are hereby created a body corporate by the name of "Army and Navy Union of the United States of America" (hereinafter referred to as the "corporation").

PURPOSES OF CORPORATION

SEC. 2. The persons named in the first section of the act, or their successors, are hereby authorized to meet to complete the organization of the corporation by the selection of officers, the adoption of a constitution and bylaws not inconsistent with this act, and the doing of such other acts as may be necessary for such purpose.

OBJECTS AND PURPOSES OF THE CORPORATION

SEC. 3. The objects and purposes of the corporation shall be—

(1) to maintain true allegiance to the Government of the United States of America and fidelity to its Constitution, laws, and institutions; to defend the United States of America from all enemies, at home and abroad; to maintain constant vigilance against, and to combat, all forces which might intend the destruction of our form of government through violence, sabotage, or other subversive activities;

(2) to serve our Nation in peace as well as in war through sincere devotion to God, by fostering the ideals of faith and patriotism, loyalty, justice, and liberty; by inculcating in the hearts of young and old, through precept and practice, the spirit of true Americanism; by participating in civic activities for the good of our country and our community;

(3) to unite in fraternal fellowship those who have served, or who are now serving, honorably in the Armed Forces of the United States of America; to protect and advance their civic, social, and economic welfare; to aid them in sickness and distress; to assist in the burial and commemoration of their dead and to provide help for their widows and their orphans;

(4) to perpetuate the memory of patriotic deeds performed by the defenders of our country; and

(5) to do any and all lawful acts which may be necessary, useful, suitable, desirable, and proper for the furtherance, accomplishment, and attainment of any or all of the foregoing purposes.

CORPORATE POWERS

SEC. 4. The corporation shall have perpetual succession and power—

(1) to sue and be sued, complain and defend, in any court of competent jurisdiction;

(2) to adopt, alter, and use a corporate seal;

(3) to choose such officers, trustees, and employees as the business of the corporation may require;

(4) to adopt, amend, and alter a constitution and bylaws not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(5) to contract and be contracted with;

(6) to charge and collect membership dues, subscription fees, and receive contributions of grants of money or property to be devoted to the carrying out of its purposes;

(7) to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the objects and carrying into effect the purposes of the corporation, subject to applicable provisions of law in any State (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real or personal property by a corporation operating in such State;

(8) to transfer, encumber, and convey real or personal property;

(9) to borrow money for the purpose of the corporation, issue bonds therefor, and secure the same by mortgage, subject to all applicable provisions of Federal or State law;

(10) to use the corporate funds to give prizes, awards, or other evidences of merit or recognition to persons or groups for outstanding contributions toward the achievement of the purposes of the corporation;

(11) to publish magazines and other publications and materials, whether periodic or occasional, consistent with its corporate purpose;

(12) to adopt, alter, use, and display distinctive emblems, seals and insignia;

(13) to establish, regulate, and discontinue subordinate regional, departmental, and other subdivisions and local units, posts, garrisons, or naval branches;

(14) to promote the formation of subordinate ladies' auxiliaries and youth organizations, the membership requirements of which shall be determined according to the constitution and bylaws of the corporation;

(15) to have the sole and exclusive rights for the corporation and its regional, departmental, and other subdivisions, and local units, posts, garrisons, or naval branches to use in carrying out its purpose the name of the "Army and Navy Union of the United States of America"; and

(16) to do any and all acts necessary and proper to carry out the purposes of the corporation; and for such purpose, the corporation shall also have, in addition to the foregoing in this section and subsection, the rights, powers, duties, and liabilities of the existing corporation referred to in section 18 as far as they are not modified or superseded by this act;

CORPORATION HEADQUARTERS

SEC. 5. The headquarters of the corporation shall be located in Berea, Ohio, or in such other place as may later be determined by action of the council of administration of the corporation, but the activities of the corporation shall not be confined to that place and may be conducted throughout the various States, Territories, and possessions of the United States.

AGENTS TO ACCEPT SERVICE OF PROCESS

SEC. 6. (a) The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service of process for the corporation, and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

(b) The corporation shall file in the office of the secretary of each State in which subdivisions, or posts such as garrisons or naval branches may be organized, the name and post-office address of an authorized agent in such State upon whom local process or demands against the corporation may be served.

MEMBERSHIP IN THE CORPORATION

SEC. 7. Eligibility for membership in the corporation, and rights and privileges of members shall, except as provided in this act, be determined as the constitution and the bylaws of the corporation may provide.

MANAGEMENT OF THE CORPORATION—OFFICERS AND VOTING

SEC. 8. The administration and regulation of the affairs of the corporation shall be conducted as prescribed in the constitution and bylaws of the corporation, providing that—

(1) officers of the corporation shall be elected at the annual encampment of the corporation by a majority of votes cast by officers and delegates who have been chosen by ballot by the members of subordinate subdivisions and local units of the corporation: *Provided*, That any member shall be eligible for any office within the corporation;

(2) between encampments, the administrative power of the corporation shall be vested in a national council of administration, which shall be composed of the national commander, the national senior vice commander, four or more junior vice com-

manders, the national judge advocate, the national paymaster, the national quartermaster, the national adjutant, the commanders of all departments, a national councilman from each department, and all past national commanders in good standing in their respective local units;

(3) upon enactment of this act, the membership of the initial council of administration shall consist of the following-named persons, to wit: George F. Harnoise, Needham Heights, Mass.; Lawrence N. Fariello, New York, N. Y.; Joseph C. Gulotti, Astoria, N. Y.; Noah A. Eckstein, Pleasantville, N. J.; Woodrow J. Koehler, Mishawaka, Ind.; Earle J. Thomas, San Leandro, Calif.; Lawrence H. Banks, Boston, Mass.; Clarence A. Eberle, Akron, Ohio; Andrew J. Kleinschnitz, Berea, Ohio; Angelo M. Russo, Roslindale, Mass.; Okey Rookstole, Akron, Ohio; Warren E. Miller, Washington, D. C.; H. C. John Russell, Arlington, Va.; Henry W. Gerber, Atlantic City, N. J.; James M. Callahan, Victor, Iowa; Joseph C. Stehlin, Miami Beach, Fla.; George W. Carr, South Bend, Ind.; Joseph P. Burger, Akron, Ohio; Earl C. Mertes, Chicago, Ill.; Francis N. Dawson, Chicago, Ill.; Rowland N. Chamberlain, Norfolk, Mass.; George H. Worthington, Boston, Mass.; Ransom Gaskill, Jr., Atlantic City, N. J.; Ernest C. Burrows, Woodbridge, N. J.; Hector Palazzo, West Albany, N. Y.; David Abrams, New York, N. Y.; Anthony C. Gumino, Newton Falls, Ohio; Paul E. Weigel, Akron, Ohio; Albert C. Allen, Washington, D. C.; Thomas A. F. Leathers, Mount Rainier, Md.; Francis J. Ehley, Milwaukee, Wis.; John Ader, Milwaukee, Wis.; and

(4) thereafter the council of administration of the corporation shall consist of such number (not less than 21), selected in such manner (including the filling of vacancies), and shall serve for such terms, as may be prescribed in the constitution and bylaws of the corporation.

DISPOSITION OF ASSETS

SEC. 9. No part of the income or assets of the corporation shall inure or be distributed to any member or officer thereof except upon dissolution or final liquidation of the corporation as provided in section 16 of this act. Nothing in this section, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by its council of administration.

LOANS TO OFFICERS, MEMBERS, OR EMPLOYEES

SEC. 10. The corporation shall not make loans to its officers, members, or employees. Any officer or member of its council of administration who votes for or assents to the making of a loan to an officer, member, or employee of the corporation, and any officer who participates in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

NONPOLITICAL NATURE OF THE CORPORATION

SEC. 11. The corporation and its officers and members as such shall not contribute to or otherwise support or assist any political party or candidate for public office.

ACTS OF OFFICERS

SEC. 12. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

NO STOCK OR DIVIDENDS

SEC. 13. The corporation shall have no power to issue any shares of stock, nor to declare or pay any dividends.

BOOKS AND RECORDS—INSPECTION OF

SEC. 14. The corporation shall keep current and complete books and records of account and shall keep minutes of the proceedings of its encampments, meetings of its council of administration, and committees having any of the authority of said council. It shall keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

ANNUAL AUDIT AND REPORT TO CONGRESS

SEC. 15. (a) The financial transactions shall be audited annually, at the end of the fiscal year established by the corporation, by an independent certified public accountant in accordance with the principles and procedures applicable to Commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to, or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositors, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than 6 months following the close of such fiscal year for which the audit is made. The report shall set forth the scope of the audit and shall include verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 16. Upon final dissolution or liquidation of the corporation, and after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation may be distributed in accordance with the determination of the Council of Administration of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

EXCLUSIVE RIGHT TO NAME, EMBLEM, SEAL, AND BADGES

SEC. 17. The corporation and its subordinate regional, departmental, and other subdivisions, and local units, garrisons, or naval branches, ladies' auxiliaries, and youth organizations, shall have the sole and exclusive right to use in carrying out its purposes the name of the "Army and Navy Union of the United States of America." The corporation shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, insignia, or badges as have heretofore been used by the corporation referred to in section 18, or which it may hereafter legally adopt in carrying out its program, it being distinctly understood, however, that nothing in this act shall interfere or conflict with established or vested rights.

TRANSFER OF ASSETS

SEC. 18. The corporation may acquire the assets of the existing corporation known as the Army and Navy Union of the United States of America, incorporated in the State of Ohio, and any auxiliary or subordinate unit thereof, upon discharging or satisfactorily providing for the payment and discharge of all of the liabilities thereof and upon complying with all the laws of the State of Ohio applicable thereto.

CONDITIONS PRECEDENT TO INCORPORATION

SEC. 19. The provisions of this act shall take effect on the filing, in the office of the clerk of the United States District Court for the Southern District of Ohio, of affidavits signed by the incorporators named in section 1 of this act, to the effect that the body corporate of the State of Ohio, known as the Army and Navy Union of the United States of America has been dissolved in accordance with law, but only if such affidavits are filed within 120 days after the date of enactment of this act.

STATE

SEC. 20. As used in this act, the word "State" includes the District of Columbia.

RESERVATION OF RIGHTS

SEC. 21. The right to alter, amend, or repeal this act is hereby expressly reserved.

RESPECT FOR A FORMER PRESIDENT

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. PRICE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PRICE. Mr. Speaker, last week I discussed on the floor the failure of the administration to invite former President Harry S. Truman to participate officially in the ceremonies celebrating the founding of the United Nations. I pointed out that Mr. Truman had been invited, by Secretary Dulles, to go along to San Francisco as a kind of onlooker, but had not been invited to make a speech.

In this connection, the Washington Post and Times Herald has published an interesting letter from Stanley Woodward, a former State Department career official, which makes it clear that Mr. Truman has not refused to go to San Francisco but has simply never gotten the right kind of invitation. Under unanimous consent, I ask to have Mr. Woodward's letter printed at this point in the RECORD:

TRUMAN AND THE U. N.

In your editorial, commemorating the U. N., of June 5, you say, "We hope that former President Truman also can be persuaded to join the celebration" the week of June 20 in San Francisco.

Others must feel as you do and some may wonder why he does not make the journey to California despite the inconvenience, the expense, the preoccupation with his memoirs and other engagements.

The trouble may lie with the kind of persuasion which has been brought to bear upon him thus far.

Unless Mr. Truman has been invited to speak in San Francisco, or at least to be one of the United States representatives at this event, he may well feel that he should not attend.

The invitation which he had received from Washington when I was last in Kansas City, said nothing about a speech and seemed to make it quite clear that he was not to be one of the United States representatives.

Messrs. Dulles and Lodge were to be the "statutory representatives" at a "series of unofficial meetings" to be held in the Opera House in San Francisco from June 20 through June 26. And the U. N. offered to reserve seats for special American guests adjacent to those which the United States representatives would occupy.

I remember at the time wondering why Mr. Dulles or Mr. Lodge had not asked the management for an extra seat with theirs, and for a few minutes during the week's program

for President Truman to speak. (I also remember thinking that a "statutory representative" to an "unofficial meeting" was a new diplomatic wrinkle.)

Knowing President Truman as I do, and his great interest in the United Nations, my guess is that we would not now need to persuade him to go to San Francisco had he gotten the right kind of invitation in the first place.

STANLEY WOODWARD.

WASHINGTON.

Mr. Speaker, what is wrong with this administration that it declines to recognize, officially, the great part that Harry S. Truman played in the organization of the United Nations?

Would it not be the most natural thing for the present administration, even though Republican, to demonstrate to the world that American foreign policy has unity and continuity? Would it not be correct and proper for Mr. Truman, even though a Democrat, to be assigned the status that his former office and his part in helping found the United Nations dictate? Should he not be invited to represent this great country officially, even though the principal address for this country will naturally be made by the Chief of State, General Eisenhower?

I cannot understand why President Eisenhower and Secretary Dulles do not take the initiative in seeing that Mr. Truman gets the right kind of invitation. They should take the initiative now, Mr. Speaker, simply as a matter of decency, respect for a former President, and respect for the facts of history. I hope that the right kind of invitation goes to Harry S. Truman very quickly.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HULL and to include a citation for the Trans-World Airlines.

Mr. DORN of South Carolina and to include an article.

Mr. BOGGS and to include an address delivered today by the gentleman from Louisiana [Mr. WILLIS].

Mr. BROOKS of Louisiana in two instances and to include extraneous matter.

Mr. MCVEY.

Mr. BOW and to include extraneous matter.

Mr. SAYLOR (at the request of Mr. H. CARL ANDERSEN).

Mr. ASHLEY (at the request of Mr. RHODES of Pennsylvania) and to include extraneous matter.

Mr. VANIK.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1290. An act to amend the Public Buildings Purchase Contract Act of 1954; to the Committee on Public Works.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5085. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 5106. An act to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing;

H. R. 5100. An act to amend Veterans' Regulation No. 7 (a) to clarify the entitlement of veterans to outpatient dental care;

H. R. 5177. An act to authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C.; and

H. R. 5695. An act to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 39. An act for the relief of Stanislavas Racinskas (Stacys Racinskas);

S. 68. An act for the relief of Evantiyi Yorgiyadis;

S. 89. An act for the relief of Margaret Isabel Byers;

S. 93. An act for the relief of Ahti Johannes Ruuskanen;

S. 121. An act for the relief of Sultana Coka Pavlovitch;

S. 129. An act for the relief of Miroslav Slovak;

S. 193. An act for the relief of Louise Russu Sozanski;

S. 236. An act for the relief of Johanna Schmid;

S. 265. An act to amend the acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such acts to 320 acres;

S. 266. An act authorizing the Secretary of the Interior to transfer certain property of the United States Government (in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.) to the State of Wyoming;

S. 320. An act for the relief of Mrs. Diana Cohen and Jacqueline Patricia Cohen;

S. 321. An act for the relief of Anni Marjatta Makela and son, Markku Paivo Makela;

S. 351. An act for the relief of Ellen Henriette Buch;

S. 407. An act for the relief of Helen Zafred Urbanic;

S. 439. An act for the relief of Lucy Personius;

S. 504. An act for the relief of Priska Anne Kary;

S. 528. An act to revive and reenact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950;

S. 755. An act to authorize the conveyance of certain war-housing projects to the city of Warwick, Va., and the city of Hampton, Va.;

S. 844. An act for the relief of Zev Cohen (Zev Machtani);

S. 998. An act to authorize the conveyance of a certain tract of land in the State of Oklahoma to the city of Woodward, Okla.;

S. 1398. An act to strengthen the investigation provisions of the Commodity Exchange Act;

S. 1419. An act to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service;

S. J. Res. 6. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area;

S. J. Res. 51. Joint resolution extending an invitation to the International Olympic Committee to hold the 1960 winter Olympic games at Squaw Valley, Calif.; and

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

ADJOURNMENT

Mr. RHODES of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 1 minute p. m.), under its previous order, the House adjourned until Monday, June 13, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

877. A letter from the clerk, United States Court of Claims, transmitting certified copies of the court's opinion rendered in the case of *C. E. Heaney* v. *The United States* (Congressional No. 17875), pursuant to sections 1492 and 2509 of title 28, United States Code, and pursuant to House Resolution 438, 82d Congress; to the Committee on the Judiciary.

878. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

879. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

880. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to consider residence in American Samoa by Catharine Mary Cool as residence in the United States for naturalization purposes"; to the Committee on the Judiciary.

881. A letter from the Secretary, Department of the Air Force, transmitting a draft of proposed legislation entitled "A bill to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOPER: Committee of conference. H. R. 1. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930,

as amended, and for other purposes (Rept. No. 745). Ordered to be printed.

Mr. DODD: Committee on Foreign Affairs. House Resolution 183. Resolution requesting the Secretary of State to take action to carry out certain recommendations of the Select Committee on Communist Aggression, contained in its report made at the close of the 83d Congress; without amendment (Rept. No. 746). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 1470. A bill for the relief of Joseph Righetti and Marjorie Righetti; without amendment (Rept. No. 738). Referred to the Committee of the Whole House.

Mr. REED of Illinois: Committee on the Judiciary. H. R. 2244. A bill for the relief of the estate of Joseph Alfonso; with amendment (Rept. No. 739). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2349. A bill for the relief of Charles S. Youngcourt; with amendment (Rept. No. 740). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2717. A bill for the relief of Giles P. Fredell and wife; without amendment (Rept. No. 741). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4640. A bill for the relief of James M. Wilson; with amendment (Rept. No. 742). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4707. A bill for the relief of Duncan McQuagge; with amendment (Rept. No. 743). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6184. A bill for the relief of Lt. P. B. Sampson; with amendment (Rept. No. 744). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BONNER:

H. R. 6743. A bill to authorize the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COOLEY:

H. R. 6744. A bill to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946; to the Committee on Agriculture.

By Mr. DAVIDSON:

H. R. 6745. A bill to amend certain provisions of law relating to housing so as to require builders' certifications of cost in certain cases, to provide for the construction of additional public housing units, and for other purposes; to the Committee on Banking and Currency.

By Mr. JOHNSON of California:

H. R. 6746. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Folsom south unit, American River division, Central Valley project, in California; to the Committee on Interior and Insular Affairs.

By Mr. MURRAY of Illinois:

H. R. 6747. A bill to allow certain members of the Armed Forces to designate the Eastern Orthodox faith as a religious preference on their identification tags; to the Committee on Armed Services.

By Mr. PATMAN:

H. R. 6748. A bill to amend sections 7 and 11 of the Clayton Act to provide for prior notification and suspension of certain acquisitions, mergers, and consolidations, and for other purposes; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 6749. A bill to prohibit discrimination on account of sex in the payment of wages by employers engaged in commerce or in operation of industries affecting commerce, and to provide procedures for assisting employees in collecting wages lost by reason of any such discrimination; to the Committee on Education and Labor.

By Mr. GWINN:

H. R. 6750. A bill to amend section 7 (c) of the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

By Mrs. ROGERS of Massachusetts:

H. R. 6751. A bill to incorporate the Army and Navy Union of the United States of America; to the Committee on the Judiciary.

By Mr. THOMPSON of Louisiana:

H. R. 6752. A bill to authorize the extension of credit to assist municipalities, or other political subdivisions of States, to finance vitally needed public works; to the Committee on Banking and Currency.

By Mrs. FRANCES P. BOLTON:

H. J. Res. 338. Joint resolution reaffirming the desire of the American people for peace; to the Committee on Foreign Affairs.

By Mr. PATMAN:

H. J. Res. 339. Joint resolution to modify the authorized project for Ferrell's Bridge Reservoir, Tex., and to provide for the local cash contribution for the water supply feature of that reservoir; to the Committee on Public Works.

By Mr. WHARTON:

H. J. Res. 340. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. FOGARTY:

H. Con. Res. 155. Concurrent resolution relative to inviting Spain to become a member of the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. FINO:

H. Con. Res. 156. Concurrent resolution requesting the President to set aside and proclaim June 16 as National Blood Donors Day; to the Committee on the Judiciary.

By Mr. HARRIS:

H. Res. 267. Resolution to authorize the Committee on Interstate and Foreign Commerce to investigate certain matters related to the transportation and distribution of natural gas and the price thereof to consumers; to the Committee on Rules.

By Mr. LESINSKI:

H. Res. 268. Resolution providing for certain travel expenses for employees of Members of the House of Representatives; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. BENTLEY: Resolution of the Michigan State Senate requesting the President of the United States, the Congress of the United States, and the Civilian Aviation Board to open the great circle route to the airlines of this Nation which desire to use it, to the end that no United States airline suffers from discrimination; to the Committee on Interstate and Foreign Commerce.

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to authorizing the board of supervisors of the city and county of Honolulu to issue bonds in the sum of $3 million for the purpose of land acquisition, plans, construction, equipping, and furnishing a war memorial municipal auditorium in the city and county of Honolulu; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii memorializing the President and the Congress of the United States to enact legislation enabling the Legislature of the Territory of Hawaii to authorize the board of supervisors of the city and county of Honolulu to issue bonds for the completion of, the improvements to, and the development of certain existing public parks and playgrounds and for the acquisition, construction and improvement of new public parks and playgrounds in the city and county of Honolulu; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COUDERT:

H. R. 6753. A bill for the relief of Helen Z. Carter; to the Committee on the Judiciary.

By Mr. DAVIDSON:

H. R. 6754. A bill for the relief of Mrs. Paula Lantos; to the Committee on the Judiciary.

H. R. 6755. A bill for the relief of Rudolf Vivian Comacho; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 6756. A bill for the relief of Mrs. Helen Hranisavljevic; to the Committee on the Judiciary.

By Mr. HAYS of Arkansas:

H. R. 6757. A bill for the relief of Lee Bing; to the Committee on the Judiciary.

By Mr. HENDERSON:

H. R. 6758. A bill for the relief of Adrain Sung-chi Tse; to the Committee on the Judiciary.

By Mr. KEARNEY:

H. R. 6759. A bill for the relief of Angelos Speros and Nicholas Spyros; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 6760. A bill for the relief of William Henry Lyster; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 6761. A bill for the relief of Ilumínato Achacoso; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 6762. A bill for the relief of Allan Armenag Abou Hayatian; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 6763. A bill for the relief of Ecaterina Tatyana Carp; to the Committee on the Judiciary.

By Mr. SCHENCK:

H. R. 6764. A bill for the relief of Carl Edward King; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

H. R. 6765. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims of the United Foundation Corporation of Union, N. J.; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Observations and Comment

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. DORN of South Carolina. Mr. Speaker, our distinguished majority leader, the Honorable JOHN W. MCCORMACK, recently made some very timely and pertinent observations concerning the world situation. This administration could profit by Mr. MCCORMACK's recent statement on a nationwide radio hookup. I commend to the House part of Mr. MCCORMACK's remarks as summarized by James R. Young, associate editor of the Anderson (S. C.) Daily Mail:

OBSERVATIONS AND COMMENT
(By James R. Young)

WASHINGTON, D. C.—During the past winter I have come across items around the country, one from Savannah, Ga., relating the heavy exports of scrap iron and steel to Europe, believed to be going to Russian controlled countries which in turn, it is presumed, would be using the scrap to convert for the Soviet war effort.

I heard on a CBS-WAIM panel discussion, Representative JOHN W. MCCORMACK, of Massachusetts, quite a fighter he is, take a few people around in a verbal battle, charging that the Harold Stassen administration in the Foreign Operations Administration, is approving these activities of overseas shipments. His debate opponent was Representative ARENDS, of Illinois.

In my files, dated 1938–41, I have ample material to show the same policy was that with Japan when we sought to appease the Japs. We diplomatically condemned them for their invasion of China, but we supplied them war goods—scrap, oil, steel, and cotton, and they continued to bomb and invade China, with our support.

The same stupid, mealy-mouthed diplomacy is being practiced again. I got in touch with Representative MCCORMACK, who says:

"As we know from Administrator Harold Stassen the reason, or excuse, is that it is a peace gesture, meaning, of course, on our part to the world killers of today, the Communists.

"And the very next day we are informed of the warlike actions in Indochina and southeastern Asia of the Red Chinese, inspired and backed by the Soviet Communist Union.

"On one hand warlike actions by the other side directed at the United States and the free world. On the other hand a peace gesture by our country and other countries of the free world toward the Soviet Union which will give to the Soviet Union great benefits in trade and probably be considered by them as a sign of fear and weakness on our part.

"Assuming this action was justified, which I do not admit, was the timing on our part right?

"There are many persons who feel if anything of this kind was to be entered into that it should have been left for the coming Geneva Conference; that it might well have constituted a trading point for Secretary Dulles and our representatives at that conference.

"To me, it seems to be a noticeable and strange inconsistency for a peace gesture to be given to the Communists at a time when they are engaged in war actions—not mere gestures—toward the United States and the remaining free countries of the world.

"This calls for considerable explanation on the part of the present administration, which will have difficulty in satisfying the great majority of our people.

"In any event, I have expressed myself very strongly against the sale of property, of any kind, to the Soviets or any Communist dominated country, particularly those goods or manufactured products that would be helpful to these countries for military or war purposes. You will remember that, several months ago, our Government took between 800 and 1,000 items off the prescribed list, and many of them could be utilized for wartime economy.

"I well remember in the talk I was making over a national hookup, both TV and radio, I condemned strongly the action taken at that time. I am also having an inquiry made as to where the large amount of scrap iron, that is being exported from our country, is going, particularly to find out if any of it is ultimately getting into Communist countries or Communist-controlled countries.

"You will remember, some months ago, that Mr. Stassen gave to our country and to the world a new idea of bringing about 'peace through trade.' I assume he meant by 'peace through trade,' unlimited trading with Soviet Union and Communist-controlled countries. To me that was ridiculous, and I took sharp issue with him. He overlooked the fact that the evidence is convincing that the Kremlin leaders are determined upon world revolution and world domination. Until the Communist leaders disavow such intent, and there is no evidence that they will, I think it is against our national interest to do anything to strengthen them, either directly or indirectly.

"I think it was a dangerous calculated risk to sharply reduce our Army and to bring about reductions in our Navy and Air Corps, as have been made and will be made in the future. I am frank in stating that 'the only thing Communists respect is what they fear,' and that is greater military power and strength than they possess. 'It is better to have too much military strength and not need it—than to have too little and need it.'

"In a broad and general way, these are my views."

Trans World Airlines Cited for Progress

EXTENSION OF REMARKS
OF
HON. W. R. HULL, JR.
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. HULL. Mr. Speaker, this year Trans World Airlines is celebrating 30 years of airline service. This company maintains its home office in Kansas City, Mo. Within the next few months, TWA plans to dedicate the airline industry's most modern maintenance and overhaul base, an $18 million plant to be situated at the new 4,600-acre Platt County Airport. I am proud indeed of the fact that this new installation will be erected in my district. Completion of the new facilities will provide TWA with hangar space and buildings of the most advanced design for airplane engine overhaul, airframe overhaul, engine testing, and various other maintenance functions. Servicing of TWA's entire aircraft fleet, operated over both TWA's domestic and international routes, will be performed in these modern shops.

I am especially pleased that TWA is bringing these new facilities to my district. I know that the thousands of employees who will locate there will find Platte County a wonderful and friendly community in which to live and to work.

I think it is significant to note also that Trans World Airlines is the only scheduled airline conducting both domestic and transoceanic service without 1 penny of Federal subsidy. This is a tribute to that company's efficient management, and to its 15,500 employees. Recognition of TWA's subsidy-free status was offered by the Postmaster General in the form of a special citation. I should like to insert a copy of that citation which was presented in Washington, D. C., on June 1.

The citation follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., June 1, 1955.

A CITATION TO TRANS-WORLD AIRLINES, INC.

Whereas the United States Post Office Department appreciates the services rendered by the United States air-transport industry in delivering the mails; and

Whereas it has long been the goal of the United States scheduled airlines to maintain their service without Federal subsidies, the Post Office Department presents this citation to Trans-World Airlines, Inc., on the happy occasion of its completion of 30 years of service and its attainment of a subsidy-free operation over both its domestic and international systems.

ARTHUR E. SUMMERFIELD,
Postmaster General.

The Case of Narcotics

EXTENSION OF REMARKS
OF
HON. WILLIAM E. McVEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. McVEY. Mr. Speaker, Treasury officials have estimated there are 60,000 narcotic addicts in the United States. Assistant Treasury Secretary H. Chapman Rose states that despite progress in narcotics control, drug addiction remains a serious problem and amply justifies the public's determination to correct what is regarded as a dreadful situation. Mr. Harry J. Anslinger, Commissioner of the Bureau of Narcotics, says that two basic steps that can be taken to control the narcotics traffic are severe punishment for the traffickers and compelling addicts to undergo treatment. He further states that the addict spends on the average of $10 a day on drugs—many of them stealing to raise the money.

With these situations in mind, I have introduced a bill providing for a more effective control of narcotic drugs—and in addition, a plan for the treatment of those who have become addicted to the use of narcotics. This measure is known as House Joint Resolution 188.

This measure provides that anyone convicted of traffic in narcotic drugs shall be imprisoned for the first offense for not less than 5 nor more than 10 years. For a second offense, the offender shall be imprisoned for not less than 10 nor more than 20 years. For a third or subsequent offense, the offender shall be imprisoned for life. These penalties are more severe than anything on the statute books at present and should be a deterrent to those who try to make profits from these deadly drugs.

House Joint Resolution 188 goes much further, however, than stricter enforcement of the law. Placing an offender behind bars does not solve the problem insofar as the addict is concerned.

Those who traffic in drugs are motivated by large profits. It is understood that a grain of heroin which the peddler may sell for from fifteen to twenty-five dollars can be secured by a physician for a few cents. It is this excessive cost which impels addicts to steal or pilfer in some way to get the money to purchase these harmful drugs.

House Joint Resolution 188 provides a method of treatment which, in most cases, will restore addicts to useful members of society. The fact seems to be established that an addict, who is under the care of a physician, can in most cases be cured of this habit at a small fraction of the amount paid for the drugs when purchased from the traffic violator. Resolution 188 sets up a plan for the treatment of these unfortunate victims in Government hospitals, when necessary, and offers encouragement to such individuals to consult their own physicians in many instances. The sympathetic help that can be offered by physicians and Government hospitals will do much to discourage traffic in narcotics, as well as play an important part in the restoration of addicts to a normal life.

Address by Congressman Edwin E. Willis, Democrat, of Louisiana, Before Noon Luncheon Meeting of the Sugar Club of New York, June 9, 1955, at Downtown Athletic Club, New York, N. Y.

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1955

Mr. BOGGS. Mr. Speaker, it is my pleasure to incorporate in the RECORD a speech delivered by my colleague, the Honorable EDWIN E. WILLIS, of the Third Congressional District of Louisiana, before the Sugar Club of New York on Thursday, June 9, 1955.

The Committee on Agriculture will soon begin consideration of amendments to the Sugar Act. I recommend this speech to all the Members of this and the other body as it sets forth very clearly the problems confronting the sugar industry and shows persuasively the necessity for the quick passage of the legislation now pending.

The speech follows:

While that substance which we know as "sugar" has lost none of its characteristic sweetness to the taste, it has, within recent months, become a subject of great bitterness, politically and economically, in certain American and Cuban circles.

So bitter, in fact, have become the arguments in some quarters, that all objectivity is being submerged in the welter of claims and counterclaims, maneuvers, and countermaneuvers. There is little sweetness and light, only acrimonious name calling.

I state these things as unfortunate facts, not as a prelude to launching my own diatribe on the subject. I should prefer to consider and discuss with you, dispassionately, if I may, certain basics which can help lead us to formation of accurate conclusions.

It is correct to say, I believe, that we all take a great deal of satisfaction from the fact that development of our foreign trade has been, and continues to be, one of the basic purposes of our American sugar legislation. I feel equally assured, there are none among us who would deliberately act in such fashion as to diminish those benefits we and our foreign neighbors enjoy under this law.

Such a high regard for the basic principles of our sugar legislation was uppermost in my mind on last March 31, when it was my privilege to introduce a bill in the 84th Congress to amend and extend the Sugar Act of 1948.

Twenty-eight such bills now are awaiting hearings a little later this month in the House Agricultural Committee. Identical legislation, introduced by Senators ELLENDER and BENNETT with 47 cosponsors, is pending in the Senate.

I want you to know that my colleagues and I devoted painstaking conscience and care in designing this proposed legislation in order to provide not only a small measure of relief to our own harassed domestic sugar industry, but also to assure expanding trade relations with our Caribbean neighbors.

Our Congress has given no man cause to doubt its intent to continue the policy of encouraging foreign trade—that policy under which Cuba has since 1902 been the recipient of countless trade and tariff privileges.

A look back into the history of American sugar legislation shows that in 1934 the first really workable Sugar Quota Act became law. This was a measure which, aside from providing other benefits, effected the rescue of the Cuban sugar industry from certain economic ruin and guaranteed Cuba a huge, growing, and exceedingly profitable market for its sugar in the United States. In this act, and in its successor of 1937, the American market was divided percentagewise. A certain percentage of total demand was apportioned to each of the domestic producing areas, and a percentage was designated for foreign suppliers. Therefore, as American sugar consumption grew along with population, all producing areas, domestic and foreign, shared proportionately in the annual increases.

In 1948, however, Congress changed the pattern. Cuba faced definite difficulties in adjusting back to normal levels her wartime production. The temporary plan adopted extended vast concessions to Cuba. Fixed marketing quotas were established for domestic producing areas—not a percentage of the whole, but flat tonnage maximums which were not to be exceeded in any one year.

That was but one part of the temporary concessions extended to Cuba at that time. In addition, Cuba was given the privilege of supplying 95 percent of that amount by which the Philippine sugar industry could not fill its quota while rebuilding from the ravages of World War II.

Cuba was also permitted to share with domestic areas the deficits that might occur in any domestic area where, because of the shift to other production during postwar Government farm programs, any area could not fill its quota completely.

The establishment of fixed quotas for domestic producers as a temporary expedient in 1948 has had the effect of giving Cuba virtually a monopoly on all American market growth since that time. Each year, as population has risen in this country, and along with it the demand for sugar, Cuba has received 96 percent of the total increase. Only the remaining 4 percent goes to other foreign suppliers, none to domestic producers.

In total, the temporary concessions of 1948 have enabled Cuba to market more than 5¼ million tons of extra sugar in this country.

Now, to appraise accurately Cuba's market for her sugar in the United States since 1948, it is necessary to keep separated in one's calculations Cuba's windfall tonnages and her basic quota tonnages. Everyone realized, and fully expected in 1948, that the deficits of the Philippine and domestic areas gradually would be eliminated as those areas returned to full production. This, in fact, was the gentle elevator on which Cuban return to normal production levels following the war was to be cushioned. The idea was to prevent any sudden, disastrous cut in Cuba's marketings.

There are those persons, however, who insist upon confusing the facts by claiming that Cuba's market in the United States is now smaller than it was a few years ago. They are speaking of her temporary windfall marketings, not her basic quota.

As a matter of fact, Cuba's basic quota is now between 700,000 and 800,000 tons a year larger than it was in 1948. Her basic quota in 1948 amounted to 26.7 percent of the total quotas of all participants in our market. Today Cuba's percentage of the total has risen to 33.

This year the Cuban sugar industry will sell at least 2,668,000 tons of sugar in the United States and at a price in excess of 5 cents a pound. Compare this, if you will, with 1933, when, before the first Sugar Act was passed, Cuba sold about a million and a half tons of sugar in this country at an average price of less than a cent a pound.

Let me interject here that under Sugar Act legislation since 1934 Cuba has also received preferential duty treatment. The tariff on Cuban sugar has been reduced from $2 per hundred pounds to 50 cents a hundred. The full-duty countries, meantime, have paid tariffs ranging from $2.50 per hundred pounds down to 62½ cents. These special tariff concessions alone have meant some $2 billion extra income to the Cuban industry—$2 billion which otherwise would have accrued to the Treasury of the United States.

So much for the United States' record of special concessions to Cuba during the past half century since our fighting men were instrumental in establishment of Cuba freedom and independence. Let's take a look at the other side of the coin—the situation of our domestic American sugar industry today.

One of the stated purposes of the Sugar Act is the maintenance of a healthy domestic sugar industry. As it is operating now the act simply is not meeting that criterion. Our domestic industry is facing critical problems which demand immediate solution.

Our domestic industry is in something of a vise. Tremendous technological advances, more efficient farming methods, and the application of research findings have resulted

in the domestic industry's ability to produce more sugar per acre than ever before. The average mainland sugarcane tonnage per acre has increased more than 20 percent since 1948 and sugar-beet tonnage has risen by more than 20 percent in the same period of time. And the sugar-beet people are on the threshold of developing new types of hybrid plants which may bring additional major tonnage increases almost overnight.

This constant devotion to self-improvement—the kind of thing which has built this Nation—is gradually crushing our domestic sugar industry against the rigid marketing ceilings which have remained virtually unchanged for more than 7 years.

Last year sugar-beet acreage was 10 percent less than the year before the first Sugar Act became effective, yet beet-sugar production was 14 percent greater—almost 2 million tons, against the fixed quota for all beet-sugar areas of 1,800,000 tons. This meant that sugar-beet acreage had to be cut back this year, and so our acreage of beets is 10 percent lower in 1955 than it was in 1954. Some farmers took acreage cuts amounting to 15 percent in 1 year.

The situation is fully as acute in the mainland cane areas. In spite of acreage cuts of 10 percent in 1954 and another 8 percent in 1955, mainland cane-sugar production last year soared 115,000 tons above the 500,000-ton quota ceiling which was set by the 1948 law. This production in 1954 was on fewer acres than produced 477,000 tons of sugar back in 1948.

Unless the law is changed this year, the cane areas face a further 30 percent acreage cut to bring stocks in line with normal carryover. This, of course, exceeds the limits of practicability.

With tight acreage controls on wheat, corn, and other surplus export crops, what crop can these sugar farmers possibly turn to? Is it our desire or intention to take out of production our own American farmlands in order to maintain at any cost the agricultural priority of our foreign neighbors? Do we intend to force our farmers off their land for want of a saleable crop which they may be permitted to grow?

I think the answers are clear enough. We obviously cannot afford to follow any such foolhardy course.

The answer to the apparent dilemma lies in the proposed legislation now pending in our Congress, legislation which not only would commence to bring relief to our domestic industry, but which would also insure a continuing increase in our sugar imports from Cuba and other foreign suppliers.

The bills awaiting action in both the House and the Senate have two main provisions: First, there would be restored to the American industry its historic right to grow with the country. Secondly, moderate increases in basic quotas out of current growth would be provided domestic producers.

In the first instance, the bills provide that future American market increases would be divided by much the same percentages as those which applied before fixed quotas were established as a temporary expedient in 1948. Fifty-five percent of annual increases in consumption requirements would be prorated among all domestic producers (in the United States, Puerto Rico, Hawaii, and the Virgin Islands). Forty-five percent would be earmarked for foreign suppliers. Under the present quota system, as I have mentioned, Cuba has a practical monopoly on the annual market increases, enjoying 96 percent of the total. Only the remaining 4 percent is reserved to other foreign producers. Not one ounce goes to domestic suppliers.

I cannot stress too strongly that all adjustments in quotas will be made without disturbing our present trade relationships with any foreign country, that all adjustments in quotas will be made out of the expected increases in our Nation's sugar needs, and that neither Cuba nor any other foreign country will suffer any reduction in the tonnage now allotted to it. On the contrary, that tonnage will continue to increase as our market continues to grow.

And speaking of market growth, I was quite interested a few days ago when the Department of Commerce announced our Nation's population had reached the 165-million mark. It seemed to me no time at all since the day the Department had announced our reaching 160 million. Such a striking growth in population can only mean that our national demand for sugar—and many other commodities—is rising every day. We have more mouths to feed, more persons to clothe, more of the necessities and luxuries of life to provide each and every day that passes.

But returning to the matter of our proposal to amend the Sugar Act, here, in precise terms, is what our bill provides:

First, it provides these moderate increases in the basic marketing quotas of some of the domestic areas:

An 80,000-ton increase in the quota for our southern cane producers, to a total of 580,000 tons.

An 85,000-ton increase in the beet-sugar quota to 1,885,000 tons.

A 20,000-ton increase for Puerto Rico, to a total of 1,100,000 tons.

And 3,000 tons more for the Virgin Islands, to a total of 15,000 tons.

The sum of all these basic quota increases, to be effective this year, is a mere 188,000 tons—scarcely more than 2 percent of our anticipated consumption.

Of equal importance is the fact that the bill provides for these increases to come out of this year's anticipated rise in total United States sugar requirements, which means that there will not be any cut in any foreign country's announced quota for 1955. The Secretary of Agriculture's initial 8,200,000-ton estimate of United States sugar consumption for 1955 is the base for computing all increases provided for in this bill. It was from this base that Cuba's 1955 quota was set at 2,668,000 tons.

Actually, final distribution of sugar to the United States market this year is expected to reach 8,400,000 tons—200,000 tons above the Secretary's initial estimate. It is from this more than ample amount that the 188,000-ton increase in basic domestic quotas will be filled. It, therefore, simply is not honest for those who oppose this bill to claim this measure would reduce Cuba's quota.

As to the growth formula, the base to be used would include the 188,000-ton increase I have just described. All consumption above 8,388,000 tons would then be divided on the 55–45 basis between domestic and foreign suppliers, respectively.

A point to be emphasized and reemphasized is that the proposed quota amendments would assure Cuba's participation in continuing United States market growth and, therefore, would increase her ability to buy American products.

There has been a great deal too much facility in some quarters to attribute, without due qualification, any fluctuation in Cuban import of American commodities directly to sugar transactions. Cuba's purchasing power does, of course, depend largely upon her principal export commodity, sugar. Proposed quota changes will not in any sense impair this purchasing power. On the contrary, it should prove to be enhanced.

But along with her purchasing power, Cuba's imports of basic commodities depend upon the level of her ability to produce some of her own needs internally. Rice is an example to illustrate the point I wish to make. There have been efforts of late to frighten our Louisiana, Arkansas, Texas, and California ricegrowers with the bugaboo of a declining Cuban market for United States rice, and the allegation has been made that amendment of the Sugar Act will have a strongly adverse effect upon future Cuban import of American rice.

The fact of the matter is that the Cuban market for rice will decline no matter what happens to the Sugar Act, because for several years Cuba has been increasing tremendously her own production of rice. Cuban rice production has increased from 87 million pounds in 1949 to 250 million pounds in 1954. That's an increase of nearly 300 percent. Naturally, her imports of rice decline as she produces more of her own requirements.

American farmers may also expect a decline in Cuban purchases of certain other agricultural products, but, again, not because of the Sugar Act or amendments thereto but because Cuba at last is beginning to diversify her agriculture, a practice many times recommended by study missions as being vital to the stabilization of the Cuban economy. A report of last December 3 from our Embassy in Habana to our State Department said that "it can be expected that (Cuba's) domestic production will eventually supplement some of the food imports now coming from the United States," and the report added:

"Corn has shown one of the greatest increases in production. Hybrid seed corn and government programs, assuring the grower a reasonable return, have been responsible." Further on, this same report says that "it is expected that once corn surpluses are established in Cuba, increased swine production will follow as a consequence."

Yet there are those who have been telling our Iowa hog producers and other farmers that Cuban sugar sales in the United States are the only factor influencing Cuban purchases of American pork.

The same type of approach has been used on some of our wheat farmers, because Cuba now buys less wheat flour from us than she did a few years ago. The drop in purchases has nothing to do with sugar sales or the Sugar Act, however. The real reason is that Cuba in 1951 completed a huge flour mill of her own, so she naturally has less need to import flour.

And although Cuba is now importing United States wheat—which she did not do prior to 1952—the combined value of United States wheat and flour now imported by Cuba is less by about $3 million than in the late 1940's. Principal reason for this is that Cuba now obtains from Canada a greater portion of her wheat flour supplies than previously.

It is to be expected, of course, that the pattern of our exports to Cuba will continue to change with her diversification of her agricultural and changing economy. But because Cuban sugar sales to the United States will, under terms of our bill, continue to grow, we may also expect Cuba's ability to import needed United States goods to improve.

The trouble with the Cuban sugar industry is largely of that industry's own making. It is a 2-million-ton surplus of sugar Cuba produced in 1952 when she deliberately stepped up production to an unprecedented 8 million tons—about 1½ million tons more than in 1947 when the present Sugar Act was passed—and at a time when it was obvious there could be no market for such increased output. This excess has also been a major factor in depressing the sugar price on the so-called world sugar market.

Cuba's preferential position in the American market also enable her to be aggressively competitive in the world market, a fact which often results in hardship for other Latin American sugar producers who lack a major share of the United States quotas.

This situation, coupled with unwarranted attacks of certain Cuban sugar interests against amendment of the Sugar Act, can very possibly produce a reaction that will in the long run be very detrimental to Cuban interests. Cuba's whole-hog attitude in opposing the restoration of the historic right of American farmers to growth along with sugar demand in this country, is difficult for

any fair-minded person to understand. Without exception, several others among our neighboring foreign nations—sugar producers who are our good friends, too—have recognized the right of the American sugar industry to a share in its own Nation's growth. These other neighbors are in excellent position to argue that they should receive more than just the token quotas now assigned to them, and they are looking longingly at Cuba's highly remunerative position. They, too, are all good customers for our goods.

As time goes on, the pleas of our foreign neighbors and friends for a share of the market, now almost wholly monopolized by Cuba, will grow louder. The selfish attitude of certain segments of the Cuban sugar interests who are opposing, tooth and nail, any relief to our domestic industry this year is breeding resentment among many Americans.

Those selfish Cuban interests cannot expect us to place our billion-dollar domestic industry on the sacrificial altar. It is much more to their advantage to take a reasonable attitude so that the traditional good will and friendship between our two nations shall guide our trade relationships in the future as in the past.

I repeat, my congressional colleagues and I are fully aware of the need for foreign trade, for imports from other countries and foreign markets for our own products. We are deeply cognizant of the fact that trade builds good friends and stronger neighbors than any other instrument of international relations.

We are equally aware of the importance of vigorous domestic industry and of our basic obligation to give due consideration to the interests and aspirations of our own people.

With these things in mind, we were quite interested yesterday morning when the Departments of State and Agriculture presented their sugar plan. Their plan recognizes three basic principles set forth in our pending bills:

First, that the Sugar Act should be amended in 1955 and extended to the end of 1962.

Second, that the historic right of the domestic sugar industry to share in the future growth of the United States sugar market should be restored.

And, third, that the domestic industry needs an increase in authorized marketings this year above present fixed quotas.

We do not intend to discontinue our efforts to achieve the goals set forth in our bills. And I do not think it is necessary to belabor the point here that in the final analysis, it will be the Congress which will decide upon the specific details of any legislation to be enacted into law.

In our total efforts, we do not seek to take away the market now enjoyed by our foreign neighbors. I sincerely believe that our good Cuban neighbors should study very carefully our bill and unemotionally weigh the trade advantages it offers them, as well as our own citizens. If they do this, I am sure they will recognize and appreciate the thoughtful consideration which has been given to their problems and the good faith which has motivated our actions.

Yale University NROTC

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. BOW. Mr. Speaker, yesterday at New Haven I had the privilege of watching some 100 fine young men take the oath of office as ensigns in the United States Navy. It was an impressive ceremony, and of particular importance to me because my own son, Joseph W. Bow, was one of the young graduates of the Yale University NROTC program who accepted this grave responsibility for the defense of our country.

The oath they swore was impressive in itself. It reads:

I solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic, that I will bear true faith and allegiance to the same, that I take this obligation freely and without mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter.

Mr. Speaker, as these young men stood and repeated that oath, I could not help but reflect that they may soon find themselves on active duty in other nations of the world, and that the Constitution they have sworn to uphold and defend will not defend them there.

The constitutional guaranties which are their birthright will be denied them when in defense of that Constitution, they find themselves assigned to duty on foreign soil.

It is shocking that such a situation should exist, but it does exist under the terms of article VII of the Status of Forces Treaty and other similar agreements affecting our men in some 40 nations of the globe. Any infraction of unfamiliar foreign law may find them incarcerated in foreign prison without the constitutional guaranties of every freeborn American—because we bartered them away.

This experience has served to increase my determination with regard to H. J. Res. 309, calling upon the President to renegotiate or denounce article VII. I sincerely hope that we may have hearings on the resolution at an early date.

The Lower Mississippi's Program for 1955–56

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. BROOKS of Louisiana. Mr. Speaker, under leave to extend my remarks, I wish to have printed in the CONGRESSIONAL RECORD a very fine speech made by my distinguished colleague, Hon. EDWIN E. WILLIS, from the State of Louisiana. This speech was delivered before the National Rivers and Harbors Congress on June 1, at its 42d national convention, in the Mayflower Hotel, Washington, D. C. The speech is as follows:

THE LOWER MISSISSIPPI'S PROGRAM FOR 1955–56

We who live in the lower Mississippi Valley look forward to a year of great progress in 1955–56, not only in physical accomplishment but in planning for the future in a rapidly expanding economy which depends in large measure for its stability on the program of flood protection.

As perhaps most of you have experienced in other sections of the country, appropriations in recent years have not been sufficient to allow us to make even minimum progress on the construction, not only of our mainstem system, but on the almost equally important side-basin works.

So our first objective for the next year is an all-out effort to bring our appropriations to a point which will allow us to go forward in a reasonable and orderly manner with our program. During the current year the Mississippi River Commission has had a total appropriation of $45,400,000. When we subtract $15 million from this for maintenance purposes, only a little more than $30 million is left for new construction.

Now this may seem to be a lot of money, but by the time it is allotted to such a large and comprehensive program as that which is necessary to protect some 20 million acres in 7 States from disastrous overflow, the spreading becomes pretty thin.

For example, there are approximately 1,500 miles of main-line Mississippi River levees. Although the program has been under way since 1928, there are still some 270 miles of those levees which are not built to a grade and section calculated to make them secure in the event of a project flood.

At the rate of appropriation for the current year, it will take about 25 years to complete these levees. We think such a rate of progress is inexcusable and uneconomical.

Already we have high hopes for a stepped-up pace. In the first place, the Bureau of the Budget has recommended appropriations of $50,885,000, which is some $5,500,000 more than the money available this year.

Our association, following the budget message in January, made a very careful study of our situation and decided that if we are to carry out the protection of the valley in an orderly and economical manner, then a minimum appropriation of $62,500,000 is required. Two weeks ago, witnesses from the valley presented this program to the Appropriations Committees of the House and Senate and were well pleased with the reception they received. For the present, about all we can do is wait for the results.

It is significant on a national basis that the budget has recommended initiation of construction on the control of Old River in Louisiana. As most of you are aware from the national publicity, the Atchafalaya River has reached the point in its development where it is about to capture the Mississippi River, leaving New Orleans, Baton Rouge, and that area high and dry and at the same time causing great havoc in the Atchafalaya basin proper. If the capture should occur, the ensuing disaster would be of national proportions.

The Army engineers estimate it will take some $80 million and require about 10 years to cope with the situation through an elaborate control structure at Old River, which is a short stream connecting the Mississippi and the Atchafalaya. Old River joins the Mississippi about 75 miles above Baton Rouge.

We are hopeful it will be possible to step up our levee program, the vitally important bank stabilization work, and dredging in the Atchafalaya Basin, so that these measures which are of prime importance to our protection can go along at such a rate that we can foresee the day when they are essentially complete.

In such a large valley as the lower Mississippi our tributary basins are of such a size as to in themselves present a constant threat to the safety of the area. We can be protected from a main stem flood and at the same time suffer great damage by the flanking action of a tributary flood. We are now at the stage of our development where we can reach over and do something about

these tributary streams and for that reason we are striving to get some of this work started. Practically all of this work is in the "new start" category and I need not elaborate to this gathering the great difficulty we face in getting the work underway. We will keep fighting the battle until we have won, as we must do.

The second important phase of our program for the next year involves a restudy of the overall project by the Mississippi River Commission. This study can materially affect the entire future of the valley for generations to come.

This study has for its main purpose a new look at the program in the light of developments over the approximately 20 years since a similar study was made. It will not be directed toward the usual purpose of expanding or enlarging of the project, but rather will attempt to determine if it is economically and engineeringly sound to cope with present day conditions.

Just last month a series of 12 hearings at strategic points throughout the valley was concluded. At these hearings, conducted by the various district engineers, the local people made known their needs. In the meantime the involved technical studies have been underway, and, no doubt, in the future additional hearings will be held. In all probability, some 2 or 3 years will be required to complete the report.

In our opinion, this report will be of transcendant importance to the growth and prosperity of the valley for many years to come. Our economy in the alluvial portions of the seven States is tied directly to the whims and caprices of the mighty river. It is an artery of commerce. It is an abundant source of water for industrial purposes. Properly harnessed, it has been one of the important factors in the unprecedented industrial growth of the entire region. Yet it is still capable in times of flood of wiping out hundreds of millions of dollars in industrial plants and destroying one of the richest agricultural economies in the entire Nation. The great calamity of 1927 would shrink into insignificance insofar as damage is concerned if it should recur today.

We believce that a program of protection geared to an economy of 1927 is insufficient for the economy of 1955. General Jadwin foresaw this in his 1928 report, and it is everywhere evident throughout the valley today. We have great confidence that the Army engineers, who have worked so long and so well for us, will recognize the need and recommend the necessary steps to meet it.

These are momentous days for us in the valley not only for the present but for the future. We have long enjoyed your help in the furtherance of our program. We sincerely hope that we will continue to merit your assistance in the years to come.

We Must Raise the Minimum Wage

EXTENSION OF REMARKS
OF
HON. CHARLES A. VANIK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. VANIK. Mr. Speaker, on Thursday, June 2, 1955, I appeared before the House Education and Labor Committee in support of legislation to increase the minimum wage to $1.25 per hour with the broadest kind of coverage.

I did not appear before the committee as an expert economist but as the representative of a community which is predominantly one of workers in industry. Although most of these workers are not affected by the proposed minimum wage legislation, I was astonished by the great numbers of workers in my district who would be helped. Our last increase of the minimum wage took place in 1949. If 75 cents per hour was determined by the Congress as a reasonable minimum wage in 1949, certainly $1.25 per hour is a reasonable minimum wage today. The increase in the cost of living demands this increase.

During the course of committee discussion, the question was raised as to how it was determined that $1.25 per hour would be a fair and reasonable minimum wage. And the question was further raised as to what formula was used in determining this amount of increase. It seems to me that a fair and reasonable formula would be based upon that hourly wage which would produce a weekly minimum sufficient to provide for a normal family of four under the minimum conditions of decency in which we can permit Americans to live. An hourly wage of $1.25 per hour would produce a gross wage of $50 for a 40-hour week and a take-home pay after tax and deductions of approximately $37. In my opinion, there is no place in America, North or South, East or West, where a family could exist at a decent standard of living with less than $37 per week.

The need for increasing the minimum wage is not only an economic question. There is a vital question of morality involved. Americans cannot permit their fellow citizens to live under inhumane conditions. Goods produced under conditions in which the worker does not earn a sufficient income to decently provide for his family are better not produce l at all.

The minimum-wage law is in effect a code of fair play between the States which provides that the States shall not compete against each other on the basis of indecent wage levels. We in America must avoid destruction by sectionalism. It is tragic to see one part of America competing with another when the competition between regions is not in the quality of the product—but in the differential which may exist in labor costs. It is competition at the expense of the living standards of the workers and it thereby becomes unfair. Production regions in America should compete on the availability of resources, utility facilities, skills, and markets, but never on the basis of cheap labor forces. This kind of labor competition could sap the strength of the country.

To point up the unfair effect of regional competition, permit me to call attention to a recent situation in a plant in my district which lost its Postal Department contract of long years standing to build mailboxes. A southern company underbid the Cleveland company in the sum of 15 cents per box. The underbidding company pays an average wage of $1 per hour while the Cleveland company pays an average wage of $1.90 per hour. With 6½ hours required in the construction of each box, the Cleveland company paid a total labor cost of $12.35 for the construction of each mailbox while the southern underbidding company pays a labor cost of $6.50 or $5.85 less per item. So that while the Government has saved 15 cents per mailbox, the economy has lost $5.85 per mailbox in purchasing power and living standards for each mailbox produced. This kind of competition is not good for America.

An increased minimum wage is essential to stable family life. Today, in addition to the employed heads of families, there are millions of working wives and other family workers. These additional workers have left their vital home responsibilities in order to supplement the family budget. Their loss to the home is irreparable in the costly development of juvenile and family delinquency. These working mothers would prefer to dedicate their efforts to family care instead of supplementing family income by their necessary employment. However, the increased costs of living demand their employment. A minimum-wage increase to $1.25 per hour would increase the income productivity of the head of the family and thereby permit the return of millions of working wives and mothers to their families and their vital household responsibilities. Their places in industry would be thus opened to the increasing numbers of our expanding working force.

There is concern about the inflationary effect of an increase in the minimum wage. The increase would hardly be noticed in our growing economy. The principal effect of $1.25 per hour minimum wage would be to lift the workers at the lowest income-productivity levels to a more dignified plateau. The cost of an increased minimum wage would be more than offset by the savings in the high cost of community social services to this group. But an equally important gain would be achieved in reducing the tension of regional competition between areas of production. An increased minimum wage is, in effect, a code of fair play between the several States for the benefit of the marginal worker.

Dinosaur National Monument

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. SAYLOR. Mr. Speaker, in a chapter from Psalms, Old Testament, you find these words:

> The heavens declare the glory of God, and the firmament proclaims His handiwork.

The significance of this expression becomes more pronounced when one admires the celestial infinity from natural surroundings which themselves stand as special monuments to the Divine Being. America has been generously endowed with such awe-inspiring landscapes as ocean shores where billowing seas surge relentlessly against rocky coasts; the beauteous mountain wonderlands of Pennsylvania and other Appalachian regions; the verdant grasslands in fruit-

ful valley regions; the fertile plains that grow the golden fields of grain in our Middle West; and the majestic peaks of the Rockies which earth and sky appear to have selected as their meeting ground.

One of the most impressive wilderness areas in all the world is the Dinosaur National Monument, with its tremendous canyons of unparalleled beauty. Through these canyons flow the Green and Yampa Rivers, still carving—as has been their custom for centuries—spectacular passageways through a colorful region unspoiled by the hands of man. This scenic recreational area has been set aside by the American people for the enjoyment not only of those fortunate enough to be able to visit this region in our time, but also of succeeding generations.

Unfortunately there has been advanced a proposal to remove this landmark from the panorama of natural grandeur in our great Rockies. What is particularly distressing is the fact that advocates have succeeded in gaining the support of some responsible Government officials who obviously have been denied the true implications of the whole vicious scheme.

Not long ago the distinguished Secretary of the Interior talked to the Los Angeles Chamber of Commerce about what he described as a vision relating to the multibillion-dollar upper Colorado River project, of which Echo Park Dam in Dinosaur National Monument is a part. In his vision the Secretary saw a great lake behind Echo Park Dam, with thousands of gay and healthy persons fishing, boating, picnicking, and golfing along beautiful shores under the spell of a beneficent sun shining under the auspices of the Bureau of Reclamation. Then the Secretary read this line:

> What has been done in Lake Mead is what we have in mind in Dinosaur National Monument.

When he read that line then it became apparent that his vision had been spuriously molded by those who have no more hesitancy about misleading a Cabinet member of our Government than they have about deceiving any other individual or group of individuals who will listen to their false claims. The Secretary would not have made that statement had he ever had an opportunity to look into what remains of Lake Mead, which was made when Hoover Dam was built.

Today Lake Mead is nothing to be admired. It cannot, by any stretch of the imagination, be pointed to with pride as a mecca for recreation. Around it are uncounted miles of mud flats. Great reaches of ashen silt deposits bake and crack under the desert sun. The recreational areas are far removed from water, standing forlorn and useless. The playground of Lake Mead is a gigantic desert enjoyed exclusively by lizards and insects.

While the Secretary, quite obviously, was not aware of these conditions, his comparison nevertheless inadvertently demonstrated what can be expected to happen at Dinosaur if the upper Colorado planners have their way: Burning mud flats, dust-bearing crusts, and treeless mountains.

Mr. Speaker, to attempt to improve the beauty of Dinosaur by making it another Lake Mead would be like applying an air hammer to the chiseled features of the Venus de Milo, or using a house painter's brush on a Rubens' masterpiece. Pressure to the contrary notwithstanding, it is the duty of Congress to protect this natural wonderland from all such schemes as that which is planned for the destruction of Dinosaur.

America Needs an Increase in the Minimum Wage

EXTENSION OF REMARKS
OF
HON. THOMAS L. ASHLEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. ASHLEY. Mr. Speaker, under leave to extend my remarks, I wish to insert in the CONGRESSIONAL RECORD my statement before the House Committee on Education and Labor in support of an increase in the Federal minimum wage.

The statement follows:

Mr. Chairman and members of the committee, I am glad to have the opportunity to reaffirm my support of an increase in the minimum hourly wage from 75 cents to $1.25.

On March 15, 1955, I introduced a bill, H. R. 4908, to amend the Fair Labor Standards Act to provide for such an increase. I did so for a number of reasons.

In the first place, the workingman and his family have watched the cost of living jump about 14 percent between January 1950, when the minimum wage was raised from 40 to 75 cents an hour, and the end of 1954.

But in 1955, the worker with a family still has a wage floor, if he works a normal 40-hour week, of just $30. The Eisenhower administration wants to raise the minimum wage to 90 cents an hour or $36. This proposal comes from the Republican Administration which boasts that although conservative in economic matters, it is liberal with respect to human beings.

Mr. Chairman, the American workingman needs a decent minimum wage if he is to maintain a decent standard of living. An hourly wage of a $1.25 is certainly not too much for any man to earn in these days of high costs in the greatest nation in the world.

Another reason I introduced a bill with the $1.25 figure is to give some protection to the employer who pays a decent living wage as against the businessman whose employees must work for substandard wages.

There is a lot of talk in this country today about competition. But the fair-minded employer, who wants to make the free enterprise system work and who really believes in competition, is often confronted by employers in his own community who pay such low wages that they cripple fair competition.

An increase in the minimum wage to $1.25 would also greatly discourage employers from leaving one community to take their plants into cheap labor areas. The problem of runaway shops is a very serious one in the United States today and it is in large part caused by the low minimum wage.

According to a Department of Labor study released last March, the proportion of factory workers in the Middle West earning less than 90 cents an hour was 2.3 percent, while in the South 20.2 percent of such workers earned less than 90 cents.

In spite of glowing administration reports to the contrary, there are far too many areas of substantial unemployment in America today, many of them in the Northeast and Middle West. The persistence of a low minimum wage simply encourages more unemployment by luring industry south with the bait of cheap wage rates. But exploitation of cheap labor in the South is no way, Mr. Chairman, to encourage industrialization in that area or to cut down on unemployment in other parts of the United States.

A higher minimum wage is not only essential to the welfare of the workers and employers directly concerned, but it is also vital to the economic well-being of the merchants and farmers of the region. When workers earn, workers buy, and they buy the products of the farmer and the small-business man.

Farmers and small-business men, neither of whom have any reason to expect generous treatment from a Republican administration, should be fighting alongside the worker and the fair-minded employer for a substantial increase in the statutory minimum wage. The stake of the one is the stake of the other.

I would like to take a moment to point out, Mr. Chairman, that while many bills have been introduced to increase the minimum wage to $1.25, most of these also include proposals to extend coverage of the Fair Labor Standards Act. My bill does not.

It seems to me that two separate issues are involved here and that the extension of coverage is an infinitely more complicated question than the increase in the hourly wage. I feel that each issue must be considered on its merits if there is to be a fair determination of each and for that reason I commend the judgment of the committee in limiting the present hearings to the proposed increase.

Let me say in conclusion, Mr. Chairman, that it is my earnest hope that this committee will report a bill providing for a substantial increase in the minimum wage for American working men and women.

Address of Hon. Allen J. Ellender, Sr., of Louisiana, Before the National Rivers and Harbors Congress

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 9, 1955

Mr. BROOKS of Louisiana. Mr. Speaker, the 42d annual convention of the National Rivers and Harbors Congress has just concluded its deliberations held in the city of Washington, D. C. At this convention there were many splendid addresses delivered and not the least of the major addresses was a speech delivered by my friend and colleague, the senior Senator from the State of Louisiana, ALLEN J. ELLENDER, SR. This speech deals with our correct position as a nation toward internal development and toward the foreign economic relief policy, sometimes known as the giveaway policy.

This speech, when made, received a tremendous ovation from delegates from 46 States out of the Union and in addition, from Hawaii, Puerto Rico, and Alaska. The demand has been heavy for

this speech, and I present it to you for inclusion under leave to extend my remarks:

TEXT OF ADDRESS PREPARED FOR DELIVERY BY SENATOR ALLEN J. ELLENDER, OF LOUISIANA, CHAIRMAN OF THE SUBCOMMITTEE OF PUBLIC WORKS OF THE SENATE COMMITTEE ON APPROPRIATIONS, BEFORE THE 42D ANNUAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS, WASHINGTON, D. C., MAY 31, 1955

Ladies and gentlemen, I was most gratified to accept the invitation of your president to address this meeting. As most of you already know, the conservation and development of our precious water and land resources are subjects in which I am keenly interested. Since I first took the oath of office as a United States Senator, over 18 years ago, the twin problems of preserving and conserving our God-given natural resources, in all their forms, have occupied a great deal of my time and effort. I cut my legislative teeth on the problems of our agriculture from 1937 through the present. As one born and raised in the southern reaches of the Mississippi Valley, I have lived through several disastrous floods. I have seen eroded lands come to life, but I have also seen the staggering and needless waste to which our precious land resources have been subjected—waste which, to my mind, is inexcusable. Today, however, I do not intend to take up your valuable time with a review of that which is now history; rather, I want to talk about today, tomorrow, and the years to come. To a certain extent, the future and the past are inseparable. The National Archives building on Constitution Avenue bears the legend "What is past is prologue." In a strictly historical sense, that legend is no doubt true. In a general overall sense, I hope and pray that it is not—at least, not with respect to rivers, harbors, flood control, and soil conservation.

When I first came to the Senate in 1937, there were rumblings of war coming from across the seas. Here at home, most of those rumblings went unnoticed. We had our own problems to cope with—and these problems were manifold and varied. The Congress acted boldly—and in perhaps some cases, unwisely—but in so acting we laid the groundwork for some of the finest, most necessary, programs which this country of ours has ever experienced. Earlier, the problem of flood control was attacked on a comprehensive basis by the Federal Government. The Flood Control Act of 1928, and subsequent authorizing legislation, has left us with a basic legislative skeleton upon which it should be possible to place the flesh of a truly realistic program of water and land conservation. That program had really just begun when, in 1941, this country was plunged into war. Since that time, emergency after emergency has made it impossible, according to our planners, for us to have enough money on hand to meet our domestic military commitments and our international obligations and yet remain with enough left over to do anything like an adequate job in conserving our natural resources.

As a result, we are barely keeping abreast of the problems. In some places, we are moving downhill. In my own State of Louisiana, we lose almost 2,000 acres of land each year along a 150-mile stretch of the Red River alone. Other States lose a comparable amount. Several years ago, the Department of Agriculture estimated that when the Pilgrims first arrived in this land there were some 9 inches of topsoil, on the average, on our arable lands. Today, 3 inches of this irreplaceable topsoil—one-third of the original, natural, God-given topsoil—has gone down the drain, so to speak. How long, may I ask, can our Nation continue to survive under circumstances such as these? How long can we continue to feed and clothe our growing population as you and I are fed and clothed today when our very lifeblood—our precious topsoil—is being dissipated at this rate? The answer to that is simple: We cannot, unless we begin now to stop this senseless waste and to make the maximum practical use of the land we now have.

We are all proud of our country. We take great pride in our economic growth, in the fact that our standard of living is the highest in the world. "Made in the U. S. A." is a label of which we Americans boast.

How proud are we going to be a generation hence when our children and grandchildren face the prospect of insufficient land, and antiquated waterways? Can we, as the trustees of our Nation's future, take pride in the fact that we have willfully neglected two phases which are vital to economic growth, that is, conservation of land, and conservation of our water resources?

My friends, to my way of thinking, we have been putting the cart before the horse. We have, it is true, had to live in a constant state of emergency over the past 20 years; but we have not even done all the things we could, under the circumstances, to guarantee the continued growth of our country. That is a shocking statement for a Member of the Congress to make, isn't it? Yet, it is a true statement—unfortunate though it may be.

The hard facts are that we have been inexcusably niggardly with the vital projects which await completion here at home. We have permitted our fine programs of river and harbor development, flood control, soil conservation, land reclamation and others to not only lag, but in many cases to stagnate. At the same time, we have voted billions upon billions for economic aid, for development assistance, for defense support, to be spent in lands across the seas.

I was one of the Senators who helped pass the original Marshall plan. I voted to do so in good faith. Our leaders told us that all we had to do was get Europe back on its feet—"Raise European industrial production 25 percent above prewar levels, and we can quit," they told us. Today, European production is better than 150 percent of prewar and we are still passing out the greenbacks. We have even done more. We have begun to do for these countries the very things that we have neglected to do for our own people. I shall explain what I mean in just a moment.

In the meantime, we have progressed in our assistance programs from Europe to Asia. We have found new bugaboos of communism to use as an excuse for doling out more American funds to foreign lands. And the end is not yet in sight; Europe is healthy, but Asia is sick. And Dr. Uncle Sam has just the prescription—more American greenbacks.

Where, may I ask, are our European friends, whom we have nursed back to health? Where are the Belgians, the French, the British, and the Italians? We pour American dollars into the Belgian Congo, into French Equatorial Africa, into Indochina, Malaya, and other areas—but we receive no help from our partners in peace. When we knock on their doors there is nobody at home. And why not? Because they are knocking again on ours for more money—and we foolishly continue to make it available to them. All are in a position to pay for their own obligations if only we permitted them to do so.

Now, I do not want to leave the impression that all foreign assistance should end immediately. I think, however, that we should confine our aid to those countries that are willing to help themselves. I also believe that the time has come for us to terminate all assistance except some military aid in some quarters and point 4—that is, technical assistance. Point 4, incidentally, should be administered on the basis in which it was conceived; that is, as a means of making our technological know-how available to underdeveloped countries. It should not be turned into an economic-aid vehicle—as was attempted just a few years ago. Technical assistance, point 4, should not involve our funneling large sums of cash into foreign lands in order to Americanize them overnight. We should permit them to start at the bottom rung of the ladder and not advocate the development of projects beyond their own financial capability. We should relegate our assistance to teaching the peoples of underdeveloped lands how to best utilize their resources—and we should encourage them to produce the funds for actual development projects. That is a function of the nations involved—it is not a responsibility of the United States Government. We have enough to do at home; as a matter of fact, I sometimes wonder if we have not permitted our backlog of necessary projects to grow too large.

As chairman of the Public Works Subcommittee of the Senate Appropriations Committee, it has been my privilege during recent weeks to preside over hearings on budget requests for flood control, navigation, and rivers and harbors appropriations for the next fiscal year. In January, the administration sent the Congress a budget calling for the expenditure of roughly $523 million for all Corps of Engineers public-works projects. This amount represents less than 1 percent of the total fiscal 1956 budget. According to Bureau of the Budget figures, the administration has asked Congress for only about a billion dollars for all water resources development, plus all soil-conservation expenditures during the fiscal year to come. The reason cited for this meager amount of funds to perform the vital functions concerned is the fact that we must gird ourselves and our free-world allies in order to repel Communist aggression. This is a laudable purpose, and one in which I am in full accord. However, what we are not expressly told is that nearly $2 billion—or roughly double the amount available here at home has been earmarked for nonmilitary expenditures abroad.

We have spent, since 1948—the year the Marshall plan was begun—nearly $50 billion in rendering assistance to our friends across the seas. During that same time, we have spent roughly $6 billion for all civil functions projects here at home—for all flood control, navigation, and rivers and harbors projects. We have fallen far behind in the process.

It is now time, in my humble judgment, for us to begin doing some of the things which we have neglected here at home for so long. Unfortunately, there seems to be but little consideration given to our domestic projects by those on the policymaking levels. Oh, of course, we are told every year how important our domestic projects are. We receive platitudes in abundance, but only a pittance in hard cash. And platitudes don't build dams or levees; good intentions do not deepen waterways or dredge new channels. If we do not start getting adequate cash as well as adequate platitudes, we shall, indeed, find that the road to ruin is paved with good intentions. Now, I want to make one thing clear. I am not complaining about the expenditure of one penny of our tax money in building a true global defense against communist aggression. I am complaining, and I shall continue to complain, about our leaders refusing to ask for enough money to do an adequate job; here at home, while they insist upon more money to do just the same things in foreign lands.

I have already mentioned the fact that the 1956 fiscal year budget contains only about a billion dollars for all water and soil conservation here in the United States, and that

we are being asked to spend nearly twice that amount in nonmilitary assistance in foreign lands. The logical question to ask is this: "Where and how are these nonmilitary foreign aid funds being spent?"

During the past year, it was my privilege to visit approximately 45 foreign lands, located in Europe, Africa, southern Asia, and the Near East, in connection with my duties as a member of the Senate Appropriations Committee. I made a similar inspection trip throughout Africa, in 1953, and I was privileged to visit South and Central America in 1952.

I am convinced that if our American taxpayers could but see the things I saw, they would rise up in righteous wrath against the way their money is being spent. In all sincerity, I am forced to say that much of our aid funds is being frittered away. We are trying to teach Arabs to grow sugar cane on desert land. We are spending large sums in teaching foreign countries how to balance their budgets—when we have been able to balance our own only three times in the last 20 years. But, even more disturbing, we are embarking upon public-works projects abroad while our leaders steadfastly insist that we cannot afford similar projects here at home.

In 1954, for example, our Government signed a long-term agreement with Egypt whereby we pledged ourselves to put up $40 million for economic development in Egypt. The 1956 budget request for foreign aid includes projected expenditures of staggering amounts of money for public works projects in Egypt. Here is how the funds would be earmarked. First, $10 million for highway improvement; 7.5 millions for potable water supplies, 4.3 millions for the improvement of waterways; 16 million for the improvement of Egyptian railroads, and nearly a million and a half for the purchase of machine-shop equipment.

But Egypt is not an isolated instance. Here are some of the other ways in which we are spending money for public-works projects in foreign lands. We have provided funds in Greece for an integrated national electric system, for land and water development, and we have backed an $80 million loan for projects in Greece involving mines, highways, and railroads, among others. This in spite of the fact that Greece has reached industrial production in excess of 170 percent of prewar. In Turkey, $46 million was made available during the first half of 1954 for equipment to increase hydroelectric power, for the development of highway systems and to improve grain handling and storage. In Iraq, we are planning an ambitious reclamation project—one which, by 1961, envisions the reclamation of 1 million acres of new land and the generation of large amounts of hydroelectric energy. This is only a beginning. Our planners in Iraq have been hard at work blueprinting dams, irrigation systems, and flood-control works—while our engineers here at home have starved for planning funds. A good job has been done in that country by our technical assistants and my hope is that we will not be called upon to furnish funds for actual construction.

Now, let us look at Jordan. Jordan has refused to put up any of her own money for internal improvements because she claims she does not have it. As a result, generous Uncle Sam, burdened with a $277 billion debt, has contributed liberal amounts of money for capital improvement projects—including irrigation, afforestation, road construction, and construction of school buildings and hospitals. On last June 28, FOA announced the allotment of $8 million to Jordan for highway construction, reforestation, and flood control.

In Lebanon, we spent during 1954 about $6 million to increase agricultural production and to build roads. That country refused to contribute any of her own money to help pay expenses of work there because she claimed that in so doing she would have to operate in the red. For fiscal 1956, the administration wants to spend $2.5 million in connection with the Litani River project—a reclamation scheme which has been condemned by many as impractical.

In 1954, our Government announced its intention to initiate a $105 million economic aid program in Pakistan. With this money, we will build irrigation dams, and flood control works. We will also help Pakistan import steel, textiles, and other commodities. This scheme also involves the generation of counterpart funds to be used for internal development. We are already involved in a Marshall plan undertaking in Asia.

Now then, let us look at our contribution to India—a contribution which our planners seek to continue in spite of Premier Nehru's attitude toward us. The administration has earmarked $70 million for economic aid to India during the next fiscal year. With this money, India will irrigate land, build power generation facilities, build roads, and buy railroad equipment. Since India has recently agreed to purchase a steel mill from Russia, American funds are going to help finance this project, also, at least, indirectly. The important thing to note is that our planners insist that we must give India funds, or India will line up with Russia. But, when the erection of a steel mill is involved, the Indians find enough money in their treasury to pay the Russians for that facility.

This Indian program, incidentally, is nothing new. In the 1954 fiscal year we granted to India about $60½ million in economic aid to begin a project to irrigate 15 million acres of land and to help buy 100 locomotives and 5,000 freight cars for Indian railroads. I have no doubt but that a large portion of these acres we are helping to irrigate will be used to produce cotton and that our Indian friends will not hesitate to undercut the price of American cotton in world markets—thus further helping to increase our surplus and reduce American farm income.

Let us look now at Libya. I think Libya offers a grade-A example of what our planners are up to. Last June, the United States gave Libya $1 million for economic development. On September 9, our foreign-aid planners committed this country to a 17-year economic aid program in Libya—despite the fact that Congress has repeatedly warned the executive branch that foreign economic aid should be soon terminated. Under the terms of this program, the United States has promised to give Libya $7 million in development assistance during the present fiscal year, and to provide Libya $5 million a year for the next 6 years, plus $1 million a year for 11 more years. In other words, we are committed to a 17-year economic aid program in Libya, whether we like it or not.

I, for one, am sick and tired of this budgetary double-standard. I am disgusted at the attitude taken by some of our leaders—leaders who proclaim majestically from the foot of Pennsylvania Avenue that vital projects here at home must limp along on inadequate budgets, while they just as majestically pass out American dollars for similar projects in foreign lands. Let me say now, that unless this practice is halted, unless we begin catching up on the backlog of projects here at home, we are going to be in for trouble. We cannot forever neglect the conservation of our land, the development of our waterways, the protection of our homes, fields, and businesses from floods without inviting to our shores the very evil we are seeking to combat abroad.

It is time for us to tell our allies, all of them, that we have gone the limit—that they must now shoulder their fair share of the free world's responsibility. We have pampered the British, the French, the Italians, and others for too long. They are in good economic health. It is time for them to help us do the job—and for us to begin to adequately take care of our own domestic problems for a change.

It is time for Britain, with an industrial production index of 147 percent of prewar, to begin spending more than 36 percent of her budget for her own defense, while the United States spends 68 percent for similar purposes. France, who earmarks 34.4 percent of her budget for defense, must not expect the United States to continue to equip her NATO armies and to funnel American dollars into her economy, which is producing at 148 percent of prewar. The same holds true for Norway, the Netherlands, Belgium, Italy, Greece, and others. It is time for us to put our cards on the table. We must let these people know that our national debt is $277 billion compared with 15 billion for France, 73 billion for Britain, 5 billion for Belgium, and 6 billion for Italy. It is time for some of our allies to begin taking over the development of underdeveloped lands—particularly their own territories, such as Kenya, the Belgian Congo, French Equatorial Africa, Morocco, and others.

If it were up to me, I would double the amount of money requested for soil conservation and subtract it from foreign aid. I would double the amount of money for flood control, navigation, rivers and harbors projects, and subtract it from foreign aid. Perhaps if this were done often enough our planners would get the idea that there are certain basic functions which a government must perform for its own people, if it is to survive.

I want you to know that I intend to squeeze every dollar I can out of Congress this year in an effort to see that funds for these vital purposes are increased over initial budget requests. I do not know precisely how much can actually be done, but I shall do my best. I hope, when the 1956 civil functions bill is reported to the Senate, that you folks out there in the audience will be pleasantly surprised—at least in many instances. And I intend to do the same thing next year.

Now, I realize that some of the things I have said here today may fall on deaf ears. I also realize that some of my comments may have been rather harsh. But now is no time for us to pussyfoot around. We have roughly $10 billion in vital water conservation projects authorized. At the present rate, it will take us nearly 20 years to complete them—if they are completed at all. Our country is growing, both in numbers and in productive capacity. We need better protection for our homes, lands, and businesses. We need to develop our inland waterway system in order to provide the increased transportation our growing economy requires.

We will not get these things done unless we speak frankly, bluntly, and truthfully. We need to get our message to the people. We must help our leaders understand that we cannot continue to survive if our growth is measured only by generous promises and little cash. We must eliminate this double standard of Federal financing, and get to the task of catching up on the things which emergency after emergency have forced us to delay.

That is my message to you today. I think it is an important message, and one which needs to be understood and appreciated. You also have my pledge that I shall do everything in my power to see that our people, our Nation, and our economy all get the kind and volume of Federal assistance we need in order to grow, to prosper—and to survive.

SENATE

FRIDAY, JUNE 10, 1955

(Legislative day of Wednesday, June 8, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, in whose strong hands are the threads of every man's life, who dost control the raging of the wind and the sea and not less the tempestuous activities of man which seem to defeat Thy purposes and hinder Thy kingdom: Into Thy hands we would commit our lives, with all their details, all their desires, and our Nation also, with all its freedoms, as well as its faults, and with all its potentialities for the weal or woe of the world.

May we be able in Thy strength so to respond to all those experiences which befall us, whether of loss or of gain, that we may mold them, even the evil that is in the world, into the final pattern of Thy purposes, and thus wring from all the tangled life of these days victory in our own souls and spiritual gain for the world. And so, take our impulses, strivings, and longings, so often frustrated and thwarted, and even with what is broken and imperfect make Thy dreams come true. We ask it through Him who made of human life a sacrament, of thorns a crown, and of a cross a throne. Amen.

THE JOURNAL

On request of Mr. STENNIS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 8, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, June 10, 1955, the President had approved and signed the act (S. 2061) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5089) to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, to authorize assistance in acquiring automobiles or other conveyances to certain disabled persons who have not been separated from the active service, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5923. An act to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway; and

H. R. 6410. An act to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following bills and joint resolutions, and they were signed by the President pro tempore:

S. 39. An act for the relief of Stanislavas Racinskas (Stacys Racinskas);

S. 68. An act for the relief of Evantiyi Yorgiyadis;

S. 89. An act for the relief of Margaret Isabel Byers;

S. 93. An act for the relief of Ahti Johannes Ruuskanen;

S. 121. An act for the relief of Sultana Coka Pavlovitch;

S. 129. An act for the relief of Miroslav Slovak;

S. 193. An act for the relief of Louise Russu Sozanski;

S. 236. An act for the relief of Johanna Schmid;

S. 265. An act to amend the acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such acts to 320 acres;

S. 266. An act authorizing the Secretary of the Interior to transfer certain property of the United States Government (in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.) to the State of Wyoming;

S. 320. An act for the relief of Mrs. Diana Cohen and Jacqueline Patricia Cohen;

S. 321. An act for the relief of Anni Marjatta Makela and son, Markku Paivio Makela;

S. 351. An act for the relief of Ellen Henriette Buch;

S. 407. An act for the relief of Helen Zafred Urbanic;

S. 439. An act for the relief of Lucy Personius;

S. 504. An act for the relief of Priska Anne Kary;

S. 528. An act to revive and reenact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950;

S. 755. An act to authorize the conveyance of certain war-housing projects to the city of Warwick, Va., and the city of Hampton, Va.;

S. 844. An act for the relief of Zev Cohen (Zev Machtani);

S. 998. An act to authorize the conveyance of a certain tract of land in the State of Oklahoma to the city of Woodward, Okla.;

S. 1398. An act to strengthen the investigation provisions of the Commodity Exchange Act;

S. 1419. An act to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service;

H. R. 5085. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 5100. An act to amend Veterans Regulation No. 7 (a) to clarify the entitlement of veterans to outpatient dental care;

H. R. 5106. An act to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing;

H. R. 5177. An act to authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C.;

H. R. 5695. An act to continue until the close of June 30, 1958, the suspension of certain import taxes on copper;

S. J. Res. 6. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area;

S. J. Res. 51. Joint resolution extending an invitation to the International Olympic Committee to hold the 1960 winter Olympic games at Squaw Valley, Calif.; and

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles, and referred to the Committee on Public Works:

H. R. 5923. An act to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway; and

H. R. 6410. An act to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. STENNIS, and by unanimous consent, the Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO FILE REPORT AND NOTICES OF MOTIONS TO SUSPEND THE RULE DURING ADJOURNMENT

Mr. STENNIS. Mr. President, I have three unanimous-consent requests to make which have been approved by the minority leader.

I ask unanimous consent that during the adjournment of the Senate following today's session the Committee on Appropriations be permitted to report the Department of Commerce appropriation bill, and file its report and notices of motions to suspend the rule.

Mr. WILLIAMS. Mr. President, reserving the right to object, will the Senator give his assurance that the bill will not be taken up until after the Senate has been in session 2 days after it is reported?

Mr. STENNIS. It is not planned to take up the bill until Tuesday of next week. It is not expected that the Senate will be in session on Monday. Will the Senator withhold his objection?

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. STENNIS. I shall be glad to yield.

Mr. KNOWLAND. I wonder if the distinguished Senator from Delaware desires to prevent the committee from filing its report. He would still not be pre-

cluded from objecting to taking up the bill until the necessary time had elapsed. Unless consent is granted it probably will not be possible to have the report printed. I shall be glad to discuss the matter with the Senator from Delaware on Monday and Tuesday, and if he objects to the bill being taken up at that time, will arrange to have it go over to a subsequent day, but I hope the Senator will not prevent the committee from even filing the report during the adjournment.

Mr. WILLIAMS. I have no objection to the committee's filing the report, with the understanding that objection will be made to taking the bill up on Tuesday. I think the Senate should give more time to considering appropriation bills which provide for billions of dollars. I am not going to give my consent to such procedure.

Mr. STENNIS. The Senator can reserve his right to object. This is merely a unanimous-consent request that the committee may file its report during the adjournment of the Senate.

Mr. WILLIAMS. I have no objection to the committee's filing the report, with the understanding that I will object to the bill being taken up on Tuesday.

Mr. STENNIS. Perhaps the Senator may change his mind about objecting to the bill being taken up then.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi? The Chair hears none. Without objection, it is so ordered.

AUTHORIZATION FOR FOREIGN RELATIONS COMMITTEE TO FILE REPORTS DURING ADJOURNMENT

Mr. SPARKMAN. Mr. President, on yesterday the Committee on Foreign Relations approved a number of bills, resolutions, and treaties. I ask unanimous consent that at such time as the staff of the committee is able to prepare reports on these measures, the committee be granted permission to file the reports during the adjournment of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON POST OFFICE AND CIVIL SERVICE TO FILE REPORTS DURING ADJOURNMENT

On request of Mr. STENNIS, and by unanimous consent, the Committee on Post Office and Civil Service was authorized to file reports during the adjournment of the Senate following today's session.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. STENNIS. Mr. President, I ask unanimous consent that there may be the customary morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that statements made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS, DISTRICT OF COLUMBIA (S. DOC. NO. 50)

A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1956, in the amount of $88,320, for the District of Columbia, in the form of amendments to the budget, for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON DISPOSAL OF GOVERNMENT-OWNED SYNTHETIC-RUBBER PLANT AT BAYTOWN, TEX.

A letter from the Chairman and members of the Rubber Producing Facilities Disposal Commission, Washington, D. C., transmitting, pursuant to law, a report recommending disposal of the Government-owned synthetic-rubber plant at Baytown, Tex. (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON WAPINITIA PROJECT, JUNIPER DIVISION, OREGON

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, his report on the Wapinitia project, Juniper division, Oregon (with accompanying papers); to the Committee on Interior and Insular Affairs.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

CONSIDERATION OF RESIDENCE IN AMERICAN SAMOA BY CATHARINE MARY COOL AS RESIDENCE IN THE UNITED STATES FOR NATURALIZATION PURPOSES

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to consider residence in American Samoa by Catharine Mary Cool as residence in the United States for naturalization purposes (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Connecticut; ordered to lie on the table:

"House Joint Resolution 30

"Joint resolution memorializing Congress to enact legislation to increase the Federal minimum wage rate

"Resolved by this assembly:

"Whereas in today's highly competitive struggle for markets, Connecticut manufacturers are faced with unfair competition from a few States and areas with wage rates far below the national average; and

"Whereas such large differentials present a serious threat to established industry in other parts of the Nation, particularly where labor is an important factor; and

"Whereas the Connecticut textile industry has been especially hard hit by ruinous price competition based on low wage rates at a time when the industry nationally has been in a serious slump causing severe unemployment and wage cuts; and

"Whereas extremely low wage rates in any part of the Nation are a drag on the entire national economy, reducing employment and income levels at a time when increased consumer purchasing power is essential to national economic health: Be it

"Resolved, That the general assembly now respectfully calls these facts to the attention of the Congress of the United States, and urges the immediate enactment of legislation to increase the Federal minimum-wage rate to at least $1 per hour; and be it further

"Resolved, That the Senators and Representatives from the State of Connecticut in the Congress of the United States are urged to use their best efforts in this behalf; and be it further

"Resolved, That the secretary of the state is hereby authorized and directed to transmit to the presiding officers of both branches of Congress and to the Senators and Representatives from the State of Connecticut in the Congress of the United States, duly certified copies of this resolution.

"Passed house, as amended, May 27, 1955.

"Pased senate, as amended, May 26, 1955."

Two joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 49

"Joint resolution requesting the Congress of the United States to enact a bill enabling the Legislature of the Territory of Hawaii to authorize the Board of Supervisors of the City and County of Honolulu to issue bonds for the completion of, the improvements to, and the development of certain existing public parks and playgrounds and for the acquisition, construction, and improvement of new public parks and playgrounds in the city and county of Honolulu

"Whereas additional public park areas are needed in the city and county of Honolulu; and

"Whereas the public parks and playgrounds are necessary for the health, safety, and welfare of the people of the city and county of Honolulu: Now, therefore,

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby respectfully requested, through the Delegate to Congress from the Territory of Hawaii, to enact legislation which will enable the Territory of Hawaii, any provision of the Hawaiian Organic Act or any act of this Congress notwithstanding, to authorize the board of supervisors of the city and county of Honolulu to issue general obligation bonds in the sum of $1,500,000 for the completion of, the improvements to, and the development of certain existing public parks and playgrounds and for the acquisition, construction, and improvement of new public parks and playgrounds in the city and county of Honolulu, and, to that end, the Congress of the United States of America is hereby respectfully requested and urged, through said Delegate to Congress, to adopt a bill in substantially the following form, to wit:

"'A bill to enable the legislature of the Territory of Hawaii to authorize the Board of Supervisors of the City and County of Honolulu to issue bonds in the sum of $1,500,000 for the completion of, the improvements to, and the development of certain existing public parks and playgrounds, and for the acquisition, construction, and improvement of new public parks and playgrounds in the city and county of Honolulu

"'Be it enacted, etc.—

"'SECTION 1. The bonds issued under authority of this act may be serial bonds payable in substantially equal annual installments, the first installment to mature not later than 5 years and the last installment

to mature not less than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

"'SEC. 2. Act 210 of the Session Laws of Hawaii 1955 pertaining to the issuance of bonds for the completion of, the improvements to, and the development of certain existing public parks and playgrounds, and for the acquisition of new public parks and playgrounds in the city and county of Honolulu, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however,* That nothing herein contained shall be deemed to prohibit the amendment of such territorial legislation by the legislature of the Territory of Hawaii from time to time to provide for changes in the completions, improvements, developments, acquisitions and constructions authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.'

"SEC. 2. Certified copies of this joint resolution shall be forwarded to the President of the Senate, and to the Speaker of the House of Representatives of the Congress of the United States of America, the Secretary of the Interior in Washington, D. C., and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 4th day of June 1955.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 50

"Joint resolution requesting the Congress of the United States of America to enact legislation amending the Hawaiian Homes Commission Act, 1920, to authorize the Hawaiian Homes Commission to approve and guarantee additional loans to Hawaiian homes homesteaders by private financing institutions

"Whereas the Hawaiian Homes Commission has been unable to carry out its program of improving and fully developing homestead lands because of the limited funds available for loan purposes; and

"Whereas local banks, building and loan associations, and other financial institutions have expressed willingness to make additional loans to Hawaiian homes homesteaders for improvement or repair purposes if the Hawaiian Homes Commission would guarantee such additional loans; and

"Whereas such additional loans would make funds available and would be desirable since they would permit the Hawaiian Homes Commission to adequately carry out its program of improving and developing homestead land: Now, therefore,

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby respectfully requested to enact legislation amending the Hawaiian Homes Commission Act, 1920, to authorize the Hawaiian Homes Commission to approve and guarantee additional loans made by private financing institutions to those Hawaiian homes homesteaders who need additional capital to improve or repair their homestead lands.

"SEC. 2. Certified copies of this joint resolution shall be transmitted to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of the Interior, and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 4th day of June 1955.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

Three acts of the Legislature of the Territory of Hawaii, numbered 145, 210, and 223; to the Committee on Interior and Insular Affairs.

RETURN OF SEIZED ENEMY PROPERTY—RESOLUTION

Mr. KILGORE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, Resolution No. 625 adopted by the 36th national convention of the American Legion in regard to the return of seized enemy property held by the United States.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution 625

Whereas the United States, during the course of World War II, seized property located in the United States and belonging to citizens of countries with whom the United States was at war, including Germany, Japan, Italy, Bulgaria, Rumania, and Hungary; and

Whereas in 1948 the Congress enacted the War Claims Act, providing that such seized enemy property should not be returned to the former enemy owners, but should be retained by the United States and used to compensate United States civilian and military personnel who had been prisoners of war and had been mistreated by the enemy; and

Whereas representatives of the American Legion testified before Congress urging the enactment of the War Claims Act, and the American Legion has continued to support said act at all times since; and

Whereas said moneys have been used for the purposes stated in the War Claims Act and have been paid out and are now being paid out to veterans of World War II who were prisoners of war; and

Whereas the former enemy governments are now commencing agitation for the return of said property, despite the fact that they have entered into treaties of peace with the United States, which provide that said property shall be retained by the United States as reparations and although they have not taken any similar steps to compensate citizens of the United States whose property located in those countries was destroyed, confiscated, or nationalized; and

Whereas it has been the firm and unshaken policy of the Government of the United States and of the American Legion that American civilians and military personnel who were captured and mistreated at the hands of the enemy should be compensated before the former enemy citizens and corporations who caused and profited from World War II; and

Whereas most of the money and property seized by the United States has been spent for the purposes stated in the War Claims Act and is no longer held by the Government and any legislation providing for return thereof would require an appropriation by Congress to be paid for by increased taxes; and

Whereas many of the countries which were our enemies in World War II now have Communist governments and the payment of dollars to them by the taxpayers of the United States would not be in the interests of this Government, and should be strongly opposed by all patriotic American citizens: Now, therefore, be it

"Resolved by the American Legion, Department of the District of Columbia:

"1. That the American Legion adhere to its support of the war claims should be retained as reparations and should continue to be devoted to the purposes provided by the War Claims Act and should not be returned to the enemy governments and persons from whom it was seized;

"2. That the legislative representatives of the American Legion be instructed to oppose any legislation which would provide for a return of seized enemy property held by the United States;

"3. That this resolution be transmitted to national headquarters for consideration at the national convention to be held at Washington, D. C., on August 30-September 2, 1954."

We hereby certify that the above resolution was duly adopted at a regular meeting of the executive committee of the Department of the District of Columbia, held at Washington, D. C., on August 26, 1954.

ROBERT ADAMS,
Department Commander.
BYRON DUNN,
Department Adjutant.

REGULATION OF TRANSPORTATION AND SHIPMENT OF FIREWORKS—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the St. Paul (Minn.) City Council, expressing their opposition to the bill (S. 1297) to amend title 18, United States Code, so as to regulate the transportation and shipment of fireworks.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas it has come to the attention of the Council of the City of St. Paul that there is pending in the Congress of the United States a bill designated Senate File 1297, which under its terms would relax the restrictions on transportation of fireworks in interstate commerce; and

Whereas it is the desire of the Council of the City of St. Paul to go on record against any amendment to the present law which would relax the present restrictions on the transportation of fireworks in interstate commerce: Now, therefore, be it

Resolved by the Council of the City of St. Paul, That it desires to go on record in opposition to the proposed amendments contained in Senate File 1297 which are pointed toward decreasing present restrictions with respect to transportation of fireworks in interstate commerce; be it further

Resolved, That the city clerk be instructed to send copies of this resolution to all of the Congressmen and Senators from Minnesota.

Adopted by the council June 2, 1955.
Approved June 2, 1955.

JOSEPH E. DILLON,
Mayor.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

S. 1894. A bill to provide for the participation of the United States in the International Finance Corporation; with amendments (Rept. No. 505).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce; without amendment:

S. 2074. A bill to extend for an additional 5 years the provisions of the act of September 30, 1950, entitled "An act to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof" (Rept. No. 509).

My Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce; with an amendment:

S. 1378. A bill to clarify and consolidate the authority to require the establishment,

maintenance, and operation of aids to maritime navigation on fixed structures in or over navigable waters of the United States (Rept. No. 510).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

S. 1177. A bill for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation; without amendment (Rept. No. 508).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs:

S. 598. A bill to provide for adjustments in the lands or interests therein acquired for the Albeni Falls Reservoir project, Idaho, by the reconveyance of certain lands or interests therein to the former owners thereof; without amendment (Rept. No. 511).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 1041. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes; with amendments (Rept. No. 507).

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. J. Res. 12. Joint resolution to authorize and direct the International Joint Commission on United States-Canadian boundary waters to make a survey of the proposed Passamaquoddy tidal power project, and for other purposes; with amendments (Rept. No. 506).

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, June 10, 1955, he presented to the President of the United States the following enrolled bills and joint resolutions:

S. 39. An act for the relief of Stanislavas Racinskas (Stacys Racinskas);

S. 68. An act for the relief of Evantiyi Yorgiyadis;

S. 89. An act for the relief of Margaret Isabel Byers;

S. 93. An act for the relief of Ahti Johannes Ruuskanen;

S. 121. An act for the relief of Sultana Coka Pavlovitch;

S. 129. An act for the relief of Miroslav Slovak;

S. 193. An act for the relief of Louise Russu Sozanski;

S. 236. An act for the relief of Johanna Schmid;

S. 265. An act to amend the acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such acts to 320 acres;

S. 266. An act authorizing the Secretary of the Interior to transfer certain property of the United States Government (in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.) to the State of Wyoming;

S. 320. An act for the relief of Mrs. Diana Cohen and Jacqueline Patricia Cohen;

S. 321. An act for the relief of Anni Marjatta Makela and son, Markku Paivio Makela;

S. 351. An act for the relief of Ellen Henriette Buch;

S. 407. An act for the relief of Helen Zafred Urbanic;

S. 439. An act for the relief of Lucy Personius;

S. 504. An act for the relief of Priska Anne Kary;

S. 528. An act to revive and reenact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950;

S. 755. An act to authorize the conveyance of certain war housing projects to the city of Warwick, Va., and the city of Hampton, Va.;

S. 844. An act for the relief of Zev Cohen (Zev Machtani);

S. 998. An act to authorize the conveyance of a certain tract of land in the State of Oklahoma to the city of Woodward, Okla.;

S. 1398. An act to strengthen the investigation provisions of the Commodity Exchange Act;

S. 1419. An act to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service;

S. J. Res. 6. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area;

S. J. Res. 51. Joint resolution extending an invitation to the International Olympic Committee to hold the 1960 winter Olympic games at Squaw Valley, Calif.; and

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. IVES:

S. 2183. A bill to extend the unemployment compensation program to Puerto Rico, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. IVES when he introduced the above bill, which appear under a separate heading.)

By Mr. HICKENLOOPER (for Mr. DIRKSEN):

S. 2184. A bill to amend title II of the Social Security Act to reduce the age at which individuals may become entitled to benefits thereunder from 65 to 60 in the case of men and from 65 to 55 in the case of women;

S. 2185. A bill to amend title II of the Social Security Act to reduce the age at which old-age and survivors insurance benefits become payable from 65 to 55 in the case of widows, and from 65 to 60 in the case of other individuals; and

S. 2186. A bill to amend the Social Security Act to provide that, for the purpose of old-age and survivors insurance benefits, retirement age shall be reduced from 65 to 60; to the Committee on Finance.

By Mr. HICKENLOOPER (for Mr. DIRKSEN) (by request):

S. 2187. A bill for the relief of Stella W. Janinis; to the Committee on the Judiciary.

By Mr. KNOWLAND (for Mr. DIRKSEN):

S. 2188. A bill to amend the Watershed Protection and Flood Prevention Act to provide that the Federal Government shall pay a portion of the costs of certain works of improvement constructed for purposes of water conservation; to the Committee on Public Works.

By Mr. WILLIAMS (for himself, Mr. KNOWLAND, Mr. KEFAUVER, and Mr. KUCHEL):

S. 2189. A bill to provide for the reinstatement of William A. Burkett as a senior special agent, United States Treasury; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. WILLIAMS when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER (for himself, Mr. HENNINGS, Mr. LANGER, Mr. JOHNSTON of South Carolina, and Mr. DANIEL):

S. 2190. A bill to amend the act entitled "An act to create a juvenile court in and for the District of Columbia" so as to provide for the appointment of a referee;

S. 2191. A bill to amend section 7 of the Juvenile Court Act of the District of Columbia;

S. 2192. A bill to amend section 13 of the Juvenile Court Act of the District of Columbia;

S. 2193. A bill to amend the law relating to indecent publications in the District of Columbia; and

S. 2194. A bill to amend certain provisions of the laws relating to the functioning of the Juvenile Court of the District of Columbia so as to permit the waiver of the jurisdiction of the court in certain additional cases, and for other purposes; to the Committee on the District of Columbia.

S. 2195. A bill to make uniform the law of reciprocal enforcement of support in the District of Columbia; to the Committee on the Judiciary.

(See the remarks of Mr. KEFAUVER when he introduced the above bills, which appear under a separate heading.)

By Mr. STENNIS (for himself, Mr. EASTLAND, Mr. GORE, and Mr. THURMOND):

S. 2196. A bill to amend section 344 of the Agricultural Adjustment Act of 1938, as amended, relating to cotton acreage allotments; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. STENNIS when he introduced the above bill, which appear under a separate heading.)

By Mr. MONRONEY (for himself and Mr. KERR):

S. 2197. A bill to authorize the Secretary of the Interior to distribute equally to members of the Kaw Tribe of Indians certain moneys to the credit of the tribe in the United States Treasury; and

S. 2198. A bill to extend the period of restrictions on lands belonging to Indians of the Five Civilized Tribes in Oklahoma, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FULBRIGHT:

S. 2199. A bill authorizing the modification of the general plan for the comprehensive development of the White River Basin to provide for additional hydroelectric power development, for the control of floods, and for other purposes; to the Committee on Public Works.

By Mr. DOUGLAS:

S. 2200. A bill for the relief of Ibrahim Khoury Salameh; and

S. 2201. A bill for the relief of Dr. Wei-Chi Liu; to the Committee on the Judiciary.

By Mr. HAYDEN (for himself and Mr. GOLDWATER):

S. 2202. A bill to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the valley division, Yuma reclamation project, Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BENDER:

S. 2203. A bill for the relief of Gerlando Contrino; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. J. Res. 76. Joint resolution reaffirming the desire of the American people for peace; to the Committee on Foreign Relations.

(See the remarks of Mr. SMITH of New Jersey, when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. ELLENDER (for Mr. JOHNSON of Texas, Mr. DANIEL, himself, and Mr. LONG):

S. J. Res. 77. Joint resolution to modify the authorized project for Ferrells Bridge Reservoir, Tex., and to provide for the local cash contribution for the water supply feature of that reservoir; to the Committee on Public Works.

EXTENSION OF UNEMPLOYMENT COMPENSATION PROGRAM TO PUERTO RICO

Mr. IVES. Mr. President, I introduce, for appropriate reference, a bill to extend the unemployment insurance compensation program to Puerto Rico. I ask unanimous consent that the text of the bill as well as a statement in explanation of the provisions contained therein be included in the body of the RECORD following these remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2183) to extend the unemployment compensation program to Puerto Rico, and for other purposes, introduced by Mr. IVES, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That paragraph (2) of section 901 (b) of the Social Security Act, as amended, is amended to read as follows:

"(2) the amount estimated by the Secretary of Labor as equal to the necessary expenses incurred during the fiscal year for the performance by the Department of Labor of its functions under (i) this title and titles III and XII of this act, (ii) the Federal Unemployment Tax Act, (iii) the provisions of the act of June 6, 1933, as amended, (iv) title IV (except sec. 602) of the Servicemen's Readjustment Act of 1944, as amended, and (v) title IV of the Veterans' Readjustment Act of 1952; and"

SEC. 2. Paragraph (1) of section 1101 (a) of the Social Security Act, as amended, is amended to read as follows:

"(1) The term 'State' includes Alaska, Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico, and when used in titles I, IV, V, X, and XIV includes the Virgin Islands."

SEC. 3. Paragraph (2) of section 1101 (a) of the Social Security Act, as amended, is amended to read as follows:

"(2) The term 'United States' when used in a geographical sense means the States, Alaska, Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico."

SEC. 4. Section 3306 (j) of the Internal Revenue Code of 1954 is amended to read as follows:

"(j) State, United States, and citizen: For purposes of this chapter—

(1) State: The term 'State' includes Alaska, Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico.

(2) United States: The term 'United States' when used in a geographical sense includes the Commonwealth of Puerto Rico. An individual who is a citizen of the Commonwealth of Puerto Rico (but not otherwise a citizen of the United States) shall be considered, for purposes of this section, as a citizen of the United States."

SEC. 5. Effective date:

(a) The effective date of sections 1, 2, and 3 of these amendments shall be January 1, 1956.

(b) Section 4 of these amendments shall be effective with respect to remuneration paid after 1955 for services performed after 1955.

The statement presented by Mr. IVES is as follows:

STATEMENT BY SENATOR IVES

This proposed legislation is designed to extend the present Federal-State unemployment compensation program to the Commonwealth of Puerto Rico. The proposal is a part of the legislative program of the Department of Labor and the Bureau of the Budget has advised that it has no objection to its submission. Enactment of this proposed legislation will involve no additional costs to the Federal Government.

Under the present Federal-State system, unemployment insurance benefits are paid in accordance with State laws to workers, who, while able to work and available for work, are unemployed through no fault of their own. The benefits are paid from the proceeds of State payroll taxes which are deposited in the unemployment trust fund in the United States Treasury.

NEED FOR UNEMPLOYMENT INSURANCE IN PUERTO RICO

The need for unemployment insurance in Puerto Rico has long been apparent. The Commonwealth is plagued by unemployment and lacks sufficient industrial activity to absorb its labor surpluses. As a result, three of its major industrial areas has "substantial" and "very substantial" labor surpluses in January of this year, according to figures compiled by the Department of Labor. This lack of balance between employment supply and demand has produced serious economic problems in Puerto Rico and led to a large-scale migration of workers from the island to the mainland in search of employment.

The basic solution to this problem, of course, requires more industry to provide jobs for those now unemployed. Great strides toward this goal are being made through Puerto Rico's dynamic program for bringing in new industry. Along with this development, however, the unemployment insurance protection provided for the rest of the United States should be extended to Puerto Rico. In helping to alleviate the hardships of the temporarily unemployed unemployment insurance would help maintain purchasing power and thus stabilize and bolster Puerto Rico's economy.

The only domestic program Puerto Rico presently has to cope with the problems of unemployment is a limited unemployment-insurance program for employees of its sugar industry. Unemployment insurance protection is provided under other programs, of course, for employees of the Federal Government and veterans. A full unemployment-compensation program is badly needed.

EXTENSION WILL ROUND OUT THE SOCIAL SECURITY PROGRAM

The desirability and feasibility of meeting serious social problems in Puerto Rico has long been recognized by Congress and is reflected in its inclusion in a number of remedial statutes. The Wagner-Peyser Act was amended in 1950 to extend the Federal-State employment service program to Puerto Rico. All the provisions of the Social Security Act except the unemployment-compensation program have already been extended to Puerto Rico: The maternal and child-welfare program was extended to the Commonwealth as early as January 1, 1940; the program for old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently disabled was extended on October 1, 1950; and the old age and survivors' insurance programs were made effective to Puerto Rico on January 1, 1951. Including Puerto Rico in the unemployment-compensation program will round out the social-security program for the Commonwealth.

PUERTO RICO WANTS TO BE INCLUDED

The Commonwealth of Puerto Rico is anxious to be brought under the Federal-State unemployment-insurance program. Officials of the Commonwealth have had frequent conferences with staff members of the Department of Labor in their efforts to develop a financially sound and acceptable plan. The Puerto Rican Legislative Assembly passed a concurrent resolution on February 18, 1955, expressing its desire that the program be extended to the Commonwealth. This resolution was presented to the House on February 28, 1955, and to the Senate on March 2, 1955. Appropriate legislation to establish an unemployment-insurance system for Puerto Rico has already been introduced in the Puerto Rican Legislature and is presently in committee. The provisions of that legislation are such as to permit its approval for incorporation into the existing Federal-State system of unemployment compensation insurance.

REINSTATEMENT OF WILLIAM A. BURKETT AS SENIOR SPECIAL AGENT, TREASURY DEPARTMENT

Mr. WILLIAMS. Mr. President, on behalf of myself, the senior Senator from California [Mr. KNOWLAND], the Senator from Tennessee [Mr. KEFAUVER], and the junior Senator from California [Mr. KUCHEL], I introduce, for appropriate reference, a bill to provide for the reinstatement of William A. Burkett as a senior special agent, United States Treasury. I ask unanimous consent that a statement, prepared by me, relating to the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2189) to provide for the reinstatement of William A. Burkett as a senior special agent, United States Treasury, introduced by Mr. WILLIAMS (for himself and other Senators) was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

The statement presented by Mr. WILLIAMS is as follows:

STATEMENT BY SENATOR WILLIAMS

This bill would restore William A. Burkett to the position of senior special agent, United States Treasury, with the same seniority that he would have attained had he not voluntarily resigned his position on August 18, 1950, in order to bring to light evidence of corruption especially in the offices of the collectors of internal revenue in northern California and Nevada.

No better recommendation for the enactment of this bill can be given to the Senate than to quote from the book by Senator KEFAUVER entitled "Crime in America."

This is what he said:

"Credit for originally breaking the internal revenue scandals, involving employees of the offices of the collectors of internal revenue for northern California and for Nevada must go to William Burkett, a young and diligent former special agent of the Treasury Department's Intelligence Unit in the northern California district. The shame of it is that neither the district office nor the Internal Revenue Bureau in Washington acted promptly on Burkett's disclosures. Eventually the young agent resigned in disgust * * *

"Mr. Burkett's courage, high spirit of decency and loyal service to our Government was one of the real bright spots in the Crime Committee's investigations, and I hope Mr.

Burkett will be appropriately awarded for being such an outstanding American."

Mr. Burkett is a graduate in law and accounting and is a World War II disabled veteran with a 10-point veteran's rating under civil-service regulations.

I am not sure that Mr. Burkett desires reemployment with the United States Government at this time; however, in view of the fact that he was forced to give up his employment status in order that he might be free to cooperate with the California Crime Commission, the Kefauver committee, and the Congress, I feel that Congress can do no less than to reinstate Mr. Burkett with full civil-service rights, thus affording him an opportunity to make his decision.

Prompt action by the Congress to recognize the contribution made in the interest of clean government by this former employee not only will give proper recognition to the outstanding service of Mr. Burkett but also will have a tendency to reimpress upon all Federal employees that once highly respected principle—"that a public office is a public trust."

I am introducing this bill on behalf of myself, the Senators from California, Mr. KNOWLAND and Mr. KUCHEL, and the Senator from Tennessee, Mr. KEFAUVER, and together we urge the prompt enactment of this legislation.

PROPOSED LEGISLATION ON JUVENILE DELINQUENCY

Mr. KEFAUVER. Mr. President, on behalf of myself, the Senator from Missouri [Mr. HENNINGS], the Senator from North Dakota [Mr. LANGER], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Texas [Mr. DANIEL], I introduce, for appropriate reference, a series of six bills dealing with juvenile delinquency, and relating to the District of Columbia. I ask unanimous consent that the bills, together with a statement by me, and an analysis of each bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bills will be received and appropriately referred; and, without objection, the bills, statement, and analysis will be printed in the RECORD.

The bills, introduced by Mr. KEFAUVER (for himself and other Senators), were received, read twice by their titles, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on the District of Columbia:

S. 2190. A bill to amend the act entitled "An act to create a juvenile court in and for the District of Columbia," so as to provide for the appointment of a referee:

"Be it enacted, etc., That section 19 of the act entitled 'An act to create a juvenile court in and for the District of Columbia,' approved March 19, 1906 (34 Stat. 73; D. C. Code, sec. 11–920), as amended, is amended by (1) inserting '(a)' immediately after 'SEC. 19,' and (2) adding a new subsection as follows:

"'(b) Appointment, qualifications, and duties of referee:

"'(1) The judge shall appoint a referee in accordance with the civil-service laws and regulations at a rate of compensation to be fixed in accordance with the Classification Act of 1949. To be eligible for appointment as a referee a person shall be a member of the bar, preferably of the District of Columbia, and shall be familiar with the philosophy and practice of a juvenile court.

"'(2) The referee shall, at the request of the judge, hear any case designated by the judge in the first instance in the manner provided for the hearing of cases by the court. At the conclusion of such hearing the referee shall transmit to the judge all papers relating to the case, together with his findings and recommendations in writing. Notice of the referee's findings and recommendations shall be given to the parent, guardian or custodian of any child whose case has been heard by the referee, or to any other person concerned.

"'(3) Any interested person aggrieved by any findings or recommendations of the referee may request in writing, within 3 days after the receipt by such person of notice of such findings and recommendations, a hearing by the judge. Such hearing shall be treated as an appeal from the decision of the referee and upon the same evidence, but any newly discovered evidence may be admitted in the discretion of the judge. In case no hearing before the judge is requested, or if the right to such hearing is waived, the findings and recommendations of the referee, when confirmed by an order of the judge, shall become the decree of the court.'"

The analysis accompanying Senate bill 2190 is as follows:

ANALYSIS OF BILL TO AMEND THE ACT ENTITLED "AN ACT TO CREATE A JUVENILE COURT IN AND FOR THE DISTRICT OF COLUMBIA," SO AS TO PROVIDE FOR THE APPOINTMENT OF A REFEREE

This bill adds a subsection to section 19 of the District Juvenile Court Act and provides for appointment, qualifications, and the duties of a referee.

Appointment would be made by the judge in accordance with existing civil-service laws at a rate to be fixed in accordance with the Classification Act of 1949. The appointee must be a member of the bar, preferably of the District, and familiar with the philosophy and practices of a juvenile court.

The referee would hear cases designated by the judge, submit his findings and recommendations in writing, and notify the parent, guardian, or custodian of the child, and any other person concerned. An interested person aggrieved might appeal to the judge in writing within 3 days, in which case the judge would grant a hearing. In case no hearing before the judge is requested, the findings and recommendations of the referee, when confirmed by order of the judge, shall become the decree of the court.

S. 2191. A bill to amend section 7 of the Juvenile Court Act of the District of Columbia:

"Be it enacted, etc., That section 7 of the Juvenile Court Act of the District of Columbia, as amended (D. C. Code, sec. 11–908), is amended (1) by inserting "(a)" immediately after "Petition.—", and (2) by adding at the end thereof a new subsection as follows:

"'(b) The director of social work shall carry out his duties and functions under this section in accordance with policies and procedures established by the judge.'"

The analysis accompanying Senate bill 2191 is as follows:

ANALYSIS OF BILL TO AMEND SECTION 7 OF THE JUVENILE COURT ACT OF THE DISTRICT OF COLUMBIA

This bill would amend the District of Columbia Juvenile Court Act so as to make it perfectly clear that the Director of social work carries out his duties under the direction of the juvenile court judge. Under the present statute, some question has been raised as to whether the Director of social work, in determining which cases shall be brought into court and which not, must follow the judge's policies and procedures. Testimony before the subcommittee indicated that about 25 percent of the complaints made to the juvenile court are handled by the Social Work Division without ever being referred to the judge. This is an important segment of the total work of the court. While the proposed bill would not impair the authority of the judge to delegate these decisions to the Director of social work, it does make it clear that when they are made they shall be made in accordance with guidelines set forth by the judge.

S. 2192. A bill to amend section 13 of the Juvenile Court Act of the District of Columbia:

"Be it enacted, etc., That section 13 of the Juvenile Court Act of the District of Columbia, as amended (D. C. Code, sec. 11–914), is amended by inserting after 'investigation,' the following: 'and after the Chief of Police of the Metropolitan Police Department and the United States attorney for the District of Columbia have been accorded an opportunity to appear and present their views in the matter.'"

The analysis accompanying Senate bill 2192 is as follows:

ANALYSIS OF BILL TO AMEND SECTION 13 OF THE JUVENILE COURT ACT OF THE DISTRICT OF COLUMBIA

This bill would amend the District Juvenile Court Act so as to make it mandatory that the Chief of Police of the Metropolitan Police Department and the United States attorney for the District be accorded an opportunity to appear and present their views before judgment is passed by the court in petitions for waiver of jurisdiction.

S. 2193. A bill to amend the law relating to indecent publications in the District of Columbia:

"Be it enacted, etc., That section 872 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–2001), is amended (1) by inserting '(a)' immediately after 'SEC. 872,' and (2) by adding at the end thereof a new subsection as follows:

"'(b) Any vehicle, fixture, equipment, stock, or other thing of value (including without limitation, vehicles, equipment, fixtures, or things adaptable to a lawful use) used or to be used in connection with (1) the sale, distribution, manufacture, or showing of any article or material, or (2) the advertising or staging of any exhibition, the sale or advertising of which is prohibited by subsection (a) of this section, shall be subject to seizure by any member of the Metropolitan Police force or the United States Park Police, or the United States marshal, or any deputy marshal, for the District of Columbia, and shall, unless good cause is shown to the contrary by the owner, be forfeited to the District of Columbia, by order of any court having jurisdiction, for disposition by public auction or as otherwise provided by law. Bona fide liens against property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property. Forfeit moneys and other proceeds realized from the enforcement of this section shall be deposited in the Treasury of the United States to the credit of the District of Columbia.'"

The analysis accompanying Senate bill 2193 is as follows:

ANALYSIS OF BILL TO AMEND LAW RELATING TO INDECENT PUBLICATIONS IN THE DISTRICT OF COLUMBIA

The bill adds a subsection to the existing law providing for the seizure and sale of any vehicle, fixture, equipment, stock, or other thing of value used or to be used for or in connection with (1) the sale, distribution, manufacturing or showing of any article or material, or (2) the advertising or staging of any exhibition, the sale or advertising of which is prohibited under the existing section of this law.

S. 2194. A bill to amend certain provisions of the laws relating to the functioning of the juvenile court of the District of Columbia so

as to permit the waiver of the jurisdiction of the court in certain additional cases, and for other purposes:

"*Be it enacted, etc.*, That section 11-914 of the District of Columbia Code (1951) is amended by inserting the designation '(a)' immediately before the first word thereof and by adding the following new subsection at the end thereof:

"'(b) With respect to any child 16 years of age of older who has been committed to the Department of Public Welfare, the Department may file a petition with the court alleging that it has found that the child cannot benefit from the Department's resources for care and treatment because the child's personality and his stage of social and emotional development are such that the child cannot profit from a program appropriate for the treatment of children, that such child, while in institutions operated by the Department, has repeatedly violated sections 22-504, 22-403, and/or 22-3112 of the District of Columbia Code (1951), and that such violations were harmful to the other children in, or disruptive of the program of, such institutions, and petitioning the court to waive jurisdiction and order such child held for trial for such offenses under the regular procedures of the court which would have jurisdiction of such offenses if committed by an adult. The court shall grant such petition if, after full study, including psychiatric examination, and hearing on the petition, the court shall find that—

"'(1) there is probable cause to believe that such child repeatedly violated those sections of the law as alleged in the petition;

"'(2) such violations were harmful to the other children in, or disruptive of the programs of such institutions, and

"'(3) the child cannot benefit from the Department's resources for care and treatment because his personality and his stage of social and emotional development are such that the child cannot profit from a program appropriate for the treatment of children; and

"'(4) there are no treatment facilities in the community which might be utilized effectively for the rehabilitation of such child. If, thereafter, any child with respect to whom the court has waived jurisdiction under this subsection, comes within the provisions of section 11-906 of the District of Columbia Code (1951), the court may, after investigation, waive jurisdiction and order such child held for trial under the regular procedures of the court which would have jurisdiction of such offenses if committed by an adult.'

"SEC. 2. At the expiration of 5 years from the enactment of this act, the Board of Commissioners of the District of Columbia shall report to the Congress with respect to the operation and effect of this act and with respect to any changes or amendments which it deems necessary or desirable."

The analysis accompanying Senate bill 2194 is as follows:

ANALYSIS OF BILL TO AMEND CERTAIN PROVISIONS OF LAW RELATING TO THE FUNCTIONING OF THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA SO AS TO PERMIT THE WAIVER OF THE JURISDICTION OF THE COURT IN CERTAIN ADDITIONAL CASES, AND FOR OTHER PURPOSES

Some children committed to the Department of Public Welfare, who are over 16 years of age, commit acts in violation of the law and do not benefit by a program appropriate for children; in fact, their presence in the institution operated by the Department constitutes a disruptive influence on the program, and their violations are harmful to other children.

This bill provides that in such cases the Department of Public Welfare may petition the court, and that the court may grant such petition waiving jurisdiction of the court and ordering the child held for trial under regular procedures of the court which would have jurisdiction of such offenses if committed by an adult.

Section 2 of the bill provides that a full report of the effectiveness of this act, together with recommendations, be submitted to the Congress by the Board of Commissioners after 5 years.

To the Committee on the Judiciary:

S. 2195. A bill to make uniform the law of reciprocal enforcement of support in the District of Columbia:

"*Be it enacted, etc.*, That the following provisions to improve and extend by reciprocal legislation the enforcement of duties of support and to make uniform the law in respect thereto, shall be in effect in the District of Columbia on and after the approval of this act, namely:

"PART I—GENERAL PROVISIONS

"PURPOSES

"SEC. 2. The purposes of this act are to improve and extend by reciprocal legislation the enforcement of duties of support and to make uniform the law with respect thereto.

"DEFINITIONS

"SEC. 3. As used in this act, unless the context requires otherwise—

"(1) 'State' includes any State, Territory, or possession of the United States and the District of Columbia in which this or a substantially similar reciprocal law has been enacted.

"(2) 'Initiating State' means any State in which a proceeding pursuant to this or a substantially similar reciprocal law is commenced.

"(3) 'Responding State' means any State in which any proceeding pursuant to the proceeding in the initiating State is or may be commenced.

"(4) 'Court' means the United States District Court for the District of Columbia and, when the context requires, means the court of any other State as defined in a substantially similar reciprocal law.

"(5) 'Law' includes both common and statute law.

"(6) 'Duty of support' includes any duty of support imposed or imposable by law, or by any court order, decree, or judgment, whether interlocutory or final, whether incidental to a proceeding for divorce, judicial separation, separate maintenance, or otherwise.

"(7) 'Obligor' means any person owing a duty of support.

"(8) 'Obligee' means any person to whom a duty of support is owed.

"REMEDIES ADDITIONAL TO THOSE NOW EXISTING

"SEC. 4. The remedies herein provided are in addition to and not in substitution for any other remedies.

"EXTENT OF DUTIES OF SUPPORT

"SEC. 5. Duties of support arising under the law of the District of Columbia, when applicable under section 7, bind the obligor, present in the District of Columbia, regardless of the presence or residence of the obligee.

"PART II—CRIMINAL ENFORCEMENT

"INTERSTATE RENDITION

"SEC. 6. The chief judge of the United States District Court for the District of Columbia (1) may demand from the governor of any other State the surrender of any person found in such other State who is charged in the District of Columbia with the crime of failing to provide for the support of any person in the District of Columbia and (2) may surrender on demand by the governor of any other State any person found in the District of Columbia who is charged in such other State with the crime of failing to provide for the support of a person in such other State. The provisions for extradition of criminals not inconsistent herewith shall apply to any such demand although the person whose surrender is demanded was not in the demanding State at the time of the commisssion of the crime and although he had not fled therefrom. Neither the demand, the oath, nor any proceedings for extradition pursuant to this section need state or show that the person whose surrender is demanded has fled from justice, or at the time of the commission of the crime was in the demanding or other State.

"RELIEF FROM THE ABOVE PROVISIONS

"SEC. 7. Any obligor, contemplated by section 5, who submits to the jurisdiction of the court of such other State and complies with the court's order of support, shall be relieved of extradition for desertion or nonsupport entered in the courts of the District of Columbia during the period of such compliance.

"PART III—CIVIL ENFORCEMENT

"CHOICE OF LAW

"SEC. 8. Duties of support applicable under this law are those imposed or imposable under the laws of any State where the obligor was present during the period for which support is sought. The obligor is presumed to have been present in the responding State during the period for which support is sought until otherwise shown.

"REMEDIES OF A STATE OR POLITICAL SUBDIVISION THEREOF FURNISHING SUPPORT

"SEC. 9. Whenever the State or a political subdivision thereof furnishes support to an obligee, it has the same right to invoke the provisions hereof as the obligee to whom the support was furnished for the purpose of securing reimbursement of expenditures so made and of obtaining continuing support.

"HOW DUTIES OF SUPPORT ARE ENFORCED

"SEC. 10. All duties of support are enforcible by action, petition, proceeding, or complaint irrespective of relationship between the obligor and obligee. Jurisdiction of all proceedings hereunder shall be vested in the United States District Court for the District of Columbia.

"CONTENTS OF PETITION OR COMPLAINT FOR SUPPORT

"SEC. 11. The petition or complaint shall be verified and shall state the name and, so far as known to the plaintiff, petitioner, or complainant, the addresses and circumstances of the defendant or respondent, his dependents for whom support is sought, and all other pertinent information. The plaintiff, petitioner, or complainant may include in or attach to the petition or complaint any information which may help in locating or identifying the defendant or respondent including, but without limitation by enumeration, a photograph of the defendant or respondent, a description of any distinguishing marks of his person, other names and aliases by which he has been or is known, the name of his employer, his fingerprints, or social security number.

"OFFICIALS TO REPRESENT PLAINTIFF, PETITIONER, OR COMPLAINANT

"SEC. 12. The district attorney of the District of Columbia or such other official as may be appropriate shall represent the plaintiff, petitioner, or complainant in any proceeding under this act.

"PETITIONER FOR A MINOR

"SEC. 13. A petition or complaint on behalf of a minor obligee may be brought by a person or agency having legal custody of the minor without appointment as guardian ad litem or by a person or agency having responsibility of support of the minor obligee.

"DUTY OF COURT OF DISTRICT OF COLUMBIA AS INITIATING STATE

"SEC. 14. If the court of the District of Columbia acting as an initiating State finds that the petition sets forth facts from which it may be determined that the defendant or respondent owes a duty of support and that a court of the responding State may obtain jurisdiction of the defendant or his property, it shall so certify and shall cause three copies of (1) the petition or complaint, (2) its certificate, and (3) this act to be transmitted to the court in the responding State. If the name and address of such court is unknown and the responding State has an information agency comparable to that established in the initiating State it shall cause such copies to be transmitted to the State information agency or other proper official of the responding State, with a request that it forward them to the proper court, and that the court of the responding State acknowledge their receipt to the court of the District of Columbia.

"COSTS AND FEES

"SEC. 15. A court of the District of Columbia acting either as an initiating or responding State may in its discretion direct that any part of or all fees and costs incurred in the District of Columbia, including without limitation by enumeration, fees for filing service of process, seizure of property, and stenographic service of both plaintiff, petitioner or complainant, and defendant or respondent, or either, shall be paid by the District of Columbia or other political subdivision or agency thereof. Where the action is brought by or through the District of Columbia or an agency thereof, there shall be no filing fee.

"JURISDICTION BY ARREST

"SEC. 16. When the court of the District of Columbia, acting either as an initiating or responding State, has reason to believe that the defendant or respondent may flee the jurisdiction it may (a) as an initiating State request in its certificate that the court of the responding State obtain the body of the defendant by appropriate process if that be permissible under the law of the responding State, or (b) as a responding State, obtain the body of the defendant by appropriate process.

"STATE INFORMATION AGENCY

"SEC. 17. The United States attorney for the District of Columbia is hereby designated as the State information agency under this act, and it shall be his duty—

"(1) to compile a list of the courts and their addresses in the District of Columbia having jurisdiction under this act and transmit the same to the State information agency of every other State which has adopted this or a substantially similar act.

"(2) to maintain a register of such lists received from other States and to transmit copies thereof as soon as possible after receipt to every court in the District of Columbia having jurisdiction under this act.

"DUTY OF COURT OF THE DISTRICT OF COLUMBIA AS RESPONDING STATE

"SEC. 18. When the court of the District of Columbia, acting as a responding State, receives from the court of any initiating State the aforesaid copies, it shall (1) docket the cause, (2) notify the official charged with the duty of carrying on the proceedings, (3) set a time and place for a hearing, and (4) take such action as is necessary in accordance with the laws of the District of Columbia to obtain jurisdiction.

"FURTHER DUTY OF RESPONDING COURT

"SEC. 19. If a court of the District of Columbia, acting as a responding State, is unable to obtain jurisdiction of the defendant or respondent or his property due to inaccuracies or inadequacies in the petition or complaint or otherwise, the court shall communicate this fact to the court in the initiating State, shall on its own initiative use all means at its disposal to trace the defendant or respondent or his property, and shall hold the case pending the receipt of more accurate information or an amended petition or complaint from the court in the initiating State.

"PROCEDURE

"SEC. 20. The court shall conduct proceedings under this act in the manner prescribed by law for an action for the enforcement of the type of duty of support claimed.

"ORDER OF SUPPOLT

"SEC. 21. If the court of the responding State finds a duty of support, it may order the defendant or respondent to furnish support or reimbursement therefor and subject the property of the defendant or respondent to such order.

"RESPONDING STATE TO TRANSMIT COPIES TO INITIATING STATE

"SEC. 22. The court of the District of Columbia, when acting as a responding State, shall cause to be transmitted to the court of the initiating State a copy of all orders of support or for reimbursement therefor.

"ADDITIONAL POWERS OF COURT

"SEC. 23. In addition to the foregoing powers, the court of the District of Columbia, when acting as the responding State, has the power to subject the defendant or respondent to such terms and conditions as the court may deem proper to assure compliance with its orders and in particular—

"(a) to require the defendant or respondent to furnish recognizance in the form of a cash deposit or bond of such character and in such amount as the court may deem proper to assure payment of any amount required to be paid by the defendant or respondent.

"(b) to require the defendant or respondent to make payments at specified intervals to the clerk or probation office of the court or the obligee and to report personally to such clerk or probation office at such times as may be deemed necessary.

"(c) to punish the defendant or respondent who shall violate any order of the court to the same extent as is provided by law for contempt of the court in any other suit or proceeding cognizable by the court.

"ADDITIONAL DUTIES OF THE COURT OF THE DISTRICT OF COLUMBIA WHEN ACTING AS A RESPONDING STATE

"SEC. 24. The court of the District of Columbia, when acting as a responding State, shall have the following duties which may be carried out through the clerk or probation office of the court:

"(a) Upon the receipt of a payment made by the defendant or respondent pursuant to any order of the court or otherwise, to transmit the same forthwith to the court of the initiating State.

"(b) Upon request to furnish to the court of the initiating State a certified statement of all payments made by the defendant or respondent.

"ADDITIONAL DUTY OF COURT OF THE DISTRICT OF COLUMBIA WHEN ACTING AS AN INITIATING STATE

"SEC. 25. The court of the District of Columbia, when acting as an initiating State, shall have the duty which may be carried out through the clerk or probation office of the court to receive and disburse forthwith all payments made by the defendant or respondent or transmitted by the court of the responding State.

"EVIDENCE OF HUSBAND AND WIFE

"SEC. 26. Laws attaching a privilege against the disclosure of communications between husband and wife are inapplicable to proceedings under this act. Husband and wife are competent witnesses and may be compelled to testify to any relevant matter, including marriage and parentage.

"RULES OF EVIDENCE

"SEC. 27. In any hearing under this law, the court shall be bound by the same rules of evidence that bind the United States District Court for the District of Columbia.

"APPLICATION OF PAYMENTS

"SEC. 28. Any order of support issued by a court of the District of Columbia, when acting as a responding State, shall not supersede any previous order of support issued in a divorce or separate maintenance action, but the amounts for a particular period paid pursuant to either order shall be credited against amounts accruing or accrued for the same period under both.

"EFFECT OF PARTICIPATION IN PROCEEDING

"SEC. 29. Participation in any proceedings under this act shall not confer upon any court jurisdiction of any of the parties thereto in any other proceeding.

"SEVERABILITY

"SEC. 30. If any provision hereof or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

"CHILDREN BORN OUT OF WEDLOCK

"SEC. 31. This act shall include a duty of support to children born out of wedlock: *Provided, however,* That said duty of support arises from the conditions enumerated in section 12 (b) of the act of Congress dated January 11, 1951 (64 Stat. 1240), entitled 'An act relating to children born out of wedlock.'

"APPEALS

"SEC. 32. Any defendant or respondent in an action brought under the provisions of this act shall have the right of appeal. Any order for support made by the court shall not be affected by an appeal but shall continue in effect until the appeal is decided and thereafter, if the appeal is denied, until changed by further order of the court.

"APPROPRIATIONS

"SEC. 33. There are hereby authorized to be appropriated for the purposes of this act such sums as Congress may from time to time determine to be necessary.

"SEC. 34. This act shall take effect immediately."

The analysis accompanying Senate bill 2195 is as follows:

ANALYSIS OF BILL TO MAKE UNIFORM THE LAW OF RECIPROCAL ENFORCEMENT OF SUPPORT IN THE DISTRICT OF COLUMBIA

This bill will improve and extend, by reciprocal legislation, the enforcement of support and make such enforcement uniform and reciprocal with the law in 47 States of the Union in which substantially similar laws have been enacted.

PART I. GENERAL PROVISIONS

Part I defines terms and provides that remedies provided in this law are in addition to other remedies.

PART II. CRIMINAL ENFORCEMENT

The sections under part II make it possible to charge a person with the crime of nonsupport while in residence in another State and provides means of extraditing him for his crime, even though the person specifically may not be charged with fleeing from justice. Submitting to the court's order for support relieves the person from extradition.

PART III. CIVIL ENFORCEMENT

The various sections under part III, besides setting up procedures and explaining the

mechanics of implementing the law, make the provisions described in the following paragraphs.

By provision of this bill the obligor is brought under the law of the State where he lived while incurring the obligation and is made liable to apprehension and the process of law in all cooperating States. Provision is made that the complaint must give full information for the apprehension of the obligor so that he may be brought to court for hearing as prescribed by law and ordered to make payment under penalty of further action under the laws of that State.

The United States District Court of the District of Columbia is given jurisdiction under this law and is responsible for the transmission of payments.

The United States attorney is responsible for providing proper information to court officials and the district attorney or other responsible official shall represent the plaintiff, who for the purpose of this act may be the guardian of a minor child, the State if funds are owed to it, or the person demanding support.

Husbands and wives are excluded from the privilege of the disclosure of information for purposes of this act. It also provides that the duty of support of children born out of wedlock shall conform to conditions set forth in the act of Congress dated January 11, 1951 (64 Stat. 1240).

The defendant is given the right of appeal but must conform to court order until the appeal verdict is given.

This act authorizes the appropriation of funds for implementation of the act and it shall take effect immediately.

The statement presented by Mr. KEFAUVER is as follows:

STATEMENT BY SENATOR KEFAUVER

The problem of juvenile delinquency is not remote from us as we meet in this historic Senate chamber. Rather it is upon our doorstep here in the Nation's Capital. Last year a Member of Congress was stoned by a hoodlum juvenile gang virtually within the shadow of the Capitol Building. Newspapers carry daily accounts of a substantial number of crimes by juveniles in the District of Columbia.

The District of Columbia has experienced the same tragic increase in the volume of juvenile delinquency as that of other communities of this country from coast to coast. With my colleagues on the Senate Subcommittee To Investigate Juvenile Delinquency, Senator HENNINGS, of Missouri, and Senator LANGER, of North Dakota, I recently introduced a bill which would provide for the more adequate discharge of Federal responsibility in giving assistance to communities in meeting this dreadful scourge. The need for increased Federal leadership and action in this area is apparent to all familiar with the problem.

The residents of the voteless District of Columbia are peculiarly dependent upon the Congress for the protection of both children and adults from the menace of youthful crime. Because of the peculiar responsibility which the Congress must at this date exercise in behalf of the District of Columbia, our subcommittee conducted an intensive probe into the problem of juvenile delinquency in this community more than a year ago. The recommendations growing out of that investigation were contained in the subcommittee's interim report, issued in March 1954. The subcommittee has subsequently kept in intimate touch with developments in order to measure and evaluate progress here in the District in meeting the delinquency problem.

The subcommittee is gratified to note that marked progress has occurred relative to certain problems uncovered during its investigation. The juvenile court, for example, has very substantially reduced the waiting period involved in the disposition of cases before it. Representatives of the press are now admitted to hearings of juvenile-delinquency cases in the juvenile court. We believe that both of these developments will enable the juvenile court to render a more effective and better understood service for the District of Columbia.

The subcommittee also notes with satisfaction the reorganization of the police department which gives bureau status to its protective work in behalf of juveniles. We believe that this reorganization and the efforts being made to provide improved training for men in the new bureau lays a solid groundwork for improved police work in combating juvenile delinquency in the Nation's Capital.

During the last session of the Congress and based upon findings growing out of its hearings, our subcommittee introduced several bills into the Congress designed to ameliorate certain lacks and conditions detrimental to the law-abiding development of youth in the District of Columbia. The subcommittee did not then and does not now contend that the adoption of these legislative proposals will eliminate the problem of juvenile delinquency in our Nation's Capital. The roots of juvenile delinquency lie deeply imbedded in the fabric of family and community life. One cannot transform disorganized families and communities into healthy, cohesive, and constructive units through the mere passage of legislation.

It does not therefore follow, however, that the children of the District of Columbia should be subjected to the damaging influence exerted by the adult schoolyard peddlers of sexually erotic and perverse pictures and literature simply because the laws of the District of Columbia permit such peddlers to operate with little fear of consequences if caught. Neither does there seem to be any sound reason why families deserted by their fathers should be deprived of the benefits of the Reciprocal Non-Support Act which has now been adopted by the vast majority of the States. Neither should the residents of the District of Columbia be denied the more effective service which would result by relative minor changes in the laws under which certain of its preventive and treatment agencies function.

It is not within the power of the Congress to eliminate all of the conditions and influences which operate in the District of Columbia to the detriment of its children and youth. There are, however, certain actions which the Congress can take which would at least ameliorate some of these conditions. On behalf of myself, the Senator from Missouri [Mr. HENNINGS], the Senator from North Dakota [Mr. LANGER], the Senator from Texas [Mr. DANIEL], and the Senator from South Carolina [Mr. JOHNSTON], I am introducing six bills which are designed to achieve this end.

Here in this District of Columbia, as in every other community in the country, the problem of juvenile delinquency is not one which can safely wait. The causes of juvenile delinquency are operating upon a substantial number of our young citizens now. Far too many of today's law-abiding young children will be the delinquent youth tomorrow unless immediate action is taken to prevent such a tragic result.

AMENDMENT OF AGRICULTURAL ACT OF 1938, RELATING TO COTTON ACREAGE ALLOTMENTS

Mr. STENNIS. Mr. President, on behalf of myself, my colleague, the senior Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], and the Senator from South Carolina [Mr. THURMOND], I introduce, for appropriate reference, a bill to amend section 344 of the Agricultural Adjustment Act of 1938, as amended, relating to cotton acreage allotments. I ask unanimous consent that the bill, together with an explanation of its provisions, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2196) to amend section 344 of the Agricultural Adjustment Act of 1938, as amended, relating to cotton acreage allotments, introduced by Mr. STENNIS (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That the Secretary shall determine the amount of additional acreage allotment required to establish minimum farm allotments pursuant to subsection (f) (1) of this section and the amount thereof or an acreage equal to 1 percent of the national acreage allotment, whichever is smaller, shall be apportioned to the States on the basis of their needs for such additional acreage allotment, as determined by the Secretary, and the additional acreage allotment so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment (after deduction of the county acreage reserve) for apportionment to farms pursuant to subsection (f) of this section: *Provided further*, That the additional acreage allotment made available for any State shall not be less than the acreage determined by multiplying the State acreage allotment by the smaller of (1) 1 percent or (2) the percentage which the total acreage determined by the Secretary under the foregoing proviso as required for minimum farm allotments is of the national acreage allotment; and any additional acreage allotment allocated to a State pursuant to this proviso shall be used, to the extent needed, to provide minimum farm allotments, and any remainder shall be added to the State reserve and used for the purposes specified therein."

SEC. 2. Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That if the additional acreage allotment allocated to a State under the provisos of subsection (b) is less than the requirements for establishing minimum farm allotments for the State as determined under the first of such provisos, the acreage reserved by the State committee under this subsection shall be not less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 percent of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties and added to the county acreage allotment (after deduction of the county acreage reserve) for apportionment to farms pursuant to subsection (f) of this section."

SEC. 3. Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following for 1956: (A) 4 acres; or (B) 80 percent of the highest number of acres planted to cotton in any year of such 3-year period; and, in years subsequent to 1956, in-

sofar as such acreage is available, there shall be allotted the smaller of: (A) 4 acres; or (B) the highest number of acres planted to cotton in any year of such 3-year period."

SEC. 4. The first sentence of section 344 (f) (6) of such act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the 3 years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such 3-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 percent of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50-percent limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

SEC. 5. The amendments made by this act shall be effective with respect to 1956 and succeeding crops.

The statement presented by Mr. STENNIS is as follows:

STATEMENT IN EXPLANATION OF PROVISIONS OF S. 2196

1. The bill would amend section 344 (b) of the act by adding two provisos as follows: (a) Under the first proviso the Secretary would be required to determine for each State the additional acreage required to increase allotments for farms to the minimum levels prescribed in subsection (f) (1), which levels are the smaller of 4 acres or 80 percent of the highest acreage planted to cotton on the farm in the preceding 3 years. For 1956 and years thereafter, the minimum would be the smaller of 4 acres or the highest acreage planted to cotton on the farm in the preceding 3 years. The Secretary would apportion to the States, on the basis of their needs for additional acreage to establish minimum farm allotments, the total acreage available for this purpose, which total would be limited to 1 percent of the national acreage allotment. The acreage apportioned to a State would be apportioned to counties on the basis of county needs for such acreage. To illustrate the operation of this proviso, if the Secretary determined for 1956 that 300,000 acres of additional allotment would be required to establish minimum farm allotments in all States, he would nevertheless be limited to making available for such increase an acreage equal to 1 percent of the 1956 national acreage allotment, which on the basis of the 1955 national allotment would be approximately 180,000 acres. If the needs of a State represented 10 percent of the total needs of 300,000 acres, the State would receive 10 percent of the 180,000 acres available, or 18,000 acres; and the apportionment to counties would be on the same basis. (b) Under the second proviso the additional acreage allotted to some States under the first proviso would be increased to an acreage determined by multiplying the State acreage allotment by the smaller of (1) 1 percent; or (2) the percentage which the total acreage determined under the first proviso as required for minimum farm allotments is of the national acreage allotment. For example, if a State with a 1956 State acreage allotment of 1 million acres received only 4,000 acres under the first proviso, it would be allocated an additional acreage of 6,000 acres under this proviso so as to bring the total additional acreage allotment for the State under both provisos up to an acreage equal to 1 percent of the State acreage allotment, which would be the smaller percentage (the percentage determined under item (2) of the second proviso would be obtained by dividing the assumed national acreage allotment of 18 million into the assumed total needs for establishing minimum farm allotments of 300,000 acres, or 1.7 percent). Obviously, if the State had received more than 10,000 acres as its share of the 180,000 acres available under the first proviso, it would not be allocated any additional acreage under the second proviso. The additional acreage allocated to a State under the second proviso would be used, to the extent needed, to provide minimum farm allotments, and any remaining acreage would be added to the State reserve and used for the purpose specified therein.

2. Section 2 of the bill would amend section 344 (e) of the act by adding an additional proviso making it mandatory under certain conditions that the State committee reserve a portion of the State acreage allotment and use it for establishing minimum farm allotments. Under the language of the proviso, if the additional acreage allocated to a State under the provisos of section 344 (b) of the act (as discussed above) is less than the acreage determined by the Secretary to be required for establishing minimum farm allotments, the State committee would be required to reserve from the State acreage allotment not less than the smaller of (1) the remaining acreage needed under the Secretary's determination for establishing minimum farm allotments, or (2) 3 percent of the State acreage allotment. The acreage so reserved would be allocated to counties and added to the county acreage allotment after the county acreage reserve had been deducted. With enactment of section 4 of this bill, the county acreage allotment in all counties would be used first to establish minimum farm allotment for all old cotton farms.

3. Section 3 of the bill would amend section 344 (f) (1) of the act to change the minimum farm-allotment levels from the smaller of 5 acres or the highest acreage planted to cotton in the preceding 3 years to the smaller of 4 acres or 80 percent of the highest acreage planted to cotton in the preceding 3 years. In addition, language would be added to the provision to make it clear that farm allotments are to be established at the minimum levels specified in subsection (f) (1) only if the county acreage allotment (less the county reserve) plus the additional acreage allocated to the county under this bill for establishing minimum farm allotments, is sufficiently large to establish such allotments.

4. Section 4 of the bill would amend paragraph (6) of section 344 (f) of the act to remove the authority which the county committees have under the present provisions of paragraph (6) to decide whether the county allotment, less the county reserve, will be used first to establish allotments at the minimum levels specified in paragraph (1) of section 344 (f) of the act. With enactment of this section of the bill, minimum farm allotments would be established in all counties, regardless of whether farm allotments were to be established in the county under the so-called cropland-factor procedure or the historical procedure.

JOINT RESOLUTION FOR PEACE

Mr. SMITH of New Jersey. Mr. President, my colleague in the House, Mrs. BOLTON, of Ohio, has introduced in the House a joint resolution for peace. She asked me if I would be kind enough to introduce a similar joint resolution in the Senate, and ask other Senators to join me.

This morning I received the following note from her explaining in a little greater detail the purposes of the joint resolution:

Enclosed is a copy of the joint resolution we discussed on the telephone this afternoon. It reaffirms the American people's desire for peace, urges people of other nations to join in a renewed effort for peace, and requests the President to convey those expressions to the United Nations meetings in San Francisco.

Assistant Secretary of State Thruston B. Morton has seen and approved the resolution, and I have cleared it with the leadership of both sides of the House.

Her reason for urging prompt action is that the joint resolution must be passed early next week if it is to reach San Francisco in time.

Therefore, I introduce for appropriate reference, a joint resolution reaffirming the desire of the American people for peace. I extend an invitation to other Members of the Senate to join with me in sponsoring the joint resolution.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 76) reaffirming the desire of the American people for peace, introduced by Mr. SMITH of New Jersey, was received, read twice by its title, and referred to the Committee on Foreign Relations.

STUDY OF CONTRACT FOR OPERATION OF SENATE RESTAURANTS

Mr. KILGORE submitted the following resolution (S. Res. 107), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Rules and Administration is requested to make such study and to enter into such negotiations as may be necessary to determine the desirability, upon the expiration on July 1, 1955, of the existing contract for the operation of the Senate restaurants, of entering into a contract with Government Services, Inc., for the operation of such restaurants.

AMENDMENT OF TRADING WITH THE ENEMY ACT—AMENDMENTS

Mr. STENNIS. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I submit amendments, intended to be proposed by him to the bill (S. 995) to amend the Trading With the Enemy Act. I ask unanimous consent that the amendments may be printed in the RECORD, and appropriately referred.

There being no objection, the amendments were received, referred to the Committee on the Judiciary, ordered to be printed, and to be printed in the RECORD, as follows:

On page 3, line 13, after the word "defined", strike out "(3)" and insert in lieu thereof: "or (3) to the owner of such property at the

time of vesting, or to the legal representative or successor, as the case may be, of such owner, until the Attorney General or other officer or agency authorized to make such return (whose decision shall be final and not subject to review) is satisfied after a full hearing; that such owner did not, directly or indirectly, after 1933 (A) use, or participate in or benefit from or permit the use of, slave labor, or (B) use, or participate in or benefit from or permit the use of, prisoners of war, political prisoners, civilian population, hostages, or others, for medical or biological or similar experimentation, or (C) utilize any product, service, facility, or agency which used, or participated in or benefited from or permitted the use of, slave labor, or such medical, biological, or similar experimentation, or (4)."

On page 3, line 22, strike out "(4)" and insert in lieu thereof "(5)."

UNITED STATES PARTICIPATION IN INTERNATIONAL FINANCE CORPORATION—AMENDMENT

Mr. PAYNE (for Mr. CAPEHART) submitted an amendment, intended to be proposed by Mr. CAPEHART, to the bill (S. 1894) to provide for the participation of the United States in the International Finance Corporation, which was referred to the Committee on Banking and Currency, and ordered to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HILL:

Statement by Senator MAGNUSON relative to the celebration of the 300th anniversary of the first Swedish mission in Pennsylvania.

By Mr. STENNIS:

Article entitled "Senate Strategist—LYNDON JOHNSON Runs the Smoothest Democratic Show in Years," written by Albert Clark, and published in the Wall Street Journal of June 10, 1955.

By Mr. CASE of New Jersey:

Editorial from the Times-Advertiser of Trenton, N. J., paying tribute to Senator SMITH of Maine and Senator SMITH of New Jersey.

NOTICE OF HEARING ON SUNDRY NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, the Chair desires to say that the Senate received today a list of 39 persons for appointment, promotion, and designation in the Foreign Service of the United States. The list is printed elsewhere in the proceedings of today. Notice is hereby given that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days.

NOTICE OF HEARINGS ON S. 2054 BY THE SUBCOMMITTEE ON SECURITIES OF THE COMMITTEE ON BANKING AND CURRENCY

Mr. LEHMAN. Mr. President, on behalf of the Subcommittee on Securities of the Senate Committee on Banking and Currency, I desire to give notice that a public hearing will be held on S. 2054, a bill to amend the Securities Exchange Act of 1934, as amended. This hearing will begin at 10 a. m., Monday, June 27, 1955, in room 301, Senate Office Building.

All persons who desire to appear and testify at the hearing are requested to notify Mr. J. H. Yingling, chief clerk, Committee on Banking and Currency, room 303, Senate Office Building, telephone National 8-3120, extension 865, before the close of business on Tuesday, June 21, 1955.

REPORT TO THE CONGRESS BY THE THEODORE ROOSEVELT ASSOCIATION

Mr. IVES. Mr. President, 35 years ago, by Public Law No. 233, a national charter was granted to the Roosevelt Memorial Association, now, by act of Congress, the Theodore Roosevelt Association. On this 35th anniversary of the incorporation of the association, the trustees desire to inform the Congress of what they have done to fulfill the purpose for which the association was incorporated and how they have administered the funds which they have held in trust for the American people.

They have prepared a report to the Congress, covering the years 1920–55, and I ask that the text of this report be printed in the body of the RECORD at this point in my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THEODORE ROOSEVELT ASSOCIATION—A REPORT (1920–55)

To the Congress of the United States:

It is 35 years since the Congress (by Public Law No. 233, 66th Cong., approved, May 31, 1920, 41 Stat. 691) granted a national charter to the Roosevelt Memorial Association, (now, by act of Congress, Theodore Roosevelt Association). Among the signers of the articles of incorporation were such distinguished contemporaries of Mr. Roosevelt as John Burroughs, Walter Damrosch, Cleveland H. Dodge, John H. Finley, James R. Garfield, James W. Gerard, James Cardinal Gibbons, Judson Harmon, Clark Howell, William Dean Howells, Charles E. Hughes, Harold L. Ickes, Hiram W. Johnson, Franklin K. Lane, Henry Cabot Lodge, Robert R. Moton, Alton B. Parker, George W. Perkins, Gifford Pinchot, Elihu Root, John S. Sargent, Henry L. Stimson, Oscar S. Straus, William Howard Taft, William Boyce Thompson, Henry Watterson, Leonard Wood, Luke E. Wright.

Section 3 of the act of incorporation declared the purpose of the association to be:

"To perpetuate the memory of Theodore Roosevelt for the benefit of the people of the United States of America and of the world, and to that end, but without restriction to the objects enumerated below, to solicit, hold and maintain a fund or funds, and to apply the principal thereof and income therefrom to any one or more of the following objects:

"(1) The creation and maintenance of a suitable and adequate monumental memorial in the city of Washington, District of Columbia, to the memory of Theodore Roosevelt;

"(2) The acquisition, development, and maintenance of a public park in memory of Theodore Roosevelt in the town of Oyster Bay, N. Y.; and

"(3) The establishment and maintenance of an endowment fund to promote the development and application of the policies and ideals of Theodore Roosevelt for the benefit of the American people."

Prior to its incorporation a nonpartisan group known as the Roosevelt Permanent Memorial National Committee, with headquarters in New York City, had, in the course of a nation-wide campaign, received contributions from the American people, including upward of a million children, to the amount of $2,049,164.49.

On the occasion of the 35th anniversary of the incorporation of the association, the trustees feel impelled to inform the Congress what they have done to fulfill the purposes for which the association was incorporated, and how they have administered the funds which they have held in trust for the American people.

Under the first aim, acting on the recommendation of a committee of which Mr. Elihu Root, Secretary of War and Secretary of State in President Theodore Roosevelt's Cabinet, and Mr. James R. Garfield, Secretary of the Interior, were successively chairmen, and Secretary Luke E. Wright, Senator Hiram W. Johnson, and Senator Frank B. Kellogg, subsequently Secretary of State in President Coolidge's Cabinet, were members, the association purchased, at a cost of $364,000, a 90-acre island in the Potomac, between the Francis Scott Key Bridge and the Memorial Bridge, since called Theodore Roosevelt Island, and presented it to the Nation as "a natural park for the enjoyment and recreation of the people." The distinguished landscape architect, Frederick Law Olmsted, chosen by the trustees to plan the development of the island, urged that no monumental structure be imposed upon the island's natural beauty, recommending rather that trees native to the region be planted and permitted to develop as a Potomac climax forest. Such a forest, he pointed out, would, in the course of the centuries, become a monumental creation, "comparable," in Mr. Olmsted's words, "only to the greatest masterpieces of the hand of man."

The island was accepted for the Nation by act of Congress in 1932 (Public Law 146, 72d Cong.). Certain utility structures, a watergate for ferry service from Columbia Island, with access to the Virginia shore, and a simple memorial overlook, are now being constructed by the National Park Service to which the Congress gave jurisdiction over the island. It is hoped that this appropriate memorial to a great President who was also a great lover of the outdoors may be dedicated on the hundredth anniversary of Theodore Roosevelt's birth, October 27, 1958.

Under the second aim, the association established the proposed memorial park at Oyster Bay, N. Y., and in 1942, presented it to the town of Oyster Bay, which is administering it with notable success under the supervision of an advisory committee of local residents of which President Roosevelt's daughter, Mrs. Richard Derby, is chairman.

Under the third aim, "the development and application of the policies and ideals of Theodore Roosevelt," the association has carried on a wide range of activities.

1. It contributed $165,000 to the completion of Theodore Roosevelt House, New York City, restored by the Women's Theodore Roosevelt Memorial Association. This group of patriotic women has welcomed thousands of schoolchildren as well as adult visitors to the house. During the school year, classes from the schools in New York and the surrounding area come almost daily to the house and are shown motion pictures of Mr. Roosevelt. Essay contests are held in the schools to stimulate interest in Mr. Roosevelt's life and in his ideals of responsible citizenship.

The Theodore Roosevelt Association established its national headquarters in the house and has shared the cost of its maintenance. The association, however, has installed

extensive exhibitions of valuable Roosevelt memorabilia, and has recently completed arrangements with the Library of Congress for the display at the house from time to time of such of its exhibits as are related to the purposes for which the house was established.

In order to avoid duplication of effort and expense, the association has asked the Congress for permission to merge with the Women's Theodore Roosevelt Memorial Association, and a bill to that effect is now pending. Plans for the expansion of the work in behalf of responsible citizenship are now being prepared in order that Theodore Roosevelt House may play an increasingly effective part in the life of the city and the Nation.

2. Immediately following the death of Mrs. Theodore Roosevelt, in 1948, the association purchased Sagamore Hill, the President's home at Oyster Bay, N. Y., with its contents: Furniture, furnishings, rugs, books, paintings, hunting trophies, and other memorabilia of Mr. Roosevelt's adventurous life. The house has been structurally rehabilitated, equipped with a modern system of fire detection and protection, and restored as of the period of 1901–09, when it was the summer White House.

The house was dedicated as a national shrine by President Eisenhower on June 14, 1953, in the presence of a distinguished audience which included former President Herbert Hoover and the Honorable Thomas E. Dewey, Governor of New York. During the period since the house was opened to the public it has welcomed approximately 180,000 visitors.

The trustees regard Sagamore Hill as a symbol of American family life at its best and, expect, as funds become available, to conduct radio and television programs there with the purpose of deepening the appreciation of family life throughout the Nation. Those who visit the spacious, 70-year-old house receive, indeed, an impression not only of the background against which the great American lived his rich and active life, but of those home virtues which, he declared, were the basis of free government.

3. The association has gathered an extensive collection of books and pamphlets by and about Mr. Roosevelt and about his time, as well as thousands of photographs, original and printed cartoons, and a vast number of press clippings. These collections, originally lodged at Theodore Roosevelt House in New York were, in 1943, presented to Harvard University, in the conviction that this material, so important to historians now and in the future, would be more easily available to scholars at a great institution of learning.

4. Extensive collections of biographical data of Mr. Roosevelt's life, made by the association, are also available to historical scholars at Harvard.

5. A Theodore Roosevelt fellowship of $1,000, open to graduate students in history at Harvard, working on the Roosevelt papers, has been established on an annual basis and has proved effective in stimulating interest in the Theodore Roosevelt period, roughly 1899 to 1919.

6 The association financed the calendaring of Mr. Roosevelt's presidential letters in the Library of Congress, and the microfilming of the letter copybooks of Mr. Roosevelt's presidential and postpresidential periods which were fading to the point of illegibility. The microfilms have been added to the Theodore Roosevelt collections at Harvard which include also microfilm copies of other valuable collections of Roosevelt letters.

7. One of the association's major projects has been the preparation of the manuscript by Prof. Elting E. Morison of the collected letters of Theodore Roosevelt, which were published by the Harvard University Press, in cooperation with Harvard University and the Massachusetts Institute of Technology.

8. The association has, directly or indirectly, sponsored the publication of other volumes of Rooseveltiana, notably the Collected works of Theodore Roosevelt in a limited memorial edition in 24 volumes, and a popular and inexpensive national edition in 20 volumes (Charles Scribners Sons, publishers), the Theodore Roosevelt Cyclopedia, a collection of quotations from his writings and speeches on about a thousand different subjects, edited by the late Albert Bushnell Hart, professor of history at Harvard, and Dr. Herbert R. Ferleger, and a volume of Mr. Roosevelt's wartime editorials in the Kansas City Star; as well as Roosevelt in the Bad Lands, the story of Mr. Roosevelt's ranching days, and The Roosevelt Family of Sagamore Hill, an account of the President's family life, both by Hermann Hagedorn.

9. The association has brought together from many sources in the United States and Europe what is generally regarded as the most notable collection of motion pictures related to a single individual that has yet been made. The material covers the period from 1897 to Mr. Roosevelt's death in 1919 and includes newsreel shots of his inauguration in 1905, of the building of the Panama Canal and Mr. Roosevelt's visit to the isthmus in 1906, of the Progressive campaign in 1912 and of Mr. Roosevelt's activities during the First World War, as well as film records of him in Europe, Africa, and South America. Four productions are available in 16-mm. for loan, free of charge, to schools.

10. The association awards distinguished service medals annually in two or more out of a dozen fields associated with Mr. Roosevelt's many-faceted career. The medals, presented for the first 3 years by the President of the United States in the White House, have, since 1926, been presented at a dinner at Theodore Roosevelt House on October 27, the anniversary of Mr. Roosevelt's birth. Among the statesmen, jurists, soldiers, scientists, humanitarians, and men of letters who have received the medals on these occasions have been Oliver Wendell Holmes, Herbert Hoover, Dwight D. Eisenhower, John J. Pershing, Charles Evans Hughes, Charles A. Lindbergh, Cordell Hull, Carter Glass, Carl Sandburg, Robert A. Millikin, William Allen White, Helen Keller, George Washington Carver, Joseph C. Grew, John Foster Dulles, Learned Hand, Ralph J. Bunche, George C. Marshall, and Bernard M. Baruch.

11. The association sponsored the erection in Santiago de Cuba of a bust by James Earle Fraser of Mr. Roosevelt as colonel of the Rough Riders, set against a granite background, designed by the architect, Henry Bacon, designer of the Lincoln Memorial. The bust was unveiled by Mrs. Roosevelt in 1924, in the presence of President Alfredo Zayas and other Cuban dignitaries.

12. Following Theodore Roosevelt's election to the Hall of Fame at New York University in 1951, the association presented the bronze bust and tablet unveiled there on May 10, 1954, by Mr. Roosevelt's daughter, Mrs. Nicholas Longworth.

The Congress will note that the activities listed above have, without exception, been nonpolitical and nonpartisan. They have, furthermore, stressed less the personality of Mr. Roosevelt than the ideals that he fought for and that he represents in history.

The trustees are mindful of the approach of the centenary of Theodore Roosevelt's birth, on October 27, 1958. A joint resolution for the establishment of a Theodore Roosevelt Centennial Commission has been introduced in the Senate of the United States by Hon. IRVING M. IVES, of New York, and in the House by Hon. JOSEPH W. MARTIN. There is a fruitful suggestion of the possible focus of the proposed observance in Elihu Root's appraisal of Mr. Roosevelt's ultimate significance: "Review the roster of the few great men of history, our own history, the history of the world, and, when you have finished the review, you will find that Theodore Roosevelt was the greatest teacher of the essentials of popular self-government the world has ever known."

Attached is an auditor's statement of the financial position of the association at the end of the last fiscal year, September 20, 1954.

Respectfully submitted,

OSCAR S. STRAUS II, *President.*
HOWARD CASWELL SMITH,
HORACE MARDEN ALBRIGHT,
Vice Presidents.
WILLIAM M. CHADBOURNE,
Treasurer.
HERMANN HAGEDORN,
Secretary and Director.

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Theodore Roosevelt Association—Statement of sources and disposition of capital and current funds from May 31, 1920 (inception) to September 30, 1954

Subscriptions and special donations received	$2,049,164.49
Gifts of books, magazines, photographs, and museum articles, at appraised values	346,053.27
Excess of income over expenditures (including gains or losses realized on sales of securities)	272,867.51
Total	2,668,085.27
Less, memorial grants:	
Oyster Bay Memorial Park	702,094.67
Theodore Roosevelt Island	439,499.62
Items to Harvard Library	302,420.43
Theodore Roosevelt Letters	129,315.64
Roosevelt Cyclopedia	11,735.73
Bronzes of Theodore Roosevelt in Hall of Fame	8,022.65
Harvard Fellowship	4,000.00
Total	1,597,088.75
Capital of the association at September 30, 1954, consisting of:	
Investment in Sagamore Hill, less mortgage and contract payable of $51,333	306,749.67

Theodore Roosevelt Association—Statement of sources and disposition of capital and current funds from May 31, 1920 (inception) to September 30, 1954—Continued

Capital of the association at September 30, 1954, consisting of—Continued	
Interest in Roosevelt House (representing cost of 999-year lease)	$165,000.00
Furniture and fixtures, museum articles, and motion-picture films in Roosevelt House	146,265.62
Literary works and copyrights	1,695.15
Total	619,710.44
Securities owned, at cost (at quoted market prices $531,375)	427,153.61
Cash, receivables, and inventories of items held for sale, net	24,132.47
Total	1,070,996.52

The above condensed statement was prepared from information contained in report dated October 25, 1954, of Lybrand, Ross Bros. & Montgomery, certified public accountants, upon their examination of financial statements of the association as of September 30, 1954.

USE OF COLORED STRIPES ON TAX FORMS

Mr. WILLIAMS. Mr. President, on January 14, 1955, I submitted, with the Senator from Michigan [Mr. POTTER] and the Senator from Kansas [Mr. SCHOEPPEL] as cosponsors, Senate Resolution 24, the purpose of which was to prohibit the Bureau of Internal Revenue from further use of colored stripes on tax forms as a designation of the amount of the taxpayer's liability.

At that time I criticized the Bureau for using this highly irregular procedure, obviously violating the intent of the law, which guarantees that a taxpayer's income will be kept in confidence. This resolution was referred to the Senate Finance Committee, and the Treasury Department was requested to submit a report on the resolution.

Under date of June 3, 1955, in a letter signed by Mr. M. B. Folsom, the Acting Secretary of the Treasury, and addressed to the chairman of the committee, the Department outlined its reasons for having used colored stripes as identification marks, and attempted to justify its action. However, apparently recognizing the weakness of its own argument, it gives assurance to the committee that further use of identification marks on tax returns will not be repeated, and concludes its letter with the statement that "since this situation will not recur, the Treasury Department would consider the enactment of the resolution as unnecessary."

In view of the fact that we have the assurance of the Treasury Department that it will not again use such identification marks, I will not press for the adoption of the resolution. However, while I am more than willing to accept the Department's decision to stop this practice, I want to make it clear that I completely disagree with the reasoning behind the Department's attempt to justify last year's action.

At this point I ask unanimous consent that a copy of the resolution as submitted on January 14, along with a copy of the Department's letter under date of June 3, be printed in the RECORD.

There being no objection, the resolution (S. Res. 24) and letter were ordered to be printed in the RECORD, as follows:

Resolved, That it is the sense of the Senate that the marking of tax forms being mailed to taxpayers with colored stripes to designate the amount of the taxpayers' liability is a violation of the intent of section 7213 of the Internal Revenue Code of 1954 and that the Secretary of the Treasury and the Commissioner of Internal Revenue shall be so notified.

THE SECRETARY OF THE TREASURY,
Washington, June 3, 1955.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reply to your letter dated January 18, 1955, transmitting a copy of Senate Resolution 24, and requesting a report on this proposed resolution.

Senate Resolution 24 declares, "That it is the sense of the Senate that the marking of tax forms being mailed to taxpayers with colored stripes to designate the amount of the taxpayers' liability is a violation of the intent of section 7213 of the Internal Revenue Code of 1954 and that the Secretary of the Treasury and the Commissioner of Internal Revenue shall be so notified."

The Treasury Department has for a number of years followed the practice of marking its packages of tax forms in a distinctive manner as an aid in the economical and efficient handling of such forms. Each year more than 50 million of these packages must be printed, segregated into categories, addressed, and mailed. Accordingly, it is necessary to use every means available to accomplish this task as rapidly and as inexpensively as possible.

Distinctive markings have been achieved in the past through the use of different sizes and colors of paper by specially designed symbols, and in other ways. Last year the packages containing 1954 Federal income-tax forms were divided into 4 separate categories for mailing and their contents were distinguished by 4 differently colored stripes. Package 1 contained 2 1954 individual income-tax returns, 2 schedules of gains and losses from sales or exchanges of property, and 1 instruction pamphlet. Package 2 contained the same material as package 1 and in addition 1 Form 1040–ES, 1955 declaration of estimated income tax. Package 3 contained the same material as package 1 and in addition 2 schedules of farm income and expenses and 1 Form 1040–ES, 1954 declaration of estimated income tax. Package 4 contained the same material as package 1 and in addition 2 schedules of profit (or loss) from business or profession and 1 Form 1040–ES, 1955 declaration of estimated income tax.

A change effected under the Internal Revenue Code of 1954 in the requirements for filing declarations of estimated income tax presented the problem of determining which taxpayers were likely under the law to file declarations, so that these taxpayers could be mailed the necessary return blanks. The new code requires declarations of estimated income tax from taxpayers with gross income in excess of $10,000 and also from certain other taxpayers who are single, are married and file separate returns, have investment income, or have gross income in excess of $100 not subject to the income-tax withholding provisions. Last year, the most practical course open to the Treasury Department was to send packages containing the declaration forms to all businessmen and farmers, regardless of income, and to other taxpayers with gross income above $10,000, and the identification markings were necessary in order to assure mailing the right kinds of packages to taxpayers.

The Treasury Department has made and will always make every effort consistent with law to preserve the privacy of tax returns. While the mailing of any return is some indication of tax status, it is absolutely necessary that taxpayers be furnished the return blanks they need. This is a mass operation and some means of identification of the forms is necessary. However, it was due only to the unique conditions present last year that the identification bore some correlation to the income level of the taxpayer. This year the mailing slips for packages which will contain the forms for filing declarations of estimated income tax are being prepared so that no dollar-level of income will be disclosed.

Since this situation will not recur, the Treasury Department would consider the enactment of the resolution as unnecessary.

Very truly yours,

M. B. FOLSOM,
Acting Secretary of the Treasury.

BUNGLING IN THE DEPARTMENT OF AGRICULTURE

Mr. HUMPHREY. Mr. President, I feel compelled to call the attention of the Senate to evidence being uncovered of flagrant and serious shortcomings in certain administrative activities of the Department of Agriculture. For the time being, I shall be content with charging bungling and gross incompetence; but there are indications that even worse may be involved.

Let me read a few recent headlines from the Des Moines Register and the Minneapolis Tribune:

Scandal Looms in Construction of Grain Bins.

Cite $620,831 Loss to United States on Grain Bins.

Report Calking Substance Ruined Grain in United States Bins.

These headlines appear over articles which contain serious charges. They are articles written by a responsible newspaperman who is careful with his facts.

The charges are not partisan ones. Instead, they are based largely upon facts developed by investigators appointed by the Republican-controlled 83d Congress. The investigators made field trips into 27 States, checking operations of the Department of Agriculture under this administration. It is understandable that this administration would not be too eager to see all the bungling exposed by this survey brought into the public light. Yet it should be brought into public view so as to make sure that such bungling will be corrected, and to find out whether more than merely incompetence and mismanagement are involved.

I have read the detailed report of the survey, even though copies of it are apparently very limited and rather closely guarded.

The survey discloses many flagrant and serious shortcomings in the present direction and supervision of programs and activities on the Washington level, some of which border on the criminal. Inefficiency, waste, and extravagance

were found apparent in a number of areas of operation.

Operating personnel on the county level were found to be snowed under with directives, instructions, and dockets, constantly changing without basic reason, creating an almost impossible working procedure at the grassroots level. Yet local county personnel were held to blame whenever anything went wrong, when the responsibility lay entirely at headquarters.

The survey covers a wide scope of the Department's activities, and the articles to which I have referred touch but a small part of the bungling that exists. But the articles alone raise serious questions that need serious answers.

Mr. President, I ask unanimous consent that the series of four articles to which I have referred, written by Clark Mollenhoff, be printed in the body of the RECORD at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SCANDAL LOOMS IN CONSTRUCTION OF GRAIN BINS

(By Clark Mollenhoff)

WASHINGTON.—A multimillion-dollar-scandal in grain bin construction has been uncovered in the Department of Agriculture, it was learned here Tuesday.

One House committee already has completed a report on the laxity in the inspection of the bins in which the huge surpluses of corn, wheat, and other grains are stored. The report still is secret.

The Senate permanent investigating subcommittee also has investigated the production of thousands of defective grain bins that are spilling and spoiling the grain stored by the Commodity Credit Corporation (CCC).

Investigations indicate the grain bin scandals will be as great as the scandals in the theft and conversions of CCC grain a few years ago, the House Appropriations Committee's report indicated.

The Senate permanent investigating subcommittee has evidence that 8,960 grain bins fabricated by one firm and sold to the Federal Government last year have been proved defective.

The 8,960 bins were purchased and erected throughout the Midwest, with many of them being built in Minnesota.

The pattern as developed by the two committees of Congress and investigators in the Agriculture Department showed:

There was no efficient and uniform inspection of storage bins.

When defects in bin fabrication were revealed, Washington officials, State officials and local committees were lax in failing to recover from the fabricators or those who erected the bins.

Failure to make the producers of the grain liable in cases where the producer is responsible for the deterioration of grain was evident.

"Of 165 bins inspected in 4 Illinois counties, 135 showed evidence of lack of grain-tightness and weather-tightness," the House committee report said.

"It was learned that the Department had had difficulty with this same fabricating firm in past years.

"Notwithstanding this record of poor performance in the past, the firm again was allotted a goodly portion of this year's (1954) procurement total."

In all of these cases, the bins were accepted by the local committees, the House report said.

"Hundreds of structures were delivered to bin sites with great numbers of steel section improperly curved and with bolt holes out of line," the House committee reported.

The erection contracts were sublet to other contractors.

"Every makeshift procedure possible was resorted to in order to complete erection," the report said. "Holes were reamed to fit bolt placement, the sheets were pounded with sledge hammers to force them into place, loosening bolts at the other end of the sheets and causing a buckling in the overall structure."

"Some sheets were permitted to overlap, extending with visible opening between the sheets which were filled haphazardly with additional calking material," the committee staff reported.

Investigations also showed that in an effort to make many of the bins moisture proof a black calking material was used.

This material was tested for use on the outside of the bins and then was used on the inside of the bins. The calking material did not dry, and there were widespread complaints mainly from Missouri and Illinois about corn sticking in this sticky black calking compound.

It was estimated by investigators that from 4 to 5 bushels of corn stuck in this calking material in each of the circular steel corn bins of 3,250-bushel capacity.

Investigators cited figures showing that disregarding low bids on bins in favor of a "spread the business" policy had cost the taxpayers an additional $240,000 on one contract in Iowa.

The staff did not cite the name of the high-bidding firm that received a contract for 1,750 structures but did show the bid figures that resulted in the costs being expanded by nearly $250,000.

This policy had resulted in inflating the costs on 4,500 grain bins erected in Illinois by $380,250.

The reports stated that when this policy was called to the attention of CCC officials a new policy of accepting low bids was initiated with a resulting saving of approximately $2,250,000 on one large contract.

CITE $620,831 LOSS TO UNITED STATES ON GRAIN BINS—PROBERS SAY LOWEST BIDS DISREGARDED

(By Clark Mollenhoff)

WASHINGTON, D. C.—The Agriculture Department's failure to award two grain bin contracts to the lowest bidders cost the taxpayers $620,831.25, congressional investigators have found.

It was learned here Wednesday that high officials of the Commodity Stabilization Service (CSS) told congressional investigators that they did not know that subordinates were disregarding low bids for a policy of "spreading the business."

REPORT SECRET

The House Appropriations Committee has prepared a voluminous report on the grain bin scandals. The report is still secret.

Meanwhile the Senate investigating subcommittee headed by Senator JOHN MCCLELLAN, Democrat, of Arkansas, is doing further investigation in preparation for public hearings.

Investigators for the House committee stated in their reports that they ran into a pattern of evasiveness from subordinates in the Department of Agriculture who were actually handling the grain bin contracts.

Top officials of the Department told investigators that they were unaware just how these matters were being handled until congressional investigators started asking questions about excessive expenditures in the spring of 1954.

In reports to the House Appropriations Committee staff investigators cited three contracts to demonstrate the following:

1. How the Government lost $620,831.25 by placing two contracts for bins in Iowa and Illinois with high bidders.

2. How the congressional investigations resulted in acceptance of low bids on grain bin contracts in July, 1954, with a resulting saving of $2,250,000.

The survey of the House investigators was restricted to the so-called standard structures of approximately 3,250-bushel capacity to avoid complexity in making comparisons. In the three cases cited:

The first was an award of contracts for 90 million bushel capacity in July, 1953, for approximately $22,050,000.

The second was an award of a contract for 100 million bushel capacity in April, 1954, for approximately $22,500,000.

The third was an award of contracts for 100 million bushel capacity in July, 1954, for approximately $20,250,000.

The report stated that in July, 1953, a contract for 1,750 grain bins (approximately 5,687,500 bushel capacity) to be erected in Iowa was let to "A Company" at a rate of 23.07 cents a bushel or a total of $1,596,481.25.

The Government had a bid from "B Company" calling for erection of the 5,687,500 bushel capacity at 23.84 cents a bushel or a total of $1,355,900.

TWO HUNDRED FORTY THOUSAND FIVE HUNDRED AND EIGHTY-ONE DOLLAR SAVINGS

Letting this contract to the low bidder would have resulted in a possible savings of $240,581.25, the House report states.

The "spread the business policy" was given by Agriculture Department officials as the reason for giving the business to "A Company" at an excessive cost of almost a quarter of a million dollars.

The "spread the business" policy was still operating in April, 1954, when bids were submitted for 4,500 grain bins in Illinois with a capacity of 14,625,000 bushels.

The "A Company" bid at 25 cents a bushel for a total price of $3,656,250 and won the contract.

The investigators' report stated that "B Company" had bid 22.42 cents for a total contract price of $3,276,000.

There would have been a possible savings of $380,250 in this case, the report states.

Investigators reported difficulty in obtaining information on the contracts when they first went to the Department, but after they had acquired "spread sheets" showing all of the bids, officials admitted "it was true that the lowest qualified bidder was not the standard for granting the bids."

The "spread the business" policy was stated at this time, but Agriculture Department officials said there were no written regulations or directives on this policy. It was a long-time policy of which superiors were aware, investigators were told.

A deputy director told investigators he thought the staff was making too much of the matter since "the awards to the various suppliers only involved a few pennies here and there."

"When it was pointed out that, although the per bushel price varied but a 'few pennies' among the bidders, multiplication of a few pennies by millions of bushels ran into hundreds of thousands of dollars, he gave no reply," the House committee report said.

Investigators wrote that they scheduled a meeting with two of the highest officials in the Commodity Stabilization Service to determine if those officials were aware of the ignoring of low bids.

WERE SURPRISED

"Both persons expressed complete surprise when the bid comparison spread sheets and public announcement of awards were set before them for study," the report stated.

"Both denied knowledge of the policy to 'spread the business' and promised immediate attention to the whole subject of procurement and the responsible personnel of the grain division concerned."

As a result of those consultations, the low bidders were awarded the grain bin construction contracts in July 1954, when 100 million bushel capacity was sought.

The total price for the 100 million bushel capacity was $20,250,000—approximately $2,250,000 less than the same capacity had cost 3 months earlier, investigators pointed out in the report.

As a result of the investigations of the Congress, the director of the audit division of the Commodity Stabilization Service has undertaken for the "first time" an audit of the procurement and procurement procedures of the grain division.

REPORT CALKING SUBSTANCE RUINED GRAIN IN UNITED STATES BINS

(By Clark Mollenhoff)

WASHINGTON, D. C.—Why didn't Department of Agriculture officials act quicker to stop the use of a black and sticky calking substance that was destroying huge quantities of Government-owned grains throughout the Midwest?

That is the question asked by House Appropriations Committee investigators in a secret report on the operations of the Commodity Credit Corporation.

It is a question that can be expected to be asked publicly by the Senate permanent investigating subcommittee, now studying the problem in preparation for hearings.

LOST GRAIN

The use of the black, sticky calking compound inside of steel grain bins will cost millions of dollars in lost grain, labor costs for removing the grain, and labor costs for cleaning the bins.

Officials of the Commodity Credit Corporation told investigators that it was the fault of the company furnishing the material, and that figures are being accumulated on the cost of the grain destroyed and the labor involved, the House report states.

However, representatives of the company asserted that if there was any blame it was because the Government did not properly test the materials before applying it to the grain bins.

House investigators, who had reviewed the laxity of the Agriculture Department in recovering funds on grain bin problems, concluded that use of the calking compound "will probably result in heavy financial losses to the Government."

CITE "NEGLIGENCE"

"A review of all facts points up at least one cardinal failing on the part of the personnel in the grain division—the culpable negligence they demonstrated in the unexplained haste and unorthodox procedure followed in the selection of an untested product," the report stated.

A problem of corrosion in the metal grain bins first came to the attention of the Department in the summer of 1950. This led to use of the calking compound on the interior of grain bins in 1953 and 1954.

It was in April 1953 that the Commodity Stabilization Service (then Production Marketing Administration) announced that tests had been completed on anticorrosive compounds and that the product in question was "best suited to combat the corrosion problem both as to exterior and interior conditions."

The Department of Agriculture authorized expenditure of $750,000 for 375,000 gallons of the black calking substance.

Department officials first told investigators that the purchase had followed research at the Department research center at Beltsville, Md., and visual tests on storage structures near Decatur, Ill.

PROBE TESTS

Investigators found that tests had been conducted at Decatur, but that these tests were "confined to sealing and calking of exterior storage structures to prevent entry of outside moisture," the report said.

Investigators reported that they discovered later that "the manufacturer of the black coating material did not participate in this initial test in the summer of 1951."

"Through persuasion and broad warranties on his product, the Washington representative (of the manufacturer of the black coating) was able to convince the grain division that the manufacturer * * * should be given opportunity to compete in the tests," the report said.

This product was applied to the exterior of a structure near Decatur in February 1952, "some 7 months after the other manufacturers had concluded their applications."

After the tests the Department selected this black coating as the best suited, and accepted the product without competitive bids.

COMPLAIN IN MONTH

In May 1953—just a month after the Department started using the product—the first complaints started to come in from the field.

The substance did not dry. Corn stuck in it with a resulting loss of 4 or 5 bushels in each of the 3,250-bushel circular grain bins.

However, the Grain Branch of the Commodity Stabilization Service continued to purchase the material in early 1954, and the directive remained in effect which advised use of the coating.

ORDER STOPS USE

It was not until congressional investigators had started working on the problem that the grain division got out a directive on May 17, 1954, in which the State offices were ordered to stop use of the black coating.

Investigators reported that a deputy director of the grain division had said that "the manufacturer of the coating material had unqualifiedly promised to accept the return of any unused coating material and to recoup any losses to the Government which might ensue."

However, records of the promises were never produced, investigators said. Other officials said the manufacturer's representatives had stated they "would in no way assume any liability."

REPORT NAVY HAD APPROVED "FAULTY" BINS—FIRM DENIES DEBT ON GRAIN LOSSES

(By Clark Mollenhoff)

WASHINGTON, D. C.—Navy inspectors had approved 8,960 so-called "defective" grain bins that currently have the Agriculture Department involved in a million-dollar dispute with the manufacturer, it was learned Friday.

It was also reported that the manufacturer, Black, Sivalls & Bryson, Inc., Kansas City, Mo., is relying on the "approval" of Navy inspectors in denying that the firm owes any damages to the Agriculture Department.

The Navy is assigned the inspection of the material in the fabrication plant, and there is a general policy suggesting that "pilot bins" be built and inspected.

NONE BUILT

Failure of the Agriculture Department and the Navy to see that pilot bins were built out of regular production line parts has been reported by investigators.

The fact that the Department relies on a rather casual, and often uninterested inspection by the Navy in purchasing grain bins has been criticized in a report by investigators for the House Appropriations Committee.

The committee suggested that the Department have someone accompany the Navy inspector and that efforts be made to get expert inspection of the bins when they are built.

Too often, the bins are accepted by local agricultural stabilization and conservation (ASC) committees, and are spilling grain before defects are caught, the committee report states.

Earlier this week the Agriculture Department had stated that there would be no loss to the Government as a result of defective grain bins built in Iowa, Minnesota, Illinois, and Kansas last year.

"TRY TO COLLECT"

However, an official of the Department admitted that the Department does not know how much, if any, will be recovered as a result of the defective bins.

"We'll try to collect all damages, including the repair of the bins and the cost of handling the grain to make the repairs," said Wingate Underhill, an assistant to the deputy administrator of the Commodity Stabilization Service.

Underhill said the Department is contending that the inspection and approval of the bin parts by the Navy should not affect the right of the Government to recover damages from either the firm making the steel bins or the firms erecting them.

A meeting of contractors and agricultural officials is scheduled for June 13 to discuss a settlement of the damages. Litigation is expected.

Congressional investigators have received reports from engineers that all 8,960 bins delivered by Black, Sivalls & Bryson last year were "defective."

Underhill told the Des Moines Register that there was no doubt the Government had received "a bad batch of bins" last year, but that the reports he had received indicated only "about 3,000" of the Black, Sivalls & Bryson bins had gone bad.

Although the first complaints about the Black, Sivalls & Bryson bins were filed with the Department last July, it has been only recently that action has been taken to recover damages.

On May 6, Lloyd N. Case, contracting officer for the grain division, wrote to Black, Sivalls & Bryson, stating that "among the defects that have been particularly noted in breach of said contract" are:

1. Foundation rings do not conform to drawings and specifications. They are out of round, contain flat spots, and show gaps between foundation rings and wall sheets.
2. Collapsing or buckling and corrugations in wall sheets.
3. Improper fit of vertical joints.
4. Floors do not provide snug fit against wall.
5. Inadequate welding of hasps and hinges.

The letter stated that "these defects were found in varying degrees in Illinois, Iowa, Kansas, and Minnesota."

The report stated that 610 bins built in Illinois had these additional defects: Loose and missing pins or bolts and rusty spots on wall sheets.

BINS IN IOWA

It was learned that many of these bins were constructed in Iowa at Inwood, Rock Rapids, Sioux Center, Forest City, Leland, Thompson, Rake, Lake Mills, and Northwood.

In some cases the bins have burst open and grain has poured out on the ground, and in many cases the so-called defects consist of bulges in the bins that engineering experts have told investigators may burst out at any time.

In addition to the dispute between the Agriculture Department and the fabrication and erection firms, there is also a sharp dispute between the firm of Black, Sivalls & Bryson and the various firms that erected the bins.

The C. E. Huff Construction Co., Kansas City, has already filed a lawsuit for $289,000 against Black, Sivalls & Bryson. It is contended that the Huff company suffered this much in damages as a result of the difficulty in erecting the Black, Sivalls & Bryson bins.

However, the bigger financial dispute involves the question of whether Black, Sivalls & Bryson or the more than 20 erection contractors are responsible for the defective bins.

CITE INSPECTIONS

Black, Sivalls & Bryson takes the position that the Navy inspectors approved the parts when they inspected them at the plant. It is argued that the defects were a result of improper erection, for which they are not liable.

Huff and other erection contractors contend that the basic problem was in the parts delivered by Black, Sivalls & Bryson. They charge that the foundation rings were not round and were too small for the side sheets.

Fitting the side sheets into a too-small foundation ring necessitated the use of a sledge hammer and other equipment that left a bulge in most of the bins, erection contractors state.

Huff said Friday that this problem was called to the attention of the Agriculture Department in July 1954, and that despite these reports the Department continued to accept and erect Black, Sivalls & Bryson bins.

Huff and other erection contractors state that they continued to erect the bins only because the Government, through the ASC committees, was approving the bins.

Mr. HUMPHREY. Mr. President, I urge my colleagues to read these articles carefully. They make apparent the need for a thorough inquiry.

I want the RECORD to show that I have urged that such an inquiry be made by the Senate Permanent Subcommittee on Investigations.

Last May 17, I called to the attention of the Senator from Arkansas [Mr. MCCLELLAN] the survey upon which these articles are based, and urged that the Committee on Government Operations look into such accusations of mismanagement. The distinguished chairman of that committee agreed, and referred the information I provided to the chief counsel of the investigating subcommittee; and it is my understanding the staff of the subcommittee is now looking into this material.

Because some of the more flagrant cases of mismanagement are already being made public through the press, I want it to be known that some of us who are deeply concerned with agriculture are not unaware of what has been going on in the Department of Agriculture, and intend seeing that conditions are improved.

Mr. President, under the 2-minute rule, I have about a half minute remaining. I ask unanimous consent that I may proceed for an additional 2 minutes, in order to complete my statement.

The PRESIDENT pro tempore. Is there objection? The Chair hears none; and the Senator from Minnesota is recognized for 2 minutes.

Mr. HUMPHREY. Mr. President, let me make it clear, however, that our intent is to promote sound management of Government programs and protection of the taxpayers' money. We are not interested merely in headlines. I am proud of the record of the 84th Congress in not investigating solely for the sake of investigating, but in seeking constructively to ferret out abuses, corruption, and mismanagement, and in seeing that they are brought to a halt. In that objective, I believe we have every right to expect our colleagues on the other side of the aisle to support us. After all, an administration which has talked so much about business efficiency should be the first to want to see such charges thoroughly aired rather than suppressed.

In that spirit, Mr. President, I ask unanimous consent to have printed at this point an editorial from the Des Moines Register entitled "Congressional Committees on the Job."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL COMMITTEES ON THE JOB

Three congressional committees, recently, have turned up strong evidence that the spending of public money by the Federal Government is by no means entirely free of shady practices and highly questionable standards of ethics.

The use of bribes in connection with the handling of a $2 million contract for Navy caps, revealed in testimony before the Senate Government Operations Committee, vies with some of the smelly messes uncovered during the Truman administration.

The alleged loss of $620,831 through failure to award a contract for the purchase of grain bins to the lowest bidders smacks of careless supervision by top officials of the Department of Agriculture and is open to the suspicion of "influence peddling."

It may be possible to defend the "windfall" profits received by cheese manufacturers on the grounds that they otherwise would have been the victims of an arbitrary price drop forced by Government action cutting dairy price supports. But regardless of such a defense, the "buy-back" privileges granted the cheesemakers has all the earmarks of a special concession to a favored few.

It is not likely to set well with dairy farmers who also were the "victims" of an arbitrary price reduction, if one wishes to carry this form of logic to its conclusion. Their investments in herds, buildings and equipment can be said to have been made in the expectation of continued price support at a higher level.

These revelations are bound to be highly embarrassing to the Republican administration, since one of its most potent appeals to the voters in the 1952 election campaign was the promise to "clean up the mess in Washington."

There can be no doubt that the Democrats, who now are in control of the congressional investigating committees, are taking great delight in these opportunities to demonstrate that their political opponents are not so pure.

Only the most innocent neophyte in the business of practical politics would have failed to anticipate that the Democrats would examine every action of the Republicans in hopes of catching them with their guard down. If for no other reason, the Republicans should have been all the more on their toes to root out potential scandals under their own roof and expose them ruthlessly.

But aside from the political overtones of these recent scandals, these congressional committees are performing a valuable and necessary service. They are the only means by which a continual check can be kept on the manner in which public funds are spent, and on the efficiency with which administrative officials carry out their responsibilities. The need for such checks and balances was foreseen and provided for by the makers of the Constitution.

Too often the investigative powers of Congress have been used by political parties solely for campaign purposes, or by individual lawmakers for personal aggrandizement or nourishing a prejudice.

Diligent exposure of corruption in Government in high and low places, irrespective of party affiliation, is a safeguard that must never be abandoned. Neither can we afford to permit its cutting edge to be dulled by prejudicial or selfish use.

The Republicans will serve themselves best by hastening to tighten the reins of administrative procedures. And the Democrats will gain little if the public gets the idea that they have no more laudable motive than to create an opportunity to shout, "Oh yeah, you're just as bad as we are."

Mr. HUMPHREY. Mr. President, I hope we can proceed soon with an investigation of the operations of the Department of Agriculture in the spirit reflected in that editorial. Nothing can do more to undermine and destroy our farm programs than abuse of their administration.

From what I have seen to date, most of the blame rests on sheer bungling and poor supervision. But sufficient evidence has been dug up to indicate even worse conditions may be involved. It is time we found out.

I want to know, for example, if it is only coincidence that firms making the poorest grain bins get contracts on bids of 28 and 28½ cents per bushel capacity, after Department committees have supposedly secretly agreed to accept all bids up to 29 cents per bushel, even though other firms with a better record for their bins have offered to provide them at around 23 cents per bushel.

There are other questions which I should like to have answered. A procurement officer purchased for grain bins large quantities of calking compound which ruined the grain. Reports are current in the Department of Agriculture that as a token of appreciation for this purchase, a procurement officer was presented with a free membership in an afterhours club from the supplier of the defective compound with which the Government was bilked. I want to know if that is true.

Corruption is corruption, no matter how minor. If the reports being circulated are not substantiated, the man involved is entitled to be cleared. If they are proved to be true, he should be dismissed. The only way to find out is to bring these things out in the open and get at the facts.

I think every Member of the Senate interested in good and clean government would like to know the answers to such questions. I hope we can get them. I hope that exposure of such conditions to the public light will lead to a rapid shakeup and cleanup in the Department of Agriculture, to prevent such things from ever occurring in the future.

USE OF RHESUS MONKEYS OF INDIA IN THE POLIO VACCINE PROGRAM

Mr. NEUBERGER. Mr. President, people who are obsessed with the military or cold war aspects of foreign affairs often belabor us with many arguments as to why we should not assist our hard-pressed friends in India with grain, when they need food, and with other forms of assistance toward the development of their country.

I think it is well to remind such people that the rhesus monkeys, which are indispensable to production of the Salk antipolio vaccine, come from India.

Many people in India regard these monkeys as sacred and will not kill them or harm them. Yet, because India is the only country where they are found in adequate numbers, the Government of India has, in spite of the feelings of many of its citizens, continued to permit the export of these monkeys needed for the great humanitarian vaccine program.

Mr. President, I believe the school children of America, who will owe their immunization against polio in part to the rhesus monkeys of India, may well wish to write letters to Prime Minister Nehru or to other Indian citizens to express their appreciation for the rhesus monkeys, without which there might be no antipolio vaccine.

In this connection, I ask that an editorial from the St. Louis Post-Dispatch of June 4, 1955, entitled "India's Quiet Cooperation," be printed in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INDIA'S QUIET COOPERATION

Manufacture of the Salk antipolio vaccine brings science into conflict with certain age-old religious beliefs. For centuries many groups of peoples in India have regarded all monkeys as descended from their ape-god, Hanuman. For this reason monkeys are sacred to many Indians and in their State of Utta Pradesh alone it is estimated that there are 50 million monkeys. No matter how much damage these bothersome animals do to grains and in other ways, many Indians will not harm them or even drive them off.

Yet India is the only country in the world with the rhesus monkey in numbers sufficient to provide the monkey kidneys required for the production of the vaccine. In March a shipment of 340 monkeys was suffocated at a London airport while in transit to the United States. This upset animal protection groups in England as well as in India. Letters appeared in protest against the cruelty and a ban on export of monkeys was announced in New Delhi.

Now without public announcement India has lifted the embargo. What Prime Minister Nehru's Government is trying to do is to cooperate with the United States efforts to save humankind from the dread effects of polio—without offending the many Indians who still hold the monkey sacred. The next time some weekly magazine, newspaper, or commentator criticizes Prime Minister Nehru as unfriendly to western democracies, if not somewhat pro-Communist, this matter of the urgent shipment of monkeys to our vaccine laboratories ought to be remembered.

CAPT. MOSES M. RUDY

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. KILGORE. Mr. President, the only dispute involved in connection with this bill is the provision with respect to the 10 percent attorney's fee. According to the records of the Senate Committee on the Judiciary, there was no attorney and no agent. Therefore we directed that no attorney's fee be paid. For that reason, I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. KILGORE, Mr. EASTLAND, and Mr. WILEY conferees on the part of the Senate.

LEGISLATIVE PROGRAM—ORDER FOR CALL OF THE CALENDAR ON TUESDAY

Mr. STENNIS. Mr. President, I wish to make a brief announcement as to the program of the Senate.

It is not planned to have the Senate consider any legislative measures today, with the exception of a small emergency measure to be presented by the Senator from Minnesota [Mr. HUMPHREY].

At the conclusion of the routine business and following completion of action upon the bill to be presented by the Senator from Minnesota unless there are Senators who desire to address the Senate, it is planned that the Senate shall adjourn until 12 o'clock noon on Tuesday, June 14.

Mr. President, I now ask unanimous consent that following the completion of the morning business on Tuesday there be a call of the calendar of bills to which there is no objection.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF COMMERCE DEPARTMENT APPROPRIATION BILL ON TUESDAY

Mr. STENNIS. Mr. President, at the close of the call of the calendar on Tuesday the leadership will propose that the Senate proceed to the consideration of the Commerce Department appropriation bill, which is expected to be reported this afternoon.

It is not contemplated that any other matters will be taken up on Tuesday except the call of the calendar and the Department of Commerce appropriation bill.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. WILLIAMS. If I understand the acting majority leader correctly, the Commerce Department appropriation bill will not be taken up on Tuesday except by unanimous consent. Is that correct?

Mr. STENNIS. If the bill is eligible to be taken up on Tuesday, it could be taken up on motion.

Mr. WILLIAMS. It was my understanding when I waived my right and consented to the request that the Committee on Appropriations be authorized to report the bill today, or during the adjournment of the Senate, that it would not be taken up on Tuesday if there was objection on that day.

Mr. STENNIS. The acting majority leader clearly understood that the Senator was reserving his right to object. If the report should be filed today the acting majority leader understands the bill would be subject to being taken up by motion on Tuesday.

Mr. WILLIAMS. I should like to say to the acting majority leader that it was very clear in my mind that I was reserving my right to hold consideration of the bill over beyond Tuesday.

Mr. STENNIS. The Senator was reserving his right to object.

Mr. WILLIAMS. If that is not understood, I will have to say to the acting majority leader that I shall not enter into any more unanimous-consent agreements.

Mr. STENNIS. The Senator from Delaware was reserving his right to object. Of course, an objection would have to stand on its merits, and the acting majority leader was not agreeing not to oppose the objection. But an objection, as a practical matter, would control.

The PRESIDENT pro tempore. Is the Senator from Mississippi asking for unanimous consent now that the appropriation bill be taken up on Tuesday?

Mr. STENNIS. No; I am merely making the announcement that on Tuesday, if the Department of Commerce appropriation bill is in order, the leadership would feel free to call it up for consideration.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Delaware will state it.

Mr. WILLIAMS. Would it be in order to call up the bill on Tuesday, except by unanimous consent?

The PRESIDENT pro tempore. The Chair will state that the answer to the Senator's inquiry would depend on two things: first, whether the Senate adjourned today, and, second, whether the bill, the hearings, and the report will have been available for 3 days before it is called up.

Mr. WILLIAMS. As I understand, the bill and the report could not possibly be available for 3 days on Tuesday unless the report were printed this afternoon.

The PRESIDENT pro tempore. Unless it was printed during this day.

Mr. WILLIAMS. It would have to be printed during this day; is that correct?

The PRESIDENT pro tempore. The Senator is correct.

Mr. WILLIAMS. Mr. President, a further parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WILLIAMS. The mere reporting of the bill today, if it were not printed and available during the day, would preclude its being taken up on Tuesday except by unanimous consent. Is that correct?

The PRESIDENT pro tempore. The Senator would be correct unless the bill and the report had been available for 3 days. Section 139 (a) of the Legislative Reorganization Act provides:

No general appropriation bill shall be considered in either House unless, prior to the consideration of such bill, printed committee hearings and reports on such bill have been available for at least 3 calendar days for the Members of the House in which such bill is to be considered.

Mr. WILLIAMS. Is Sunday counted as a day in the 3 calendar days referred to?

The PRESIDENT pro tempore. Sunday is ordinarily counted as a calendar day.

Mr. STENNIS. I should like to doubly assure the Senator from Delaware that the acting leadership is not going to take any advantage of him. He reserved all his rights in the beginning, and he is reserving them now. I do not know when the report will be filed. I am merely announcing that if the bill is eligible to be taken up on Tuesday, we will ask that it be then considered.

Mr. WILLIAMS. I may say to the acting majority leader that I gave consent a few moments ago that the committee could report the bill. At the same time I made it clear—at least I thought I made it clear—that I did not want the consideration of the bill to be forced on Tuesday except by agreement. That was why I withdrew my objection. If I made an error, I made an error, but at the same time I want to say to the acting majority leader that it will not happen again, because there will be no further unanimous-consent agreements entered into, so far as I am concerned, if the bill is brought before the Senate on Tuesday.

The PRESIDENT pro tempore. The Chair will state to the Senator from Delaware that he has made his position clear on the record that he does not wish the bill to be taken up on Tuesday.

Mr. STENNIS. The Senator from Mississippi is merely asking the Senator to reserve his judgment. After looking at the report he might be willing to consent to the consideration of the bill.

Mr. WILLIAMS. The Senator from Mississippi at a later time was merely allowing the Senator from Delaware the right to object, with the understanding that the consideration of the bill will be forced on Tuesday.

The PRESIDENT pro tempore. Is the Senator from Mississippi asking for unanimous consent at this time?

Mr. STENNIS. No; I am not asking for unanimous consent that the bill be taken up on Tuesday.

The PRESIDENT pro tempore. Is the Senator from Mississippi asking unanimous consent with respect to an order for adjournment to Tuesday?

Mr. STENNIS. No unanimous-consent request with respect to adjournment has been made yet.

PROTECTION OF THE NATION'S PARKS

Mr. HUMPHREY. Mr. President, conservationists all over the country are reacting as could be expected in vigorously protesting plans to build a dam in Dinosaur National Monument and hide under several hundred feet of water some of the most spectacular canyons in America.

When this issue was before the Senate, some of us endeavored to protect these great scenic attractions and wilderness parks in the belief that our water and power needs could be met without destroying another great resource—the natural beauty of this area.

The proposal is now before the House. It is not too late to eliminate Echo Park from the upper Colorado River project. Friends of conservation hope that will be done.

Mr. President, one of the chief editorial writers from the Minneapolis Star went into this region to see for himself what this issue is all about, and to talk to local people about it.

I ask unanimous consent to have printed at this point in the body of the RECORD, an editorial page feature article from the May 18 issue of the Minneapolis Star, written by George L. Peterson, and entitled "Colorado River Plan Threatens Scenic Canyons."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COLORADO RIVER PLAN THREATENS SCENIC CANYONS

(By George L. Peterson)

DENVER, COLO.—Reverberations are being heard all across the Nation as conservationists battle a Bureau of Reclamation plan to build a huge dam in Dinosaur National Monument and hide under several hundred feet of water some of the most spectacular canyons in America.

Just as determined as the conservationists are a lot of people who say progress is more important that scenery—farmers who want added irrigation for their arid acres, business men who want more power to develop the resources of these Mountain States, workers who want jobs on the expensive dam projects.

Countrywide attention has centered on Echo Park Dam in Dinosaur Monument, but this controversial installation is only one phase of a vast development scheme for the upper Colorado River Basin (parts of Colorado, Wyoming, Utah, New Mexico, and Arizona).

A national monument is administered by the National Park Service but generally is under less stringent regulations than a national park. Proponents of the Echo Park Dam claim that President Franklin Roosevelt's 1938 proclamation creating the present Dinosaur Monument clearly left the way open for the project. I'll go into that argument later.

When I asked a Colorado rancher what the fighting was all about, he pushed his broad-brimmed hat back on his head, looked reflectively out on parched hills and answered slowly with a twinkle in his voice, "It's mainly a scrap between Utah and California over Colorado's water."

This part of the West has been panting for water as long as the white man has been around. The tradition, later sanctioned by law, is that the first user of water in point of time establishes a permanent right. Thus a farmer near the mouth of the Colorado River who started taking water first has a prior claim over an upper river farmer who also tapped the stream.

To clear the way for Boulder (now Hoover) Dam and to regularize use of water, the Colorado River compact was signed by the affected States in 1922. It provides that 75 million acre-feet of water would have to be delivered every 10 years at Lee Ferry, just below the Utah-Arizona border, the accepted division point between the upper and lower basins.

At that time the flow of the Colorado River system was generally estimated at 20 million acre-feet a year. Some present estimates place the flow at only 14 million acre-feet.

Subsequent to the Colorado River compact a treaty gave Mexico first claim to 1,500,000 acre-feet of Colorado River water. Thus the upper basin was obliged to deliver 9 million acre-feet a year at Lee Ferry, except that in case there was not enough water to give the upper and lower basins each 7,500,000 acre-feet a year, Mexico's share would be subtracted equally from the two basins.

In 1929 California by State act said it would not use more than 4,400,000 acre-feet a year of the water allotted to the lower basin under the compact, plus not more than half of any excess water coming to the lower basin.

In 1948 the upper basin States apportioned their water under the compact in this manner: Colorado 51.75 percent, Utah 23 percent, Wyoming 14 percent, New Mexico 11.25 percent.

Arizona, which in a minor way is also an upper basin State because some of the Colorado River water rises there, was given 50,000 acre-feet a year of the upper basin share before the other four States got their water.

The upper basin now is using only about 2,200,000 acre-feet of Colorado River water a year, so an excess over the treaty and compact requirements is being delivered at Lee Ferry. And the lower basin States of California, Arizona, and Nevada undoubtedly are using more than their allotted 7,500,000 acre-feet a year, though no one knows just how much.

But the upper basin has designs on the extra water. That's the purpose of the upper Colorado development program which has passed the Senate and now is before the House.

The Senate bill authorizes immediate construction of six dams (including Echo Park) and a dozen irrigation projects in Colorado, Utah, Wyoming, New Mexico, and Arizona at a cost in excess of a billion dollars. The whole plan calls for 10 major dams and 50 smaller works eventually at a total cost of close to $2 billion.

The power projects are supposed to pay back their cost plus interest. The irrigation projects, in accordance with long-standing custom, are supposed to pay back their original cost but no interest. Irrigation charges sometimes are arranged so that repayment of costs are spread out for as long as a hundred years, which may mean that interest costs the people of the United States more than the original investment.

California is providing a big share of the opposition to the upper Colorado program, obviously fearing that the lower basin's flow of water may be impeded and probably hoping that additional water may be allotted to booming southern California.

But it is not fair to say, as some of the proponents of Echo Park Dam and the upper Colorado program are saying, that the conservationists who oppose Echo Park are merely the dupes of California interests which want more than their legal share of Colorado River water.

The conservationists are not unmindful of the upper basin's need for water storage to provide power, irrigation, and a better regulated flow to the lower basin. But they contend that these things may be done just as well—perhaps better—by leaving Dinosaur National Monument untouched.

Tomorrow we'll pay a visit to Dinosaur.

EXECUTIVE SESSION

Mr. STENNIS. On the Executive Calendar there are routine nominations in the Coast Guard and of certain postmasters. They have been gone over by the majority leader, the acting majority leader, and the acting minority leader.

I now move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the

President of the United States submitting sundry nominations, and withdrawing the nominations of Mrs. Jimmie L. Matheson, to be postmaster at Fry, Ariz.; and Mrs. Mary B. Farmer, to be postmaster at Princeton, La.; which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Edward J. Sparks, of New York, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Guatemala; and

Francis A. Flood, of California, and sundry other persons, for appointment and promotion in the Foreign and Diplomatic Service.

By Mr. GEORGE, from the Committee on Finance:

James Weldon Jones, of Texas, to be a member of the United States Tariff Commission, vice Oscar B. Ryder.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. STENNIS. Mr. President, I ask unanimous consent that the nominations in the Coast Guard be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

COAST AND GEODETIC SURVEY

The legislative clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

Without objection, the President will be notified of all nominations confirmed today.

LEGISLATIVE SESSION

Mr. STENNIS. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ALBERT WOOLSON

Mr. STENNIS. Mr. President, I move that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 455, House bill 5907, in which the Senator from Minnesota [Mr. HUMPHREY] is interested.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5907) for the relief of Albert Woolson.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, I wish to express my gratitude and appreciation to the acting majority leader [Mr. STENNIS], the minority leader [Mr. KNOWLAND], and the chairman of the Judiciary Committee [Mr. KILGORE].

The bill which has been called up is a private bill relating to one Albert Woolson, of Duluth, Minn., a 108-year-old veteran of the Grand Army of the Republic. It is significant that while the acting majority leader, one of the most beloved and distinguished Members of the Senate, comes from the great State of Mississippi, this bill involves taking care of the expenses of hospitalization of a distinguished Union veteran of the Civil War. The report accompanying the bill is explanatory as to why the action is needed. The only reason for calling the bill up at this time is that the old gentleman involved is very ill, and life's span may run out at any time, and it was felt that while he is ill it would be well to act on this particular bill. I, therefore, request favorable action by the Senate on the bill.

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. HUMPHREY. Mr. President, I wish to express my thanks particularly to the Senator from Mississippi [Mr. STENNIS] and the Senator from California [Mr. KNOWLAND] for their fine cooperation.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

Mr. STENNIS. Mr. President, with reference to the report on the Department of Commerce appropriation bill and the proposal to take up the bill on next Tuesday, based on information I have received that the report will be filed sometime today, I am entirely willing, speaking as the acting majority leader, that the Senate adjourn until Tuesday, with the understanding that, if possible, the Senator from Delaware [Mr. WILLIAMS] will agree that the bill be taken up on Tuesday; and that if he cannot agree to that, then no motion will be made to take it up on Tuesday.

Mr. WILLIAMS. Mr. President, I appreciate that statement, coming from the acting majority leader. What he has suggested is perfectly agreeable to me.

Mr. STENNIS. I appreciate the Senator's remarks. I have great faith in him and his understanding of the situation. We will proceed along the lines I have indicated. I had not exactly understood the situation previously. However, there is complete good faith, and I think this is the proper procedure.

REDEVELOPMENT OF THE SOUTHWEST MALL SECTION OF WASHINGTON

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a statement I have prepared pertaining to Senate bill 1290, which was passed by the Senate on June 8, 1955.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BUTLER

On Wednesday the Senate approved the bill introduced by my good friend and able colleague, the Senator from New Mexico [Mr. CHAVEZ], which was designed to expedite the development of the southwest Mall section of Washington. In effect the measure authorized a slum-clearance program which has long been needed in that area of the Nation's Capital. No one can quarrel with this worthy objective.

My objection to the Chavez proposal was directed solely to the provision which permitted negotiated contracts, instead of conforming to the sound public policy of open contracts.

Had this provision been mandatory instead of merely permissive I would have held it to be my duty to vote against the measure. I believe in open public contracts, openly developed. That in my opinion is the kind of policy which merits the support of the Congress. In this particular instance I understand that the General Services Administration also favors open bids and will resort to negotiated bids only if necessary to the success of the project. Under these circumstances my opposition to such a worthwhile proposal would not have been valid. I feel that I can rely on the good judgment of the General Services Administration to handle the matter in the best interests of the Nation and the taxpayers.

Furthermore, I am encouraged to believe that the Senate will concur likewise in my proposal as set forth in Senate bill 1863, which is designed to eliminate the unsightly and disgraceful Government temporary buildings in Washington, and to relocate them in a "Federal City" project in nearby Maryland. I sincerely hope that this measure will be before the Senate soon and that it will act with equal rapidity in approving this most desirable objective.

AUTHORIZATION FOR VICE PRESIDENT OR PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS DURING THE ADJOURNMENT

Mr. STENNIS. Mr. President, I ask unanimous consent that the Vice President or the President pro tempore may be authorized to sign duly enrolled bills during the adjournment of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONVEYANCE OF CERTAIN LANDS IN THE TURTLE MOUNTAIN INDIAN RESERVATION

Mr. STENNIS. Mr. President, what is the unfinished business?

The PRESIDENT pro tempore. The clerk will state the unfinished business by title.

The LEGISLATIVE CLERK. A bill (S. 1397) providing for the conveyance to St. Mary's Mission of certain lands in the Turtle Mountain Indian Reservation.

ADJOURNMENT TO TUESDAY

Mr. STENNIS. Mr. President, if no other Member wishes the floor, I move that the Senate adjourn until 12 o'clock noon on Tuesday, June 14, 1955.

The motion was agreed to; and (at 12 o'clock and 58 minutes p. m.,) the Senate adjourned until Tuesday, June 14, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 10 (legislative day of June 8), 1955:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment as Foreign Service officers of class 1, consuls and secretaries in the diplomatic service of the United States of America:

Donald D. Kennedy, of Oregon.

Hayden Raynor, of the District of Columbia.

Robert G. Miner, of Maryland, for promotion from Foreign Service officer of class 3 to class 2.

The following-named persons for appointment as Foreign Service officers of class 2, consuls and secretaries in the diplomatic service of the United States of America:

Lucius D. Battle, of Florida.
George M. Czayo, of Illinois.
Edwin G. Moline, of Maryland.
Cromwell A. Riches, of Oregon.
Alexander M. Rosenson, of the District of Columbia.
Howard H. Russell, of North Dakota.

The following-named persons for appointment as Foreign Service officers of class 3, consuls and secretaries in the diplomatic service of the United States of America:

Howard W. Brown, of Missouri.
Eldon J. Cassoday, of New York.
Howard J. Hilton, Jr., of Washington.
Arthur G. Lund, of Utah.
Idar Rimestad, of North Dakota.
Robert O. Waring, of New York.

The following-named persons for appointment as Foreign Service officers of class 4, consuls and secretaries in the diplomatic service of the United States of America:

Hampton Davis, of Virginia.
Warren G. Dougherty, of Illinois.
Roger W. Grant, Jr., of Virginia.
Clarence J. McIntosh, of Florida.
Ray Sena, Jr., of New Mexico.
Ralph C. Talcott, of California.

Thomas A. Cassilly, of Maryland, now a Foreign Service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

John R. Bartelt, Jr., of Massachusetts, for appointment as a Foreign Service officer of class 5, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

David B. Bolen, of Colorado.
John P. Call, of California.
Miss Marjorie L. Cheatham, of Washington.
Weikko A. Forsten, of Washington.
George R. Irminger, of Missouri.
Wesley E. Jorgensen, of Washington.
Robert A. Lewis, of New York.
Miss Martha J. Moses, of Texas.
Howard L. Walker, Jr., of California.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

James B. Brown, of California.
C. Jefferson Frederick, of Washington.
William B. Grant, of Massachusetts.
Donald E. Herdeck, of Pennsylvania.
Herbert S. Malin, of Connecticut.
Virgil P. Randolph III, of Virginia.
Owen W. Roberts, of New Jersey.

BOARD OF PAROLE

Gerald E. Murch, of Maine, to be a member of the Board of Parole for the term expiring September 30, 1959, vice James A. Johnston, deceased.

William F. Howland, Jr., of Virginia, to be a member of the Board of Parole for the term expiring September 30, 1960, vice Richard A. Chappell, term expired.

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. Isaac Davis White, O15080, Army of the United States (major general, U. S. Army), in the rank of general.

IN THE AIR FORCE

The following-named graduate, United States Naval Academy, class of 1955, for appointment in the Regular Air Force, in the grade of second lieutenant, with date of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

Francis Leonard Castillo

IN THE NAVY

Beal G. Dolven, Jr. (Naval Reserve Officers' Training Corps), to be an ensign in the Navy, subject to qualification therefor as provided by law.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy as previously nominated and confirmed, to correct name, subject to qualification therefor as provided by law:

Wayne G. Plazak
William A. Richards

The following-named (Naval Reserve aviators) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Walter M. Phillips, Jr.
Craig E. Woodburn

Frank B. Lloyd (civilian college graduate) to be a lieutenant (junior grade) in the line in the Navy (special duty officer), subject to qualification therefor as provided by law.

The following-named Reserve officers to the grades indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

LIEUTENANT

Burt C. Johnson
William M. M. Robinson

LIEUTENANT (JUNIOR GRADE)

Edward J. Brill	Charles A. Rankin, Jr.
Herbert A. Kaufmann	Wilbur J. Schefstad
LeRoy E. Kurth, Jr.	Charles A. Schehl, Jr.
Daniel J. Scott, Jr.	Mario A. Vasquez
Paul R. Spierling, Jr.	Matthew F. J. Yenney Jr.
David M. Stenzel	

The following-named Reserve officers to be lieutenants (junior grade) in the Dental Corps in the Navy, subject to qualification therefor as provided by law:

Robert W. Dages	Tennyson J. Lommel
Richard G. DeNiro	John R. Russell
Charles W. Erlandson	Philip W. Strauss
Dan R. Garza	Donald E. Taylor
Richard A. Gette	James A. Tobias
James A. Johnson	Kenneth S. Williams
Richard D. Karlson	Harrison P. Wilson
Cornelius A. Link, Jr.	

Stephen R. Smiriga (Naval Reserve Officers' Training Corps) to be second lieutenant in the Marine Corps, subject to qualification therefor as provided by law.

Richard C. Hyatt (Reserve Officers' Training Corps) to be second lieutenant in the Marine Corps, subject to qualification therefor as provided by law.

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Leslie Addicott, Jr.	James A. Kauffin
Robert G. Aldrich	George E. R. Kinnear II
John E. Ambrose	Robert "J" W. Klimetz
Jack B. Andrews	Francis J. Klinker
Joseph H. Bauernfeind	Norbert R. Kluga
Norbert L. Bausch	Victor G. Kreck
William H. Birk	Arthur D. Lamb, Jr.
Logan C. Blackwell	Paul J. LeTourneau
David H. Blalock, Jr.	George C. Lyne
Charles E. Boeing	James H. Lytle
James A. Bortner	Joseph C. McCoy, Jr.
Don L. Braddy, Jr.	Thomas W. McNamara
Alvin Brand	Charles R. MacDowell
Thomas J. Brewer	Stuart G. Madison
William D. Bridge	Roy W. Magnuson
William A. Bunker	Dick D. Mahaffey
George E. Burgi	Albert V. Milani
Clifford R. Cameron	Jurgen H. Miller
James LeR. Chaffee	William Mohlenhoff
John A. Chalbeck	Edward W. Molzan
Horace "B" Chambers, Jr.	Leonard Morey, Jr.
	Carl D. Neidhold
Charles C. Christiansen	Douglas L. Newgard
	William A. Nickerson
Thomas C. Clay	James B. Overton
William F. Conklin	John C. Pedersen
John A. Conkling, Jr.	Eugene A. Pelton
Robert D. Connolly	Ralph C. Peters, Jr.
Kenneth E. Cornell	Donald E. Petersen
William A. Daniel	Charles T. Phillips
Edward M. Dassler	Julian Platon, Jr.
Thomas E. Davis	Edmund A. Quasebarth, Jr.
John G. Denham	
John R. Dewenter, Jr.	Jack Q. Quinn
Norman K. Donahoe	James W. Roberts
Emile J. Dufort, Jr.	David W. Robertson
Neville D. Dunnan	William H. Russell
Robert L. Esau	Charles F. Schied
David R. Freytag	Henry H. Schleuning, Jr.
Herman E. Fritzke, Jr.	
George E. Gaddis	Arthur F. Schneider
James K. Gaddy	Melvin L. Scott
Otto E. Gercken	Lloyd M. Seawell, Jr.
Norton H. Goodsell	Bruce B. Sheppard
George C. Hafner	Joseph Simmons, Jr.
Berkeley W. Hall	George L. Skirm, Jr.
Robert H. Hartzell	Maurice E. Smith
John M. Herbst	Ray E. Smith
Hughes Hill	Benjamin E. Spence
Ronald V. Himelick	Gerald D. Staheli
Howard F. Hofmeister	Harold G. Stanley
David L. Hughes	John A. Strand, Jr.
Paul I. Hunter	Clyde W. Summitt
Robert E. Hunter, Jr.	Ballard W. Tebo
George E. Jacobssen, Jr.	Robert M. Thompson
	John H. Thorp
Harry T. Jenkins, Jr.	David L. Tobias
Donald LaV. Jensen	Eugene A. Vanderbeck
John W. Jones	George D. Walker

Emil F. Wasniewski
Thomas F. Wentworth, Jr.
Frank D. Whiteman
Fred W. Wilder
John R. Winton, Jr.
Raymond E. Zagorski
Charles H. Zilch

LIEUTENANT (JUNIOR GRADE)

Stanley W. Ahlquist
Leonard L. Aucoin
Richard W. Aumuller
George T. Bailey
John B. Barnes
Charles R. Baron
Eugene A. G. Beaumont
Harvey J. Beeton
Bill J. Bell
Lester W. Berglund, Jr.
John H. Bowen, Jr.
Roy H. Bowling
Siras D. Browning
Wright "A" Brunson, Jr.
John R. Burriss
Paul D. Butcher
Stanley B. Butrym, Jr.
Robert S. Byron
George A. Canon III
George L. Carson
James D. Carter
Dean G. Cassell
Frederick L. Chapman
David P. Clark
Richard D. Coogan
Vernon H. Cook, Jr.
Edward E. Cour
Earl C. Craig
Richard W. Crook
Charles H. Cross
James M. Daniels
Robert C. Davis, Jr.
Arthur E. Derby, Jr.
Loren M. Dierdorff
Richard J. Dietz
James R. Donahoo
Raymond D. Donnelly, Jr.
George M. Dwyer
David B. Eldridge, Jr.
Orville G. Elliott
James M. Elster
David W. Evans
Alastair S. Falconer
Karl H. Farber
Edmond M. Feeks
William J. Finneran
George A. Friese
Richard F. Gallagher
Richard W. Gallipeau
Bernard J. Galvin
John D. Gandy
Paddy R. Garver
William C. Giovanetti
Marvin S. Greer, Jr.
Wayne C. Greer
George B. Gregory
John B. Gregory
Arthur J. Gross
Frank O. Gutierrez
Raymond B. Harter
William N. Head
Harry E. Helgeson, Jr.
George E. Hildahl
Ronald N. Hipp, Jr.
Theodore L. Hodson, Jr.
William H. Holbert, Jr.
Nathan C. Holway
Robert L. Horton
Richard L. Hoyt
Robert J. Hurley
Clifton M. Hussey
Eldon D. Johnson
William R. Johnson
Arthur L. Jones, Jr.
Donald S. Jones
Samuel W. Kaai
Richard W. Kaiser, Jr.
Everett D. King
Clayton C. Knight
Walter J. Knipp
Don H. Knoerr
Robert J. Kowalski
Curt H. Kretzschmann
Richard E. LaBarre
Robert L. Lage
Durwood E. Lashbrook
Frederick M. Low
George C. Lowry
Daniel G. McCormick
Johnny B. McDaniel
James M. McNaughton
Cornelius E. Mandel, Jr.
Alan "J" Margeson
Donald E. Martin
Wesley R. Mason
Donald M. Mercer
Floyd H. Miller, Jr.
Roy L. Mock
Alan G. Murdoch
Paul E. Neville
Robert M. Owens
Joe Parks
Samuel S. Pearlman
William A. Pearson
Roland A. Petrie
Robert L. Phelps
Robert A. Poor
Thomas E. Powers
Walter P. Price
Robert E. Reddick, Jr.
Frederick J. Reeg
Randolph L. Rhodes
Lloyd W. Richards
Robert R. Ritzman
Milton D. Robinson, Jr.
Earl C. Rockwood, Jr.
Charles W. Roe
Ralph E. Rogers
Warren F. Rogers
Gerald K. Roland
Martin Ruch, Jr.
Roger H. Ruhsenberger
Richard E. Runyon
John M. Rusch
James A. Ryan, Jr.
Ben T. Sanders
Richard E. Sargent
John H. Shaw
Jean P. Sheets
John D. Shilling
Edwin D. Shropshire, Jr.
Philip W. Signor, Jr.
Reginald C. Simmons
Alfred Skolnick
Frederick J. Slyfield
Herbert W. Smevog
Aaron W. S. Snyder
Herman L. Snyder, Jr.
Thomas W. Speelman
Jack D. Stevens
James H. Strawn
Doyle L. Sutherland
William E. Templeman
Billy B. Traweek
Sam Visnich
Charles E. Waite
Harold E. Walker, Jr.
Joseph E. Wall
Robert B. Ward
Robert N. Weaver
John E. White
James F. Whittier
Marion Willhauck
James A. Wilson, Jr.
Robert W. Wisdom
John R. Witcher
William W. Wright
John O. Yanaros
Alfred A. Young III

The following-named for permanent appointment:

LIEUTENANT

Paul E. Abrahamson
Alfred M. Addy
Joe D. Adkins
Joseph W. Akins, Jr.
Jay Alkire
Floyd J. Allen
James B. Allen
Roland H. Almonrode
Arland T. Anderson
Donald W. Anderson
John M. Anderson
Colin L. Armstrong
Robert "L" Ashford
Francis E. Babineau
William A. Babis
Richard A. Backey
George G. Bailey
John R. Bain
Roland H. Baker, Jr.
James F. Bangham
Albertus V. Barber, Jr.
Marvin B. Barefoot
Charlie H. Barfield
Dowdell A. Barnes, Jr.
William B. Barnes
John J. Barteluce
Ronald D. Bartlett
Charles A. Barton
William E. Bassett
Lawrence R. Bauer
Russell H. Baughman
Robert W. Bauman
Hugh B. Baumann
Percy S. Beaman
Kenneth N. Bebb
Bartlette A. Beck, Jr.
Robert E. Begley
Miller L. Bell, Jr.
Ross K. Bell
John J. Berend
Martin B. Betts
Benedict B. Bialy
Harry Bigham
George B. Bird, Jr.
Gerald T. Bird
Edwin R. Blackburn
Richard E. Blair
Melvin D. Blixt
Richard F. Bodette
Andrew J. Bodnar
Alan R. Bott
Jack D. Bottoms
James R. Boulware
Edwin E. Bowen
Maurice R. Boyack
Charles G. Brady, Jr.
James "L" Brady III
George I. Brandenburg
Albert J. Brazauskas
Thomas J. Breen, Jr.
William E. Brewer, Jr.
Arnold H. Brogan
Neil J. Broscha
Robert C. Brower
Edward J. Brown
Floyd H. Brown
Lofton C. Brown
Thomas D. Brown
Vergil N. Brown, Jr.
Herschel McK. Browne
Donald E. Brubaker
John C. Bruce
Paul E. Bryan, Jr.
James P. Buckner
Henry M. Buerckholtz, Jr.
Richard B. Buffington
Fletcher H. Burdett, Jr.
George S. Burdick
Ward A. Bush
Frank J. Butler, Jr.
Ivan R. Campbell
Edmond J. Carey
James Carlin
Donald W. Carlson
Jack L. Carter
John T. Carter, Jr.
Christopher J. Casserly
William D. Chattleton
Glen R. Cheek
Donald W. Christensen
Jack A. Christensen
Edward F. Christiansen
Ernest J. Chuilli
Louis Cislo
James R. D. Clark
Angelo E. Clemente
Fred M. Cloonan
Russell W. Cole
Robert M. Collins
Harry W. Colonna
Arthur F. Conde
Robert S. Cooke
William J. Cooper
Lyle J. Cowie
Alan B. Crabtree
Neil Craig
Jack C. Crandall
Phillip R. Craven
Jesse C. Creasman
William E. Cross
Richard G. Crouch
Herbert D. Crowley
Miller T. Crownover
James H. Cullen
Chester D. Cullison
Charles W. Cummings
Philip C. Dahlby
Robert L. Dale
Charles MacD. Dallas
James W. Davies
Robert Davies
Raborn L. Davis
Warren E. Davis
William G. Davis
John F. Dawson
Claude E. Dechow
John M. DeCicco
Forrest R. Degler, Jr.
Lewis E. Denny
Robert F. Dias
James R. Dodd
William N. Donnelly
Joseph H. Downing, Jr.
Albert E. Easterling, Jr.
Warren Eckhoff
Edward C. Elliott
George B. Elliott, Jr.
Hollie H. Elliott, Jr.
Claire R. Elwood
Harold G. English
John P. Enright
Jack E. Evans
John R. Ewing
Paul C. Ewing
Gilbert A. Falter, Jr.
George W. Farris
Lawrence J. Fay
James C. Ferguson
Clarence O. Fiske
Robert A. Fitch
George W. Fitchko, Jr.
Jean Fitzgerald
Loren W. Flock
Donald A. Franz
Elmer L. Frasier
James Freeman
Cornelius R. Gallagher
Joseph Gallagher
Frederick S. Gallup
Wilbur C. Garvin
Wesley R. Gauntt
James R. Gaynier
Joseph R. Geary
Alan J. Geel
John H. Gentry
Harold F. Gernert
Russell G. Gilmore
Richard D. Giess
David A. Goldstein
Merle H. Gorder
Jerome E. Grause
Samuel L. Gravely, Jr.
Grover K. Gregory, Jr.
Joseph E. Greig
Harry J. Griffin
Thomas E. Groves
Monchie M. Gunter, Jr.
Charles A. Guthrie
Robert L. Guy
Earl F. Hack, Jr.
Carl Hall, Jr.
William R. Hamaker
Jack M. Hamilton
Robert M. Hamilton
Burton W. Hancock
Donald L. Hanna
Lyman W. Harbottle
William A. Hardenstine
Seth E. Hargrave
Jack H. Harris
William H. Harris
George L. Hart
William S. Hastings
Julian Hattersley
Edward S. Haugen
Bennie O. Hawley
James W. Hayes, Jr.
William E. Haynes
James M. Hazelwood
Nelson E. Heckert
Louis L. Helms
William A. Helton
James R. Henderson
Donald J. Hendrick, Jr.
Carl H. Herrick
Joseph P. Hickey
Frederick L. Highsmith
Charles D. Hinds
Warren S. Hintz
Alan G. Hodge
Frank N. Hofer, Jr.
Roy F. Hoffmann
Samuel C. Holladay
Carl L. Hokenson, Jr.
Albin LeR. Hovde
Alfred M. Howard
Raymond B. Howard
Vernon R. Hubler
Lowell T. Hughes
Robert S. Hunt
Jack S. Hunter
James A. Hunter
Harold R. Hutchinson
Thomas H. Hutchinson, Jr.
Earl Jack
Richard "B" Jacobs
John H. Jacobsen
Harold E. Jandebeur
Roy T. Janiec
Charles W. Jensen
Benjamin T. Johnson
Francis A. Johnson
Theodore R. Johnson, Jr.
Harrell C. Joines
Frank C. Jorgensen
Harry W. Juntilla
Robert H. Kaetzel
Gerald H. Kaffer, Jr.
Robert A. Kanak
Donald T. Karnagel
Frank P. Kauzlarich
Earl W. Keegan, Jr.
James Keith
Clarence L. Kennedy
Raymond F. Keough
Wilford R. King
William L. King, Jr.
Paul H. Kirchner
Melvin E. Klein
Franklin N. Klingberg
Raymond P. Kluger
Earl W. Knofla
Albert E. Knutson
Lee E. Koett
Richard J. Krauthamer
Arthur R. Kreutz
John E. Krimmel
Hugh E. Lang
Walter C. Larry
Bertrand "O" Larsen
George I. Lauver
Kenneth W. Lawrence
Lawrence W. Lawton
David C. Leach, Jr.
George H. Lee
Alfred Leone
Harold LeR. Lewis
Richard G. Liebel
Monard LeR. Lilleboe
Alvin R. Livesay, Jr.
Joseph D. Lorenz
Warren H. Lockwood
Jesse P. Lott
Vincent D. Lovett
Warren H. Lowans
William J. LuBien
Victor "Z" Lumper
Elmer R. Lurker
Leslie "O" Lynch
Henry J. Lyon
Robert R. McArthur
Thomas R. McBratney
Jerome McCabe
Joe J. McCadams
Carl J. McCann
John E. McCarthy
Thomas G. McClellan
John H. McConnell, Jr.
Nathan F. McDonald
Harold O. McEachern
Richard S. McElwain
John C. McGill, Jr.
John J. McGrath, Jr.
Edward E. McIlroy
Charles S. McKenzie
Paul J. McVeigh
William C. Magee
George N. Maige
Leonard Maley
Paul E. Marsh, Jr.
James W. Martin
Linwood F. Martin
Reginald E. Martin, Jr.
Samuel A. Martin
Ward K. Martin
David J. Martz
Floyd E. Masek
John D. Mates
Ivan R. Matthews
Frank C. Mead
Merle P. Mead
John L. Meisenheimer
Vincent E. Melander
Wayne C. Metcalf, Jr.
Peter G. Millenaar
John W. Miller
William G. Milner
Frank A. Mitchell
James V. Mone
Rodney T. Mooney
William G. Moore
Eugene R. Moorman
Albert A. Morel, Jr.
Daniel Morgan
Marion E. Morris
Edward B. Morrison
John "L" Morrison, Jr.
Darrell L. Mossburg
Robert A. H. Murline
James J. Murphy
Bruno Mussetto
Claude Navarrette, Jr.
Donald P. Neilis
Albert N. Nelson, Jr.
Clifford Nelson
James D. Nesbitt
James O. Nesbitt
Joseph T. Neville
Kenneth H. Newkirk
Robert L. Nichols
Robert J. Nienberg
Robert E. Noble

Robert C. Noll
Clifford E. Nord
James A. Nourse
Billie E. O'Brien
Phillip W. Oddo
James C. Oliver, Jr.
Paul S. Olmsted
Fredrick G. Olson
Raoul M. Olson
Timothy R. O'Neil
Thomas H. R. O'Neill
Maurice C. Orbeton
William E. Outten
Richard A. Paddock
Carlo Palermo
Harry C. Palmatier
Frederick F. Palmer
George B. Palmer III
Hugh G. Parker, Jr.
Thomas J. Patterson, Jr.
Roy H. Paxson, Jr.
George C. Peebles, Jr.
Walfred N. Pentinmaki
George F. Peoples
Alva L. Phillips, Jr.
Billy Phillips
Calvin L. Phillips
Merrill L. Phillips
Shelly B. Pittman
Ronald LeR. Place
John D. Ploetz
Thomas J. Porcari
William W. Porter
Frank E. Powers, Jr.
George Prassinos
Charles K. Presgrove
Clarence L. Prewett
Leslie M. Price
Meredith K. Price
Bruce E. Prum
Boyd McG. Pullen, Jr.
Duncan E. Ragsdale
Homer C. Ragsdale, Jr.
Cyrus A. Rank
William H. L. Reeder
Donald E. Reh
Milton LeR. Reynolds
Daniel J. Rice
Robert G. Rich
John W. Richmond, Jr.
Lee R. P. Rivers
John A. Robertson
William H. Robinson, Jr.
William H. Rogers
Leonard V. Rohrer
Claude M. Ross
William W. Ross
Jerome A. Rouse
Milo Rumfelt
Anthony Ruoti
Alvin E. Rusche
William A. Rush
Everett G. Ryder
Charles W. Saar
Eric G. Schloer
Ned W. Schoonover
Aage J. Schou
Thomas "M" Seale, Jr.
Neil V. Seckinger
Josef McG. Seger
George H. Seidel
Carl H. Sell
Colin F. Shadell
Keith W. Sharer
Owen B. Sharpe
William R. Sheehan
James C. Sheppard
Harold N. Sherman
John H. Shidle
William G. Shinn
John W. Shute
William A. Simkins
William B. Simone
Robert W. Smiley
Emory P. Smith
George K. Smith
Howard G. Smith
John A. Smith
Lloyd H. Smith
Meredith A. Smith
Ralph F. Smith
Richard C. Smith
Wade "K" Smith, Jr.
Wellington P. Smith
Maurice L. Somme
Malvern E. Soper
Lincoln J. Speed
Douglas Stahl
Richard J. Stark
John D. Stensrud
Alfred D. Stevens, Jr.
Robert G. Stiles
Edward P. Stilwell
Joseph A. R. St. Louis
Ralph E. Stokes
Richard H. Stolpe
William C. Stratmann
Andrew C. Straton
George T. Strong
Harvey W. Sturdevant
Charles B. Sturm
Elmer D. Sullivan
John F. Sullivan
George H. Sutcliffe
Henry J. Sylvia
Charles J. Talmadge
Cecil O. Taylor
Carl G. Tegfeldt
William M. Tell
Kenneth G. Thomas
Lon C. Thomas
Ralph L. Thomas, Jr.
Elmer N. Thompson
Richard A. Thompson, Jr.
William B. Thompson
Harold L. Thorp
Charles N. Tilton
Joseph H. Towne
Perry R. Trimmer
Rudolph E. Trip
Jack L. Tripp
Richard McK. Tucker
John S. Turner
Robert B. Ulm
John "L" Underwood, Jr.
Joseph D. Usina
Bryson VanGundy, Jr.
Lloyd M. VanLunen
Byron D. Varner
Felix S. Vecchione
Martin C. Voves
Jack E. Waits
Grover "C" Walker, Jr.
Benjamin M. Washburn
Jack E. Waterman
Lowell W. Waters
Gale V. Watt
Daniel Weizer
Frank P. Wells
Howard C. Wellsman
Harold F. Wenzel
Clifford D. Wheeler
Walter T. Whitby
Richard "A" Wiener
Gerald L. Wilda
Glenn E. Williams
Robert C. Williamson
Joseph H. Wilson, Jr.
Ernest R. Winslett
Eugene E. Wood
Edwin C. Woodburn
Grant C. Young
Martin "M" Zenni
William R. Zimmerman, Jr.
Frank G. Zinsler

LIEUTENANT (JUNIOR GRADE)

Leslie Addicott, Jr.
Robert G. Aldrich
Winfred P. Allen
John E. Ambrose
Paul L. Anderson
Jack B. Andrews
David J. Anthony
Albert J. Ashurst
Erskine P. Ausbrooks, Jr.
James R. Bachtold
Robert W. Barrow
Joseph H. Bauernfeind
Norbert L. Bausch
Lloyd D. Beatty
Gerald R. Bell
Leslie C. Bender, Jr.
William E. Bickert
William H. Birk
Logan C. Blackwell
Harry R. Blake, Jr.
David H. Blalock, Jr.
Charles E. Boeing
James A. Bortner
Albert J. Bouvette
Don L. Braddy, Jr.
Gerald R. Bradford
Richard L. Bradley
Alvin Brand
Thomas J. Brewer
William D. Bridge
Harold LeR. Brooks
Byron L. Buley
William A. Bunker
George E. Burgi
Clifford R. Cameron
William V. Campbell
Richard L. Carter
Richard DeL. Casad
James LeR. Chaffee
John A. Chalbeck
Horace "B" Chambers, Jr.
Herbert A. Cherrier
Donald A. Christenson
Charles C. Christiansen
Francis J. Christie
Thomas C. Clay
William A. Clingenpeel
William D. Cloughley
John H. Collier
Frank C. Collins, Jr.
William F. Conklin
John A. Conkling, Jr.
Lewis E. Connell
Robert D. Connolly
Kenneth E. Cornell
Russell U. Crosby
William F. Cross
William A. Daniel
Edward M. Dassler
Thomas E. Davis
Paul Deaton
John G. Denham
John R. Dewenter, Jr.
Lloyd E. Dietrich
Robert L. Dodd
William K. Doggett
Norman K. Donahoe
John D. Donnelly
Gerald W. Dorn
Emile J. Dufort, Jr.
Neville D. Dunnan
Henry G. Ehleringer
Donald T. Eiben
Robert L. Esau
James W. Farley
Harry H. Feit, Jr.
David R. Freytag
Herman E. Fritzke, Jr.
George E. Gaddis
James K. Gaddy
Lawrence E. Gallagher
Fred C. Gallwey
Richard C. Gardner
Norman R. Gearhart
Otto E. Gercken
Thomas J. Glancy, Jr.
Kenneth R. Gnos
Norton H. Goodsell
Ralph J. Goulds
Edward L. Grady, Jr.
Elton E. Guffey
George C. Hafner
Berkeley W. Hall
Joseph H. Haltom
Donald L. Harbick
Moses S. Harden
Robert H. Hartzell
Robert B. Hayman
John M. Herbst
Hughes Hill
James C. Hill
Ronald V. Himelick
Kenneth LeR. Hinsen
Howard F. Hofmeister
Arthur C. Honey, Jr.
Elwood J. Hopf
Richard S. Hopper
David L. Hughes
Albert M. Hunt
Paul I. Hunter
Robert E. Hunter, Jr.
Santo A. Irlandi
George E. Jacobssen, Jr.
Harry T. Jenkins, Jr.
Donald LaV. Jensen
Clifford D. Johnson
Dale C. Johnson
Emil L. Johnson
Richard C. Johnson
Robert F. Johnson
Donald B. Johnston
John W. Jones
Joseph E. Kalakowski
James A. Kauflin
Robert L. Kelsey
Robert D. Kephart
Norman J. Kerr
Frederick W. Kiehler
George E. R. Kinnear II
Ernest J. Kirschke
Robert "J" W. Klimetz
Francis J. Klinker
Norbert R. Kluga
Victor G. Kreck
Sheldon D. Kully
Arthur D. Lamb, Jr.
Paul J. LeTourneau
Robert M. Leverone
Charles B. Lewis
William C. Lewis
Vernon S. Lunt
George C. Lyne
James H. Lytle
John M. McCall
Joseph C. McCoy, Jr.
William E. McGavick, Jr.
John J. McIntyre
Thomas W. McNamara
Russell B. McWey
Charles R. MacDowell
Stuart G. Madison
Roy W. Magnuson
Dick D. Mahaffey
Homer O. Mains, Jr.
William R. Martin
Richard Matherson
Okey I. Meadows
Robert D. Melim
Louis E. Metcalf, Jr.
Albert V. Milani
James L. Miller
Jurgen H. Miller
William Mohlenhoff
Edward W. Moizan
Luciano P. Montanaro
Loren I. Moore
Tommy C. Moore
Leonard Morey, Jr.
Ralph L. Muros
Carl D. Neidhold
Frank C. Nelson, Jr.
Douglas L. Newgard
William A. Nickerson
Elwood M. Nielsen
Joseph D. Nolan
Earl W. Norton
James B. Overton
Robert L. Owens
John C. Pedersen
Eugene A. Pelton
John F. Pentony
Ralph C. Peters, Jr.
Donald E. Petersen
Kenneth W. Phibbs
Charles T. Phillips
Julian Platon, Jr.
Sumner M. Proctor, Jr.
Walter R. Prosser
Edmund A. Quasebarth, Jr.
Jack Q. Quinn
Floyd K. Rabun
Thermon L. Ray
Thomas W. Raycraft, Jr.
Richard W. Reeks
Francis E. Rhodes, Jr.
William C. Richards
Alexander W. Rilling
Edward J. Riordan
James W. Roberts
John A. Roberts
David W. Robertson
John W. F. Rossoe
William H. Russell
Gerald L. Safford
Elmer L. Saul
Oscar Schaer
Willard E. Scheidler
Charles F. Schied
Henry H. Schleuning, Jr.
Arthur F. Schneider
Richard J. Schulte
Melvin L. Scott
Lloyd M. Seawell, Jr.
Bruce B. Sheppard
John W. Sherman
Joseph Simmons, Jr.
George L. Skirm, Jr.
George H. Smith, Jr.
Maurice E. Smith
Ray E. Smith
Richard T. Speer
Benjamin E. Spence
Gerald D. Staheli
Roy F. Stalder, Jr.
Edward E. Stanley
Harold G. Stanley
George L. Stansbury III
Ralph H. Stevens
Gene R. Stewart
John A. Strand, Jr.
Francis L. Sullivan
Edward R. Summerfield
Howard P. Summers
Clyde W. Summitt
Charles G. Tate
Jesse J. Taylor
Ballard W. Tebo
John A. Terenzini
Robert M. Thompson
John H. Thorp
Philip W. Tiemann
David L. Tobias
Walter H. Todd, Jr.
Richard W. Trimble
James R. Turnbull
John C. Uehlinger
Eugene A. Vanderbeck
Raymond VanDeweghe
John K. Verser
George D. Walker
Emil F. Wasniewski
Peter J. Watson
Frank J. Welling, Jr.
Thomas F. Wentworth, Jr.
John R. Wettroth
Edward C. Whelan, Jr.
Frank D. Whiteman
Clyde T. Whitley
John F. Wilbert
Fred W. Wilder
Charles E. Wilson
Harvey M. Winfrey, Jr.
John R. Winton, Jr.
John P. Witherspoon
Kenneth L. Wolff
William R. Woody
Ross W. Wright
Robert M. Wunderlich
Ernest Yocom
Tim B. Yount
Raymond E. Zagorski
Richard S. Zeisel
Charles H. Zilch
Wilbur J. Zullo

ENSIGN

Stanley W. Ahlquist
Leonard L. Aucoin
Richard W. Aumuller
George T. Bailey
John B. Barnes
Charles R. Baron
Eugene A. G. Beaumont
Harvey J. Beeton
Bill J. Bell
Lester W. Berglund, Jr.
John H. Bowen, Jr.
Roy H. Bowling
Siras D. Browning
Wright "A" Brunson, Jr.
John R. Burriss
Paul D. Butcher
Stanley B. Butrym, Jr.
Robert S. Byron
George A. Canon III
George L. Carson
James D. Carter
Dean G. Cassell
Frederick L. Chapman
David P. Clark
William M. Conger, Jr.
Richard D. Coogan
Vernon H. Cook, Jr.
Edward E. Cour
Daniel R. Cowan
Earl C. Craig
Richard W. Crook
Charles H. Cross
James M. Daniels
Robert C. Davis, Jr.
Samuel H. Davis, Jr.
Arthur E. Derby, Jr.
Loren M. Dierdorff
Richard J. Dietz
James R. Donahoo
Raymond D. Donnelly, Jr.
George M. Dwyer
David B. Eldridge, Jr.
Orville G. Elliott
James M. Elster
David W. Evans
Alastair S. Falconer
Karl H. Farber
Edmond M. Feeks
William J. Finneran
George A. Friese
Richard F. Gallagher
Richard W. Gallipeau
Bernard J. Galvin
John D. Gandy
Paddy R. Garver
William C. Giovanetti
Marvin S. Greer, Jr.
Wayne C. Greer
George B. Gregory
John B. Gregory
Arthur J. Gross
Frank O. Gutierrez
Raymond B. Harter
William N. Head
Harry E. Helgeson, Jr.
George E. Hildahl
Ronald N. Hipp, Jr.
Theodore L. Hodson, Jr.
George E. Hildahl
Ronald N. Hipp, Jr.

Theodore L. Hodson, Jr.
William H. Holbert, Jr.
Nathan C. Holway
Robert L. Horton
Richard L. Hoyt
Robert J. Hurley
Clifton M. Hussey
Eldon D. Johnson
William R. Johnson
Arthur L. Jones, Jr.
Donald S. Jones
Samuel W. Kaai
Richard W. Kaiser, Jr.
Everett D. King
Clayton C. Knight
Walter J. Knipp
Don H. Knoerr
Robert J. Kowalski
Curt H. Kretzschmann
Richard E. LaBarre
Robert L. Lage
Durwood E. Lashbrook
Frederick M. Low
George C. Lowry
Daniel G. McCormick
Johnny B. McDaniel
James M. McNaughton
Cornelius E. Mandel, Jr.
Alan "J" Margeson
Donald E. Martin
Wesley R. Mason
Donald M. Mercer
Floyd H. Miller, Jr.
Roy L. Mock
Alan G. Murdoch
Paul E. Neville
Robert M. Owens
Joe Parks
Samuel S. Pearlman
William A. Pearson
Roland A. Petrie
Robert L. Phelps
Robert A. Poor
Thomas E. Powers
Walter P. Price
Robert E. Reddick, Jr.
Frederick J. Reeg
Randolph L. Rhodes
Lloyd W. Richards
Robert R. Ritzman
Milton D. Robinson, Jr.
Earl C. Rockwood, Jr.
Charles W. Roe
Ralph E. Rogers
Warren F. Rogers
Gerald K. Roland
Martin Ruch, Jr.
Roger H. Ruhsenberger
Richard E. Runyon
John M. Rusch
James A. Ryan, Jr.
Ben T. Sanders
Richard E. Sargent
John H. Shaw
Jean P. Sheets
John D. Shilling
Edwin D. Shropshire, Jr.
Philip W. Signor, Jr.
Reginald C. Simmons
Alfred Skolnick
Frederick J. Slyfield
Herbert W. Smevog
Aaron W. S. Snyder
Herman L. Snyder, Jr.
Thomas W. Speelman
Russell E. Spencer
Jack D. Stevens
James H. Strawn
Doyle L. Sutherland
William E. Templeman
Billy B. Traweek
Sam Visnich
Charles E. Waite
Harold E. Walker, Jr.
Joseph E. Wall
Robert B. Ward
Robert N. Weaver
John E. White
James F. Whittier
Marion Willhauck
James A. Wilson, Jr.
Robert W. Wisdom
John R. Witcher
William W. Wright
John O. Yanaros
Alfred A. Young III

The following-named temporary officers of the United States Navy to be appointed permanent lieutenants in the line in the Navy, subject to qualification therefor as provided by law:

Charles DeV. Cook
"R" "H" Dorman
Thomas J. Guilday, Jr.
Roy R. Miears
Harrison M. Walker, Jr.
Newton L. Wheat
David T. Williams
Walter T. Zebrowski

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (special-duty officers), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Harry L. Benson
Bertram R. Carraway
Richard D. Duncan
Joseph M. McNabb
Phinehas S. Newton, Jr.

LIEUTENANT (JUNIOR GRADE)

Paul G. Duffy
Lewis R. McClellan
Harry E. Padgett
Charles W. Shepherd

The following-named for permanent appointment:

LIEUTENANT

Leo J. Anderson
Walter G. Andry, Jr.
Robert P. Brett
Robert M. Casey
Turner DeHart
Robert E. Duval
Charles D. Everhart
Howard W. Holschuh
Robert S. Jones
Kenneth W. Moorhead
Horace H. Morgan
William R. Newsome
Thomas A. Nutt, Jr.
Larry G. Parks
Harvey S. Parrish, Jr.
Willard D. Pfeiffer
Richard B. Phillips
Cecil R. Rosier
Philip B. Shepard
Paul K. Trahan
Joseph N. Williams, Jr.
George H. York

LIEUTENANT (JUNIOR GRADE)

Alan H. Bath
Harry L. Benson
Bertram R. Carraway
Paul H. Davis, Jr.
Richard D. Duncan
Jonas L. Goldstein
Herbert E. Hetu
George B. Hey
Joseph M. McNabb
Phinehas S. Newton, Jr.
Richard S. Pattee, Jr.
Barnaby F. Smith
Edward T. Sullivan

ENSIGN

Paul G. Duffy
Lewis R. McClellan
Harry E. Padgett
Charles W. Shepherd

The following-named women officers to the grade indicated in the line of the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT (JUNIOR GRADE)

Mary F. Andersen
Patricia F. Barrett
Mary L. Brown
Jean L. Campbell
Joanne G. Carter
Rose E. Coleman
Maureen T. Dwyer
Mary S. Ebeling
Dorothy L. Erhart
Martha A. Eubanks
Effie J. Hilyard
Eleanor K. Hunn
Genevieve D. Kunce
Nancy A. Lewis
Sylvia G. Radyx
Marjorie A. Reese
Marjorie S. Rohde
Sheryl T. Ross
Mary J. Team
Nell V. Voltaire
Evelyn D. Way

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Janet L. Buckner
Elizabeth Chadwick
Irene J. Endreikis
Frances Hamilton
Sarah E. Koestline
Lucille R. McKearney
Jeanne M. Mitchell
Janet M. Stewart
Jean L. Tullar
Dorothy J. Wagner

ENSIGN

Jane C. Alexander
Mary F. Andersen
Barbara L. Bales
Patricia F. Barrett
Mary L. Brown
Barbara R. Browne
Jean L. Campbell
Joanne G. Carter
Rose E. Coleman
Maureen T. Dwyer
Mary S. Ebeling
Dorothy L. Erhart
Martha A. Eubanks
Effie J. Hilyard
Emile L. Horn
Eleanor K. Hunn
Marguerite J. Jackson
Genevieve D. Kunce
Nancy A. Lewis
Nadine L. Moriarty
Lillian M. Murphy
Sylvia G. Radyx
Marjorie A. Reese
Marjorie S. Rohde
Sheryl T. Ross
Jean P. Sloman
Mary J. Team
Nell V. Voltaire
Evelyn D. Way

The following-named officers for temporary or permanent appointment to the grade indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Buell C. Cole

The following-named for permanent appointment:

LIEUTENANT

Samuel A. Heaton, Jr.
William H. Howell, Jr.
William B. Ingram
Ernest F. Latham
Patrick F. O'Connell
James A. Reeves
Roger F. Reinhardt
Lloyd C. Rohrs
Max J. Trummer
Matthew W. Wood

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Buell C. Cole
Ronald W. Glover
Richard B. Gresham
Milton E. Henderson
Frederick E. Jackson
Gilbert A. LeBlanc
Norman G. Lewis
Frederick S. McAlpine
Gerald J. McClard
James W. McDaniel
George J. A. Magnant
Richard J. Miller
Joseph L. Murphy
Howard A. Pearson
William O. Pischnotte
Pascual Sanchez-Munoz
Richard L. Slack
Gerald I. Shugoll
Billy D. Viele

The following-named officers for temporary or permanent appointment to the grade indicated in the Dental Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Jean-Pierre E. Bouquet
Raymond E. George
Joseph E. Hartnett
Wendell E. Montgomery
John J. Webb

The following-named for permanent appointment:

LIEUTENANT

Lloyd M. Armstrong
William H. Cook, Jr.
Norman E. Duggan
Harold R. Englander
Robert C. Fromuth
Kenner F. Hawkins
James P. Lynch
Ernest W. Small
Michael Zustiak

LIEUTENANT (JUNIOR GRADE)

Jean-Pierre E. Bouquet
Raymond E. George
Joseph E. Hartnett
Wendell E. Montgomery
John J. Webb

The following-named officers for temporary or permanent appointment to the grade indicated in the Medical Service Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Harold R. Bower
Dennie L. Briggs
James W. Duckworth
William J. McCarville
Allen E. McMichael
Lucien E. Puckett
Paul W. Scrimshaw
Michele J. Testa
Wayne E. Williams

LIEUTENANT (JUNIOR GRADE)

Lois R. Livingston
Bettie L. Pflueger
James F. Pribnow
Robert L. Smith

The following-named for permanent appointment:

LIEUTENANT

Ervin W. Blasinski
Kenneth R. Coburn
William G. Cumming, Jr.
Francis A. Ervin
Edmund H. Gleason
Walter L. Goldenrath
Chester H. Johnson, Jr.
Woodbury Johnson
Arthur N. King
Lawrence J. McGrael
Granville M. Moore
William H. Nelson
Alan C. Pipkin
John E. Rasmussen
Leslie W. Teller, Jr.

LIEUTENANT (JUNIOR GRADE)

Harold R. Bower
Dennie L. Briggs
James W. Duckworth
George E. Fry
William J. McCarville
Allen E. McMichael
Lucien E. Puckett
Paul W. Scrimshaw
Michele J. Testa
Wayne E. Williams

ENSIGN

"J" "M" Dennis
Leonard F. Devine
Richard S. Gilbert
James F. Johnston
Lois R. Livingston
Bettie L. Pflueger
James F. Pribnow
Robert L. Smith

The following-named officers for temporary or permanent appointment to the grade indicated in the Supply Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Albert A. Arcand
Leonard H. Benfell, Jr.
Leonard E. Brock
Everett G. Brown
Claiborne R. Carter
George I. Chegin
Bryan R. Colbert
Charles W. Cross
Thomas R. Downs
Paul E. Erzen
Hugh K. Fraley
Herbert S. Goldfield
Howard P. Granger
Harold E. Haas
Paul C. Herndon
Gordon M. Herr
Richard S. Hudson
Louis A. Janezic
Leary B. Kreissl
Grenes J. Lennox
William N. Leonard, Jr.
Frederick W. Lewis
Mitchell C. Liska
Francis J. Malerich
James A. Naismith
John P. Prestwich
George W. Ray
Paul L. Rendelson
Raymond B. Renne
James E. Riley
Frank H. Rutter, Jr.
Claiborne T. Selden
Lyle E. Thomas
Harry F. Thompson
Vernon F. Vikingson

LIEUTENANT (JUNIOR GRADE)

Joseph P. Adair
George R. Badger
Russell M. Brown
Louis K. Bruyneel
Harvey J. Christensen
Robert N. Christopher
William W. Davis
Richard J. Donzell
Merwyn C. Greer
Roy W. Gunther
Gerald R. Henry
Braxton R. King
Achilleas E. Kollios
Charles F. Lathrop
James L. Lenderman
Robert E. Livermore
Billie K. Long
Charles W. Long
Claude C. McCandless, Jr.
Donald E. McCrabb
John T. Ranken, Jr.
Preston Sawyer, Jr.
George S. Shackelford
William H. Smith, Jr.
Robert G. Stevenson
Joseph P. Sullivan
Frank L. White
Jeremiah Wilczynski
Ralph C. Woodward
William R. Yakopin

The following-named for permanent appointment:

LIEUTENANT

James V. Allen
Neshan Ayrassian
Robert J. Banghart
Alfred A. Baratta
William H. Barnett, Jr.
Michael Bat
John W. Beale
Stanley R. Burrowes
Horace G. Bussell
James L. Byrd
Thomas N. Calhoun
Arthur L. Child III
Donald L. B. Combs
Francis B. Cosby
William K. Crockett
Chester B. Czarnecki
James C. Daniel
Arthur R. Edsall, Jr.
Edward C. Eliot
Dan D. Ellis
Joseph L. Elwood
Carl W. Ertley
Robert G. Fabian
John F. Finn
Timothy G. Flaherty
Herschel E. Futral, Jr.
Claude O. Garrett
Robert A. Gentel
Robert L. Gifford
John D. Graziadei
Ellwood W. Growden
Herbert L. Gurnee
Lawrence D. Hagedorn
William T. Hamill, Jr.
John F. Hardy
Joe M. Harris
John H. Hatfield
John C. Hay, Jr.
Donald D. Heindel
"J" Scott Kirkwood
Robert J. Lang
Lee R. Ledbetter
Myrton "J" Leslie
Walter J. McCrory
Austin F. McGovern
Edward N. McKeen
Francis E. Malone
John T. Martin
Chester S. Matthews
James P. Morgan, Jr.
Harrison G. Packard
Rodney K. Purnell
Robert LeR. Reed
Chester F. Riegle
George G. Ryon
Michael Safonov
Frank A. Saksa
Herbert C. Sharp
Thornton L. Slater
William J. Snyder
Leslie H. Steele
Ogden K. Stratton
James R. Strohm
John J. Sullivan
William J. Sullivan, Jr.
Daniel G. Sundberg
Ralph F. Taylor, Jr.
Carl W. Thomas
Alfred J. Thurner
Max O. Vanlandingham
Peter H. B. VanTol, Jr.
John W. Veazey
Harry P. VonKennel, Jr.
Robert L. Wagner
William E. Wallace
Melville J. Walters, Jr.
John A. Ward
Richard A. Weiss
Richard A. Wier
Edgar E. Williams
Argyle M. Wolf
George M. Wolford
Orpheus L. Woodbury, Jr.
Bryan W. Ziegler

LIEUTENANT (JUNIOR GRADE)

William H. Alexander
Albert A. Arcand
Mortimer F. Barton, Jr.
Leonard H. Benfell, Jr.
Frank H. Blue, Jr.
James A. Brady
Justin D. Brett
Leonard E. Brock
Everett G. Brown
Wayman G. Caliman, Jr.
Joseph D. Carr
Claiborne R. Carter
Alfred G. Cavanaugh
George I. Chegin
Raymond L. Clevenger
Bryan R. Colbert
Barrett Crane
Charles W. Cross
David D. Davison, Jr.
Thomas R. Downs
Raymond V. Dukesherer
Van T. Edsall
Paul E. Erzen
Charles E. Felthousen
Robert R. Fischer
Hugh K. Fraley
Richard M. Galvez
Anthony P. Garbarini, Jr.
Herbert S. Goldfield
Austin F. Gore, Jr.
Howard P. Granger
Wellard R. Guffy
Harold E. Haas
Thomas Hamilton, Jr.
William C. Hamilton, Jr.
John S. Henderson
Paul C. Herndon
Gordon M. Herr
Robert W. Hopkins, Jr.
Richard S. Hudson
Richard O. Hurt
Arthur E. Hutchinson
Louis A. Janezic
Darrell M. Kibby
David L. Kick
Gerald H. King
Frederick J. Kirch
John A. Kitko
Leary B. Kreissl
Philip H. LaFrance
Henry L. Lane
Jack B. Leavitt
Grenes J. Lennox
William N. Leonard, Jr.
Murray Lesser
Helen R. Levin
Frederick W. Lewis
Mitchell C. Liska
Robert F. Lukens
Joseph F. McKinney
Paul T. McMahan
Joseph J. McNally
Francis J. Malerich
Bernard L. Margason
Crozier C. Mauer
William H. Mayer
Billy R. Mitchell
James A. Naismith
George S. Offerman
Lloyd I. Pearson
Charles P. Phleger
John P. Prestwich
James R. Ratley
George W. Ray
Paul L. Rendelson
Raymond B. Renne
James E. Riley
Frank H. Rutter, Jr.
Thomas E. Salsman
Claiborne T. Selden
Allen S. Selinger
Allen L. Spaulding
Elvin H. Steeg
Virginia P. Stryker
James A. Taylor
Lyle E. Thomas
Harry F. Thompson
Vernon F. Vikingson
John S. Vishneski, Jr.
George H. Webb
William M. Weisskopf
Lawrence "S" Wiener
John A. Wirsing

ENSIGN

Joseph P. Adair
Barry B. Babcock
George R. Badger
Russell M. Brown
Louis K. Bruyneel
Harvey J. Christensen
Robert N. Christopher
William W. Davis
Richard J. Donzell
Merwyn C. Greer
Roy W. Gunther
Gerald R. Henry
Braxton R. King
Achilleas E. Kollios
Charles F. Lathrop
James L. Lenderman
Robert E. Livermore
Billie K. Long
Charles W. Long
Claude C. McCandless, Jr.
Donald E. McCrabb
Robert W. O'Connor
John T. Ranken, Jr.
Preston Sawyer, Jr.
George S. Shackelford
William H. Smith, Jr.
Robert G. Stevenson
Joseph P. Sullivan
Frank L. White
Jeremiah Wilczynski
Ralph C. Woodward
William R. Yakopin

The following-named officers for temporary or permanent appointment to the grade indicated in the Chaplain Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

John D. Gould
Paul F. W. Pieper
Henry W. Stroman

The following-named for permanent appointment:

LIEUTENANT

Warren L. Bost
Leon S. Darkowski
Francis J. N. Fitzpatrick
Henry H. Hayes
Joseph C. Hilferty
Noah L. McDowell
Robert C. McMillan
Thomas D. Parham, Jr.
George I. Paulson
Adam J. Schutz, Jr.
Mark Sullivan
Anthony C. Volz
Bruce H. Williams

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Charles I. Fay
Calvin G. Gardner
Joseph F. Geary
Boris Geeza
Robert J. Gentile
John D. Gould
Owen A. Hardage, Jr.
Harold V. Heaney
William F. Hollis, Jr.
William R. Howard
James A. Janeway
Charles L. Jenkins
Asa W. Jones
Edward H. Kicklighter
Leo J. McDonald
Paul F. W. Pieper
William W. Poynter
Edward J. Read
Ronald L. Roberson
Joseph E. Ryan
Harold A. Shoulders
Henry W. Stroman

The following-named officers for temporary or permanent appointment to the grade indicated in the Civil Engineer Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Delmar A. Bartley
Leo L. Baton
Philip G. Belcher
Louis H. Clerc
Leslie C. Guthrie, Jr.
Raymond W. Loomis
Edward H. Marsh II
Leiv N. Rydland
Lewis B. Taylor, Jr.
Robert P. Woodworth

LIEUTENANT (JUNIOR GRADE)

Roy L. Allen
Horace M. Barber
Ernest J. Bischof
Richard A. Bowers
William J. Burns, Jr.
Irwin D. Crowley, Jr.
Ralph E. Deady
Charles W. Gates
Paul R. Gates
Roy D. Gaulden, Jr.
William K. Hartell
Howard H. Haynes
Edmund C. Hughes
Michael C. Koblos
Lawrence Kreshin
Joseph Lapolla
Frank H. Lewis, Jr.
James R. Lincoln, Jr.
Richard O. Luster
James W. Morse, Jr.
John F. O'Leary
Ronald B. Reeves
Charles F. Robinson
Matthias J. Smith
Morris Stern
Stanley P. Stewart, Jr.
Gordon A. Tuveson
Stanley N. Verdi
John R. Wear
Dean G. Wilson

The following-named for permanent appointment:

LIEUTENANT

Raymond A. Bafus
Arthur C. Beard
Lynn McG. Cavendish
Roy W. Douthitt
Lawrence L. Dugdale
Richard T. Hardy
Daniel L. Hirst
Frank W. Jones
William R. Kinworthy, Jr.
John M. Nutter
William F. Nutting
Coy M. Porter
William J. Richeson
William H. Semple
Jack E. Washburn

LIEUTENANT (JUNIOR GRADE)

William G. Adams
Delmar A. Bartley
Leo L. Baton
Philip G. Belcher
James R. Borberg
Ray C. Clark
Louis H. Clerc
Leslie C. Guthrie, Jr.
Richard D. Harris
Erik K. F. Hay
Raymond W. Loomis
Edward H. Marsh II
Marion H. Massee III
Jack C. Rickels
Leiv N. Rydland
Benjamin L. Saravia
Alexander Surko, Jr.
Andrew G. Sutherland
Lewis B. Taylor, Jr.
Robert J. VanDivender
William L. Wilson
Robert P. Woodworth

ENSIGN

Roy L. Allen
Horace M. Barber
Ernest J. Bischof
Richard A. Bowers
William J. Burns, Jr.
Irwin D. Crowley, Jr.
Ralph E. Deady
Charles W. Gates
Paul R. Gates
Roy D. Gaulden, Jr.
William K. Hartell
Howard H. Haynes
Edmund C. Hughes
Michael C. Koblos
Lawrence Kreshin
Joseph Lapolla
Frank H. Lewis, Jr.
James R. Lincoln, Jr.
Richard O. Luster
James W. Morse, Jr.
John F. O'Leary
Ronald B. Reeves
Charles F. Robinson
Matthias J. Smith
Morris Stern
Stanley P. Stewart, Jr.
Gordon A. Tuveson
Stanley N. Verdi
John R. Wear
Dean G. Wilson

The following-named officers for temporary or permanent appointment to the grade indicated in the Nurse Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Kathleen M. Laughlin
Helen Roller

The following-named for permanent appointment:

LIEUTENANT

Janet B. Beyer
Marie F. Dalton
Inabelle L. Doolan
Bessie A. Glembocki
Marion B. Haire
Irma C. Helmstein
Florence K. Job
Virginia C. Lux
Frances E. Nieranowski
Irene V. Prue
Margaret R. Ruppert
Mary L. Schmotzer
Dorothy C. Tidwell
Bessie R. Weeter

LIEUTENANT (JUNIOR GRADE)

Charlotte E. Clark
Mary K. Cordingley
Evelyn M. DeMarco
Florence R. Dinneen
Barbara Hayes
Kathleen M. Laughlin
Sylvia F. McCarthy
Barbara A. Maley
Dorothy L. Meadows
Lorraine M. Murphy
Helen Roller
Rita J. Shelley
Alison Utley
Imogene L. Vesper
Dora T. Zamparutti

ENSIGN

Constance Cummings

John R. Johnson, midshipman (Naval Academy), to be ensign in the Navy, subject to qualification therefor as provided by law.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Hobson J. Horton, Fort Payne, Ala., in place of F. L. Avery, retired.

Flora T. Mauldin, Killen, Ala., in place of R. H. Parker, retired.

ARKANSAS

Emma Hurst, Hartman, Ark., in place of H. D. Estep, resigned.

Leland T. Lewis, Huntsville, Ark., in place of O. E. Faubus, resigned.

CALIFORNIA

Robert F. Smith, Big Bear Lake, Calif., in place of H. S. Bullock, resigned.

Roberta K. Paranick, Lee Vining, Calif., in place of M. F. Gilbert, deceased.

Richard E. Bolton, Monrovia, Calif., in place of F. J. Bole, retired.

Alma G. Ackley, Plaster City, Calif., in place of I. E. Upshaw, removed.

Walter A. Page, Redlands, Calif., in place of J. B. Stone, resigned.

Eugene P. Guenther, Shafter, Calif., in place of G. E. Guenther, transferred.

Beth Rinden, Waterman, Calif., in place of Hazel Hooker, retired.

COLORADO

William G. Tucker, Kremmling, Colo., in place of R. R. Menhennett, resigned.

Cleo F. Talcott, Weldona, Colo., in place of Christine Jespersen, retired.

FLORIDA

William W. Hooker, Jr., Citra, Fla., in place of O. B. Fowler, removed.

Richard L. Schweizer, Winter Park, Fla., in place of G. N. Denning, retired.

GEORGIA

Rae N. Neville, College Park, Ga., in place of J. T. D. Conley, retired.

ILLINOIS

Roy J. Bowen, La Harpe, Ill., in place of M. M. Conwell, retired.

Virgil H. Ruff, Modesto, Ill., in place of A. R. Hart, deceased.

Theodore W. Whitehouse, Mount Olive, Ill., in place of J. J. Fedor, retired.

William E. McElroy, Springfield, Ill., in place of A. T. Oswald, retired.

INDIANA

Bonita M. Weimann, Laketon, Ind., in place of A. C. Henry, deceased.

Maxine R. Bailey, Mulberry, Ind., in place of J. F. Huffer, transferred.

Lee H. Williamson, Rolling Prairie, Ind., in place of H. B. Worden, retired.

IOWA

Glenn O. Jones, Atlantic, Iowa, in place of S. M. Childs, deceased.

Leland M. Gardner, Cambridge, Iowa, in place of C. O. Fatland, retired.

Richard E. Staples, McGregor, Iowa, in place of F. G. Huebsch, retired.

Clarence A. Norland, Marshalltown, Iowa, in place of C. H. Kemler, deceased.

Robert L. Grange, Ruthven, Iowa, in place of H. A. Berg, removed.

Ervin F. Plueger, Scotch Grove, Iowa, in place of Arend Balster, Jr., retired.

Hoyt E. Carrier, Vinton, Iowa, in place of L. B. Urice, resigned.

Odette B. Kastler, Woolstock, Iowa, in place of Letha Doughten, retired.

David L. Rundberg, Yale, Iowa, in place of C. E. Caslow, deceased.

KANSAS

Gordon K. Ethridge, Ada, Kans., in place of L. S. VanMeter, deceased.

Burris B. Moore, Fort Scott, Kans., in place of H. C. Brooks, removed.

Richard A. Carpenter, Girard, Kans., in place of J. E. Gaitskill, deceased.

Harold H. Kneisel, Powhattan, Kans., in place of R. B. Volz, resigned.

KENTUCKY

Robert S. Smallwood, Beattyville, Ky., in place of C. P. Hall, resigned.

Everett E. Pfanstiel, Carlisle, Ky., in place of H. K. Veach, retired.

Frank L. Coldiron, Greenup, Ky., in place of R. B. Forsythe, resigned.

Alva H. Kelley, Madisonville, Ky., in place of J. D. Shain, retired.

Grant Phillips, Jr., Pikeville, Ky., in place of Milton Tackett, deceased.

Norma L. Rich, Uniontown, Ky., in place of M. C. Greenwell, retired.

Joseph K. Burton, Utica, Ky., in place of John Howard, removed.

LOUISIANA

Bobbye G. Culverhouse, Sibley, La., in place of G. W. Harkness, resigned.

MAINE

George Burton Glidden, South China, Maine, in place of V. B. Stimpson, resigned.

Walter C. Rich, Union, Maine, in place of M. A. Lucas, retired.

Robert R. Littlefield, York Harbor, Maine, in place of G. A. Wood, retired.

MASSACHUSETTS

Joseph A. Whitney, Paxton, Mass., in place of R. P. Rossier, retired.

Forrest D. Bradshaw, South Sudbury, Mass., in place of Anna Wohlrab, retired.

Alfred L. Morlock, South Vernon, Mass., in place of S. J. Martineau, deceased.

Leonard W. Potenza, West Medway, Mass., in place of D. J. Kenney, removed.

MICHIGAN

Duane E. Castor, Covert, Mich., in place of W. W. Derby, deceased.

Wilbur I. Garrett, Glennie, Mich., in place of M. W. Carter, transferred.

Earl L. Gay, Williamsburg, Mich., in place of H. E. Pray, transferred.

MINNESOTA

Earl J. Johnson, Henderson, Minn., in place of C. L. Beecher, deceased.

Bessie W. Meyers, Porter, Minn., in place of F. C. Meyers, deceased.

Palmer A. Nyberg, Vining, Minn., in place of E. W. Finke, resigned.

MISSISSIPPI

James Frank Pou, Hattiesburg, Miss., in place of J. L. Brown, removed.

Luther P. Robertson, Merrigold, Miss., in place of W. W. Cochran, transferred.

MISSOURI

George H. Polmateer, McCredie, Mo., in place of J. W. Epperson, retired.

Herold P. Heidel, Rousebud, Mo., in place of C. N. Bruton, resigned.

MONTANA

Eugene Wallace Wade, Cooke, Mont., in place of E. J. Soderholm, retired.

Elnore M. Shields, Grassrange, Mont., in place of J. J. Grogan, resigned.

NEBRASKA

Otto J. Guretzky, West Point, Nebr., in place of R. H. Schwedhelm, retired.

NEW HAMPSHIRE

John L. Dole, Campton, N. H., in place of I. H. Brown, retired.

George W. Conway, Concord, N. H., in place of J. P. Collins, deceased.

Gerald P. Merrill, Pittsburg, N. H., in place of R. V. Hawes, resigned.

NEW JERSEY

Helen B. Abbott, Alloway, N. J., in place of J. R. Powell, retired.

Louis T. Wigdortz, Asbury Park, N. J., in place of Edward Brodstein, resigned.

Paul G. Peterson, Rumson, N. J., in place of J. E. Porter, Jr., deceased.

Clarke L. Newman, Titusville, N. J., in place of J. S. Chamberlain, removed.

NEW MEXICO

Bill Foster, Portales, N. Mex., in place of L. E. Howard, retired.

NEW YORK

Peter Hillen, Jr., Amityville, N. Y., in place of T. L. Wardle, deceased.

James H. Donohue, Bridgehampton, N. Y., in place of M. E. Dickinson, retired.

Florence I. Burnett, Cranberry Lake, N. Y., in place of M. F. Finley, resigned.

Doris A. Curtis, Great Valley, N. Y., in place of M. M. Ward, retired.

Lucille L. Wood, Jasper, N. Y., in place of S. L. Rowe, resigned.

Helen S. Record, Sherburne, N. Y., in place of E. H. O'Connor, retired.

Donald O'Keefe Miller, Tahawus, N. Y., in place of M. F. Chase, resigned.

Edna H. Purcell, Waterloo, N. Y., in place of J. F. Marshall, resigned.

NORTH CAROLINA

Junius Paul Cheek, Chapel Hill, N. C., in place of W. S. Hogan, deceased.

Lala C. Shell, Elk Park, N. C., in place of B. H. Winters, retired.

Cecil B. Vuncannon, Ellerbe, N. C., in place of B. B. White, retired.

Ben F. McGregor, Shannon, N. C., in place of P. R. Dozier, retired.

NORTH DAKOTA

Ralph L. Colgrove, Mott, N. Dak., in place of W. T. Wakefield, retired.

OHIO

Donald Rupert Kyle, Dorset, Ohio, in place of L. E. Seaver, retired.

Robert H. Benton, Holland, Ohio, in place of E. V. Hartman, retired.

Dean E. Mallernee, Tippecanoe, Ohio, in place of R. S. McConnell, retired.

Richard D. Oberlin, West Unity, Ohio, in place of R. R. Newcomb, retired.

OKLAHOMA

Ivan A. Southwick, Garber, Okla., in place of A. A. Stebbins, retired.

Charles E. Doolin, Jennings, Okla., in place of F. D. Bordenkircher, resigned.

William A. Craig, Miami, Okla., in place of Roy McGhee, removed.

PENNSYLVANIA

Mark D. Reber, Centerport, Pa., in place of R. P. Rentschler, retired.

Ruth C. McCrabb, Delta, Pa., in place of J. O. Anderson, retired.

Thomas M. Benner, Ford City, Pa., in place of F. L. Bucko, removed.

Leo A. Patterson, Homestead, Pa., in place of E. P. Lawlor, deceased.

George D. Henrie, Mifflinville, Pa., in place of E. R. Eisenhauer, retired.

Howard F. Rabold, Newsmanstown, Pa., in place of Edwin Zimmerman, retired.

Sharon L. McHenry, Parker, Pa., in place of William Leslie, deceased.

Herrwood E. Hobbs, Pottsville, Pa., in place of J. H. Rattigan, retired.

Walter L. Alexander, Sharpsville, Pa., in place of K. W. McIntyre, transferred.

SOUTH DAKOTA

Marie Logue, Oelrichs, S. Dak., in place of M. L. Williams, retired.

Helen Olvia Putnam, Quinn, S. Dak., in place of Knute Tennyson, removed.

TENNESSEE

Clyde M. Guffey, Johnson City, Tenn., in place of J. M. Hunt, deceased.

Mable F. Harlow, Pulaski, Tenn., in place of Ross Bass, resigned.

TEXAS

William B. Hudson, Dallas, Tex., in place of J. H. Payne, retired.

Robert W. Davis, Texas City, Tex., in place of R. J. Meskill, retired.

VERMONT

Donald C. Shedd, Wallingford, Vt., in place of F. J. Mullin, deceased.

VIRGINIA

Adrian T. Smith, Chantilly, Va., in place of N. M. Bywaters, resigned.

Leo F. Marks, Charles City, Va., in place of V. H. Major, retired.

WASHINGTON

Dean W. Larimore, Granger, Wash., in place of W. I. Peterson, retired.

WEST VIRGINIA

Don Shields, Jr., Coal Mountain, W. Va., in place of W. W. McGraw, resigned.

WISCONSIN

Herbert C. Lee, Dallas, Wis., in place of A. M. Beggs, retired.

Arthur F. Hammes, Jefferson, Wis., in place of C. J. Mueller, retired.

David P. Berger, Port Edwards, Wis., in place of A. G. Buehler, deceased.

WYOMING

Harry L. Estes, Thermopolis, Wyo., in place of H. G. Murphy, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 10 (legislative day of June 8), 1955:

UNITED STATES COAST GUARD

The following-named persons to be chief warrant officers, W–4, in the United States Coast Guard:

John H. Graham	Woodley T. Clark
Wayne C. Wallace	Frank A. Mattson
Mark K. Hutchinson	Gordon White
Floyd J. Jester	Alton E. Fowler
Bannister M. Barnett	Charles J. Wood
Herman F. Rogall	William P. Williams
William R. Gill	Alton W. Meekins
Claud E. Simmons	Joseph C. Runquist
James Martin	Einar H. Nilsen
Duncan W. Herr	William H. Burgess
Aubrey L. Smith	Leo J. DeGraw
Alva O. Wise	Herman F. Helgesen
Paul J. Schonwald	Ellsworth O. Swett
John W. Sommers	Albert E. Holloway
Eligha Trickey	Joseph A. Haynes
Marshall H. Furtaw	Earl L. Hoover
Olof W. H. Johnson	George W. Cooper
Robert W. Young	Ralph P. Bebeau
Carl A. Stanton	Clifford J. Hudder
Carl A. Fenske	Edward J. Ellwood
George D. King	Leroy Teele
Farrell E. Harvey	Joseph B. Blanchard
Oskar Johansen	Robert J. Collins
Jesse S. Cockrell	Ervin Frye
William J. Hill	Ralph A. Palmer
Clifton A. Thompson	Gunnar E. Hansen
Edward W. Powers	Charlie H. Hale
Guy R. Hunter	Joy A. Weatherford
Martin J. Hacker	Marvin T. Duncan
David S. Williams	Myron S. Squires
Frederick W. Doherty	Arthur M. Hudgins
Lester F. Baker	George R. Rollinson
Wayne E. McElroy	Ward R. Turner
Kenneth Templeton	Daniel M. Griffin, Jr.
William E. Sparks	Thomas C. Crabe

The following-named persons to be chief warrant officers, W–3, in the United States Coast Guard:

Arthur P. Dillow	Irvin C. Wilson
Henry C. Lodge	William H. Strickland
David D. Albee	Michael Sivacek
Henry V. Devereaux	Merritt B. Richards
John W. Beach	Gustave M. Lundgren
John T. MacKay	Clarence E. Gaylor
Everett M. Marshall	Charles E. Mueller
Lee S. Roe	Marin M. Cornell
Burton E. Howell	Alvin L. Kooi
Henry J. Harris	John K. Cross, Jr.
William Reitz	James B. Burbine
Charles R. Dowlen	Wilbur G. Simpson
Leroy Mullens	Frank Lord
Merritt O. Wright	Carl H. May
James C. Henthorn	Edwin W. Hansen
Albert C. Lamb	Myron C. Richmond
Wilburn P. Connor	Henry A. Minard
Lee W. Bothell	Thomas R. Warren
Earl C. Jones	Robert H. Doyle
James M. Barker	Harold C. Wilson
Clarence E. Rankin	Robert A. Frediani
Edmund S. Handor	Robert L. Glenn
Cecil E. Phillips	James J. Barrett
Victor V. Keifer	Harold M. Ball
Thomas Mays	Augustus R. Mackriss
Gale T. Blundell	Thomas J. Kiernan
Louis Sandler	John H. Merada
James B. Gaffney	Victor W. Sutton, Jr.
Emile J. Dreuill	Talmadge H. Sivils
Rudolph Grady	Richard R. Hoover
Francis W. McGrath	"J" "P" Ford
James C. Seidl, Jr.	Melvin H. Handley
Lawrence O. Hamilton	Thomas J. Collins
Philip S. Lincoln	Lyle W. Glenny
Charles A. McQuaid	Ralph O. Douglas
Frederick H. Raumer	Edward R. Harris

The following-named persons to be chief warrant officers, W–2, in the United States Coast Guard:

Lavine Hubert	Robert P. Ellard
Milton L. Black	Lester G. Quarles
Allen M. Wilson	Ferdinand J. Selissen
Martin J. Ruebens	Julian R. Sherman
Daniel S. Bishop	Horton Y. Mullins
Eugene C. Colson	Edwin R. Silkey
Robert H. Kollmeyer	Sidney Cruthirds
Kenneth L. Drake	Harry S. Hayman
Daniel C. Giller	Rudolph T. Lenac
Roland J. Magee	Leo C. Horner
Edward Petroski	Julian B. Guard
John M. Brady	Charles M. McHenry
James T. Mead	Robert H. Wiggins
Hoyt H. Fuller	Roy I. Anderson
James E. Watson	Harry J. Backman
Ernest T. Bittman	James J. Doherty
Hubert Craven	John W. Babcock
Raul Zavaleta	Harold W. Jones
George D. Doll	Joseph D. Stowe
Bernard Hogan	James P. Magee
Dayle C. Carlson	Wilbur C. Jaynes
Arnold J. Anderson	Glenn C. Furst
Lewis H. Keeton	Raynard W. Tuttle
Walter H. Becker	James M. Peterson
William B. Davis	John W. Colby
Lawrence E. Wagner	Henry T. Peele
Barney M. Thomason	William F. Burton
Morris J. Marshall	Ulmer C. Wilson
Ruben M. Donovan	Ernest L. Killian
Harris W. Shive, Jr.	James F. Beaumont
Harold K. Grinnell	Ludwig K. Rubinsky
John C. Williams	Henry E. Ask, Jr.
Werner A. R. Winkel	Daniel Sullivan
John L. Morrison	Wilbert S. Mathis
William Maki	Harold H. Rohr
Leonard L. Thomas	Kenneth G. Sherwood
William H. A. Herbst	Herbert N. Litchfield
Charles Plowman	Timothy P. Callahan,
John M. Lambert	Jr.
Melvin F. Cramer	Joseph P. Dollard
Lennith L. Groves	Sterling Fulcher
Raymond T. Rawls	Emery C. Milligan
Eugene P. Farley	Alroy F. Jensen
Frank L. Ryman	Gilbert Ortiz
William R. Claborn	John Kinnunen
Lynn I. Decker	Carl K. Scarborough
Howard H. Istock	Philip E. Barnard
Carl M. Mortensen	Walter L. Czechanski
Clarence H. Checklin	Elwood S. Hudson
Robert F. Anderson	Edgar W. Thomas
Edward J. Ard	Stanley J. Salabor
Robert P. Harmon	David D. McCormick
Joseph A. Nartonis	Byron A. Barr
Roy V. Sogaard	Marion O. Hulbert

COAST AND GEODETIC SURVEY

The following-named persons for permanent appointment to the grades indicated in the Coast and Geodetic Survey subject to qualifications provided by law:

To be commissioned captain

Ralph L. Pfau	Alvin C. Thorson
William M. Gibson	Joseph C. Partington

To be commissioned lieutenant

Alfred C. Holmes

To be commissioned ensign

John H. Bennett	Ralph G. Jourden
Robert J. Black	J. Frank May, Jr.
Oscar L. Doster	Lavon L. Posey
Albert J. Hamlett, Jr.	James E. Sommerer
Page A. Herbert	William H. Tidwell

POSTMASTERS

ARKANSAS

Isaac H. Roland, Malvern.

CALIFORNIA

Harry Sorensen, Grover City.
Walter B. Townsend, Universal City.

FLORIDA

Wayne R. Dickerson, Dade City.
James N. Peacock, Ocoee.

INDIANA

Mark M. Hadley, Coatesville.

IOWA

Mable C. Schuck, West Point.

KANSAS

Milton M. John, Jr., St. John.

MAINE

James O. Ricker, West Enfield.

MASSACHUSETTS

Allan C. Williams, Jr., Falmouth Heights.

NEBRASKA

Teddy W. Mundell, Kimball.

NEW HAMPSHIRE

Bernerd A. Marcotte, Epping.

NEW JERSEY

Evelyn H. Way, Ocean View.

NORTH CAROLINA

James K. Ballance, Fairfield.
Ray B. Wyche, Hallsboro.
Floyd H. Shoaf, Linwood.
Jesse Bennie Joyce, Madison.

OHIO

Gladys L. Via, Gratis.
Blaine Van Tilburg, Rockford.

OREGON

Julia H. Decker, Island City.

PENNSYLVANIA

Edwin A. Barnitz, York.

TEXAS

Jesse A. Armstrong, Angleton.
Tilman C. Richards, Banquete.
Floyd L. Tondre, Castroville.
Conrad H. Starr, Elkhart.
Charles T. Boyce, El Paso.
Berney C. Kempf, Fabens.
James B. Miller, Mount Calm.
Eleanore L. Walston, Nome.
James Everett, Jr., Oglesby.
Gerald J. Shipp, Ore City.
Felix R. Garza, Roma.
Paeder T. Hoovestol, South Houston.
Ruth Brown, Sylvester.

WISCONSIN

Rhoda A. Burns, Blue Mounds.

WITHDRAWALS

Executive nominations withdrawn from the Senate June 10 (legislative day of June 8), 1955.

POSTMASTERS

Mrs. Jimmie L. Matheson to be postmaster at Fry in the State of Arizona.

Mrs. Mary B. Farmer to be postmaster at Princeton in the State of Louisiana.

EXTENSIONS OF REMARKS

Lyndon Johnson: Senate Strategist

EXTENSION OF REMARKS
OF
HON. JOHN STENNIS
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Friday, June 10, 1955

Mr. STENNIS. Mr. President, I hold in my hand an article entitled "Senate Strategist," written by Albert Clark and published in the Wall Street Journal of June 10, 1955. The article deals with our distinguished majority leader, the Senator from Texas [Mr. JOHNSON]. I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE STRATEGIST—LYNDON JOHNSON RUNS THE SMOOTHEST DEMOCRATIC SHOWS IN YEARS

(By Albert Clark)

WASHINGTON.—The day before yesterday the Senate passed a highly controversial bill—raising the minimum wage from 75 cents an hour to $1—with hardly any controversy. The day before that the Senate rejected the Eisenhower administration's housing bill, which most everybody had expected to pass.

A week or so ago, the annual foreign aid authorization measure, usually a source of considerable dispute, slid through the Senate uncut after just 3 days of tame debate. And just before that, the Senators passed, again in 3 days, the Reciprocal Trade Act extension that was, by most predictions, supposed to take 3 weeks of senatorial wrangling.

Behind these legislative feats was the skillful hand of LYNDON BAINES JOHNSON, of Texas, who, at 46, is not only the youngest floor leader in the Senate's history but by common consent one of the most adroit politicians to occupy the post in recent years.

Mr. JOHNSON was picked for his job by conservative southerners. But he manages to get along surprisingly well with northern liberals—despite this week's blast by Americans for Democratic Action, who accused him of acquiescing in a Republican assault on liberalism.

In fact, Senator HUBERT HUMPHREY, a former president of ADA, is one of Mr. JOHNSON's closest political allies. The day after the ADA attack, Mr. HUMPHREY defended, on the Senate floor, the integrity of Mr. JOHNSON's liberalism and went on to praise the Texan as "a genius in the art of the legislative process. * * * I have no hesitation in saying that I am proud of the leadership and of the skills portrayed by the Senator from Texas."

THE BEST COMBINATION

Virginia's conservative Senator HARRY BYRD, who agrees with Mr. HUMPHREY on few matters, will also talk in glowing terms of his party's floor leader. And Senator RICHARD RUSSELL, of Georgia, Mr. JOHNSON's mentor and idol, recently remarked that "LYNDON JOHNSON hasn't got the best mind in the Senate. He isn't the best orator. He isn't the best parliamentarian. But he's the best combination of all those qualities."

Senator JOHNSON, for his part, might explain his admiration for Mr. RUSSELL with one of the earthy sayings he likes to quote. "My daddy," he says, "used to tell me that you're going to have about the same kind of friends as you are." He considers the Georgia legislator the Senate's most influential Member and has been known to say that if he had the power to pick the next President, it would be DICK RUSSELL.

Whatever one may think of Mr. JOHNSON—he has his share of critics, as the ADA attack suggests—nearly everyone agrees he has succeeded in welding Senate Democrats into a more unified force than anyone thought possible when he took over 2 years ago. And he outwits his GOP adversaries almost by habit.

The Texas Senator's customary mode of operation is to grease the skids before a bill ever reaches the floor, as with the reciprocal trade bill. Before the measure left Senator BYRD's Finance Committee, a powerful bloc of protectionist forces was pushing import quotas for such products as oil, fluorspar, hardboard, lead and zinc. Mr. JOHNSON, who had an oil problem himself, decided that if one of these provisions ever got into the bill it was dead.

So quietly behind the scenes, where he likes to operate, Senator JOHNSON worked out with Mr. BYRD and administration representatives a compromise which said the President could adjust imports of any article he found coming into the United States in such quantities as to "threaten to impair the national security."

"To be for this amendment," one Senator noted later, "you didn't have to be for oil, or fluorspar, or lead. All you had to do was vote for national security." Looking backward, this all seems very simple. But at one point some reciprocal-trade backers had serious doubts that the bill could be saved from protectionist onslaughts.

Perhaps Mr. JOHNSON's smoothest feat resulted in last year's Senate vote that dashed President Eisenhower's hopes for keeping his campaign promise to amend the Taft-Hartley law. In this instance, Senator JOHNSON is credited with—or blamed for—prevailing on southern T-H supporters to vote to send the GOP bill back to committee. They could go home and tell their constituents they had helped save Taft-Hartley. Getting liberals to vote accordingly was easy.

UNIQUE UNANIMITY

The upshot was the first unanimous Democratic vote in history on a major labor issue, so far as anyone knows. Senator JOHNSON, of course, hadn't unified his party on Taft-Hartley. He had merely buried their differences. Had the measure come to a vote on its merits, Democrats would have split wide open on its specific provisions.

When Senator JOHNSON ascended to the Democratic leadership as the GOP returned to power, the liberals made little attempt to veil their misgivings. Moreover, the experts expected 2 more years of wrangling, with the North and the South struggling for control of a defeated party. The struggle has gone on, of course.

But the Texas-sized Texan remembered another one of his homey sayings—"in adversity the family draws closer together"—and applied it by persuading some of the elder Democrats to give up their claim to choice committee seats. Thus, the way was cleared for coveted assignments for the crop of liberal freshmen Senators who won despite the 1952 defeats. Everybody wound up with at least one good assignment. With 1 or 2 exceptions, everybody was fairly happy.

Despite this initial stroke, not everything went smoothly with the Democrats. Last year, for instance, the liberals mumbled mutiny against the fast-working JOHNSON when he helped Senator KNOWLAND break up a liberal filibuster against the atomic energy revision bill. The liberals were perhaps more surprised than anyone else when they later discovered they got most of the amendments they wanted.

When the atomic measure was returned from House-Senate conference, however, the conferees had dropped the Senate's anti-monopoly amendment and provision for preferential treatment of co-ops, among others. Thereupon Mr. JOHNSON got back in solid with the liberal wing by rallying southerners to the support of the northerners to force modification of the conference measure.

That LYNDON JOHNSON is a Senator and the Democrats' floor leader is no accident. He decided long before he got there that he was going to the Senate. Once there, he wasn't going to be just another member. He looked after that, too, by hard work and getting to be friendly with the right people.

BORN TO POLITICS

Lyndon was figuratively born to politics on a farm near Johnson City on August 27, 1908. His father, Sam Ealy Johnson, was a sort of community counselor and served in the Texas Legislature. As a boy, Lyndon began to learn about politics and people by listening to his father advise his neighbors and playing around the Texas House chamber when the legislature was in session.

Somewhere along the way Lyndon acquired another trait of his father. "He talked less and got more bills passed than anybody," oldtimers recall of the elder Johnson. This bit of philosophy is summed up in a framed motto on Senator JOHNSON's office wall—"You ain't learnin' nothin' when you're talkin'." He seldom makes a speech on the Senate floor.

After working his way through college, Lyndon taught in the Texas public schools for a spell and then came to Washington in 1932 as secretary to the late Representative Richard M. Kleberg. He had scarcely arrived when he got himself elected speaker of "the Little Congress," an organization of congressional secretaries. He took over this group just as he runs the Senate—by going out and rounding up the votes.

Apparently young Lyndon decided after a couple of years there was no future in being a Congressman's secretary. So he gave up his job—and took a cut in pay—for a job as House door boy. This gave him an opportunity to get personally acquainted with the politicians and learn more about their way of doing things.

In 1935 he went back to Texas as State National Youth Administration director. And 2 years later, upon the death of Representative James P. Buchanan, of Texas' 10th District, Lyndon jumped into the race and won against a dozen candidates on a down-the-line New Deal platform, including Mr. Roosevelt's Supreme Court packing plan.

In the House, Mr. JOHNSON attracted little national attention, though he became an expert on naval affairs and was the first House Member to volunteer for active duty after Pearl Harbor. Nor was much heard from the young man from Texas when he first came to the Senate; he won in 1948 after having narrowly lost a special election in 1941.

His first real political break in the Senate, in fact, came only in 1951. Under the sponsorship of Senator RUSSELL, he was picked to fill a vacancy as party whip, or assistant floor leader. This post carries little prestige but requires a lot of work—and in Senator JOHNSON's case it put him in the right place at the right time.

His predecessor, former Senator McFarland, of Arizona, was defeated for reelection in 1952, leaving the leadership spot open. No sooner had the election returns come in than Senator RUSSELL—and Senator JOHNSON—again got busy rounding up the votes to elect the Texan to the job.

Though he manages to get along with all Senate factions, Mr. JOHNSON occasionally is

accused of thinking more in terms of advancing himself politically than of looking after the good of his party. When one asks for details, the first thing usually mentioned in his support of State ownership of tidelands oil—just as if he'd be in the Senate or have any hope of coming back if he did otherwise.

TAKING CARE OF TEXAS?

Still another criticism of the Texan is that he left his seat on the Commerce Committee this year to join Finance to look after Texas' interest in protecting oil and gas depletion allowances. That he is in better position to do so is true, of course. But that's not the whole story. More nearly what happened was that Senator DOUGLAS, of Illinois, was bidding for a Finance Committee berth, and Senator BYRD all but laid down the law that he wouldn't serve as chairman with two additional New Dealers, Senators BARKLEY and DOUGLAS. So Mr. JOHNSON decided to take the job himself to head off a party crisis. Even so, Mr. DOUGLAS was not left out; Mr. JOHNSON wangled him the chairmanship of the House-Senate Economic Committee.

Other Johnson critics, usually the "liberals," think the Senator doesn't attack President Eisenhower as much as he should. To this, the Texan's friends reply that any Democrat is free to attack the President any time he wants. Moreover, Mr. JOHNSON is said to feel that the mood of the country demands "responsible, constructive" Government and not a lot of "television shows."

But whether his fellow-Democrats agree with him or not, they all seemingly agree that he is one of the most accomplished professional politicians who's guided the Senate in a long time. And the impression is inescapable that the Texas Senator considers politics one of the most honorable of professions. Were he not from the South there's little doubt he'd have to be reckoned with for the Presidency. There are those who think he might wind up in the White House anyway.

Stevens Treaty Council Centennial Observance at Walla Walla, Wash.

EXTENSION OF REMARKS
OF
HON. LISTER HILL
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Friday, June 10, 1955

Mr. HILL. Mr. President, on behalf of the senior Senator from Washington [Mr. MAGNUSON], I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by him relating to the celebration of the 300th anniversary of the first Swedish mission in Pennsylvania and the observance of the Stevens Treaty Council Centennial at Walla Walla, Wash., on June 11.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

Only a few days ago I attended a meeting in Philadelphia and talked with people celebrating the 300th anniversary of the first Swedish mission in Pennsylvania. The same occasion was the 175th anniversary of the arrival of the Swedish officers who helped us in the American Revolution. Along the eastern seaboard especially, history is a vital subject. It is along our west coast, too.

But our history, as Members of the Senate well know, doesn't extend back into the hundreds of years; we are still celebrating our centennials. One of these is coming in Walla Walla, Wash., on June 11.

It is the Stevens Treaty Council Centennial observance and will furnish the occasion for many Indian tribes in the Pacific Northwest to gather with descendants of the pioneers who settled the area. Significantly, there will be a plaque unveiled at the June 11 ceremony which carries the words "Pe-Wa-Oo-Yit." Of course, they are Indian words, but their English translation is just as important today as when the Stevens Treaty was signed in 1855, because they mean "May the promises of our treaties always be kept."

In other respects, the plaque to be unveiled carries a story, too. It says, "To commemorate the 100th anniversary of the signing by their forefathers of the treaties with the United States of America near this place on June 9 and 11, 1855, this plaque is presented by the people of Yakima, Nez Perce, Cayuse, Walla Walla, and Umatilla Indian Tribes."

To get the setting of the treaty signing, you must look back 102 years to be exact. The Washington Territory had just been organized. Isaac Stevens had been appointed first Territorial Governor. The Oregon Trail, which we today traverse by car in a comparatively few days, or by airplane in only a few hours, was crowded with immigrants heading west by covered wagon. Only 3 years before, in 1850, Congress had passed the Donation Land Act which promised a square mile of land free to any citizen and his wife who would come West and claim it.

Most of these people traveling the Oregon Trail by covered wagon were farmers. With them were their plows, their cattle, and horses. In their hearts was a determination to take their square mile of land, build a home on it, fence it, cultivate it and make it their own.

Cut were the ties of the Eastern States and the homes that they had known. With them was a determination to enter this land to stay in this Pacific Northwest Territory. Watching this westward migration with evergrowing interest and considerable foreboding were the Indians of the tribes I've just named.

This land had been theirs. They had not been able to till the soil. Theirs had been homes of wigwams, ready to move as the food supply dwindled in one place, expanding in another. They looked with considerable curiosity, too, at these whites. There had been considerable bickering. Here and there had been quarrels between the reds and the whites. Killings had occurred on both sides. Only a few years before, there had been a war. Isaac Stevens knew this. So did Gen. Joel Palmer, Superintendent of Indian Affairs for Oregon. Something had to be done to insure permanent peace between the Indians and the whites in the Pacific Northwest. The lands which had belonged to the Indians now had to have their titles clear. These new settlers must actually own the land on which they were locating. All the Indian tribes had to be dealt with by treaty. Treaties must be drawn up which would place the Indians on reservations as had happened earlier in the East.

It finally was decided that the place for the treaty signing would be the Walla Walla Valley. It was to be a big occasion. Governor Stevens and General Palmer made their camp on the north bank of Millcreek. They arrived first. Both hoped the meeting would be peaceful. But in case it should not be, Governor Stevens had asked the military post at The Dalles, Oreg., to send a detachment of cavalry to the Walla Walla Valley to guard them and give some display of strength before the Indians. He had hoped for several hundred soldiers, but only 47 men arrived. There would be thousands of Indians. The Nez Perce Tribe arrived first. Twenty-five hundred of them. Next came the Cayuse, Walla Walla, and the Umatillas. Then the Yakimas came.

In all, there were some 4,000 Indians, representing the 5 most powerful Indian tribes, at the treaty conference. At the first council some 50 chiefs representing the various tribes took up the preliminaries. The meeting settled down; it went on for many days.

Perhaps, significantly, the first Sunday found the Indians worshiping with the white conferees, just as the missionaries had taught them to do.

During the long days of meeting such things were settled as the location of the reservation where the Indians would live, the right of fishing, gathering roots, and other food that they needed. There had to be grazing land for their animals. There must be farms available for the Indians who wanted to farm. There had to be payment for the lands the whites were taking. Finally, the treaty was signed.

Now, 100 years later, on June 11 will come the centennial celebration which will find in attendance many of the descendants of those who participated in the signing. Probably as significant as the treaty itself and as the celebration which is to be held, is the fact that that treaty has held for 100 years, and has been respected by both sides—both whites and Indians.

Equally significant is the fact that the Members of the United States Senate have made sure through the years that our Government has lived up to the commitments made by Gov. Isaac Stevens in that Stevens Treaty.

I hope that our Indian brothers will always feel that their ancestors represented them ably and well, and that there is a treaty until perpetuity.

Tribute to Hon. Margaret Chase Smith, of Maine, and Hon. H. Alexander Smith, of New Jersey

EXTENSION OF REMARKS
OF
HON. CLIFFORD P. CASE
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Friday, June 10, 1955

Mr. CASE of New Jersey. Mr. President, I ask unanimous consent that an editorial from the June 5 Sunday Times-Advertiser of Trenton, N. J., be printed in the CONGRESSIONAL RECORD. The editorial pays worthy tribute to Senator SMITH of Maine and Senator SMITH of New Jersey, who have served this body so well and so long.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE TWO SMITHS

New Jersey shares with Maine a deep sense of pride in the honor bestowed by Columbia University upon two Smiths who are Members of the United States Senate—MARGARET CHASE SMITH and H. ALEXANDER SMITH.

Columbia has displayed admirable judgment in singling out for distinction the lady from Maine, who for 7 years has been a member of the "most exclusive gentlemen's club in the world," and the gentleman from New Jersey, who for more than a decade has represented his State with "unchallenged integrity, with eloquence and with wisdom."

The two Smiths have indeed been creditable public servants. They have consistently brought intelligence, independence, and courage to their political careers. In many ways, they have done a great deal to deserve the degree of doctor of laws conferred upon them.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 13, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, whose bountiful grace is always available, we rejoice that Thou art ever waiting to be welcomed by our inner life to make it the sanctuary of Thy presence.

May our minds and hearts be aglow with the enthusiasm of high ideals and radiant with that peace which comes from responding wholeheartedly to the promptings and persuasion of Thy spirit.

Show us how, in the midst of life's tumult and confusion, we may lay hold of the great sources of spiritual power and consolation and carry on faithfully and without fear.

Grant that we may have divine counsel and guidance in the discharge of all our duties and responsibilities, beginning each day with prayer, "What wilt Thou have me be and do?"

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, June 9, 1955, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5907. An act for the relief of Albert Woolson.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 1142) entitled "An act for the relief of Capt. Moses M. Rudy," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KILGORE, Mr. EASTLAND, and Mr. WILEY to be the conferees on the part of the Senate.

PERMISSION TO SIT DURING SESSION OF HOUSE TODAY

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may be permitted to sit this afternoon during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on House Administration may be permitted to sit this afternoon during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PROPOSED AMENDMENTS TO RAILROAD RETIREMENT ACT

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, with every indication that this session of Congress may adjourn late next month I wish to take this opportunity to call to the attention of the House the necessity of amending the Railroad Retirement Act before adjournment.

Representing, as I do, one of the largest retired and active railroad populations in the country, not a day goes by that I do not receive numerous inquiries concerning pending amendments to the Railroad Retirement Act—and asking the question—when is Congress expected to take action on them? In addition, I receive a lot of mail from retired and active railroaders who do not live in my congressional district. For that reason I know that interest in amending the Railroad Retirement Act is nationwide.

At the moment there are over 50 bills pending before the House Committee on Interstate and Foreign Commerce, all of them designed to amend the Railroad Retirement Act. Among these bills are five measures which I introduced at the request of the active and retired railroaders of the central Pennsylvania area. In fact, I had these bills pending in previous Congresses since they have been reintroduced by me on several occasions.

Mr. Speaker, my five bills include H. R. 859, which I reintroduced on the first day this Congress convened and which provides for a 25-percent across-the-board increase in annuities and pensions paid to retired railroad employees or their survivors. Facts and figures prove that this group of retired railroaders or their survivors who, today, are wholly dependent upon their railroad-retirement benefits, have not received increases in benefits comparable to the increased cost of living.

Another of my bills, H. R. 857, will repeal the prohibition against the payment of dual benefits to widows of deceased railroad employees who are entitled to receive both a pension as a surviving widow in addition to any benefits she may have earned in her own right as a retired employee of an industry covered by the Social Security Act. In other words, the widow would be entitled to both social security and railroad-retirement benefits.

I have also introduced H. R. 2443, for the purpose of removing from the Railroad Retirement Act a discriminating provision which requires a railroad employee, before retiring, to sever his connections with any other employment outside of the railroad industry in which he may be engaged at the time of his retirement. This bill, if enacted, will permit retired railroad employees to continue work outside of the railroad industry in which they were engaged at the time of retirement without forfeiting any railroad retirement benefits to which they are entitled. This bill is designed primarily to protect retired employees who, at the time of retirement, were forced to give up such positions as secretaries to fraternal and civic organizations, organists for local churches, and other minor positions for which the compensation received was of an insignificant amount.

Complying with the request of many currently employed railroaders, I introduced H. R. 856 and H. R. 858, both of which are designed to improve the provisions of the Railroad Retirement Act by permitting retirement at the age of 60 or after 30 or 35 years of service with the annuity to be computed, based on the 5 years of highest earnings. Both of these bills, which I had pending in previous Congresses and which were rejected by the House Committee on Interstate and Foreign Commerce during the 83d Congress, in my opinion are entitled to further consideration at this time.

Mr. Speaker, as I said in the beginning of my statement, the retired and active railroad population of my Congressional District as well as throughout the Nation, are anxious for congressional action on pending amendments to the Railroad Retirement Act and, especially, those provisions which I have outlined.

According to my good friend and colleague, the Honorable J. PERCY PRIEST, of Tennessee, chairman of the House Committee on Interstate and Foreign Commerce, it is his hope that the so-called Harris subcommittee will begin a series of hearings on railroad-retirement legislation as soon as the full committee has finished action on amendments to the Natural Gas Act and completes its study on Federal control of the Salk vaccine. I am sure that Chairman PRIEST's announcement of the coming hearings will be received with great pleasure by the railroad population throughout the Nation.

REDUCED DEFENSE APPROPRIATIONS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, with reference once more to the reduced defense appropriations, I have with me a leading article, The Art of Negotiating With the Russians, by Louis J. Halle, appearing in the New York Times magazine of last Sunday from which I quote the following:

Finally, let us not repeat our spectacular mistake of 1945.

This deals with negotiations with the Russians at the summit.

Let us not dismantle our military power in anticipation of a settlement that we have not yet got. Diplomacy offers no alternative to power; rather, it is a means by which power may realize its ends without war.

The Communist negotiators will surely have in mind the military forces available to us for the defense of freedom. If the effectiveness of those forces is increasing, they will be the more likely to want a genuine settlement. But if we are in process

of reducing those forces, their game may well be to temporize, playing us like a hooked fish until we are weak enough to be pulled in.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE ACCOMPLISHMENTS OF THE 1ST SESSION OF THE 83D AND THE 1ST SESSION OF THE 84TH CONGRESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I think the membership of the House in this, the 1st session of the 84th Congress, might be interested in a comparison of legislation accomplished in the present session of the Congress with that accomplished in the same period during the 1st session of the 83d Congress.

The 1st session of the 83d Congress made a very good record for speed, but the 1st session of this Congress has made a much better record.

As of June 1, 1953, there were 45 public bills enacted into law.

As of June 1, 1955, there were 48 public bills enacted into law.

As of June 1, 1953, there were 5 bills in conference.

As of June 1, 1955, there were 5 bills in conference.

As of June 1, 1953, there was 1 bill through conference.

As of June 1, 1955, there were 7 bills through conference.

As of June 1, 1953, the Senate had passed 296 measures.

As of June 1, 1955, the Senate had passed 408 measures.

As of June 1, 1953, the House had passed 479 measures.

As of June 1, 1955, the House had passed 603 measures.

As of June 1, 1953, the Senate committees had reported 366 bills.

As of June 1, 1955, the Senate committees had reported 445 bills.

As of June 1, 1953, the House committees had reported 477 bills.

As of June 1, 1955, the House committees had reported 654 bills.

YEA AND NAY VOTES

As of June 1, 1953, there were 29 in the Senate and 30 in the House.

As of June 1, 1955, there were 42 in the Senate and 36 in the House.

As of June 1, 1953, the Senate had received and considered 19,630 nominations requiring senatorial confirmation.

As of June 1, 1955, the Senate had received and considered 32,235 nominations requiring senatorial confirmation.

Some of the major proposals which have received action during the 1st session of the 84th Congress are:

Security of Formosa, House Joint Resolution 159, approved January 29, 1955. Public Law 4.

Revenue Act of 1955, H. R. 4259, approved March 30, 1955. Public Law 18.

Agriculture price supports, H. R. 12, passed House May 5, 1955.

Trade Agreements Extension Act of 1955, H. R. 1, sent to conference May 5, 1955.

Universal Military Training and Service Act, extension, H. R. 3005, passed House February 8, 1955.

Salary adjustment for judges, Members of Congress, and so forth, H. R. 3828, approved March 2, 1955. Public Law 9.

Postal pay raise, S. 2061, passed Senate and House and only requires Presidential approval to become law. A more liberal measure—S. 1—was sent to the President but vetoed May 19, 1955.

QUERY ON ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time only to call the attention of the gentleman from Massachusetts to one omission. He failed to mention whether or not we are going to get out of here soon.

QUALITY VERSUS QUANTITY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the question put by the gentleman from Illinois was one that I put previously to the gentleman from Massachusetts [Mr. McCORMACK] and he assured me that he would try to get to the end of the session as soon as possible.

Now, referring to those figures which the gentleman from Massachusetts [Mr. McCORMACK] gave comparing the number of bills passed by the 83d Congress with those adopted so far by the 84th Congress and making other comparisons of the work of the two Congresses, those figures do not mean a thing. It is not the number of bills passed; it is not the volume of legislation passed or the volume of business done that determines the merit of either. It is the quality of the legislation, the effectiveness of the business transacted. The gentleman did not say anything about that. The 83d Congress established a record for quality, not for quantity.

CLASSIFIED EMPLOYEES' SALARY RAISE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, the long delay in enacting salary-increase legislation for all Federal employees has been seriously hurtful in many ways and has been contrary to the public interest.

We cannot hope to build the kind of a Federal service which these times so urgently require if we do not adopt compensation policies which are fair and forward looking. May I say that we still have to face up to this problem realistically.

In my opinion, Mr. Speaker, it would be manifestly unfair to enact legislation for classified employees which falls short of the admittedly inadequate increase provided for postal employees.

Such action would be, as I say, unfair on the face of it. But the unfairness to the more than 1 million classified employees is by no means the only consideration involved.

Even more important is the fact that unless we pass a bill which provides for at least the same percentage increase for classified employees as has been approved for postal employees, the Federal Government's problems in the recruitment and retention of qualified employees will be heightened manyfold.

Despite some recent administration statements to the contrary, the turnover rate in the Federal classified service is excessively high. The plain, inescapable fact is that the Federal departments and agencies find it more and more difficult to hire and to keep the most competent employees in a wide variety of categories—many of them vital to the welfare and the security of this Nation.

If the Congress now enacts legislation which discriminates further against classified employees we can expect to lose many more able career employees. We can expect a distinct lowering of morale. We can expect a measurable loss of efficiency. And we can expect the recruiting of trained people to be harder than ever.

Mr. Speaker, by every reasonable and proper yardstick available we have a clear mandate to enact legislation which will provide increases for classified employees at least equal to those which we have approved for postal employees.

Let me emphasize that I do not think that those increases are adequate. I believe they still fall short of indicated needs—and I am speaking now not primarily of the needs of the employees but rather of the needs of the Federal service and of the welfare of the people of this country who are entitled to the most effective public service we can provide.

If, then, we fail to act forthrightly on this matter, we shall, I believe, be both compounding an injustice and failing in our clear duty in the public interest.

DUCK BAITING

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, in the course of the floor debate on duck baiting last Wednesday, June 8, a matter arose that needs to be cleared up. The gentleman from Pennsylvania [Mr. SAYLOR] stated that Mr. Albert M. Day, former Director of the Fish and Wildlife Service, had been "caught redhanded shooting ducks himself over a baited blind down here in Maryland," and that hearings and a report of a special subcommittee of the House Committee on Interior and Insular Affairs in the 83d Congress would bear these out. In order to check on this serious charge, I promptly went to the House Committee on Interior and Insular Affairs. When I asked for a copy of the hearings and testimony, the clerk informed me that the hearings were secret and could not be released to me. When I asked for a copy of the report, I was told that the subcommittee chairman, the gentleman from New York [Mr. PILLION] had never given the committee a copy, and that none was available to me. Since I was obviously getting nowhere here, I called the Department of the Interior. The Department informed me that the charge of duck baiting against Mr. Day was entirely unfounded.

PRESENTATION OF McCALL'S PUBLIC SERVICE AWARD

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include a citation.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday afternoon I said in part:

It gives me great pleasure today to present to Miss Helen Freeman, of the Home and School Association, the McCall's magazine June public-service award. This award is presented in recognition of the outstanding recreation program started and carried on by the Home and School Association for mentally retarded children. I would like to take a moment to read the scroll which aptly sums up the fine work of this organization: "McCall's certificate of merit. June 1955. The Home and School Association, Boston, Mass., is cited by McCall's magazine for the work done by its special education chapter to provide year-round educational and recreational opportunities for mentally retarded children. Signed Otis Lee Wiese, editor and publisher, McCall's." It is a splendid feeling to know that the endeavors of this group have been nationally recognized. I hope their accomplishments will serve to encourage similar organizations across the country. My warmest congratulations to you, Miss Freeman, and to all the other members of the Home and School Association on your outstanding achievements symbolized by this McCall's award.

Archbishop Cushing, of Boston, Mass., calls these children exceptional children. I, too, would like to state that I found those children who have not yet had a complete chance in life a little slower, perhaps, in their reactions compared with other children, but also exceptional. They were lovely children, courteous and polite and happy in their playgrounds. I hope other magazines besides McCall's will make awards to encourage this great humanitarian project. We all like to feel little children have a place in the sun. What it gives is happiness to the children who otherwise would not have this chance.

I congratulate Mayor Hynes, of Boston, and civic representatives, as well as the fine teachers and workers in this project. They give loving service to this group.

Old Fort Independence, Castle Island, South Boston, is the place that provides the playground inside and outside for the children. It provides a perfect protected place for them.

FLAG DAY

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, tomorrow in this Chamber we intend to pay tribute to the flag of our country. The Air Force choral group, the Singing Sergeants, will sing for the first time a new song, The Pledge of Allegiance to the Flag. I hope the membership will be here on tomorrow, Flag Day, to enjoy the ceremonies in rightful tribute to Old Glory.

CALL OF THE HOUSE

Mr. RAINS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 81]

Abbitt	Cooley	Hope
Abernethy	Cretella	James
Alexander	Curtis, Mass.	Kelley, Pa.
Anfuso	Davis, Ga.	King, Calif.
Ashley	Dingell	King, Pa.
Barrett	Dollinger	Kirwan
Bass, N. H.	Eberharter	Klein
Baumhart	Elliott	Knox
Becker	Fallon	Knutson
Bennett, Mich.	Fernandez	Latham
Bentley	Fine	McCarthy
Blitch	Fino	McConnell
Bolling	Fogarty	McDowell
Bolton, Oliver P.	Frazier	McVey
	Frelinghuysen	Miller, N. Y.
Bosch	Fulton	Morano
Bow	Gamble	Morgan
Bowler	Garmatz	Morrison
Boykin	Gary	Mumma
Brown, Ohio	Granahan	Murray, Tenn.
Burnside	Green, Oreg.	Norrell
Canfield	Green, Pa.	O'Brien, N. Y.
Carlyle	Gubser	Osmers
Carrigg	Gwinn	Philbin
Celler	Hand	Polk
Chatham	Harrison, Va.	Powell
Chudoff	Heselton	Reece, Tenn.
Church	Hillings	Reed, N. Y.
Clevenger	Hoeven	Riehlman
Colmer	Hoffman, Ill.	Rogers, Tex.
Roosevelt	Shuford	Tuck
Sadlak	Taber	Vursell
Saylor	Taylor	Wainwright
Scherer	Thompson, La.	Williams, N. J.
Seely-Brown	Thompson, Mich.	Wilson, Ind.
Selden		Withrow
Sheehan	Thompson, Tex.	Young
Short	Thomson, Wyo.	Zelenko

The SPEAKER. Three hundred and fifteen Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

BANK HOLDING COMPANY ACT OF 1955

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6227) with Mr. ENGLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. SPENCE] will be recognized for 2 hours and the gentleman from Michigan [Mr. WOLCOTT] for 2 hours.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, this is a bill to control and regulate bank holding companies. It is a bill that has been sought by the independent bankers of the United States for almost 20 years. It is a bill that has the unanimous approval of the Independent Bankers Association and because of its implications and the fundamental principles it attempts to serve, it has the support of all the small organized business organizations in the country.

The bill merely attempts to divorce from holding companies the power to control, to operate banks, and to engage in unrelated businesses. It attempts to maintain competition among the banks. It provides that no expansion of bank holding companies shall be effected, and no new bank holding company shall be created, without the approval of the Board of Governors of the Federal Reserve System.

The holding company was a device formulated back in the hectic late twenties. We all remember the utility holding companies and how during that time they trafficked in public utilities. They went into the market and bid for them. Often they said it was for future expansion, but the real truth of the matter is—there was no Securities and Exchange Commission in those days, there were no regulatory measures—they organized them, they reorganized them, they increased their stock and after they were reorganized they sold them to a gullible public for many times what they paid for them.

We passed regulatory measures that regulated the utility holding companies.

Our distinguished Speaker introduced the bill in this House and secured its passage that had that effect. But the bank holding companies have not so regulated. I am not saying that all of the bank holding companies are bad. Some of them that are merely engaged in the operation and management of banks may have done fairly well. But it is the principle involved in this matter that is so essential to the welfare and economy of the Nation.

If you concentrate money and credit in the same hands, you have an impregnable monopoly. That is the effect of the holding companies today. Just imagine what chance you would have if you were a small-business man in a community where the holding company controlled the bank and also a competing business. There is no doubt about what would be your ultimate fate. We think that the holding companies are a dangerous thing to our economy, that the centralized concentration of economic power is just as dangerous as the concentration of political power.

It is more lasting. It is harder to break. We think that the control of the expansion and the creation of future bank holding companies will have the effect of weakening that power. The centralization of banks, of banking interests, is a bad thing for the economy of the Nation. That is the reason the small business people all over the country are for this bill; that is the reason they want it passed. Even though you may point to some holding companies that have done a moderately good business, it is the opportunity, it is the power that is given, that is dangerous.

Now, what does a bank holding company do? A bank holding company is a device organized to take over and control banks. It might be organized with very little capital. It does not need much capital to accomplish the purposes it desired. It leads to high promotional activity. Then it goes out and persuades the bank shareholders to convey their stock to the bank holding company in return for the stock of the holding company. In that manner a bank holding company, organized initially with an investment of about $1,200, took over banks with assets of $80 million just before the crash came in 1933, and the whole structure went down when that crash came. There was a finance company, Bankers Discount Corp., operating in Texas and the Southwest that had many finance offices where they did a big consumer credit business. They devised a scheme of taking over two Chicago banks, and in 1953 they dumped their bad paper, overdue paper, on those two banks, and the banks crashed, and the Federal Deposit Insurance Corporation, I am told, had to put up about $5 million to keep them operating.

Now, I am not saying that that is characteristic of all bank holding companies, but that is the opportunity they present to designing men that want to get the power and the money that they are not entitled to. Their organizations offer great profits to promoters and speculators. No doubt many of them got rich.

Mr. Chairman, what does this bill attempt to do? It does not say to these organizations, "You must dump your securities on the market. You must sell them at a loss." It says to the holding companies, "You must divest yourselves of either the voting shares of the banks, or divest yourselves of the stock in unrelated businesses." And divestment only means distribution. There is a provision in this bill that when this stock is distributed, there shall be no gain and no tax consequence to the shareholder or to the bank holding company. We attempt to make it easy for them to do a legitimate business. They can elect to be either a bank holding company or be a holding company engaged in nonbanking businesses.

Certainly there is nothing harsh in that. The holding company was organized for the purpose of circumventing the banking law. The banking law in the 1920's generally did not permit any branches. There were no branches of national banks before 1927. Through the bank holding company device they circumvented the branch banking laws and accomplished something that the branch banking laws had attempted to prevent. The banking law is meticulous as to what banks can own. A commercial bank cannot own stock in another bank. A commercial bank cannot own stock in a nonbanking business unless it had to take it as security for its debt. And yet through the bank holding company device the banks are really not only in the business of banking but they not only own the stock of but absolutely control unrelated businesses. In that way they are given a very great advantage over independent banks.

It not only does all that, but it violates the fundamental concept and custom of banking through all the years. They say there is no objection to this by the depositors in the holding company banks. Well, maybe not. But there is an objection to this condition by every independent banker in the United States. It has been the chief topic at all of their conventions.

You know, the banker is a pretty conservative and thoughtful man. I think he knows what he needs. I think we ought to give him this opportunity of independent and competitive existence.

I think we should also vote for the bill because of the impact it has upon our future and our economy. They talk much about hardships. But we had some testimony to the effect that when they gave the stock of these independent enterprises to the people that owned them, many of those corporations did better than when they were under the control of the holding company.

This is not a harsh bill. It is not a punitive bill. It is a bill that I think will accomplish what we want with little punishment to those who have violated the spirit of the law for over 25 years. No individual or corporation can by prescription obtain a right which is against the public policy of this country.

They say "We have been in this business for a long time, and you have not prevented us from doing these things." They have no right because of the passage of time to continue to do something that is against the public welfare and the public policy of the country. We are now trying to rectify that condition. The bill provides that a holding company is a company that owns or has the right to vote the control of 25 percent of the shares of 2 or more banks. It does not take that percentage of stock to control a bank. Under high promotional pressure many of these companies can control a bank when they have only 10 percent, but we have placed it high in order that we do no injustice to the holding companies.

Some bank holding companies also have a device which assures retention of their control. A large part of their stock is nonvoting, and a small part of it is voting stock. They retain the voting stock but they often sell to the public and to their subsidiaries the nonvoting stock. So the control of the holding companies is usually secure and unassailable.

They tell you, "When we get control of a bank we continue to have the same directors of the bank when we bought it operate the bank." That may be true. But the policy of those banks is governed by absentee control. The holding company makes the policy. I assume that if the local directors did not agree with the policy as formulated by the holding company they would not last very long.

I am not going to take any further time on this matter. There are some provisions in the bill that will be discussed, I know, when we read the bill for amendment.

Under this bill, the States retain every right they have now.

In many cases there are laws against branch banking, and we want to allow them to exercise their own judgment on this matter in the future as they have in the past.

I hope that the Congress will pass this bill overwhelmingly. I know it is based upon sound principles. I know it is for the welfare of our Nation. I know it means much to free, independent business enterprise. I know that absentee control is contrary to the spirit which you hear so much about of free enterprise and the competitive system.

The largest bank in the country was controlled by a bank holding company, and in recent years they voluntarily divested themselves of their ownership and control of the bank. I think they saw the handwriting on the wall. But whatever the reason, we do not want corporations to have the opportunity to concentrate economic power and to centralize the control of the great business of banking, which controls money and credit, the lifeblood of the Nation's business, and that which stabilizes our national institutions.

I ask for your careful and favorable consideration of this bill.

Mr. Chairman, I understand the gentleman from Michigan [Mr. WOLCOTT] is willing to permit us to proceed with another speaker on this side, so I yield

10 minutes to the gentleman from Tennessee [Mr. COOPER] who will explain the tax provisions of the bill.

Mr. COOPER. Mr. Chairman, I am supporting the pending bill and the interest of the Committee on Ways and Means in H. R. 6227 relates to the portions of the bill that purport to amend the Internal Revenue Code. As the distinguished chairman of the House Banking and Currency Committee and the other esteemed members of that great committee have informed you, the Bank Holding Company Act of 1955 prescribes circumstances under which banks are required to divest themselves of certain assets. The tax provisions of H. R. 6227 set forth the conditions that must be met in order to avoid the recognition of gain on the distribution of these prohibited assets.

Earlier this session the chairman of the Banking and Currency Committee discussed with me the tax implications of the Bank Holding Company Act of 1955. I offered to him the services of the staffs of the Committee on Ways and Means and the Joint Committee on Internal Revenue Taxation so as to be certain that the provisions amending the Internal Revenue Code were in proper order. These staffs met with the staff of the Banking and Currency Committee and the staff of the House Legislative Counsel's office on this matter. Representatives of the Treasury Department also participated in the preparation of the tax provisions of this legislation. The amendatory language to the Internal Revenue Code contained in H. R. 6227 is the result of these conferences.

In general, the tax provisions of the bill, which follow to a large extent the precedent of the Securities and Exchange Commission provisions of the Internal Revenue Code, provide that a qualified bank holding corporation has two alternative tax routes to nonrecognition.

Basically, the tax provisions of the bill permit distribution without recognition of gain or loss to the shareholders of bank holding companies of either first, nonbanking assets, or second, bank stock.

By using the first alternative a corporation which qualifies as a bank holding company may decide to remain a bank holding company. In that case it may distribute any prohibited property to its shareholders without the recognition of gain or tax consequences to them by reason of the distribution, subject to the certification of the Federal Reserve Board that the distribution is necessary or appropriate in order to comply with the act.

"Prohibited property" is defined in the act to mean stock, securities, and other obligations, or other nonbank assets to the extent that bank holding companies are required to divest themselves of such assets under section 6 (a) of the act but does not include liquid assets such as cash, Government securities, certain short-term obligations, or the right to receive money. It was thought necessary to eliminate "cash and the equivalent of cash" from the definition of "prohibited property" in order to eliminate the possibility of opening up an unintended tax loophole.

The second alternative tax route permits a qualified bank holding corporation to distribute to its shareholders without the recognition of gain or other tax consequences any bank stock or other property of a kind which causes it to be a bank holding company. Again, however, the Federal Reserve Board must certify that a distribution of property of that kind is necessary or appropriate to effectuate the policies of the act.

In the case of either alternative the distribution may be made either directly to the shareholders of the corporation or to a wholly owned subsidiary created expressly for the purpose of receiving the prohibited property or bank holding company stock.

The tax provisions of the bill restrict the nonrecognition treatment which I have just described to property which was owned on May 15, 1955. This restriction is necessary to prevent corporations which do not otherwise qualify as bank holding companies from purchasing interests in banks in order that their shareholders might receive the benefit of the liberal tax treatment provided. This cutoff date is not applicable, however, where prohibited property or bank stock which is certified by the Board for distribution is transferred to a wholly owned subsidiary created for that purpose and the stock of such subsidiary is immediately distributed by the qualified bank holding corporation to its shareholders, nor will it apply wherever prohibited property or bank stock is passed up the chain from subsidiary to parent after May 15, 1955, and then out to the parent's shareholders.

An additional safeguard against unintended tax avoidance is provided by provisions forbidding nonrecognition treatment to any distribution attributable to a contribution of capital to any corporation where the contribution is made after May 15, 1955. This limitation does not apply if the contribution of capital is to a bank and it is determined that the avoidance of Federal income taxation was not a principal purpose of the contribution of capital.

Where nonrecognition treatment has been extended under either alternative, a further safeguard is provided by the requirement that the Federal Reserve Board make a final certification to the effect that the terms of the act have been fulfilled within the statutory period permitted therein.

It is my understanding that the basic policies of the bill are to put bank-holding companies under the supervision of the Federal Reserve Board and to require bank holding companies to dispose of their nonbanking assets. A bank-holding company is defined under the bill as any company which, directly or indirectly, controls 25 percent or more of the voting shares of two or more banks or of a bank holding company, or is found by the Board of Governors of the Federal Reserve System to exercise a controlling influence over two or more banks.

It is not my purpose to comment on the merits of the bill, generally. As chairman of the House Committee on Ways and Means, I have limited my remarks with respect to the bill solely to those provisions of H. R. 6227 that amend the Internal Revenue Code.

Pursuant to the rule which authorized the consideration of this legislation by the House today, the chairman of the Committee on Banking and Currency proposes to offer a committee amendment to section 11 (f) (1) of H. R. 6227. The amendment is necessary to correct a technical error in the language now contained in the bill. Under the present language, a purchaser of stock in a bank holding company, who acquired his stock after May 15, 1955, would not be entitled to the nonrecognition treatment provided under the bill. This unintended result would be corrected by the proposed amendment.

In behalf of myself and my colleagues on the Committee on Ways and Means, I would suggested that this procedure of including amendments to the Internal Revenue Code in legislation not prepared and reported by the Committee on Ways and Means should not be construed by anyone to constitute a general waiver of jurisdiction over tax legislation by the Committee on Ways and Means.

Because the tax aspects of H. R. 6227 are an integral part of this legislation and because the tax consequences will affect only those taxpayers who are directly concerned with H. R. 6227, I have consented, as chairman of the Committee on Ways and Means, to this procedure in this one instance.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. SPENCE. I wish to say that there was no attempt by the Committee on Banking and Currency to invade the jurisdiction of the Committee on Ways and Means. We were in trouble when we got into the labryinth of tax matters. I applied for help, to which they responded.

Mr. COOPER. We appreciate the attitude of the distinguished chairman of the Committee on Banking and Currency, and we were glad to cooperate and to be of such assistance as we could with respect to the tax provisions of the bill.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. MASON. This masterly but somewhat complicated explanation of the tax angle of this bill may be summarized by saying that so far as taxes are concerned this bill is all right.

Mr. COOPER. The gentleman is correct; in other words, it means simply that as people are being required by law to dispose of certain assets, this tax provision provides they shall not be taxed because they are complying with the law.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. McDONOUGH. The gentleman is not discussing the question as to whether or not it is advisable for the Government to force these corporations into selling these assets.

Mr. COOPER. That is not within my province so far as this statement is concerned.

Mr. McDONOUGH. You are not discussing the merits of the bill at all.

Mr. COOPER. I am discussing here only the tax provisions of the bill.

Mr. WOLCOTT. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I do not know of any bill which has been before this House which has been the subject of more misunderstanding and controversy than the bill which we are considering, all the way from the question of whether the legislation is necessary down to and including what is meant by the definitions contained in the bill. I might go one step further and say that on the other extreme of whether it is necessary is the total lack of understanding of the tax provisions of the bill. I might say that in that particular the Banking and Currency Committee needed the assistance of the Ways and Means Committee, and we are very grateful to the chairman of that great committee, the gentleman from Tennessee [Mr. COOPER] for the time and attention he has put on the tax provisions of the bill, because without his assistance I do not know of anyone on the Banking and Currency Committee, difficult as it is for me to have to say this, who has any understanding of the tax provisions. We are willing to take his views on that, and I assume that the committee has the right to take his views on what might happen in respect to the tax provisions of this bill.

Mr. Chairman, I think we should perhaps clear up, as far as we can, a little of the misunderstanding in respect to what the bill seeks to accomplish. In the bill there is the usual declaration of policy. It is the policy, as explained by the esteemed chairman of the committee, the gentleman from Kentucky [Mr. SPENCE] that the primary purposes of the bill are to control the expansion and creation of so-called bank holding companies and separate banking from the nonbanking activities. They go on to say, however, that it is generally to maintain competition among the banks and to minimize the danger inherent in the concentration of economic power through centralized control of banks.

Then they went so far as to be absolutely ridiculous. They provide that as a purpose of the bill and as a matter of policy the bank holding companies must submit to the same type of examination and regulation as the banks which they control. It is agreed to everyone that bank holding companies make no loans, they receive no deposits, they are not in the general banking business, and so, of course, it is absolutely ridiculous to provide in this bill that the Federal Reserve or any other agency must make the same type of examination of holding companies that are made of banks. The same rules do not apply. You are stymied before you start.

Is this legislation necessary? In the first place, the bank holding companies as we have always known them do not operate in 26 of the States. They only have under their so-called control 4.17 percent of all the commercial banking offices operating in the United States. They hold only five and a major fraction of the deposits. I was very much interested in what the gentleman from Kentucky had to say about dangers inherent to the expansion of bank holding companies. Apparently someone has done a pretty good job in policing the situation, because on December 31, 1954, there were 321 fewer officers in bank holding institutions than there were on December 3, 1946, and $2,343,000,000 less deposits on December 31, 1954, than on December 31, 1946.

Now, bank holding companies have traditionally been recognized as valuable in some respects. The banks that are members of a bank holding company have no complaints whatsoever. The office of the Comptroller of the Currency and the Federal Reserve recognize that they are not all bad; that there is some good in them.

Bank holding companies make four principal contributions to banking. In the first place, they can supply banks with capable management when the need arises, because they are always cognizant of the fact that there are young, more or less inexperienced, men coming along who may become valuable in the banks. They provide the incentive for advancement of these bright young men and women who will take over finally the management of the banks. That service would not be available, perhaps, to many of the so-called independent banks. There is another problem which confronts many of the small bankers and that is their accounting systems. The bank holding companies almost universally supervise and coordinate bank accounting systems. They teach banks how to simplify them. They teach banks how to put in accounting systems which are recognized by bank examiners, by the Federal Reserve, by the Comptroller's office, and the State bank examiners. And, above, probably, anything else, bank holding companies, contrary to what has been said, frequently provide the capital sufficient to assure solvency and liquidity. A good many banks might have to be taken over by the FDIC were it not for the assistance which the bank holding companies give to their affiliated banks. Another thing that they do, they are constantly studying markets for securities and investments of the banks, and the collective information which they gather is made available to their affiliated banks in the selection of their investments. Now, this is frequently the engima of a small banker, as we all know, who has to rely, perhaps, upon slanted weekly letters from investment houses and who lacks a great deal of other information which is available collectively to the bank holding companies.

Now, we have gone along pretty well with the American banking system. A great deal is frequently said about the relative advantages of the Canadian system over the American system. The proof of the pudding is in the eating. We find this situation, without going too much into detail, although I have all the details here.

The success of a banking system is determined primarily by the securities which are behind their liabilities, deposits, and otherwise. We have to study the relationship between capital funds to the risk assets in a bank to find out how sound it is. In all of the Canadian banks the ratio of capital funds to risk assets is only about 8½ percent. The relationship between capital funds and risk assets in American banks, under our system, is 18.14 percent, 2¼ times the amount which the Canadian banks find necessary as safeguards for their depositors, for their investors. It does not speak too badly for the American system.

I have said that there was a great deal of misinformation in respect to this bill. I presume that a good many Members have received wires and letters from merchants' organizations and manufacturing organizations, as well as retailing organizations. Let me call attention to the fact that Members have probably received one from the director of the National Retail Hardware Association, in which he says in substance that the hardware dealers in America are not going to be able to get any more credits, are not going to be able to make any more loans from their hometown folks unless this bill is passed. Members perhaps have received communications from State associations of druggists, pharmacists to the same effect. I do not think anyone who has studied or knows anythink about this proposed legislation at all can contend that there is any truth in that, or that the passage of this bill has anything to do whatsoever with whether a bank will make available credits to a hardware merchant or a druggist or anyone else serving his community.

It shows the extremes to which the lobbyists for this bill have gone in order to set up a political situation here which many Members of Congress have bit on, hook, line, and sinker. I am afraid there will be enough Members—I hope not—to carry through with this, presumably politically expedient thing, to pass the bill. The question in this bill turns solely upon this age-old political question, as to whether a certain group or a certain party is presumably in favor of small business, small banks, small industries, as opposed to the contention that some other political party might be in favor of monopolies, big business, big industries, and big banks. That is the whole issue in this bill. It is purely political.

I suppose you will vote your convictions, your studied convictions, without regard to what you might consider political expediency, because these people who contend that the world might drop out from under them if this bill is passed might find themselves divorced from the very help they are relying upon now to keep America sound and our economy sound.

I have said that the Federal Reserve and the Comptroller of the Currency do not contend or no one else should contend that all bank holding companies are bad. In a letter to the chairman of the House Committee on Banking and Currency the chairman of the Federal Deposit Insurance Corporation says this in connection with this bill:

It has been the experience of the Corporation through the years that bank holding companies are not inherently dangerous, nor

do they, per se, create problems which require additional attention or scrutiny of the Corporation. On the contrary, on the whole, banks owned and directed by holding companies have presented fewer problems as to asset condition and management than have unit banks under independent management and control.

That is a partial answer as to what happened way back in Chicago, which the esteemed gentleman from Kentucky said was corrected by the Federal Deposit Insurance Corporation. I call his attention to the fact that when that happened in Chicago the FDIC had not been set up. It was not set up until June 1933. So the FDIC could not have come to the help of anybody in Chicago at that time.

The quotation from the Federal Deposit Insurance Corporation is found on page 148 of the hearings.

On page 131 of the hearings we find this statement by the Comptroller of the Currency:

From our experience in dealing with the operations of bank holding companies, and from our knowledge of the banking situation as it exists today, we do not find basis which would warrant recommending the adoption of a number of the provisions included in the bill H. R. 2674.

I might add that H. R. 2674 has been supplanted by the bill which is before us, H. R. 6227.

It has been our observation that bank holding companies in general have done a good job in serving the public through the successful operation of their subsidiary banks. They have developed, and applied in their responsibilities as bank stockowners, a knowledge of banking methods, and a skill in bringing about good banking management, which has been noteworthy and praiseworthy. We are inclined to the belief that they have brought to banking a method of making stockholder participation effective in controlling and bringing about high standards of management. They have obtained and made available to their banks large amounts of capital which has contributed importantly to the safety of the banks and to the general banking situation.

We have reviewed the status of the 179 national banks controlled by or affiliated with bank holding companies. These banks are well rated by our offices. They are being operated successfully, and we believe that they are furnishing adequate and high-grade banking service to their respective communities.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SPENCE. In the statement of Mr. Cook, who is the gentleman who wrote the letter from which you just read, he said the Federal Deposit Insurance Corporation had put up $5 billion to save those two banks of which I spoke.

Mr. WOLCOTT. Mr. Chairman, I think this bill can be better discussed from the standpoint of what it does not include, in keeping with the purposes contained in the declaration of policy, than from the standpoint of what it does contain. In the first place, I should like to call attention to the fact that under the definition of a bank holding company, it means any company which now or hereafter directly or indirectly controls or holds with power to vote 25 percent or more of the voting shares of each of two or more banks. So, you do not become a bank holding company under this bill unless you hold at least 25 percent of the voting shares of two or more banks. The omission here, and a very important omission, is that it does not include individuals. The record is full of individuals who control or own the voting shares of banks, insurance companies and all other types of businesses. This bill would not apply to the Mellons. It would not apply to the Graces. It would not apply to John L. Lewis and it would not apply to any other individual who got enough capital together to own or control as many banks as he had the capital to invest in and as many businesses and industries that he had capital enough to buy the controlling stock.

In that connection, let me call your attention to the fact that there are a minimum of 68 banks which should be brought under the prohibitions in this bill, which are so-called one-bank companies, and which do not come within the definition of a bank holding company under the provisions of this bill. There are only 48 companies in the two or more bank category which would come under the provisions of the bill, as the term "bank holding company" is presently defined in the bill. Of the 46 companies, at least 7 are exempted by special amendments written into the bill in order to take care of them. Thus, of the 114 bank holding companies for which coverage was recommended by the Federal Reserve Board, only a maximum of 39 are affected by H. R. 6227. For this reason, on its face, the bill is highly discretionary. Of course, there is no logical basis for exempting these one-bank companies or individuals or for making any differential between a single bank and an individual.

The Chairman of the Federal Reserve Board, in pointing this out, said on page 15 of the hearings:

Yet it seems clear that the potential abuses resulting from combination under single control of both banking and nonbanking interests could easily exist in a case in which only one bank is involved. In fact, if the one controlled bank were a large bank, the holding company's interests in extensive nonbanking businesses might very well lead to abuses even more serious than if the company controlled two or more very small banks. For these reasons, the Board would continue to urge that, whatever the percentage test may be, the definition should be related to control of a single bank.

The report of the committee makes no attempt to justify the difference in treatment accorded these banks. They cannot justify it. There is no justification for it. It is just a bad bill as it is written.

I have commented upon the fact that the bill does not include individuals. The wisdom of this exclusion is doubted, because I call attention again to what the Federal Deposit Insurance Corporation in a statement said:

More losses have been sustained by self-dealings indulged in by banks to independent management than any units under holding company domination.

Now, just by way of example of what a single bank or individual might do through consolidation of capital, I want to mention 1 or 2, without naming names, because were I to mention them it might embarrass them. But the names are all here, and I shall tell any of you privately who they are.

Here is one company which you all know very, very well, and have known throughout the years. It controls one of the largest national banks in the city of New York. It also has extensive shipping interests; also controls a large chemical company, and also controls a large advertising firm.

There is another individually owned association which controls one of the largest national banks in the country. Its operations are a deep-dyed secret. You cannot find out what other interests they have, but we do have reason to believe that in this individual's hands lies the power to control a large number of industrial corporations.

The CHAIRMAN. The gentleman has consumed 30 minutes.

Mr. WOLCOTT. Mr. Chairman, I yield myself 15 additional minutes.

Another single interest controls one of the largest national bank and trust companies in the Nation. They might spread out and do anything without any prohibition in this bill. It might buy other banks. It might buy industries. It might buy businesses. It might buy an advertising concern. It might buy insurance companies. It might buy any one of a hunderd industries which the gentleman sponsoring this bill will tell you cannot be done under this bill if it is a two-bank operation, even though the capital of those two banks might be hundreds of millions of dollars less than the capital which might be controlled by a single bank or a single individual.

There are certain other exceptions in this bill. What I am leading up to is that this bill should go back to the Banking and Currency Committee for an evaluation of the things that they did not include in the legislation and a restudy of the things they thought they included but did not.

If you will look at page 4 of the bill you will find section 3 (c). Now, do not be afraid; I am not going to mention names. Under section 3 (c)—whether it is done intentionallly or not, there are exempted banks which are trusts and which are exempt, which hold paper mills, railroads, real estate corporations, fire insurance companies, investment trust, and large holdings in large nationally advertised products, because the proposed law provides that a "company" does not mean the administrator of an individual's estate or the executors of an individual's will, the testamentary trustees appointed under or pursuant to an individual's will, nor the trustees of an irrevocable trust agreement the corpus of which is dominated by 1 donor and consists only of 1 donor's property.

Now, is this a bank holding company bill? And does it accomplish the purposes which the gentleman from Kentucky said he wanted to accomplish?

It does no such thing.

Neither does the term "bank" on the same page include any savings bank or trust company. Why, I do not know. Some of the largest investors in America

are the savings banks and trust companies.

Neither does it attach to any corporation or community chest. We all know what a community chest is and we would not want to bring them into this, but it shall not apply to any fund or foundation organized and operated exclusively for religious, charitable, scientific, literary, or education purposes.

What comes within the term "educational"? One of the great funds which we hear discussed on the floor repeatedly is called an educational fund. Is a combination of wealth set up to educate the people along some particular lines, political for instance, an educational fund? The only safeguard in there is that it cannot be used for propaganda purposes or to influence legislation. But they can educate the people. They can educate you, they can pressure you, in reference to legislation which you and I might think is dangerous to this form of government. There is nothing in this law, however, which will prevent their doing that, and, Lord knows, it should be done.

Mr. Chairman, there is nothing primarily in this bill which cannot be done through State laws and in some respects it is contended that there is an invasion of States' rights in this bill. Surely the States have the constitutional authority, all of them, if they have a republican form of Government which is guaranteed to them by the Constitution, to come in and prohibit these practices within the States, within the respective States, if they want to do it.

There is another thing which rather intrigues me in this bill. If a bank holding company under the terms or definitions or a subsidiary of a bank holding company happens to be operating in a fiduciary capacity, it does not have to divest its holdings regardless of what they are, if they were acquired prior to the enactment of this bill and if they were eligible for investment under our statutes. There is at least one of these companies which is operating as a fiduciary, it is operating as a trust company, it operates a finance company which services installment paper, it operates and controls a very large part of the production of a nationally advertised product. But you do not touch them under this bill, not a bit.

What should we do? We all agree that we should provide some means of controlling the expansion of bank holding companies. It can be provided without all of these limitations or weasel words that nobody understands. Many of them have not been judiciously interpreted in the light of the language. If we want to divest, as we do, nonbanking activities from banks, we can do it in very simple language without discrimination. The thing which should be done or could very well be done is to provide that bank holding companies should not be allowed, without the approval of the Federal Reserve Board; provide that no two or more holding companies could consolidate and thus control banking across the country; provide that approval must be obtained from the Federal Reserve Board before a bank holding company could acquire any additional banks; provide that within a reasonable time bank holding companies must divest themselves of any wholly owned businesses not directly related to the business of banking.

Now, as I understand the remarks made by the gentleman from Kentucky, there is nothing that he contends for this bill which I have not stated should be the purposes of the bill. So I say consideration or thought must be given more to the matters which set up discriminatory practices than to what the bill includes. We should give more consideration to what it does not include than to what it does include.

Now, it is very simple to do those things that I have enumerated, and I am sure that all of the members of the Committee on Banking and Currency, who have contended that these objectives are all they seek to do, surely will go along with a proposal to do just that. So, at the proper time tommorow, I would like, with your permission, to offer a substitute bill which does the things which I have enumerated here as advisable to do, nothing further.

Understand that this bank holding company legislation is not new to us. It has been with us since 1933, and some form of bank holding company bill has been introduced every term since 1933. They have never gotten anywhere, because these same people who are lobbying this bill through were so unreasonable in their demands that we all recognized the dangers incident to enactment of their recommendations. Why I remember one time a few years ago there was a provision in one of these bank holding company bills which would prohibit a bank from foreclosing against any business in which they had an interest. In other words, if they had a loan against a business, the bank could not take it over and liquidate it or take part in the receivership for the satisfaction of its own loan. That is how far they have gone in this legislation. So, is there any wonder that we take a second look at this legislation to see what is in it and what perhaps should not be in it?

One point in the substitute, in the definition of a bank holding company, will include an individual as well as a partnership, a corporation, and everyone else. It defines a bank holding company to be one in which they really control the interest, a 50 percent, not 25 percent—25 percent. Whoever controlled a company with 25 percent of the vote if they did not want to be controlled? No one, of course. And that is one of the big fallacies of this bill. A bank holding company cannot control a bank wherein they own only 25 percent of the voting shares. You know that and I know it. Why is it in there?

Mr. AUCHINCLOSS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New Jersey.

Mr. AUCHINCLOSS. I wonder if the gentleman could tell me whether under the definition of company that would include a labor union that held substantial shares of stock in various corporations.

Mr. WOLCOTT. No; it would exclude any individual who is acting as trustee for a labor union's funds.

Mr. AUCHINCLOSS. It would?

Mr. WOLCOTT. Yes.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MULTER. The record of the hearings indicates than in one instance as little as 11 percent provided control of a bank. If I recall correctly, the gentleman's own bill provided only for 10 percent.

Mr. WOLCOTT. Let me comment on that. The number of shares in this big corporation, a nationally advertised corporation which is held by one of your banks which the gentleman is exempting was just a little less than that. So, according to the gentleman's thinking, they might control this nationally advertised organization. If I were to mention its name all Members would recognize it, I am certain, because they make a product which is used universally, not only here in America, but throughout the world.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. REES of Kansas. Could the gentleman tell us approximately how many banks are affected by this bill?

Mr. WOLCOTT. I do not know. The figures that I used were on the basis of 50 percent stock ownership. If you get that down to 25 percent, I do not know. I do not know whether the number would be doubled or not. I assume it would not be doubled, but it would be many more.

Mr. REES of Kansas. The gentleman suggested there would be certain exemptions in this proposed legislation. Can the gentleman tell us why those particular banks were exempted?

Mr. WOLCOTT. I would rather not.

Mr. REES of Kansas. Can the gentleman suggest how we can find out?

Mr. WOLCOTT. Through the process of elimination, as the news reporters find out what happens in executive sessions.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. WOLCOTT. The language of the substitute bill which I expect to offer tomorrow is as follows:

A bill to provide for the control and regulation of bank holding companies, and for other purposes

Be it enacted, etc., That this act may be cited as the Bank Holding Company Act of 1954.

DEFINITIONS

SEC. 2. (a) "Bank holding company" means any company (1) which at any time after the effective date of this act, owns or controls, directly or indirectly, a majority of the shares of any bank, (2) which at any time after such date shall have owned or controlled more than 50 percent of the shares which were voted for the election of directors of any bank at the preceding election, (3) which at any time after such date controls in any manner the election of a majority of the directors of any bank, or (4) for the benefit of whose shareholders or members a majority of the shares of any bank or bank holding company is held by trustees at any time after such date; or any successor to any such company. Notwithstanding the

foregoing, no company shall be considered a bank holding company, if it does not own or control, directly or indirectly, any shares of any bank and if no shares of any bank or bank holding company are held by trustees for the benefit of such company's shareholders or members; and no bank shall be a bank holding company by virtue of its ownership or control of shares in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank. In addition the term "bank holding company" shall not include any company which is determined by the Board not to be engaged, directly or indirectly, as a business in holding the stock of, or managing or controlling, banks in such manner and to such an extent as to require regulation of such company under this act in order to carry out its purposes. In making any such determination the Board shall consider, among other factors, the nature of the business of such company, the number of banks in which it owns or controls stock and the amount of such stock owned or controlled by it, and the area of operations of such banks; and any such determination may be conditional and shall be subject to revocation by the Board.

(b) "Company" means any individual corporation, business trust, association, or similar organization, but shall not include any corporation all of the shares of which are owned by the United States.

(c) "Bank" means any national bank or any bank, banking association, savings bank, or trust company organized under the laws of any State or of the District of Columbia which receives deposits subject to check.

(d) The term "successor" shall include any organization which acquires directly or indirectly from a bank holding company shares of any bank, when and if the relationship between such organization and the bank holding company is such that the transaction effects no substantial change in the control of the bank or beneficial ownership of such shares of such bank. The Board may, by regulation, further define the term "successor" to the extent necessary to prevent evasion of the purposes of this act.

(e) "Board" means the Board of Governors of the Federal Reserve System.

SEC. 3. (a) Within 90 days after the date of this act, or within 90 days after becoming a bank holding company, whichever is later, each bank holding company shall register with the Board on forms prescribed by the Board, which shall include such information with respect to the financial history and condition and the operations and management of such company and the banks which it controls, the relationships of such company with banks and other organizations, and related matters, as the Board may deem necessary or appropriate to carry out the purposes of this act. The Board may, in its discretion, extend the time within which a bank holding company shall register and file the requisite information.

(b) The Board from time to time may require any bank holding company to furnish such information regarding such company and its relations with banks and other organizations as the Board may deem appropriate or necessary to enable it to determine whether or not to grant any approval or take any other action contemplated by this act; to determine compliance with the provisions of this act and to prevent evasions thereof; and to keep the Congress informed with respect to the administration of this act. For the purpose of obtaining such information, the Board may require reports from any bank holding company in such form and at such times as it may prescribe and may, if it deems such action necessary, make examinations of any bank holding company, in which event the expenses of any such examination may, in the discretion of the Board, be assessed against the bank holding company and, when so assessed, shall be paid by such company. To the extent that the information contained therein is adequate for the purposes of this subsection, the Board is authorized to use the available reports of examinations made by or on behalf of any Federal or State bank supervisory authority.

(c) Before the expiration of 5 years following the date of this act the Board shall report to Congress the results of the administration of this act, stating what, if any, substantial difficulties have been encountered in carrying out the purposes of this act, and any recommendations as to changes in the law which in the opinion of the administering agency would be desirable.

ACQUISITION OF BANK SHARES

SEC. 4. (a) Except with the prior approval of the Board, no bank holding company shall acquire ownership or control of any shares of any bank, directly or indirectly, or merge or consolidate with any other bank holding company. Notwithstanding the foregoing, this prohibition shall not apply to shares acquired by a bank (1) in good faith in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank, or (2) in the regular course of securing or collecting a debt previously contracted in good faith; but any shares acquired after the date of this act in securing or collecting any such previously contracted debt shall be disposed of within a period of 2 years from the date on which they were acquired.

(b) In determining whether or not to approve any acquisition or merger or consolidation under this section, the board shall take into consideration the following factors: (1) the financial history and condition of the bank holding company or companies and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether or not the effect of such acquisition or merger or consolidation would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking and the public interest and the preservation of competition in the field of banking.

(c) In approving any acquisition or merger or consolidation under this section, the board shall be authorized to prescribe such conditions as it may deem necessary in the light of its consideration of the factors set forth in subsection (b) of this section in order to assure the sound financial condition and satisfactory management of the bank holding company and of the banks controlled by it. Such conditions may include, but without limitation, conditions relating to the maintenance of adequate capital and reserves of readily marketable assets by such company.

(d) Before approving any acquisition or merger or consolidation under this section, other than the acquisition by a bank holding company of ownership or control of shares of a bank of which such company already owns or controls a majority of shares, the board shall consider any views or recommendations which may be submitted by the Federal bank supervisory authorities and the appropriate State bank supervisory authorities, such Federal and State authorities to be given notice of the proposed action and allowed 30 days in which to submit their views and recommendations. No acquisition of ownership or control of the shares of any State or national bank in any State shall be approved under this section if, under the same circumstances, the acquisition of such ownership or control of shares of a State bank would be expressly prohibited by the statutes of such State.

INTERESTS IN NONBANKING ORGANIZATIONS

SEC. 5. (a) Except as otherwise provided in this act, no bank holding company, after the date of this act shall acquire, or after 2 years from the date of this act shall retain, directly or indirectly, ownership or control of any shares of any company which is not a bank or engage in any business other than that of banking or of managing or controlling banks. The board is authorized, upon application by a bank holding company, to extend this period from time to time as to such company for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest, provided that no such extensions shall extend beyond a date 5 years after the date of this act.

(b) After 2 years from the date of this act, no certificate evidencing shares of any bank holding company shall bear any statement purporting to represent shares of any other company except a bank or a bank holding company, nor shall the ownership, sale, or transfer of shares of any bank holding company be conditioned in any manner whatsoever upon the ownership, sale, or transfer of shares of any other company except a bank or a bank holding company.

(c) The prohibitions of this section shall not apply—

(1) to shares of any company engaged solely in a safe deposit or fiduciary business or of any company all the activities of which the Board has determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this act.

(2) to shares acquired by a bank in good faith in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank; or

(3) to shares acquired by a bank in the regular course of securing or collecting a debt previously contracted in good faith, but any such shares shall be disposed of within a period of 2 years from the date on which they were acquired or from the date of this act, whichever is later, except that the Board is authorized, upon application by such bank, to extend this period from time to time as to such bank for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest: *Provided*, That no such extensions shall extend beyond a date 5 years after the date of this act.

PENALTIES

SEC. 6. Any company which willfully violates any provision of this act, or any condition prescribed by the Board pursuant to this act, shall upon conviction be fined not more than $1,000 for each day during which the violation continues; and any individual who willfully participates in any such violation shall upon conviction be fined not more than $10,000 or imprisoned not more than 1 year, or both. Every officer, director, agent, and employee of a bank holding company shall be subject to the same penalties for false entries in any book, report, or statement of such bank holding company as are applicable to officers, directors, agents, and employees of member banks for false entries in any books, reports, or statements of member banks under section 1005 of title 18, United States Code.

AMENDMENTS TO INTERNAL REVENUE CODE

SEC. 7. Subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new part:

"Part VIII—Distributions pursuant to Bank Holding Company Act of 1955

"Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1955.
"Sec. 1102. Special rules.
"Sec. 1103. Definitions.

"Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1955

"(a) Distributions of prohibited property: If—

"(1) a qualified bank holding corporation distributes (with respect to its stock) prohibited property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

"(2) the Board has, before the distribution, certified that the distribution of such property is necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (b).

"(b) Corporation ceasing to be a bank holding company: If—

"(1) a qualified bank holding corporation distributes (with respect to its stock) property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

"(2) the Board has, before the distribution, certified that (A) such property is of a kind which causes such corporation to be a bank holding company, (B) the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company, and (C) the distribution is necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (a).

"(c) Property acquired after May 15, 1955:

"(1) In general: Except as provided in paragraphs (2) and (3), subsection (a) or (b) shall not apply to—

"(A) any property acquired by the distributing corporation after May 15, 1955, unless (i) gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b), or (ii) such property was received by it in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or

"(B) any distribution with respect to any stock which was acquired by the distributee after May 15, 1955, unless gain to such distributee with respect to the receipt of such stock was not recognized by reason of subsection (a) or (b).

"(2) Exchanges involving prohibited property: If—

"(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (a), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"(B) immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

"(C) before such exchange, the Board has certified that the exchange and distribution are necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955,

then paragraph (1) shall not apply with respect to such distribution.

"(3) Exchanges involving interests in banks: If—

"(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (b), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"(B) immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

"(C) before such exchange, the Board has certified—

"(i) that such property is of a kind which causes such corporation to be a bank holding company;

"(ii) that the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company; and

"(iii) that the exchange and distribution are necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then paragraph (1) shall not apply with respect to such distribution.

"(d) Certain construction to capital after May 15, 1955:

"(1) In general: The nonrecognition of gain provided by subsection (a) or (b) shall not apply to that portion of any distribution which is attributable to any contribution to the capital of any corporation made after May 15, 1955.

"(2) Special rule for contribution to capital of banks: Paragraph (1) shall not apply with respect to any contribution to the capital of a bank, if the Secretary or his delegate determines that the avoidance of Federal income tax was not one of the principal purposes for the making of such contribution.

"(e) Final certification:

"(1) For subsection (a): Subsection (a) shall not apply with respect to any distribution by a corporation unless the Board certifies that, before the expiration of the period permitted under section 6 (a) of such act (including any extensions thereof granted to such corporation under such section 6 (a)), the corporation has disposed of all the property the disposition of which is necessary or appropriate to effectuate the first sentence of such section 6 (a) (or would have been so necessary or appropriate if the corporation had continued to be a bank holding company).

"(2) For subsection (b):

"(A) Subsection (b) shall not apply with respect to any distribution by any corporation unless the Board certifies that, before the expiration of the period specified in subparagraph (B), the corporation has ceased to be a bank holding company.

"(B) The period referred to in subparagraph (A) is the period which expires 2 years after the date of the enactment of this part. The Board is authorized, on application by any corporation, to extend such period from time to time with respect to such corporation for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest; except that such period may not in any case be extended beyond the date 5 years after the date of the enactment of this part.

"Sec. 1102. Special rules.

"(a) Basis of property acquired in distributions: If, by reason of section 1101, gain is not recognized with respect to the receipt of any property, then the basis of such property and of the stock with respect to which it is distributed shall, in the distributee's hands, be determined by allocating between such property and such stock the adjusted basis of such stock. Such allocation shall be made under regulations prescribed by the Secretary or his delegate.

"(b) Periods of limitation: The periods of limitation provided in sections 6501 and 6502 on the making of an assessment or the collection by levy or a proceeding in court shall not expire, with respect to any deficiency (including interest and additions to the tax) resulting solely from the receipt of property to which subsection (a) or (b) of section 1101 applies, before the date which is 1 year after the date on which the corporation notifies the Secretary or his delegate that final certification by the Board with respect to the corporation from which such property was received has been made under section 1101 (e); and such assessment and collection may be made notwithstanding any provision of law or rule of law which would otherwise prevent such assessment and collection.

"(c) Allocation of earnings and profits: In the case of any exchange described in section 1101 (c) (2) or (3), the earnings and profits of the corporation transferring the prohibited property shall be properly allocated between such corporation and the corporation receiving such property under regulations prescribed by the Secretary or his delegate.

"(d) Itemization of property: In any certification under this part, the Board shall make such specification and itemization of property as may be necessary to carry out the provisions of this part.

"Sec. 1103. Definitions.

"(a) Bank holding company: For purposes of this part, the term 'bank holding company' has the meaning assigned to such term by section 3 of the Bank Holding Company Act of 1955.

"(b) Qualified bank holding corporation:

"(1) In general: Except as provided in paragraph (2), for purposes of this part the term 'qualified bank holding corporation' means any corporation which is a bank holding company and which holds prohibited property acquired by it—

"(A) on or before May 15, 1955,

"(B) in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) of section 1101, or

"(C) in exchange for all of its stock in an exchange described in section 1101 (c) (2).

"(2) Limitations:

"(A) A bank holding company shall not be a qualified bank holding corporation, unless it would have been a bank holding company on May 15, 1955, if the Bank Holding Company Act of 1955 had been in effect on such date, or unless it is a bank holding company determined solely by reference to—

"(i) property acquired by it on or before May 15, 1955,

"(ii) property acquired by it in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1101, and

"(iii) property acquired by it in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

"(B) A bank holding company shall not be a qualified bank holding corporation by reason of property described in subparagraph (B) of paragraph (1) or clause (ii) of subparagraph (A) of this paragraph, unless such property was acquired in a distribution with respect to stock, which stock was acquired by such bank holding company—

"(i) on or before May 15, 1955,

"(ii) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b) of section 1101, or

"(iii) in exchange for all its stock in an exchange described in section 1101 (c) (2) or (3).

"(C) A corporation shall be treated as a qualified bank holding corporation only if the Board certifies that it satisfies the foregoing requirements of this subsection.

"(c) Prohibited property: For purposes of this part, the term 'prohibited property' means, in the case of any bank holding company, property (other than nonexempt property) the disposition of which would be necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank

Holding Company Act of 1955 if such company continued to be a bank holding company beyond the period (including any extensions thereof) specified in such section 6 (a) or in section 1101 (e) (2) (B) of this part, as the case may be. The term 'prohibited property' does not include shares, securities, or obligations of any company held by a bank holding company to the extent that the prohibitions of section 6 of the Bank Holding Company Act of 1955 do not apply to the ownership by such bank holding company of such property by reason of subsection (c) (6) of such section.

"(d) Nonexempt property: For purposes of this part, the term 'nonexempt property' means—

"(1) obligations (including notes, drafts, bills of exchanges, and bankers' acceptances) having a maturity at the time of issuance of not exceeding 24 months, exclusive of days of grace;

"(2) securities issued by or guaranteed as to principal or interest by a government or subdivision thereof or by any instrumentality of a government or subdivision; or

"(3) money, and the right to receive money not evidenced by a security or obligation (other than a security or obligation described in paragraph (1) or (2)).

"(e) Board: For purposes of this part, the term 'Board' means the Board of Governors of the Federal Reserve System."

(2) The table of parts for subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Part VIII. Distributions pursuant to Bank Holding Company Act of 1955."

(3) The amendments made by this subsection shall apply with respect to taxable years ending after the date of the enactment of this act.

(g) (1) Paragraph 4 of subsection (c) of section 3 of the Investment Company Act of 1940 is amended to read as follows:

"(4) Any bank holding company which is registered with the Board of Governors of the Federal Reserve System pursuant to the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said act."

(2) Paragraph (11) of subsection (a) of section 202 of the Investment Advisers Act of 1940 is amended by changing the words "or any holding company affiliate, as defined in the Banking Act of 1933" to read "or any bank holding company, as defined in the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said act."

SEC. 8. Nothing herein contained shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any prohibited antitrust or monopolistic act, action, or conduct.

SEPARABILITY OF PROVISIONS

SEC. 9. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

WHY BANK HOLDING COMPANY BILL NEEDED

Mr. PATMAN. Mr. Chairman, I recognize the ability of the able and distinguished gentleman from Michigan [Mr. WOLCOTT], who has just addressed you. I have served with him on the committee over a long period of time. I know that he is a good, able, sincere Member and that he is certainly working in the public interest, as he sees it. I believe he would like to see a holding-company bill of some type become a law. I am sorry that he has picked out so many objections to this particular bill because I do not believe all of them are valid objections. Further, I believe that we have got to make a start if we are to have holding-company legislation. This bill represents a good start.

I desire to congratulate and commend the distinguished and able gentleman from Kentucky, the Honorable BRENT SPENCE, for his sponsorship of this particular bill and for his sponsorship of this type legislation over a long period of time. This bill has now reached the floor of the House. It is seldom a holding-company bill reaches the floor of the House. It is my understanding that we are to finish the general debate of 4 hours this afternoon and that the bill will be read under the 5-minute rule tomorrow after the Flag Day services. Of course, the House meets at 11 o'clock tomorrow, so I assume that we will commence reading the bill under the 5-minute rule about 12 o'clock noon tomorrow.

BANKS VERY IMPORTANT IN OUR ECONOMY

I do not want to be unreasonable with banks. I think the banks represent such an important part of our economy that if we do something to injure the banks we injure the public interest and we injure ourselves. I do not know of any part of our economy that is more important to a dynamic, progressive economy than a good, successful, efficient, profitable, privately owned banking system. I am personally not going to do anything against the privately owned banking system and I certainly want the banking system to be a profitable one. Otherwise it cannot possibly render the service it would be capable of rendering.

I know there is a lot of argument made in favor of holding companies, for holding companies in other lines of business or industry. I can see the logic and reason to support some of those arguments, but I do not see as logic and reason the same arguments supporting holding companies in the case of banks. Banks are entirely different. Banks are organized for the purpose primarily of aiding and assisting local people in the area they are chartered to serve.

It is certainly contrary to the object and intention of our banking system for a racetrack owner in a distant city to own a holding company that in turn holds and controls banks in more than a majority of the States of the United States. It is possible under existing law. We should stop that. They do it through dummy directors. This holding company could buy sufficient stock in one bank to control that bank. In some instances, possibly 10 percent, where the stock is well divided among the people and very few people own much of the stock, a small part of the stock will be sufficient for control. In other instances it will take more, possibly, than 10 percent to control a bank. But these holding companies get control of the local bank and they do something that I do not believe we should condone and encourage in this country, that is, they establish dummy directors in these banks. They are people who reside in the community and possibly have always resided there, and at one time possibly they were actual bona fide directors of the particular institution. But when the owner of the holding company in a distant city gets control of it he puts his own dummy directors there. They vote according to the will and dictates of the person in the distant city who owns the holding company, which in turn owns a sufficient amount of stock in the local company to control its policies. I think that is obnoxious to the American way. I think it should be discouraged. I think it should be stopped.

Not only do they own a lot of banks that way through the holding companies, crossing State lines indiscriminately, with no one to stop them, no one to deal with them adequately in either the Federal or the State Government, but they buy other businesses like insurance companies, race tracks, theaters, newspapers, and all kinds of different nonrelated businesses not connected with banking at all. So the same race-track gambler in a distant city who operates theaters and the different nonrelated businesses, including insurance companies, also operates the banks of which the holding company has charge.

I want to tell you why I believe the local people should not be deprived of the ownership and control of their local banks. I think a bank charter is one of the greatest privileges the Government can bestow on a corporation representing local citizens in any town. That charter carries with it a great responsibility. It carries with it great privileges and great opportunities. It is the duty of local citizens to weigh these responsibilities along with the privileges and opportunities and to serve the local people first. The local people come first. That is the reason the charter is granted, because it is needed in the locality. If there is no need in the locality, the charter is not granted. The very fact that it is granted is proof that there is local need. It is a good argument why some person who has a holding company in a distant city should not be allowed to get control of it and use the privileges and opportunities not for local people, but for himself and his holding company and his nonrelated banking activities throughout the country. It should be for the local people. The Government, when it establishes or permits the establishment of a national bank, is backing that national bank. It gives privileges and opportunities to the people who own that national bank. Just like the goldsmiths of old when a person deposited so much gold with the goldsmith and the goldsmith gave the depositor a receipt for the gold, the depositor would seldom come back for the gold because he did not need it—he only wanted the receipt and he could use the

receipt to transact business instead of using the barter system. He could use the receipt to buy goods and services just as we use money to buy goods and services today. It was discovered, however, that very few people ever returned to get their gold. So the goldsmith could safely make loans amounting to $10 for every $1 of gold that he had on hand, and he could charge interest on this additional money. He could safely do that because the people just did not come back to get their gold.

We have the same system here in the United States. It is the capitalistic system. I am for it. It is a great system. It is one of the finest and greatest systems on earth. It is the incentive system. It is something that causes people to want to work, and that is what we want to do. We want to help people who work for it. That is all right. We want to encourage that kind of system. So when a national-bank charter is granted, depending on the locality where it is, it can manufacture or create money equal to $6 or $10 for every $1 in reserve that the bank has. That is all right. I am not objecting to that. I am all for it. I am strong for it. It helps the local people. It helps to build up the community. It helps to build up that section of the country. That is what it is intended for; but it is intended to help local people and it is not intended to help the owner of some holding company in a distant city. The charter is never granted to people in a distant city. It is granted to local people. These holding companies are coming in after a charter is granted and getting control of it and using it for their interest and their benefit. You cannot condone that. You cannot justify it. President Eisenhower, I think, is absolutely right in his statement that 10 years from now our gross national product should be $500 billion in order to keep this country growing and expanding and so that everybody can have an opportunity to work and make a living for themselves and their families. Five hundred billion dollars is the goal for the gross national product. That is a good goal. I am all for it. I am strong for it. I commend the President for advocating it. But how are you going to achieve that goal? You are going to achieve it largely through the use of the banking system.

Without the banking system it could not be achieved, because it is the mechanism, it is the tool through which we must go. If these banks are owned by holding companies which are controlled by people in distant cities, they are not in a position to look at it from the standpoint of the local communities. We must create debts in order to achieve this $500 billion gross national product. Some people say we ought to pay our debts. We should, as individuals; as corporations. It is good business policy. Pay our debts, but we go back into debt again. But our money is based on debt. If everybody paid their debts we would not have any money on which to do business. We would have to go back to borrowing or we would not have any money. Our money is based on debt. Some people say be should pay our national debt, and pay it quickly. I am for paying the national debt. We should have a policy for paying the national debt; something should be paid on it every year, systematically—not all of it quickly or suddenly. If we were to levy a sales tax or a capital tax of any kind and quickly pay off the national debt we would have the worst depression in all history. It would cancel that much money, because money is based on debt. That would cause a great depression which we probably would never live down. The way to pay the national debt is to pay it gradually. At the same time all these local banks, locally owned, can be increasing their debts, because we must have more debts. We must have more debts. It sounds almost idiotic, but it is true, under our capitalistic system. We must have debts in order to have sufficient money to do business on. The way to pay this national debt is to pay it gradually, but not so quickly or suddenly that it would cause a depression by canceling too much money; but do it gradually so that private banks over the country could be creating new debts all the time, and the gross aggregate debt will increase during that time. Otherwise you could not pay the national debt. There is just no other safe way to do it. You have got to increase your debts. This country, in order to give new workers who come on the job every year, about 750,000 of them, and those who are displaced by labor-saving machinery, automation, or whatever you call it, amount to about another 750,000, or in all about a million and a half. In order to take care of at least a million and a half new workers every year, we are compelled to increase our gross national product about 3 or 4 percent annually. There is no other way to do it except through debts.

CHAIRMAN MARRINER S. ECCLES' TESTIMONY ON NO DEBTS, NO MONEY, IN HIS TESTIMONY ON THE PRICE-CONTROL BILL BEFORE THE BANKING AND CURRENCY COMMITTEE

Chairman Eccles, of the Federal Reserve Board, testified as follows, page 1338 of the hearings, September 30, 1941:

Mr. PATMAN. * * * You made the statement that people should get out of debt instead of spending their money. You recall that statement, I presume?

Mr. ECCLES. That was in connection with installment credit.

Mr. PATMAN. Do you believe that people should pay their debts generally when they can?

Mr. ECCLES. I think that depends a good deal upon the individual; but, of course, if there were no debts in our money system—

Mr. PATMAN. That is the point I wanted to ask you about.

Mr. ECCLES. There wouldn't be any money.

Mr. PATMAN. Suppose everybody paid their debts, would we have any money to do business on?

Mr. ECCLESS. That is correct.

Mr. PATMAN. In other words, our system is based entirely on debt.

LEON HENDERSON'S TESTIMONY ON NO DEBTS, NO MONEY

In the hearings before the House Banking and Currency Committee on the price-control bill in 1941 the following questions were asked by me and the following answers given by Mr. Leon Henderson—pages 981–982:

Mr. PATMAN. * * * You stated yesterday that everybody should take advantage of this period of rising prices to pay their debts. You really don't believe everybody should pay their debts, do you? If you mean that, what would we do for money, since our money is based on debt?

Mr. HENDERSON. I have been through that, the same as you have, and I don't believe our economy would come to a halt if people paid their debts.

Mr. PATMAN. If everybody paid their debts?

Mr. HENDERSON. If you are going to say that I have discounted the trade acceptances which the Federal Reserve has created by a couple of bookkeepers, that is not the connotation debt has for me.

Mr. PATMAN. You had in mind individual debts, personal debts?

Mr. HENDERSON. Yes.

Mr. PATMAN. And if the policy is good for individuals, why isn't it good for corporations?

Mr. HENDERSON. I think it is.

Mr. PATMAN. All right. If everybody paid their debts, where would you get money to carry on business?

Mr. HENDERSON. You would get into debt and come out again. I assume the healthy process of credit is that you do liquidate debt as you do the trade acceptances.

Mr. Chairman, Mr. Henderson's very clever reply was, in effect, that it is all right to pay the debts, but you should get right back into debt again in order for the country to have this circulating medium.

So the people who say we must pay all of our debts, get rid of our debts, evidently have not thought the question through and have not evaluated it along with our present monetary system. Not only are we not going to pay all of our debts, but if we have a prosperous economy we are going to have more debts. Our national debt today is about $281 billion. That does not include some other debts that are not counted in the national debt, that are really Government obligations. But the national debt that we admit we owe is $281 billion. The other debts together—that is, individual, corporations, installment purchases, charge accounts, and all debts like that including the national debt, aggregate about $700 billion. We will always have that much debt, and more debt if the country progresses, unless we change our system. I am not in favor of changing the system. I am in favor of keeping it like it is. I think it is the best system in the world. So if we are going to keep our system like it is, there is no way to make this country continue to be prosperous without increasing the debt of the Nation. That does not mean we have always got to have a $281 billion national debt. We can reduce it if we increase other debts. If we reduce it without increasing our other debts, the country is going backward and not forward.

So I think this bill is a very sensible and reasonable approach to the holding company problem. It is not drastic, it is not unreasonable, it is not causing any disturbance in our economy or in the banking business. It is true it will cause some to get out of nonrelated businesses. Why should they not? Why should they not make up their minds? Mr. Holding Company Man, do you want to be in the race track business, the insurance business, or the theater business; or do you want to be in the banking business?

This law we are considering, this Spence Act says you have got to make

up your mind. That would be a very reasonable law to help him make us his mind: Get into either one business or the other, either commercial business or the banking business. The banking business was organized and sponsored by the Government to help people locally, people engaged in nonrelated businesses.

I think it is a fine bill and I hope it passes. I would like to see it pass on its merits. That is the only way it will pass, and it will be a great tribute to one of the finest and ablest and best men who ever served in this great body, the House of Representatives, the Honorable BRENT SPENCE of Kentucky.

Mr. TALLE. Mr. Chairman, at the moment we have only one more speaker on this side. Perhaps the majority side will yield some time.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Chairman, there are two schools of thought on the proper role of Congress in meeting threats to our economy or to our way of life.

One school holds to the idea that Congress should continually assess the day-to-day developments in matters under its jurisdiction; that is, exercise "oversight," and when it sees clear evidence of danger, should move promptly to provide effective safeguards. It believes, in other words, in locking the barn door before the horse is stolen.

The other school, which frequently has many adherents, believes we should wait until the danger—even though it might be a clear and present danger—becomes so acute and incontrovertible that remedial or corrective, rather than preventive, steps are necessary. A stolen horse, in other words, becomes the only acceptable proof the barn door lock is no longer effective and needs replacement.

In this matter of bank holding companies, and their spreading control, veering toward monopoly, over much of our banking and credit system, the Committee on Banking and Currency was brought up sharply face to face with these two schools of thought.

Although it is now clear that any holding company or group of them with the resources to do so could seize control of virtually the entire banking system of the country, we were told to hold off on this matter because no such single company or group had so far succeeded in accomplishing that objective.

And although it is now clear that the independent, hometown bank could be badly damaged and perhaps even pushed to the wall by the unfair competition of giant interstate combines fortified with the income, resources and power flowing from vast nonbanking activities, we were asked not to get excited about that because most of our smaller banks are still doing all right.

Thus, if we had taken the counsel of the wait-and-see, the do-not-get-excited, the look-how-good-things-are school of thought, the Committee on Banking and Currency would not today be bringing before the House this bill, H. R. 6227 to close up and nail down the loopholes in our banking laws—loopholes which threaten not just the local independent bank but the whole traditional banking system as we know it and as we want to keep it.

But we did not harken to the soothing sirup of those who cautioned delay. We satisfied ourselves, after long and conscientious study of the facts, that the loopholes in our banking laws which permit—rather, which encourage—the alarming growth of monopoly and concentration of control in banking should be closed, and promptly so. Thus this bill. Thus this recommendation of the Committee on Banking and Currency to restore a greater measure of competition to banking, to restrict the business of banking to banks and to keep banks out of businesses in which they have no proper or even legal right to engage. Thus the provisions of this bill to reestablish the integrity and spirit of state laws on branch banking. Thus this bill to make it impossible for bank holding companies to evade Federal laws on interstate banking operations.

MONOPOLY IN BANKING NOW SPREADING

Actually, Mr. Chairman, this bill to provide for the control and regulation of bank holding companies is not intended merely as preventive legislation to head off dangers which might develop in the future. There are today many, and I would say widespread, abuses against free enterprise, against free competition, against fair competition, against good banking practice in this field of bank holding companies.

In other words, we have an immediate problem, and one which affects every independent local bank in this country—the unit banks in the home communities of every Member of the House of Representatives and in our congressional districts.

No responsible person makes the charge that the officials of bank holding companies are "bad" people. I know of no gangsters in the group. I make no accusations whatsoever about their Americanism or their decency or their devotion to our economic system. Undoubtedly they are sincere and honest and upstanding citizens of their home communities, active I am sure in Red Cross and Community Chest and Cancer Crusade, and the religious life of the community.

That is what makes this kind of legislative approach more difficult, why it is, probably, that the Congress has neglected to act in this field long before this. We have no individual villain, no buccaneering banker as exhibit A, no monster tycoon to point to as the incarnation of all that is evil in bank holding-company practice.

No, Mr. Chairman, what we have instead, and what this bill is designed to attack, and to rectify, is a situation under which decent American citizens far removed from your town and my town, completely unfamiliar with the economies of our communities and not a bit interested in anything about those communities except for the dividends which can be siphoned out of them can control our banks and the source of credit in our communities; they have the power—if they have the resources—to make decisions affecting the lifeblood of our local economies. And here is the point, Mr. Chairman: under loopholes in our banking laws and under the device of the bank holding company, these men are answerable to no one except their own consciences for what they do to our communities and to our local banks and to the supply of credit to our local businesses.

I was truly amazed during the hearings on this legislation to discover how widespread and decisive is the control of some giant companies over the banking systems of some areas and even of some States.

In answer to my questioning, one of the witnesses before our committee reported that in 1 State 2 banks control 87.2 percent of all the bank deposits in that entire State. Mergers and extension of holding company influence into our banking system across State lines give us a frightening picture of concentration in this most fundamental area of our economy.

NONBANKING ACTIVITIES OF BANK HOLDING COMPANIES CONTRARY TO ECONOMIC MORALITY AND BANKING LAW

There is no denying, Mr. Chairman, that there is a passion among Americans for bigness. So often we couple the words biggest and best as if they automatically went together. In the field of industry generally we have had what I consider an alarming series of mergers. Giant corporations have merged with other giant corporations so that they could then claim that together they were the biggest in their field, or the next biggest. We have today only six automobile manufacturers. Because of provisions of our tax laws, we have even had the amazing spectacle of firms offering themselves for merger purposes on the attractive premise that they have suffered substantial losses. We have had all sorts of reasons—competitive reasons, tax reasons, the plain ordinary desire for bigness—for this frightening trend toward ever-greater concentration of economic power in this country into fewer corporate hands.

Now of course everyone is for competition and against monopoly. But the history of our antitrust laws shows that we have never been as alert as we should be to prevent monopolies from coming into existence; instead we have waited until the damage has been done and then we have acted against them.

In the field of banking and of credit, we dare not wait until a few banks or bank holding companies control the availability of credit in the United States and the circumstances under which loans will be made. We dare not wait until the local home town bank has been forced by competitive necessity to go in for group banking and lose its identity in a vast holding company. We dare not wait until the individual businessman comes face to face with this fact of bank holding company practice under present law and the loopholes in that law—the fact that his application for a loan will be influenced perhaps by the bank holding company's financial interest in or ownership of a competing firm.

Mr. Chairman, although a bank may not under our State and Federal banking laws own any nonbanking business or engage in any nonbanking activity, except under the most stringently regulated

conditions and under unusual circumstances, there is no limit to what a bank holding company can do in this regard. It can own businesses and operate them—oil wells, insurance businesses, real estate firms, manufacturing enterprises—any business anywhere. And the same bank holding company which operates these businesses can so influence the activities of the banks it controls as to damage businessmen in competing fields who require bank credit.

Do we dare tolerate that kind of situation? I think not.

HOMETOWN LOCALLY CONTROLLED BANK IS BEST JUDGE OF A COMMUNITY'S CREDIT NEEDS

Mr. Chairman, there was a time in this country, and it was not too long ago, when it was the fashion to ridicule the banker as a man with ice water in his veins and a heart of stone, whose vocabulary, like the Russians at an international conference, seemed to be limited to the word "no." That picture has changed, thanks to many reforms which we have instituted in our entire economy which make our bank deposits safe and which provide the bank with greater flexibility in making loans to the average citizen and to the small-business man. Prior to 1933, the banker carried an almost crushing burden of responsibility for the safety of his depositors' funds. He could not take chances with the bank's resources. He had to be supercautious.

The banker today is still a cautious individual and a careful one. But thanks to the many changes in our economy and in our laws, the banker can use the resources of his institution to help every type of citizen in the community—through home loans, FHA improvement loans, automobile financing, small loans of every type and variety.

The local banker in our hometown independent bank is a key member of the community, a participating member, and one of the most important. He is thoroughly familiar not just with the balance sheets or the economic statistics of his area but, more important, with the economic temper and outlook of the community. He is not inclined to turn down local businessmen for necessary loans if there is any way the loan can be granted. He is the first man to be consulted when a community organizes, as so many of our communities have done, to bring in new industry.

He is not the somewhat anonymous agent of a completely anonymous and disinterested financial institution located many miles or many States away. He is a man who has invested all of himself in the local community.

We owe it to our people and to the businesses in our districts to make sure that the local bank can profitably remain locally owned and locally controlled; that vast combines cannot move in and take over through the device of holding companies—even crossing State lines in their drive to acquire and control; that the identity, or at least the character, of the local bank is not submerged and destroyed by long-distance direction and remote control.

This bill, H. R. 6227, is a necessary step toward assuring the continued freedom, the integrity and independence, and the character of the unit bank and toward assuring the community mindedness and community responsiveness of the banks which hold our deposits and provide our credit.

APPROACH OF BILL IS NOT PUNITIVE

The approach of the bank holding company bill reported out by the Committee on Banking and Currency is corrective and preventive, rather than punitive.

It does not outlaw bank holding companies. It permits them to continue to operate, but with certain safeguards now definitely established to be necessary to protect the rest of us and the banking business generally. Bank holding companies will still be able to expand, but with very definite limitations.

Bank holding companies, however, will not be permitted to continue owning and operating nonbanking businesses. We require within a reasonable period and with reasonable provisions—I would say attractive provisions—for tax relief the divestment of these nonbanking activities and assets.

Essentially, what we do in H. R. 6227 is this:

We subject the business and affairs of bank holding companies insofar as practicable to the same type of examination and regulation as the banks which they control.

We define a bank holding company either as any company which controls 25 percent or more of the voting shares of two or more banks or of a bank holding company, or else as a company which has been found by the Board of Governors of the Federal Reserve System under specified procedures to exercise a controlling influence over two or more banks. In other words, we go to the fact of control rather than the mere acquisition of a stated percentage of stock.

There are exceptions in the bill, including corporations owned or controlled by the Federal of State governments, banks which own or control shares of bank stock solely in a fiduciary capacity, and also any mutual savings bank and any nonprofit organization operating exclusively for charitable, religious, and similar purposes which would otherwise be a bank holding company by reason of its ownership of bank stock as of the effective date of the act.

Once held to be subject to the limitations of the act, a bank holding company would have up to 5 years to divest itself of its interest in nonbanking enterprises. As I said, suitable tax relief is provided in connection with the distribution of these interests in nonbanking activities. A bank holding company could, of course, if it desired divest itself of its banks and thereby cease to be a bank holding company. In such a case, it would be afforded the same tax relief.

Further, the bank holding company would still be permitted to expand but with this limitation: it would have to obtain the prior approval of the Board of Governors of the Federal Reserve System before acquiring additional bank stock or assets. Now in this connection the Comptroller of the Currency, in regard to national banks, and the State supervisor in the case of a State bank, would have to be consulted. If the Comptroller or the State supervisor denied approval within 30 days—that action would be final. In effect, that gives the agencies responsible for permitting establishment of new banks a veto power over a holding company's taking over the banks involved. On the other hand, if the Comptroller approved a holding company's acquisition of a national bank, the Federal Reserve Board would not be bound by that; it could still deny the application. And the same thing would be true in case a State supervisor of banking said it was all right with him for a holding company to take over a particular State bank. The Comptroller and the State supervisor thus can prevent a bank's acquisition by a holding company but cannot guarantee such acquisition. The Federal Reserve would make the final decision in cases where the Comptroller or the State supervisor agreed to the acquisition.

Another provision of the bill prohibits what bankers refer to as upstream loans. A bank subsidiary of a bank holding company could not invest any of its funds in, or lend any of its funds on the securities of the holding company of which it is a subsidiary or those of other subsidiaries in the combine; and it could not make loans to its holding company or sister subsidiaries. There have been some rather interesting cases brought to our attention of these so-called upstream transactions, and nothing was brought forward to justify that kind of operation.

One of the most important provisions of the bill prohibits further expansion outside of its own State of a bank holding company or subsidiary thereof. And even in connection with expansion within a State, the holding company would be held to the area in which branch banks would be permitted, unless by State statute such expansion is specifically exempted from branch banking restrictions.

Thus bank holding company expansion would no longer serve as a device to evade State laws on branch banking.

BILL CAREFULLY DRAWN, PAINSTAKINGLY CONSIDERED

Mr. Chairman, the House Calendar shows that H. R. 6227 was introduced on May 12, 1955, and approved by and reported out of the House Committee on Banking and Currency on May 20, 1955. This might indicate that we attempted to handle so complex a piece of legislation on what you might call a hit-and-run basis. Of course no such thing occurred. This legislation has been as fully and thoroughly considered as any we have had before the Congress in a long time. The members of the committee have been over the subject matter of bank holding company legislation for a number of years. This year we began on February 28 to hold thorough and complete hearings on several bills which were before us to regulate and control bank holding companies. These were not perfunctory hearings. We provided full opportunity for all witnesses with information of value to the committee

to appear before us and give us the advantage of their views and experiences in this complex field. Our published hearings cover 645 printed pages. The list of witnesses was an impressive one—bankers, the topmost Government officials dealing with banking matters, Members of Congress, spokesmen for bank holding companies, representatives of small business, and so on.

The members of the Committee on Banking and Currency showed a very active and continuing interest in the testimony of the witnesses. The questioning was extensive and incisive. Following the completion of our hearings in March we held a series of executive sessions continuing to May 13, and it was on the basis of the discussions and decisions within the committee that Chairman SPENCE introduced H. R. 6227 as a clean bill. Consequently, when we voted on May 20 to report the bill, it was on the basis of nearly 4 months of concentrated attention to its subject matter following a number of years of general concern by many of us on the committee on this whole matter of bank holding companies.

We have tried to be as careful as possible. We have tried to cover every important aspect of the problem. For instance, taxes are not normally within the jurisdiction of the Committee on Banking and Currency since legislation in this field generally falls within the scope of the work of the House Committee on Ways and Means; nevertheless in connection with the divestment by bank holding companies of nonbanking interests as required under this bill, we had to go into the matter of adding a new part VIII to subchapter O of the Internal Revenue Code in order to assure fair treatment for stockholders of bank holding companies on distributions made pursuant to this bill. Not only did we have to amend the Internal Revenue Code, we also had to provide for appropriate changes in the Investment Company Act of 1940, the Investment Advisors Act of 1940, section 5144 and section 5211 of Revised Statutes, the Banking Act of 1933, and the Federal Reserve Act.

As an example of the care which was exercised in the preparation of this bill, we even took steps to make sure that the tax-relief provisions we were writing into the law could not be used as a device for opening up a vast and wonderful new loophole and windfall for those subject to the act. In other words, we are providing fair treatment taxwise for owners of bank holding companies in connection with the distribution of assets resulting from the required divestment of nonbanking enterprises; but we limit this treatment to property owned on May 15, 1955. Otherwise we would have the spectacle of bank holding companies rushing out to acquire nonbanking enterprises in the happy expectation of enjoying a tax bonanza upon disposition of those enterprises under H. R. 6227. The tax features of the bill were worked out with the aid of the staff of Committee on Ways and Means and the staff of the Joint Committee on Internal Revenue.

THE NEED FOR BANK HOLDING COMPANY REGULATION IS CLEAR

It is in the spirit, Mr. Chairman, of anticipating dangerous economic situations rather than waiting for them to occur—when they might seriously undermine not only our private banking system but our entire free-enterprise economy—that we put forward H. R. 6227 and urge its enactment by the House of Representatives.

I have tried to make clear that we are not accusing bank holding companies indiscriminately of nefarious activities; nevertheless, we have looked into and found instances where bank holding companies took over banks for the express purpose of unloading on them paper of doubtful value. We are not saying that officials of bank holding companies indiscriminately are unethical individuals participating in a conspiracy; nevertheless we have seen evidence of some highly irregular operations in a kind of no-man's land of banking regulations where neither the State banking agency nor the Federal banking agency could effectively regulate.

One of the best statements on why we need legislation was made by the president of the Independent Bankers Association of America, Mr. W. J. Bryan, as a witness before us when he said this:

> Every application for a new bank, national or State, receives a very thorough investigation by the Comptroller of the Currency or appropriate State bank supervisor. They investigate the need for the bank, its prospects, and particularly the qualifications of the proposed officers and directors.
>
> Yet, on the very day it opens for business a holding company, an intangible corporation located anywhere in this country and controlled by people of whatsoever character, can acquire control of the bank, and the supervisory authority has no power whatsoever to prevent it.

Bank holding companies came into widespread use in the days of the tumultuous twenties—the days of frantic finance, unrestrained speculation, financial irresponsibility. They came into existence as a device to evade or avoid Federal and State banking laws. Since the days of the crash of 1929 and the failures of some of the largest bank combines whose demise helped to drag down the whole economy into a morass of misery, we have made several attempts to exercise reasonable control over these monopolistic giants. The previous efforts turned out to be half-hearted and lukewarm and thus generally ineffectual.

Let us now, while our economy is generally healthy, while competition still exists, while the local unit bank is doing well when we can take the steps calmly and with great care and restraint—erect firm defenses against the kind of financial irresponsibility and buccaneer banking which once before brought us catastrophe in the banking circles of America and in our whole economy.

This bill which reasonably regulates and reasonably controls and fairly treats bank holding companies, protecting not just the local bank in its independence and integrity but also protecting all the rest of us, who depend upon a sound banking system—this bill is a good bill and should become law.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. SMITH of Virginia. I wonder if the gentleman would answer 1 or 2 questions raised by the gentleman from Michigan [Mr. WOLCOTT]?

Mr. RAINS. I shall try.

Mr. SMITH of Virginia. In asking the questions I do not want it understood that I am criticizing the bill, because I am supporting the bill wholeheartedly.

In the first place, for what reason were mutual savings banks exempted from the operation of the bill? That was one of the criticisms.

Mr. RAINS. It was the committee's information that mutual savings banks represented a minor problem. There are only a few examples of bank holding companies in the mutual savings bank field.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the chairman of the committee.

Mr. SPENCE. The reason is that they were rather inconsequential and operated in only a very few States. I do not think there were any glaring examples of holding companies in such banks.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. PATMAN. Is it not true that they do not lend themselves to this type of operation, as do the commercial banks?

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield further?

Mr. RAINS. I yield.

Mr. SMITH of Virginia. Another criticism was that it did not include individuals; it included holding corporations but not individuals. I assume there was a good reason for that exclusion.

Mr. RAINS. I will say to the gentleman from Virginia that it is evident why individuals were not included. The chairman of the committee in his opening speech in support of the bill very ably explained the reason.

In the first place, the committee was informed and believed that individuals did not lend themselves very well to the business of a bank holding company. It was the opinion of the committee that so far as individuals were concerned, their effect was inconsequential and that the provisions of the bill should be limited to corporations only.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TALLE. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, like my friend from Alabama [Mr. RAINS], who preceded me, I am not an expert on banking. I do know a little bit about certain bank holding companies which operate in my area.

I have the greatest respect for the chairman of the Committee on Banking and Currency and all of the members who have worked so hard on this bill. It is not my purpose to take away any of the credit which they so rightfully deserve for bringing out a bill on a subject which they consider to be important.

However, I would like to review with you, if I may for a minute, the experience of a bank holding company in my State. This company was organized less than 2 years ago. In order to obtain capital, it put a mortgage on a building which it owned, and was able to obtain rather considerable sums of capital. As a result, two corporations which do business within the State of Arizona and which needed capital for expansion were able to get that capital by the sale of common stock to this bank holding company.

This particular company is a bank holding company under the definition of this bill because it controls two small banks. Under the bill as it is now written, it will be necessary for this small bank holding company, within the time specified in the bill, to divest itself of its holding of the stock of these two domestic corporations which it had helped to expand. That is one effect this bill would have.

In my State there is another bank holding company operation. The holding company is an out-of-State corporation. The bank which operates in my State has several branches, and it has done a very fine job throughout the State. It has some 22 percent of the deposits of the banks which exist in that State.

There is a rival chain, not a holding company, which has somewhere around 50 percent of the bank deposits in my particular State. It also operates a branch banking system. I merely point this out to pave the way for my next statement. If this bill is an attempt to bring more competition into the field of banking, then it certainly is not needed in my particular State. These two bank chains compete more vigorously with each other than any two businesses I have ever seen. One reason why my State has advanced so rapidly is because of the existence of these two chains, their competition with each other and their absolute willingness, in fact eagerness, to invest money in the welfare and in the resources of the State of Arizona.

Another thing I wonder if we should not consider when we talk about this bill is the philosophy behind it. It occurs to me that we are defining a certain state of affairs as being monopolistic per se; in other words, if a corporation qualifies under this bill as a bank holding company in order to buy more bank stock it must go to the Federal Reserve Board, and it must divest itself of nonbank holdings. We are saying in effect that the existence of a set of facts which causes a company to fit the definition of a bank holding company is in itself a bad thing. We are saying that such companies must be curbed, without regard to the actual record of their operations.

I wonder if the committee has considered that banks are subject to the Sherman Act and they are subject to the Clayton Act. I know there are some loopholes which now exist in the Clayton Act which make it impossible at the present time to treat as fully as they should be treated the monopolistic tendencies, if any there are, in the banking business. But would not the better approach be to amend the Clayton Act and the Sherman Act, so that this tendency toward monopoly, if it exists, could be handled in the ordinary subjective way by the Attorney General of the United States and the United States attorneys, instead of having the Congress say, "This is a situation which must by its very nature be monopolistic and, therefore, bad. We will make sure it does not happen any more?" I do not think that is the proper way to legislate on a subject such as this.

Another thing I would like to bring out, and I hope somebody will answer it before this debate is over, is the provision of this bill which, in the process of divestiture of the nonbanking holdings of holding companies, provides certain tax writeoffs. In other words, certain special tax treatment will be given to these bank holding companies.

To me that represents a loss in potential taxes to the United States of America. There is a very distinct possibility that some of these companies will, of their own free will and accord, sell some of these banking interests someday, and on such a transaction, taxes would be paid. I would like to know how much in the way of taxes we are going to lose because of the adoption of this bill and the tax-free treatment which is given to the divestiture of the assets.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I shall not take the full 10 minutes. The distinguished and beloved chairman of the Banking and Currency Committee [Mr. SPENCE] has presented the good and valid reasons for legislation of this character with convincing clarity. Other members of the committee, with whom it has been my great pleasure and honor to be associated in the work of our committee and for whom I hold esteem and affection, have given to the general debate the contribution of their viewpoints and of their conclusions.

I do not remember any occasion in the three Congresses of my membership on the Banking and Currency Committee when the public hearings on any measure were more interesting, illuminating, and freer of angry controversy. I wish to commend all the witnesses, regardless of the side of the argument with which they were alined, for the manner in which they presented the facts as they understood them and the conclusions they had arrived at from those facts. The public hearings lasted many days, the witnesses were accorded full opportunity to be heard at length, and the members listened to the testimony with intense interest and, I think I am safe in saying, with open minds to an unusual degree.

In reporting out the bill the committee was acting upon the best judgment of a large majority of its members. It was not the desire of any Member to inflict an unnecessary hardship on any banking interest although in the divestment of nonbanking interests it was realized that the period of readjustment and of conformance to the new law would require changes not without inconveniences and difficulties. I do not think, however, that any of my colleagues will question the soundness of the rule that banks should stick exclusively to banking and should be as free of nonbanking interests as Caeser's wife from suspicion.

Nor will any of my colleagues, I dare say, question the right of any community to have local control of the banking credit upon which is dependent the economic life of that community. Concentration of the power of credit, taking it from the local communities themselves and vesting it in sources separated from those communities by many miles and many interests, is not to be desired. I think that all must agree on this.

I understand that there will be some amendments offered from the floor as there were amendments before the committee. In the committee I offered an amendment which was not accepted. I shall offer that amendment again when the bill is read under the 5-minute rule. I wish to make it plain that this amendment is not offered in any spirit of opposition to the pending measure. To the contrary the amendment if adopted will immeasurably strengthen the bill by eliminating language that is meaningless and substituting therefor language that is simple, positive, and says directly and with exactness what we have in mind.

Section 2 of H. R. 6227 contains the declaration of policy. It reads:

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress, in accordance with which policy all of the provisions of this act shall be interpreted, to control the creation and expansion of bank holding companies; to separate their business of managing and controlling banks from unrelated businesses; and generally to maintain competition among banks and to minimize the danger inherent in concentration of economic power through centralized control of banks; and to subject the business and affairs of bank holding companies to the same type of examination and regulation as the banks which they control.

The words to which I object are: "and to minimize the danger inherent in concentration of economic power through centralized control of banks." My amendment is to strike out these words.

I do not know what those words mean. Do we mean when we say that we will minimize the danger to imply that anything below the minimum is presently proper and right or when we use the words "to minimize" do we mean we are admitting our futility and that we would like to do something and are afraid we cannot, so make a gesture. If there is a danger it is the duty of the Congress to meet it head on, not to confess congressional impotency by the easy employment of the minimum approach. After all, Congress is entitled to some pride in diction.

Let me read the language, as I would suggest it to read: "To control the creation and expansion of bank holding companies; to separate their businesses of managing and controlling banks from unrelated businesses; and generally to maintain competition among banks."

Is that not what we are attempting to say? Do we want really to say—and to

minimize the danger inherent in something? I do not know what is inherent and what is not inherent. I know when we use the words "to minimize" the danger, it is a cowardly approach. If we want to say, "and generally maintain competition among banks and to prevent concentration of economic power through centralized control of banks"—well, say it. Do not go saying, "to minimize the danger in something inherent in something." I certainly do not think it weakens the statement of policy by putting in language that any judge in a court of review can understand and be as readily understood by the layman.

It is the policy of the Congress in the enactment of the proposed legislation to maintain competition among banks. It also is the policy to prevent a concentration of economic power in the giving of credits. I take it that there is no disagreement there. But if there is, let us say so and let us not use language that is meaningless and at best is simply an expression of a philosophy. We make laws to control the affairs of our country and the deportment of our citizens, and those laws should be set forth in simple, understandable language.

My sole purpose, Mr. Chairman, in offering my amendment and in the observations I have made here is to assist in the improvement and strengthening of the language of a measure that soon, I anticipate, will be the law of the land. I do not intend it in any way to be conconstrued as a criticism of the able draftsmanship of the bill. I trust that my colleagues will receive my remarks in the spirit in which they are offered and that in the time intervening before we vote on amendments they, who are better versed in the use of good language and more soundly grounded in the law, will give the subject the benefit of their thought and experienced judgment.

To epitomize: my amendment would delete the entire inherent-in clause. Or, as an alternative, if the sponsors of the measure thought we should go further to make certain the courts would understand the policy of the Congress to substitute for the deleted language this direct statement: "and to prevent concentration of economic power through centralized control of banks."

Mr. Chairman, I yield back the remainder of my time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, the Committee on Banking and Currency is to be highly commended for the intensive study it has devoted to the bill before us today and especially for the unusually fine report it has submitted to the House.

After examining the subject carefully in the light of our historical tradition and modern banking, the committee strongly recommends that we act now to control and regulate bank holding companies. The reasonable and temperate arguments of the committee are persuasive and I hope the bill will be passed.

The importance of the locally owned independent bank is readily apparent to those of us who live in farm communities. Our businessmen and farmers recognize the contribution local banks have made to the economic development of the community.

They have also recognized the threat of the bank holding company principle to competitive banking with a local interest. It is significant that the Independent Bankers Association was born in my district, an agricultural district.

Twenty-five years ago the organization was founded in Minnesota with 28 member banks. Today over 5,200 banks have joined the fight to preserve the democratic ideal of banking. Its headquarters is still maintained at Sauk Centre, Minn., a farm community. This is the town made famous by Sinclair Lewis in his book Main Street.

It came into being because enlightened local bankers were aware of the trend toward monopoly banking and were determined to halt the destruction of the American banking system. They saw what the monopolistic control of credit facilities was doing to the economy of Europe.

Money and credit are the lifeblood of the economy and these men of foresight knew monopoly must inevitably lead to nationalization as it has in England and France. To prevent this from happening has been the major goal of the Independent Bankers Association.

No one has been more active in this fight than its executive secretary, Mr. Ben DuBois of Sauk Centre. Many of you know him personally and share my respect for his integrity and his dedication to the democratic ideal. The bill before us is in itself a tribute to his able efforts but I cannot let the occasion pass without adding a personal word in recognition of his contribution as a pioneer in this effort.

As a nation, we have prided ourselves as the great stronghold of free enterprise in its finest sense. Mr. Chairman, the bill before us today is another strand of this golden thread running through our history. Its purpose is to preserve constructive competition and wholesome independence.

It has been a constant effort of our national policy to prevent the centralization of credit with its accompanying evils. As with every policy, there are some who have tried to evade it through loopholes or destroy it by legalistic distinctions without reality.

These abuses have made necessary the present bill and our Committee on Banking and Currency has forcefully reminded us that the need for action is urgent. My own State can serve as an example of the trend. Three holding company groups have over 57 percent of all the deposits in commercial banks in Minnesota. The committee has cited similar examples in Nevada, Oregon, Montana, and other States.

As the source of credit and the management of banks moves away from the community, the intimate knowledge and common interest so necessary to community development tend to suffer.

When local people get together to form their own bank with local capital, local deposits, and local management they are naturally interested in putting their money to work for the benefit of local people.

I am sure that every Member can recall from his own experience many instances in which business developed or farms prospered because a local banker had confidence in a neighbor. Many of our large corporations and thriving community businesses had just such a beginning.

This has always seemed to me to be the strength of true free enterprise—a man's faith in his community and the community's faith in a man. There is no substitute for the personal and human relations which inspire community enterprise.

Independent competitive banking which has a stake in the welfare of the people it serves is not only good human relations but good business. It is not so susceptible to the abuses the committee has shown to exist when holding companies are used as fronts for speculation and financial manipulation for personal gain.

Throughout our history we have always recognized the dangers of banks engaging in nonbanking businesses because of the possibility that credit would be extended to a degree that would either stifle other competitors or result in unsound handling of depositors' funds. Yet the holding company device has been used to violate this principle. This is a threat to the entire business community and one of the major reasons why H. R. 6227 is necessary now.

The bill is actually a reaffirmation of our historical national policy and is designed to prevent the abuses resulting from attempts to frustrate existing law. It is not a bill to harm or destroy legitimate banking business but rather one to cure a disease spreading through the banking body.

By proper regulation and control of bank holding companies, the bill is intended to preserve the ideal of independent banking and prevent monopolistic centralization of credit. It makes the holding companies subject to the same examination as the banks which they control.

The hard work of the Committee on Banking and Currency is evident in the bill that it has produced. It is a good bill and I hope that it will be passed tomorrow without amendment.

Mr. WOLCOTT. Mr. Chairman, we have no further requests for time on this side.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, when this bill was called up for public hearings before the Banking and Currency Committee most of us anticipated that it would be approached from a nonpartisan angle and that such would be the approach throughout when the bill reached the floor for consideration. We had a right to believe it would be handled as a nonpartisan measure, because in the other body a member of the Republican Party for many years had been offering a similar bill, and not so long ago the distinguished ranking minority member of our own committee, who served as its chairman, had offered a similar bill.

It is unfortunate that for some reason or other some of the attack made against the bill overlooks the importance and the necessity for the bill and its very laudable and forward-looking provisions.

Almost everyone without exception has agreed that the purpose of this bill as set forth in the declaration of policy is a good one. That declaration of policy should be enacted into law and implemented.

The Federal Reserve Board for many years has asked for legislation of this kind.

The Comptroller of the Currency, following the testimony of the Chairman of the Federal Reserve Board, indicated, as did the Chairman of the Federal Reserve Board, that there was no objection to the policy set forth in this bill, and both gentlemen offered amendments that are found within the bill. One gentleman as the Chairman of the Federal Deposit Insurance Corporation did send a communication to our committee, which is part of the record, indicating that there is no need for this legislation. I want to assure the Members of the House that the gentleman who signed his name to that letter as Chairman of the Federal Deposit Insurance Corporation was talking only for himself and not for the Corporation.

You will recall that the Federal Deposit Insurance Corporation consists of a board of directors. It is managed by a board of directors consisting of three men, a Chairman and two members, one member being the Comptroller of the Currency. The Comptroller of the Currency came before the committee and gave us his views. The Chairman of the FDIC did not come before the committee but sent us a letter in which he indicated that the Corporation was opposed to this legislation. In view of the fact that the Comptroller of the Currency, a member of that board, had taken one position and the Chairman of that board was taking another position, I took the trouble to inquire of the third member of the board and I was told by him that the letter sent up by the Chairman of the board had never been submitted at any board meeting, had never been submitted to the third member of the board, and certainly did not express his views. So the only Government official who is opposed to this bill has sent us not his board's opinion but his own personal opinion.

In that connection I would like to read briefly to you from the unanimous report of the Federal Deposit Insurance Corporation of 1945 the following:

> Holding companies not only tend to become monopolistic but increase the problem of supervision. The ease with which assets may be transferred from one affiliated corporate unit to another and the possibility of the manipulation of the accounts of these enterprises make adequate examination of affiliated banks and the appraisal of their condition and capital position extremely difficult. The Corporation recommends that Congress enact legislation which will prohibit the future creation of holding companies and which will require the liquidation of existing holding companies after allowing a reasonable time for orderly distribution to their own stockholders of the bank stock which they now hold. The Corporation believes that such legislation is distinctly preferable to the enactment of further regulatory laws in the bank holding company field.

So we find the Federal Reserve Board and the Comptroller of the Currency on the one hand recommending legislation such as this and we have the Federal Deposit Insurance Corporation in a unanimous opinion recommending the abolition of holding companies.

Your committee has not seen fit to go as far as that recommendation which is contrary, incidentally, to the recommendation of the present chairman of that corporation wherein he indicates that no further regulation or no further legislation is needed. We do not require the liquidation of holding companies. We do not even require that a bank holding company give up their nonbanking business, if that is what the bank holding company wants. We do require that the bank holding company must decide that it is going to be a bank holding company or a nonbank holding company. It must make a choice. If it wants to remain in the banking business it gets rid of its nonbanking assets. If it wants to remain in the nonbanking business it gets rid of the banking assets. But we do not require any sale or any forced liquidation of any of the assets no matter what the choice is. All they need to do to comply with this law is make a distribution. If they want to remain a bank holding company they make a distribution to their stockholders of their nonbanking assets. If they want to remain a nonbank holding company, they distribute their bank holding assets to their stockholders.

They do not have to take the loss of a penny. There is no sale required. In making those transfers we give them tax relief since we require that they make the transfers, we give them tax relief, as I stated, but there is no loss of tax revenue. If a bank holding company or a nonbank holding company or a combination decides that this is the time to sell off their assets and make a profit, this bill will give them no tax exemptions. We will lose no tax revenue. We give them a way out in making a transfer of their assets without a tax loss, which I think is a fair thing to do. But, they must decide what they are going to do. They will be either one or the other.

Now, if our principle is right that a banking business is a business peculiar unto itself and that those who engage in the banking business should not be interested in insurance companies, should not be interested in fishing companies, should not be interested in timber companies, should not be operating any enterprise except a banking business, then this bill must be enacted to effectuate that principle.

One further thing. If you agree with the principle of law now written into the statute books that banks should not cross State lines, this bill must be enacted. If the principle is wrong that banks should not be permitted to cross State lines, then let us change that law. National banks cannot cross State lines under our Federal statutes and State banks cannot cross State lines under State statutes. No State permits a State bank to cross State lines and in no instance does the Federal Government permit a national bank to cross State lines. So if that principle is good—and it has worked out well through the years—we must enact this law to prevent the evasion constantly occurring of letting banking companies cross State lines.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Do I understand the gentleman's statement that all this provides for is a tax-free spin-off to the stockholders of the banking corporation?

Mr. MULTER. That is correct.

Mr. RHODES of Arizona. Which is available under the present law.

Mr. MULTER. I do not know that it goes that far, because the Committee on Ways and Means indicated that in order to save these people from taxes being imposed upon them, which otherwise they would not have to pay, it was necessary to put in this bill the tax provisions which are not now there in existing law.

Mr. RHODES of Arizona. Is not the tax-free spin-off available under existing law?

Mr. MULTER. No; it is not available under all circumstances, and we were told it would not be available under the circumstances present in this bill.

Mr. RHODES of Arizona. Then, if assets are sold and a profit is made, the profit will be taxed as normally?

Mr. MULTER. Oh, yes.

Mr. RHODES of Arizona. I thank the gentleman.

Mr. MULTER. I would like to ask the gentleman a question that I tried to ask him when he was on his feet here. The gentleman referred to two banks in his district that owned some other corporation that he thought they might have to dispose of under this bill. Would the gentleman mind telling the House what business those corporations are engaged in?

Mr. RHODES of Arizona. They are not engaged in the banking business.

Mr. MULTER. Are they merely holding real estate which is occupied by the banks?

Mr. RHODES of Arizona. No. I will say to the gentleman that one of them is a steel company which has been doing business in that area for many years, and the other one is the A–1 Brewing Co., which makes some very fine beer and has for quite some time.

Mr. MULTER. I am sure that none of us object to fine beer being made, and none of us, except some teetotalers, object to drinking any, and I am sure none of us object to the people in the steel business, but if the principle is correct that a bank should do a banking business and nothing else, then I think the companies in the State of Arizona affected by this bill should either divest themselves of the bank holdings or the banks should divest themselves of the nonbanking enterprises. As I have said, the stockholders do not have to take a loss; they do not have to get out of the business. The bank owns the stock in the steel company and the brewery,

and all they have to do is to give the stock of those corporations to their own stockholders and the stockholders will continue to own and operate those businesses.

Now, there has been some talk here about why our mutual-savings banks are exempted under this proposed bill. It is very simple. There are, I believe, some seven States that now, under very strict limitation and restriction—and I think most of them will be found in the New England States; 1 in the State of Massachusetts—permit their mutual-savings banks to own, under limitation and restriction as I have said, other banks. Since the law does permit it in those States, we felt that this bill should not try to override those provisions of the State statutes, particularly since no one has ever come before the Congress at any time during any of the hearings over the years and complained that mutual-savings banks, as holding-company banks, are doing a job that should be criticized or was subject to criticism or that they were not being properly and completely regulated under the laws under which they were operating.

Objection has also been made that we had exempted individuals from the operation of this bill. I might say that there was no amendment offered in the committee to include individuals, but many Members from both sides of the aisle came to members of our committee and did point out that unless we inserted some language in this bill, or changed it from what it is now, we might restrict administrators and executors of estates and trustees under wills and under trust agreements from continuing to perform their functions as set forth by the wills and by the trust agreements. And since they are in the same situation as the individual himself we felt it would be unfair and would accomplish no good result to require an administrator, acting under the provisions of a will, an executor acting under the provisions of a will, or a trustee acting either under the provisions of a will or under the terms of a trust agreement which deals only with a single donor's property, to divest himself of the bank stock.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. HALEY. The gentleman is a learned member of the committee and I am sure he has all the answers. I should like to ask him whether under this bill W. R. Grace & Co., who control the Grace National Bank of the city of New York; United Mine Workers, who control at least 1 bank and possibly 2 here in the District of Columbia; and the Mellon interests of Pittsburgh, are exempt under this bill.

Mr. MULTER. I cannot answer the question; I do not know all the answers. But let me point out this. First I should like to ask the gentleman, are those corporations that the gentleman mentioned?

Mr. HALEY. I do not know whether they are or not.

Mr. MULTER. Let me say, if they are corporations or are partnerships, or if they are groups of individuals they are not exempt under this bill.

Mr. SPENCE. If the gentleman will yield, they are not exempt.

Mr. HALEY. Mr. Chairman, will the gentleman yield further?

Mr. MULTER. I yield further.

Mr. HALEY. Perhaps the gentleman could explain why under this bill, as I understand it, the First National Bank Trustees of Louisville, Ky., are exempt; the Shawmut Association which I understand owns 12 banks in the State of Massachusetts is exempt; the Ball-duPont interests in Florida are exempt, and they own not only banks but lumber holdings and ranches and pulp mills and railroads and everything else. I wonder if the gentleman could explain why.

Mr. MULTER. I can say only this. If the statement of fact implicit in the gentleman's question is correct, the institutions he has mentioned are not exempt. There are no such exemptions to be found anywhere in this bill that would apply to any companies or groups of individuals in such situations as mentioned in the gentleman's questions.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. NICHOLSON. I think some question was asked about Massachusetts and two so-called holding companies there. It was stated before the committee that they were not hurt by this bill.

Mr. MULTER. There is a difference between not being hurt by the bill and being exempt.

Mr. NICHOLSON. They said that the provisions of this bill did not apply to them because they did all their business within the State of Massachusetts.

Mr. MULTER. If a bank holding company engages only in the business of banking and does it wholly within a State, any State, they will not have to divest themselves of anything under this bill. The only application of this bill would be as to their future expansion activities, which I think everyone will agree is fair, because all we require under this bill is that they will have to go and get permission of their own State authorities or, if they are a member of the Federal Reserve System, get permission of the Federal Reserve Board.

Mr. NICHOLSON. Will the gentleman yield further?

Mr. MULTER. I yield.

Mr. NICHOLSON. These banks are exempt, are they not?

Mr. MULTER. No, sir; they are not exempt.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. WOLCOTT. I think the gentleman is always fair, but I think he had better reevaluate what he has just said—that is, that they are not exempt because, as I understand the situation to which the gentleman is referring, the Shawmut Association, for instance, was created under a declaration of trust and is not a corporation. The Ball-duPont is a testamentary trust, and the First National Bank Trustees of Louisville, Ky., is an investment trust, so they are especially exempted under the provisions of this bill.

Mr. MULTER. The gentleman means exempted from being required to divest themselves of their present holdings.

Mr. WOLCOTT. Yes.

Mr. MULTER. I think we are quibbling about words.

Mr. WOLCOTT. Unless they are a bank holding company they do not have to divest, and they are not bank holding companies under the definition of this bill.

Mr. MULTER. I must differ with the distinguished gentleman. I must respectfully submit that he is misinterpreting the language of the bill. The bill has certain exemptions as to who must and who must not dispose of any assets. If they come within the definition of a mutual savings bank or a corporation or community chest, fund, or foundation, and so forth, those definitions found on page 3, as to anything they own as of the date of the effectiveness of this act, the date this becomes law, we do not require them to divest themselves of anything; but if they are going to acquire anything in the future they will come within the definition of this law and within the application of the law they will have to get permission from the local banking authorities or the Federal banking authorities before they can expand further. But we are not going to require any trustee or any community chest or mutual savings bank or any foundation to get rid of anything today under this law.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Florida.

Mr. HALEY. The gentleman can probably answer my problem very simply. In my district I have, for instance, an organization engaged in the naval stores, cattle ranch, and citrus-growing businesses. They own 90 percent of the stock in one small bank and 34 percent of another small bank. However, of the total holdings of this company the amount invested in banks probably would be but a very small percentage. These banks had their corporation behind them and it supplied them facilities at a time when no other bank was operating. Does the gentleman mean to say that under this law these people would now have to divest themselves of this bank stock?

Mr. MULTER. Are they members of the Federal Reserve System?

Mr. HALEY. Probably so.

Mr. MULTER. If they are, they would be required to do very little more than they are required to do now except, and I repeat, if a bank should be a bank it should not be engaged in any other business. If in the gentleman's case it is such a small percentage of bank stock owned by these companies that are not banks, up to 25 percent of the holdings, they are exempt under this law. Until they get 25 percent or more, this law would not affect them, so they cannot be hurt.

Mr. TALLE. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I have asked for this time in order to ask a

question or two in my own time without interrupting the speakers in the time allotted to them. May I say by way of preface that there is not a bank holding company in my district so far as I know. I have not had any communications from any bankers or any other persons regarding this proposed legislation. I knew nothing about it until I came on the floor this afternoon. I am only seeking information in order to help me understand 1 or 2 of the provisions of the bill.

May I inquire of the distinguished chairman of the committee, and ask him to refer to section 6 (a) on page 9, which is the section that directs bank holding companies to divest themselves of interests in nonbanking organizations. Section 6 (a) provides that, except as otherwise provided in the act, it shall be unlawful for any bank holding company after 2 years to own any shares or other securities or obligations of any company other than a bank or to engage in any business other than that of banking, or of managing or controlling banks, or of the kind of businesses enumerated in subsection (c) (1) of this section.

Is that provision more restrictive or more liberal than the comparable provisions which apply to ordinary banks?

Mr. SPENCE. It is more liberal, I think than the ordinary bank provisions.

Mr. JONAS. What are the restrictions upon the right of a national bank to acquire a few shares of stock in another corporation?

Mr. SPENCE. A national bank cannot purchase any stock in any other bank or in any other corporation.

Mr. JONAS. I am not speaking of purchasing stock, but am speaking of acquiring stock which it might have accepted as collateral security.

Mr. SPENCE. They have to divest themselves of that stock in 2 years. Under this act, they have 2 years in which to divest themselves of the nonbanking business. That may be extended year by year to 5 years. So this is more liberal than the divestment provisions in the general banking act as far as owning nonbanking interests.

Mr. JONAS. Then it is more liberal in that more provisions are inserted in this section to extend the time?

Mr. SPENCE. That is right. It is more liberal with respect to the time given them to divest themselves of nonbanking interests.

Mr. JONAS. I also had a question with reference to section 6 (c), on page 10, which says, "The prohibitions in this section shall not apply" and then it lists six cases in which the prohibition shall not apply. The question I had is with reference to subparagraph (2) which says that—

> The prohibition in this section shall not apply to shares, securities, or obligations acquired by a bank holding company which is a bank * * * in satisfaction of a debt previously contracted in good faith, but such bank holding company or its subsidiary shall dispose of such shares, securities, or obligations within a period of 2 years from the date on which they were acquired or from the effective date of this act.

My question was simply this. Is that a restatement of the general provision in the National Banking Act which applies to all banks?

Mr. SPENCE. That is the general provision of existing law.

Mr. JONAS. And it is just inserted here to make it applicable to these cases as well as in the case of individual banks which might acquire stocks or securities as a result of having foreclosed on an instrument under which they were assigned as collateral?

Mr. SPENCE. Yes.

Mr. JONAS. I thank the gentleman.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, let me emphasize at the outset that I am not advocating a "death sentence" for bank holding companies or legislation to "freeze" existing companies and prevent the creation of new ones. Proposals of this nature have been made in the past, but the bill now pending before us contains nothing so far reaching. I am satisfied, and I believe that most students of this problem will now agree, that such drastic action is both unnecessary and undesirable. Bank holding companies are not necessarily bad, and in fact, they are beneficial in many instances in providing better management and financial assistance for banks and improving banking services. The holding-company device, nevertheless, is particularly susceptible to abuse in the field of banking, not only because it enables the holding-company system to evade traditional limitations upon bank expansion but also because it can be used to gather under one management many different and varied enterprises wholly unrelated to the conduct of a banking business, which it is obvious is inimical to sound banking practice.

Mr. Chairman, when Congress attempted to deal with the bank holding company problem in 1933, it did so by requiring all companies meeting the definition of a "bank holding company affiliate" to obtain a permit from the Federal Reserve Board before they might thereafter vote their stock in member banks. As a condition to the granting of such a permit, the holding company was required on behalf of itself and its controlled banks to agree to submit to examinations and to establish certain reserves; and its officers, directors, and agents were subjected to the same penalties for falsification of records as those applicable in the case of national banks.

The Board's experience in administering these provisions has demonstrated a number of important loopholes and deficiencies which for all practical purposes have nullified the present law as an effective medium for accomplishing the real congressional purpose. In the first place, because of the purely voluntary nature of the present law—there being no mandatory requirement that a holding company obtain a voting permit—some holding companies have escaped regulation altogether because they are able to control their banks without the need for ever voting their stock in such banks. Others have escaped regulation by buying or acquiring only nonmember banks, or, if member banks are acquired, by causing those banks to withdraw from membership in the Federal Reserve System. In the second place, the definitions of a bank holding company in the present law, which are predicated largely upon the ownership of a majority of the voting shares of a bank, are inflexible and unrealistic because they do not take into account actualities in intercorporate relations, particularly so far as control of one company by another is concerned. As a result of this lack of realistic definitions, other companies, which operate to all intents and purposes as bank holding companies, also escape regulation. Of special importance, however, is the absence in the present law of any positive congressional declaration defining the limits within which bank holding companies should be permitted to expand their operations. Under the present law, the holding-company device can be used to attain almost unlimited expansion. Bank holding companies under present legislation are enabled without legal hindrance also to expand their operations into widely diversified nonbanking activities.

One of the stated purposes of the bill now being considered is to place all bank holding companies under the same type of supervision and regulation as the banks which they control. To this end, all such companies must register with the Board and are made subject to periodic examinations.

Bank holding company expansion is rigidly controlled under limitations prescribed by a number of legislative standards which emphasize the congressional purpose to prohibit any expansion where the result might be to tend to create a banking monopoly in any particular section or where the effect of such expansion might be inconsistent with principles of adequate and sound banking.

The Federal Reserve Board is authorized to issue such rules, regulations, and orders as may be necessary to enable it to administer the act, while any person aggrieved by any order of the Board issued pursuant to any of the provisions of the bill is given the right of judicial review of such order in an appropriate court. Finally, appropriate penalties are provided for imposition upon those who willfully violate any of the provisions of the law or of the rules, regulations, and orders which are lawfully issued by the Board pursuant thereto.

Mr. Chairman, unless something is done to control bank holding companies, there probably would result increased monopolistic concentrations of power in the financial world. Such concentrations of power in any field long have been characterized by their strong inclination to bad practices.

We have witnessed in this country monopolistic developments in various fields. Our policy has always been to discourage them because they are diametrically opposed to our cherished system of free competitive private enterprise. This bill is designed to carry out this policy, and if it is necessary to amend the bill for such purpose, I hope no crippling amendments will be adopted. In a democratic way, we are merely urging rules for the game that

will preserve our traditional freedoms. Monopoly in banking—the very lifeblood of all commerce—would bring in its wake vast political and financial influence. History has proven that the step from private monopoly to Government monopoly is short.

It is not the intention of this bill to impose a death sentence or a freeze on bank holding companies. All that is proposed is that, in view of the banking responsibilities involved, bank holding companies be regulated in a manner commensurate with these responsibilities. The concepts employed in the bill and especially those which are aimed at basic dangers are those reflecting standards for banking which have met the test in practice over the years.

Mr. TALLE. Mr. Chairman, we have no further requests on this side.

Mr. SPENCE. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Bank Holding Company Act of 1955."

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ENGLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes, directed him to report it had come to no resolution thereon.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the report of the committee on this bill may be inserted in the RECORD at this point.

The SPEAKER. Is there objection?

There was no objection.

The report referred to follows:

[H. Rept. No. 609, 84th Cong., 1st sess.]

BANK HOLDING COMPANY ACT OF 1955

(Mr. SPENCE, from the Committee on Banking and Currency, submitted the following report to accompany H. R. 6227:)

The Committee on Banking and Currency, to whom was referred the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

THE NEED FOR BANK HOLDING COMPANY LEGISLATION

Introduction

The need for immediate legislation which would at the same time control the future expansion of bank holding companies and force them to divest themselves of nonbanking business has been established to the complete satisfaction of your committee. It held exhaustive public hearings on H. R. 2674 (since superseded by H. R. 6227) from February 28 through March 9, 1955. Executive sessions extended from April 20 to May 13. The views of the Federal Reserve System were presented by the Honorable William McChesney Martin, Chairman of its Board of Governors, while those of the Office of the Comptroller of the Currency were presented by the Honorable Ray M. Gidney. Other witnesses representing all shades of opinion in regard to bank holding companies appeared and were afforded every opportunity to set forth their views. All witnesses were subjected to unusually lengthy and searching interrogation by the membership of your committee. The printed hearings, including appropriate exhibits, cover 645 pages.

Evidence developed during the hearings has convinced your committee that bank holding companies are not in accord with the very precepts upon which our banking system rests. The United States early in its history, it should be recalled, adopted a democratic ideal of banking. Other countries, for the most part, have preferred to rely on a few large banks controlled by a banking elite. There has developed in this country, on the other hand, a conception of the independent unit bank as an institution having its ownership and origin in the local community and deriving its business chiefly from the community's industrial and commercial activities and from the farming population within its vicinity or trade area. Its activities are usually fully integrated with the local economic and social organization. The bank holding company device threatens to destroy this democratic grassroots institution.

Your committee believes that the destruction of the American unit banking system, resulting in the further concentration of credit facilities, would have revolutionary effects upon our free-enterprise system. Ultimately, monopolistic control of credit could entirely remold our fundamental political and social institutions.

The time for action is now. We dare wait no longer, for already we are rapidly following the example of England whose many banks became the Big Five. She finally passed a law against further concentration. The Bank of England has been nationalized. France has nationalized its few banks. The same will inevitably come to pass here unless we forestall it by legislation.

There is no question about what the reaction of the American people would be to such a condition. A nation that would not allow a monopoly over tobacco certainly will not condone one over the lifeblood of its economy, money and credit. Through their Representatives in Congress and the State legislatures they have at various periods erected legal barriers against centralization of credit. Some of these have fallen, some have corroded. It is urgently necessary that we stop the remaining laws from being evaded. H. R. 6227 would do this. Its adoption by the Congress is necessary if we are to preserve our free-enterprise banking system, the economic counterpart of our political system. Each is essential to the other.

The four fundamental reasons for enacting this legislation are set forth below.

Bank holding companies thwart national banking policy

While our banking structure has evolved down through the years to meet changing economic requirements, this country has held steadfast to the doctrine that competition should prevail in the banking industry. Our national banking policy has aimed at protecting and fostering the growth of independent unit banks.

Repeatedly Congress has been urged to break down the restrictions in the national banking law regarding branches of national banks. Congress has been urged to permit branches, regardless of State bank laws, on a trade area basis, on an interstate or Federal Reserve district basis, and in fact on a nationwide basis. Each time, however, Congress has declared its approval of the American system of local independent and competitive banks, and has left the matter of branches to the States to determine, each State for itself. In spite of these rebuffs, those who have sought to concentrate banking control into fewer and fewer hands have been able, in certain areas of the country, to accomplish their purpose to a substantial extent through the holding company device, acquiring control of a group of banks which can thereafter be operated, in effect, as branches.

The opponents of H. R. 6227, it is true, have contended that to base holding company legislation on branch banking law is wrong, because there is a difference between branches and affiliated, or subsidiary, banks. Great stress has been placed on their difference in form, which everyone, of course, recognizes. Your committee feels, however, in a large measure they are differences without a distinction. Other than in form, what is the practical difference between a branch and a bank the stock of which is owned by a holding company that can select the bank's directors and change them at its pleasure, even holding repurchase rights to the directors' qualifying shares; that can hire and fire the bank's personnel and otherwise supervise its operations; that can make its investments, handle its insurance, buy its supplies, originate and place its advertising; can pass on its loans to local firms and individuals, usually receiving a fee for services performed?

Bankers certainly should know whether bank holding company subsidiaries can in effect be operated as branches. A bankers' association asked the bankers of the country this question: "Do you consider holding company banking, in effect, branch banking?" More than 97 percent of the replies were "Yes."

Your committee believes it is obvious that the declared will of Congress in favor of independent competitive banking is being thwarted by indirect branch banking, through the mechanism of the holding company.

Bank holding companies circumvent State banking laws

In the past, Congress has repeatedly been urged both to permit national banks to carry on branch banking across State lines and to allow them to operate interstate branches without regard to State branch banking laws. The Congress however has steadfastly respected the rights of the States to specify the extent to which branch banking shall be practiced within their respective borders. In fact, the Federal law authorizes national banks to have branches only to the extent that State banks are so permitted under the law of the State in which the national bank is located. This establishes parallel treatment of branches as regards banks whether State or federally chartered. Although this equality exists with respect to branches, States have no way to protect themselves against an outside bank holding company coming in and buying stock in banks, especially national banks, located within their borders.

Just recently, for example, the General Contract Corp. of St. Louis (a holding company) purchased two banks in the southern part of Illinois, namely, the Bank of Benton and the Bank of Ziegler. A commercial bank, under both existing Federal and State laws, is not only prohibited from buying stock in banks located in another State, but is also prohibited from purchasing stock in banks located in the same State.

This bank holding company would not have been permitted to buy these banks which are now subsidiaries of this corporation if H. R. 6227 was then on the statute books. This corporation already owned the Illinois State Bank of Quincy, which now gives it control of 3 banks in Illinois; 4 banks in St. Louis, Mo.; 1 in Memphis, Tenn.; besides 3 insurance companies operating in 42 States; a dealer finance and personal loan company, blanketing 7 States; and approximately 30 finance and personal loan offices extending from St. Louis, Mo., to New Orleans, La.

The General Contract Corp. is by no means unique. Bank holding companies of the type which would be controlled under the bill now reach into 31 States, and no State is immune from invasion. The operations of the principal interstate bank holding

companies are very extensive. As of December 31, 1954, 1 company, the Northwest Bancorporation, operated 72 banks with 22 branches located in 7 States; the Equity and Morris Plan Corps. operated 10 banks with 19 branches located in 4 States and the District of Columbia; the Transamerica Corp. operated 6 banks, with 167 branches, located in 5 States; the First Bank Stock Corp. operated 75 banks with 6 branches located in 4 States; the First Security Corp. operated 3 banks with 45 branches located in 3 States.

The bank holding company moreover circumvents our State banking laws on an additional major count, engaging in nonbanking businesses.

Most States restrict banks to the banking business and forbid banks to engage in or control nonbanking businesses. Through the device of the bank holding company, however, one organization can bring under centralized control an unlimited number and variety of businesses.

A wholly owned subsidiary of Morris Plan Corporation of America, the National Industrial Credit Corp., has direct or indirect interests in six companies engaged in the fire, casualty, reinsurance, and life-insurance business. Transamerica in addition to its banking interests in five States controls corporations engaged in such widely diversified businesses as life, fire, automobile, and marine insurance, oil and gas, fish canning and processing, frozen foods, castings, forge equipment, kitchen tools, and agricultural equipment.

Bank holding companies are susceptible to abuse

Your committee, of course, does not contend that all, or even most, holding companies were organized by promoters for unethical purposes, but the mechanism of the holding company in the field of banking, just as in other fields, is particularly susceptible to abuse by such individuals.

It is known, however, that there have been cases such as occurred not too long ago where a finance company from Texas acquired control of two banks in Chicago and was in the process of acquiring a third bank in Indiana, for the evident purpose of loading these institutions with questionable paper belonging to the holding company. This action resulted in the temporary closing of these Chicago banks. Their reopening was only made possible by a change in control and a very substantial advance by the Federal Deposit Insurance Corporation.

There have been other cases in which bank holding companies have been mismanaged and exploited for the benefit of those who controlled them. This fact was lucidly demonstrated during the banking crisis of the early 1930's. The Bank of the United States, a New York State-chartered institution that was placed in the hands of receivers late in 1930, for example, was found to have no less than 55 affiliates, many of them mere dummy enterprises that had been created to serve as holding companies in which poor or doubtful paper could be hidden without having to show it on the books of the parent bank.

In 1930 the head of the Guardian National Bank of Commerce of Detroit appeared before your committee and boastfully told of the new era that had been brought to the Detroit area through acquisitions by holding companies of carefully selected, well-managed and strong banks; how, through the supermanagerial ability of the men who dominated the holding company, stronger institutions, better-managed institutions, more profitable institutions, rendering greater service to every corner of the city and its environs, had come to bless the Detroit area. Within a matter of only a few months both the Guardian and the Detroit Bankers—two gigantic Detroit holding company groups of banks—began to totter. In 1932 the vast financial empire lay in ruins, 297 controlled banks and branch offices, $785 million in deposits—the scars of which disaster still mar the lives of millions of people. Your committee at that time developed that 12 men, each of whom invested $100 apiece, had gained control of a Detroit chain of more than 250 banks. In other cases banks had lent heavily to their officers to finance speculation in the stock of their holding companies. Subsidiary banks had been compelled to pay unwarranted dividends in the face of operating losses to enable holding companies to maintain their dividend policies. Holding companies borrowed from the banks which they owned to finance speculative dealings. The Banking Act of 1933, it is true, aimed at preventing a repetition of such abuses. Your committee wishes to point out, however, that under the terms of that act, a bank holding company can be regulated only if it happens to own a bank which is a member of the Federal Reserve System and only if it desires to vote the stock of that bank.

Bank holding companies not as conducive to economic development as independent unit banks

Independent unit banks, by their willingness to bear substantial local risks, have accelerated the economic development of the United States. Most of our leading companies, it should be recalled, were once small, and got started because local banks had confidence in the ability of the founders. Ideas and ability are to be found everywhere. And who is so likely to recognize these as the local banker who has the power to act on his intimate knowledge, and who will benefit his bank and his community by developing a substantial customer and employer? As the Commercial and Financial Chronicle has so well stated:

"Unit banking is peculiarly suited to the genius of the American people, to the democratic republican form of government which we have developed, to the nature of our business and industrial organization, to our social institutions, and to the individualism which is the foundation of our national progress * * *. Let us never despise the day of small beginnings nor the virtue inherent in small things."

The local independent bank is itself, of course, an ideal small-business enterprise. Local people get together, they invest their own capital, they select their own management and solicit the deposits of the community in which they are located. They then take those deposits and put them out to work for the benefit of the people living in that community. Moreover, because of the FDIC, the Federal Reserve System, and its corresponding banks, the local bank is in an advantageous position to meet the changing needs of its community.

Your committee should like to reemphasize the fact that this is the only country left where most communities are served by home-owned and home-managed banks which are aware of and responsive to the needs of the people of their areas. Our independent banking system has been a vital factor in the development of the United States. Like yeast cells in a loaf of bread, each working in its immediate area, our banks scattered throughout the country have cooperated to produce the greatest and most general economic development the world has known.

Other countries must depend upon 3, 4, or 5 banks having up to thousands of branches. Policies and important credit decisions are made hundreds or thousands of miles from many of the branches. The interest of an enterprising local customer may run counter to that of a large main office account, in which event the former might suffer. This inevitably tends toward concentration in all lines, cartels, the stifling of new enterprises, and stagnation—what has been termed the "mature economy."

THE ORIGIN OF GROUP BANKING

During the history of banking in the United States there have been in operation three distinct types of banking. They are commonly referred to as (1) independent unit banking, representing a bank with 1 office or with 1 office and branches and having only 1 board of directors and 1 capital structure; (2) chain banking, in which 1 individual owns or controls a number of independent unit banks; and (3) group banking, which is the ownership and control of a group of individual banks by a corporate holding company or control of bank shares by a trustee or a group of trustees or control through a majority ownership of bank shares for investment purposes. This bill, H. R. 6227, is concerned only with group banking through what is commonly referred to as ownership or control of banks by a bank holding company.

The most rapid as well as the greatest expansion in group banking came during the years 1927–29. This was a period of substantial corporate promotional activity which in many cases was activated by a desire for promotional and speculative profit. It was during this era that most of the bank holding companies were formed including the major bank holding companies that are operating at the present time. One of the main reasons for the formation of bank holding companies was the limitation on branch banking which existed during that time. Through the bank holding company device the ownership of banks could be acquired in different locations within the same State and also in different States. Until 1927 national banks were not permitted to open branches and most States did not authorize branch banking or if they did so it was limited to areas adjacent to the bank's home office. Thus through the bank holding company device ownership and control of banks could be achieved whereas bank growth could not be expanded through the medium of branches.

Bank holding companies are engaged basically in 1 or 2 types of businesses or both. Some bank holding companies own only the stocks of banks and are primarily engaged in managing or controlling such banks through such stock ownership. Other bank holding companies not only own and control banks but also own or control several nonbanking businesses. Historically, national banks and State banks (excluding mutual savings banks) have been prohibited from investing in the stock of any corporation and their investments are limited to investment securities of a debt character, that is, notes, bonds, or debentures which do not represent an equity ownership. The fundamental reason for this limitation on bank investment in common stocks is for the protection of the depositors in our banks. If banks were permitted to own nonbanking businesses they would be compelled in many instances to extend credit to such businesses to the detriment of other competitive businesses in the community and possibly also to a degree which would be unsound from a banking viewpoint. A bank should always be at arms' length with its borrowers and such a position could not be maintained were banks permitted to own nonbanking businesses and make credit available to them. Through the bank holding company device these restraints which are placed upon banks generally are absent.

Since the bank holding company device can be used to acquire control of banks and nonbanking businesses the question might be asked as to why such operations have not been controlled previously. There is no constitutional basis by which a State could prohibit a corporation chartered in another State from owning or controlling a national bank located within its borders. The only effective means by which bank holding companies can be regulated and controlled is through Federal legislation.

THE PRESENT SITUATION

As previously mentioned there are now on the statute books certain provisions enacted in 1933 and 1935 regulating affiliates and

holding company affiliates of banks which are members of the Federal Reserve System. Any holding company affiliate which desires to vote the stock owned by it in any member bank must first obtain from the Board of Governors of the Federal Reserve System a voting permit and, as a condition to the permit, the company must agree to submit itself and its controlled banks to examination, to establish certain reserve funds, to dispose of any interest in securities companies, and to declare dividends only out of actual net earnings.

The term "holding company affiliate" as defined in the Banking Act of 1933, as amended, essentially includes any corporation, business trust, association, or other similar organization (1) which owns or controls, directly or indirectly, either a majority of the shares of capital stock of a member bank or more than 50 percent of the number of shares voted for the election of directors of any one bank at the preceding election, or controls in any manner the election of a majority of the directors of any one bank, or (2) for the benefit of whose shareholders or members all or substantially all the capital stock of a member bank is held by trustees. Any corporation all of the stock of which is owned by the United States is excluded and the Board of Governors of the Federal Reserve System is also given authority to exclude any organization which the Board determines not to be engaged, directly or indirectly, as a business in holding the stock of, or managing or controlling, banks, banking associations, saving banks, or trust companies.

Information with respect to the number of bank holding company groups operating in the country is not complete. Control of nonmember banks by corporations, business trusts, associations, and other similar organizations is not generally required to be reported pursuant to existing Federal law. Undoubtedly, examination of sources of information other than required reports would disclose bank holding companies other than the presently known cases for which information is readily available. The Federal Reserve has compiled a list of 114 known cases in which corporations, business trusts, associations, and other similar organizations own or control 50 percent or more of the capital stocks of one or more banks including both member and nonmember banks. Such groups as of December 31, 1954, had 1,313 banking officers (including branches) with total deposits of $23.2 billion. The following table sets forth a breakdown of these groups:

TABLE I.—*Characteristics and size of 114 bank holding company groups (as of Dec. 31, 1954)*

Type of group	Cases	Banks	Branches	Total offices	Deposits
Groups presently regulated by Federal Reserve Board	18	254	578	832	$10,781,929,000
1 bank group where the controlled bank is a member bank	[1] 63	78	197	275	9,622,904,000
1 bank group where the controlled bank is a nonmember bank	15	21	41	62	682,820,000
More than 1 bank group where the controlled banks are nonmember banks	8	59	35	94	1,117,417,000
Other groups with 2 or more banks of which at least 1 controlled bank is a member bank	[2] 10	40	10	50	1,043,691,000
Total	114	452	861	1,313	23,248,761,000

[1] Of which 61 have been exempted by the Federal Reserve Board.
[2] Of which 6 have been exempted by the Federal Reserve Board.

As of December 31, 1954, there were 18 holding company affiliate bank groups operating in the country, which had obtained voting permits from the Board of Governors of the Federal Reserve System and thus were subject to the regulation provided for in existing law. These 18 holding company groups operated in 22 States, had 832 banking offices (including branches) with total deposits of $10.8 billion. As of the same date all commercial banks in the United States had 19,948 banking offices (including branches) with total deposits of $183.6 billion.

While the holding company affiliate bank group totals related to national totals appear relatively modest (4.17 percent for number of banking offices and 5.87 percent for deposits) a quite different picture is presented by examination of the data on a State basis. In 11 States more than 20 percent of deposits in all commercial banks in those States is controlled by one or more of these 18 holding company affiliate bank groups. Detail by States is set forth in the following table:

TABLE II.—*Control of bank deposits in certain States*

State	Percent of deposits of 18 holding company groups to deposits of all commercial banks in State	Number of regulated holding company groups operating in the State
Nevada	78.29	1
Minnesota	57.04	3
Oregon	44.88	1
Montana	44.19	2
Washington	32.76	4
Idaho	32.26	1
South Dakota	32.19	2
North Dakota	29.13	2
Utah	24.14	1
Wisconsin	22.09	2
Arizona	21.13	1

In the case of Nevada, Oregon, and Arizona, just one holding company through its controlled banking offices had 74.29, 44.88, and 21.13 percent of all deposits of all commercial banks in those States, respectively. Of the 18 holding company affiliate bank groups under the supervision of the Federal Reserve Board, 4 of these groups operate across State lines. One of these groups has banking offices in 7 States which are located in 3 Federal Reserve districts.

The provisions of existing law providing for the regulation of the activities of a bank holding company apply only if the bank holding company controls at least one member bank of the Federal Reserve System and only if the holding company desires to vote the stock of that member bank. A bank holding company may avoid regulation by the Federal Reserve Board through electing not to vote the stock of any member bank. For instance there is one bank holding company which owns more than 50 percent of the stock of 5 national banks, 2 State nonmember banks, and in addition has substantial minority interests in 3 other national banks. Although approximately 36 percent of the par value of all the bank stocks owned by the holding company is represented by its stock investment in the five national banks, the holding company has not elected to obtain a voting permit enabling it to vote the shares of these banks in which in each case it owns more than 50 percent of their outstanding capital stocks.

There are a number of bank holding companies which are not subject to regulation by the Federal Reserve Board due to the fact that they own controlling interests in only nonmember banks. One such holding company owns the controlling stock interest in 8 State banks located in 3 States.

One holding company which has extensive nonbanking investments also owns through a subsidiary the controlling interest in 10 banks located in 4 States and the District of Columbia. All of these banks are State banks and hence the bank holding company is not subject to Federal Reserve Board regulation. However, the activitics of this holding company are such as to make it subject to regulation by the Securities and Exchange Commission under the Investment Company Act of 1940. While such regulation is extensive in scope it is designed principally to protect the interests of share owners as contrasted with holding company regulation by the Federal Reserve Board which is concerned principally with protecting the soundness of the banks in the group.

There is nothing in existing law which prevents the combination under the same control, through the holding company device, of both banking and nonbanking enterprises. Of the 18 holding company affiliate groups now under regulation by the Federal Reserve Board, 13 of the groups had stock investments in one or more nonbanking organizations. In all, 90 nonbanking organizations were included in the holdings of these groups as of December 31, 1953 (latest date for which complete year-end figures are available). The following table sets forth pertinent information as to these holdings:

TABLE III.—*Nonbanking organizations in 18 holding company affiliate groups as of Dec. 31, 1953* [1]

Type of business	Number of groups	Number of nonbanking organizations	Total assets of nonbanking organizations
Safe deposit	1	2	625,000
Bank buildings	6	8	10,169,000
Liquidation of assets	3	4	1,741,000
Liquidation of assets and insurance agency	1	1	208,000
In liquidation	3	4	852,000
Inactive	4	6	97,000
Service organizations of groups	2	2	1,307,000
Trustees under deeds of trust	1	2	763,000
Insurance agencies	7	13	1,997,000
Owning and operating real estate	5	8	1,039,000
Real estate activities and oil development	1	1	19,453,000
Real estate sales and insurance	1	1	329,000
Real estate sales, rentals, and property management	1	1	27,000
Real estate sales and liquidations	1	1	58,000
Real estate insurance agency	1	1	334,000
Financing and servicing real estate	3	3	58,646,000
Home construction and improvement	1	9	324,000
Building and loan association	1	1	1,331,000
Automobile financing	1	1	2,899,000
Installment financing	1	1	1,595,000
Installment service agency	2	2	125,000
Abstract and title insurance	1	2	1,657,000
Investment of own funds	3	5	5,552,000
Insurance underwriting (life, fire, casualty or automobile)	2	8	498,899,000
Catching, processing, and selling fish and fish products	1	1	11,761,000
Metals manufacturing (and subsidiary sales and service company)	1	2	25,697,000
Total	[2] 13	90	647,493,000

[1] The "holding company affiliates" in these groups are those which are now subject to the limited regulation provided by existing law.
[2] Omitting duplications.

One of the regulated bank holding companies which owns more than 50 percent of the capital stocks of banks with total deposits of slightly over $2 billion, in its annual report for the year ending December 31, 1954, sets forth considerable information

as to its holdings and operations of nonbanking subsidiaries. This holding company owns all of the capital stock of a life insurance company with total assets of $447 million. This insurance company with over $5 billion of life insurance in force operates in 47 States, 7 Canadian Provinces, Hawaii, Alaska, and the District of Columbia. In addition the holding company owned from 92.5 to 100 percent of the capital stock of 4 fire and casualty insurance companies which write practically all forms of insurance other than life. The combined assets of these companies were over $98 million and their premium income in 1954 was over $46 million. The holding company owned a 94.4 percent stock interest in a company which manufactures hydraulic pumps, diesel engines, and precision metal products. This manufacturing company with assets of $23.7 million had net sales in 1954 of over $35 million. The holding company owned a 75.6 percent stock interest in a seafood packing company which cans salmon and tuna and also sells frozen seafoods as well as precooked fishsticks. Assets of this packing company exceeded $11.3 million and 1954 sales volume was almost $15 million. The holding company owned all the capital stock of a finance company dealing in mortgages and home-improvement loans. The finance company had assets of over $36.6 million and at the end of 1954 was servicing notes and mortgages totaling slightly over $171 million. The holding company owned all of the capital stock of a real-estate investment company with assets of $19.3 million. This investment company develops on its own account or participates with others in the development of home and shopping-center projects. It realizes income from the sale of oil from 118 producing wells which it owns or in which it has an interest together with royalties and rentals from 130 properties leased to major oil companies. The company owns subsurface rights to approximately 400,000 acres of lands.

MAJOR PROVISIONS OF H. R. 6227

Your committee is convinced from the evidence presented during its recent hearings that this bill represents the minimum legislation necessary to deal with the bank holding company problem. The committee wishes to make clear that the legislation which it proposes is not designed to abolish bank holding companies or to prohibit the expansion, within certain limits, of existing bank holding companies. The bill would impose controls which the committee deems desirable over the creation and expansion of bank holding companies and would require them to separate their business of managing and controlling banks from unrelated businesses. The bill contains five major provisions.

First, the bill would set forth a declaration that it is the policy of the Congress (a) to control the creation and expansion of bank holding companies, (b) to separate their business of managing and controlling banks from unrelated business, (c) generally to maintain competition among banks and to minimize the danger inherent in concentration of economic power through centralized control of banks, and (d) to subject bank holding companies to examination and regulation. It is the opinion of your committee that bank holding companies should be subject, insofar as practicable, to the same type of examination as the banks which they control.

Second, the bill would define a bank holding company as any company which either (a) controls 25 percent or more of the voting shares of 2 or more banks or of a bank holding company, or (b) is found by the Board of Governors of the Federal Reserve System, after notice and opportunity for hearing, to exercise a controlling influence over 2 or more banks. Certain exemptions from the definition of "bank holding company" are, however, provided. These are as follows: (a) Any corporation a majority of the shares of which are owned by the United States or any State, (b) banks which own or control shares solely in a fiduciary capacity (except where such shares are held for the benefit of all or a majority of the persons beneficially interested in such bank), and (c) any mutual savings bank, and any nonprofit organization operating exclusively for charitable, religious, and similar purposes which would otherwise be a bank holding company by reason of its ownership of bank stock on the effective date of the act.

Third, the bill would require bank holding companies to obtain the prior approval of the Board of the Federal Reserve System before acquiring additional bank stocks or assets. The Board, before granting aproval of any application, would be required to ask for the recommendation of the agency that chartered the bank or banks involved, the Comptroller of the Currency in the case of a national bank and the State supervisor in the case of a State bank. If such an agency denied approval within 30 days that action would be final, but if approval were granted then the Board, of course, in the light of the overall situation still could make its own determination.

Fourth, the bill would require bank holding companies within a maximum of 5 years to divest themselves of interests in nonbanking enterprises. Suitable tax relief on the distribution of such interests made at the order of the Board, or where because of such an order a company chooses to distribute its holdings of bank shares so as to cease to be a bank holding company, is provided.

Fifth, the bill would prohibit a bank subsidiary of a bank holding company from investing any of its funds in, or lending any of its funds on the security of the stock or other securities of the holding company of which it is a subsidiary, and other subsidiaries thereof, and would prohibit the bank from making loans to its bank holding company and other subsidiaries.

DEFINITION OF A BANK HOLDING COMPANY

The bill defines a bank holding company as any company which either (a) controls 25 percent or more of the voting shares of 2 or more banks or of a bank holding company, or (b) is found by the Board of Governors of the Federal Reserve System, after notice and opportunity for hearing, to exercise a controlling influence over 2 or more banks. Certain exemptions from the definition of "bank holding company" are, however, provided. These are as follows: (a) Any corporation a majority of the shares of which are owned by the United States or any State, (b) banks which own or control shares solely in a fiduciary capacity (except where such shares are held for the benefit of all or a majority of the persons beneficially interested in such bank), and (c) any mutual savings bank, or any organization operating exclusively for charitable, religious, and similar purposes which would otherwise be a bank holding company by reason of its ownership of bank stock on the effective date of the act.

Your committee is unable to endorse the definition of "bank holding company" proposed by the Federal Reserve Board. It recommended that a "bank holding company" be defined as any company which owns or controls, directly or indirectly, a majority of the shares of one or more banks. Such a definition would perpetuate the long-recognized deficiencies of the definition of the term "holding company affiliate" contained in present law. This definition is based primarily on ownership or control of a majority of the shares of a bank or of the shares voted in the last election of directors of a bank. Congress and the courts have recognized the fact that control is often exercised through ownership of much less than a majority of the shares of a corporation. In the Public Utilities Holding Company Act of 1930, for example, the Congress defines a holding company as follows: "any company which directly or indirectly owns, controls, or holds with power to vote, 10 percent or more of the outstanding voting securities of a public-utility company or of a company which is a holding company by virtue of this clause or clause (B), unless the Commission, as hereinafter provided, by order declares such company not to be a holding company."

In the Investment Companies and Advisers Act, "control" is defined in this manner:

"Control means the power to exercise a controlling influence over the management or policies of a company, unless such power is solely the result of an official position with such company. "Any person who owns beneficially, either directly or through one or more controlled companies, more than 25 percent of the voting securities of a company shall be presumed to control such company."

Ownership of a majority of the shares voted in the preceding election of directors is equally unrealistic. In marked contrast to its present position the Board in its 1943 annual report acknowledged it when it stated:

"In the Board's experience, the case in which regulation is most necessary is likely also to be the case in which advantage has been taken of the gaps in the statutory definition with respect to the number of shares owned or controlled. The Board believes that these gaps should be filled in by incorporating in the statute a more realistic definition envisaging the manner and means by which effective control actually is exercised."

The type of definition now proposed by the Federal Reserve Board would not cover some existing groups which are in effect bank holding companies. More important, it is quite possible it would not cover arrangements for control of a number of banking units which could easily be devised in the future to escape coverage of the definition proposed by the Board. In contrast, your committee believes the definition of bank holding company contained in H. R. 6227 is a realistic definition fully adequate to meet these possibilities of evasion.

As pointed out previously this bill does not deal with banks owned by an individual. The definition of company contained in the bill does not include an individual, and it also specifically excludes the administrator of a person's estate, the executor of a person's will, and the trustees of a testamentary trust. Also excluded would be an irrevocable trust the corpus of which is donated by one person and consists only of such person's property. In connection with the latter exclusion, however, your committee desires to point out that the exclusion is only intended to cover bona fide trusts created for specifically named beneficiaries. The exclusion is not to be used to evade the purposes of the act. For instance, if a number of individuals owning stock in the same banks create such trusts for the purpose of controlling the banks through the voting of the trustees in concert, such trusts would not be bona fide trusts entitled to exclusion from the provisions of this bill. Your committee desires to alert the Federal Reserve Board in this respect, and requests the Board to inform your committee and the Congress in its annual reports of attempts to use this particular exclusion for the purpose of evading the purposes of the bill.

CONTROL OF BANK HOLDING COMPANY EXPANSION

The bill would control the future expansion of bank holding companies. The problem of how far bank holding company systems should be permitted to expand has long been of serious concern. It is in this area

that one of the greatest potential evils of bank holding company operations exists.

A chartered bank may be prevented by Federal or State law or by the appropriate regulatory agency to which it is subject from expanding its banking offices either by the establishment of new branches or by taking over and operating the offices of other banks as branches.

In order to establish branches national banks must first obtain permission from the Comptroller of the Currency, State member banks from the Federal Reserve Board, and nonmember insured banks from the Federal Deposit Insurance Corporation. But a bank holding company is not limited by any such requirements.

Through the acquisition by the holding company of the stock of an existing bank which thereafter may be operated essentially as a branch of the holding company system, the denial of a branch application of a controlled bank may become almost meaningless.

The holding company device lends itself readily to the amassing of vast resources obtained largely from the public, which can be controlled by the relatively few who comprise the management of the holding company, giving them a decided advantage in acquiring additional properties and in carrying out a program of expansion. Such power can be used to acquire independent banks by measures which leave local management and minority stockholders little with which to defend themselves except their own protests.

The enactment into law of H. R. 6227, your committee feels, is necessary to correct this situation. Section 5 of the bill provides that no action could be taken which would make a company a bank holding company without obtaining the approval of the Federal Reserve Board, nor could any voting stock in any bank or the assets of a bank be acquired by a bank holding company without obtaining approval of the Board. The only exception to these provisions is the acquisition by a bank holding company of voting stock acquired as a stock dividend.

Before granting approval to any application, the Board would be required to ask for the recommendations of the agency that chartered the bank or banks involved, the Comptroller of the Currency in the case of a national bank and the State supervisor in the case of a State bank. If such agency denied approval within 30 days, that action would be final, but if approval was granted then the Board, of course, in the light of the overall situation still could make its own determination.

The argument made by the Federal Reserve Board for centering all decisions on expansion in its hands is not convincing. It is apparently the position of the Federal Reserve Board that to give the Comptroller in the case of a national bank and the State supervisor in the case of a State bank, the right to deny approval of acquisition of the stock or assets of a bank would bring about diffusion of authority, involve dual application of effort and give rise to administrative difficulties.

Your committee regards this position as fallacious and untenable. The Federal Reserve Board agrees that the respective Federal and State supervisory authority should be consulted, and their views should be considered by the Board. We are unable to see how making a recommendation by the State supervisors would entail any less investigative work upon their part, create less diffusion of responsibility, or give rise to less administrative difficulties than the making of a definite decision that would be final on the Board.

As a matter of fact, if the Federal Reserve's recommendation were adopted both the Comptroller and the State supervisor and the Federal Reserve would have to make an investigation, but under the terms of the bill reported by your committee, if the State supervisor said "No," that would mean no investigation would be necessary by the Federal Reserve. The decision would be final and no administrative work would follow.

Section 5 further provides that in no case could further expansion outside of the home State of a bank holding company or a subsidiary thereof be approved and applications within the home State could be approved only within the area within which branches of banks are permitted or where by State statute such expansion is specifically exempted from branch banking restrictions.

The essence of section 5, your committee believes, is the placing of bank holding company expansion on the same basis as expansion in offices of banks. It establishes equity between holding companies and banks as to the area in which they can expand. The statutes of the States contain provisions clearly calculated to control the extent of banking operations by geographic limitations. It has been a generally recognized principle that such control could best be exercised by the individual State, depending on the banking needs of such State. This principle was given recognition by the Congress in the Banking Acts of 1927 and 1933, which authorized the Comptroller of the Currency to approve branches for a national bank only within State boundaries, and subject to the restrictions as to location imposed by the laws of the State on State banks.

Nearly all of the States already have legislated on the subject of branch banking. There is no reason to force a State again to legislate on branch banking. Your committee concurs with R. M. Evans, a former member of the Board of Governors of the Federal Reserve System, who said:

"Once we acknowledge what has been officially ruled in at least two States—that is, that holding company banking is a type of branch banking—then holding company legislation should do what our present national banking legislation does; namely, permit branches when State law permits them and deny branches when State law does not permit them."

Finally, section 5 enumerates the standards which would guide the Federal Reserve Board in deciding whether to approve any such expansion. First, it would have to consider the financial history and conditions of the applicant and the banks concerned; their prospects; character of their management; and the needs of the communities involved.

These are in general the considerations now specified in the law as the basis for administrative action in connection with the admission of State banks to membership in the Federal Reserve System and the granting of deposit-insurance coverage.

However, under H. R. 6227, the Federal Reserve Board would also have to consider whether the proposed expansion of a bank holding company or of any banking subsidiary in a bank holding company group would extend the operation of the holding company group beyond limits consistent with adequate and sound banking and the public interest.

DIVESTMENT OF NONBANKING BUSINESSES

The bill provides for the divestment by bank holding companies of investments in businesses, extraneous to banking within a period of 2 years, which period can be extended to a maximum of 5 years by the Federal Reserve Board. Suitable tax relief on such distributions made at the order of the Board, or where because of such an order a company chooses to distribute its holdings of bank shares so as to cease to be a bank holding company, is provided.

The reasons underlying the divestment requirement are simple. As a general rule, banks are prohibited from engaging in any other type of enterprise than banking itself. This is because of the danger to the depositors which might result where the bank finds itself in effect both the borrower and the lender. It is for this reason, among others, that statutes limiting the investments of banks have been passed by both the Congress and State legislatures.

The bank holding company is under no such restriction. It may acquire and operate as many nonbanking businesses as it has funds and the disposition to acquire. There are in the country today, as has been pointed out previously, bank holding companies which, in addition to their investments in the stocks of banks, also control the operations of such nonbanking businesses as insurance, manufacture, real estate, mining, and a number of others.

Whenever a holding company thus controls both banks and nonbanking businesses, it is apparent that the holding company's nonbanking businesses may thereby occupy a preferred position over that of their competitors in obtaining bank credit. It is also apparent that in critical times the holding company which operates nonbanking businesses may be subjected to strong temptation to cause the banks which it controls to make loans to its nonbanking affiliates even though such loans may not at that time be entirely justified in the light of current banking standards. In either situation the public interest becomes directly involved.

Your committee finds itself unable to accede to the desire of the Federal Reserve Board for discretionary authority to exempt business determined by it "to be so closely related to the business of banking * * * as to make it unnecessary for the prohibitions of this section to apply * * *."

Your committee finds itself in full accord with the views expressed by former Comptroller of the Currency Preston Delano, when he testified before the Senate Banking and Currency Committee in 1950 on the Board's proposal. He stated:

"Under this provision, a holding company could engage through its subsidiaries in any other business which the Board, in its discretion, determines to be a 'proper incident' to the business of managing, operating, or controlling banks.

"By way of illustrating the possible effect of this sweeping discretionary power, it might be pointed out that if the Board of Governors considered the business of acquiring consumer paper by purchase or otherwise and the servicing and sale of that paper to be a 'proper incident' to the business of managing, operating, or controlling banks, a large bank holding company would be in a position to organize and control subsidiary companies in every city in the Nation to engage in this business in competition with independent banks operating in their respective business areas, and such subsidiary companies could funnel this business into the banks of the holding company system.

"Freedom to engage in such activities would give to the bank holding company systems a tremendous competitive advantage over independent banks, which cannot engage in similar activities away from their home offices except through duly authorized branches, which in no case can be established beyond State lines."

Your committee has, however, exempted certain specific businesses which it believes to be obviously incidental to the business of banking. A bank holding company would not be required to divest itself of any company engaged solely in holding or operating properties used wholly or in part by any subsidiary that is a bank in its operations or acquired for such future use, or engaged solely in conducting a safe deposit business, or solely in the business of serving such holding company and its subsidiaries in auditing, appraising, investment counsel, or in liquidating assets acquired from such bank holding company and its subsidiaries. Neither would a bank holding company be required to divest itself of securities which

are eligible for investment by national banks or general investments of limited amounts.

Your committee has examined the various proposals to "freeze" bank holding companies' nonbanking investments. All of these, it was found, have a common defect. They would leave any company, controlled by a bank holding company, free to expand its capital structure by issuing preferred stock or bonds, by merger, or the organization of subsidiaries of its own.

The fallacy of any attempt to "freeze" nonbanking investments will best be understood by a concrete illustration. Transamerica owns 75 percent of the outstanding voting stock, carried at $2,665,000, in Columbia River Packers. Now let us assume that Transamerica's investment in this company was completely frozen; that is, the amount of money it had invested, the number of shares it held, and the percentage of voting shares it held could not be changed. The Columbia River Packers, nevertheless, could expand its operations by issuing additional securities to others than the holding company. This company could also absorb other companies and could expand into other fields—in fact into any line of business which its charter permitted. It could organize subsidiaries, raising capital funds from outsiders, thereby enlarging its financial structure and its operations without dissipating the control of the holding company. Last year it broadened its tuna packing operations and its frozen seafood lines. It added precooked fish sticks this year. Your committee has no reason to believe the company might not expand into canned fruits and vegetables, or other food processing lines, by merger or otherwise. Similar expansion could be accomplished by subsidiaries of any bank holding company.

SELF-DEALING LIMITATIONS

The bill would prohibit a bank subsidiary from investing any of its funds in, or loaning any funds on the securities of, its parent bank holding company or subsidiaries thereof. Such a subsidiary bank would also be prohibited from loaning any of its funds to its parent bank holding company or subsidiaries thereof. Your committee believes that such prohibitions are essential to prevent unsound banking practices.

While these prohibitions would prevent so-called "upstream" financial transactions between a subsidiary bank up to or through its parent bank holding company, the prohibitions would not prevent reverse operations. The committee recognizes that a bank holding company should be able to make loans and investments in its subsidiaries and in the case of subsidiary banks may perform a very useful function in this regard in supplying needed capital funds.

The inadequacy of existing law with respect to self-dealing between bank holding companies and their subsidiary banks was plainly presented to the banking world in 1953 when the Bankers Discount Corp., of Dallas, Tex., which operated a chain of small-loan companies in Texas, Tennessee, Arizona, and California, purchased the controlling interest in three banks in the Chicago area which later were forced to close temporarily. The almost unbelievable story of the Bankers Discount Corp. was recounted to the Senate Banking and Currency Committee on June 12, 1953, by H. Earl Cook, Chairman of the Board of Directors of the Federal Deposit Insurance Corporation, during the hearings on S. 76 and S. 1118, bills to provide for the control and regulation of bank holding companies.

Briefly stated, this is the story as told by Mr. Cook:

"On February 6, 1953, Bankers Discount Corp., of Dallas, Tex., which was incorporated in 1946, and operated a chain of small-loan companies in Texas, Tennessee, Arizona, and California, purchased the controlling interest in the First State Bank of Elmwood Park, Elmwood Park, Ill. Bankers Discount acquired 10,800 shares of the outstanding 20,000 shares of stock at $25 per share. On February 6 and 25, Bankers Discount Corp. purchased 6,800 shares of the outstanding 10,000 shares of stock of the Devon-North Town State Bank, of Chicago, Ill., at $90 a share. In both instances the stock acquired by the Bankers Discount was purchased from Henry J. Beutel, president of the two banks, who was also president of West Irving State Bank, Chicago, Ill., and his associates.

"Concurrently with the acquisition of the stock in the two banks, Bankers Discount obtained unsecured loans from each bank in the amount of the banks' legal lending limit. In the case of First State Bank of Elmwood Park a $50,000 unsecured loan was obtained and in the Devon-North Town State Bank an $85,000 unsecured loan was granted. In the case of Devon a contract was entered into on February 16 whereunder the bank agreed to purchase notes from Bankers Discount Corp. without recourse for the full value of such notes less a 2-percent discount to be held in a reserve account. Up to April 1 the bank purchased approximately $925,000 of such notes which subsequent payments reduced to approximately $837,000. In the case of the Elmwood Park Bank a similar agreement was entered into on or about March 23, and between that date and April 3, the bank acquired approximately $2,180,000 of personal notes previously held by Bankers Discount Corp.

"On March 31, the auditor of public accounts of the State of Illinois advised the Federal Deposit Insurance Corporation it was his intention to take over the Elmwood Park and Devon Banks for examination and adjustment on April 2 unless the Bankers Discount Corp.'s loans and the notes which had been purchased by the banks were removed. He made other requirements with regard to the management. Subsequently an extension of time was granted the banks by the auditor in order to permit them to endeavor to have the Bankers Discount obligations removed. This measure failing, the auditor, on the morning of Saturday, April 11, took over the Devon and Elwood Park Banks for examination and adjustment and also took over the West Irving State Bank which had just agreed to purchase approximately $300,000 of Bankers Discount Corp. notes and had granted the Bankers Discount a $65,000 unsecured loan.

"As a result of the action taken by the auditor of public accounts the $800,000 proceeds of the sale of the notes could not be drawn upon by Bankers Discount, the sale was canceled, and the West Irving State Bank was permitted to repoen without financial assistance from this corporation on April 20 after the $65,000 loan was refinanced by Bankers Discount Corp.

"Through the extension of financial aid of approximately $4,820,000 by the Federal Deposit Insurance Corporation in accordance with the provisions of section 13 (e) of the Federal Deposit Insurance Act, the deposit liabilities of First State Bank of Elmwood Park were assumed by the newly organized bank of Elmwood Park as of the close of business on May 26.

"On May 28, the Devon-North Town State Bank reopened for business, after disposing of the Bankers Discount Corp. notes held by it, without the financial assistance of this Corporation."

Your committee feels that to fail to prohibit self-dealing between bank holding companies and their subsidiary banks would be to invite a repetition of the situation described above.

TAX RELIEF FOR DISTRIBUTIONS MADE UNDER THE ACT

The bill would add a new part VIII to subchapter O of the Internal Revenue Code of 1954. Under this new part, tax relief is accorded to distributions which are made pursuant to the Bank Holding Company Act of 1955 within the period prescribed in the act.

In general, a corporation which comes within the terms of the act as a bank holding company is given its choice of two alternative routes (that is, to remain a bank holding company, or to dispose of its interests in banks).

If the corporation decides to remain a bank holding company subject to the supervision of the Federal Reserve Board, it may distribute any "prohibited property," which the Board certifies is necessary or appropriate to comply with the act, to its shareholders without the recognition of gain by the shareholders on the distribution. For this purpose "prohibited property," in general, means stock, securities and other obligations, or other assets of nonbanking businesses to the extent the bank holding company is required to divest itself of such assets under section 6 (a) of the bill. The term, however, does not include cash, Government bonds, or certain short-term obligations. In the ordinary case cash and cash equivalents, such as Government bonds and short-term obligations, will not come within section 6 (a) of the bill as property which must be disposed of by the bank holding company. It is believed desirable, however, to expressly exclude cash, etc., from the definition of "prohibited property," since a similar exclusion is contained in the comparable provisions of part VI of subchapter O, relating to exchanges in obedience to SEC orders.

With respect to the distributing corporation, the usual provisions of the Internal Revenue Code of 1954 apply. Under these provisions, gain generally is not recognized to the distributing corporation except under unusual circumstances such as the distribution of LIFO inventory, the distribution of property subject to a liability in excess of the adjusted basis, or the distribution of certain installment obligations.

The distribution of "prohibited property" may be made either directly to the shareholders of the corporation which is a bank holding company or may be transferred to a wholly owned subsidiary expressly created for purposes of receiving the prohibited property. The stock of the subsidiary must be immediately distributed to the shareholders of the corporation which is a bank holding company if the distribution is to be made under this bill without the recognition of gain to the shareholders.

If a corporation which qualifies as a bank holding company under the act chooses the second alternative route, it may distribute to its shareholders any bank stock or other property of a kind which causes it to be a bank holding company, without the recognition of gain to the recipient stockholders. The Board must certify, however, that distribution of property of that kind is necessary or appropriate to effectuate the policies of the act. In such a case, the corporation may, for example, distribute to its shareholders all of its shares of bank stock without the recognition of gain even though it would be possible to retain shares of stock in one bank without being classified as a bank holding company. Your committee believes that this treatment is necessary because a corporation which is compelled to divest itself of part of its bank stock by reason of the act may wish to distribute all of its shares of bank stock, so that no possibility will exist that it will be classified as a bank holding company in the future.

Your committee contemplates that the Federal Reserve Board in the discharge of its functions in making certifications that exchanges and distributions are necessary or appropriate to effectuate the purposes of the act will carefully scrutinize the facts and circumstances in each case to prevent abuses and will cooperate fully with the Treasury Department to this end. Although the time of recognition of gain may be legitimately

shifted under the provisions of this part, nothing in these provisions is to be construed or applied in such manner as to permit tax evasion or sham transactions entered into for avoiding tax.

Your committee has restricted the nonrecognitfon treatment described above to property which was owned on May 15, 1955. This restriction is deemed necessary to prevent corporations from purchasing interests in banks or other property in order that their shareholders may get the benefit of the tax treatment provided in the act. The restriction would not apply, however, if the property was received in a transaction in which gain was not recognized because of the general rules described above. For example, if prohibited property was distributed by a subsidiary to its parent in a corporate chain without recognition of gain to the parent by reason of these provisions, the parent, in turn, may distribute the property to its own shareholders without recognition of gain under a certification by the Board, even though the property was acquired by the parent after May 15, 1955. Similarly the May 15, 1955, cutoff date is not applicable where the prohibited property or bank stock (or other similar property) certified by the Board is transferred to a wholly owned subsidiary created for that purpose and the stock of the subsidiary is immediately distributed by the qualified bank holding corporation to its shareholders.

As in the case of the first alternative route, nonrecognition treatment is available whether the bank stock or other similar property certified by the Board is distributed directly to shareholders or whether it is first transferred to a wholly owned subsidiary expressly created for that purpose and the stock of the subsidiary is then immediately distributed to the shareholders of the parent.

To prevent certain tax avoidance possibilities that might otherwise exist, your committee's bill does not extend nonrecognition treatment, under the general rules described above, to any portion of a distribution attributable to a contribution to the capital of any corporation where the contribution is made after May 15, 1955. This restriction applies whether or not the contribution to capital is made by a shareholder of the corporation receiving such contribution. In the case of a contribution to the capital of a bank, however, the limitation does not apply if it is determined that avoidance of Federal income tax was not a principal purpose of the contribution.

Where the nonrecognition treatment has been extended to "prohibited property" which has been distributed by the corporation which is a bank holding company, a final certification must be obtained from the Board that the corporation has divested itself of all property necessary for compliance with the act within the statutory period permitted for divestment. If this final certification is not obtained, the transactions previously permitted to be made without recognition of gain are reopened and tax may be imposed in such cases. For this purpose the statute of limitations on assessments of a deficiency resulting solely from such a transaction does not expire until 1 year after the date on which the corporation gives notification that a final certification by the Board has been made.

A similar final certification is required were nonrecognition treatment has been originally accorded to the distribution of bank stock or similar property of a kind which the Board has certified as necessary so that the corporation will cease to be a bank holding company. In this case the tax provisions of the bill provide that the Board must give a final certification that the corporation has ceased to be a bank holding company within 2 years after the date of enactment unless the time has been extended by the Board for 1-year renewals not to exceed 5 years from date of enactment.

MISCELLANEOUS PROVISIONS

The bill contains a number of miscellaneous provisions, some of which are of substantive importance, and some of which are technical in nature.

The basis of stock or other property received by a distributee without recognition of gain under the provisions of the bill is determined by allocating the adjusted basis of the stock with respect to which the distribution was made between such stock and the property so distributed. This rule is similar to the general rule for allocation of basis in the case of a stock dividend. The bill provides that the allocation shall be made under regulations provided by the Secretary or his delegate.

Registration, reports, and examination

The bill would require each bank holding company to register with the Board of Governors of the Federal Reserve System. It would be required to do this within 6 months after the effective date of the act or within 6 months after becoming a bank holding company, whichever was later, and the Board may grant extensions up to an additional 6 months. When registering, it would be required to give such information about its finances and operations as the Board deemed necessary to carry out the purposes of the act. The bill would also authorize the Board, to enable it to carry out the purposes of the act, to issue regulations and orders, require reports under oath, and make examinations of each bank holding company and subsidiary thereof.

The Board of Governors would be required within 1 year after the effective date of the act, and each year thereafter in the Board's annual report to report to Congress the results of the administration of the act, stating what, if any, substantial difficulties had been encountered in carrying out the purposes of the act and any recommendation as to changes in the law which the Board believed desirable.

Reservation of rights to States

The bill, in a clear-cut statement, would preserve all the rights which States, now or hereafter, may have to regulate banks or bank holding companies.

Hearings and review

The bill would give any person affected by the Federal Reserve Board's action or omission to act under the bill a right to judicial review with a trial of the facts de novo in an appropriate court proceeding. Your committee believes that simple justice requires any action or inaction of the Federal Reserve Board should be subject to hearings and the aggrieved party should have the right to court review.

Penalties

The bill would provide penalties for willful violation of the act or any regulations or orders issued by the Board pursuant thereto. Upon conviction a company may be fined $1,000 for each day the violation continues and an individual upon conviction may be subjected to a $10,000 fine or 1 year imprisonment or both. Officers or employees of a bank holding company are made subject to the same penalties for making false entries in books, reports, or statements that are applicable to officers or employees of Federal Reserve member banks ($5,000 fine or 5 years' imprisonment, or both).

SECTION-BY-SECTION ANALYSIS OF THE BILL

Section 1: This section provides that this act may be cited as the Bank Holding Company Act of 1955.

Section 2: This section sets forth a declaration of policy by the Congress that the creation and expansion of bank holding companies be subjected to control, that bank holding companies he required to separate their business of managing and controlling banks from unrelated businesses and that bank holding companies be subjected to the same type of examination and regulation as the banks which they control. The section further provides that it is a policy of the Congress generally to maintain competition among banks and to minimize the danger inherent in the concentration of economic power through centralized control of banks.

Section 3: Subsection (a) defines the term "bank holding company" to mean any company which directly or indirectly owns or controls 25 percent or more of the voting shares of 2 or more banks or of a company which is or becomes a bank holding company by virtue of this act; or any company which, after notice and hearing, is determined by the Board of Governors of the Federal Reserve System to exercise directly or indirectly a controlling influence over the management or policies of 2 or more banks. A successor to any such bank holding company for purpose of the act is deemed to be a bank holding company as of the date the predecessor company became a bank holding company. However no (1) mutual savings bank, (2) nonprofit religious, charitable, scientific, or educational organization, nor (3) company owning banks with aggregate deposits of less than $15 million as of December 31, 1954, shall be classed as or held to be a bank holding company by reason of the ownership of the stock of any bank as of the effective date of the act. A provision of the definition specifically excludes any corporation wholly owned by the United States, or any bank owning or controlling shares in a fiduciary capacity except where such shares are beneficially held for all or a majority of the persons interested in the bank.

Subsection (b) defines a "subsidiary" of a specified bank holding company in terms of the ownership and control tests applicable to a bank holding company.

Subsection (c) defines the term "company" to include any bank, corporation, partnership, joint-stock company, business trust, voting trust, association, or any similar organized group of persons whether incorporated or not. However, any such company the majority of the shares of which are owned by the Federal Government or by any State are excluded.

Subsection (d) defines the term "bank" to include any national or State bank, savings bank or trust company, but excludes any organization which does not do business within the United States. The subsection also defines the terms "State member bank" and "district bank."

Subsection (e) defines the term "successor" and gives the Board of Governors of the Federal Reserve System the right by regulation to further define the term "successor" to the extent necessary to prevent evasion of the purposes of the act.

Subsection (f) makes clear that where the term "Board" is used in the act the reference is to the Board of Governors of the Federal Reserve System.

Section 4: This section sets forth powers and duties with respect to the registration, making of reports, and examination of bank holding companies.

Subsection (a) requires bank holding companies to register and file requisite information with the Board within a period of 180 days and grants the Board the right to extend such period for not to exceed an additional 180 days.

Subsection (b) authorizes the Board to issue regulations and orders necessary in administration of the act.

Subsection (c) gives the Board authority to require reports from and make examinations of bank holding companies and their subsidiaries. To avoid duplication of effort, use, so far as possible, will be made of examination reports of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or appropriate State bank supervisory authorities.

Subsection (d) requires the Board within a year and annually thereafter to report to the Congress on operations under the act and to make any recommendations as to changes in the law which appear desirable to the Board.

Section 5: The provisions of this section relate to future acquisitions of bank shares or bank assets by bank holding companies or by companies which thereby would become bank holding companies.

Subsection (a) makes it unlawful, except with prior approval of the Board of Governors of the Federal Reserve System (1) for any action to be taken which results in a company becoming a bank holding company; (2) for any bank holding company or subsidiary thereof to acquire directly or indirectly any voting shares of a bank (other than those received as a stock dividend); or (3) for any bank holding company or subsidiary thereof, other than a bank, to acquire all or substantially all of the assets of a bank.

Subsection (b) requires the Board before approving an application for the acquisition of voting shares or assets of a bank to give 30 days notice to the Comptroller of the Currency if the applicant or the bank involved is a national or district bank or to the appropriate State supervisory authority if the applicant or the bank involved is a State bank. If the supervisory authority so notified files a written disapproval of the application within the 30-day period the application cannot be approved by the Board.

Subsection (c) confines future bank acquisitions by bank holding companies to the State within which the bank holding company or subsidiary thereof maintains its principal office or in which it conducts its principal operations. Within a State, future bank acquisitions by a bank holding company or subsidiary thereof are required to conform to the geographic limitations which apply to the establishment of branch banks unless State law otherwise affirmatively permits other acquisition.

Subsection (d) sets forth standards to be considered by the Board in connection with applications for bank acquisitions under section 5. These relate to financial history and status, prospects, management of the holding company and banks involved, needs and welfare of the communities, and the public interest.

Section 6. This section relates to bank holding company interests in nonbanking organizations and provides for separation of banking and nonbanking interests.

Subsection (a) makes it unlawful (except as otherwise provided) for a bank holding company to own any shares or other securities or obligations of any company other than a bank or to engage in any business other than (1) banking, (2) managing or controlling banks, or (3) businesses of the kind enumerated in subsection (c) (1) of this section. Such ownership or activities become unlawful 2 years after the effective date of the act except that the Board upon application may extend such period up to a maximum of 5 years after the date of enactment or after a company becomes a bank holding company, whichever is later.

Subsection (b) prohibits a bank holding company after 2 years from date of enactment from (1) making any statement on its shares that they represent shares of any other company except a bank or a bank holding company, or (2) conditioning in any manner ownership, sale, or transfer of its shares upon the ownership, sale, or transfer of shares of any other company except a bank or a bank holding company.

Subsection (c) provides appropriate exemptions to the blanket prohibitions on bank holding company investments or activities set forth in subsection (a).

Paragraph (1) exempts investments by a bank holding company in companies obviously incidental to the business of banking, such as holding bank premises, conducting a safe deposit business, or providing services such as auditing, appraisal, and investment counsel, or in liquidating assets acquired from the bank holding company or its subsidiaries.

Paragraph (2) exempts for a 2-year period investments acquired by a bank holding company which is a bank, in satisfaction of a debt previously contracted.

Paragraph (3) exempts for a 2-year period investments acquired by a bank holding company from any subsidiary which is requested to dispose of such investment by a Federal or State examining authority.

Paragraph (4) exempts investments held by a bank (which is a bank holding company) in a fiduciary capacity and those of the kinds and amounts eligible for national bank investment under section 5136 of the Revised Statutes. The paragraph also exempts shares lawfully acquired and owned prior to the enactment of this act by such a bank or any of its wholly owned subsidiaries.

Paragraph (5) exempts investments held by a bank (which is a bank holding company) if such investments may be owned under the laws of the State in which such bank is operating.

Paragraph (6) exempts limited general investments of a bank holding company from the investment prohibitions of the act. A bank holding company may own investments in any company provided such investment does not include more than 5 percent of the outstanding voting securities of such company and provided the value of the investment does not exceed 5 percent of the total assets of the holding company. A bank holding company may also indirectly so invest through an investment company provided the investment company does not own more than 5 percent of the voting securities of any company and does not own any single security having a value greater than 5 percent of the total assets of the holding company.

Section 7: This section prohibits a bank subsidiary from investing any of its funds in or lending any of its funds to its parent bank holding company or subsidiaries thereof and the subsidiary bank may not accept the securities of its parent bank holding company or subsidiaries thereof as collateral for any loan except for debts previously contracted. The subsidiary bank may not purchase assets or securities under a repurchase agreement from its parent holding company, or from any of the subsidiaries of that holding company. Routine banking transactions between subsidiary banks are not treated as extensions of credit and do not fall within the prohibitions of this section. Also exempted from the self-dealing prohibitions of this section are securities of (1) a company described in section 6 (c) (1) (activities incidental to bank operations), (2) a company the subsidiary status of which arises out of a previously contracted bona fide debt or (3) a company the subsidiary status of which arises through ownership of securities in a fiduciary capacity, except where such ownership is for the benefit of all or a majority of the stockholders of the bank.

Section 8: This section makes clear that there is reservation of the rights of any State for exercise of such powers as it has or may hereafter have with respect to banks, bank holding companies and the subsidiaries thereof.

Section 9: This section provides that any person adversely affected or aggrieved shall have the right to a judicial review of the action or nonaction of the Board of Governors of the Federal Reserve System, and that the action or nonaction which is the subject thereof shall not be considered to be action committed to agency discretion within section 10 of the Administrative Procedure Act. The facts shall be subject to trial de novo in an appropriate court proceeding.

Section 10: This section provides penalties for willful violation of the act or any regulations or orders issued by the Board pursuant thereto. Upon conviction a company may be fined $1,000 for each day the violation continues and an individual upon conviction may be subjected to a $10,000 fine or 1 year imprisonment or both. Officers or employees of a bank holding company are made subject to the same penalties for making false entries in books, reports, or statements that are applicable to officers or employees of Federal Reserve member banks ($5,000 fine or 5 years imprisonment or both).

Section 11: This section contains technical amendments to banking acts and other acts to reflect the provisions of this act.

Subsection (a) amends the 16th paragraph of section 4 of the Federal Reserve Act which pertains to the nomination and election of class A and class B directors of Federal Reserve banks.

Subsection (b) provides for repeal of the last sentence of paragraph 19 and all of paragraphs 22 of section 9 of the Federal Reserve Act. These paragraphs respectively deal with the penalty imposed on a State member bank for failure to obtain reports of holding company affiliates and the applicability of voting permit conditions to State member banks affiliated with a holding company affiliate.

Subsection (c) provides for repeal of subsection (c) of section (2) of the Banking Act of 1933, as amended. That subsection contains the definition of a "holding company affiliate" under that act.

Subsection (d) rewrites section 5144 of the Revised Statutes, as amended, so as to delete the provisions of that section relating to voting permits of holding company affiliates of national banks.

Subsection (e) amends section 5211 of the Revised Statutes so as to remove a sentence subjecting holding company affiliates to the reporting provisions of that section.

Subsection (f) amends subchapter O of chapter 1 of the Internal Revenue Code of 1954 by adding a new part VIII. This part VIII specifies the extent to which (during a transition period after the enactment of the bill) gain will not be recognized upon receipt of property by a shareholder of a bank holding company, if such distribution is made pursuant to a certification by the Board of Governors of the Federal Reserve System that such distribution is necessary or appropriate to effectuate the Bank Holding Company Act of 1955. The provisions of the new part VIII are restricted by their own terms to the gain directly attributable to the recepit of property in the distributions specifically described.

The rules contained in part VIII are in addition to the other provisions of subtitle A of the Internal Revenue Code of 1954 (such as provisions relating to the recognition of nonrecognition of gain to a corporation making distributions, the provisions under which tax-free reorganizations may be effectuated, etc.). Many of these other provisions are contained in subchapter C of chapter 1 of such code (relating to corporate distributions and reorganizations). The provisions of part VIII supersede the other provisions of chapter 1 only in the cases qualifying under part VIII, and in those cases only to the extent specific provision is contained in part VIII.

Section 1101 sets forth the conditions for nonrecognition of gain attributable to distributions of property by a qualified bank holding corporation when received by the shareholder with respect to his stock in such corporation. In addition rules are provided as to the date the qualified bank holding corporation must have acquired the property before it can be distributed with no gain recognized to its shareholders as a result of the distribution. This section also prescribes certain conditions which must be fulfilled before any such distributions of property will

obtain the nonrecognition of gain benefits of its provisions.

Subsection (a) of section 1101 provides that a distribution of prohibited property by a qualified bank holding corporation with respect to its stock and without the surrender by the shareholder of any stock or securities in such corporation will not result in any gain being recognized on the receipt of such property by the shareholder if the Board has, before the distribution, certified that the distribution of such property is necessary or appropriate to carry out the first sentence of section 6 (a) of the Bank Holding Company Act of 1955. On the date of distribution the distributing corporation must have been a qualified bank holding corporation. The first sentence of section 6 (a) provides in general that it shall be unlawful for any bank holding company, after 2 years from the effective date of the Bank Holding Company Act of 1955, to own any shares or other securities or obligations of any company other than a bank or to engage in any business other than that of banking, or of managing or controlling banks, or of the kind of businesses enumerated in section 6 (c) (1) of the act. However, such section 6 (c) sets forth certain exceptions and permits the holding by a bank holding company of certain types of property.

Subsection (b) of section 1101 applies to a distribution of property by a qualified bank holding corporation, with respect to its stock, to a shareholder without the surrender by the shareholder of stock or securities in such corporation where the Board has before the distribution certified that (1) such property is of a kind which causes such corporation to be a bank holding company, (2) the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company, and (3) the distribution is necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955. In the case of a distribution falling within subsection (b), no gain to the shareholder upon the receipt of such property is to be recognized. Property which is intended to be covered by subsection (b) of section 1101 is that property or properties which is of a kind which causes a company to be a bank holding company within the provisions of section 3 (a) of the Bank Holding Company Act of 1955. Thus, assuming that all the conditions of this part are met, a qualified bank holding corporation may distribute to its shareholders, without the recognition of gain to them upon such distribution, part or all of the voting shares of one or more of the banks the ownership of which voting shares was the basis upon which such corporation is a bank holding company, if the Board makes the certification required by paragraph (2) of subsection (b). Furthermore, if any corporation was held by the Board to be a bank holding company under clause 2 of section 3 (a) of the Bank Holding Company Act, and if such corporation is a qualified bank holding corporation as required by this part, such corporation would be permitted to distribute whatever property it owned upon the basis of which such determination was made by the Board to its shareholders without recognition of the gain on the distribution, if the Board certifies in accord with paragraph (2).

A qualified bank holding corporation which distributes prohibited property with respect to which the Board has certified as required by paragraph (2) of subsection (a) may not have any distributions qualify under subsection (b). If the first distribution under this part falls under subsection (b), no distribution may qualify under subsection (a). It is the intent of these subsections that a qualified bank holding corporation must determine whether it will dispose of prohibited property and remain a bank holding company or whether it will dispose of the property upon the basis of which the corporation is determined to be a bank holding company.

Subsection (c) of section 1101 is a limitation upon the application of subsections (a) and (b). Subparagraph (A) of paragraph (1) of subsection (c) specifically excludes from the application of subsections (a) and (b) of section 1101 any property which a qualified bank holding corporation acquired after May 15, 1955, except to the extent such corporation received such property (even though subsequent to May 15, 1955) and gain was not recognized by reason of subsection (a) or (b), or unless the property was received by the corporation in exchange for all of its stock in an exchange to which paragraph (2) or (3) of subsection (c) applies.

Under subparagraph (B) of paragraph (1), neither subsection (a) nor (b) of section 1101 is applicable to any distribution by a qualified bank holding corporation with respect to any stock which was acquired by the shareholder of such corporation after May 15, 1955, unless such shareholder receives such stock in a distribution the gain with respect to which was not recognized by reason of subsection (a) or (b).

Paragraph (2) of subsection (c) of section 1101 is an exception to the general rule of paragraph (1) of subsection (c) that subsections (a) and (b) do not apply to any property acquired by the distributing corporation after May 15, 1955. Under paragraph (2) if a qualified bank holding corporation exchanges solely properly which, under subsection (a), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for all of the stock of a second corporation created and availed of solely for the purpose of receiving such property, and immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock, then all of the stock of the second corporation may be distributed to the shareholders of such qualified bank holding corporation without recognition of gain. However, prior to such exchange the Board must certify that the exchange and distribution are necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955.

Paragraph (3) of subsection (c) of section 1101 is another exception to the general rule of paragraph (1) of subsection (c) that subsections (a) and (b) do not apply to any property acquired by the distributing corporation after May 15, 1955. Under paragraph (3) if any qualified bank holding corporation exchanges solely property which, under subsection (b), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for all of the stock of a second corporation created and availed of solely for the purpose of receiving such property and immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock, then all of the stock of the second corporation may be distributed to the shareholders of such qualified bank holding corporation without the recognition of gain. However, prior to such exchange the Board must have certified that such property is of a kind which causes such corporation to be a bank holding company, that the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company, and that the exchange and distribution are necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955.

Under subsection (d) of section 1101 the nonrecognition of gain provided by subsection (a) or (b) shall not apply to that portion of any distribution which is attributable to any contribution to capital of any corporation made after May 15, 1955. Thus, assume that corporation A (a qualified bank holding corporation) owns all of the stock of corporation X (such stock being property falling within the provisions of subsec. (a) of sec. 1101). Assume further that corporation A, after May 15, 1955, makes a contribution to the capital of corporation X in the amount of $50,000. Thereafter, corporation A makes a distribution to which subsection (a) of section 1101 applies of the stock of corporation X to the shareholders of corporation A. Under subsection (d), the nonrecognition of gain provided by subsection (a) does not apply to that portion of the distribution which is attributable to the contribution of capital, that is, $50,000. The amount of the distribution to the extent of the contribution to capital, $50,000, is a distribution subject to the provisions of section 301 of the Internal Revenue Code of 1954.

Paragraph (2) of subsection (d), however, provides an exception to the rule established in paragraph (1). Paragraph (2) provides that paragraph (1) shall not apply with respect to any contribution to capital of a bank if the Secretary or his delegate determines that the avoidance of Federal income tax was not one of the principal purposes for making such contributions.

Subsection (e) of section 1101 provides that neither subsection (a) nor subsection (b) shall apply with respect to any distribution by a corporation unless the Board makes the certification required by the subsection.

Paragraph (1) of subsection (e) relates to certification with respect to distributions falling within subsection (a). It provides that subsection (a) shall not apply to any such distribution unless the Board certifies that, before the expiration of the period permitted under section 6 (a) of the Bank Holding Company Act of 1955 (including any extensions thereof granted to such corporation under such sec. 6 (a)), the corporation has disposed of all the property, the disposition of which is necessary or appropriate to effectuate the first sentence of such section 6 (a) (or would have been necessary or appropriate if the corporation had continued to be a bank holding company). In order that subsection (a) of section 1101 is to apply to distributions of prohibited property by a qualified bank holding corporation, it is essential that such corporation dispose of all of the property which it is required to dispose of by reason of the Bank Holding Company Act of 1955, within the period (including extensions thereof) specified in section 6 (a) of such act. During the period during which such corporation is required to dispose of all such property, distributions of prohibited property are to be considered as being within subsection (a) of section 1101, if other requirements of this part are met. Thus, no gain would be recognized to shareholders on distributions (if such distributions would otherwise qualify for the benefits of this part) during such period. If, at the close of such period, the corporation has disposed of all of the property which it is required to dispose of by the Board and the Board has made the certification required under subsection (e) of section 1101, subsection (a) of section 1101 will apply to distributions of prohibited property. However, if, at the close of such period, the corporation has not disposed of all of the property the disposition of which is necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955, then subsection (a) of section 1101 will not apply to any distributions of prohibited property by the corporation. Thus, in a case where the provisions of subsection (e) (1) are not met, the tax treatment of any distribution of prohibited property by a qualified bank holding corporation to its shareholders is governed by the provisions of other sections of the Internal Revenue Code of 1954 applicable thereto.

Paragraph (2) of subsection (e) of section 1101 is applicable to distributions falling within subsection (b) of section 1101. Subparagraph (A) provides that subsection (b) shall not apply with respect to any distribution by any corporation unless the Board certifies that, before the expiration of 2 years after the enactment of this part, the qualified bank holding corporation has ceased to be a bank holding company. However, under subparagraph (B) the Board is authorized on the application of any qualified bank holding corporation to extend such period from time to time with respect to such corporation for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest. Such period may not in any case be extended beyond the date 5 years after the date of enactment of this part. In order that subsection (b) of section 1101 is to apply to distributions of property of a kind which causes a qualified bank holding corporation to be a bank holding company and the disposition of which is necessary to enable such corporation to cease being a bank holding company, it is essential that such corporation cease to be a bank holding company within the period (including extensions thereof) specified in subsection (e) (2) of section 1101. During the period during which such corporation disposes of property to enable it to cease being a bank holding company, distributions of such property are to be considered as being within subsection (b) of section 1101, if other requirements of this part are met. Thus, no gain would be recognized to shareholders on such distributions (if such distributions would otherwise qualify for the benefits of this part) during such period. If, at the close of such period specified in subsection (e) (2), the corporation has ceased to be a bank holding company, subsection (b) of section 1101 will apply to distributions of such property. However, if, at the close of such period, the corporation has not ceased being a bank holding company, then subsection (b) of section 1101 will not apply to any distributions of such property by the corporation. Thus, in a case where the provisions of subsection (e) (2) are not met, the tax treatment of any distributions of property of a kind which causes a qualified bank holding corporation to be a bank holding company to its shareholders is governed by the provisions of other sections of the Internal Revenue Code of 1954 applicable thereto.

Section 1102 provides special rules for the application of this part.

Subsection (a) relates to the basis of property acquired in distributions under either subsection (a) or subsection (b) of section 1101. If gain is not recognized by reason of either of such subsections with respect to the receipt of any property, then the basis of such property and of the stock with respect to which it was distributed, shall, in the hands of the distributee, be determined by allocating the adjusted basis of such stock between such property and such stock. Such allocation shall be made under regulations prescribed by the Secretary or his delegate.

Subsection (b) of section 1102 relates to the periods of limitation. Under this subsection the periods of limitation provided in sections 6501 and 6502 on the making of an assessment or the collection by levy, or a proceeding in court shall not expire, with respect to any deficiency (including interest and additions to the tax) resulting solely from the receipt of property to which subsection (a) or (b) of section 1101 applies, before the date which is 1 year after the date on which the corporation notifies the Secretary or his delegate, that final certification by the Board with respect to the corporation from which such property was received has been made under section 1101 (e); and such assessment and collection may be made notwithstanding any provision of law or rule of law which would otherwise prevent such assessment and collection. Thus, if the Board does not make the certification provided in subsection (e) (1) or (2), the periods of limitation provided in sections 6501 and 6502 will not prohibit the making of an assessment or collection by levy or proceeding in court with respect to any deficiency for prior taxable years resulting solely from receipt of property which would otherwise fall within subsections (a) or (b) of section 1101.

Subsection (c) of section 1102 relates to allocation of earnings and profits. In case of any exchange described in section 1101 (c) (2) or (3), the earnings and profits of the corporation transferring the property shall be properly allocated between such corporation and the corporation receiving such property under regulations prescribed by the Secretary or his delegate.

Subsection (d) relates to itemization of property distributed. The Board is required in any certification under this part to make such specification and itemization of property as may be necessary to carry out the provisions of this part.

Section 1103 sets forth the definitions, for purposes of this part, of "bank holding company," "qualified bank holding corporation," "prohibited property," "nonexempt property," and "Board."

Subsection (a) of this section provides that the term "bank holding company" means a bank holding company as defined by section 3 of the Bank Holding Company Act of 1955.

Subsection (b) of this section defines the term "qualified bank holding corporation." In order for a corporation to be a qualified bank holding corporation, and therefore for its shareholders to receive the special tax treatment provided by this part, it must not only be a bank holding company but in addition, it must hold "prohibited property" as defined in subsection (c). For example, if the sole assets of corporation X consists of 25 percent of the voting shares of each of 2 banks, corporation X is not a qualified bank holding corporation.

In addition, to be a qualified bank holding corporation the prohibited property must have been acquired on or before May 15, 1955, by a corporation which is a bank holding company, or must have been acquired in a distribution to it by a qualified bank holding corporation with respect to which gain is not recognized by reason of section 1101 (a). Furthermore, a bank holding company which holds prohibited property acquired by it in exchange for all of its stock in an exchange described in section 1101 (c) (2) is a qualified bank holding corporation.

The preceding paragraph may be illustrated by the following examples: (1) If the sole assets of corporation X on May 15, 1955, consist of cash and 25 percent of the voting shares of each of 2 banks and on May 30, 1955, corporation X purchases nonbanking business assets, corporation X is not a qualified bank holding corporation. (2) The sole assets of corporation Y, on May 15, 1955, consist of 25 percent of the voting shares of each of 2 banks and 4 percent of the outstanding voting securities (the value of which is less than 5 percent of the value of corporation Y's total assets) of corporation Z, a qualified bank holding corporation. Corporation Z distributes nonbanking business assets to corporation Y which are prohibited property in the hands of corporation Y, in a distribution to which section 1101 (a) applies. Corporation Y becomes a qualified bank holding corporation by reason of the distribution by Z. (3) On May 15, 1955, corporation B owns all of the stock of corporation A, a qualified bank holding corporation on such date. Corporation B, a qualified bank holding corporation by virtue of its ownership of the stock of corporation A, transfers such stock to corporation C in an exchange meeting the requirements of section 1101 (c) (2). Corporation C is a qualified bank holding corporation.

Notwithstanding that a corporation meets the requirements of paragraph (1) of subsection (b), such corporation shall not be a qualified bank holding corporation unless it meets the additional requirements of subparagraphs (A), (B), and (C) of paragraph (2).

Subparagraph (A) of paragraph (2) provides that a bank holding company shall not be a qualified bank holding corporation unless such corporation would have been a bank holding company on May 15, 1955, if the Bank Holding Company Act of 1955 had been in effect on such date, or unless such corporation is a bank holding company determined solely by reference to the following: (1) Property acquired by such corporation on or before May 15, 1955; (2) property acquired by such corporation in a distribution by a qualified bank holding corporation to such corporation wherein gain was not recognized by reason of subsection (a) or (b) of section 1101; and (3) property acquired by such corporation in exchange for all of its stock in an exchange meeting the requirements of section 1101 (c) (2) or (3).

Thus, if on May 15, 1955, the sole assets of corporation X consist of cash and business assets and on May 30, 1955, corporation X acquires 25 percent of the voting shares of each of 2 banks for cash, then, by reason of subparagraph (A) of paragraph (2), corporation X, although a bank holding company, holding prohibited property acquired by it before May 15, 1955, is not a qualified bank holding corporation. An additional example of the application of subparagraph (A) of paragraph (2) is where corporation X is determined, by the Board, after May 15, 1955, to be a bank holding company by reason of clause (2) of section 3 (a) of the Bank Holding Company Act of 1955, solely by reference to (1) property acquired by such corporation on or before May 15, 1955, and (2) property acquired by it from a qualified bank holding corporation in a distribution in which gain to the distributee was not recognized by reason of subsection (a) or (b) of section 1101.

Except as explained in the next paragraph, subparagraph (B) of paragraph (2) provides that a bank holding company shall not be a qualified bank holding corporation by reason of either (1) the acquisition by such bank holding company of prohibited property after May 15, 1955, in a distribution from a qualified bank holding corporation to which section 1101 (a) is applicable or (2) the acquisition by such bank holding company (which company would not have been a bank holding company on May 15, 1955, if the Bank Holding Company Act of 1955 had been in effect on such date) of property described in clause (ii) of subparagraph (A) of paragraph (2). An example of the operation of the foregoing is where, on May 15, 1955, the sole assets of corporation Y consist of cash and 25 percent of the voting shares of each of two banks. On May 30, 1955, corporation Y purchases for cash 50 percent of the stock of corporation Z, a qualified bank holding corporation. Corporation Z distributes business assets to corporation Y in a distribution in which gain to corporation Y with respect to the receipt of such property was not recognized by reason of section 1101 (a). Corporation Y is not a qualified bank holding corporation since such property was acquired by corporation Y in a distribution with respect to stock acquired after May 15, 1955.

A bank holding company may be a qualified bank holding corporation by reason of the property described in the preceding paragraph if such property was acquired in a distribution with respect to stock which was acquired by such company (1) on or before May 15, 1955, (2) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all

previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b) of section 1101, or (3) in exchange for all of the stock of the bank holding company in an exchange meeting the requirements of section 1101 (c) (2) or (3).

Subparagraph (C) of paragraph (2) states that a corporation may not be treated as a qualified bank holding corporation unless the Board certifies that it satisfies the requirements of subsection (b) of section 1103.

Subsection (c) of section 1103 defines the term "prohibited property." Such property is defined as property, other than nonexempt property, the disposition of which, in the case of any bank holding company, would be necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955, if such company continued to be a bank holding company beyond the period (including any extensions thereof) specified in section 6 (a), in the case of distributions under section 1101 (a), or specified in section 1101 (e) (2) (B), in the case of distributions under section 1101 (b). The term "prohibited property" does not include shares, securities, or obligations of any company which are held by a bank holding company to the extent that the ownership by such bank holding company of such property is not prohibited by section 6 of such act by reason of subsection (c) (6) of such section.

Subsection (d) defines the term "nonexempt property," the distribution of which may not be accorded the tax treatment provided by this part.

Subsection (e) of this section states that the term "Board" means the Board of Governors of the Federal Reserve System.

Subsection (g) amends the investment Company Act of 1940, as amended, and the Investment Advisers Act of 1940, as amended, so as to exclude from those acts, bank holding companies as defined in the Bank Holding Company Act of 1955 rather than as defined in the Banking Act of 1933. The subsection also excludes from the Investment Company Act of 1940 and the Investment Advisers Act of 1940 any banking subsidiary or other subsidiary of a bank holding company if such subsidiary is exempt from the provisions of section 6 of the Bank Holding Company Act of 1955 by reason of the provisions of section 6 (c) (1) of that act.

Section 12: This section contains a savings clause to make clear that nothing in this act shall be construed as approving any act, action, or conduct in violation of existing law or constituting a defense in antitrust or monopolistic proceedings.

Section 13: This section contains the usual separability clause for provisions of the act.

CHANGES IN EXISTING LAW

(In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman:)

FEDERAL RESERVE ACT, AS AMENDED

* * * * *

SEC. 4. * * *

Paragraph 16. Nomination and election of class A and B directors

Directors of class A and class B shall be chosen in the following manner:

The Board of Governors of the Federal Reserve System shall classify the member banks of the district into three general groups or divisions, designating each group by number. Each group shall consist as nearly as may be of banks of similar capitalization. Each member bank shall be permitted to nominate to the chairman of the board of directors of the Federal Reserve bank of the district 1 candidate for director of class A and 1 candidate for director of class B. The candidates so nominated shall be listed by the chairman, indicating by whom nominated, and a copy of said list shall, within 15 days after its completion, be furnished by the chairman to each member bank. Each member bank by a resolution of the board or by an amendment to its bylaws shall authorize its president, cashier, or some other officer to cast the vote of the member bank in the elections of class A and class B directors: [*Provided*, That whenever any two or more member banks within the same Federal Reserve district are affiliated with the same holding company affiliate, participation by such member banks in any such nomination or election shall be confined to one of such banks, which may be designated for the purpose by such holding company affiliate] *Provided, That whenever any member banks within the same Federal Reserve district are subsidiaries of the same bank holding company within the meaning of the Bank Holding Company Act of 1955, participation in any such nomination or election by such member banks, including such bank holding company if it is also a member bank shall be confined to one of such banks, which may be designated for the purpose by such holding company.*

* * * * *

SEC. 9. * * *

Paragraph 19. Failure to obtain reports of affiliates.

Any such affiliated member bank which fails to obtain from any of its affiliates and furnish any report provided for by the two preceding paragraphs of this section shall be subject to a penalty of $100 for each day during which such failure continues, which, by direction of the Board of Governors of the Federal Reserve System, may be collected, by suit or otherwise, by the Federal reserve bank of the district in which such member bank is located. [For the purposes of this paragraph and the two preceding paragraphs of this section, the term "affiliate" shall include holding company affiliates as well as other affiliates.]

* * * * *

Paragraph 22. Holding company affiliates.

[Each State member bank affiliated with a holding company affiliate shall obtain from such holding company affiliate, within such time as the Board of Governors of the Federal Reserve System shall prescribe, an agreement that such holding company affiliate shall be subject to the same conditions and limitations as are applicable under section 5144 of the Revised Statutes, as amended, in the case of holding company affiliates of national banks. A copy of each such agreement shall be filed with the Board of Governors of the Federal Reserve System. Upon the failure of a State member bank affiliated with a holding company affiliate to obtain such an agreement within the time so prescribed, the Board of Governors of the Federal Reserve System shall require such bank to surrender its stock in the Federal reserve bank and to forfeit all rights and privileges of membership in the Federal Reserve System as provided in this section. Whenever the Board of Governors of the Federal Reserve System shall have revoked the voting permit of any such holding company affiliate, the Board of Governors of the Federal Reserve System may, in its discretion, require any or all State member banks affiliated with such holding company affiliate to surrender their stock in the Federal reserve bank and to forfeit all rights and privileges of membership in the Federal Reserve System as provided in this section.]

BANKING ACT OF 1933, AS AMENDED

* * * * *

SEC. 2. As used in this Act and any provision of law amended by this Act—

* * * * *

[(c) The term "holding company affiliate" shall include any corporation, business trust, association, or other similar organization—

[(1) Which owns or controls, directly or indirectly, either a majority of the shares of capital stock of a member bank or more than 50 per centum of the number of shares voted for the election of directors of any one bank at the preceding election, or controls in any manner the election of a majority of the directors of any one bank; or

[(2) For the benefit of whose shareholders or members all or substantially all the capital stock of a member bank is held by trustees.

[Notwithstanding the foregoing, the term "holding company affiliate" shall not include (except for the purposes of sec. 23A of the Federal Reserve Act, as amended) any corporation all of the stock of which is owned by the United States, or any organization which is determined by the Board of Governors of the Federal Reserve System not to be engaged, directly or indirectly, as a business in holding the stock of, or managing or controlling, banks, banking associations, savings banks, or trust companies.]

SECTION 5144, REVISED STATUTES, AS AMENDED

SEC. 5144. In all elections of directors, each shareholder shall have the right to vote the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate such shares and give one candidate as many votes as the number of directors multiplied by the number of his shares shall equal, or to distribute them on the same principle among as many candidates as he shall think fit; and in deciding all other questions at meetings of shareholders, each shareholder shall be entitled to one vote on each share of stock held by him; except that (1) this shall not be construed as limiting the voting rights of holders of preferred stock under the terms and provisions of articles of association, or amendments thereto, adopted pursuant to the provisions of section 302 (a) of the Emergency Banking and Bank Conservation Act, approved March 9, 1933, as [amended,] *amended;* (2) in the election of directors, shares of its own stock held by a national bank as sole trustee, whether registered in its own name as such trustee or in the name of its nominee, shall not be voted by the registered owner unless under the terms of the trust the manner in which such shares shall be voted may be determined by a donor or beneficiary of the trust and unless such donor or beneficiary actually directs how such shares shall be [.] *; and* (3) shares of its own stock held by a national bank and one or more persons as trustees may be voted by such other person or persons, as trustees, in the same manner as if he or they were the sole trustee [, and (4) shares controlled by any holding company affiliate of a national bank shall not be voted unless such holding company affiliate shall have first obtained a voting permit as hereinafter provided, which permit is in force at the time such shares are voted, but such holding company affiliate may, without obtaining such permit, vote in favor of placing the association in voluntary liquidation or taking any other action pertaining to the voluntary liquidation of such association]. Shareholders may vote by proxies duly authorized in writing; but no officer, clerk, teller, or bookkeeper of such bank shall act as proxy; and no shareholder whose liability is past due and unpaid shall be allowed to vote. Whenever shares of stock cannot be voted by reason of being held by the bank as sole trustee, such shares shall be excluded in determining whether matters voted upon by the shareholders were adopted by the requisite percentage of shares.

[For the purposes of this section shares shall be deemed to be controlled by a holding company affiliate if they are owned or controlled directly or indirectly by such holding company affiliate, or held by any trustee for the benefit of the shareholders or members thereof.

[Any such holding company affiliate may make application to the Board of Governors of the Federal Reserve System for a voting permit entitling it to vote the stock controlled by it at any or all meetings of shareholders of such bank or authorizing the trustee or trustees holding the stock for its benefit or for the benefit of its shareholders so to vote the same. The Board of Governors of the Federal Reserve System may, in its discretion, grant or withhold such permit as the public interest may require. In acting upon such application, the board shall consider the financial condition of the applicant, the general character of its management, and the probable effect of the granting of such permit upon the affairs of such bank, but no such permit shall be granted except upon the following conditions:

[(a) Every such holding company affiliate shall, in making the application for such permit, agree (1) to receive, on dates identical with those fixed for the examination of banks with which it is affiliated, examiners duly authorized to examine such banks, who shall make such examinations of such holding company affiliate as shall be necessary to disclose fully the relations between such banks and such holding company affiliate and the effect of such relations upon the affairs of such banks, such examinations to be at the expense of the holding company affiliate so examined; (2) that the reports of such examiners shall contain such information as shall be necessary to disclose fully the relations between such affiliate and such banks and the effect of such relations upon the affairs of such banks; (3) that such examiners may examine each bank owned or controlled by the holding company affiliate, both individually and in conjunction with other banks owned or controlled by such holding company affiliate; and (4) that publication of individual or consolidated statements of condition of such banks may be required;

[(b) After five years after the enactment of the Banking Act of 1933, every such holding company affiliate (1) shall possess, and shall continue to possess during the life of such permit, free and clear of any lien, pledge, or hypothecation of any nature, readily marketable assets other than bank stock in an amount not less than 12 percent of the aggregate par value of all bank stocks controlled by such holding company affiliate, which amount shall be increased by not less than 2 per cent per annum of such aggregate par value until such assets shall amount to 25 percent of the aggregate par value of such bank stocks; and (2) shall reinvest in readily marketable assets other than bank stock all net earnings over and above 6 percent per annum on the book value of its own shares outstanding until such assets shall amount to such 25 percent of the aggregate par value of all bank stocks controlled by it;

[(c) Notwithstanding the foregoing provisions of this section, after 5 years after the enactment of the Banking Act of 1933, (1) any such holding company affiliate the shareholders or members of which shall be individually and severally liable in proportion to the number of shares of such holding company affiliate held by them respectively, in addition to amounts invested therein, for all statutory liability imposed on such holding company affiliate by reason of its control of shares of stock of banks, shall be required only to establish and maintain out of net earnings over and above 6 percent per annum on the book value of its own shares outstanding a reserve of readily marketable assets in an amount of not less than 12 percent of the aggregate par value of bank stocks controlled by it, and (2) the assets required by this section to be possessed by such holding company affiliate may be used by it for replacement of capital in banks affiliated with it and for losses incurred in such banks, but any deficiency in such assets resulting from such use shall be made up within such period as the Board of Governors of the Federal Reserve System may by regulation prescribe and the provisions of this subsection, instead of subsection (b), shall apply to all holding company affiliates with respect to any shares of bank stock owned or controlled by them as to which there is no statutory liability imposed upon the holders of such bank stock:

[(d) Every officer, director, agent, and employee of every such holding company affiliate shall be subject to the same penalties for false entries in any book, report, or statement of such holding company affiliate as are applicable to officers, directors, agents, and employees of member banks under section 5209 of the Revised Statutes, as amended (U. S. C., title 12, sec. 592); and

[(e) Every such holding company affiliate shall, in its application for such voting permit, (1) show that it does not own, control, or have any interest in, and is not participating in the management or direction of, any corporation, business trust, association, or other similar organization formed for the purpose of, or engaged principally in, the issue, flotation, underwriting, public sale, or distribution, at wholesale or retail or through syndicate, at wholesale or retail or through syndicate participation, of stocks, bonds, debentures, notes, or other securities of any sort (hereinafter referred to as "securities company"); agree that during the period that the permit remains in force it will not acquire any ownership, control or interest in any such securities company or participate in the management or direction thereof; (3) agree that if, at the time of filing the application for such permit, it owns, controls, or has an interest in, or is participating in the management or direction of, any such securities company, it will, within 5 years after the filing of such application, divest itself of its ownership, control, and interest in such securities company and will cease participating in the management or direction thereof, and will not thereafter, during the period that the permit remains in force, acquire any further ownership, control, or interest in any such securities company or participate in the management or direction thereof; and (4) agree that henceforth it will declare dividends only out of actual net earnings.

[If at any time it shall appear to the Board of Governors of the Federal Reserve System that any holding company affiliate has violated any of the provisions of the Banking Act of 1933 or of any agreement made pursuant to this section, the Board of Governors of the Federal Reserve System may, in its discretion, revoke any such voting permit after giving 60 days' notice by registered mail of its intention to the holding company affiliate and affording it an opportunity to be heard. Whenever the Board of Governors of the Federal Reserve System shall have revoked any such voting permit, no national bank whose stock is controlled by the holding company affiliate whose permit is so revoked shall receive deposits of public moneys of the United States, nor shall any such national bank pay any further dividend to such holding company affiliate upon any shares of such bank controlled by such holding company affiliate.

[Whenever the Board of Governors of the Federal Reserve System shall have revoked any voting permit as hereinbefore provided, the rights, privileges, and franchises of any or all national banks the stock of which is controlled by such holding company affiliate shall, in the discretion of the Board of Governors of the Federal Reserve System, be subject to forfeiture in accordance with section 2 of the Federal Reserve Act, as amended.]

SECTION 5211, REVISED STATUTES, AS AMENDED

SEC. 5211. Every association shall make to the Comptroller of the Currency not less than three reports during each year, according to the form which may be prescribed by him, verified by the oath or affirmation of the president, or of the cashier, or of a vice president, or of an assistant cashier of the association designated by its board of directors to verify such reports in the absence of the president and cashier, taken before a notary public properly authorized and commissioned by the State in which such notary resides and the association is located, or any other officer having an official seal, authorized in such State to administer oaths, and attested by the signature of at least three of the directors. Each such report shall exhibit, in detail and under appropriate heads, the resources and liabilities of the association at the close of business on any past day by him specified, and shall be transmitted to the comptroller within 5 days after the receipt of a request or requisition therefor from him; and the statement of resources and liabilities, together with acknowledgment and attestation in the same form in which it is made to the comptroller, shall be published in a newspaper published in the place where such association is established, or if there is no newspaper in the place, then in the one published nearest thereto in the same county, at the expense of the association; and such proof of publication shall be furnished as may be required by the Comptroller. The Comptroller shall also have power to call for special reports from any particular association whenever in his judgment the same are necessary in order to obtain a full and complete knowledge of its condition.

Each national banking association shall obtain from each of its affiliates other than member banks and furnish to the Comptroller of the Currency not less than three reports during each year, in such form as the Comptroller may prescribe, verified by the oath or affirmation of the president or such other officer as may be designated by the board of directors of such affiliate to verify such reports, disclosing the information hereinafter provided for as of dates identical with those for which the Comptroller shall during such year require the reports of the condition of the association. [For the purpose of this section the term "affiliate" shall include holding company affiliates as well as other affiliates.] Each such report of an affiliate shall be transmitted to the Comptroller at the same time as the corresponding report of the association, except that the Comptroller may, in his discretion, extend such time for good cause shown. Each such report shall contain such information as in the judgment of the Comptroller of the Currency shall be necessary to disclose fully the relations between such affiliate and such bank and to enable the Comptroller to inform himself as to the effect of such relations upon the affairs of such bank. The reports of such affiliates shall be published by the association under the same conditions as govern its own condition reports. The Comptroller shall also have power to call for additional reports with respect to any such affiliate whenever in his judgment the same are necessary in order to obtain a full and complete knowledge of the conditions of the association with which it is affiliated. Such additional reports shall be transmitted to the Comptroller of the Currency in such form as he may prescribe. Any such affiliated bank which fails to obtain and furnish any report required under this section shall be subject to a penalty of $100 for each day during which such failure continues.

INTERNAL REVENUE CODE OF 1954

Chapter I—Normal Taxes and Surtaxes

* * * * *

Subchapter O—Gain or loss on disposition of property

Part I. Determination of amount and recognition of gain or loss.

Part II. Basis rules of general application.
Part III. Common nontaxable exchanges.
Part IV. Special rules.
Part V. Changes to effectuate FCC policy.
Part VI. Exchanges in obedience to SEC orders.
Part VII. Wash sales of stock or securities.
Part VIII. Distributions pursuant to Bank Holding Company Act of 1955.

* * * * * *

Part VIII.—Distributions Pursuant to Bank Holding Company Act of 1955

Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1955.
Sec. 1102. Special rules.
Sec. 1103. Definitions.

Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1955.

(a) Distributions of prohibited property: If—

(1) a qualified bank holding corporation distributes (with respect to its stock) prohibited property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

(2) the Board has, before the distribution, certified that the distribution of such property is necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (b).

(b) Corporation ceasing to be a bank holding company: If—

(1) a qualified bank holding corporation distributes (with respect to its stock) property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

(2) the Board has, before the distribution, certified that (A) such property is of a kind which causes such corporation to be a bank holding company, (B) the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company, and (C) the distribution is necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (a).

(c) Property acquired after May 15, 1955:

(1) In general: Except as provided in paragraphs (2) and (3), subsection (a) or (b) shall not apply to—

(A) any property acquired by the distributing corporation after May 15, 1955, unless (i) gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b), or (ii) such property was received by it in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or

(B) any distribution with respect to any stock which was acquired by the distributee after May 15, 1955, unless gain to such distributee with respect to the receipt of such stock was not recognized by reason of subsection (a) or (b).

(2) Exchanges involving prohibited property: If—

(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (a), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

(B) immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

(C) before such exchange, the Board has certified that the exchange and distribution are necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955.

then paragraph (1) shall not apply with respect to such distribution.

(3) Exchanges involving interests in banks: If—

(A) any qualified bankholding corporation exchanges (i) solely property which, under subsection (b), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

(B) immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

(C) before such exchange, the Board has certified—

(i) that such property is of a kind which causes such corporation to be a bank holding company;

(ii) that the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company; and

(iii) that the exchange and distribution are necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then paragraph (1) shall not apply with respect to such distribution.

(d) Certain construction to capital after May 15, 1955:

(1) In general: The nonrecognition of gain provided by subsection (a) or (b) shall not apply to that portion of any distribution which is attributable to any contribution to the capital of any corporation made after May 15, 1955.

(2) Special rule for contribution to capital of banks: Paragraph (1) shall not apply with respect to any contribution to the capital of a bank, if the Secretary or his delegate determines that the avoidance of Federal income tax was not one of the principal purposes for the making of such contribution.

(e) Final certification:

(1) For subsection (a): Subsection (a) shall not apply with respect to any distribution by a corporation unless the Board certifies that, before the expiration of the period permitted under section 6 (a) of such act (including any extensions thereof granted to such corporation under such section 6 (a)), the corporation has disposed of all the property the disposition of which is necessary or appropriate to effectuate the first sentence of such section 6 (a) (or would have so necessary or appropriate of the corporation had continued to be a bank holding company).

(2) For subsection (b):

(A) Subsection (b) shall not apply with respect to any distribution by any corporation unless the Board certifies that, before the expiration of the period specified in subparagraph (B), the corporation has ceased to be a bank holding company.

(B) The period referred to in subparagraph (A) is the period which expires 2 years after the date of the enactment of this part. The Board is authorized, on application by any corporation, to extend such period from time to time with respect to such corporation for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest; except that such period may not in any case be extended beyond the date 5 years after the date of the enactment of this part.

Sec. 1102. Special rules.

(a) Basis of property acquired in distributions: If, by reason of section 1101, gain is not recognized with respect to the receipt of any property, then the basis of such property and of the stock with respect to which it is distributed shall, in the distributee's hands, be determined by allocating between such property and such stock the adjusted basis of such stock. Such allocation shall be made under regulations prescribed by the Secretary or his delegate.

(b) Periods of limitation: The periods of limitation provided in sections 6501 and 6502 on the making of an assessment or the collection by levy or a proceeding in court shall not expire, with respect to any deficiency (including interest and additions to the tax) resulting solely from the receipt of property to which subsection (a) or (b) of section 1101 applies, before the date which is 1 year after the date on which the corporation notifies the Secretary or his delegate that final certification by the Board with respect to the corporation from which such property was received has been made under section 1101 (e); and such assessment and collection may be made notwithstanding any provision of law or rule of law which would otherwise prevent such assessment and collection.

(c) Allocation of earnings and profits: In the case of any exchange described in section 1101 (c) (2) or (3), the earnings and profits of the corporation transferring the prohibited property shall be properly allocated between such corporation and the corporation receiving such property under regulations prescribed by the Secretary or his delegate.

(d) Itemization of property: In any certification under this part, the Board shall make such specification and itemization of property as may be necessary to carry out the provisions of this part.

Sec. 1103. Definitions.

(a) Bank holding company: For purposes of this part, the term "bank holding company" has the meaning assigned to such term by section 3 of the Bank Holding Company Act of 1955.

(b) Qualified bank holding corporation:

(1) In general: Except as provided in paragraph (2), for purposes of this part the term "qualified bank holding corporation" means any corporation which is a bank holding company and which holds prohibited property acquired by it—

(A) on or before May 15, 1955,

(B) in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) of section 1101, or

(C) in exchange for all of its stock in an exchange described in section 1101 (c) (2).

(2) Limitations:

(A) A bank holding company shall not be a qualified bank holding corporation, unless it would have been a bank holding company on May 15, 1955, if the Bank Holding Company Act of 1955 had been in effect on such date, or unless it is a bank holding company determined solely by reference to—

(i) property acquired by it on or before May 15, 1955,

(ii) property acquired by it in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1101, and

(iii) property acquired by it in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

(B) A bank holding company shall not be a qualified bank holding corporation by reason of property described in subparagraph (B) of paragraph (1) or clause (ii) of subgraph (A) of this paragraph, unless such property was acquired in a distribution with respect to stock, which stock was acquired by such bank holding company—

(i) on or before May 15, 1955,

(ii) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b) of section 1101, or

(iii) in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

(C) A corporation shall be treated as a qualified bank holding corporation only if the Board certifies that it satisfies the foregoing requirements of this subsection.

(c) Prohibited property: For purposes of this part, the term "prohibited property" means, in the case of any bank holding company, property (other than nonexempt property) the disposition of which would be necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955 if such company continued to be a bank holding company beyond the period (including any extensions thereof) specified in such section 6 (a) or in section 1101 (c) (2) (B) of this part, as the case may be. The term "prohibited property" does not include shares, securities, or obligations of any company held by a bank holding company to the extent that the prohibitions of section 6 of the Bank Holding Company Act of 1955 do not apply to the ownership by such bank holding company of such property by reason of subsection (c) (6) of such section.

(d) Nonexempt property: For purposes of this part, the term "nonexempt property" means—

(1) obligations (including notes, drafts, bills of exchanges, and bankers' acceptances) having a maturity at the time of issuance of not exceeding 24 months, exclusive of days of grade;

(2) securities issued by or guaranteed as to principal or interest by a government or subdivision thereof or by any instrumentality of a government or subdivision; or

(3) money, and the right to receive money not evidenced by a security or obligation (other than a security or obligation described in paragraph (1) or (2)).

(e) Board: For purposes of this part, the term "Board" means the Board of Governors of the Federal Reserve System.

INVESTMENT COMPANY ACT OF 1940, AS AMENDED

SEC. 3. * * *

(c) Notwithstanding subsections (a) and (b), none of the following persons is an investment company within the meaning of this title:

* * * * *

[(4) Any holding company affiliate, as defined in the Banking Act of 1933, which is under the supervision of the Board of Governors of the Federal Reserve System by reason by reason of the fact that such holding company affiliate holds a general voting permit issued to it by such Board prior to January 1, 1940; and any holding company affiliate which is under such supervision by reason of the fact that it holds a general voting permit thereafter issued to it by the Board of Governors and which is determined by such Board to be primarily engaged, directly or indirectly, in the business of holding the stock of, and managing or controlling, banks, banking associations, savings banks, or trust companies. The Commission shall be given appropriate notice prior to any such determination and shall be entitled to be heard. The definition of the term "control" in section 2 (a) shall not apply to this paragraph.]

(4) Any bank holding company which is registered with the Board of Governors of the Federal Reserve System pursuant to the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said Act.

INVESTMENT ADVISERS ACT OF 1940, AS AMENDED

SEC. 202 (a) * * *

(11) "Investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities; but does not include (A) a bank, [or any holding company affiliate, as defined in the Banking Act of 1933] *or any bank holding company, as defined in the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said Act,* which is not an investment company; * * *.

GENERAL LEAVE TO EXTEND REMARKS

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in Committee on the bill, and include as part of my remarks a proposed substitute for the bill, which I expect to offer tomorrow.

The SPEAKER. Is there objection?

There was no objection.

SPECIAL ORDER GRANTED

Mr. POWELL (at the request of Mr. MCCORMACK) was granted permission to address the House for 30 minutes on Thursday, June 16, 1955, following the legislative matters of the day and any special orders heretofore entered.

THE EFFECT OF RECIPROCAL TRADE AGREEMENTS ON THE TANNING INDUSTRY

Mr. VAN PELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. VAN PELT. Mr. Speaker, I wish to call your attention to the serious situation in the tanning industry in our Republic and how it finds itself in relation to reciprocal trade with foreign countries. This great industry has always been a basic one, and I want to call your attention to what I believe to be unfair treatment; in my home State of Wisconsin where many great tanneries and shoe factories are located—in fact, we are 1 of the 4 largest tanning States of the Union, and in shoe output it comes within the first 20 States.

Representatives of the tanning industry have come to Washington on frequent occasions to appeal their case and to seek equitable consideration along with foreign competitors. While they have always received an attentive ear and much sympathy, no realistic adjustment or consideration has been granted. For years, the tanning industry has been getting a raw deal in foreign trade. Country after country to which we once used to be able to ship leather have blocked and embargoed imports from the United States. The excuses for such discrimination have long since worn thin. I do not believe that this is the kind of reciprocity which the House of Representatives proclaimed when it passed H. R. 1, the so-called reciprocal trade bill, early in this session of Congress. Members of Congress should be shocked by the facts, Mr. Speaker, and no smokescreen of misinformed nonsense about tariff rates can conceal the violation of reciprocity which has been going on abroad.

In making this appeal today in behalf of this great industry, I am in hopes that the Tariff Commission will take note as to the real intent of H. R. 1 and immediately set up machinery to give this basic industry the consideration it is entitled to.

Mr. Speaker, I include a documented statement of the tanning industry.

UNITED STATES LEATHER INDUSTRY DEMANDS RECIPROCITY IN FOREIGN TRADE

The tanning industry of the United States has been for years, and is now, the victim of the grossest discrimination and lack of reciprocity in foreign trade. Our Government has embarked on a program of reciprocal trade agreements in which the United States carries out its end of the bargain but tolerates a complete lack of reciprocity by other countries. We get lip service from such other countries about reciprocity but a variety of excuses are used to discriminate against the United States leather industry and therefore against manufacturers, retailers, and the consuming public of the United States.

These are the facts in a blatant case history which makes a mockery of reciprocal trade agreements and brands all the discussions about eliminating obstacles in foreign trade as pure hypocracy:

1. United States leather markets are free and open without restriction or hindrance against the import of foreign leather. However, foreign leather markets have been closed, controlled, embargoed, or restricted against shipments of leather from the United States. Such restrictions and artificial controls clearly violate the spirit of undertakings in the GATT Convention. They reduce tariff negotiations and concessions to an absurd mockery. They enhance monopolistic and cartel controls and profits abroad at the expense of the mass of consumers. These import restrictions have caused United States tanners to lose an essential market for grades, weights, and colors of leather normally absorbed by diversified consumer needs abroad.

2. United States hide and skin markets are completely free and open to the buyers of all other countries. However, United States tanners are denied access to major raw material markets or are subjected to costly discrimination. Freedom of access to raw material markets is supposedly a basic principle of genuine international trade and trade reciprocity. The United States has led the way in unequivocal elimination of raw material controls so that foreign buyers have access to our hides and skins. In country after country, however, either outright embargoes, quota systems or discriminatory export taxes are imposed. These devices have only one purpose—to deny United States tanners the right of purchasing raw material. The very countries which have argued "dollar shortage" to justify barriers against United States leather have refused to earn dollars by the export of raw material to the United States. Among the nations which are involved in such discrimination are France, the Scandinavian countries, Argentina, Mexico, and Italy. Several branches of the United States leather industry have suffered severely from various foreign export restrictions on raw material, with the eventual burden, of course, being borne by United States consumers of shoes and leather goods.

3. United States producers of leather have continued to suffer from direct or indirect

subsidies, subventions, or tax benefits allowed by other governments to leather exports abroad. The tariff law of the United States presumably establishes penalties against unfair competition based upon subsidies to producers abroad. Regardless of the precise language of the tariff law and the construction of that language for tariff and tariff penalty purposes, it is a fact that foreign producers in certain countries have been and continue to be subsidized. These subsidies may take a number of indirect forms including remission of internal taxes to exporters. Another obvious indirect form of subsidy is control of raw material markets to the end that domestic producers abroad obtain the benefit of lower costs for such raw material. Still another device is an export tax on raw material, such as the Government of Mexico employs, and which automatically establishes the internal price for hides and skins below the free or world market by an equivalent percentage.

4. The injury to the United States from foreign lack of reciprocity in leather and raw material as well as from the subsidies granted to foreign producers is twofold. First, the unfair discriminatory advantages which foreign producers have in leather enable them to pay higher prices for raw material. In their internal leather markets foreign producers are protected against the remotest semblance of a competitive, free market by unfair import restrictions against leather from the United States. Profit margins are thereby guaranteed to foreign producers which permit them to be much more elastic in the prices they can pay for hides and skins. They can afford to raid United States raw-material markets, for example, and pay prices which United States tanners cannot pay because the latter operate in a free competitive market for leather. Second, such monopolistic profit margins together with Government subsidies also permit foreign producers to seek customers in the United States at unfair leather prices. The United States industry welcomes fair competition, but it is absolutely unfair for tanners in this country to be tied hand and foot while producers abroad benefit from discriminatory trade practice and Government subsidies.

5. Trade discrimination abroad fosters the very conditions which United States economic aid has sought to eliminate. Those countries which prevent fair competition by artificial trade barriers and embargoes are penalizing their own consumers. They prevent the growth of mass consumption and the higher living standards which are the fruits of free competition and free enterprise in the United States. The average pair of leather shoes produced in the United States can be purchased with about 3 hours' labor at the average industrial rate. In other countries, including Western Europe, several days and even weeks of work are necessary to acquire an average pair of shoes. One of the prime reasons for that condition is the existence abroad of controlled, protected, cartelized, and monopolistic markets which benefit a few at the expense of the many.

6. The remedy is simple. All of the foregoing facts have been given to the Government of the United States again and again in recent years. It is time that the United States begin to insist on genuine reciprocity in trade negotiations with other countries. Discrimination against the United States leather industry, with all of the profoundly harmful consequences, could be ended if the United States Government firmly insisted that foreign aid and the benefits of reciprocal trade treaties will be denied to those countries practicing discrimination. We ask nothing more than that the United States demand reciprocity.

MERGERS AND CONSOLIDATIONS IN INDUSTRY AND BANKING

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, on June 7 I made the following statement before the Antimonopoly Subcommittee of the House Judiciary Committee:

STATEMENT BY HON. ABRAHAM J. MULTER

Mr. MULTER. Mr. Chairman, I am happy to have been invited to participate in these important public hearings before this committee.

Our Nation is witnessing an unprecedented deluge of business mergers and consolidations in industry and banking. The general public is beginning to wonder what this trend portends. The public is asking: "How far will this trend go?" "If the trend is unchecked, will the effect of the mergers drastically alter our economic structure?" "In the event of a deep recession or depression will there be a clamor for Government ownership and operation of these giant business corporations?"

In view of the potential gravity of these problems, this committee is to be congratulated on embarking on an intensive study of various angles of our antitrust and antimonopoly laws. I assume that this committee will address itself also to the question of the administration of existing laws. From some of the statements and reports presented in these current hearings, it would appear that some of those entrusted with the enforcement of the laws are not in sympathy with the philosophy behind the antitrust statutes which were enacted to protect the public interest while others are completely opposed to it. I hope the committee not only clarifies the law so that the courts know what the congressional intent is, but strengthens the agencies to compel enforcement thereof.

I might say the testimony adduced before the Banking and Currency Committee and the Small Business Committee, of both of which committees I happen to be a member, shows the same trend. Persons in high public office are completely out of sympathy—persons who are supposed to be enforcing these laws and carrying out the intent of Congress, are completely out of sympathy with the intent of the laws as they are upon the books, so not only must we look to whether or not the laws must be strengthened, but what, if anything, we can do to strengthen the proper sympathetic enforcement of the intent thereof.

The CHAIRMAN. I presume you mean the Federal Trade Commission and the Department of Justice when you speak of authorities, and banks—and you are interested in banks because of your membership on the Banking and Currency Committee; you embrace within that phrase also the Federal Reserve Bank, the Comptroller of the Currency, and possibly the Chairman of the Federal Deposit Insurance Corporation.

Mr. MULTER. All of them including the Federal Deposit Insurance Corporation. That Corporation has very important functions under the law which, if exercised, could at least have a tendency toward preventing these bank mergers. After all, it is the insuring agency. The Federal Deposit Insurance Corporation's main purpose is to protect the public, the depositor, and it does not protect the depositor and the public when all it does is automatically say, as it does in many instances, "We have no objection to this merger. Mergers are good."

The CHAIRMAN. There have been upward of 350 mergers of national banks in the last few years. Do you know of a single instance where a merger was rejected by the Comptroller of the Currency, or any effort made by the Federal Reserve Board to influence or to advise against a merger?

Mr. MULTER. I believe your record as developed up to this point shows there has not been a single instance where the Federal Reserve Board indicated its opinion that a merger should be disapproved, nor has the Comptroller of the Currency, who has the sole right to say yes, or no, as to the approval of national bank mergers, in a single instance said no, and not a single instance where the Federal Deposit Insurance Corporation has said no.

Now, let me indicate this further. You cannot expect anything different from those three agencies, because they are completely out of sympathy with the intent of the law to see to it that these bank mergers did not lessen competition between banks. You will find all sorts of excuses given as to why this merger is a good one and that consolidation is a good one. Never once did they come up with a reason as to why the public interest would be best served by stopping the merger or the consolidation.

Mr. MALETZ. Congressman, do you think the law needs strengthening on the basis of what you have said?

Mr. MULTER. I think it needs strengthening in some very important respects. I know how difficult the problem is of putting into precise language standards that should be followed by the agencies in following out the intent of the Congress, but it is essential, in my opinion, that something be done along that line.

Now, the language which appears in the antitrust laws is that the——

The CHAIRMAN. Can I help you: Any merger that would substantially lessen competition in any section of the country shall be prohibited.

Mr. MULTER. Yes. Those are the precise words that I wanted to put in the record: "Tend to substantially lessen competition."

Now, everybody will come before your committee and say, "That is a good purpose; that is a good intent." And when the members of the executive departments and the representatives of the Federal Reserve Board come before my committee or your committee, they will tell you, "This is very good, this is good public protection, this principle as enunciated is very fine."

When you look for the specific instances of what they are doing you find their official conduct shows them to be completely out of sympathy with that principle.

The CHAIRMAN. Now, in that connection, so as to nail down any doubt that may cluster around the Celler Antimerger Act, an amendment is pending before the Judiciary Committee of the House—the Judiciary Committee of which I am a member and chairman—a bill to include the word "banks" in the Celler Antimerger Act. There is some question as to whether or not banks shall be included.

I take it you would be in favor of such an amendment?

Mr. MULTER. Very much so. I do not remember the exact language, but I believe that amendment, by adding the word "banks", the existing statute will then be made to preclude the acquisition either by the banks, the same as it is prohibited to industrial and business firms.

The CHAIRMAN. That is correct. That is the purpose of the amendment. There are also two bills pending before your committee which I have offered, H. R. 2115 and H. R. 6405, concerning bank mergers. Can you tell us what has happened to those bills since they have been before your committee?

Mr. MULTER. They are presently on our committee calendar. I am very hopeful we will get hearings on those bills in the near future. I hope before this session of Congress ends. As you probably know, there are several statutes that have deadlines which must be met, where laws are expiring, so we have had to lay aside important business to conduct the hearings with reference to extension of existing laws that are expiring. That has nothing to do with your bank-merger bill. But among other things in direct line with your bank-merger bills is the bank holding-company bill, which, after very extensive hearings, our committee has reported out. We attended before the Rules Committee last week, and we will be there again today in order to get a rule on that bill.

Now, that bill is a very important piece of legislation, in accord with the need to stop these consolidations and concentrations of banking facilities which are to the detriment of the public interest. If we do not enact such legislation—and I do hope that your committee will lend its support to that bill when it reaches the floor—if we do not enact legislation of that kind, we are in very serious trouble, because even with the enactment of your bank-merger bill you will have this evasion still available through the process or means of a bank holding company of concentrating the banking and financial power of the country in small groups. That is what the Bank Holding Act is intended to regulate.

Mr. MALETZ. Do you feel that if the laws were administered with regard to congressional intent, some of the mergers would have been blocked?

Mr. MULTER. I cannot believe that every bank merger that has been proposed and approved is in the best interests of the public or for the convenience and necessity of the public.

Take, for instance, what happened in the city of New York. The Chase National Bank and the Bank of Manhattan & Co. merged. You are given any number of excuses as to why mergers should be approved.

The CHAIRMAN. Do you have the assets of those banks?

Mr. MULTER. Yes.

The CHAIRMAN. Just read them.

Mr. MULTER. The Chase National Bank had total assets of just under $6 billion. I will put this in the record if you will permit me to, with the exact figures, but I think at this moment it is better to round them out so you can get the picture.

Chase National Bank before the merger had total assets of just under $6 billion. The Bank of Manhattan Co. just before the merger had total assets of over $1,600,000,000. The resultant merged bank, Chase-Manhattan Bank now has over $7,500,000,000 of total assets.

The CHAIRMAN. Now, would you not say that the Chase National Bank—which was absorbed, incidentally, by the Bank of Manhattan Co.—Chase gave up its national charter—wouldn't you say that the Chase National Bank was a powerful, independent, competitive institution to the Bank of Manhattan Co.?

Mr. MULTER. There is not any doubt about it.

The CHAIRMAN. And would you not say that there was a substantial lessening of competition?

Mr. MULTER. All you need do to prove your point is to look at the classified directory of the Manhattan Telephone Book, and note the bank offices of the Chase National Bank before the merger, and those of the Bank of Manhattan Co. before the merger, and unless those people who are in charge of the new merged bank are out of their minds, some of those offices will be eliminated. They are not going to have one office on one street corner in New York and another directly opposite, or just around the corner. There is no need for such facilities. So many of those branches adjacent or near one another must go out of business. Let me point out what is worse than that. Taking the facilities and personnel and putting them in one office instead of two, is economically sound, but what about Mr. Businessman around the corner? These two banks each could very easily have lent the average businessman in the neighborhoods of any of their branch banks substantial sums. Let's take a businessman whose assets are $500,000 net. On the basis of his past history and his projected business he is entitled to a credit of $100,000. He was banking in both Chase Bank and Bank of Manhattan. Each bank gave him $50,000, because neither wanted to give him $100,000, even though he is entitled to a total of $100,000. There is no question now, of whether they can lend the $100,000. They can easily do it, and more. But each loan officer of each of these independent banks say to Mr. Businessmen, "We will give you a line of credit up to $50,000." That is good banking. Then the two banks merge. His loans come due and he goes in to renew them and they say, "Oh, I am sorry, but your line of credit is only $50,000."

He must now go looking for another banking organization that will give him the other $50,000. Because with the two banks combined into one, the loan officer is still going to say, "All I want to go in for with your company is $50,000."

The CHAIRMAN. That difficulty is exacerbated by the fact that these branches go throughout the length and breadth of the city, so what you say for that particular neighborhood would apply to many other neighborhoods in the area called New York City, and would not that be a substantial lessening of competition in the given area known as New York City?

Mr. MULTER. There is not any doubt about it. If they have not closed any of these branches of Chase Bank and Manhattan Co., it is because they have not gotten around to it yet. But whether they do or not the customer only has 1 bank where he had 2 before.

Take the Brooklyn Trust Co. in our own borough of Brooklyn. It had 1 or 2 offices in Manhattan but it was mainly concentrated in Brooklyn and had many branches there. When it merged most of those branches were closed up. There was no need to compete with themselves. This business that you are told by some of our banking officials that when you have two branches instead of one branch of the same bank, the branches compete with each other is utter nonsense, because there is a loan committee—after all, there are only two ways that the bank can make any real money. One is on Government securities, buying and selling Government securities—and, of course, on the interest return—and the other is lending money. That is their business. Credit is their commodity, and they make their profit from the interest they get on the loans they place. But you have in each of these big institutions a loan committee in the main office, laying down policy and while a branch office may have a limit that it can go to, depending on the size of the bank and the neighborhood—$2,000, $5,000, $10,000, maybe in some instances $50,000, that the loan officer in the branch bank can extend without going to his main office. When he gets beyond that point—and the substantial loans are all beyond that point, he must go downtown and downtown establishes the policy and the main office does not care whether the man is next door to the Worth Street branch or next door to the Times Square branch. The man downtown in the main office will say what he shall get.

The CHAIRMAN. Those two banks were not in the contrel of the Federal officials. The jurisdiction of those banks was in the superintendent of banks of the State of New York, and you believe he is at fault for failure to negate those mergers?

Mr. MULTER. In those instances, the authority was vested in the State banking authority, but if the law needs amendment so as to tell the Federal official—officials of our Federal Government that they have to stop these things, then let us write it into the law. I think they could have stopped it.

The CHAIRMAN. That is exactly what my last bill does, No. 6405. It does not take away jurisdiction from the Federal Reserve or the other Federal authorities in a case of a merger of that character.

Mr. MULTER. You see, the Chase National Bank and the Bank of Manhattan Co. got State approval and became a State bank, because of things in the Federal law that they did not like. I do not think they were so anxious to give up the word "national" as part of their name, but they were required to comply with the State law as well as the Federal law, so they went in and became a State bank.

The CHAIRMAN. It was more than that. There were some peculiarities in the charter of the Bank of Manhattan Co. which required the unanimous consent of its stockholders.

Mr. MULTER. That is right.

The CHAIRMAN. And that was an obstacle they could not get around.

Mr. MULTER. So they gave up their national bank charter and became a State bank?

The CHAIRMAN. That is right.

Mr. MULTER. But they were members of the Federal Reserve System and the new bank also is. They were both members of the Federal Deposit Insurance Corporation. The merged bank also is a member. So the Federal Deposit Insurance Corporation could have done something about it. So could the Federal Reserve Board, which is charged with the duty of preventing monopolies and trusts in banking—when the antitrust laws were originally written, the Congress very properly said, "Banking is a peculiar industry unto itself. Let's not place that jurisdiction in the Federal Trade Commission with all the industries and manufacturing companies and business enterprises, let's keep them separate." So Congress vested jurisdiction in the Federal Reserve Board to prevent bank monopolies and bank trusts. But the Federal Reserve Board has done nothing to carry out the intent of the Congress as written into that law.

The CHAIRMAN. Will you go on with your statement, Mr. MULTER?

Mr. MULTER. May we make a part of the record at this point, the Data on Assets and Deposits of Merged Banks in the New York City area.

The CHAIRMAN. We have that in the record.

Mr. MULTER. Then I will not burden the record with it.

The CHAIRMAN. Excuse me. We have read from it, but we will put that in the record at this point.

Mr. MULTER. Fine.

I have been watching this concentration trend during my years of service on the Banking and Currency Committee and the Small Business Committee of the House. I have traveled through most of the country and have had an excellent opportunity to study the effects of the merger movement on small- and medium-sized firms. Our Small Business Committee has listened to the stories of many hundreds of businessmen, in many communities in many States. I am sorry to relate that the picture is very

discouraging. The growing number of failures as reported by Dun & Bradstreet is an index of what is happening in this important segment of our economy. The general feeling is that the Small Business Administration has done very little to alleviate their plight. The Congress might take a lesson from the Canadian and British experience in this matter of providing equity capital to firms unable to float securities on the market. And lest I be misunderstood, let me interpolate, there: Unless we stop these bank mergers, we will very soon get to the point where England has arrived, and that is one thing I do not want to see copied in this country, and I am sure very few bankers want to see copied in this country.

You will probably remember that in 1946 the Bank of England was nationalized. That is what happened in England. It happened in France. As a matter of fact, even before it happened in either England or France, the Communists in Russia, when they took over, showed how it could be done. One of the first things they tried to do was to take over all business, including banking and insurance. It all came to a standstill. So what did they do? They gave it back to private enterprise and let private enterprise unify each industry and each trade. Then after it was unified in private hands, they stepped right back in again and took it all over.

Now, England and France have followed that very bad theory of socialization or nationalization of their banks. The same thing is going to happen in this country if we do not stop these bank mergers and these bank holding companies from growing as they are continuing to grow and have been for many years. I think that is the last thing in the world any good American would want to have happen here.

While I am deeply interested in all phases of the problem with which this committee is wrestling, I shall devote my remarks, more especially, to the banking phases of the merger movement. The newspaper headlines in recent months have told the story in a dramatic manner. Let me give you some cold, disturbing facts about the general concentration trend in the banking business. The recent report of the Federal Reserve Board shows the picture very clearly.

As of June 1954, the 100 largest commercial banks held approximately 46 percent of all the assets of all the commercial banks in the country, more than 14,500 in number; 413 commercial banks, each with $50 million or more deposits, control 63 percent of all the assets of the 14,500 insured commercial banks in the United States.

Contrast these figures with the picture and status of small banks. A small bank is defined as one having 2 million or less of deposits. There are 4,850 such commercial banks. They hold a mere 3 percent of the total assets of all commercial banks. The large banks quite naturally have the bulk of the outstanding loans. In 1951 some 200 large banks accounted for 60 percent of all the loans made by commercial insured banks in the country.

Having in mind the old adage that credit is the lifeblood of our free enterprise system, translate these figures into human values. Or as the former chairman of the Banking Committee, Representative JESSE P. WOLCOTT, now its ranking minority member, said: "Whoever controls the lifeblood of the economy controls the economy." In the light of what I just pointed out, based on Federal Reserve reports, you decide who controls the economy.

I might also ask: "Which group in our society has the greatest influence in shaping the economic policies of our Federal and State Governments?"

For example, there is the Bankers Trust Co., of New York City, which absorbed such large and well-managed banks as the following: The Title Guarantee & Trust Co., the Public National Bank, the Lawyers Trust Co., and a few suburban banks of lesser assets. Thus, several sizable independent and sound banking institutions disappeared from the scene. Certainly the merger of the Chase National and the Bank of Manhattan was no rescue operation. Both of these banks were powerful institutions before the merger and able to operate profitably as separate entities.

You probably have been told or will be told by the Federal Deposit Insurance Corporation and possibly the Comptroller of the Currency that many mergers are rescue operations. Ask him to point out to you a single instance where such a rescue operation was not made to the advantage of the merging institutions.

In other words, there have been, from time to time, some weak banks, and the FDIC, or the Comptroller of the Currency stepped in and said, "Now, you just cannot go on this way." So, FDIC took out of that bank its worthless or doubtful assets, and called in another good, solvent, going bank and said, "You take over the good assets," and that is what happened.

In every one of those instances, while the weaker bank continued to operate as a part of the bigger bank, the bigger bank made a very substantial profit on the deal. Whatever losses there were, were absorbed by FDIC.

The CHAIRMAN. In other words, it took all the cream and none of the milk?

Mr. MULTER. That is quite right. In fact, whatever milk seemed to be turning sour was dumped into FDIC, which then continued to liquidate the assets for whatever it could get, and absorb the loss.

Now, please do not misunderstand me. I do not mean to imply for 1 minute that FDIC is weak, or that our banking system is getting weak, but this kind of business can weaken or destroy any good organization or institution, even if it be Government controlled.

The resultant Chase-Manhattan Bank became the second largest bank in the United States. A big merger begets a bigger merger. Not to be outdone by the Chase-Manhattan combination, the National City Bank, which had been No. 2 in the country, announced it would take over, or merge with the First National Bank. Seeking to regain its former leadership, in size, other acquisitions by National City will doubtless follow. Since mergers beget the passion to be No. 1 with the power that goes with it, and, of course, the prestige, there necessarily and logically follows the urge to ultimately set up a single monopoly enterprise which in due time is bound to be taken over by the State. Independent banks are swallowed up; the public interest is lost sight of and sacrificed in the merry chase for top leadership in banking and in industry generally. Nor must we think that these New York City bank mergers are a unique and special case arising from extraordinary local market situations.

Let me here give you a brief quotation from the testimony as presented to us by a banker, a very distinguished citizen from the State of Georgia, who attended and testified before the Banking and Currency Committee. Listen to what he had to say. I am quoting, now, from page 174, of the hearings before the Committee on Banking and Currency of the House, on H. R. 2674, which is the bank holding company bill, which will shortly be before the Congress. I now quote from Mr. Peters:

"Fifty years ago they had in Georgia, six clearinghouse banks, all in Atlanta. During that period of time, two additional banks have been organized. Had they all remained in business, we would today have 8 clearinghouse banks in the city whose population has grown at least 4 times, and whose industry has grown many times. But we don't have 8 banks. We have just 4 banks, now. Four banks in the meantime have disappeared through consolidation, mergers, or sales. And I think those who are familiar with banking in general know that this is true throughout the Nation."

And he goes on along the same line, to point out the dangers attendant upon these bank mergers.

In Philadelphia the same sort of merger took place when the famous Girard Trust Co., among the 100 largest banks in the country, merged with the Corn Exchange National Bank & Trust Co., which was also a very substantial institution.

In Pittsburgh, a few years ago, the famous Mellon National Bank, which had grown large and strong through many previous absorptions, merged with the Farmers National Deposit Bank, also no mere pigmy.

The CHAIRMAN. Again you have the situation in Pittsburgh where the Farmers National Deposit Bank was a very substantial, strong, competing bank, and it was swallowed up by the Mellon National. That certainly was subtantial lessening of competition.

Mr. MULTER. There is no doubt about it.

I suggest most respectfully, Mr. Chairman, that you might ask the Comptroller of the Currency to submit to you a list of all of the branches that were in operation at the time of each of these mergers by the two banks that were merged in each instance, and give you a current statement of how many branches the merged bank is operating today, and note how the competition has very substantially been lessened in each of these instances. Anyone who just took the time to look at the situation before the merger took place would have been compelled to conclude that that would be the inevitable result of these mergers, a lessening of competition.

I know they will come in, if they have not already done so, and tell you, "These big banks must merge and become bigger so that they can compete with the big loans made by the insurance companies."

I do not think that this Congress is concerned with whether or not a big bank can get big enough to compete with an insurance company. They have been able to do it successfully in the past by making joint loans, participating loans, where several of the banks would get together and each take a piece. It is much sounder, in my opinion, as lending policy, for 1 bank not to take a $500 million loan, but rather have 5 banks join in participating, each taking $100 million of the $500 million.

This competition they talk about as the reason why they approve the merger of these banks is not to continue the competition within the banking circles for the benefit of the businessman, or the average businessman. It was the desire of the banking authorities to go along with the intent of the big banks to merge so they can compete with the big insurance companies.

The CHAIRMAN. Is that argument that they need a greater amount of assets and therefore merge in order to compete with insurance companies sound, in this sense: An insurance company does not make short-term banking loans. They do not accept banking paper, which is usually 18 months. The loan is usually made by the insurance companies, the long-term loans. It is usually made in the form of debentures, or similar evidences of debt. In many instances, those loans are 20 years, 15 years, and 10 years. The bank cannot make such a loan unless it is willing to constantly renew the paper.

Mr. MULTER. That sir, has been the traditional method of carrying on lending operations by our banks. But our banks are no longer satisfied to carry on in that traditional manner.

As a matter of fact, I believe it was only last week they pushed through in the other body of the Congress a bill permitting banks to lend on 20-year mortgages. Now, I

noticed nothing about any hearings being held on that bill, there. I do hope the bill will come before my committee in this House and we will have very extended hearings to show and develop that that idea and that proposed bill is just another move by the big bankers of the country to concentrate the banking monopoly in the hands of the few. There is no reason why a bank which has, as its main asset, demand deposits, should be permitted to invest demand deposits in 20-year mortgages. It is something entirely revolutionary in my mind, so far as banking policy is concerned, and I think it is very dangerous and very bad.

You see the trouble is that these big money people of our country have now been rehabilitated to the point that they have forgotten that they ever had a depression in this country; they have forgotten that their paper profits vanished in thin air in the depression. They are trying to build up to that situation again, and they will if we do not stop them. I think, regardless of what they may do with their own money and the risks they may take with their own money, we must see to it that they do not take any unwarranted risks with the public money. That is what they will do if not curbed.

We are accustomed to think of mergers and consolidations occurring during periods of depression. Here we are witnessing mergers taking place during a period of great business activity and booming prosperity.

Can it be due to anything but a passion for power that accompanies bigness? If it's the desire to possess and use power, then we must in the public interest look into the effects of that power on the rest of the economy.

It is often said, by way of justification of consolidations, that in these days of big enterprise we need bigger banks. As a matter of fact, successful large business corporations were always able to establish lines of bank credit to meet their short-time requirements. A few years ago the press reported how General Motors borrowed hundreds of millions of dollars from a group of banks. Thousands of firms have developed multiple banking connections just the way they float their bond and stock issues through underwriting syndicates and investment houses. Moreover, large successful firms, in recent years, have built up very large cash reserves from undistributed high profits, accelerated depreciation allowances, and other financial defense and national security devices.

If capital is needed for long-term investments in expansion of plant and equipment, these giant corporations rely on a stock issue, as seen of late in the case of a number of companies, including General Motors and Ford. Then there are the insurance companies with huge surpluses to invest, who stand ready to buy large blocks of stock or make direct loans to business corporations.

I appreciate the fact that there are occasions when the shift of population in a banking area may make it necessary for a bank to make a shift in its pattern of operations. For example, branches may be needed to serve the suburban population. A large city bank may acquire a bank, equally large, that has in operation many branches in the desired area. It is understandable that two such banks might very well merge. This has actually happened in the New York metropolitan area. Banks without branches find it wiser to merge than to make large investments in the erection of branch bank buildings; and desirable locations are not always available, except at exorbitant prices.

The CHAIRMAN. You had an example of some of the things you indicated there where you had the National City Bank absorbing the very large First National Bank of New York. Can you conceive any real reason, except enrichment to the stockholders, for the merger of that bank?

Mr. MULTER. It was certainly not a rescue operation, it was not an operation to gain additional branches. It was solely the desire to be bigger, to have more capital, to have more assets, and to be able to make even larger loans. The First National Bank was reputed to have a policy of not taking any single depositor unless he maintained a daily balance of $200,000. Now that is not small banking.

The CHAIRMAN. So that was an elimination of a very powerful and strong competitor of the National City Bank?

Mr. MULTER. Yes, of course.

The CHAIRMAN. Did the Comptroller of the Currency seem to imply that created more competition instead of lessening competition?

Mr. MULTER. I suggest you invite him back and ask him what competition, and ask him to indicate how they are handling their applicants for loans and the depositors of the First National Bank. Ask him to supply to you, in confidence, if you will; obtain it by numbers——

The CHAIRMAN. We did ask all those questions.

Mr. MULTER. Good. Then we are thinking along the same lines. You will find, without disclosing any confidences, that the big depositors in the First National Bank were getting loans there and were getting loans in National City. If they were not getting them in National City, they were getting them in Chase National Bank.

The only result that could come from that other than the bigness of the giant now created, is to destroy competition. I say, not lessen, but destroy competition.

Mr. FINE. I remember, Mr. MULTER, where the Comptroller of the Currency did state there was no lessening of competition by reason of that merger of the First National Bank.

Mr. MULTER. I read that, Mr. FINE. If I had been sitting in your seat at the time, I would have asked him to explain that.

The CHAIRMAN. We covered that very thoroughly, but as I said before, the answers were very unsatisfactory, and very naive and wistful, if I can use that understatement.

I should like to characterize it the way I think about it, but I am afraid, since we are in a public hearing, I should not do it.

Mr. MULTER. I clipped this from the New York Times of Thursday, June 2, and it is typical of what I say is the thinking of those in high Government places, charged with the duty of enforcing these laws. This is what Edward F. Howrey, Chairman of the Federal Trade Commission said: "Some mergers are good because they strengthen competition." He cited the recent merger of Willys Overland and Kaiser Frazer as providing more competition for the three big auto makers.

And then he goes on to say the major compelling reason for mergers is the desire of companies to increase their capacities without creating new competition.

Now, how can he be right in both instances? You do not lessen competition when the desire behind the merger is to increase capacity without creating new competition.

Mr. FINE. They mean competition between the big banks.

Mr. MULTER. I think that what they mean without saying it is the desire behind these mergers is to destroy competition. I go further than the language of the statute. The desire for these big mergers is not to lessen competition, it is to destroy competition.

The CHAIRMAN. It is the coming into being of a new cult. It is called, "megalopoly, the bigger, the better."

Mr. MULTER. In some cases the bigger the better but in too many cases, "the bigger, the more dangerous."

You see, you and I, Mr. Chairman, have very often been in before the Congress urging amendments to the law and have been accused of advocating foreign doctrine in our country which would tend to socialize it. The very people who raise those arguments now run away from the danger we point out to them, and refuse to see the danger. This trend is more likely to bring about socialization and nationalization than anything that has ever happened anywhere. If you will just look at these so-called foreign ideologies, that they do not want to come into this country, you will see the experiences of those countries have indicated that the very danger we are talking about is likely to come upon us here at home, if we do not keep our eyes open and be alert to stop this very dangerous trend.

The CHAIRMAN. In other words, if we had another depression like we had in the 30's, or there is a huge scandal somewhere you will have the hue and cry all over the country for the banks to become nationalized.

Mr. MULTER. You will not need a depression to bring it about, sir. Because once they get so big, as business is throttled, as it cannot get the credit it needs; as people see their jobs being lost because of these tremendous consolidations, you will not have to wait for a depression. Somebody is going to come along and very forcefully argue, "The only way to stop this is let the Government not only regulate, as we seek to do, but to own and control," and that is not free enterprise. These free enterprisers who are always talking about free enterprise and crying, "We do not want any interference by the Government," cannot see the necessity for the Government to protect them against this danger by these regulations we are advocating.

Mr. SCOTT. Mr. MULTER, you make an interesting comment here, too: "It is not a case of one strong institution rescuing a weak and a shaky bank as happened frequently during the thirties." The reverse of that situation happened all over the United States in the thirties and happened in Philadelphia to my personal knowledge, where the big, stronger banks not only attempted to rescue the smaller banks, but in some instances the big banks actually forced the remaining closure of smaller banks because they did not want the competition in the area.

I know of a bank that was 116 percent solvent which was kept closed by the bigger banks against the advice of the resident national bank examiner because the big banks did not want to bother with the competition of the little one.

Now, there is a further evil that may not have come across your own experience, but it certainly came across mine.

Mr. MULTER. Mr. Scott, I am well aware of that. It happened throughout the country. It happened in Philadelphia, it happened in New York, it happened in Pittsburgh, it happened in Chicago. It happened in Georgia.

I quoted some of the testimony before the Banking and Currency Committee of Mr. James Peters, of Georgia. The same thing happened there, and it is happening again. Our banking authorities, State and Federal, are not helping the independent banker to stay in business; they are practically forcing him out. They will not let a new independent bank be organized where there is a big bank in the area.

Mr. SCOTT. You see what happened in Philadelphia was, when the banks were ordered closed, a committee was formed of bankers to decide which bank should reopen. The committee of bankers consisted solely of representatives of the larger banks who, in the case of certain banks said, "Yes; we know they are solvent. We know that they are able to continue, but we do not think it would be in the interests of this neighborhood or this economy—meaning these big banks—to allow them to continue."

That drove a lot of small depositors to the wall and that is what changed my thinking on some matters.

Mr. MULTER. Mr. Scott, before you came in I referred to the fact that the Federal Reserve Board is charged with the duty of stopping monopolies and trusts in the banking business and I indicated they are not doing it.

One of the reasons they are not doing it is attributable to the same situation which was permitted to be brought about in Philadelphia and elsewhere. The big bankers are in control of the situation, and I think we will have to have a revision of our Federal Reserve Board so there will be more public participation, more small business participation on the Board than big bank control. Banking is no different than any other industry. Industry will not regulate itself. If industry would regulate itself, we would not need the Federal Trade Commission. Industrialists do not do it and the bankers are no different.

Mr. SCOTT. I was born in a small town which in all the years I was growing up supported four banks. Today they have two banks, both fine, sound, solid institutions, but I think that the people of that town had more choice, more freedom of opportunity to go where they wanted and work out their problems, more competition, and generally speaking were probably a little better pleased with the 4 banks than with the 2. I say that as a stockholder of 1 of the 2 banks and I think it is a fine institution. I hate to see all the grocery stores and all the little drugstores giving up the fight and I hate to see the small but sound banks giving up to fight, too.

Mr. MULTER. If small business is the backbone of our free-enterprise system, we must see to it that small business, whether it be the small bank or the small grocery store, stays in business.

Mr. RODINO. Mr. Congressman, would you urge that these super concentrations, these big mergers and large, giant industrial corporations, and things of that sort, would you urge that they be broken down in order that we might have reached a point which determines they are too big and that they should not go any further?

Mr. MULTER. Without trying to say that that must be done in every instance where a merger has already been brought about, and without saying that you now go into the Chase Bank and Bank of Manhattan Co. and break it down and say, "You are too big, you have to divest yourselves of some of your branches," I think having permitted it to come into being, each of those cases must be handled separately, with a separate investigation, and then a determination made in each of those mergers by proper legislation. We can stop any more of those big consolidations.

Mr. RODINO. It is all right to stop them, but why permit those who are already big to continue, then, if we recognize that they break down competition?

Mr. MULTER. I do not want to be misunderstood as saying that they should be permitted to continue, but I do say that, much as I would have liked to have seen it stopped in the first instance, I do not think at this stage we should here as legislators say, "You disband." I think that must be for the Federal Reserve Board as to banks and for industry, the Federal Trade Commission. We should make the law so specific that there may be no misunderstanding by those agencies. I do not think the standards now set forth are sufficiently explicit. They rest on their discretion and they find there is no lessening or there will probably be no lessening of competition. We must be more explicit in writing a standard that when the fact is established, thus and so—you might have to take it up dollarwise. You may have to say anything that gets beyond $10 million—I am just taking an arbitrary figure—cannot merge until they give notice. In the case of the bank, the Federal Reserve Board and in the case of general industry, the FTC—they cannot merge before getting prior approval. In other words, if it is a $25 million merge, that should not be allowed to come into being until we have a proper administrative agency look at it and say it is all right. In case of the lesser mergers, let them do it after notice unless the agency takes action to stop it.

Mr. RODINO. It has been suggested we provide legislation which would urge breaking down the existing superconcentrated industry. He pointed out United States Steel as an example.

Mr. MULTER. I understand his argument and I am not prepared to argue against it. At the same time I do not want to sit here as a legislator and take the position that that is what you must do as to any particular institution or organization, whether a bank or an industry. I do not think that that is our function as legislators. I think we must lay down the standards and then direct the administrative agencies to go in and make the determination. Does this organization or bank or company violate those standards?

The CHAIRMAN. Mr. MULTER, you are making a very, very important contribution here to this general subject, not only with regard to banks but commercial endeavors also, but in reading the Attorney General's report to which reference has been made by our distinguished colleague from New Jersey, Mr. RODINO, I find no mention whatsoever concerning bank mergers.

Now, you as a responsible Member of Congress and an important member of the Banking and Currency Committee, I would like to get your view on it. Why in your estimation was that—why was that, shall I say deliberate or unwitting omission made in that report?

Mr. MULTER. I would guess that the reason for that is that he has taken little or no action involving bank mergers, or bank activities. I think the Federal Trade Commission from time to time has referred many matters to the Attorney General for prosecution, either civil or criminal, and he has acted accordingly after his investigation—when I say accordingly, I mean in accordance with his own judgment as to whether a proceeding or action should or should not be instituted.

Now, I do not know of a single instance where the Federal Reserve Board has ever referred anything to the Attorney General for his opinion as to whether it violated the antitrust laws or any of the statutes.

The CHAIRMAN. Well, do you not think that a committee composed of over 16 members of various segments of our country, commercial, agricultural, financial, and otherwise, should have devoted some time to the question of bank mergers in this country?

Mr. MULTER. Of course, they should have.

The CHAIRMAN. Were you ever informed as to any of the activities of that committee? You as a responsible member and an important member of the Banking and Currency Committee?

Mr. MULTER. I would be inclined to say that I was not invited to attend. I had no notice of any of such hearings, or I might have asked permission to attend. I wasn't invited to attend or give them my views.

The CHAIRMAN. There were no hearings but I want to read a portion of the statement of Mr. Stanley Barnes, Assistant Attorney General of the United States, and S. Chesterfield Oppenheim, professor of law, University of Michigan, on page 9 of the release dated August 27, 1953. They speak there of consultation with various Government agencies, and then we have this significant phrase:

"This liaison, as well as the liasion with both Houses of Congress and the Federal judiciary insures the receipt by the cochairmen and reference for study and analysis prior to the drafting of reports of the working group."

There are other indirect references to so-called liaison between Members of the House and the Senate.

Now, do you not think a committee as important as this committee is, or was, should have consulted the members say, of the House Judiciary Committee, the Senate Judiciary Committee, the Senate Banking and Currency Committee, the House Banking and Currency Committee?

Mr. MULTER. There is no doubt in my mind that they should have, at least as a matter of courtesy, asked for our views on these important matters.

But along that same line, let me indicate this to you.

The CHAIRMAN. There was no consultation whatsoever. I can say that as chairman of the Judiciary Committee.

Mr. MULTER. I know of none with any member of my committee. I know I was not consulted, and I know of no member of the House Committee on Banking and Currency who was consulted, nor any member of the Small Business Committee who was consulted.

The CHAIRMAN. And, as a matter of fact, in addition to that written promise, or indication of intention, there were oral statements made to me and others that there would be consultations made to me and others that there would be consultations and there was a complete default with reference to that type of engagement.

Mr. MULTER. Along that same line, let me indicate by specific example what I mean by lack of sympathy in high places, with the congressional intent, insofar as antitrust laws are concerned.

We have a provision in our National Banking Act which provides in so many words that only natural persons may be the organizers of a national bank. Yet the Comptroller of the Currency personally advised our Banking and Currency Committee that there was no objection to a corporation using dummies to organize a national bank.

In other words, if a corporation wants to go into your area, or Mr. SCOTT's city and open a bank, they take five persons whom they control, who subscribe to the application for the national bank charter and file it and say in the charter application that "these people are representing this corporation and all of the capital will be supplied by the corporation, and that the directors who must each own $1,000—a minimum of $1,000 of stock in the bank in order to qualify as a director, will have that stock supplied to them, with money furnished by the corporation."

So this corporation owns and controls the bank even before it starts. And the Comptroller of the Currency tells us that he approves that kind of a situation. Now, that is on the record before the committee.

The CHAIRMAN. I want to state to our colleague from New York that we have several other witnesses.

Will you go on with your statement?

Mr. MULTER. I am sorry to have taken so much time.

The CHAIRMAN. It has been very interesting and very illuminating.

Mr. SCOTT. I am glad to have the report of what your committee is doing with regard to this possible menace of overmerger of banks. It is especially interesting.

Mr. MULTER. I say, not because it comes from my committee, but I say one of the most important pieces of legislation that any committee has brought before this Congress is the bank holding company bill, which is a step in the direction of preventing these gigantic financial institutions from taking over and throttling the independent banks of our country. They cross State lines, they control industries other than banks, and it is a bad situation, which this bill will go a long way toward correcting.

The CHAIRMAN. And do not forget my bank-merger bill before your committee.

Mr. MULTER. No; I will not, sir.

I will hurry along and finish this statement.

This merger-concentration movement has been going on for a long time. The more

recent bank mergers in New York City have merely called attention to the ominous trend Between 1945 and 1951, a period of great business activity, there were 581 consolidations and absorptions among the Nation's commercial banks. Between 1940 and 1950 these consolidations of commercial banks averaged more than 80 per year.

Along with these mergers, naturally, there was a steady decline in the number of independent banking units. It is not true that branch banks fill the gap caused by the loss of independent banking units. The total number of branch banks jumped from some 1,200 in 1920 to about 5,000 in 1950. I am not opposed to branch banking. I cite the data to show how consolidations wipe out the independently managed banks. Let me say, in passing, that our banking policy for generations has been wisely based on fostering strong, independent, unit banks, locally financed and locally managed to render maximum service to the persons and businesses in that local community. This does not preclude branch banking, when necessary to form a strong bank. But the bank merger movement is drastically altering our banking structure by wiping out many strong, ably managed, local, independent banks.

The potential danger in the most recent bank mergers lies in the fact that the consolidations are between banks with huge assets, profitably operated and well managed. It's not a case of one strong institution rescuing a weak and shaky bank, as happened frequently during the 1930's.

The chairman of this committee has called attention to a factor which not infrequently induces a bank merger. He referred to the fact that bank stocks very often are quoted in the market far below their book value. As you are doubtless aware, bank stocks are not listed on the stock exchanges. They are sold over the counter which means in a limited market, through brokers. The banking fraternity, of course, is aware of the fact that stocks of some sound banks are undervalued. Such banks are ripe for a merger. A good example of this type of merger is found in the history of the Brooklyn Trust Co.

This story is told in great detail in the staff report of the House Judiciary Committee in 1951—title of report, Bank Merger and Concentration; 82d Congress, 2d session, page 21.

The CHAIRMAN. There was great manipulation in the stock of the Brooklyn Trust Co. and vast sums were made by speculators in the market, as well as by stockholders who bought up large volumes of the stock. The same situation occurred with reference to the merger of the Bronx County Trust Co. with the Bank of Manhattan Co. We always hear of the Chase National Bank merging with the Bank of Manhattan, but there was an additional merger there, the Bronx County Trust Co.

It would be interesting to see the tremendous advance in stock marketwise of the Bronx County Trust Co., and I would like to know how much money was made by the insiders before that deal was consummated.

Mr. MULTER. I think that is a proper subject of inquiry by your committee and I think it should be spread on the public record. To anyone who comes in and says to you that is confidential, I think you can very properly say that it is a necessary part of your investigation, that matters like that which certainly were made known or should have been made known to the stockholders of both groups, should be spread on the public record.

The Brooklyn Trust Co. stock had a market price of from a low of 97 to a high of 155 per share during 1949. Late that year its book value was 194.96 per share, December 1949. This bank merged with the Manufacturers Trust Co., which paid the stockholders of the Brooklyn Trust Co. $183 for each share of stock plus 1 share of Manufacturers Trust Co., whose shares were approximately $55. Of course, this merger enabled the Manufacturers Trust Co. to expand its banking facilities, increase its deposits, and in general add to its financial strength. According to the staff report, "the case of the Brooklyn Trust Co. is far from unique." The Brooklyn Trust Co. had 20 branches; which was one of the valuable assets wanted by the Manufacturers Trust Co.

Incidentally, many small depositors in the Brooklyn Trust Co. after the merger were invited to take their accounts elsewhere because this new big bank could not afford to handle those small deposits.

The situation in the District of Columbia is far worse than anywhere else in the country.

I will come back at a later date, if the chairman will allow me, and develop that situation in the District of Columbia.

The CHAIRMAN. We will certainly welcome your second appearance before this committee.

Mr. MULTER. Thank you, Mr. Chairman.

It appears from the testimony during the current hearings, and from the statements issued by your chairman, that the Sherman-Clayton Acts have not been invoked to halt this merger movement; or even to investigate thoroughly into the effects of the mergers on competition. At any rate bank mergers have gone on merrily.

It might be well for you to inquire into how much time is actually spent by the Comptroller of the Currency in reviewing proposed bank mergers. I think you will find it is a matter of weeks. And then ask him, too, "How much time do you give to reviewing the applications for a new bank charter?" You will find that it is a matter of months. In one instance, dealing with small sums, in a small community, or part of a community, it takes an indefinitely long time and in the other, dealing with billions of dollars, it goes through like a flash.

The CHAIRMAN. We have asked for that information.

Mr. MULTER. I am sure it will shed considerable light on the investigations you are conducting here.

I am happy to know that Congressman CELLER has recently introduced a bill (H. R. 2115) which gives the administrators of our Federal financial agencies the authority and the responsibility to examine carefully into contemplated bank mergers, and to make it illegal to merge until written permission is granted to the banks to do so. In the case of national banks, that power and responsibility presently resides with the Comptroller of the Currency. In the case of a State chartered bank, which is a member of the Federal Reserve System, that power and responsibility to grant permission to consolidate is in the Federal Reserve Board. In the case of a State, nonmember bank but insured bank, written permission to consolidate comes from the Federal Deposit Insurance Corporation. The important provision of this bill is the obligation imposed on all the Federal agencies granting permission to merge, "to take into consideration whether the effect (of the merger) may be to lessen competition unduly or tend unduly to create a monopoly contrary to the policy of Congress declared in favor of local ownership and control of banks and competition of banking."

BANK HOLDING COMPANIES

Along with the problem of increased mergers and consolidations, is the very disturbing influence of the operations of the bank holding companies. For a number of years both Houses of the Congress have been attempting to amend the 1940 act, under which such holding companies now operate. The Federal Reserve Board has recommended several amendments; the Comptroller of the Currency has also approved certain amendments to the existing statute.

A few days ago the House Banking and Currency Committee approved the Spence bill (H. R. 6227) after very extensive hearings. The declared policy of this bill is "to control the creation and expansion of bank holding companies"; to separate their business of managing and controlling banks from nonbanking enterprises; and generally "to maintain competition among banks and to minimize the danger inherent in concentration of economic power through centralized control of banks; and to subject the business and affairs of bank holding companies to the same type of examination and regulation as the banks which they control."

I hope we will soon enact that bill into law. It carries out the intent and purpose of my own bill H. R. 685, which is a part of the intent and purpose of this investigation which your committee is so ably conducting.

SPECIAL COMMITTEE TO INVESTIGATE FEDERAL OPEN MARKET COMMITTEE

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 40 minutes.

Mr. PATMAN. Mr. Speaker, I believe I already have permission to revise and extend my remarks and include extraneous matter.

Mr. Speaker, the object of my discussion is House Resolution 210, which is expected to come up tomorrow after the final disposition of the holding company bill now before the House. I am inserting herewith a copy of the resolution:

Resolved, That the Committee on Banking and Currency, acting as a whole or by subcommittee, is authorized to conduct full and complete studies and investigations and make inquiries with respect to any matter or matters concerning (1) the composition, operation, and activities of the Federal Open Market Committee, (2) the fluctuation in rates of interest and prices of securities issued by the United States and the effect of such fluctuations on the public debt, general price level, employment, the cost of State and municipal financing, and other segments of the national economy, (3) the various types of Government securities, manner of issue, method of payment, maturities, character of investors, and amount and degree of speculation therein. The committee shall not undertake any investigation of any matter which is under active investigation by another committee of the House.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purposes of carrying out this resolution, the committee or any subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the continental United States, whether or not the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or by any member designated by such chairman, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths or affirmations to witnesses.

Mr. Speaker, this resolution was introduced by me at the request of the chairman of the Committee on Banking and Currency of the House of Representatives. It was endorsed by the Committee on Banking and Currency by a vote of 16 to 11. A rule has been granted for its consideration. It is expected to be called up tomorrow.

This resolution provides for an investigation and study of matters that are within and wholly within the jurisdiction of the Committee on Banking and Currency. The object of this special resolution for the appointment of a special committee for the consideration of these subjects is caused by the desire of the committee to have the investigation and study made after this session of Congress adjourns, and in order to have the committee sit during the recess of Congress special authority must be granted. That is contained in the resolution, to sit while the Congress is not in session.

Furthermore, it is necessary to have special authority for the committee to sit outside of Washington, D. C., the Capital of the United States. That specific authority is granted in the resolution.

Next, it is necessary that a special resolution be adopted by the House in order that any subcommittee appointed by the chairman of the Committee on Banking and Currency may subpena witnesses or may subpena documents or testimony of any type, or correspondence, or books, or memoranda.

It is necessary that a special resolution be adopted in order for the Committee on House Administration to report a resolution providing funds that may be used by any subcommittee that its set up for this purpose to employ a staff and other clerical help as may be needed, and for the purpose of expending such funds as may be necessary in order to carry out the objects and purposes of the resolution.

WILL COMMITTEE ON BANKING AND CURRENCY BE PERMITTED TO CARRY OUT ITS WILL?

The vote on the resolution really will be: Shall the Committee on Banking and Currency of the House of Representatives be allowed to make the studies it desires to make while Congress is not in session; and shall it be allowed the privilege of making these studies in a way that will be effective in order to determine whether or not legislation is needed, and if needed, to submit bills for the consideration of the committee and the House of Representatives? The House, of course, will vote on this resolution tomorrow if the other bill is completed in time for it to be considered, and I hope the resolution is passed; it is very much needed.

MYSTERIOUS COMMITTEE

It goes into one phase of our economy that has never been looked into, that is, the Federal Reserve Open Market Committee of the Federal Reserve System. This is what is known as a mysterious committee; it is a committee that does not consider that it is obligated to anyone, not even to the Congress, although each member was selected by reason of the fact that each member was a member of a group which is an agency of Congress; yet the individual members do not consider that they are responsible to the Congress of the United States, to the Executive, or to any branch of our Government. I think they are going too far, particularly in view of the fact that this Open Market Committee, composed of 12 members, has more power in dealing with the economy of our country than even the Congress of the United States. It has the power to determine whether or not money will be hard to get, easy to get, reasonable in price. It determines whether or not we have a depression or prosperity in our country. It determines whether or not interest rates in our Nation will be low and reasonable, or high and unreasonable. Any committee that has that much power should be looked into not only occasionally, but also frequently by the Congress of the United States which is charged under the Constitution with the duty of creating money and credit and regulating its value. The only reason that the Federal Reserve System has this power is because the Congress has delegated the power to the Federal Reserve System.

Mr. Speaker, the Federal Reserve System is composed of a Board of Governors, known as the Federal Reserve Board, consisting of seven members. Under the Federal Reserve Board there are 12 Federal Reserve banks in different sections of the country, regional banks we will call them, and they have 24 branches located at places convenient to large numbers of our people and to the banks. That is the Federal Reserve System.

The Open Market Committee was created long after the Federal Reserve System was created. The System was created in 1913. The bill was signed into law 2 days before Christmas, on December 23, 1913, by President Woodrow Wilson. It was not until 1933 that there was created a Federal Open Market Committee. In 1935 it was reestablished as now constituted composed of seven members of the Board of Governors of the Federal Reserve Board. They are public members charged with performing a public duty for the people and obligated to no interest of any kind whatsoever except to the Government and to the people. Those are the seven members of the Board of Governors.

That Open Market Committee also has on it 5 members, making 12 in all, who are selected by the private bankers of Federal Reserve districts. The 12 Federal Reserve districts, of course, have 12 presidents, 1 in each district. Each president has been selected by the Board of Directors of that bank. Each Board of Directors has nine members. Six of those members, or a majority, were selected by the private banks of that district, the small banks selecting 2, the medium-sized banks selecting 2, the large banks selecting 2, or 6 directors in all selected by the private banks out of 9. Those directors which were selected by the private banks of the Federal Reserve districts select the officers of that Federal Reserve bank. They select the president of that bank.

This Open Market Committee that has so much power and so much influence over our country's affairs has on it five members selected by the private commercial banks.

The Honorable Carter Glass, of Virginia, had a lot to do with the passage of the Federal Reserve Act. In his book, An Adventure in Constructive Finance, published in 1927, describing a discussion of this very question by President Woodrow Wilson with an important group of bankers at the White House, it is stated on page 116:

When they had ended their arguments, Mr. Wilson * * * said quietly: "Will one of you gentlemen tell me in what civilized country of the earth there are important government boards of control on which private interests are represented?" There was painful silence for the longest single moment I ever spent; and before it was broken Mr. Wilson further inquired: "Which of you gentlemen thinks the railroads should select members of the Interstate Commerce Commission?" There could be no convincing reply to either question, so the discussion turned to other points of the currency bill; and, notwithstanding, a desperate effort was made in the Senate to give the banks minority representation on the Reserve Board, the proposition did not prevail.

The Federal Reserve System, Its Purposes and Functions, issued by the Board of Governors of the Federal Reserve System, 1947, under "Open Market Operations," page 27, it is stated:

Open-market operations as a method of influencing the money supply differ from discount operations primarily because they are undertaken at the initiative of the Federal Reserve, not at the initiative of the member banks. In the case of discounts the Federal Reserve can do no more than establish a discount rate until a member bank applies for credit accomodation. In the case of an open market operation the Federal Reserve decides of its own accord that there is too little or too much money and proceeds to buy or sell in the open market—i. e., from or to anyone who is in the market—such obligations as it is permitted by law and chooses to acquire. Obligations of the United States Government are the principal kind of paper thus bought or sold.

The process through which open market operations by the Federal Reserve are reflected in the volume of member-bank reserves may be briefly described as follows: if the Federal Reserve decides to buy $100 million of United States Government securities, it notifies the dealers in such securities and they supply the securities to the Federal Reserve; in payment the dealer receives a Federal Reserve Bank's check. The dealer deposits the check with a member bank, which in turn deposits it with a Federal Reserve Bank. The result is that the Reserve Bank has added $100 million to its holding of United States Government securities, and has added the same amount to the reserve deposit of some member bank. How this amount of additional reserves may result in a growth of about six times that amount in the money supply has been described in the preceding chapter.

The Federal Reserve System, Its Purposes and Functions, issued by the Board of Governors of the Federal Reserve System, 1947, under "Source of Federal Reserve Lending Power," pages 33 and 34, it is stated:

As has just been described, when the Federal Reserve makes a discount for a member bank or buys a United States Government security in the market, it gives credit for

the proceeds to a member bank in its reserve account. The member bank may use such additions as reserves for its deposits or, if it happens to be in need of additional currency to meet a public demand, it may withdraw them in Federal Reserve notes or other currency.

The question arises as to the source and the limits of the Federal Reserve's lending power. The limits are set by the legal requirement that Federal Reserve banks must hold a 25-percent reserve in gold certificates against their notes in circulation and their deposits. Their combined liabilities for notes and deposits consequently must not exceed four times their gold certificate holdings. Only in emergencies can this requirement be suspended and only for short periods and at penalty rates.

ISSUE OF NOTES IS ACT OF CREATING MONEY

The source of Federal Reserve lending power is in the System's authority to issue Federal Reserve notes and to create bank reserves in an amount exceeding the Federal Reserve banks' holdings of gold certificates. At present the authorized ratio is 4 to 1. The issue of notes is an act of creating money. It is for this reason that, as will be explained later, notes are issued to the Federal Reserve banks by the Federal Reserve agent, a representative of the Federal Government. When a Federal Reserve bank gives a member bank credit in its reserve account for a discount, the basis is laid for the creation of additional money through loans and investments by the banking system. Member banks also give deposit credit to customers who have obtained loans, but Federal Reserve transactions differ from member bank operations in two important respects: (1) member banks are required by law to keep deposits with the Reserve banks, while depositors of member banks are legally free to withdraw their deposits at any time, and (2) the Reserve banks can issue notes, while the member banks cannot.

RESERVE BANKS CREATE MONEY

The answer to our question, therefore, is that the lending power of the Federal Reserve banks arises from the authority given to them by law to create money, and the limits of this power are set by the requirement that their liabilities on notes and deposits must not be in excess of four times their holdings of gold certificates.

The Federal Reserve Board created in 1952 what was known as an ad hoc committee of the Federal Reserve Board to study the very situation I have just mentioned as to whether or not private bankers should be on the Open Market Committee and have so much to do with the public affairs when they are not considered, in any sense of the word, public members to represent the public interests or the Government of the United States. This ad hoc committee outlined some very astounding facts. One of the facts I will tell you briefly is that after the Congress delegated this tremendous power to these 12 members of the Open Market Committee, these 12 members then delegated that power to 5 members of the Open Market Committee. These 5 members of the Open Market Committee delegate the power to carry out the policies to 1 person, whose name I do not even know, and I doubt that there is any Member of this House who even knows his name. But, he is an official of the Federal Reserve Bank of New York, and he has 2 hats: 1 hat as vice president of the bank in New York and the other hat as manager of the account of the Open Market Committee. He has two jobs.

Now, we do not know much about the operation of that committee. We know that in 1953 the manager of the account bought and sold United States Government securities aggregating in value more than $13 billion. We know that in 1954 this manager of the account dealt in securities, buying and selling United States Government securities, aggregating in value more than $11 billion. He handles tremendous sums of money. He has the power to, in effect, take, and does take, money from the Bureau of Engraving and Printing, exchange that money in the form of Federal Reserve notes for United States Government bonds, distributes those bonds to the 12 Federal Reserve banks, and each bank keeps its part of the bonds, and those bonds can be retained by the banks, and when the interest becomes due, collect the interest on those bonds from the Government, although a Government non-interest-bearing obligation, a Federal Reserve note, has been used to buy those identical bonds with. It is a situation that a lot of people do not understand as being reasonable. Possibly it is. I do not know, but it should be looked into, and the question of whether or not private individuals who are not charged with the public duty directly, and divorced from all other duties, should be allowed to sit on the board that determines questions affecting the public interest in the way, manner, and form that the Federal Open Market Committee determines each day.

Based upon Government bond price changes reported by the Treasury Department—Treasury Bulletin, April 1955—it can be seen that during the past 2 years the average fluctuations in yields of Treasury bonds from 1 month to the succeeding month was 3 times as great as in the 2 years immediately preceding the accord of 1951.

Furthermore, in the last 2 years, nearly every new Treasury issue in the absence of Federal Open Market Committee support has been allowed to fall below its par price. You may recall, for example, that the 3¼'s went to 98 shortly after issuance. Since last fall, with the exceptions of the 40 year's, every new Treasury issue has slipped below its par price.

The experience of the Victory loan ½'s, which were permitted to fall to 89 in June 1953, without Federal Open Market Committee support, must have had a substantial impact upon the attitudes of conservative investors toward the stability and soundness of United States Treasury securities.

In this connection, I call your attention to the fact that the recent May financing and refunding operation of the Treasury resulted in a rejection rate of 32 percent, which means that the unbelievably high total of $709 million out of the $2.2 billion of publicly held certificates were turned in for cash.

In the opinion of most competent observers, the rejection rate would have been substantially higher if the Federal Open Market Committee had not temporarily abandoned its policy of nonsupport of the Government securities market to help the Treasury avert a shocking failure. According to market sources, when it became apparent that cash subscriptions would be alarmingly small, the General Motors Corp. late in the afternoon placed large subscriptions with a number of banks. At the same time, many banks revised their previous decisions to keep subscriptions on a token basis. The following day, the Federal Open Market Committee went into the market aggressively to stimulate bank and private investor demand. According to market estimates, the Federal Open Market Committee purchased nearly $200 million of Treasury bills in 24 hours.

While there is reason to believe that the market was disappointed in the rate offered by the Treasury and had expected a more generous one, nevertheless, the fact remains that without Federal Open Market support the issue would have been a disastrous failure.

In contrast to this operation, the Federal Open Market Committee did not hesitate to pull the rug from under Secretary Snyder in an important and large refinancing during August 1950.

It is also significant that with the recent refunding out of the way, the Federal Open Market Committee proceeded to reduce its holdings of governments substantially. In the succeeding 2 weeks they reduced their holdings by $326 million.

This raises the question of whether the Federal Open Market Committee has a consistent policy. It would be extremely damaging to the Federal Reserve System if the impression arose that it was independent when the Government was of one political persuasion and subservient to the Government when its complexion changed.

The next point I wish to bring to your attention concerns the spectacular rise in bank profits on sales of securities that have taken place along with the increased volatility of Government security prices. In 1954, all insured banks made $416 million profits on securities sales. This was an increase of 966 percent compared to the $39 million of profits on securities sales in 1953.

Federal Reserve data show that proximity to large financial centers must have been an important factor in guessing right about the fluctuations in Government securities prices. About two-thirds of total member banks' profits from securities transactions in 1954 were accounted for by central Reserve and Reserve city member banks. The more numerous and more remote country banks were less fortunate in guessing right. They accounted for only about one-third of total member bank securities profits.

Three of the largest New York City banks realized $25 million in aggregate profits on securities sales last year—Chase, National City, and Guaranty Trust.

While increasing market instability and widely fluctuating prices on Government securities may help speculators increase their profits, unfortunately these developments are not conducive to assurances that Treasury financing can be carried out in an orderly way and at a minimum average interest cost to the taxpayer.

In addition to the foregoing, I am calling your attention to certain anomalies in the structure and organization of the Federal Open Market Committee to which a special Federal Reserve subcommittee in November 1952 called attention with the recommendation that the committee review and reexamine its present organization.

These anomalies include:

First. Absence of a separate budget covering the Open Market Committee's operations. Each official on its staff is paid either by the Board of Governors or a Federal Reserve Bank.

Second. Absence of a separate staff responsible only to the Open Market Committee. No single person on its operating staff is responsible to the committee alone. No member of the staff gives exclusive attention to the Open Market Committee.

Third. Delegation of the management function to an individual Federal Reserve Bank. The ad hoc subcommittee report notes:

> The Federal open market account is not managed by the Federal Open Market Committee. This function has been delegated to the Federal Reserve Bank of New York, subject to policy directives that provide discretionary leeway within which the management operates. The manager of the account is selected by the directors of the Federal Reserve Bank of New York and approved by the full Federal Open Market Committee each year. In his day-to-day operations, he is subject to the authority of the Federal Reserve Bank of New York, and not to that of the Federal Open Market Committee.

Although the Open Market Committee was urged to take the initiative in reexamining its structure in the light of these anomalies, it has made no effort, so far as I know, to correct them to date.

The situation of the 1920's when the New York Federal Reserve Bank and the interests it represented ran the open-market operation was not a beneficial one as witness its results. Although the reform legislation of the 1930's was intended to correct the situation and did give the Board of Governors more power, it appears that effective control may once more be exercised by the New York Federal Reserve Bank.

This is certainly a situation that merits congressional study.

I hope this background review and the presentation, which I shall make on the floor of the House tomorrow when this resolution comes up, will be of help to you in considering the need for passage of House Resolution 210.

There are many reasons why a study of the Federal Open Market Committee's operations is necessary. After all, the Constitution places the duty on Congress to create and regulate money and credit. The fact that Congress has seen fit, as a practical matter, to entrust or delegate the day-to-day exercise of this power to the Federal Open Market Committee does not lessen the ultimate power or responsibility of the Congress in this respect, nor does it make the functions, which the Federal Open Market Committee performs, any less public governmental functions.

First. It is important to find out the reasons for, and evaluate the significance of, the sudden spectacular jump of commercial bank profits last year from the sale of securities—mostly Government securities. The gain of $377 million in profits from securities sales in 1 year represented an increase of 966.7 percent.

Second. Huge profits on sales of Government securities in 1954 by commercial banks and other investors were made possible by sharper fluctuations in Government securities prices during the past 2 years. A cursory study indicates that month-to-month fluctuations of Treasury bond prices were substantially greater in 1953–54 as compared to the preaccord monthly average fluctuations in 1949 and 1950. What role did Federal Open Market policy and day-to-day transactions of the Federal Open Market account play in the magnified price movements in the Government securities market?

To point to the return of a "free" market as the explanation for the more volatile price movements of Government securities ignores the fact that the Federal Open Market Committee is itself the biggest factor in the market. It has under its control the greatest investment portfolio—$23 billion of Government securities—in the history of the world and is engaged in $27 billion of gross transactions in Government securities in 1953 and 1954.

Finally, it ignores the findings of the Report of the Ad Hoc Subcommittee of the Federal Open Market Committee on the Government Securities Market, November 12, 1952, which stated:

> These transactions (Federal open market transactions) condition the tone of the money market and the general availability of credit because they immediately affect the value of securities in the operating portfolios of leading financial and business institutions. They cause changes in prices of the specific issues bought or sold and affect opportunities for arbitrage as between various issues and sectors of the market.

Third. A thoroughgoing review and reevaluation of the structure and organization of the Federal Open Market Committee is long overdue. The existence of certain anomalies in the structure and organization of that body was called to its attention as long ago as November 1952, in the report of its own ad hoc subcommittee. So far as I know, no action has been taken to correct certain of the questionable aspects of the Federal Open Market Committee's structure mentioned in that report.

For example, the day-to-day management of the Open Market Committee's tremendous portfolio of Government securities has been delegated to the Federal Reserve Bank of New York.

The broad policy directives of the Open Market Committee provide substantial discretionary leeway for the employment of this huge investment portfolio. The manager of the open market account in charge of the huge daily transactions in Government securities that the account carries out in the name of the Open Market Committee is not subject to the authority of the Open Market Committee. He is subject to the authority of the president of the Federal Reserve Bank of New York. He is selected, subject to approval by the committee, by the directors of the Federal Reserve Bank of New York, a majority of whom are chosen by private commercial bankers.

Few Members of the Congress have ever heard of the manager of the open-market account. Yet his daily decisions, with respect to Government securities transactions, have a tremendous influence upon credit—whether it is hard or reasonable—whether interest rates are high or low.

The wider changes that are taking place in the prices of Government securities have brought both an increase in the profitability of anticipating changes by the Open Market Committee and an increased interest and activity by professionals in the market. It is of paramount importance that the Congress have an opportunity to study the structure and organization of the Open Market Committee so that any defects may be brought to light and corrected.

Since monetary measures have been given high preference as a regulator of the economic forces in this country, and in view of the overwhelming financial power that resides in the Federal Open Market Committee, it also seems appropriate for the Congress to decide whether the public interest is being served by centering such tremendous powers in the hands of a group that is not directly answerable to anyone for its actions, particularly not answerable to Congress that has the responsibility for its actions under the United States Constitution.

Fourth. Congress should know more than it does about the relationship that exists between the staff of the Open Market Account and the tight little group of 10 so-called recognized dealers in Government securities, whose activities intimately involve the prices of such securities and the cost of the Federal debt.

Out of thousands of investment houses and banks that carry on business in Government securities, only about 20 carry Government bonds in inventory. Of these, only 10 are so-called recognized dealers on whom the Federal Reserve heavily depends to maintain a market for Government bonds.

Congress knows nothing about the basis for extending so-called official recognition to these dealers. We know nothing about the profitability of their dealings in Government bonds, although almost all of the trading is done on an inventory basis rather than on an agency basis. Why is the number of dealers so limited? Does the limited number permit extraordinary profits to those already in the field?

The ad hoc subcommittee report points out that transactions average several hundred million dollars daily so that with "spreads" of as little as one thirty-second on purchase and sale of Governments, dealers' gross profits may total as high as $150,000 per day. What relationship, if any, is there between the widening of fluctuations in Government bond prices in the last 2 years and the increased reliance on these dealers to make the market?

The ad hoc subcommittee report also points out that these dealers trade in very large amounts relative to their capitals. To what extent are the dealers

dependent upon the commercial banks for credit to carry securities in times of stringency? What is the relationship between the investment department and the trading department of large commercial banks, who are also recognized dealers in Governments?

Congress should know how the account allocates its business among the dealers; the volume and scope of the business handled by them; their financial condition; capitalization; and their experience, capacity and willingness to maintain a market for Government bonds under varying or adverse conditions. Of particular interest is the disclosure by the ad hoc subcommittee report that before the market opens each day, meetings are held by the representatives of the open market account and the recognized dealers, at which there is an exchange of informations with the "comments of the committee's representatives in attendance very guarded." What safeguards are there that sources of information are maintained on a one-way basis? What do the recognized dealers get out of these conferences with representatives of the Open Market Committee?

Fifth. Congress should be informed as to whether the Federal Open Market Committee policy of no support is a consistent one or a realistic one. What led the Open Market Committee to temporarily abandon its hands-off policy this past May and come to the rescue of the Treasury in its refinancing effort? In view of the high rejection rate—32 percent of the publicly held maturing securities were turned in for cash—it is evident that without aggressive Federal open market purchases, the Treasury would have had a failure in its refinancing effort. Such a failure is unthinkable. What implications does this have for the no-support policy? Who has the discretionary power to make decisions of the kind that were made during this refinancing? Was there any consultation with the Treasury before the Open Market Committee came to its rescue? Why was this support given to the Treasury any more justified than the support Secretary Snyder hoped for and did not obtain in August 1950?

The ramifications of Federal Open Market Committee support go beyond the immediate issue of Treasury support during a financing or refinancing effort. It includes the entirely new and tremendously important question raised before the Joint Economic Committee last December by Secretary of Treasury George Humphrey concerning the solvency of the huge Government trust funds, which, under current practice, are invested in Government bonds. Secretary Humphrey definitely stated that under emergency withdrawal conditions, the situation of an excess of Government bonds on the market might present a serious problem.

The policy of no support of the Government bond market has been interpreted to mean that the Open Market Committee will wait until the market for Government bonds becomes clearly disorderly before it will intervene. Under the hypothetical situation described by Secretary Humphrey, a panic might well ensue, if the Open Market Committee waited for the situation to become clearly disorderly.

Mr. Speaker, today, I mailed to all the Members of the House the following letter:

MYSTERIOUS FEDERAL OPEN MARKET COMMITTEE TO BE INVESTIGATED, IF HOUSE RESOLUTION 210 IS ADOPTED IT IS SCHEDULED FOR CONSIDERATION JUNE 14, 1955

WASHINGTON, D. C., *June 13, 1955.*

DEAR COLLEAGUE: I am sending you herewith a chart prepared by the Treasury Department at my request, which discloses terrific fluctuations in prices of United States Government bonds since the so-called Treasury-Federal Reserve accord of March 15, 1951.

Little can be said in opposition to speculation in Government securities above par. It is difficult to defend speculation in Government securities below par. The Federal Open Market Committee can support Government securities at par without cost to the Government or anyone.

The long-term 1967–72 bonds were allowed to go down more than 10 points below par in 1953, but the same Open Market Committee that permitted it caused the same bonds to go up above par in 1954, thereby permitting dealers, brokers, and investment houses to collect enormous windfall profits.

The 3¼ bonds that were issued April 1, 1953, were permitted to sink 2 points below par and then they went upward in price to 12 points above par in 1954. This caused a fluctuation of 14 points within a year. Those, who purchased at the low price and sold at the high price, were enabled to collect more than 15 percent, including interest, in 1 year on a Government riskless security.

It will be interesting to know why the Federal Open Market Committee permits such enormous windfall profits to be made, why the bonds are allowed to go below par in prices, and why the speculators are encouraged to beat down the prices of Government securities to such low levels without the Federal Open Market Committee preventing it.

The farmers' problems commenced with the so-called accord. Farm prices have been going down ever since.

Respectfully submitted.

WRIGHT PATMAN.

The chart cannot be printed here but I will exhibit it along with other charts when the resolution comes up.

So, Mr. Speaker, these questions should be looked into, and I hope sincerely that when the question comes up tomorrow or whenever it does come up, the vote will be favorable on the passage of the resolution.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. LONG and include a newspaper article.

Mr. PRICE in two instances, in one to include extraneous matter.

Mr. VAN ZANDT and include extraneous matter.

Mr. HESELTON (at the request of Mr. MARTIN) and include extraneous matter.

Mr. DOLLIVER and to include a speech by Hon. CHARLES W. VURSELL concerning the dairy industry.

Mr. MCCORMACK in two instances and to include extraneous matter.

Mr. QUIGLEY and to include extraneous matter.

Mr. STEED and to include extraneous matter.

Mr. CURTIS of Missouri in two instances and to include extraneous matter.

Mr. RODINO (at the request of Mr. MULTER) and to include extraneous matter.

Mr. HOFFMAN of Michigan.

Mr. FEIGHAN.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GUBSER (at the request of Mr. MARTIN) until July 1 on account of illness.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5907. An act for the relief of Albert Woolson; and

H. R. 5089. An act to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 654. An act to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

ADJOURNMENT

Mr. FLYNT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 44 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, June 14, 1955, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

882. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1956 in the amount of $3,256,000 for the Department of State (H. Doc. No. 176); to the Committee on Appropriations and ordered to be printed.

883. A letter from the Assistant Secretary of Agriculture, transmitting a report on co-

operation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of April 1955, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

884. A letter from the Commissioners, Rubber Producing Facilities Disposal Commission, transmitting a report pertaining to negotiations for the disposal of the GR–S copolymer plant at Baytown, Tex., pursuant to Public Law 19, 84th Congress; to the Committee on Armed Services.

885. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to amend title II of the act of August 30, 1954, entitled 'An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes' "; to the Committee on the District of Columbia.

886. A letter from the Comptroller General of the United States, transmitting a report on study of obligating bases and related administrative practices, Foreign Operations Administration, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

887. A letter from the Administrator, Federal Civil Defense Administration, transmitting copies of an interstate civil-defense compact entered into between the State of Utah and the Territory of Hawaii, together with a letter from the director of civil defense for the State of Utah; to the Committee on Armed Services.

888. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

889. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting a report on real property management, pursuant to Public Law 108, 83d Congress (H. Doc. No. 177); to the Committee on Government Operations and ordered to be printed.

890. A letter from the Chairman, Joint Committee on Internal Revenue Taxation, transmitting a report by the Joint Committee on Internal Revenue Taxation, dated June 13, 1955, covering refunds and credits of internal revenue taxes for the fiscal year ended June 30, 1954, pursuant to section 3777 of the Internal Revenue Code (H. Doc. No. 178); to the Committee on Ways and Means and ordered to be printed.

891. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Navy Industrial Fund, Marine Corps Clothing and Equipment Factory, Philadelphia, Pa., for the fiscal year ended June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 9, 1955, the following bill was reported on June 10, 1955:

Mr. CANNON: Committee on Appropriations. H. R. 6766. A bill making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes; without amendment (Rept. No. 747). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 13, 1955*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 748. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 2972. A bill to require the recordation of scrip, lieu selection, and similar rights; without amendment (Rept. No. 749). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 4001. A bill to provide for the management and disposition of certain public domain lands in the State of Oklahoma; with amendment (Rept. No. 750). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 4747. A bill to provide that reversionary interests of the United States in certain lands formerly conveyed to the city of Chandler, Okla., shall be quitclaimed to such city; without amendment (Rept. No. 751). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 4915. A bill to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen; without amendment (Rept. No. 785). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 29. An act for the relief of Rica, Lucy, and Salomon Breger; without amendment (Rept. No. 752). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 120. An act for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos; without amendment (Rept. No. 753). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 130. An act for the relief of Antonin Volejnicek; without amendment (Rept. No. 754). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 131. An act for the relief of Bohumil Suran; without amendment (Rept. No. 755). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 195. An act for the relief of Giuseppe Minardi; without amendment (Rept. No. 756). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 243. An act for the relief of Szjena Peison and David Peison; without amendment (Rept. No. 757). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 375. An act for the relief of Alexy W. Katyll and Ioanna Katyll; without amendment (Rept. No. 758). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 412. An act for the relief of Jan Hajdukiewicz; without amendment (Rept. No. 759). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 432. An act for the relief of Aniceto Sparagna; without amendment (Rept. No. 760). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 471. An act for the relief of Aina Brizga; without amendment (Rept. No. 761). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 574. An act for the relief of Martin P. Pavlov; without amendment (Rept. No. 762). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 587. An act for the relief of Hildegarde Hiller; without amendment (Rept. No. 763). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 604. An act for the relief of Alick Bhark; without amendment (Rept. No. 764). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 640. An act for the relief of Roger Ouellette; without amendment (Rept. No. 765). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 644. An act for the relief of Sandy Michael John Philp; without amendment (Rept. No. 766). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 650. An act for the relief of Antonios Vasillos Zarkadis; without amendment (Rept. No. 767). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 676. An act for the relief of Robert A. Borromeo; without amendment (Rept. No. 768). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 735. An act for the relief of Sarah Kabaczynik; without amendment (Rept. No. 769). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 892. An act for the relief of Jose Perez Gomez; without amendment (Rept. No. 770). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1197. An act for the relief of Slavoljub Djurovic and Goran Djurovic; without amendment (Rept. No. 771). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 33. Concurrent resolution withdrawing suspension of deportation of Bernardino Canares Saclo; without amendment (Rept. No. 772). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 1301. A bill for the relief of Karlis Abele; with amendment (Rept. No. 773). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 1302. A bill for the relief of Adelheid Walla Spring; without amendment (Rept. No. 774). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 1927. A bill for the relief of Ralph Michael Owens; without amendment (Rept. No. 775). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2059. A bill for the relief of Edward Patrick Cloonan; with amendment (Rept.

No. 776). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 2313. A bill for the relief of Mrs. Agnethe Gundhil Sundby; without amendment (Rept. No. 777). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 2315. A bill for the relief of Antonio (Orejel) Cardenas; with amendment (Rept. No. 778). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2749. A bill for the relief of George Risto Divitkos; without amendment (Rept. No. 779). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2755. A bill for the relief of Benjamin Johnson; without amendment (Rept. No. 780). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2947. A bill for the relief of Emelda Ann Schallmo; with amendment (Rept. No. 781). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3507. A bill for the relief of Luise Pempfer (now Mrs. William L. Adams); with amendment (Rept. No. 782). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 3624. A bill for the relief of Olga I. Papadopoulou; without amendment (Rept. No. 783). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 4284. A bill for the relief of Mrs. Mariannina Monaco; without amendment (Rept. No. 784). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII pursuant to the order of the House of June 9, 1955, the following bill was introduced on June 10, 1955.

By Mr. CANNON:

H. R. 6766. A bill making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes; to the Committee on Appropriations.

[*Introduced and referred June 13, 1955*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALGER:

H. R. 6767. A bill to change the name of the Public Housing Administration; to the Committee on Banking and Currency.

H. R. 6768. A bill to provide for a survey of the production of fertilizer by the Tennessee Valley Authority, and for other purposes; to the Committee on Government Operations.

By Mr. BUCKLEY:

H. R. 6769. A bill to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended; to the Committee on Public Works.

By Mr. BUCKLEY (by request):

H. R. 6770. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; to the Committee on Public Works.

By Mr. CHIPERFIELD:

H. R. 6771. A bill to provide for effecting the disposition of the Illinois and Mississippi Canal, and for other purposes; to the Committee on Public Works.

By Mr. COON:

H. R. 6772. A bill to authorize the Secretary of the Interior to convey certain federally owned land under his jurisdiction to the School District No. 24 of Lake County, Oreg.; to the Committee on Interior and Insular Affairs.

By Mr. HAYS of Ohio:

H. R. 6773. A bill to limit the importation of certain tableware, kitchenware, and artware; to the Committee on Ways and Means.

By Mr. HIESTAND:

H. R. 6774. A bill to require that all United States bonds, paper money, and stamps be printed from engraved plates in the Bureau of Engraving and Printing; to the Committee on Banking and Currency.

By Mr. KEARNS:

H. R. 6775. A bill to provide for the regulation of the business of making loans of $600 or less in the District of Columbia, to regulate the pawnbroking business and for other purposes; to the Committee on the District of Columbia.

By Mrs. KEE:

H. R. 6776. A bill to amend the Commodity Credit Corporation Charter Act so as to authorize the Corporation to acquire seeds, plants, and fertilizer for distribution to needy persons in distressed areas; to the Committee on Banking and Currency.

By Mr. MACDONALD:

H. R. 6777. A bill to establish a program of cultural interchange with foreign countries to meet the challenge of competitive coexistence with communism, to establish a Federal Advisory Commission to advise the Federal Government on ways to encourage artistic and cultural endeavor and appreciation, to provide awards of merit, and for other purposes; to the Committee on Education and Labor.

By Mr. MASON:

H. R. 6778. A bill to provide for effecting the disposition of the Illinois and Mississippi Canal, and for other purposes; to the Committee on Public Works.

By Mr. MILLER of Nebraska:

H. R. 6779. A bill to authorize and direct the Secretary of the Interior to convey certain property of the United States located in Juneau, Alaska, known as the Juneau Subport of Embarkation, to the Territory of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. TUMULTY:

H. R. 6780. A bill to provide that members of the Armed Forces who claim their privilege against self-incrimination shall thereby forfeit their rights to benefits provided veterans; to the Committee on Armed Services.

By Mr. VELDE:

H. R. 6781. A bill to provide for effecting the disposition of the Illinois and Mississippi Canal, and for other purposes; to the Committee on Public Works.

By Mr. WIER:

H. R. 6782. A bill to amend section 7 of "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended; to the Committee on the District of Columbia.

By Mr. BOLAND:

H. R. 6783. A bill to amend title II of the Social Security Act to reduce retirement age for women from 65 to 60, to eliminate remarriage as a bar to widow's and parent's benefits, and to provide that widows with minor children may in certain cases become entitled to widow's benefits before attaining retirement age; to the Committee on Ways and Means.

By Mr. BONNER:

H. R. 6784. A bill to authorize the coinage of special 50-cent pieces in commemoration of the 250th anniversary of the founding of Bath, N. C.; to the Committee on Banking and Currency.

By Mr. DIXON:

H. R. 6785. A bill to provide for granting to the several States the minerals and mineral rights subject to disposition under the Mineral Leasing Act of 1920 on the condition that the income from such minerals and mineral rights be used for public-school purposes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RODINO:

H. R. 6786. A bill to recognize the Italian-American World War Veterans of the United States, Inc., a national nonprofit, nonpolitical war veterans' organization, for purposes of bestowing upon it certain benefits, rights, privileges, and prerogatives; to the Committee on Veterans' Affairs.

By Mrs. FRANCES P. BOLTON:

H. Con. Res. 157. Concurrent resolution reaffirming the desire of the American people for peace; to the Committee on Foreign Affairs.

By Mr. MACK of Illinois:

H. Con. Res. 158. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the General Court, Commonwealth of Massachusetts memorializing the Congress of the United States to authorize and approve the issuance of a Massachusetts heritage stamp; to the Committee on Post Office and Civil Service.

By Mr. MARTIN: Memorial of the General Court of Massachusetts, memorializing the Congress of the United States to authorize and approve the issuance of a Massachusetts heritage stamp; to the Committee on Post Office and Civil Service.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to authorize and approve the issuance of a Massachusetts heritage stamp; to the Committee on Post Office and Civil Service.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States concerning minimum-wage legislation; to the Committee on Education and Labor.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to amend section 73 of the Hawaiian Organic Act to provide for the screening of applicants for homesteads prior to selection by drawing or lot and to permit payment for such homesteads to be made over periods of time; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DORN of New York:

H. R. 6787. A bill for the relief of Michael A. Tsatsaronis; to the Committee on the Judiciary.

By Mr. FINO:

H. R. 6788. A bill for the relief of Miss Hildegard Guth; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 6789. A bill for the relief of E. R. Emsey; to the Committee on the Judiciary.

By Mr. HOFFMAN of Illinois:

H. R. 6790. A bill for the relief of Anna K. McQuilkin; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 6791. A bill for the relief of Mary B. B. Sherwood; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 6792. A bill for the relief of Ralph Cheng Chee Chen; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 6793. A bill for the relief of Chin-Ok-Kim; to the Committee on the Judiciary.

By Mr. THORNBERRY:

H. R. 6794. A bill to authorize Maj. Gen. Kearie L. Berry, United States Army, retired, to accept and wear the Philippine Legion of Honor in the degree of commander, and supporting documents conferred upon him by the Government of the Philippines; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

314. By Mr. HORAN: Petition of 172 residents of the State of Washington urging the exercise of powers of Congress to get alcoholic-beverage advertising off the air and out of the channels of interstate commerce, and thus protect the rights of States to prevent advertising within their borders; to the Committee on Interstate and Foreign Commerce.

315. By the SPEAKER: Petition of the district chairman, Holy Name Society District Committee, Long Island, N. Y., petitioning consideration of their resolution with reference to expressing their support of the principles of the proposed Bricker amendment to the Federal Constitution; to the Committee on the Judiciary.

316. Also, petition of the State commissioner, Pennsylvania Department of Veterans Affairs, I. B. P. O. E. of W., Philadelphia, Pa., petitioning consideration of their resolution with reference to requesting that Congress pass the bill, H. R. 5715, to amend the Servicemen's Readjustment Act of 1944, to extend the authority of the Administrator of Veterans' Affairs to make additional types of direct loans, and for other purposes; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

Centennial Commencement Address by President Dwight D. Eisenhower at Pennsylvania State University, University Park, Pa., June 11, 1955

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1955

Mr. VAN ZANDT. Mr. Speaker, despite inclement weather over 20,000 persons greeted President Dwight D. Eisenhower at Beaver Field, Pennsylvania State University, Saturday, June 11, 1955, when he received an honorary doctor of laws degree from his youngest brother, Dr. Milton S. Eisenhower, president of the Pennsylvania State University, University Park, Pa.

The President delivered the following centennial commencement address to a class of 1,828 graduates:

Commencement speakers, by tradition, scan the future. They strive to predict, in general terms at least, the sort of success that awaits the graduates who properly apply themselves to their jobs and professions—and, of course, follow the advice of the speaker.

But the man who spoke at my commencement did not hint that I should be the first in a half century to receive an honorary degree here. Certainly I could not foresee, by the widest stretch of imagination, that one day the faculty and trustees of this university should consider me worthy of honorary membership in the class of 1955 at Pennsylvania State—the centennial class of this most distinguished school. I am grateful for this honor and delighted by my association with this class. I am particularly grateful that my youngest brother—younger brothers being confirmed skeptics about their elders—raised no objection and in person made the presentation.

Earlier this week I joined in reunion with my own class of 1915 at West Point. Most of us had grown gray and some of us more than a little bald; but these changes were slightly compensated, I thought, by an appearance of wisdom that we did not possess 40 years ago. I am sure we all felt privileged, greatly privileged, to have lived in a day of marvels and of tremendous growth in America's stature. Although we were silent about it, I am certain that every one of us envied the men in the class of 1955 as much for the opportunities and discoveries ahead of them as for their youth, their boundless energy, and their idealism. And in this feeling I am doubtless joined by thousands of alumni here as they applaud and congratulate you of this class of 1955.

Of course, you men and women venture forth into a world where human nature differs little, if at all, from human nature in 1915 or in the age of Pericles. Human relations—the art of getting along with the people who work beside you and with those who live thousands of miles away—does not change in its essence with the centuries. But the age of nuclear energy, in its industrial and economic aspects, will likely bear no more resemblance to the age of steam than a jet-powered plane to an old-fashioned box kite. Indeed, the social pattern of living may be transformed beyond recognition, for I think it can be stated almost as an axiom, demonstrated by the history of mankind that:

Out of the use of a new and great energy source, along with boundless opportunities, come new and great human problems that require new and great solutions produced by broadly informed, wisely sympathetic, spiritually inspired minds.

On this campus this morning, I had the privilege of inspecting the first atomic reactor of its kind established under university auspices. This research facility was made possible by the foresight of the trustees of this university who financed the structure and its operation. The Atomic Energy Commission provides only the fuel. In consequence, within several weeks, the atom will be at productive work here at Penn State. Here also the economic and human problems created by this new enery will be simultaneously studied by the distinguished faculties of this institution of learning.

Nuclear energy is too new for any man to chart its limits or predict its course with accuracy. But in 10 short years the curtain has been pushed aside sufficiently to afford glimpses that have aroused atomic hopes commensurate with the awful dimension of atomic fears.

The extent of the economic and industrial changes that we can anticipate is indicated by estimates that world sources of uranium potentially available contain as high as 20 times the energy of the known world reserves of coal, petroleum, and natural gas combined. But power is only one of the results of nuclear fission. Many engineers and scientists believe that radiation and radioactive isotopes may provide even greater peacetime benefit. They are already opening new horizons in medicine, agriculture, and industrial processes.

Our Nation has no desire for a monopoly on the knowledge and practice of these possibilities. We want the world to share—as we always have.

Moreover, we know that the human talents essential to the advancement of science are not restricted to this country. Throughout the free countries there are men and women of great ability who, given the opportunity, can help further to advance the frontiers of knowledge and contribute to the peace and progress of the peoples of all nations.

Progress to date in nuclear science is not, of course, exclusively an American achievement. An international cooperative effort broke the barriers and made possible man's use of atomic energy. For maximum progress in the future, we must work for a continued partnership between the world's best minds—in science, engineering, education, business and the professions.

In recognition of these facts, I proposed before the General Assembly of the United Nations on December 8, 1953, that governments begin then and continue to make joint contributions from their stockpiles of fissionable materials to an international atomic agency. Although a year later, the United Nations adopted the resolution recommending the formation of such an international agency, the Soviet Union has indicated no willingness to share any part of its nuclear stockpile with such an agency. Our offer still stands.

But we cannot wait on Soviet decisions.

Already we have made substantial progress under congressional authority toward agreements with friendly foreign governments for participation with us in the task of forwarding peaceful, atomic progress. Agreements with Turkey, Lebanon, Israel, Italy, Spain, Switzerland, Denmark, Colombia, Brazil, and the Argentine Republic have been initialed. Others are being negotiated. Now we move in further action.

We have developed two new programs that I shall submit to the Congress in the conviction that they reflect the spirit and intent of law and of the American people.

First. We propose to offer research reactors to the people of free nations who can use them effectively for the acquisition of the skills and understanding essential to peaceful atomic progress. The United States, in the spirit of partnership that moves us, will contribute half the cost. We will also furnish the acquiring nation the nuclear material needed to fuel the reactor.

Second. Within prudent security considerations, we propose to make available to the peoples of such friendly nations as are prepared to invest their own funds in power reactors, access to and training in the technological processes of construction and operation for peaceful purposes.

If the technical and material resources of a single nation should not appear ade-

quate to make effective use of a research reactor, we would support a voluntary grouping of the resources of several nations within a single region to acquire and operate it together.

Our purpose is to spark the creative and inventive skills latent in the free world, to pool them and to put them to work for the betterment of the conditions under which men must live.

The research reactors acquired under this program will be fertile seeds for progress sown in the receptive soil of the free nations. The cost to the people of the United States will be small indeed when measured against the certain returns, tangible and intangible.

The second proposal will be of immediate interest mainly to the power-short areas of the world where atomic power may be economically feasible even today. Some of the countries, however, lack the knowledge and experience needed to construct and operate a commercial power reactor. This we can share for constructive purposes with friendly countries without real risk to our national security. Such sharing is expressly contemplated by the new Atomic Energy Act.

Together, these two provisions are designed, within the limits of prudence, to clear away some of the obstacles that have impeded progress in nuclear science and to permit its peaceful application by all who propose to make it serve mankind. Here is an invitation—to scientists and engineers, to industries and governments—to pool their energies and creative talents that this great achievement of the human mind may bear the fruit of its infinite promise.

The people of the United States instinctively reject any thought that their greatest scientific achievement can be used only as a weapon. Our increasing progress in its peaceful applications is evidence of that fact.

While we build atomic-powered ships for war—because we must—we have the desire, the determination to build atomic-powered ships for peace. And build them we shall. The first atomic-powered merchant ship, at its ports of call, will be a laboratory demonstration that man can harness this unlimited energy for normal, peaceful, prosperous life.

While we design bombs that can obliterate great military objectives—because we must—we are also designing generators, channels, and reservoirs of atomic energy so that man may profit from this gift which the Creator of all things has put into his hands. And build them we shall.

The two proposals I have outlined here are the gateway to a broad avenue of world progress in the peaceful uses of atomic energy.

Surely those of the Russian people—who, despite their Communist overlords, still think for themselves and who still retain respect for human dignity—are moved by the same feelings as we.

I still hope earnestly that the Soviet Union may join in an international effort to harness the atom for man's good. But I have such unlimited confidence in the creativeness of free minds and in the capacity of freemen that I know we will, with or without the Soviets, achieve a more abundant life for those who join together in this historic venture.

As for the social and political problems that will accompany this development, their outlines can be foreseen but dimly. Their solution will be a task in which you men and women who graduate today will be engaged intensively, probably throughout your lives. Some questions immediately suggest themselves.

Will there prevail the deep desires shared by the vast majority of all people on the earth who want peaceful use of this and all other technical advancements? Can they defeat the designs of those few evil men who would use command of this energy for their control of human destiny? In this question are involved such vital alternatives as war and peace, armament and disarmament, death and life.

Another group of questions is of a somewhat different character. As nuclear and other technological achievements continue to mount, the normal life span will continue to climb. The hourly productivity of the worker will increase. How is the increase in leisure time and the extension in life expectancy to be spent? Will it be for the achievement of man's better aspirations or his degradation to the level of a well-fed, well-kept slave of an all-powerful state?

Indeed, merely to state that question sharply reminds us that in these days and in the years ahead the need for philosophers and theologians parallels the need for scientists and engineers.

These two questions merely hint at the enormous problems and possibilities that will confront your generation. Scores of others will present themselves in the changing picture in agriculture, industry, and the arts. The answers can be found only by broadly informed, wisely sympathetic, spiritually inspired minds, the product of general education that properly blends the practical and technical with the liberal and cultural.

In this country we emphasize both liberal and practical education. But too often it is a liberal education for one and a practical education for another. What we desperately need is an integrated liberal, practical education for the same person—for every American youth who can possibly obtain its blessings. Hand and head and heart were made to work together. They must work together. They should be educated together.

In colonial Philadelphia, there was a printer who was likewise a scientist and who was hailed the wisest man of his day—a builder of international understanding and friendship. In 19th century Illinois, there was a railsplitter who was likewise a lawyer and who was hailed a champion of humanity—a builder of freedom for all men. Despite their lack of formal schooling, they were educated men. Education today can nurture for us the possibility of a thousand Franklins and a thousand Lincolns in a generation, where before we were fortunate to have one.

To gain proficiency, sometimes even world acclaim in a specialized skill or profession, knowledge and training are the principal requisites. But to understand how one skill fits into another, how one profession complements and depends on another, how all human enterprises constitute an immense, interdependent society—only education can develop that understanding.

In our modern higher education, we have, I believe, three principal difficulties. First, in its practical aspect, we simply are not providing it to sufficient numbers of young men and women.

Second, we are not as proficient as we should be in providing a broad citizenship education to those who specialize in the many technical fields.

And third, even in liberal education, we have permitted it to become too much a specialization, rather than a broad, liberating influence on the mind, the attitude, the character of all students.

What we need is general education, combining the liberal and the practical, which helps a student achieve the solid foundation of understanding—understanding of man's social institutions, of man's art and culture, and of the physical and biological and spiritual world in which he lives. It is an education which helps each individual learn how to relate one relevant fact to another; to get the total of relevant facts affecting a given situation in perspective; and to reason critically and with objectivity and moral conscience toward solutions to those situations or problems.

I repeat: This kind of education is sorely needed in this country and throughout the world.

The peoples of this earth share today a great aspiration. They all have a common dream of lasting peace with freedom and justice. But the realization of the dream calls for many types of cooperation based upon sympathetic and thorough mutual understanding. In turn, such understanding is dependent on education that produces disciplined thinking.

Throughout the world mutual suspicions flourish in ignorance and misunderstanding. They can be dispelled only with knowledge and wisdom.

If we are to have partners for peace, then we must first be partners in sympathetic recognition that all mankind possesses in common like aspirations and hungers, like ideals and appetites, like purposes and frailties, a like demand for economic advancement. The divisions between us are artificial and transient. Our common humanity is God made and enduring.

I know that you who today complete your education at this great university in its centennial year recognize that truth. As you apply it to the problems you meet—as productive leaders, as American citizens, as members of the free world community—you will grow in personal stature and in your contribution to human peace, human independence, human advancement.

Postal Employees Pay

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1955

Mr. HOFFMAN of Michigan. Mr. Speaker, the House, June 7, adopted and sent to the President a previously passed Senate bill granting an 8.1 percent pay increase to postal employees.

It is a compromise between what the administration first said could be consistently given and the demands of the officers of some postal employee organizations.

The bill is retroactive and the increase will be effective as of March 1, 1955. All postal employees will presently receive 6 percent of the increase from March 1, 1955. The remainder will be paid within 6 months as reclassification becomes effective. The estimated cost is approximately $166 million per annum.

The passage of this bill ends for the present a long controversy over postal pay. It grants to the postal employees an increase in compensation which, since 1945, amount to some 90 percent.

Employees working in industrial plants or for business organizations are dependent upon the ability of the employer to safely conduct the business which creates the job and continue it at a profit. If the employer cannot do that, the employee is out of a job.

In contrast, the postal employee's job is continuous, even though the Department operates at a continuing substantial deficit. Postal employees also are entitled to 14 days' sick leave; from 13 to 26 days' vacation—with full pay.

Postal employees are among the most efficient and faithful of all those serving the Federal Government.

There are reasons for this efficiency and faithfulness.

Postal employees have what amounts to a guaranteed annual wage. Uncle Sam never misses a payday nor can an employee be discharged except for inefficiency or misconduct.

Postal employees have job security. Their employment is continuous. There are no shutdowns in the postal service. Retirement, optional at 62 to 65, is not compulsory until the age of 70. On retirement, the postal employee is entitled to a pension.

The foregoing facts are set forth because the folks should know that, for the present, the controversy over the pay of postal employees has come to an end and that a substantial increase in pay has been granted since 1945.

POSTAL JOBS

It is my hope that applications for postal jobs will not continue to come to me until the applicant is sure there is a vacancy in the position which he seeks.

Resignations or removals from the service are comparatively few, as are new postal jobs. So, before applying for a job in the service, those desiring a position should ascertain whether there is or soon will be a vacancy in the position sought; whether the pay is satisfactory, the work congenial. Also, be prepared, if there is a vacancy, to pass the civil-service examination required by law.

Donation of Surplus Working-Capital Fund Property to Health, Education, and Welfare Purposes

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1955

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include a copy of a letter sent to me recently by the Honorable W. J. McNeil, Assistant Secretary of Defense, together with a copy of the Department of Defense instruction implementing the provisions of Public Law 61 of the 84th Congress. The instruction issued by the Department of Defense is a matter of interest to many persons throughout the country, particularly those associated with our universities, colleges, schools, and hospitals, as well as the Governor of the several States and the officials of the subdivisions of our several States.

The matters follow:

DEPARTMENT OF DEFENSE,
ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C.

Hon. JOHN W. McCORMACK,
House of Representatives.

DEAR MR. McCORMACK: I am pleased to send you herewith copy of Department of Defense instruction which I have signed this day to implement the provisions of Public Law 61, 84th Congress which now authorizes the donation of surplus working-capital fund property to health, education, and welfare purposes under procedures set forth in General Services Administration's regulations.

Your efforts in obtaining the enactment of this legislation have resulted in clarifying the previous difficulties which arose under our stock fund operations so that we may now proceed to maintain an authorized donable program and, at the same time, continue our best efforts to carry on our vast operations on a businesslike basis.

Sincerely,

W. J. McNEIL.

AUTHORIZED DONATIONS OF SURPLUS MATERIEL FROM WORKING CAPITAL FUNDS TO HEALTH, EDUCATION, AND WELFARE

1. AUTHORITY

Under the authority contained in Public Law 61, 84th Congress, approved June 3, 1955, amending section 203 (j) (1) of the Federal Property and Administrative Services Act of 1949, as amended, the secretaries of the military departments are authorized to donate working-capital fund property to Health, Education, and Welfare purposes under the provisions of this instruction.

2. PURPOSE

Surplus personal property will be donated from working-capital funds (stock and industrial funds) without reimbursement therefor, in accordance with departmental procedures, provided that, (a) the Secretary of Health, Education, and Welfare has determined in writing that such property should be allocated for educational purposes or public health purposes, including research, and (b) the Administrator of General Services Administration has certified its availability and approved its transfer as donable property for those purposes, as stated in the General Services Regulations, chapter IV, section 202, Donations to Educational and Public Health Institutions, dated April 7, 1955.

3. ESTABLISHMENT OF AN ACCOUNT TO REFLECT THE AUTHORIZED DONATIONS OF MATERIEL TO HEALTH, EDUCATION, AND WELFARE

There shall be established accounts in each industrial fund and departmental stock fund and division thereof to reflect the authorized donations of surplus materiel to Health, Education, and Welfare. The amounts accumulated in these accounts shall be summarized on stock fund and industrial fund statements prepared by each department.

4. STANDARD PRICING POLICY

The value of materiel donated to Health, Education, and Welfare to be recorded in the accounts shall be priced at the current stock or industrial fund price at which carried in the fund.

5. DIRECT COSTS OF TRANSPORTATION, CARE, AND HANDLING CREDITED TO ANNUAL OPERATING APPROPRIATIONS, OR WORKING CAPITAL FUNDS SUPPORTING THE FUNCTIONS

Attention is directed to the fact that paragraph 202.05 of the General Services Administration Regulations provides that the applicant agrees to pay the cost of care and handling incurred incident to donation. Such costs are construed to be generally those charges for packing, preparation for shipment, shipping, loading, and transporting such property. Reimbursements received for such cost will be credited to the annual operating appropriations, or working-capital funds, supporting these functions.

6. PARAGRAPH 203 (J) (1), FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT, AS AMENDED

There is attached a composite draft of paragraph 203 (j) (1) of the Federal Property and Administrative Services Act of 1949, as amended, by the above cited act.

7. IMPLEMENTATION AND EFFECTIVE DATE

At a subsequent date this instruction will be incorporated into the basic Regulations Governing Stock Fund Operations, Department of Defense Directive 7240.1. Copies of these instructions will be reprinted intact in departmental procedures which will be provided to my office after publication. This instruction is effective immediately.

W. J. McNEIL,
Assistant Secretary of Defense (Comptroller).

PARAGRAPH 203 (J) (1) OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate for educational purposes or public health purposes, including research, in the States, Territories, and possessions without cost (except for costs of care and handling) such equipment, materials, books, or other supplies [whether or not capitalized in a working-capital or similar fund] under the control of any executive agency as shall have been determined to be surplus property and which shall have been determined under paragraph (2) or paragraph (3) of this subsection to be usable and necessary for educational purposes or public health purposes including research. [In determining whether or not property is to be donated under this subsection, no distinction shall be made between property capitalized in a working-capital fund established pursuant to section 405 of the National Security Act of 1947, as amended, or any similar fund, and any other property.]

NOTE.—The matter in black brackets is supplied from the cited act amending the Federal Property and Administrative Services Act of 1949.

Secretary Humphrey Receives Honorary Degree From Williams College

EXTENSION OF REMARKS
OF
HON. JOHN W. HESELTON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1955

Mr. HESELTON. Mr. Speaker, I am more than glad to advise my colleagues that on Sunday, June 12, Secretary Humphrey received the honorary degree of doctor of laws from Williams College at Williamstown, First Congressional District of Massachusetts. Williams College is one of the oldest, best known of our American colleges, and is highly respected not only in this country but throughout the world.

I am confident that my colleagues join with me in congratulating Secretary Humphrey upon receiving this well-deserved honor and in wishing him well in the difficult tasks which lie ahead of him. He has made a most significant contribution to the fiscal welfare of this country and has laid a sound foundation upon which it should be possible for all of us to join in any further legislative measures necessary to make this country even stronger from a fiscal point of view.

Traditionally, Williams College makes these awards with a very brief citation.

I do want to include the full text of the citation which was as follows:

George Magoffin Humphrey, Secretary of the Treasury, doctor of laws. A lawyer who became a leader in the steel industry, he has brought ripe wisdom and great administrative skill to the direction of the Nation's finances, on which depend both our own fortunes and in large part the strength of the free world.

Hon. Charles W. Vursell Says Dairy Industry Reaching Peak Prosperity

EXTENSION OF REMARKS
OF
HON. JAMES I. DOLLIVER
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1955

Mr. DOLLIVER. Mr. Speaker, during the week of June 13 my distinguished colleague the gentleman from Illinois [Mr. VURSELL] made a radio address on the subject of the dairy industry and the problems confronting it. It was one of the best discussions I have seen on this subject, and I know it will be of interest to members of the dairy industry and to the rest of the country as well:

My friends in Illinois, this is CHARLES W. VURSELL, your Congressman from the 23d District, reporting to you from Washington.

Since the American Dairy Association is now intensively publicizing a June Dairy Month campaign in another big step forward to put more dairy foods where they belong—in the stomachs of American consumers—in my report today I want to bring to those engaged in the great dairy industry, some facts as to the future optimistic outlook for the dairy industry, which should be of great interest to the consuming public as well.

You will recall that up to about a year ago in April, the Government had been supporting dairy prices at 90 percent of parity. The people didn't and couldn't buy all of the milk and butter produced at the then high-price level.

The Government, under the high 90 percent of parity was compelled to buy millions of dollars' worth of butter, cheese, dried milk, and other dairy products to keep them off the market, and keep retail prices up.

It was at that time that Secretary of Agriculture Benson cut to 75 percent of parity the Government support level price on dairy products. The Secretary became the target of abuse and severe criticism, much of it leveled at him for political advantage. Courageously and honestly he fought back, taking the sound position that the Government and the dairy farmers must recognize that the Government could not continue to buy and store all of the excess dairy products produced; that they must come to grips with the problem, even though it would cause some sacrifices for a time to the dairy farmer to find a permanent policy that would cause the people to use more of the most nutritious food produced in the Nation; reduce the amount of surpluses purchased and stored by the Government; and, at the same time, begin to dispose of the mountain of surplus products owned by the Government.

He had a plan that was simple and sound. He proposed that the leaders of the dairy industry and the farmers with the cooperation of the Government, should help themselves by putting on an intensive advertising and sales campaign, explaining to the people that they could and should consume more of the wholesome, most nutritious, and finest food produced in America—milk and dairy products.

The Secretary knew that through intensive advertising at unlimited cost, Coca Cola sales had been increased in the United States till it became a household word and beverage and that with a much smaller advertising campaign, the dairy industry could certainly sell and expand the market for nature's best food—milk. This food that from the cradle to the grave has within it all of the food value necessary for the human body. The dairymen and the farmers agreed with his suggestion, and from the very beginning of the campaign the consumption of milk and dairy products has increased by leaps and bounds. In addition to that, under the suggestion of the Department of Agriculture, the Congress passed Public Law 480, in the 83d Congress, for the purpose of increasing the export of dairy and farm products, and to get rid of our surplus farm products of over $6 billion owned at that time by the Commodity Credit Corporation and paid for out of the taxes of all of our people.

DAIRYMEN PREDICT END OF SURPLUSES NEAR

The plan has been so successful that the American Dairy Association on June 1 issued the following optimistic report: The dairy industry is approaching the end of surpluses in the near future. Lower price support operations and increasing consumption of dairy foods are the bases of the optimistic outlook for the dairymen's future."

Dairy statistics show that the Government had to buy only 4.8 percent of the total milk produced compared with the Government purchasing 9.3 percent in the previous marketing year, even in spite of greater milk production.

That the people bought and consumed during the past year 2,800,000,000 more quarts of milk than in the previous year.

That each of the 160 million people averaged buying 4.3 percent more quarts of milk in the marketing year just closed, and that they ate one-half pound more butter and one-half pound more of cheese on a per capita average.

My friends, in the past year, we have come a long way from the gloom and doom of a depression that was sweeping through the dairy industry early in 1953, when surpluses were piling up in Government warehouses.

We had a tremendous increase in the consumption of butter, cheese, and milk, last year. Some of this increase was due to the increase in population but a great part of the expansion was due to the sales and advertising campaigns being waged by dairy farmers in all parts of the country. The American Dairy Association alone spent $5 million and when we add to this the amount spent by local and State dairy groups you can readily see that a great amount of money has been spent educating the public and showing them with facts that milk is the most economical of foods.

For instance, 4½ quarts of milk at the grocery store today cost about $1. By comparison, $1 buys you just a trifle over 1 pound of round steak. Four and one-half quarts of milk contain 3,000 calories and 1 pound of steak contains 900 calories. Milk has three times the nutrition value of steak. The same amount of milk contains 157 grams of protein, compared with 97 grams for a pound of round steak. Four and one-half quarts of milk contain 175 grams of fat and a pound of steak only 55 grams. Your intake of calcium in 4½ quarts of milk is a little over 5 grams, while the calcium in 1 pound of round steak is almost not worth talking about.

The tremendous drop in dairy surpluses astounded me when I started my study which I am now reporting to you. In the last year we disposed of 286,691,000 pounds of butter; almost 168 million pounds of cheese, and about 485 million pounds of milk.

Few of us, I suppose, have ever stopped to think of the great role the dairy industry plays in our economy. Dairy farming is really big business. Last year dairy farmers had cash receipts of $4,130,000,000, while the total farm income for 1954 was $30 billion. In other words, dairy farmers are now capturing almost 14 percent of every dollar spent on food.

I am glad to report to you that our export shipments abroad of butter, cheese, and milk were far greater last year than for the preceding year, and there are definite indications that these exports will be still greater during the present year. This expansion of our foreign markets for dairy products partially explains the amazing drop in surpluses. For the year ending March 31, 1955, we had shipped abroad about 75 million pounds of butter, while for the preceding year we had shipped out only 36 million pounds of butter.

We sent abroad 41 million pounds of cheese, compared with only 26 million pounds the year before.

Between April 1, 1954, and March 31, 1955, we shipped abroad 313 million pounds of dry milk, compared with 233 million pounds for the previous year.

Now, what are the prospects for the dairy farmer? I think that they are better than ever. On his own and with little Government help, the dairy farmer has gone out and made a pitch for the consumer's dollar which is already showing results and will show still better results as this campaign continues and more dollars are spent in educating the public about the nutritional value and relatively low cost of drinking milk.

I fully realize, of course, that dairymen and farmers have been caught in a temporary squeeze and that they are not sleeping in a bed of financial roses. But I do feel that farmers and industry and labor as well, could learn a lesson from the dairymen, and that is: Get out from under the protection of the Government umbrella as soon as possible.

I know that the temporary pains dairymen are now suffering are just that—temporary—and that, as the trend toward greater production and consumption continues they will be out of the woods by this time next year, and will move into years of the greatest prosperity they have ever enjoyed.

Citation of Congressman Joseph W. Martin, Jr., in Connection With Award of Honorary Degree of Doctor of Laws by Dartmouth College on Sunday, June 12, 1955

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1955

Mr. CURTIS of Missouri. Mr. Speaker, our beloved colleague, JOSEPH W. MARTIN, JR., was awarded an honorary degree of doctor of laws at the recent commencement at Dartmouth College, Sunday, June 12, 1955.

The citation that accompanied the award was most deserving and appropriate. I am certain my colleagues would like to read it. It is as follows:

Your native modesty and perhaps your political principles preclude your saying that

your life was planned as an American political classic, but perhaps it can be said that had such a plan existed it would include being born and reared a smalltown boy, skilled as a shortstop, apprenticed as a newsboy, and then progressively reporter, publisher, State legislator, Congressman, leader of your party in the House of Representatives, and on two occasions as the Speaker of that House, the legislative leader of this land. One of America's foremost practitioners of the honorable art of politics, your example has taught two generations that in a republic where the great wheel of governing goes round and round, political parties are spokes dependent on each other's strength as well as on their own and as such must be honored at both the top and the bottom of the wheel's turning. Brother of two Dartmouth graduates whose education you helped provide, it is wonderfully right that this college should now be privileged to welcome you into its fellowship as doctor of laws.

Equal Pay for Equal Work

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1955

Mr. PRICE. Mr. Speaker, I desire to express my interest in and sympathy for H. R. 6503, which was introduced by the gentlewoman from Oregon [Mrs. GREEN]. An identical bill was introduced in the Senate by my colleague the senior Senator from Illinois [Mr. DOUGLAS].

The purpose of these bills, as I understand it, is simply to guarantee that the 18.5 million women workers, or at least that group engaged in industry affecting interstate commerce, receive equal pay rates for equal work, that they shall not be underpaid merely because they are women.

Here in Congress we have recognized both in the Classification Act of 1923 and the Classification Act of 1949 that women workers in Government were entitled to equal pay for equal work. There is no discrimination in the Federal Government against women workers merely because they are women.

Equal pay in private employment is important to all workers. It is important to men because their own pay standards may be undermined if employers find themselves able to hire women workers at lower wages to do the same work. It is important to the women who are deprived of equitable wages for work they do as skillfully as men.

We already have Federal laws protecting workers in interstate commerce in the field of minimum pay and in work on Government contracts. We have a law protecting workers in their right to organize freely and bargain collectively. The principle of equal pay for equal work is a sound one, on which the Congress has a right to legislate.

Sixteen States already have equal-pay laws governing workers in local industry, and I am happy that my own State of Illinois is among them. But the standards vary all over the country, there are 32 States that have no equal-pay laws at all, and none of the State laws protects workers in industries affecting interstate commerce.

We had House committee hearings several years ago on an equal-pay bill, and I hope it will be possible for the House Committee on Education and Labor to revive those hearings and to report out a bill that the committee considers sound and equitable.

Diamond Jubilee, Red Lion, Pa.

EXTENSION OF REMARKS
OF
HON. JAMES M. QUIGLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1955

Mr. QUIGLEY. Mr. Speaker, I am privileged to draw to the attention of my colleagues and the entire Nation an important celebration now in progress in one of the towns in my congressional district.

Red Lion, Pa., a thriving and alert community located in the southern portion of York County, Pa., has reached its 75th milestone and is, this week—from June 12 through June 18—celebrating its diamond jubilee.

Each day of this week has a special significance. Yesterday, Sunday, was designated as Religious Day, which was devoted to the moral and spiritual welfare of the community. Red Lion might well be described as a church town as its church and Sunday school attendance is higher than in most communities. The good citizens of the town realize that problems arising from material changes in the community can only be achieved with mental and spiritual tranquillity.

Today, Monday, has been designated as Industrial Day, exemplifying "What Red Lion makes, makes Red Lion." On this day, all Red Lioners will reflect upon the diversity of means by which the people of the community and environs make their living. While the manufacture of cigars, furniture, and metal products constitute the major industries, there are many others which contribute to the overall economy of the community, including the dairy, milling, lumber, and dress manufacturing enterprises. In the diversity exemplified by these many enterprises, an insight might be had as to the productivity of these good citizens. The people who are the backbone of these efforts bring to the community a dignity, a spirit of industry, which has encouraged the growth of Red Lion, and its recognition as a good town in which to live.

Tuesday, June 14, will be School Day. Realizing that the progress of a community depends largely upon the success of its educational efforts, Red Lion provides for educational facilities in keeping with the material progress of the town and surrounding community. Indicative of the philosophy which pervades the community are two pertinent factors. Not content with its presently excellent school plan, and farsighted in its approach, Red Lion is planning an addition to its modern high school to care for those who will soon have need for additional facilities. In keeping also with the progressive spirit which is typical of its citizens, a merger of schools in eight contiguous districts has been effected, providing a more coordinated system for elementary school students. A recognition of the proper place of education in this highly technical and complicated age, and a willingness to levy the assessments for this desired objective, are expressive of the foresight inherent in the character of the Red Lion citizens.

The following day, Wednesday, June 15, is Young People's Day. Realizing youth is the strength of our Nation, Red Lion is meeting and promoting the welfare of its teen-agers and young people by proper recreational facilities. A monument to the concern felt by its good people is the outstanding edifice which serves as a youth center. Unique to a community the size of Red Lion is the one-story, brick building fronting on West High Street, where wholesome, properly supervised recreation is available to the town's young folks. Civic and fraternal organziations have contributed substantially to the services and facilities used by the young citizens in their enjoyment of athletic endeavors. Providing a healthy outlet for the natural enthusiasm and vigor for teen-agers, and those even younger, these groups have combined in financing and supervising baseball teams for the boys of the community. Champions in spirit, whatever their comparative standing in county league play, these ranks will provide the men who, 25 years from today, will be the respected citizens planning Red Lion's centennial. Juvenile decency, not delinquency, runs rampant in Red Lion because the adults care enough.

This coming Thursday has been chosen as Community Day, a day set aside for emphasizing the interest and community pride held by the citizens. It is my personal opinion, from knowledge of the character, habits, and morals of the community, that this day is superfluous. A reading of the accomplishments contained in this necessarily brief outline of Red Lion's community facilities, the very evident community spirit which made these things possible, lead one to the conclusion that this day can be but a forerunner to further accomplishments, rather than a celebration of what has already been done. That is the Red Lion way, look not backward, but forward, there is much yet to be done.

Appropriately, 1 day, Friday, June 17, has been set aside as homecoming day. Like any other community, Red Lion is proud of its present residents and those who, while no longer permanent citizens of the community, have moved to other locations. It is true that people leave Red Lion, as happens in every community throughout the Nation. We are a restless, migratory kind of people, always seeking the greener pasture. It is as true that Red Lion does not leave people. Once having lived in this wonderful corner of York County, the son or daughter of Red Lion yearns to return, never having having left, in the strict sense of that word. Homecoming day will be a joyous occasion,

one for renewing friendships, for reminiscences, for reliving the days less laden with worldly care. One of the events scheduled for this day is a baton-twirling contest, to honor three of Red Lion's outstanding young ladies in the persons of Miss Alta Burg, national baton-twirling champion; her sisters, Miss Dawn Burg, runner-up for national honors, and Pennsylvania State baton-twirling champion, and Miss Joyce Burg, junior champion of Pennsylvania.

The last day, Saturday, June 18, is parade day. Climaxing the week-long celebration will be the mid-afternoon parade, the elements of which will represent all of the community interests. Bands, pretty girls, youth groups, and other civic organizations will exhibit a martial air and tempo as they march before the assembled citizens. The family of Pennsylvania's first citizen will look on proudly as our great Governor, George M. Leader, takes the place of honor beside the parade marshal. Governor Leader, a York County native, will, in a sense, be among home folks on the day which ends their week-long celebration of 75 years of progress.

Every American municipality, be it large or small, urban or rural, has one person who personified all that was good, all that signified the character of that community. Red Lion is no exception. Sad it is that Harry L. Haines, chief burgess of Red Lion, and general chairman of its golden jubilee in 1930, could not have been spared to participate in the diamond jubilee. The life he lived provided enrichment to the town and its people. A distinguished Member of Congress for 10 years from the district I am now privileged to represent, Harry L. Haines never lost the homely realization that each person is essentially a portion of a hometown. Harry Haines was Red Lion. Though he served with distinction in this National Forum he, I think, would like to be remembered on this occasion for his countless contributions to Red Lion. No written or spoken tribute could express sufficiently well what Harry Haines gave of himself to the town he called home, but no celebration of progress could be complete without recognition of Red Lion's, and this Nation's debt to him. The United States is a confederation of hometowns, and in each there is, or was, a Harry Haines who collectively made the greatness of our country possible.

For a Traffic and Transportation Service Within the General Services Administration

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EXTENSION OF REMARKS
OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1955

Mr. McCORMACK. Mr. Speaker, for several years I have felt strongly that the establishment of a separate and independent transportation and traffic agency, preferably in the General Services Administration, was most desirable from the angle of efficiency and economy.

My attention was first attracted in this direction in the 80th Congress, as a member of the Bender subcommittee of the House Committee on Government Operations, which committee made certain investigations into the question of traffic overcharges to the Federal agencies and the reasons therefor.

It was evident to me that the Government was paying millions of dollars more than it should, which could be averted if a central control agency on transportation and traffic was in existence with authority to act to protect the interests of the Government.

Under date of May 5, 1955, I wrote Edmund F. Mansure, Administrator of the General Services Administration, on this subject, copy of which letter I include in my remarks together with a copy of a bill I had drafted asking for his comment on the same, as well as other suggestions contained in my letter.

Under date of May 10, 1955, I received a reply from Administrator Mansure, which I also include in my remarks.

I strongly urge that Administrator Mansure take immediate steps to give the Division of Transportation and Public Utilities within his agency a separate and independent status.

As long as the present organizational setup exists, where the Division of Transportation and Public Utilities is subordinate to procurement activities, the present situation where the Government is paying unnecessarily millions of dollars more each year than it should for traffic charges will continue.

If Administrator Mansure should take such action, further legislation will be necessary to accomplish the desired objective which legislation will be introduced and should quickly be enacted into law.

I note that the Hoover Commission has made such a recommendation.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
OFFICE OF THE MAJORITY LEADER,
Washington, D. C., May 5, 1955.

Hon. EDMUND F. MANSURE,
Administrator,
General Services Administration,
Washington, D. C.

DEAR MR. MANSURE: Under date of April 25 I wrote you in care of Mr. F. L. Barton, Director of Transportation, in connection with the lack of consideration being given to the port of Boston as a port of entry and in connection with other shipments within the United States. I have been making further inquiry into the matter.

I feel sure you have in mind the strong recommendation made by the Hoover Commission and the task force with reference to the importance of transportation facilities of the various agencies of our Government, particularly in strengthening the traffic management functions of the General Services Administration, all having in view more economy in Government.

I note in examining the setup of your Administration, and comparing it with the chart of the Hoover Commission that the transportation service of your agency is in a subordinate position, and certainly a position which is not consistent with the recommendations of the Hoover Commission and its task force. It seems to me that the importance of transportation of traffic, etc., cannot be overemphasized.

While there are many recommendations of the Hoover Commission which I find difficult to accept, this is one recommendation that I think is a good one. You are probably aware that I was a member of a subcommittee in the 80th Congress investigating traffic conditions and, as a result of that service in that committee, I obtained valuable information. One of the most pointed impressions made in my mind was the importance of transportation services of our various departments and agencies, and this is particularly so, having in mind the vast amount of traffic being transported.

I might say that, since the 80th Congress, I have followed the Federal supply management problems in the transportation field very closely. It has been my experience, in observing procurement problems of the Government that too often the procurement aspects have dominated the transportation factors, which are so productive of economy and savings in the Government agencies. It is my strong feeling that the transportation services of your Agency should be placed on equal standing with the procurement services.

I am so strongly impressed with this that I am seriously considering introducing a bill to that effect, to make traffic and transportation services coequal with all the other services in your Administration. I am enclosing a rough draft of a proposed bill, which would seek to achieve this objective. I will appreciate it if you will send me your comments on same.

I realize that the purpose of the proposed legislation can be brought about administratively; I sincerely hope that you will take such action, which will obviate the necessity of my introducing the enclosed copy of bill.

With kind regards, I am,

Sincerely yours,

JOHN W. McCORMACK.

A bill to amend the Federal Property and Administrative Services Act of 1949, as amended

Be it enacted, etc., That in order to improve the quality of transportation and traffic management services for the executive agencies of the United States, the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, be amended as follows:

SECTION 1. Add a new section 110 to read as follows:

"SEC. 110. There is hereby created within General Services Administration, a traffic and transportation service which shall be cocqual with all other services in said Administration. This service shall be directed by a Commissioner whose salary shall be $14,800 per annum."

SEC. 2. Add to section 602 a new paragraph (g), as follows:

"(g) Notwithstanding any provision of the preceding paragraph (d), all executive agencies shall be required to procure all transportation, traffic management and related services from the Administrator of General Services, or in accordance with regulations issued by him, with the following exceptions:

"(1) The functions of the Secretary of Agriculture specified in section 602 (d) (9) (e) herein;

"(2) The transportation of mail;

"(3) The transportation of security-classified goods which have been so classified pursuant to regulations issued by the Administrator."

GENERAL SERVICES ADMINISTRATION,
Washington, May 10, 1955.

Hon. JOHN W. McCORMACK,
Majority Leader,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN McCORMACK: Thank you for your letter of the 5th, and I read with interest your comments on the Hoover

Commission recommendations. Appreciate your views as I know that you have followed this whole matter very closely and given it a great deal of thought.

I agree with you that procurement should not dominate transportation, and we have been very carefully reviewing this operation for several months. We have some more digging to do before we can comment on whether or not there should be legislation. If the answer is "Yes," we would certainly appreciate your help. In the meantime we will keep you advised.

As to the port of Boston, and last Friday's meeting, we are already at work on this and will have some definite information shortly. Will then advise all those who were present at the meeting. We realize the importance of this and will push it all possible.

Cordially yours,

EDMUND F. MANSURE.

Minimum-Wage Legislation

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1955

Mr. RODINO. Mr. Speaker, under leave to extend my remarks, I wish to include the following statement which I submitted to the House Committee on Education and Labor in support of my bill, H. R. 576, which would establish a national minimum wage of $1.25 per hour:

STATEMENT IN FAVOR OF $1.25 MINIMUM WAGE

THE HIGH COST OF LIVING

Some time ago the Department of Labor determined that it costs at least $3,800 a year to provide an urban family of four with a modest standard of living. In some cities the amount is considerably higher. Here in Washington the family budget would require at present an annual income of $4,500 to provide the family with the same modest standard of living.

Several States and municipalities have conducted similar studies. They found that the minimum required to support a single woman would vary today between about $2,000 in Massachusetts to $2,700 in Washington. In my own district the annual cost is $2,488.

These budgets provide only for minimum decent standards of living and do not allow for luxuries and frills. It is strictly a stew and hamburger budget, without steaks or chops.

It would take at least $1.25 hourly rate to provide a single worker with a minimum decent living in my district. A worker with family obligations needs at least $2 an hour to provide his family with basic needs. However, the present Federal minimum wage requires only a 75 cents hourly rate.

LOW MINIMUM WAGE A THREAT TO ALL INDUSTRY

This floor on wages is entirely too low. It denies millions of American wage earners to share in what we would like to believe is the birthright of every American—a minimum decent standard of living. The low minimum wage also represents a constant threat to millions of more prosperous workers who succeeded with the aid of unions and under the ever-increasing productivity of our American free-enterprise system to gain higher standards of living. Some unscrupulous employers have, unfortunately, taken advantage of low rates that prevail in some sections of the United States by moving their business there and then tried to obtain unfair competitive advantages over employers who pay decent wages. A few misguided persons of authority in the low-wage communities have tried to perpetrate the wage-cost advantages of the runaway industries. They even stoop so low as to violate the law of the land by using the powers within their command to keep out unions from their areas which would work to raise wages and the standard of living in these communities. A spokesman for the development board of one of our great States where, unfortunately, low wages prevail declared recently:

"We don't encourage any company to come into the State if it's going to bring a union with it. Our people don't want unions. They are individualistic and don't want outsiders telling them what to do."

Mr. Chairman, we must act to remove substandard wages as a competitive factor in our great industrial system. Superior management, efficient production, increased productivity, and lower costs are the proper bases for our free competitive system. Starvation wages are not a proper weapon in the play of our great free competitive system.

THE ECONOMY CAN SUPPORT $1.25 MINIMUM

The question arises, Can our economy support a $1.25 minimum wage, which I am proposing? The answer must be unequivocally in the affirmative.

Almost 6 year ago Congress voted a 75 cents minimum. Buckets of crocodile tears were shed then by some spokesmen for low-paying firms. They asserted that the new minimum wage would result in the ruin of their businesses and the loss of jobs to their workers.

The facts proved these prophets of doom to be completely in error. Several months ago the Department of Labor released the results of its studies on the economic effects of the 1949 minimum-wage legislation. The studies disclose that the 75 cents had only minor effects upon employment and that industry displayed a high degree of adjustment to the increased minimum wage.

The Department of Labor concludes that the effect of our minimum-wage legislation has been "to improve the position of employees involved by increasing earnings in the affected industries and that the relative improvement has been substantially maintained."

The evidence seems to be conclusive that the 75 cents minimum had only salutary effects upon the economy. And I believe that Congress was overcautious then in selecting that low a minimum. I am confident that today our economy could easily support the $1.25 hourly rate I am recommending now.

Since 1949 the cost of living has risen by some 13 percent, and the best estimates are that the overall productivity of the American economy has increased at an annual rate of better than 3 percent. Rises in cost of living and productivity alone would thus justify at least a $1.05 minimum hourly rate. But if our economy is to continue to grow and flourish, we must strengthen the purchasing power of our consumers. Grave warnings have been expressed about the dangers of another recession before the end of this summer. A higher minimum wage would offer a prop to the economy.

But aside from any economic consideration, I believe that we have a moral obligation to increase the minimum wage to at least $1.25. It would allow more Americans to share in the bounty that is our free American competitive system, and it would aid millions to better appreciate and count the blessings of life, liberty, and the pursuit of happiness, which our beloved country must offer to all its citizens.

Distinguished Chairman and members of this committee, I urge upon you the favorable consideration of H. R. 576, calling for a $1.25 minimum wage legislation, which I introduced at the beginning of this session of Congress.

Noted Scientist Calls for Impartial Board To Decide Upper Colorado Project Issues

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1955

Mr. PRICE. Mr. Speaker, Dr. Paul B. Sears, president-elect of the Association for the Advancement of Science, sees the proposed multibillion-dollar upper Colorado River project as illustrating a serious defect in our national structure as far as the relation of science to public issues is concerned.

This view by one of the Nation's outstanding scientists and conservationists should be given thoughtful consideration.

It is Dr. Sears' belief that the remedy for this defect is the appointment of a disinterested board of scientists from various fields to study and report on such problems.

In a letter to Science Magazine, Dr. Sears says of the upper Colorado River project:

Costly and important as this whole issue may be, its greatest significance lies in illustrating a serious defect in our national structure as far as the relation of science to public issues is concerned.

Scientific knowledge and personnel are available to present the American public with factual, verifiable information, thus stripping the issues down to essential questions of national policy.

Dr. Sears, who also is chairman of the Yale University conservation program, feels very strongly that "public issues should not be clouded and confused by failure to get the basic scientific facts."

In his letter to the magazine, Dr. Sears recites many of the arguments advanced both for and against the upper Colorado River project to point out the confusion and controversy the project has caused throughout the country.

It must become part of our habit of thought and a recognized procedure—

Dr. Sears declared—

to insist that, in matters of public policy where verifiable physical knowledge is involved, such aspects of major problems be referred to impersonal, disinterested, and competent boards of scientists.

We have in the National Academy of Sciences and the National Research Council, a proper and legal mechanism for such assignments.

These two closely interrelated groups have at their command the entire scientific talent of the Nation. For various reasons, however, they cannot inject themselves into controversial issues, unless the Government or the public demands that they do so.

Dr. Sears pointed out that one group of scientists has not shared this inhi-

bition. It is the Engineers Joint Council.

The Engineers Joint Council—

He said—

has investigated and reported unfavorably upon the upper Colorado project. But the air would be greatly cleared and an important principle established if the services of bodies representing all phases of science were called upon to analyze this and similar issues.

It is Dr. Sears' contention that failure to use science as a source of perspective in our present stage of culture degrades its function and may in time be disastrous.

The fight over the upper Colorado River project is now raging in the House of Representatives. I believe it would be wise to seek the council of such leaders of science as Dr. Sears.

The issues in the upper Colorado River project involve verifiable physical knowledge, and, as Dr. Sears suggests, the Nation would benefit greatly if such issues were decided by the highest scientific authorities.

There is no substitute for honest and impersonal scientific findings. The public has a right to demand such service from scientists who are better qualified than any other persons to sit in judgment on such issues as those involved in the upper Colorado River project.

I believe that Congress might well take advantage of Dr. Sear's proposal.

Man Cannot Live Without Water

EXTENSION OF REMARKS
OF
HON. GEORGE S. LONG
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1955

Mr. LONG. Mr. Speaker, man cannot live without water, and while we often have too much of it in Louisiana, we are mindful that the entire Nation may ultimately face a water famine.

This is serious. It threatens our existence as a nation. The time for action is now.

Eminent demographists forecast that in less than 50 years our population will have doubled. Think of that. That means that 330 million souls along with a tremendously expanded agricultural-industrial plant will be seeking water. Will there be enough for them?

Man must have water.

Water rationing is necessary in many localities.

Experimentalists are trying to find an economical way to make saline waters fit for human consumption.

A nation cannot survive without an adequate water supply.

Yet, Mr. Speaker, notwithstanding our grave water shortages, billions of acre-feet of precious water flows unmolested and needlessly into the sea taking a heavy toll of human life and valuable property in their wake. Dr. Hugh Bennett, the world's very greatest authority on soil conservation, tells us that this water also carries a million acres of our irreplaceable topsoil into the sea each year.

There are serious water shortages.

Mr. Speaker, in this connection there is little wrong that engineering brains cannot correct. All we have to do is to put the engineers to work. Let us briefly consider the Mississippi-Missouri-Ohio River system from which Louisiana receives its flood waters. Man in his impatience has butchered the main watersheds supplying these trunk water lines; but, Mr. Speaker, each of these watersheds can be restored to their original purpose—made to perform the work that God intended they should do.

All along the main rivers there must be great storage basins to receive and hold the flood waters. These basins would reduce and eventually eliminate flood damage.

The engineers can do the job. We have the engineers and we have the necessary money. Then what are we waiting for?

Mr. Speaker, these storage basins would become a vital water source for scores of municipalities and for farm use. Indeed, it is said that it would be possible to divert the flood waters pouring down upon Louisiana westward into Texas, New Mexico, and Arizona.

Then, Mr. Speaker, the Lord only knows just how many acre-feet of vital water are being deliberately polluted. Many once useful streams are now little less than open sewers—menaces to health and repulsive to human decency.

Man should not make war upon nature. He must not destroy God-given resources. Polluted water is destructive of marine life. It is deadly to the waterfowl.

Let us hope, Mr. Speaker, that the Congress will give serious attention to the water problem without further delay.

Under leave to extend my remarks, Mr. Speaker, I include a pertinent article by Joseph A. Fox, which appeared in the Washington (D. C.) Sunday Star for June 12, 1955:

WATER, WATER EVERYWHERE—BUT UNITED STATES MAY BE FACING CATASTROPHIC SHORTAGE

(By Joseph A. Fox)

Is the United States headed toward a catastrophic water shortage?

That is more than a possibility, according to some experts. They point to spots on the water map where ever-growing needs already are creating supply problems—and litigation. They predict that the time will come when critical areas will be the rule rather than the exception, as population increases and industry expands.

Nothing of the sort is going to happen, according to another school of informed thought on the subject.

Conceding that the water stocks of the Nation are poorly distributed, and that there probably will be times and places in which severe shortages occur, at least temporarily, these experts insist that the country as a whole is safe.

The worst that could happen, they contend, is that water which now costs the average householder less than 5 cents a ton—250 gallons—could become a relatively expensive commodity in areas of scarcity, where elaborate pumping systems might be required to bring it in from the outside.

The two sets of forecasters agree on one point: The country has become so dependent on an adequate supply of water for so many things, that much more must be done by everybody concerned, in the way of research and planning to meet this need. Admittedly, not enough attention has been given the problem in the past. Water has been too much taken for granted.

The West always has been water-conscious, because of the demands of agriculture. More than half the water used in this country today goes to keep fields green in that region, once given over largely to sagebrush and rattlesnakes.

Nowadays, new advances in industry—the development of synthetic fibers, for example—call for more water all the time. Forty percent of all the water we use goes to industry. And so the industrial East also is awakening to the importance of the water factor in the economy.

With 90 percent of our useful water supply going to agriculture and industry, only a thin 10 percent remains for everyday living needs in city and countryside. Here again, our growing population adds to the squeeze each year.

Congress also is becoming more aware of the water problem. The House, which wants to set up water-supply projects in every State, only recently started the ball rolling by voting $4 million to continue experiments on methods for making salt and brackish water usable for everyday needs. The Senate upped this to $10 million and a conference committee is now working on an adjustment.

President Eisenhower has a Cabinet committee studying the problem.

To anyone trying to get a true perspective on the dimensions of this water problem, the figures compiled by the United States Geological Survey offer a hopeful key. The Survey experts, who live with the problem constantly, are not alarmist on the subject of our water supply. But neither are they complacent.

Even to a generation accustomed to thinking in astronomic terms, the statistics are staggering. They require a new dimension in numerical thinking.

CONSUMPTION MAY DOUBLE

There are 165 million people in the United States. They use, currently, 210 billion gallons of fresh water every day—more than 1,200 gallons a person. The experts expect this consumption rate to double within the next 25 years.

Where does this water come from?

Of the 210 billion gallons used daily, 175 billion are surface water from rivers and lakes. The remaining 35 billion are drawn from the ground in wells and springs.

How does the demand stack up against the supply?

The average daily rainfall across the country is 4.2 trillion gallons. This is 20 times the present daily demand. It represents an average annual rainfall of about 30 inches. The joker, however, is that only a fraction of this total water supply actually is available for use by man.

HOW IT BREAKS DOWN

Here is how the figures break down:

In the first place, more than 70 percent of the total precipitation—21.5 inches of it—is either evaporated or absorbed by nonuseful plants before man has a chance to get at it.

The remaining 30 percent—8.5 inches—becomes available to man in streams, lakes, or wells. Technically, this water is known as run-off. In theory, it can be used. Again, however, much of this water cannot under present circumstances be put to effective use. It comes in flood flow of such volume, that it is too hard to store. Or it may be needed to carry away sewage—or for navigation. Some 7 inches of rainfall goes into these channels.

NOT TOO FRIGHTENING

On its face, the picture is not too frightening. The water is there. Clearly, serious shortage will be averted if we can find ways of getting more use from the 30 percent potential run-off supply, and of salvaging some of that original 70 percent wastage.

Bad distribution is the foremost stumbling block to satisfactory use of rainfall. Too often, rain comes at the wrong place, at the wrong time, and in too much volume.

The 17 westernmost States—where the Government has its vast reclamation projects—constitute about 60 percent of the land area of the United States. But they get only about one-fourth of the overall water supply.

BATTLE OVER WATER RIGHTS

There also is great disparity within these regions.

For example, the Pacific Northwest has a 100-inch rainfall yearly; places like Utah and Nevada get 4. This is the sort of thing that starts the States battling over water rights.

In the East, New York's right to divert the flow of the Delaware River has been challenged by Pennsylvania and New Jersey.

As the pinch gets tighter in water-sensitive areas, more litigation can be expected.

Adequate legal standards for this issue still are to be devised, but controls that will safeguard the rights of all are looked on as an ultimate certainty.

More basic than the problem of how to divide up the water is the problem of how to get more water to divide. Here is where the planners are really getting busy.

They emphasize:

Overdevelopment; that is, taking more water out of a given area than nature puts back in the earth, must be eased. New sources of supply must be developed. And as a complementary proposition, no avenue of avoiding waste and promoting water conservation can be overlooked.

In trying to take greater advantage of available water supplies, hydrologists have been pursuing several lines of attack.

Where geological conditions are favorable, it has been possible to save stream water that would otherwise be wasted by sinking wells nearby and, in effect, siphoning the water through the ground to these subterranean depositories.

Another device is the artificial recharge of ground stores by spreading flood waters from mountain streams over land where soil structure will permit it to seep in.

Receiving much attention also is the destruction of the worthless water-loving plants—they're known as phreatophytes—which habitually grow where their roots can be sent down to the water table and which, through the process of transpiration, discharge relative large quantities of water vapor into the air.

The storage and reuse in small reservoirs and cooling towers of water that already has served some industrial purpose is another step being studied. More effective pollution control and less waste in irrigation also are recognized needs.

The most dramatic line of inquiry, however, is the desalting program. Here, of course, the effort is not aimed at salvaging presently available supplies—but rather at increasing the total supply of fresh water. Involved is not alone the matter of purifying salt sea water, but also of cleansing freshwater areas that have become impregnated with salt-water seepage—a problem of increasing importance in some west-coast areas.

Some work already has been done on this water-cleansing idea. But the ordinary processes still are too expensive to make the operation feasible in a program of any size. Right now, it costs between $400 and $500 an acre-foot—a 1-acre expanse of water 1 foot deep—to freshen up the salt water.

The Interior Department, which is directing the desalting project, seeks to reduce the cost for sea water to about $120 an acre-foot, and that for making brackish water suitable for irrigation to $40 an acre-foot. Scientists believe these goals are in sight.

Mr. Speaker, we must not underestimate the seriousness of this impending water shortage. As in so many other matters affecting man's survival, there are those in high places who would procrastinate; those who want to follow the rule of wait and see, and finally those who can never see the forest for the trees; and in conclusion, Mr. Speaker, I submit that water conservation and distribution has no proper place in partisan politics. If the politicians cannot keep their heads above water, water must be kept above the politicians.

The Real Threat to Peace

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1955

Mr. FEIGHAN. Mr. Speaker, on Sunday, June 12, the Baltic Committee of Washington, D. C., held a mass meeting commemorating the 14th anniversary of the forced deportation of over 50,000 Estonians, Latvians, and Lithuanians by the Russian Communists. June 14, 1941, will stand as one of the blackest marks on the long list of crimes against humanity by the Russian Communists. Because of the significance of this affair and the need for those of us who enjoy the blessings of individual liberty to be reminded that tyranny is on the march, under leave granted, I insert my address of June 12 before the Baltic Committee of Washington, D. C.:

THE REAL THREAT TO PEACE

(Address by Hon. MICHAEL A. FEIGHAN before the Baltic Committee of Washington)

It is a privilege for me to be able to join with you today in commemorating the sad events which took place in Estonia, Latvia, and Lithuania on June 14, 1941. That day was, indeed, the darkest in all of history for those three small but free nations situated as they are on the shores of the Baltic Sea. It is our dedicated task to make certain that the infamous crimes committed on that day by the Russian Communists shall not fade from the memory of freemen. That is why we Americans have come to know June 14 of each year as Baltic States' Freedom Day.

As we look back to June 14, 1941, that date seems very distant and hardly belonging to the generation in which we live.

Fourteen years in the ordinary course of history reflects little more than a split second.

But the 14 years which have elapsed since that darkest of days are not judged now, nor will they be judged by the hard test of time as a split second, an hour, a day, or a year.

Generations of the future will surely regard that unhappy day as one of the earmarks of an era which threatened to extinguish all forms of civilization and all those things for which the common man has struggled since the beginning of time.

There can be no doubt but what the unbelievable events of these past 14 years together with those of equal evil which took place during the preceding 24 years, will hold that place in recorded history.

One cannot help but wonder what has happened to those more than 50,000 God-fearing, freedom-loving patriots who on June 14, 1941, were taken into custody by the Russian secret police and sent to the most dismal, far reaches of the current empire of Moscow. We know from sworn testimony by eye witnesses of the cruel methods used by the Russian secret police to tear wife from husband and children from parents.

We know, too, the careful method and inhuman precision used by these agents of Satan to make certain that no members of the same family were put into the same boxcars for shipment to an alien, unknown destination.

The established record on this crime also reveals the clear intent of the Russian Communists to destroy the very soul of each of these three gallant nations by the process of selecting the leaders of religion, intellectual thought, national patriotism, business ingenuity and enterprise, education, and free labor for assignment to a life of ruthless exploitation and degradation.

No doubt now exists but that the Russians had a carefully worked-out plan reduced to writing and then placed in the hands of their secret police in order that a crime of this magnitude could be carried out so effectively.

It is only human for us to wonder where those heroic people might be tonight just as it is our duty to pray for them each day.

In the passing of 14 years there have been many happenings in the world which almost defy belief.

These events seem also to confound many of those who during that period were charged with the conduct of foreign relations on behalf of this and other still free nations.

Perhaps the outstanding event of that period is reflected in the fact that the civilization of which we are a part, having sunk so deep in a tryst with evil, has been able to survive at all.

The second most remarkable event, in my judgment, is reflected in the fact that when our leaders recognized the dangerous position into which we had been corraled, they were able, nevertheless, to rally the spark of freedom and human decency which has always burned steadily in the breasts of mankind.

That singular event is what launched us into what we have come to know as the "cold war"—which some people are today attempting to end because they believe it is possible to establish a modus vivendi with the Russian Communists.

We called it a cold war because of the absence of orthodox conflicts which history records all too frequently.

There were no great land armies engaged in battle with one another—modern weapons of destruction as we know them were employed to a very minimum—the classical type of economic blockade was not launched—and there seemed plenty of room for an attitude of business as usual.

"Cold war," therefore, seemed to be a good description of the conflict between the Russian Communists and the aspirations of all freemen—but what a terrible mistake we made in calling it a cold war.

The facts are that the warfare being used against civilization as we know it by the conspiracy of communism is hotter than any war ever known to mankind.

In this type of warfare more people have already been tortured, maimed, imprisoned, and killed than in any other war in recorded history.

You and I know full well how hot this war has been for the good people of Lithuania, Latvia, and Estonia.

We are aware that for each and every one of those gallant freedom-loving people to

barely live is a 24-hour-per-day struggle against the alien occupier.

The Russian Communists have given ample evidence of their determination that they will either break the spirit of all the people of the Baltic States or they shall exterminate them.

As we look upon the full record of the crimes against humanity made in the name of Russian communism, we see clearly the use of manmade famines, a device used to destroy millions of liberty-loving Ukrainians and Turkestanians.

We cannot help but see the vast network of prison camps which extend from one end to the other of the Communist empire, and in which are imprisoned patriots and fighters for individual liberty from each and every one of the non-Russian nations enslaved within the Russian Communist empire.

We are sadly reminded that the life span of those imprisoned in the slave labor camps rarely exceeds a period of several years.

Millions upon millions of people are suffering the same fate as the heroic Balts by being forcibly deported from their Communist-occupied homelands to the interior reaches of the imperial Russian Communist empire.

The evil practice, sadly recalled by the Estonians, Latvians, and Lithuanians, of separating husband from wife and children from parents in the process of deportation to uninhabited and barren wastelands has been applied to all the nations now occupied by Communist tyranny.

The record also tells us that entire nations have been destroyed by this new type of warfare.

Against this background of criminal warfare being directed against all forms of civilization, the Kremlin recently called for peaceful coexistence between the still free world and the conspiracy of Russian communism.

The propaganda organs of the Russians then began to blast out statements to the effect that the time has come for a concentrated effort to ease world tensions.

The place for peaceful coexistence by the Russians was quickly followed up by a propaganda and diplomatic offensive on a worldwide basis.

The clear objective of that propaganda and diplomatic offensive is to split the political and military alliances of the free world, to neutralize Germany and Austria, thereby providing a neutral belt between the Communist empire and the free world and finally to isolate the United States and the Western Hemisphere.

In the face of this propaganda and diplomatic offensive engaged in by the Kremlin, the Congress of the United States, through the reports of the Select Committee to Investigate Communist Aggression, has attempted to alert the people of the United States to the true nature of communism and the meaning of its current propaganda drive for peaceful coexistence with the free world.

That committee, on which I had the honor to serve, recommended in January of this year, that to meet this new propaganda challenge by communism and to avert world war III, the Government of the United States engage in a bold, positive political offensive.

Such a political offensive would of course be launched against the conspiracy of communism and on behalf of the enslaved nations and people.

That basic recommendation was supported by 12 definitive recommendations which were in the nature of concrete steps that should be taken to initiate such a political offensive.

These recommendations were arrived at after hearing the direct testimony of over 300 eye witnesses who themselves had been the victims of communism, and after the study of thousands of sworn statements and all available documentary evidence.

Moreover, this was the work of a truly bipartisan committee attested to by the fact that all 27 of its reports were unanimous.

Since that time, many prominent Americans have come forward to urge the Government to take up a political offensive against the conspiracy of communism.

It is encouraging to see that there is an awakening to the fact that if we are to avert world war III and at the same time extend the cause of freedom and peace, bold and resolute action is required.

The record is clear that if we continue to engage in weak, half-hearted, fearful measures based upon a desire to placate the Russians, we are taking the course which inevitably leads to war and possibly slavery for our people.

One of the planks in the platform of the political offensive to prevent world war III is House Resolution 183, which has been reported favorably by the House Foreign Affairs Committee.

The purpose of that resolution is to cause the Secretary of State to formulate a resolution based upon the findings, conclusions, and recommendations of the House Committee To Investigate Communist Aggression, naming the U. S. S. R. as an aggressor against the nations enslaved by communism, and to have such a resolution placed on the agenda of the General Assembly of the United Nations for early action.

Identical resolutions to that end were introduced by my colleagues, Congressmen MADDEN, DODD, MACHROWICZ, BENTLEY, and HILLINGS.

I am proud to say I also introduced such a resolution.

On Tuesday next this resolution, House Resolution 183, will come up before the Rules Committee of the House.

I am confident that this resolution will be voted out of the Rules Committee and brought to the floor of the House where a general debate will take place and thereby the people of the United States can, through their representatives, voice their determination to use every method available to prevent world war III and to extend the cause of human freedom.

The continued military and political occupation of Latvia, Lithuania, and Estonia by the masters of the Kremlin is a major cause of the dangerous world tensions which now beset mankind and therefore constitutes a serious threat to peace.

We must take bold and determined action to remove that threat.

I hope and pray that we, as a nation, will not hesitate to meet this issue head on.

Address by Representative Joseph W. Martin, Jr., of Massachusetts, at Joint Commissioning Ceremonies for Army, Navy, and Air Force ROTC Graduates at Dartmouth College, June 11, 1955

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1955

Mr. CURTIS of Missouri. Mr. Speaker, I am inserting in the RECORD the text of the address by Representative JOSEPH W. MARTIN, JR., of Massachusetts, at the joint commissioning ceremonies for Army, Navy, and Air Force ROTC graduates at Dartmouth College, June 11, 1955:

Mr. President, distinguished guests, ladies and gentlemen, if time could turn back the clock to the last century it might well pause at a day in American history when President Abraham Lincoln signed the law which made possible the commissioning ceremonies that we are honoring here today.

If Representative Justin Morrell of the Green Mountain State of Vermont could be here today he would be justly proud of his foresight—foresight which has contributed to the defense of the Nation in an incalculable manner.

It was Justin Morrell who fathered the law that provided grants of land, and eventually grants of money, for colleges that would offer military training, along with agricultural and mechanical arts. It was this act, in conjunction with land-grant colleges, which brought about that provision of the National Defense Act of 1916 which established the Reserve Officer Training Corps in various colleges and universities throughout the United States and its Territories.

Since 1916 the colleges and universities of this Nation have graduated and commissioned thousands upon thousands of young men who have acquired a firsthand knowledge of the basic principles of military and naval warfare. Later this program was expanded to the science of air power, so that today we have universities and colleges teaching those fundamental concepts of defense so indispensable to the security of our Nation.

You have all willingly sacrificed a portion of your college days to the somewhat unfortunate, but nevertheless necessary task of acquiring the elementary principles of the art of destruction and survival. But if we look upon this teaching as simply one which glorifies war and mayhem, then the liberal education that you have received at this great college, and the liberal education that countless other young men have received at colleges and universities throughout the Nation, has been worthless.

What you have learned here is the precious, inestimable, value of freedom—and you have also learned some of the basic skills that you may be called upon to use to preserve that freedom.

Freedom in a world faced with the interminable conflict between communism and Christianity will survive only so long as freemen are willing to fight for that precious principle. In this hallowed ground of New England where the American Revolution had its beginning, the word "freedom" has a special significance. For it was from New England that the young farmers and tradesmen, the minutemen, and the sons of liberty, received that spontaneous spark that ignited the world in a crusade for establishing the dignity of man—a crusade that has grown until it is recognized as the zenith in the philosophy of governments throughout the world.

You have been taught the principles of squad, platoon, and company meneuvers, you have been taught the rudiments of discipline, the value of close order drill so that reaction to commands is automatic. You have been taught how to read maps and interpret aerial photographs. You have been taught the problems of distribution and supply, but above all, you have been taught at this great college the reason for your education in this somewhat incongruous field. You have learned that you live in a free nation composed of free men and women who are willing to sacrifice all they possess, as did their forefathers, to preserve the Christian principles of a free nation under God. You have learned the meaning of freedom and democracy.

Many of you, if not all of you, will go on from here to a new and thrilling experience—you will become members of the

greatest defense team in the peacetime history of the United States. You will go on to the Air Force, or the Army, or the Navy, or the Marine Corps, where you will be further educated in the peculiar arts of your branch of the service. Thereafter, you will be asked to assume the basic purpose of your ROTC training; you will be asked to become a leader of men. Because you have demonstrated a capacity for learning, a desire for knowledge, an understanding of the problems of civilization; because you have demonstrated a willingness to cooperate and have satisfied your professors and instructors of your ability to retain the fundamentals of a liberal education, you have passed the first test of your qualification to be a leader of men. But you are not yet qualified, for there remains the supreme challenge of performance. Into your collective hands may be placed the lives of hundreds, perhaps thousands, of young men who have yet to wear a uniform in the service of their country. You may well be placed in command of those young men. Because of the faith and confidence that your college and your Government has in you, they are willing to place into your hands the responsibility for the security and safety of these young men and, even beyond that, the security of the Nation. For you, and thousands of others like you, will constitute a large portion of the commissioned officers of our Armed Forces.

As a matter of fact, 80 percent of the officers of the Army and Air Force, and approximately 50 percent of the officers of the Navy and Marine Corps, are reservists—a great number of whom have acquired their commission in the Army, the Navy, or the Air Force ROTC programs. The ROTC system is the greatest single source of offices in existence today. Without this system, it would be impossible for the Armed Forces to maintain the commissioned corps of the various branches of the service.

Of course, you have enjoyed a distinct privilege for 4 years, a privilege not granted to every young man in this Nation—the privilege of completing your formal education and the privilege of being offered a commission in the Armed Forces of the United States. You are assuming the lowest grade in the commissioned officer corps, but it also happens to be the most significant grade with respect to the men who will serve under you—for you will be closest to them. Your intelligence, your understanding, your ability to comprehend their problems, your judgment and your willingness to sacrifice personal comfort, will be the test of your success.

Many of you may well continue in the Armed Forces as career officers; it is possible that some among you may later become senior officers, even generals and admirals. But a great deal of your future will depend upon what you have acquired here in the past 4 years and what you do in the immediate period of active duty that lies before you.

You are entering into an era of military preparedness that is unique in American peacetime history. For the first time, our government has adopted a military program which envisions a stable strength—a stability which will permit orderly planning, orderly procurement, and a stability which can be tailored to the missions of the respective services.

I cannot tell you what the future holds, yet it is only through the preservation and maintenance of this stable force that we will be able to answer the challenge of communism insofar as armed might is concerned.

The plan in Congress to fortify our military strength as embodied in the military Reserve proposal is essential. This presents to the youth of the Nation an opportunity to share equitably and reasonably in the country's defense. It is a sensible alternative to a vast standing army the cost of which our economy could not stand over the long pull. The Reserve proposal is a voluntary program and maintains our military strength while, at the same time, causing the least possible dislocations in the lives of our young men.

While we work for peace by keeping strong, we must make sure that our economy is not endangered because of the heavy burdens of taxation.

We do not profess to match the Soviet Union in manpower, but I will put any man in this class against his counterpart in the Soviet Union when it comes to intellectual attainment, ingenuity, inventiveness, commonsense, perseverance, and patriotism. And we know that the fighting forces of every nation are limited by the number of men they can equip and maintain. We know, also, that no power on this earth can exceed the productive capacity of the United States. That is why we need not fear the vast population of any country. As long as we have the weapons and the hard core of men who will man those weapons should armed conflict be our ultimate destiny, we need not fear for the safety of this Nation.

Many of you are probably wondering just exactly what your education has done for you insofar as your military service ahead is concerned. You may be trying to figure out how a course in English literature, or a course in several foreign languages, chemistry, physics, or calculus, or sociology, or history, can possibly make you a better officer. Well, the answer to that question, if that is what is in your minds, is the very fact that you have asked the question, for it would indicate a seeking mind, a mind that is operating actively, wanting to know, asking questions, seeking information, a mind that reasons, a mind that calculates, a mind that has been exposed to a variety of subjects over a relatively short period of time to test if it is receptive and retentive to the extent necessary to go on to greater responsibilities in the life ahead. And to that, for you who are about to be commissioned, has been added the vagaries, and perhaps to some of you, the futilities of warfare. And I hope that you do feel that war is futile and unnecessary, and unreasonable for if that is your feeling you are merely demonstrating to the world that this Nation, the American people, have an inherent, an all-consuming desire for peace, but they also can subjugate that desire for peace to a determination to fight with all they possess should the very foundations of our civilization, freedom, and Christianity, be threatened.

I congratulate each and everyone of you as you go forth into a new venture; you carry with you a great deal of responsibility, much more than many of you may realize. You have enjoyed a privileged status while attending this great college, and I know that you will demonstrate to your family, your fellow students, and to the Nation that you appreciate the advantage that has been offered to you.

You who are members of the Army ROTC program will be commissioned in the Ordnance Corps. And you will meet with metal and men. You are entering into the age of atomic artillery; ordnance is playing a greater and greater role in the defense program. I know you will accept that challenge willingly.

You who are graduating as ensigns will enter the fleet in the age of atomic submarines, large carriers, and antisubmarine tactics. You will have the experience of traveling over the water, on the water, and under the water. You are entering into a new era of nuclear power, an era more significant to the world than the advent of the ironclad vessel and steam power.

You who are entering the Air Force are entering the era of the guided missile and supersonic speeds. Space and time will stand still. Your challenge is in the air and the stratosphere—that unlimited area which has in it the tremendous possibilities of the future or the potential threat of world annihilation.

And you who are entering the Marine Corps are entering into a force in being—a relatively small but hard-hitting force in readiness—second to none in the world. If you are not already convinced that you are joining the most elite fighting organization in the world, then I suggest that you merely wait a few minutes until you have an opportunity to talk with a marine who is 15 or 20 minutes senior to you.

These four services constitute a balanced force which make up the armed might of America. Each is dependent upon the other and each exists for the sole purpose of protecting the United States and our philosophy of freedom and a republican form of government. Each service has a mission to perform and each mission is of vital importance to the defense of the Nation. No single service is subjugated to a sister service, but each works separately in its assigned field, or jointly as the situation may demand, as part of a balanced team. Collectively, it is the greatest single answer to the threat of communism that exists in the world today. I am happy to be present here today as you receive your commissions as members of this great team. An honor is being bestowed upon you, but you are also assuming all of the responsibilities that are commensurate with that honor.

Gentlemen, I congratulate you all and wish you Godspeed.

The Army's Growing Air Force

EXTENSION OF REMARKS
OF
HON. TOM STEED
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 13, 1955

Mr. STEED. Mr. Speaker, the Congress has not yet passed the proposed military budget for the coming fiscal year. For sometime now, it has been carefully evaluating it, item by item. Billions of dollars are involved, to be allocated on the basis of needs to each of the services. But the prime consideration in every case is what each item will contribute to the security of the United States. There is no place in the budget for any item, merely because the service wants it included. The requirements of each service must be balanced against the overwhelming requirement of adequate national defense.

Defense must not be purchased at the cost of the national economic well-being. Communism would be as happy to see this country ruined economically as to win an aggressive war against us. In fact, the undermining of our sound economic structure would be a cheaper victory for communism than any military attack. What we must have at all times is national defense that the country can afford.

Such national defense permits of no useless duplication.

And yet, Mr. Speaker, evidence of duplication in service requests is abundant. Consider, for example, the Army's air arm.

I do not mean the United States Air Force. That was established by Congress in 1947 as an independent, autonomous service, to be "organized, trained,

and equipped primarily for prompt and sustained offensive and defensive air operations." I quote the language of the National Security Act of 1947 that established it. That act further specified that "the Air Force shall be responsible for the preparation of the air forces necessary for the effective prosecution or war."

Less than 6 months after the Air Force came into existence, decisions on the missions of all three services were reached by the Joint Chiefs of Staff, in formulating their program for the future security of the United States. Those decisions, known as the Key West agreements, spelled out the intent of the National Security Act very specifically:

The United States Air Force includes air combat and service forces. It is organized, trained, and equipped primarily for prompt and sustained combat operations in the air. Of the three major services, the Air Force has primary interest in all operations in the air.

Notwithstanding the intent of Congress as reflected in the National Security Act of 1947, together with interpretive agreements reached among the Joint Chiefs of Staff, let us take a look at the status, aspirations, and intentions of the Army with respect to duplicating air facilities. The Army already has light and medium helicopters. It has liaison and light transport aircraft. Naturally, it has airfields, pilots, aircraft maintenance personnel, and facilities to take care of its rapidly growing air arm. Now the Army has jets.

Mr. Speaker, I do not propose to take the time of my colleagues to discuss the history of air warfare, or the development of the concept of air power. Either is a big subject. I want merely to call the attention of my colleagues to the Army's order for jet aircraft, which the Army says will not duplicate Air Force aircraft. I think my colleagues should be in a position to decide for themselves. I do not know what the Army will ask for next, for its growing Air Force. I do know that the Army is violating the intent of the National Security Act. It is violating the spirit of the Key West agreements. And it is creating duplication that will cost the taxpayer a pretty penny.

For the edification of my colleagues who may have missed a very interesting and revealing article by that distinguished newsman, Jim Lucas, under unanimous consent to extend my remarks, I insert the following in the CONGRESSIONAL RECORD, from the Washington Daily News of June 6, 1955:

ORDERS HAVE BEEN PLACED FOR ARMY JETS

(By Jim G. Lucas)

The Army expects to start flying its own jets next year. Orders have been placed.

Army leaders foresee the day when planes and helicopters replace trucks and jeeps.

They're convinced that—once the reasons are understood—the public will go along.

"There's no more duplication in our using planes than in the Air Force's use of trucks," Maj. Gen. Paul Adams, Acting Chief of Staff for Operations, says. "It's a question of moving men and supplies as rapidly as you can."

It's all part of the Army's effort to streamline itself for Atomic war. Its entire battle doctrine is being reshaped. Time-honored concepts are being scrapped.

Back of it, too, is the Army's little-publicized dissatisfaction with the Air Force. Army men are careful to say the Air Force is doing a fine job with its intercontinental bombers, continental defense and research and development. But for that very reason, they say, the Air Force hasn't had time to consider the kind of airplanes the Army needs.

EMPHASIS ON SPEED

The thermonuclear age, General Adams says, dictates a return to the Army's "true cavalry role." The emphasis must be on speed and mobility. For that role, the Army needs:

Two-men helicopters for reconnaissance. They'd be able to land behind the lines, on hills and mountains for intelligence purposes. They could get in and out without fighting.

Medium helicopters, each carrying an Army squad with its recoilless antitank rifles, 51-millimeter machine guns and 81-millimeter mortars. They'd set up blocking positions and hold passes, defiles, and other advanced terrain. Supplied by helicopters, they probably could survive indefinitely. Small in size, they'd not be too attractive a target for atomic weapons.

Jet aircraft for low-level photographic reconnaissance. They'd be able to use emergency fields the Army bulldozes around its camps. Speedy enough to fly at tree-top level, they'd develop pictures in flight.

The first 2—the 2-man and medium choppers—are ready. They're being tested at Fort Bragg, N. C. Orders for the first Army jets are being placed through the Air Force—with Cessna, Beachcraft, and a foreign firm. As jets go, they're inexpensive—$40,000 to $50,000 each. They'll fly about 500 miles an hour.

TRAIN OWN FLYERS

The Army wants to train its own jet fliers so they will feel and think like other Army men rather than like Air Force men on loan.

General Adams says air transport is a must in the Army's new concept.

Indications are that battalions and regiments will be replaced by combat commands and combat groups. Instead of holding a single line, they'll hold sectors, or pockets. The enemy might infiltrate between these pockets—in what General Adams calls our killing ground—at will, and we theirs. To try to move truck convoys through these areas would be suicidal. The Army insists that hedgehopping planes are needed, and has ordered 80 Canadian-made DeHavilland Otters to do the job.

General Adams says the Otter isn't the final answer, however. He's looking for a plane that can handle what a 2½-ton truck would handle.

NOT MUSCLING IN

He insists the Army isn't muscling in on Air Force territory.

"Moving an Army division from this country to Europe would take big planes. You've never heard anyone in the Army suggest we go in for that. That's Air Force responsibility."

At the same time, the Army hopes the Air Force relaxes some of the restrictions it's placed on Army aviation.

For instance, General Adams says, "If we went to war, we'd have to kill tanks and keep on killing tanks in greater numbers than ever before."

The most efficient weapon, he believes, is a small, rocket-firing Army plane. Several years ago, such a weapon was developed and tested by the Army. General Adams says the results were spectacular.

"But," he smiled, "they were never used. We ran into a small obstacle. We weren't supposed to have planes that shoot."

SENATE

TUESDAY, JUNE 14, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, whose love divine hath led us in the past: Be Thou our ruler, guardian, guide, and stay. We lift this day our Jubilate for the starry flag which in all the world is the sacred emblem of this Nation under God. As we pledge anew allegiance to all that its flowing folds symbolize, make us solemnly conscious that—

There's not a thread of it,
No, nor a shred of it
In all the spread of it,
From foot to head,
But heroes bled for it,
Faced steel and lead for it,
Precious blood shed for it,
Bathing it red.

Holding aloft the flag which is freedom's best hope to defeat slavish tyranny, send us forth, we pray Thee, not just to cheer for it, but to live for it; to be willing gladly to die for it; that government of, by, and for the people may not perish from the earth. We would not forget that 178 years ago our starry emblem first floated over heads which, in awe of the Eternal, were bowed in prayer, feeling themselves as uncoerced patriots called to moral and spiritual adventure.

God bless America in these tempestuous days as under that banner she mobilizes her might to defend freedom and oppose tyranny in all the world. And, God, make us worthy of America at its best. Amen.

THE JOURNAL

On request of Mr. STENNIS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 10, 1955, was dispensed with.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Pursuant to the order of the Senate of June 10, 1955,

The following reports of committees were submitted:

On June 10, 1955:

By Mr. HOLLAND, from the Committee on Appropriations:

H. R. 6367. A bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes; with amendments (Rept. No. 512).

On June 11, 1955:

By Mr. GEORGE, from the Committee on Foreign Relations, without amendment:

H. R. 2984. A bill authorizing E. B. Reyna, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Los Ebanos, Tex. (Rept. No. 514); and

H. R. 4573. A bill authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex. (Rept. No. 515).

On June 13, 1955:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 912. A bill to amend the Act of April 23, 1930, relating to a uniform retirement date for authorized retirements of Federal personnel; with an amendment (Rept. No. 516); and

S. 1292. A bill to readjust postal classification on educational and cultural materials; with amendments (Rept. No. 517).

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO DEPARTMENT OF COMMERCE APPROPRIATION BILL—SUBMITTED DURING ADJOURNMENT

Pursuant to the order of the Senate of June 10, 1955,

Mr. HOLLAND submitted on June 10, 1955, the following notices in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 17, after line 5, insert the following:

"Vessel operations revolving fund: Hereafter the vessel operations revolving fund, created by the Third Supplemental Appropriation Act, 1951, shall be available for necessary expenses incurred, in connection with protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage-foreclosure or forfeiture proceedings instituted by the United States, including payment of prior claims and liens, expenses of sale, or other charges incident thereto; for necessary expenses incident to the redelivery and lay-up, in the United States, of ships now chartered under agreements which do not call for their return to the United States; for payment of expenses of custody and husbanding of Government-owned ships other than those within reserve fleets; and for payment of expenses of emergency repairs of ships in reserve fleets: *Provided*, That said fund shall be credited with all receipts from charter of Government-owned ships under the jurisdiction of the Secretary of Commerce."

Mr. HOLLAND also submitted an amendment, intended to be proposed by him, to House bill 6367, making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 25, after line 18, insert the following:

"SEC. 104. Not to exceed 5 percent of any appropriations of the Department of Commerce available for salaries and expenses may be transferred to any other such appropriation, but no such appropriation shall be thereby increased by more than 5 percent: *Provided*, That such transfers shall be in addition to any other transfers authorized by law, but no such transfer shall be used for the creation of new functions within the Department: *Provided further*, That not to exceed $5,000 of such transfers shall be available for entertainment."

Mr. HOLLAND also submitted an amendment, intended to be proposed by him, to House bill 6367, making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely:

On page 25, after line 18, insert the following:

"SEC. 105. Hereafter the position of Budget Officer of the Department shall be in GS–17 of the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent."

Mr. HOLLAND also submitted an amendment, intended to be proposed by him, to House bill 6367, making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 25, after line 18, insert the following new section:

"SEC. 205. The Governor of the Canal Zone and the President of the Panama Canal Company, in computing allowances for the cost of travel on home leave for persons who elect at their expense to take other than the lowest first-class travel to the United States, shall take into account as the cost to the United States the actual cost, as computed by the General Accounting Office, of travel by United States owned and operated vessels rather than a reduced fare rate which is available for such employees when traveling on their own account."

Mr. HOLLAND also submitted an amendment, intended to be proposed by him, to House bill 6367, making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6367) making appropriations for the Department of Commerce and Related Agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 30, after line 25, insert the following new section:

"SEC. 206. Notwithstanding the provisions of any other law, the officer of the Army now serving as Governor of the Canal Zone shall, effective July 1, 1955, be considered to hold the grade of major general for all purposes, without regard to any limitations on the number of officers in that grade, and while so serving shall receive the pay and allowances of an officer of that grade and his length of service, and when retired under any provision of law shall be advanced on the retired list to such grade and shall receive the retired or retirement pay at the rate prescribed by law computed on the basis of the basic pay which he would receive if serving on active duty in such grade."

Mr. HOLLAND also submitted an amendment intended to be proposed by him to House bill 6367, making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which had been ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 654. An act to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes;

H. R. 5089. An act to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, and for other purposes; and

H. R. 5907. An act for the relief of Albert Woolson.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. STENNIS. Mr. President, under the rule, there will be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business. I ask unanimous consent that statements made in connection with such business be limited to 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a confidential report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of April, 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

INTERSTATE CIVIL DEFENSE COMPACT BETWEEN UTAH AND HAWAII

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., transmitting, pursuant to law, a copy of an interstate civil defense compact entered into between the State of Utah and the Territory of Hawaii (with accompanying papers); to the Committee on Armed Services.

CONSTRUCTION OF BRIDGES OVER THE POTOMAC RIVER

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes" (with accompanying papers); to the Committee on the District of Columbia.

REPORT ON REAL PROPERTY MANAGEMENT

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission on real property management, dated June, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT ON STUDY OF OBLIGATING BASES AND RELATED ADMINISTRATIVE PRACTICES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the study of obligating bases and related administrative practices, Foreign Operations Administration, dated June 10, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON NAVY INDUSTRIAL FUND, MARINE CORPS CLOTHING DEPOT, PHILADELPHIA, PA.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Navy Industrial Fund, Marine Corps Clothing and Equipment Factory, Philadelphia, Pa., for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

REPORT ON ADMINISTRATION OF FOREIGN AGENTS REGISTRATION ACT

A letter from the Attorney General, transmitting, pursuant to law, a report on the administration of the Foreign Agents Registration Act of 1938, as amended, for the period January 1, 1950, to December 31, 1954 (with an accompanying report); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

CONTINUATION OF EFFECTIVENESS OF ACTS RELATING TO WAR-RISK HAZARD AND DETENTION BENEFITS

A letter from the Secretary, Department of the Air Force, transmitting a draft of proposed legislation to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956 (with accompanying papers); to the Committee on Labor and Public Welfare.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 37

"Joint resolution relative to memorializing the Congress of the United States in relation to pending legislation affecting the waters of the Colorado River

"Whereas more than 6 million people in this State depend upon the Colorado River as an important source of water for irrigation, domestic and industrial needs; and

"Whereas the metropolitan areas of southern California, including Los Angeles, San Diego, and some 60 other cities depend on the Colorado River for water and hydroelectric power; and

"Whereas the Colorado River is the sole source of water to irrigate over 1 million acres of land in this State; and

"Whereas legislation is now pending in the Congress of the United States to authorize the construction of two major power and irrigation projects in the upper basin of the Colorado River at an estimated total cost approximating $1,750,000,000; and

"Whereas one of these projects as contemplated by S. 500, H. R. 270 and companion bills, known as the Colorado River storage project, includes (1) the construction of six large dams creating reservoirs with an aggregate storage capacity of 44 million acre-feet and (2) the construction of 14 or more irrigation projects known as 'participating projects'; and

"Whereas these storage dams are not required to serve the proposed irrigation projects but would store water for power purposes under interpretations of the Colorado River compact now being defended against by California in the United States Supreme Court in *Arizona* v. *California et al.*; and

"Whereas the major irrigation participating projects are very costly transmountain diversion projects to take large amounts of the highest quality water out of the Colorado River Basin to other river basins; and

"Whereas the other project, as contemplated by S. 300 and H. R. 412, and known as the Fryingpan-Arkansas Project, is also a very costly transmountain diversion project to take the best quality water out of the Colorado River Basin to the Arkansas River Basin, and is the initial phase of a project to divert 900,000 acre-feet of water per annum out of the Colorado River Basin; and

"Whereas both of these projects are based upon interpretations of the Colorado River compact which are now at issue before the Supreme Court of the United States in the case of *Arizona* v. *California et al.*; and

"Whereas these projects, if constructed under those interpretations, would be detrimental to both the quality and quantity of water to which California has rights long established by prior appropriation as well as by contracts with the Federal Government for projects now constructed; and

"Whereas both proposed projects are based upon questionable standards of financial feasibility and if constructed would cost the taxpayers of our Nation several billion dollars in the form of a subsidy to the lands which would be irrigated; and

"Whereas California is the second largest taxpaying State in the Nation, and would therefore be doubly injured if these projects were authorized both by the impairment of the quality and quantity of water to which existing California projects have established rights, and by the burden of a tremendous tax load: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Congress of the United States be and it is hereby respectfully memorialized and urged to suspend further consideration of legislation authorizing the Colorado storage project and participating projects, and legislation authorizing the Fryingpan-Arkansas Project until the Supreme Court decides the case now before it; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; ordered to lie on the table:

"Assembly Joint Resolution 22

"Joint resolution relative to memorializing Congress concerning minimum wage legislation

"Whereas the economic well-being of its wage earners is of vital importance to this State; and

"Whereas it has been demonstrated that when the wages of labor are insufficient to enable it to purchase the products of agriculture and industry, depression and unemployment soon follow; and

"Whereas the rising cost of living has rendered obsolete the present Fair Labor Standards Act, and the minimum wage scales therein contained are insufficient to allow labor to purchase the products of agriculture and industry: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress to enact legislation to increase the minimum wage provided in the said Fair Labor Standards Act; and be it further

"Resolved, That the Chief Clerk of the Assembly is hereby directed to transmit copies of this resolution to the President of the United States, to the President of the Senate in the Congress of the United States, to the Speaker of the House of Representatives in the Congress of the United States and to each Senator and Representative from California in the Congress of the United States."

"Senate Joint Resolution 28

"Joint resolution relative to the enactment of Federal highway legislation

"Whereas the President of the United States has placed before Congress the matter of the improvement of the roads, streets and highways throughout the Nation, giving special emphasis from the standpoint of national defense to the rapid completion of the interstate system of highways; and

"Whereas there are now numerous bills pending before the Congress relating to the improvement of the Federal aid systems of highways; and

"Whereas the interstate system is now recognized by Federal law as including 40,000 miles of highways throughout the United States but at the present time only 37,600 miles have been designated as being on said system, it being understood that the portion of said remaining 2,400 miles which will be allocated to California will comprise circumferential and other connecting routes in metropolitan areas; and

"Whereas that portion of the interstate system located within California includes highways most seriously deficient from the standpoints of traffic volumes, traffic safety, and structural inadequacy; and

"Whereas the completion of the interstate system from Federal funds would permit the more rapid correction of the remaining deficiencies on the public streets and highways in California: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Congress of the United States is memorialized to enact legislation for the completion of the interstate system within the shortest feasible period of time, and that such legislation should recognize the following principles:

"1. That the provisions for the Federal financing of the interstate system should permit long-range planning, to the end that the system can be completed as rapidly as possible and as a free system of highways.

"2. That the program for improving the interstate system should not interfere with the orderly allocation of funds for the other Federal aid systems of highways.

"3. That the formula for the allocation of additional funds among the various States for improvement of the interstate system should be based upon the needs for improvement of that system in the various States, and that such formula should be made definite and certain, so that the various States may plan and construct said interstate system as rapidly as possible in an orderly manner.

"4. That the provisions requiring States to match Federal funds for the improvement of the interstate system should not require a greater outlay by the States for such system than was required in amount to match the 1956 allocations for that system under the 1954 Federal Highway Act.

"5. That the preparation of the plans and specifications of projects, their priority, and the handling of the construction work be substantially as has previously been provided under existing Federal-aid legislation.

"6. That if credit is to be given to any State by reason of the previous completion or toll financing of any portion of the interstate system, the legislation be so drafted that such credits be taken into consideration in computing the allocation formula, so that no delays will result while such credits are being computed; and be it further

"*Resolved*, That copies of this resolution be transmitted to the President of the United States, the Vice President of the United States, the chairman of the appropriate committees of the Congress, and to each Senator and Representative from the State of California.

"Approved June 6, 1955.

"ORANGE COMMUNITY CHAMBER OF COMMERCE,

"GENE WHITE, *President*,

"Attest:

"GERRIT STUURMANS, *Secretary*."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 54

"Joint resolution requesting the Congress of the United States to amend section 73 of the Hawaiian Organic Act to provide for the screening of applicants for homesteads prior to selection by drawing or lot and to permit payment for such homesteads to be made over periods of time

"*Be it enacted by the Legislature of the Territory of Hawaii:*

"SECTION 1. The Congress of the United States is hereby respectfully requested to amend section 73 (1) of the Hawaiian Organic Act substantially as set forth in the following form of bill:

"'A bill to amend section 73 (1) of the Hawaiian Organic Act

"'*Be it enacted, etc.*—

"'SECTION 1. After public notice as hereinafter provided, the persons entitled to take under any such certificate, lease, or agreement shall be determined by drawing or lot; provided, however, the commissioner shall have the authority to determine who shall be eligible for the same and to restrict participation in said drawing or lot to those applicants who, by reason of experience or training, are qualified farmers or ranchers.

"'SEC. 2. The sale of such lands to successful applicants shall be on an extended time basis so that such applicants are not required to pay the entire purchase price therefor upon the receipt of such lands.

"'SEC. 3. This act shall take effect on and after the date of its approval.'

"SEC. 2. Certified copies of this joint resolution shall be sent to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of the Interior, and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 8th day of June 1955.

"SAMUEL WILDER KING,

"*Governor of the Territory of Hawaii.*"

Resolutions adopted by the Holy Name Society of Saint Blaise, R. C. Church, and the Holy Name Society District Committee, 24th District of the Diocesan Union of Holy Name Societies of the Diocese, both of the city of Brooklyn, N. Y., favoring the enactment of the so-called Bricker amendment, relating to the treatymaking power; to the Committee on the Judiciary.

The petition of John Taylor, and sundry other citizens, of the State of New York, praying for the enactment of Senate Joint Resolution 1, relating to the treatymaking power; to the Committee on the Judiciary.

A resolution adopted by the Pennsylvania Department of Veterans' Affairs, Improved, Benevolent and Protective Order of Elks of the World, favoring the enactment of legislation to strengthen the Veterans' Preference Act of June 27, 1954; to the Committee on Post Office and Civil Service.

A resolution adopted by the Pennsylvania Department of Veterans' Affairs, Improved, Benevolent and Protective Order of Elks of the World, favoring the enactment of legislation providing a pension of $100 a month to all honorably discharged veterans of World War I who are over 62 years of age; to the Committee on Finance.

Two resolutions adopted by the Pennsylvania Department of Veterans' Affairs, Improved, Benevolent and Protective Order of Elks of the World, favoring the amendment of the Servicemen's Readjustment Act of 1944, to extend the authority of the Administrator to make additional types of direct loans; and to extend the time for filing applications by certain veterans for payment on the purchase price of automobiles; ordered to lie on the table.

A resolution adopted by the Fullerton, Calif., Chamber of Commerce, relating to the enactment of Federal highway legislation; ordered to lie on the table.

A resolution adopted by the California Association of Airport Executives, Inc., Fullerton, Calif., relating to the deletion from income, for tax purposes, moneys paid as rental for any airport facilities built with general obligation or revenue bond money; to the Committee on Finance.

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Post Office and Civil Service:

"Resolutions memorializing the Congress of the United States to authorize and approve the issuance of a Massachusetts heritage stamp

"*Resolved*, That the General Court of Massachusetts hereby urges the Congress of the United States to authorize and approve the issuance of a special 3-cent stamp in honor of the 175th anniversary of the signing of the Massachusetts constitution, and that the Post Office Department be directed to use on the stamp a reproduction of the Albert Herter mural in the Massachusetts House Chamber showing John Adams drafting the State constitution; and be it further

"*Resolved*, That the general court urges upon the Congress the importance in these troubled times of keeping alive in the Nation and in the world the tradition of courage, the love of freedom, and the consideration for one's fellowman, which are embodied in the historic document upon which representative government was founded in Massachusetts, and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the Postmaster General, to the presiding officers of each branch of Congress, and to the Members thereof from this Commonwealth.

"House of representatives, June 1, 1955, adopted.

"LAWRENCE R. GROVE,
"Clerk.

"Senate, June 7, 1955, adopted, in concurrence.

"IRVING N. HAYDEN,
"Clerk."

The VICE PRESIDENT laid before the Senate resolutions of the General Court of the Commonwealth of Massachusetts, identical with the foregoing, which was referred to the Committee on Post Office and Civil Service.

RESOLUTIONS OF DISABLED AMERICAN VETERANS CONVENTION AT GRAND FORKS, N. DAK.

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD resolutions adopted at the annual convention of the Disabled American Veterans, at Grand Forks, N. Dak.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Finance:

"Resolution supporting and recommending passage of H. R. 2440

"Whereas H. R. 2440 to make widows, child, or children of any deceased person who served honorably under certain conditions, in World War II and the Korean emergency eligible for death pension on the same basis as presently authorized for such dependents of deceased veterans of World War I: Therefore be it

"*Resolved*, That the Disabled American Veterans of the Department of North Dakota, in convention assembled this 30th day of April 1955, do hereby request and petition our Senators and Representatives to support H. R. 2440 of the 84th Congress.

"Passed by the annual convention of the Disabled American Veterans, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

"Resolution supporting and recommending passage of H. R. 3707, to amend veterans regulation No. 9 (a) to provide that the burial allowance payable thereunder shall be increased to $250

"Whereas the cost of funerals has increased considerably the past years causing the widows and dependents of deceased veterans much hardship in trying to meet the cost of burial, and in many cases causing many of the dependents to incur unpaid funeral costs in order to see that our veterans are properly buried: Now, therefore, be it

"Resolved by this 35th annual convention of the Disabled American Veterans, Department of North Dakota, That we urge our Congressmen and Senators to support H. R. 3707.

"Passed by the annual convention of the Disabled American Veterans, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

"Whereas Public Law 23, 82d Congress, which was approved April 25, 1951, took from servicemen the right to apply for new insurance as provided in the N. S. L. I. Act of 1940 as amended, or the World War Veterans Act of 1924, as amended; and

"Whereas there are now many disabled veterans who cannot obtain insurance because of their service connected disabilities; Therefore be it

"*Resolved*, That this 35th Annual Convention of the Disabled American Veterans, Department of North Dakota, hereby request and urge the United States Congress to amend Public Law 23 so the veterans whose term periods have expired would have the same right to obtain new insurance as they had before the passage of Public Law 23, 82d Congress.

"Passed by the 35th Annual Convention of the Disabled American Veterans, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

"Resolution supporting and recommending passage of House Resolution No. 704, to provide increases in the monthly rates of compensation payable to veterans with service connected disabilities

"*Resolved*, That the Disabled American Veterans of the Department of North Dakota in convention assembled this 30th day of April 1955, do hereby request and petition our Senators and Representatives to support House Resolution No. 704 of the 84th Congress.

"Passed by the annual convention of the Disabled American Veterans, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

"Whereas it has been the policy of the Disabled American Veterans to have all disabled veterans treated equally and correct discriminatory legislation; and

"Whereas under existing laws and regulations of the Veterans' Administration regarding tuberculosis, a veteran that has arrested tuberculosis receives the graduated rating for 6 years, and if no residuals are present after the 6 years, he is automatically entitled to the statutory award of $67; and

"Whereas another veteran with tuberculosis which has resulted in rib resection, removal of lobe, etc., is entitled to the graduated scale for tuberculosis for 6 years, and if his tuberculosis is determined to be far advanced or moderately advanced, he receives a permanent rating of 20 percent or 30 percent or is entitled to the statutory award of $67. Since this $67 amounts to more than he would receive for the 20 percent or 30 percent, he is granted the greater amount but receives no additional compensation for the residuals: Now, therefore, be it

"*Resolved*, That this convention of the Disabled American Veterans of North Dakota assembled in Grand Forks, N. Dak., on April 29 and 30, and May 1, 1955, hereby respectfully request and urge Congress to amend Public Law 141, 73d Congress, to provide that where adequate medical evidence is shown of residual disability from tuberculosis that the veteran be granted a rating for this residual disability plus the statutory award.

"WILLIAM J. DISHER,
"National Service Officer."

"Passed by the Disabled American Veterans, Department of North Dakota convention, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

To the Committee on Labor and Public Welfare:

"Resolution to establish educational assistance program for children of servicemen who died as a result of a disability incurred in line of duty during World War II or the Korean service period in combat or an instrumentality of war

"Whereas many dependent children of deceased World War II veterans and Korean veterans which veterans lost their lives by disabilities incurred in combat or in line of duty during World War II and the Korean service period are now unable to further their education due to loss of their fathers and whose income are so restricted due to this loss: Now, therefore, be it

"*Resolved*, That the Disabled American Veterans assembled in convention at Grand Forks, N. Dak., on April 30, 1955, request and urge our Senators and Representatives from North Dakota to take all-out action for the passage of House Resolution No. 3589.

"Passed by the annual convention of the Disabled American Veterans, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

"Resolution protesting certain recommendations of the Hoover Commission pertaining to veterans' benefits

"Whereas the Hoover Commission in their recent report recommended closing certain VA hospitals; and

"Whereas the Hoover Commission further recommended the entire VA system of disability compensation should be made "more realistically related" to the loss of earning power by the disabled veterans: Now, therefore, be it

"*Resolved*, That this 35th annual convention of the Disabled American Veterans, Department of North Dakota held at Grand Forks, N. Dak., this 29th and 30th day of April 1955, protest such unrealistic recommendations as not being sound and equitable, and further that such recommendations, especially pertaining to the closing of the VA hospitals in North Dakota, would create undue hardship to wartime disabled veterans of our State and deprive many wartime disabled veterans of medical treatment and hospitalization for which they are justly entitled; be it further

"*Resolved*, That we of the DAV of North Dakota urgently request our Senators and Representatives to take all steps necessary to defeat the above recommendations of the Hoover Commission.

"Passed by the annual convention of the Disabled American Veterans, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

"Resolution supporting and recommending passage of House Resolution 2623

"Whereas House Resolution 2623 to amend title of the GI bill as amended to authorize the Administrator of Veterans' Affairs to make direct loans to eligible veterans for the purchase of farm property, repair, alteration, construction, or improvement thereon: Now, therefore, be it

"Resolved by this 35th annual convention of the Disabled American Veterans, Department of North Dakota, That we urge our Senators and Representatives to support House Resolution 2623.

"Passed by the annual convention of the Disabled American Veterans, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

"Resolution to authorize the Veterans' Administration to pay the necessary cost of medical examinations for disabled veterans who have been notified by the Veterans' Administration that a reduction in their disability compensation will be made based upon the findings of Veterans' Administration authorized medical examinations

"Whereas veterans who have been examined by authorized VA examinations; and

"Whereas in many cases when these examination reports are reviewed by VA adjudication divisions it results in the lowering of the veteran's disability rating; and

"Whereas when this decision is reached by VA adjudication divisions the veteran is then notified by letter from the VA that a reduction in his compensation will be made within 60 days from the date of the said letter unless medical evidence is submitted by the veteran to show that the proposed rating is not just: Now, therefore, be it

"Resolved by the Disabled American Veterans, Department of North Dakota, assembled in convention in Grand Forks, N. Dak., on this 30th day of April 1955, That we request our Senators and Representatives to initiate the necessary action to change Veterans' Administration regulations to allow these veterans to have medical examinations by medical doctors of their choice, and impartial to both parties, and the results of this examination to be submitted by the examining physician to the VA as medical evidence needed within the 60-day period; be it further

"*Resolved*, That the cost of this examination be paid by the Veterans' Administration.

"Passed by the 35th annual convention of the Disabled American Veterans, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

To the Committee on Armed Services:

"Resolution to exempt DAV national service officers and accredited service officers from the payment of fees for the copying, certification, and search of records

"Whereas it has been the custom and practice of the various branches of the military services and of the Department of Defense to furnish to all national service officers of the Disabled American Veterans any record of a former serviceman which is of record and is required to develop the veteran's claim and establish his entitlement to benefits provided by law, when requested by the DAV national service officer and upon his statement that such records or information is for submission to the Veterans' Administration or other Government agencies and without cost; and

"Whereas the Department of Defense has now issued a directive, effective March 3, 1955, wherein such services as 'relating to copying, certification, and search of records' previously rendered to the DAV and other recognized congressionally chartered veterans' organizations, and has directed that a fee or fees be charged for such service or furnishing of such records; and

"Whereas the national service officers of the Disabled American Veterans are duly recognized by law as accredited attorneys in fact and authorized to aid and assist, when requested, any veterans seeking to establish his possible entitlement to benefits provided by law and to appear as the veteran's representative before the Veterans' Administration and Government agencies as the recognized agent or attorney of such veteran with specific provision and understanding that such services be rendered without cost or remuneration to the veteran claimant; and

"Whereas the charging of fees for such necessary search and furnishing of military records by the Department of Defense will render an undue hardship upon the veteran and his representative and further impede the prompt adjudication of the veteran's claim: Now, therefore, be it

"Resolved by the Disabled American Veterans, Department of North Dakota, in convention assembled this 30th day of April 1955, That the national director of claims be authorized and ordered to seek by administrative means to have the Disabled American Veterans and its authorized and accredited service officers exempt from the payment of such fees, and further if such efforts to seek redress by administrative means fail that the director of legislation be authorized and ordered to seek remedy by legislative action.

"Passed by the annual convention of the DAV, Department of North Dakota, April 30, 1955.

"MAX FOERSTER,
"Department Adjutant."

THE REFUGEE RELIEF ACT—RESOLUTIONS

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, resolutions adopted at a conference on the German and German Ethnic Refugee and the Refugee Act of 1953, at the Liederkranz Club, 6 East 87th Street, New York City, on June 10, 1955, and the Steuben Society of America, at Hartford, Conn., on June 4, and 5, 1955, relating to the Refugee Relief Act of 1953.

There being no objection, the resolutions were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Whereas the Refugee Relief Act of 1953 gave hope to 90,000 German and German ethnic refugees for refuge in the United States of America; and

Whereas after 22 months of operation these hopes are dimmed by restrictive definitions as to refugees and expellees, now in West Germany, and burdensome assurance requirements here; and

Whereas societies composed of Americans of Germanic origin, interested in the fulfillment of the intent of this law, have consulted for the purpose of arriving at unanimous recommendations for the solution of the problems causing the slow and disappointing progress; and

Whereas the views held by the representatives of the various societies were conveyed to the Steuben Society of America, and said society introduced a resolution and recommendations, contents of which are in agreement with the views held by the societies, organizations, and associations here represented: Now, therefore, be it

Resolved, That this conference attended by representatives of said societies, organizations, and associations, endorse said resolution and recommendations, and that they so petition the Congress of the United States of America to amend the Refugee Relief Act of 1953 in accordance with the attached.

George S. Kundmuller, Federation of Americans of German Descent; Robert Fesenmeyer, Kolping Society of America; Theobald Dengler, St. Raphael Society; Peter Wagner, United Friends of Needy and Displaced People of Yugoslavia; Hans Froehlich, American Sudeten Association; Otto L. Heerlein, Steuben Society of America; Gottschee'r Relief Association; Charles Schultz, Pastorius Association; Martin Opritz, Ward Lange, German American Special Immigration Committee; Willie Schoeps, Urion Singing Society.

Whereas Public Law No. 203, cited as the "Refugee Relief Act of 1953," was enacted on August 7, 1953, by the Congress of the United States of America for the purpose of giving relief and asylum to innocent victims of war, and of the Yalta and Potsdam agreements; and

Whereas this law was enacted in part to relieve Germany and Austria of the problems created by the presence and the continued influx of expellees and escapees; and

Whereas after 22 months of operation, as of May 22, 1955, only 4,668 visas have been issued to German and German ethnic refugees, out of 90,000 allowable under the act; and

Whereas certain administrative provisions have resulted in retarding the execution of the act; and

Whereas attempts are being made to reallocate the unused portions of the German and German ethnic quotas to the quotas of other nationals: Now, therefore, be it

Resolved, That the national council of the Steuben Society of America, assembled for its annual meeting at Hartford, Conn., June 4 and 5, 1955, petition the Congress of the United States that proper measures be enacted in furtherance of the true intent of the act to make possible the admittance by December 31, 1956, of the 209,000 persons, as provided therein; and be it further

Resolved, That the Steuben Society of America is unalterably opposed to a reallocation in any shape, form, or manner, of the German and German ethnic quotas to any other nationalities or quotas.

RECOMMENDATIONS TO AMEND PUBLIC LAW 203 CITED AS THE "REFUGEE RELIEF ACT OF 1953," ADOPTED AT THE ANNUAL MEETING OF THE NATIONAL COUNCIL OF THE STEUBEN SOCIETY OF AMERICA AT HARTFORD, CONN., JUNE 4 AND 5, 1955

DEFINITIONS

Section 2: (a) Strike out lines 5 and 6.

(b) Line 1, substitute "person" for refugee.

(c) Line 1, substitute "person" for refugee.

New (d) A refugee, expellee, or escapee shall not be deprived of the benefits under this act for having earned the necessities of life in the country of first asylum, nor for having taken up citizenship for the purpose of having employment.

(e) Present article (d).

ASSURANCES

Section 7: (a) Line 4, insert after "citizen," "or a qualified resident or residents of at least 2 years' duration who has or have made application for citizenship."

(a) Line 13, insert after 1953, "and dependent parents."

(a) Lines 18, 19, and 20, strike out "Blanket assurances, or assurances not submitted by a responsible individual citizen or citizens, shall not be considered as satisfying the requirements of this section" and substitute: "When a recognized voluntary agency is prepared to give assurances for employment, housing and that the immigrants will not become public charges, individual assurances shall not be required."

(a) Line 26, insert after "citizen", as on line 4 article (a), "or a qualified resident or residents of at least 2 years' duration who has or have made application for citizenship" followed by "or recognized voluntary agency."

(a) Also line 26, strike out "personal" and substitute "moral."

(a) Line 27, after the word "assurance", insert "This moral obligation shall expire 5 years from the day of entry."

(d) Line 8, after the word "act", insert *"Provided,* That this provision may be waived on the recommendation of the Secretaries of State and Defense when determined by them to be in the national interest."

To further expedite the administration of the Refugee Relief Act of 1953, we recommend that a more simplified assurance form be used, patterned after D. S. P. 41, and a more liberal interpretation of the act and uniform directives to the administrators and the participating agencies of Government involved.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

H. R. 4853. A bill to authorize the sale of certain land in Alaska to the Pacific Northern Timber Co.; with an amendment (Rept. No. 537).

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

S. 80. A bill for the relief of Nicholas Neapolitakis (Rept. No. 519);

S. 176. A bill for the relief of Gerda Irmgard Kurella (Rept. No. 520);

S. 186. A bill for the relief of Spirodon Karousatos (Rept. No. 521);

S. 561. A bill for the relief of Feliciano C. Mendoza (Rept. No. 522);

S. 562. A bill for the relief of Charles F. Garriz (Rept. No. 523);

S. 1884. A bill for the relief of Gertraut Hildegarde Marie Hubinger and Franz Hubinger (Rept. No. 524);

H. R. 1062. A bill for the relief of Luigi Cianci (Rept. No. 525);

H. R. 1081. A bill for the relief of Anna Tokatlian Gulezian (Rept. No. 526);

H. R. 1086. A bill for the relief of Mayer Rothbaum (Rept. No. 527);

H. R. 1108. A bill for the relief of Rose Mazur (Rept. No. 528);

H. R. 1165. A bill for the relief of Maria Theresia Reinhardt and her child Maria Anastasia Reinhardt (Rept. No. 529); and

H. R. 1664. A bill for the relief of Charles Chan (Rept. No. 530).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 664. A bill for the relief of Mecys Jauniskis (Rept. No. 531);

S. 1155. A bill for the relief of Iva Druzianich (Iva Druzianic) (Rept. No. 532);

S. 1730. A bill for the relief of Anna Marie Hitzelberger Scheidt, and her minor child, Rosanne Hitzelberger (Rept. No. 533);

H. R. 947. A bill for the relief of Carl E. Edwards (Rept. No. 534); and

H. R. 1085. A bill for the relief of Moses Aaron Butterman (Rept. No. 535).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 606. A bill for the relief of Gisela Hofmeier (Rept. No. 536).

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

H. R. 208. A bill granting the consent of Congress to the States of Arkansas and Oklahoma, to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States (Rept. No. 539);

H. R. 3878. A bill to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work (Rept. No. 540); and

H. R. 4426. A bill to amend section 7 of the act approved September 22, 1922, as amended (Rept. No. 541).

By Mr. CHAVEZ, from the Committee on Public Works, with an amendment:

H. R. 5923. A bill to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway (Rept. No. 542).

By Mr. CHAVEZ, from the Committee on Public Works, with amendments:

S. 890. A bill to extend and strengthen the Water Pollution Control Act (Rept. No. 543); and

S. 1550. A bill authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Dominion of Canada (Rept. No. 544).

By Mr. CHAVEZ, from the Committee on Appropriations, with amendments:

H. R. 6042. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 545).

By Mr. HUMPHREY, from the Committee on Foreign Relations:

S. Res. 93. Resolution appointing a subcommittee to work toward the goal of world disarmament; without amendment (Rept. No. 547).

By Mr. RUSSELL, from the Committee on Armed Services:

H. R. 3005. A bill to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959; with amendments (Rept. No. 549).

AMENDMENT OF HOME OWNERS' LOAN ACT OF 1933—REPORT OF A COMMITTEE

Mr. FREAR. Mr. President, I report favorably, without amendment, the bill (S. 972) to amend the Home Owners' Loan Act of 1933, as amended, and I submit a report (No. 518) thereon, together with minority views, and I ask unanimous consent that the report be printed.

The VICE PRESIDENT. The report, together with the minority views, will be received and printed, and the bill will be placed on the calendar.

APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION FOR CONSTRUCTION OF PLANTS AND FACILITIES, ETC.—REPORT OF A COMMITTEE

Mr. ANDERSON. Mr. President, from the Joint Committee on Atomic Energy, I report an original bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, and I submit a report (No. 538) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

The bill (S. 2220) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, reported by Mr. ANDERSON, from the Joint Committee on Atomic Energy, was received, read twice by its title, and placed on the calendar.

STRENGTHENING AND IMPROVEMENT OF ORGANIZATION OF DEPARTMENT OF STATE—REPORT OF A COMMITTEE

Mr. GEORGE. Mr. President, from the Committee on Foreign Relations, I report favorably an original bill (S. 2237) to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes, and I submit a report (No. 546) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

The bill (S. 2237) to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes, reported by Mr. GEORGE from the Committee on Foreign Relations, was read twice by its title, and placed on the calendar.

AUTHORIZATION FOR APPOINTMENT OF CONGRESSIONAL DELEGATION TO ATTEND NORTH ATLANTIC TREATY ORGANIZATION PARLIAMENTARY CONFERENCE—REPORT OF A COMMITTEE

Mr. GEORGE, from the Committee on Foreign Relations, to which was referred the concurrent resolutions (S. Con. Res. 28 and S. Con. Res. 29) authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, reported favorably, without amendment, the concurrent resolution (S. Con. Res. 29) and submitted a report (No. 548) thereon.

Mr. GEORGE also, from the Committee on Foreign Relations, reported favorably an original resolution (S. Res. 112) to appoint Members of the Senate to attend the North Atlantic Treaty Organization Conference in Paris in July 1955 (Rept. No. 548); which was placed on the calendar, as follows:

Whereas a Parliamentary Conference of the North Atlantic Treaty Organization will meet in Paris in July 1955; and

Whereas among other items it is planned to discuss at the Conference the question of future cooperation by the NATO members, including their parliamentary bodies; and

Whereas the Senate has taken a leading part in the formation of the Organization and in its support through the enactment of measures to strengthen its capacity to defend the North Atlantic area against Communist aggression; and

Whereas the presence of Members of the Senate at the Conference will be a tangible demonstration of the continuing desire of the American people to support the Organization and to promote closer relations with and between the members of the Organization; and

Whereas such a Conference can contribute to the strength of the North Atlantic area in the maintenance of peace and security and the mutual interests of its members: Now, therefore, be it

Resolved by the Senate, That not to exceed seven Members of the Senate shall be appointed to meet jointly with the representative parliamentary groups from other NATO members meeting in conference in Paris in July 1955, for discussion of common problems in the interests of the maintenance of peace and security in the North Atlantic area. The Members of the Senate to be appointed for the purposes of this resolution shall be appointed by the President of the Senate from Members of the Senate. Not more than four of the appointees shall be of the same political party.

The expenses incurred by Members of the Senate, and by staff members appointed for the purpose of carrying out this resolution shall not exceed $15,000 and shall be paid from the contingent fund of the Senate. Payment shall be made upon the submission of vouchers approved by the chairman of the Senate delegation.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 14, 1955, he presented to the President of the United States the enrolled bill (S. 654) to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MARTIN of Pennsylvania:

S. 2204. A bill for the relief of Maria del Pilar Valcarcel Calderon Armistead; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 2205. A bill to amend section 11 of the Clayton Act to provide for the more expeditious enforcement of cease and desist orders issued thereunder, and for other purposes; to the Committee on the Judiciary.

By Mr. HRUSKA (by request):

S. 2206. A bill to provide for the construction and operation by the Secretary of the Interior of the Ainsworth unit of the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

By Mr. THYE:

S. 2207. A bill to provide that admissions to certain historical pageants conducted in connection with public celebrations of historical events shall be exempt from the admissions tax; to the Committee on Finance.

(See the remarks of Mr. THYE when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND:

S. 2208. A bill for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers; to the Committee on the Judiciary.

By Mr. McNAMARA:

S. 2209. A bill to further increase rates of basic compensation of officers and employees in the postal service; to the Committee on Post Office and Civil Service.

By Mr. McNAMARA (for himself and Mr. HUMPHREY):

S. 2210. A bill to modify the project for the Saint Marys River, Mich., South Canal, in order to repeal the authorization for the alteration of the International Bridge as part of such project, and to authorize the Secretary of the Army to accomplish such alteration; to the Committee on Foreign Relations.

By Mr. KEFAUVER:

S. 2211. A bill for the relief of Anna Michael;

S. 2212. A bill for the relief of Jean Pierre Lafitte;

S. 2213. A bill to require that any publication transported in interstate commerce shall contain the name and address of the publisher of such publication; and

S. 2214. A bill to prohibit certain acts and transactions with respect to gambling materials; to the Committee on the Judiciary.

By Mr. KEFAUVER (for himself, Mrs. SMITH of Maine, and Mr. JACKSON):

S. 2215. A bill to establish a civil defense commission to study dispersal; to the Committee on Armed Services.

(See the remarks of Mr. KEFAUVER when he introduced the above bill, which appear under a separate heading.)

By Mr. ELLENDER:

S. 2216. A bill to amend the act of March 4, 1915 (38 Stat. 1086, 1101; 16 U. S. C. 497); to the Committee on Agriculture and Forestry.

By Mr. BIBLE:

S. 2217. A bill to provide for transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of repayment of the costs thereof; to the Committee on Interior and Insular Affairs.

By Mr. BIBLE (for himself and Mr. MALONE):

S. 2218. A bill to provide for the conveyance, upon completion of the payment of construction charges, of the Newlands project, including lands and works, to the Truckee-Carson Irrigation District, Fallon, Nev.; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BIBLE when he introduced the above bills, which appear under a separate heading.)

By Mr. KNOWLAND (for Mr. DIRKSEN and Mr. DOUGLAS):

S. 2219. A bill authorizing the acquisition of certain lands in Sinnissippi Lake, Ill., in connection with the operation of the Illinois and Mississippi Canal, and for oher purposes; to the Committee on Public Works.

By Mr. ANDERSON:

S. 2220. A bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; placed on the calendar.

(See the remarks of Mr. ANDERSON when he reported the above bill, from the Joint Committee on Atomic Energy, which appear under a separate heading.)

By Mr. KILGORE:

S. 2221. A bill to relieve disbursing officers, certifying officers, and payees with respect to certain payments made in contravention of appropriation restrictions regarding citizenship status, and for other purposes;

S. 2222. A bill to amend title 18, entitled "Crimes and Criminal Procedure," of the United States Code, to provide a criminal sanction for the embezzlement or theft of the property of Indian tribal organizations;

S. 2223. A bill to authorize the abbreviation of the record on the review or enforcement of orders of administrative agencies by the Courts of Appeals and the review or enforcement of such orders on the original papers and to make uniform the law relating to the record on review or enforcement of such orders and for other purposes;

S. 2224. A bill for the relief of certain rural carriers;

S. 2225. A bill to prohibit in any lawsuit or action for damages the use and admission as evidence of investigations by the military departments of aircraft accidents conducted in the interest of air safety; and

S. 2226. A bill to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941; to the Committee on the Judiciary.

S. 2227. A bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended; to the Committee on the Judiciary.

(See the remarks of Mr. KILGORE when he introduced the above bills, which appear under a separate heading.)

By Mr. MARTIN of Pennsylvania:

S. 2228. A bill to extend the time limitation to 2 years within which persons interested in the restoration of the United States ships *Olympia* and *Oregon* as public memorials may take delivery of such vessels; to the Committee on Armed Services.

By Mr. LEHMAN:

S. 2229. A bill for the relief of Nina Greenberg; to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 2230. A bill to make the Housing and Home Finance Agency, the Rural Electrification Administration, and the Small Business Administration subject to the Government Corporation Control Act; to the Committee on Government Operations.

(See the remarks of Mr. WILLIAMS when he introduced the above bill, which appear under a separate heading.)

By Mr. IVES:

S. 2231. A bill for the relief of Alessandro, Carmela, Pasqualina, Massimo, and Michele D'Antonio; and

S. 2232. A bill for the relief of Carmelitta Reale; to the Committee on the Judiciary.

By Mr. BENDER:

S. 2233. A bill to extend and renew letters patent relating to vehicle door hardware; to the Committee on the Judiciary.

By Mr. MORSE (for himself and Mr. NEUBERGER):

S. 2234. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of the Wapinitia Federal reclamation project, Oregon; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2235. A bill for the relief of Petrus (Piet) Aarden; to the Committee on the Judiciary.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 2236. A bill for the relief of Thomas J. Morris; to the Committee on the Judiciary.

By Mr. GEORGE:

S. 2237. A bill to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes; placed on the calendar.

(See the remarks of Mr. GEORGE when he reported the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. J. Res. 78. Joint resolution to amend the joint resolution providing for membership and participation by the United States in the World Health Organization and authorizing an appropriation therefor; to the Committee on Foreign Relations.

EXEMPTION FROM TAX OF ADMISSIONS TO CERTAIN HISTORICAL PAGEANTS

Mr. THYE. Mr. President, recently two Minnesota communities have contacted me with respect to a tax problem with which they have been confronted in connection with a special celebration commemorating the founding of their town. Briefly, the problem has developed out of each community association established to conduct the event having applied for exemption from the admissions tax and later having had such exemption denied under existing law.

At the present time, there are many events or organizations exempt from the admissions tax. However, such events as I have mentioned are, I find, subject to the tax on admissions. Since certain events are presently exempt and since the proceeds of special celebrations as those to which I have referred are turned over to charitable organizations or to other worthy programs, it would appear justified to extend an exemption from the admissions tax to commemorative celebrations such as those I have described. Consequently, I introduce for appropriate reference a bill to amend section 4233 (a) of the Internal Revenue Code of 1954 so as to provide that admissions to certain historical pageants by civic and community associations shall be exempt from the admissions tax.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2207) to provide that admissions to certain historical pageants conducted in connection with public celebrations of historical events shall be exempt from the admissions tax, introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on Finance.

FURTHER INCREASED COMPENSATION FOR OFFICERS AND EMPLOYES OF THE POSTAL SERVICE

Mr. McNAMARA. Mr. President, I introduce, for appropriate reference, a bill to further increase rates of basic compensation of officers and employees in the postal service.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2209) to further increase rates of basic compensation of officers

and employees in the postal service, introduced by Mr. McNAMARA, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. McNAMARA. Mr. President, the justification for this 4-percent increase, in addition to the previous increase in salaries, which has been pretty much accepted as a minimum, is to take care of the slight difference as between the various bills which were previously before us. The additional increase seems to be well justified under the circumstances.

PROPOSED CIVIL DEFENSE COMMISSION TO STUDY DISPERSAL

Mr. KEFAUVER. Mr. President, I send to the desk for appropriate reference a bill introduced by myself, and cosponsored by the Senator from Washington [Mr. JACKSON] and the Senator from Maine [Mrs. SMITH].

This bill would establish a commission to study the question of dispersal as it relates to civil defense. As we all know, one of the problems of civil defense is to devise means of reducing the vulnerability of our highly populated industrial centers. This entire problem is very complex and involves such questions as the protection of the tax structure of our metropolitan areas and the designation of industries which may not be capable of dispersal to any great degree.

The commission which this bill would establish would be organized along the lines of the present Hoover Commission and would be composed of 8 members, 4 appointed by the President, 2 by the President of the Senate, and 2 by the Speaker of the House. The Commission would be required to make its initial report on or before December 31, 1955, and its final report by March 31, 1956. On this latter date the Commission under the terms of the bill would cease to exist.

It is significant to note that the establishment of this type of commission to study dispersal was formerly suggested to the Armed Services Subcommittee on Civil Defense by Mr. Arthur S. Flemming, Director of the Office of Defense Mobilization. It appears to be Dr. Flemming's view that only with this type of commission could substantial progress be made on the complex problem of dispersal.

Mr. President, I urge expeditious consideration of this measure in order that the bill may be acted on before the close of this session of Congress.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2215) to establish a civil defense commission to study dispersal, introduced by Mr. KEFAUVER (for himself, Mrs. SMITH of Maine, and Mr. JACKSON), was received, read twice by its title, and referred to the Committee on Armed Services.

GRANTING CERTAIN OWNERSHIP RIGHTS TO LOCAL IRRIGATION DISTRICTS

Mr. BIBLE. Mr. President, I introduce for appropriate reference two separate bills to amend Federal reclamation laws and to grant to water users on federally financed reclamation projects certain rights of ownership and control when the Federal Government has been repaid all construction, operational, and maintenance costs plus accrued interest.

These bills approach the subject by two methods. One is general in character, providing for the transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of the repayment costs.

This bill would permit the Federal Government to get out of the water-distribution business. Actually, it would permit an organized water district representing water users on any project or division of a project built under Federal reclamation laws, to request the Secretary of the Interior to transfer title to such irrigation distribution system from the Federal Government to the local water-user organization when repayment costs and contractual obligations have been met.

Likewise, such a transfer would free the Federal Government of future claims or liability and render the transferee water district liable for claims the Federal Government may have incurred with respect to the distribution system.

The distribution system would include works and structures for the delivery of water, drains, lands, interests in land, equipment, supplies, and past records.

The question may be asked, why I would restrict the title reversion provision to irrigation distribution systems alone instead of making it all-inclusive to take in all project works such as dams, powerplants, and appurtenances. My answer is this. I feel title reversion could not be accomplished in many instances. Fundamentally I would favor that approach. However, in my judgment, title reversion to the entire project works would be impossible legally and practically.

I say this because I realize that in some cases, such as the Newlands project in Nevada, the country's first reclamation development, complete title reversion would present no problem. However, in various places in the country there are numerous organized irrigation districts which in many instances take water from the same storage facility. As a consequence, title to all project works could not be divided among several districts. Likewise, in many cases, irrigation districts taking water from the same source might be located many hundreds of miles apart or located in different States.

It is my belief that full reversion in many instances cannot be accomplished. Where it can, it would seem to me that specific legislation providing for each individual transfer of title to all project works of the reclamation development concerned could be more easily effectuated.

Practically speaking, irrigation distribution systems are more local in character than diversion dams and powerplants. Legal ownership of such systems in water users who have paid off construction and maintenance costs would provide dollar savings to the Federal Government and to the local users. It would tend toward greater efficiency and economy of operation because the persons dependent upon such systems for their livelihood would hold legal title.

The second bill, in which my colleague, the senior Senator from Nevada [Mr. MALONE] has joined as a cosponsor, provides for a transfer of title from the Federal Government to the Truckee-Carson Irrigation District in Nevada of the Newlands project, the first federally built reclamation development in the United States.

I am fully aware of the landmark effect this proposed legislation might well have on our Federal reclamation law. However, I am motivated by a conviction that the Federal Government, when it has been repaid every dollar of its investment, should divest itself of ownership and control. Those responsibilities, and the advantages and disadvantages they entail, should be placed in the farmers who have paid their dollars on the repayment contracts.

Perhaps it would be enlightening to review the history of federally financed reclamation projects. The father of reclamation in the United States was the Honorable Francis G. Newlands, one of Nevada's late distinguished legislators who represented his State in both Houses of Congress.

In 1901, he introduced the first reclamation act while a Member of the House of Representatives. After working against great odds, he saw the act passed one year later. When President Theodore Roosevelt signed it into law, he paid Senator Newlands the highest compliments for his foresight and understanding.

In 1903 the country's first reclamation project was authorized by the Congress in the State of Nevada. Work estimated to cost $8 million was started. It was in 1919 that this development was named the Newlands project in honor of Senator Newlands.

It would be redundant for me to recount what reclamation has meant to the Nation, and to the West particularly, in developing natural resources, bringing under cultivation thousands of acres of farmlands, harnessing waterpower, and helping to build industrial empires.

The country's first reclamation development in Nevada was twofold in purpose. It placed under cultivation some 20,000 acres of arid Nevada land and provided hydroelectric power to the Truckee-Carson River Basins. Today, that project serves 53,458 acres.

This project, the subject of my bill, includes storage facilities at Lake Tahoe on the Nevada-California border. Boca reservoir on the Truckee River and the Lahontan Reservoir on the main Carson River. There are many miles of canals, a powerplant at Lahontan Dam, distribution and drainage systems, pipelines, power-distribution lines, telephones and telephone lines, and some buildings, in addition to the lands involved.

As I said before, the Newlands project was a wonderful and successful experiment. It charted a great future for reclamation development across the United States. However, the Nevada farmers who made it successful paid in dollars

and cents for the trial-and-error experience it gave the Bureau of Reclamation in pioneering this field from which the entire Nation has benefited. Now those farmers believe they have earned the right to own and control the project which their labors have purchased.

In 1926 the Truckee-Carson Irrigation District contracted with the Federal Government to become the operating agency of the Newlands project and a repayment program was begun. Today there is an outstanding indebtedness of less than $500,000 owing to the Federal Government.

The date is not far distant when these farmers will have repaid every dollar the Federal Government invested in this development. Therefore, I believe they should be given full rights of ownership. Such title reversion would be to the best interests of the Federal Government by divesting it of responsibility for damage and repair.

Certainly, this bill represents democracy at work where the farmers through their initiative and years of struggle will have repaid construction and interest costs to a Federal Government which saw the desirability of great reclamation development and used Nevada and its farmers for that experiment.

Consistency would be served with Nevada as the site of the first reclamation project becoming the site of the first such project the Federal Government would return to the ownership of the people it was designed to serve. And beyond that, the idea of separating private enterprise from governmental investment would be agreeably satisfied.

The VICE PRESIDENT. The bills will be received and appropriately referred.

The bill (S. 2217) to provide for transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of repayment of the costs thereof, introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The bill (S. 2218) to provide for the conveyance, upon completion of the payment of construction charges, of the Newlands project, including lands and works, to the Truckee-Carson Irrigation District, Fallon, Nev., introduced by Mr. BIBLE (for himself and Mr. MALONE), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

SUNDRY BILLS FOR CONSIDERATION BY THE JUDICIARY COMMITTEE

Mr. KILGORE. Mr. President, I introduce, for appropriate reference, a bill which has been submitted by the Acting Secretary of Agriculture to relieve disbursing officers, certifying officers, and payees with respect to certain payments made in contravention of appropriation restrictions regarding citizenship status; a bill submitted by the Assistant Secretary of the Interior to amend title 18, entitled "Crimes and criminal procedure," of the United States Code, to provide a criminal sanction for the embezzlement or theft of the property of Indian tribal organizations, a bill submitted by the director of administrative office of the United States courts concerning the record on review or enforcement of orders of administrative agencies by the courts of appeals; and a bill submitted by the Acting Postmaster General for the relief of certain rural carriers; a bill which has been submitted by the Secretary of the Air Force, entitled "To prohibit in any lawsuit or action for damages the use and admission as evidence of investigations by the military departments of aircraft accidents, conducted in the interest of air safety"; and a bill submitted by the Attorney General, entitled "To authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941."

I ask unanimous consent that there be printed in the RECORD to accompany the above bills the letters forwarded with the respective proposals by the Acting Secretary of Agriculture, the Assistant Secretary of the Interior, the Director of Administrative Office of the United States Courts, the Acting Postmaster General, the Secretary of the Air Force, and the letter and explanatory statement forwarded by the Attorney General.

The VICE PRESIDENT. The bills will be received and appropriately referred; and, without objection, the letters accompanying the bills will be printed in the RECORD.

The bills, introduced by Mr. KILGORE, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S. 2221. A bill to relieve disbursing officers, certifying officers, and payees with respect to certain payments made in contravention of appropriation restrictions regarding citizenship status, and for other purposes.

The letter accompanying Senate bill 2221 is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., April 11, 1955.

The PRESIDENT OF THE SENATE,
United States Senate.

DEAR MR. PRESIDENT: Enclosed for the consideration of the Congress is a draft of a proposed bill which has for its purpose the relief of certain payees and disbursing and certifying officers, with respect to payments made in contravention of appropriation restrictions on the employment of noncitizens of the United States.

Prior to November 1, 1951, the prohibition contained in the various appropriation acts with respect to the employment of aliens had an exception for nationals of countries allied with the United States in the prosecution of the war. Under that exception, an agency of this Department had employed as veterinary poultry inspectors 6 nationals of Poland and 1 of Lithuania, both of which countries had been allied with the United States in the prosecution of the war. These seven men had all been admitted to the United States under the Displaced Persons Act. Their employment as veterinarians was of special value to the Department because there was an acute shortage of citizen veterinarians willing to accept the inspector positions at less remuneration than they might expect to receive in private practice.

As of November 1, 1951, the wording of the exception cited above was changed to read, "nationals of countries allied with the United States in the current defense effort." The change was made in section 1302 of the Supplemental Appropriation Act of 1952, Public Law 253, 82d Congress, 65 Stat. 736, 755. That section, in addition to providing the restrictions on employment of noncitizens and certain exceptions to those restrictions, provided that any compensation paid to employees contrary to its provisions "shall be recoverable in action by the Federal Government."

As a result of the change in law, the employment of the seven inspectors beyond October 31, 1951, was improper. However, through oversight the employing department agency permitted the employees to work for periods of 2 to 3 months after that date before they were separated. The amount involved in paid or earned compensation totals approximately $9,500. The men themselves were in no way at fault in having continued in employment contrary to the changed provision of law. Each of them rendered the service after October 31, 1951, in good faith and with no idea that any question would be raised as to the validity of salary payments due them for such services.

Section 1302, Public Law 253, 82d Congress, also contained an exemption with respect to "a person in the service of the United States on the date of enactment of this act, who being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date." In several of the cases, the employees had filed an application for the necessary forms to use in declaring their intention to become citizens. However, for varying reasons, it was not possible for them to file the actual declaration of intent prior to November 1, 1951. In some instances, due to constant travel, the necessary form was not received by the employee in time to be filed; in others, the employees did not receive the declaration of intent form from the Immigration Office until after November 1, 1951. The Comptroller General has ruled that the mere filing of application for the "Declaration of Intent" form is not sufficient.

The salaries of 5 of the men were paid in full, but in 2 of these 5 cases reimbursement of certain travel expenses due the employee was withheld as a partial offset against the improper salary payments. Two employees received only part of their salaries for the period. In these two cases, final salary payments, lump sum leave payments, and travel expense reimbursement were withheld. The withholding of payments due has worked a distinct hardship on four of the employees. Also any attempt to recover salary payments which were made would be a severe blow to all seven of the men.

The Government has received full value for the services rendered by the seven men under the conditions related. Therefore, it would appear that payment of compensation to them should be legalized and that disbursing and certifying officers by whom these payments were made or certified should be relieved of liability where the payments were otherwise legal and correct. Section 1 of the proposed bill authorizes and directs the Comptroller General of the United States to allow credit in the accounts of disbursing officers and to relieve certifying officers of liability for payments for services rendered by such aliens. Under section 2 where credit is allowed as provided for in section 1, the alien receiving the payment would be relieved of liability for refunding the same, and refunds made could be repaid to the alien. Section 3 would permit payment to the former employees of amounts for which the certifying officers were not held liable, but which were withheld from the former employee or which constitute compensation for services rendered which was not paid to the employees.

This matter was brought to the attention of Congress in 1953 and a bill (S. 2018), simi-

lar to the attached proposed bill, was introduced. Since no final action was taken on S. 2018, we are recommending that consideration now be given to the enactment of the proposed bill.

The Bureau of the Budget advises that there is no objection to the submission of this proposed legislation to the Congress for its consideration.

A similar letter is being sent to the Speaker of the House of Representatives.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

S. 2222. A bill to amend title 18, entitled "Crimes and Criminal Procedure," of the United States Code, to provide a criminal sanction for the embezzlement or theft of the property of Indian tribal organizations.

The letter accompanying Senate bill 2222 is as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., May 13, 1955.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill to amend title 18, entitled "Crimes and Criminal Procedure," of the United States Code, to provide a criminal sanction for the embezzlement or theft of the property of Indian tribal organizations.

We recommend that this proposed bill be referred to the appropriate committee for consideration, and we further recommend that it be enacted.

The principal objective of the proposed bill is to protect Indian tribal organizations, especially those created pursuant to the Indian Reorganization Act of June 18, 1934 (48 Stat. 984), from the actions of dishonest or corrupt tribal officials. It provides for the punishment of persons holding positions of trust in tribal organizations who abuse their responsibilities by diverting tribal funds to their own pockets or those of their friends. It also provides for the punishment of other forms of theft or embezzlement from Indian tribal organizations. The terms of the bill are modeled upon such existing criminal laws as sections 641, 656, and 660 of title 18 of the United States Code.

The Indian Reorganization Act deals with a wide variety of subjects, including land, credit, education, and Indian employment. One of its chief designs was the development of Indian self-government. At the present time there are 195 tribes, bands, or identifiable groups under the act. Ninety-six of these groups have adopted constitutions and bylaws, and 73 of them have been granted charters permitting them to operate as chartered business organizations. In addition, there are some 77 tribes, bands, or identifiable groups which elected not to come under the Indian Reorganization Act but which are carrying on tribal affairs in some degree and are to some degree self-governing. A number of other Indian groups are organized under special laws pertaining to Oklahoma and Alaska.

During the years since the first group was organized under the Indian Reorganization Act, situations have been encountered from time to time that involved the misuse or misappropriation of tribal funds, the lack of adequate accounting records, or other improper actions by tribal officials. Occasionally, the same official has been guilty of repeated breaches of trust. Yet, in most instances, the creation of fiduciary positions has not been paralleled by corresponding safeguards in the law-and-order codes under which the tribes operate. Even in those instances where criminal sanctions are provided in the tribal codes, the tribal members have been extremely reluctant to bring actions in the tribal courts against apparently faithless tribal officials. The only practical recourse available to tribal members, therefore, has been to vote the malefactors out of office in the tribal elections.

Under authority of the Indian Reorganization Act, many Indian groups are qualified to obtain control of substantial sums of money derived from oil and gas leases, timber sales, and the like; to hold these funds in the tribal treasuries; and to expend them subject only to the limitations contained in the tribal constitutions and charters. In addition, under annual appropriation acts for the Department of the Interior and various special acts of Congress, tribal funds in the Treasury of the United States may be advanced to Indian tribes for such purposes as may be designated by the governing body of the particular tribe involved and approved by the Secretary of the Interior. In these circumstances, it is important that adequate penal safeguards be established to protect the tribal members from actions of dishonest or corrupt tribal officials and other types of peculation. This, the proposed bill would do.

The Bureau of the Budget has advised that there is no objection to the submission of this proposed bill to the Congress.

Sincerely yours,

FRED G. AANDAHL,
Assistant Secretary of the Interior.

S. 2223. A bill to authorize the abbreviation of the record on the review or enforcement of orders of administrative agencies by the courts of appeals and the review or enforcement of such orders on the original papers and to make uniform the law relating to the record on review or enforcement of such orders and for other purposes.

The letter accompanying Senate bill 2223 is as follows:

ADMINISTRATIVE OFFICE OF THE
UNITED STATES COURTS,
Washington, D. C., May 23, 1955.

Hon. RICHARD M. NIXON,
Vice President of the United States,
United States Senate,
Washington, D. C.

DEAR MR. VICE PRESIDENT: On behalf of the Judicial Conference of the United States, I transmit herewith for the consideration of the Congress a draft of a bill concerning the record on review or enforcement of orders of administrative agencies by the courts of appeals.

The bill enclosed was recommended by the Judicial Conference at a meeting held March 24 and 25, 1955. The action of the Judicial Conference was based upon a study and reports extending over about a year and a half by a committee of the conference on revision of the laws, consisting of Circuit Judge Albert B. Maris of the third circuit, chairman; and District Judges Clarence G. Galston of the eastern district of New York, and William F. Smith of the district of New Jersey. At the meeting of the Judicial Conference in September 1953, Judge Maris submitted for the committee on interim report to the effect summarized in the report of the meeting of the Judicial Conference as follows:

"The committee believes that it would be desirable to permit administrative agencies whose orders are to be reviewed by a court of appeals to send to the court an abbreviated record where the whole record is not necessary and to authorize the use of the original papers in lieu of a transcript, the papers to be returned to the agency upon the completion of the review proceedings. This would require an amendment of existing statutes."

The committee submitted to the Conference a tentative draft of a bill and recommended that it be submitted to the circuit judges and the agencies concerned for their consideration and suggestions. The Conference authorized the committee to include in its tentative draft provisions covering petitions for enforcement of administrative agency orders as well as proceedings to review such orders, and with this amendment it authorized the proposed bill to be circulated among the judges of the courts of appeals and the agencies concerned (pp. 25–26 of the September 1953 report of the Judicial Conference).

At the meeting of the Judicial Conference of the United States in April 1954, the Committee on Revision of the Laws reported that it had submitted to the judges of the courts of appeals and the agencies concerned the preliminary draft of a bill to authorize an abbreviated record on the review of agency orders and that a large number of constructive suggestions had been received, many of which were embodied in the revised draft of bill. The report explained the principal features of the bill, including changes made in the revision. The Judicial Conference approved the revised draft of bill for recommendation to the Congress (pp. 17–18 of the April 1954 report of the Judicial Conference).

At the meeting of the Judicial Conference held in March of 1955, the committee reported that conferences with some of the administrative agencies and developments subsequent to the meeting of the Judicial Conference in April 1954 indicated a need for some further changes in the bill. The committee therefore submitted a form of bill further revised and recommended that the Judicial Conference give its approval. The Conference did so and it is that revised bill which is herewith submitted for the consideration of the Congress.

The bill would add to chapter 133 of title 28 of the United States Code dealing with miscellaneous provisions concerning judicial review, a new section, 2112, dealing with the record on review and enforcement by the courts of appeals of orders of administrative agencies. Among the principal provisions of the new section are the following:

Power would be given to the several courts of appeals to adopt, with the approval of the Judicial Conference of the United States, rules governing the time, manner of filing, and the contents of the record in all proceedings instituted in the courts of appeals to review or enforce orders of administrative agencies in which the applicable statute does not specifically prescribe these matters. It would provide that if proceedings have been instituted in two or more courts of appeals with respect to the same order, the agency concerned shall file the record in that one of those courts "in which in its judgment the proceedings may be carried on with the greatest convenience to all the parties involved."

The bill would provide that the record to be filed in the court of appeals should consist of the order in question, the findings or report upon which it was based, and pleadings, evidence, and proceedings before the agency concerned, or such portions thereof as the rules of the court of appeals might require to be included, the agency or any party to the case might consistently with the rules of the court designate, or the court upon motion of a party, or, after a prehearing conference, upon its own motion might by order designate to be included. It might be provided in an appropriate case by stipulation or order that no record need be filed in the court of appeals. If, however, the correctness of a finding of fact was questioned, all of the evidence should be included except such as by stipulation filed with the agency or in the court the parties concerned might agree to omit as immaterial to the questioned finding. The agency involved might at its option, if the rules of the court of appeals in which the proceeding was pending did not require the printing of the entire record, file in the court the entire record without abbreviation.

The bill would provide that the agency concerned may transmit to the court of appeals the original papers comprising the whole or any part of the record or any supplemental record, otherwise true copies certified by an authorized officer of the agency. Any original papers thus transmitted to the court of appeals are to be returned to the agency upon the final determination of the review or enforcement proceeding. Pending the final determination, any such papers, under the bill, may be returned by the court temporarily to the custody of the agency concerned if needed for the transaction of the public business. Certified copies of papers included may be returned to the agency upon the final determination of the proceedings in the court of appeals.

Following these general provisions in the bill are a considerable number of sections amending provisions of present statutes relating to the judicial review or enforcement of orders of administrative agencies in order to bring them into harmony with the provisions of the proposed section 2112. Under the proposed bill, the court of appeals would acquire jurisdiction of the proceeding upon the filing of the petition for review, although the record may not be filed until later. This is in accordance with the pattern of the latest congressional enactment on the subject, the act of December 29, 1950, relating to the review of orders of the Federal Communications Commission, and takes it out of the power of administrative agencies which they have under some present provisions to retard the gaining of full jurisdiction by the court of appeals by delaying the filing of the record. Various other perfecting amendments of existing statutes are included in the bill.

It is believed that the bill, if enacted, will simplify the procedure for the review or enforcement by the courts of appeals of orders of administrative agencies, will be conducive to economy and expedition in the proceedings and in their determination, and will, therefore, be in the interest of the litigants and the public. It is accordingly hoped that the bill may be favorably considered by the Congress and in due course be enacted.

Sincerely yours,

HENRY P. CHANDLER.

S. 2224. A bill for the relief of certain rural carriers.

The letter accompanying Senate bill 2224 is as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., May 26, 1955.

Hon. RICHARD M. NIXON,
President of the United States Senate.

DEAR MR. PRESIDENT: There is transmitted herewith, for consideration by the Congress, proposed legislation for the relief of certain rural carriers.

As a result of the application by this Department of the savings provisions in section 5 of the so-called postal employees longevity act of May 3, 1950 (64 Stat. 101), to the rural carriers serving heavily patronized routes, a large number of such rural carriers have been paid more than allowed under the limitation imposed by section 17 (d) of the act of July 6, 1945, as amended (sec. 867 (d) of title 39, United States Code). The enactment of this legislative proposal is necessary to relieve the carriers, many of whom are retired or deceased, from liability of making refund of the excess compensation paid them, through no fault on their part, during the period from November 1, 1949, through February 16, 1955.

As originally enacted, section 17 (d) of the act of July 6, 1945 (59 Stat. 455), provided that a rural carrier serving a heavily patronized route not in excess of 45 miles in length could be paid a heavy duty allowance, in addition to his regular compensation, provided that the total of the regular compensation and heavy duty allowance did not exceed $3,000. This limitation also applied to rural carriers on heavily patronized routes who had not reached their highest salary grade. Through amendments over the years, the $3,000 amount has been raised to $4,370.

The three meritorious grades provided in the act of July 6, 1945, were struck from the act by the Postal Employees Longevity Act of May 3, 1950 (64 Stat. 101), which made provision for longevity grades A, B, and C, based on years of service. Section 5 of that act provided, however, that: "None of the provisions of this act shall be construed as to reduce the grade or compensation of any employee on the rolls on the date of the enactment of this act."

This Department computed the heavy duty allowance for the rural carriers on heavily patronized routes on the basic salary exclusive of longevity pay. Inclusion of longevity pay in the computation would have necessitated a "reduction in compensation" to bring the heavy duty allowance, regular compensation, and longevity payments within the limitation of section 17 (d) of the Act of July 6, 1945.

This matter was considered by the Comptroller General in his decisions B–116833 of November 3, 1953, B–118545 of March 29, 1954, B–118545 of December 3, 1954, and B–116833 of February 1, 1955. He has concluded that this Department has been overpaying the carriers on the heavily patronized routes since November 1, 1949, in that longevity pay should have been combined in the computation. He also held that collections must be made from the carriers to recover the overpayments. The Comptroller General stated, however, that collections from the carriers may be held in abeyance pending action by Congress on this legislative proposal.

Adjustments have been made in the rural carriers' compensation since January 1, 1954, based on the decisions of the Comptroller General as received in the Department. Final adjustment of all such carriers' compensation has been made effective February 16, 1955. From that date on, the compensation and heavy-duty allowance of all carriers on the heavily patronized routes will be cut back to conform to the limitation in section 16 (d) of the act of July 6, 1945, as amended. It is impracticable, however, to make the readjustments retroactive to November 1, 1949, as directed by the Comptroller General. Many of the carriers who have been overpaid subsequent to that date have been separated because of death, resignation, retirement, or removal for other reasons. Such readjustment also would seem inequitable in view of the fact that the employees who were allegedly overpaid received the salaries in good faith.

From the information presently before this Department there could be between 2,000 and 3,000 carriers involved. It is not known what is the total amount of the overpayments. It is estimated, however, that the amount will not be in excess of $300,000.

In view of the fact that the alleged overpayments were made, in good faith, as a result of the application of the laws by the Post Office Department, and in view of the further fact that the collection of such overpayments back to the date of November 1, 1949, would in many cases, result in untold hardship to the carriers involved, as well as to their families, it is the recommendation of this Department that the carriers be relieved of making any refund of such overpayments.

It is believed that the legislation submitted herewith will accomplish the purpose desired, and its early enactment is urged.

The Bureau of the Budget has advised that there would be no objection to the submission of this legislative proposal to Congress.

Sincerely yours,

C. R. HOOK, Jr.,
Acting Postmaster General.

S. 2225. A bill to prohibit in any lawsuit or action for damages the use and admission as evidence of investigations by the military departments of aircraft accidents conducted in the interest of air safety.

The letter accompanying Senate bill 2225 is as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, June 4, 1955.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation to prohibit in any lawsuit or action for damages the use and admission as evidence of investigations by the military departments of aircraft accidents conducted in the interest of air safety.

This proposal is a part of the Department of Defense legislative program for 1955, and the Bureau of the Budget has advised that there would be no objection to its transmittal to the Congress for consideration. The Department of the Air Force has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this legislative proposal is clearly set forth in its title.

In the interest of flying safety the Secretaries of the military departments have determined that it is necessary to conduct investigations of all aircraft accidents involving military aircraft. The regulations under which these investigations are conducted provide that the purpose of these investigations is to determine, in the interest of flying safety, all factors having a connection with the accident and to prevent a recurrence. It is specifically provided that the investigations are not designed to obtain evidence for disciplinary action of any sort or to determine pecuniary liability or line-of-duty status.

In these investigations every effort is made to persuade the individuals involved to make a full and accurate disclosure of all knowledge relevant to the inquiry which they may possess, even though disclosure of some of the information may be embarrassing to the individuals and involve self-incrimination. Such full and free disclosure is essential to the success of these investigations. In order to achieve this desired freedom of disclosure it is deemed essential that assurance be given that the statements made will not and cannot later be used in civil court actions.

Enactment of this legislative proposal would preserve and insure the integrity of a record and report designed solely and exclusively for the purpose of furthering the interest of safety in air navigation.

Exclusion of a record or report of such an investigation from introduction or admissibility as evidence in a civil lawsuit would not preclude the admission of testimony elicited for the purposes of the civil lawsuit from the same witnesses who testified for the purpose of the air safety investigation. Nor would this legislative proposal prevent the calling up of experts and others whose testimony might be material to the adjudication of a civil suit even though they might have given testimony or offered opinions which form a part of a record or report of a military department aircraft accident investigation.

It is obvious that an individual will be extremely reluctant to admit his own negligence if he fears that his statements may later be used to his disadvantage. In addition certain other information pertinent to these investigations must be given in confidence and can be obtained only on a pledge not to disclose its source. For example, the vast knowledge of the technical representatives of the manufacturers whose products are involved in aircraft accidents is fully utilized by the Air Force in these investi-

gations. These representatives could hardly be expected to find their companies at fault if their reports could later be made public to the prejudice of their employers and might even be used in actions against those employers. Furthermore, knowledge that the reports were subject to use in litigation might make the investigators themselves tend to soften their reports and hesitate to assess blame.

In some instances military aircraft accidents result in civil suits for damages under the Tort Claims Act against the United States. The plaintiffs in such actions usually seek through discovery under Rule 34 of the Federal Rules of Civil Procedures to obtain the aircraft accident report made on the incident. If the United States, as a defendant, claims privilege and fails or refuses to comply with the order of the court to produce the report, the court may, if it does not recognize the privilege, preclude the United States from introducing any evidence with respect to the alleged negligence under Rule 37 of the Federal Rules of Civil Procedures. Unless these reports are made inadmissible, the United States will often find itself in a dilemma, thus necessitating either breaking faith with those who have supplied the information contained in the report or risk the possibility of an adverse judgment without a trial on the merits. The law is settled that aircraft accident investigation reports involving military secrets are privileged reports, the disclosure of which in open court would jeopardize the national security. There is some doubt, however, as to whether the courts will recognize a claim of privilege in the case of accident reports when State secrets are not involved.

The legislation now being proposed would clarify the situation by making all military department aircraft accident reports resulting from investigations conducted in the interest of air safety not subject to discovery under Rule 34, Federal Rules of Civil Procedure, and inadmissible in civil suits for damages. By so doing it would promote greatly the effective and successful investigation of aircraft accidents. The Congress, as early as 1910, provided for the shielding of accident investigation reports in the railroad field against use in litigation. (See 45 U. S. C. 41.) Similar action has been taken in the case of Civil Aeronautics Board reports. (See 52 Stat. 1013, as amended, 49 U. S. C. 581.) It is imperative that the flying safety program includes the most unhampered accident investigations possible.

The Department of Defense firmly believes that enactment of this legislation will further the safety of air navigation without undue prejudice to the meritorious claims of parties suffering injury as the result of aircraft accident.

COST AND BUDGET DATA

This proposal would cause no apparent increase in budgetary requirements for the Department of Defense.

Sincerely yours,

H. E. TALBOTT.

S. 2226. A bill to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941.

The letter accompanying Senate bill 2226 is as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., June 7, 1955.

The VICE PRESIDENT,
United States Senate, Washington, D. C.

DEAR MR. VICE PRESIDENT: There is attached for your consideration and appropriate action a legislative proposal "To authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941." An explanation of the proposed legislation accompanies the draft.

In reviewing the functions of the Department of Justice some time ago I found that through the Office of Alien Property the Department was still administering assets seized by the United States under the Trading With the Enemy Act during World War I. I thereupon directed that special efforts be made to terminate the World War I program.

In complying with my directive the Director of the Office of Alien Property encountered a great variety of problems owing to the complexity of legislation affecting World War I alien property and the complexity of pending claims to certain of the remaining property. In addition, the great length of time which has passed since the seizure of the property, and the intervention of World War II, raised difficulties in obtaining evidence of ownership in connection with claims, and it was necessary in many instances to enlist the aid of foreign Embassies and to make investigations abroad in order to gather such evidence.

As a result of the effort expended during the past 2 years the World War I program has reached the point where further progress cannot be made without the enactment of additional legislation.

Accordingly, early introduction and enactment of the enclosed legislative proposal is considered most desirable.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation.

Sincerely,

HERBERT BROWNELL, Jr.,
Attorney General.

EXPLANATORY STATEMENT ACCOMPANYING LEGISLATIVE PROPOSAL TO AUTHORIZE THE ATTORNEY GENERAL TO DISPOSE OF THE REMAINING ASSETS SEIZED UNDER THE TRADING WITH THE ENEMY ACT PRIOR TO DECEMBER 18, 1941

The attached legislative proposal is designed to accomplish the termination of the administration by the Department of Justice through its Office of Alien Property of assets derived from the World War I seizures of enemy property and interests under the Trading With the Enemy Act. These assets, which cannot be disposed of under present law, consist of approximately $793,000 in cash, a few items of small or doubtful value which cannot now be liquidated, and certain Treasury certificates held by the Office of Alien Property. Other assets derived from World War I seizures are also in the custody of the Office of Alien Property at the present time but will shortly be disposed of under existing law.

A summary of a portion of the history of the administration of property seized during World War I under the Trading With the Enemy Act, as amended, will afford a clearer understanding of the provisions of the draft legislation, a section-by-section analysis of which is herein contained.

The Trading With the Enemy Act, which was passed on October 6, 1917, authorized the seizure of assets in the United States owned by an "enemy or ally or enemy" as defined in section 2 of the act. Section 9 provided for administrative and judicial returns of seized assets to former owners who established that they were not enemies or allies of enemies. The Winslow Act of March 4, 1923 (42 Stat. 1511) authorized the return of seized property up to $10,000 in value to former enemy owners of such property.

In 1922 the United States and Germany entered into an agreement (42 Stat. 2200) which created the Mixed Claims Commission, United States and Germany, for the purpose of adjudicating claims of the United States and its nationals against Germany for certain loss or damage arising out of World War I. The agreement provided no means for the satisfaction of awards made by the Mixed Claims Commission. This lack was remedied by the Settlement of War Claims Act of 1928 (45 Stat. 254), which also provided for the return of seized German property in addition to that returned under the Winslow Act and for the adjudication and payment by a War Claims arbiter of certain claims of German nationals against the United States. More particularly, the Settlement of War Claims Act of 1928 amended the Trading With the Enemy Act to authorize the immediate return of 80 percent of the property still held by the Alien Property Custodian after the payment of $10,000 under the Winslow Act. However, return of 80 percent of his property to a claimant was made contingent upon his filing a written consent to the postponement of the return of the remaining 20 percent.

The Settlement of War Claims Act created an account in the Treasury Department designated as the German Special Deposit Account which was composed of:

1. The 20 percent of German property temporarily withheld from return by the Alien Property Custodian;

2. Certain other funds eventually returnable to German nationals consisting of their share of unallocated interest earned from the lump-sum investment of seized assets by the Secretary of the Treasury;

3. Amounts appropriated by Congress in connection with the payment of awards to German nationals by the War Claims Arbiter; and

4. All amounts received by the United States, whether before or after the enactment of the act, for application in payment of awards of the Mixed Claims Commission.

The source of item 4 at the date of the passage of the act was the annual reparations payment received by the United States from Germany under the Dawes plan.

Pursuant to a directive in the act, the Treasury issued to the Alien Property Custodian or to the Attorney General, as his successor, participating certificates bearing interest at the rate of 5 percent for withheld German property deposited in the German special deposit account and non-interest-bearing participating certificates for the amounts of unallocated interest deposited in the account. The total face value of the 2 types of certificates is $57,419,820.73.

The Settlement of War Claims Act also directed the Treasury to make payments from the German special deposit account in discharge of certain obligations in the order of priority specified as follows:

1. Administrative expenses.

2, 3, 4, and 5. Installments of awards entered on behalf of Americans by the Mixed Claims Commission, up to a maximum of 80 percent.

6 and 7. Awards to Germans by the War Claims Arbiter up to a maximum of 50 percent.

8. Five percent interest on the participating certificates held by the Alien Property Custodian by virtue of his transfers of the 20 percent of German property temporarily withheld from return.

9. Interest on unpaid amounts of awards of the Mixed Claims Commission and the War Claims Arbiter.

10. (a) Repayment to the Alien Property Custodian of the 20 percent withheld German property evidenced by the participating certificates.

(b) Payment of balances of awards of the War Claims Arbiter.

(c) Payment of balances of awards of the Mixed Claims Commission.

11. Repayment to the Alien Property Custodian of the amount of unallocated interest returnable to Germans evidenced by the participating certificates.

12. Payment of the amounts of awards of the Mixed Claims Commission to the United States Government for its own account.

13. Payment into the Treasury of any remaining amounts.

Thus, the Settlement of War Claims Act was intended to dispose of the war claims of the United States, its nationals and German nationals and to effect an immediate 80-percent and ultimate 100-percent return of German property seized under the Trading With the Enemy Act. As it developed, however, the funds originally provided in the act for deposit in the German Special Deposit Account were insufficient to satisfy the above listed obligations. As a result, the United States and Germany entered into an agreement known as the Debt Funding Agreement of 1930 (46 Stat. 500). By its terms, the United States, in lieu of payments received under the Dawes plan, accepted Germany's obligation to make 103 semiannual payments in dollars, equivalent to 40,800,000 reichsmarks each and accepted 103 German Government bonds as evidence of the obligation. It was intended that as the bonds were redeemed by Germany, the proceeds were to be deposited in the German Special Deposit Account and applied on the obligations payable therefrom. In this way sufficient funds would be available over the years to satisfy all the obligations. However, Germany made only three payments and defaulted in 1931.

By the Harrison Resolution of June 27, 1934 (48 Stat. 1267) Congress directed that so long as Germany was in arrears under the Debt Funding Agreement of 1930, all transfers of money or other property under the Trading With the Enemy Act and Settlement of War Claims Act should be postponed except transfers for the payment of awards of the Mixed Claims Commission and transfers to such classes of persons as the President in his sole discretion might permit. After passage of the Harrison Resolution, Executive orders were issued removing the restrictions as to all transfers except those to German nationals.

On account of Germany's default under the Debt Funding Agreement of 1930, only the first seven of the above-listed priorities had been paid by August 1947. In other words, the fund deposited in the German Special Deposit Account had been insufficient to satisfy the awards of the Mixed Claims Commission and to permit any payments on the participating certificates issued by the Treasury, which by 1947 had come into the possession of the Office of Alien Property as successor to the Office of Alien Property Custodian. Public Law 375, 80th Congress, approved August 6, 1947 (61 Stat. 789), directed that the proceeds of liquidation of the assets subject to the prohibition of the Harrison Resolution be deposited in the German Special Deposit Account. In addition, Public Law 375 rearranged the order of priority of the unpaid obligations so that all of the obligations owing to Americans and to the United States Government would be satisfied prior to the payment of any amounts on the participating certificates held by the Office of Alien Property or on awards to Germans by the War Claims Arbiter. In this way, the assets subject to the prohibition of the Harrison Resolution were made available to the American holders of Mixed Claims Commission awards. At the same time, the possibility of redemption of the participating certificates was made more remote.

The outbreak of World War II in 1939 resulted in the virtual cessation of the return of assets not prohibited under the Harrison resolution. With the end of the war the program of returning such assets was resumed and has been carried forward as far as possible for the time being. Public Law 375, 80th Congress, made possible the disposition of virtually all the assets subject to the prohibition of the Harrison Resolution.

As a result, the assets remaining to be disposed of by the proposed bill consist of (1) non-German funds which are not claimed by anyone or, for reasons explained below, cannot be paid to claimants, (2) German-owned items which cannot be transferred to the German special deposit account under Public Law 375 because they cannot presently be reduced to cash, and (3) the participating certificates issued by the Treasury and held by this office. Set forth below is a section analysis of the draft legislation which describes these assets more particularly and explains the proposed treatment to be accorded them.

Section 1 (a) is concerned with the following four accounts:

1. Trust No. 47667, consolidated unclaimed balances account, which contained $188,837.09, as of January 31, 1955. This account is made up for the most part of non-German funds for which no claims were filed. The balance of the account consists of non-German funds for which claims were once filed but subsequently abandoned and of small supplementary sums payable on once-paid non-German claims for which the claimants have never come forward.

2. Trust No. 47669, unpayable balances account, which contained $176,969.21, as of January 31, 1955. This account consists in part of non-German funds claimed by persons whose whereabouts are unknown because of death or change of residence. The remainder of the account consists of a number of small sums ranging from 50 cents to $15 allocated to non-German claimants upon final audit. These sums were deemed either by the claimant or by the Government to be too small to justify the expense of establishing a basis for payment.

3. Government earnings: Interest account which contains $176,343.64. This sum is the balance of certain interest amounting to more than $34 million earned as a result of the Treasury's investment of the cash proceeds of seized assets under section 12 of the Trading With the Enemy Act. The Winslow Act of 1923 provided that future earnings of seized assets should be paid to the former owners. The Settlement of War Claims Act of 1928 provided that the interest earnings which had accrued prior to the Winslow Act plus subsequent interests on such accrued earnings should be credited to the accounts of former owners in proportion to the amounts of cash derived from their seized assets. That act also directed that actual distribution of such credited sums be made to non-Germans immediately. Eventually it became necessary to discontinue these distributions because of the cessation of interest earnings. The amount of $176,343.64 is the remainder of the interest earnings on hand when distributions were halted. These funds were not distributed because it would have been impracticable to attempt to ascertain the share of each non-German claimant. Further, any sums which might have been established would have been too small to justify the expense of distribution.

4. Undistributed income: Interest reserve, which contains $2,160.94. The allocation of current earnings after the passage of the Winslow Act was made semiannually and involved a great number of calculations. A balance of $2,500 was reserved at the time of each allocation to provide for the correction of any errors which might be later discovered. The sum of $2,160.94 is the balance remaining after the last allocation.

Inasmuch as all the above-described funds are in effect derelict property and, as a practical matter, cannot be paid to proper claimants, section 1 (a) is drawn to transfer them to the Treasury for the benefit of the United States.

Section 1 (b) deals with a few items of German owned property which cannot be converted to cash and ths cannot be transferred to the German special deposit account under Public Law 375, 80th Congress. These items consist of three remainder interests in decedents' estates and of certain bonds issued by German municipalities now behind the Iron Curtain. Section 1 (b) provides that they shall be transferred to the Secretary of the Treasury who is to liquidate them, if possible, and credit the proceeds of liquidation to the German special deposit account. The Secretary of the Treasury is given the authority to destroy or abandon the bonds and remainder interests if he should ultimately determine them to have no value or to be worth less than the cost of liquidation.

Section 1 (c) is concerned with seized assets which were the property of a liquidated bank, the Austro-Hungarian Bank. All the seized assets have been returned for the benefit of certain governments except the sums of $87,294.12, $30,767.58, and $87,294.12, which are payable to the Governments of Czechoslovakia, Poland, and Rumania, respectively. Section 1 (c) would authorize the transfer of these sums to accounts in the Treasury to be blocked under Executive Order 8389, as amended. Blocking controls are exercised under this Executive order with respect to assets of Iron Curtain countries and their nationals which were located in the United States prior to its entry into World War II.

Section 1 (d) relates to the following accounts:

1. Trust No. 47675, Polish claimants, containing $14,030.39.

2. Trust No. 47677, Czech claimants, containing $20,733.06.

3. Trust No. 47687, Bulgarian, Hungarian, and Rumanian claimants, containing $10,563.08.

The funds in these accounts were claimed prior to World War II by nationals of the respective countries. Very little information has been received concerning any of the claimants since the end of the war and no payments have been made on their claim since these countries came under Communist control. Section 1 (d) would authorize the transfer of the funds in these accounts to accounts in the Treasury in the names of the various claimants. The accounts in the Treasury would be blocked under Executive Order 8389, as amended. The Secretary of the Treasury would be authorized to approve the claims at such time as proof could be made, subject, however, to any restrictions in existence pursuant to Executive Order 8389, as amended.

Section 1 (e) is concerned with the participating certificates which have been issued against the 20 percent withheld German property and the interest earnings payable to Germans. Under existing law any funds ultimately payable on the certificates by reason of future German redemption of bonds issued under the 1930 debt refunding agreement would be earmarked for German claimants. In this connection, it is pertinent to note an agreement ratified by the Senate on July 13, 1953, known as the Agreement between the United States and the Federal Republic of Germany Relating to Indebtedness of Germany for Awards Made by the Mixed Claims Commission, United States and Germany. By this agreement, the West German Government bound itself to pay to the United States a total of $97,500,000 in installments over the next 26 years, to be used in full discharge of Germany's obligations with respect to awards of the Mixed Claims Commission to private United States nationals. The German Government also agreed to issue new bonds to the United States as evidence of these obligations. The United States agreed that upon receipt of the newly issued bonds it would cancel and deliver those of the defaulted bonds it holds under the debt refunding agreement of 1930 which bear dates of maturity on or prior to March 31, 1943.

It is extremely unlikely that any provision will ever be made for the redemption of bonds issued under the debt-refunding agreement of 1930, in addition to those covered by the agreement described in the preceding paragraph. Furthermore, if such re-

demptions did occur, the present provisions of the Settlement of War Claims Act of 1928, as amended, would give the Mixed Claims Commission awards in favor of the United States Government a priority over payments to German claimants whose assets are represented by the participating certificates. In essence, therefore, the participating certificates held by this office are fictitious assets insofar as this office is concerned and are merely evidence of claims against their own Government insofar as Germans are concerned. It would appear to be unnecessary for this office to continue to hold these certificates. Accordingly section 1 (e) of the draft bill would authorize the Attorney General to transfer them to the Secretary of the Treasury pending their ultimate disposition.

Section 2 would bar any claims to the assets transferred to the Treasury except those placed in blocked accounts and would bar the imposition of liens and other encumbrances against the transferred assets.

Section 3 would repeal a provision of the Trading With the Enemy Act prohibiting disposition of the Austro-Hungarian Bank funds described above other than to the liquidators of the bank.

Section 4 contains a definition of the word "person," which is used in section 2 of the Trading With the Enemy Act, as amended.

AMENDMENT OF TRADING WITH THE ENEMY AND WAR CLAIMS ACTS

Mr. KILGORE. Mr. President, the Secretary of State has forwarded to the Congress a draft of a bill dealing with American war damage claims and the disposal of vested enemy assets, with a request that it be introduced. I intend to introduce the bill following these introductory remarks.

Immediately upon the outbreak of World II, the President of the United States realized the necessity of neutralizing the war potential of enemy assets in this country. Legislation was quickly introduced revitalizing the old Trading With the Eenemy Act of 1917. Quite properly I think, no attempt was made at that time to provide for the disposal of such assets upon termination of hostilities. The shape of things to come was then undefined.

So, with the conclusion of hostilities, this Nation found a problem on its hands. What should be done with the enemy assets? Should they be used as reparations or returned to the previous owners?

The executive and the legislative branches took steps to resolve this issue, but it nevertheless remains unresolved today. The question is still, What should be done with enemy assets vested during and after World War II.

Several proposals have been suggested. Most of them have dealt with enemy assets alone, without suggesting any disposition of the claims of Americans for war damages. Ultimately, both will have to be considered.

This whole subject has been the object of investigation, study, and consideration by the Committee on the Judiciary for the past 3 years. Late in the last Congress, the committee reported a bill providing for a general return of enemy assets to the previous owners. This year I joined with the Senator from Illinois [Mr. DIRKSEN] in laying that proposal again before the Senate and the Committee on the Judiciary. Since the introduction of that bill, however, the Department of State has engaged in talks with representatives of the German and Japanese Governments. These conferences included the disposition of both American War Damage claims and the return of enemy assets. Following the conclusion of these conferences, the State Department announced that the administration would forward draft legislation recommending return of enemy assets up to a value of $10,000 and including a provision creating a fund for the payment of American war damage claims. The proposed legislation now suggested by the Secretary of State embodies those general proposals. The detailed provisions of the bill are explained in a summary attached to the letter of reference signed by the Secretary of State.

While there are various thoughts upon this whole subject, the common desire seems to be to effect the conclusion of the work of the Office of Alien Property and accomplish its dissolution. Whether this should be accomplished by return of the vested assets, or their rapid liquidation into cash to be transferred to the United States Treasury, has been the issue. This proposed legislation contains elements of both of these viewpoints. Whether it will accomplish the agreed objective of concluding the work of the Office of Alien Property within a reasonable time is a matter which must be considered by the Congress.

Mr. President, I am introducing this bill in order that the Committee on the Judiciary may have before it another proposal to contribute to the solution of an extremely complicated problem. This proposed legislation, worked out initially by those most familiar with the intracacies involved, must be examined by the committee and the Congress in the light of overall objectives, international as well as domestic.

Mr. President, I introduce, for appropriate reference, a bill to amend the Trading With the Enemy Act of 1917, as amended, and the War Claims Act of 1948, as amended. I ask unanimous consent that there be printed in the record the letter forwarded with the proposal by the Secretary of State and the explanatory memorandum accompanying it.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter and explanatory memorandum will be printed in the RECORD.

The bill (S. 2227) to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended, introduced by Mr. KILGORE, was received, read twice by its title, and referred to the Committee on the Judiciary.

The letter and memorandum presented by Mr. KILGORE are as follows:

JUNE 6, 1955.

The VICE PRESIDENT,
United States Senate.

DEAR MR. VICE PRESIDENT: I enclose a draft bill, "To amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended." The first part deals with the assets in the United States, title to which was vested in the Government under the Trading With the Enemy Act as a consequence of World War II. By far the greatest portion of these assets was owned by nationals of Germany and Japan. In general, this part of the draft bill provides for a limited return as a matter of grace of the vested assets, or of the proceeds of their liquidation, to such of the former owners or their successors in interest as are natural persons not in territory behind the Iron Curtain. The maximum value of property or proceeds returnable to any one individual is fixed at $10,000. In the few instances where property of charitable, religious, and educational organizations was vested, such property would be returned without regard to its value. Interests in trademarks would be returned to business enterprises as well as natural persons. All interests in copyrights would be divested in favor of the former owners or their successors in interest. Patent interests would not be returned.

The second part of the draft legislation deals with certain claims of United States nationals against Germany arising out of World War II. This part establishes a fund of $100 million to finance payments to such claimants. The compensation payable to any single claimant probably would not exceed $10,000.

I enclose also with the proposed bill a memorandum describing its provisions in detail and, where necessary, explaining the reasons for particular provisions. However, in order to afford a clear understanding of the general purposes of the draft legislation, it will be helpful to add here a brief statement of the events which have led to its recommendation.

By the first War Powers Act of December 18, 1941, Congress amended the Trading With the Enemy Act of 1917 to grant the President extensive powers to vest assets in the United States owned by foreign countries or their nationals. The 1917 act already contained provisions for the return of such of the property to be vested as might ultimately prove to be owned by nonenemies. However, neither the 1917 act nor the 1941 act provided for the disposition of World War II vested assets finally determined to be owned by enemy governments or their nationals. That matter was left open.

Early in 1942 the President created the Office of Alien Property Custodian as an independent agency and delegated to the Alien Property Custodian the power to vest property other than securities, cash and credits. In June 1945, the Custodian's vesting power was expanded to include German and Japanese-owned securities, cash and credits. As a result, substantially all the German and Japanese assets known to be in the United States as of December 7, 1941, were vested by the Custodian or by his successor, the Attorney General.

In January 1946 the United States and 17 allied nations other than the Soviet Union and Poland executed the Paris Reparation Agreement whereby they agreed upon the division of the limited German assets in kind available to them as reparation from Germany, including German external assets located within the respective signatory countries. The 18 allies agreed to hold or dispose of these external assets in such a way as to preclude their return to German ownership or control. This program was formulated in light of the allied experience after World War I when the attempt in effect to exact reparation from Germany's current production failed and led to Germany's default on its obligations. Moreover, it was clear after the end of World War II that the United States would have to provide major assistance to Germany to prevent disease and unrest. This country, therefore, favored measures which would limit Germany's World War II reparation to its external assets and other assets in kind, thus relieving Germany

of reparation payments from current production and avoiding the indirect financing of reparation by the United States. The Paris Reparation Agreement met this objective.

In 1946 Congress enacted section 32 of the Trading With the Enemy Act authorizing returns of vested property to persons having merely technical enemy status and to enemy nationals who were persecuted by their own governments. In the same year, Congress added section 34 to the act, providing for the payment of prevesting debt claims of Americans against enemy nationals whose property was vested.

By the War Claims Act of 1948 Congress added section 39 to the Trading With the Enemy Act, providing that German and Japanese assets not returnable under section 32 should, after the payment of debt claims therefrom, be retained by the United States without compensation to the former owners. In addition, the War Claims Act of 1948 gave priority to the use of the net proceeds of liquidation of this retained property for the payment of compensation to American civilian internees of the Japanese, to American servicemen captured by the forces of Germany, Japan, and other governments which failed to provide adequate subsistence as required by the Geneva Convention and to certain Philippine religious organizations which had rendered aid to American personnel. This act did not provide for the payment of war claims of Americans arising out of war-caused property damage but authorized a study of the problem. The Attorney General has advanced a total of $225 million from the proceeds of vested assets for purposes of the War Claims Act of 1948. Thus that act constituted a congressional disposition of the German and Japanese assets vested under the Trading With the Enemy Act during World War II. Furthermore, that act, in effect, gave confirmation to the reparation program set forth in the Paris Reparation Agreement by devoting German external assets to the satisfaction of certain American war claims.

The Japanese Peace Treaty of 1952 also followed the policy incorporated in the Paris Reparation Agreement with respect to enemy external assets. It provided that the Allied Powers should have the right to retain and liquidate Japanese property within their jurisdiction. In addition, the peace treaty provided that Japan should compensate nationals of the Allied Powers in Japanese currency for war damage to property located in Japan. In consequence of these and other provisions the United States and the other Allied Powers waived any additional war claims against Japan.

The Bonn Convention of 1952 for the settlement of matters arising out of the war and the occupation, between the Federal Republic of Germany and the United States, Britain, and France also affirmed the policy of the Paris Reparation Agreement. In that convention the Federal Republic of Germany agreed to compensate its own nationals for their loss of external assets by the vesting and other action of the Allied Powers. For their part, these countries gave the Federal Republic a commitment that they would not assert any claims for reparation against its current production. These provisions of the Bonn Convention were carried forward and approved in the Paris Protocol of 1954 which was approved by the Senate April 1, 1955, and came into force on May 5, 1955.

On July 17, 1954, Chancellor Adenauer wrote to the President to enlist his support for legislation which had been introduced in Congress for the general return of vested German assets. The Chancellor referred to the hardships suffered by many of the German individuals whose property had been vested. He mentioned old people, pensioners, and beneficiaries of insurance policies and inheritances in particular and urged that alleviation of these hardship cases would make a considerable contribution to furthering the friendship between the peoples of the United States and Germany. The President's reply of August 7, 1954, referred to the fact that the Allied Governments decided to look to German assets in their territories as a principal source for the payment of their claims against Germany. The President expressed sympathy with individuals in straitened circumstances in Germany for whom the operation of the vesting program in the United States had created particular hardship. He pointed out that American nationals who had suffered losses arising out of the war had received no compensation, also with resultant hardships in many cases. Finally, the President stated that although none of the bills then pending in Congress with regard to the return of vested assets had the approval of his administration, the problem was receiving earnest consideration and he hoped that a fair, equitable, and satisfactory solution could be achieved. The matter was also raised by Chancellor Adenauer with the President during the former's visit to Washington in October 1954, and conversations between representatives of the two Governments were agreed upon.

The Japanese Government also expressed a hope that the return of vested Japanese assets would be considered. The subject was discussed by Prime Minister Yoshida with the President on November 9, 1954.

As a result, the executive branch formulated the plan represented by the enclosed draft bill. Thereafter, representatives of the United States and the Federal Republic of Germany discussed the matter of vested German assets and the related problem of American war claims against Germany. Subsequently, similar discussions were held between representatives of the United States and Japan. During these discussions representatives of the Federal Republic of Germany and Japan were informed that the executive branch would recommend a limited return of vested assets to natural persons up to a maximum of $10,000 as a matter of grace for the purpose of alleviating the cases of hardship caused by vesting. The United States representatives pointed out that this action would result in a full return to approximately 90 percent of the former owners whose property had been vested and would achieve the equitable solution sought by the President. The United States representatives expressed the hope that in addition to relieving hardships of an appreciable number of German and Japanese people, this action would serve to make even more secure the ties between the United States and those countries. The representatives of the German Federal and Japanese Governments expressed the hope that the proposed return would subsequently be followed by a wider program. They were informed, however, that the administration did not envisage a broader return than was contained in the present recommendation.

It appears that the contemplated return program can be financed out of vested assets or their proceeds presently held by the Attorney General. After taking into account the payment of $225 million under the War Claims Act of 1948, returns and debt claims paid and payable under existing provisions of the Trading With the Enemy Act, and the payment of other authorized sums, it is estimated that there will remain a balance of $60 million for use in the proposed program. Its cost would be approximately $50 million for West German assets and $7.5 million for Japanese assets. If the funds in the possession of the Attorney General should prove to be inadequate or not readily available for the program, alternative supplemental means of financing are provided for in the bill.

The proposed bill would amend section 9 (a) of the Trading With the Enemy Act, as amended, to permit the sale of important vested properties despite the pendency of a suit for the return thereof and to permit the substitution of the proceeds of sale or just compensation, at the election of the claimant, as the subject of the suit. This provision is included in order to facilitate the expeditious termination of the alien-property program and in order to remove the Government from the operation of certain American business enterprises.

It will be noted that returns of vested assets would not be made to persons behind the Iron Curtain. It would be desirable for the program to be extended to such persons by supplemental legislation when conditions warrant.

The second part of the proposed bill provides for the compensation of American claimants against Germany for war damage to property. This part of the bill would set aside for this purpose a fund of $100 million out of sums payable by the Federal Republic in settlement of its indebtedness to the United States for postwar economic assistance. The Foreign Claims Settlement Commission estimates that there are 24,000 claims of American nationals outstanding against Germany for property damage during World War II, amounting to approximately $232,500,000. The Commission also estimates that a fund of $100 million would permit the satisfaction in full of all claims not over $10,000.

The proposed earmarking of $100 million of the repayments the Federal Republic of Germany is to make for postwar economic assistance rendered by the United States would be, in effect, a restoration of the $100 million of reparation from Germany used for other purposes under the War Claims Act of 1948. The total value of vested Japanese assets is approximately $60 million. Consequently, it is clear that of the $225 million deposited by the Attorney General in the Treasury under the War Claims Act of 1948, at least $165 million was derived from German assets. According to estimates of the Foreign Claims Settlement Commission, total payments under that act to satisfy American prisoners of war and other claims which arose in Europe will amount to approximately $60 million. As a result, about $100 million of the proceeds of German vested assets will have been used to satisfy claims attributable to countries other than Germany—i. e., in the main, Japan. If this sum had not been so used, it would have been available at the discretion of the Congress to pay American property-damage claimants against Germany. The creation of the $100-million fund would, therefore, not establish a precedent for the payment of American property-damage claims against foreign governments out of public moneys.

The draft legislation was prepared by the Department of State, the Department of Justice, the Treasury Department, and the Foreign Claims Settlement Commission. It is based upon a full and careful consideration of the problems involved and represents the considered position of the administration. The proposals should be considered as a whole. Prompt and favorable action would resolve a troublesome problem in the field of our foreign relations and would strengthen the ties of friendship with the Federal Republic of Germany and Japan.

I respectfully request that early consideration be given to the proposed legislation which is transmitted herewith. A similar communication is being sent to the Speaker of the House.

The Bureau of the Budget advises that the enactment of the proposed legislation would be in accord with the program of the President.

Sincerely yours,

JOHN FOSTER DULLES.

EXPLANATORY MEMORANDUM ON DRAFT BILL TO AMEND THE TRADING WITH THE ENEMY ACT, AS AMENDED, AND THE WAR CLAIMS ACT OF 1948, AS AMENDED

The first part of the proposed bill is designed to effect: (1) The return in general as a matter of grace of vested assets other than patent interests to natural persons not behind the Iron Curtain up to a limit of $10,000 and (2) the return of trademark and copyright interests to business enterprises as well as to natural persons without regard to the $10,000 limitation on value and, insofar as copyright interests are concerned, without regard to the limitation on return to persons behind the Iron Curtain. Property owned by charitable, educational, and religious organizations would also be returned without regard to the $10,000 limitation. It would treat several types of vested assets in a manner different from the treatment accorded the great bulk of such assets. The differences are deemed advisable by virtue of past policy, facility of administration of the contemplated return program and the desirability of terminating the World War II alien property program as quickly as possible. There is set forth below a resume of the manner in which the proposed bill would affect various categories of assets.

CATEGORY I. ASSETS OTHER THAN TRADEMARK, COPYRIGHT AND PATENT PROPERTIES AND PRINTS OF MOTION PICTURES

The great bulk of the vested assets falls within this category. The proposed bill would effect returns of these assets in an amount not exceeding $10,000 to natural persons. Natural persons would not be deemed to have had any ownership interest in assets vested from a business enterprise in which they have stock or some other beneficial interest. Consequently, no part of such assets would be returned to them. Persons who have made settlements or compromises of claims or suits with respect to vested property would be barred from obtaining any property in addition to that which they obtained in the settlement or compromise. Persons convicted of war crimes would be excluded from return.

The following property would be excluded from the return program by reason of the United States commitments to foreign governments:

1. Vested property located in the Philippine Islands and subject to transfer to the Republic of the Philippines under the Philippine Property Act of 1946 (22 U. S. C. 1381–86).

2. Certain securities of American issue looted in the Netherlands by Germany during its occupation of that country. Under an agreement with the Netherlands executed January 9, 1951, the United States undertook to return such securities to the Government of the Netherlands or its nationals.

3. Property which this Government is obligated to release or to receive or retain pursuant to existing agreements between the United States and certain World War II Allies relating to the resolution of conflicts between the Alien Property Custodians of the signatories. These agreements, entered into by the United States pursuant to Public Law 857, 81st Congress, provide for transfers of various categories of vested property by and to the United States.

Returns of property in category I would be effected under a claims program. Claims would have to be filed with the Attorney General within 1 year of the enactment of the proposed legislation. In order to faciltate the administration of the contemplated program new claims would be required of persons who have previously filed claims under section 9 or section 32 of the Trading With the Enemy Act. This requirement would obviate the necessity of reopening thousands of closed claims and examining additional thousands of claims now pending under those sections to obtain the new data required by the proposed legislation.

The proposed bill provides that in general a return of vested property in this category will be subject to a deduction of the amount of conservatory expenses incurred with respect to such property, a deduction to cover general administrative expenses, a reserve for any unpaid taxes with respect to the property and a reserve for any pending debt claims against the property under section 34 of the Trading With the Enemy Act. If the Attorney General should hold property vested from the prevesting owner in addition to the property returnable under the proposed bill, the amounts of expenses and reserves would be deducted, to the extent possible, from such additional property.

A person who has a pending claim under section 9 (a) or section 32 could claim return under the proposed bill only upon the filing of a written waiver renouncing his claim under section 9 (a) or section 32 to the amounts retained for expenses and reserves. As a practical matter this provision would reduce the amount of vested property returned under this bill to a section 9 (a) or section 32 claimant by the amount of the deduction for administrative expenses plus the amount of any debt claims. On the other hand, it would permit the claimant to receive a return under this bill without the necessity of establishing himself as a nonenemy under section 9 (a) or as a persecuted person or other eligible claimant under section 32. The provision for waiver has been included in the proposed legislation in an attempt to close out as expeditiously as possible the great majority of the pending title claims—that is, those which are filed against vested property worth less than $10,000. Elimination of these claims would be a major step toward the termination of the administration of World War II vested property.

CATEGORY II. TRADEMARK PROPERTIES

Since the use of a vested trademark would be deceptive except in connection with goods made by the prevesting owner of the mark, or the successor in interest of such owner, it is deemed advisable to make a general return of trademarks and unexpired interests in prewar contracts relating to trademarks. The proposed bill would authorize returns of trademarks or contract interests therein without regard to the $10,000 ceiling and thus would enable a natural person to receive such marks and contract interests in addition to $10,000 of other vested property. However, royalties or other income received from the marks on contract interests during the period of vesting would be charged against the $10,000.

The proposed bill would authorize the return of trademarks and contract interests therein to business enterprises as well as natural persons. However, any royalties or other income derived from such marks or contract interests during the period of vesting would not be returned to business enterprises. Also excluded from return, by reference to specific vesting orders, are certain possible reversionary or other similar rights relating to trademarks and goodwill which, since prior to World War II, have been assigned to and held by vested corporations which are still controlled by the Attorney General and which conduct manufacturing businesses. In general, the vesting orders excluded from the return provisions are catchall vesting orders issued as a precautionary measure for the purpose of cutting off any unknown or undiscovered rights which may have been retained by enemy nationals with respect to the goodwill, trademarks, and trade names of these vested corporations. Some of the excluded vesting orders vested contract rights which related to such trademarks and trade names. In many cases, these nebulous reversionary rights may be nonexistent or without any real value, although the catchall vesting orders still serve a precautionary purpose. To return the rights vested by these vesting orders might invite unnecessary harassment of vested corporations and their involvement in litigation with respect to those portions of their businesses in which the trademarks are used, notwithstanding the fact that the vested corporations for many years have operated these businesses independently of the former owners of any purported reversionary rights.

Inasmuch as the Attorney General has only about 325 vested trademarks and trademark contract interests, the return of such property would not involve the administrative problems described below with regard to copyrights. Consequently, the return would be effected by the claims program described under category I and would be subject to the restrictions mentioned there. The proposed bill provides that where a trademark or trademark interest was owned prior to vesting by a person in East Germany, it would be returned to a person in the Federal Republic of Germany if a competent agency of the federal republic certifies that an equivalent trademark has been registered by it for such person.

CATEGORY III. COPYRIGHT PROPERTIES

Vested copyright interests number more than 300,000. These cover vested copyrights and copyrights which are the subject of prewar contracts. A program for the return of copyrights and unexpired contract interests in copyrights of the nature described under category I might well become unmanageable because of the number of claims which might be filed and the complexity of claims of authors and composers in connection with vested prewar contract interests. Furthermore, since a substantial number of copyrights and contract interests would not be returned under the program proposed for category I by reason of the exclusion of East Germans, the Attorney General's Office would be forced to continue the administration of such copyrights and interests without any apparent practical means of terminating such administration within a reasonable time.

As a result of these considerations it has been deemed advisable in the proposed bill to effect the return of copyrights and unexpired contract interests therein by means of a statutory divestment which would require no acion on the part of the Attorney General. Such divestment would be effective without regard to the value of the copyrights and contract interests and would serve to effect returns to business enterprises as well as to natural persons. The divestment would not extend to royalties or other income received during the period prior to divestment. Such funds would be returnable only to natural persons within the limits and pursuant to the claims program described under category I.

It should be noted that the divestment proposed in the draft bill would serve to return copyrights and unexpired contract interests therein to persons and firms in the East Zone of Germany. Thus, although such persons and firms would not receive the return of any money in the hands of the Attorney General they would become entitled to any income from their copyrights and contract interests which might accrue after divestment. It is not possible to estimate the future annual amount of such income since the number and identity of former owners in the East Zone of Germany are not known at this time. However, the annual income realized from all vested copyrights and copyright contract interests during the past 5 years has averaged approximately $200,000. Even assuming that a substantial part of this figure would be paid

annually to persons behind the Iron Curtain during the next several years, divestment seems preferable to the administrative problems and substantial expense inherent in an extended claims program or other procedure for separating East Germans from other persons entitled to copyrights and contract interests therein. In addition, the divesting technique would enable the Attorney General to be rid of the administration of copyright properties and thus hasten the termination of the alien property program.

The proposed bill specifically excludes from return the moneys collected in connection with the publication in the United States of Hitler's Mein Kampf, the diaries of Paul Joseph Goebbels, the memoirs of Alfred Rosenberg and a work by a leading Nazi, Otto Skorzeny. The copyrights and contract interests connected with these works are also excluded from divestment. A photographic history of the Nazi Party formerly owned by Heinrich Hoffman, its official photographer, has been excluded from return. In addition, the copyright to a scientific motion picture entitled "Meiosis" has been excepted from divestment because of its wide use by American educational institutions. Since this copyright was owned by an East German firm prior to vesting divestment might impede its future use in this country.

CATEGORY IV. PATENT PROPERTIES

Patents and interests in prevesting patent contracts are excluded from return by the proposed bill. It has been the policy of the United States since 1942 to make the patents and technology vested from World War II enemy nationals readily available to American industry by means of revocable nonexclusive royalty-free licenses for the life of the patents. This policy has been widely publicized and has been relied upon by licensees in making investments to develop and exploit the patents. The exclusion of patent interests from the return program is thus in keeping with the Government's longtime policy and will serve to safeguard the interests of American licensees.

With two exceptions, the income received by the Alien Property Custodian and the Attorney General from vested patents and contract interests in patents would be returned by the proposed bill to natural persons up to a limit of $10,000 in the same manner as other property in Category I. One exception is the money collected from American licensees under prewar contracts with enemy nationals deemed violative of the antitrust laws. This money was collected because the Government did not suffer the disability of the enemy party. (See *Standard Oil Co.* v. *Markham* (57 F. Supp. 332), affirmed sub. nom. *Standard Oil Co.* v. *Clark* ((163 F. (2d) 917 (C. C. A. N. Y. 1947)), certiorari denied, 333 U. S. 873). It would, of course, be inequitable to enrich a returnee with a gift of funds which he himself could not collect. The second exception arises from the fact that much of the income received from vested patents and patent contract interests was derived from their use in war production. In returning vested patents and patent contract interests to nationals of Allied countries the Attorney General deducts royalties received from war production and turns them over to the Treasury. The returnee is compensated by his own government pursuant to reverse Lend-Lease arrangements. In the negotiation of the understanding between the United States and Italy which led to the return of vested Italian property it was agreed that patent royalties derived from war production should not be returned. In view of the fact that the segregation of such royalties would have been difficult, it was agreed that all royalties earned by vested Italian patent and patent contract interests prior to the end of 1945 would be deemed attributable to war production. The policy and date agreed upon in the Italian understanding have been used in the proposed bill.

CATEGORY V. PRINTS OF MOTION PICTURES

The Attorney General administers a considerable number of prints of motion pictures. Few, if any, of the individual prints are of more than nominal value. The aggregate value is not comensurate with the expense which would be involved in processing claims for their return. Furthermore, these prints can be duplicated elsewhere in almost every instance. Accordingly, the proposed bill excludes the prints from return except in cases where claims thereto have already been filed under existing law. The bill further provides that the Attorney General deliver the prints to the Library of Congress which may retain or dispose of them in any manner it deems proper.

A section analysis of the first part of the proposed bill is set forth below:

The proposed section 1 would make technical amendments to section 39 of the Trading With the Enemy Act necessitated by other provisions of the proposed bill.

Section 2 of the proposed bill would add new sections 40 to 43 to the Trading With the Enemy Act to effect the proposed returns of vested property. Such returns will not affect or be affected by transfers of the proceeds of liquidation of vested property to the War Claims Fund under the War Claims Act of 1948.

The proposed section 40 (a) would effect the returns in general of vested property to natural persons up to a limit of $10,000. It specifically excludes from return the securities subject to the looted securities agreement with the Netherlands, copyrights and copyright contract interests, motion picture prints, patents and patent contract interests, property transferable to the Philippine Government, and property subject to intercustodial agreements with foreign countries. It further provides that if the property of a prevesting owner exceeds $10,000 in value and cannot be divided into a portion having a value of $10,000, then return would consist of a lesser portion, if practicable, augmented by a supplemental return. Finally, section 40 (a) would make returns thereunder subject to deductions for expenses and reserves as set forth in section 40 (m).

The proposed section 40 (b) relates to trademarks and trademark contract interests. It would provide that they should be deemed to have no value in connection with the $10,000 limit on returns and in connection with valuation for the purpose of deducting general administrative expenses under section 40 (m). Section 40 (b) would make business enterprises eligible for the return of trademarks and contract interests therein. The reference to specific vesting orders would exclude from return certain possible reversionary or other similar rights relating to trademarks and good will connected with vested corporations still administered by the Attorney General. Trademark registration by the German Federal Government authorities would govern the return of trademarks in certain instances. All returns of trademarks would be subject to outstanding licenses issued with respect thereto.

The proposed section 40 (c) would authorize return of vested property to charitable, religious, and educational institutions without regard to its value.

The proposed section 40 (d) would limit to $10,000 the amount of property to be returned to the estate or the heirs of a prevesting owner who has died since the date of vesting. In addition, it would specifically prohibit any one person from receiving more than $10,000.

The proposed section 40 (e) would bar returns to persons claiming vested property who have previously settled or compromised suits or claims with respect to such property to persons or firms behind the Iron Curtain as of January 1, 1955, or subsequently, and to persons convicted of war crimes. Section 40 (e) (2) uses the phrase "maintained his principal dwelling place" in connection with the disqualification of persons behind the Iron Curtain. This phrase is used in preference to language appearing in section 2 of the Trading With the Enemy Act which defines an enemy as including a person "resident within" enemy territory. The definition in section 2 has caused difficulty, in part because of uncertainty as to the weight to be given to a person's intent as to the future place of his abode. The phrase "principal dwelling place" would eliminate such intent from consideration.

The proposed section 40 (f) would exclude from return by reference to specific vesting orders any income received by this Office from Mein Kampf and other works mentioned above and would exclude the Hoffman photographic collection both as to income and actual physical property.

The proposed section 40 (g) would exclude the return of moneys received from patent licensing contracts deemed to be violative of antitrust statutes and moneys received from the use of patents prior to the end of 1945.

The proposed section 40 (h) would bar return of property to a person claiming such property through his stock ownership or other beneficial interest in a business enterprise which owned the property prior to vesting.

The proposed section 40 (i) is practically identical with section 32 (d) of the Trading With the Enemy Act. It would restore persons to whom return is made to all rights, privileges, and obligations in respect of the returned property which would have existed if the property had not been vested. This section would specifically exculpate the Government from any liability in connection with its administration or use of the property during vesting. It would also bind the returnee by any notice received by the Attorney General prior to return and impose on him any obligations which accrued with respect to the property during the time of its vesting. The period of vesting would not be included for the purpose of determining the application of any statute of limitations to the assertion of any rights of such person.

The proposed section 40 (j) is practically identical with section 32 (e) of the Trading With the Enemy Act. It would permit persons eligible for return under the proposed section 40 to sue subsequent to the return to establish as against the returnee any right, title, or interest they may have in the returned property. The period of vesting would not be included in determining the application of any statute of limitations to any such suit.

The proposed section 40 (k) would require that claims for return under section 40 be filed within 1 year from enactment in such form as the Attorney General shall prescribe. New claims would be required from persons who have filed previously under other sections of the Trading With the Enemy Act.

The proposed section 40 (l) would prevent anything in section 40 from affecting the rights of claimants to pursue remedies under sections 9 (a), 32, or 34 of the act. It would prohibit a person claiming property under section 9 (a) or section 32 from receiving a return under section 40 unless he waives his claim under section 9 (a) or section 32 to the amounts of expenses and reserves retained under section 40 (m). A return of property to any person under section 40 would be prohibited while a claim to the same property filed by some other person is pending under section 9 (a) or section 32.

The proposed section 40 (m) would provide for the retention by the Attorney General of the amount of conservatory expenses incurred with respect to the returnable

property, a charge for administrative expenses and reserves for the payment of taxes and debt claims. It would provide that such expenses and reserves be retained from any additional property of the owner prior to vesting. Any unused portion of a reserve for the payment of taxes or debt claims would become returnable as though it had not been a part of a reserve. Returnees would be permitted to pay the amounts of expenses or reserves in lieu of the liquidation of returnable property to provide funds therefor.

The proposed section 40 (n) relates to controls exercised by the Treasury Department pursuant to section 5 (b) of the Trading With the Enemy Act over assets owned by Communist Chinese and certain other blocked nationals. Returned property would be subject to these controls if owned by such persons.

The proposed section 40 (o) would make the determinations of the Attorney General in the administration of section 40 final.

The proposed section 40 (p) contains definitions.

The proposed section 41 (a) would permit the use of currency of the Federal Republic of Germany payable to the United States to finance returns to persons in the Federal Republic or the western sectors of Berlin when the Attorney General deems that such action should be taken.

The proposed section 41 (b) would provide for the same possibility with respect to Japan if circumstances permit.

The proposed section 42 (a) defines "copyrights."

The proposed section 42 (b) would provide for the divestment of vested copyrights effective 90 days from the enactment of the section. This 90-day period is proposed in order to afford time for adequate notice and instructions to American licensees and American parties to vested prewar copyright contracts regarding the effect of divestment on their future payments of royalties and taxes thereon. Divestment would be made subject to outstanding licenses previously issued and assignments of interests in such licenses. The rights remaining in the Attorney General under licenses would be transferred effective the day of divestment to the owner of the divested copyrights. All royalties accrued up to that day would have to be paid to the Attorney General.

The proposed section 42 (c) would divest the vested interests in prewar contracts relating to copyrights effective 90 days from the enactment of the section. All sums payable under such contracts prior to the day of divestment would have to be paid to the Attorney General.

The proposed section 42 (d) would exclude from return the right to sue for infringement during the period of vesting.

The proposed section 43 would authorize the transfer of motion-picture prints to the Library of Congress with the exception of prints subject to claims under present law. The Library would have full discretion to retain or dispose of the prints in any manner it deems appropriate.

Section 3 of the proposed bill would amend section 32 (h) of the Trading with the Enemy Act to exclude from returns to designated successor organizations thereunder any property returnable under the proposed section 40.

Section 4 of the proposed bill would amend section 9 (a) of the Trading with the Enemy Act to permit the sale of vested property held subject to suit under that section upon a determination by the President that the interest and the welfare of the United States so requires. Any claimant in the suit would be permitted to elect, after the sale, whether to take his share of the proceeds of sale, if successful in the suit, or to request a determination of just compensation.

The final part of the proposed bill is to provide for the settlement of five categories of American war claims against Germany. Payments on allowed claims are to be made from the proposed German claims fund which is to consist of $100 million to be set aside from repayments by the Federal Republic of Germany under the agreement settling the United States claim for postwar economic assistance to Germany. The general types of claims authorized in the proposed measure are as follows:

(1) Physical damage to or physical loss or destruction of property located in Albania, Austria, Czechoslovakia, Germany, Greece, Poland, or Yugoslavia in the period beginning September 1, 1939, and ending May 8, 1945. Such losses must have occurred, under the proposed bill, as a direct consequence of military operations of war or of special measures directed against such property because of the enemy or alleged enemy character of the owner. The property must have been owned directly or indirectly by the claimant at the time of the loss, damage, or destruction. Certain items of personal property and intangibles are expressly excluded from the types of property, loss of which would otherwise be compensable under the bill.

(2) Damage to or the loss or destruction of ships or ship cargoes owned by the claimant at the time of such damage, loss, or destruction, which must have occurred as a direct consequence of military action by Germany in the period beginning September 1, 1939, and ending May 8, 1945.

(3) Net losses by insurance companies incurred in the settlement of claims for insured losses, including reinsured losses, of American-owned ships or ship cargoes as a direct consequence of military action by Germany in the period beginning September 1, 1939, and ending May 8, 1945.

(4) Loss or damage on account of the death or injury of any civilian national of the United States who was a passenger on any vessel engaged in commerce on the high seas if such death or injury was a result of military action by Germany during the period beginning September 1, 1939, and ending December 11, 1941 (the date upon which the United States declared war against Germany). In this general category the proposed bill would also include claims for the loss or damage to the property of any such passenger.

(5) Losses resulting from the removal of industrial or other capital equipment in Germany which was owned by the claimant on May 8, 1945, and removed for the purpose of reparation including losses from any destruction of property in connection with such removal.

Within the limits of the categories of claims provided for in the proposed bill, except with respect to death or personal-injury claims, provision is made for the recognition of claims based upon assignments to the claimant of the rights or interests in lost or damaged property or property that was subject to reparation removal.

Recognition of claims of stockholders or the direct or indirect owners of any other proprietary interest in a corporation or other entity, under the proposed bill would be conditioned upon 25-percent ownership, direct or indirect, of such interest at all times between the date of loss and the date of filing claim, by United States citizens or nationals. Each award under this type of claim would be in an amount equal to the respective percentage interest of each claimant in the total corporate ownership. In other words, if one-half of the stock of a corporation were owned by five persons each having a one-tenth ownership of the total stock and the total loss was $1 million, such individuals collectively would be entitled to one-half the loss and each claimant to one-fifth of such one-half, or $100,000.

Payment of awards certified to the Secretary of the Treasury by the Foreign Claims Settlement Commission would be made in the following order of priority:

(1) Death and disability claims would be paid in the full amount of each award certified.

(2) Payments of up to $1,000 would then be made on awards certified for all other claims. Thus, if the award is for $1,000 or less the full amount certified would be paid.

(3) Thereafter, payments would be made on the unpaid principal of awards in equal amounts on each award or in the total amount of the remaining unpaid principal amount whichever is less. The total payments under priorities (2) and (3) on any single award would not exceed $10,000 under the bill.

(4) Within the limits of any remaining funds available for payment of awards and after satisfying the requirements of priorities (1), (2), and (3) in that order, any remaining unpaid principal of an award would be paid on a prorated basis. If the funds remaining available for payment of awards, for example, amounted to 10 percent of the aggregate of such unpaid awards, each such unpaid award could be paid to the extent of 10 percent of the unpaid balance of such award.

Eligible claimants in the case of natural persons are required to be nationals of the United States on the date of the loss for which a claim is filed and continuously thereafter until the date of filing such claim. In the case of a person who may have lost United States citizenship through marriage to a citizen or subject of a foreign country, such person would be an eligible claimant if citizenship is reacquired prior to the date of enactment of the proposed bill, and if such person would have been a national of the United States at all times on or after the date of such loss if such marriage had not taken place. A national of the United States is defined as any person who is a citizen of the United States or who owes permanent allegiance to the United States. Aliens are expressly excluded from such definition.

Eligible claimants in the case of corporations or other business entities, under the proposed bill, are required to have been incorporated or otherwise organized under the laws of the United States or of any State or Territory thereof or the District of Columbia on the date of the loss, damage, destruction, or removal of its property, and not reincorporated or otherwise reorganized under any other laws in the period beginning with the date of the loss and ending with the date of filing claim. In addition the proposed bill requires as a condition of eligibility for such corporations or business entities that at least 50 percent of the outstanding capital stock or other proprietary interest in such entity was owned directly or indirectly by natual persons who could qualify as eligible claimants as described in the preceding paragraph.

These provisions of eligibility follow the traditional and generally accepted principle of international law relating to the nationality of claimants asserting claims against governments other than their own. It is believed a strict compliance with the eligibility requirements established by international law is essential since, in theory, the claims are to be paid from the proceeds of vested German assets that have been vested as reparation.

In addition to the foregoing major provisions of the proposed bill certain necessary collateral provisions are included relating to the claims filing period, limitation of attorneys' fees, deduction for administrative expenses and similar administrative matters. These are more particularly described in the following section-by-section analysis of this part of the proposed bill.

Section 5 amends the War Claims Act of 1948, as amended, by designating such act at title I.

Section 6 amends new title I by changing the word "act" to "title" wherever the word "act" appears.

Section 7 further amends the War Claims Act of 1948, as amended, by adding at the end thereof the following proposed title II containing sections numbered 201 through 220. These sections provide as follows:

Section 201 contains definition which would require that the loss, damage, destruction or removal for which compensation is claimed shall have occurred within the territorial limits of Albania, Austria, Czechoslovakia, Germany, Greece, Poland, and Yugoslavia as those limits existed in continental Europe on December 1, 1937. These countries are included since no provision has been made or is likely to be made for the payment of American war claims arising in these areas. In addition, this section defines the term "Commission" to mean the Foreign Claims Settlement Commission of the United States.

Section 202 creates in the Treasury of the United States a fund to be known as the German Claims Fund and directs the Secretary of the Treasury to cover into this Fund $100 million from the moneys to be paid to the United States by the Federal Republic of Germany under the agreement dated February 27, 1953, settling the United States claim against Germany for postwar economic assistance. In addition this section requires the deduction from such fund of an amount equal to 5 percent thereof as reimbursement to the United States for expenses incurred by the Commission and the Treasury Department in the administration of the claims program subsequently authorized.

Section 203 contains the basic authorization to the Commission for the receipt and settlement of five categories of claims which have been previously described in the summary of the major provisions of the bill.

Section 204 specifically excludes certain items of personal property, including tangible property, from the types of property the loss, damage, destruction or removal of which forms the subject matter of any claim authorized under section 203. Section 204 further provides that in determining the amount of any award credit shall be given for the amount which any claimant has received or is entitled to receive from any source on account of the same loss, damage, destruction or removal, thus preventing double benefits.

Section 205 relates to the eligibility of natural persons and corporations or business entities as claimants under proposed title II. The provisions of these sections have heretofore been described in more detail.

Section 206 relates to claims based upon proprietary or other interests in corporations or business entities. These provisions have been heretofore summarized and need not be repeated.

Section 207 requires the Commission to give public notice in the Federal Register within 60 days after enactment of the proposed bill or within 60 days after enactment of legislation making appropriation for administrative expenses, of the time limit for filing claims, and permits a maximum of 18 months after such publication within which claims may be filed.

Section 208 restricts recoveries under any claim which accrued to a national of the United States and purchased by another national of the United States to the amount of the actual consideration last paid for such claim prior to January 1, 1953. In other words, this section is designed to prevent unconscionable gains as a result of purchases motivated by this legislation.

Section 209 requires the certification of claims to the Secretary of the Treasury for payment.

Section 210 requires all awards to be paid from the German Claims Fund and permanently appropriates the money in such fund for the making of payments on all certified awards.

Section 211, subsection (a), sets forth the order in which awards shall be paid by the Secretary of the Treasury. The provisions of this section have been heretofore described in the summary of the proposed bill and need not be repeated here.

Subsection (b) requires payments and applications for such payments on certified awards to be made in accordance with regulations of the Secretary of the Treasury.

Subsection (c) provides that the term "award" shall mean the aggregate of all awards certified in favor of the same claimant except awards made with respect to death or disability claims where the basis of the claim would not consist of a series of losses by the same claimant.

Subsection (d) authorizes the issuance of a consolidated award in favor of several claimants having an interest in the subject matter of the claim and provides that such awards shall indicate the respective interests of such claimants therein. In other words, for example, where the original owner of destroyed property, who would have been an eligible claimant, dies either before or after filing a claim the heirs of such deceased original owner would be entitled to a consolidated award based upon such loss to the extent of their respective fractional interests therein.

Subsection (e) expressly authorizes the Secretary of the Treasury to create a reserve for the payment of certified awards and to defer payment thereof if such deferment is necessary or desirable and thereupon to make payments on account of all other awards. In other words, this provision is designed to prevent payments under later priorities from being delayed because of legal problems or other difficulties arising in connection with payments under awards having an earlier priority. For example, payment of an award may become impossible to make at a particular time because of litigation among survivors of an award holder or possibly because of corporate dissolution. Under these circumstances the payment of such award might be delayed for several years. Under this provision, meanwhile, a reserve could be set up in an amount sufficient to cover such an award and the Secretary could thereupon proceed with payment of awards having a later priority.

Section 212 provides that the payment of any award unless in the full amount of the claim shall not divest the claimant, or the United States in his behalf, of the right to assert a claim against any foreign government for the unpaid balance of his claim filed with the Commission.

Section 213 provides that the decisions of the Commission in the settlement of claims shall be final and conclusive without recourse to review in any court. It contains, further, the usual provision authorizing the Comptroller General to allow credit in the accounts of any certifying or disbursing officer for payments in accordance with the decisions of the Commission.

Section 214 authorizes appropriations by the Congress for necessary funds with which to administer the program.

Section 215 limits the fees of attorneys or others acting in behalf of any claimant in connection with any claim filed with the Commission to a maximum of 10 percent of the total amount paid pursuant to a certified award and sets forth certain criminal penalties for violation of this provision. This provision represents the accepted policy of limiting such fees in connection with claims and other services in matters involving agencies of the Government of the United States.

Section 216 authorizes payments under certified awards to the legal representative of any deceased person or persons under legal disability except where such payments will not exceed $1,000 and there is no qualified executor or administrator. In such cases the Comptroller General would be authorized to determine who is entitled to such payment. In other words, where the payment does not exceed $1,000 the expense of obtaining the appointment of administrators or guardians or of probating a will will not be required.

Section 217 prevents payments to any persons who collaborated with the enemy in World War II.

Section 218 incorporates certain definition and administrative provisions contained in the War Claims Act of 1948, as amended, making such provisions applicable to the administration of the German claims program. These provisions relate to rule-making authority, notice of the claims filing period, hearings, subpena powers, and related administrative matters.

Section 219 requires the completion of the German claims program within 5 years after the enactment of legislation making appropriations to the Commission for administrative expenses and provides that nothing in the provisions with respect to such program shall be construed to limit the life of the Commission or its authority to act with respect to other claims programs.

Section 220 directs the Secretary of State to make available to the Commission records and documents required by the Commission in the settlement of the claims authorized under proposed title II.

Section 8 of the proposed bill is a severability provision.

JURISDICTION OF GOVERNMENT CORPORATION CONTROL ACT OVER THE HOUSING AND HOME FINANCE AGENCY, RURAL ELECTRIFICATION ADMINISTRATION, AND SMALL BUSINESS ADMINISTRATION

Mr. WILLIAMS. Mr. President, I introduce, for appropriate reference, a bill to make the Housing and Home Finance Agency, the Rural Electrification Administration, and the Small Business Administration subject to the Government Corporation Control Act.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2230) to make the Housing and Home Finance Agency, the Rural Electrification Administration, and the Small Business Administration subject to the Government Corporation Control Act, introduced by Mr. WILLIAMS, was received, read twice by its title, and referred to the Committee on Government Operations.

Mr. WILLIAMS. The purpose of this bill is to bring these three lending agencies under the Government Corporation Control Act, thereby extending to the General Accounting Office the authority to audit their transactions.

The Hoover Commission, in its report of March 1955, entitled "Lending Agencies," strongly recommended such action be taken, bringing these three agencies under the Government Corporation Control Act "in order to secure greater administrative efficiency and economy."

With these three agencies handling billions of dollars for the American taxpayers, certainly there can be no excuse why they should not be subject to an audit by the General Accounting Office.

CONSTRUCTION AND OPERATION OF JUNIPER DIVISION, WAPINITIA PROJECT, OREGON

Mr. MORSE. Mr. President, on behalf of myself and my colleague, the junior Senator from Oregon [Mr. NEUBERGER], I introduce, for appropriate reference, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of the Wapinitia Federal reclamation project, Oregon. I wish to make a brief explanation in regard to the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the Senator from Oregon is recognized.

The bill (S. 2234) to authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of the Wapinitia Federal reclamation project, Oregon, introduced by Mr. MORSE (for himself and Mr. NEUBERGER), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. MORSE. Mr. President, on the eastern slope of the Cascade Mountains in Oregon, there is located a plateau known as Juniper Flat, containing over 2,100 acres of irrigable lands presently receiving an inadequate suppy of water during summer months. A full supply of water for these very fertile lands can become a reality if the waters of Clear Creek, a tributary of the White River in Oregon, can be stored for use as needed in irrigation. A plan has been outlined by the Bureau of Reclamation, and has been reported to the Congress favorably by the Department of the Interior, whereby Clear Creek waters may be so utilized. This plan is encompassed in a project described as the Juniper division of the Wapinitia project.

According to the Bureau of Reclamation, the necessary water storage can be accomplished by the construction of a dam and reservoir at the headwaters of Clear Creek. The dam would enlarge Clear Lake so as to create what would be known as the Wasco Reservoir. It would have an active storage of approximately 12,000 acre-feet for irrigation purposes.

I cannot overemphasize the importance of reclamation projects of this type for the West and particularly for the areas of the Pacific Northwest where rainfall is sparse. All of us in the Senate are aware that such projects will contribute substantially to the future food supply of our rapidly increasing population. The soil in these areas is highly fertile. In addition to wise farming, all that it requires for maximum service to humanity is water. Reclamation projects such as that envisaged for Juniper Flat, if constructed in our times, will be on hand to assist future generations in coping with the weighty problems of obtaining an ample supply of food.

The Bureau of Reclamation reports that this project is economically justified and that repayment of the reimbursable construction costs allocated to irrigation—$518,000—can be repaid by water users in accordance with the reclamation law, within 40 years after water comes to the land. An exceptionally high benefit—cost-ratio—is found in this case. Considering primary benefits alone, the favorable ratio would be 1.6 to 1.

This proposed project is located in a region containing some of the most beautiful forests, streams, and scenery in our Nation. Recreation facilities, which are so important in our day and age of tensions and pressure, can be developed to a substantial degree on this project. The report of the Commissioner of Reclamation on the Wapinitia project states:

> Significant recreation developments would also accrue if recreational facilities were developed in accordance with plans set forth in the report of the National Park Service.

For that reason, the bill which I am about to introduce would authorize the Secretary of the Interior to devote up to $34,870 to provide the visiting public with facilities for recreation on the project.

The Bureau's report states that the farmers who are members of the Juniper Flat District Improvement Co.—the existing irrigation facility—are overwhelmingly in favor of the project.

In fact, my colleague and I are introducing the bill because we have had very strong representations made by the farmers of this area as to the need for the water which would be provided by the project.

Mr. President, I sincerely hope that this project will receive prompt and favorable consideration of the Congress.

STUDY AND REPORT BY SECRETARY OF AGRICULTURE ON BURLEY TOBACCO MARKETING CONTROLS

Mr. ELLENDER. Mr. President, under date of June 7, 1955, the House passed Senate Joint Resolution 60, which had been passed by the Senate on April 28. The joint resolution authorized and directed the Secretary of Agriculture to make a study of burley tobacco marketing controls, and to report thereon.

The joint resolution is now on the President's desk awaiting signature. The President has been advised by the Secretary of Agriculture that it would be impossible to make a report by July 1, as the joint resolution directs.

I am, therefore, on behalf of the Senator from Kentucky [Mr. CLEMENTS], submitting a concurrent resolution, the purpose of which is to have the joint resolution returned to the Congress, with instructions that the action taken up to this time, including the signing of the joint resolution by the President of the Senate and the Speaker of the House, be rescinded, and that the Secretary be authorized to change the reporting date from July 1, 1955, to November 1, 1955, and that the joint resolution be then returned to the President.

I ask unanimous consent for the immediate consideration of the concurrent resolution.

The VICE PRESIDENT. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 37) requesting the President to return to the Senate the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls, and providing for a change in the reenrollment of said joint resolution, was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls; that if and when returned the action of the Speaker of the House of Representatives and the President pro tempore of the Senate in signing the said joint resolution be, and the same is hereby, rescinded; and that the Secretary of the Senate be, and he is hereby, authorized and directed to reenroll the said joint resolution with the following change, namely: In lieu of the date "July 1, 1955", insert "November 1, 1955."

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the RECORD, at this point, a letter to me from the administrative assistant to the Senator from Kentucky [Mr. CLEMENTS].

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
June 14, 1955.

The Honorable ALLEN J. ELLENDER,
Chairman, Senate Agriculture and Forestry Committee,
Washington, D. C.

DEAR SENATOR ELLENDER: In the absence of Senator CLEMENTS, who is as you know in the Far East on a mission for the Appropriations Committee, I am taking the liberty of bringing to your attention and requesting your assistance with a problem that has arisen with respect to Senate Joint Resolution 60—directing a study and report by the Secretary of Agriculture of burley tobacco marketing controls.

This bill was passed by the Senate some weeks ago and by the House on June 7. (Passed Senate April 28.) As approved the resolution directs the Secretary to submit to the Congress on or before July 1, 1955, a report on the results of his study. The Department of Agriculture yesterday afternoon advised me they could not complete the report by July 1, 1955, and requested that if at all possible the resolution be drawn back from the White House by concurrent resolution and amended to make the reporting date November 1, 1955. I was further advised the Department has already requested the White House to withhold action on this resolution pending your consideration of this request and action by the Congress.

This request by the Department of Agriculture meets with the approval of our burley tobacco people, and if you concur there is attached a Senate concurrent resolution drawn to carry out the objective desired, which you may introduce in the Senate this afternoon, and with the approval of the minority, be passed at that time by unanimous consent.

Thanking you for your assistance in this matter, I am,

Sincerely yours,

FRANK DRYDEN,
Administrative Assistant to Senator Earle C. Clements.

CONCURRENT RESOLUTION FOR PEACE

Mr. SMITH of New Jersey. Mr. President, on last Friday, in cooperation with my colleague in the House, Mrs. BOLTON of Ohio, I introduced a joint resolution requesting the President of the United States to convey to the delegations attending the United Nations meetings in San Francisco a reaffirmation of the desire of the people of America for peace, and urging the people of other nations to join in a renewed effort for peace. Representative BOLTON and I have since conferred about this matter, and believe it was a mistake to introduce the measure in the form of a joint resolution. We believe that, instead, it should be submitted as a concurrent resolution.

Therefore, today Representative BOLTON is submitting in the House of Representatives an appropriate concurrent resolution, and I am submitting an identical concurrent resolution in the Senate, for appropriate reference.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 38) was referred to the Committee on Foreign Relations, as follows:

Whereas it is the hope and prayer of the American people that peace will be established among all the nations of the world, thus avoiding the carnage and destruction of war, making possible the lifting of the burden of arms and thereby freeing the energies of mankind to work more effectively to overcome the ravages of hunger, disease, illiteracy, and poverty: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress reaffirms the deep desire of the people of the United States for an honorable and lasting peace, and expresses the hope that the people of all the nations of the world join with the people of the United States in a renewed effort for peace.

The President is requested to convey an expression of such reaffirmation and such hope to the representatives of the nations gathered in San Francisco to commemorate the 10th anniversary of the founding of the United Nations.

AMENDMENT OF RULE RELATING TO CLOTURE

Mr. LEHMAN submitted the following resolution (S. Res. 108), which was referred to the Committee on Rules and Administration:

Resolved, That (a) subsection 2 of rule XXII of the Standing Rules of the Senate, relating to cloture, is amended to read as follows:

"2. If at any time, notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, a motion, signed by 16 Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate pursuant to this subsection, the Presiding Officer shall at once state the motion to the Senate, and 1 hour after the Senate meets on the following calendar day but 1, he shall lay the motion before the Senate and direct that the Secretary call the roll, and, upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

" 'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by a two-thirds vote of those voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than 1 hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane, shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate."

(b) Subsection 3 of rule XXII of the Standing Rules of the Senate relating to cloture, is amended to read as follows:

"3. If at any time, notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, a motion, signed by 16 Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate pursuant to this subsection, the Presiding Officer shall at once state the motion to the Senate, and 1 hour after the Senate meets on the 14th calendar day thereafter (exclusive of Sundays and legal holidays), he shall lay the motion before the Senate and direct that the Secretary call the roll, and, upon the ascertainment that a quorum is present, the Presiding Officer shall, without further debate, submit to the Senate by a yea-and-nay vote the question:

" 'Is it the sense of the Senate that the debate shall be brought to a close?'

"During the period intervening between the statement of the motion to bring debate to a close and the taking of the vote thereon, the time for general debate on such motion shall be equally divided between the proponents and the opponents thereof, and shall be controlled by 1 Senator designated by the Presiding Officer to control such time for the proponents and 1 Senator designated by the Presiding Officer to control such time for the opponents. Time available to, but not used by, either such side shall be yielded to the other side.

"If the question so submitted on the motion to bring debate to a close shall be decided in the affirmative by a majority vote of those voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than 1 hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate."

AMENDMENT OF RULES RELATING TO CERTAIN YEA-AND-NAY VOTES

Mr. LEHMAN. Mr. President, I submit, for appropriate reference, two resolutions proposing changes in the Rules of the Senate. The first of these resolutions proposes that there be an automatic rollcall on the question of engrossment and passage of any joint resolution proposing an amendment to the Constitution of the United States. The second of the proposed rules changes would provide that there must be a rollcall of the Senate on the final question to advise and consent to the ratification of a treaty.

I am sure that my colleagues are overwhelmingly in sympathy with the general purposes of these two proposals. The Senate Rules Committee in the 83d Congress reported favorably on Senate Resolution 207, providing for a rollcall on the final question to advise and consent to the ratification of treaties. In addition, the Committee on Rules and Administration reported favorably on my resolution, Senate Resolution 144, of the 83d Congress, proposing changes in the Senate rules which would require an automatic rollcall on the question of engrossment and passage of any resolution proposing an amendment to the Constitution.

I am pleased to note that since July 1953, when I called the attention of the Senate to the fact that a number of treaties had been passed upon by voice vote, and that even a resolution proposing an amendment to the Constitution had passed the Senate on a call of the calendar without a rollcall, this abuse of the responsibility of the Senate in these highly important matters has not recurred. However, while the majority leader of the Senate in the 83d Congress, the senior Senator from California, and our present majority leader, the senior Senator from Texas, have taken it upon themselves to assure rollcalls on such important measures as constitutional amendments and the giving of consent to the ratification of treaties, I feel that it would be well to amend the Rules of the Senate to bind future Senates in this regard.

It is my hope that these proposed changes in the Rules of the Senate can be expeditiously acted upon by the Committee on Rules and Administration, and that we shall be able to take formal action on these proposals prior to the adjournment of the 1st session of the 84th Congress.

The VICE PRESIDENT. The resolutions will be received and appropriately referred.

The resolutions were referred to the Committee on Rules and Administration, as follows:

Senate Resolution 110

Resolved, That rule XII of the Standing Rules of the Senate is amended by adding at the end thereof a new subsection as follows:

"4. No vote upon the question of engrossment and passage of any joint resolution proposing an amendment to the Constitution of the United States shall be had unless, immediately prior to such vote, it has been ascertained, by a rollcall ordered for such

purpose, that a quorum of the Senate is present. The question of engrossment and passage of any joint resolution proposing an amendment to the Constitution of the United States shall be determined by a yea-and-nay vote; and the yeas and nays shall be considered to have been ordered upon any such question."

Senate Resolution 111

Resolved, That rule XXXVII of the Standing Rules of the Senate is amended by adding at the end of the last paragraph of section 1 the following:

"No vote upon the final question to advise and consent to the ratification shall be had unless, immediately prior to such vote, it has been ascertained, by a rollcall ordered for such purpose, that a quorum of the Senate is present. The final question to advise and consent to the ratification shall be determined by a yea-and-nay vote; and the yeas and nays shall be considered to have been ordered upon any such question."

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO DEPARTMENT OF DEFENSE APPROPRIATION BILL

Mr. CHAVEZ submitted the following notices in writing:

In accordance with rule XI of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 52, after line 16, insert the following:

"SEC. 639. Effective April 15, 1955, and during the fiscal year 1956, under such regulations and in such localities as may be prescribed by the Secretary of Defense, enlisted members granted permission to mess separately whose duties require them to purchase one or more meals from other than Government messes shall be entitled to not to exceed the pro rata allowance authorized for each such meal for enlisted members when rations in kind are not available."

Mr. CHAVEZ also submitted an amendment, intended to be proposed by him, to House bill 6042, making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 4, line 1, insert the following: "and in addition not to exceed $200 million to be used upon determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense and to be derived by transfer from such appropriations available to the Department of Defense for expenditure during the current fiscal year as the Secretary of Defense may designate."

Mr. CHAVEZ also submitted an amendment, intended to be proposed by him, to House bill 6042, making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

DEPARTMENT OF COMMERCE APPROPRIATIONS—AMENDMENT

Mr. GREEN (for himself, Mr. MONRONEY, Mr. CARLSON, Mr. SCHOEPPEL, Mr. KENNEDY, Mr. PASTORE, Mr. ERWIN, Mr. DANIEL, Mr. KERR, Mr. LONG, and Mr. THURMOND) submitted an amendment, intended to be proposed by them, jointly, to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT—AMENDMENT

Mr. KEFAUVER submitted an amendment, intended to be proposed by him to the bill (H. R. 6575) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes, which was referred to the Committee on Public Works, and ordered to be printed.

RETROCESSION OF JURISDICTION OVER ELLIS ISLAND—CHANGE OF REFERENCE

Mr. KILGORE. Mr. President, on May 4 1955, the bill (S. 1886) to provide for the retrocession of jurisdiction over Ellis Island, and the conveyance of all interest of the United States in such island, to the State of New York, was referred to the Judiciary Committee.

It has come to my attention since reference to the Judiciary Committee that this bill should properly have been referred to the Committee on Government Operations. I have caused a check to be made with the Parliamentarian's office and understand it was found, upon inquiry, that Ellis Island has been declared to be surplus property and, as such, the reference of S. 1886 should have been made to the Committee on Government Operations.

I presented the matter to the Committee on the Judiciary and upon its authorization I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of S. 1886 and that it be re-referred to the Committee on Government Operations for appropriate action.

The VICE PRESIDENT. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

PRINTING OF REVIEW OF REPORT ON MOREHEAD CITY HARBOR, N. C. (S. DOC. NO. 54)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated October 6, 1954, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a review of report on Morehead City Harbor, N. C., requested by a resolution of the Committee on Public Works on July 1, 1949. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF REVIEW OF REPORT ON KALAMAZOO RIVER, MICH. (S. DOC. NO. 53)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated December 14, 1950, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a review report on Kalamazoo River, Mich., requested by a resolution of the Committee on Public Works of June 24, 1947. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF REVIEW OF REPORT ON CHIPPEWA RIVER, WIS. (S. DOC. 52)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated May 14, 1951, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a review of report on Chippewa River, Wis., and tributaries, requested by a resolution of the Committee on Public Works of October 28, 1941. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF REVIEW OF REPORTS ON MIDDLE SNAKE RIVER, SNAKE RIVER, AND TRIBUTARIES, WYOMING, IDAHO, OREGON, AND WASHINGTON (S. DOC. NO. 51)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated April 25, 1955, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a review of reports on the Middle Snake River, Snake River, and tributaries, Wyoming, Idaho, Oregon, and Washington, requested by a resolution of the Committee on Public Works on October 5, 1951. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BIBLE:

Address delivered by Senator THURMOND at the Big Seven regional meeting of the American Bar Association, at Cincinnati, Ohio, on June 10, 1955.

By Mr. BUTLER:

Address on the subject of the Olympic games, delivered by him before the combined Civic and Service Clubs of Ann Arundel County, Md., on June 9, 1955.

By Mr. MUNDT:

Commencement day address delivered by Hon. Harold E. Talbott, Secretary of the Air Force, at the Federal Bureau of Investigation Academy graduation exercises, in Washington, D. C., on June 10, 1955.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. KILGORE. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Gerald E. Murch, of Maine, to be a member of the Board of Parole, for term expiring September 30, 1959, vice James A. Johnston, deceased.

William F. Howland, Jr., of Virginia, to be a member of the Board of Parole, for term expiring September 30, 1960, vice Richard A. Chappell, term expired.

Notice is hereby given to all persons interested in these nominations to file with the committee on or before Tuesday, June 21, 1955, any representations or objections in writing they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

THE PRIVATE AND PUBLIC DEBT

Mr. MARTIN of Pennsylvania. Mr. President, debt, both public and private, has tripled in 15 years and is still rising.

Since 1950, the Federal debt has increased about $12 billion, while the States and communities have increased their debts from about $18 billion to $33 billion, or an increase of $15 billion.

Business and farm debts have increased over $80 billion and individual debt has increased over $50 billion.

The interest on these various debts is $23 billion a year.

From the standpoint of government, the States have increased their debt more rapidly than debt has been increased at any other level.

The time has come for governments and individuals to give dedicated consideration to the matter of debt. Government, at all levels, should balance the budget.

The great cause of inflation is governmental debt. All those in authority must give the closest attention to economical government.

The Philadelphia Inquirer of June 9 contained an editorial entitled, "New Jersey Taxes and Ours." This distinguished newspaper compares taxes and budgets in Pennsylvania and New Jersey.

New Jersey claims the smallest per capita State tax of any State in the Union.

All of us should congratulate New Jersey.

I ask unanimous consent to have printed at this point in my remarks the editorial from the Philadelphia Inquirer.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW JERSEY TAXES AND OURS

Organized labor in Pennsylvania, strange as it may seem, has endorsed Governor Leader's proposed wage tax. But before the Governor commits his administration irrevocably to that levy, in violation of his campaign pledges, it might be a good idea for Pennsylvania leaders generally to take a look across the river, to see what goes on in New Jersey.

In a current advertisement, the public service corporation of that State points out that New Jersey has the lowest per capita taxes of any State in the United States of America for the 1954 fiscal year. It states further:

"New Jersey has no individual State income tax, no State corporation tax, no State unincorporated business tax, no State sales tax, and complete exemption of intangible personal property from local property taxes."

How does New Jersey do it?

It might be a good idea for leaders in Harrisburg to find out, before any more taxes are imposed on the people of Pennsylvania.

New Jersey's budget, incidentally, is balanced, too.

WATER SHORTAGES

Mr. BENNETT. Mr. President, until recent years the problem of water shortage was one with which we westerners wrestled almost exclusively. We have lived with the problem, although not happily, since the West was first opened to settlement, and our friends in the eastern part of the Nation have been content to let us work out as best we could the ever-recurring and never-ending problem of how we could obtain water for our farms, for our kitchens, for our industries.

During the last decade, however, the problem of water supply has become a matter of concern in many parts of the Nation whose annual rainfall we westerners have always envied. Water supply, vital as it is, apparently is no more important than water availability and water use. The shortage of usable water was best dramatized for nonwesterners in the spring and summer of 1950, when New York City suffered a drought that surprised those persons who had not learned, as we westerners have, that literal truth of that ancient aphorism "as fickle as water."

In this connection, Mr. President, the Washington Sunday Star for June 12, 1955, under the byline of Mr. Joseph A. Fox, printed an article headed "Water, Water Everywhere but United States May Be Facing Catastrophic Shortage." I ask unanimous consent that this article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WATER, WATER EVERYWHERE, BUT UNITED STATES MAY BE FACING CATASTROPHIC SHORTAGE

(By Joseph A. Fox)

Is the United States headed toward a catastrophic water shortage?

That is more than a possibility, according to some experts. They point to spots on the water map where ever-growing needs already are creating supply problems—and litigation. They predict that the time will come when critical areas will be the rule rather than the exception, as population increases and industry expands.

Nothing of the sort is going to happen, according to another school of informed thought on the subject.

Conceding that the water stocks of the Nation are poorly distributed, and that there probably will be times and places in which severe shortages occur, at least temporarily, these experts insist that the country as a whole is safe.

The worst that could happen, they contend, is that water, which now costs the average householder less than 5 cents a ton—250 gallons—could become a relatively expensive commodity in areas of scarcity, where elaborate pumping systems might be required to bring it in from the outside.

The two sets of forecasters agree on one point: The country has become so dependent on an adequate supply of water for so many things, that much more must be done by everybody concerned, in the way of research and planning to meet this need. Admittedly, not enough attention has been given the problem in the past. Water has been too much taken for granted.

The West always has been water conscious, because of the demands of agriculture. More than half the water used in this country today goes to keep fields green in that region, once given over largely to sagebrush and rattlesnakes.

Nowadays, new advances in industry—the development of synthetic fibers, for example—call for more water all the time. Forty percent of all the water we use goes to industry. And so the industrial East also is awakening to the importance of the water factor in the economy.

With 90 percent of our useful water supply going to agriculture and industry, only a thin 10 percent remains for everyday living needs in city and countryside. Here, again, our growing population adds to the squeeze each year.

Congress also is becoming more aware of the water problem. The House, which wants to set up water-supply projects in every State, only recently started the ball rolling by voting $4 million to continue experiments on methods for making salt and brackish water usable for everyday needs. The Senate upped this to $10 million and a conference committee is now working on an adjustment.

President Eisenhower has a Cabinet committee studying the problem.

To anyone trying to get a true perspective on the dimensions of this water problem, the figures compiled by the United States Geological Survey offer a hopeful key.

CONSUMPTION MAY DOUBLE

There are 165 million people in the United States. They use, currently, 210 billion gallons of fresh water every day—more than 1,200 gallons a person. The experts expect this consumption rate to double within the next 25 years.

Where does this water come from?

Of the 210 billion gallons used daily, 175 billion is surface water from rivers and lakes. The remaining 35 billion are drawn from the ground in wells and springs.

How does the demand stack up against the supply?

The average daily rainfall across the country is 4.2 trillion gallons. This is 20 times the present daily demand. It represents an average annual rainfall of about 30 inches. The joker, however, is that only a fraction of this total water supply actually is available for use by man.

HOW IT BREAKS DOWN

Here is how the figures break down:

In the first place, more than 70 percent of the total precipitation—21.5 inches of it—is either evaporated or absorbed by nonuseful plants before man has a chance to get at it.

The remaining 30 percent—8.5 inches—becomes available to man in streams, lakes, or wells. Technically, this water is known as runoff. In theory, it can be used. Again, however, much of this water cannot under present circumstances be put to effective use. It comes in flood flow of such volume that it is too hard to store. Or it may be needed to carry away sewage—or for navigation. Some 7 inches of rainfall goes into these channels.

On its face, the picture is not too frightening. The water is there. Clearly, a serious shortage will be averted if we can find ways of getting more use from the 30-percent potential runoff supply, and of salvaging some of that original 70-percent wastage.

Bad distribution is the foremost stumbling block to satisfactory use of rainfall. Too often, rain comes at the wrong place, at the wrong time, and in too much volume.

The 17 westernmost States—where the Government has its vast reclamation projects—constitute about 60 percent of the land area of the United States. But they get only about one-fourth of the overall water supply.

BATTLE OVER WATER RIGHTS

There also is great disparity within these regions.

For example, the Pacific Northwest has a 100-inch rainfall yearly; places like Utah and Nevada get 4. This is the sort of thing that starts the States battling over water rights.

Adequate legal standards for this issue still are to be devised, but controls that will safeguard the rights of all are looked on as an ultimate certainty.

More basic than the problem of how to divide up the water is the problem of how to get more water to divide. Here is where the planners are really getting busy.

They emphasize:

"Overdevelopment"—that is, taking more water out of a given area than nature puts back in the earth—must be eased. New sources of supply must be developed. And, as a complementary proposition, no avenue of avoiding waste and promoting water conservation can be overlooked.

SEVERAL LINES FOLLOWED

In trying to take greater advantage of available water supplies, hydrologists have been pursuing several lines of attack.

Where geological conditions are favorable, it has been possible to save stream water that would otherwise be wasted by sinking wells nearby, and, in effect, siphoning the water through the ground to these subterranean depositories.

Another device is the artificial recharge of ground stores by spreading floodwaters from mountain streams over land where soil structure will permit it to seep in.

Receiving much attention also is the destruction of the worthless water-loving plants—they're known as phreatophytes—which habitually grow where their roots can be sent down to the water table and which, through the process of transpiration, discharge relatively large quantities of water vapor into the air.

The storage and reuse in small reservoirs and cooling towers of water that already has served some industrial purpose is another step being studied. More effective pollution control and less waste in irrigation also are recognized needs.

DESALTING MOST DRAMATIC

The most dramatic line of inquiry, however, is the desalting program. Here, of course, the effort is not aimed at salvaging presently available supplies—but rather at increasing the total supply of fresh water. Involved is not alone the matter of purifying salt sea water, but also of cleansing fresh water areas that have become impregnated with salt water seepage—a problem of increasing importance in some west coast areas.

Some work already has been done on this water-cleansing idea. But the ordinary processes still are too expensive to make the operation feasible in a program of any size. Right now, it costs between $400 and $500 an acre-foot—a 1-acre expanse of water but 1 foot deep—to freshen up the salt water.

The Interior Department which is directing the desalting project seeks to reduce the cost for sea water to about $120 an acre-foot, and that for making brackish water suitable for irrigation to $40 an acre-foot. Scientists believe these goals are in sight.

The key to the cleansing is cheap energy. Electricity is too expensive. The experts think the ultimate solution may lie in the application of some nonconventional energy—that generated by the heat of the earth.

Government scientists, refusing to be stampeded, always have felt that the water problem could be solved if nature got a little help before time ran out. Now, they see progress in that direction.

Mr. BENNETT. Mr. President, the House Committee on Interior and Insular Affairs today reported proposed legislation authorizing the upper Colorado River storage project.

Authorization and ultimate construction of this project will not solve all of Utah's water problems, but will greatly alleviate what amounts to perhaps the greatest single waste of water which this water-short Nation permits year after year. At a time when water is needed for the agricultural, industrial, and domestic survival of one of the fastest-growing areas in our Nation, we are permitting about 4,500,000 acre-feet of water to run annually into the sea. Is this wise water management?

I call Mr. Fox's article to the attention of my colleagues, particularly those in the House of Representatives, where there will yet be this year, I trust, a vote on the upper Colorado project authorization. The article does not concern itself with the project directly, but it does point up the seriousness of water shortages in many sections of the United States.

Mr. President, the means to correct one water problem—certainly the water problem for Utah and for her three sister States in the upper basin of the Colorado River—lies within congressional power today and in the weeks which lie ahead before this session of Congress adjourns.

It is the hope of the junior Senator from Utah that his colleagues in the House of Representatives will shut their eyes and ears to the flood of baseless propaganda which has been loosed against authorization of the upper Colorado River storage project and, as we in the Senate have done, will vote, when the time comes, to give Utah, Colorado, Wyoming, and New Mexico their fair share of water, provided by God, guaranteed by compact, but denied until now by legislative lethargy.

REMARKS BY GREGOR MACPHERSON, GRAND MASTER OF MASONS OF THE DISTRICT OF COLUMBIA, IN OPENING THE NIGHT OF THRILLS PROGRAM

Mr. FREAR. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the opening remarks by Gregor Macpherson, one of our able and distinguished Official Reporters of Debates of the Senate, and also grand master of Masons of the District of Columbia. Mr. Macpherson's remarks were made on the occasion of the annual Night of Thrills program at Griffith Stadium, last Friday evening. This program is the great charitable enterprise conducted jointly by the Masonic fraternity and the Order of the Eastern Star of the District of Columbia for the maintenance and support of the Masonic and Eastern Star home.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Brethren and friends, welcome to the 1955 Night of Thrills. Let us rejoice in this great opportunity to do something for someone else. Let us be thankful that we live in a country in which brotherhood is not a lost word, a country in which there is no price on a grand master's head.

DECISION BY THE SUPREME COURT OF THE UNITED STATES IN THE CASE OF FEDERAL POWER COMMISSION VERSUS OREGON

Mr. NEUBERGER. Mr. President, on June 6, 1955, I placed in the CONGRESSIONAL RECORD the decision which had been rendered that day by the Supreme Court of the United States in the case of Federal Power Commission against Oregon, and the dissenting opinion of Justice William O. Douglas. I may say in passing, Mr. President, without wanting to appear to pass judgment on the juristic merits of the case, that I was much impressed with the opinion of Justice Douglas, who has lived in the West and has much personal familiarity with the mountain streams and the national forests which give rise to the problems of this case.

These problems, Mr. President, are of crucial importance to all States within which the Federal Government holds extensive public lands. During the past week, I have received much additional evidence of the concern which the Supreme Court's ruling has caused in Oregon. Conservationists, among them Mr. Lyle F. Watts, former chief of the United States Forest Service, who now lives in Portland, fear that the State government now may be unable to protect unique natural scenery such as the

spectacular waterfalls of the Columbia River gorge. Others express alarm at the prospect that all administrative machinery set up by State governments to adjust competing interests in surface water may have been rendered useless.

In view of the importance of the problems raised by this decision for the Western States, in which water is the one most crucial resource, and in which the Federal Government owns so much public land, I have asked the Senator from New Mexico [Mr. ANDERSON], the distinguished chairman of the Subcommittee of Irrigation and Reclamation, of the Senate Committee on Interior and Insular Affairs, to initiate an early study of the practical effects of the Supreme Court's decision, with a view to determining whether legislative clarification of the relative functions of the Federal and State governments in this field is necessary.

I ask unanimous consent, Mr. President, to have printed in the RECORD my letter to the chairman of the Reclamation Subcommittee, the Senator from New Mexico [Mr. ANDERSON], followed by editorials from the Portland Oregonian of June 8, 1955, the Astorian Budget of June 9, and the Eugene Register-Guard, also of June 9, and an article from the last-named paper of June 8, 1955.

There being no objection, the letter, editorials, and article were ordered to be printed in the RECORD, as follows:

JUNE 13, 1955.

The Honorable CLINTON P. ANDERSON,
Chairman, Subcommittee on Irrigation and Reclamation, Senate Committee on Interior and Insular Affairs, Senate Office Building.

DEAR CLINT: I am writing you as chairman of the Reclamation Subcommittee of the Senate Interior Committee to bring to your attention the very serious problems which have been raised by the decision of the United States Supreme Court of June 6, 1955, in the case of *Federal Power Commission* v. *Oregon*. In that decision, the Supreme Court has held that the Federal Power Commission can authorize a licensee to build a dam on federally owned public lands across a nonnavigable, wholly intrastate stream without regard to State water laws and, in fact, against the opposition of the State agencies charged with responsibility for the use of water within the State.

You will, of course, immediately appreciate the far-reaching importance of this decision to all the Western States. On the one hand, water is the crucial and the most valuable resource of that region, and all Western States have adopted elaborate legal provisions to assure its wise and productive use. On the other hand, large proportions of the land in these States—in Oregon, 51 percent—are Federal property. If the streams flowing across that Federal property are to be beyond State control, all efforts of the States to assure conservation and fair adjustment of competing interests in water may be rendered futile.

The potential impact of the decision has accordingly caused much alarm in my own State of Oregon. Conservationists have inquired whether the Federal Power Commission may now license dams to exploit the spectacular waterfalls of the Columbia River gorge—falls which the people of Oregon want forever protected in their unique scenic grandeur. Fishermen fear that the State's water resources board will be powerless to weigh the need for protecting salmon and trout against the claims of hydroelectric development. The status of current proposals for dams on the McKenzie and the Illinois Rivers in Oregon has been thrown into doubt by the apparent sweep of the Court's opinion. I have no doubt that the implications of the decision are equally significant for every other State which has substantial Federal public lands within its borders.

I should like to suggest, therefore, that the Reclamation Subcommittee undertake at the earliest opportunity a study of the scope of the decision of the Supreme Court in *Federal Power Commission* v. *Oregon* and of its probable impact and practical effect on the authority of a State to regulate the use of flowing water within its borders, with a view to determining whether or not legislative clarification is necessary. As the Supreme Court recognized, the functions of the Federal and State Governments in the development of river resources constitute a complex pattern of constitutional and statutory responsibilities. It is not a field in which hasty action is advisable. The importance of the problems raised by the Court's decision is such, however, that the appropriate congressional committees should review them as soon as possible to determine whether and what additional Federal legislation may be needed. For that purpose, I shall be glad to make available to the Reclamation Subcommittee all materials which I may receive bearing on the consequences in practice of the Court's decision.

Sincerely,

RICHARD L. NEUBERGER,
United States Senator.

[From the Oregonian, of Portland, Oreg., of June 8, 1955]

OREGON LOSES ITS WATERS

The United States Supreme Court's decision in the Pelton Dam case is a staggering blow to sovereignty of the Western States over their internal, nonnavigable waters. Those who have been indifferent to the legal battle over use of the Deschutes River in the belief that it was merely a fish versus power fight may now perceive that it involves a great deal more than Pelton Dam.

The decision means that Oregon and other Western States have no jurisdiction or control over the use of waters flowing through Federal lands when such lands have been reserved for specific uses by an administrative order of a Federal official.

Since there is no legal appeal beyond the Supreme Court, the only recourse from this point onward if Oregon is to regain the power to determine the most beneficial uses of its waters is to go to Congress. The support of populous California and other States should be obtained for an amendment to the Federal Power Act. Congress should write into the act the requirement for State permission before construction of power dams and nonnavigable, intrastate streams.

The 7-to-1 decision of the Supreme Court, reversing a 2-to-1 decision of the Ninth Circuit Court of Appeals, has not yet been received and carefully studied here. But it seems to turn on a distinction made between Federal lands such as national forests and grazing lands, and Federal lands set aside as power sites.

The Desert Land Act of 1877 gave to the Western States to which it applied the control of waters flowing from the public domain. About 1909, under Theodore Roosevelt's influence, the Secretary of Interior began withdrawing power sites on streams. This action was questioned, and in 1910 Congress gave the Secretary specific authority to make reservations for power purposes.

No one seems to have a handy record of how many such power reservations were made in the State of Oregon in the period 1909 to 1913. But these included the Pelton and Round Butte sites on the Deschutes, sought by Portland General Electric Co., as well as several in the Rogue River system. The Supreme Court held that these were not subject to terms of the Desert Land Act. Hence, no State authority need be recognized.

If this means what we believe it means, these old sites on the public domain as well as any others the Secretary of Interior may wish to withdraw or reserve for power purposes may be turned over to private or public dam builders by the Federal Power Commission without regard for State laws or licenses.

Since the Federal Government owns 51 percent of Oregon's land area and virtually all major rivers originate in or flow through Federal lands, this means that Oregon has lost jurisdiction over the bulk of its inland waters.

The hearing held by the State engineer the other day on the city of Eugene's application for the Beaver Marsh project, in a national forest, thus appears to have been a waste of time. The site could be taken out of State jurisdiction—if, in fact, it is there now—by a simple order of a Federal official.

The elaborate machinery for a State water resources commission and law adopted by the last legislature will have far less authority than had been supposed, if Congress does not change the laws interpreted by the Supreme Court.

Sportsmen and commercial fishermen who have given some thought to proposing that the people of Oregon vote on establishment of fish sanctuaries in certain rivers in which fish are a paramount value may as well forget about it, if the Supreme Court's decision stands. The Federal law would nullify such an expression of popular will in Oregon.

So far as the Deschutes itself is concerned, PGE's decision to ask for reinstatement of its 50-year license for a dam at the Pelton site and one at the Round Butte site will depend on a number of factors. Some of these are its plans for partnership development of John Day Dam and joint construction with other utilities of the Mountain Sheep and Pleasant Valley Dams in the Snake River.

But the effect of the Supreme Court's ruling goes far beyond the Deschutes. We believe a State should have primary jurisdiction over the use of nonnavigable waters within its borders. Oregon's congressional delegation should get to work on this immediately.

[From the Astorian Budget, of Astoria, Oreg., of June 9, 1955]

LEGISLATION NEEDED

The shocking decision of the United States Supreme Court in the Pelton Dam case—a decision which seems to have caught even Portland General Electric by surprise—indicated a need for the States to rise to protect whatever rights they may have in governing the use of waters within their boundaries.

The Supreme Court decision seems to make a serious Federal encroachment upon such rights, making it possible for a Federal agency to override the will of the people of a State with respect to water usage.

The grounds on which the Supreme Court based its decision that the Federal Government had a right to license Pelton Dam seem specious. The court held that since the banks of the Deschutes River at Pelton were both owned by the Federal Government the Government had a right to license the dam. Obviously there are many places, particularly in the West, where the Federal Government owns much property, where the mere accident of Federal ownership of river bank property will make possible future circumventions of State control of use of State waters.

The only recourse the State of Oregon has in this matter is by act of Congress. There is no other way to upset a Supreme

Court decision, unless the Court itself should be persuaded to reconsider.

Presumably other States will be willing, probably eager, to join Oregon in seeking congressional action which would prevent such Federal encroachments as the Supreme Court has just authorized.

[From the Eugene Register-Guard, of Eugene, Oreg., of June 9, 1955]

THE PELTON DAM DECISION

This week's Supreme Court decision on Pelton Dam has implications that may go far beyond the gorge of the Deschutes River where the Portland General Electric Co. wants to build a power dam. The implications could reach into the structure of State government, into the philosophy of States rights, and into the proposal of the Eugene Water and Electric Board for building Beaver Marsh Dam on the headwaters of the McKenzie. The decision will make some persons wonder why they bothered to testify last week when the State engineer conducted hearings on the Beaver Marsh issue. The Federal Government may be interested in what the State engineer decides after the local Beaver Marsh hearings, but, since this Supreme Court decision, the engineer's recommendations will be merely recommendations.

Let's review:

Pelton Dam would be in the Deschutes River in Jefferson County. It would be built by the Portland General Electric Co. When the utility first sought to build the dam, fish and wildlife interests objected. Who was right and who was wrong in that controversy has no bearing on the present case. The State engineer figured the fish and game people were right. PGE's license application was turned down. Then PGE went to the Federal Power Commission and got a license from that group. Upon this Oregon sued the FPC in Federal court. The Federal court upheld Oregon's objection. The FPC appealed to the Supreme Court, which Monday said that PGE can build its dam.

The Deschutes is not a navigable stream, and it lies wholly within the borders of the State of Oregon. The Federal Government got into the picture because the shoulders of the dam would rest on Federal property. (Similarly the Federal Government has an interest in Beaver Marsh because that dam would be in a national forest.) Since the Desert Land Act was passed in 1877, States have had control of waters flowing through the public domain. However in 1910 Congress gave the Federal Government specific authority to "withdraw" power sites lying within the public domain. The court Monday held that such power sites are not subject to the 1877 Desert Land Act and thus that State permission is not needed for development of one of these power sites.

The Supreme Court ought to know what the law is. A 7-to-1 decision is a strong decision. It would be presumptuous for us to question the legal opinions of seven Supreme Court Justices.

We don't consider ourselves in the ranks of the vigorous "States' rights" supporters. Too often "States rights" has been a refuge of scoundrels and a shield for demagogues. But we don't like to have local opinion ignored, either—law or no law.

When you don't like a law, the best thing to do is to change it. That's what the Izaak Walton League and similar groups are asking Senator RICHARD NEUBERGER to work for now. They want a law, similar to the one introduced by Wisconsin's Representative JOHN BYRNES a couple of years ago, which would protect the State's interests in such matters. Representative BYRNE'S bill got lost in Congress and never came to a vote. We agree that now is the time to try again.

Oregon is 51 percent federally owned. Some States such as Wyoming, Utah, and Nevada, are even more heavily owned by the Government. All the Western States have a vital interest in the Monday decision. Already Washington, concerned about a city of Tacoma power project, has expressed great alarm over the Monday decision. California, which is arid in many portions and has many streams flowing wholly within the State, is also interested—and populous enough to bring impressive congressional weight to the question.

We will grant to the Federal Government the right to prohibit a dam on Federal property if the Government doesn't want it there. But we can't feel that local interests are being protected if the Federal Government can authorize dam construction without the approval of the people whose interests will be most affected by it.

[From the Eugene Register-Guard, of Eugene, Oreg., of June 8, 1955]

STATES RIGHTS SCRAP LOOMS ON WATER USE AFTER HIGH COURT'S DECISION ON PELTON DAM

The United States Supreme Court's ruling in favor of a private power company's plans for Pelton Dam on the Deschutes River in central Oregon was working itself into a "States rights" battle Wednesday.

But most of those who are concerned more or less directly with the decision were either reserving candid opinion or were out of their offices and couldn't be reached.

Some charges were building up, however, and there are indications that some persons may seek a possible rehearing on the decision.

Objections so far are arising from the Court's ruling Monday that the Federal Power Commission has jurisdiction over the use of water on nonnavigable streams that touch upon federally owned land.

WATER CONTROL

This ruling indicates that the State has no say over who will and who will not be permitted to use water from Oregon streams for power projects.

Pelton Dam is in that situation. The location on the Deschutes touches on an Indian reservation on one side. Therefore, the FPC, according to the Supreme Court, has jurisdiction over the use of the water in relation to the reservation, for the power development.

Development is planned by the Portland General Electric Co. The firm has asked for a 50-year permit for the dam construction and powerhouse features.

DAMAGE TO FISH

Arguments on the issue started some time ago when an application was made by the company to the Oregon State engineer. Conservationists pointed out that fish life in the Columbia River would be harmed and spawning beds would be irreparably damaged.

The State engineer and the hydroelectric commission denied the application. The matter was appealed to the Ninth Circuit Court of Appeals.

The court of appeals upheld Oregon, declaring that the State has the right to control use of the water within its boundaries.

With the High Court ruling, however, the issue has apparently become more than a fish and power fight. It is a matter of States rights in the control of local factors.

FIRST BLAST

First major blast against the High Court's decision came Tuesday from Dan Allen, of Eugene, State president of the Izaak Walton League.

Allen argued that the ruling may serve to make the new State water resources board ineffective. He charged that the decision means the State and its residents have no control over the use of water on the nonnavigable streams just because they pass through Federal lands.

JUST A JOKE

Allen also declared that the State engineer's hearings in Eugene last week on the Beaver Marsh project contemplated by the Eugene Water & Electric Board may turn out to be a joke.

Beaver Marsh is on the upper McKenzie and is in federally owned forest land. Presumably the State engineer would be the ruling factor in whether or not the EWEB can use the river water for its planned power project.

But the Beaver Marsh issue must also face an FPC hearing on June 27 in Eugene. If the State engineer recommends denial of the EWEB application, it appears the FPC could make the final decision on the application by giving its approval.

COMMENT RESERVED

Ivan Oakes, secretary of the Willamette River Basin Commission, said from his Portland home Wednesday that on the surface, the decision seems like "not a very good thing for Oregon. We should have the say over our own water."

Oakes said he will reserve other comments until reading the decision. He added that as far as he knows, no one in Oregon has received copies yet.

Dean Orlando Hollis, chairman of the Eugene Chamber of Commerce power committee, also reserved comment.

Lyle Watts, Portland, who was chairman of the Governor's interim committee on water resources, commented that the decision is "unfortunate, so far as that goes, but I don't know how unfortunate yet."

ENCROACHES ON STATE

Rollin Bowles, attorney for the Izaak Walton League in Pelton, urged Senator NEUBERGER to seek aid in obtaining congressional change of laws to stop possible Federal jurisdiction over interstate streams.

Oregon Attorney General Robert Y. Thornton also had objections to the High Court's decision. He declared that the decision "may well be a very serious encroachment on the rights of the States to control purely internal nonnavigable streams."

DISASTER AT LAS VEGAS, NEV.

Mr. BIBLE. Mr. President, I wish to make a brief statement concerning a very disastrous event which has just occurred.

Mr. President, Las Vegas, Nev., where many Senators have visited, is at this moment the center of a disastrous flood and hail storm. Telephone service into the area is disrupted, and early this morning first press reports indicated damage in excess of $1 million already.

Almost fifty blocks of this desert city were under more than two and one-half feet of water. Reports within the past hour indicated a severe hail storm has added to the confusion and destruction. I have already alerted the civilian defense officials here in charge of the disaster-relief program, asking their cooperation for immediate assistance and relief to any individuals in need in the Las Vegas area. The Federal Civil Defense is telegraphing to its office nearest to the storm area, to determine what damage has occurred and what assistance will be necessary.

The Senate might give thought for a moment to commending the Federal agencies charged with giving immediate aid in instances of this kind. I have found the Civil Defense officials to be extremely cooperative, and I want to commend them at this time for their fine attitude and prompt action.

MEETING "AT THE SUMMIT"

Mr. KEFAUVER. Mr. President, citizens of this country and peaceloving men and women all over the world are looking forward with hope to the meeting "at the summit," which will be held at Geneva beginning July 18.

There has been some fear in the administration that hopes might run too high in regard to the possible accomplishments at this meeting. This may be so, but it also should be pointed out that even if concrete agreements cannot be reached at this meeting, if a more tranquil world results regardless of agreements, we shall have made a long step forward.

Lessening of tensions in itself will be a great accomplishment. Agreements may be possible in tranquility which appear incapable of accomplishment now.

I hope that a spirit of bipartisanship will accompany the American delegation. I hope also that the delegation will be representative of the best we have to send to these vital negotiations.

With this in view I suggest to President Eisenhower that he include on his delegation the distinguished chairman of the Foreign Relations Committee of the United States Senate [Mr. GEORGE].

I do not say this as a matter of flattery. The Senator from Georgia, with his great knowledge and experience, his integrity, and his courage, has become, to my mind, the principal stabilizing force in American foreign policy. I should like to see him as a member of this delegation, not because as a Democrat he would lend to the delegation an air of bipartisanship, but because of his ability and character.

I further propose that Ambassador George Kennan be included on the President's delegation. I do not know Ambassador Kennan's party alinement, if he has such. But I do not know that he has a knowledge of Russia and her leaders which is rare among Americans. We know him, too, as a principal architect of the policy which has now reached its fruition in the changes which have been observed in the foreign policy of Russia, and of which this conference at the summit is the outstanding example.

Last, but not least, I believe that Mrs. Eleanor Roosevelt should be a member of the President's delegation. As a delegate to the United Nations she has great experience in dealing with the Russians which she did with courage, independence, and, most important, patience. Her presence would have the respect of Russia and create confidence on the part of free peoples all over the world.

I make these suggestions seriously and hopefully. I hope that those at the State Department and the White House who are concerning themselves with the composition of the President's delegation will give them thoughtful consideration.

PROPOSED NATURAL GAS LEGISLATION

Mr. DANIEL. Mr. President, in today's Washington Post there is an editorial concerning the natural gas legislation recently reported favorably by the House Committee on Interstate and Foreign Commerce. It is the so-called Harris bill, which would amend the Natural Gas Act to relieve some of the consequences of the recent Phillips decision by the United States Supreme Court. A similar measure is presently pending in the Senate Interstate and Foreign Commerce Committee. While I do not agree with every statement made, this editorial is worthy of note by the Members of Congress, and I therefore request unanimous consent that it be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONSUMERS AND GAS PRICES

The difficulties involved in the problem of regulating natural-gas prices were illustrated by the 16-to-15 vote on the Harris compromise last week in the House interstate and Foreign Commerce Committee. The Supreme Court itself was split in its decision a year ago in which it declared that the Federal Power Commission has the power and duty to regulate the prices paid to natural gas producers. The House committee wisely rejected the original Harris bill which would have overturned the Supreme Court decision. Instead after weeks of hearings and lengthy executive sessions, the committee approved by the 16-to-15 vote, a measure giving the FPC power to set maximum prices in the various gas fields.

Furthermore, the bill gives the FPC power to invalidate certain price increases. For example, the FPC could prevent increases under the so-called escalator and favored-nation clauses in contracts. These clauses permit producers to increase gas rates for a variety of reasons, most of which have nothing to do with the actual cost of production. The compromise plan would allow FPC to invalidate rate increases under escalator clauses while leaving the producer free in the first instance to negotiate within the maximum rate established, basic contracts with the pipelines.

Most of the consumer groups holding out for vigorous regulation of all gas prices oppose this compromise. While it is impossible for the layman to be certain that the compromise is workable, it seems to this newspaper, as it did to the committee majority, that it is as satisfactory a solution as is possible under the extremely complex circumstances. Producers have made a strong case against Federal price fixing of gas prices at the wellhead, but they have not given satisfactory assurances that the consumer would be protected if there were no regulation at all. Therefore, the compromise plan seems to be worth trying.

But Representative HARRIS is not content to rest with the compromise. Stung by criticisms from consumer groups and by the opposition to his original bill by some gas distributors, he has introduced a resolution calling for an investigation of the cost of transportation and distribution of natural gas. The natural gas producers have maintained that their price increases do not wholly account for the substantial increases to the consumer in recent years. Mr. HARRIS would find out "why the average residential consumer here in Washington is required to pay $1.39 per thousand cubic feet for natural gas which has a field cost of only 11 cents to the producer * * * I think we should find out why it is that in New York the average cost to the residential consumer is $2.43 per thousand cubic feet for natural gas, which has a field price of 8 cents."

These are legitimate questions. If such an investigation were properly conducted it should tell us whether the FPC, which regulates the pipelines, and the State utility commissions, which regulate the distributors, are doing a thorough job of protecting the consumer. The public utility commissions of the District of Columbia, Maryland, Virginia, and West Virginia made a strong case the other day that the FPC is not now properly exercising its authority to regulate producers' prices. The investigation, however, should not be conducted simply to prove the kettle blacker because there is bad feeling between producer and distributor interest. Congress must look out for a broader national interest. Certainly, if it passes the Harris compromise, Congress will have a responsibility to make certain that the FPC carries out its part of the bargain for the protection of the consumer.

PREFERENCE IN TRIALS OF CRIMINAL PROCEEDINGS INVOLVING TREASON AND OTHER CRIMES

Mr. BUTLER. Mr. President, in support of Senate bill 682, which I introduced on January 24, 1955, I ask unanimous consent to have printed in the body of the RECORD a resolution adopted by the national executive committee of the American Legion at its May 1955 meeting, and in making this request, I also express the fervent hope that this bill will soon be scheduled for consideration.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas under date of January 24, 1955, Senator JOHN M. BUTLER, of Maryland, introduced S. 682, same being a bill to accelerate consideration by the courts of criminal jurisdiction of proceedings involving treason, espionage, sabotage, sedition, and other subversive activities; and

Whereas in the opinion of the members of the national legislative commission of the American Legion the law should also be changed to increase to 15 years the statute of limitations applicable to certain of the offenses enumerated in said bill S. 682: Now, therefore, be it

Resolved by the national executive committee of the American Legion, in regular meeting assembled at Indianapolis, Ind., May 4–6, 1955, That we do hereby go on record as favoring the passage of the said bill S. 682; and be it further

Resolved, That the national legislative director of the American Legion be and he hereby is authorized to appear before the Congress in support of the said bill S. 682.

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

EXECUTIVE SESSION

Mr. STENNIS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

John B. Hollister, of Ohio, to be Director of the International Cooperation Administration; and

Donald D. Kennedy, of Oregon, and sundry other persons for appointment in the diplomatic service.

By Mr. KILGORE, from the Committee on the Judiciary:

Edward G. Minor, of Wisconsin, to be United States attorney for the eastern district of Wisconsin, vice Timothy T. Cronin, term expired; and

Kenneth P. Grubb, of Wisconsin, to be United States district judge for the eastern district of Wisconsin.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Twenty-nine postmasters.

By Mr. BYRD, from the Committee on Finance:

Donald Ross, of New Jersey, to be a member of the Renegotiation Board, vice John Hubbard Joss, deceased.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will proceed to state the nominations on the executive calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Edward J. Sparks to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES TARIFF COMMISSION

The Chief Clerk read the nomination of James Weldon Jones to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1957.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

ROUTINE DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the routine Diplomatic and Foreign Service.

Mr. STENNIS. Mr. President, I ask that the routine nominations in the Diplomatic and Foreign Service be confirmed en bloc.

The VICE PRESIDENT. Without objection, the routine Diplomatic and Foreign Service nominations are confirmed en bloc.

Mr. STENNIS. I ask that the President be notified immediately of all nominations confirmed this day.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. STENNIS. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. STENNIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection, it is so ordered.

RESIDUAL OIL AND COAL

Mr. MARTIN of Pennsylvania. Mr. President, the bill to extend the Reciprocal Trade Agreements Act is about to be reconsidered by both the House and the Senate.

Presumably it will become law very shortly.

Inasmuch as it contains a provision that was accepted in lieu of a specific quota limitation on oil imports, I believe that it is not too early to take stock of the oil import situation.

We should determine whether the wishes of the President and the Congress as embodied in the present version of H. R. 1 are being carried out.

The matter of oil imports and their relationship to domestic production and capacity of all fuels is of vital importance to the country as a whole because of their impact on the national security and the general economic welfare of our citizenry.

Among the several States, Pennsylvania has perhaps the major stake in the overall fuels picture. The State of Pennsylvania is the Nation's second leading producer of bituminous coal. It produces all of our anthracite. It is America's pioneer oil State and continues to produce upwards of 10 million barrels of crude petroleum each year.

Natural gas has been produced in Pennsylvania since its discovery in Butler County in 1840. In total, Pennsylvania is the Nation's third ranking producer of mineral fuels and power in the United States.

As a consumer of bituminous coal and competing fuels and power, Pennsylvania stands well above every other State in the Union. We are far and away the leading consumers of coal and we take an important share of the other sources of energy.

If atomic energy is ever to become a practical means of generating electric power on a commercial basis, Pennsylvania will be in the vanguard of this new industry, inasmuch as the generating plant of the Duquesne Light Co. at Shippensport is the first of its kind in the world.

Some of the fuel being consumed by electric outlets and industries on Pennsylvania's east coast is imported residual oil; in addition, a percentage of the crude refined in the eastern part of our State comes from foreign sources.

The President's Advisory Council on Energy Supplies and Resources Policy, after a thorough investigation which was conducted over a period of several months, came to the conclusion that it would be perilous to our security to permit those oil imports to exceed the 1954 proportions.

As for the effect of oil imports on the economy of our State, Pennsylvanians have long recognized that much of our unemployment can be attributed directly to the Nation's oil-import policy.

Residual oil imports are competitive with both the bituminous coal and anthracite industries. The problem thus created concerns not only the present generation, but is also inherent in a long-range analysis.

The Nation has depended upon Pennsylvania's coal production for 200 years, and it will continue to do so for many centuries into the future.

As a consequence of the decline in coal's markets created by the impact of excessive residual oil imports, our railroad industry has also been injured severely.

Pennsylvania originates and receives far more railroad coal freight than any other State, with coal tonnage accounting for a considerable portion of the total revenue. When coal production goes down, railroad employment goes down with it.

The effect of unnecessarily high imports in the domestic oil industry has also been defined before committees of Congress and for the attention of the President's council on fuels.

America's independent producers and refiners have long warned of the adverse effect of imported crude products on their industry.

It is my considered opinion that the agreement reached by the Senate Finance Committee with the executive department and representatives of large importing oil companies can serve as an effective checkmate on oil imports.

While it will not restore all the markets which the coal and domestic oil industries have lost to imports over the past several years, it nevertheless serves notice that the Government will not tolerate foreign trade practices which are harmful to the Nation and its people.

It definitely establishes a level that must be respected by the importing companies.

As we approach the end of the first 6 months of 1955, I feel that it is incumbent upon Congress to examine the trend of oil imports during this period.

For this reason I have made a detailed study of United States Bureau of Mines reports relative to incoming shipments of crude and its products during the first 5 months—January through May.

Crude and refined products totaled 188,670,300 barrels, an increase of 19.2 percent over the 158,317,000 barrels which were imported in the same months of 1954.

Obviously, this figure is entirely out of proportion to the levels agreed upon.

In the matter of residual oil imports, reports are even more unfavorable. This

fuel entered our country in such quantities during the first 5 months of this year that statistics show a 25-percent increase over the January–May period of 1954.

Last year 56,956,000 barrels of residual oil were imported from January 1 through May 31; in the current year the total amount was 71,571,000 barrels. At this rate the year's total would amount to more than 171 million barrels—far more than ever before in history.

The President's fuel report, recommending that the line be drawn in accordance with 1954 proportions, was issued last February 26. In the 4 weeks ended March 25, imports of residual oil were up 22 percent over a like period in the previous year. For the 4-week period ended April 22, there was an 18.7 percent increase over the corresponding 1954 period.

Even after the Senate Finance Committee decided on February 26 to accept the recommendations of the President's Fuel Committee in respect to oil imports, foreign residual continued to inundate the fuel markets of the east coast.

For the 4-week period ended May 27, receipts of this fuel were 21 percent over last year's mark.

Mr. President, I think that the importers of residual oil are giving both Congress and the executive department cause for concern. While it may be too early to assume that the stipulation incorporated in H. R. 1 is being disregarded by the importers, it is nevertheless apparent that they are entirely too slow in complying with the Government's intent.

In order to get down under the limit for the year as a whole, there will have to be some drastic cutbacks in the remaining months, and I believe that officials of the importing companies would be well advised to lose no time in planning their immediate and future schedules accordingly.

I plan to make another report on this matter in another month or 5 weeks and I trust that the news will be much more favorable at that time.

CALL OF THE CALENDAR

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the call of the calendar. The Secretary will state the first measure in order.

AMENDMENT OF RULE XXV OF THE STANDING RULES OF THE SENATE

The resolution (S. Res. 17) to amend rule XXV of the standing rules of the Senate was announced as first in order.

Mr. BIBLE. Mr. President, I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

CONSTRUCTION OF FRYINGPAN-ARKANSAS PROJECT, COLORADO

The bill (S. 300) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, was announced as next in order.

Mr. HRUSKA. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

BILLS, ETC., PASSED OVER

The bill (S. 256) to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association, was announced as next in order.

Mr. ERVIN. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 669) to provide an elected mayor, city council, school board, and nonvoting delegate to the House of Representatives for the District of Columbia, and for other purposes, was announced as next in order.

Mr. BIBLE. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 184) to make certain changes in the regulation of public utilities in the District of Columbia, and for other purposes, was announced as next in order.

Mr. ERVIN. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1633) relating to a constitutional convention in Alaska was announced as next in order.

Mr. ERVIN. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 35) providing for a study of merchant marine training and education in the United States was announced as next in order.

Mr. ERVIN. Mr. President, I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 51) to amend the act entitled "To confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes," was announced as next in order.

Mr. HRUSKA. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 922) to amend the Domestic Minerals Program Extension Act of 1953, in order to further extend the program to encourage the discovery, development, and production of certain domestic minerals, was announced as next in order.

Mr. WILLIAMS. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 31) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President was announced as next in order.

Mr. HRUSKA. Mr. President, I ask that the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

ROSETTA ITTNER

The bill (S. 85) for the relief of Rosetta Ittner was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Rosetta Ittner may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

WILHELMINE SCHELTER

The bill (S. 86) for the relief of Wilhelmine Schelter was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Wilhelmine Schelter may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

FERNANDA MILANI

The bill (S. 101) for the relief of Fernanda Milani was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Fernanda Milani shall be held and considered to have been lawfully admitted to the United State for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ANA P. COSTES

The bill (S. 117) for the relief of Ana P. Costes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ana P. Costes shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to

deduct one number from the appropriate quota for the first year that such quota is available.

RENZO PETRONI

The bill (S. 137) for the relief of Renzo Petroni was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Renzo Petroni shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

THOMAS KUNHYUK KIM

The bill (S. 142) for the relief of Thomas Kunhyuk Kim was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Thomas Kunhyuk Kim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

DR. AND MRS. HENRI REVILLIOD

The bill (S. 160) for the relief of Dr. and Mrs. Henri Revilliod was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. and Mrs. Henri Revilliod shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

IVAN POWELL

The bill (S. 161) for the relief of Ivan Powell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ivan Powell shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ROSA TOMASINA MARIA PUGLISI (ROSA TOMASINA MARIA SANO)

The bill (S. 174) for the relief of Rosa Tomasina Maria Puglisi (Rosa Tomasina Maria Sano) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Rosa Tomasina Maria Puglisi (Rosa Tomasina Maria Sano) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

PORFIRIO PUNCIANO VILA, HIS WIFE AND CHILDREN

The bill (S. 177) for the relief of Porfirio Punciano Vila, his wife, Tatiana Abatooroff Vila, and children, Porfirio P. Vila, Jr., Anne Marie Vila, and Josephine Anne Vila was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Porfirio Punciano Vila, his wife, Tatiana Abatooroff Vila, and children, Porfirio P. Vila, Jr., Anne Marie Vila, and Josephine Anne Vila shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

MANHAY WONG

The bill (S. 181) for the relief of Manhay Wong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Manhay Wong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

KRESTE FANTULIN

The bill (S. 190) for the relief of Kreste Fantulin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kreste Fantulin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

VINCENZO SANTAGATA

The bill (S. 197) for the relief of Vincenzo Santagata was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Vincenzo Santagata, who lost United States citizenship under the provisions of section 404 (a) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Vincenzo Santagata shall have the same citizenship status as that which existed immediately prior to its loss.

FILLIPO MASTROIANNI

The bill (S. 198) for the relief of Fillipo Mastroianni was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That Fillipo Mastroianni, who lost United States citizenship under the provisions of section 404 (a) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Fillipo Mastroianni shall have the same citizenship status as that which existed immediately prior to its loss.

AHMET SUAT MAYKUT

The bill (S. 214) for the relief of Ahmet Suat Maykut was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ahmet Suat Maykut shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GIUSSEPINA CERVI

The bill (S. 254) for the relief of Giussepina Cervi was considered, ordered to be engrossed for a third read-

ing, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Giussepina Cervi, shall be held and considered to be the natural-born alien child of Sergeant John Louis Troiano, a citizen of the United States.

VESA REIJO LUUKKONEN

The bill (S. 324) for the relief of Vesa Reijo Luukkonen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Vesa Reijo Luukkonen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELVIRA TOCCHIO ANZEDEI

The bill (S. 325) for the relief of Elvira Tocchio Anzedei was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Elvira Tocchio Anzedei shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GUISEPPE BERTOLANI (GINO MANCINI)

The bill (S. 340) for the relief of Guiseppe Bertolani (Gino Mancini) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Guiseppe Bertolani (Gino Mancini) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

RICHARD KARL HOFFMAN

The bill (S. 345) for the relief of Richard Karl Hoffman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Richard Karl Hoffman shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

XARALAMPOS JIANNOULOS, ALSO KNOWN AS HARRY NOULIS

The bill (S. 354) for the relief of Xaralampos Jiannoulos, also known as Harry Noulis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Xaralampos Jiannoulos, also known as Harry Noulis, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

RALPH PICCOLO (RAFFAELE PICCOLO)

The bill (S. 360) for the relief of Ralph Piccolo (Raffaele Piccolo) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ralph Piccolo (Raffaele Piccolo) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

MARIA STELA LEITAO

The bill (S. 367) for the relief of Maria Stela Leitao was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria Stela Leitao shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARCELINA ANDERSON

The bill (S. 368) for the relief of Marcelina Anderson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Marcelina Anderson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELENA SPACAPAN

The bill (S. 369) for the relief of Elena Spacapan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Elena Spacapan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GEORGE J. ATHANASSOPOULOS

The bill (S. 387) for the relief of George J. Athanassopoulos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George J. Athanassopoulos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

PETRE AND LIUBITZA IONESCU

The bill (S. 388) for the relief of Petre and Liubitza Ionescu was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Petre and Liubitza Ionescu shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

SERGIO I. VEIRA

The bill (S. 389) for the relief of Sergio I. Veira was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sergio I. Veira shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year such quota is available.

THERESA POK LIM KIM

The bill (S. 396) for the relief of Theresa Pok Lim Kim was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Theresa Pok Lim Kim, the fiance of Anthony F. Pampalone, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months, if the administrative authorities find (1) that the said Theresa Pok Lim Kim is coming to the United States with a bona fide intention of being married to the said Anthony F. Pampalone, and (2) that she is found otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Theresa Pok Lim Kim, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Theresa Pok Lim Kim, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Theresa Pok Lim Kim as of the date of the payment by her of the required visa fee.

EDITH WINIFRED LOCH

The bill (S. 470) for the relief of Edith Winifred Loch was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Edith Winifred Loch, a British subject who was born in India of British parents, shall be deemed to have been born in Great Britain.

MARIA GABRIELLA BYRON (MARIA GABRIELLA MICHON)

The bill (S. 498) for the relief of Maria Gabriella Byron (Maria Gabriella Michon) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria Gabriella Byron (Maria Gabriella Michon) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARY GOODYEAR BROWN

The bill (S. 1867) for the relief of Mary Goodyear Brown was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Mary Goodyear Brown, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such act. From and after naturalization under this act, the said Mary Goodyear Brown shall have the same citizenship status as that which existed immediately prior to its loss.

MARTIN ALOYSIUS MADDEN

The Senate proceeded to consider the bill (S. 541) for the relief of Martin Aloysius Madden, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Martin Aloysius Madden. From and after the date of enactment of this act, the said Martin Aloysius Madden shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALDO TIMOSSI

The Senate proceeded to consider the bill (S. 477) for the relief of Aldo Timossi, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "act," to insert a colon and *"Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of sections 212 (a) (3) and 212 (a) (17) of the Immigration and Nationality Act, Aldo Timossi may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KLARA ANNA MARIA FLEISCHER

The Senate proceeded to consider the bill (S. 346) for the relief of Klara Anna Maria Fleischer, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Klara Anna Maria Fleischer, the fiancée of Cpl. Richard Peter Maille, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Klara Anna Maria Fleischer is coming to the United States with a bona fide intention of being married to the said Cpl. Richard Peter Maille and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act. In the event that the marriage between the above-named persons does not occur within 3 months after the entry of the said Klara Anna Maria Fleischer, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Klara Anna Maria Fleischer, the Attorney General is authorized and directed to record this lawful admission for permanent residence of the said Klara Anna Maria Fleischer as of the date of the payment by her of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEOPOLDINE MARIA LOFBLAD

The Senate proceeded to consider the bill (S. 326) for the relief of Leopoldine Maria Lofblad, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "act", to insert a colon and *"Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (3) of the Immigration and Nationality Act, Leopoldine Maria Lofblad may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MARGARITA OY WAN CHAN

The Senate proceeded to consider the bill (S. 284) for the relief of Margarita Oy Wan Chan, which had been reported from the Committee on the Judiciary, with an amendment, in line 8, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Margarita Oy Wan Chan (Oy Wan Leung) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 235) for the relief of Melanie Schaffner Baker was announced as next in order.

Mr. HRUSKA. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

MRS. THERES SCHICKL DUTTON AND DAUGHTER LAURA THERESIA SCHICKL

The Senate proceeded to consider the bill (S. 111) for the relief of Mrs. Theres Schickl Dutton and daughter, Laura Theresia Schickl, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 8, after the word "visa", to strike out "fee" and insert "fees", and following this amendment, to strike out "Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quotas for the first year that such quotas are available.", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Theres Schickl Dutton, and daughter, Laura Theresia Schickl, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL INDEFINITELY POSTPONED

The bill (S. 287) for the relief of Melitta Elizabeth Rhone, was announced as next in order.

Mr. KILGORE. Mr. President, on behalf of the Senator from North Dakota [Mr. LANGER], I move that the bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUONAVENTURA GIANNONE

The bill (H. R. 3020) for the relief of Buonaventura Giannone was considered, ordered to a third reading, read the third time, and passed.

CHEN CHIH-KEUI

The bill (H. R. 1656) for the relief of Chen Chih-Keui was considered, ordered to a third reading, read the third time, and passed.

ROSA MARIE PHILLIPS

The bill (H. R. 1487) for the relief of Rosa Marie Phillips was considered, ordered to a third reading, read the third time, and passed.

KYUNG HO PARK (SYUNG SIL PARK) AND HIS WIFE, MRS. YOUNG SIL LEE

The bill (H. R. 970) for the relief of Kyung Ho Park (Syung Sil Park) and his wife, Mrs. Young Sil Lee, was considered, ordered to a third reading, read the third time, and passed.

ALBERTO CORTEZ CORTEZ

The bill (H. R. 891) for the relief of Alberto Cortez Cortez was considered, ordered to a third reading, read the third time, and passed.

WENCENTY PETER WINIARSKI

The Senate proceeded to consider the bill (H. R. 1660) for the relief of Wencenty Peter Winiarski, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

OVERSEAS NAVIGATION CORP.

The Senate proceeded to consider the bill, H. R. 5196, for the relief of the Overseas Navigation Corp. which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "of", to strike out "$12,500" and insert "$10,000"; and on page 2, line 2, after the word "take", to strike out "delivery. Such amount is the decision of the United States Court of Claims in its findings of fact dated March 1, 1955:" and insert "delivery: *Provided,*".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ESTATE OF VICTOR HELFENBEIN

The Senate proceeded to consider the bill, H. R. 5078, for the relief of the estate of Victor Helfenbein, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "of", where it appears the first time, to strike out "$6,500" and insert "$3,500"; and in line 10, after the State "New York", to strike out "*Provided,* That no part of the amount appropriated in this bill in excess of 10 percent thereof shall be paid or directed to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim" and in lieu thereof, to insert "*Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOSEPH JERRY EARL SIROIS (ALSO KNOWN AS JEREMIE EARL SIROIS)

The bill (S. 38) for the relief of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois). From and after the date of enactment of this act, the said Joseph Jerry Earl Sirois (also known as Jeremie Earl Sirois) shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

GUISEPPE AGOSTA

The bill (S. 47) for the relief of Guiseppe Agosta was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Guiseppe Agosta shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

IRENE C. (KARL) BEHRMAN

The bill (S. 92) for the relief of Irene C. (Karl) Behrman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Irene C. Karl Behrman, the sum of $3,194.39, in full satisfaction of her claim against the United States for compensation for loss of certain personal property resulting from her forced evacuation, on or about June 26, 1950, from Seoul, Korea, where she was serving as a service club director with the Special Services Section, United States Army Forces: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney

on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ELKAY MANUFACTURING CO., OF CHICAGO, ILL.

The bill (S. 135) for the relief of the Elkay Manufacturing Co., of Chicago, Ill., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Elkay Manufacturing Co., of Chicago, Ill., the sum of $5,190.15. The payment of such sum shall be in full satisfaction of all claims of the said Elkay Manufacturing Co. against the United States for additional compensation under the contract numbered SAPH 55725 (NIH), between such company and the National Institutes of Health, for the construction of certain stainless steel dog and monkey cages. Such sums plus the amount of compensation heretofore received by the Elkay Manufacturing Co. represents the actual costs incurred by it in manufacturing such cages, it having submitted its bid under the erroneous impression that each unit to be manufactured was to consist of only 1 cage, whereas in fact each unit was to consist of 2 cages: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MR. AND MRS. FRANK GOTO

The bill (S. 187) for the relief of Mr. and Mrs. Frank Goto was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding section 2 (a) of the act of July 2, 1948, as amended (62 Stat. 1231; 50 U. S. C. App. 1982 (a)), the Attorney General is authorized and directed to determine under such act any claim presented by Mr. and Mrs. Frank Goto within 12 months after the date of enactment of this act, but nothing contained in this act shall be construed as an inference of liability on the part of the United States Government.

LAURIE DEA HOLLEY AND THE LEGAL GUARDIAN OF KARMEN LAEL HOLLEY, MINOR CHILD

The bill (S. 1020) for the relief of Laurie Dea Holley and the legal guardian of Karmen Lael Holley, minor child was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Laurie Dea Holley, of Cannonville, Utah, the sum of $5,000, and to the legal guardian of Karmen Lael Holley, minor child, $20,000, in full satisfaction, except as provided in section 2 of this act, of their claim against the United States for the death of their husband and father, Elmer Leroy Holley, who was fatally injured in an accident which occurred on November 29, 1953, while he was engaged in the performance of his duties as an employee of the United States Senate Post Office.

SEC. 2. This act or any payment made in accordance with its provisions shall not have the effect of destroying or changing any rights to compensation under the provisions of the Federal Employees' Compensation Act resulting from such death.

SEC. 3. No part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ANN ARBOR CONSTRUCTION CO.

The Senate proceeded to consider the bill (S. 1033) for the relief of the Ann Arbor Construction Co., which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "act", to strike out "in excess of 15 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Ann Arbor Construction Co., a construction supplies corporation, of Ann Arbor, Mich., the sum of $8,953.73 in accordance with the opinion and the findings of fact certified by the Court of Claims to the Congress pursuant to Senate Resolution 224, 82d Congress, 1st session: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 175) to provide for the relief of Milton Beatty, and others by providing for determination and settlement of certain claims of former owners of lands and improvements purchased by the United States in connection with the Canyon Ferry Reservoir project, Mont., was announced as next in order.

Mr. HRUSKA. Mr. President, I ask that the bill go over to the next calendar call.

The PRESIDING OFFICER. The bill will be passed over to the next call of the calendar.

L. S. GOEDEKE

The bill (H. R. 1002) for the relief of L. S. Goedeke was considered, ordered to a third reading, read the third time, and passed.

SHIRLEY W. ROTHRA

The bill (H. R. 1974) for the relief of Shirley W. Rothra was considered, ordered to a third reading, read the third time, and passed.

MARY ROSE AND MRS. ALICE ROSE SPITTLER

The bill (H. R. 2236) for the relief of Mary Rose and Mrs. Alice Rose Spittler was considered, ordered to a third reading, read the third time, and passed.

HAROLD C. NELSON AND DEWEY L. YOUNG

The Senate proceeded to consider the bill (H. R. 903) for the relief of Harold C. Nelson and Dewey L. Young, which had been reported from the Committee on the Judiciary with an amendment on page 2, at the beginning of line 2, to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. LORENZA O'MALLEY (DE AMUSATEGUI), AND OTHERS

The Senate proceeded to consider the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 5, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ROBERT H. MERRITT

The Senate proceeded to consider the bill (H. R. 1202) for the relief of Robert H. Merritt, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 1, after the word "act", to insert a colon and "*Provided*, That no benefits except hospital and medical expenses actually incurred shall accrue for any period of time prior to the date of enactment of this act."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DAVID R. CLICK

The Senate proceeded to consider the bill (H. R. 1400) for the relief of David R. Click, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 4, after the

name "Click", to insert "of Woodville, Ala."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EWING CHOAT

The Senate proceeded to consider the bill (H. R. 1401) for the relief of Ewing Choat, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

Mr. SPARKMAN. Mr. President, the amendment is to strike out the provision relating to the payment of the usual 10 percent attorney's fee. As I understand, it is the rule of the Committee on the Judiciary that a showing must be made in order that a person may be entitled to the payment of an attorney's fee.

The bill was introduced in the House by Representative ALBERT RAINS, of Alabama. Only yesterday I received a letter from Representative RAINS, after I had called the matter to his attention, in which he explained that the services of a lawyer were used in this case, a lawyer whose name and address he gave me and whom I know to be a reputable attorney.

Representative RAINS stated that the bill was introduced at the request of the United States parole officer, who knew of the injury to the claimant. Mr. RAINS said that he tried over a long period of time to get the information and to have the papers prepared properly for the purpose of introducing the bill, but that he was never successful in doing so, because of the lack of understanding on the part of the person concerned.

Finally Representative RAINS himself directed the person to procure a lawyer to prepare the papers for him. I have a letter from the Representative to that effect, in which he gives the name and address of the lawyer.

It seems to me that in this case, certainly, the lawyer's fee should be paid. I fully understand and commend the committee's rule, but I feel that in all equity and fairness the amendment ought not to be agreed to. I should like to ask the committee to accept the letter of Representative RAINS as a showing that the payment of the fee in this instance is justifiable. In the event the letter is not acceptable, then, rather than to have the amendment agreed to, I should like to have the bill go over without prejudice, in order that a proper showing may be made as to the legitimate use of the lawyer in this particular case.

Mr. KILGORE. Mr. President, it has been approximately 2 years since the Senate Committee on the Judiciary reached agreement on a policy pertaining to attorneys' fees in claims cases. The Senate receives many bills in which a 10 percent provision is included for the payment of a nonexistent lawyer or agent. Actually in some sections of the country requests for such fees have become quite frequent.

So the committee agreed that unless a showing were made that work had been done by an attorney or an agent in assisting a person to make his claim, the committee would strike out such fee provision from the bill.

Within the last 2 or 3 days the House returned to the Senate a bill pertaining to a case in which there was evidence that no agent or lawyer was engaged. Yet the House still wanted the fee provision to remain in the bill. When the bill came back to the Senate, I asked for a conference, because I believe we are right in our stand.

In the case of the bill now being considered, there is evidence to warrant the payment of a fee; but I do not understand why that evidence was not presented to the Committee on the Judiciary for consideration along with the bill and the claim.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KILGORE. I think I shall go along with the Senator from Alabama.

Mr. SPARKMAN. I was about to plead ignorance on my part. Even though the rule has been in existence for two years, I must confess that I did not know there was such a rule, otherwise I certainly would have submitted the evidence.

Mr. KILGORE. The evidence was not mentioned in the report of the House committee. No showing was made that any attorney or agent had been employed in the case. For that reason, the Senate Committee on the Judiciary, in accordance with its custom, struck out the fee provision.

What I have said is not intended as a reflection on my colleague, the junior Senator from Alabama. Now that a showing has been made, I ask unanimous consent that the Presiding Officer may order the letter referred to by the Senator from Alabama to be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 12, 1955.

Hon. EDD HYDE,
Secretary to Senator John Sparkman,
Senate Office Building.

DEAR EDD: I appreciate very much your letter of June 9, concerning the Choat bill and the Click bill.

I am pleased, of course, with the favorable action of the Senate Judiciary Committee, but I am quite disturbed with the Senate amendments, especially in the Choat case. You will recall that I introduced the Choat bill at the request of the United States parole officer, who knew of his injury, and yet, over a good many years I was never able to get Choat to furnish me statements as to how his injury occurred, and to give me the necessary evidence upon which to support the bill, all because he is almost an illiterate person. In order to get the information, it was necessary for me to tell Choat to go to a lawyer to prepare all of the evidence for his case. All of this work, and it entailed quite a bit of effort, was done by Ralph Smith, of Guntersville. I do not think he should be prevented from getting what is accepted as a very minimum attorneys fee, as provided in the House bill. In fact, all of the private bills which I have noticed, which have come through over here, carry the provision which was in the House bill. In the light of these facts, I will appreciate it if you will ask the Senator to see what he can do, especially on the Choat bill, about retaining the Attorneys amendment, since other than for the work by the attorney, Choat would not have been able to have his bill passed.

With all good wishes, I am

Sincerely yours,

ALBERT RAINS.

Mr. KILGORE. Mr. President, the letter of explanation having been placed in the RECORD, I offer no objection to disagreeing to the amendment and letting the bill pass as it came from the House.

The PRESIDING OFFICER. Is it the understanding of the Chair that it is now the wish of the Senator from West Virginia that the Senate disagree to the committee amendment?

Mr. KILGORE. I offer no objection. While I have not consulted with the other members of the committee, I think sufficient evidence has been presented to justify the rejection of the amendment.

Mr. PURTELL. Mr. President, reserving the right to object, and I shall not object, I should like the RECORD to show that it is clearly understood that the action taken in this instance will not be considered to be a precedent, in the light of what the committee has done in the past with respect to the payment of fees to lawyers in claims cases.

Mr. KILGORE. I have made my statement to establish the fact that this action will not constitute a precedent. In withdrawing from our position in this instance, it is understood that we are not abrogating our policy.

Mr. PURTELL. In the light of what the RECORD now establishes, I offer no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was rejected.

The bill was ordered to a third reading, read the third time, and passed.

H. W. ROBINSON & CO.

The Senate proceeded to consider the bill (H. R. 1409) for the relief of H. W. Robinson & Co., which had been reported from the Committee on the Judiciary, with an amendment on page 2, line 4, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CONSTANTINE NITSAS

The Senate proceeded to consider the bill (H. R. 1640) for the relief of Constantine Nitsas, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 11, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FREDERICK F. GASKIN

The Senate proceeded to consider the bill (H. R. 1692) for the relief of Frederick F. Gaskin, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

UTICA BREWING CO.

The Senate proceeded to consider the bill (H. R. 1747) for the relief of the Utica Brewing Co., which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 9, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. DIANA P. KITTRELL

The Senate proceeded to consider the bill (H. R. 2456) for the relief of Mrs. Diana P. Kittrell, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 10, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ALBERT VINCENT, SR.

The Senate proceeded to consider the bill (H. R. 2529) for the relief of Albert Vincent, Sr., which had been reported from the Committee on the Judiciary, with an amendment, on page 2, at the beginning of line 2, to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ESTATE OF WILIAM B. RICE

The Senate proceeded to consider the bill (H. R. 2760) for the relief of the estate of William B. Rice, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Sally Rice, of Rockaway Beach, N. Y., the sum of $2,000 in full settlement of all her claims against the United States arising out of the failure of the Department of the Army, Class E Allotment Section, to forward premiums to the Pioneer American Insurance Co., Houston, Tex., on a life-insurance policy issued by that company to her son, William B. Rice, RA-12296456 (George Rice, Jr.), deceased, prior to the last day of grace as authorized to do so under the law: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of Mrs. Sally Rice."

THOMAS F. HARNEY, JR., DOING BUSINESS AS THE HARNEY ENGINEERING CO.

The Senate proceeded to consider the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co., which had been reported from the Committee on the Judiciary with an amendment on page 2, line 9, after the word "claimant", to insert a colon and *"Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HERBERT ROSCOE MARTIN

The Senate proceeded to consider the bill (H. R. 3281) for the relief of Herbert Roscoe Martin, which had been reported from the Committee on the Judiciary, with an amendment on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LOUIS ELTERMAN

The Senate proceeded to consider the bill (H. R. 3958) for the relief of Louis Elterman, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ORRIN J. BISHOP

The Senate proceeded to consider the bill (H. R. 4249) for the relief of Orrin J. Bishop, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 9, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THEODORE J. HARRIS

The Senate proceeded to consider the bill (H. R. 4714) for the relief of Theodore J. Harris, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 8, after the word "refund", to insert a colon and *"Provided, however*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HUSSEIN KAMEL MOUSTAFA

The Senate proceeded to consider the bill (H. R. 1069) for the relief of Hussein Kamel Moustafa, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after the name "Moustafa", to insert "of Los Angeles, Calif.", and in line 10, after the word "act", to strike out "in excess of 10 percent thereof."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

J. B. PHIPPS

The Senate proceeded to consider the bill (H. R. 1416) for the relief of J. B. Phipps, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 11, after the numerals "1944", to insert a colon and *"Provided*, That no part of the amount provided for in this act shall be subject to any claim or reimbursement to any insurance company, or compensation insurance fund, which may have paid any amount to the claimant herein by reason of the injuries incurred: *And provided*

further", and on page 2, at the beginning of line 6, to strike out "in excess of 10 percent thereof."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ESTATE OF JAMES F. CASEY

The Senate proceeded to consider the bill (H. R. 1643) for the relief of James F. Casey, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the name "Casey", to insert "service number 33317739, private, first class, deceased, late of 2603 Memphis Street, Philadelphia 25, Pennsylvania,", and on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. HRUSKA. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement concerning the situation presented by this type of bill. It is not an objection to the bill itself.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON H. R. 1643 (CAL. 499) FOR THE RELIEF OF THE ESTATE OF JAMES F. CASEY

As reported to the Senate, this bill would award the estate of James F. Casey $881, which was the amount of a check made payable to the deceased on the basis of an award by the War Claims Commission on his claim for prisoner of war benefits.

The claim was allowed and certified for payment August 21, 1953. Claimant died September 28, 1953. The check issued in payment of the claim was returned and canceled.

Mr. Casey's only survivors are three brothers, and under the law brothers do not qualify to receive a reissuance of the check nor is there provision for payment of such proceeds to a decedent's estate. Section 6 (c) of the War Claims Act of 1948, as amended, provides for payment of survivorship claims only to a widow or a dependent husband, to children, or to parents.

The Republican Calendar Committee is constrained to agree with the conclusion of the Committee on the Judiciary that in a case such as this, where the only reason the check was not cashed was due to illness and subsequent death, the estate should be awarded the proceeds.

It is believed, however, that such relief should not be limited to a single case but that the War Claims Act should be amended to permit payment in similar cases that may arise in the future, without need for a private bill.

GEORGE L. F. ALLEN

The Senate proceed to consider the bill (H. R. 3045) for the relief of George L. F. Allen, which had been reported from the Committee on the Judiciary, with amendments, on page 2, line 4, after the word "shall", to strike out "reimburse" and insert "pay"; at the beginning of line 7, to strike out "which would have been paid him" and insert "allowable"; and in line 11, after the name "Allen", to insert a colon and "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CONVEYANCE OF CERTAIN LANDS IN THE TURTLE MOUNTAIN INDIAN RESERVATION

The bill (S. 1397) providing for the conveyance to St. Mary's Mission of certain lands in the Turtle Mountain Indian Reservation was announced as next in order.

The PRESIDING OFFICER. The Chair calls attention to the fact that the bill just reached on the calendar is the unfinished business. Is there objection to the Senate resuming consideration of the bill at this time?

There being no objection, the Senate resumed the consideration of the bill, which had been reported from the Committee on Interior and Insular affairs with amendments.

The PRESIDING OFFICER. The amendments reported by the Committee on Interior and Insular Affairs will be stated.

The amendments were on page 1, line 5, after the name "Saint", to strike out "Mary's Mission, Dunseith, North Dakota" and insert "Louis Church of Dunseith, Dunseith, North Dakota", and in line 9, after the word "lands", to strike out "located on the Turtle Mountain Indian Reservation", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to transfer, with the consent of the Turtle Mountain Advisory Committee, to St. Louis Church of Dunseith, Dunseith, N. Dak., all right, title, and interest of the United States and of the Turtle Mountain Band of Chippewa Indians in and to the following-described lands: The east half of the southeast quarter of the southeast quarter of the southwest quarter, and the west half of the southwest quarter of the southwest quarter of the southeast quarter, of section 18, township 162 north, range 72 west, fifth principal meridian, excepting and reserving therefrom 100 feet along the section line for highway purposes.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill providing for the conveyance of certain lands to St. Louis Church of Dunseith, Dunseith, N. Dak."

Mr. YOUNG subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD a statement I have prepared with regard to Calendar No. 501, Senate bill 1397, which was passed a while ago.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR YOUNG

The St. Mary's Indian Mission at Dunseith, N. Dak., was organized in 1948 at which time a church was erected. The mission is under the direction of Father Francis J. Lorscheid who came to that area from Milwaukee, Wis., 10 years ago.

The purpose of the mission is to administer to the religious needs and sometimes the physical needs of the Turtle Mountain Band of Chippewa Indians, a band of some 500 members.

Father Lorscheid declares the situation of the Indians in that area is a very tragic one. In seeking title to the lands as described in S. 1397, Father Lorscheid's principal purpose is to obtain clearance for the erection of a building.

This building would be in the form of a community hall with a kitchen, sewing room, and living quarters for 3 or 4 sisters who are Indian teachers. If the title to the land is transferred to the mission, it is hoped the money for the construction of the building will be obtained from the citizens of North Dakota.

Father Lorscheid says there is a great deal of unemployment in the area of his mission. He says many of the Indian ladies are not able to keep house and otherwise are unable to take care of themselves and their families adequately.

Father Lorscheid states the problem is more acute now than it was 10 years ago. He feels the acquisition of the land and the eventual construction of a building will aid immeasurable in improving the living standards of the Chippewa Tribe.

At the present time the mission is staffed by five sisters in addition to Father Lorscheid. The sisters also spend part of their time at the parish and in work at a nearby TB sanatorium. Father Lorscheid is doing wonderful work in assisting the Indian population in his area, and it would seem to me that passage of this bill will aid immeasurably in improving the lot of the Indians in the St. Mary's Indian mission area.

CONVEYANCE OF CERTAIN LANDS TO MILES CITY, MONT.

The bill (S. 1878) to amend the act authorizing the conveyance of certain lands to Miles City, Mont., in order to extend for 5 years the authority under such act, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act to authorize the conveyance to the city of Miles City, State of Montana, certain lands in Custer County, Mont., and for other purposes," approved June 16, 1950 (64 Stat. 233), is amended by striking out "5 years" in inserting in lieu thereof "10 years."

NET TONNAGE COMPUTATIONS

The bill (S. 1790) to amend section 4153 of the Revised Statutes, as amended, to authorize more liberal propelling-power allowances in computing the net tonnages of certain vessels was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subdivision (f) of section 4153 of the Revised Statutes, as amended (U. S. C., 1952 ed., title 46, sec. 77 (f)), is further amended to read as follows:

"(f) In the case of a vessel which is screw propelled in whole or in part, the following

deduction shall be made for the space occupied by the propelling machinery:

"(1) Thirty-two thirteenths times the tonnage of the propelling-machinery space, if the tonnage of that space is not more than 13 percent of the gross tonnage of the vessel and if that space is reasonable in extent: *Provided, however,* That, in lieu thereof, the deduction shall be 1¾ times the tonnage of the propelling-machinery space, in the case of a vessel the construction of which was commenced on or before the date of enactment of this act, if the owner so elects;

"(2) Thirty-two percent of the gross tonnage of the vessel, if the tonnage of the propelling-machinery space is more than 13 percent and less than 20 percent of the gross tonnage of the vessel; or

"(3) Thirty-two percent of the gross tonnage of the vessel or 1¾ times the tonnage of the propelling-machinery space, whichever the owner of the vessel elects, if the tonnage of that space is 20 percent or more of the gross tonnage of the vessel."

SEC. 2. Subdivision (g) of section 4153 of the Revised Statutes, as amended (U. S. C., 1952 ed., title 46, sec. 77 (g)), is further amended to read as follows:

"(g) In the case of a vessel which is propelled in whole or in part by paddle wheels, the following deduction shall be made for the space occupied by the propelling machinery:

"(1) Thirty-seven twentieths times the tonnage of the propelling-machinery space, if the tonnage of that space is not more than 20 percent of the gross tonnage of the vessel and if that space is reasonable in extent: *Provided, however,* That, in lieu thereof, the deduction shall be 1½ times the tonnage of the propelling-machinery space, in the case of a vessel the construction of which was commenced on or before the date of enactment of this act, if the owner so elects;

"(2) Thirty-seven percent of the gross tonnage of the vessel, if the tonnage of the propelling-machinery space is more than 20 percent and less than 30 percent of the gross tonnage of the vessel; or

"(3) Thirty-seven percent of the gross tonnage of the vessel or 1½ times the tonnage of the propelling-machinery space, whichever the owner elects, if the tonnage of that space is 30 percent or more of the gross tonnage of the vessel."

CONVEYANCE OF CERTAIN REAL PROPERTY TO THE CITY OF RICHMOND, CALIF.

The bill (H. R. 4359) to amend the act of September 30, 1950 (64 Stat. 1096), to provide for the conveyance of certain real property to the city of Richmond, Calif., was considered, ordered to a third reading, read the third time, and passed.

PROMOTION OF PAUL A. SMITH, RETIRED, TO REAR ADMIRAL IN COAST AND GEODETIC SURVEY

The bill (H. R. 5146) to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade, was considered, ordered to a third reading, read the third time, and passed.

INCREASED EFFICIENCY OF COAST AND GEODETIC SURVEY

The bill (H. R. 5398) to increase the efficiency of the Coast and Geodetic Survey, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

LIGHTS REQUIRED TO BE CARRIED BY MOTORBOATS

The Senate proceeded to consider the bill (S. 1791) to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 1, line 7, after the word "the", to strike out "white light aft" and insert "combined lantern", and in line 18, after the word "the", to strike out "combined lantern" and insert "white light aft", so as to make the bill read:

Be it enacted, etc., That subsection (c) of section 3 of the act of April 25, 1940 (54 Stat. 164; U. S. C., 1952 edition, title 46, sec. 526b) is amended to read as follows:

"(c) Motorboats of classes A and 1 when propelled by sail alone shall carry the combined lantern, but not the white light aft, prescribed by this section. Motorboats of classes 2 and 3, when so propelled, shall carry the colored side lights, suitably screened, but not the white lights, prescribed by this section. Motorboats of all classes, when so propelled, shall carry, ready at hand, a lantern or flashlight showing a white light which shall be exhibited in sufficient time to avert collision."

SEC. 2. Section 3 of the act is further amended by adding after subsection (d) thereof the following new subsections:

"(e) When propelled by sail and machinery any motorboat shall carry the lights required by this section for a motorboat propelled by machinery only.

"(f) Any motorboat may carry and exhibit the lights required by the Regulations for Preventing Collisions at Sea, 1948, act of October 11, 1951 (65 Stat. 406–420), as amended, in lieu of the lights required by this section."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PARTICIPATION OF THE UNITED STATES IN THE INTERNATIONAL FINANCE CORPORATION—BILL PASSED OVER

The bill (S. 1894) to provide for the participation of the United States in the International Finance Corporation was announced as next in order.

Mr. PURTELL. Mr. President, I consider this bill is not a proper measure to be considered on a call of the calendar. It involves a subscription by the United States Government of more than $35 million in public funds, and I suggest that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

SURVEY OF PASSAMAQUODDY TIDAL POWER PROJECT

The Senate proceeded to consider the joint resolution (S. J. Res. 12) to authorize and direct the International Joint Commission of United States-Canadian boundary waters to make a survey of the proposed Passamaquoddy tidal power project, and for other purposes, which had been reported from the Committee on Foreign Relations, with amendments, on page 1, line 7, after the word "treaty", to strike out "is authorized and directed to make a survey" and insert "be requested by the Secretary of State to arrange for a survey to be made", and on page 2, line 24, after the numeral "4", to strike out "The International Joint Commission shall report the results of such survey to the Congress of the United States and to the Government of the Dominion of Canada" and insert "The Secretary of State shall report the results of such survey to the Congress of the United States", so as to make the joint resolution read:

Resolved, etc., That the International Joint Commission created by the treaty between the United States and Great Britain relating to boundary waters between the United States and Canada, signed at Washington on January 11, 1909, under the provisions of such treaty, be requested by the Secretary of State to arrange for a survey to be made to determine the cost of construction of the proposed Passamaquoddy tidal power project at Passamaquoddy Bay in the State of Maine, United States of America, and the Province of New Brunswick, Dominion of Canada, and to determine whether or not such cost would allow hydroelectric power to be produced at a price that is economically feasible, and also to determine what contribution such project would make to the national economy and the national defense.

SEC. 2. The survey provided for in the first section shall be consistent with the report (dated March 15, 1950) made by the International Passamaquoddy Engineering Board to the International Joint Commission, and with the supplemental report (dated May 1952) on details of estimate of cost of comprehensive investigation of Passamaquoddy tidal power project by Corps of Engineers, United States Army.

SEC. 3. The Secretary of the Army, the Federal Power Commission, and other officers and agencies of the Government of the United States are authorized to assist the International Joint Commission in the making of such survey, and shall be compensated for any work performed pursuant to this section out of such funds as may hereafter be appropriated for use by the International Joint Commission in carrying out this joint resolution.

SEC. 4. The Secretary of State shall report the results of such survey to the Congress of the United States.

SEC. 5. There is authorized to be appropriated not to exceed $3 million to carry out this joint resolution, and any sum appropriated pursuant to this section shall be included in any determination of the proportionate share of the cost of construction of the Passamaquoddy tidal power project to be borne by the United States.

The amendments were agreed to.

The joint resolution was ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes."

INCLUSION OF FEDERAL-STATE SERVICE IN RETIREMENT COMPUTATION—BILL PASSED OVER

The bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes, was announced as next in order.

Mr. PURTELLL. Mr. President, I have no personal objection to this bill, but in view of the fact that the Civil Service Commission and the Budget Bureau have opposed it, I think it is not proper business to be considered on a call of the calendar, and I suggest that it be passed over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

DESERT LAND ENTRYMEN

The bill (S. 1177) for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the requirement of section 1 of the Desert Land Act of March 3, 1877 (19 Stat. 377), that the right to the use of water by a desert land entryman "shall depend upon bona fide prior appropriation" shall be waived in the case of all desert land entries which have heretofore been allowed and are subsisting on the effective date of this act, which are dependent upon percolating waters for their reclamation, and which are situated in States under the laws of which the percolating waters upon which the entries are dependent are not subject to the doctrine of prior appropriation.

PROTOTYPE AIRCRAFT DEVELOPMENT ACT

The bill (S. 2074) to extend for an additional 5 years the provisions of the act of September 30, 1950, entitled "An act to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 7 of the act of September 30, 1950 (64 Stat. 1090), is amended by striking out "five" and inserting in lieu thereof "ten."

ESTABLISHMENT, MAINTENANCE, AND OPERATION OF AIDS TO MARITIME NAVIGATION

The Senate proceeded to consider the bill (S. 1378) to clarify and consolidate the authority to require the establishment, maintenance, and operation of aids to maritime navigation on fixed structures in or over navigable waters of the United States, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment, on page 2, line 5, after the word "who", to strike out "willfully and knowingly", so as to make the bill read:

Be it enacted, etc., That section 85 of title 14, United States Code, is amended to read as follows:

"§ 85. Aids to maritime navigation on fixed structures; penalty

"The Secretary shall prescribe and enforce necessary and reasonable rules and regulations, for the protection of maritime navigation, relative to the establishment, maintenance, and operation of lights and other signals on fixed structures in or over navigable waters of the United States. Any owner or operator of such a structure, excluding an agency of the United States, who violates any of the rules or regulations prescribed hereunder, commits a misdemeanor and shall be punished, upon conviction thereof, by a fine of not exceeding $100 for each day during which such violation continues."

SEC. 2. Section 18 of the Federal Water Power Act, as amended (U. S. C., 1946 edition, title 16, sec. 811), is further amended by striking out the words "Secretary of War" in the first sentence and inserting in lieu thereof the words "Secretary of the Department in which the Coast Guard is operating."

SEC. 3. The analysis of chapter 5 of title 14, United States Code, immediately preceding section 81 of such title, is amended by striking out the item "85. Failure to maintain lights; penalty" and inserting in lieu thereof the following: "85. Aids to maritime navigation on fixed structures; penalty."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECONVEYANCE OF CERTAIN LANDS, ALBENI FALLS RESERVOIR

The bill (S. 593) to provide for adjustments in the lands or interest therein acquired for the Albeni Falls Reservoir project, Idaho, by the reconveyance of certain lands or interests therein to the former owners thereof was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a), in order to provide for adjustments in the lands or interests in land heretofore acquired for the Albeni Falls Reservoir project to conform such acquisition to a lesser estate in lands now being acquired to complete the real estate requirements of the project, the Secretary of the Army is authorized to reconvey any such land or interests in land heretofore acquired to the former owners thereof whenever (1) he shall determine that such land or interest is not required for public purposes, (2) he shall have received a written statement from such agency or person as may be designated by the Governor of the State of Idaho that the reconveyance of such property is in the best interest of the State, and (3) he shall have received an application for reconveyance as hereinafter provided.

(b) Any such reconveyance of any such land or interest shall be made only after the Secretary (1) has given notice, in such manner (including publication) as he shall by regulation prescribe, to the former owner of such land or interest, and (2) has received an application for the reconveyance of such land or interest from such former owner, in such form as he shall by regulation prescribe, within a period of 90 days following the date of issuance of such notice.

(c) Any reconveyance of land or interest therein made under this act shall be subject to such exceptions, restrictions, and reservations (including a reservation to the United States of flowage rights) as the Secretary may determine are in the public interest.

(d) Any land or interest therein reconveyed under this act shall be sold for an amount determined by the Secretary to be equal to the price for which the land was acquired by the United States, adjusted to reflect (1) any increase in the value thereof resulting from improvements to the land made by the United States, and (2) any decrease in the value thereof resulting from (A) any reservation, exception, restriction, and condition to which the reconveyance is made subject, and (B) any damage to the land or interest therein caused by the United States. In addition, the cost of any surveys necessary as an incident of such reconveyance shall be borne by the grantee.

(e) The requirements of this section shall not be applicable with respect to the disposition of any land, or interest therein, described in subsection (a) if the Secretary shall certify (1) that notice has been given to the former owner of such land or interest as provided in subsection (b), and that no qualified applicant has made timely application for the reconveyance of such land or interest, or (2) that within a reasonable time after receipt of a proper application for reconveyance of such land or interest the parties have been unable to reach a satisfactory agreement with respect to the reconveyance of such land or interest.

(f) As used in this section, the term "former owner" means the person for whom any land, or interest therein, was acquired by the United States, or if such person is deceased, his spouse, or if such spouse is deceased, his children.

SEC. 2. The Secretary of the Army may delegate any authority conferred upon him by this act to any officer or employee of the Department of the Army. Any such officer or employee shall exercise the authority so delegated under rules and regulations approved by the Secretary.

SEC. 3. Any proceeds from reconveyances made under this act shall be available for use in administering the provisions of this act and any surplus shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 4. This act shall terminate 3 years after the date of its enactment.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

The bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, was announced as next in order.

Mr. STENNIS. Mr. President, the bill which was the unfinished business before the Senate proceeded to a call of the calendar, has been disposed of on the calendar call. The bill which was just called is the bill making appropriations for the Department of Commerce for the fiscal year 1956. It is proposed to take up that bill at the end of the call of the calendar, with the understanding there will be no vote on it today. The Senator from Delaware [Mr. WILLIAMS] is interested in the bill, and that agreement has been had with him, but it is expected the Senate will proceed to the consideration of the bill, so that the Senator from Florida may make a statement concerning it. Debate may take place on the bill, and amendments may be offered to it, but no vote will be taken on the bill today.

Mr. President, I move that the bill be made the pending order of business at the end of the call of the calendar.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi to make the Department of Commerce appropriation bill the pending business at the close of the call of the calendar.

The motion was agreed to.

REMOVAL OF AN INEQUITY IN THE PAY OF CERTAIN POSTAL EMPLOYEES

The bill (H. R. 4659) to amend section 16 of the act entitled "An act to adjust the salaries of postmasters, supervisors, and employees in the field service of the

Post Office Department," approved October 24, 1951 (65 Stat. 632; 39 U. S. C. 876c), was considered, ordered to a third reading, read the third time, and passed.

SUSPENSION OF FURTHER CALL OF THE CALENDAR

Mr. PURTELL. Mr. President, in view of the fact that the calendar committee on this side has not had an opportunity to study or review the reports on the four bills following on the calendar, I ask that the further call of the calendar be suspended.

The PRESIDING OFFICER. Without objection, the remaining bills on the calendar will go over to the next call of the calendar.

That completes the call of the calendar.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

The PRESIDING OFFICER. Pursuant to the motion heretofore agreed to the Chair lays before the Senate the Department of Commerce appropriation bill.

Senate proceeded to consider the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I think the purpose of the quorum call has been served. Therefore, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Has unanimous consent been given for the Senate to proceed to vote today on the bill? Or am I correct in understanding that the eminent Senator from Florida [Mr. HOLLAND] will make a statement on the bill, and there will be such other discussion as Senators may wish to engage in, but the vote on the various items of the bill will be postponed until tomorrow?

The PRESIDING OFFICER. The understanding of the Senator from Illinois is correct.

Mr. HOLLAND. Mr. President, as the Senate begins the consideration of H. R. 6367, the bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, there are several points which I believe should be made clear.

The amount of the bill as reported to the Senate by the Senate Appropriations Committee is $1,314,617,300, which is $51,775,700 less than the budget estimates which were considered by the committee, although it is $190,932,300 more than the amount contained in the bill as it was passed by the House of Representatives.

However, much of the increase is more apparent than real. A total of $126,500,000 of the increase, for example, is for the payment of obligations of the United States which would have to be paid in any event. If the funds are not appropriated now, we shall merely have to vote supplemental funds in the spring.

This total includes an increase of $86,500,000 for liquidation of public road contracts made under authorizations provided in Federal highway acts, $80 million of which is for Federal-aid highway reimbursement to the States, and $6,500,000 is to pay the direct obligations of the Federal Government for building forest highways, under the accelerated contractual program approved in the Federal-Aid Highway Act of 1954.

There is an increase of $25 million for the operating differential subsidies due to be paid by the United States this year under contracts authorized by the Merchant Marine Act of 1936, as amended. There is also an increase of $15 million for the payments by the Civil Aeronautics Board to air carriers of their subsidies based upon the rates established under section 406 of the Civil Aeronautics Act, which subsidies must be paid by the United States after those rates are established by the Board in accordance with that act.

As already stated, those three items total $126,500,000, and in each case they cover obligations which must be paid in fiscal 1956 in order to keep our accounts on a current basis and in accordance with law. There are other items in the bill involving major increases over the House allowances.

First in size, we recommend an increase of $38,100,000 under maritime activities for ship construction. This will cover the total of the budget estimate, and it will continue the accelerated shipbuilding program for our merchant marine. Twenty-three million one hundred and fifty thousand dollars of the total will put back into the bill provision for 2 prototype cargo ships and 1 prototype high speed tanker which the Navy wants to try out and use, and which will directly contribute to our national defense.

Let me say at this point that this morning the chairman of the subcommittee received a letter under date of June 14, 1955, from the Acting Secretary of Commerce, Mr. Walter Williams, relating what he says was an unintentional oversight on the part of the Department of Commerce in requesting appropriations from the Senate committee. Under this request the Secretary of Commerce would have us write into the bill an additional authority for $375,000, which will be required, as he says, during the fiscal year 1956, in connection with salaries and expenses which are necessary and will be derived from the present total for the large program of ship construction covered by the budget and by the committee recommendations.

I ask unanimous consent that the letter from the Acting Secretary of Commerce be printed in the RECORD at this point as a part of my remarks, so that other Senators may have the opportunity, as will members of the committee, between now and tomorrow, to obtain information as to whether or not the requested item should be added.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF COMMERCE,
Washington, D. C., June 4, 1955.

Hon. SPESSARD L. HOLLAND,
United States Senate,
Washington, D. C.

DEAR SENATOR HOLLAND: When the proposed amendments to H. R. 6367, the bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, were submitted to the Senate Appropriations Subcommittee, the Maritime Administration, through an oversight, neglected to list an important and highly significant amendment.

This refers to the amount of the transfer which may be made to the appropriation "Salaries and expenses" for the fiscal year 1956 for administrative and warehouse expenses from the appropriation "Ship construction."

The requested restoration of $38,100,000 granted by the Senate Appropriations Committee included $600,000 for administrative and warehouse expenses related to the construction projects involved. Of this $600,000, $375,000 will be required during fiscal year 1956, and page 44 of our appeal material should have shown an appropriate amendment for page 10, line 8, of H. R. 6367. In order to permit an adequate level of administrative and warehouse activity for this program, it is respectfully requested that the amendment indicated below be presented when the bill is introduced in the Senate for floor action:

Page 10, line 19, strikeout "$900,000" and insert "$1,275,000."

I will greatly appreciate your cooperation and assistance in this matter.

Sincerely yours,

WALTER WILLIAMS,
Acting Secretary of Commerce.

Mr. HOLLAND. Mr. President, so far as I know, there is no other additional request pending for restoration of funds to the bill, aside from requests which have been specifically denied by the Senate Committee on Appropriations.

The second in size, included among the real increases which are recommended in the Senate bill, is the item for the Inter-American Highway. On March 31, 1955, the President recommended to the Congress that work on this highway be accelerated so that it might be completed in 3 years. The committee recommends $25,250,000, which is an increase of $17,250,000, for this purpose, and which covers the total unappropriated balance of the existing authorization through fiscal year 1956.

I think I should add, however, that since the date of the marking up of the bill the House itself has acted favorably upon the request of the President for an additional authorization. The House has passed a bill, H. R. 5923, which includes the additional authorization requested, and that bill is now in the Senate Committee on Public Works.

In the words of the Appropriations Committee report on this subject:

It is the sense of the committee that the interests of the Nation, our friendship for the

neighbor nations, the value of surface access to the Panama Canal, and many other mutual benefits dictate early completion of this highway. Even if the cost of the road is increased by accelerating its construction to completion in 3 years, as requested by the President, it is deemed to be so very much in our interest for the early realization of our objectives, in Latin American peace and in mutual economic benefit as to greatly outweigh the added cost.

Next in size, we propose an increase of $4,125,000 for the item "operation and regulation" in the Civil Aeronautics Administration. Again I quote from the report:

This recommendation is a result of careful consideration of the adverse effect on our growing civil and military aviation that would result from plans to discontinue certain aids to air navigation.

It was shown that, in connection with the submission of the Budget, the Civil Aeronautics Administration advised the Congress that it proposed to eliminate 31 of the currently operated facilities for affording safety in air travel. The committee discovered, when it requested the Civil Aeronautics Administration to let us know how the reductions in the budget, as voted by the House, would affect that program, that an additional 30 such stations would have to be closed, making 61 in all.

And I quote from the report:

Our recommendation—will permit facilities, constructed at Federal expense, and needed for the air-ground services that assure safety in aviation, to be operated. A lesser amount will result in closing facilities.

The committee in its report includes words directing the Civil Aeronautics Administration to make a report of its plan or program to the Congress, and to the appropriate committees, so that before we start the closing of operating facilities of the CAA which are making it possible for airplanes to operate in relative safety, we shall at least know what the program is, and in what direction it is proposed to go.

Next in size I mention that the bill would provide an increase of $2,100,000 for the Weather Bureau. With that increase, the committee recommends a provision which will require $4,250,000 to be used for improvement and operation of hurricane, severe storm, and tornado warning services, including research and facilities. This also would include the operation in the Gulf of Mexico of a weather ship during the hurricane season.

Much testimony was heard on proposals to provide increased amounts for this purpose, up to as much as $11 million, and several Senators spoke before or wrote to the committee in support of these increases. At least a dozen Members of the Senate express a very grave interest in this subject. I shall not attempt to place their names in the RECORD at this time, because they appear in the printed record of the hearings. However, practically all Senators from States along the seaboard, in New England, and along the gulf coast were directly interested in the program of increased effectiveness of hurricane warnings, and improvement of that service.

A large number of Senators from the States in the interior of the United States were equally interested in the improvement of the service of the Weather Bureau which gives warnings that tornadoes are likely to occur in announced areas from day to day during the period of the year when tornadoes are to be feared. Various bills on this subject have been introduced, some of them increasing the authorization to as much as $11 million. Various Senators spoke in support of increases of that size, and from that size all the way down.

The committee felt, after very carefully reviewing the situation and conferring with Commerce Department officials and many others, that the total recommendation of $4¼ million which we report for this service, approximately half of which amount was allowed by the House, and about half of which, or $2 million, was added by the Senate, would be about what could be properly used in the coming fiscal year. We think it constitutes a very large increase of the Weather Bureau's facilities and services in this field, in which so many Senators have expressed an interest.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield to the distinguished Senator from Rhode Island.

Mr. PASTORE. Is it true that the Weather Bureau of the Department of Commerce had originally asked for $10 million in this particular area?

Mr. HOLLAND. As the Senator from Florida understands the situation, the total for this appropriation requested by the Weather Bureau for inclusion in this bill was about $37 million. The committee has closely approximated that amount in the recommendation which it makes to the Senate, and has probably provided for the Weather Bureau almost all the money which was requested for the extension of the Weather Bureau services in this field. However, the Weather Bureau likewise requested for inclusion in another item in the bill an additional appropriation of $5 million, which is provided for by this bill.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. PASTORE. I am addressing myself to the comment made by the distinguished Senator from Florida to the effect that after careful consideration and after discussions, the appropriation for the Weather Bureau which was finally agreed upon and reported by the committee was a compromise figure on which all parties were in agreement. As I understand, the original request of the Weather Bureau in this particular area of their budget was about $10 million, and it was reduced to $5 million by the Bureau of the Budget, which is the figure which was provided by the House. The question I should like to ask the distinguished Senator from Florida is this: On what ground did the Weather Bureau justify its agreement to the compromise figure if initially it thought it needed $10 million?

Mr. HOLLAND. The Senator from Florida cannot categorically answer that question. However, he is perfectly willing to make available to the Senator from Rhode Island the justification as filed with the committee, which goes a great deal further than the testimony which was given before the committee by the acting director of the Weather Bureau.

Suffice it to say that the Senator from Florida believes that $4¼ million, the amount recommended by the committee, can be usefully used by the Weather Bureau, and that there is no question about the Bureau being able to employ that amount of money properly and effectively and usefully during the coming year. We were doubtful whether amounts beyond that could be so employed.

I would not wish to create the impression, as indicated by the Senator from Rhode Island, that everybody agreed on this figure, because that is not the case. We know, however, after checking into the facts, that the amount recommended can be assimilated in the expansion of the service and that very great and good results can be accomplished with it, but there is a question about whether the Bureau could use more money.

After all, $4¼ million for a limited activity of this kind, operating only during a part of the year, as the Senator from Rhode Island well knows, is quite a large sum, when measured against the total appropriations of the Weather Bureau. Whatever the Weather Bureau may want, ask for, and justify, as it moves along with the development of this program, the Senator from Florida will be in favor of appropriating.

The Senator from Florida stated in his opening remarks that he believes his own State, by reason of the fact that in the past it has been struck more frequently by hurricanes than perhaps any other State in the Union, has received the benefit of perhaps a disproportionate part of the services for which appropriations have been made heretofore.

We have been very grateful for the service rendered to us. It has been very helpful. The service performed by the head of the Weather Bureau Station at Miami, Fla., Mr. Grady Norton, who unfortunately, as the Senator knows, passed away in the middle of the hurricane experience last year, whose demise had been regretted publicly in Florida, and in whose name an award was made only the other day, typified the kind of service which has been given to our State. It certainly has been extremely valuable.

I said in committee, and I repeat on the floor, that I want every other area which is threatened by hurricanes to have just as good service—and even better service, if it can be made available—as it is possible for the Weather Bureau to render. I shall certainly support appropriations to that end.

The Senator from Florida is not sold at this time on the usefulness of making appropriations beyond the $4¼ million which the House of Representatives and the Senate Committee on Appropriations have between them added to this measure for the very worthy purposes which so greatly concern the distinguished Senator from Rhode Island.

Mr. PASTORE. I wish to say to the Senator from Florida that I do not believe there is any Member of the Senate who understands better or more clearly

than does the Senator from Florida the apprehension that dwells in the hearts of the people of New England, who in recent years have been visited by these freaks of nature in the form of violent hurricanes.

A bill, which was considered by the Public Works Committee, provided for a survey to be conducted. I am glad to note that that bill was passed by the Senate and was also acted on favorably by the House of Representatives.

At that time the representatives of the Weather Bureau testified before the Committee on Public Works that if there had been radar equipment at Cape Hatteras the people of New England could have been better advised as to the direction of Hurricane Carol, and would not have suffered the severe damage they did suffer.

In view of the apprehension on the part of the people of New England and of the explanation given by the Weather Bureau, the Senator from Florida can well realize what an appropriation in this particular field means to the people of New England and to the people elsewhere in the country who are visited by these devastating freaks of nature.

Mr. HOLLAND. The Senator from Florida well knows that, and the appropriation for new facilities for the Weather Bureau contained in the pending bill, as recommended by the committee, stands at $5 million. The appropriation includes a substantial amount for radar equipment. I may say to the distinguished Senator from Rhode Island that perhaps no other subject matter coming before the committee received longer or more careful study, and certainly no subject brought more expressions of concern from other Members of the Senate, including the Senator from Rhode Island and his colleague, and, as I have already stated, nearly all the Senators from the Gulf and Atlantic States, including particularly those from New York and the New England States, whose areas have suffered severe damage in recent years.

I can say to the Senator from Rhode Island that we in Florida have had these experiences heretofore. In fact, we have had them so frequently that for a while the hurricanes were referred to—I hope facetiously—as Florida hurricanes.

The experiences of the past few years have shown that such an appellation is a misnomer. It has been shown that when Mother Nature engages in one of the gyrations which we call a hurricane, the hurricane is apt to strike anywhere along the gulf coast or along the Atlantic seaboard, as far north as the New England coast.

Having had the best opportunity to know how much good can come from the hurricane warning services of the Weather Bureau, no one is more anxious about this subject matter than is the Senator from Florida, and no one is more anxious to give to other areas of the Nation all the services heretofore given to us, and to have those services made available to all areas which are threatened by hurricanes. But I know perfectly well that a great deal more is involved in this subject than merely the enlargement of the facilities of the Weather Bureau.

It has been stated not once but several times in the hearings that it is necessary that there be established a very high degree of organization in order to protect the populations that are affected by hurricanes, so that those most threatened can be evacuated from exposed areas, so that homes may be boarded up, so that when communications facilities are threatened there will be personnel available to keep them in operation, and when they have been wiped out, as sometimes they will be, to have a corps of shortwave operators available to take over. In my State very fine service has been rendered along this line.

It is necessary that there be a very high degree of organization effected by the civilian defense organization of a State which is affected, or by unofficial groups; and the communities which have suffered in modern times will, of course, have to come year after year to a higher state of organization in order to do their part in meeting the hurricane threat. I know that movement is under way.

But, Mr. President, I do not want anyone to attach undue importance to the mere stepping up of the appropriations for the Weather Bureau. It is highly important. It is basic. Without it, the information needed cannot be secured and cannot be transmitted. But there is much more than that required effectively to prepare a community to sustain the hammering blows of a hurricane. I would not want anyone to feel that he was protected fully by the Weather Bureau, because quite the contrary is the case. A highly developed organization is required to enable large populations, such as are represented in part by the Senator from Rhode Island, to be ready to do their part effectively in combating the ravages of a hurricane.

Mr. PASTORE. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. PASTORE. I realize full well that there is nothing we can do to stop the elements of nature. Of course, it makes a great deal of difference in the amount of damage and in the loss of life if we know the directions of the storms, where they will strike, and the intensity with which they will hit. But the thing which disturbed us was that, although the Weather Bureau had requested from the Budget Bureau approximately $10 million, which would convince me that they were apparently thinking about the organization required to spend that amount, without any justification whatsoever, and as an indiscriminate act on the part of the Budget Bureau, the amount was reduced to $5 million, which was cutting it in half. The Weather Bureau originally asked for $10 million as the amount required to do the job, in view of the terrible storms which prevailed all over the country, and then, suddenly, they decided that a figure of $4¼ million would do the job. They were either grossly wrong in the first place, or they have committed an error at this time.

Mr. HOLLAND. Since the Senate committee came to somewhat the same figure as that which the Senator has mentioned, which is not far from $5 million, and since I do not know what were the reasons which impelled the Department of Commerce and the Budget Bureau to take the position which they took, I wish to say that at the time the matter came up in the hearings, the Commerce Department did not want to retain in the bill even the additional amount which had been placed in it by the House, which, as I recall, was $2,250,000. There was in another item later in this bill provision for a more adequate handling of the facilities acquisition program. The Department of Commerce did not feel it was timely to increase this item at this time. So the $4¼ million in this item represents independent research within the House committee, in the first instance, and, in the second instance, on the part of the Senate committee, it represents at least the judgment of the Senate committee with which we hope the House will in conference be in accord. We believe that in the coming fiscal year the amount can be appropriately used. We doubt whether more than that can be used.

So, Mr. President, I hope the distinguished Senator from Rhode Island will not feel that there is any lack of sympathy or lack of understanding of the problem in the minds of the members of the Senate committee who have given more time and effort to the consideration of this subject than to any of the others involved, some of which were much greater in terms of dollars and cents. This amount, we think, can be assimilated in a program which will result in greatly improved service. We doubt very seriously whether a case has been made for a greater amount. We are in complete sympathy with the needs of the Weather Bureau.

Mr. PASTORE. Mr. President, will the Senator from Florida yield further?

Mr. HOLLAND. I yield.

Mr. PASTORE. Is the distinguished Senator aware of an amendment being proposed by my senior colleague [Mr. GREEN] to increase the amount by $5 million?

Mr. HOLLAND. I should be very loathe to see this particular item tampered with on the floor of the Senate. There is no lack of sympathy on the part of any member of the subcommittee or of the full committee. We want the maximum of good service to be rendered as quickly as it can be rendered to affected areas, but I do not think $10 million or $11 million is in line with the possibilities of quick accomplishment. We think our recommendation is in line with those possibilities.

Mr. PASTORE. Do I correctly understand the Senator to mean that he will oppose the so-called Green amendment?

Mr. HOLLAND. I shall certainly oppose any amendment which adds substantial sums to the bill, because we have made a careful study of it, and we do not wish to have even a suggestion made that we are less sympathetic to the humanitarian objectives embodied in the program than is anyone else.

I suspect the Senator from Florida knows more about the meaning of real help from the Weather Bureau than does any other Senator, because he was Governor of his State when there were several hurricanes, and as a

lifelong resident of his State and during years when there have been many hurricanes, he knows from experience the seriousness of the problem and I would wish that experience to redound to the protection of the people. We should like to move ahead as rapidly as possible. But merely to pick a figure out of the air at this time will not, I think, help anyone. Instead, it will be more apt to confound the issue than to advance a thought-through program such as that which is embraced in the committee recommendations.

Mr. PASTORE. With the background and experience on the part of the distinguished Senator from Florida, it is very important to the people of New England that in the appropriation recommended by this committee sufficient money is being provided to give that particular area adequate protection insofar as protection can be given to any people.

Mr. HOLLAND. I think this amount will give every bit of added protection that can possibly be given during the coming year.

I am perfectly willing to say to my friend, the Senator from Rhode Island, that I expect to be serving in the same capacity when the supplemental bill is considered, and if a further showing can be made of the opportunity to spend more money effectively, I shall be happy always to stand up and to fight for the interests of the people of Rhode Island, just as I shall for the people anywhere else.

But I do not believe in simply including millions of dollars in a bill when there is no immediate use for them, and when there will be no immediate good to come out of such an appropriation. I think one result might be to lead the people to think they have been fully protected, wholly cared for, when that is not the case. We have an opportunity to build upon experience. We have competent personnel. It is necessary to train other personnel in the very difficult job of hurricane detection and hurricane prediction, and in the hurricane warning service.

We cannot add overnight $10 million worth of radar equipment. We want to move as fast as we can. To that end, I pledge my very best efforts to the Senator from Rhode Island and the people of the New England region.

Mr. PASTORE. In other words, if proof can be shown for the need of more money, there will be no compelling reason to wait for a whole year, because the situation can be taken care of through a supplemental appropriation in due time.

Mr. HOLLAND. The Senator from Rhode Island is exactly correct. I hope my friend will not urge at this time an added appropriation, which it would be impossible to justify, because the facts and figures are not yet available. I would rather have the Senator rely on the assurance I have just given, namely, that if in the near future a state of affairs should arise which would justify an enlarged program, we shall do our best to include sufficient funds in a supplemental appropriation bill or a deficiency appropriation bill.

I observe on the floor several members of the Committee on Appropriations. I feel certain there is not one who would not back me up in my statement.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I will back up the Senator from Florida.

Mr. HOLLAND. I know the distinguished Senator from New Mexico will do so; and I believe every other member of the committee will back up my statement.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SCHOEPPEL. I have listened with much interest to the colloquy between the Senator from Florida and the Senator from Rhode Island with reference to the increase in the appropriations for the Weather Bureau. If I understood the Senator from Florida correctly, the bill provides at present about $4 million to take care of some of the additions for which it is thought advisable to provide in the weather reporting or weather warning system.

Mr. HOLLAND. The Senator from Kansas is correct so far as he goes. Four and a quarter million dollars has been added by the committee's recommendation specifically for the purpose of quickly increasing the hurricane warning, storm warning, and tornado warning service, including the operation of one weather ship in the Gulf of Mexico during the hurricane season. But if the Senator will look at page 10 of the committee report, the next paragraph from the end of the page, he will find also that the committee recommends $5 million for the establishment of meteorological facilities by the Weather Bureau. In part, of course, those facilities will greatly serve toward the accomplishment of every objective about which we have been speaking in connection with the use of $4,250,000. So the bill provides much more for the improvement of the facilities of the Weather Bureau than is found in simply the amount of $4,250,000.

Mr. SCHOEPPEL. I appreciate that statement. I share in the apprehension manifested by the members of the committee and by the Senator from Rhode Island about hurricane damage.

As the Senator from Florida knows, the Midwest has been subjected to very tragic loss of life and serious property damage by reason of tornadoes and cyclones. Can the Senator state the number of additional radar stations or warning stations which might be provided with the additional sum, if that matter has been discussed? I am speaking from the standpoint of the interior of the country, especially the midwestern section.

Mr. HOLLAND. I think the best way to attempt to answer the Senator's question, because the amount covers more than radar stations, is to ask unanimous consent to have printed at this point in the RECORD the justification of the Weather Bureau for the $5 million additional for the meteorological equipment program, which was granted in full by the Senate committee. That will give the information, so far as it was made available to the committee, as to the plans of the Weather Bureau.

There being no objection, the justification was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF COMMERCE, WEATHER BUREAU—JUSTIFICATION BY ACTIVITIES

1. Upper-air observational equipment:

Positions	0
Average employment	0
Personal services	0
Other objects	$2,700,000
Total amount	2,700,000

The upper-air observing network of the United States and possessions, as established by joint agreement between civil and military authorities, consists of 93 stations. The maintenance and operation of this basic network is by statute the responsibility of the United States Weather Bureau, but because the Bureau's funds have been insufficient to maintain the complete network, 25 of these stations now are being operated by the Armed Forces while 3 stations have not been activated. The outmoded equipment which the Bureau is using is entirely inadequate for observing high altitude winds and fails almost completely to observe the high-speed air currents popularly termed "jet streams." Accurate and comprehensive observations of high-level winds are essential both for general forecast purposes and for aircraft operations. Observation of the jet stream is one of the primary factors employed in preparing warnings of severe local storms and tornadoes; it is now known that this phenomena is intimately related to the formation of many of the major cyclonic disturbances occurring in the United States. Wind speeds of 100 to 250 miles per hour frequently occur at the altitudes at which jet aircraft normally operate (30,000 to 50,000 feet MSL), so it is especially important that they be accurately observed for operations of this type.

The need for more adequate high altitude wind information for aviation purposes was stressed in a memorandum from Mr. F. B. Lee, Administrator of Civil Aeronautics, to the Weather Bureau, dated May 19, 1954. In this memorandum Mr. Lee stated:

"Present-day civil aircraft, in the course of their regular domestic and international operations at high altitudes, are encountering and in some cases taking advantage of the high velocity wind currents known as jet streams. At the present time operations with these wind currents, however, are uncertain due to the limited knowledge of them which exists today.

"In the reasonably near future, it is anticipated that United States turbojet aircraft will be flying regularly at altitudes up to approximately 40,000 feet on civil routes in all parts of the world. Operators of these aircraft will be interested in taking advantage of their knowledge of this subject either to utilize jet streams as tailwinds or to avoid them as headwinds.

"A complete understanding of these winds, including ways and means of determining their presence, direction, velocity, length, and duration, would be of material assistance in contributing to the safety and efficiency of United States air navigation."

Modern electronic equipment which already has been developed and is currently in use by the military services will consistently observe this jet stream phenomena since it measures winds to altitudes nearly twice that of present Weather Bureau facilities. It is planned to equip the entire basic network of 93 stations with this modern equipment and for the Weather Bureau to assume operation of those stations which are being operated by the military. Inasmuch as the modern equipment at the 25 stations the Armed Forces are operating will be transferred to the Weather Bureau without cost, only such other expenses as are incidental to the relocation of these stations from military bases to Weather Bureau sites will be required. The total cost of relocat-

ing these 25 stations will be $428,000. New equipment and facilities, however, will be required for 58 of the 65 stations the Bureau is now operating. The three additional stations necessary to complete the network will be established at Jackson, Miss.; Winnemucca, Nev.; and Charleston, W. Va.

2. Weather surveillance radar:

Positions	0
Average employment	0
Personal services	0
Other objects	$927,000
Total amount	927,000

One of the most pressing and difficult problems in meteorology consists of detecting and tracking highly localized weather phenomena and major storms which approach the Nation's coast from the sea. By visual observational methods all the weather observers in the entire national network of reporting stations cannot see more than 4 or 5 percent of the local thunderstorms, tornadoes, showers, hailstorms, etc., which may exist over the United States at any given time. Consequently, such phenomena often develop, run their course, and disappear without ever coming within visual detection range of a weather reporting station. This problem can be overcome largely with modern radar storm-detection equipment which enables the observer to determine the nature of precipitation, to see where it is occurring, and what direction it is moving—within a radius of 150 to 250 miles of the observation station. Associated phenomena, such as hail, tornadoes, hurricanes, fronts and squall lines, can be observed and their movements tracked. As a result, a comparatively sparse grid of stations equipped with radar will quite effectively blanket the severe weather areas of the United States. Such a network of radar stations will be extremely valuable because it will permit far more accurate and timely warnings of severe storms to be issued to communities in their paths. The proposed network will result in improved short period aviation forecasts and will provide more accurate information concerning type of storm, areas of turbulence and hail, and icing levels for flying interests. It is extremely important that the equipment be located where the radar scope can be viewed personally by the meteorologist so that he may carefully observe and evaluate the development, changes in intensity, direction and rate of movement of severe weather echoes.

The Weather Bureau now has a partial network of radar stations using equipment converted to weather work from surplus airborne military sets which were manufactured during World War II. These converted radar sets yield fairly satisfactory results although they do not operate on the optimum radio frequency for weather search, nor will they penetrate extensive areas of bad weather. Furthermore, they were engineered for lightness, for airborne use, and as a result of minimum overload factors, will not stand up well in continuous day-in-day-out operation. It is planned to procure and install 12 additional sets of radar equipment specifically designed and built for weather detection purposes. Existing radar sets will be retained in use, although it is planned to relocate a few of the older sets in order to place the improved facilities in those localities having the highest frequency of tornadoes and other severe storms. These new installations, combined with existing facilities, will provide a network of 40 stations which will give reasonably good radar coverage for the United States areas having the greatest frequency of tornadoes, hurricanes, and other severe storms. The work schedule for the new installations provides for the preparation of technical specifications, the letting of contracts and the installing of 3 radar sets in 1956 and the installation of the remainder of the sets in 1957. Each set will require 1 employee to maintain it and to assist the existing station staff with its operation.

3. End-of-runway observational equipment:

Positions	0
Average employment	0
Personal services	0
Other objects	$665,000
Total amount	665,000

It is generally agreed that landing an aircraft constitutes the most crucial part of flying. Pilots, in making instrument landings, must at some time before touchdown, be able to see the runway. This creates a critical problem when ceilings and visibilities in the immediate vicinity of the approach end of the runway are near or below the legal landing minimums established for safety purposes and differ materially from the official observations which are taken some distance away (frequently one or more miles) at the site of the weather station. When such conditions occur, they frequently cause expensive, time-consuming missed approaches, with increased accident hazards.

For jet aircraft this problem is extremely acute since, because of their operational and fuel consumption characteristics, it is impossible to make repeated approaches. Automatic electronic equipment has been developed which will measure cloud height and visibility in the landing zone of the instrument landing runway and instantaneously transmit these values to the weather station and the control tower. Precise knowledge of weather conditions on the approach end of the runway will enable the air traffic controllers to avoid scheduling landings when conditions are likely to result in missed approaches. Preliminary investigations in connection with this problem have been supported by funds transferred from the Air Navigation Development Board. Research has proceeded to the extent that application of the end-of-the-runway technique is entirely practicable with instruments now obtainable. Installation of this equipment is proposed for the 45 instrument landing airports in the United States where the landing of aircraft under adverse conditions has become most critical.

4. Other surface observation facilities:

Positions	0
Average employment	0
Personal services	0
Other objects	$322,000
Total amount	322,000

Much of the Bureau's surface observational equipment is badly outmoded and should be replaced, especially wind, temperature, and humidity measuring instruments. In addition, congestion at the airports where most of the observing stations are located has caused the physical exposure of the instruments at many places to become unsatisfactory. The objectionable exposures consist mainly of the effects on temperature and humidity instruments of wide expanses of concrete paving and of masonry structures, of the effects of locating thermometers and wind-measuring equipment at nonuniform altitudes above the ground, and of the turbulence and sheltering effects which result where it is necessary to locate wind instruments on or near high structures.

Telepsychrometric systems (remote temperature and humidity recorders) will be located at 300 stations. Modern wind-recording equipment will be provided at 50 stations where automatic continuous records of wind directions and velocities, including peak gusts, are most urgently needed. Most of the exposure problems which now exist can be overcome by the remote reading feature of this equipment; and, since it will not be necessary for the observers to visit remotely located instrument shelters at hourly or more frequent intervals, time will be released for other urgent duties. A new weather observatory and office building at an estimated cost of $25,000 is required at Hatteras, N. C., and 2 single family living quarters units at an estimated cost of $12,500 each are required at Canton Island, in order to maintain the observational program at those stations.

5. Engineering and technical support:

Positions	20
Average employment	[1] 12
Personal services	$287,250
Other objects	98,750
Total amount	386,000

[1] Total of 50 man-years estimated for entire 4-year period.

Installation of the equipment to be obtained under this appropriation will require a staff of qualified electronic engineers and technicians. A maximum of 20 positions is anticipated, with a total work requirement of 50 man-years for the entire project. Two engineers will be required during the first year and one during the second and third years to survey sites and make preliminary plans for setting up the facilities. Six employees will be required at headquarters, to prepare engineering plans and specifications preliminary to procurement of equipment; to issue instructions and prepare blueprints, etc., for use by installation crews; and to coordinate and direct the program. It is planned to reduce this staff to five during the second year, and to three by the fourth year.

Actual installations of electronic equipment will be performed by 6 crews of 2 technicians each, during the first year, with a gradual reduction of to 2 crews during the fourth year. Preliminary work, such as construction of foundations and laying of underground conduit, will have been done under contract, so that these technicians can devote their time to specialized electronic work and move quickly from one installation to the next.

Establishment of meteorological facilities, Weather Bureau, 1956–59—Schedule of installations

Item	Fiscal year				Total
	1956	1957	1958	1959	
1. Upper-air observational equipment:					
GMD-1A type rawinsonde set	[1] 40	18	16	12	[2] 86
Balloon inflation shelter	[1] 29	7	4	4	44
Protective plastic dome	[1] 34	14	8	7	63
2. Weather surveillance radar	3	9	0	0	12
3. End-of-runway observational equipment	10	20	15	0	45
4. Other surface observational facilities:					
Buildings	3	0	0	0	3
Wind recorders	10	20	20	0	50
Telepsychrometers	50	100	100	50	300

[1] Includes relocation of 25 sets currently operated by the Armed Forces.

[2] 7 of the 93 basic network stations have been equipped with instruments transferred from the Armed Forces.

Mr. HOLLAND. Mr. President, with that amount and the $4,250,000 additional, it should be apparent that the committee does not want to inhibit the Weather Bureau in the slightest. The only specific item concerning which the committee directed the Weather Bureau was as to the operation of the weather ship in the Gulf of Mexico. Otherwise we confined ourselves to stating the general objectives of a quick improvement in the hurricane warning system, a general storm warning system, and a tornado warning system, so as to provide as quickly as possible better protection for all the areas which may be threatened

by hurricanes, major storms, or tornadoes. We think that is the soundest policy under present conditions.

Those who are responsible for the program are devoting their entire lives to the objective of trying to ascertain information quickly and to communicate it to the public. I regard them essentially as persons who believe in serving; otherwise they would not be occupying their position. The intention is to turn the money over to them so that they can build up the service as rapidly as possible, whether through the installation of radar or the building of warning centers, and quickly train additional crews.

I may say again that not every person in the Weather Bureau can handle the assignment of predictor or prognosticator of hurricanes, or of following hurricanes through their courses as they come up through the South Atlantic, the Caribbean, or the Gulf, and then through the upper Atlantic, before the time they strike the mainland. This is highly technical work, and there are involved matters having to do with training facilities and all types of arrangements, including radio and television stations.

In my State, during the hurricane season, and at the approach of a hurricane, radio stations which are located anywhere near the path of the storm are contacted through the hurricane warning center in Miami. All the stations broadcast at, I believe, half hour intervals, warnings and late information which has been received from the planes which are flying in and outside the eye of the hurricane. That information is transmitted from the plane both by radio and in person when the pilots again come to the ground.

Such information must be quickly correlated and quickly conveyed to the radio and television stations.

When the storm gets very close, information is transmitted even to stations which are operated by the "ham," or amateur shortwave, operators, who at times have had to accept a very large part of the responsibility when hurricanes have struck our coast.

So there is more than merely radar, more than simply an office in which the Weather Bureau personnel can serve. All kinds of very technical communication systems must be established. All kinds of statistical information must be collected. I am certain the Senator has seen compilations of plots of the courses of hurricanes at various times of the year. They seem to bend into the Atlantic at certain times and toward the gulf at other times. Thus the acquisition of information is a continuing one. The Weather Bureau is receiving new information each year, and each time a hurricane develops.

The committee has left the whole operation of the development of such information to the Weather Bureau.

So I would not want to say to my friend, the Senator from Kansas, that we have specifically allowed for anything more than the items shown in the justification, in the other $5 million appropriation which is for the improvement of meteorological facilities. The four and a quarter million dollars will be in the hands of the Weather Bureau, to be spent where it thinks it can be most effectively used in preparing to give better warning as quickly as possible.

We were impressed by a chart, presented by the Weather Bureau, showing their prediction with reference to the probability of tornadoes the day before, indeed, hours before, the occurrence of the recent disastrous tornadoes in Oklahoma and Kansas. The location of each of the tornadoes was plotted in the area for which warning was given, and all those tornadoes, except one, occurred within the boundaries which had been indicated the day before as the area of probable tornado tension. The one which occurred outside the first area was included in the somewhat changed plot which was given out some hours after the first one. So that effective warning can be given, but I repeat to the distinguished Senator from Kansas what I just said to the distinguished Senator from Rhode Island: It takes more than the mere ascertainment of the weather facts and giving them out. Intensive organization by the good people affected is required before the best results can be obtained.

In the case I have mentioned, after there had been full indication to all the people affected, I am quite sure, without having been at the villages which were destroyed or wiped out, that there were more storm cellars than those occupied by persons at the time that tornado hit at about 10 o'clock in the evening. It takes intensive organization in order to get the job of protection done, organization on the part of the civil officials, and on the part of people themselves, who are threatened with disaster whenever a tornado strikes the area in which they live.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. I agree with the Senator that great latitude and leeway should be left to this important type of service, and that its personnel should have the opportunity of designating where, in conjunction with the overall program, these types of installations might best serve the people and the area generally.

I will say to the distinguished Senator from Florida that I was somewhat disturbed because of a situation which developed in my own State very recently. I have heard rumors to the effect that there was some disposition on the part of the Commerce Department and related agencies to close 13, 14, or 15 reporting stations because of a lack of funds which are necessary for this most important type of service—a service which should be rendered. As the Senator from Florida has said, I am sure that the appropriation which has been requested and the appropriation which the committee has added will probably enable the Department to take this matter into serious consideration. I think it would be a mistake to close, in some sections of the country, stations such as those having to do with air service, community service, weather reporting, and other stations of that type which have trained personnel on hand. I agree with the Senator from Florida that it takes more than dollars and cents to enable the stations to give results; it requires trained personnel.

I was glad to hear the Senator from Florida say to the Senator from Rhode Island a moment ago that when a subsequent appropriation is considered, if, in the wisdom and judgment of those responsible, it should be deemed feasible and practicable, and there are available the personnel and equipment, the committee will be liberally inclined and will provide additional appropriations if the money can be utilized.

Mr. HOLLAND. The Senator from Kansas is correct. The committee would not only be strongly inclined to support a reasonable program, but would insist on doing so. The Senator from Florida now invites the Senator from Kansas to pursue the matter further, and if a specific plan enlarging the various programs embodied in the bill can be worked out, of course we shall be glad to provide for it in a subsequent bill.

I am glad the Senator from Kansas mentioned the CAA stations, because they have a part in the picture. I had already stated, I think before the Senator from Kansas came to the floor, that when the appropriation for the CAA was considered by the committee, it not only restored the full budgeted amount, which meant that none of the stations could be closed which would have had to be closed if the House figures prevailed, but also added $975,000 to the appropriation when it discovered that the CAA, because of recommendations of the Budget Bureau would have to close 31 stations which are now functioning, and which we thought were of value, not only for aircraft operations, but for weather service.

The principal reason why we felt they were of value in the hurricane situation is that when the Weather Bureau was asked by me what its recommendations were with reference to the closing of the Vero Beach, Fla., station, which was one of the 31 that CAA proposed to close under the recommendations of the Bureau of the Budget, the Weather Bureau said it had no intimation of plans for closing that station, and the officials of the Weather Bureau were of the opinion that it was an important link in the group of stations which make observations and gather and broadcast information when a hurricane is approaching the southeast coast of Florida. The officials of the Weather Bureau were not found to be at all willing to discontinue that station, which is both a weather station and an air-warning station as well.

Mr. SCHOEPPEL. I appreciate very much what the Senator from Florida has said. I now understand the situation. I am sorry I was not present when he began his discussion of the matter. To that extent, he is far ahead of me. I think it is very important that the statement of the Senator is being put into the RECORD as a justification, which will enable us further to explain the situation to many of our constituents, who I am sure are alarmed—and not without reason—because of the weather situation which has developed in the past few weeks in our section of the country.

Mr. BARRETT. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield to the Senator from Wyoming.

Mr. BARRETT. At the outset, let me commend the Senator from Florida for his very fine work as chairman of the subcommittee handling the appropriation bill now under consideration, and for his illuminating statement to the Senate today.

Mr. HOLLAND. I thank the Senator.

Mr. BARRETT. I should like to inquire of the Senator with regard to the increase of $975,000, over the budget request, which he mentioned a moment ago. It seems to me the utilization of those funds is of tremendous importance to people of the West, for the reason that many chartered planes are operated by so-called civil itinerants, such as farmers, ranchers, businessmen, and other persons. Those persons fly under visual flight rule operations, and they do not have any instruments. Consequently the stations afford a great degree of protection to such operators in the way of safety. Unless that item is retained in the bill, and unless the House conferees accede to the Senate amendment, in the event it is approved by the Senate, communities such as Douglas, and other small communities in my State, will find themselves in a pretty bad predicament, so far as safety precautions are concerned.

So I am very much pleased to see that item in the bill as reported by the committee, notwithstanding the fact, as I understand, that the item was not allowed by the Bureau of the Budget. Am I correct in that assumption?

Mr. HOLLAND. I do not know whether the item was deleted by the Bureau of the Budget or by the Civil Aeronautics Administration of their own will in planning within the budget. The budget, as it reached the Congress, involved elimination of provision for 31 stations of this kind. It was to prevent the elimination of the provision for those stations that the Senate committee approved the item of $975,000.

In fairness to the committee, I should say that the committee is not averse to effecting savings in this field if they can be properly effected. So the committee wrote into its report a direction to the Civil Aeronautics Administration to report to the Senate and to the House of Representatives Appropriations Committees what it is proposing to do in this regard, so that we may know where the CAA is going, before it begins to eliminate any large number of CAA flight-control stations.

Mr. BARRETT. Mr. President, if the Senator from Florida will yield further to me, let me say to him that I am not opposed, either, to effecting savings. However, so far as I know, in my own State, particularly during violent winter storms, it is most desirable to make possible communication between aircraft and stations of this kind which may be 50 or 100 miles from a large city.

Therefore, from the point of view of the safety of hundreds of private planes using the air, as well as the safety of the large commercial air-transport planes, it seems to me to be advisable that these stations be continued in operation, particularly because of their value in cases of emergency landings in time of storm.

Mr. President, I was very much pleased, I may say to the distinguished Senator from Florida, when the committee voted to restore this item to the bill, because the airport at Rock Springs, Wyo., is a large one, and is about 200 miles from any other large airport. It is in a mountainous area. The justification contains an item for an instrument-landing system at the airport itself, provision for which would be lacking unless the full estimate were included in the bill along with the appropriation for the 31 stations.

Mr. HOLLAND. I thank the distinguished Senator from Wyoming. He was one of many Senators who expressed misgivings about the closing of these stations. He so stated in his appearance before our committee; and the committee was in complete accord with that view after it had heard all of the plans, and had found that no program was reported, and no plans had been made which it felt would give equal safety or better safety.

So, as I have already stated, we included the item of $975,000 with the direction that the CAA close no stations at this time; and we added the following:

> The committee therefore directs that no stations or facilities now operating be discontinued by the Civil Aeronautics Administration, and that there be reported to the appropriate committees of the Senate and the House of Representatives a comprehensive plan for future air-traffic control routes, facilities, and stations, which shall in any event be made available to this committee and to the Appropriations Committee of the House of Representatives prior to the submission of the budget for the fiscal year 1957.

We felt that direction gives the Civil Aeronautics Administration a chance to effect economies which it is willing specifically to justify, but does not leave the Congress in the position of taking action which would blank 31 stations out of existence, without a showing as to their necessity or want of necessity, and would similarly blank out 30 more such stations, if the amount voted by the House of Representatives were to prevail.

Mr. BARRETT. Furthermore, this item will give the Congress an opportunity to take another look, before these stations are discontinued.

Mr. HOLLAND. That is correct.

Mr. BARRETT. I think the committee was very wise in the position it took.

As the Senator from Florida will recall, I also appeared before the committee and asked it to restore the cut of $3,150,000 voted by the House of Representatives. As will be recalled, I referred to the situation with reference to the control tower at the Casper Airport. As I said then, the Casper Airport presently is used as a training base for the Air National Guard of six different States, and the Air National Guard uses it for the training of jet-plane pilots. There have been a number of near accidents there. Very fortunately, there have not been any serious accidents. But commercial planes are using that field all the time, and a large number of private planes—owned by oil companies and other large concerns—land there. So we are faced there with a serious situation, from the point of view of safety. Consequently, a control tower at the Casper Airport Base is badly needed; and I was very glad to see the Senate committee vote to restore to the bill the item of $3,150,000, which the House of Representatives had voted to eliminate. I am very glad that the Senate committee has voted to restore that item, because the Bureau of the Budget and the Civil Aeronautics Administration gave a justification for an air-control tower at Casper, to cost, as I recall, $90,000 for the tower itself, $50,000 for electronic equipment for the tower, and $27,000 for operating expenses.

Mr. O'MAHONEY. Mr. President, will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Florida yield to the Senator from Wyoming?

Mr. HOLLAND. I yield.

Mr. O'MAHONEY. I wish to associate myself with the remarks made by my colleague from Wyoming [Mr. BARRETT]. The Casper Airport would be seriously damaged and its future value to the State of Wyoming and to the Nation seriously impaired if the Senate conferees were to yield to the House conferees in connection with this matter. I wish to add my voice to that of the senior Senator from Wyoming in requesting that the increase, or the restoration, voted by the Senate committee be approved by the Senate as a whole, and that the Senate conferees urge upon the House conferees the absolute necessity of reestablishing the facilities at Casper, at Douglas, and at Rock Springs.

Mr. HOLLAND. Mr. President, I appreciate the comment the distinguished junior Senator from Wyoming has made. I may say that on page 455 of the hearings will be found the list of four airport traffic-control towers, which is the full number which would have been deferred until after 1956 if the amount voted by the House of Representatives were to remain in the bill. Casper, Wyo., is one of the four, and the other three are Moline, Ill.; San Angelo, Tex.; and Shreveport—downtown—La.

Mr. MANSFIELD. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. MANSFIELD. Will the distinguished Senator from Florida tell the Senate the details of the item on page 5 of the bill relative to funds for air-navigation operation, and whether the stations at Livingston, Whitehall, and Drummond, Mont., will be kept in operation during the coming year? As the Senator from Florida knows, these stations are located in extremely mountainous areas. The terrain is rough, and the stations are very much needed.

Mr. HOLLAND. Mr. President, I am very glad the Senator from Montana has raised this question, and I am glad to refer him to page 454 of the committee hearings, wherein it is shown that the three important installations he has mentioned—namely, those at Drummond, Livingston, and Whitehall, Mont.—are among the ones which are directed by the committee not to be closed during the coming fiscal year, and whose operations are provided for by the committee's recommendation for the ad-

dition of $975,000 to the budget recommendation.

Mr. President, there is one substantial decrease below the House figures. In the proposed appropriation for establishment of air navigation facilities, under the Civil Aeronautics Administration, the amount in the bill is $2,500,000 less than the House figure. Of the reason for this reduction, the report says:

It is the view of the committee that the administration should proceed slowly with installation of new equipment while the question of the type permanently to be used in being determined.

As to this item, I feel it is important to point out, Mr. President, that the amount in the bill is more than three times the amount of the appropriation for fiscal year 1955.

Mr. President, all of the substantial changes of amounts contained in the House bill which I have already mentioned relate to activities in the Department of Commerce. The Senate will note that in the case of the other agencies included in this bill there are no substantial changes from the figures suggested by the House. In the case of the St. Lawrence Seaway Development Corporation and that of the Tariff Commission, we recommended the same amounts as those contained in the House bill. In the case of the Canal Zone, we recommend that the House bill be increased by $300,000, though the amount which we recommend is still $298,000 below the 1956 estimates. In the case of the Advisory Committee on Weather Control, we recommend that the House figures be increased by $120,000, which is the amount required to cover full year's salaries for persons employed for only a part year in 1955, and to also provide funds to expand several experimental projects. In particular, the amount which we recommend would allow the Advisory Committee on Weather Control to carry out, in connection with the Weather Observation Station at Mt. Washington, N. H., the important experiment which has been planned and which it is thought will afford new and needed information relative to the effects, both on the area directly involved and on nearby areas, of the artificial production of rain brought about by cloud seeding.

Mr. President, I understand that the request of the Senator from Delaware [Mr. WILLIAMS], to which we have acceded, was that no action be taken on any of the items included in the Senate committee version of the bill. I have mentioned the major items of change in my remarks today.

I shall expect, immediately upon resumption of this debate tomorrow, to ask the Senate to take the usual course of approving en bloc the committee amendments, of which there are a great many, with the definite understanding that we shall simply have a clean bill at that stage, without precluding or handicapping in any way the offering of amendments to any portion of the text of the clean bill.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. O'MAHONEY. I observe that among the amendments recommended in the report—I have not had an opportunity to check the bill—is a reduction of the appropriation for the Census of Business, Manufactures, and Mineral Industries. The last paragraph on the bottom of page 3, under the heading which I have just recited, says:

The committee recommends no amendment. The House allowance of $4 million is $655,000 less than the budget estimate, and $4,430,000 less than the appropriation for fiscal year 1955.

Am I correct in my assumption that there was a cut of $655,000 below the budget estimate, which cut was made by the House committee and was untouched by the Senate committee?

Mr. HOLLAND. The Senator is correct. However, if the Senator had turned the page, he would have found the Senate committee's philosophy more fully explained in the first sentence at the top of the next page. The Senator may wish to read it into the RECORD.

Mr. O'MAHONEY. It reads as follows:

It is not intended by the committee that this reduction should delay or curtail the planned work on the censuses, but that, if it is demonstrated that additional funds are required in fiscal year 1956 to complete it, a supplemental estimate will be submitted.

My point is this: In years gone by the Census of Manufactures has been of inestimable value in determining the trend of business throughout the United States. Unfortunately, it was curtailed during the war. I know personally of requests which are being made to the Bureau of the Census for additional information, which scarcely can be obtained without the amount recommended by the Budget Bureau.

I know the Senator is concluding his statement. At the moment I am merely giving notice that I should like to have the opportunity, when amendments are in order, to offer an amendment and a more detailed explanation as to why the Census of Manufactures should not be curtailed.

Mr. HOLLAND. I thank the distinguished Senator. Of course, he is thoroughly within his rights in offering such an amendment. However, I invite his attention to the fact that the Budget showed an unobligated balance carried forward of $340,000, which, with the $4 million which the House placed in the bill for this item, would equal $4,340,000, whereas the budgeted amount is $4,655,000.

Upon surveying the situation, the committee felt that it would safeguard the item entirely by simply giving notice that it expected the work to be completed, and that it stood ready, in the event the $4,340,000 was not sufficient, to recommend supplying the balance in a supplemental appropriation.

Mr. O'MAHONEY. I think that is a very admirable position on the part of the committee. However, as I say, I wish to discuss the subject a little more fully at a later time. At the moment I am supposed to be present at a conference committee session between the House and Senate on some bills which have been passed by both Houses.

Mr. DOUGLAS. Mr. President, I wish to discuss and oppose the amendment of the committee on page 7, lines 16 and 17, increasing the subsidies to be paid to air carriers from $40 million, as provided in the House bill, to $55 billion.

It should be understood that this very large subsidy of $55 million would be in addition to the mail pay which is given to the airlines, the appropriations for which for the current year will amount to $77 million. Therefore, with the compensation for mail which is still being paid for by the Government at a very liberal rate—I believe at the rate of 60 cents per ton-mile—we would now have a total of $132 million being appropriated for the air carriers of the country.

I have very real doubts about the wisdom of increasing the subsidy from $40 million to $55 million. I believe the House committee was on the whole much better advised when it fixed the figure of $40 million. I should like to say that my doubts arise from 3 or 4 considerations.

ONE BIG AIRLINE, PAN-AMERICAN, OWNS CHAIN OF NINE HOTELS

The first is that one of the big air carriers, Pan American Airways, according to the evidence, owns completely, 100 percent, a chain of hotels known as Intercontinental Hotels Corp. That fact was admitted last year in the hearings at page 2114, when, in response to a question by the Senator from West Virginia [Mr. KILGORE] addressed to the representative of CAB, Mr. Roth, who had previously stated that Pan American owned 20 percent of International Hotels Corp., corrected his figure. He testified:

Yes, the correct figure is 100 percent. I believe I stated at the time that it was my general recollection that Pan American originally had only 20 percent. I was apparently confused when I made the statement based on general recollection.

So we have here a completely owned hotel subsidiary which is tacked onto Pan American Airways and which is financed by or organically connected with it.

CAB TABULATION SHOWS LARGE EXPENDITURES AND ADVANCES BY PAN-AM FOR ITS HOTEL SUBSIDIARY

On the 26th of May, the day before the hearings started before the subcommittee of the Senate Appropriations Committee on the request of the CAB for these airline subsidies, I wrote to the distinguished chairman of the Committee on Appropriations urging a large reduction of subsidies. I said:

There is no justification in saddling the taxpayers, directly or indirectly, as appears to have been done, through the device of airmail subsidies, with ventures such as hotel chains and real-estate development companies which are entered into by airlines for which the CAB is asking your committee to appropriate subsidies.

In that letter I also stated:

I was unsuccessful in obtaining from the CAB a statement of the gross transactions between the subsidized airlines and their subsidiaries, but I have obtained a tabulation of the net transactions, which I submit for inclusion in the record of your hearings following this letter.

Unfortunately, as the distinguished chairman of the committee has advised me by letter, the tabulation which was attached to my letter of May 26, which contained supporting figures, was by in-

advertence omitted from the printed hearings.

Therefore, Mr. President, I ask unanimous consent that my letter and the omitted tabulation be printed in the RECORD at this point.

There being no objection, the letter and tabulation were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
May 26, 1955.

Hon. CARL HAYDEN,
Chairman, Senate Appropriations Committee, Washington, D. C.

DEAR SENATOR HAYDEN: You recall that last year and previous years I have consistently advocated reduction in the appropriations for airmail subsidy in the interests of the American taxpayers.

On pages 2159–2164 of your hearings of last year on the airline-subsidy appropriation requested by the Civil Aeronautics Board were listed a large number of subsidiaries of subsidized airlines.

I have had considerable correspondence with the General Accounting Office and with the Civil Aeronautics Board on this matter and want to lay before your committee as much information as is possible. I am handicapped in this regard in that the report of the CAB dated May 20, 1955, on the relationship between the most heavily subsidized airline, Pan American, and the largest of all the subsidiaries, Intercontinental Hotels Corp., is stamped: "Public disclosure of this information not authorized by the CAB."

There is no justification in saddling the taxpayers, directly or indirectly, as appears to have been done, through the device of airmail subsidies, with ventures such as hotel chains and real-estate development companies which are entered into by airlines, for which the CAB is asking your committee to appropriate subsidies.

Whereas the CAB advised the House (Appropriations Committee hearings on 1955 CAB budget, p. 636) that Pan American owned only about 20 percent of Intercontinental Hotels Corp., it develops that the true facts (confirmed in your hearings of last year, p. 2114) are 100 percent. This fact is important because section 407 (e) places responsibility on the CAB to audit the books of subsidiaries. The law defines subsidiaries as companies over which the parent company exercises effective control. If the extent of Pan American's ownership of Intercontinental Hotels Corp. were only 20 percent, it might be argued whether effective control exists, and, therefore, whether the CAB is responsible for auditing, but there surely can be no argument in the face of the fact of 100 percent ownership.

Unfortunately, however, I find that the Government has never conducted a complete audit of this subsidiary.

The investigative report of the House Appropriations Committee referred to in House Report 207 is extremely critical of this failure of the CAB to conduct the necessary audits of the subsidiaries. At your hearings on the second supplemental the Civil Aeronautics Board talked about the difficulties of invading friendly South American countries to get the books of subsidiaries in which our airlines owned only a minority interest. The General Accounting Office informs me, however, that in this instance Pan American owns, not a minority interest of Intercontinental Hotels Corp., but a 100 percent interest and, further, that the headquarters of this hotel corporation are located in the same building, the Chrysler Building, as the parent airline. Therefore, there seem to be no real obstacles to a complete Government audit of this hotel corporation and similar subsidiaries.

I was unsuccessful in obtaining from the CAB a statement of the gross transactions between the subsidized airlines and their subsidiaries, but I have obtained a tabulation of the net transactions, which I submit for inclusion in the record of your hearings following this letter.

This CAB tabulation shows, for example, that in the calendar year 1953 alone Pan American advanced $2,530,063 more to its subsidiary, IHC, than it received back.

It would appear that we are subsidizing Pan American, which in turn is subsidizing its wholly owned hotel firm.

As you know, a man would be thrown off the public relief rolls immediately if he were found to own a valuable hotel, let alone a whole chain of them. Here we are confronted with the spectacle of an airline appealing to the Government for vast subsidies at the public expense, on the basis of its alleged need, while at the same time we find it owns a whole chain of luxury hotels and advances millions of dollars yearly on these hotels.

These facts, plus others which you will find in the attached tabulation, indicate the necessity for a drastic reduction in airline subsidy in the interest of the taxpayer.

In my book Economy in the National Government, I pointed to the possibility of reducing airline subsidies by $40 million per year.

Since we now have a chance to vote on airline subsidies separately from the appropriation for compensation for actually flying the mail, I hope your committee will see fit to make a reduction of this size in the subsidy appropriation now before you.

Sincerely,

PAUL H. DOUGLAS.

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (−)								Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Alaska Airlines, Inc.: Affiliates:										
Alaska Aviation Maintenance, Inc.:										
Current					$22		−$22	−$1,000		[1]−$1,000
Security investment				$1,000					$198	1,198
Total				1,000	22		−22	−1,000	198	198
Aeronautical Radio, Inc.:										
Current								792	−792	
Security investment				10				990	594	1,594
Total				10				1,782	−198	1,594
Fairbanks Aeronautical Radio, Inc.: Security investment				1,000			1,782	−1,782		1,000
Alaska Aviation Radiom, Inc.:										
Current								230	−250	
Security investment									250	250
Total								250		250
Total, Alaska				2,010	22		1,760	−750		3,042
Allegheny Airlines: Affiliates:										
Aeronautical Radio, Inc.: Security investment	$560	$1,083					5,160			6,803
Air Cargo, Inc.: Security investment	80			320						400
Air Transport Association: Security investment		1,600								1,600
Airlines Clearing House: Security investment					501		−400			101
Airport Ticket Office Association: Security investment									792	792
Total affiliates	640	2,683		320	501		4,760		792	9,696
Separately operated division: Manufacturing and development division:										
Security investment			$685,808	−323,904	−158,505	$3,352	105,275	$104,164	−416,190	
Total, Allegheny	640	2,683	685,808	−323,584	−158,004	3,352	110,035	104,164	−415,398	9,696
Bonanza Air Lines, Inc.: Affiliates:										
Air Cargo, Inc.: Security investment							220			220
Aeronautical Radio, Inc.:										
Current							232	127	−359	
Security investment							1,000		247	1,247
Total							1,232	127	−112	1,247
Total, Bonanza							1,452	127	−112	1,467

[1] Represents payable to affiliate.

NOTE.—"Current" includes accounts receivable and payable and advances receivable and payable, and is shown in each instance where carrier reported balances of this character.

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953—Continued

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (−)							Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Braniff Airways, Inc.: Affiliates:										
Chicago Airlines ticket office:										
Current	$450		−$450							
Security investment	150			−$150						
Total	600		−450	−150						
Airlines Clearing House:										
Current	1,000				−$500		−$400			$100
Security investment	1									1
Total	1,001				−500		−400			101
Air Cargo, Inc.:										
Current		$2,400	−$2,400							
Security investment	440			$1,760				$800		3,000
Total	440	2,400	−2,400	1,760				800		3,000
Aeronautical Radio, Inc.:										
Current							−7,985	9,574	$7,604	9,193
Security investment	2,570	8,736	764		220		2,710	9,330		24,330
Total	2,570	8,736	764		220		−5,275	18,904	7,604	33,523
Air Transport Association: Security investment		14,800			−14,800					
Midway Airport Corp.:										
Current			57,371	−53,936	195				−3,230	400
Security investment			5,000	−5,000						
Total			62,371	−58,936	195				−3,230	400
Radio Aeronautica de Cuba:										
Current			33,941	−33,941	3,516		−499	2,663	498	6,178
Security investment			100					53,200		53,300
Total			34,041	−33,941	3,516		−499	55,863	498	59,478
Airlines Motor & Terminal Corp.: Security investment			200		−200					
Aeropuertes de Cuba, S. A.: Security investment			100							100
Aeronautical Radio, Caribbean:										
Current					61,167	$23,738	−23,399	−55,756	−5,750	
Security investment				106,400	−53,200			−21,044	−9,119	23,037
Total				106,400	7,967	23,738	−23,399	−76,800	−14,869	23,037
Airlines Terminal Corp.: Security investment					7,511			3,756		11,267
Braniff Airways de Mexico: Security investment							2,890			2,890
Combined airline ticket office: Current							1,000		−597	403
Airlines personnel relations: Current								360		360
Total, Braniff	4,611	25,936	94,626	15,133	3,909	23,738	−25,683	2,883	−10,594	134,599
Caribbean-Atlantic Airlines, Inc.: Affiliates:										
Aeronautical Radio, Inc.: Security investment	10									10
Centra, Airlines, Inc.: Affiliates:										
Air Cargo, Inc.:										
Current								−192	192	
Security investment							220			220
Total							220	−192	192	220
Aeronautical Radio, Inc.:										
Current								−656	1,729	1,073
Security investment							1,000			1,000
Total							1,000	−656	1,729	2,073
Airline Clearing House, Inc.: Security investment							101			101
Total, Central							1,321	−848	1,921	2,394
Colonial Airlines, Inc.: Affiliates:										
New York Airport Terminal, Inc.:										
Current			4,000			−3,132	155	942	2,282	4,247
Security investment	2,250	−2,000								250
Total	2,250	−2,000	4,000			−3,132	155	942	2,282	4,497
Airlines Clearing House, Inc.:										
Current						−120	120			
Security investment	1,001				−500					501
Total	1,001				−500	−120	120			501
Aeronautical Radio, Inc.:										
Current						−120	357	−656	859	440
Security investment	450	1,910		1,150			490			4,000
Total	450	1,910		1,150		−120	847	−656	859	4,440
Air Cargo, Inc.:										
Current						−500	253	−329	−95	[1] −671
Security investment	80		320							400
Total	80		320			−500	253	−329	−95	−271

[1] Represents payable to affiliate.

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953—Continued

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (−)								Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Colonial Airlines, Inc.: Affiliates—Continued										
Airlines Terminal Corp.: Security investment		$4,900			−$2,413					$2,487
Consolidated Ticket Office, Washington, D. C.: Security investment		900	−$900							
Consolidated Ticket Office, Brooklyn, N. Y.: Current			500	−$500						
East Side Airlines Terminal:										
Current							$3,000	$655	$9,772	$13,427
Security investment						$5,000				5,000
Total						5,000	3,000	655	9,772	18,427
Total, Colonial	$3,781	$5,710	3,920	650	−$2,913	1,128	4,375	612	12,818	30,081
Continental Air Lines, Inc.: Affiliates:										
Aeronautical Radio, Inc.:										
Current							2,618	−361	1,580	3,837
Security investment	560	5,350			3,140			−50		9,000
Total	560	5,350			3,140		2,618	−411	1,580	12,837
Air Cargo, Inc.:										
Current						875	−175	300	100	1,100
Security investment	120			480						600
Total	120			480		875	−175	300	100	1,700
Airlines Clearing House, Inc., security investment	1,001				−500		−400			101
Airlines Negotiating Conference: Current			342	−109	127					360
Total, Continental	1,681	5,350	342	371	2,767	875	2,043	−111	1,680	14,998
Cordova Airlines, Inc.: None										
Delta Air Lines, Inc.: Affiliates:										
Aeronautical Radio, Inc.:										
Current									10,178	10,178
Security investment	1,450	7,220			3,340	−3,340	3,330		8,180	20,180
Total	1,450	7,220			3,340	−3,340	3,330		18,358	30,358
Airlines Clearing House: Security investment	1,001				−500		−400			101
Air Cargo, Inc.:										
Current									7,923	7,923
Security investment	240			960					1,000	2,200
Total	240			960					8,923	10,123
Chicago Airlines Ticket Office, Inc.: Security investment	150			−150						
Airlines Terminal Corp.:										
Current			$6,964	−4,397	−2,567					
Security investment		15,000			−7,388				3,119	10,731
Total		15,000	6,964	−4,397	−9,955				3,119	10,731
Airlines Motor & Terminal Corp.: Security investment			200	−200						
Midway Airport Corp.: Security investment					47,727		−47,727		1,815	1,815
Radio Aeronautica de Cuba: Current [3]									6,378	6,378
Total affiliates	2,841	22,220	7,164	−3,787	40,612	−3,340	−44,797		38,593	59,506
Separately operated divisions: Dusting Division, Delta Air Lines, Inc.:										
Current			20,318	−3,358	−21,583	−2,173	25,650	3,647	51,852	83,353
Security investment	[4] 103,415	[4] −2,099	−45,924	11,242	42,915	−4,533	−2,380	−27,430	−3,492	71,714
Total separately operated divisions	103,415	−2,099	−16,606	7,884	21,332	−6,706	23,270	−23,783	48,360	155,067
Total, Delta	106,256	20,121	−9,442	4,097	61,944	−10,046	−21,527	−23,783	86,953	214,573
Ellis Air Lines, Inc.: None										
Frontier Airlines, Inc.: Affiliates:										
Airlines clearing house:										
Current	500						−400			100
Security investment	1									1
Total	501						−400			101
Aeronautical Radio, Inc.:										
Current							−1,823	1,725	1,689	1,591
Security investment	380						620			1,000
Total	380						−1,203	1,725	1,689	2,591
Air Cargo, Inc.:										
Current							−958	528		[5] −430
Security investment	220									220
Total	220						−958	528		−210
Total, Frontier	1,101						−2,561	2,253	1,689	2,482
Hawaiian Airlines, Ltd.: Affiliate: Inter-Island Steam Navigation Co., Ltd.: Current			−3,421	3,366	−470	525				
Helicopter Air Service, Inc.: Affiliate: Aeronautical Radio, Inc.: Security investment					10		990	−750		250

[3] Carrier owned 314 shares of stock at December 31, 1953, reported at zero book value.
[4] No breakdown between Current and Security Investments reported for these years.
[5] Represents payable to affiliate.

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953—Continued

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (—)								Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Lake Central Airlines, Inc.: Affiliates:										
Aeronautical Radio, Inc.:										
Current								$686		$686
Security investment						$220	$780			1,000
Total						220	780	686		1,686
Airlines Clearing House: Security investment						501	—400			101
Airport Ticket Office Association Corp:										
Current									$592	592
Security investment									200	200
Total									792	792
Total, Lake Central Airlines, Inc.						721	380	686	792	2,579
Los Angeles Airways, Inc.: Affiliate:										
Aeronautical Radio, Inc.:										
Current				—$349	$349					
Security investment			$10					240		250
Total, Los Angeles Airways, Inc.			10	—349	349			240		250
Mohawk Airlines, Inc. (formerly Robinson): Affiliates:										
Robinson Aviation, Inc.: Current				—37,203	17,117	20,086				
Air Cargo, Inc.: Security investment				200	20					220
Aeronautical Radio, Inc.: Security investment							1,000			1,000
Airlines Clearing House, Inc.: Security investment							101			101
Total, Mohawk Airlines, Inc.				—37,003	17,137	20,086	1,101			1,321
New York Airways, Inc.: Affiliates:										
Air Cargo, Inc.: Current									220	220
Aeronautical Radio, Inc.: Current									250	250
Total, New York Airways, Inc.									470	470
North Central Airlines, Inc. (formerly Wisconsin Central): Affiliates:										
Aeronautical Radio, Inc.: Security investment					10		990			1,000
Airlines Clearing House: Security investment							101			101
Total, North Central Airlines, Inc.					10		1,091			1,101
Northeast Airlines, Inc.: Affiliates:										
Airlines Clearing House:										
Current	$500		—301	260	—35	—424				
Security investment	501						—400			101
Total	1,001		—301	260	—35	—424	—400			101
Air Cargo, Inc.:										
Current			—1,250	1,183	33	—529	507	—16	3	⁶ 69
Security investment	80			320						400
Total	80		—1,250	1,503	33	—529	507	—16	3	331
Aeronautical Radio Co.:										
Current			—1,844	1,725	—24	134	—180	134	713	658
Security investment	450	$3,028			132		3,390			7,000
Total	450	3,028	—1,844	1,725	108	134	3,210	134	713	7,658
New York Airport Terminal, Inc.:										
Current		5,000	—6,353	4,545	—446	—1,020	—9	952	958	3,627
Security investment	250									250
Total	250	5,000	—6,353	4,545	—446	—1,020	—9	952	958	3,877
Airlines Negotiating Committee: Current			327	443	—770					
Central Airlines Terminal: Current			500			—500				
Air Traffic Conference: Current			—760	439	321		—9	—251	260	
Airline Finance and Accounting Conference: Current			—38	38						
Air Transport Association: Current			—5,425	5,267	158			—1	1	
Airlines Personnel Relations Conference: Current					360					360
East Side Airlines Terminal Corp.:										
Current							3,000	603	—573	3,030
Security investment						5,000				5,000
Total						5,000	3,000	603	—573	8,030
Airlines Terminal Annex Corp.: Security investment								1,000		1,000
Total, Northeast Airlines, Inc.	1,781	8,028	—15,144	14,220	—271	2,661	6,299	2,421	1,362	21,357
Northern Consolidated Airlines, Inc.:										
Amounts due stockholders or companies wholly owned by stockholders: Current				—52,009	8,056	43,953		—9,685	9,685	
Alaska Consolidated Vacations:										
Current						3,219		—3,219		
Security investment						73,818		—73,818		
Total						77,037		—77,037		
Total, Northern Consolidated				—52,009	8,056	120,990		—86,722	9,685	

⁶ Represents payable to an affiliate.

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953—Continued

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (−)								Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Northwest Airlines, Inc.: Affiliates:										
Airline ticket office, Chicago:										
Current	$450			−$450						
Security investment	55			−55						
Total	505			−505						
Aeronautical Radio, Inc.:										
Current				29,546	$23,171	$90,781	$666	$13,486	−$52,300	$105,350
Security investment	3,090	$15,530					22,380			41,000
Total	3,090	15,530		29,546	23,171	90,781	23,046	13,486	−52,300	146,350
Air Cargo, Inc.:										
Current			$759	−759	−5,072	5,604	−570	−218	−3,205	[1] −3,461
Security investment	480		1,920							2,400
Total	480		2,679	−759	−5,072	5,604	−570	−218	−3,205	−1,061
Airlines Clearing House, Inc.:										
Current				1,000	−593	93	−400		−100	
Security investment	1,001			−1,000					100	101
Total	1,001				−593	93	−400			101
United States Capital Airlines: Current	400	200					200		−800	
New York Terminal Airport, Inc.:										
Current	2,000	2,000		1,000	−2,860	939	−3,079			
Security investment	250						−250			
Total	2,250	2,000		1,000	−2,860	939	−3,329			
Newark, N. J., operating revolving fund: Current		1,000		−1,000						
Airlines Terminal Corp.: Security investment		33,300			−16,400		−1	1		16,900
Central Air Terminal, Brooklyn: Current			500			−115	−85	−27	77	350
International Air Transportation Association of London: Current				1,000						1,000
Airport Ticket Office Association Corp., Cleveland:										
Current					134	44	3	−30	49	200
Security investment					75				−15	60
Total					209	44	3	−30	34	260
Airlines National Terminal Service Co.: Current					5,489	−6,292	14,035	9,129	549	22,910
Air Traffic Conference of America: Current					−154	154		3,229	−1,815	1,414
East Side Airlines Terminal Corp.:										
Current							3,000	1,290	15,767	20,057
Security investment						5,000				5,000
Total						5,000	3,000	1,290	15,767	25,057
Combined Airlines Ticket Office Association: Current						−455	−80	−226	1,442	681
Air Transport Association: Current							8,227	−4,965	−3,262	
Airlines Ticket Office, Detroit: Current							415	−139	424	700
Westside Airlines Terminal: Security investment							1,000			1,000
Airlines Terminal Annex Corp.: Security investment								1,000		1,000
Combined Airlines Ticket Office, District of Columbia: Current									1,000	1,000
Total, Northwest	7,726	52,030	3,179	29,282	3,790	95,753	45,461	22,530	−42,089	217,662
Ozark Airlines, Inc.: Affiliates: Aeronautical Radio, Inc.: Security investment							1,000			1,000
Total, Ozark							1,000			1,000
Pacific Northern Airlines, Inc.: Affiliates: Aeronautical Radio, Inc.: Security investment							1,000			1,000
Total, Pacific Northern							1,000			1,000
Pan American-Grace Airways, Inc.: Affiliates: Lloyd Aereo Boliviano, capital stock: Security investment	53,542	−55,115	1,573							
Sociedad Nuevo Aeropuerto, Cali, Ltda.:										
Current			38,363		−12,939	−424	4,880			29,880
Security investment			97,721							97,721
Total			136,084		−12,939	−424	4,880			127,601
Total, Pan American-Grace	53,542	−55,115	137,657		−12,939	−424	4,880			127,601
Pan American World Airways, Inc.: Affiliates: Cia. de Aviacion Pan American Argentina, S. A.:										
Current	18,190	91,105	140,187	390,453	1,409,195	−880,191	−809,605	284,507	71,627	715,468
Security investment	12,500									12,500
Total	30,690	91,105	140,187	390,453	1,409,195	−880,191	−809,605	284,507	71,627	727,968

[1] Represents payable to an affiliate.

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953—Continued

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (−)								Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Pan American World Airways, Inc.—Continued										
Cia Cubana de Aviacion, S. A.:										
Current	$506,373	−$269,543	[1] $26,260							
Security investment	520,000			−$40,000			−60,000		−$220,000	$200,000
Total	1,026,373	−269,543	26,260	−40,000			−60,000		−220,000	200,000
Cia Mexicana de Aviacion, S. A.:										
Current	1,532,639	[1] −69,420								
Security investment	390,219	−109,809	242,268		$337	$3			4	523,022
Total	1,922,858	−179,229	242,268		337	3			4	523,022
Panair do Brasil, S. A.:										
Current	−102,991	[1] 2,566,708								
Security investment	237,192		−40,895							196,297
Total	74,201	2,566,708	−40,895							196,297
Pan American Air Ferries, Inc.:										
Current	70,894	−22,305	−49,589					$1,000		
Security investment	1,000							−1,000		
Total	71,894	−22,305	−49,589							
Pan American Airways-Africa, Ltd.:										
Current	−17,997	39,235	−22,238	1,862		1,131	−1,362	−631		
Security investment	1,000							−1,000		
Total	−16,997	39,235	−22,238	1,862		1,131	−1,362	−1,631		
Uraba, Medellin & Central Airways, Inc.:										
Current	99,483	2,835	3,324	60,586	38,956	19,010	−9,431	−71,375	51,402	194,790
Security investment	157,500		500							158,000
Total	256,983	2,835	3,824	60,586	38,956	19,010	−9,431	−71,375	51,402	352,790
Pan American Airways Sales Corp.:										
Current	12,195						−12,195			
Security investment	1,000						−1,000			
Total	13,195						−13,195			
Pan American Airports Corp.: Security investment	1,000									1,000
Sociedade Aeroportos Pan Americana de Macau, Ltda.:										
Current	−13,333									−13,333
Security investment	13,333									13,333
Total										
Pan American Airways Corp.:										
Current	−52,380,362	−16,266,386	9,687,619	−26,080,390	85,342,519					
Security investment		23,688	140,663	28,706	−193,057					
Total	−52,380,362	−16,242,698	9,828,282	−26,354,684	85,149,462					
Central Air Terminal, Inc.:										
Current				4,000	−4,000				19,400	19,400
Security investment			10		2,000	2,010	9,247	6,143	−19,400	10
Total			10	4,000	−2,000	2,010	9,247	6,143		19,410
Grandes Hotels, S. A.:										
Current			461,462	286,385	−193,145	−77,082	−82,332	−395,288	361,378	361,378
Security investment			10,526	−10,526	236,842					236,842
Total			471,988	275,859	43,697	−77,082	−82,332	−395,288	361,378	598,220
Radio Aeronautico Venezolano: Security investment			8,955		−8,955					
Aeronautical Radio, Inc.:										
Current					−3,238	23,867	122,261	13,412	−28,822	127,480
Security investment				9,050		10	55,000			64,060
Total				9,050	−3,238	23,877	177,261	13,412	−28,822	191,540
Aeronautical Radio of Siam, Ltd.:										
Current				33,461	4,886	−22,160	−13,321	7,987	6,125	16,978
Security investment				3,846	3,847	692	−4,909			3,476
Total				37,307	8,733	−21,468	−18,230	7,987	6,125	20,454
Airlines clearing house: Security investment				1,001	−500		−400			101
Airlines Terminal Corp.: Security investment				12,700	−6,255	812				7,257
Sociedade de Portuguesa de Agencia Aereas, Ltda.:										
Current				239,928	−179,642	24,742	1,521	−35,099	−51,450	
Security investment				7,979					−7,979	
Total				247,907	−179,642	24,742	1,521	−35,099	−59,429	

[1] In 1945 these national companies were controlled by Pan American. However, in subsequent years, due to decreased stock ownership, control by Pan American ceased and the companies were no longer reported as affiliates. Inasmuch as data on current accounts with nonaffiliated companies are not reported by the carriers, such information is not available for Cubana, Mexicana or Panair do Brasil for the full period covered by this statement.

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953—Continued

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (−)								Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Pan American World Airways, Inc.—Continued										
Intercontinental Hotels Corp.:										
Current			$1,957	$3	$348,038	$312,565	$749,576	−$1,588,696	$2,530,063	$2,353,506
Security investment					1,000,000					1,000,000
Total			1,957	3	1,348,038	312,565	749,576	−1,588,696	2,530,063	3,353,506
American Overseas Airlines, Inc.:										
Current						−12,090	12,090			
Security investments						12,068	−12,068			
Total						−22	22			
East Side Airlines Terminal Corp.:										
Current								358,733	−319,722	39,011
Security investment						15,000				15,000
Total						15,000		358,733	−319,722	54,011
International Aeradio (Caribbean), Ltd.:										
Current							26,007	−3,650	−36	22,321
Security investment						49,380				49,380
Total						49,380	26,007	−3,650	−36	71,701
Radio Aeronautica de Cuba:										
Current				100	−100	31,990	15,602	−22,632	−11,299	13,661
Security investment					103,559	−46,059				57,500
Total				100	103,459	−14,069	15,602	−22,632	−11,299	71,161
Aeropuertos Unidos, S. A.:										
Current								76,464	−6,535	69,929
Security investment								1,000		1,000
Total								77,464	−6,535	70,929
Del Sud Inversora SRL: Security investment									68,125	68,125
Guided Missiles Range Division: Current									316,727	316,727
International Hotels Corp.: Current		$10,549	−10,549							
Total, Pan American World	−$49,000,165	−14,003,343	10,600,460	−25,353,856	87,901,287	−544,302	−15,319	−1,370,125	2,759,608	6,844,219
Piedmont Aviation, Inc.: Affiliates:										
Airlines Clearing House, Inc.:										
Current				1,001	−500	−501				
Security investment						501	−400			101
Total				1,001	−500		−400			101
Aeronautical Radio, Inc.:										
Current				10			−10			
Security investment							5,000			5,000
Total				10			4,990			5,000
Air Cargo, Inc.: Security investment							220			220
Total affiliates				1,011	−500		4,810			5,321
Separately operated divisions: Fixed base division:										
Current				[1]−17,745	4,354	13,391				
Security investment				205,005	−43,388	17,952	125,165	19,584	43,029	367,347
Total separately operated divisions				187,260	−39,034	31,343	125,165	19,584	43,029	367,347
Total, Piedmont				188,271	−39,534	31,343	129,975	19,584	43,029	372,668
Pioneer Air Lines, Inc. (formerly Essair): Affiliates:										
Aeronautical Radio, Inc.: Security investment	10						990			1,000
Airlines Clearing House, Inc.: Security investment		1,001			−500		−400			101
Air Cargo, Inc.: Security investment						220				220
Total, Pioneer	10	1,001			−500	220	590			1,321
Reeve Aleutian Airways, Inc.: None										
Southern Airways, Inc.: Affiliates:										
Airlines Clearing House, Inc.: Security investment					501		−400			101
Aeronautical Radio Corp.: Security investment					10		990			1,000
Total, Southern					511		590			1,101
Southwest Airways: Affiliates:										
Airlines Clearing House: Security investment		1,001			−500		−400			101
Aeronautical Radio, Inc.: Security investment					10		3,990			4,000
Air Cargo, Inc.: Security investment							220			220
Total, Southwest		1,001			−490		3,810			4,321
Trans-Pacific Airlines, Ltd.: Affiliate: Aeronautical Radio Corp.:										
Current							−2,770	1,900	1,831	1,051
Security investment						500	−500			
Total, Trans-Pacific						500	−3,270	1,900	1,831	1,051

[1] Loss.

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953—Continued

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (−)								Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Trans-Texas Airways: Affiliates:										
Aeronautical Radio, Inc.:										
Current			$10	−$10	$10	$632	$990	−$178	−$1,059	$395
Security investment				10	−10				1,000	1,000
Total			10			632	990	−178	−59	1,395
Airlines Clearing House, Inc.:										
Current					501		−400		−1	100
Security investment									1	1
Total					501		−400			101
Total affiliates			10		501	632	590	−178	−59	1,496
Separately operated divisions: Sales and service division:										
Current				37,493	−6,321	35,831	−67,003			
Security investment			104,775	−104,775						
Total separately operated divisions			104,775	−67,282	−6,321	35,831	−67,003			
Total, Trans-Texas			104,785	−67,282	−5,820	36,463	−66,413	−178	−59	1,496
Trans World Airways, Inc.: Affiliates:										
New York Airport Terminal, Inc.:										
Current	$2,000	$3,000				−1,000	752		2,000	6,752
Security investment	250									250
Total	2,250	3,000				−1,000	752		2,000	7,002
New Mexico Airport Corp.:										
Current	35,000	85,000	4,792	−59,692	−37,894	−24,920	1,681	9,868	53,988	67,823
Security investment	3,523									3,523
Total	38,523	85,000	4,792	−59,692	−37,894	−24,920	1,681	9,868	53,988	71,346
Aeronautical Radio, Inc.:										
Current	3,081	5,450	1,094	−166	−1,778	1,618	7,566	12,003	−10,995	17,873
Security investment	10,390	32,010								42,400
Total	13,471	37,460	1,094	−166	−1,778	1,618	7,566	12,003	−10,995	60,273
Airlines Terminal, Inc.:										
Current	4,000		−4,000							
Security investment	10		−10							
Total	4,010		−4,010							
Chicago Airlines ticket office:										
Current	450		−450							
Security investment	56		−56							
Total	506		−506							
Air Cargo, Inc.:										
Current					2,587	−2,587		173	−105	68
Security investment	2,000			8,000						10,000
Total	2,000			8,000	2,587	−2,587		173	−105	10,068
Marquette Airlines, Inc.: Security investment	313,333		−313,333							
Airlines Clearing House:										
Current	500				−500	500	−400			100
Security investment	501					−500				1
Total	1,001				−500		−400			101
International Aeradio, Ltd.: Security investment				403					−123	280
Airport Ticket Association Corp.:										
Current					250					250
Security					75					75
Total					325					325
Societe Internationale de Tele-Communicationes Aeronautiques:										
Current					2,476	−890			−1,586	
Security investment					633		220	12	15	880
Total					3,109	−890	220	12	−1,571	880
East Side Airlines Terminal Corp.:										
Current						4,800	4,200		30,899	39,899
Security investment						15,000				15,000
Total						19,800	4,200		30,899	54,899
Transcontinental & Western Air, Inc.: Security investment						1,000				1,000
Trans World Airlines de Mexico, S. A. C. V.:										
Current						2,780	30	1,606	659	5,075
Security investment						2,849	46	−5		2,890
Total						5,629	76	1,601	659	7,965
Airlines personnel relations conference: Current							1,800			1,800
West Side Airline Terminal, Inc.: Security investment							1,000			1,000
Airlines ticket office, Detroit: Current									955	955
Airlines ticket office: Current	1,260	−1,260								
United States Capital Airlines: Current	550	−550								

Changes in intercompany account balances between air carriers and affiliated companies and separately operated divisions, for period Dec. 31, 1945, through Dec. 31, 1953—Continued

Carrier and name of affiliate or separately operated division	Balance, Dec. 31, 1945	Net additions or deductions (−)							Balance, Dec. 31, 1953
		1946	1947	1948	1949	1950	1951	1952	1953	
Trans World Airways Inc.: Affiliates—Con.										
Consolidated Airlines Ticket Office: Current		$750	$807	−$359	−$330	$674	−$614	−$128	$239	$1,039
Airlines Terminal Corp.: Security investment		80,300			−80,300					
Air Transport Association: Current			412	−126	−286	−62	1,491	−95	−1,003	331
Airlines National Terminal Service:										
Current			25,817	−23,121	−2,696					
Security investment					40,752					40,752
Total			25,817	−23,121	38,056					40,752
TWA Agency, Ltd.: Current			108,327	−108,327						
International Air Transport Association: Current			1,000							1,000
Central Air Terminal, Inc.:										
Current			9,225	−1,575	−3,575	−1,575	−2,000			500
Security investment			10							10
Total			9,235	−1,575	−3,575	−1,575	−2,000			510
Combined Airlines Ticket Office (Evanston): Current									2,615	2,615
Total, TWA	$376,904	204,700	−166,365	−184,963	−80,586	−2,313	15,772	23,434	77,558	264,141
West Coast Airlines, Inc.: Affiliates:										
Air Cargo, Inc.: Security investment						220				220
Aeronautical Radio, Inc.:										
Current								1,190	−202	988
Security investment							1,234	1,266		2,500
Total							1,234	2,456	−202	3,488
Empire Air Lines, Inc.: Security investment								1,756	876	2,632
Total, West Coast						220	1,234	4,212	674	6,340
Wien Alaska Airlines, Inc.: Affiliate: Fairbanks Aeronautical Radio Co., Inc.: Security investment				1,695						1,695

Source: Carriers' reports to CAB on Forms 41, 2380, and 2780.

Mr. DOUGLAS. Mr. President, on page 14 of the tabulation it will be found that the Pan American incurred a deficit of $2,530,000 on Intercontinental Hotels Corp. for 1953. The record seems to indicate that this became an expenditure of Pan American. Therefore, it entered into the general financial statement of Pan American and thus became a matter for affecting subsidy by our Government and by our taxpayers.

I have asked that this material be placed in the RECORD so that all Senators and the public may have an opportunity to read it tomorrow morning in the CONGRESSIONAL RECORD, and so that our debate of tomorrow may be somewhat more intelligent.

I should like to remark that what seems to be happening is that we are subsidizing Pan American, which in turn is subsidizing its wholly owned hotel corporation.

LUXURY HOTELS ARE NOT PROPER OBJECTS OF SUBSIDY

Among my papers before me I have a multicolored pamphlet which is distributed to potential customers of both Pan American and its wholly owned subsidiary, Intercontinental Hotels Corp. I wish I could describe all the eloquence which is expressed in connection with the luxurious nature of these hotels, for which we are asked to appropriate, indirectly, subsidies at the expense of the public. I should like to refer first to the Hotel Grande, at Belem, Brazil, and quote from the Pan American pamphlet:

> The spacious guest rooms reflect the magnificence of the days of the Amazon throne, yet incorporate every modern facility for comfort and repose, with such features as tile baths, handsome appointments, and deeply comfortable beds.

It is very consoling, Mr. President, that we are able to afford these high-class accommodations on the coast of Brazil, but it is somewhat disconcerting to find that, apparently, American taxpayers are being asked to pay indirectly for part of the expense of them.

The Comptroller General has informed me, under date of April 22, 1955, that this hotel is owned by Pan American.

Let me turn the page to a description of the Hotel Tequendama, in Bogota, Columbia, where, we are shown, there is a magnificent kidney-shaped swimming pool surrounded by cabanas where people may sip their South American drinks in comfort. Also, let us not forget the Hotel Reforma, in Mexico City, which, the advertisement says "is served by spotless kitchens, an international staff and the wine cellar offers a fine assortment of carefully selected vintages."

This hotel is entirely owned by the Intercontinental Hotels Corp., which, in turn, is owned by Pan American.

The headquarters of the Intercontinental Hotels Corp. is in the Chrysler Building, New York City, the same building which houses Pan American World Airways.

Mr. President, I ask unanimous consent to insert in the RECORD at this point in my remarks a list of the officers and directors of the Intercontinental Hotels Corp.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

INTERCONTINENTAL HOTELS CORP.,
CHRYSLER BUILDING,
New York, N. Y.

Wallace Whitaker, chairman of the board; Byron E. Calhoun, president; Oscar G. Balz, vice president; S. J. Roll, vice president; Peter Grimm, vice president; Robert G. Ferguson, treasurer; H. Preston Morris, secretary; R. P. Monson, assistant treasurer; John S. Woodridge, comptroller; James E. Maguire, assistant comptroller; J. Macy, assistant secretary.

Directors: Erwin Balluder, Harold M. Bixby, Byron E. Calhoun, Harold E. Grey, Peter Grimm, Wilbur L. Morrison, Wallace S. Whitaker, John S. Woodridge, Clarence M. Young.

Mr. DOUGLAS. Mr. President, I find that the same man, John S. Woodridge, controller of Pan American, is also controller of International Hotels Corp.

INTEREST-FREE LOAN TO HOTEL SUBSIDIARY

I think the evidence will show that on the 14th of July, 1953, Pan American advanced $2 million to Intercontinental Hotels Corp. By a letter on January 21, 1954, the controller of Pan American Airways informed the Intercontinental Hotels Corp. that this $2 million advance would not bear interest. This act of generosity was accomplished by the same man, writing a letter from himself in one capacity to himself in another capacity.

The foregoing interest on this single advance of Pan American to its hotels amounts to $80,000 a year at 4 percent, an item which we are covering through the subsidies.

I now refer to the Hotel del Prado, Barranquilla, Colombia, the Hotel del Lago, Maracaibo, Venezuela, the Victoria Plaza, in Montevideo, said to contain "400 beautifully decorated rooms, all with private bath, many that convert from luxurious sitting rooms by day and a penthouse with terrace and garden." Also, the Hotel Carrera in Santiago, Chile, featuring the Robinson Crusoe Bar.

I am necessarily describing these features second hand, because I have never been able to pay the freight to visit in person these hotels.

The hotels which I have enumerated are all in the high-priced luxury class, which the average citizen cannot afford, and only the wealthy can. It is a curious sort of enterprise to be the beneficiary, even indirectly, of money provided at the expense of the American people.

In all seriousness, I suggest we put a stop to this sort of thing. If we do not, there will be no end to it. If luxury hotels are allowed because of some indirect connection with persons flying on an airline, why not include distilleries because the airline serves drinks to its passengers?

Mr. President, there are a number of unanswered questions concerning this hotel subsidiary of Pan American. In the first place, the United States Government has no business putting public money, directly or indirectly, into the hotel business. Those Americans who operate hotels in competition with this subsidiary of Pan American would have a very legitimate protest, if they knew what was going on, that these airline subsidies were resulting in unfair competition with their hotel business.

Second, and this is very curious, why, if other Americans can make a profit in the hotel business without benefit of airline subsidies, does not Pan American make a profit on its hotel chain? Why is more money flowing from Pan American to Intercontinental Hotels than is coming back the other way? What is this hotel subsidiary doing with the money it gets from Pan American?

NO PROPER AUDIT OF PAN-AMERICAN SUBSIDIARIES

In 1954 the House Appropriations Committee had an investigation made, the full details of which are not available, but the gentleman from New York, Mr. Rooney, asked this question of Mr. Gurney—I am now quoting from the House investigative report:

Mr. ROONEY. What do you have to say about this statement?

Most of the subsidies on Pan American have never been properly audited by CAB. A good example is their subsidiary, the Intercontinental Hotels Corp.

Mr. Gurney replied:

That is a correct statement in that those subsidiaries have not been audited.

The House Appropriations Committee concluded in House Report 207, pages 6 and 7:

A report from the investigative staff of this committee dated December 20, 1954, contained the following:

"The survey indicates that the Civil Aeronautics Board does not have accurate facts or figures regarding Pan American operations. Most of the subsidiaries have never been properly audited and some not at all, and there has not been insistence that the operations of the entire system be treated as an entity, as required by a recent Supreme Court decision. If corrective action were taken, substantial cuts in subsidy should result."

That was one of the reasons why the House committee reduced the subsidy to airlines.

LARGE TAX ALLOWANCES MADE TO SOME AIRLINES

Mr. President, that is the first item about which I am very critical. The second item is the fact that, apparently, CAB has been paying the income taxes of a number of airlines, and this has been particularly evident in the case of Pan American.

I wish to speak very carefully now. I believe there is information extant which shows the extent of the income taxes which have been paid by the Government in the accounts of these airlines. I believe the copy I now hold in my hand is an authentic copy of this fundamental document. Due to certain developments, it is not quite certain that what I now hold can be described as the official report. I can only say that to the best of my knowledge and belief it is a correct copy of the official report on allowances for Federal income taxes and mail rates for the calendar years 1946 through 1953.

Mr. President, I ask unanimous consent to insert this document in the RECORD with the understanding that if any Senator who is in possession of the original raises an objection before the CONGRESSIONAL RECORD goes to print tonight, I shall withdraw the document from the RECORD, because I do not wish to sponsor any material of which I do not have authorized possession, and which Senators who do have authorized possession do not wish to have published.

I do not want to question the good faith of any Senator in this matter.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Allowances for Federal income taxes in final mail rates, calendar years 1946–53

DOMESTIC TRUNK LINES, INTERNATIONAL, OVERSEAS, AND TERRITORIAL AIR CARRIERS

	1946	1947	1948	1949	1950	1951	1952	1953
1. American Airlines, Inc.:								
Domestic	$159,083	(1)	(1)	(1)	(1)	$336,688	$381,286	$394,977
International	(2)	$2,117	$457	$5,000	$52,500	3,621	3,939	4,223
2. (a) Braniff Airways, Inc.:								
Domestic	32,602	217,000	337,000	377,000	377,000	291,096	37,258	40,661
International (began operations June 4, 1948)	(2)	(2)	(4)	(4)	(4)	(4)	(4)	(4)
(b) Mid-Continent Airlines, Inc. (merged with Braniff Airways Inc. Aug. 16, 1952)	21,958	29,919	76,212	95,000	108,426	208,712	195,622	(3)
3. Capital Airlines, Inc. (changed from Pennsylvania-Central Airlines Corp. June 22, 1948)	14,263	98,308	101,612	189,000	189,000	153,911	42,143	56,436
4. Caribbean-Atlantic Airlines, Inc	3,275	5,392	8,046	1,168	0	0	0	0
5. (a) Delta Airlines, Inc. (changed from Delta Air Corp. Feb. 13, 1946):								
Domestic	16,751	98,654	281,360	280,952	280,952	221,707	42,728	(4)
International (operations began May 1, 1953)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(4)
(b) Chicago and Southern Air Lines, Inc. (merged with Delta Airlines, Inc. May 1, 1953):								
Domestic	148,580	148,580	206,762	193,801	193,801	263,179	469,000	154,207
International (began operations Nov. 1, 1946)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
6. Colonial Airlines, Inc.:								
Domestic	20,879	0	0	0	0	0	0	0
International (began operations Aug. 1, 1947)	(2)	12,004	9,340	0	0	0	0	0
7. Continental Air Lines, Inc.	48,041	60,511	66,578	110,602	140,846	150,793	180,300	180,300
8. Eastern Air Lines, Inc.:								
Domestic	69,431	(1)	(1)	(1)	(1)	123,284	126,248	132,485
International (began operations Sept. 9, 1946)	223	668	34,814	34,289	50,328	9,111	10,519	14,182
9. Hawaiian Airlines, Ltd.	489	766	1,031	1,018	0	88,128	176,255	(4)
10. National Airlines, Inc.:								
Domestic	34,550	(4)	(4)	(4)	(4)	(4)	30,100	34,691
International (began operations Dec. 15, 1946)	8	154	(4)	(4)	(4)	(4)	343	51,278
11. Northeast Airlines, Inc.	91,495	32,007	0	211,745	115,900	0	226,612	380,319
12. Northwest Airlines, Inc.:								
Domestic	42,542	45,210	0		0	(4)	68,327	73,502
International (began operations Sept. 1, 1946)	241	0	0	0	0	(4)	652,039	929,061
13. Pan American-Grace Airways, Inc.	108,350	7,090	2,691	0	191,000	262,156	441,000	441,000

See footnotes at end of table.

Allowances for Federal income taxes in final mail rates, calendar years 1946–53—Continued

DOMESTIC TRUNK LINES, INTERNATIONAL, OVERSEAS, AND TERRITORIAL AIR CARRIERS—Continued

	1946	1947	1948	1949	1950	1951	1952	1953
14. (a) Pan American World Airways, Inc. (changed from Pan American Airways, Inc., Jan. 3, 1950):								
Alaska division	0	0	0	0	$128,000	$203,500	$197,000	$197,000
Atlantic division	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Latin American division	$38,927	$59,643	$14,397	0	1,279,000	620,000	(4)	3,388,000
Pacific division	0	638,000	850,000	0	1,716,000	1,845,000	1,845,000	1,853,000
(b) American Overseas Airlines, Inc. (merged with Pan American World Airways, Inc., Sept. 25, 1950)	(4)	(4)	(4)	(4)	(4)	(2)	(2)	(2)
15. Trans-Pacific Airlines, Ltd. (began operations May 15, 1951)	(2)	(2)	(2)	(2)	(2)	0	0	(4)
16. Trans World Airlines, Inc. (changed from Transcontinental & Western Air, Inc., May 17, 1950):								
Domestic	143,989	(1)	(1)	(1)	(1)	262,182	242,987	284,980
International	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
17. United Air Lines, Inc.:								
Domestic	211,815	(1)	(1)	(1)	(1)	400,333	460,452	441,063
International (began operations May 1, 1947)	(2)	(4)	(4)	(4)	(4)	(4)	(4)	17,643
18. (a) Western Air Lines, Inc.	(4)	(4)	(4)	$256,000	256,000	199,550	28,498	35,429
(b) Inland Air Lines, Inc. (merged with Western Air Lines, Inc., (Apr. 10, 1952)	5,415	29,894	37,536	45,470	45,470	35,357	1,388	(2)
Total domestic trunklines, international, overseas, and territorial air carriers	1,212,907	1,485,917	2,027,836	1,801,045	5,124,223	5,678,308	5,859,044	9,054,437

LOCAL SERVICE AIR CARRIERS

1. Allegheny Airlines, Inc. (changed from All American Airways, Inc., Feb. 10, 1953, which had been All American Aviation, Inc., until Nov. 12, 1948)	$17,435	$25,826	$7,533	0	0	0	0	0
2. Bonanza Air Lines, Inc. (began operations Dec. 19, 1949)	(2)	(2)	(2)	0	0	0	0	0
3. Central Airlines, Inc. (began operations Sept. 15, 1949)	(2)	(2)	(2)	0	0	0	0	0
4. Florida Airways, Inc. (operated Jan. 10, 1947, through Mar. 28, 1949)	(2)	14,190	12,775	$2,451	(2)	(2)	(2)	(2)
5. (a) Challenger Airlines Co. (began operations May 3, 1947; merged into Frontier Airlines, Inc., June 1, 1950)	(2)	2,082	3,123	521	0	(2)	(2)	(2)
(b) Monarch Air Lines, Inc. (began operations Nov. 27, 1946; merged into Frontier Airlines, Inc., June 1, 1950)	1,707	20,476	20,476	21,429	$5,357	(2)	(2)	(2)
(c) Frontier Airlines, Inc. (began operations June 1, 1950)	(2)	(2)	(2)	(2)	0	0	$67,446	$73,577
6. Helicopter Air Service (began operations Aug. 20, 1949)	(2)	(2)	(2)	6,966	19,053	$17,208	11,734	11,734
7. Lake Central Airlines, Inc. (began operations Nov. 12, 1949; name changed from Turner Airlines, Inc., Nov. 24, 1950)	(2)	(2)	(2)	0	0	0	0	0
8. Los Angeles Airways, Inc. (began operations Oct. 1, 1947)	(2)	2,825	11,235	11,202	11,202	12,123	3,346	(4)
9. Mid-West Airlines, Inc. (operated Oct. 21, 1949, through May 15, 1952)	(2)	(2)	(2)	0	0	0	0	(2)
10. Mohawk Airlines, Inc. (began operations Sept. 19, 1948 as Robinson Aviation, Inc.; changed to Robinson Airlines Corp. Nov. 9, 1949; and then to Mohawk Airlines Aug. 23, 1952)	(2)	(2)	0	0	0	22,643	51,272	63,333
11. New York Airways, Inc. (began operations Oct. 15, 1952)	(2)	(2)	(2)	(2)	(2)	(2)	0	0
12. North Central Airlines, Inc. (began operations Feb. 24, 1948, as Wisconsin Central Airlines, Inc.; changed to North Central Airlines, Inc. Dec. 16, 1952)	(2)	(2)	0	0	0	(4)	(4)	(4)
13. Ozark Air Lines, Inc. (began operations Sept. 26, 1950)	(2)	(2)	(2)	(2)	0	0	0	0
14. Parks Air Lines, Inc. (operated September 1950 only)	(2)	(2)	(2)	(2)	0	(2)	(2)	(2)
15. Piedmont Aviation, Inc. (began operations Feb. 20, 1948)	(2)	(2)	11,082	13,298	51,703	53,559	82,138	(4)
16. Pioneer Air Lines, Inc. (changed from Essair, Inc., June 17, 1946)	9,145	38,342	44,861	23,008	0	0	0	0
17. Southern Airways, Inc. (began operations June 10, 1949)	(2)	(2)	(2)	0	0	0	0	0
18. Southwest Airways Co. (began operations Dec. 2, 1946)	2,523	30,282	28,930	28,480	38,986	56,556	91,261	(4)
19. Trans-Texas Airways (began operations Oct. 11, 1947)	(2)	3,786	15,140	15,140	29,424	39,626	39,626	(4)
20. (a) West Coast Airlines, Inc., (began operations Dec. 5, 1946)	1,690	20,278	20,016	19,230	25,700	25,700	35,512	(4)
(b) Empire Air Lines, Inc. (began operations Sept. 28, 1946; merged with West Coast Airlines, Inc., Aug., 1, 1952)	4,807	19,228	3,205	5,778	23,111	23,111	13,481	(2)
21. E. W. Wiggins Airways, Inc. (operated Sept. 19, 1949, through June 30, 1953)	(2)	(2)	(2)	0	0	0	0	0
Total local service air carriers and helicopter operators	37,307	177,315	178,376	147,533	204,536	250,526	395,816	148,644

ALASKAN AIR CARRIERS

1. Alaska Airlines, Inc.:								
States-Alaska (operations began Aug. 17, 1951)	(2)	(2)	(2)	(2)	(2)	(4)	(4)	0
Intra-Alaska	$33,370	(4)	(4)	(4)	(4)	(4)	(4)	0
2. Alaska Coastal Airlines (copartnership consisting of Alaska Air Transport, Inc., and Marine Airways Corp.; operations began June 9, 1947)	(4)	$1,629	$2,899	$2,609	$2,609	$2,609	$8,442	$8,442
3. (a) Lon Brennan Air Service (Edward A. Brennan, an individual, operated June 20, 1950, through Jan. 11, 1951)	(2)	(2)	(2)	(2)	264	15	(2)	(2)
(b) Byers Airways, Inc. (began operations Jan. 12, 1951, as Byers Airways, a partnership consisting of Robert Dale Byers and Gladys Byers. Changed to corporation Dec. 10, 1953)	(2)	(2)	(2)	(2)	(2)	7,956	4,616	1,097
4. Christensen Air Service (Hakon Christensen, an individual, operated Mar 25, 1952, through July 6, 1952)	(2)	(2)	(2)	(2)	(2)	(2)	11	(2)
5. Cordova Airlines, Inc. (changed from Cordova Air Service, Inc., Feb. 26, 1953)	1,057	1,057	1,057	1,057	1,057	1,058	5,383	5,383
6. Ellis Air Lines (a coporation, began mail service June 9, 1947)	(2)	4,092	8,353	7,519	7,519	7,519	26,564	26,564
7. Northern Consolidated Airlines, Inc. (name changed from Northern Airways, a partnership consisting of Frank V. and Hazel M. Pollack and Terrence W. McDonald, Dec. 1, 1947)	(2)	(4)	22,972	20,675	20,675	20,675	28,146	35,618
8. Pacific Northern Airlines, Inc. (changed from Pacific Northern Airlines, a partnership consisting of Arthur G. and Letha M. Woodley and Mary E. Diamond, Aug. 1, 1947)	11,146	11,146	11,146	10,031	10,031	10,032	53,357	53,357
9. Reeve Aleutian Airways, Inc. (began operations Apr. 8, 1948, as Reeve Airways, consisting of Robert C. Reeve, an individual. Changed to corporation Apr. 2, 1951)	(2)	(2)	8,039	9,928	9,929	9,929	7,553	5,179
10. Wien Alaska Airlines, Inc.	21,326	21,326	21,326	19,193	19,193	19,193	22,007	13,470
Total Alaskan air carriers	66,899	39,850	75,792	71,012	71,277	78,986	156,079	149,110

See footnote at end of table.

Allowances for Federal income taxes in final mail rates, calendar years 1946–53—Continued

SUMMARY

	1946	1947	1948	1949	1950	1951	1952	1953
I. Domestic trunk lines, international, overseas, and territorial air carriers	$1,212,907	$1,485,917	$2,027,836	$1,801,045	$5,124,223	$5,678,308	$5,859,044	$9,054,437
II. Local service air carriers and helicopter operators	37,307	177,315	178,376	147,533	204,536	250,526	395,816	148,644
III. Alaskan air carriers	66,899	39,850	75,792	71,012	71,277	78,986	156,079	149,110
Total, all carriers	1,317,113	1,703,082	2,282,004	2,019,590	5,400,036	6,007,820	6,410,939	9,352,191

[1] For detail as to these years, see accompanying memorandum.
[2] Indicates no operation conducted during the particular year, and no mail rate established by Board.
[3] Included with domestic.
[4] Indicates rate is temporary, and no final rate established for all or part of such year, as of June 15, 1954.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. Certainly.

Mr. HOLLAND. Does the Senator from Illinois mean to have the Senate understand that some Senator or Senators have possession of the original of the document which the Senator from Illinois has just described?

Mr. DOUGLAS. That is my understanding.

Mr. HOLLAND. In order that the matter might be crystal clear, I wish that the Senator from Illinois would be frank enough to state names and give facts, so that Senators will know what the situation is to which the Senator from Illinois is adverting.

Mr. DOUGLAS. There is some doubt as to who now possesses, or has title to—perhaps that is a better phrase—this document. I do not wish to decide that question. I simply say that I am not so much interested in the question of who has the title to the document; I am more interested in the substantive question as to who owed the income taxes in the past, for which the CAB has made payment. And I am interested in making that information available to the Senate.

I should like to shift the discussion away from the matter as to who has title to the document, to the question of what the document itself discloses, subject always to the reservation that I have a photostatic copy of what purports to be the original, and I have been around long enough to know that sometimes photostatic copies are not completely accurate.

Mr. HOLLAND. Mr. President, will the Senator further yield?

Mr. DOUGLAS. Certainly.

Mr. HOLLAND. Will the Senator from Illinois be sufficiently candid to state for the RECORD the source of his document, so that the Senate may at least have some opportunity to know something about its authenticity?

Mr. DOUGLAS. It is headed "Allowances for Federal Income Taxes in Final Mail Rates, Calendar Years 1946–53," which I believe was submitted by the Civil Aeronautics Board in June 1954, and which was not at any time, to my knowledge, marked "classified."

Mr. HOLLAND. The Senator has not answered the question—perhaps he does not care to do so—as to the source of the document which he offers for the RECORD.

Mr. DOUGLAS. I think it comes from the Civil Aeronautics Board.

Mr. HOLLAND. Did it come from CAA to the Senator from Illinois?

Mr. DOUGLAS. No.

Mr. HOLLAND. From whom did the Senator from Illinois get it, if he does not mind saying?

Mr. DOUGLAS. I should prefer not to discuss that.

Mr. HOLLAND. Will the Senator be good enough to state to whom the report went from the Civil Aeronautics Board?

Mr. DOUGLAS. It went to the Senator whose name I prefer at the moment not to give.

Mr. HOLLAND. The Senator from Illinois is not mentioning the Senator from Florida in that connection, is he?

Mr. DOUGLAS. No; I am not.

Mr. HOLLAND. What possible reason would there be why the Senator from Illinois could not communicate to his brethren in the Senate information which he seems to have and which he says indicates that some Senator received the report and presumably has possession of it?

Mr. DOUGLAS. The Senator from Florida is well aware of the fact, because I have been in telephonic conversation with him today, that I have been endeavoring to get an authorized release of the material. There have been difficulties in communication. I had not been able to obtain an authorized release, as of the moment in which I took the floor. Therefore, I am placing the document in the RECORD on the basis that it is accurate according to my best knowledge and belief, and that if any Senator objects to it, either on the ground that it is his property or that it is not an accurate photostat, he may do so, and I will see to it that the document is withdrawn from the RECORD before the time the RECORD goes to publication. I do not know how I could be any fairer or more careful than that.

Mr. HOLLAND. I know what the Senator from Illinois is adverting to, because I talked to him over the phone this morning. I advised the Senator from Illinois as to all the facts which were within my knowledge. I suggested that he get in touch directly with the Senator whom the Senator from Illinois said has the document—or had it in the past—and my understanding from the Senator from Illinois was that it was his intention to do so. Has the Senator from Illinois followed that course?

Mr. DOUGLAS. A preliminary attempt was made, but until I came on the floor I was engaged in helping to conduct a hearing on the Salk vaccine. The other Senator in question was presiding at another hearing, and I have not been able to obtain his formal consent.

Mr. HOLLAND. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. Certainly.

Mr. HOLLAND. Is the Senate to understand that the Senator from Illinois intends to continue with his efforts to secure the release of the document by the unnamed Senator—who, he says, is not the Senator from Florida, but is another Senator—who had the document, or so the Senator from Illinois, at least, understands, so that the Senate may be advised as to what the result of that communication has been?

Mr. DOUGLAS. I certainly intend to do so.

Mr. HOLLAND. I thank the Senator from Illinois.

TAX ALLOWANCES TO PAN-AM TOTALED OVER $9 MILLION

Mr. DOUGLAS. With the understanding that if this is not an accurate copy, it may later be stricken, I should like to point out that the record indicates that in 1953 Pan American World Airways, Inc., was allowed $1,853,000 as allowance for taxes to be paid by the Pacific division; $3,888,000 for taxes paid on the Latin American division; and $197,000 for taxes paid on the Alaska division.

Taxes were paid on the Atlantic division, and there is good reason to believe that the amount of tax allowance proposed by CAB for the Pan American Atlantic division is $3,892,000.

In the document which I hold, the symbol "T", which is placed opposite their Atlantic division, as I understand it, refers to a temporary rate granted to take account of the tax, with the understanding that when the proper amount was determined, some money might be recaptured.

We therefore have, for a certainty, $5,400,000 in income taxes of Pan American assumed by CAB in 1953, and a temporary rate granted of approximately $3,900,000 more for the Atlantic division, making a probable total of $9.3 million.

I wish to emphasize that that was for the calendar year 1953, but there is every reason to believe that this practice, long established, is still being continued, and that it enters into the item of subsidies which are being requested for the fiscal year 1955–56.

I do not believe the Federal Government should make a practice of paying income taxes for its subsidized lines.

CONGRESS IS NOT OBLIGATED TO SUBSIDIZE AIRLINES' TAX PAYMENTS

I now wish to submit for the RECORD a memorandum which has been submitted to me by Mr. James P. Radigan, Jr., senior specialist in American law, of the Library of Congress Legislative Refer-

ence Service, to whom I addressed the question:

Is Congress obligated to appropriate subsidies to enable the Civil Aeronautics Board to provide allowances to carriers to pay their Federal income taxes?

I now read from the report of Mr. Radigan:

There is no obligation on the part of Congress to appropriate subsidies to be granted air carriers to enable them to pay their Federal income taxes.

To assume the creation of such an obligation would require disregarding the results of Parliament's long struggle with the Crown for control of the purse strings and surrendering one of the prohibitions of article I, section 9 of the United States Constitution, viz, the restriction upon the disbursing power of the executive department carried in clause 7 of said section. * * *

The projection of the authority to provide subsidies granted under the terms of section 406 of the Civil Aeronautics Act of 1938 * * * across the separation of powers barrier, by transposing such authority into a delegation of plenary power to the Civil Aeronautics Board, to require the Congress to appropriate all sums subjectively determined by the Board as needed by air carriers to enable them to develop, fails to consider the realities involved in arriving at the estimates of subsidies.

There are certain other passages which I shall put in the RECORD, but which I shall omit reading. It concludes as follows:

Granting arguendo that air carriers are entitled to reasonable compensation for services performed, it does not follow that the Congress is obligated to appropriate the subsidies estimated as needed for estimated future service.

Today's estimates of tomorrow's subsidies are not today's obligations for yesterday's subsidies.

Mr. President, I ask unanimous consent, if it has not already been given, that the entire memorandum be printed in the body of the RECORD at this point in my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
Washington, D. C., June 14, 1955.

To: Hon. PAUL H. DOUGLAS.

From: James P. Radigan, Jr., senior specialist in American law.

Subject: Is Congress obligated to appropriate subsidies to enable the Civil Aeronautics Board to provide allowances to carriers to pay their Federal income taxes?

There is no obligation on the part of the Congress to appropriate subsidies to be granted air carriers to enable them to pay their Federal income taxes.

To assume the creation of such an obligation would require disregarding the results of Parliament's long struggle with the Crown for control of the purse strings and surrendering one of the prohibitions of article I, section 9 of the United States Constitution, viz, the restriction upon the disbursing power of the executive department carried in clause 7 of said section. See *Cincinnati Soap Co.* v. *United States* ((1937) 301 U. S. 308).

The projection of the authority to provide subsidies granted under the terms of section 406 of the Civil Aeronautics Act of 1938 (52 Stat. 998; 49 U. S. C. 486) across the separation of powers barrier, by transposing such authority into a delegation of plenary power to the Civil Aeronautics Board, to require the Congress to appropriate all sums subjectively determined by the Board as needed by air carriers to enable them to develop, fails to consider the realities involved in arriving at the estimates of subsidies.

The estimates for subsidies submitted by the Civil Aeronautics Board are composed of the amounts estimated as needed in the coming year by the carriers to enable them to develop to the extent required for the commerce of the United States, the postal service, and the national defense, and the amounts needed to adjust upward previously granted subsidies.

It is certainly ingenious rationalization of the factual situation and the applicable law to allege that the part of estimates requested 1 year for subsidy appropriations for the next year is equivalent to a request for payment of obligations for the cost of transporting mail under contract. How could there possibly be a fixed amount of obligations to pay when the services have not been rendered?

It certainly requires a plethora of legal talents to transform into fifth amendment just compensation obligations that part of the estimates for subsidy appropriation requested for supplemental payments for mail already transported under an established rate.

If the Civil Aeronautics Board has no authority on the basis of the carriers' needs to make rates retroactive past the date of the filing of the petition for the establishment thereof, *Transcontinental & Western Air, Inc.* v. *Civil Aeronautics Board* ((1949) 336 U. S. 601), a fortiori, it has no right to obligate the Congress to appropriate all amounts of subsidies it subjectively determines the carriers need. If no mandamus or other legal remedy lies against any officer of the Treasury Department on a claim against the United States where no appropriation to pay it has been made, *Reeside* v. *Walker* ((1850) 11 How. 272), a fortiori, the Civil Aeronautics Board cannot obligate the Congress to appropriate subsidies. The absolute control of the moneys of the United States is in Congress, and Congress is responsible for its exercise of this great power only to the people. *Hart's Case* ((1880) 16 Ct. Cls. 459, 484, affirmed 118 U. S. 62). An appropriation of money by Congress for a specific object is an implied authority for the President to do the thing, provided it can be done within the limits of the appropriations (6 Op. Atty. Gen. 26 (1853)). Nothing more than the right to include subsidies within the mail rate and within the appropriations therefore is granted.

The foundation upon which the air carrier subsidy edifice has been erected is the so-called need clause of the second sentence of section 406 (b) of the Civil Aeronautics Act of 1938 (49 U. S. C. 486). That the Congress did not expressly delegate its exclusive basic appropriating powers to the Civil Aeronautics Board by the terms of this provision is beyond question. To contend that Congress impliedly delegated the power, which must be contended to support the thesis of obligatory appropriations, requires a "dreamed-up" legislative intent for section 406, which, to say the least, does not appear from the background circumstances which brought the problem before the Congress or from the legislative history of the enactment that is discoverable from the committee reports and the debate.

A statute should not be construed as making an appropriation unless the language is sufficiently explicit to clearly justify it; and authority to use public moneys shall not rise by inference without very clear terms requiring it (18 Op. Atty. Gen. 174, 176 (1885)). We do not have such explicit or clear language in section 406.

If this section does, in effect, delegate the appropriating power of Congress to the Civil Aeronautics Board, as is contended by the proponents of obligatory appropriations, then it is probably unconstitutional. Congress has the exclusive power to appropriate Federal funds, *Ohio* v. *United States Civil Service Commission* ((1946) 65 F. Supp. 776); *Neustein* v. *Mitchell* ((1943) 52 F. Supp. 531); and such legislative power may not be delegated. *Marshall Field* v. *Clark* ((1892) 143 U. S. 649); *Panama Refining Co.* v. *Ryan* ((1935) 293 U. S. 388). It is for Congress, proceeding under the Constitution, and not for the Civil Aeronautics Board, to say what amount may be drawn from the Treasury in pursuance of an appropriation. *Hooe* v. *United States* ((1910 218 U. S. 322). It is essential to the successful working of our government that the persons entrusted with powers in one branch shall not be permitted to enroach upon the powers confided to another branch, but that each shall, by the law of its creation, be limited to the exercise of the powers appropriate to its own branch and to no other. *Kilbourn* v. *Thompson* ((1880) 103 U. S. 168).

Another ground upon which the proponents of the theory that the Congress is obligated to appropriate subsidies estimated by the Civil Aeronautics Board as required by air carriers, seems to emanate from the mandatory duties imposed upon the Postmaster General and the air carriers under the terms of the Civil Aeronautics Act. Granting arguendo that air carriers are entitled to reasonable compensation for services performed, it does not follow that the Congress is obligated to appropriate the subsidies estimated as needed for estimated future service.

Today's estimates of tomorrow's subsidies are not today's obligations for yesterday's subsidies.

FAILURE OF CAB TO IMPLEMENT SUPREME COURT DECISIONS OF FEBRUARY 1954

Mr. DOUGLAS. Mr. President, a third point is the fact that on the 1st of February 1954, the Supreme Court handed down two very basic decisions in the case of airline pay and airline subsidies. One decision consolidated two cases, namely the CAB against Summerfield and the Delta Air Lines against Summerfield. The other cases consolidated the suit of CAB against Summerfield on behalf of the Postmaster General, Western Air Lines; and Western Air Lines against the CAB, Summerfield, and so on.

The Court, in a unanimous opinion in these two cases, held that we should not judge the need of a carrier by the financial record of a given division or department of its operation, but that we should judge the financial ability of the carrier by its over-all status, taking into consideration all branches of its business, and consolidating the carrier in its entirety.

I wish to read, if I may, from those decisions. I read first from CAB against Summerfield and Delta Air Lines against Summerfield. The Court held:

The "need" of the carrier is measured by the entirety of its operations, not by the losses of one division or department.

In the other case the Court held:

We read the act as meaning that "the need" of the carrier which Congress has directed the Board to consider in fixing the subsidy rate is "the need" of the carrier as a whole.

Mr. President, those were two very fundamental decisions. As I understand, a great deal of money is involved in this issue, because in the past, payments have been made on the basis of losses involved in one division of operations which might be in the red, though the company as a whole was very much in the black. I have reason to believe

that the Solicitor of the Post Office Department has very recently stated that since none of the cases listed in the tabulation has been finally determined by the Board, the Department is unable to present any final results as to what has been done in these matters.

POSSIBLE CLAIMS MAY AGGREGATE $50 MILLION

If this information is correct, and I believe it is, it would seem to indicate that the CAB, after 15 months, has not only not succeeded in getting back the $654,000 involved in the original test case, but also have not proceeded against other carriers to whom similar payments were made in parallel cases.

Mr. President, I ask unanimous consent to insert the referenced tabulation at this point in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD as follows:

[From the CONGRESSIONAL RECORD of June 8, 1954]

REDUCING AIRMAIL SUBSIDIES

(Extension of remarks of Hon. HARLEY M. KILGORE, of West Virginia, in the Senate of the United States Tuesday, June 8, 1954)

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the RECORD my exchange of correspondence with the Postmaster General concerning the amount of excess earnings of airmail contractors which could be applied under the offset principle of the Supreme Court decisions of February 1, 1954, in Summerfield against Civil Aeronautics Board, to reduce airline subsidy claims.

I note that in his letter of June 5 to me, Postmaster General Summerfield upholds the statement of Congressman GARY and the Senator from Massachusetts [Mr. KENNEDY] to the effect that the protests under the offset principle do total exactly $35,034,000.

Furthermore, Mr. President, the Postmaster General notes in his letter that subsequent to the period referred to in the statements of Congressman GARY and the Senator from Massachusetts additional exhibits and other legal documents have come forward pointing to an additional $15,764,000 which could be used to reduce airline subsidy claims.

That brings the total of disputed amounts to $50,798,000, and I might note for the record, Mr. President, that these figures more than substantiate the suggestion of the distinguished junior Senator from Massachusetts [Mr. KENNEDY] that the airmail subsidy appropriations requested by the Civil Aeronautics Board could well be reduced by $50 million.

Mr. President, the letters which I desire to have printed in the RECORD are a copy of the letter of May 24, 1954, from me to Postmaster General Summerfield, and the letter of June 5, 1954, from Postmaster General Summerfield to me, together with a tabulation attached to the letter.

There being no objection, the letters and tabulation were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
May 24, 1954.

The Honorable ARTHUR E. SUMMERFIELD,
Postmaster General of the United States, Washington, D. C.

DEAR GENERAL SUMMERFIELD: On page 2603 of the CONGRESSIONAL RECORD of March 3, 1954, appears a statement by Congressman GARY, who, as you know, occupies the same position in the House that I do in the Senate, namely, ranking minority member of the Treasury-Post Office Subcommittee of the Appropriations Committee.

At our hearings on the Civil Aeronautics Board's request for appropriation for airmail subsidies Congressman GARY's statement has been called into question by representatives of the Air Transport Association and the Civil Aeronautics Board. I would appreciate knowing from you whether the statement by Congressman GARY is correct, especially his itemization of various briefs, exceptions, and other legal documents filed by you totaling approximately $35,034,000.

If the Congressman's statement is not correct, could you furnish me with the total figure of excess earnings of the airlines which, in the opinion expressed in your legal documents in the cases mentioned by the Congressman, could be applied under the offset principle of the Supreme Court to reduce airline subsidy claims.

It would also be appreciated if you could give us an idea concerning excess earnings to which the offset principle might be applicable to subsidy claims in periods subsequent to those covered in the documents mentioned by Congressman GARY.

Finally, it would be greatly appreciated if you could furnish me with a list of the airmail payments claimed by carriers, or proposed by CAB or its examiners, in the cases referred to by the Congressman, to which you have taken exception.

It would be appreciated if your reply could be received prior to consideration of the appropriation bill, H. R. 8067, in the mark-up session of our subcommittee.

With best personal wishes, I remain,
Sincerely yours,

H. M. KILGORE.

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., June 5, 1954.

Hon. HARLEY M. KILGORE,
United States Senate.

DEAR SENATOR KILGORE: My staff informs me that the figure of $35,034,000 does represent the totalization of claims previously asserted by the Department in those various proceedings before the Civil Aeronautics Board referred to in your letter of inquiry of May 24, 1954.

I am also informed that additional claims as to excess earnings have been or are being asserted by the Department in those same proceedings for other rate periods after more complete and detailed data are made available for analyses and presentation. These claims involve the past calendar year of 1953 in the case of Pan American World Airways and Trans-World Airlines, and the rate period commencing December 16, 1950, for Delta Air Lines, as successor in interest to Chicago & Southern Air Lines. Our assertions and the related airmail pay claims of the carriers, in accordance with your request, are set forth on the basis of presently available information in the attachment to this letter of reply.

Sincerely yours,

ARTHUR E. SUMMERFIELD,
Postmaster General.

	Total mail day claimed by carrier or proposed in dockets (see footnotes)	Assertion by Post Office Department as referred in your letter	Additional assertions by Post Office Department on offset principle
Delta—Latin American operation rate periods:			
Nov. 1, 1946, through Dec. 15, 1950	[1] $3,662,000	[2] $654,000	[3] $200,000
Dec. 16, 1950, through Dec. 15, 1951	[4] 1,855,000		[5] 938,000
(The above 2 periods relate to Chicago & Southern and are involved in the Supreme Court case.)			
May 1, 1953, through Apr. 30, 1954	[6] 792,000		[7] 954,000
Western (Supreme Court case) rate period: May 1, 1944, through Dec. 31, 1948	[8] 3,917,361	[9] 350,000	
Pan American—Atlantic rate period:			
Jan. 1, 1946, through Dec. 31, 1952	[8] 71,089,000	5,015,000	
Jan. 1, 1953, through Dec. 31, 1953	[8] 15,915,000		[10] 1,800,000
TWA—International rate periods:			
Feb. 5, 1946, through Dec. 31, 1952	[8] 54,698,000	12,158,000	
Jan. 1, 1953, through Dec. 31, 1953	[8] 8,507,000		[11] 11,872,000
United—Hawaiian operation rate period: Apr. 30, 1947, through Aug. 7, 1952	[12] 14,595,503	15,857,000	
Braniff—Latin American operations rate periods:			
June 4, 1948, through Dec. 31, 1953	[13] 11,867,000	1,000,000	
Jan. 1, 1954, through Dec. 31, 1954	[14] 2,671,000		
Total	189,568,864	35,034,000	15,764,000
Total		50,798,000	

[1] CAB Order E-5793, Oct. 18, 1951, CAB Docket No. 2564; reviewed by Supreme Court.
[2] May be increased by tax benefits. In the case of Western, the Supreme Court decision referred to a profit of approximately $350,000; Post Office's brief referred to a profit of $447,000.
[3] Additional assertion due to $200,000 error in previous computations prepared by CAB rate staff.
[4] CAB Statement of Tentative Findings and Conclusions, Order E-5385, May 18, 1951, CAB Docket No. 2564; later affirmed by CAB Order E-5793, see note 1 above.
[5] Computed from carrier's domestic operation, reported net profit for the year 1951, CAB's recurrent reports; and carrier's domestic investment as recognized by Board in its order No. E-5869, Nov. 15, 1951, Docket No. 5144, for Chicago & Southern, domestic operations.
[6] CAB Statement of Provisional Findings and Conclusions, E-7738, Sept. 21, 1953, CAB Docket No. 6610, Delta Latin American operations.
[7] Postmaster General's Answer to Board's Order E-7738 of Sept. 21, 1953, CAB Docket No. 6610, see note 6 above.
[8] CAB Order E-5782, Oct. 12, 1951, CAB Docket No. 2870 et al.; reviewed by Supreme Court.
[9] Initial decision of examiner, Mar. 26, 1954, on the consolidated Transatlantic Final Mail Rate Case, CAB Docket No. 1706, et al.
[10] The above figure computed from CAB's rate staff figures of excess profit of $864,000 for Pan American's Pacific division for 1953, but increased for tax benefits; and without recognition of reported losses on Pan American's Alaska and Latin American divisions totaling a net of $237,000 for the same year 1953.
[11] The above figure computed from CAB's rate staff figure of TWA's, domestic division, excess profit of $5,700,000 for year 1953 but increased for tax benefits.
[12] CAB Docket No. 2913—United's claim, exhibit No. U (United)-3, p. 6, subject to subsequent modifications.
[13] Braniff's reported break-even need, Latin American operation, for period June 4, 1948, through June 30, 1953, without additional claim for last half of 1953 and without further claims for return on investment and related tax allowances for the whole rate period of June 4, 1948, through Dec. 31, 1953.
[14] CAB Statement of Provisional Findings and Conclusions, Order No. E-8354, May 19, 1954, CAB Docket No. 2886. Braniff's Latin American operation.

Mr. DOUGLAS. Mr. President, I would suggest, therefore, that we can recover money from the airlines by prosecuting these suits, and that if we prosecute the suits we may well find that there will not be the need for the $55 million subsidy which is suggested by the committee. The CAB would do well to prosecute these suits rather than come to us for more millions.

So, Mr. President, if my facts are correct, and I believe they are correct, it

would seem to me highly advisable that we stick to the House figure of $40 million.

There are other points which I might mention, and which may come up in the debate tomorrow. The airlines have furnished, at various times, particularly in response to questions last year by the Senator from West Virginia [Mr. KILGORE], information on the salaries of their officials, but I think the RECORD will show that, although they were asked for information on the expense accounts, these figures have not been furnished.

There are sundry other items which I think deserve some investigation.

In short, Mr. President, what we have here is a case of the Government being asked to subsidize those who need a subsidy the least, since an enormous amount of money is still being paid to airlines, which are quite prosperous.

I have before me what I believe to be the correct profit and loss statement of Pan American Airlines, showing that they had a net profit in 1953 before taxes of close to $20 million, and after taxes of some $9.4 million. That still left them over $10 million. Mind you, Mr. President, this $9.4 million in all probability has been reimbursed by the Government. So we are not dealing with an impecunious, hard-pressed airline.

I like to be careful in what I say, and not indulge in blanket or shotgun denunciations. If my information is correct, American Airlines gets a very small tax rebate in comparison with the volume of its business and total taxes; and TWA, Eastern, United, and Northwest Airlines are all right in that respect. I believe in bringing those facts out so that those lines which apparently have a good record in this matter are not lumped in with other lines about which perhaps questions may be raised.

ONE LARGE AIRLINE IS PRIMARY BENEFICIARY

Neither Eastern, American, nor United, referred to before, would receive any subsidies under the $55 million proposition contained in H. R. 6367, as reported June 10, 1955, by the Senate Appropriations Committee, nor would TWA or Northwest Airlines, which are being taken off subsidy, nor would many others who receive only "service mail pay" and do not apply, as Pan Am does, for subsidies in the bill now before us.

The only "tax allowances" which all these other lines would receive would be relatively small amounts through the "service mail pay" appropriation of the Post Office Department, where the Post Office can intervene in protest against such tax allowances if it wants to, whereas the tax allowances for Pan Am are contained in the CAB airline subsidy appropriation bill, H. R. 6367, now before us, where, under plan 10, the Post Office can no longer intervene in opposition to these huge tax allowances. The policing function is left entirely up to Congress.

Under H. R. 6367, as reported by the committee, Pan American is the only large-size airline which would receive Federal income tax allowances, and between $8 million and $9 million per year of tax allowances for Pan American is contained in this bill.

In addition, the tabulation shows a large number of air mail contractors who receive no Federal income tax allowance at all through their mail rate. For instance, the CAB tabulation shows that for 1953 only 3 out of 21 feeder, or local-service airlines, received any tax allowance at all, and for those 3 the average was only $48,000 each.

And, of course, besides the air mail contractors listed in the CAB tabulation, there are a great many all-cargo, or coach-passenger, or air taxi lines in this country—about 2,400 in all—which receive neither mail pay nor subsidy nor Federal income tax allowance, although competing against those who do.

In short, Mr. President, the real tax allowance favors seem to be going to only one airline, Pan American.

Another interesting thing is that the granting of Federal income taxes to Pan American in large amounts—millions of dollars per year—is a phenomenon of fairly recent origin.

This is a very serious issue. We all know the political power of the particular group in question. We have felt its political power.

We talk a great deal about economy. There seems, however, to be a tendency to apply the paring knife only when any expenditure involving the poor or the weak is involved, but Congress, and the administration, go ahead and dish out the money in profusion for those groups which need it the least.

I understand the Senator from Delaware [Mr. WILLIAMS] may have certain things to say about other items in the bill. I shall not trespass upon what he has to say, except to say that anything the Senator from Delaware says on economy deserves the closest attention of Members on both sides of the aisle. Although the Senator from Delaware and I differ frequently on matters of public policy, I wish to pay tribute to him as one of the most effective defenders of the public purse we have in the Congress of the United States.

Mr. President, I have made this statement today merely in order that the RECORD may be more complete insofar as our proceedings on tomorrow are concerned, and so that the debate which will occur then may proceed on the basis of a sounder set of facts than would otherwise have been the case.

In conclusion, since perhaps curiosity may have been aroused by some of the rather mysterious statements I have made, in connection with my replies to the questions of the Senator from Florida, I wish to say again that I do not question the complete good faith and complete integrity of any Senator. We are dealing here with very delicate matters, and all of us are overworked, and it is difficult to establish contact. However, I felt that any information which I have and which I believe to be correct should not be withheld from the Senate, if it should turn out that no objection is made to its inclusion.

Finally, Mr. President, I ask unanimous consent that there be printed in the RECORD following my remarks certain clippings coming from informed writers on this subject.

There being no objection, the material referred to was ordered to be printed in the RECORD.

Mr. President, I yield the floor.

[From the Charleston Daily Mail of June 6, 1955]

KILGORE CHARGES CAB CUT BIG "MELON" IN AIRLINE TAX

(By Robert Allen)

WASHINGTON.—Now it is tax windfalls.

That's the latest melon-cutting in Government funds.

It was disclosed by Senator HARLEY KILGORE, Democrat, of West Virginia, chairman of the Judiciary Committee, at an Appropriations Committee meeting on the big airmail subsidies for the coming fiscal year.

The Civil Aeronautics Board asked $63 million for this purpose, but the House slashed it to $40 million. The airlines are trying to get the steep cut restored in the Senate Appropriations Committee. KILGORE has long fought these subsidies, and in continuing his battle told the committee about the airlines' tax windfall.

KILGORE gave the Appropriations Committee details of two cases in which the CAB not only provided airlines with Government funds to pay Government taxes, but gave them more money than their tax returns called for.

In one instance, the CAB overpaid an airline $1,750,000 in excess tax subsidies.

"It is, of course, not possible for the average taxpayer to go to a Government bureau and say, 'Look here, I have to pay my income taxes; so please give me the money to do that'," KILGORE told the committee. "But it happens right along in the case of the Civil Aeronautics Board and certain airlines. The CAB is not only allowing subsidies to airlines to enable them to pay their Federal taxes, but in some instances these allowances for taxes are more than what was paid into the Federal Treasury."

KILGORE asserted he has been unable to obtain from the CAB a list of these known tax-windfall cases.

"I'll certainly do my best to secure it," declared Rizley, former Republican Representative from Oklahoma.

KILGORE stressed the need for an effective CAB auditing system of airline subsidies. He pointed out that subsidy claims are not audited for several or more years. This extraordinary condition was disclosed during House Appropriations Committee hearings on the CAB's budget. Representative ALBERT THOMAS, Democrat, of Texas, chairman of that committee hearings on the CAB's budget, and other members sharply criticized Mulligan on this score. Later the full House Appropriations Committee, in effect, ordered the CAB to set up a comprehensive auditing system.

KILGORE urged the Senate committee to take similar action.

"I can see no reason," he said, "why subsidized airlines cannot do what everyone else in the country has to do and pay their own Federal taxes out of their own pocket. The time is long overdue when these claims should be closely and promptly audited. I think the Appropriations Committee should force such a change in policy. It is obvious that if Congress doesn't compel it the CAB will never do it."

NOTE.—Sportsmen throughout the country are closely watching what Congress does, if anything, about legislation to amend the Pittman-Robinson Act which imposes a special excise tax on hunting equipment for the restoration of wildlife. A total of $13,600,000 has accumulated, and the money is supposed to be distributed to the States on a 75–25 matching basis. This is the first time since World War II that this long-pending problem is getting congressional attention.

[From the Charleston Daily Mail of May 26, 1955]

HOUSE PLANS FULL AUDIT OF ALL AIRLINE SUBSIDIES

(By Robert Allen)

WASHINGTON.—The House Appropriations Committee's $23 million slash in airline subsidies is signally notable, but it's only part of this important development.

Equally significant was an unpublicized move by the committee.

This was to set the stage for a sweeping audit of these large subsidies which may result in their being slashed even more drastically next year.

Both House and Senate leaders are determinedly bent on that.

An ace up their sleeve is the virtually unknown fact that there has never been a complete audit of airline subsidies which have cost taxpayers hundreds of millions of dollars in recent years.

This extraordinary situation has prevailed despite numerous overpayments, mispayments and other inadvertencies.

These costly laxities were admitted by officials of the Civil Aeronautics Board under grilling by appropriations committeemen. The latter also disclosed that even what little auditing the CAB does of these subsidies, occurs several or more years after the money has been paid the airlines.

Exclaimed Representative ALBERT THOMAS (Democrat, of Texas), chairman of the subcommittee handling the matter, "That is outrageous. There isn't a private industry in the country which does business like that, and there is no reason why you should either."

It was the indignant subcommittee's findings that laid the ground for a full audit. The official report of the Appropriations Committee, in effect, orders that be done as follows:

"Substantial reductions can be made in these payments to air carriers during the next fiscal year if a careful and thorough audit of each claim is made, and if realistic practices in the handling of these claims are followed."

The committee has assurances of vigorous Senate support on this.

CRACKING DOWN

Most of the subcommittee's disclosures come from M. C. Mulligan, Secretary of the CAB, who got his key job under former Chairman Oswald Ryan, whom President Eisenhower replaced earlier this year.

Joining Representative THOMAS in the caustic questioning were Representatives JOHN F. SHELLEY (Democrat, of California); CLIFF CLEVENGER (Republican, of Ohio); and WALT HORAN (Republican, of Washington). Following are the highlights of their revealing interrogation:

Mr. THOMAS. You are not an auditor; you have no auditors, and yet you pay out from 90 to 98 percent of the claims just on their certificate. * * * That is an extremely serious defect in your system.

Mr. MULLIGAN. We make checks to see that the claims are correct.

Mr. THOMAS. Yes; then you tell us when and where a careful audit is made of these subsidies. You pay out 90 to 98 percent of the money without making an audit, but you say you check to see that the claims are correct. Who makes these checks and when?

Mr. MULLIGAN. It's made by the Audits Division as part of its overall audit of the carriers.

Mr. THOMAS. Some 2 years later; isn't that right?

Mr. MULLIGAN. Yes; possibly.

Mr. THOMAS. But when you pay out this money, you don't know whether their claims are 5 or 10 or 15 percent in error. You are depending on finding that out 2 or more years later in a post-audit.

Mr. HORAN. Why the 2-year wait?

Mr. THOMAS. They might as well wait 5 years. They've already paid out the money.

Mr. SHELLEY. What concerns me particularly is that you are paying these subsidies on a monthly basis and yet you don't get around to check and verify the airlines' claims until a couple of years later.

Mr. MULLIGAN. It is a fact that many of these carriers count on that monthly check. It's critical to them. Sometimes they need it to meet their payroll.

Mr. THOMAS. You touch me deeply.

[From the Lawrence (Mass.) Evening Tribune of June 7, 1955]

NATIONAL WHIRLIGIG

(By Ray Tucker)

OVERSEAS LINES TO OPERATE WITHOUT TAXPAYERS' SUBSIDY

WASHINGTON.—Only 28 years after Lindbergh's pioneering flight, America's great overseas airplane lines will operate without a subsidy from the taxpayers next year, save for the single exception of Pan American World Airways. It is an accomplishment of which President Eisenhower is extremely proud, although it was several hard-fighting Democrats who made possible this tremendous saving.

Despite the aviation lobby's protests, the insistence of the White House and Congress on cutting subsidy appropriations has not injured the companies. Pan American, for instance, has just filed with the Civil Aeronautics Board a report of $44,600,000 revenue for 1955's first quarter, as against $36,900,000 for the same period in 1954.

Nor has the congressional economy demand damaged Pan Am's ability to obtain new money from the bankers rather than from the taxpayers. It is, perhaps, the finest example of Eisenhower's insistence that private rather than public money underwrite commercial and industrial operations.

PAN AM'S BIG DEALS

Juan Trippe, Pan Am's president, has recently concluded a 25-year financing deal involving $60 million. Together with an unpaid bank loan of $43 million, the new credit will provide for additional aircraft costing $110 million.

Thus, after tapping the public till for more than $1 billion since World War II, America's great overseas air fleet, and there is none better, has won its wings.

However, Senator PAUL H. DOUGLAS, of Illinois, believes that Pan Am should be forced to reduce its expenditures and its drain on the taxpayers still further. Together with Senators KENNEDY, of Massachusetts; KILGORE, of West Virginia; and Representative ROONEY, of Brooklyn—all Democrats—the Illinois economist has carried the antisubsidy battle for Ike. But they have had strong White House support, in the face of a mad political lobby.

In a letter to Senator CARL HAYDEN of Arizona, chairman of the Senate Appropriations Committee, where the final subsidy struggle will be staged, DOUGLAS demands that Pan Am be required to make a full and honest audit of its luxury hotel losses in South America and elsewhere. Pan Am has been negotiating to buy Cuba's swankiest hostelry, the National, on the island's wonderful waterfront.

SWANK HOTELS

These hotels, which have golf courses, swimming pools, the best bars on the western continent and children's nurseries, are a distinct asset to Pan Am. They furnish an inducement to fly that line rather than its nonhotel competitors.

DOUGLAS first tried to get an accounting of Pan Am's hotel operations from the Civil Aeronautics Board, but he was informed that public disclosure of this information is not authorized by CAB. It is not authorized for the sole reason that CAB has never made an audit of these nonaviation expenditures.

INFORMATION FROM UNITED STATES CONTROLLER

CAB justifies its failure to audit Pan Am's hotel books on the ground that it would be an invasion of friendly South American countries. DOUGLAS quickly disposed of that demurrer.

In his letter to Senator HAYDEN, Senator DOUGLAS declared that CAB had lied to Congress about Pan Am's hotel holdings. Whereas CAB said that Pan Am had only a 20-percent interest in the Intercontinental Hotels Corp., DOUGLAS learned from the United States Controller General that its ownership is 100 percent.

DOUGLAS also discovered that the parent airline and the hotel corporation have offices in the same building in New York City—the Chrysler Building.

Since Pan Am lost $2,530,000 on its hotel operations in 1953, and now seeks expansion in this field, DOUGLAS insists on a deeper slash in Pan Am's subsidies. He points out that few taxpayers footing Pan Am's bill ever flew its lines or sank a putt or hoisted a highball at their luxury hostelries.

[From the East St. Louis Journal of June 6, 1955]

DOUGLAS RAPS AIR SUBSIDY

(By David Barnett)

WASHINGTON.—Senator PAUL DOUGLAS, Democrat, of Illinois, says the American taxpayer apparently is being saddled with "such ventures as hotel chains and real-estate development companies" through the device of airline subsidies.

In a letter to Senator CARL HAYDEN, Democrat of Arizona, chairman of the Senate Appropriations Committee, Senator DOUGLAS said information he had obtained from the General Accounting Office and the Civil Aeronautics Board indicated the Government was subsidizing Pan American World Airways, Inc., which, "in turn is subsidizing its wholly owned hotel firm."

The letter asked that the Senate committee, now considering the appropriations for the CAB for the next fiscal year, cut the request of $63 million for airline subsidies by 40 millions. The House already has chopped 23 million off the request.

Senator DOUGLAS said he was handicapped in presenting information to the committee about subsidiaries of subsidized airlines because "the report of the CAB, dated May 20, 1955, on the relationship between the most heavily subsidized airline, Pan American, and the largest of all the subsidiaries, the Intercontinental Hotels Corporation, is stamped: 'Public disclosure of this information not authorized by the CAB'."

Intercontinental operates nine hotels in Bermuda and South America.

Senator DOUGLAS pointed out that last year the CAB informed the House Appropriations Committee that Pan American owned only about 20 percent of Intercontinental.

Earlier this year, Senator DOUGLAS said, "the board talked about the difficulties of invading friendly South American countries, to get the books of subsidiaries in which our airlines owned only a minority interest."

"The General Accounting Office informs me, however, that in this instance Pan American owns, not a minority interest of Intercontinental Hotels Corp., but a 100-percent interest, and further, that the headquarters of this hotel corporation are located in the same building, the Chrysler Building (in New York City), as the parent airline. Therefore, there seems to be no real obstacles to a complete Government audit of this hotel corporation and similar subsidies.

"According to a tabulation obtained from the CAB by Senator DOUGLAS, Pan American, in 1953, advanced $2,530,063 more to its subsidiary, Intercontinental Hotels, than it received back.

"As you know, a man would be thrown off the public relief rolls immediately if he were found to own a valuable hotel, let alone a whole chain of them. Here we are confronted with the spectacle of an airline appealing to the Government for vast subsidies at the public expense, on the basis of its alleged need, while at the same time we find it owns a whole chain of luxury hotels and advances millions of dollars yearly on these hotels."

In determining airline subsidies, the CAB provides enough additional money to give the airline a reasonable profit on its investment.

According to the General Accounting Office, the payments to the subsidiaries are included in legitimate expenses of the airlines and thus are covered by the subsidy payments. The airlines' investments outside the field of air travel, however, are not included in the capital base used to determine the amount of reasonable profit.

The CAB has admitted that its auditing of the airlines' books could be improved. The Board asked this year for additional funds to enlarge its staff of auditors. The House permitted an increase of $123,000 to strengthen the Board's field audit program.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

TRADE AGREEMENTS ACT OF 1955—NOTICE OF CONSIDERATION OF CONFERENCE REPORT

Mr. BYRD. Mr. President, I should like to announce that the conference report on the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, has been adopted by the House. It will be my purpose to call up the report for consideration in the Senate tomorrow, immediately following the morning hour.

AMERICAN ORE CARRIERS

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement by me in regard to American ore carriers.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON, CHAIRMAN, SENATE INTERSTATE AND FOREIGN COMMERCE COMMITTEE AND SENATE MERCHANT MARINE & FISHERIES SUBCOMMITTEE

Everyone who recognizes the importance of American shipping and shipbuilding to our country's prosperity and security should give thought to the situation presently existing with regard to the increasing importations of iron and other ores.

According to figures compiled by the Journal of Commerce, it is estimated that a total of 2 million deadweight tonnage capacity will be required to handle the 50 million tons of iron ores that will be coming into the United States annually within the next decade.

Of this total required capacity, the Journal statistics reveal, approximately 600,000 tons have been built since the end of World War II, with another 560,000 tons currently under construction or on order.

It is the more than 800,000 tons of additional ore-carrying capacity likely to be needed that I particularly have in mind now.

The economy of our country, and its continued security, require that a much more substantial portion of this ore than is now the case be carried in vessels under United States registry, manned by crews recruited in this country, and therefore wholly and assuredly at the Nation's service in event of sudden emergency.

And simple justice to the people of the United States, to the wage earners whose mass purchases make possible the vast production and earnings of the steel and other metal manufacturers and processors, requires that these projected ore carriers be constructed in United States shipyards and manned by American seamen and officers. The industries that prosper under the American system should not dodge their responsibilities to that system, and to the American people, simply to swell their corporate profits. Maintaining these strategic vessels under the American flag, with loyal American crews, will help to insure the American way of life against possible aggression.

The Office of Defense Mobilization, with which I have been in contact regarding this vital phase of industrial and maritime operation, in a tentative report dated April 20, 1955, apparently found some comfort in the fact that, during 1954, United States flag vessels carried 37.1 percent, or 5,505,100 tons of the total iron ore imports of 1954. Additionally, it cited the 22.4 percent of such ore imports carried by vessels of Panama, Norway, and Liberia during 1954 as being carried in "ships under our control."

In reply to further points raised by me in this connection with the Office of Defense Mobilization, I have just received from the United States Maritime Administration a communication which furnishes answers to the questions raised. Accompanying this communication is a full and complete report on 1954 imports of ores and minerals, which revealed that of the 26 million tons of ores and minerals imported, only 8 million tons, or 31 percent, were carried in vessels under United States registry.

To me there is little comfort in either the 37.1 percent or the 31 percent when, as recently as 1951, 61 percent of all iron ores reaching this country came in vessels flying the American flag. The plain facts of the case are that American-built, American-manned ships carried, in 1954, only 60 percent of the share of iron ores that they enjoyed just 3 years ago.

The ominous part of this picture is that we can be certain that the percentage of ores carried in American bottoms will go progressively lower and lower in the near future, because other nations are building the new, large ore carriers that will have to be relied upon in this trade.

Let me cite a few figures on this point taken from the May issue of the American Bureau of Shipping Bulletin, to support the view that American shipping of necessity will participate less and less in this vital ore carriage unless American industry and capital awaken to their responsibilities.

On May 1, 1955, there was under construction in the United States only one small ore carrier, and that was being built for Venezuelan interests. However, in foreign shipyards, for United States interests, and paid for in large part by American capital, there were on order or under construction a total of 12 large, modern bulk carriers, aggregating 429,200 deadweight tons.

British yards are building 3 such ore carriers, 1 of 31,000 deadweight tons for New York interests, and 2 of 32,000 deadweight tons each for Cleveland interests.

Japan is building 8, including 2 supercarriers of 55,000 and 58,000 dead-weight tons, for New York and California interests.

Sweden is building one 26,000-ton carrier for New York interests.

Right here it might be pertinent to point out also that of 89 new oil tankers being constructed or on order throughout the world, only 6 are in United States shipyards, and 2 of these are for Government account, while at least 2 of the others are part of the trade-in arrangement with the United States Government.

With the threat of hostilities looming very large above our heads, it is about time, it seems to me, that capital and industry in this country begin to reappraise the validity of their policies in this regard.

Should Moscow ever feel that the time is ripe for its long-acclaimed attack upon this country, could we have any assurance of security if our steel and other strategic-metal industries were almost totally dependent upon foreign shipping, manned by crews whose loyalty no one could predict?

Russia's fast submarines could be expected to exact a heavy toll upon such shipping. Indeed, their strategy could very well be to concentrate upon severing this steel and metals lifeline, and thus cripple the heavy industries that are the backbone of America's military power.

I need not dwell upon this possibility—it is self-evident.

I do want, however, to stress a little further the debt our heavy industries owe to the little people of our Nation, who alone have made possible the great success of these very industries.

Every time an American industry or investment group builds and/or operates a ship foreign, it is taken the very bread out of the mouths of their own customers. Some financial savings are effected, I grant—but I think any competent economist could demonstate that the losses in such cases approximate or even surpass the gains in financial savings.

Consider our shipyards, beggared for the most part by the billion dollars' worth of ship construction that has been sent abroad by American interests in the past decade. The man-years of employment lost thereby have depreciated the economy of whole areas—for not only have the shipyards been affected adversely, but steel and other industries as well. Millions of dollars worth of steel and other supplies that would have gone into those ships were diverted to foreign suppliers.

What can we do about it? The answer is simple. Give to our ship operators the benefits of the Merchant Marine Act, 1936; a construction subsidy to offset the cost differential of the ships; the operating subsidy to place our steamships' operation on a parity with their low-cost foreign-flag competitors. I am certain that if our independent American ship operators are given the opportunity to compete on the basis of parity for these strategic ore cargoes, they will give to our country these specialized ships so badly needed for our national security. It is up to the administration to act—and act promptly. We have no time to lose.

PROPOSED SYSTEM OF FAMILY ALLOWANCES

Mr. NEUBERGER. Mr. President, the next great step forward in social legislation should be a program which seeks a healthier, happier, and more secure life for the children of America.

To date, nearly all forms of social-security legislation have sought the worthy goal of freedom from want in old age. As we strive to improve these humanitarian efforts, I believe we must also pay positive attention to the problems and needs which exist at the other end of life's ladder.

For 10 years now, our closest continental neighbor, Canada, has operated a program known as family allowances. This is a program designed to make available more clothing, better and more wholesome foods, more medical care, and greater opportunities for cultural and educational advancement for the children of Canada who are under 16 years of age.

My wife and I have traveled widely in Canada in connection with writing about that free and prosperous nation. We have lived with Canadian families from the lonely Arctic Circle to the great cities near our own border. Our hosts have included Canadian businessmen, working people, farmers, mounted policemen, industrialists, and even Indians. From what we have seen, Mrs. Neuberger and I have become convinced that Canada's system of family allowances is a wonderful boom not only for the children of Canada, but for all Canadians, because a nation is reliant upon what the next generation can make of it.

AMERICAN PEOPLE SHOULD HAVE BENEFIT OF STUDY OF 10-YEAR CANADIAN EXPERIENCE WITH FAMILY ALLOWANCES

Inasmuch as this is the 10th year of the operation of Canada's family allowances, we believe the time is ripe for us in the United States to make a careful study of the accumulated experience with this great social experiment across our northern boundary.

We believe that all the evidence indicates that a similar program might be of great immediate benefit to the American people. But the decision of how the Canadian experience with family allowances can best be applied in developing a family allowances program for the United States should be based on the kind of thorough analysis and discussion of that evidence which only a public study by a special committee can provide. Therefore, I am sponsoring a Senate resolution for a special committee of the Senate to undertake this thorough study of family allowances—a study which I hope may lead the way toward the eventual adoption of a sound and enlightened program of family allowances in the United States.

Mr. President, I am submitting the resolution for seven other Senators, in addition to myself. They are my senior colleague from Oregon [Mr. MORSE], the senior Senator from Illinois [Mr. DOUGLAS], the senior Senator from Tennessee [Mr. KEFAUVER], the junior Senator from Minnesota [Mr. HUMPHREY], the junior Senator from New York [Mr. LEHMAN], the junior Senator from Massachusetts [Mr. KENNEDY], and the junior Senator from Michigan [Mr. McNAMARA].

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 109) to create a special committee to study Canadian Family Allowance Act with a view to determine the advisability of such legislation for the United States, submitted by Mr. NEUBERGER (for himself and other Senators), was received and referred to the Committee on Labor and Public Welfare, as follows:

Whereas the rate of birth of children in the United States is now running at the highest level in American history; and

Whereas it is in the best interest of this Nation that its children be adequately provided with the necessities of life in order that they may develop into strong, healthy, well-educated, and useful citizens; and

Whereas our good neighbor, Canada, this year is marking the 10th anniversary of an enlightened social experiment known as family allowances, which was adopted originally to promote the well-being of its children;

Whereas the Canadian family allowances program is reported to have had a favorable effect upon infant mortality, child health, juvenile delinquency, and the general welfare of children in that country; and

Whereas the welfare and well-being of the millions of children in the United States call for careful study and examination of the operation and the effectiveness of the family allowances program in Canada: Be it

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete inquiry and study of the Canadian Family Allowances Act and its administration, with a view to determining the advisability of instituting a similar system of family allowances for the promotion of health, development, and well-being of children in the United States. The committee shall report to the Senate, as soon as practicable, the results of its inquiry and study, together with its recommendations, if any, for appropriate legislation.

SEC. 2. (a) The committee is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary.

(c) The expenses of the committee, which shall not exceed $26,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the committee.

Mr. NEUBERGER. Mr. President, the resolution establishes a special committee of five Senators, to be appointed by the President of the Senate. The committee "is authorized and directed to make a full and complete inquiry and study of the Canadian Family Allowances Act and its administration, with a view to determining the advisability of instituting a similar system of family allowances for the promotion of the health, development, and well-being of the children of the United States."

So that the Senate may be aware of the entire text of my resolution, it is as follows:

Whereas the rate of birth of children in the United States is now running at the highest level in American history; and

Whereas it is in the best interest of this Nation that its children be adequately provided with the necessities of life in order that they may develop into strong, healthy, well-educated and useful citizens; and

Whereas our good neighbor, Canada, this year is marking the 10th anniversary of an enlightened social experiment known as family allowances, which was adopted originally to promote the well-being of its children; and

Whereas the Canadian family-allowances program is reported to have had a favorable effect upon infant mortality, child health, juvenile delinquency, and the general welfare of children in that country; and

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(c) The expenses of the committee, which shall not exceed $26,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the committee.

PAYMENTS UNDER FAMILY ALLOWANCES VARY WITH AGE OF CHILD

The family allowance program in Canada consists of a series of monthly payments to the parents or guardians of children under 16 years of age. The size of the payments varies with the age of each child. This is the schedule of the allowances:

	Per month
Children under 6	$5
Children aged 6 to 10	6
Children aged 10 to 13	7
Children aged 13 to 16	8

The payments are made to the mother. All Canadian mothers receive the allowances regularly on the 20th of every month. No "means" test decides which youngsters shall receive the benefits. The money goes to the children of lumber workers in British Columbia, to the children of truck drivers in Manitoba, to the children of Mounties on patrol in the Yukon, to the children of industrialists in Toronto, to the children of Eskimos in the Northwest Territories. There is no stigma attached to the allowances. They are universal. They go to all Canadian families.

What are the allowances used for? Canadian law merely requires that they must be spent for "the health and welfare of the child." And they are so spent.

In 1951, after the family allowance project had been in operation for 6 years,

Laval University, of Quebec, conducted a searching study into the ways in which the funds had been spent. The university's researchers established that the allowances had been used most frequently for the following purposes:

First. Children's clothing.

Second. Insurance policies for children.

Third. Medical care and medicines for children.

Fourth. More nutritious food for children.

Fifth. Children's savings accounts in banks.

Sixth. Toys for children.

PROGRAM HAS BEEN ACCEPTED BY ALL POLITICAL PARTIES IN CANADA

A few months ago the following statement was made to me in a letter from Canada's Minister of Health and Welfare, the Honorable Paul Martin, who has supervised so effectively an orderly program for handling the Salk antipolio vaccine in that nation:

> The success or failure of family allowances in Canada is no longer a matter of debate in this country. The program is accepted by all political parties, by the labor bodies, by social workers, and by the population at large * * *. We have received many letters from parents and reports from social workers to the effect that receipt of family allowances has been of great value to a large number of families, the great majority of whom devote the allowances to increasing the welfare and health of the child in the numerous ways which that may be done.

Abundant evidence exists in Canada that family allowances have had a favorable impact on such vital problems as juvenile delinquency, child health, infant mortality, and general education. Yet at the same time, as my wife and I have learned in conversations with Canadian businessmen, family allowances have in some instances broadened the market for many consumers' goods. The program has meant the expanded manufacture and sale of much merchandise produced for the use of children. For example, the increase in the number of children's shoes sold during the first year of the program proved not only beneficial to Canadian children, but it markedly widened the sales volume of Canadian shoe manufacturers, to say nothing of the sales volume of shoe distributors and retailers. It is my firm belief that here, too, the allowance plan could open up tremendous new mass markets for consumer goods, particularly among families in the low-income brackets.

Family allowances, Mr. President, also might prove a boon in another quarter. Providing adequate medical and dental care for children has been a pressing national problem. The recent Salk vaccine crisis has merely reminded us of this. Studies in Canada have shown that one of the principal uses made of family allowances has been for child health. It is a means of providing for needed medical services without in any way modifying the parents' right to have their children treated by the doctors or dentists of their own choice. Private medicine is not infringed upon; but parents can use the "allowance" funds to secure for their children the medical attention they need.

INFANT MORTALITY DROPPED, SALES OF CHILDREN'S SHOES WENT UP

During the first year that family allowances were inaugurated in Canada, infant mortality dropped from 51 to 47 per 1,000—a most heartening and welcome development. Furthermore, in the same period the monthly production of children's shoes soared from 762,000 pairs to 1,180,000 pairs, an astounding increase of over 54 percent each month. I also have been told that, for the first time, many Canadian department stores installed departments especially devoted to selling infants' wear. Even in the most remote areas of the Canadian wilderness, the account books of Hudson's Bay Co. factors showed larger sales of oranges, milk, Pablum, children's shoes, and similar items after the family allowances program went into operation.

This was the sales record of one typical Hudson's Bay Co. outpost in three foods which contribute vitamins and nutrition to the diet of children:

	Before family allowances	After family allowances
Canned tomatoes	98 cases	1,016 cases.
Powdered milk	2 cases	989 cases.
Pablum	None sold	1,263 cases.

I should like to quote from another study of significance—one made of the use of family allowances in rural and semirural regions of Alberta and Saskatchewan. These were principally farm families, so only a small proportion of the allowances were spent on food. The order of spending in the Canadian prairie provinces, where so much of the world's grain is raised, was not very different from that shown in the Quebec study. Clothing, again, was the first item. This meant, particularly, warm clothing for the winter seasons and sturdy shoes. To quote from the Alberta-Saskatchewan study:

> The other consumption categories on which family allowances were spent, in order of their frequency, where—medical care, education (books, music lessons, etc.), recreation, savings accounts, and general living expenses.

AMERICA'S "BABY BOOM" MAKES PROGRAM UNUSUALLY PERTINENT NOW

What pertinence does the Canadian experience have for our own country? Why should we contemplate family allowances here?

To begin with, children are the most precious wealth of any nation. Money, natural resources, political power, diplomatic strength, military might—these things cannot be compared to a country's boys and girls, because they are wholly dependent on the health, morale, and attitudes of the next generation of citizens.

Today, Mr. President, America is growing its biggest crop of children. The excess of births over deaths in this country is now running at the rate of 2,600,000 annually, or more than 200,000 every month. During 1954 the total number of births of new Americans passed the 4 million mark. Never before in our history had this occurred. In other words, America is enjoying a boom in babies. Could any boom be finer?

We want these babies to grow up to be happy, healthy, and prosperous. Their standard of living will contribute materially to this. Until they are grown, the standard of living of their parents will determine their own. Yet, according to the Bureau of the Census, about 33 percent of the individuals in the Nation's total civilian labor force carry the burden of housing, feeding, clothing, and providing medical care for over 90 percent of the boys and girls under 18 years of age. In other words, the major financial burden of rearing the next generation of Americans falls upon the earnings of only one-third of the population.

What is wrong about assisting this segment of the population to furnish adequate food, shelter, and clothing for an overwhelming majority of America's children?

THERE ALWAYS HAVE BEEN THOSE WHO RIDICULED ANY NEW IDEA

I realize that some persons will shun a proposal even to study an important new social program of this sort. Yet we must be aware that every new idea has had its bitter critics. There were men who ridiculed as folly the spending of a meager $2,500 in public funds to send Lewis and Clark to the Pacific coast with our country's flag. Let us not forget that social security itself was condemned less than 20 years ago by the Republican National Committee as a cruel hoax. Tories in Congress charged that "the liberty of all the people of the United States is in jeopardy" when Theodore Roosevelt advocated a Pure Food and Drug Act in 1908 to safeguard the substances which the men, women, and children of the land were putting into their stomachs.

Happily there has been a vast majority of Americans in nearly every era who have said with the poet James Russell Lowell:

> New occasions teach new duties,
> Time makes ancient good uncouth.

That sort of vision is needed now when we consider the question of family allowances. But I can, of course, anticipate the kind of opposition which we shall hear. I should like to answer some of these charges in advance so that people can be ready to study the issue dispassionately and with an understanding of the facts.

First. It will be said, of course, that family allowances are socialism, creeping or otherwise. This is a familiar epithet, which has been applied to most of our social legislation, to the TVA, to Grand Coulee Dam, and even to Federal aid for school construction.

Canada has had family allowances for 10 years now, and during those 10 years American big business has hurried to invest its money across the border in Canada. While the family allowance program has been in effect, the value of United States investments in Canada has rocketed from $4,990,000,000 to approximately $9 billion. This gain of nearly 100 percent demonstrates two factors conclusively: First, that Canada's economy has been sound and prosperous while family allowances have been in

effect; and, second, that this program has not discouraged American capitalists from risking huge amounts of capital in Canada.

WITH FAMILY ALLOWANCES IN EFFECT, CANADA HAS BEEN STRONG AND PROSPEROUS

Indeed, on April 6, 1955, the newspaper of American big business, the Wall Street Journal, published an editorial contending that Canada's economy was on a sounder basis than that of the United States. Speaking of Canada, the editorial declared "a more booming place it would be hard to find."

Direct investment by American industrialists and investors in Canada attained a new record while family allowances were being paid to Canadian mothers in behalf of their children. During this period, a total of 307 American business firms established branches in Canada. Among the corporations making the largest Canadian investments have been several in which a dominant figure is George M. Humphrey, our Republican Secretary of the Treasury, whose sensitivity to any "irresponsibility" in this Nation's economic structure would no doubt also have warned him of any dangerous "socialism" in Canada.

Of course, Mr. President, I am not claiming that family allowances have induced hard-headed American businessmen to invest their dollars in Canada. I do, however, think it is significant to consider—before predicting that family allowances would socialize our families and bankrupt the national economy—that the Canadian program has not retarded lavish investment by American big business in Canada's economic and fiscal future. And I remind Senators again that Canada's Conservative Party joins the other political parties of Canada in endorsing the family allowance program.

MOTHERS IN FACT SPEND ALLOWANCES FOR BENEFIT OF CHILDREN

Second. It will be claimed that the family allowances will not be spent for their principal purpose, which is the health and welfare of America's children.

I challenge any such assumption. Canada has had comparatively few instances in which legal action was required to bring about compliance with the Family Allowances Act. In 1952 one of Canada's celebrated mounties, George J. Archer, superintendent of the Royal Canadian Mounted Police, said to me:

> We feel that the family allowances law is obeyed in the great majority of instances, because even the worst scoundrel in other things has a sense of obligation where his children are concerned.

After all, compliance with the act rests with the mothers of the country and their feelings of motherhood. Can any reliance be more dependable than this? A few years ago Canada's Deputy Minister of Health and Welfare, Dr. George F. Davidson, had this to say:

> By and large, the success or failure of our family allowances program—the wisdom or folly of our family allowances erpenditures in terms of what they will buy for the children of our country—depends on the wisdom and judgment of the average Canadian mother of the average Canadian child.

I have just as much faith in the average American mother as Dr. Davidson has in the average Canadian mother. The checks would go each month to the mothers of America. I believe abuses would be few and far between, in such a situation.

BY ELIMINATING "MEANS" TEST, ADMINISTRATIVE COSTS CAN BE REDUCED

Third. It will be claimed that there should be a "means" test, that the allowances should go only to families who are in need.

In my opinion, this would defeat the entire purpose of the program. My wife and I have seen Canadian mothers proudly spending their family allowances checks for clothing, for doctors' bills, for nutritious children's foods, for music or ballet lessons, for electric toy trains and for dolls. The lines which often form in front of children's shoe stores in cities like Edmonton or Winnipeg are symbols of "family allowance days." This candid spending of the funds never would take place if there were a "means" test. The allowances would be used furtively and with a sense of shame, if at all.

Furthermore, Mr. President, it is likely that the army of investigators needed to police the system, if a "means" test were instituted, actually would cost more money than the relatively small number of checks going to families who do not need them. In Canada, the total cost of administering the family allowances system amounts to only about 2 percent of the total funds disbursed. Administrative charges would be many times this proportion if a "means" test were applied.

Family allowances should be paid as a matter of right and not because of poverty. We have visited well-to-do families in Canada where the allowance checks were scrupulously dedicated to the welfare of the children. The family of a utility executive was collecting a fund to let his three daughters travel in Europe after their graduations from secondary school. A banker intended to buy annuities for his son. A high-ranking officer in the mounted police planned to use the collected family allowances checks to help put his boy through military school.

Fourth. It will be claimed that families with children should be assisted through higher income-tax exemptions for children rather than by family allowances.

This is an argument with some validity, but it fails to recognize the fact that it would prove of relatively little help to those who need assistance most—the families in the lower income brackets who already pay only meager or no income taxes because of the skimpiness of their incomes. Exemptions benefit most those with larger incomes in the higher tax brackets.

In addition, a cut in taxes puts no compulsion on the family to concentrate the increased income on items of special value and importance to the children. Family allowances, however, are in a different category. They are earmarked for the boys and girls of the family. The mother receives the check with the understanding that she is to spend it for the health and welfare of the child. Practically all mothers heed this stipulation. This is why the consumption of milk, baby foods, and children's shoes increased immediately in Canada when family allowances were enacted. No such phenomenon would have occurred had there simply been a general tax reduction.

One definite policy of family allowances is that people will have longer useful years and face less indigence or need in old age, if their children eat healthier foods, receive more medical care, and are better clothed. This policy would be nullified if the parents of the country's children were not encouraged to spend the added income directly on the children's needs and welfare.

Fifth. Undoubtedly opponents will criticize family allowances as a subsidy to families with growing children. However, the American economic structure overflows with similar grants-in-aid and assistance payments. Despite the onerous connotation often given to the word "subsidy," it is, by definition, merely a payment by government to assist in the accomplishment of objectives deemed beneficial to the public.

Thousands of World War II veterans received a form of subsidy under the GI bill, Mr. President. Railroads received vast subsidies in land grants along their western rights-of-way, and airlines and merchant shipping are still subsidized. Farmers enjoy the benefits of soil conservation incentive payments and price support loans. Accelerated tax amortization certificates constitute special incentive benefits to some of the country's biggest corporations. The press enjoys the privilege of special postal rates unrelated to actual costs.

I am not criticizing these subsidies. They are part of our way of life. I am merely citing them as examples of what has been done in the past and is being done now to achieve aims deemed to be in the public interest. Certainly if these assistance payments are justified, the Nation will not let scarewords like "subsidy" keep us from providing aid for the most precious commodity in the land—namely, America's boys and girls.

Sixth. It will be said that it is unfair to tax people without children for the benefit of families with children below the age of 16.

Such a contention completely overlooks the fact that this has been going on in the United States for almost a century and a half. All persons are equally subject to school taxes, although not all families have children in the school ages. Everyone helps to pay for the fire department in his community, even though some people may have no property to enjoy the protection of this particular public service. Playgrounds are almost exclusively for children, but all taxpayers help to maintain playgrounds when they pay their local taxes.

Of course, not all benefits are direct. Juvenile delinquency is deeply rooted in poverty, neglect, and a low standard of living. Family allowances might serve to help ameliorate these conditions. A reduction in juvenile delinquency naturally will constitute a saving in taxes for every single resident of a city, state, or nation.

COST OF FAMILY ALLOWANCES WOULD BE MODERATE PART OF NATIONAL BUDGET

What would a program of family allowances cost in the United States?

The sum cannot easily be calculated precisely, and the cost of the program naturally is one of the aspects to be studied by the special committee in determining the kind of program that might be appropriate to our own economic and social conditions. It is a rough guide, however, that the annual sum required in Canada has been about $350 million. Canada's population is approximately 10 percent of that of the United States—although the percentage of children there may still be a little larger—so that the Canadian schedule of allowances would in our country amount to approximately $3.5 billion a year.

It would be foolish, Mr. President, to deny that this is a large sum of money. Yet it is not exorbitant in the context of our present and future gross national product and in comparison with other items of our public and private national budgets. It is, of course, dwarfed by such essential but nonproductive Federal expenditures as those on the national defense. But, more relevantly, it is also far less than the $3,865,000,000 which we spent, in 1953, on alcoholic drinks and the $5,310,000,000 which in that year went up in tobacco smoke.

If family allowances will have a favorable impact on the health, happiness, and welfare of the children of the United States, I believe the program will be well worth the cost, indeed. "We are willing to make tremendous expenditures for defense," recently wrote Prof. J. Benjamin Beyrer, of the University of Connecticut. "Aren't our children our country's greatest defense resource?"

A distinguished Canadian with close ties to the United States, the late Prime Minister W. L. Mackenzie King, called family allowances the cornerstone of his program for Canada. It is my belief that, ultimately, such a program will be in effect in our own country. It will be the next great forward step to be taken to complement our social-security system.

In that belief, Mr. President, I urge early adoption of my resolution, so that a committee of the Senate may undertake a careful study of Canada's 10-year record of operation and management of its family allowances program, and so that the people of the United States may judge when and how we want to adopt for ourselves and our own children the benefits of family allowances.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

Mr. GREEN. Mr. President, on behalf of myself and my cosponsors, I am happy to submit an amendment to House bill 6367 which would provide Weather Bureau forecasters with more of what they have wanted for years. I refer especially to modern electronic observing equipment, which could help them in their struggle to improve their forecasts and warnings of destructive storms.

On page 25, line 2, it is proposed to strike out "$5,000,000" and insert in lieu thereof "$10,000,000."

Before going further, Mr. President, I must mention my satisfaction in being able to announce that the following Senators are cosponsors of the amendment. The Senators from Oklahoma [Mr. KERR and Mr. MONRONEY], the Senators from Kansas [Mr. CARLSON and Mr. SCHOEPPEL], the Senator from Massachusetts [Mr. KENNEDY], my colleague from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. ERVIN], the Senator from Texas [Mr. DANIEL], and the Senator from South Carolina [Mr. THURMOND].

Doubtless there are other Senators who will give their full support to this amendment, and embrace the opportunity to show their real interest in improving our storm protection services. Many Senators have been told personally, perhaps by the meteorologists who do the forecasting in their own States, that the establishment of a modern radar storm detection network will mean increased forecasting accuracy, better and quicker warnings, and further reductions in the loss of life and property from sudden storms. All the weather experts agree that the improvements which can be expected in public weather protection services will repay, many, many times over, the comparatively small sums needed to provide forecasters with essential observation equipment.

Before briefly reviewing what can be provided with the $5 million increase now being proposed, I should like to take this opportunity to congratulate the members of the Senate Appropriations Committee. They have clearly recognized the widespread demand for better storm protection, especially for improving our hurricane, tornado, and storm warning services. They are to be commended for their wisdom in recommending $4,250,000 more than the Budget Bureau estimate for these purposes.

What is needed now, Mr. President, is the modern equipment to do the job which all experts agree should be done. That means 55 modern long-range radar stations to locate, analyze, and track hurricanes, tornadoes, and other severe storms, whereas only 12 such stations are provided for in the pending appropriation bill.

That means, also, modern cloud-height and visibility observing equipment at 150 of the busiest airport stations in the United States, whereas only 45 such airport stations can be so equipped under the pending bill.

I feel I should emphasize over and over again that the establishment of this $10 million program, which my cosponsor and I urge be adopted, has already been strongly recommended by the Weather Bureau, by the Department of Commerce, by the president of the American Meteorological Society, and by meteorologists everywhere who know best what is actually required. It also should be mentioned that this appropriation would not have to be used in the next fiscal year only, but instead all establishment funds voted would remain available until June 30, 1959.

We can be certain, therefore, that the utmost care will be exercised to insure that the best possible return will be realized for any establishment appropriations which truly meet the Weather Bureau requirements over the next 4 years.

I will not take more time now to elaborate on the subject since I have written every Senator a letter, a copy of which, with enclosures, I hereby offer and ask to have printed in the RECORD in connection with my remarks.

There being no objection, the material was ordered to be printed in the RECORD.

UNITED STATES SENATE,
COMMITTEE ON RULES AND ADMINISTRATION,
June 13, 1955.

DEAR SENATOR: When the Department of Commerce (Weather Bureau) appropriations bill comes up in the Senate for debate I intend to propose an amendment from the floor that will meet the request of the Weather Bureau and the Department of commerce for urgently needed storm detection equipment.

This floor amendment would enable the installation of modern radar storm detection equipment at 55 Weather Bureau stations, which is 43 more than the 12 radar installations made possible under the establishment appropriations voted by the House of Representatives.

In the face of the expert testimony that more than 80 such high-powered radar installations are now needed to locate, analyze, and track hurricanes, tornadoes, and other severe storms in all parts of the country, it is disappointing indeed to note that the Budget Bureau has decided this country needs only 3 new storm radar sets a year for each of the next 4 years.

I do not know what the administrative opponents of the $10 million establishment fund are waiting for before they agree with the modest requests of the responsible storm forecasters. Are they waiting for another $500 million damage hurricane on our eastern coast? Are they waiting for still another devastating tornado that evades the sparse network of outmoded radar installations?

Have they forgotten already that in a span of only 8 weeks last autumn 200 United States citizens lost their lives from hurricanes crossing our shores? Are they concerned at all that the 1954 property loss from hurricanes exceeded $800 million? Do they remember the 1953 disasters from tornadoes at Waco, Tex., at Flint, Mich., or at Worcester, Mass.? Do they know that in the 4 years, from 1951 through 1954, there were 1,800 tornadoes which caused more than 800 deaths?

In the face of the huge annual losses from hurricanes and tornadoes—not to mention thunderstorms, flood-producing rains, blizzards, and other severe storms—I cannot agree that nothing more can be done, or that nothing more should be done, to provide adequate warning services. Economy of this sort is not prudent administration—it is simply gambling with the lives and property of our people.

Accordingly, I shall ask the Senate tomorrow to strike out the figure of $5 million, and insert instead the figure of $10 million, so that the otherwise unchanged paragraph in H. R. 6367 will read as follows:

"Establishment of meteorological facilities: For the acquisition, establishment, and relocation of meteorological observing facilities and related equipment, including the alteration and modernization of existing facilities; $10 million, to remain available until June 30, 1959."

I am happy to say that there are a number of Senators who are cosponsors of this floor amendment for additional radar storm detection stations. These cosponsors include Members of the Senate representing States hard hit by hurricanes last autumn, and also include Senators from inland States where the dreaded tornado frequently sweeps down from darkened skies bringing death and destruction.

My personal investigation of Weather Bureau needs has convinced me this radar station amendment is in the highest public interest, and I accordingly would welcome your support when the amendment is considered on the floor of the Senate.

Yours sincerely,

THEODORE FRANCIS GREEN.

Notes on requested Weather Bureau funds (fiscal year 1956) for the "establishment of facilities" (to remain available until June 30, 1959)

Requested of Budget Bureau by Department of Commerce	$10,000,000
Requested of Congress by Budget Bureau	5,000,000
Voted by the House of Representatives and recommended by the Senate Appropriations Committee	5,000,000
Floor amendment to be proposed by Senator Green and cosponsors	10,000,000

COMPARISON OF "ESTABLISHMENT OF FACILITIES" PROGRAMS

Shown below are the major facilities which would be established under the $5 million and $10 million programs (to remain available until June 30, 1959):

	Under the $5,000,000 establishment of facilities program	Under the $10,000,000 establishment of facilities program
Number of stations to be equipped with new upper-air observation equipment	86	86
Number of stations to be equipped with modern long-range radar equipment to locate, analyze, and track hurricanes, tornadoes and other severe storms	12	55
Number of airport stations to be equipped with modern cloud height and visibility observing equipment for bad weather landings	45	150

NOTES

1. There will be 43 more radar-equipped stations under the proposed $10 million facilities program (i. e., a total of 55 radar stations instead of a total of 12 radar stations).

2. There will be 105 more airport stations with bad-weather observing equipment under the proposed $10 million facilities program (i. e., a total of 150 equipped stations instead of a total of 45 equipped stations).

JUNE 1, 1955.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Appropriations for the Department of Commerce, Senate Office Building, Washington, D. C.

DEAR SENATOR HOLLAND: With this letter I am sending you a statement in support of increased appropriations for the Weather Bureau. I trust you can have it inserted as part of the hearings conducted by the Subcommittee of the Senate Committee on Appropriations considering the Department of Commerce appropriations bill.

It is my firm conviction that the Weather Bureau needs additional funds to operate efficiently and you will note in the enclosed statement that I recommend an increase of $11 million in the Department of Commerce Weather Bureau appropriation for the fiscal year of 1956. $5 million of this appropriation I recommend for immediate improvement of the storm warning service for the 1955 and 1956 hurricane seasons; $5 million for the establishment of meteorological facilities; and $1 million for hurricane, tornado and severe storm research activity.

In view of the anxiety and interest of many of our citizens in Weather Bureau activities, I trust that your subcommittee will favorably consider my recommendations for increased appropriations for the Bureau.

Yours sincerely,

THEODORE FRANCIS GREEN.

STATEMENT BY SENATOR GREEN IN SUPPORT OF INCREASED APPROPRIATIONS FOR THE UNITED STATES WEATHER BUREAU

In the autumn of 1954 Hurricanes Carol, Edna, and Hazel crossed the eastern coasts of the United States with disastrous results. As we all know, hundreds of lives were lost and total property damage from high wind and water amounted to hundreds of millions of dollars.

These staggering losses to our national life cannot be dismissed lightly, nor can they be forgotten by those in my home State of Rhode Island, as well as those elsewhere along the eastern coast. Many people lost their friends and neighbors, their homes and their savings, as these hurricanes suddenly swept in without sufficient warning.

On August 31, 1954, Hurricane Carol roared across New England to become the most costly catastrophe in North American history, with property damages totaling nearly $500 million. I will not dwell on the individual human misery that brings meaning to such appalling figures. I will only say that each month since then I have received a flood of letters on the subject of hurricane warning systems from citizens along the eastern seaboard. They ask, over and over again, questions like the following:

1. Why cannot more advance hurricane warnings be given?

2. Why cannot more precise forecast information be given as to the future path, speed, and intensity of hurricanes?

3. Was the Weather Bureau or others at fault in distributing warnings about Hurricane Carol?

4. Does the Weather Bureau have sufficient trained staff and sufficient facilities to carry out their storm protection responsibilities?

5. How much research and analysis work has been done on salt water inundations covered by hurricane-driven winds?

6. Does the Weather Bureau have a research staff devoted exclusively to better hurricane forecasting?

7. Should we be prepared to accept in the next 5 years only a slow improvement in the present quality of hurricane forecasts and in present warning distribution methods?

In addition to the flood of questions such as these, I have received so much critical comment that I concluded last fall explanations were in order. Since then I have made a special study of hurricane warnings and have obtained reports from most of the Government agencies concerned. This study has convinced me that there are some improvements which can be undertaken by the Weather Bureau within their present resources of staff and facilities, and recently, I was told that the Weather Bureau is now proceeding to carry out some of them in preparation for the comuany 1955 hurricane season.

But, I am convinced, yes, firmly convinced, that the Weather Bureau does not have sufficient funds to maintain hurricane warning services of the type rightfully expected by our citizens, and does not have sufficient funds to make any significant improvements in its warning services for the 1955 and 1956 hurricane seasons.

Perhaps most shocking of all is the fact that the Weather Bureau does not even have a half dozen meteorologists who spend full time on hurricane research to develop better forecast techniques.

After my personal investigations led me to conclude what is most needed if improved warning services are to be forthcoming, I consulted again with the meteorologists of the Weather Bureau and other Government agencies, and, also with several meteorologists of the foremost universities and private industry.

From this background of study, I am convinced that the operation job actually needed cannot be done by half measures.

I accordingly urge that an increase of $11 million be made in the Department of Commerce Weather Bureau's appropriation bill for fiscal year 1956. I further recommend that $5 million of this increased amount be used for the purpose of immediately improving the storm-warning service for the 1955 and 1956 hurricane seasons.

Another $5 million of this $11 million increase in Weather Bureau funds should be devoted to the establishment of meteorological facilities, which were denied by the Bureau of the Budget when it cut in half the $10 million sum requested by the Weather Bureau and the Department of Commerce and reduced it to $5 million. Those who desire more detailed figures may be referred to the table on page 6925 of the CONGRESSIONAL RECORD of May 24, 1955, and to page 641 of the hearings before the subcommittee of the Committee on Appropriations of the House of Representatives held on April 27, 1955.

There is little doubt that much of the staggering losses of 1954 could have been avoided if the Weather Bureau had been equipped with the proper radar equipment and other observation facilities installed along the coast. We may be certain that similar occasions will arise here in the coming years, and perhaps in other coastal areas also. Accordingly, I strongly urge that funds be provided for these modern meteorological facilities which may mean the difference between life and death along our entire coastline.

I have been advised that the Weather Bureau, if provided with a $10 million fund for meteorological facilities to be expended over a period of 4 years, will be able to carry out an orderly, efficient, and effective storm warning and protective system. These facilities not only will be of tremendous aid in forecasting hurricanes, but also will be useful in predicting the onward march of tornadoes, hailstorms, severe thunderstorms, blizzards, and other great meteorological hazards.

By this establishment of facilities all citizens in its expected path can be given sufficient advance warning to save their lives and reduce the loss of their property.

I understand that the Weather Bureau has carefully worked out exactly what equipment is desired, where such equipment is to be located, and the time schedule on which such equipment can be installed.

In any case, I hope we do not have to wait for more devastating hurricanes and more frightful tornadoes before we get the equipment which our experts tell us is such an important factor in improved warnings.

I recommend also an initial appropriation of $1 million for hurricane, tornadoes, and severe storm research activity because I feel that much greater emphasis should be given to an intensified search for full knowledge of the laws of storms and the physics of the atmosphere. Our future welfare may depend on a deeper understanding of nature. It would be shortsighted indeed to ignore this large gap in our true knowledge of the weather processes. Let us get on with the job.

Some scientists have even suggested that in the years not very far ahead we may be able to modify, divert, and even destroy dangerous hurricanes before they are full grown, or before they reach our shores.

The very minimum of such research activities will be repaid many times over in the greater knowledge and confidence that can be given our weather forecasters, who now are often compelled to predict the precise future path of hurricanes from insufficient observational data.

I have consulted the leaders in the weather sciences both in and out of the Weather Bureau, and I am convinced there is a strong justification for the development of a large research program on hurricanes and that the Weather Bureau is willing to give this problem a high priority in the coming years.

Some of the more challenging problems on which more fundamental knowledge is needed include:

1. The physical reasons for the apparent shifting tracks of hurricanes, and the relationships of hurricane occurrences to the observed circulation patterns of the upper atmosphere.

2. The air flow and moisture mechanisms which cause tropical disturbances to grow larger, to speed up, to change direction, or to increase or decrease in intensity.

3. The means by which hurricane forecasts can be made more accurate in direction and speed of movement, and for longer periods in advance.

4. The integrated relationships between tidal action, sea surges, salt water levels, river stages, and coastal geography, with the varying speeds and tracks of hurricanes.

5. The possibilities of modifying, diverting, and even destroying hurricanes headed for nearby populated coastal areas.

I am one of those in Congress who believe that the Weather Bureau is one of the Government agencies which does not waste any of the taxpayers' money, and that its appropriations are used with discretion. The total funds to be allotted to the Weather Bureau are very small in comparison with the funds appropriated to some of the other agencies, and in comparison with the millions of dollars which could easily be saved for our citizens in the coming years.

JUNE 7, 1955.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Appropriations for the Department of Commerce, United States Senate.

DEAR SENATOR HOLLAND: I was astonished to learn that the Weather Bureau has never received an appropriation to purchase radar weather observing equipment. I did not know that the meager equipment it now has was "salvaged" from excess stocks of airborne radar equipment not even designed to detect, track, and analyze severe weather phenomena.

It was, therefore, very disappointing to me when the Weather Bureau's modest request for $10 million for the establishment of facilities, including the installation of storm-detection radar equipment at 55 stations, was reduced to half that amount by the Bureau of the Budget.

My interest in this appropriation request stems from the fact that Oklahoma lies in the center of the tornado belt, and the fact that radar equipment has proven especially effective in detecting and tracking tornadoes, which advance at speeds of from 20 to more than 50 miles an hour.

Oklahoma is one of the States especially subject to tornadoes. During the period from 1915 to 1949, Oklahoma suffered 664 fatalities as the result of tornadoes, while during the same period nationwide there were 7,961 deaths, about 10 times that number of injuries, and property damage that cannot even be estimated. These figures, of course, do not include the tornadoes that have occurred since 1949 or those of last month which took more than 100 lives in Oklahoma and Kansas alone.

The Weather Bureau estimates that 85 modern radar stations are needed to detect, track, and analyze severe weather phenomena such as tornadoes and hurricanes. Approval of the original $10 million request would have enabled the Bureau to equip 55 of the 85 needed stations with radar. As reduced to $5 million, by the Budget Bureau, and approved by the House, only 12 stations can be equipped. By increasing the figure to $10 million, 43 more stations could be equipped, and I strongly urge that the amount be so increased.

It is an established fact that in cases where the Weather Bureau has been able to give timely warnings of approaching storms, deaths have been reduced. As an example, in 1947 a tornado was detected at least half an hour before it struck the town of Leedey, Okla., and a warning was flashed to the community. Although two-thirds of the town was demolished, there were only six fatalities.

The Weather Bureau's severe weather warning system must be expanded and improved. We know that we will experience destructive tornadoes and hurricanes again, and we know that as yet we have no means of controlling or directing them. But we also know that with instantaneous distribution of warnings, the loss of life can be virtually eliminated and damage to property materially reduced.

The House has approved an additional $2,250,000 for the Weather Bureau, and a request is pending in the Senate to increase that amount to $5 million which, as I understand it, would be used exclusively for an emergency hurricane-warning system.

I certainly do not wish in any way to minimize the urgent need for improvement of the hurricane-warning system, but I do wish to emphasize that the same urgency exists with respect to the tornado-warning system. The fact that different sections of the country are subject to different types of severe weather does not, in my opinion, make any section more or less entitled to protection than the others.

I firmly believe that the Weather Bureau could use considerably more than the $5 million being requested in the Senate to improve the hurricane-warning system, but I do not feel that the other parts of the country subject to severe weather should be penalized by earmarking for that exclusive purpose any funds which may be appropriated.

I also wish to strongly endorse the request for an initial appropriation of $1 million for severe weather research. The Weather Bureau has long been handicapped by inadequate instrumentation and facilities for the collection, reduction, and analysis of data on severe weather disturbances. Approval of the request for $1 million will permit the Bureau to begin a research program in cooperation with colleges and universities, which would carry on the fringe aspects of data reduction and analysis, thus freeing the experts from time-consuming detail and permitting them to devote their efforts to only the most important aspects of the problem.

The sooner we undertake the research necessary for improving forecasts of severe weather, the sooner we can begin to reduce the terrible toll of life and property inflicted upon us by these violent disturbances.

Very truly yours,

A. S. MIKE MONRONEY,
United States Senator, Oklahoma.

Mr. GREEN. Mr. President, I feel very strongly that we no longer should endorse the snail's pace of storm warning improvement which extremely limited funds have forced on our weather forecasters. Let us stop right now any further unnecessary gambling with the lives and property of our fellow citizens.

Mr. STENNIS. Mr. President, will the Senator from Rhode Island yield to me for a question?

Mr. GREEN. I yield with pleasure.

Mr. STENNIS. I notice that the Senator from Rhode Island states that the $10 million program which his amendment proposes, has already been strongly recommended by the Weather Bureau, by the Department of Commerce, by the president of the American Meteorological Society, and by meterologists everywhere who know best what is actually required.

In view of that fact, why did not the Bureau of the Budget recommend the same figure?

Mr. GREEN. The same question could well be asked with reference to other departments of the Government. Their requests for appropriations are cut down. It might well be asked, "Why didn't the Weather Bureau recommend its figure publicly." The answer is that departments are told to cut down their requests or they may not get anything. That is what it amounts to.

The Bureau of the Budget seems to think it is the final judge in these matters. It does not always accept the recommendations of the various departments of the Government. It takes the estimates of the departments, and sometimes cuts them down officially, and sometimes goes to a department unofficially and says, "You had better not ask for so much. You are defeating your own purpose."

Mr. STENNIS. I am impressed with the strength of the Senator's statement in his speech, and I should like to ask whether he made personal investigation of these matters. I believe he has, but I should like to have the statement in the RECORD.

Mr. GREEN. Of course, I have not been in the upper regions of the clouds. Even if I had been I probably would not understand the subject. I have not been up there, except so far as I have been in airplanes.

Mr. STENNIS. I assume the Senator has interrogated these people himself.

Mr. GREEN. I have. I satisfied myself before I proceeded to undertake this campaign to get the additional funds.

Mr. STENNIS. I assume the Senator has obtained this information from people who know the facts.

Mr. GREEN. Yes; absolutely. I have spoken to everyone who I thought could give me information. The strongest argument that impressed me was that the tremendous loss of property which occurred in my State from one hurricane after another probably could have been greatly decreased, and much of it probably would not have happened if there had been proper forewarning.

Mr. STENNIS. Mr. President, my information is that the Senator from Minnesota [Mr. HUMPHREY] wishes to make some remarks at this time. However, he is not in the Chamber at the moment. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, it is so ordered.

ONE HUNDREDTH ANNIVERSARY OF THE BIRTH OF ROBERT M. LA FOLLETTE, SR.

Mr. MORSE. Mr. President, I wish to take a moment to join in the tributes which are being paid today in both Houses of Congress to one of the greatest liberals in all of America's history. Today is the 100th anniversary of the birth of "Fighting Bob" La Follette, of Wisconsin.

It is very difficult for one by way of subjective analysis to determine for himself how it came about that he developed certain philosophies and certain points of view, although I think it is good for each of us, in meditation and introspection, very frequently to analyze our own thought processes and our own philosophy.

As I introspect how I came to develop the political philosophy for which I am fighting in the Senate, I cannot escape the conclusion that undoubtedly as a young student my thinking was influenced more by "Fighting Bob" La Follette, of Wisconsin, than by any other single political figure in American public life.

I grew up in Verona, Wis., not far from the La Follette farm. As a boy, I was associated with the La Follette family. The La Follette boys and I attended the Dane County Fair together as competitors in the pony classes, because the La Follette boys and I raised Shetland ponies throughout our boyhood. It was as a boy at the fair that I first came to know the great Senator Robert M. La Follette, Sr. Throughout my high school and college career, I frequently had the great honor and privilege of sitting at his feet, so to speak, and listening to him discuss, as he was so prone to do with young people, the problems of politics.

Many things could be said about La Follette and the basic tenets of his political philosophy; but I am satisfied that the thing he taught me, above all else, was that the primary job of a public official is to serve human values. Many a time have I listened to the old Senator, as we used to call him, advise with the group of young liberals at the University of Wisconsin and stress that dedicated principle of his, namely, that the job of a representative of free people is to serve the interests of the people.

I have been heard to say in some of my speeches that the greatest wealth we have in America is human wealth; but, so far as my experience with that great tenent is concerned, it came from the lips of Bob La Follette, because it is a principle which he stressed so frequently, as he discussed political problems in the State of Wisconsin.

As a college student, I campaigned for Bob La Follette; and I campaigned for him later, in 1924, when he was a candidate for President of the United States.

Millions of people in America will always owe much to "Fighting Bob" La Follette, because I know of no other liberal in our history who has ever elevated to a higher plane his basic tenet that in representative government the primary obligation of the elected official is to do those things which are necessary to advance and protect human values.

I take this occasion to express my debt of gratitude for the inspiration which the life of Bob La Follette, and his courage and daring, have afforded me in my political career.

NIAGARA POWER PROJECT

Mr. STENNIS. Mr. President, the Senator from Minnesota [Mr. HUMPHREY] is en route to the Chamber. I expect him momentarily.

I observe that the Senator from Texas, the distinguished majority leader, has returned to the floor. He may wish to make an announcement. The Senator from Minnesota was testifying before a committee, and he is on his way to the Senate floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEHMAN. Mr. President, on Friday, June 10, I had the privilege of appearing before the House Public Works Committee on the subject of Niagara power project legislation. In a prepared statement, I urged the enactment of legislation containing the provisions of my bill, S. 1823, and Representative DAVIDSON'S companion bill, H. R. 5878. This proposed legislation will, I hope, shortly come before the Senate for its consideration and action. It is of vital importance to the people not only of New York but of the Nation as a whole, and I believe that the issues involved should be carefully studied by every Member of the Congress. I therefore ask unanimous consent to have the statement made by me on June 10 before the House Public Works Committee printed in the body of the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY BY SENATOR LEHMAN BEFORE HOUSE PUBLIC WORKS COMMITTEE ON NIAGARA POWER PROJECT LEGISLATION

Mr. Chairman, I need scarcely say how pleased I am to appear before this committee and before you, Congressman BUCKLEY, as chairman. We are old friends, you and I, as well as fellow New Yorkers. We have worked together in many a good cause. It is a privilege for me to appear before you, and your committee, and to submit my views on the pending matter—legislation authorizing the development of hydroelectric power at Niagara Falls—a matter in which both of us have a deep and immediate interest.

I really don't think I need convince you, Mr. Chairman, of the general merits of the case I am going to present today. I am sure we are in practically perfect accord on it. I am aware, however, that neither you nor I—nor both of us together—are going to decide this matter. As far as the Niagara legislation is concerned, it must be considered and voted upon by this committee as a whole, and not all of its members are from New York, nor are they all Democrats.

Seriously, Mr. Chairman, although this legislation is of primary interest and concern to New York, and although the resource in question is within the borders of New York—and I refer, of course, to the Niagara River and Niagara Falls—there is a Federal, a national interest in this matter and our proposal is, of course, for Federal legislation.

I am not insensitive to the fact that we must convince Members of Congress representing other parts of this Union that the legislation we propose is desirable from a national viewpoint, and not just from the viewpoint of New York State.

The national interest, in this case, arises, first of all, from the fact that the Niagara River, while it is on the northern border of New York State is also on the northern border of the United States.

It is an international waterway. The hydroelectric power we propose to develop under the terms of this legislation was made available under the terms of a treaty negotiated in 1950 by the Federal Government. In other words, the power potential was made available by the exercise of the sovereign treaty-making power of the United States.

The national interest lies further in the fact that the United States, in negotiating the treaty which made this power available, assumed certain binding obligations—to preserve and enhance the scenic beauty of Niagara Falls, which is itself a resource, not only of the people of New York, and of the United States, but of the people of Canada, as well. We share this resource—this scenic and power resource—with the sovereign people of Canada.

The third basis of national interest consists of the fact that the Niagara River, along with most other rivers, is a navigable waterway, and hence within the jurisdiction of the Federal Government, under the Constitution. It has been held that the disposal of water and the construction of power works on a navigable river is a matter within the purview of the Federal Government and of Congress.

And, finally, Mr. Chairman, there is the question of national power policy—as laid down, from time to time, by Congress. A consistent pattern of policy has emerged over the past 50 years, through a long succession of congressional acts on the subject. It is certainly the concern of Congress, and of the Federal Government, to see that whatever disposition is made of a particular project conforms to this policy.

So, Mr. Chairman, when we, of New York State, ask Congress to approve a proposal authorizing the development of power from the Niagara River for the benefit of the people of our State, our proposal must recognize these four bases of national interest. Our proposals must reconcile these national interests with our own local interests. In this case, as in every other case, that is the challenge of statesmanship.

At this point let me say that I think there is already too much of a disposition among us to vote or act on the basis of what is good for our own particular localities.

We are sometimes inclined to forget that what made this Nation great—and what made it a nation—was the concern of one region for the welfare of another. Had the Thirteen Original States of the Union failed to make provision for opening up the West, with post roads, with navigational works, with all sorts of services and subsidies to encourage the development of undeveloped or underdeveloped areas and resources, we would still be a small and unimportant Nation along the eastern seaboard of this continent.

If the Federal Government had not financed the expedition of Lewis and Clark 151 years ago, the great northwestern wilderness would never have been conquered.

Colorado, Montana, Utah, Idaho, Washington, and Oregon would probably never have come into being.

It is exactly 150 years since Lewis and Clark paddled down the Snake River and thence into the great Columbia, and down to the Pacific. Today, only 150 years after civilized man first set eyes on the Columbia River, that river is well on its way to full development, in all its potentialities. Grand Coulee and Bonneville are dynamic episodes in this development.

The Niagara River, which is part of the Great Lakes-St. Lawrence system, was first seen by civilized man long before the Columbia River—more than 200 years before. Niagara Falls is perhaps the oldest scenic wonder on the American Continent, as the St. Lawrence River is among the oldest known rivers on the American Continent.

Perhaps it is because these two rivers—the St. Lawrence and the Niagara—have been known so long and so well that they have been either overlooked or forgotten by Congress. In any event, although New York State has been knocking at the door of Congress for over 30 years, to my knowledge, for authorization to develop power on this river system, it was only last year that Congress, by authorizing the St. Lawrence Seaway project, made possible the development of St. Lawrence power by the State of New York, pursuant to a license from the Federal Power Commission.

I have indulged in this historical discussion, Mr. Chairman, preliminary to my discussion of the legislation at hand, in order to give some perspective to the request that Congress act—and act speedily—on the pending legislation to authorize the Niagara project.

New York is not asking for any special favors here, Mr. Chairman, but just for the consideration it merits within the clear bounds of national policy and national interest.

Only a few weeks ago, there was a debate on the Senate floor on the Colorado River storage project. I supported that project on the ground that what would help develop and improve the western area of the country was good for New York, too. In the case of the Colorado project, a great Federal appropriation will be required. None is necessary for the Niagara project.

I hope and trust that the members of this committee will share with me a concern for the welfare and interests of the people of New York State. Of course, the very existence of this committee is proof of the concern of Congress with works of public improvement in various parts of the country.

Now, Mr. Chairman, I address myself to the legislation pending before you. There are, as I understand it, 4 bills—3 for public development and 1 for private development. One of the three bills for public development is the Radwan bill—proposes Federal construction of the Niagara project, with the eventual disposition of the power works left for later decision by Congress. The Radwan bill does not preclude private ownership, nor does it preclude Federal operation. It leaves that question up in the air. It would require, of course, a Federal appropriation for construction.

I shall not discuss this proposal at any length. I do not feel that it is a practical one because I do not believe Congress would be willing to make an appropriation for this project at this time.

Moreover, I question the wisdom of leaving the disposition of this project in abeyance until some future time. I see no reason why Congress should not decide right now on the disposition of this resource and the nature of its operation.

It goes without saying that I favor the Davidson bill, H. R. 5878, directing the Federal Power Commission to issue a license to the New York State Power Authority for the construction and operation of this project, subject to certain safeguards of the national interest, of national power policy, of the interests of neighboring States, and of the interests of all the consumers of the power.

As you know, the Davidson bill is identical with one which I, in association with 16 other Members of the Senate, introduced in the other House, and is very similar to a bill which I have introduced in past Congresses. I think I was the first one to introduce a bill for the development of the waters of the Niagara, immediately after the treaty with Canada was negotiated in 1950.

There is also pending before you, as you know, a bill introduced by the chairman of this committee, Mr. Buckley.

There are many close similarities between the Buckley bill and the Davidson bill, or, if I may so call it for purposes of identification, the Davidson-Lehman bill. In fact, much of the language of the two bills is identical. There are some critical differences which I will discuss in the course of my testimony. I am sure that you, Mr. Chairman, would be the first to agree that the differences between our two bills can be reconciled.

For the benefit of the record I would like to state that both the Buckley bill and the Davidson-Lehman bill are products of collaborative drafting between my office and the office of the Governor of New York State. In the discussions which took place and in the work of drafting, the representatives of the office of the Governor of New York reflected the viewpoint of the New York State Power Authority. I was represented by the chief of my legislative staff. We made great progress toward drafting a bill protecting what we thought were the vital interests of New York State, of the neighboring States, and of the Nation.

Your bill, as you know, Mr. Chairman, was introduced before these discussions were completed and there are still, as I said, some unresolved points of difference. I am sure that you and I together, Mr. Chairman, could dispose of these points of difference in very short order.

I am sure that your committee, on the basis of the record, and on the basis of a study of the provisions of the Davidson-Lehman bill and of your own bill, will do what is right and fair to all concerned.

I understand that Chairman Moses of the New York Power Authority testified before this committee yesterday and supported the Buckley bill. He expressed his opposition, as I understand it, to my bill, criticizing it on a number of counts. He has also circulated a public letter critical of my bill and purporting to analyze it in comparison with the Buckley bill.

I would not say that the analysis submitted by Commissioner Moses was objective or impartial. In a few minutes I am going to discuss the bill Mr. Moses supports, and the differences between it and my bill, the Davidson-Lehman bill.

But first it should be noted for the record that Mr. Moses, myself, and Governor Harriman are all united in our opposition to the giveaway of the Niagara resource to private interest.

In fact, both the Democratic Party and the Republican Party of New York State are pledged to a public development of Niagara power. The only Republican State officeholder who was elected in 1954, Attorney General Jacob Javits, when he was a member of Congress, voted against private development.

The last Republican Governor of New York State, Gov. Thomas E. Dewey, was opposed to private development. The advocates of the giveaway of Niagara power to private interest are in a distinct minority in New York State—a very small minority, in my opinion.

I challenge any party or any candidate for statewide office in New York to campaign on a platform of private development of Niagara Falls—the transfer of this great resource, belonging to all the people of New York State, to any private utility corporation or group of corporations. The defeat of such a candidate would be assured and overwhelming.

I am aware, Mr. Chairman, that some labor unions, largely representing the employees of private utilities in New York State, and some of the residents of the Niagara area, have expressed themselves in favor of private development. I am sure that all of these individuals are sincere.

I suggest, however, that they have been overwhelmed by the barrage of propaganda emanating from the private utilities. Some of the local residents of Niagara Falls, would, of course, like to see a private development because of the tax revenue it would bring to the local government. I think these people do not quite see the forest for the trees.

I am advised, moreover, that even in Niagara Falls the individuals holding this point of view do not represent a majority.

The fact of the matter is, Mr. Chairman, that the public development of the water resources of New York State and the public's inalienable right to the benefits thereof are fixed principles in New York State.

This committee may be interested to know that one of the earliest defenders and advocates of these principles, who helped to write them into the laws of New York State, was the late Charles Evans Hughes, then Republican Governor of New York State. The year was 1907.

An almost unbroken line of Governors of New York State, beginning with Charles Evans Hughes and extending through Gov. Alfred E. Smith, Gov. Franklin D. Roosevelt, myself, Gov. Thomas E. Dewey, and Gov. Averell Harriman, have held fast to these principles. It is unthinkable that the Congress should determine otherwise.

The people of New York State are convinced that the Niagara resource belongs to them, although they recognize the national interest, too. The riverbed of the Niagara belongs to the people of New York State. The people of both New York State and the Nation have inalienable rights in the waters of the Niagara, and Congress, of course, has final jurisdiction over it.

The proposal to give away this resource and these rights to five private utility corporations is actually an astounding one. I was amazed when the House voted its approval of such a proposal last year.

If these waters belong to the people, and their benefits belong to the people, why should five utility corporations be authorized by Congress to divert these waters, to turn the power potential into electricity and sell that electricity for profit?

No special enterprise on the part of the private utilities to develop this power is needed, Mr. Chairman—except maybe here in the Halls of Congress. This is no case for private enterprise. No competitive free enterprise is involved at all.

This is a proposal—and I am referring to the Miller bill—to turn over a priceless resource owned by all the people to a private utility monopoly in order to let them make a profit at the expense of the people.

The ingenious engineering concept which permits this water to be diverted and used for power purposes without endangering the beauty of the falls was actually worked out by the State Power Authority of New York back in 1938. I was Governor at the time. It is all set forth in the report of the New York Power Authority of that year. Eventually, the Federal Power Commission, through its Bureau of Power, made an engineering study. That engineering study by

the Federal Power Commission in 1949 still provides the basic plans for the development of Niagara power, resting, of course, on the overall concept developed by the New York Power Authority in 1938.

On the basis of the brilliant New York Power Authority concept of 1938, the United States and Canada proceeded to negotiate the treaty of 1950. The sovereign power of the United States Government, plus the ingenuity of the New York State Power Authority, plus the engineering skill of the Federal Power Commission, all combined to make this project possible.

But here it is proposed that we turn this project over to the Niagara Mohawk Power Co., in association with four other great companies of New York State.

I don't see the sense of it, not to speak of the justice of it.

Why should this project be turned over to these private-power companies? In the name of private enterprise? What enterprise?

The advocates of private development have spent hundreds of thousands of dollars—perhaps millions—I do not know—to misinform the people and to apply pressure on the Congress. They say, "Get the Government out of business." What business, Mr. Chairman? This is the people's business. This is the business of Government.

They cry "socialism." Is the postal service "socialism"? Is the building and maintaining of roads and highways and bridges "socialism"? Is the building of parks "socialism"?

Is it socialistic for all the municipalities of this country to furnish water at low rates to the people of their localities? Is that "socialism"?

Why not go back to private toll roads, highways, and bridges, such as we had in this country at the beginning of the 19th century?

Why not turn over all these enterprises to private corporations and let them make a profit from the public need?

The Government could levy taxes on all those profits.

Speaking of taxes, I think the most misleading argument of all is the argument that this waterpower resource should be turned over to private enterprise in order to let these utility corporations pay taxes on their profits from this project.

Who would pay these taxes? The consumers would pay the taxes. The taxes would naturally be included in the rates charged to the consumers. In addition, the consumers would also pay the utility companies an allowed profit of 6 percent on investment—a profit on the use of the people's own resources.

A public development is not, of course, required to pay taxes.

Why should taxes be paid by a public enterprise? It would be like a man paying for sleeping in his own house.

If the waterworks in every city and locality were turned over to private enterprise, the private companies would be glad to pay taxes on their profits from the sale of the water to the consumers. But the consumers of the water would actually be paying the taxes and the profits on top of that. The people would be paying a hidden sales tax—on water which belongs to all the people in the first place.

Exactly the same thing can be said of hydroelectrical power. This power belongs to all the people. But it is proposed, under the terms of the Miller bill, to let private companies make a profit on that power, at the expense of the owners of that power, the people, and on top of that, to levy what amounts to a sales tax on that power.

As I hope I have indicated, the people—the consumers—would be paying both the profits and the taxes. The only beneficiaries would be the stockholders and the management of the utility corporations, and the larger taxpayers of our State and Nation.

Of course I am not opposed to the practice followed by TVA and other public power developments, of making payments in lieu of taxes to the municipalities, where the project works are located, to compensate them for the loss they suffer in property and other local taxes by virtue of the use of this property by a Government entity. I think the New York State Power Authority should make payments in lieu of taxes to Niagara County and the city of Niagara Falls. I am, however, attacking the argument—an argument designed to deceive and mislead people—that the people would somehow benefit if this public resource were given away to a private monopoly, so that the monopoly could pay taxes to the State and Federal Governments.

I have heard the cry "Why should I, a citizen of Ohio or Michigan or Texas, permit the citizens of New York State to enjoy low-cost power when, by turning this resource over to private enterprise, the consumers of New York would be forced to pay higher rates, and thus contribute to the Federal revenues in the form of taxes on the profits of these companies?

My friends, I have been hearing this argument for years, but in reverse, in New York State. Why should New York State, which contributes the highest percentage of the total Federal revenue raised by income and corporate taxes, help to make possible low-cost power in the Tennessee Valley. Why should we contribute to the building of a canal in Florida, to a reclamation project in Louisiana or California? Why should we contribute to the building of roads in West Virginia and Mississippi and Alabama and Kansas and Washington?

That argument, carried to its logical conclusion, points straight in the direction of anarchy. We are a Nation, and I thought we had settled the argument long ago about whether the people of one State should be taxed for the benefit of the people of another.

Why should the people of New York City be permitted to enjoy parks and playgrounds? If the park areas were turned over to private enterprise, factories and shops and hotels and tenement houses could be built on that land, and taxes could be collected on the profits, and that would decrease the need of the people of Albany and Utica and Syracuse and Buffalo to pay taxes.

I hope I have demolished this tax argument—this cynical and misleading argument—which has been so widely spread in newspaper and magazine advertisements, over the air and on the television for the past several years. It is a phoney argument. It deserves to be treated as such.

Now, for the other chief argument used by the proponents of the giveaway—the argument that hydroelectric power is no different from power generated from coal or oil, and that since private enterprise develops the one, it should also be given the other.

That is another phony argument. The coal is in the ground. Land belongs to people, to private people. It is private property. So coal is private property. The same is true of oil.

But the water belongs to all the people. There are no two ways about it. And the power developed from this water also belongs to the people, who should be charged for that power what it costs the Government to develop it. It is exactly the same water as that used for direct consumption. Electric power is, today, as much a necessity as tapwater.

It is in the public interest to make electricity as widely available to the people as possible, and at as low a cost as possible, and especially to rural and domestic consumers. The law of New York says so. So does the law of the United States. And I refer to the Flood Control Act, to the TVA Act, to the Bonneville Act, and to many similar pieces of legislation.

Such hydroelectric-power potential as is available belongs to the people. And the Government has an obligation to make the power available for the public use and benefit.

The Niagara resource is an inalienable heritage of the people. It cannot be given away.

As for the argument that it would be unfair to provide this low-cost, tax-free power to just some of the citizens of New York State while the great majority of the power consumers must pay the higher cost of privately developed power, I do not think that this is a logical argument, either.

The fact of the matter is that under the terms of the Davidson-Lehman bill, the benefits of this low-cost power will be spread among all the consumers of New York State through the application of the yardstick principle.

I will get to that in a few moments when I discuss the individual provisions of my bill.

So much for the giveaway proposal. I want to turn attention now to the Davidson-Lehman bill and the Buckley bill.

Both bills, of course, recognize the basic truths I have just been reciting.

The Davidson-Lehman bill, however, recognizes more clearly and precisely the mandate to use this public resource for the public benefit. The Davidson-Lehman bill reflects more exactly the national power policy as it has evolved over the past 50 years. The Buckley bill, I am afraid, would turn the clock back somewhat.

Now the main difference between the two bills is in the use envisioned for the public power. The Buckley bill, I believe, inclines toward a limited social use for the power—and for the use of most of it in the immediate vicinity, at the bus bar, for sale, for the most part, to industries and private utilities who can step up to the counter and buy.

That is a sound business concept. There is no doubt that all the power could be marketed in this way—and more—and that the bondholders—the purchasers of the revenue bonds issued by the State Power Authority to finance the project—would be completely satisfied by such a procedure.

But that wouldn't satisfy all the demands of the public interest. This resource belongs to all the people of New York State and the Nation. Their interest can only be satisfied if the benefits of this project are distributed as widely as possible, for the benefit of the maximum possible number of people.

Public development of Niagara power carries a responsibility to use the power, wherever practical and reasonably possible, for social purposes. One of these purposes, as is made clear in both the laws of New York State and of the United States, is to make the power available, at the lowest possible cost, primarily to domestic and rural consumers, especially the latter.

It is another purpose to use this bloc of public power as a yardstick against which to measure private power rates. The public power is used as a "yardstick" by making it available—by giving first access to it—to public bodies and agencies, such as municipally owned utilities, and to rural electrification co-ops. These, in turn, make the power available to consumers at cost—without profit.

The public power is used as a "birch rod in the closet" to force private utilities to lower their rates by virtue of the right of municipalities to establish their own utility systems, if the private companies persist in charging exorbitant rates. To make the "birch-rod" effective, publicly owned utilities must have the right of first access to publicly developed power.

This competitive device has been found, in practice, to be far more effective in getting rate decreases than State rate regu-

lation. Rate regulation simply cannot be dependent upon to insure fair rates. Competition is much more effective, for this purpose, than rate-fixing, although I must admit that in many situations, regulation is the only device possible.

It was estimated a year ago, in a Minority Report filed in the Senate Public Works Committee, on Niagara legislation, that the use of Niagara power for yardstick purposes would save the consumers of New York State over $300 million annually.

Whether this figure is precise or not does not matter.

The yardstick would certainly save millions and millions of dollars for the consumers of New York State. It would force rates down throughout the State. All of the consumers would benefit, and the strange thing is—according to the experience in the Tennessee Valley, in the Bonneville and Grand Coulee areas and elsewhere—it would result in greater prosperity for the private utility companies, too.

But in order for this to happen, public power must not only be available to public bodies and rural co-ops on a first-access basis, but the Government must also have the authority to build transmission lines. The Public Power Authority must be able to deliver the power over publicly controlled transmission lines to the load centers.

Under the terms of the Davidson-Lehman bill, Mr. Chairman, these purposes would be achieved. I doubt whether they could be fully achieved under the language of section 2 of the Buckley bill.

In the Buckley bill, the preference concept is not clearly spelled out. Nowhere in paragraph (1) of section 2 is the word "preference" stated. It is not clear to me what is meant by the language in paragraph (1) of section 2 granting public bodies and co-ops an "opportunity to purchase as much of the power available as they can use economically and practically." What is meant by the word "opportunity"? Is the right to buy this power absolute or conditional upon other commitments of the Power Authority? Who is to decide whether the public bodies or the rural co-ops can use the power economically and practically? What standards will be used for this judgment?

Mr. Chairman, this is brand new language for a public-power bill, as far as I know. This language does not appear in any public-power statute of which I am aware. Indeed, I have been told by legal experts in the public-power field that this language is ambiguous to the point of being almost meaningless and could be interpreted to frustrate the whole purpose of preference.

But I will let the representatives of the rural electric co-ops and the municipalities speak for themselves on this point. They say this language is dangerous. Since the paragraph in question is designed for their benefit, I cannot see why this ambiguous language should be used. And, as I said before, Mr. Chairman, there is no mention of the word "preference" in this entire paragraph. If this is a preference paragraph, why not use the word which has a clear meaning and has appeared in every statute on this subject for the last three decades? Its omission merely invites suspicions.

Similarly, the language in subparagraph (B) of paragraph (1)—the withdrawal provision—is vague and ambiguous. There is no clear definition here of what contracts should contain withdrawal clauses. I much prefer the language in the Davidson-Lehman bill which says simply and directly what it means, namely, that withdrawal clauses shall appear in all contracts with private utilities.

We do not propose to require a withdrawal clause in contracts with a private industry which must have a dependable source of power. I can see where it would be difficult to induce new industries to come into New York State and make large investments in construction and equipment without knowing whether the power they contract for will be withdrawn in order to meet the needs of public bodies and co-ops.

So we do not propose to require a withdrawal clause in contracts with industrial users but only in contracts with private utilities who, of course, have other sources of power and can secure supplementary power through wheeling arrangements with other utilities from the private utility grid system.

Nor am I satisfied with the language of paragraph (2) of section 2—the paragraph dealing with transmission lines. The language is entirely permissive. It does not direct the authority to construct or to maintain transmission lines to load centers. There is not a word in this paragraph which would prevent the power authority from selling almost all its power at the busbar.

This paragraph seems to me to hold the possibility of frustrating much of the purpose of paragraph (1), the preference paragraph.

Taken together, the first paragraphs of section 2 of your bill, Mr. Chairman, are, in my judgment, too vague and too permissive. They smack too much of an attempt to strike a compromise between those who do wish public power used as a yardstick and those who do not. Attempting to satisfy both groups, these two paragraphs, I fear, satisfy neither.

I think your paragraph (3), Mr. Chairman, has some loopholes in it; and while it protects the neighboring States and insures them a fair share of the power, it does not adequately protect the consumers within the States; it does not insure them of the equivalent safeguards provided for the consumers in New York State. I commend to the committee the equivalent language in paragraph (3), section 2 (b) of the Davidson-Lehman bill. I have little argument with paragraph (4) of your bill, Mr. Chairman. It is practically identical with paragraph (4) of my bill. I think that paragraph (5) of the Davidson-Lehman bill is clearer in its terms and language than the corresponding paragraph (5) of the Buckley bill, although the two are very similar in language indeed.

There is considerable difference between the two paragraphs numbered (6). The Buckley bill proposes that the State of New York pay for the cost of the remedial works. I am opposed to this, Mr. Chairman. I do not see why the consumers of New York State should be saddled with this additional cost.

The construction of the remedial works is a Federal obligation, a treaty obligation. The Federal Government is already building these remedial works and the Congress has been appropriating for them year by year.

We propose, in our bill, that the State of New York fulfill every reasonable national requirement in return for the congressional authorization to build and operate the power works.

We propose to give defense agencies of the United States the same preference given to other public bodies, to obtain as much of the project power as these agencies might need.

We propose to carry out national power policy.

We propose to do our part for the preservation and enhancement of the beauty of the falls by building a parkway and a scenic drive along the river on the approaches to the falls.

We propose to make a reasonable share of this power available to neighboring States within economic transmission distance of the project site, and to leave to the Federal Power Commission the resolution of any disputes as to what constitutes a reasonable share.

In these ways we will discharge our obligation to the Federal Government.

I do not believe, Mr. Chairman, that we should also assume the cost of the remedial works. I do not think the consumers of this power should be asked to bear that cost. There is already a cost burden on the power which is greater than I would like to see. I don't want to see this project used to prove the thesis that publicly developed hydroelectric power can cost almost as much as privately developed steam power.

I know that the proponents of private power development have chivalrously offered to bear the cost of the remedial works. Why shouldn't they? The consumers would pay.

But, Mr. Chairman, one of the major purposes of this legislation is to provide a bloc of low-cost power. Unless this power is low-cost power, that purpose will be frustrated. If we load all sorts of charges on the cost of power—charges that should, by right, be borne by the public treasury, out of the public revenues—we will, in fact be doing exactly what the private power advocates propose. We will be levying a disguised sales tax on this public power.

As far as the provision in both bills covering the construction of a scenic drive and parkway is concerned, the language of our bill, the Davidson-Lehman bill, is, frankly, a compromise. It is hard for me to see why the consumers of the electric power should bear a cost which should, by right, come from tax revenues, since this parkway is actually no different from any other parkway in New York State.

Still, I yield to no one—even to Commissioner Moses—in my devotion to scenic values and recreational facilities, and am willing to have the power consumers assume even a major part of the cost of the parkway and scenic drive.

I would like to leave it to the Federal Power Commission, however, to decide how much of the cost should be borne by the power project and how much should be borne by the State out of its general revenues. If the Federal Power Commission should agree, in its wisdom, that the entire cost should be borne by the project, I would think it unfair to the consumers, but that would certainly be within the discretion of the Federal Power Commission. That would provide a proper test of the persuasive powers of Commissioner Moses and, of course, of Governor Harriman.

Now, Mr. Chairman, I come to the last difference between your bill and the Davidson-Lehman bill—which is one of the most important, if not the most important, difference of them all.

I refer now to section 1. The Davidson-Lehman bill would direct the Federal Power Commission to grant a license to the New York Power Authority, provided that the New York Power Authority accepts the safeguard conditions set forth in section 2 of our bill. Our bill would also, of course, require that the New York Power Authority accept all the other conditions laid down by the Federal Power Commission pursuant to the provisions of the Federal Power Act and other pertinent statutes.

The Buckley bill, however, does not specify that the license be granted to the New York Power Authority. It passes this decision on to the Federal Power Commission.

It is true that the Federal Power Act requires that a preference be given to States and municipalities, and New York State would have such a preference. It is also hard to see how any private company seeking a license from the Federal Power Commission could satisfy the licensing conditions laid down even in the Buckley bill.

Still, Mr. Chairman, I do not see why Congress should take this chance. Why should Congress defer to its own agent, the Federal Power Commission, in the matter of deciding forthrightly who should construct and operate this project?

The Federal Power Commission is no wiser than Congress. I doubt if it is as wise. The Federal Power Commission is a statutory agent of the Congress. The question of the

disposition of the Niagara power potential is before us here and now. We should plainly specify who is going to build and operate this project. Why be devious about it? Why not issue the instruction?

Mr. Chairman, I have read the report of the Federal Power Commission, the Davidson-Lehman bill. I am disturbed by it—not because the Federal Power Commission opposes our bill. I would expect that. I am disturbed because the Federal Power Commission suggests very strongly that under the terms of the Federal Power Act, the Commission has the right to grant a license to a private company, despite the preference provision of the Federal Power Act. I propose that we do not give the Federal Power Commission a chance to exercise this right, in its discretion.

The report of the Federal Power Commission on H. R. 5878 is, if I may so, a rather presumptuous one. The Federal Power Commission, which is an independent agency created by the Congress, is telling the Congress that the Commission, and not the Congress, is going to decide who will get the license.

The fact is, Mr. Chairman, that if Congress approves section 1 of the Buckley bill it will be setting a most dangerous precedent. The fact is, Mr. Chairman, that for the past 22 years Congress, with none but rare exceptions, has been determining the disposition of hydroelectric project sites—not the Federal Power Commission.

The private utility interests of this country would like nothing better than to see Congress deny itself this power and remand the whole questions of issuing licenses for hydroelectric sites to the Federal Power Commission. The private utility lobby could score no greater victory. It would be worth any price to them. In my judgment, they would regard the approval of section 1 as a great victory and as a prelude to even greater victories. I am opposed to yielding them such a victory.

I am not a little perturbed, Mr. Chairman, by a statement contained in an open letter Commissioner Moses wrote on March 17, 1954, to the Public Works Committee of the Senate. In that letter he forcefully and effectively attacked the propaganda emanating from private utilities that a public development of Niagara would be "socialistic."

But Commissioner Moses concluded his letter with this disturbingly significant sentence:

"If the five private utility companies are smart, they will be willing to leave the decision as to Niagara to the Federal Power Commission and endorse the bill introduced by Senator CASE."

I think Bob Moses was right. If the utilities are smart—and I think they are smart—they will welcome the approval of section 1 of your bill, Mr. Chairman. I am sure you would not wish to grant them this satisfaction at the expense of the public interest, at the expense of the vital interest of New York State and of the Nation.

Mr. Chairman, I think I have covered all the differences between our two bills. I think I have covered most of the major phases of this whole subject. This is a subject very close to my heart, and I could say much more. But I would not want to duplicate what other witnesses are going to say. I think the record will be complete by the time these hearings are over.

I have not gone into the details concerning the magnitude of the Niagara project, the number of kilowatts to be developed, nor the question of how our development compares with that of our neighbor and partner in this project, Canada. I have tried mainly to set forth the major requirements of a public development, as I see them.

I am sure this committee will report out a bill carrying out the spirit of the reservation attached by the Senate to the Niagara treaty, namely, that these waters shall be developed by authorization of Congress "for the public use and benefit."

PRESIDENTIAL PROCLAMATION OF FLAG DAY

Mr. KNOWLAND. Mr. President, it was 178 years ago today, June 14, 1777, that our American Flag was adopted by resolution of the Continental Congress. On June 2, 1955, the President of the United States issued a proclamation relative to the observance of Flag Day. I ask unanimous consent to have the proclamation printed in the body of the RECORD of today.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

FLAG DAY, 1955—A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Whereas the flag which we cherish as the emblem of our unity, our strength, and our free institutions, was adopted by resolution of the Continental Congress on June 14, 1777; and

Whereas under the protecting folds of this banner generations of Americans have enjoyed the blessings of liberty and justice inherent in our form of government; and

Whereas it has become our custom to observe June 14 with appropriate ceremonies commemorative of the adoption of the flag and expressive of our devotion to the Republic which it so nobly represents; and

Whereas in recognition of the fitness of such commemoration, the Congress, by a joint resolution approved August 3, 1949 (63 Stat. 492), designated June 14 of each year as Flag Day and requested the President to issue annually a proclamation calling for its observance:

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby call upon the appropriate officials of the Federal Government, and of the State and local governments, to arrange for the display of our colors on all public buildings on Flag Day, June 14, 1955; and I urge all of our people to observe the day by flying the Stars and Stripes at their homes or other suitable places and by participating in ceremonies especially designed to honor the flag of the United States.

In witness whereof, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the city of Washington this 1st day of June 1955, and of the Independence of the United States of America the one hundred and seventy-ninth.

By the President:

[SEAL] DWIGHT D. EISENHOWER.
JOHN FOSTER DULLES,
Secretary of State.

ACTIVITIES OF THE FEDERAL GOVERNMENT IN THE FIELD OF BASIC RESEARCH

Mr. HUMPHREY. Mr. President, I have noted with considerable interest that the Commission on Organization of the Executive Branch of the Government, in its report on research and development, recently transmitted to the Congress, recommends that greater Federal support be given both to basic research and to medical research. I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article on this subject appearing on June 1, 1955, in the Washington Post and Times Herald. The article was written by Mr. Lee Nichols.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOOVER FAVORS RISE IN RESEARCH

(By Lee Nichols)

The Hoover Commission told Congress yesterday that the armed services have too little "daring and imagination" in developing "radical" new weapons and are neglecting "basic" research such as led to the atomic bomb.

The Commission's task force noted that research, development, and design operations "are, in general, best performed by civilian agencies." The Commission advisers proposed that some $125 million such work now performed by the military be shifted to colleges, nonprofit institutions, and industrial concerns.

In its report to the lawmakers the Commission also rapped Mrs. Oveta Culp Hobby's Welfare Department and President Eisenhower's Budget Bureau for not asking Congress for money for a vast backlog of medical research projects. Some of these, it indicated, might yield "dramatic" results comparable to the Salk vaccine discovery.

The Commission, headed by former President Herbert Hoover, made public its latest report on Government reforms. It deals with the Government's vast research activities. It said this work now is handled by 29 agencies and is slated to cost some $2,400,000,000 in the fiscal year starting July 1.

MOST OF IT FOR MILITARY

Of this sum, about $2,050,000,000 is planned for military research, a vast jump from the $29 million spent on figuring out new weapons in 1940.

But the Commission, indicating it does not think even this huge sum is adequate, said United States strategy and tactics can keep ahead of those of potential aggressors "only to the extent that research and development provide superior design of weapons."

The Commission endorsed 13 of 15 recommendations by its military research task force, headed by Mervin J. Kelly, president of Bell Telephone Laboratories, Inc. It said these could be put into effect by the military agencies without congressional action.

Included was a proposal to set up a committee of outstanding basic and applied scientists to "canvass periodically the needs and opportunities * * * for radically new weapons systems."

The committee would be appointed by the Assistant Defense Secretary for Research and Development, who would carry out its recommendations where action is indicated.

In making this proposal, the task force said it agreed with criticism that the Armed Forces "are not sufficiently daring and imaginative in their approach to radically new weapons and weapons systems."

The task force also recommended that basic research by the military be significantly increased beyond its present $20 million yearly level. This group noted that basic research is behind all progress in new weapons, and termed the present rate of this fundamental research by the military services inadequate.

Basic research is the study of fundamental scientific principles and phenomena, not necessarily aimed at any immediate use.

Many of the task force's other recommendations involved reorganization of the research setup of the military services. It found much to praise in recent improvements—particularly in the Air Force—and much to criticize.

It called for new assistant secretaries for research in the Army, Navy and Air Force, similar to that office already in existence in the Defense Department.

It urged that the customary job-rotation of military officers be reduced for research experts. It said current practices "ignore the urgent need for increased specialization."

The task force said the military arms should study their growing needs for technical officers and, if need be, as the task force expects, provide generally for an expanding number of trained research officers.

The Commission did not specifically endorse this recommendation, saying only that it would require legislation. The Commission did recommend longer duty tours for military officers in research work, as its task force proposed and said such officers should be given the same rights and promotions as if they were rotated to other jobs.

UNIVERSITY WORK PRAISED

The Commission lashed out at inadequate support of medical schools where research technicians are trained and much basic medical research is done.

It said no greater instance of university research could be cited than the work of Dr. Jonas E. Salk on the new polio vaccine at the University of Pittsburgh.

Noting that the Nation is short of both technicians and doctors, the Commission said "we cannot afford stagnation of our medical research in our medical schools or the training of our physicians."

It went on to say that a backlog of 723 important research projects totaling about $7,400,000 are lined up in the National Institutes of Health. But it said the NIH predicts it will not start any in the fiscal year starting July 1 "because funds have not been requested by the Department of Health, Education and Welfare (which runs the NIH) or the Bureau of the Budget."

"We are concerned over the apparent failure of the Executive Branch to indicate these 'backlog' projects to the Congress," the Commission said.

Attorney General Herbert Brownell, Jr., a Commission member, said on this, however, that information on the subject is conveyed to Members of Congress during budget hearings.

"Possibly, this results from the belief that Congress will be more receptive to requests for funds devoted to projects likely to produce startling and dramatic results," the Commission said. "But it should be noted that there are also the dramatic accomplishments of basic and medical research."

Mr. HUMPHREY. Mr. President, the facts are that out of the $2,400,000,000 proposed by the budget for fiscal 1956 on research and development, probably less than $130 million is devoted to basic research.

Yet—

As the Hoover Commission Report states—

the safety, the increase of productivity and the advancement of health in our Nation must come from constantly increasing knowledge through fundamental research.

As the Hoover Commission suggests:

From these explorations come knowledge, discoveries, inventions, and progress.

Mr. President, I have long urged that greater support be given to basic research. It is indeed gratifying to be joined by the Commission on Organization of the Executive Branch in this support of basic research and also of increased medical research, for all of us know that the Hoover Commission is not likely to be too generous with our public moneys, nor is it inclined to recommend increased Federal participation or activity unless the cause is exceptionally worthy and urgent.

In the case of basic research for defense, the Commission endorses the recommendation of its Task Force Subcommittee:

That the level of basic research in the Department be significantly increased above its present $20 million level of annual expenditure.

The subcommittee also makes a number of other recommendations for improving research and development in the Department of Defense. I commend them to the attention of the Congress, as well as to the executive branch.

Mr. President, I digress for a moment from my prepared remarks, to say that one of the first acts of the new Secretary of Defense after January 1953—of course, I speak of Mr. Wilson—was to recommend curtailment or reduction of the activities of the Federal Government in the field of basic research. There was comment to the effect that what we needed was more applied research, more developmental research, more getting things off the assembly line, and a cutting back of so-called basic research. Of course, Mr. President, that would be rather foolish, to put it mildly, because modern applied research is dependent upon the continuous progress and growth of basic research. To be sure, basic research does not produce the end products, but it does produce the fundamentals and the basic scientific facts which are necessary for applied research.

I suppose the best modern example of this theorem are the works of Dr. Einstein, who was essentially a basic-research scientist. It was from his studies of basic-research material that the formula or at least the program for atomic energy was ultimately developed. So I think it is nothing short of being most unappreciative and most unmindful of the values of basic research, to have the Secretary of Defense indicate, as he has in the past, that the activities of the Federal Government in this vital field should be limited and cut back.

I have been hopeful that after the Hoover Commission's report was issued Mr. Wilson would see the error of his way. A few days ago I noticed in the press a headline to the effect that the Secretary of Defense recommended more research funds. But when I read further I found from the article that again he was talking about applied research, and that still he has not learned the simple lesson that basic research is of primary importance. I hope that our Appropriations Committee, as it examines the request of the Department of Defense for appropriations in the field of research, will recognize that we will soon be falling behind in the struggle for technological advance unless we keep abreast of the continuous process of basic research study, because it is from the soil of basic research that we get the end products of which we are so proud in terms of our modern technology.

Mr. President, it is difficult to glamorize basic research. Its importance for the advancement of science is not readily apparent, and we are inclined to be more willing to appropriate funds for the support of scientific development that produces tangible results quickly. But we tend to forget that these discernible scientific advances are only possible through achievements made in the more shadowy realm of the abstract, theoretical sciences. As the report of the Hoover Commission says:

Indeed, the foundation of the greatest sector of human advancement in modern times is basic research into nature's laws and materials. It is from these sources that come the raw materials of applied science. We owe to basic research the fabulous improvement in the health of the Nation; the greatest industrial productivity known to man; the weapons of defense which have protected our independence; and our knowledge of the laws which govern the universe.

However, the value of basic research in the medical sciences has been dramatized for us recently—as the Hoover Commission points out—by the accomplishments of the scientists who made possible the achievement of Dr. Jonas Salk in developing the vaccine that gives us hope that poliomyelitis will soon be conquered.

With this example of the fruits of medical research still before us, we should be concerned that less than 1 percent of the total Government research and development expenditure is applied to basic research in the medical field. Again, I should like to quote from the report of the Hoover Commission:

It should be noted that, although the Congress has treated appropriations requests for medical research and development generously, there are still many approved projects which have not been undertaken because of the lack of funds. These projects, primarily in the field of basic research, have been approved by several important research agencies.

The Hoover Commission report continues as follows:

An instance is the so-called backlog of 723 projects totaling about $7,400,000 which the National Institutes of Health predict will not be undertaken by them in fiscal year 1956 because funds have not been requested by the Department of Health, Education, and Welfare or the Bureau of the Budget. Of this amount, about $1,900,000 is for basic medical research. We are concerned over the apparent failure of the executive branch to indicate these backlog projects to the Congress. That such amounts have not been recommended to the Congress or supported by the Congress may indicate a tendency to de-emphasize basic and medical research.

Mr. President, I do not think I need point out to the Senate that this is not the only indication we have of a tendency, on the part of the Department of Health, Education, and Welfare, to de-emphasize basic and medical research. I think we are justly placing the blame where it belongs when we charge the Department of Health, Education, and Welfare with this "de-emphasis"—if that is the right word—because the appropriations for the National Institutes of Health have been increased by the Congress well above what is requested in the budget for fiscal 1956. But let us see what the Department of Health, Education, and Welfare, in collusion with the

Bureau of the Budget, did to the recommendations for medical research made to it by its advisory committees.

I point out that Mrs. Hobby, the Secretary of Health, Education, and Welfare, indicated last fall that her Department was basing its recommendations to the Congress on the advice of "advisory councils," made up of men and women, lay and professional, who had reviewed the applications requesting grants for the furtherance of medical research. It is instructive to consider what these advisory councils recommended and then what request for appropriations was finally made to the Congress after the recommendations had been "worked over," shall we say, by the Department of Health, Education, and Welfare and the Bureau of the Budget.

For the activities of the National Cancer Institute during fiscal year 1956, the advisory council recommended that $34.6 million be appropriated. But this was cut to a request of only $22,328,000 in the budget sent over by the executive branch. This was a reduction of more than $12 million, or more than one-third of the funds that the advisory council deemed necessary to further research that we hope may someday stamp out cancer, which takes the lives of so many of our citizens each year.

Funds to continue research on heart disease were similarly curtailed by the executive branch. The advisory council recommended that $32 million be appropriated for the activities of the National Heart Institute. This sum, sufficient to cover that research considered worthy of support by the advisory council, this sum of $32 million was reduced to $17,278,000—a reduction of nearly $15 million. These cuts were made, not in the overall requests of money for grants by private research groups, I wish to emphasize, but in those recommendations made by the advisory council in each case, after they had studied all the requests for grants and then determined which ones were pressing and worthy of Federal support.

I am pleased to say that the Senate, following the recommendations of the distinguished senior Senator from Alabama [Mr. HILL] and other members of the Appropriations Committee, increased these funds above the Budget Bureau's request, but I point out again that the requests made by the executive branch were inadequate. The requests did not follow the philosophy which was explained to Congress a year ago, namely, that the requests of the advisory council would be respected and would be presented to the Congress. The requests were cut to the bone; and if the Senate had permitted the recommendations of the Bureau of the Budget to be adopted, the research programs today, particularly in the field of heart, cancer, and neurological diseases, would be at about a 50-percent level of activity.

The same sort of reduction was made in the recommendation for that highly important area, mental health activities. We all know the seriousness of mental health problems in our Nation today. The best available estimates indicate that a minimum of 9 million persons are suffering from mental or emotional disorders or mental retardation. What this means, not only in the number of hospital beds required to care for these unfortunate people, but also in terms of human misery and the waste of human resources, I do not need to stress. Yet the recommendation for funds that would promote research seeking to alleviate mental illness was cut from about $30 million to $17,501,000. Here again the recommendation of the advisory council was slashed almost in half in the budget sent to us by the executive branch.

The advisory council's recommendation for arthritis and metabolic disease activities was cut from $23 million to only $8,740,000. And the original recommendation of $20 million for neurology and blindness activities was likewise reduced to less than half, or $8,111,000.

In all, the $140 million recommended by the advisory councils for the activities of the National Institutes of Health were cut nearly in half by the administration, down to $74 million.

I find it almost impossible to understand the thinking of those who are more concerned about the health of the dollar than they are about the health of citizens of the United States. Surely medical research, where a little money spent goes so far to save lives and ease the suffering of those afflicted with these grim diseases, is not the place to make piddling economies. These are small sums. Yet, with just such small sums as these, enormous advances in medical science have been made and can continue to be made. Those who are charged with the responsibility of carrying on our national health activities are trifling with the health and lives of all of us when they seek to economize in these vital medical research programs.

I have digressed from the subject of basic research, Mr. President. I began by speaking of the recommendations that have been made to us by the Commission on Organization of the Executive Branch of the Government. I wish to return to laud the recommendation that greater Federal support be given to basic and medical research. But I have digressed to show how the present administration has sought to curtail the activities of the National Health Institutes, to indicate what sort of reception this excellent recommendation is likely to get in the executive branch of the Government.

Let me say pointedly that because of this kind of false economy, this paucity of concern and interest in the National Institutes of Health, we have had grave difficulties in the Public Health Service in the recent polio situation. We have had inadequately trained personnel, inadequate facilities, and inadequate funds really to do the job which was necessary to be done.

I think the recent report of the Surgeon General underscores exactly the point I am attempting to make this afternoon. Of course, belatedly now, the executive branch comes forward and asks for more money. The Secretary of Health, Education, and Welfare, appearing before the Senate Committee on Labor and Public Welfare about a month ago, stated to us that there was necessity for greater expenditures, greater appropriations with which to provide more trained technical personnel in the National Institutes of Health, particularly in the biological control sections of those institutes, so that a better job could be done in terms of testing, in terms of assuring the safety of the vaccines which may be offered to the American public.

This morning I spent some time looking over the CONGRESSIONAL RECORD for the past month and a half, since April 12, and noting the comments of Senators on the floor of the Senate concerning the so-called polio vaccine program. I wish the record to be accurate. I desire to reiterate what this Senator said on the floor of the Senate on several occasions, and then ask my colleagues to check the report presented by Dr. Scheele during the past weekend.

Early in the third week of April the junior Senator from Minnesota stated on the floor of the Senate that the testing program which was being used by the National Institutes of Health and by the Public Health Service for the polio vaccine was inadequate.

I stated later, within a week, that the program of testing was not identical with or similar to the one which had been used in the field tests.

About a week later I pointed out that one of the problems involved in connection with the polio vaccine was the changeover from limited production at the laboratory level to mass production at the maufacturing level.

I pointed out to my colleagues then that it was because of the shift from the level of laboratory production to the level of mass production that some of the difficulties involving the safety and efficacy of the vaccine were arising.

I pointed out on the floor of the Senate, as I did privately to Dr. Scheele, that the testing procedure which was being used in 1955 did not fulfill the sound, prudent requirements of the testing procedure used in 1954.

I suggest that every Member of the Senate read the report, which has been made available by the Surgeon General of the United States, on the so-called Salk polio vaccine. It will be found in the report that the comments of some of us who have been critical were not ill-founded comments and were not personal, partisan-motivated comments, but were comments dictated by the best interests of the people of the United States and of the public health and of the public welfare.

First of all, that report reveals the fact that there was a need for a distribution program. I believe there are some unanswered questions connected with this matter. I want to put this question in the CONGRESSIONAL RECORD today. I should like to have the Public Health Service certify or ascertain for the Senate how much polio vaccine was sent into private trade channels prior to the time the polio vaccine was purchased in bulk by the National Foundation for Infantile Paralysis.

I want to know what is going to happen to the vaccine that is in the hands of private doctors at the present time. Is it to be sent back to the laboratories?

Is there positive assurance that the vaccine is safe? Those questions are still unanswered. Let there be no mistake about it. There were some commercial transactions in the sale of polio vaccine.

The Scheele report indicates that the problem of distribution did not fall heavily upon us primarily because of the breakdown in the vaccine production program due to the lack of some safety precautions in the production of certain vaccines by certain companies.

As I have stated many times on the floor of the Senate, the problem of distribution will be with us, and it is grave dereliction of public responsibility not to face it.

I said on the floor of the Senate, as I recall so vividly, that there was good reason to believe that the safety precautions and the testing precautions which ought to have been taken were not taken. I recall it so well because the distinguished minority leader, the Senator from California [Mr. KNOWLAND] and I engaged in colloquy immediately after the morning hour on one day around the first week of May.

At that time I stated categorically that I had evidence which led me to believe that the Public Health Service through the National Institutes of Health was not properly equipped and was not doing the job that was necessary to be done in the form of modern testing of a very powerful vaccine such as was being placed on the market.

I can say now with some justifiable pride that every warning I gave the Senate with respect to the lack of precautions and lack of effective testing has now been verified by the report of the Surgeon General.

Let us make sure that this will never happen again. Let us make sure that when the Government of the United States places its approval upon a vaccine, it is understood that with such approval goes the integrity of the Public Health Service and the integrity and character of the Government of the United States. Let us understand quite frankly that we are dealing with the lives of children and the lives of men and women, as we are in this particular instance.

I hope that the hearings which are now taking place before the Committee on Labor and Public Welfare will bring out some important facts we need to know. I predict that when those facts are brought out it will be found that the Department of Health, Education, and Welfare, knowing full well that the polio vaccine was going to become a commercial product—in other words, was going to be mass-produced—did not provide Congress with any suggestions whatever to fortify the Public Health Service with an adequate number of technicians, scientists and doctors to enable it to do the job which it was absolutely necessary to do. We waited and waited and waited until tragedy struck the land, and until fear and emotion gripped the country. Then, belatedly, the Department came rushing in with supplementary requests for additional money with which to strengthen the Public Health Service.

I repeat, Mr. President, that we could have been blind as bats and still have known that once the polio vaccine was made available commercially there would arise the problem of distribution. Secondly, Mr. President, we should certainly have known, or at least the responsible Government agency should have known, that when we shift from a limited test-tube production in the laboratory to mass production in a factory there arise problems of inspection, of testing, and of evaluating the efficacy and safety of a vaccine which are far greater than the problems which arise in laboratory experiments.

It was the failure of the administration to proyide for those possibilities that caused a great deal of difficulty. I feel very strongly that we must do everything we can to increase and improve our basic and medical research, and I welcome the report of the Hoover Commission in its support of this objective. I wish to point out to the Senate, however, that if this objective is to be implemented, if we are to give greater support to basic and medical research, we must act in support of the Hoover Commission's recommendations and be alert that we are not deceived by mere pious words.

I sincerely hope that we will not again be the recipients of soothing words which tell us that all is well, when all, in fact, is not well. I think it is nothing short of tragic that we were forced to wait through April and through May and into the middle of June to receive documentation demonstrating the incapacity, because of the lack of funds, and lack of personnel, properly to check the efficacy and safety of the polio vaccine.

Some explaining needs to be done, and such explanation must come from those who have the responsibility for this job, the responsibility for licensing new vaccine, and the responsibility for testing. That responsibility was not faithfully fulfilled; it was ignored.

May we never again be faced by that situation. It would be well for Congress from now on to probe deeply and to inquire with tenacity and persistence into every budget proposal which is made, not on the basis that too much is being requested, but on the basis of whether some new program is about to be offered to the American people in connection with which the machinery and organization for adequate distribution and testing is not available.

APPROPRIATIONS FOR RECLAMATION PROJECTS

Mr. BARRETT. Mr. President, I am very much disturbed by the recommendations made by the House Committee on Appropriations for reductions in the appropriations for reclamation projects. The drastic reductions in appropriations for the Missouri River Basin project in my judgment are unjustified and unwarranted.

The reductions affecting Wyoming projects were a part of an overall cut of $32 million made by the House Appropriations Committee from Bureau of Reclamation requests sent to the Congress by the President. Of the $32 million reduction, $21.5 million was made in budget requests for reclamation projects and work in the Missouri River Basin.

The total cuts made on Wyoming projects amounted to $4,800,000, all of which were for funds for projects approved by the Bureau of the Budget.

The most drastic cuts made by the House committee in the appropriation bill for Wyoming projects involved the Glendo project on the North Platte and the Hanover-Bluff units on the Big Horn River.

The committee slashed $2,120,000 from the Budget Bureau request for $8,120,000 for the Glendo project for the 1956 fiscal year, leaving only $6 million to continue the work started last year.

In rejecting the Budget Bureau's request for this project, the committee questioned the feasibility of the project and also expressed doubt that estimated power revenues from the project would be sufficient to pay out the project.

The committee turned down flatly and completely the Budget Bureau's request for $1,540,000 for the Hanover-Bluff project and recommended that construction work on the project be discontinued.

Mr. President, it seems to me that the cuts made by the House committee are completely unjustified and represent the deepest cuts the reclamation program has suffered in a long time. I have asked the Bureau of Reclamation to prepare a statement on the cuts in the State of Wyoming and the following information has been compiled for me:

Project or unit, State	Budget allowance	House committee allowance
CONSTRUCTION AND REHABILITATION		
Eden project, Wyoming	$800,000	$630,000
Kendrick project, Wyoming	750,000	350,000
Riverton project, Wyoming	300,000	0
Missouri River Basin project	300,000	0
Glendo unit, Wyoming	8,120,000	6,000,000
Hanover-Bluff unit, Wyoming	1,540,000	0
Boysen unit, Wyoming (D. and M. C.)	147,500	118,000
Construction total	12,350,500	7,467,900

As I said before the House committee eliminated entirely the appropriations for the Hanover-Bluff unit and the Kendrick project as well as the Riverton project.

The House committee's reduction of $1,540,000 for the Hanover-Bluff unit completely eliminates the fiscal year 1956 program. This reduction will necessitate cancellation of the existing contract for the construction of six pumping plants which are the key facilities of the unit. In addition, going contracts for electrical lines to serve the pumping plants will have to be cancelled and the scheduled start of construction on the unit laterals and drainage investigations must be deferred. Under the present program water is to be available to the 7,395 acres of lands in the unit during fiscal year 1957. The landowners in the Bluff-Hanover area have approved the proposed repayment contracts. The House reduction will invalidate these contracts and will leave the project some 20 percent complete and the Government's investment of more than $675,000 in work which cannot be used.

The House committee's reduction of $400,000 for the Kendrick project and the language in the House report would result in deferral of the power system construction scheduled for fiscal year 1956. This work consists of the construction of substation additions at Casper which are required for the second Alcova-Gering transmission line now under construction, and at Bairoil to give service to REA's in the area. In addition, the going work program of canal rectification and drainage construction would have to be reduced. Any reduction in this program will endanger the productivity of lands now under irrigation.

The House committee's reduction of $300,000 on the Riverton project completely eliminates the fiscal year 1956 program. The major part of this program consists of the construction of drainage facilities in areas now being irrigated. This work is entirely consistent with the instructions in the House report. Any deferral of the activity will endanger lands now being irrigated by veteran settlers. The remainder of the funds requested are for compliance with the act of August 13, 1953—Public Law 258, 83d Congress, 1st session—which provided for the exchange and amendment of farm units.

The Bureau of the Budget had requested a total of $8,120,000 for the Glendo project. This was wholly justified by reason of the fact that the contractor had completely exhausted the funds appropriated for the current fiscal year some 2 months ago and, as a result, the Bureau of the Budget and the Appropriation Committees themselves approved a transfer of $8 million of funds appropriated but unused for the Missouri Basin project. The cut of $2,120,000 for the Glendo project will mean a loss of revenue to the Government, rather than a saving, for the very simple reason that income from power and other sources will be off by 1 year. Furthermore, the water users in Nebraska and Wyoming who have had several years experience with water shortages will find that they, too, will be off for an additional year unless the appropriations are restored by the House or the Senate. Cuts were made by the House committee not only on the Glendo unit but on the Boysen, Eden, and Shoshone projects.

The House committee's reduction of $2,120,000 for the Glendo unit will require a slowdown in the construction of the Glendo Dam and powerplant now under contract. The contractor for this work has clearly demonstrated his ability to proceed at a rate which requires the full amount requested. Construction of appurtenant works such as the Glendo switchyard and railroad relocation must be coordinated with the progress of the major structures for efficient operation. Any significant reduction in funds will retard the progress of the prime contractor for the dam and powerplant and so will defer realization of project benefits for 1 year.

The House committee's reduction for the Boysen unit would not allow the Bureau to meet its commitments under a contract with the Chicago-Burlington & Quincy Railroad Co., which requires that the Bureau perform all maintenance for a period of 5 years after the Boysen Reservoir is filled. Since this is a firm commitment, the reduction must be restored or funds transferred from some other unit.

The House committee's reduction of $170,000 for the Eden project will necessitate the slowdown of lateral construction now under contract and reduction in the program of investigations on remaining project facilities which are to be placed under contract early in fiscal year 1957. Contract earnings on Eden area laterals and Eden and Sandy area drains will be restricted and award of contracts for Farson area laterals and drains and West Side drains will be precluded. Denial of these funds will disrupt an orderly construction program which contemplates completion of the project in fiscal year 1958 and will delay completion of the project 1 year.

The House committee reduction of $300,000 for the Shoshone project would entirely eliminate the fiscal year 1956 program. This program consisted primarily of drainage investigations and extensions of the drainage system. This work is entirely consistent with the language in the House report. A relatively small amount of requested funds are for a continuing program of canal and lateral lining to prevent loss of water. The remainder of the funds are to be applied under Public Law 258, which provides for the exchange and amendment of farm units.

Missouri River project investigation funds for work both wholly and partly within Wyoming were reduced $40,000 by House committee action.

The allowance by the House committee represents a reduction of 27 percent below the funds available for the current fiscal year, and an all time low for this activity. For the basin as a whole, this reduction would make it necessary to defer work on two important studies and to drastically curtail work on 11 other studies. Within the State of Wyoming, this reduction would result in curtailing the planning work in the North and South Platte River Basins in Wyoming, Nebraska, and Colorado.

If a balanced program is to be maintained within the basin and if the present rate of development is to be continued, a minimum total program of $2,915,000, which is much less than the average amount available since the end of World War II, must be provided for Missouri River Basin investigations in place of the total of $2 million allowed by the House committee.

General investigations funds for work both wholly and partly within Wyoming were reduced $214,682 by House committee action.

Two of the items specifically deleted by the House committee were requests for $100,000 for a comprehensive survey of the Upper Snake River Basin in Oregon, Idaho, and Wyoming, and $114,682 for a feasibility study of the potential Johnny Counts project on the headwaters of the Snake River in Idaho and Wyoming. While the major portion of the benefits from these developments will be realized in southern Idaho, the studies are essential to develop basin-wide plans for this area, which will preclude ill-advised developments and thus insure full utilization of the water resources and protect the upstream interests in the State of Wyoming.

I trust, Mr. President, that the other body will give careful consideration to the terrific cuts recommended by its Appropriations Committee, and I am very hopeful that the items eliminated by the committee will be restored by the House. The cuts made by the committee will seriously cripple the reclamation program in my State and throughout the West.

Mr. President, I yield the floor.

ORDER OF BUSINESS

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. What is the pending business before the Senate?

The PRESIDING OFFICER. It is the Commerce Department appropriation bill.

RECESS

Mr. STENNIS. Mr. President, so far as I know, no other Senator wishes to address the Senate at this time. Therefore, I move that the Senate stand in recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 15, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 14, 1955:

DEPARTMENT OF DEFENSE

Gordon Gray, of North Carolina, to be an Assistant Secretary of Defense, vice H. Struve Hensel, resigned.

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Maj. Gen. Robert Nicholas Young, O15068, United States Army, in the rank of lieutenant general.

CONFIRMATIONS

Executive nominations confirmed by the Senate, June 14, 1955:

DIPLOMATIC AND FOREIGN SERVICE

Edward J. Sparks, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

UNITED STATES TARIFF COMMISSION

James Weldon Jones, of Texas, to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1957.

ROUTINE APPOINTMENTS IN THE DIPLOMATIC AND FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

The following-named persons to be consuls general:

Francis A. Flood, of California.
Franklin C. Gowen, of Pennsylvania.
John H. Burns, of Oklahoma.

Joseph B. Costanzo, of New York.
Theodore J. Hadraba, of Nebraska.
Eric Kocher, of California.
David M. Maynard, of California.
John M. Steeves, of the District of Columbia.
Sheldon Thomas, of New York.
Frederick E. Farnsworth, of Colorado.
William R. Tyler, of the District of Columbia, for appointment as Foreign Service officer of class 1, consul, and secretary in the diplomatic service of the United States of America.
Orville C. Anderson, of California, for promotion to Service officer of class 2.
The following-named persons for appointment as Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service of the United States of America:
W. Tapley Bennett, Jr., of Georgia.
Robert J. Ryan, of Massachusetts.
The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:
Webster E. Ballance, of Illinois.
Emerson I. Brown, of Ohio.
Peter H. Delaney, of New York.
David M. French, of Maryland.
Richard Funkhouser, of California.
Raymond L. Harrell, of Connecticut.
L. Wendell Hayes, of Iowa.
Ralph H. Hunt, of Massachusetts.
M. Hollis Kannenberg, of Minnesota.
Miss Carol C. Laise, of West Virginia.
Abram E. Manell, of California.
Mervyn V. Pallister, of Michigan.
Alex T. Prengel, of Wisconsin.
Loch Shumaker, of Illinois.
The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America:
James W. Boyd, of North Carolina.
Paul R. S. Brumby, of Missouri.
Douglas W. Coster, of Virginia.
Edward J. Dembski, of Colorado.
George H. Haselton, of the District of Columbia.
Arnlioth G. Heltberg, of California.
Thomas G. Karis, of Virginia.
Verne L. Larson, of North Dakota.
Mason A. La Selle, of Colorado.
Harry M. Lofton, of South Carolina.
Miss Juliet M. Lohr, of the District of Columbia.
James P. Parker, of Connecticut.
Albert L. Seligmann, of Virginia.
Robert W. Wagner, of Michigan.
Thurston Francis Waterman, of the District of Columbia.
David B. Wharton, of California.
The following-named persons to be consuls of the United States of America:
Ernest B. Gutierrez, of New Mexico.
Karl E. Sommerlatte, of Florida.
Gerald Goldstein, of New York, for promotion to Foreign Service officer of class 5.
The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America:
Robert A. Bishton, of Maryland.
Robert V. Carey, of Colorado.
Miss Ann Child, of California.
Mrs. Anne P. Comanduras, of Virginia.
Miss Marian C. Conroy, of Pennsylvania.
Arthur R. Dornheim, of Maryland.
Richard E. Dove, of Maryland.
Theodore R. Frye, of Ohio.
James A. Howell, of Texas.
Miss Virginia L. King, of Nebraska.
C. Thomas Mayfield, of Wisconsin.
Marshall Hays Noble, of New York.
Aloysius J. Warnecki, of Pennsylvania.
The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:
Joel W. Biller, of Wisconsin.
A. Dane Bowen, Jr., of Texas.
Byron E. Byron, of California.
Harry W. Cladouhos, of Montana.
C. Edward Dillery, of Washington.
Herbert Engelhardt, of New Jersey.
William P. Horan, Jr., of Minnesota.
Roger Kirk, of the District of Columbia.
Grover W. Penberthy, of Oregon.
Samuel G. Wise, Jr., of New York.
The following-named Foreign Service Staff officers to be consuls of the United States of America:
Philbert Deyman, of Minnesota.
William M. Hart, of North Carolina.
Herbert N. Higgins, of Texas.
Herman Lindstrom, of California.
Herbert T. Schuelke, of Colorado.
Paul C. Sherbert, of California.
Samuel H. Young, of Florida.
The following-named Foreign Service Reserve officers to be consuls of the United States of America:
Lawrence G. Leisersohn, of the District of Columbia.
Francis J. McArdle, of New York.
Arthur Z. Gardiner, of Virginia, a Foreign Service Reserve officer, to be a secretary in the diplomatic service of the United States of America.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 14, 1955

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou God of our fathers and all their succeeding generations, we thank Thee for the many special days in the calendar of our national life which stir our minds with pride and patriotism.

Grant that this day, which we call Flag Day, may inspire and kindle within our hearts a greater loyalty and love for our country for Thou hast given us a blessed and wonderful heritage and hast not dealt so bountifully with any nation.

Give us a deeper appreciation and a clearer understanding of our duties and responsibilities as citizens. May we strive to cultivate and elevate the moral and spiritual character of our Republic and do all within our power to preserve and perpetuate its freedom and its free institutions.

Help us to feel that the most heinous of all desecration and sacrilege is that of being indifferent to the sacrifices made by others that we might live in freedom under the Stars and Stripes.

Wherever the flag is carried may it be the emblem of justice and righteousness and the glorious herald proclaiming the coming of a new day of liberty for all mankind.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE

Mr. THOMPSON of Texas. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Baldwin	Cooley	King, Pa.
Baumhart	Curtis, Mass.	Kirwan
Bell	Dingell	McCarthy
Bentley	Eberharter	McVey
Blitch	Elliott	Mollohan
Bolton,	Frazier	Moulder
Oliver P.	Green, Pa.	Mumma
Canfield	Gubser	Norrell
Carlyle	Heselton	Polk
Chatham	Hillings	Powell
Clevenger	Hope	Reed, N. Y.
Colmer	James	

The SPEAKER. On this rollcall 395 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RECESS

The SPEAKER. The Chair declares a recess for the purpose of commemorating Flag Day.

Accordingly (at 11:30 a. m.) the House stood in recess.

FLAG DAY

During the recess the following proceedings took place in honor of the United States flag, the Speaker of the House of Representatives presiding:

FLAG DAY PROGRAM, UNITED STATES HOUSE OF REPRESENTATIVES, JUNE 14, 1955

1. Pursuant to the order of the House of June 9, the Speaker declares a recess.

2. United States Air Force Band (Capt. Robert L. Landers, commanding) enters door to left of Speaker and takes position in aisle to left of Speaker.

3. Doorkeeper announces the flag of the United States.

Members rise.

Air Force Band plays The Stars and Stripes Forever.

The flag is carried into the Chamber by Air Force colorbearer and a guard from each of the other branches of the Armed Forces (Maj. Robert L. Eaton, U. S. A., commanding).

The Color Guard salutes the Speaker, faces about, and salutes the House.

4. Mr. RABAUT is recognized.

5. The Official Air Force Choral Group (The Singing Sergeants), accompanied by the Air Force Band, sing the new song, The Pledge of Allegiance to the Flag, by Irving Caesar, ASCAP. Soloist: M. Sgt. Ivan Genuchi.

6. Mr. RABAUT is recognized.

7. Members rise and sing the national anthem, accompanied by the Air Force Band and the Singing Sergeants.

8. Members remain standing while the colors are retired from the Chamber, the Air Force Band playing The Stars and Stripes Forever.

9. The Air Force Band leaves the Chamber.

Mr. RABAUT was recognized by the Speaker and delivered the following address:

Mr. Speaker, it is most fitting that we, the Representative body of the Congress, pause this day to pay tribute to our flag. And it is, indeed, a privilege and an honor to be selected on this occasion to lead my distinguished colleagues in paying official homage to our unfurled banner of freedom. What we do and say here, I pray, will make itself felt not

only to our own citizenry, but to the rest of the world as well—for today we express our love for country, our dedication to the principles of human decency, our devotion to the basic concepts of freedom, our national dependence upon almighty God by pledging, as a nation, our allegiance to the Stars and Stripes.

The story of our flag is the story of our Nation. Shining forth from that field of blue is a star for each of the 48 United States. That field of blue had a proud and courageous beginning, and each addition since then has written a glorious chapter to the story of America.

Wherever this banner is unfurled there is hope in the hearts of men who believe that God created man and destined him to be free. Free to fashion his life, alongside his neighbor, but not at the expense of his neighbor—to join freely in community with other communities of similar ambition in the creation of the state that will govern judiciously the acts of its citizens—free to choose its leaders and administrators who exercise their mandate to govern. All these basic principles of democratic government are contained in a symbol, a symbol that shall forever be the inspiration of a free people who daily pledge, as did their forefathers, their lives, their fortunes, and their sacred honor to the maintenance of their chosen way of life.

One year ago today the President signed Public Law 396, which inserted the words "under God" in our Pledge of Allegiance to the Flag. As author of the bill I should like to reflect a moment, on this anniversary occasion, upon the significance of this amendment.

In the last 179 years this Nation has gradually increased its role among the free sister nations of the earth to the position of undisputed leadership. This leadership is not only material, but spiritual as well. For today we have been catapulted into the unique position where influence has shifted from the material world to the world of ideas. It has been quoted by many commentators of our contemporary scene that the big battle now is for men's minds.

The means of ultimate material destruction are at hand—the need now is for the deterrent force of Christian ideas to neutralize the preponderance of material know-how.

In many circles not a few informed people are saying that this country is losing this most important battle for free minds. We cannot afford to capitulate to the atheistic philosophies of godless men—we must strive to ever remind the world that this great Nation has been endowed by a creator, and that this concept finds expression in our declared way of life.

The revision inserting the words "under God" in our Pledge of Allegiance to the Flag goes far toward fulfilling this obligation. As legislators of this Nation's laws, I feel that this task falls primarily upon us—let us be ever alert to the necessity of this duty.

At this time I should like to introduce the United States Air Force Band and the Singing Sergeants, under the direction of Capt. Robert Landers, who will conduct the ensemble in performing, for the first time, Irving Caesar's musical composition, The Pledge of Allegiance to the Flag.

After the singing of the song, The Pledge of Allegiance to the Flag, Mr. RABAUT made the following statement:

Mr. Speaker, truly the voice of freedom has a new song on its lips to carry to all the world.

I think it proper to make known to my colleagues how this song was born, and the magnanimous contribution the author of this music has made to his country.

The following is the letter of assignment I received from the author, Mr. Irving Caesar, codirector of the American Society for Composers, Authors, and Publishers, who, by the way, gentlemen, is the author of such famous songs as Tea for Two, I Want To Be Happy, Swanee, and the children's book, Sing a Song of Safety. His mark has been well made in the music world.

The letter follows:

Whereas the undersigned, Irving Caesar (hereinafter called Caesar), has written original music for the Pledge of Allegiance; and

Whereas it is the desire of Caesar and Congressman LOUIS C. RABAUT (hereinafter referred to as Congressman RABAUT) to assure the widest dissemination of the Pledge of Allegiance in musical form among the children and adults of our Nation: Now, therefore,

It is hereby agreed as follows:

Caesar hereby grants, assigns, and transfers unto Congressman RABAUT all his right, title, and interest in and to said musical composition entitled "The Pledge of Allegiance," for the express purpose of enabling Congressman RABAUT to turn over the said composition to the Congress of the United States for such nonprofit purposes as the Congress may see fit in carrying out the object of introducing and disseminating the Pledge of Allegiance into the schoolrooms and homes of our country.

It is further agreed that Caesar shall be bound by, and hereby waives any necessity for securing his express consent to, any use of said musical composition that may be authorized by or made pursuant to any act or resolution of the Congress of the United States.

IRVING CAESAR.

I wish to announce that upon the reconvening of the House I shall introduce a measure to make this song a public document.

Now, the membership will rise and sing the national anthem, accompanied by the Air Force Band and the Singing Sergeants.

(The Members rose and sang the National Anthem.)

(At 11 o'clock and 57 minutes a. m. the proceedings in honor of the United States flag were concluded.)

THE AMERICAN FLAG: FIRST IN WAR, FIRST IN PEACE, FIRST IN THE HEARTS OF OUR COUNTRYMEN

Mr. McDONOUGH. Mr. Speaker, today, on June 14, we observe Flag Day, the birth date of our American flag, in commemoration of the action of the Continental Congress which on June 14, 1777, adopted a resolution which stated that "the flag of the 13 United States shall be of 13 stripes of alternate red and white, with a union of 13 stars of white in a blue field representing the new constellation."

It was not until 1889, however, that the anniversary of the adoption of the flag was observed. In that year Prof. George Bolch, principal of a free kindergarten for the poor in New York City decided to hold patriotic exercises on that day. His inauguration of this program aroused such interest that the State department of education in New York arranged to have the day observed in all the public schools, and not long afterward the State legislature passed a law providing that—

It shall be the duty of the State superintendent of public schools to prepare a program making special provision for observance in the public schools of Lincoln's Birthday, Washington's Birthday, Memorial Day, and Flag Day.

In conforming with this law, the superintendent of public schools in the State of New York ordered that the flag should be displayed on every public-school building at 9 o'clock in the morning and that there should be patriotic exercises with a history of the flag and the singing of songs.

Eight years after the observance of the first Flag Day in 1897, the Governor of New York issued a proclamation ordering the display of the flag over all public buildings in the State. This was the first official recognition of the anniversary of our flag outside of the schools on a statewide scale.

Several years earlier, the mayor of the city of Philadelphia, in response to a resolution of the Society of Colonial Dames of Pennsylvania, ordered the display of the flag on the public buildings in the city.

Flag Day finally received nationwide recognition when President Woodrow Wilson issued a proclamation for the observance of Flag Day on June 14, 1917. Since then, Flag Day has been observed with appropriate ceremonies throughout the United States, but has not been designated as a legal holiday.

I firmly believe that Flag Day should be designated as a legal holiday, and I have introduced H. R. 323, which would provide that the 14th day of June of each year be made a legal public holiday in the same manner as the 1st day of January, the 22d day of February, and other established legal holidays.

In my opinion that is more important now than at any time in our history. We need loyal citizens today who love the United States of America and honor our Stars and Stripes, and give thoughtful consideration to our national emblem and to the principles it represents.

As Henry Ward Beecher expressed it:

A thoughtful mind when it sees a nation's flag, sees not the flag, but the nation itself. And whatever may be its symbols, its insignia, he reads chiefly in the flag, the government, the principles, the truths, the history that belong to the nation that sets it forth. The American flag has been a symbol of liberty and men rejoice in it.

Men and women from all parts of the earth today come eagerly to the United States drawn by our precious heritage

of freedom. Many have lived under tyrannical oppression, even as our ancestors who sought personal liberty and religious freedom in America. And it is our solemn duty today as stated so aptly in the preamble to our Constitution to "secure the blessings of liberty to ourselves and our posterity."

On this Flag Day of 1955, I have urged that in addition to the usual public ceremonies, we might as individuals or in family groups hold special observances of Flag Day displaying the flag at home or at places of business, and upon the occasion of this display, pledge allegiance to the flag and all it stands for including the new words of the pledge, "one Nation under God, indivisible, with liberty and justice for all."

If we are to defeat the forces of communism and collectivism loose in the world today which would subjugate the individual to the will of the state and strip every man of all personal volition and freedom to think, act, and speak as his personal convictions dictate, then we must cherish and preserve here in the United States our love of independence which has brought the United States to a position of leadership in the free world and has made this Nation the major hope of the world for eventual peace and freedom from the threat of Communist aggression.

May we all rededicate our own lives to the service of our Nation as we honor the Stars and Stripes on Flag Day.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 10 minutes p. m.

PRINTING OF PROCEEDINGS DURING RECESS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD at the beginning of the session following the recess, and that all Members may extend their remarks thereon at that point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TRADE AGREEMENTS EXTENSION ACT OF 1955

Mr. COOPER. Mr. Speaker, I call up the conference report on the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

CONFERENCE REPORT (H. REPT. No. 745)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, and 27, and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: Restore the matter proposed to be stricken out by the Senate amendment, and in the House engrossed bill—

On page 7, line 17, after "If" insert "(in order to carry out a foreign trade agreement entered into by the President on or after June 12, 1955)".

On page 7, line 20, strike out "(D) or (E)" and insert "(C) or (D)".

On page 8, line 5, strike out "effect" and insert "equivalent".

On page 8, line 6, strike out "(iii)" and insert "(ii)".

And the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 6. (a) Subsection (b) of section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U. S. C., sec. 1364 (b)), is amended by adding at the end thereof the following: 'Increased imports, either actual or relative, shall be considered as the cause or threat of serious injury to the domestic industry producing like or directly competitive products when the Commission finds that such increased imports have contributed substantially towards causing or threatening serious injury to such industry.'."

"(b) Section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U. S. C., sec. 1364), is amended by adding at the end thereof the following new subsection:

"'(e) As used in this Act, the terms "domestic industry producing like or directly competitive products" and "domestic industry producing like or directly competitive articles" mean that portion or subdivision of the producing organizations manufacturing, assembling, processing, extracting, growing, or otherwise producing like or directly competitive products or articles in commercial quantities. In applying the preceding sentence, the Commission shall (so far as practicable) distinguish or separate the operations of the producing organizations involving the like or directly competitive products or articles referred to in such sentence from the operations of such organizations involving other products or articles.'."

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29 and agree to the same with an amendment as follows:

On page 6 of the Senate engrossed amendments, lines 7 and 8, strike out "the existence of such facts" and insert in lieu thereof "that the article is being imported into the United States in such quantities as to threaten to impair the national security".

And the Senate agree to the same.

JERE COOPER,
JOHN D. DINGELL,
W. D. MILLS,
THOMAS A. JENKINS,
RICHARD M. SIMPSON,
Managers on the Part of the House.

HARRY F. BYRD,
WALTER F. GEORGE,
By HARRY F. BYRD
ROBT. S. KERR,
E. D. MILLIKIN,
EDWARD MARTIN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Section 350 of the Tariff Act of 1930 authorizes the President to enter into foreign trade agreements with foreign governments or instrumentalities thereof. The House bill added language to section 350 specifically stating that this authority is authority to enter into agreements containing provisions with respect to international trade, including provisions relating to tariffs, to most-favored-nation standards and other standards of nondiscriminatory treatment affecting such trade, to quantitative import and export restrictions, to customs formalities, and to other matters relating to such trade designed to promote the purpose of section 350 similar to any of the foregoing, provided that no such provision shall be given effect in the United States in a manner inconsistent with existing legislation of the United States. The Senate amendment struck out the language added by the House bill. The House recedes.

Amendment No. 2: This is a conforming amendment. The House recedes.

Amendment No. 3: The House bill provided that the enactment of the bill shall not be construed to determine or indicate the approval or disapproval by the Congress of organizational provisions of any foreign trade agreement entered into under section 350. The Senate amendment provided that the enactment of the bill shall not be construed to determine or indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade. The House recedes.

Amendments Nos. 4 and 9: In the case of a trade agreement entered into under the existing provisions of section 350 of the Tariff Act of 1930, any rate of duty may be decreased to a rate not lower than 50 percent below the rate existing on January 1, 1945. Subparagraph (c) of section 350 (a) (2), as contained in the House bill, continued this authority for agreements entered into before June 12, 1955.

Subparagraph (e) of section 350 (a) (2), as contained in the House bill, applied only with respect to a foreign trade agreement entered into by the President on or after June 12, 1955, to which the Government of Japan is a party and with respect to which notice of intention to negotiate was published on November 16, 1954 (19 F. R. 7379). In the case of such an agreement, if the President determines that such decrease is

necessary in order to provide expanding export markets for products of Japan (including such markets in third countries), this subparagraph authorized a decrease in a rate of duty to a rate not lower than 50 percent below the rate existing on January 1, 1945.

Senate amendment No. 9 struck out subparagraph (e). However, Senate amendment No. 4 added to subparagraph (c) authority to decrease any rate of duty to a rate not lower than 50 percent below the rate existing on January 1, 1945, to carry out the foreign-trade agreement involving Japan. The House recedes on amendments Nos. 4 and 9.

Amendment No. 5: This is a clerical amendment. The House recedes.

Amendment Nos. 6, 7, and 8: Subparagraph (D) of section 350 (a) (2) of the Tariff Act of 1930, as amended by the House bill, fixed maximum limits on decreases in rates of duty which may be made to carry out trade agreements (other than the agreement involving Japan) entered into on or after June 12, 1955. A rate of duty could be reduced under the three alternative methods provided in clauses (i), (ii), and (iii).

Clause (i) authorized decreases in any rate to 15 percent below the rate existing on July 1, 1955. Senate amendment No. 6 changed the July 1, 1955, date to January 1, 1955. The House recedes.

Clause (ii) authorized decreases in any rate to 50 percent of the rate existing on January 1, 1945, on products which are normally not imported into the United States or which are normally imported in negligible quantities. Senate amendment No. 7 eliminated this authority. The House recedes.

Clause (iii) authorized decreases in rates of duty which are higher than 50 percent ad valorem (or equivalent) to 50 percent ad valorem (or equivalent). Senate amendment No. 8 redesignated clause (iii) as clause (ii). The House recedes.

Amendment No. 9: For explanation of the effect of this amendment, see explanation of amendment No. 4.

Amendment No. 10: This is a clerical amendment. The House recedes.

Amendments Nos. 11 and 12: These amendments conform the bill to the change in dates made by amendment No. 6. The House recedes.

Amendment No. 13: Subparagraph (D) of section 350 (a) (3) of the Tariff Act of 1930, as contained in the House bill, authorized the President in making changes in rates under the section to round out rates of duty within the limits specified in the bill. Senate amendment No. 13 struck out this provision. The House recedes with technical and conforming changes.

Amendment No. 14: The House bill contained a provision requiring the President, in exercising his authority under section 350 of the Tariff Act of 1930, to avoid, to the maximum extent he deems practicable and consistent with the purpose of section 350, the subdivision of classification categories. Senate amendment No. 14 struck out this provision. The House recedes.

Amendments Nos. 15, 16, and 17: These are clerical amendments. The House recedes.

Amendment No. 18: This is a clerical amendment. The Senate recedes.

Amendments Nos. 19 and 20: These are clerical amendments. The House recedes.

Amendment No. 21: This amendment conforms the bill to the change in dates made by amendment No. 6. The House recedes.

Amendment No. 22: This is a clerical amendment. The House recedes.

Amendment No. 23: Subparagraph (C) of section 350 (c) (2), as contained in the House bill, provided that if the trade agreement involving Japan was entered into before July 1, 1955, the rate of duty on any article included in such agreement was (for purposes of the provisions relating to the 15-percent decrease authority) to be considered to be the rate "existing on July 1, 1955." The Senate amendment struck out this provision. The House recedes.

Amendments Nos. 24 and 25: These are clerical amendments. The House recedes.

Amendment No. 26: This amendment added a provision to section 350 (e) of the Tariff Act of 1930 requiring the Tariff Commission to continue to make the report to Congress on the operation of the trade agreements program which is now being made under executive order. The House recedes.

Amendment No. 27: The last sentence of section 7 (a) of the Trade Agreements Extension Act of 1951 (which relates to escape clause proceedings) now provides that the Tariff Commission shall transmit to the Committee on Finance of the Senate, and to the Committee on Ways and Means of the House of Representatives, an exact copy of its report and recommendations to the President. Such copy is to be transmitted within 60 days (or sooner if the President has taken action under section 7 (c) of such act).

This amendment replaced the last sentence of section 7 (a) of such act. Under the amendment the Tariff Commission is required to make public immediately its findings and recommendations to the President, including any dissenting or separate findings and recommendations, and to cause a summary thereof to be published in the Federal Register. The House recedes.

Amendment No. 28: This amendment adds a new section 6 to the bill.

Subsection (a) of the new section 6 amended section 7 (b) of the Trade Agreements Extension Act of 1951 by adding the following: "Increased imports, either actual or relative, shall be considered as the cause or threat of serious injury to the domestic industry producing like or directly competitive products when the Commission finds that such increased imports have contributed materially to the serious injury or the threat of serious injury to such industry."

Under the conference agreement the words "contributed materially to the serious injury or the threat of serious injury to such industry" are replaced by the words "contributed substantially toward causing or threatening serious injury to such industry."

It is the consensus of all the conferees on the part of both the House and the Senate that, for purposes of the language added to section 7 (b) of the Trade Agreements Extension Act of 1951 by this amendment, increases in imports are not to be set apart from other relevant factors and dealt with on an exclusive basis. The Tariff Commission must look at all the factors listed in the first sentence of section 7 (b) of such act, and at all other relevant factors, and (in order that the amendment may apply) must find (1) that imports (either actual or relative) have increased as a result, in whole or in part, of the duty or other customs treatment reflecting the trade agreement concession, (2) that there has been serious injury or threat of serious injury to the domestic industry, and (3) that the increased imports have contributed substantially toward causing or threatening the serious injury.

Subsection (b) of the new section 6 added by Senate amendment numbered 28 related to the definition of the terms "domestic industry producing like or directly competitive products" and "domestic industry producing like or directly competitive articles" for purposes of the "peril point" and "escape clause" provisions.

Under the first part of the definition, as contained in the Senate amendment, these two terms were defined to mean "that portion or subdivision of the producing organizations manufacturing, assembling, processing, extracting, growing, or otherwise producing like or directly competitive products or articles." Under the conference agreement this language is retained but with the requirement that the production be in commercial quantities.

The second part of the definition, as contained in the Senate amendment, would have included within the definition of the two terms provisions relating to the production of raw materials or other components of such competitive products or articles. The conference agreement eliminates this part of the definition.

The conference agreement also replaces the last sentence contained in the Senate amendment with a sentence providing that in applying the defined terms, the Tariff Commission shall (so far as practicable) distinguish or separate the operations of the producing organizations involving the like or directly competitive products or articles from the operations of such organizations involving other products or articles.

Although the amendment uses the plural in referring to "producing organizations," the provisions of this amendment are equally applicable with respect to any industry for which there is only one producing organization.

Amendment No. 29: This amendment added a new subsection to section 2 of the act of July 1, 1954 (which act provided a one-year extension of the section 350 authority), reading as follows:

"(b) In order to further the policy and purpose of this section, whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security, he shall so advise the President, and if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made to determine the facts. If, on the basis of such investigation, and the report to him of the findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security."

The House recedes with a clarifying amendment striking out "the existence of such facts" in the second sentence and inserting "that the article is being imported into the United States in such quantities as to threaten to impair the national security."

In connection with amendment No. 29, it is the understanding of all the conferees, both House and Senate, that it is not intended to, and does not, diminish or impair any authority the President may have under other law. For example, it was emphasized that if the President sees fit to stockpile critical materials under any other law, that action may be taken wholly aside from the authority contained in this amendment. Conversely, action under the new provision may be taken wholly aside from the authority contained in any other law.

It is also the understanding of all the conferees that the authority granted to the President under this provision is a continuing authority and that prior action taken under this provision may be modified, suspended, or terminated in the light of changed circumstances.

JERE COOPER,
JOHN D. DINGELL,
W. D. MILLS,
THOMAS A. JENKINS,
RICHARD M. SIMPSON,
Managers on the Part of the House.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD at the close of debate on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, I yield myself 15 minutes, and I ask unanimous consent to revise and extend my remarks and to include certain quotations, excerpts, and extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, in presenting the report of the Senate-House conference on H. R. 1, the Trade Agreements Extension Act of 1955, I wish to make certain fundamental and basic points very clear.

First, I would like to state that I signed the conference report with great reluctance and deep concern. My reluctance and concern stem from the fact that the Senate amendments jeopardize the gains under the trade agreements program realized to date by all segments of our American economy; these amendments weaken our bargaining ability to obtain concessions in future negotiations; they endanger the unity of the free world's efforts to thwart communism. These fears and dangers I will discuss in greater detail in a moment. The alternatives that we were faced with were to permit the authority of the President to enter into trade agreements to lapse or to accept the Senate amendments largely in the form in which they passed the Senate. The conferees of the other body, armed with a letter from the White House approving the Senate amendments, were not inclined to relent on their protectionist position.

I could not, of course, accept with equanimity the expiration of the Trade Agreements Act, for this would have placed our traditional policy of the last 21 years in jeopardy. At the same time I must emphasize that the Trade Agreements Extension Act of 1955, modified and changed so substantially by the Senate amendments, can now only face an uncertain future. At the very least this uncertainty will provide a psychological deterrent to our free world allies to negotiate and administer mutual trade concessions under the trade agreements program. At the most the Senate amendments will tend to vitiate many of the concessions that we have made and obtained over the past 21 years to the detriment of all segments of our economy, and taking into account the modest character of the additional grant of tariff-reducing authority that is contained in H. R. 1, we may well question the possibility of effective trade-agreement negotiations in the future.

But much of what will take place under this act in the next 3 years of its life will depend on how the trade agreements program is administered by the President. The manner in which he exercises the discretion that he retains, both in making future trade agreements and in accepting or rejecting petitions to modify existing concessions, will be the acid test of whether our economy will continue to realize the benefits of a liberal trade policy over the next 3 years as it has over the past 21 years of the Trade Agreements Act.

It will be recalled that I stated on the floor, when this legislation was originally considered in the House, that the bill carried out the tariff recommendations of the President and that it had been listed by our beloved Speaker as the first major piece of legislation to be considered in this Congress. I also stated that the Committee on Ways and Means had been informed that the administration opposed any and all amendments in the House.

But as H. R. 1 passed the Senate the bill contained 29 amendments. It is true that many of the amendments were clerical or technical. However, several were far-reaching and substantive in their nature. I am reliably informed that the President himself has reviewed these amendments and stated that he has no objection to them. I must say that I cannot reconcile the President's Senate position with his House position on this legislation. I cannot believe that he realizes the pressures and uncertainties which he is inviting by agreeing to the Senate amendments. In any event this position of the President, to all intents and purposes, precluded in advance any success on the part of the House conferees in securing any substantial modification of the Senate amendments.

Another very disturbing consideration about the Senate amendments was that no hearings whatever were held to determine their desirability or undesirability and their potential impact on our economy or on our trade relations with other countries. These Senate changes are among the most far-reaching amendments that have ever been made to our trade-agreements legislation since its inception in 1934. They result in creating what is tantamount to a different bill from that which passed this House, and certainly, in my opinion, full public hearings should have been held on them.

Some of the amendments resulted in reducing the authority of the President to make trade agreements in the future. The deletion of the authority to reduce duties by 50 percent of the levels of January 1, 1945, for those imports which are normally not being imported, or are normally being imported in negligible quantities, is of that nature. So also are the amendments which would have the effect of not permitting the use of the 15-percent tariff reducing authority on those imports which have been subjected to duty reductions of 15 percent or more in the negotiations just completed with Japan and other countries, and with Switzerland.

The two most ominous amendments adopted by the Senate are those relating to the escape clause and the peril point, and the so-called national security amendment. These are the two amendments which were discussed at great length during the conference deliberations and which the House conferees succeeded in modifying.

Of these the most damaging, in my opinion, was the amendment to the escape clause. This amendment was in two parts, and I will deal first with that part which made an addition to subsection (b) of section 7 of the Trade Agreements Act. This addition, as originally adopted by the Senate, provided that "increased imports, either actual or relative, shall be considered as the cause or threat of serious injury to the domestic industry producing like or directly competitive products when the Commission finds that such increased imports have contributed materially to the serious injury or threat of serious injury to such industry."

I endeavored to determine in conference, just what was intended by the words "contributed materially," and I was told that they could mean anything from de minimis to substantial. The implications of this original Senate language could mean that if the Tariff Commission found, in any particular case, that increased imports contributed to or added to a decline in employment, wages, prices, production, and so forth, it would be required to declare that such increased imports were the cause of injury. Obviously, this would have opened wide the door for any industry which was suffering some decline in one of the factors I have mentioned, to come to the Tariff Commission and qualify for a recommendation for tariff relief, if either actual or relative imports were increasing. Indeed, it would have made it possible for an industry whose volume of business, even though increasing, was increasing at a lesser rate than imports, to come to the Tariff Commission and make a case. The necessity for establishing a causal relationship between the claimed injury and the increase in imports probably would have been eliminated and the mere coincidence of the two factors—an increase in imports and injury as defined in the act, could have been the grounds for recommending tariff relief.

In the conference, however, we were able to reestablish the necessity for a causal relationship. The language, as agreed to by the conferees, now requires that increased imports must have "contributed substantially toward causing or threatening serious injury" before they are held to be the cause or threat of serious injury. This represents a considerable improvement. The change of the word from "materially" to "substantially" makes it clear that the contribution of imports as a cause or threat of serious injury must be substantial rather than merely perceptible. When other factors are at work in conjunction with the increased imports to cause or threaten serious injury, the direct contribution of increased imports to the cause of that injury must be of considerable significance in order to warrant a finding of injury due to imports.

Obviously, it would not serve the interests of an industry petitioning for relief if a tariff concession was modified as a result of an escape clause procedure when imports were of minor significance in causing the injury that they were complaining about, and when any change in the volume of imports would be of little remedial significance to the economic situation obtaining in the industry. For example, if it should be found that increased imports account

for only 5 percent of the injury to an industry and other factors—such as a change in fashion or consumer preference—account for 95 percent of the injury, then escape clause action could solve only 5 percent of the problem and even that remedy would probably be at best short lived.

The conference report emphasizes that under the escape clause as now modified, all relevant factors must be considered, and I quote from the report:

> It is the consensus of all the conferees on the part of both the House and the Senate that, for purposes of the language added to section 7 (b) of the Trade Agreements Extension Act of 1951 by this amendment, increases in imports are not to be set apart from other relevant factors and dealt with on an exclusive basis. The Tariff Commission must look at all the factors listed in the first sentence of section 7 (b) of such act, and at all other relevant factors, and (in order that the amendment may apply) must find (1) that imports (either actual or relative) have increased as a result, in whole or in part, of the duty or other customs treatment reflecting the trade agreement concession; (2) that there has been serious injury or threat of serious injury to the domestic industry; and (3) that the increased imports have contributed substantially toward causing or threatening the serious injury.

It should also be emphasized that the President, in making his final decision, will retain full discretion as to both the fact and the cause of injury.

One of the alleged arguments in support of the amendments to the escape-clause provisions is that some members of the Tariff Commission will not find injury or a threat of injury from increased imports unless the imports are the sole cause of such injury. I am advised that there is no basis for this argument, for if Commissioners could find injury—or the threat thereof—only if increased imports were the sole cause, they would never find injury. The distress of an industry is invariably attributable to more than one cause. Obviously, the sponsorship and endorsement of the amendments to the escape clause by those who have always been identified as protectionists means that they hope to make it increasingly difficult for Tariff Commissioners with liberal trade views to find no injury in those cases in which imports make only a small contribution to that injury.

It appears to me also that, as a matter of reasonableness, the Tariff Commission in escape-clause proceedings, must be guided by the test of whether or not an industry has lost ground due to an increase in imports—absolute or relative—and not just failed to gain business which it never had and never had reason to expect. I am referring to the so-called share-of-the-market concept.

The second part of the escape-clause revision, as adopted by the Senate, was also additional language to section 7 of the Trade Agreements Extension Act of 1951.

This new language defines the term "domestic industry producing like or directly competitive products" and "articles," as meaning "that portion or subdivision of the producing organizations manufacturing, assembling, processing, extracting, growing, or otherwise producing like or directly competitive products or articles." The new Senate language went on to provide that "where a particular business enterprise is engaged in operations involving more than one industry, or more than one readily determinable segment of a single industry, the Commission shall, so far as practicable, distinguish or separate the respective operations of such business enterprise for the purpose of determining injury." This new Senate language appeared to do two things. First, it would have permitted a segment of an industry, rather than a whole industry, to qualify for tariff relief. Secondly, it might have permitted a single business concern to make application to the Tariff Commission and have tariff relief recommended for it.

With respect to the first part of this new language, which refers to segments of an industry, it is my belief that it must refer not to the production of a particular product, but the capacity of the producing organization. In other words, if the particular capital, machinery, and employment, which have been devoted to the production of any particular article, have been successfully shifted to the production of something else, I would not consider that there was basis for the finding of injury to that industry segment. Thus, while there may be a decline in the production of a particular article, if the productive facilities have been, are in the process of being, or are likely to be diverted to the manufacture of something else, providing equal employment and equivalent profits, I would feel that there has been a successful adjustment to the increased imports—providing these were the cause of the shift—and there would be no basis for a finding of injury. Indeed, it may be, as is often the case, that these shifts of resources within the industry reflect a desirable and logical development in response to industrial progress and changing economic factors. The conferees agreed to an amendment to the Senate industry segmentation amendment requiring that the production must be in commercial quantities to be defined as an industry.

The sentence in the Senate amendment dealing with "a particular business enterprise," was rewritten in conference to read:

> In applying the preceding sentence, the Commission shall (so far as practicable) distinguish or separate the operations of the producing organizations involving the like or directly competitive products or articles referred to in such sentence from the operations of such organizations involving other products or articles.

This change makes clear that the Tariff Commission must base its findings not on the situation of one particular firm—unless that firm is in fact the entire industry or segment thereof—but on the situation of the whole industry as defined in the law. Had the original Senate language been retained, it seemed obvious that a situation would have obtained where almost any uneconomic or marginal firm in any industry or segment of an industry which had some import competition, would have been able to successfully seek a recommendation for tariff relief. This tariff relief would have, in most cases, been to the benefit of the other domestic producers within the industry and not to the firm which made the plea. The purpose of the escape clause to afford relief to the injured, would have been defeated, and widespread tariff increases would have been made for the benefit of those who do not need or could not qualify for relief of this kind.

The House-Senate conferees agreed to the deletion of a Senate floor amendment which would have included within the definition of the term "domestic industry producing like or directly competitive" products or articles for purposes of the peril-point and escape-clause provisions of the law the production of raw materials or other components of such competitive commodities. This deleted language if retained in the bill would have permitted extreme situations in peril-point determinations and escape-clause actions as well as been virtually impossible to administer.

The second Senate amendment to which the conference devoted considerable time was amendment No. 29, the so-called national security or anticommodity amendment. This amendment, as adopted by the Senate, directed the President to adjust the imports of a particular article when he finds that such imports threaten to impair the national security to a level that will relieve such a threat.

The responsibility in the first instance is on the Director of the Office of Defense Mobilization to advise the President when he has reason to believe an article is being imported in such quantities as to threaten to impair the national security. The President will then cause an investigation to be made to determine the facts.

The only modification in the language of this amendment was of a clarifying nature. However, I draw your attention to the language contained in the conference report on this subject wherein it is stated that—

> It is the understanding of all the conferees, both House and Senate, that it—
>
> Referring to the Senate amendment—
>
> is not intended to, and does not, diminish or impair any authority the President may have under other law. For example, it was emphasized that if the President sees fit to stockpile critical materials under any other law, that act may be taken wholly aside from the authority contained in this amendment. Conversely, action under the new provision may be taken wholly aside from the authority contained in any other law.

This means that if the President should institute a stockpiling program which would successfully preserve the essential domestic producing facilities in a sound condition and the threat to the national security from increasing imports would thereby be eliminated, there would be no necessity for limiting imports. The President would not only retain flexibility as to the particular measure which he deems appropriate to take, but, having taken an action, he would retain flexibility with respect to the continuation, modification, or sus-

pension of any decision that had been made. This, too, is clearly spelled out in the conference report. "It is also the understanding of all the conferees that the authority granted to the President under this provision is a continuing authority and that prior action taken under this provision may be modified, suspended, or terminated in the light of changed circumstances."

But beyond that, I wish to point out and emphasize an essential aspect of this provision, and that is the language referring to the impairment of the "national security" of the United States. In contrast to that language, I draw your attention to the language of the so-called Symington amendment to the Trade Agreements Extension Act of 1954, which provides that no duty shall be reduced on any article if the President finds that such reduction would threaten domestic production needed for projected national defense requirements. It is important for the subsequent administration of the national-security amendment that we appreciate the advised use of the words "national security" of the United States.

The Symington amendment referred to projected national-defense requirements. The Senate amendment relates to a much broader concept of which the single facet of a projected requirement is only one component among many others that must be considered. The President would, as he indeed must under the Constitution, consider our total national security in all its aspects and make his determination on the basis of all the factors bearing on our national security. In arriving at his decision he must consider the impact of that decision on our total foreign policy, and on the economies of the nations of the free world that are allied with us. He must also consider the impact of any decision on our overall strength and security, keeping in mind that any modification of a duty on imports or a quota would inevitably result in a curtailment of exports by the United States. Such actions would not only be a burden on domestic industry to its economic disadvantage but also would be to the disadvantage of our national security.

The President has indicated his own attitude on this matter in his message on Further Developing the Foreign Economic Policy of the United States, when he stated:

> The Nation's enlightened self-interest and sense of responsibility as a leader among the free nations require a foreign economic program that will stimulate economic growth in the free world through enlarging opportunities for the fuller operation of the forces of free enterprise and competitive markets. Our own self-interest requires such a program because (1) economic strength among our allies is essential to our security; (2) economic growth in underdeveloped areas is necessary to lessen international instability growing out of the vulnerability of such areas to Communist penetration and subversion; and (3) an increasing volume of world production and trade will help assure our own economic growth and a rising standard of living among our own people.
>
> In the worldwide struggle between the forces of freedom and those of communism, we have wisely recognized that the security of each nation in the free world is dependent upon the security of all other nations in the free world. The measure of that security in turn is dependent upon the economic strength of all free nations, for without economic strength they cannot support the military establishments that are necessary to deter Communist armed aggression. Economic strength is indispensable, as well, in securing themselves against internal Communist subversion.

The President further stated:

> It is essential for the security of the United States and the rest of the free world that the United States take the leadership in promoting the achievement of those high levels of trade that will bring to all the economic strength upon which the freedom and security of all depends. Those high levels of trade can be promoted by the specific measures with respect to trade barriers recommended in this message, by the greater flow of capital among nations of the free world, by convertibility of currencies, by an expanded interchange of technical counsel, and by an increase in international travel.
>
> From the military standpoint, our national strength has been augmented by the overall military alliance of the nations constituting the free world. This free-world alliance will be most firmly cemented when its association is based on flourishing mutual trade as well as common ideals, interests, and aspirations. Mutually advantageous trade relationships are not only profitable, but they are also more binding and more enduring than costly grants and other forms of aid.

Thus it is clear that the President's decision, in the light of his own statements, must be based on whether or not imports on net balance threaten to impair our national security and on his decision as to the appropriate measure to be taken that would best serve the total security interests of the United States.

There is, nonetheless, the danger of considerable pressure being put on the Office of Defense Mobilization from industries seeking shortsightedly to invoke the national security provision for their own illusory protection. Testimony before the Committee on Ways and Means on H. R. 1 clearly demonstrated that some industries would go to great length and use every tenuous argument imaginable in claiming that they were essential to national defense and national security. This makes it all the more important that the Director of the Office of Defense Mobilization and the administration develop clear, objective, and wise criteria for the administration of this amendment. These criteria are important not only in the preliminary investigations to any claim, but they are important so that the President can make his decision on a thoroughly informed basis. Such criteria are also essential to certainty in our foreign economic affairs. The President will enjoy full and unimpaired power in the administration of this amendment. He will have the discretion and must assume the final responsibility for the decision made.

We must keep clearly in mind that the purpose of this amendment is to provide the President with a means to protect and preserve the national security. That is the sole purpose. It is not intended to serve as a device to afford protection to those industries which might claim it.

The escape-clause amendment and the national-security amendment will open the door to pressure and abuse which will be difficult for the President to police and avoid. It is important that we be aware of this. They will impose on him greatly increased burdens and responsibilities for the wise administration and effective conduct of the trade-agreements program. Involved in these amendments is a threat of vitiation of the trade-agreements program which the President alone can meet. I take some measure of solace from the fact that the Presidents who have had the authority to administer this program have all realized the importance of our trade-agreements program to our own well-being and to the well-being and security of all the nations of the free world.

The protectionist tenor of the Senate-passed amendments is cause for misgiving, even though the House conferees achieved some modest success in making these amendments administratively more workable. The inconsistency of the nature of these Senate amendments with the general purposes of the trade-agreements program is regrettable.

The President's expressed approval of the Senate-passed version of H. R. 1 and his view that "trade is the greatest weapon in the hands of the diplomat" are difficult to reconcile.

Aside from America's military capabilities which pose as a deterrent of Soviet aggression, there is no other aspect of our national policy that more directly affects the existence of peace and stability in the world than America's foreign economic policy.

Certainty on the part of all the segments of our domestic economy and on the part of our free-world allies as to what are America's foreign-trade objectives is essential to our effectiveness in international affairs. I fear that through his endorsement of the Senate amendments the President may have removed any assurances of certainty that may have been derived from the House passage of H. R. 1.

For these reasons I believe that it behooves the President, through wise and informed administration of the trade-agreements program as it will be modified by the provisions of H. R. 1, to clearly demonstrate to the world America's determination to continue to be an economic partner in the causes of freedom and peace.

I will support the adoption of the conference report on H. R. 1.

Mr. Speaker, as part of my remarks I will include a copy of a letter from the White House, dated May 16, 1955, signed by the Honorable Gerald D. Morgan, special counsel to the President, which sets forth the administration's views with respect to the Senate amendments to H. R. 1:

> THE WHITE HOUSE,
> *Washington, May 16, 1955.*
>
> The Honorable JERE COOPER,
> *Chairman, Committee on Ways and Means,*
> *House of Representatives,*
> *Washington, D .C.*
>
> DEAR MR. CHAIRMAN: This is in answer to your inquiry concerning the administration position on the various Senate amendments

to the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Amendment No. 1: This amendment strikes out the language in the House bill that sought to spell out the kinds of provisions that could be included in foreign-trade agreements. The language stricken out was intended to be clarifying rather than substantive in nature. Since the language so stricken was merely declaratory of existing law, as uniformly interpreted, the administration has no objection to the Senate amendment striking it out.

Amendment No. 2: This amendment is merely a clerical amendment made necessary by amendment No. 1.

Amendment No. 3: The language of the House bill which this amendment strikes out was designed to make it clear that the enactment of the bill would not constitute approval or disapproval by Congress of the proposed new Organization for Trade Coooperation. The language which the Senate amendment proposes to insert is designed to make it clear that the enactment of the bill is not to constitute approval or disapproval by Congress of the GATT. Since the bill passed the House, separate legislation proposing congressional approval of OTC has been recommended, and hence it seems that the House language stricken out by the Senate amendment is unnecessary. The language inserted by the Senate amendment is similar to language which had been included in Trade Agreement Act extensions for the last several years, and the administration has no objection to it.

Amendments Nos. 4, 5, 6, 9, 11, 12, 17, 20, 21, 22, and 23: All of these amendments relate to a single subject matter, viz., the elimination of the so-called double jeopardy with respect to articles on which concessions are made in the forthcoming trade agreement covering Japan. Under existing law the duties on these articles could be reduced by 50 percent of the duty existing on January 1, 1945, and then have been subject to a further 15-percent reduction under the House bill. Under the Senate amendments, if the duty on a particular article is reduced by 15 percent or more under the Japanese trade agreement, no further reduction could be made under the bill. If the duty on that article is reduced by less than 15 percent under the Japanese trade agreement, the duty could be decreased under the Senate amendments by the difference between a 15-percent reduction and the reduction provided for under the trade agreement. Thus under the Senate amendments all articles, whether covered by the Japanese trade agreement or not, will be treated on the same basis. The administration has no objection to these amendments.

Amendment No. 7: This amendment strikes out language in the House bill which would have authorized reductions in duty by 50 percent of the rate existing on January 1, 1945, in the case of articles which are normally not imported into the United States or are normally imported in negligible quantities. After prolonged consideration, it was concluded that "negligible quantities" constituted a standard that it would be difficult to apply administratively, and it was further concluded that a more precise standard could not be devised. Hence the administration has no objection to Senate amendment No. 7.

Amendments Nos. 8 and 19: These are clerical amendments made necessary by amendment No. 7.

Amendments Nos. 10, 15, and 16: These are clerical amendments made necessary by amendment No. 14.

Amendment No. 13: This amendment eliminates language of the House bill which authorized the President to exceed any limitation on reduction in duty in order to round out the reduced rate. After considering the administrative complexities involved in applying the House language to duties consisting of a combination of a specific rate and an ad valorem rate, the administration has no objection to the Senate amendment.

Amendment No. 14: This amendment strikes out the language in the House bill which directed the President to avoid as far as practicable the subdivision of classification categories. This language would not add anything to the authority which the President already has in this regard, and so the administration has no objection to its elimination.

Amendment No. 18: This is a clerical amendment made necessary by amendment No. 13.

Amendments Nos. 24 and 25: These are clerical amendments made necessary by amendment No. 26.

Amendment No. 26: This amendment directs the Tariff Commission to keep informed about the operation of trade agreement provisions relating to duties or other import restrictions and to submit to Congress, at least once a year, a factual report on the operation of the trade agreement program. The administration has no objection to this amendment.

Amendment No. 27: This amendment provides that when the Tariff Commission makes findings and recommendations to the President in escape clause proceedings, the Commission shall immediately make its findings and recommendations public, including any dissenting or separate views.

The administration has no objection to this amendment.

Amendment No. 28: This amendment consists of three distinct parts:

(a) One part of this amendment adds a provision to section 7 (b) of the Trade Agreements Extension Act of 1951 (escape clause provisions) which provides in substance that when the Tariff Commission finds increased imports to have contributed materially to the serious injury or threat of serious injury to a domestic industry, such increased imports shall be considered as the cause or threat of serious injury to that industry. This provision seeks to eliminate confusion as to the proper interpretation of section 7 of existing law, and the administration has no objection to it.

(b) Another part of amendment No. 28 adds to section 7 of the Trade Agreements Extension Act of 1951 a subsection defining what is meant by "domestic industry" for the purpose of peril-point determinations and escape-clause procedure. There is no definition of what constitutes a domestic industry for these purposes in existing law. The amendment provides that a domestic industry means "that portion or subdivision of the producing organizations manufacturing, assembling, processing, extracting, growing, or otherwise producing" products that are like, or directly competitive with, the imported article involved. It is also provided that where a particular business enterprise is engaged in operations involving more than industry, or more than one readily determinable segment of a single industry, the Tariff Commission shall, so far as practicable, distinguish or separate the respective operations of such business enterprise for the purpose of determining injury. This portion of the amendment gives the Tariff Commission greater latitude in consideration of applications for escape clause relief. No change is made with regard to the essential review powers of the President, and the administration has no objection to this portion of amendment No. 28.

(c) The third portion of amendment No. 28 has the effect of providing that the producer of any raw material contained in, or of any component of, a domestic article with which an imported article competes, may obtain escape-clause relief by reason of imports, not of the raw material or of the component, but of the finished article being manufactured by somebody else. This portion of the amendment also provides that evidence of serious injury or threat of serious injury to any readily determinable segment of the producing organizations shall, for the purpose of the bill, be considered evidence of serious injury or threat of serious injury to the domestic industry producing like or directly competitive products or articles. The administration feels that this third portion of amendment No. 28 goes to extremes, and would be impossible to administer. It would permit, for example, manufacturers of nuts and bolts to claim escape-clause relief on account of the importation of automobiles.

Amendment No. 29: This amendment rounds out the national-security provisions incorporated in the extension of the Trade Agreements Act last year. Amendment No. 29 provides that whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported in such quantities as to threaten to impair the national security, he shall so advise the President, and if the President agrees that there is reason for such belief, the President is directed to cause an immediate investigation to be made. If the President finds, on the basis of such investigation, that imports of the article in question are threatening to impair the national security, he is directed to take such action as he deems necessary to adjust the imports to a level that will not threaten to impair the national security. Such action could take any form that was appropriate to the situation. The administration has no objection to this amendment.

I hope that the above answers your inquiry. An identical letter is being sent to the Honorable HARRY F. BYRD, chairman of the Committee on Finance.

With kindest regards,

Sincerely,

GERALD D. MORGAN,
Special Counsel to the President.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from West Virginia.

Mr. BAILEY. I thank the gentleman from Tennessee for yielding. I, too, would like to make some pointed observations on the House proposals and the Senate proposals. I, of course, would prefer the Senate version, because it did have some steps toward liberalization of the program but not enough to satisfy me. Therefore, I want to be on record and say that I am still opposed to the bill and opposed to the conference report.

Mr. COOPER. The distinguished gentleman from West Virginia has always been opposed to the trade agreements program; is opposed to it now, and always will be opposed to it.

Mr. Speaker, I yield 15 minutes to the distinguished gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I do not know whether I should sympathize with my distinguished chairman, the gentleman from Tennessee [Mr. COOPER], who is very much worried because he is going to have to vote for this conference report. He is a strong-minded man and he generally knows where he is going. I do not know that he is asking for sympathy, but if he wants it, I will give him a little, because I think he has gone entirely too far in line with his own fine character and fine disposition to find so much fault with the President. I just want to say to him that I think the President is very much satisfied with this legislation; in fact, I know he is. The letter that the distinguished gentleman from Tennessee

just inserted in the RECORD, written by the President's counsel, indicates that the President is satisfied with this legislation.

Another thing I want to say to my good friend, the gentleman from Tennessee [Mr. COOPER] when he worries about this report is that he can be encouraged by seeing who was on the conference committee with us from the United States Senate. The chairman was Senator BYRD, and with Senator BYRD was Senator GEORGE, and with these two was Senator KERR, from Oklahoma. All three of these Senators, great leading Democrats as they are, were enthusiastically for these amendments. They had prepared it. It passed the Senate, I think, by a vote of about 75 to 13, and that is the way it came to us. So, I think any Democrats, especially those who have been in favor of this legislation before or any portion of it, will be inclined to conclude that Senator BYRD and Senator GEORGE and Senator KERR might all be right. And, for the benefit of you Republicans, I might say that the Senators on our side were Senator MILLIKIN and Senator MARTIN. Of course, we all know that these two Senators rank with the best and most capable Members of the Senate on the Republican side.

Now I want to talk to you for just a moment about this conference report. You know, this H. R. 1 has been a very much discussed bill. Oh, for the last 2 or 3 months we have been talking about it; everybody wants to say something about H. R. 1, partly because the title is attractive and it is easy to remember. Now, then, let us see what H. R. 1 is. At the time we had it up for consideration on the floor of the House it was discussed at great length. We had it up February 15 and we debated it very extensively, about 2 days altogether. The gentleman from New York [Mr. REED] was here then, and he conducted the debate in a fine manner on the Republican side, as did Mr. COOPER, the leader on the other side. But, anyhow, we had a vote on a motion to recommit at that time, and here is the way the vote ran: 199 for and 208 against. That is only a disparity of 9 votes. When the bill was voted on after the motion to recommit was lost, the vote was 295 for and 110 against. I voted against the bill then.

The bill was improved very materially by the Senate and we added some improvements in the conference. The gentleman from Tennessee [Mr. COOPER] contributed very much, and especially did his colleague from Arkansas [Mr. MILLS]. Both gentlemen contributed very much in making this a better bill than it was before.

I should like to take a little time to consider one proposition that the gentleman from Tennessee [Mr. COOPER] expatiated on extensively. I want again to say that the administration is satisfied with this legislation. I had a letter from the President's counsel and I know what they think down there at the White House. I know they are going to be abundantly satisfied with this bill as we are going to pass it today, and I hope by a 4-to-1 vote.

Mr. SCHENCK. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. Yes, I yield gladly to my distinguished colleague from Ohio.

Mr. SCHENCK. May I ask the gentleman to point out that when the bill was in the House before, it came up under a closed rule so that no amendments could be considered; but that same procedure was not followed in the other body.

Mr. JENKINS. That is absolutely right. When the Members of the Senate had a free field to offer amendments all these improving amendments were presented and adopted and thereby improved the bill very much. I should like to speak just a minute about some of the items in the bill before it was amended and then after it was amended, in which I am very much interested. I am not selfish, but I am interested in those products produced in my own territory. Ohio is the producer of large quantities of coal, pottery, glassware, and textiles. A great many other Members of Congress are also interested in the same commodities.

Just this morning I looked up some figures, and I was terribly surprised to find these. In 1953 86 percent of all the dinnerware purchased in the United States came from some foreign country. That is a very large percentage of dinnerware, nearly everybody in our country buys dinnerware, and to think that 8C percent of it came from some foreign country shocks me. I think when we go that far, we go too far. I think when our ladies who keep house realize this, not so many of them will say, "trade not aid."

These are the conditions that confront us. Our coal mines are idle. Our potteries are among the finest in the world. Some of them are idle or are threatened. One of the largest glass producing factories in the United States is located in my district. While it is not threatened—it is strong financially and it will survive—still they do not like this situation. And again I say that these people who make dinnerware are not satisfied with this figure of 86 percent.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to my friend from West Virginia.

Mr. BAILEY. In view of the comment of the distinguished gentleman from Tennessee [Mr. COOPER] that they modified the amendment concerning excessive imports, does the gentleman not believe that if that amendment had been left as the Senate originally passed it, it would have solved the problem of 86 percent of the total sales of dinnerware in the United States being of imports as well as the large percentage of glassware that comes into the United States?

Mr. JENKINS. I think it might have done something in that direction. However, I do not believe that the conference agreement weakens the Senate amendment.

Mr. BAILEY. Does the gentleman think it will accomplish that now with the changes that they have made?

Mr. JENKINS. I think we have made a step in the right direction as compared with the bill as it was before. It will be a great improvement, I think.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to my distinguished friend from Illinois.

Mr. MASON. I should just like to add watches to the list of items which the gentleman has mentioned, because over 80 percent of the watches sold in America today come from abroad.

Mr. JENKINS. Yes. Of course, what the gentleman said is a sad fact. our watch business is about gone.

The gentleman remembers the man who used to come before the Committee on Ways and Means from up in New England, representing the watchmakers. I tell this as an interesting story. He came down before the Ways and Means Committee about a year ago and he was sitting on the front seat. We were having some business, and I told the chairman the gentleman from New York [Mr. REED], "There is so and so. He might want to say something. You might call on him." He did. This is what he said:

Mr. REED, I appreciate your courtesy but I have nothing to say. I have been coming down here representing the watchmakers for 20 years, and now I have just come down here to say goodbye to you and the other members of your committee. You will never see me down here any more. The watch business has all gone to thunder, and there isn't anything we can do about it.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Iowa.

Mr. GROSS. Is there anything in the conference report now before us that provides that an industry injured by imports be given assistance by the Federal Government?

Mr. JENKINS. The bill does not provide for any form of direct financial assistance. It does provide, I believe, a better opportunity for injured industries to receive fair treatment.

Mr. GROSS. As regards pottery and certain other imports, this is only a little less worse than it was when it originally passed the House?

Mr. JENKINS. Yes; it is better.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to my friend the gentleman from Ohio.

Mr. HENDERSON. Does the gentleman feel the bill as now amended will perhaps stop some of the inroads into the pottery and glass industry?

Mr. JENKINS. I think it will. I am going to vote for it, in the hope; although it is not as good as I should like to see it.

Mr. BAILEY. If the gentleman will yield further, in view of the details revealed in the new Japanese Trade Agreement, does the gentleman think Congress went far enough in protecting such industries as textiles, pottery, glassware, and coal?

Mr. JENKINS. I doubt whether we have solved the problems of these industries. I do not know whether we can. The coal industry is now down on its back. It is going to take a good many years to repair the coal industry, as all of us know who come from the coal areas.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. The gentleman stated to my friend from West Virginia that there is at least some improvement with reference to pottery in the language of the report. That of course is not true with reference to the import of Venezuelan oil vis-a-vis the coal industry. Is that true, that there is no improvement?

Mr. JENKINS. My answer did not apply to the oil business.

Mr. FLOOD. It did not apply to oil?

Mr. JENKINS. No; the gentleman from West Virginia did not ask me about coal. However, if the President finds that imports of oil threaten to impair the national security, the bill directs him to correct the situation by adjusting those imports

Mr. Speaker, I take a great deal of interest in this reciprocal trade agreement program because it was originally advocated by McKinley. McKinley to me is one of the greatest of all Americans. He was a great man along this line. I do not know whether my good friend from Illinois [Mr. MASON] will agree with me entirely, but I know they are of about the same line.

Mr. MASON. But the reciprocal trade agreement that he advocated is a lot different from the present reciprocal trade agreement program.

Mr. JENKINS. That is right. I knew I would bring the distinguished gentleman from Illinois to his feet when I commented on that.

I want to read what McKinley had to say about this:

> Free trade in the United States is founded upon a community of equalities and reciprocities. It is like the unrestrained freedom and reciprocal relations and obligations of a family. Here we are one country, one language, one allegiance, one standard of citizenship, one flag, one Constitution, one Nation, one destiny.
>
> It is otherwise with foreign nations, each a separate organism, a distinct and independent political society, organized for its own, to protect its own, and work out its own destiny.
>
> We deny to those foreign nations free trade with us upon equal terms with our own producers. The foreign producer has no right or claim to equality with our own. He is not amenable to our laws. There are resulting upon him none of the obligations of citizenship. He pays no taxes. He performs no civil duties—he is subject to no demands for military service. He is exempt from State, county, and municipal obligations. He contributes nothing to the support, the progress and glory of the Nation.
>
> Why should he enjoy unrestrained equal privileges and profits in our markets with our producers, our labor, and our taxpayers?

McKinley laid the law down strong enough so that we can all understand it, and I hope we will not abandon his theories as to reciprocity.

Again, I say I think this bill is a decided step in the right direction as against the bill we passed in the House, and which I voted against. I repeat I voted against that bill. However, now the bill comes back to us, and I, for one, feel it is my duty to support it because it is a step in the right direction. It has been greatly improved.

Mr. KELLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. KELLEY of Pennsylvania. I note from your remarks in answer to the gentleman from Pennsylvania that there was no relief given the coal industry, as it is affected by the residual oil imports from Venezuela.

Mr. JENKINS. No, no, the gentleman did not understand me. I said that the words "residual oil" are not mentioned. Oils are not mentioned; no commodity is mentioned. However, as I have pointed out, the national security amendment may assist the coal industry.

Mr. KELLEY of Pennsylvania. Is that just a hope or is it a fact?

Mr. JENKINS. I cannot answer that. I am hoping and I hope you are hoping with me.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. FLOOD. The language on page 5, which was read by the gentleman, says, "increased imports." The fact remains, that means any import quotas that exist today remain in status quo. The word "increase" means what it says.

Mr. JENKINS. It does not mean that. We all know that our country is a great country. We are going to grow greater and greater, and we are going to get bigger and bigger. There is not any language there which says you can go only just so far. The President is not limited in the volume. He still has plenty of authority and he has the right to act and he has the spirit to act, and you should be satisfied with the prospects.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. JENKINS. Mr. Speaker, under leave I am extending my remarks in which I go more into detail with reference to many facts connected with this very important legislation.

Mr. Speaker, H. R. 1 as reported by the conference committee represents a greatly improved piece of legislation.

A number of amendments to the bill were adopted by the other body and agreed to by the conferees. However, H. R. 1 as agreed to in conference contains the same basic authority as it did in the form originally passed by this House. Essentially, the original bill, as requested by the President and as passed by the House, provided a 3-year extension of the President's authority to enter into reciprocal trade agreements and authorized the President to grant tariff reductions of up to 15 percent over that same 3-year period. This was the primary objective sought by the President, and H. R. 1 as agreed to by the conferees achieves this goal. The administration has declared that it does not object to any of the amendments we have agreed to. Of course, this bill as now amended does not go as far as some free-trade advocates would wish. On the other hand, Mr. Speaker, the bill in its present form certainly does not go as far as many of those of the protectionist viewpoint would wish. As a result, the conference bill represents a compromise between the extremists of both viewpoints and at the same time accomplishes the major objectives sought and recommended by President Eisenhower.

That certain of the provisions of the amended bill represent modifications of the original proposals certainly is no basis for criticism of this legislation. On the contrary, this fact demonstrates that the Congress has fully measured up to its legislative responsibilities. We must not forget that in this area of tariff legislation the Congress has a primary jurisdiction conferred upon it by the Constitution, and that the reciprocal trade agreement authority represents a delegation of our constitutional responsibility. Therefore, the fact that the Congress has exercised its own considered judgment in implementing the basic recommendations of the President should be the cause, not of criticism, but of approbation.

Mr. Speaker, it is true that the other body adopted a number of amendments to H. R. 1. It is true that some of these same amendments were considered either by the Committee on Ways and Means or by Members of the House and were rejected at that time. However, let us not forget that the majority which insisted on barring amendments to the bill in the House was at best an uneasy majority. Nor should we forget that those who failed by a mere handful of votes to open the bill to modification in the House represented large and responsible segments of both parties. As a result, the bill which passed the House can hardly be said to have represented a mandate from its membership. On the other hand, the bill as amended by the other body was adopted by an overwhelming vote of its membership.

Mr. Speaker, there are those who would belittle the accomplishments of this bill. There are even those who decry its provisions as representing an abdication to protectionist interests. There are those who would claim that the President has failed to achieve his objectives. Mr. Speaker, there is no truth in these charges. I have pointed out that H. R. 1, as agreed to by the conferees, contains both the 3-year extension of the reciprocal trade authority and the new 15 percent tariff reduction authority requested by the President. These two basic grants are contained in this bill without any important change. The new tariff-reduction power is the first such authority provided by this Congress to any President since January 1, 1945, over 10 years ago. In addition, Mr. Speaker, despite misrepresentations to the contrary, not a single amendment agreed to by the conferees ties the hands of the President in the exercise of his reciprocal trade-agreements authority in any way whatsoever. The President will continue under H. R. 1, as amended, to have complete freedom in the exercise of his own judgment in implementing the provisions of this bill as well as in safeguarding the domestic economy from injury. Nowhere in this bill does there appear any import quota or other import restriction designed to protect a specific industry or a specific commodity. Instead of criticizing this bill in its present form, those who advocate a more liberal foreign-trade policy have reason to congratulate themselves. Certainly, H. R.

1 represents a victory of major importance for President Eisenhower.

Mr. Speaker, I would like to outline briefly the more important changes contained in the bill as agreed to by the conferees.

Section 3 (a) of the bill contains the basic authority of the President to enter into foreign-trade agreements with foreign governments. However, in the form passed by the House, the bill very greatly broadened the language of existing law in this regard. In the minority views expressed in the report of the Committee on Ways and Means, it was pointed out that there had not been established any necessity for the inclusion of this new language, and it was recommended that it be eliminated. This has been accomplished under the conference agreement. This amendment is satisfactory to the administration, which has pointed out that the language so stricken was merely declaratory of existing law. As a result, the President's authority in this area will be extended on exactly the same basis as it has existed heretofore.

In recent years, when the Congress provided for periodic renewals of the reciprocal trade agreements authority, the legislation uniformly contained a proviso to the effect that its enactment should not be construed to determine or indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade. Inasmuch as the provisions of GATT had never been submitted to the Congress, it was always considered appropriate that Congress reserve its rights in this regard. An identical amendment was offered in the Committee on Ways and Means, but was rejected by the majority. In its place, the bill as passed by the House simply provided that enactment of the legislation should not be construed to determine or indicate the approval or disapproval by the Congress of organizational provisions of any foreign-trade agreement. This language, of course, left in complete uncertainty the status of the vastly more important substantive provisions of GATT. The other body simply restored the language of prior extension and thus insured that there would be no change in existing law. The conferees agreed to this amendment, and the administration has pointed out that since this bill passed the House, separate legislation proposing congressional approval of the organizational provisions of GATT has been recommended and that, therefore, the House language stricken out by the other body has become unnecessary.

As I have stated earlier, the bill provides that over the 3-year extension of the reciprocal-trade agreements authority the President is authorized to grant further tariff concessions of up to 15 percent of existing tariffs. This was the authority recommended by the Commission on Foreign Economic Policy, the so-called Randall Commission, and contained in the President's foreign economic policy message to the Congress. However, the bill passed by the House provided that the 15-percent reduction would be applied to tariff rates in effect on July 1 of this year. As a result, and as pointed out in the minority views in the report of the Committee on Ways and Means, there was complete uncertainty as to the magnitude of the tariff cuts which could be authorized under the House bill. As you know, the United States has been engaged in tariff negotiations with Japan. These negotiations have already been completed. The tariff concessions contained in the Japanese agreement will, under the most-favored-nation plan, be extended automatically to all other countries of the world outside of the Communist bloc. As a result, these new rates established through the Japanese agreement would, under the House bill, have formed the basis for the new 15-percent reduction authority if they took effect on or before July 1 of this year. It is obvious, therefore, in view of the uncertain outcome of the Japanese negotiations, that it would have been impossible to predict the base upon which the new 15-percent reduction authority would have been applied. As I have stated, this basic defect in the House bill was pointed out by those who subscribed to the minority views in the report of the Committee on Ways and Means. The other body corrected this patent deficiency by authorizing that the new reduction authority would be applicable with respect to the rates in effect this past January 1. As pointed out by the administration, this amendment insures that all articles, whether covered by the Japanese trade agreement or not, will be treated on the same basis.

The bill as it passed the House also authorized reductions in duty by 50 percent of the rate existing on January 1, 1945, in the case of articles which are normally not imported into the United States or are normally imported in negligible quantities. There may have been merit in this proposal from a purely theoretical standpoint. However, the House bill contained no definition of the term "negligible." There was no specification as to the group, class, or industry, nor any reference as to what commodities or articles might have been affected by this authority. Nor was there any definition as to the measure of time or circumstances bearing upon the imports which should be used. Not only did the House bill contain no definition of what was meant by this provision but no satisfactory explanation was ever furnished our committee of how it was intended to administer the provision. As a result, it was suggested in the minority views of the report of the Committee on Ways and Means that this authority be eliminated. In view of the full discussion and careful consideration to which the bill has been subjected since introduction, the administration has concluded that the term "negligible quantities" constitutes a standard that it would be difficult to apply administratively and that a more precise standard canont be devised. The other body eliminated this provision, and the conferees have agreed to the amendment.

H. R. 1 as it passed the House directed the President in negotiating tariff concessions, to avoid as far as practicable the subdivision of classification categories. It will be recalled that the President in his references to this legislation has stressed consistently the importance of making tariff reductions on a selective basis only. Certainly, the Congress has never intended that its delegation of tariff-reduction authority should be exercised in an across-the-board manner. On the contrary, it has always been intended that adjustments be negotiated carefully on an item-by-item basis. The language contained in the House bill was in effect a mandate to the President to violate this very principle of selectivity which the Congress has always insisted upon and which the President himself has declared to be an essential aspect of the reciprocal trade-agreement program. The other body eliminated the House language, and this amendment was agreed to by the conferees. The administration has declared that it has no objection to this amendment.

The other body added a new provision directing the Tariff Commission to submit to Congress at least once a year a factual report on the operation of the trade agreement program. The conferees have agreed to this new provision and the administration has no objection to it. It seems very reasonable to me in view of the fact that the reciprocal trade program is a delegation of authority vested in the Congress itself and in view of the additional fact that the Tariff Commission is essentially an arm of the Congress.

The other body added another new provision which has no counterpart in the House bill to the effect that when the Tariff Commission makes findings and recommendations to the President in escape-clause proceedings the Commission shall immediately make its findings and recommendations public, including any dissenting or separate views. The administration has stated that it has no objection to this amendment, and it was agreed to by the conferees. In some quarters the charge has been made that if publicity is given to the Tariff Commission recommendations in this manner, the President will be subjected to pressure from the domestic industry concerned. I cannot agree with this objection. It has been obvious for some time that, while the recommendations of the Tariff Commission are kept hidden from the affected domestic industry and from the American public in general, these same recommendations have, as a matter of actual practice, become available to the foreign government concerned. It should also be understood that the United States has bound itself in the General Agreement on Tariffs and Trade to consult with the foreign government concerned before the President takes action under the escape clause. That this procedure should be followed and that at the same time the affected American industry should be denied the same information which is made available to foreign governments and foreign businessmen violates every American principle of fair play. To refuse public dissemination of the facts in a given case on the ground that such action might create unfortunate pressures on the President is to deny the very principles upon which our democracy and our legal traditions are founded. If we are to acquiesce tacitly to subjecting the President and

his advisors to pressures from foreign governments and foreign industries, it seems to me that the least we can do in all fairness is to make available to our own industries at least an equal opportunity to make known the considerations affecting our own national interest. Let us not weight the scales against our own industries and our own workers.

There has been considerable confusion over the years concerning the extent to which the distressed situation of a domestic industry must be attributable to imports before a Tariff Commission finding of injury can be made. The Commission itself apparently has been divided on this very issue. There has even been some suggestion that unless imports are the sole cause of injury there can be no relief. Obviously, such an interpretation would make the escape clause meaningless. There are always other factors which may contribute in some degree to the fact of injury. The bill as agreed to by the conferees seeks to eliminate some of this uncertainty. Of course, it is impossible to express by law any completely precise measurement of injury. However, the conference bill provides that when the Tariff Commission finds increased imports to have contributed substantially toward causing or threatening serious injury to an industry, such increased imports shall be considered as the cause or threat of serious injury to that industry. The administration has no objection to this amendment.

The present law contains no definition of what is meant by "domestic industry" for the purpose of peril-point determinations and escape-clause procedure. This omission has had unfortunate results. Where a particular operation of a domestic industry has been severely injured or even destroyed as a result of imports but where the overall operations of the same industry have been profitable, the Tariff Commission has denied any claim for relief on the ground that the industry has not been injured. This interpretation has discriminated in particular against small businesses. An amendment adopted by the other body and agreed to by the conferees seeks to correct this situation by providing that a domestic industry means "that portion or subdivision of the producing organizations manufacturing, assembling, processing, extracting, growing, or otherwise producing" products that are like, or directly competitive with, the imported article involved. This amendment will, in my opinion, reaffirm what has always been the congressional intention, namely, that it is the effect upon the specific article or commodity which must be considered in escape-clause procedures. The amendment also provides that, in applying this definition of "domestic industry," the Tariff Commission shall, so far as practicable, distinguish or separate the operations of the producing organizations involving the like or directly competitive products or articles referred to in such sentence from the operations of such organizations involving other products or articles. The administration has no objection to this new definition of "domestic industry," and it has pointed out that these escape-clause amendments make no change with respect to the essential review powers of the President.

One of the most serious problems which was brought to the attention of the Committee on Ways and Means during its consideration of this legislation involved the question of national security. It is obvious that there are many areas in which the national interest requires that a strong and vigorous domestic industry be maintained. This principle should be so clear as to need no argument. However, H. R. 1 as reported by our committee and as passed by the House was devoid of any provision relating to this essential factor of national security. As those of us who subscribed to the minority views in our committee report pointed out, several amendments directed to a solution of this problem were rejected by the majority as a result, apparently, of inadequate consideration. Fortunately, the other body adopted an amendment which was agreed to by the conferees which we hope may serve to safeguard the national interest in this area. The amendment provides that, whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported in such quantities as to threaten to impair the national security, he shall so advise the President, and if the President agrees that there is reason for such belief, the President is directed to cause an immediate investigation to be made. If the President then finds, on the basis of such investigation, that imports of the article in question are threatening to impair the national security he is directed to take such action as he deems necessary to adjust the imports to a level that will not threaten to impair the national security. The administration has no objection to this amendment. It does not tie the President's hands in any way but merely makes available to him the essential machinery for safeguarding the national security.

Mr. Speaker, that concludes the most important changes agreed to by the conference committee. I regret that this House, by its earlier refusal to heed the real sentiments of its membership, should have abdicated, in effect, to the other body its constitutional prerogatives in this field of tariff legislation. Be that as it may, H. R. 1 is today a far better bill than when it passed the House. It is a bill which achieves the primary objectives of President Eisenhower. At the same time, without in any way limiting the President's authority, it is a bill which reaffirms our conviction that the interests of American industry, of American agriculture, and of American workers must be adequately safeguarded.

Mr. COOPER. Mr. Speaker, I yield 15 minutes to the distinguished gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I think we should remember in considering this bill and conference report that the question which was before the conferees and the Congress is whether the reciprocal-trade program is to be continued or whether the method of writing our tariffs and imposing our duties is to be returned to the Congress where many of us think it should have remained at all times. But the issue which confronted the conferees, confronted as we were with a proposition presented by the conferees of the other body and our own position, required that we resolve whether we would accept the conferees' report from the other body and work it out jointly with ourselves or whether we would go back to the old method of writing the tariffs. I believe in a reciprocal trade method of preparing our foreign trade. That does not mean I agree in every respect, because I do not, with the program as it has been carried out to this time. However, I say to those of us who criticize the fact that the House conferees saw fit pretty generally to accept the position of the other body that by doing that we did save the reciprocal method of writing our tariff laws, and I think that was important. In accepting that, we did, in my opinion, greatly strengthen the reciprocal-trade program. We have today provided that any businessman who believes he has suffered injury or is threatened with serious injury as a result of too low tariffs put into effect under this program has the right to go into a forum of his Government and make his case and expect to get relief, if he does succeed in making his case. He did not have that right before. He does have it under this bill, if we agree to the conference report as presented.

First, I wish that we had before us today, in considering this foreign economic policy, all of these matters which are affecting tariff rates today; the agreement which has just been released with respect to Japan, in which agreement many, many hundreds of cuts have been made in existing rates; cuts announced in agreements just completed with Switzerland, and some other countries, all of which should have been before us at the time when we were considering the extension of the reciprocal trade agreement program for another 3 years. We did not have them. As a matter of fact, we did not know what had been done in the Japanese agreements, the negotiations for which took place behind closed doors, across the ocean. We did not know what cuts were made then, until the conferees had made this report, and a distinguished conferee has seen fit to comment since that report to the effect that perhaps the cuts made in the Japanese agreement have been too great, and may seriously affect the manufacture of textiles in the United States.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. In just a moment I will yield.

I suggest that had we known about the cuts made in the Japanese agreement, had we known about the cuts made in these other agreements, perhaps we would not have been willing to grant authority to make the 3 additional cuts of 5 percent in the next 3 years.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. BAILEY. Does the release of the details of the Japanese agreement not seem quite timely? It was timed to be

released after the report was made, and is it not a fact that the concessions we made to Switzerland far outweighs the value we got on watches?

Mr. SIMPSON of Pennsylvania. We had made concessions to Switzerland. We protected the American industry, the watch industry. Because we saw fit under the terms of our Reciprocal Trade Agreement to give protection to that industry at home, we had to pay the Swiss. Because we said today, "We made a bad bargain." I do not mean the Congress. I mean some of these negotiators we have, because they went to Switzerland some years ago and they were outbargained, they were out-Yankeed, and tariffs were reduced lower than they should have been. Now we have found it out, and we try to correct it, and we go to the Swiss and offer them, by making further concessions, to protect the industry, and some of the concessions were very serious.

Mr. BAILEY. Coming from the State of Pennsylvania, which is a large producer of coal, do you think that general authority given to the President to say how low import duties shall go, and determine whether imports are acceptable—do you think that that will solve the difficulty in the coal-mining industry?

Mr. SIMPSON of Pennsylvania. The gentleman will recall that what we do under amendment 29 is to bring into this matter of the production of coal in its competition with fuel oil, the Office of Defense Mobilization. We charge that office with making an investigation to ascertain whether, in their opinion, any article—we do not limit it to coal or oil—whether any article is being imported into the United States in such quantity as to threaten domestic production.

Mr. BAILEY. The gentleman will agree with me that that appointment, the appointee in the Mobilization Department, is the appointee of the President?

Mr. SIMPSON of Pennsylvania. I am getting around to the gentleman's question, and my answer has to be that this does not give the kind of protection the gentleman and I would like to have. It gives the promise of being a far better protection than we have today. I hope, by reason of its administration, by reason of the realization on the part of the importing companies, that something has to be done if we are to protect the great coal industry in our country.

Let me say one thing further. I think this whole program of reciprocal trade, this whole program of making concessions in the United States in exchange for concessions somewhere else in the world, has utterly collapsed. I think it is dead, on the way out. I think it had some good principles, but I think the only way it could be saved, if it is worth saving, is in some way to protect essential industries.

I think we have given that protection pretty generally to any and all industries in the United States so that they can come into court, make their case and expect to get some help. It is not final, it is not complete; but we were confronted with the issue, I repeat, of either wiping out this entire method and writing off the trade agreements, backing out of some of the agreements we have made, or of doing it in this manner.

Much as I opposed the effect of the agreements we have been going into and the methods that have been followed, I am in favor of this conference report, because we have made great steps against almost insurmountable odds. Gentlemen on both sides of the aisle know we have intermixed our foreign diplomatic policies and our domestic trade policies, and it is not right.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Georgia.

Mr. LANHAM. I want to congratulate the distinguished gentleman from Pennsylvania and the committee for accepting as far as possible the Senate amendments. I just call attention to what has happened to the textile industry in the agreement that has just been announced; some of those cuts were as much as 27 percent. Frankly, the cut on the yard of cotton cloth is in some cases greater than the profit our textile manufacturers are making on their product.

Mr. SIMPSON of Pennsylvania. I thank the gentleman. It is very, very serious. I regret only that we did not have that agreement before us when we were considering the bill in conference.

Mr. LANHAM. I wish to enter my solemn protest against it.

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD following those of the gentleman from Pennsylvania [Mr. SIMPSON].

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. MASON. Will not the gentleman agree that our State Department for the last 21 years has used the reciprocal trade agreement as an agency or instrument by which they could further their foreign policies at the expense of our own industries and our own people?

Mr. SIMPSON of Pennsylvania. Yes; and they have, as a result, thrown the burden of that foreign policy upon the unemployed today in those little industries, whereas the burden should be borne by all the taxpayers of the country.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. DORN of South Carolina. I have two questions to propound to the gentleman from Pennsylvania: First, is it not true that in their argument for these reciprocal trade agreements they almost constantly urged that in order to keep Japan from going communistic we had to do this, do it in order to keep Japan from trading with Red China?

I was amazed here lately to see a very distinguished Member of the other body who helped pilot this bill through Congress turn around and say: "Now, we have to let Japan trade with Red China." In other words, lower the tariff, weaken the textile industry, the coal industry, the glass industry, the chemical industry, and others, make this concession on behalf of Japan, then turn around and go back on the general understanding and let Japan trade with Red China. In other words, it is a case of the American workers indirectly helping the rehabilitation of the Communist regime in Red China of Chou En-lai and Mao Tse-tung.

Mr. SIMPSON of Pennsylvania. I thank the gentleman. It has seemed strange to me all along that we would permit the countries of Europe to trade behind the Iron Curtain in so-called nonstrategic items, yet over in Asia when Japan wanted to do the same thing, we objected. It is not at all consistent.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. GROSS. In his opening statement the gentleman from Pennsylvania put his finger upon the real issue here; it is not the issue before us today, but the real issue being the recapture by Congress of the power to fix tariffs. I hope the day will come when Congress will recapture it.

Mr. SIMPSON of Pennsylvania. I thank the gentleman.

Mr. GROSS. That will take care of the observation made by the gentleman from Illinois [Mr. MASON], I hope.

Mr. BURNSIDE. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. BURNSIDE. I want to compliment the gentleman for his statement.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. FLOOD. I would like to compliment the gentleman upon being so gracious with his time and answering our questions to the best of his ability; he is very gracious. The gentleman knows my problem in the hard-coal field. I am trying my best to be for this report. I have always been for these reciprocal trade agreements, and I am trying hard to convince myself I should be for this report. I do not understand what you mean when you say if anybody were injured that industry can come into court. We can do what after we get there? What do you have to do? May I say that I respect the gentleman's opinion a great deal.

Mr. SIMPSON of Pennsylvania. I am not talking about the coal industry at the moment.

Mr. FLOOD. Let us talk about that one.

Mr. SIMPSON of Pennsylvania. All right, we will talk about the coal industry. At the present time, the coal industry has not been affected by direct cuts in the tariff on coal. It is affected by reason of the importation of residual oil.

Mr. FLOOD. That is correct.

Mr. SIMPSON of Pennsylvania. We are told that by reversing the cuts that have been made in residual oil there would not be sufficient relief given to the coal industry to help it. Some other

approach to the problem has to be made. Now, I do not want to conceal anything.

Mr. FLOOD. I know the gentleman will not.

Mr. SIMPSON of Pennsylvania. All we do here is add to the President's previous authority the Office of Defense Mobilization, charged with the defense of the country. In effect we say that if you find something is being imported which is hurting the domestic production of an item essential to our national defense you shall so report to the President. I do not want to speak for all the conferees when I say it was felt that constituted a doubling up, a little outside pressure on the President, by national defense being brought into the issue in such a way that the President and those near him would not neglect this very important question of national defense. The word "shall" is used, meaning that after such findings are made the President shall adjust the imports of such articles to a certain level.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. LANHAM. Mr. Speaker, I shall vote for the adoption of the conference report on H. R. 1 because in my opinion the Senate version of the bill is much to be preferred to the bill as it passed the House.

You may recall that I, together with many others, sought to write into the bill when it was before the House, safeguards for those of our industries threatened with unfair and destructive competition from low paid foreign labor. As I stated at that time, I have always supported a reciprocal trade program, and believe that an expanded program is necessary. However, I do not believe that we should permit the destruction of vital industries in America for the sake of Japan or any other foreign country.

The Constitution makes it the duty of the Congress to regulate commerce between the states and foreign countries. The writing of tariff legislation pursuant to the Constitution became such an involved and technical matter that the Congress set up the Tariff Commission and delegated to the Commission the right and duty to make a detailed study of the whole tariff problem and to formulate tariff policy after such study and with due regard to changing conditions in our own and foreign countries.

The Reciprocal Trade Agreements Program has turned the writing of such tariff laws over to the Executive Department and the Chief Executive has in turn assigned to the State Department the duty of entering into trade agreements concerning tariffs and import and export quotas. Thus the Congress has surrendered to the Chief Executive and his subordinates a duty that the law places upon the Congress.

Perhaps this was necessary because of ever changing world conditions and the necessity for strengthening the free world against the inroads of communism. And as I say, it may still be necessary that we continue this program.

However, the delegation of this power by the Congress to the Chief Executive should be hedged about by restrictions that will prevent the weakening and eventual destruction of the smaller industries of America. The giant industrial combinations in America now need foreign markets so badly that they all favor free trade. However, to plunge our smaller industries who do not and cannot depend so much on foreign markets into cut-throat competition with low-paid foreign labor, for the benefit of our huge industries such as steel and automobiles is unthinkable.

It is indeed fortunate for the textile industry that the bill was so amended in the other body that the President's power to lower tariffs on textiles was limited to cuts from the basic tariffs that were in effect on January 1 of this year. I say this provision was most fortunate because of the recent trade agreement entered into with Japan lowered drastically and I fear, with serious results to the entire textile industry in this country, tariffs on cotton goods. As a matter of fact, the tariff reductions just negotiated at Geneva in the interest of Japan constitute a staggering blow both to the cotton texile industry and to the cotton growers of the United States.

The range and severity of the tariff cuts are devastating. They hit at 80 percent or more of this country's entire fabric production. The deepest slashes apply to those cloth categories representing the bulk of Japanese output and exports to America.

It is incredible that the State Department could commit this ravishment on one of the Nation's greatest industries, or that the people of the South and New England, where most mills are centered, can tolerate this action.

Having plotted the act in secret proceedings at Geneva, the State Department lacks the courage of honest reporting. For the information of the American people in its official announcement, it states casually:

> Among the concessions granted by the United States were moderate reductions of rates on some carefully selected cotton textile items.

The detailed report shows just how moderate the new rates are, and how carefully selected the items.

Here exactly is what was done to the cotton textile industry as outlined by the American Cotton Manufacturers Institute.

All three major categories of countable cotton cloth, embracing about 80 percent of American production were sharply cut.

In the first category which is tariff paragraph 904 (a), cotton cloth, unbleached, valued at not over 70 cents per pound, the reduction was 27 percent. This is the equivalent of about three-fourths of a cent per yard on the most representative print cloth construction. The industry's average profit on this type of cloth was then than one-half cent per yard in 1954.

In the second category which is tariff paragraph 904 (b) cotton cloth bleached, the major cut is applied to fabrics containing average yarn numbers ranging for thirties to fifties. In this grouping fall all print cloth fabrics as well as many others amounting to over half the industry's production. Here the average cut was 48 percent. On the most representative construction, this would be the equivalent of about 1½ cents per yard.

This is the category of major interest to the Japanese. It contains the bulk of their production and the bulk of their exports to the United States. The tremendous size of the tariff cut is for the purpose of nullifying the rate increases made in 1936 by Presidential proclamation, to protect the industry from the Japanese cotton goods invasion at that time. These increases were wiped out and replaced by reductions equivalent to those made in paragraph 904 (a) making a total cut of 48 percent.

The third category, paragraph 904 (c) received the same treatment. Its most important division was reduced by 48 percent.

In addition to these general categories, sharp reductions were made on very important specific items, several of which are as follows:

Cotton table damask from 30 percent to 17½ percent.

Cotton towels, not pile fabric, from 40 percent to 20 percent.

Table and bureau covers, scarfs, napkins from 30 percent to 15 percent.

Sheets and pillow cases from 20 percent to 12½ percent.

Underwear knit from 45 percent to 30 percent.

Outerwear knit from 35 percent to 25 percent.

Cotton chenille rugs from 40 percent to 20 percent.

Other rugs, not elsewhere specified, from 35 percent to 17½ percent.

Terry woven towels from 40 percent to 20 percent.

Since the Japanese find current rates easy to get over, the negotiated rates simply enable the Japanese to cut their rates further, or to widen their profits, whichever they choose. Under these new schedules, our industry is at the disposal of the Japanese. Successful competition is not possible.

Mr. SCUDDER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCUDDER. Mr. Speaker, I desire to compliment the conference committee on the splendid job they have done in arriving at the provisions now contained in H. R. 1. I was thoroughly in disagreement with the bill as it was presented to the House of Representatives, and voted against the same. The Senate rendered a good service to our country in amending this bill in the interest of the American producers and laboring man. I know the conference committee has worked hard in an effort to hold in the bill the vital amendments that were adopted by the Senate. I feel that the bill in its present form has protective provisions, and that a reasonable administration following out the intent of the legislation, can do much in preventing chaos to some of our highly competitive industries. I feel that great progress will be made by the enactment of this legislation, and I am pleased to give my support to the same. I hope that

the conference report is agreed to and the bill becomes law.

Mr. COOPER. Mr. Speaker, I yield the remaining time to the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Speaker, I would like to join my colleague, the gentleman from Tennessee [Mr. COOPER] in expressing concern over this conference agreement on H. R. 1. I am concerned because, in my judgment, H. R. 1 as agreed to by the conferees will impose upon one man, the President of the United States, the intolerable burden of withstanding protectionist pressures, on the one hand, and, on the other hand, the responsibility of administering the trade agreements program in such a way as to demonstrate America's firm intention to continue to be an economic partner in the free world.

Frankly, I think we might add that with the exception of the amendment No. 29 adopted by the Senate and agreed to with a technical modification by the conference committee, these amendments do not diminish the discretionary powers of the President. In each instance, and with respect to the escape clause amendment particularly, if the President desires and sees fit to disregard the pressures, if he desires and sees fit to disregard the report and recommendation of the Tariff Commission, there will be no reduction in imports, no increase in the tariff duties, no imposition of quotas. But the thinking behind these amendments on the part of those who advocate their adoption, I dare say, is that no person can withstand the pressures that will be created by these amendments. These advocates are hopeful that somewhere along the way the President must succumb to their pressures.

As evidence of my point with respect to the thinking that has motivated these amendments, I call your attention to the fact that, if you will read them, you will notice every one of them is calculated to make information available to somebody who has an ax to grind; somebody who can get to the White House or somebody who is connected with the White House to press a point of view. It is for that reason I state that intolerable burdens will be placed upon the President in the form of pressure to grant protectionist relief based upon these easy findings of injury.

These Senate amendments are entirely inconsistent with any statement that the President has ever made on the subject of foreign economic policy. The President has stated that foreign trade is the most important weapon in the hands of the diplomat in America's efforts to preserve the world from further Communist aggression. Now, how he can live in the position in which the advocates of these amendments have placed him is beyond my understanding.

I certainly share the viewpoint of the distinguished chairman of the Committee on Ways and Means that it is to be hoped that the President will find through the guidance of some Power greater than man, a way to achieve our national objectives of progress and peace, and at the same time placate these people within his own party and within my own party who desire to prevent the importation of any goods into the United States.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Had you accepted my amendment and had the Senate accepted my amendment, which would have kept the hands of the President and the State Department off the Tariff Commission, you would not need to express concern about the President's worry about pressures from economic sources to amend the tariff; you would have put it back where it belongs, in the hands of the Congress and in the hands of the Tariff Commission.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Tennessee.

Mr. COOPER. And the adoption of the amendment of the gentleman from West Virginia would have accomplished his purpose admirably by destroying the trade-agreements program.

Mr. BAILEY. I would like to have the gentleman from Tennessee see what happened to West Virginia's economy.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It is a fact that the bill in its present form in the conference report is not the same bill that the President recommended; is that correct?

Mr. MILLS. The distinguished majority leader is correct. I was coming to that point.

Mr. McCORMACK. And it is a fact that the President surrendered on at least two important amendments?

Mr. MILLS. Well, I think the President surrendered, yes, and I so stated earlier, and I will tell you why I think he surrendered. When this bill, H. R. 1, was considered by the House, as I remember it—and if I am wrong, I will welcome correction—as I remember, my friend from Massachusetts, the very distinguished minority leader, made a very able statement urging the passage of H. R. 1, and he endeavored to assure his colleagues that it was the President's wish that this bill be passed by the House in the form reported by the Committee on Ways and Means. And, he attempted further to assure his colleagues on my left that in the event the bill was passed, industries in the United States would not be injured as a result of the President's administration of the program. I think I have generally stated about what the gentleman from Massachusetts said. Now, if I misquoted him, I yield, of course.

Mr. MARTIN. The gentleman has not misunderstood, but I want to say that in requesting legislation one is obliged at times to yield on some points to secure the legislation.

Mr. MILLS. You can yield in order to obtain legislation, but my concern is whether or not we have yielded a principle in order to get something to which we can give lip service.

Mr. MARTIN. The President of the United States is just as interested as anyone in the protection of industries, and therefore he did not mind giving additional guaranties to do that if the Congress consented to give it to him.

Mr. MILLS. I am sure the President is interested in the trade-agreements program; otherwise you could not believe what he has said on the subject and I certainly believe what he has said.

Mr. MARTIN. Why should the gentleman be concerned, if these industries in the United States have a little more protection? If the President thought they were entitled to it, why should the gentleman worry about that?

Mr. MILLS. I am not concerned about that at all. I want them to have it. I have always said I wanted them to be protected. Some of them have not been protected enough. But I am coming to the point made by the gentleman from Massachusetts [Mr. McCORMACK]. After the bill went to the Senate and before the House conferees even had a chance to meet with the Senate conferees, we were informed in a letter addressed to the chairman of our committee that everything in the Senate bill was acceptable except an amendment offered by the gentleman from Oregon, and that one amendment was not acceptable.

But here is our problem, frankly; and I say this to my friend from Massachusetts, Mr. MARTIN. Here is our problem. We were called upon to do a specific job in the Committee on Ways and Means. We were told that it was contrary to the position of the President and the administration to amend H. R. 1 in any respect. They wanted it just as the Randall Commission had decided it should be. Those of us in this Chamber will recall when we were debating H. R. 1 that we were assured the legislation in the form in which it passed the House had the support of the administration. We were told by the administration that we should not amend H. R. 1. The Senate in its consideration of this legislation adopted 29 amendments and of those amendments, there were several that were protectionist in their tenor. We were then told by the administration that the Senate version of H. R. 1 was better than the House version.

It was the intention of the House conferees in going to conference on H. R. 1 to carefully examine the implications of these Senate amendments. However, before the conferees could even arrange a meeting, the chairman of our committee received the letter from the White House which expressed the administration's approval of all the Senate amendments except for the one amendment, adopted on the floor of the Senate, which offered to America's agriculture an opportunity to apply for escape clause relief in instances where imports were injuring domestic producers. I refer to the Senate amendment to the escape clause which would have permitted the producer of raw materials or component parts of an article to maintain an escape clause action with respect to the importation of the end product.

This letter from the White House, which we must assume expressed the

views of the President of the United States, rendered it virtually impossible for the House conferees to achieve any measure of success in their efforts to restore H. R. 1 to the form in which it passed the House—the form in which the President first stated he wanted the legislation passed.

The House conferees had no opportunity, as a result of the White House letter, as a result of the President's change in position, to obtain any improvement—that is, from our point of view—in the language of the amendments adopted in the Finance Committee.

I do not think, in fairness to a legislative body, that one branch of the Congress ought to be put in the position of having its hands tied.

Mr. MARTIN. I take it, then, that the gentleman, if he had not had the White House letter, about which he is so much concerned, would have made for more free trade than provided in the bill as it came out of the committee.

Mr. MILLS. I would have made it more like the bill which the gentleman from Massachusetts [Mr. MARTIN], endorsed in a long speech on the floor of the House when we were considering it. His views and my views at that time were the same.

Mr. MARTIN. The gentleman is getting away from my question. My question is that the gentleman was concerned because the letter prevented him from making certain changes. My question is, What changes would he have made?

Mr. MILLS. I would have made some changes in amendment 28 and amendment 29, that we could not obtain, very frankly.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As a matter of fact, the letter did not come from the President. It came from Gerald D. Morgan, stating the administration's viewpoint. It was a letter to the chairman of the committee. But the letter itself the President did not sign.

Mr. MILLS. But we must assume that it reflected the President's position at that time.

Mr. McCORMACK. Yes; but at least courtesy called for him to sign it.

Mr. MILLS. I do not want to get into that.

Mr. McCORMACK. I do.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. JENKINS. I wanted to ask the gentleman this question. The gentleman has mentioned communism and his colleague mentioned communism. Is it not true that the word "communism" was not mentioned at any time, in any way, in any shape or form, in our deliberations in the conference committee? At no time was it mentioned.

Mr. MILLS. I do not remember that, but if that is so, it was one of the few conferences where it had not been mentioned.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Tennessee.

Mr. COOPER. The President made frequent references to communism in his message recommending this legislation.

Mr. MILLS. I remember that quite well. If I may proceed, I referred to amendment 28 and amendment 29. I fear, as a result of what we have done in this conference report, we may have destroyed the effectiveness of the very agency of the Government that those who desire protection the most have endeavored to give increased powers. We have created a situation where the Tariff Commission is straitjacketed into having to find injury almost any time there has been an increase in imports and there has been a decline in the domestic industry. That is almost the case. We do not go quite that far. But here the President of the United States is the final arbiter, the man who makes the final decision as to whether or not there shall be relief given to this particular industry that says it is injured. When we tie the hands of the Tariff Commission and make it less likely that the Tariff Commission has gone into all the facts and given all the weight that should be given to all of the various factors pertinent to an escape-clause proceeding, we run the risk of establishing greater differences in the criteria for Tariff Commission findings from the criteria used by the President. We may well ask ourselves, do we create in the President's mind the idea that he can place greater reliance or less reliance upon the Tariff Commission itself?

I think we have worked in reverse, actually, in this conference report. We have not strengthened the position of the Tariff Commission in this matter. We have weakened the position of the Tariff Commission in the final analysis in the weight its findings will have upon the President of the United States.

The President in many cases in the past has looked beyond the Tariff Commission to some other agency of Government. He has had reasons submitted to him why the relief suggested by the Tariff Commission should not be granted. In those instances he has seen fit to go along with some agency of Government other than the Tariff Commission. We are placing him in a position of doing that in the future more often than heretofore. Therefore, we are making the Tariff Commission less effective and perhaps weakening the escape-clause procedure.

While the members of the House of Representatives may disagree as to the level of protection that is necessary for America's industry, I believe we all agree that it is essential that America's foreign economic policy contain continuity and stability. These characteristics of continuity and stability are necessary not only from the standpoint of our domestic industry, agriculture and labor but they are also important from the standpoint of those countries who are our allies and economic partners.

Because of the need for continuity and stability in our foreign economic policy, I have been greatly disturbed by the posture assumed by the administration with respect to H. R. 1.

The President of the United States has repeatedly gone on record stating the vital need for an expanded level of foreign trade. In his message to the Congress of April 7, 1953, on the extension of the Reciprocal Trade Agreements Act, the President said:

> Our trade policy is only one part, although a vital part, of a larger problem. This problem embraces the need to develop, through cooperative action among the free nations, a strong and self-supporting economic system capable of providing both the military strength to deter aggression and the rising productivity that can improve living standards.

Following that message to Congress, the President accepted a 1-year extension of the trade agreements authority and the establishment of a Commission on Foreign Economic Policy.

On March 30, 1954, in a message to the Congress setting forth his views with respect to the foreign economic policy of the United States, the President said:

> The national interest in the field of foreign economic policy is clear. It is to obtain, in a manner that is consistent with our national security and profitable and equitable for all, the highest possible level of trade and the most efficient use of capital and resources. That this would also strengthen our military allies adds urgency. Their strength is of critical importance to the security of our country.

Again the President gratefully settled for a 1-year extension of the trade-agreements authority.

After obtaining two 1-year extensions of the trade-agreements authority, early in this Congress the President sent another message to the Congress of January 10, 1955, which was captioned "Further Developing the Foreign Economic Policy of the United States." In that message the President stated as follows:

> The Nation's enlightened self-interest and sense of responsibility as a leader among the free nations require a foreign economic program that will stimulate economic growth in the free world through enlarging opportunities for the fuller operation of the forces of free enterprise and competitive markets. * * * Mutually advantageous trade relationships are not only profitable, but they are also more binding and more enduring than costly grants and other forms of aid.

Against that background of Presidential platitudes and inaction on the part of the 83d Congress, the present Congress undertook to give effect to a liberalization of our reciprocal-trade program.

The House of Representatives passed H. R. 1 in a form which proffered increased jobs and markets to America's labor, industry, and agriculture through expanded international trade. Perhaps even more important is the fact that the House-passed version of H. R. 1 would give to our free-world allies assurance that America was not attempting to pursue a policy of economic isolationism while at the same time seeking the support of the other free nations in the stand against communism.

The House took this action with the express blessings of the President of the United States.

But apparently the Senate protectionist amendments were also adopted with the approval of the President.

The Senate amendment in H. R. 1 to the escape-clause provision of the trade-agreements law would have inevitably resulted in a greatly increased number of escape-clause recommendations by the Tariff Commission. This amendment would have made the escape clause available in instances where the contribution of increased imports to the difficulties of a domestic industry were not a significant cause of such difficulties. The House conferees secured a change in this amendment which I believe will help, to some extent, to avoid unwarranted use of the escape-clause procedures. This change will require that the increased imports must have a causal relationship to the serious injury sustained by the domestic industry. This is not as much of a change as I would have desired, because I still feel that there will be an increased number of Tariff Commission recommendations going to the President.

Similarly, the general commodity amendment adopted by the Senate which requires the President to take such action as he deems necessary to adjust imports where he finds that an article is being imported in such quantities as to threaten to impair the national security will place additional burdens on the President of determining whether or not to grant a domestic industry increased tariff protection.

It is my view that the President must very carefully administer these provisions to make certain that our trade-agreements program is operated in a manner that is consistent with America's foreign policy. He must carefully examine recommendations for increased tariff protection to make certain that the facts in the case warrant the recommended protection and that such action is in the national interest. The President must administer the trade-agreements program to provide for the development and growth of our domestic economy while at the same time strengthen our relations with the free world.

In spite of the concern I have with respect to the conference report, I assure the Members of the House that this is the best conference report your conferees were able to obtain, and this is the best we could have obtained had we stayed in conference until Christmas of this year. I urge the adoption of the conference report.

Mr. SPRINGER. Mr. Speaker, throughout the debate on this conference report there has been an attempt by several Members to make it appear that the President is not for reciprocal trade.

Among those most prominent have been the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK], and my good friends, the gentleman from Tennessee [Mr. COOPER], and the gentleman from Arkansas [Mr. MILLS]. The latter two will recall that I have always supported the Reciprocal Trade Agreements Act when it has been up for extension. I believe I was the only Member of the House to testify before the Ways and Means Committee for H. R. 1, without amendment. Those two gentlemen will recall my words at the time I testified for the bill and stated that I believe it should be passed unamended.

My views on this subject were the same as those of the gentleman from Tennessee and the gentleman from Arkansas, as well as the President of the United States. I do not believe that any of the four of us have altered our viewpoint on the desirability of H. R. 1 as it was originally introduced.

May I recall to the Members of the House that the President had no part in the making of this legislation. When this bill reached the Senate it was impossible to have passed H. R. 1 as it left the House and went to the other body. When this impasse was reached, it was necessary for the President to determine whether or not he could or should accept certain modifications that were imperative to be made in the other body if a bill was to be passed there. The President reluctantly came to the conclusion that if the Trade Agreements Extension Act of 1955 was to be passed he would have to be willing to accept some modification of H. R. 1 as originally written.

I am sure the President did not want to accept those amendments. I did not want to accept some of them. I am sure that the distinguished chairman of this committee, the gentleman from Tennessee, nor the gentleman from Arkansas wanted to accept those amendments. However, we are faced today with the practical problem of either extending the act or allowing it to expire.

I, for one, believe that the bill should be passed, even though it may not be exactly to my liking. In view of the excellent record which the President has made in the past in standing for reciprocal trade, I certainly do not believe it now well for Members to belabor the President because he cannot get exactly the bill he wants, when this bill, in its overall aspect, is meritorious. I believe the President has taken the only honorable course he could take under the circumstances and should be commended for what he has already done and is attempting to do now in getting the Reciprocal Trade Agreement Act extended during this session.

Mr. HENDERSON. Mr. Speaker, this report of the conference committee on H. R. 1 appears to offer relief to certain industries who can establish a case of great injury. If the report is adopted, I hope that such safeguards do actually bring the promised relief. However, many of the industries in the 15th District of Ohio may be seriously injured by the lowering of trade restrictions as the main provisions of the bill provided, and would saddle those industries with the necessity of seeking a remedy which may not work in their behalf. Rather than place the pottery, glass, tile, coal, and oil industries of southeastern Ohio in a position of greater peril from which they must seek to rescue themselves by employing untried safeguards, I would prefer to take a position in opposition to the entire measure.

Mr. KELLEY of Pennsylvania. Mr. Speaker, reciprocal trade has been a splendid idea, and I have supported it in the past. After unsuccessful efforts to have it provide some relief for the coal industry, I am compelled to vote against it.

The purpose of reciprocal trade should not be to permit severe injury to an industry employing many thousands of people. Today we had a vote on the conference report, and I can find, again, that no provision has been made that would protect the industry from the heavy imports of residual oil from Venezuela. The importation of this product has done great damage to the coal industry, and, under this act, it can continue to do so. While some proponents of this measure will point out the industry has means of relief, we find that it is so vague that there is no hope.

In view of that fact and knowing that many hundreds of people in my congressional district are unemployed due to the conditions of the industry, I could not support it.

Mr. FLOOD. Mr. Speaker, in further consideration at this time of the conference report before the House today to accompany H. R. 1, much to my regret I find it necessary for me in all conscience to vote against this conference report which has to do with the Trade Agreements Extension Act of 1955.

Mr. Speaker, when H. R. 1 was before the House for its original consideration in this session, I engaged actively in the debate and used every means possible to have in some way an assurance given to me by the committee and by the House, that the existing quotas on the importation of residual oil, particularly from Venezuela, would be reduced to some degree to give badly needed protection to the coal industry of the United States. My plea before the House went unheeded; and the present dumping of residual oil in this country strikes at the very heart of America's great, basic fuel potential, which is coal.

From the very beginning my colleagues associated with me in my endeavor to lower the residual oil import quotas felt that we would obtain some consideration in the reduction of these quotas. I even go so far as to say, Mr. Speaker, that I feel strongly and keenly that certain assurances given to me on this problem were not lived up to.

I have never before, from the very beginning of House consideration on these reciprocal trade bills, when a Member of the House, failed to support this kind of legislation; and my first vote against this kind of legislation was when H. R. 1 was originally before the House. I had hoped against hope and said so on the floor—and said so to Members of the Senate—and said so to members of the House Ways and Means in conference with the Senate on this bill, that something would be done in the Senate and/or in the conference which would permit me to vote for a conference report on this legislation so important to the general welfare. It is unnecessary to point out to me after my years of support for reciprocal trade the national and international significance of this law. When I first came to this House in 1944, Mr. Speaker, I was a member of the Foreign Affairs Committee of this House and spoke and fought on the floor and in the committee for this

legislation; and I did the same in every session ever since.

Mr. Speaker, every Member of this House knows that I have dedicated myself to the betterment of the desperate economic conditions which exist in the coalfields of this Nation, and particularly am I concerned with the anthracite coalfields of northeastern Pennsylvania. This House has graciously listened to me for years, begging and pleading for help for the coalfields, the coal industry, the mineworkers, and the general economy of our area. Except for a few puns, these pleas have gone unheeded; and for reasons unknown to me and to my people, the Federal Government has turned a deaf ear and we have been abandoned to our own resources and survive only because of the courage and determination of our people to survive.

And so it is, Mr. Speaker, today, faced with all of these things, did I decide to vote no on this conference report, because this Congress once again in this bill has refused even to give us in the coalfields a widow's mite. The Congress in this bill and even in this conference report has once again dashed our hopes, and there is nothing in the language of the bill or the report which can be tortured into a promise of aid to the coal industry in the form of a reduction in the quota of imports of residual oils.

Mr. BAILEY. Mr. Speaker, I find myself in complete disagreement with the gentleman from Tennessee, the chairman of the Ways and Means Committee in his evaluation of the Senate amendments to H. R. 1. In my judgment these amendments are defective indeed, but for exactly the opposite reason advanced by the chairman of the Ways and Means Committee.

He is alarmed at the prospect of our industry and agriculture and the workers employed by them obtaining protection against import competition too easily. I may say that I have had experience with the escape clause and its present administration, and can assure you that there is nothing easy about obtaining relief under it.

It is precisely because under the present system the escape clause has not functioned that a change in its administration has become necessary. If its presence on the statute books is not to be an insult to the intelligence of all who have reason to have recourse to the Tariff Commission for a remedy against unfair import competition, the administration of this clause must be greatly improved.

As it stands, less than 10 percent of the cases result in a remedy. Over 50 cases have come before the Tariff Commission since 1951 when the escape clause was first enacted into law. In only 5 cases, 3 of them very minor, has relief been granted. Altogether the Commission recommended restoration of the duty or imposition of an import quota in 15 cases.

What happened to 10 of the 15?

The President rejected the Tariff Commission recommendations. That is why the batting average across the board has been so low, that is, less than 10 percent. This is a travesty on administration. Congress must be regarded very lightly, indeed, if its laws are to be given less than 10-percent enforcement. Is our judgment so poor that the President must overrule the agency that administers our law in 2 cases out of 3?

Yet that is the record.

The question arises whether we mean to legislate when we legislate.

Two amendments adopted by the Senate would improve the escape clause so far as Tariff Commission administration is concerned:

First. The term "industry" is redefined to prevent nullification of the law if imports strike a particular product on which the tariff has been reduced. The workers who are displaced by imports of a given product or layed off suffer injury even if the industry making the product may also manufacture other articles, some of them unrelated. The remedy provided by law should obviously be aimed at removing the injury caused by a tariff reduction. While some larger companies may recoup their losses through profits from other products, this does not help either the workers or the smaller companies that have all or many of their eggs in one basket.

The Senate amendment makes the remedy available where it is necessary and not only if the larger companies in an industry need it. We hear much talk about small business. This amendment does something about it in this particular field.

Second. The other escape-clause amendment adopted by the Senate makes it clear that the economic difficulty in which an industry finds itself need not be attributable solely to import competition.

This also represents an improvement in the law. An industry that is in trouble economically may suffer from several sources. Import competition may then greatly aggravate the situation. If a remedy could not be applied merely because there were other causes of injury than imports the industry would be deprived of important weapons in working its way out of difficulty. Import competition might become the very stumbling block preventing success.

While these amendments represent definite improvements in the law, they fall short for one principal reason: The final decision in a Tariff Commission recommendation is left in the White House. This can only mean that the State Department will continue to exercise its veto power over the intent of Congress as expressed in tariff legislation.

The Reed recommittal motion failed in this body by a vote of 206 to 199 or by a margin of only 7 votes. Had the motion been sustained the findings of fact of the Tariff Commission would have been final, as they should be. Judicial review alone should be depended upon to determine whether the Commission's factual information has provided sufficient evidence to support the Commission's recommendations. The Chief Executive should not perform judicial functions.

Under the Senate amendment this undesirable practice is not corrected. This must be done if the administration of the escape clause is to be placed on a proper legal basis. The Executive has been playing fast and loose with the Tariff Commission, in some instances expressing a total lack of confidence in its findings. This is not only not justified, but is an invasion of the legislative function.

I would also like to make some observations at this point about the conference report accompanying H. R. 1.

I see no calculable improvement in the amendments that would assure relief to our domestic industries essential to the national security suffering from injurious import competition.

Section 7 (B) provides that industries may have recourse through the Office of Defense Mobilization if national security is involved.

Let us take a look at this procedure.

If, for example, the Director of the Office of Defense Mobilization has reason to believe that residual oil is being imported into the United States in such quantities as to threaten to impair the national security he shall so advise the President. Nothing is set forth about the standards or elements the Director is to use in order to reach a conclusion. The amendment does not stipulate.

But let us assume that on the broad and vague basis provided by the bill, he finds reasons to believe that the national security is imperiled, he duly advises the President. Then we have the next step. If the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made to determine the facts. Who then would make the investigation? The amendment does not specify.

If we assume that a qualified agency would make an investigation and should find the existence of facts that would warrant a remedy: Would the recommendations in view of factual evidence be mandatory on the President? No. The President could take such action as he deems necessary, despite factual evidence. Nor does the amendment specify any time limit in which the President is to make a decision.

In the last analysis the final decision is left entirely to the discretion of the Executive, and Congress, regardless of any justified pleas, can again be completely ignored.

To sum up: The escape-clause amendments adopted by the Senate will improve Tariff Commission administration but still leave the final decision to the White House. Only time will tell whether the President will heed the warning contained in this bill. If he does not do so, Congress will know how to legislate on this subject next year.

Mr. DORN of South Carolina. Mr. Speaker, President Eisenhower sometime ago said that a bridge of good will to foreign lands could be built on reciprocal trade. In the terms of the trade agreement with Japan by the United States through GATT and this reciprocal trade bill today, this administration apparently intends to build a bridge to foreign lands over the bodies of the textile workers and cotton farmers of America.

I voted against reciprocal trade last year. I voted against this bill in the House this year and will vote against this conference report. I cannot with

good conscience let this opportunity pass without telling you that reciprocal trade as administered can destroy the textile industry of the United States. The first ones to suffer will be the textile employees, coal miners, glassworkers, chemical workers, and many other people throughout the Nation. I thought the idea behind reciprocal trade was that America would sell surplus goods, farm and industrial, to nations with surplus goods in different categories. No one has insisted that Brazil import raw coffee or that Japan should import silk or that Costa Rica and Honduras should import bananas. That would be absurd. I maintain, Mr. Speaker, that it is just as ridiculous for the United States under any trade agreement to have to import textile goods. We are the world's greatest producers of textiles and textile byproducts. We should be exporting these goods to the far corners of the world. We, in turn, could import rubber, coffee, cocoa, aluminum, and many other commodities that our people need.

The recent agreement by GATT lowering our tariff duty on Japanese cotton textile goods is a classic example of how reciprocal trade is being administered by the internationalists and one-world dreamers.

For the first time since the years before the War Between the States, the Southeast is emerging into a period of prosperity, due principally to our great textile industry. Now, for the first time, our workers have adequate food, clothing, and beautiful homes. It passes strange to me that at this very moment, our Government would enter into agreements that might well destroy this prosperity and our standard of living. The State of West Virginia is in a depression today, due to the administration of reciprocal trade. Pennsylvania is in a slump and I predict to you today that under the terms of this bill and the recent agreements, South Carolina, Georgia, North Carolina, and Massachusetts will be next. When our textile industry is visited with unemployment and curtailment, then the cotton farmers throughout the Nation will likewise suffer.

I firmly believe that this is part of a policy advocated in the State Department which will lead to one-world currency, a sharing of America's wealth and an exodus of mills and industries to foreign lands to take advantage of slave labor. The internationalists hope to develop India, Indonesia, Japan, and other countries at the expense of America under the pretense of stopping communism. The same group, when this policy is finally adopted, and even before, will immediately clamor for trade with Red China and Red Russia. It will be the old story again of "scrap iron to Japan." We will sacrifice our domestic industries on the altar of international trade and indirectly build up the economies of the godless Soviet Union and the ruthless Red war lords of China.

If we really want to fight communism today, then our first duty should be to protect our American industries. Keep America strong as America is the foundation stone of freedom everywhere and the heart and core of the free world. If America becomes weak and our people unemployed, then Japan, England, France, and all of our so-called allies will be weakened.

I predict that after these reciprocal-trade agreements become fully effective, there will be a clamor for trade with the Communists and this will be agreed to and then there will be tremendous pressure for admission of Red China to the United Nations. I am unalterably, violently opposed to this conference report and this entire bill because it is a fraud on the American people in the name of reciprocal trade.

Mr. FLYNT. Mr. Speaker, I rise in opposition to the acceptance of the conference report on H. R. 1. In the face of what has recently taken place in secret negotiations at Geneva in the General Agreement on Tariffs and Trades, I feel compelled to vote no as a protest against the sellout of American employees and American industry.

It is perhaps unknown to a great many members of this body, but existing tariffs on towels, cotton sheeting, gray goods and many other forms of cotton textiles have already been cut in half as a generous gesture toward the Empire of Japan.

The recent tariff negotiations and reductions at Geneva in the interest of Japan constitute a staggering blow both to the cotton textile industry and to the cotton growers of the United States.

The extent of the effects of these reductions and negotiations cannot be fully determined at this time; but we do know that the range and severity of the tariff cuts are devastating. They hit at 80 percent or more of this country's entire fabric production. The deepest slashes apply to those cloth categories representing the bulk of Japanese output and exports to America.

It is incredible that the State Department could commit this ravishment on one of the Nation's greatest industries, or that the people of the South and New England, where most mills are centered, can tolerate this action.

The conference at Geneva which took place under the name and style of GATT, which incidentally may become as infamous a name as Benedict Arnold, was conducted in secret as all too many international agreements are conducted in secret.

Having plotted the act in secret proceedings at Geneva, the State Department lacks the courage of honest reporting. For the information of the American people in its official announcement, it states casually:

> Among the concessions granted by the United States were moderate reductions of rates on some carefully selected cotton textile items.

If the reductions and concessions which were made can be described as moderate, then we might as well say that the H-bomb can be compared with a Chinese firecracker.

The detailed report shows just how moderate the new rates are, and how carefully selected the items. On unfinished cotton cloth the rates were reduced 27 percent, notwithstanding previous textile tariff cuts during the course of the reciprocal trade program. On bleached, dyed, and printed goods, the cuts averaged much deeper and may go on as high as 50 percent. It is possible that when all the facts are known that we in this country will find that 80 percent of the cotton textile items are among those on which the tariff rates will be reduced from 27 to 50 percent.

As for fabrics having average yarn numbers ranging from 30's to 50's, the reductions are in excess of 48 percent. This range of goods contains the very heart of American cotton textile production, such as print cloths, broadcloths, poplins, oxfords, twills, and similar fabrics.

From this range of goods is drawn 75 to 80 percent of the cotton fabrics worn by the American people. This vital segment of the industry, already sorely taxed by Japanese competition, is now forced to take tariff cuts which are the equivalent of as much as three-fourths to 1½ cents per yard. Translated into prices, they would represent more than the current profit margin of the industry from the production of standard goods.

For the Japanese who already have a profit on their exports to the United States, these reduced tariff rates merely represent a heavy addition to profit, and set up the incentive to monopolize the American markets.

The people of the United States are now consuming practically 100 percent American cotton. Japanese textiles are two-thirds foreign cotton from India, Brazil, and other countries. The State Department has set the stage for the displacement of American cotton by foreign cotton and the elimination of the last great customer of the American cotton farmer.

This entire agreement strikes at the very heart and vitals not only of the textile industry but of the cotton-growing segment of American agriculture. It may inflict damage upon the cotton farmer, the cotton manufacturer, the cotton processor and the textile employee from which recovery may not be had during the lifetime of any of us assembled here.

During the debate on H. R. 1 in this House, I stated then and I reiterate now that I for one want to do all that is reasonable and all that is right and all that is just to rehabilitate our former enemy, Japan, but I am not willing to do so by sacrificing American men and women who are employed in the textile industry or any other industry in this country.

During the debate on H. R. 1 when it was passed by this House earlier this year the advocates of free trade cited Commerce Department figures which minimized the extent of Japanese textile imports into this country. These figures were presumably prepared by the Commerce Department. This same Department now admits that the earlier figures and other figures which were submitted to the Randall Commission and quoted by the advocates of H. R. 1, were grossly understated and that some Japanese textile imports for the most recent reporting period were as much as 10 times greater than the figures they showed and reported.

Mr. Speaker, I feel that the time has come for us to give more consideration to people at home and to the principles of Americanism than to grabbing hold of moonbeams and fantastic ideas that we can or should support the rest of the world at the sacrifice of ourselves and our fellow Americans.

It is highly possible that a great many of my colleagues who voted with me in opposition to H. R. 1 when it was before this House in January may see fit to approve and to vote for the conference report as submitted. With them I have no quarrel because I know they are voting their convictions just as I am voting mine, but I think that we should stop and consider the far reaching effects of this entire bill both as it was in its original form and as it is now. The mere fact that the sting of the viper may be less venomous than the bite of an asp, it is none the less fatal and destructive.

So it is with this modified and amended H. R. 1. It can conceivably strike at the life's blood of the employment of many men and women who are now gainfully employed in the industry which they know best—not only the textile industry with which I am most familiar, but also with coal, glass, chemicals and certain metal products. It can mean that Americans who today enjoy a comfortable and high standard of living will be reduced to places on relief rolls or subjected to wage reductions and short time simply to satisfy the advocates of certain international agreements on tariffs and trade.

While it is true that the present form of H. R. 1 may not be as bad as it was before and it may not have the devastating effects which we dread and which we fear, at the same time I cannot by my vote or by my action give even tacit approval to a bill which may bring about great unemployment in the area in which I live and in the district which sent me to Congress and in many other parts of the Nation as well. I, therefore, Mr. Speaker, must and will vote no on the motion to agree to the conference report.

Mr. COOPER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. COOPER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 347, nays 54, not voting 33, as follows:

[Roll No. 83]

YEAS—347

Abbitt	Baker	Bowler
Abernethy	Baldwin	Boykin
Addonizio	Barden	Boyle
Albert	Barrett	Brooks, La.
Alexander	Bass, N. H.	Brooks, Tex.
Alger	Bass, Tenn.	Brown, Ga.
Allen, Calif.	Bates	Brownson
Allen, Ill.	Beamer	Broyhill
Andersen, H. Carl	Becker	Buchanan
	Belcher	Buckley
Andresen, August H.	Bell	Burdick
	Bennett, Fla.	Burleson
Andrews	Berry	Bush
Anfuso	Blatnik	Byrne, Pa.
Arends	Blitch	Byrnes, Wis.
Ashley	Boggs	Cannon
Ashmore	Boland	Carlyle
Aspinall	Bolton, Frances P.	Carnahan
Auchincloss		Carrigg
Avery	Bonner	Cederberg
Ayres	Bosch	Celler
Chase	Holtzman	Quigley
Chelf	Horan	Rabaut
Chenoweth	Hosmer	Radwan
Christopher	Huddleston	Rains
Chudoff	Hull	Ray
Church	Hyde	Reece, Tenn.
Clark	Ikard	Reed, Ill.
Cole	Jackson	Rees, Kans.
Cooper	Jarman	Reuss
Corbett	Jenkins	Rhodes, Ariz.
Coudert	Jennings	Rhodes, Pa.
Cramer	Jensen	Riehlman
Cretella	Johnson, Calif.	Riley
Crumpacker	Johnson, Wis.	Rivers
Cunningham	Jonas	Roberts
Curtis, Mo.	Jones, Ala.	Robeson, Va.
Dague	Jones, Mo.	Robsion, Ky.
Davidson	Jones, N. C.	Rodino
Davis, Ga.	Judd	Rogers, Colo.
Davis, Tenn.	Karsten	Rogers, Fla.
Davis, Wis.	Kean	Rogers, Tex.
Dawson, Ill.	Kearns	Rooney
Dawson, Utah	Keating	Roosevelt
Deane	Kelly, N. Y.	Rutherford
Delaney	Kilburn	Sadlak
Dempsey	Kilday	St. George
Denton	Kilgore	Schenck
Derounian	King, Calif.	Schwengel
Devereux	Kirwan	Scott
Dies	Klein	Scrivner
Diggs	Kluczynski	Scudder
Dixon	Knutson	Seely-Brown
Dodd	Krueger	Selden
Dollinger	Laird	Sheehan
Dolliver	Landrum	Shelley
Dondero	Lanham	Sheppard
Donohue	Lankford	Shuford
Donovan	Latham	Sieminski
Dorn, N. Y.	LeCompte	Sikes
Dowdy	Lesinski	Simpson, Ill.
Doyle	Lipscomb	Simpson, Pa.
Durham	Long	Sisk
Edmondson	Lovre	Smith, Miss.
Ellsworth	McConnell	Smith, Va.
Engle	McCormack	Spence
Evins	McCulloch	Springer
Fallon	McDonough	Steed
Fascell	McDowell	Sullivan
Feighan	McMillan	Taber
Fernandez	Macdonald	Talle
Fine	Machrowicz	Taylor
Fino	Mack, Ill.	Teague, Calif.
Fisher	Mack, Wash.	Teague, Tex.
Fjare	Madden	Thomas
Fogarty	Magnuson	Thompson, La.
Forand	Mahon	Thompson, Mich.
Ford	Mailliard	
Forrester	Marshall	Thompson, N. J.
Fountain	Martin	Thompson, Tex.
Frelinghuysen	Matthews	Thomson, Wyo.
Friedel	Meader	Thornberry
Fulton	Merrow	Tollefson
Gamble	Metcalf	Trimble
Garmatz	Miller, Md.	Tuck
Gary	Miller, Nebr.	Tumulty
Gathings	Miller, N. Y.	Udall
George	Mills	Vanik
Gordon	Minshall	Velde
Granahan	Morano	Vinson
Grant	Morrison	Vorys
Green, Oreg.	Moss	Vursell
Gregory	Multer	Wainwright
Griffiths	Murray, Ill.	Walter
Gwinn	Murray, Tenn.	Watts
Hagen	Natcher	Weaver
Hale	Norblad	Westland
Haley	O'Brien, Ill.	Wharton
Halleck	O'Brien, N. Y.	Whitten
Harden	O'Hara, Ill.	Wickersham
Hardy	O'Hara, Minn.	Widnall
Harris	O'Neill	Wier
Harrison, Nebr.	Osmers	Wigglesworth
Harrison, Va.	Ostertag	Williams, Miss.
Harvey	Passman	Williams, N. J.
Hays, Ark.	Patman	Willis
Hayworth	Pelly	Wilson, Calif.
Hébert	Pfost	Wilson, Ind.
Herlong	Phillips	Winstead
Hess	Pilcher	Withrow
Hiestand	Pillion	Wolcott
Hill	Poage	Wright
Hoeven	Poff	Yates
Hoffman, Ill.	Powell	Young
Holifield	Preston	Younger
Holmes	Price	Zablocki
Holt	Prouty	Zelenko

NAYS—54

Adair	Budge	Flynt
Bailey	Burnside	Gavin
Bennett, Mich.	Byrd	Gentry
Betts	Clevenger	Gray
Bolling	Coon	Gross
Bow	Dorn, S. C.	Hand
Bray	Fenton	Hays, Ohio
Brown, Ohio	Flood	Henderson
Hoffman, Mich.	Mollohan	Scherer
Johansen	Morgan	Short
Kearney	Nelson	Siler
Kee	Nicholson	Smith, Kans.
Kelley, Pa.	O'Konski	Smith, Wis.
Knox	Patterson	Staggers
Lane	Perkins	Utt
McGregor	Philbin	Van Pelt
McIntire	Rogers, Mass.	Van Zandt
Mason	Saylor	Williams, N. Y.

NOT VOTING—33

Baumhart	Elliott	McVey
Bentley	Frazier	Miller, Calif.
Bolton, Oliver P.	Green, Pa.	Moulder
	Gubser	Mumma
Canfield	Heselton	Norrell
Chatham	Hillings	Polk
Chiperfield	Hinshaw	Priest
Colmer	Hope	Reed, N. Y.
Cooley	James	Richards
Curtis, Mass.	Keogh	Wolverton
Dingell	King, Pa.	
Eberharter	McCarthy	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh for, with Mr. Baumhart against.

Mr. Bentley for, with Mr. Wolverton against.

Until further notice:

Mr. Polk with Mr. Heselton.

Mr. Elliott with Mr. James.

Mr. Eberharter with Mr. McVey.

Mr. McCarthy with Mr. Canfield.

Mr. Miller of California with Mr. Chiperfield.

Mr. Moulder with Mr. Curtis of Massachusetts.

Mr. Chatham with Mr. Gubser.

Mr. Dingell with Mr. Hillings.

Mr. Frazier with Mr. Hinshaw.

Mr. Priest with Mr. Reed of New York.

Mr. Green of Pennsylvania with Mr. Mumma.

Mr. Colmer with Mr. King of Pennsylvania.

Mr. Cooley with Mr. Oliver P. Bolton.

Mr. Richards with Mr. Hope.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 37. Concurrent resolution requesting the President to return to the Senate the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls, and providing for a change in the reenrollment of said joint resolution.

REAFFIRMING THE DESIRE OF THE AMERICAN PEOPLE FOR PEACE

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Con. Res. 157) reaffirming the desire of the American people for peace.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress reaffirms the deep desire of the people of the United States for an honorable and lasting peace, and expresses the hope that the people of all the nations of the world join with the

people of the United States in a renewed effort for peace.

SEC. 2. The President is requested to convey an expression of such reaffirmation and such hope to the representatives of the nations gathered in San Francisco to commemorate the 10th anniversay of the founding of the United Nations.

The resolution was agreed to, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD on House Concurrent Resolution 157.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mr. HENDERSON. Mr. Speaker, House Concurrent Resolution 157, which the Honorable FRANCES P. BOLTON has introduced and called up for immediate consideration, is one which should have the support of every Member of Congress. It is an expression of fervent hope for peace by the greatest legislative body in modern civilization. Not only is it an expression of hope for peace, but it is also a statement that this legislative body is dedicated to peaceful purposes, determined to legislation in the interest of peace, and that in its further deliberations and actions, the prevailing question will ever be, Will this particular policy or legislative measure help to further the interests of peace?

Our dangers are real enough and the world is close enough to a fighting war that we must often subordinate political and personal views and theories for the salvation of America.

BURLEY TOBACCO MARKETING CONTROLS

Mr. ABBITT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. Con. Res. 37) requesting the President to return to the Senate the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls, and providing for a change in the reenrollment of said joint resolution.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN. Mr. Speaker, reserving the right to object, and I am not going to object, I understand this has been approved unanimously by the Committee on Agriculture and all concerned.

Mr. ABBITT. That is right.

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls; that if and when returned the action of the Speaker of the House of Representatives and the President pro tempore of the Senate in signing the said joint resolution be, and the same is hereby, rescinded; and that the Secretary of the Senate be, and he is hereby, authorized and directed to reenroll the said joint resolution with the following change, namely: In lieu of the date "July 1, 1955" insert "November 1, 1955."

The resolution was agreed to, and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. MACDONALD asked and was given permission to address the House today for 30 minutes, following any special orders heretofore entered, and to revise and extend his remarks and include extraneous matter.

SPECIAL ORDER GRANTED

Mr. MACK of Illinois asked and was given permission to address the House today for 15 minutes, following the legislative program and any special orders heretofore entered.

MINIMUM WAGE LEGISLATION

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, on Thursday, June 2, 1955, I appeared before the House Education and Labor Committee in support of legislation to increase the minimum wage to $1.25 per hour with the broadest kind of coverage.

I did not appear before the committee as an expert economist but as the representative of a community which is predominantly one of workers in industry. Although most of these workers are not affected by the proposed minimum wage legislation, I was astonished by the great numbers of workers in my district who would be helped. Our last increase of the minimum wage took place in 1949. If 75 cents per hour was determined by the Congress as a reasonable minimum wage in 1949, certainly $1.25 per hour is a reasonable minimum wage today. The increase in the cost of living demands this increase.

During the course of committee discussion, the question was raised as to how it was determined that $1.25 per hour would be a fair and reasonable minimum wage. And the question was further raised as to what formula was used in determining this amount of increase. It seems to me that a fair and reasonable formula would be based upon that hourly wage which would produce a weekly minimum sufficient to provide for a normal family of four under the minimum conditions of decency in which we can permit Americans to live. An hourly wage of $1.25 per hour would produce a gross wage of $50 for a 40-hour week and a take-home pay after tax and deductions of approximately $37. In my opinion, there is no place in America, north or south, east or west, where a family could exist at a decent standard of living with less than $37 per week.

The need for increasing the minimum wage is not only an economic question. There is a vital question of morality involved. Americans cannot permit their fellow citizens to live under inhumane conditions. Goods produced under conditions in which the worker does not earn a sufficient income to decently provide for his family are better not produced at all.

The minimum-wage law is in effect a code of fair play between the States which provides that the States shall not compete against each other on the basis of indecent wage levels. We in America must avoid destruction by sectionalism. It is tragic to see one part of America competing with another when the competition between regions is not in the quality of the product—but in the differential which may exist in labor costs. It is competition at the expense of the living standards of the workers and it thereby becomes unfair. Production regions in America should compete on the availability of resources, utility facilities, skills, and markets, but never on the basis of cheap labor forces. This kind of labor competition could sap the strength of the country.

To point up the unfair effect of regional competition, permit me to call attention to a recent situation in which a plant in my district lost its Postal Department contract of long years standing to build mailboxes. A southern company underbid the Cleveland company in the sum of 15 cents per box. The underbidding company pays an average wage of $1 per hour while the Cleveland company pays an average wage of $1.90 per hour. With 6½ hours required in the construction of each box, the Cleveland company paid a total labor cost of $12.35 for the construction of each mailbox while the southern underbidding company pays a labor cost of $6.50 or $5.85 less per item. So that while the Government has saved 15 cents per mailbox, the economy has lost $5.85 per mailbox in purchasing power and living standards for each mailbox produced. This kind of competition is not good for America.

An increased minimum wage is essential to stable family life. Today, in addition to the employed heads of families, there are millions of working wives and other family workers. These additional workers have left their vital home responsibilities in order to supplement the family budget. Their loss to the home is irreparable in the costly development of juvenile delinquency and family delinquency. These working mothers would prefer to dedicate their efforts to family care instead of supplementing family income by their necessary employment. However, the increased costs of living demand their employment. A minimum-wage increase to $1.25 per hour would increase the income productivity of the head of the family and thereby permit the return of millions of working wives and mothers to their families and their vital household responsibilities. Their

places in industry would be thus opened to the increasing numbers of our expanding working force.

There is concern about the inflationary effect of an increase in the minimum wage. The increase would hardly be noticed in our growing economy. The principal effect of $1.25 per hour minimum wage would be to lift the workers at the lowest income-productivity levels to a more dignified plateau. The cost of an increased minimum wage would be more than offset by the savings in the high cost of community social services to this group. But an equally important gain would be achieved in reducing the tension of regional competition between areas of production. An increased minimum wage is, in effect, a code of fair play between the several States for the benefit of the marginal worker.

IN TRIBUTE TO ROBERT M. LA FOLLETTE, SR.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, today marks the 100th anniversary of the birth of a great American citizen, Robert M. La Follette, Sr. It is a wonderful coincident that National Flag Day falls on the day of the birth of this great American. Incidentally it was in the month of June—June 18, 1925, to be exact—that "Fighting Bob" died. He was a Member of the United States Senate at the time of his death.

In the three decades that have elapsed since his death students of history have had an opportunity to assay the value and worth of Robert M. La Follette's services to Wisconsin and the Nation. Time and factual research have erased some of the malicious untruths spread about him during his lifetime. As truth emerges from the slime of politically inspired malice the star of "Fighting Bob" shines brighter each day.

I was a boy when I first heard the elder La Follette speak in 1916. My father, who was a great admirer of La Follette and a Progressive assemblyman in Wisconsin, drove me many miles to give me my first opportunity to hear this native-born American liberal. In subsequent years I heard him on many occasions. I was always inspired by his able oratory and his ability to summarize issues in terms of hard, solid facts.

While one might disagree with Bob La Follette—and many people did—no one could question the sincerity of his convictions. Unfortunately, during the hysterical days of World War I, there were many people who did question his sincerity and patriotism. He was misquoted in the press, maligned, and even hung in effigy. Throughout these trying days he remained steadfast in his purpose and convictions. In the face of hysteria he risked his political future to maintain his ideals on the functional operations of our Government. The citizens of Wisconsin had faith in Bob La Follette and reelected him to the Senate.

As a Congressman, a Governor, and finally a United States Senator, Robert La Follette, Sr., played an important role in developing the social and political ideas sometimes called the Wisconsin idea. He and his political associates contributed much to the programs that gave Wisconsin many legislative firsts in the field of social and economic legislation of benefit to people.

Robert Marion La Follette, Sr., was always found on the side of the average man—the so-called common man—when battles involving the welfare of people occupied the center of the legislative stage. In the course of some of these historic legislative battles, La Follette often opposed the efforts of vested interests and entrenched wealth. He did not oppose wealth because he hated wealth. On the contrary, he opposed and fought vested interests because he did not believe that our Government—at all levels—should be subverted to selfish objectives of entrenched wealth to the disadvantage of all people. In the words of Abraham Lincoln, he sincerely believed that we should have a "government of the people, by the people, and for the people." This was the basis for his political philosophy, and he followed it all through his life.

It is with reverence, then, that I pay tribute today to this great American on the 100th anniversary of his birth. In all humility, I say that if I can only do one-tenth as much as Robert M. La Follette, Sr., did for the people during his life I shall feel that I have accomplished a great deal.

NECESSITY FOR LEGISLATION TO REGULATE BANK HOLDING COMPANIES

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I wish to say a few words in support of H. R. 6227, the bill to provide for control and regulation of bank holding companies. I believe this legislation is essential to prevent a most dangerous type of monopoly, the banking monopoly. In my opinion, the bank holding company device leads to uncontrolled branch banking, resulting in an undesirable concentration of economic power. Unless restrictions, such as provided by H. R. 6227, are adopted, I think that the present system of independent, community banks will be endangered and ultimately banking will be in the hands of a few, with several superbank holding companies extending across the country.

The old saying, "An ounce of prevention is worth a pound of cure," is very applicable to the banking situation. I believe it is in the public interest that we check a banking monopoly before it gains a firm foothold and thus help to preserve our traditional American system of independent competitive banking. I have received many letters, not only from the independent bankers of my district, but also from the small retail businessman and farmers who do not want to see branch banking grow in the Ninth District of Wisconsin. I know the farmer and merchant alike realize the value of their small town bank. If they do need a loan, they would much rather do business with their friend and neighbor, the local banker who knows their situation, than to have their loan be processed by a board of directors in a distant city.

In addition to being supported by the Independent Bankers Association, H. R. 6227 is endorsed by the United States Wholesale Grocers' Association, the National Association of Retail Druggists, the National Retail Hardware Association, the Independent Shoemen, and the National Federation of Independent Business.

MINORITY VIEWS ON HOUSE RESOLUTION 183

Mr. VORYS. Mr. Speaker, I ask unanimous consent to file minority views on House Resolution 183.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EAST HAMPTON, N. Y.

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Speaker, as a citizen of the town of East Hampton, I cannot help but be proud that the New York Times in yesterday's issue—Monday, June 13—chose the main street of our village and captioned the picture "Main Street, U. S. A." Sixty-five full-sized, regulation flags line the mile long, six-lane avenue. The mighty elms which border this beautiful byway are well over 200 years old. Their branches entirely cover this wide thoroughfare.

Needless to say, every hometowner is proud of his village. Though I have been fortunate enough to have traveled around the world and across the width and breadth of this land, I have never found a street or thoroughfare, or a country lane, to match our Main Street.

The fact that this main highway has prohibited advertising and has kept its borders in a natural state is the principal reason for its attractiveness. I am remorseful to say that the community has not been as farsighted in other sections of our township. These, and other growing areas in our land could be equally attractive as our Main Street. Careful forethought to the future may result in a temporary pinched pocket, but in the long run a pleasant, beautiful place to live is far more valuable than a momentary gold mine.

BANK HOLDING COMPANY ACT OF 1955

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6227) to pro-

vide for the control and regulation of bank holding companies, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6227, with Mr. ENGLE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read section 1 of the bill.

Are there any amendments?

Mr. WOLCOTT. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Substitute amendment offered by Mr. WOLCOTT: Page 1, line 5, strike out all of line 5 and the balance of the bill, and insert the following:

"DEFINITIONS

"SEC. 2. (a) 'Bank holding company' means any company (1) which at any time after the effective date of this act, owns or controls, directly or indirectly, a majority of the shares of any bank, (2) which at any time after such date shall have owned or controlled more than 50 percent of the shares which were voted for the election of directors of any bank at the preceding election, (3) which at any time after such date controls in any manner the election of a majority of the directors of any bank, or (4) for the benefit of whose shareholders or members a majority of the shares of any bank or bank holding company is held by trustees at any time after such date; or any successor to any such company. Notwithstanding the foregoing, no company shall be considered a bank holding company if it does not own or control directly or indirectly, any shares of any bank and if no shares of any bank or bank holding company are held by trustees for the benefit of such company's shareholders or members; and no bank shall be a bank holding company by virtue of its ownership or control of shares in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank. In addition the term 'bank holding company' shall not include any company which is determined by the Board not to be engaged, directly or indirectly, as a business in holding the stock of, or managing or controlling, banks in such manner and to such an extent as to require regulation of such company under this act in order to carry out its purposes. In making any such determination the Board shall consider, among other factors, the nature of the business of such company, the number of banks in which it owns or controls stock and the amount of such stock owned or controlled by it, and the area of operations of such banks; and any such determination may be conditional and shall be subject to revocation by the Board.

"(b) 'Company' means any individual, corporation, business trust, association, or similar organization, but shall not include any corporation all of the shares of which are owned by the United States.

"(c) 'Bank' means any national bank or any bank, banking association, savings bank, or trust company organized under the laws of any State or of the District of Columbia which receives deposits subject to check.

"(d) The term 'successor' shall include any organization which acquires directly or indirectly from a bank holding company shares of any bank, when and if the relationship between such organization and the bank holding company is such that the transaction effects no substantial change in the control of the bank or beneficial ownership of such shares of such bank. The Board may, by regulation, further define the term 'successor' to the extent necessary to prevent evasion of the purposes of this act.

"(e) 'Board' means the Board of Governors of the Federal Reserve System.

"SEC. 3. (a) Within 90 days after the date of this act, or within 90 days after becoming a bank holding company, whichever is later, each bank holding company shall register with the Board on forms prescribed by the Board, which shall include such information with respect to the financial history and condition and the operations and management of such company and the banks which it controls, the relationships of such company with banks and other organizations, and related matters, as the Board may deem necessary or appropriate to carry out the purposes of this act. The Board may, in its discretion, extend the time within which a bank holding company shall register and file the requisite information.

"(b) The Board from time to time may require any bank holding company to furnish such information regarding such company and its relations with banks and other organizations as the Board may deem appropriate or necessary to enable it to determine whether or not to grant any approval or take any other action contemplated by this act; to determine compliance with the provisions of this act and to prevent evasions thereof; and to keep the Congress informed with respect to the administration of this act. For the purpose of obtaining such information, the Board may require reports from any bank holding company in such form and at such times as it may prescribe and may, if it deems such action necessary, make examinations of any bank holding company, in which event the expenses of any such examination may, in the discretion of the Board, be assessed against the bank holding company and, when so assessed, shall be paid by such company. To the extent that the information contained therein is adequate for the purposes of this subsection, the Board is authorized to use the available reports of examinations made by or on behalf of any Federal or State bank supervisory authority.

"(c) Before the expiration of 5 years following the date of this act the Board shall report to Congress the results of the administration of this act, stating what, if any, substantial difficulties have been encountered in carrying out the purposes of this act, and any recommendations as to changes in the law which in the opinion of the administering agency would be desirable.

"ACQUISITION OF BANK SHARES

"SEC. 4. (a) Except with the prior approval of the Board, no bank holding company shall acquire ownership or control of any shares of any bank, directly or indirectly, or merge or consolidate with any other bank holding company. Notwithstanding the foregoing, this prohibition shall not apply to shares acquired by a bank (1) in good faith in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank, or (2) in the regular course of securing or collecting a debt previously contracted in good faith; but any shares acquired after the date of this act in securing or collecting any such previously contracted debt shall be disposed of within a period of 2 years from the date on which they were acquired.

"(b) In determining whether or not to approve any acquisition or merger or consolidation under this section, the board shall take into consideration the following factors: (1) the financial history and condition of the bank holding company or companies and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether or not the effect of such acquisition or merger or consolidation would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking and the public interest and the preservation of competition in the field of banking.

"(c) In approving any acquisition or merger or consolidation under this section, the board shall be authorized to prescribe such conditions as it may deem necessary in the light of its consideration of the factors set forth in subsection (b) of this section in order to assure the sound financial condition and satisfactory management of the bank holding company and of the banks controlled by it. Such conditions may include, but without limitation, conditions relating to the maintenance of adequate capital and reserves of readily marketable assets by such company.

"(d) Before approving any acquisition or merger or consolidation under this section, other than the acquisition by a bank holding company of ownership or control of shares of a bank of which such company already owns or controls a majority of shares, the board shall consider any views or recommendations which may be submitted by the Federal bank supervisory authorities and the appropriate State bank supervisory authorities, such Federal and State authorities to be given notice of the proposed action and allowed 30 days in which to submit their views and recommendations. No acquisition of ownership or control of the shares of any State or national bank in any State shall be approved under this section if, under the same circumstances, the acquisition of such ownership or control of shares of a State bank would be expressly prohibited by the statutes of such State.

"INTERESTS IN NONBANKING ORGANIZATIONS

"SEC. 5. (a) Except as otherwise provided in this act, no bank holding company, after the date of this act shall acquire, or after 2 years from the date of this act shall retain, directly or indirectly, ownership or control of any shares of any company which is not a bank or engage in any business other than that of banking or of managing or controlling banks. The board is authorized, upon application by a bank holding company, to extend this period from time to time as to such company for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest, provided that no such extensions shall extend beyond a date 5 years after the date of this act.

"(b) After 2 years from the date of this act, no certificate evidencing shares of any bank holding company shall bear any statement purporting to represent shares of any other company except a bank or a bank holding company, nor shall the ownership, sale, or transfer of shares of any bank holding company be conditioned in any manner whatsoever upon the ownership, sale, or transfer of shares of any other company except a bank or a bank holding company.

"(c) The prohibitions of this section shall not apply—

"(1) to shares of any company engaged solely in a safe deposit or fiduciary business or of any company all the activities of which the Board has determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this act.

"(2) to shares acquired by a bank in good faith in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank; or

"(3) to shares acquired by a bank in the regular course of securing or collecting a debt previously contracted in good faith, but any such shares shall be disposed of

within a period of 2 years from the date on which they were acquired or from the date of this act, whichever is later, except that the Board is authorized, upon application by such bank, to extend this period from time to time as to such bank for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest: *Provided*, That no such extensions shall extend beyond a date 5 years after the date of this act.

"PENALTIES

"SEC. 6. Any company which willfully violates any provision of this act, or any condition prescribed by the Board pursuant to this act, shall upon conviction be fined not more than $1,000 for each day during which the violation continues; and any individual who willfully participates in any such violation shall upon conviction be fined not more than $10,000 or imprisoned not more than 1 year, or both. Every officer, director, agent, and employee of a bank holding company shall be subject to the same penalties for false entries in any book, report, or statement of such bank holding company as are applicable to officers, directors, agents, and employees of member banks for false entries in any books, reports, or statements of member banks under section 1005 of title 18, United States Code.

"AMENDMENTS TO INTERNAL REVENUE CODE

"SEC. 7. Subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new part:

"'*Part VIII—Distributions pursuant to Bank Holding Company Act of 1955*

"'Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1955.
"'Sec. 1102. Special rules.
"'Sec. 1103. Definitions.

"'Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1955.

"'(a) Distributions of prohibited property: If—

"'(1) a qualified bank holding corporation distributes (with respect to its stock) prohibited property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

"'(2) the Board has, before the distribution, certified that the distribution of such property is necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (b).

"'(b) Corporation ceasing to be a bank holding company: If—

"'(1) a qualified bank holding corporation distributes (with respect to its stock) property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

"'(2) the Board has, before the distribution, certified that (A) such property is of a kind which causes such corporation to be a bank holding company, (B) the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company, and (C) the distribution is necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (a).

"'(c) Property acquired after May 15, 1955:

"'(1) In general: Except as provided in paragraphs (2) and (3), subsection (a) or (b) shall not apply to—

"'(A) any property acquired by the distributing corporation after May 15, 1955, unless (i) gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b), or (ii) such property was received by it in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or

"'(B) any distribution with respect to any stock which was acquired by the distributee after May 15, 1955, unless gain to such distributee with respect to the receipt of such stock was not recognized by reason of subsection (a) or (b).

"'(2) Exchanges involving prohibited property: If—

"'(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (a), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) Immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

"'(C) before such exchange, the Board has certified that the exchange and distribution are necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955,

then paragraph (1) shall not apply with respect to such distribution.

"'(3) Exchanges involving interests in banks: If—

"'(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (b), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) Immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

"'(C) before such exchange, the Board has certified—

"'(i) that such property is of a kind which causes such corporation to be a bank holding company;

"'(ii) that the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company; and

"'(iii) that the exchange and distribution are necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then paragraph (1) shall not apply with respect to such distribution.

"'(d) Certain construction to capital after May 15, 1955:

"'(1) In general: The nonrecognition of gain provided by subsection (a) or (b) shall not apply to that portion of any distribution which is attributable to any contribution to the capital of any corporation made after May 15, 1955.

"'(2) Special rule for contribution to capital of banks: Paragraph (1) shall not apply with respect to any contribution to the capital of a bank, if the Secretary or his delegate determines that the avoidance of Federal income tax was not one of the principal purposes for the making of such contribution.

"'(e) Final certification:

"'(1) For subsection (a): Subsection (a) shall not apply with respect to any distribution by a corporation unless the Board certifies that, before the expiration of the period permitted under section 6 (a) of such act (including any extensions thereof granted to such corporation under such section 6 (a)), the corporation has disposed of all the property the disposition of which is necessary or appropriate to effectuate the first sentence of such section 6 (a) (or would have been so necessary or appropriate if the corporation had continued to be a bank holding company).

"'(2) For subsection (b):

"'(A) Subsection (b) shall not apply with respect to any distribution by any corporation unless the Board certifies that, before the expiration of the period specified in subparagraph (B), the corporation has ceased to be a bank holding company.

"'(B) The period referred to in subparagraph (A) is the period which expires 2 years after the date of the enactment of this part. The Board is authorized, on application by any corporation, to extend such period from time to time with respect to such corporation for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest; except that such period may not in any case be extended beyond the date 5 years after the date of the enactment of this part.

"'Sec. 1102. Special rules.

"'(a) Basis of property acquired in distributions: If, by reason of section 1101, gain is not recognized with respect to the receipt of any property, then the basis of such property and of the stock with respect to which it is distributed shall, in the distributee's hands, be determined by allocating between such property and such stock the adjusted basis of such stock. Such allocation shall be made under regulations prescribed by the Secretary or his delegate.

"'(b) Periods of limitation: The periods of limitation provided in sections 6501 and 6502 on the making of an assessment or the collection by levy or a proceeding in court shall not expire, with respect to any deficiency (including interest and additions to the tax) resulting solely from the receipt of property to which subsection (a) or (b) of section 1101 applies, before the date which is 1 year after the date on which the corporation notifies the Secretary or his delegate that final certification by the Board with respect to the corporation from which such property was received has been made under section 1101 (e); and such assessment and collection may be made notwithstanding any provision of law or rule of law which would otherwise prevent such assessment and collection.

"'(c) Allocation of earnings and profits: In the case of any exchange described in section 1101 (c) (2) or (3), the earnings and profits of the corporation transferring the prohibited property shall be properly allocated between such corporation and the corporation receiving such property under regulations prescribed by the Secretary or his delegate.

"'(d) Itemization of property: In any certification under this part, the Board shall make such specification and itemization of property as may be necessary to carry out the provisions of this part.

"'SEC. 1103. Definitions.

"'(a) Bank holding company: For purposes of this part, the term "bank holding company" has the meaning assigned to such term by section 3 of the Bank Holding Company Act of 1955.

"'(b) Qualified bank holding corporation:

"'(1) In general: Except as provided in paragraph (2), for purposes of this part the term "qualified bank holding corporation" means any corporation which is a bank holding company and which holds prohibited property acquired by it—

"'(A) on or before May 15, 1955,

"'(B) in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) of section 1101, or

"'(C) in exchange of all of its stock in an exchange described in section 1101 (c) (2).

"'(2) Limitations:

"'(A) A bank holding company shall not be a qualified bank holding corporation, unless it would have been a bank holding company

on May 15, 1955, if the Bank Holding Company Act of 1955 had been in effect on such date, or unless it is a bank holding company determined solely by reference to—

"'(i) property acquired by it on or before May 15, 1955,

"'(ii) property acquired by it in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1101, and

"'(iii) property acquired by it in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

"'(B) A bank holding company shall not be a qualified bank holding corporation by reason of property described in subparagraph (B) of paragraph (1) or clause (ii) of subparagraph (A) of this paragraph, unless such property was acquired in a distribution with respect to stock, which stock was acquired by such bank holding company—

"'(i) on or before May 15, 1955,

"'(ii) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b) of section 1101, or

"'(iii) in exchange for all its stock in an exchange described in section 1101 (c) (2) or (3).

"'(C) A corporation shall be treated as a qualified bank holding corporation only if the Board certifies that it satisfies the foregoing requirements of this subsection.

"'(c) Prohibited property: For purposes of this part, the term "prohibited property" means, in the case of any bank holding company, property (other than nonexempt property) the disposition of which would be necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955 if such company continued to be a bank holding company beyond the period (including any extensions thereof) specified in such section 6 (a) or in section 1101 (e) (2) (B) of this part, as the case may be. The term "prohibited property" does not include shares, securities, or obligations of any company held by a bank holding company to the extent that the prohibitions of section 6 of the Bank Holding Company Act of 1955 do not apply to the ownership by such bank holding company of such property by reason of subsection (c) (6) of such section.

"'(d) Nonexempt property: For purposes of this part, the term "nonexempt property" means—

"'(1) obligations (including notes, drafts, bills of exchanges, and bankers' acceptances) having a maturity at the time of issuance of not exceeding 24 months, exclusive of days of grace;

"'(2) securities issued by or guaranteed as to principal or interest by a government or subdivision thereof or by any instrumentality of a government or subdivision; or

"'(3) money, and the right to receive money not evidenced by a security or obligation (other than a security or obligation described in paragraph (1) or (2)).

"'(e) Board: For purposes of this part, the term "Board" means the Board of Governors of the Federal Reserve System.'

"(2) The table of parts for subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"'Part VIII. Distributions pursuant to Bank Holding Company Act of 1955'

"(3) The amendments made by this subsection shall apply with respect to taxable years ending after the date of the enactment of this act.

"(g) (1) Paragraph 4 of subsection (c) of section 3 of the Investment Company Act of 1940 is amended to read as follows:

"'(4) Any bank holding company which is registered with the Board of Governors of the Federal Reserve System pursuant to the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said act.'

"(2) Paragraph (11) of subsection (a) of section 202 of the Investment Advisers Act of 1940 is amended by changing the words 'or any holding company affiliate, as defined in the Banking Act of 1933' to read 'or any bank holding company, as defined in the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said act.'

"SEC. 8. Nothing herein contained shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any prohibited antitrust or monopolistic act, action, or conduct.

"SEPARABILITY OF PROVISIONS

"SEC. 9. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby."

Mr. SPENCE (interrupting the reading of the amendment). Mr. Chairman, I ask that the further reading of the amendment be dispensed with.

Mr. PATMAN. Mr. Chairman, reserving the right to object, is this the same amendment that appeared in the RECORD this morning?

Mr. WOLCOTT. It is. It was inserted in the proceedings of yesterday and appears starting on page 8025 of the RECORD.

Mr. PATMAN. I have no objection to dispensing with the further reading of the amendment, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. WOLCOTT. Mr. Chairman, I should like to point out that in yesterday's RECORD starting on page 8025, there is a typographical error which I have corrected in the language of the substitute which I have sent to the Clerk's desk. In the definition of the word "Company" there should be a comma after the word "individual." So it should read:

(b) "Company" means any individual, corporation, business trust, association, or similar organization, but shall not include any corporation all of the shares of which are owned by the United States.

Mr. Chairman, this substitute was discussed yesterday and has had a great deal of consideration in the Committee on Banking and Currency of the other body. I believe at one time it was reported out by the Committee on Banking and Currency of the Senate. The present chairman of the subcommittee of the Senate Banking and Currency Committee, which has jurisdiction over this subject, is the Senator from Virginia, WILLIS A. ROBERTSON. This substitute, with two exceptions, is the language of the action taken by Senator ROBERTSON'S subcommittee 2 years ago. I am informed by Senator ROBERTSON that it embraces the current position of the Federal Reserve Board and the position of the Office of the Comptroller of the Currency. It differs in some material points with the bill presented by the committee in that it removes the discriminatory provisions which we discussed yesterday at some length. It brings within the term of a company, individuals who might get together a goodly amount of capital and buy into one or a thousand banks or one or a thousand industrial concerns or insurance concerns or real-estate concerns or any other kind of business enterprises. The substitute would prevent that practice. It also follows in many respects the recommendations made by the so-called independent bankers in that the substitute provides for no expansion of bank holding companies without the approval of the Federal Reserve Board, and it provides that bank holding companies must divest themselves of nonbanking activities the same as the committee bill provides.

We are told by the committee in its report and we are told by the sponsors representing the so-called independent bankers that that is what they want to accomplish—they want to prevent the expansion of bank holding companies. They want to compel the divestiture of nonbanking activities by bank holding companies. That is what my substitute provides. It treats everyone alike. There is no provision in the substitute for the creation of a testamentary trust which might, under the terms of the bill, prevent just what the independent bankers apparently want or at any rate what we are told they want. They want to break up these combinations where a bank is engaged in real estate activities, in the manufacture of soft drinks, in all manufacturing concerns. They want to break it up, but they do not break it up under the provisions of the bill as reported by the Committee on Banking and Currency. They make it impossible to break it up.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLCOTT] has expired.

(By unanimous consent, Mr. WOLCOTT was given permission to proceed for 5 additional minutes.)

Mr WOLCOTT. Mr. Chairman, my substitute does break up that practice and removes the discrimination which independent bankers, had they been informed on it, would not have gone along with. I have talked with a great many independent bankers. Parenthetically, I might say I do not know of any bank in the Nation, other than the so-called bank holding companies, which are not banks—I do not know of any bank in the United States which is not an independent bank. They may not be responsive to the pressures which have been brought to bear for this bill by lobbyists for the Independent Bankers Association; but, after all, we are not so concerned with the lobbyists of the Independent Bankers Association as we are

in doing the right thing by all the banks in the United States.

The banking system in the United States, independent as it is, has a much better position than any other system in the world, including that of Canada. The tax provisions of this substitute are identical with the tax provisions included in the committee bill, H. R. 6227. No change has been made in that. No change was made in it because I did not know what they did, and I do not think that anyone with the exception of the experts and members of the Committee on Ways and Means, knows what the tax provisions do. But I am perfectly willing to abide by the explanation made by the distinguished chairman of the Committee on Ways and Means yesterday [Mr. COOPER] because I know he knows what he is talking about.

Effectuation of the same purposes is contained in the substitute as listed in the committee bill as to what they desired to do. Every one of them. I read yesterday a series of things which I thought should be done. Those things are all included in this substitute bill. It protects the private bankers from monopolistic practices. It protects all banking against the practice of a bank or an individual or a corporation or a group of individuals or any trustee of an individual or estate from engaging in practices which we all agree are not desirable and should be corrected. We do not have to destroy the independent banking position in the United States by going as far as this bill would go without the substitute. The substitute is a safe bill. It protects the independent status of banks. It protects the American system of banking of which we are all very proud. It does it without discrimination in favor of any individual, any trust agreement, testamentary trust, or any other kind of arrangement whereby under the terms of the committee bill there may be violations of the spirit and purpose of the act.

It is to me senseless to say that certain banks cannot do certain things, and yet other banks may do all of the things which we prohibit certain banks from doing. That is not the American system, but it is the system you set up in this bill if you follow the committee recommendations and do not vote for this substitute.

Mr. Chairman, I hope the substitute will be adopted.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New York.

Mr. KEATING. I am always rather leery when I see in any bill provisions granting exceptions. Whenever any bill says that it is not to apply in certain instances, that should always put us on guard. In the bill before us, on page 10, section 6, subsection (c), we have a long list of instances in which prohibitions are not to apply. It is all very general language, but it always occurs to me that there may have been behind the scenes somewhere some effort made to employ such general language to achieve an objective specific in its application. Obviously we could not put in here any exception for banks in any one locality or region, but neither should we do by indirection what we would properly shrink from doing directly. I wonder if in the gentleman's substitute he has any such extensive exceptions as those listed beginning on page 10 under subsection (c).

Mr. WOLCOTT. I have none of the exceptions to which the gentleman refers

Mr. KEATING. It seems to me that should commend it to our favorable consideration.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a crippling amendment. It seems to me that gentlemen who do not want to oppose the bill with full impact are perfectly willing to chip it away to make it ineffective. I am much surprised that the definition in his amendment of a holding company is one that has 51 percent of the holding shares of a bank or one that controlled the election of the board of directors at the last election. In the 80th Congress the gentleman from Michigan introduced a bill which defined a holding company as one which owned or controlled 10 percent of the voting shares of the subsidiaries.

In this bill the gentleman's amendment provides that if they were once declared a holding company, the holding company still continues a holding company until the ownership of its shares no longer exists.

The holding company is an artificial person created by law. It has perpetual succession; it does not die; it retains its power and the power of its seniors, and when its officers die it still continues. It may live indefinitely, in contemplation of law, and continually gain power. But men do die and their estates are dispersed and often go into hands where they are soon dissipated.

This amendment goes further than anything I have ever contemplated in regard to holding companies. It makes an individual who holds a majority of the voting shares of a bank a holding company. If he has any other prohibited investments he is subject to control and regulation under the amendment and will be compelled to divest himself either of his shares in the bank or of the other holdings that he has. He may have to divest himself of his holdings of the securities he has, if he is a prosperous man, which he has accumulated for the protection of his family. It just shows how far we can go when amendments are offered here that have not been submitted to any committee. A gentleman comes here today and asks us to substitute his amendment for a bill that has been carefully considered not only by the committee but by the people who are most affected by it and have been for many years, who want protection and who certainly will not get protection under the gentleman's amendment.

Why, it would be a monstrous thing to say to an individual: If you have the majority of the stock in a bank, if you control the bank, you cannot make the investments you please for the protection of your family, for the enlargement of your estate. The individual has rights that the law does not give corporations. The difference between the individual and the holding company is that the holding company is a creature of the law and can be regulated by the law. If you attempt to enforce this amendment against an individual, do you not think he would go into court and plead his constitutional rights? Personal liberty, personal security, private property, are the inalienable rights of an individual. You cannot regulate what he holds by law. If you attempt to do so he can take you into court and the court will protect his rights.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

(By unanimous consent (at the request of Mr. SPENCE) Mr. SPENCE was permitted to proceed for 2 additional minutes.)

Mr. SPENCE. So, Mr. Chairman, when the gentleman attempts to write into this bill by this amendment a provision that the individual, if he happens to own the majority of the shares in some small bank, cannot invest his money as he pleases, he certainly is writing a nullity into the law.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I wonder if the gentleman will tell us whether the First National Bank trustees, of Louisville, Ky., which own the First National Bank of Louisville, the Kentucky Trust Co., the First Kentucky Fire Insurance Co., the St. Matthews National Bank, St. Matthews, Ky., and the First Kentucky Co., which is a management-type investment trust, would be considered holding companies under the provisions of this bill and whether or not those banks and companies which I have mentioned are not exempt under the provisions of this bill?

Mr. SPENCE. Well, I do not know, but whatever exemption is given in this bill is given generally and if the bank down there comes under the general provisions of the law, it is exempt, and if any other bank in any other section of the country is similarly situated, it is exempt.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from New York.

Mr. KEATING. The gentleman has made the argument, as I understand, that the due-process clause of the Constitution does not apply to corporations. Do I understand him correctly?

Mr. SPENCE. Oh, no; I did not say that. I say that you can regulate corporations because corporations are the creatures of the law.

Mr. KEATING. But they are not creatures of the Federal law.

Mr. SPENCE. National banks are creatures of the Federal law and are subject to law. Man has rights that have not been given to him by the Congress. He got them in the fundamental law, the organization act of the Government itself, and they cannot be taken away from him. And, when you say to the individual that when he controls the majority of shares of a bank he cannot invest in anything else he pleases, you are going beyond the power of Congress to do that and you are creating a con-

dition that will make us ridiculous and cannot be enforced.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from New York.

Mr. MULTER. The fact of the matter is that the institutions mentioned a moment ago by the distinguished ranking minority member of our committee are holding companies and are not exempted by this bill as brought before the House by our committee.

Mr. SPENCE. No.

Mr. WOLCOTT. Just a moment.

Mr. SPENCE. The substitute that was presented by the gentleman from Michigan has been, I think, considered by the committee and rejected, but this provision of the individual being regulated by law when he buys some stock in a bank was never submitted to our committee and was never considered.

Mr. KEATING. Mr. Chairman, will the gentleman yield further?

Mr. SPENCE. I yield.

Mr. KEATING. Does the gentleman contend that there is any essential difference so far as the Constitution is concerned in an effort to regulate an individual's holdings and a corporation's holdings, from the constitutional point of view?

Mr. SPENCE. Yes; I do. I think that when the corporation is created for a definite purpose they go very much further in regulating its activities than in regulating the conduct of an individual.

Mr. McDONOUGH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the members of the committee should have their attention called to certain amendments to the original bill which are now in the clean bill before the committee.

On page 4, beginning on line 9, after the period and down to line 16, is an amendment which is an exception for a certain group of holding companies, as the chairman of the committee has said, which will apply to any such holding company in the United States. But I have been informed that the amendment is specifically designed to protect a corporation in Florida which owns 23 banks and 11 manufacturing corporations and whose total resources run into some $435 million.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Florida.

Mr. HALEY. I would like for the gentleman to also include in the holdings of this corporation the majority stock of one of the big railroads of the country, too.

Mr. McDONOUGH. What railroad is that?

Mr. HALEY. The Florida East Coast Railroad.

Mr. McDONOUGH. On page 11, beginning on line 20, after the comma to the semicolon on line 23, is another amendment which exempts Georgia Associates and, of course, will apply to any other company that the same circumstances of that company would apply to.

On page 12, line 9, after the semicolon and to the end of the paragraph, the period on line 18, is another amendment which exempts the First Kentucky Co. and the First Kentucky Fire Insurance Co.

These amendments would apply to any other company that came within the scope of the amendment but they were inserted, as far as I have been informed, for the specific purpose of eliminating those particular holding corporations. The substitute bill before the committee at the present time will not do that because it will treat them equitably and fairly and equalize the rights of holding corporations throughout the United States.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. KEATING. On page 4, section 3, subsection (c), I notice language in the definition of "company' 'that is quite different from the substitute. And in the last sentence in the bill itself it seems to me we are possibly presented with a caveat, where it says that a company shall mean everything in the world except that a company shall not mean the administrators of an individual's estate, and so on.

Mr. McDONOUGH . That is correct.

Mr. KEATING. I am just wondering whether that does not also refer to some specific proposition that they are trying to get out of this bill under the guise of general language.

Mr. McDONOUGH. That was the first amendment to the bill that I referred to when I began speaking, which exempts 23 banks in an individual corporation in Florida and 11 manufacturing corporations in Florida.

Mr. KEATING. I thank the gentleman.

Mr. McDONOUGH. With total resources of some $435,000,000 in the banks alone.

Mr. KEATING. It strikes me that if we are going to enact a bill, which I think we need, we should enact one that applies throughout the Nation and equally to all institutions.

Mr. McDONOUGH. That is exactly what the substitute bill does. These exceptions were inserted in this bill for the special convenience of those holding corporations whose names I have recited.

Mr. BROWN of Ohio. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, when the Committee on Banking and Currency appeared before the Committee on Rules seeking a rule on this bill to send it to the floor, many of us were especially impressed by the fact that no two members of the legislative committee seemed to agree on what the provisions of this particular bill were or how they would apply. Grave questions arose in the Committee on Rules during the hearing as to whether or not this bill did not grant such exemptions as to favor the banks and financial institutions and holding companies in certain States and to work hardship on similar institutions in other States.

We were also impressed by the fact, as it was developed before the Committee on Rules, that the Federal Reserve Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corp., all of whom were referred to in the report, had not approved the particular measure but instead had approved the so-called original Robertson bill as introduced in the Senate, which now constitutes the substitute or the amendment now before us. In other words, the Federal Reserve Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corp. officials all found that the special amendment before us as a substitute to that bill does protect the interests of all concerned equally, everywhere in the United States, without favoritism to any, and is the type of legislation that would accomplish a worthwhile objective as described in this bill.

Therefore, it seems to me, Mr. Chairman, that if we want to enact legislation here that will not discriminate against some and in favor of others; if we want to enact legislation that meets the approval of those organizations or regulatory bodies within our Government in the executive branch charged with directing the activities of banks and other financial institutions, of examining and checking them to make sure that the rights of depositors and the rights of stockholders and the rights of the general public are fully and properly protected, then this particular substitute or amendment must be adopted. Certainly none of us here are qualified to pass upon all of the technical requirements of a law affecting the banking institutions of this great country of ours. Certainly we should depend to a great extent upon the advice of these regulatory agencies I have just mentioned. Certainly we do want to enact legislation that will correct some of the abuses that have been mentioned such as those which now exist in Florida and are exempt under this law, and such as those that exist in Atlanta and Louisville and are exempt under the provisions of the bill we are now attempting to amend.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Florida.

Mr. HALEY. May I call the gentleman's attention to the fact that not only in Florida but in many other States these situations exist.

Mr. BROWN of Ohio. There are many other States in which similar conditions exist. At the same time it does not correct those inequities and correct those bad situations, it turns around and acts against banks in other States.

Therefore, I hope the House will be cautious and will accept this amendment as legislation that will correct those things we all desire to correct in the spirit of fair play and of common decency in the operation of our financial institutions, and still not grant special privileges to a few special interests. Therefore, I support this amendment and hope it will be adopted.

Mr. DIXON. Mr. Chairman, I rise in support of the amendment, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Mr. Chairman, I arise to speak in favor of the Wolcott substitute motion for H. R. 6227. While I am in favor of the general purposes of the Spence bill, I am convinced that the substitute motion achieves these purposes far better than does the original bill, and it accomplishes these purposes without including the objectional features of the bill.

My position on the control and regulation of bank holding companies is briefly this:

First. I feel there is need for legislation which will bring about closer supervision and regulation of bank holding companies.

Second. I feel that there is need for the ultimate separation of banking and nonbanking functions. In other words, I favor section 5 of the Wolcott substitute motion which states:

> Except as otherwise provided in this act, no bank holding company, after the date of this act shall acquire, or after 2 years from the date of this act shall retain, directly or indirectly, ownership or control of any shares of any company which is not a bank or engage in any business other than that of banking or of managing or controlling banks. The board is authorized, upon application by a bank holding company, to extend this period from time to time as to such company for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest.

Third, I favor the purpose of the provisions of the bill which will place a prohibition upon the extent to which holding banks can strengthen, help or come to the rescue of the holding company itself, often to the weakening of the bank.

I favor the substitute motion over the original bill for reasons as follows:

First, H. R. 6227 would circumvent State banking laws and make the laws of many States applicable to holding companies, whereas many of these laws were originally made to apply only to branch banking. For example, the laws of Minnesota permit holding companies, but they prohibit branch banking.

In my opinion, Congress has not the right to define holding companies as branch banking and tell the State of Minnesota that it cannot permit holding companies.

Regardless of the report on the present bill which infers that there is virtually no difference between holding-company operations and branch banking, I am convinced that there is a difference. The holding companies merely control the stock in the bank operating under that holding company, and the lending power of the bank is restricted to the lending power of that individual bank only; whereas if that individual bank were a branch, it could have the lending power of the entire system which might be a dangerous practice.

Second, the substitute motion is superior to the bill itself because of its definition of holding company. The definition of 25 percent ownership is more restrictive than is necessary. The existing law is stiff enough. The definition brings more banks under restriction than is necessary. On the other hand the present law is discriminatory because it does not include individuals, and the record is full of individuals who control their own voting share of banks, insurance companies, and other types of businesses.

Representative WOLCOTT testified yesterday that there are a minimum of 68 banks which would be brought under the prohibition of this bill which are so-called one-bank companies, and which do not come under the so-called definition of bank-holding-company provisions of the bill.

He states further that of "46 companies at least 7 are exempted by special amendments written into the bill in order to take care of them. Thus, of the 114 bank holding companies for which coverage was recommended by the Federal Reserve Board, only a maximum of 39 are affected by H. R. 6227."

Third, I am opposed to the original bill because its section on judicial review will create a field day for lawyers. The present law already provides for a judicial review whenever there is an arbitrary or capricious act by the board. Under the judicial review section of the bill proper, the court could go into the case from beginning to end and permit de novo action or procedures.

The court thus becomes the administrative agency and supersedes to a great extent the Federal Reserve Board.

In summary then I favor the amendment because it is a simpler bill. It fulfills the need for the review of further acquisitions and for holding companies divesting themselves of nonbanking businesses, and at the same time it does not override State laws, work hardships on some holding companies, and exempt other holding companies and individuals which are in the holding-company business. Neither does it take away the right of the Federal Reserve Board as a judicial reviewing agency and create a field day for lawyers.

Mr. Chairman, I am firmly convinced that if and when regulatory and supervisory legislation over bank holding companies comes out of the 84th Congress that legislation will resemble the provisions of the substitute motion far more closely than will the provisions of the original bill.

Mr. MULTER. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Chairman, as so aptly stated by the distinguished chairman of our committee, the only purpose of this substitute amendment is to gut the bill. First, try to understand what we are seeking to do here. If you agree with the principle as it appears on the statute books of our States and of our Nation today, that banking should be a banking business and should not be any other business, and if banks should be limited to their State boundary lines, and banks should be compelled to stay within their own States and not operate within other States, then you must enact the bill as the committee has brought it to you for your consideration. The purpose of the bill is to perpetuate those principles and require banks to do only a banking business to stay within their States. At the same time, the bill would protect every State in its own jurisdiction in accordance with its own laws. In the bill that has been brought before you by the committee, we preserve all of those rights of the States very specifically, and we say in so many words that State law shall apply. But in the substitute bill which you are now being asked to take, that is taken away from the States and the attempt is made to vest all of the jurisdiction in the Federal Reserve Board. There is only one State in the Union that prevents bank holding companies and that is the only State which would have any right to say no to the creation or expansion of a bank holding company, if you pass the substitute instead of the original bill. I say under the original bill, and you will find it there and there cannot be any confusion about it because it is in the bill in so many words, that States rights are preserved and protected.

This is the first time I have ever seen or heard of a piece of legislation which tried to define an individual as a company. Let me read to you from the substitute—this language is the key to the fact that this substitute is intended to kill the bill. Certainly, in the bill brought before you by the committee, we exclude individuals. Who ever heard of an individual being a company, or a trust, or a monopoly? Let me read to you from the substitute the definition of company. A company means any individual, I repeat, any individual, corporation, business trust, association, or similar organization, but shall not include any corporation all the shares of which are owned by the United States.

Well, what about the corporations that are organized by the several States and the various public authorities? What about the corporations that are organized within the States by the States, all of the stock of which is owned by the States? Under this definition, they are companies that must comply with this bank holding company bill. Let me revert to the individuals. Under the substitute, any individual who owns 50 percent or more of the stock of a bank and has also been prosperous enough to buy some steel stock, or some timber stock, or some individual holdings of different kinds including a farm or a home will be a bank holding company and will be required either to sell his home or his bank stock or his farm or his bank stock. He cannot hold them all. They have nothing to do with the operation of his bank, yet he becomes a bank holding company under this substitute. I am sure if you will take the time to read the bill as brought before us by the committee, and compare it with the substitute, you must reject the substitute.

There have been many statements to the effect that the bill, H. R. 6227, exempts from its provisions banks owned by labor unions, the Du Ponts, Grace Co., and others.

First of all the bill does not cover bank holding companies that own or control only one bank. In this respect it should be pointed out that under the provisions of existing law pertaining to one bank

holding company of which there are some 67 in number, the Federal Reserve has given all an administrative exemption from the provisions of the law. The Federal Reserve Board testified that they favored inclusion of the one bank holding company, although at the same time they have given administrative exemptions in all such cases. In view of this factual situation, the committee could see little merit to including a one bank holding company. As a matter of fact most of the one bank holding companies involve small banks, many of which were established by industries to provide banking accommodations for the convenience of their employees. Although the Grace National Bank is not a small bank, it falls within the one bank holding company class and thus does not come within the definition of a holding company in the bill. It should be pointed out, however, that if any of the one bank holding companies expand their bank holdings so as to acquire 25 percent or more interest in another bank, they would come within the provisions of the bill.

With respect to John L. Lewis and the United Mine Workers, it has been charged that the provisions of the third paragraph of section 3 (a) which appear on page 3, lines 4 to 16, exempt labor unions or labor-union welfare funds from the provisions of the bill. Such is not the case at all. Such pension or welfare funds are not included as they are specifically established to benefit participants in the fund, namely, the employee, who contributes to the fund himself either directly, or as part of the wage agreement with his employer, or both. Such funds therefore do not qualify as being operated exclusively for religious, charitable, scientific, literary, or educational purposes, and so would not be covered by the provisions of section 3 (a).

With respect to the Du Pont's, it should be pointed out that one of the Du Ponts died and in his will set up an irrevocable charitable trust, all of the income of which will inure to charity upon the death of the surviving widow. The testamentary trust is irrevocable, cannot be changed, and the charitable purposes for which it was established would be completely thwarted if it were dissolved, if you could constitutionally now by enactment dissolve a trust that had already been set up under a will, that had already been probated after the death which has already occurred of this gentleman who set up this charitable trust. Certainly we ought not to risk the invalidation of a good piece of legislation in an attempt to destroy a good charitable trust already in existence.

It certainly is in keeping with the will of the Congress as expressed in many previous acts to encourage charitable gifts and purposes. In this case we are not dealing with the Du Ponts, but with a charitable trust established by a Du Pont. If experience proves that such a charitable trust owning bank stock impinges upon or adversely affects the purposes of this act, it can always be changed by amendment. And in this respect section 4 (d) the bill provides that the Federal Reserve Board within 1 year after enactment of the bill and each year thereafter in its annual report to the Congress shall report to the Congress "the results of the administration of this act, stating what, if any, substantial difficulties have been encountered in carrying out the purposes of this act, and any recommendations as to changes in the law which in the opinion of the Board would be desirable." Also in the amendments to the bill recommended by the Federal Reserve Board, they did not recommend inclusion of the Du Pont charitable trust.

The various references to the company owning controlling interest in the Coca-Cola company being excluded from the bill are just not true. In the first place there is no bank holding company which owns controlling interest in the Coca-Cola Co. or even 5 percent of Coca-Cola stock. In the second place, and it is no secret as their statement appears on pages 619 and 620 of the committee hearings, the bank concerned would be a bank holding company under the provisions of the bill. However, it would not be required to divest itself of some Coca-Cola stock which it has owned since the early 1920's, which it is permitted to own by the State of Georgia, and which it carries on its books at no value. As a matter of fact its holdings of Coca-Cola stock are less than the 5 percent ownership of nonbanking company shares permitted under section 6 (c) (6), which provision was not objected to by the Federal Reserve Board in its recommendations to the committee.

It has been charged that special treatment has been given to Kentucky banks. Section 6 (c) (6) of the original bill provided that a bank holding company would not have to divest itself of shares in any company which did not amount to more than 5 percent of the outstanding voting shares of such company and did not have a value greater than 5 percent of the value of the total assets of the bank holding company. The committee adopted an amendment which permitted the holding company to retain shares it owned in wholly owned subsidiary which likewise did not own more than 5 percent of the outstanding shares of any company. In other words the amendment merely permitted the holding company to do through a subsidiary what it could do directly. Along the same line the committee adopted an amendment which permitted holding companies to do directly what it could do through subsidiaries in section 6 (c) (1). Therefore the amendment complained of is thoroughly in keeping with the original provisions of the bill.

We do not pretend that in this bill we have brought forth a perfect piece of legislation. That is why we provided in so many words that the Federal Reserve Board shall sit upon it day by day and report to the Congress every year how the bill is operating together with their recommendations as to what is wrong with it and what should be improved and what should be changed.

Mr. KEATING. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it appears to me, in listening to the gentleman from New York, that his objection to this substitute is that it is too restrictive, that it is, if you will, too effective, that it applies too broadly. It strikes me that when we are tackling this problem we should enact a piece of legislation which will do the job. It seems to be the burden of the gentleman's argument, that this substitute will do too good a job.

I am no expert on this subject; I am not a member of this committee; I do not understand this problem as well, no doubt, as those who have listened to the evidence, but I have read the bill and I have read the substitute. The substitute commends itself to me in part because of its simplicity, its directness, and its forthrightness. It appears to me that if we are going to legislate on this subject, the simpler we can make it, the better; and the fewer exceptions we make, the better. Certainly if we are going to legislate we should legislate for the Nation as a whole and not in behalf of certain geographical areas. To do otherwise is to open ourselves to the charge that the special interests of a particular group are of greater concern to us than the national welfare.

The proposed substitute appears to retain the essential worthy features of the bill before us, while eliminating the discriminatory provisions designed to further the interests of a selected few.

Mr. SMITH of Virginia. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I oppose the substitute amendment. I have a good deal of interest in this legislation because I have thought for many years that something ought to be done. We are making a pretty good start at it, I think, with the committee bill, and I am reluctant to throw that in the ashcan and take a bill that none of us have had an opportunity to study through.

I do not know too much about the banking business; I am just a little banker. I have just been in the business for 25 years, and all I know about it is you have to hustle and bustle around every year to make enough money to pay that 52 percent to Uncle Sam and still try to pay little dividends to the fellows who put up their money. That is all the expert knowledge I have got about banking.

But I do know that there are evils connected with this holding company situation, and I have just had the opportunity since I came to the floor to run over hurriedly the bill offered by the distinguished gentleman from Michigan, whom I respect very highly. I am just afraid that we ought not to jump in here and take a substitute bill that none of us know anything about and do not understand, and substitute it in the place of the bill that has been worked out by the committee. I think it is in the interest of good orderly procedure that you should vote down this proposed substitute and then proceed to improve the bill offered by the committee. I can see some things in the committee bill I would like to have eliminated, but the substitute it seems to me leaves too much discretion in the Federal Reserve Board. They are given discretion in there to determine to a large extent what is a holding company. I think Congress ought to decide what is a holding company.

I am particularly interested in this bill in two respects. One is there should be some policing of these holdings companies even if they are just bank holding companies. The other is that people who are engaged in the banking business ought not to be engaged in all sorts of other commercial businesses. Let them get into one business or the other. Those are the two main features of the bill. One is to let the Federal Reserve Board determine to what extent the holding company can further expand, in other words make them get permission before they can go into your town or my town and buy up the banking facilities of that town. The other is that no corporation engaged in the banking business ought to be permitted to also carry on at the same time unrelated businesses. Those are the two main features of the bill.

Let us consider the bill from the committee, then let us operate on that from the standpoint of amendments to correct things we do not like. For instance, I do not like the idea of exempting savings banks. I do not know why they are exempted in the bill. Nobody has told me. I do not like the exemptions. Let us treat everybody alike. I can see, though, that it is pretty hard for this Congress to say to an individual: Mr. Bailey, you cannot own a certain amount of stock in the bank in your town and also own a certain amount of stock in the bakery in your town. That is dealing with the individual. I think it is a separate situation. But when you are dealing with a corporation, an artificial party that is subject to the most drastic kind of control, that is another matter.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from California.

Mr. McDONOUGH. The gentleman said he thought we ought to treat all alike. Under the gentleman's premise does he agree with the exceptions that are provided in the bill submitted? There are three exceptions.

Mr. SMITH of Virginia. I am ready to answer the question. If there is any discrimination in this bill, if there are exceptions that should not be in there, they ought to be taken out.

Mr. McDONOUGH. They are not in the substitute; they are in the committee bill.

Mr. SMITH of Virginia. All right, you can take them out of the committee bill. Let us take them out of the committee bill. Let us make the bill apply to everybody, but do not apply that to a bill that we do not know what is in it. I have great confidence in the gentleman from Michigan, but in a matter of this kind I want to be convinced myself from a study of the bill, and we have not had that opportunity.

Mr. WIER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I am one of the Members of this House who happens to have about 30 or 35 of what you term local-owned and local-controlled banks, both in the rural parts of my district as well as on the fringe of the city of Minneapolis. I have heard from them repeatedly, they have been keeping in touch with me on this legislation. I want to oppose this first amendment as I will oppose several other amendments that will be offered to this bill. I do so because I live in the very hotbed of holding company banking.

Two of the largest bank holding companies have their headquarters in Minneapolis. They are gigantic organizations. The Northwest Bancorporation has total deposits in its subsidiaries of over a billion and a half; the First Bank Stock Corp. over $1,300,000,000. With their size, with their resources, they pretty much dominate banking not only in Minnesota but in the States of Montana, North and South Dakota.

In my home city of Minneapolis, the Northwest Bancorporation has 14 banking offices, some of them in close-lying suburbs. The First Bank Stock Corp. has 11 banks and offices. So together, these two holding companies control 25 banks in our metropolitan area. The independent banks of my community have an infinitesimal portion of the commercial deposits.

These two holding companies do not confine their activities and banking operations to Minneapolis. They have banks in most of the important cities of the State and sit in a very strategic position. Each of these holding companies has 45 banks in Minnesota and, in most instances, they are the larger banks of the State. They are in a position to exert undue influence over banking in Minnesota.

To illustrate the control that these two holding companies have over banking in Minnesota, I would like to say that the First Bank Stock Corp. has 28.80 percent of the commercial bank deposits of the State. The Northwest Bancorporation has a percentage of the commercial bank deposits a trifle over 26 percent. Therefore, between these two holding companies, they control over 54 percent of all commercial bank deposits of the people of Minnesota.

The holding company control of banking in the States of Montana, North and South Dakota is quite similar to that of Minnesota. In Montana, the 2 holding companies control over 44 percent of the commercial bank deposits; in North Dakota, over 29 percent; and in South Dakota, over 32 percent.

Surely these two immense bank holding companies control enough of the banking of this large district. Surely no one would advocate that they secure a bigger portion of the banking industry. Their gigantic size makes it difficult in the extreme for the local, independent bank to meet their competition if at any time they want to get rough.

Mr. Chairman, I am sure that the Congress does not want banking monopoly in any section of the country. I do not believe the Members of Congress are in sympathy with the farflung banking empire. These holding companies have subsidiaries almost a thousand miles away from the home office, a form of distant control that could easily be adverse to the local interests of a faraway community.

These holding companies came into being for the purpose of evasion to get around the prohibitions as to branch banking in these States; to overcome the prohibition that restricts branch banking to the State of the home office. The bill before us, H. R. 6227, would force the holding companies to obey the laws that apply to banks. If this legislation becomes the law of the land, these holding companies in Minneapolis would be prohibited from acquiring any more subsidiaries in Minnesota; would be prohibited from acquiring any more subsidiaries across State lines. This bill would maintain the status quo. They could keep the bank subsidiaries they now have, but in this four-States-district, they could not acquire any additional subsidiaries. These holding companies, of course, will be able to expand their banking operations like an independent bank as the economy of the State grows but H. R. 6227 would go a long way in preserving the home-owned community bank, and with many community banks in competition with the subsidiaries of the holding companies, competition will be strong enough to insure good service to the people of these four States.

The Banking and Currency Committee have brought out an excellent bill in H. R. 6227. It is a bill that should be passed without any amendments. It is the minimum in legislation that the situation requires.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. WOLCOTT and Mr. BROWN of Georgia.

The Committee divided, and the tellers reported that there were—ayes 109, noes 150.

So the substitute amendment was rejected.

The Clerk read as follows:

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress, in accordance with which policy all of the provisions of this act shall be interpreted, to control the creation and expansion of bank holding companies; to separate their business of managing and controlling banks from unrelated businesses; and generally to maintain competition among banks and to minimize the danger inherent in concentration of economic power through centralized control of banks; and to subject the business and affairs of bank holding companies to the same type of examination and regulation as the banks which they control.

Mr. O'HARA of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Illinois: Amend section 2 by deleting the words beginning with "and to" in line 11 on page 1 and ending with "control of banks" in line 2 on page 2.

Mr. O'HARA of Illinois. Mr. Chairman, this amendment is addressed to the matter of diction. It is intended to strengthen section 2 by making the language simple.

This amendment would make the declaration of policy read: "to control the creation and expansion of bank holding companies; to separate their business of managing and controlling banks from unrelated businesses; and generally to maintain competition among banks."

It would strike out "and to minimize the danger inherent in concentration of economic power through centralized control of banks."

The word "minimize" in the use employed in this sentence is improper and unfortunate. We do not make laws with the policy merely to minimize the dangers in murder and in pickpocketing.

It would seem that policy of the Congress, as intended by the context of this bill, is, first, to control bank-holding companies; second, to divest them of nonbanking interests; and, third, generally to maintain banking competition. If the committee desires to go further, it properly might include that another policy objective is to prevent concentration of economic power through centralized control of banks. That is the simple, the direct, the positive use of words as vehicles for expression.

It is a matter of good diction. It seems to me this bill is stronger if we use the kind of good English we use in our own writings and our own correspondence. There is to me no meaning in the words "to minimize the dangers inherent in concentration," and so forth. We wish to prevent the concentration of economic power through credit monopolies, but to avoid saying directly what is in our minds we go around the bush to say that we will be satisfied with a minimum of the dangers of the evil. Then to add further confusion we do not stop with saying the danger in concentration, which would be sufficiently clear and understandable, but make it read the dangers inherent in concentration, and so forth. What purpose does the word "inherent" serve? As it is in this use an unnecessary and useless word, good diction would seem to require its blue-penciling.

I suppose my reaction to this is similar to that of a copy reader on a copy desk of a great newspaper when some reporter has submitted copy, and, as we all do on occasions when we are writing and are carried away by our own words, has put in a bit of unnecessary word coloring that destroys the directness and the simplicity and the understandability of the copy. So in the spirit of friendly interest in this bill, I am suggesting the amendment. I trust that my distinguished and beloved chairman—and I know how sincere his interest is in this bill and how hard he has worked in its drafting and getting it before us today—will agree with me that we will be making the bill stronger by doing a little copy reading. I hope my chairman will accept the amendment.

Mr. BURNSIDE. Mr. Chairman, I am strongly in favor of the committee bill. I have arrived at this conclusion after reading the hearings and the report of the Committee on Banking and Currency, and I congratulate that distinguished committee on the fine job it has done in connection with this matter. After studying the committee hearings and report, there is not the slightest doubt in my mind but that bank holding companies represent a present and growing threat to our economy and to our national way of life. I was generally impressed, Mr. Chairman, in reading the testimony of those who appeared before the committee on behalf of the holding companies. They were most frank and honest in defense of their business. Could this question be decided on a personal basis, I am sure we could place complete trust in those representatives of bank holding companies who testified as to their activities before the committee. But, Mr. Chairman, this question cannot be decided on that basis. The record is replete with examples of local banks entirely within the control of distant holding companies, which in many cases are also interested in nonbanking activities. Should an occasion arise making it necessary, there is no question but that resources of local banks would first be used for those nonbanking interests of the parent corporation. Banking facilities in the local community might thus become unavailable at a time when they would be most necessary. I shall not pause to dwell upon the inherent dangers in such a situation, should the power of the parent corporation be deliberately employed to oppose local interests.

Bankers in my district in West Virginia have informed me that at present bank holding companies do not operate, at least to any appreciable extent, in West Virginia. I am increasingly grateful for that fact, but the greatest single factor in this bill is its recognition of the fact that concentration of the control of a single segment of our economy in the hands of a very few corporations is not in the national interest. I have been privileged, during this session of Congress, to work very closely with small businessmen and manufacturers in my district. We have been attempting to eliminate drastic unemployment in the area by getting new business there, or by getting new contracts for existing business. One of the factors which has brought about the situation we are trying to remedy is the domination of some fields of enterprise by a very few giant corporations, which has largely stifled smaller competitors. We have tried to get some Government consideration of this fact, and consequent allocation of Government consideration of this fact, and consequent allocation of Government contracts to our area. Unfortunately, Mr. Chairman, I have found it extremely difficult to interrupt a pattern which has become well established recently. Had some means been available to correct the situation at its inception, my task today in that respect would be vastly simpler.

The bill which we are now discussing stops a situation which has all the earmarks of a future danger, before it becomes uncontrollable. As I have listened to the debates here on the floor, I have felt that if the opposition which has been expressed to the bill could be summarized, it would boil down to the single point that there is no need to go so far at this time. Mr. Chairman, I am not impressed by this argument. We have an opportunity now to close the barn door before the horse has gone. I have dealt with, and am now dealing with a problem which grew too large before action could be taken. I assure you that it is inestimably more effective to act at an earlier time. The time to act with respect to Bank Holding Companies is now, before their growth has placed them in a position where effective action will become impossible or vastly more difficult.

Mr. Chairman, we all realize the great importance of credit in a community and in our economy at large. If we permit that vital factor to become controlled by too few, even though they have the very best of intentions, we are running a risk which is far greater than any risk entailed in legislating at this point. In the current period of relatively easy credit, dangers not readily apparent may be overlooked. They will most assuredly come to light in the future when the economic situation changes. I for one do not relish the prospect of legislation being proposed here to nationalize our banking system. That prospect is not entirely unlikely if this legislation is not passed. Action now is the best means to prevent such an eventuality.

Mr. FOUNTAIN. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from Illinois [Mr. O'HARA].

The Clerk read as follows:

Amendment offered by Mr. FOUNTAIN as a substitute to the amendment offered by Mr. O'HARA of Illinois: On page 2, strike out lines 1 through 5, and insert in lieu "eliminate the danger inherent in the undue concentration of economic power through centralized control of banks and subject the business and affairs of bank holding companies to examination and regulation."

Mr. FOUNTAIN. Mr. Chairman, when this legislation was under consideration in the committee, quite a few of us were concerned about the statement of policy as set forth in section 2. A motion was made to pass over consideration of the statement of policy until the remainder of the bill had been acted upon. Unfortunately, I was unable to be present when that section was acted upon, and did not get a chance to propose the amendment I am now offering. I am inclined to agree with the gentleman from Illinois [Mr. O'HARA] and yet I believe the amendment which I have offered as a substitute will take care of the situation and at the same time preserve the intent of the statement of policy, as it is set forth in section 2 of the bill. If you will turn to page 2, right at the top of the page, my amendment makes only a few changes in the language. It strikes and rewrites all of lines 1 through 5. The gentleman from Illinois [Mr. O'HARA] emphasized the word "minimize." I, too, object to that language. I think if this bill means what it says and if we are going to include in it a statement of policy, we ought not to state it in a half-hearted sort of way. We ought not to admit that danger exists and then say the only thing we can do is to minimize it. For that reason I have substituted the word "eliminate" for the word "minimize" and I have placed before the word "concentration" the words "the undue" so that the language on the top of page 2 will read: "to eliminate the danger inherent in the undue concentration of economic power through centralized control of banks."

Then down in lines 3, 4, and 5, the bill presently reads: "and to subject the business and affairs of bank holding

companies"—and get this—"to the same type of examination and regulation as the banks which they control."

All of us know that bank holding companies are not banks and, consequently, bank holding companies cannot be subject to the same type of examination and regulation as the banks they control. For that reason, I have eliminated the words "the same type" and the words "as banks which they control" to read "and to subject the business and affairs of the bank holding companies to examination and regulation."

It is a very simple amendment. I think it clarifies and makes stronger the statement of policy. In addition it eliminates an impossible requirement concerning examination and regulation of holding companies.

Mr. SPENCE. Mr. Chairman, if the gentleman will yield, there is no objection to the gentleman's amendment.

Mr. FOUNTAIN. Thank you, Mr. Chairman, I am delighted to hear our chairman say that.

Mr. SPENCE. I might say that a great many people who represented the bank holding companies appeared before the committee saying that the statement in the policy statement was absolutely true, but they did not want it in the bill because they thought it might reflect upon them. The committee thought it ought to be left in, but we have no objection to the gentleman's amendment.

Mr. FOUNTAIN. Thank you, Mr. Chairman. With that statement, I have nothing further to say.

Mr. O'HARA of Illinois. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I rise to make the observation that the substitute offered by my colleague, the gentleman from North Carolina [Mr. FOUNTAIN] removes my main objection to the language in the statement of policy, the improper and impotent use in my judgment of the word "minimize."

I am going to accept the substitute, but with the explanation that I think it would be better if the entire clause were eliminated. Without that clause, which my original amendment would remove, the remaining language covers everything we intend to cover and the rest is unnecessary, additional language. I do not like the word "inherent," although its use here does have dictionary authority. My objection is that it is an unnecessary word. If that word were left out I would very much approve the substitute amendment; but as it meets my main objection and as it graciously has been accepted by my chairman, I will vote for the substitute.

The CHAIRMAN. The question is on the substitute offered by the gentleman from North Carolina [Mr. FOUNTAIN] to the amendment offered by the gentleman from Illinois [Mr. O'HARA].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Illinois [Mr. O'HARA] as amended by the substitute.

The amendment as amended was agreed to.

The Clerk read as follows:

DEFINITIONS

SEC. 3 (a) "Bank holding company" means (1) any company which now or hereafter directly or indirectly owns, controls, or holds with power to vote, 25 percent or more of the voting shares of each of two or more banks or of a company which is or becomes a bank holding company by virtue of this act; and (2) any company which the Board determines, after notice and opportunity for hearing, directly or indirectly exercises (either alone or pursuant to an arrangement or understanding with one or more other persons) a controlling influence over the management or policies of two or more banks; and for the purposes of this act, any successor to any such company shall be deemed to be a bank holding company from the date as of which such predecessor company became a bank holding company.

Notwithstanding the foregoing, the term "bank holding company" shall not include any corporation all of the stock of which is owned by the United States and no bank shall be a bank holding company by virtue of the ownership or control of shares in a fiduciary capacity, except where such shares are held for the benefit of all or a majority of the persons beneficially interested in such bank.

Nor shall (1) any mutual savings bank, or (2) any corporation or community chest, fund or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (3) any company owning or controlling 25 percent or more of the voting shares of two or more banks the aggregate deposits of all such banks not exceeding $15 million as of December 31, 1954, be classed as or held to be a bank holding company by reason of the ownership of the stock of any bank as of the effective date of this act.

(b) "Subsidiary," with respect to a specified bank holding company, means (1) any company 25 percent or more of whose outstanding voting shares (excluding shares owned by the United States or by any company wholly owned by the United States) is owned or controlled by such bank holding company; or (2) any company the management and policies of which the Board determines, after notice and opportunity for hearing, are in fact subject to a controlling influence by such bank holding company (either alone or pursuant to an agreement or understanding with one or more other persons).

(c) "Company" means any bank, corporation, partnership, joint-stock company, business trust, voting trust, association, or any similar organized group of persons, whether incorporated or not, excluding, however, any such company the majority of the shares of which are owned by the United States or by any State. Notwithstanding the provisions of the preceding sentence, the word "company" does not mean the administrators of an individual's estate, the executors of an individual's will, the trustees appointed under or pursuant to an individual's will, nor the trustees of an irrevocable trust agreement the corpus of which is donated by one donor and consists only of such donor's property.

(d) "Bank" means any National bank or any State bank, savings bank, or trust company, but shall not include any organization operating under section 25 (a) of the Federal Reserve Act, or any organization which does not do business within the United States. "State member bank" means any State bank which is a member of the Federal Reserve System. "District bank" means any State bank organized or operating under the Code of Law for the District of Columbia.

(e) The term "successor" shall include any company which acquires directly or indirectly from a bank holding company shares of any bank, when and if the relationship between such company and the bank holding company is such that the transaction effects no substantial change in the control of the bank or beneficial ownership of such shares of such bank. The Board may, by regulation, further define the term "successor" to the extent necessary to prevent evasion of the purposes of this act.

(f) "Board" means the Board of Governors of the Federal Reserve System.

REGISTRATION, REPORTS, AND EXAMINATION

SEC. 4. (a) Within 180 days after the effective date of this act, or within 180 days after becoming a bank holding company, whichever is later, each bank holding company shall register with the Board on forms prescribed by the Board, which shall include such information with respect to the financial condition and operations, management, and intercompany relationships of the bank holding company and its subsidiaries, and related matters, as the Board may deem necessary or appropriate to carry out the purposes of this act. The Board may, in its discretion, extend the time not to exceed an additional 180 days within which a bank holding company shall register and file the requisite information.

(b) The Board is authorized to issue such regulations and orders as may be necessary to enable it to administer and carry out the purposes of this act and prevent evasions thereof.

(c) The Board from time to time may require reports under oath to keep it informed as to whether the provisions of this act and such regulations and orders issued thereunder have been complied with; and the Board may make examinations of each bank holding company and each subsidiary thereof, the cost of which shall be assessed against, and paid by, such holding company. The Board shall, as far as possible, use the reports of examinations made by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or the appropriate State bank supervisory authority for the purposes of this section.

(d) Before the expiration of 1 year following the effective date of this act, and each year thereafter in the Board's annual report to the Congress, the Board shall report to Congress the results of the administration of this act, stating what, if any, substantial difficulties have been encountered in carrying out the purposes of this act, and any recommendations as to changes in the law which in the opinion of the Board would be desirable.

ACQUISITION OF BANK SHARES OR BANK ASSETS

SEC. 5. (a) It shall be unlawful except with the prior approval of the Board (1) for any action to be taken which results in a company becoming a bank holding company under section 3 (a) (1) of this act; (2) for any bank holding company or subsidiary thereof to acquire, directly or indirectly, any voting shares of a bank (other than voting shares of a bank acquired as a stock dividend); or (3) for any bank holding company or subsidiary thereof, other than a bank, to acquire all or substantially all of the assets of a bank.

(b) Before approving any application under this section, the Board shall give notice to, and allow 30 days within which views and recommendations may be submitted by, the Comptroller of the Currency if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a national bank or a district bank; or to the appropriate supervisory authority of the State in which applicant company or any bank the voting shares or assets of which are sought to be acquired is a State

bank. If the authority so notified by the Board files its written disapproval of the application within said 30 days the application shall not be granted.

(c) Notwithstanding any other provision of this section, no application shall be approved under this section which will permit (1) any bank holding company or any subsidiary thereof to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of any additional bank located outside of the State in which such bank holding company or subsidiary thereof maintains its principal office and place of business or in which it conducts its principal operations; (2) any bank holding company or any subsidiary thereof to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of any additional bank, except (i) within geographic limitations that would apply to the establishment of branches of banks under the statute law of such State, or (ii) unless such acquisition is at the time authorized by the statute law of such State by language specifically granting such authority affirmatively, and not merely by implication.

(d) In determining whether or not to approve any acquisition or merger or consolidation under this section the Board shall take into consideration the following factors: (1) the financial history and condition of the bank holding company or companies and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether or not the effect of such acquisition or merger or consolidation would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking and the public interest and the preservation of competition in the field of banking.

INTERESTS IN NONBANKING ORGANIZATIONS

SEC. 6. (a) Except as otherwise provided in this act, it shall be unlawful for any bank holding company, after 2 years from the effective date hereof, to own any shares or other securities or obligations of any company other than a bank or to engage in any business other than that of banking, or of managing or controlling banks, or of the kind of businesses enumerated in subsection (c) (1) of this section. The Board is authorized, upon application by a bank holding company, to extend this period from time to time as to any bank holding company for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest. However, nothing herein provided shall be construed to authorize the Board to extend any such period beyond the date 5 years after the enactment hereof or 5 years after a company becomes a bank holding company as provided in section 3, whichever is later.

(b) After 2 years from the date of this act, no certificate evidencing shares of any bank holding company shall bear any statement purporting to represent shares of any other company except a bank or a bank holding company, nor shall the ownership, sale, or transfer of shares of any bank holding company be conditioned in any manner whatsoever upon the ownership, sale, or transfer of shares of any other company except a bank or a bank holding company.

(c) The prohibitions in this section shall not apply—

(1) to shares, securities, or obligations owned or acquired by a bank holding company in any company engaged solely in holding or operating properties used wholly or in part by any subsidiary that is a bank in its operations or acquired for such future use or engaged solely in conducting a safe-deposit business, or solely in the business of serving such holding company and its subsidiaries in auditing, appraising, investment counsel, or in liquidating assets acquired from such bank holding company and its subsidiaries;

(2) to shares, securities, or obligations acquired by a bank holding company which is a bank, or its banking subsidiary, in satisfaction of a debt previously contracted in good faith, but such bank holding company or its subsidiary shall dispose of such shares, securities, or obligations within a period of 2 years from the date on which they were acquired or from the effective date of this act, whichever is later;

(3) to shares, securities, or obligations acquired by a bank holding company from any of its subsidiaries, which subsidiary has been requested to dispose of such voting shares, securities, or obligations by any Federal or State authority having statutory power to examine such subsidiary, but such bank holding company shall dispose of such shares, securities, or obligations within a period of 2 years from the date on which they were acquired or from the effective date of this act, whichever is later;

(4) to shares, securities, or obligations which are held or acquired by a bank which is a bank holding company in a fiduciary capacity or which are of the kinds and amounts eligible for investment by national banks under the provisions of section 5136 of the Revised Statutes, or to shares lawfully acquired and owned prior to the date of enactment of this act by such bank or any of its wholly owned subsidiaries;

(5) to a bank, which is a bank holding company, if the effect of applying such prohibitions is to prevent such bank from owning any shares or investment which such bank is permitted to own under the laws of the State in which such bank is operating; or

(6) to the ownership by a bank holding company of shares, securities, or obligations of any company which do not include more than 5 percent of the outstanding voting securities of such company, and do not have a value greater than 5 percent of the value of the total assets of the bank holding company; or to the ownership by a bank holding company of shares, securities, or obligations of an investment company which is not a bank holding company and which is not engaged in any business other than investing in securities, which securities do not include more than 5 percent of the outstanding voting securities of any company and do not include any single asset having a value greater than 5 percent of the value of the total assets of the bank holding company.

BORROWING BY BANK HOLDING COMPANY OR ITS SUBSIDIARIES

SEC. 7. From and after the effective date of this act, it shall be unlawful for a bank—

(a) to invest any of its funds in the capital stock, bonds, debentures, or other obligations of a bank holding company of which it is a subsidiary, or of a subsidiary of such bank holding company;

(b) to accept the capital stock, bonds, debentures, or other obligations of a bank holding company of which it is a subsidiary or a subsidiary of such bank holding company, as collateral security for advances made to any person or company: *Provided, however,* That any bank may accept such capital stock, bonds, debentures, or other obligations as security for debts previously contracted but such collateral shall not be held for a period of over 2 years;

(c) to purchase securities, other assets or obligations under repurchase agreement from a bank holding company of which it is a subsidiary or a subsidiary of such bank holding company; and

(d) to make any loan, discount, or extension of credit to a bank holding company of which it is a subsidiary or to a subsidiary of such bank holding company.

Non-interest-bearing deposits to the credit of a bank shall not be deemed to be a loan or advance to the bank of deposit, nor shall the giving of immediate credit to a bank upon uncollected items received in the ordinary course of business be deemed to be a loan or advance to the depositing bank.

The provisions of this section shall not apply (1) to the capital stock, bonds, debentures, or other obligations of any company described in section 6 (c) (1) of this act, or (2) any company whose subsidiary status has arisen out of a bona fide debt to the bank contracted prior to the date of the creation of such status, or (3) any company whose subsidiary status exists by reason of the ownership or control of voting shares thereof by the bank as executor, administrator, trustee, receiver, agent, or depositary, or in any other fiduciary capacity, except where such shares are held for the benefit of all or a majority of the stockholders of such bank.

RESERVATION OF RIGHTS TO STATES

SEC. 8. The enactment by Congress of the Bank Holding Company Act of 1955 shall not be construed as preventing any State from exercising such powers and jurisdiction which it now has or may hereafter have with respect to banks, bank holding companies, and subsidiaries thereof.

HEARINGS AND REVIEW

SEC. 9. Any shareholder, bank holding company, company, individual, or group directly interested in any transaction or proposal for which approval is required by the Board pursuant to the provisions of this act shall have the right to make application therefor to the Board. If the Board shall disapprove the same, it shall be the duty of the Board promptly to notify the applicant or applicants, stating the facts which in the judgment of the Board warrant the adverse finding with respect to any factor or factors. Any person as defined by section 2 (b) of the Administrative Procedure Act directly affected by any order, rule, regulation, or determination made, or other action taken by the Board, or affected by any failure to take action on an application to the Board under this act shall have the right, pursuant to the provisions of the Administrative Procedure Act, to a judicial review of any such order, rule, regulation, adjudication, determination, or other action or nonaction of the Board by which such person is adversely affected or aggrieved or has suffered legal wrong. Upon such review the action or nonaction which is the subject thereof shall not be considered to be action committed to agency discretion within section 10 of the Administrative Procedure Act (Act of June 11, 1946, ch. 324, sec. 10, 60 Stat. 243; title 5, sec. 1009 U. S. C. A.). The facts shall be subject to trial de novo in an appropriate court proceeding, and the action or nonaction of the Board shall be subject to review and may be corrected by the court if the same is shown to be discriminatory, unwarranted by the facts, based on consideration inconsistent with the policies of this act or otherwise unlawful within subsection (e) of section 10 of the said Administrative Procedure Act.

PENALTIES

SEC. 10. Any company which willfully violates any provision of this act, or any regulation or order issued by the Board pursuant thereto, shall upon conviction be fined not more than $1,000 for each day during which the violation continues. Any individual who willfully participates in a violation of any provision of this act shall upon conviction be fined not more than $10,000 or imprisoned not more than 1 year, or both. Every officer, director, agent, and employee of a bank holding company shall be subject to the same penalties for false entries in any book, report, or statement of such bank holding company as are applicable to officers, directors, agents, and employees of member

banks for false entries in any books, reports, or statements of member banks under section 1005 of title 18, United States Code.

TECHNICAL AMENDMENTS

SEC. 11. (a) The last sentence of the 16th paragraph of section 4 of the Federal Reserve Act, as amended, is amended by striking out all of the language therein which follows the colon and by inserting in lieu thereof the following: "*Provided*, That whenever any member banks within the same Federal Reserve district are subsidiaries of the same bank holding company within the meaning of the Bank Holding Company Act of 1955, participation in any such nomination or election by such member banks, including such bank holding company if it is also a member bank, shall be confined to one of such banks, which may be designated for the purpose by such holding company."

(b) (1) The 19th paragraph of section 9 of the Federal Reserve Act is amended by striking out the last sentence of such paragraph.

(2) The 22d paragraph of section 9 of the Federal Reserve Act is repealed.

(c) Subsection (c) of section 2 of the Banking Act of 1933, as amended, is repealed.

(d) Section 5144 of the Revised Statutes, as amended, is amended to read as follows:

"SEC. 5144. In all elections of directors, each shareholder shall have the right to vote the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate such shares and give one candidate as many votes as the number of directors multiplied by the number of his shares shall equal, or to distribute them on the same principle among as many candidates as he shall think fit; and in deciding all other questions at meetings of shareholders, each shareholder shall be entitled to one vote on each share of stock held by him; except that (1) this shall not be construed as limiting the voting rights of holders of preferred stock under the terms and provisions of articles of association, or amendments thereto, adopted pursuant to the provisions of section 302 (a) of the Emergency Banking and Bank Conservation Act, approved March 9, 1933, as amended; (2) in the election of directors, shares of its own stock held by a national bank as sole trustee, whether registered in its own name as such trustee or in the name of its nominee, shall not be voted by the registered owner unless under the terms of the trust the manner in which such shares shall be voted may be determined by a donor or beneficiary of the trust and unless such donor or beneficiary actually directs how such shares shall be voted; and (3) shares of its own stock held by a national bank and one or more persons as trustees may be voted by such other person or persons, as trustees, in the same manner as if he or they were the sole trustee. Shareholders may vote by proxies duly authorized in writing; but no officer, clerk, teller, or bookkeeper of such bank shall act as proxy; and no shareholder whose liability is past due and unpaid shall be allowed to vote. Whenever shares of stock cannot be voted by reason of being held by the bank as sole trustee, such shares shall be excluded in determining whether matters voted upon by the shareholders were adopted by the requisite percentage of shares.".

(e) The second paragraph of section 5211 of the Revised Statutes is amended by striking out the second sentence of such paragraph.

(f) (1) Subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new part:

"Part VIII—Distributions Pursuant to Bank Holding Company Act of 1955

"Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1955.
"Sec. 1102. Special rules.
"Sec. 1103. Definitions.

"SEC. 1101. Distributions pursuant to Bank Holding Company Act of 1955.

"(a) Distributions of prohibited property: If—

"(1) a qualified bank holding corporation distributes (with respect to its stock) prohibited property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

"(2) the Board has, before the distribution, certified that the distribution of such property is necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (b).

"(b) Corporation ceasing to be a bank holding company: If—

"(1) a qualified bank holding corporation distributes (with respect to its stock) property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

"(2) The Board has, before the distribution, certified that (A) such property is of a kind which causes such corporation to be a bank holding company, (B) the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company, and (C) the distribution is necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (a).

"(c) Property acquired after May 15, 1955:

"(1) In general: Except as provided in paragraphs (2) and (3), subsection (a) or (b) shall not apply to—

"(A) any property acquired by the distributing corporation after May 15, 1955, unless (i) gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b), or (ii) such property was received by it in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or

"(B) any distribution with respect to any stock which was acquired by the distributee after May 15, 1955, unless gain to such distributee with respect to the receipt of such stock was not recognized by reason of subsection (a) or (b).

"(2) Exchanges involving prohibited property: If—

"(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (a), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"(B) immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

"(C) before such exchange, the Board has certified that the exchange and distribution are necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955,

then paragraph (1) shall not apply with respect to such distribution.

"(3) Exchanges involving interests in banks: If—

"(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (b), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"(B) immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

"(C) before such exchange, the Board has certified—

"(i) that such property is of a kind which causes such corporation to be a bank holding company;

"(ii) that the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company; and

"(iii) that the exchange and distribution are necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then paragraph (1) shall not apply with respect to such distribution.

"(d) Certain construction to capital after May 15, 1955:

"(1) In general: The nonrecognition of gain provided by subsection (a) or (b) shall not apply to that portion of any distribution which is attributable to any contribution to the capital of any corporation made after May 15, 1955.

"(2) Special rule for contribution to capital of banks: Paragraph (1) shall not apply with respect to any contribution to the capital of a bank, if the Secretary or his delegate determines that the avoidance of Federal income tax was not one of the principal purposes for the making of such contribution.

"(e) Final certification:

"(1) For subsection (a): Subsection (a) shall not apply with respect to any distribution by a corporation unless the Board certifies that, before the expiration of the period permitted under section 6 (a) of such act (including any extensions thereof granted to such corporation under such section 6 (a), the corporation has disposed of all the property the disposition of which is necessary or appropriate to effectuate the first sentence of such section 6 (a) (or would have been so necessary or appropriate if the corporation had continued to be a bank holding company).

"(2) For subsection (b):

"(A) Subsection (b) shall not apply with respect to any distribution by any corporation unless the Board certifies that, before the expiration of the period specified in subparagraph (B), the corporation has ceased to be a bank holding company.

"(B) The period referred to in subparagraph (A) is the period which expires 2 years after the date of the enactment of this part. The Board is authorized, on application by any corporation, to extend such period from time to time with respect to such corporation for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest; except that such period may not in any case be extended beyond the date 5 years after the date of the enactment of this part.

"SEC. 1102. Special rules.

"(a) Basis of property acquired in distributions: If, by reason of section 1101, gain is not recognized with respect to the receipt of any property, then the basis of such property and of the stock with respect to which it is distributed shall, in the distributee's hands, be determined by allocating between such property and such stock the adjusted basis of such stock. Such allocation shall be made under regulations prescribed by the Secretary or his delegate.

"(b) Periods of limitation: The periods of limitation provided in sections 6501 and 6502 on the making of an assessment or the collection by levy or a proceeding in court shall not expire, with respect to any deficiency (including interest and additions to the tax) resulting solely from the receipt of property to which subsection (a) or (b) of section 1101 applies, before the date which is 1 year after the date on which the corporation notifies the Secretary or his delegate that final certification by the Board with re-

spect to the corporation from which such property was received has been made under section 1101 (e); and such assessment and collection may be made notwithstanding any provision of law or rule of law which would otherwise prevent such assessment and collection.

"(c) Allocation of earnings and profits: In the case of any exchange described in section 1101 (c) (2) or (3), the earnings and profits of the corporation transferring the prohibited property shall be properly allocated between such corporation and the corporation receiving such property under regulations prescribed by the Secretary or his delegate.

"(d) Itemization of property: In any certification under this part, the Board shall make such specification and itemization of property as may be necessary to carry out the provisions of this part.

"SEC. 1103. Definitions.

"(a) Bank holding company: For purposes of this part, the term 'bank holding company' has the meaning assigned to such term by section 3 of the Bank Holding Company Act of 1955.

"(b) Qualified bank holding corporation:

"(1) In general: Except as provided in paragraph (2), for purposes of this part the term 'qualified bank holding corporation' means any corporation which is a bank holding company and which holds prohibited property acquired by it—

"(A) on or before May 15, 1955,

"(B) in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) of section 1101, or

"(C) in exchange for all of its stock in an exchange described in section 1101 (c) (2).

"(2) Limitations:

"(A) A bank holding company shall not be a qualified bank holding corporation, unless it would have been a bank holding company on May 15, 1955, if the Bank Holding Company Act of 1955 had been in effect on such date, or unless it is a bank holding company determined solely by reference to—

"(i) property acquired by it on or before May 15, 1955,

"(ii) property acquired by it in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1101, and

"(iii) property acquired by it in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

"(B) A bank holding company shall not be a qualified bank holding corporation by reason of property described in subparagraph (B) of paragraph (1) or clause (ii) of subparagraph (A) of this paragraph, unless such property was acquired in a distribution with respect to stock, which stock was acquired by such bank holding company—

"(i) on or before May 15, 1955,

"(ii) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b) of section 1101, or

"(iii) in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

"(C) A corporation shall be treated as a qualified bank holding corporation only if the Board certifies that it satisfies the foregoing requirements of this subsection.

"(c) Prohibited property: For purposes of this part, the term 'prohibited property' means, in the case of any bank holding company, property (other than nonexempt property) the disposition of which would be necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955 if such company continued to be a bank holding company beyond the period (including any extensions thereof) specified in such section 6 (a) or in section 1101 (e) (2) (B) of this part, as the case may be. The term 'prohibited property' does not include shares, securities, or obligations of any company held by a bank holding company to the extent that the prohibitions of section 6 of the Bank Holding Company Act of 1955 do not apply to the ownership by such bank holding company of such property by reason of subsection (c) (6) of such section.

"(d) Nonexempt property: For purposes of this part, the term 'nonexempt property' means—

"(1) obligations (including notes, drafts, bills of exchanges, and bankers' acceptances) having a maturity at the time of issuance of not exceeding 24 months, exclusive of days of grace;

"(2) securities issued by or guaranteed as to principal or interest by a government or subdivision thereof or by any instrumentality of a government or subdivision; or

"(3) money, and the right to receive money not evidenced by a security or obligation (other than a security or obligation described in paragraph (1) or (2)).

"(e) Board: For purposes of this part, the term 'Board' means the Board of Governors of the Federal Reserve System."

(2) The table of parts for subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Part VIII. Distributions pursuant to Bank Holding Company Act of 1955."

(3) The amendments made by this subsection shall apply with respect to taxable years ending after the date of the enactment of this act.

(g) (1) Paragraph 4 of subsection (c) of section 3 of the Investment Company Act of 1940 is amended to read as follows:

"(4) Any bank holding company which is registered with the Board of Governors of the Federal Reserve System pursuant to the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said Act."

(2) Paragraph (11) of subsection (a) of section 202 of the Investment Advisers Act of 1940 is amended by changing the words "or any holding company affiliate, as defined in the Banking Act of 1933" to read "or any bank holding company, as defined in the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said Act".

SEC. 12. Nothing herein contained shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any prohibited antitrust or monopolistic act, action, or conduct.

SEPARABILITY OF PROVISIONS

SEC. 13. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the Act, and the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

Mr. SPENCE (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read and printed in the RECORD and subject to amendment section by section.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: On page 2, line 23, after "United States", insert "or Federal Deposit Insurance Corporation."

Mr. SPENCE. Mr. Chairman, that simply extends the provisions of the bill to banks organized by the Federal Deposit Insurance Corporation, which should not be subject to the provision.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. WOLCOTT. Does the gentleman seek to just insert FDIC?

Mr. SPENCE. The Federal Deposit Insurance Corporation.

Mr. WOLCOTT. The gentleman means the stock of which is owned by the United States or the Federal Deposit Insurance Corporation?

Mr. SPENCE. The Federal Deposit Insurance Corporation often in the liquidation of banks establishes new banks to take over the assets.

Mr. WOLCOTT. Why does not the gentleman just say "by the United States or any agency of the United States Government?" It would be safer.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. MULTER. I think that language might not be broad enough.

Mr. WOLCOTT. Not broad enough. How can it be made any broader?

Mr. MULTER. The Federal Deposit Insurance Corporation, may I remind the gentleman, is owned by the banks; the banks own the stock.

Mr. WOLCOTT. No. The FDIC is an agency of the United States Government. I hope I am correct in that.

Mr. MULTER. The gentleman is correct in that.

Mr. WOLCOTT. Why not include all the other agencies that might be owned or controlled by the United States Government?

Mr. SPENCE. I will accept the gentleman's suggestion.

Mr. WOLCOTT. I am merely trying to help you out, that is all.

Mr. SPENCE. Mr. Chairman, I modify the amendment by adding the phrase: "or any agency of the United States."

The CHAIRMAN. The Clerk will read the amendment as modified.

The Clerk read as follows:

Page 2, line 23, after the words "United States" insert "or any other agency of the United States Government."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The amendment was agreed to.

Mr. HALEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HALEY: On page 3, line 14, immediately after "1954," insert the following: "or (4) any company in which 75 percent, or more, of the assets are composed of holdings in the fields of Agriculture, Forestry, or both."

Mr. HALEY. Mr. Chairman, the committee has been very generous in taking care of one of the small corporations, or

you might say holding companies, in Florida amounting to approximately $450 million. This is just a small outfit that does not amount to anything. Briefly it covers this: Down in my district in Florida a naval stores corporation has been in existence for approximately 80 years. During the depression in the thirties they bought the stock of 1 bank and put the assets of this corporation in it. I might say it is a locally owned corporation with over 300 stockholders. They also acquired 34 percent of the stock of another bank.

This is not one of these great big boys who is going to go out and swallow up everything in the State or cross over the State lines or anything, it is just a bunch of good, honest, hard-working farmers down there who formed a company a great many years ago. Their business grew and prospered. They thought they would like to hold some stock in a bank. The community is well satisfied with the operation and are happy to have them down there. I hope you will adopt this amendment.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

This amendment, if I understand it, would exempt from the operation of the provisions of the bill a corporation 75 percent of whose assets were in agriculture or forestry. It seems to me that both of those words could be pretty liberally construed.

Agriculture might include not only the raising of fruits and vegetables and the raising of cattle, hogs, and sheep, but it might also include the slaughtering, the packing, and the processing of those commodities. If that be true, and I think that would be a reasonable construction, it would invade a very large industrial area and would certainly nullify the objectives we have tried to achieve in this bill.

Forestry not only would include the ownership of forests but all the large lumber concerns owning forests that convert their forests into lumber. It would not only include that character of operation but would include sawmills and the other processing of lumber.

So you see what a wide field this amendment would open. Of course, I would be lenient with the farmer who had some stock in the bank and had also some stock in a farm, but this certainly does not limit the activity to one of that kind.

I know that the intention of the distinguished gentleman from Florida is good, he wants to protect his people, but this character of amendment shows what can be done with a bill when the committee has given it great consideration and long study. There may be defects in the bill, but you better be sure that you take a bill, if you believe in the committee system, that has been considered by the committee and in a complicated matter of this kind not accept an amendment from the floor which the committee has never had an opportunity to consider.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Florida.

Mr. HALEY. The gentleman says the committee did not have an opportunity to consider this amendment. I offered this amendment to the distinguished chairman some time ago.

Mr. SPENCE. To the committee?

Mr. HALEY. I offered it to the gentleman.

Mr. SPENCE. I have no knowledge of it. Did the gentleman appear before the committee?

Mr. HALEY. No, I did not, but I offered this amendment to the distinguished gentleman some time ago.

Mr. SPENCE. I do not remember the gentleman having offered the amendment to the committee or any consideration being given by the committee to this amendment. That is true, is it not?

Mr. HALEY. I did not say I offered it to the committee. I said I presented the amendment to the distinguished chairman some time ago and I thought he had the amendment under consideration.

Mr. SPENCE. Well, we never had the amendment under consideration. I remember the gentleman gave me the amendment some days ago but I think he gave it to me after the hearings were concluded. I am not sure about that but I think that is so. If the gentleman had asked to appear before the committee the committee would have given him that opportunity.

Mr. FASCELL. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I would respectfully point out that in the exceptions in the bill on page 3 there is an economic justification evidently placed by the committee on exempting holding companies representing 2 or more banks with an aggregate deposit of $15 million as of December 31, 1954. Whatever the economic justification might be that the committee considered for excluding that type from under the regulation of this bill, I submit there is greater economic justification for the exclusion proposed by the amendment offered by the gentleman from Florida, because it says, "any bank in which 75 percent or more of the assets are composed of holdings in the fields of agriculture, forestry or both."

I cannot think of an economic condition where you are tied in more directly with the economy of an agricultural community than where you have a bank whose other interests are in agriculture and forestry. They are not the economic octupus which this bill seeks to regulate and therefore should be excepted.

Mr. Chairman, I hope that the members of this committee will support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. HALEY].

The question was taken; and on a division (demanded by Mr. HALEY) there were—ayes 53, noes 59.

So the amendment was rejected.

Mr. McDONOUGH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McDONOUGH: Page 9, strike out line 11 and all through line 3, page 10, and insert in lieu thereof:

"SEC. 6. (a) Except as otherwise provided in this act, it shall be unlawful for any bank holding company to hereafter (1) engage in any additional nonbanking business, (2) acquire direct or indirect ownership or control of any voting shares (other than voting shares acquired as a stock dividend), securities, or other obligations of any company which is not a bank, or (3) retain direct or indirect ownership of any voting shares, securities, or other obligations of any company which is not a bank which (i) increases its outstanding voting shares other than by the issuance of a stock dividend, or (ii) engages in any additional nonbanking business."

Mr. McDONOUGH. Mr. Chairman, the purpose of this amendment is to freeze the assets of holding corporations as of now; they cannot expand, they cannot increase the capitalization of any other nonbanking assets, and they can dispose of them if, as, and when they please. The bill says they must dispose of them in 2 years, with 3 years of grace, but if the assets are frozen as of now, that would be fair, because, as a matter of fact, under the amendments which I recited a few minutes ago to the committee, one that protects an individual holding corporation in Florida and another one in Kentucky and another one in Georgia, which are freeze amendments which the majority of the committee have already approved, there certainly can be no objection to this, because this treats all holding corporations on a fair basis. Without any further explanation, I am sure the committee understands that this is no attempt to do anything more than to be equitable insofar as the assets of the holding corporations are concerned across the Nation, because if we proceed as we have, we will be discriminating against those corporations that are protected by amendments in the bill, to those that are not protected by amendments in the bill that will be unfair and discriminatory.

Mr. Chairman, I hope the committee will accept the amendment.

Mr. MULTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment will not accomplish very much. It will just freeze into existence and continue in existence the very worst offenders, bank holding companies that cross State lines, bank holding companies that are now engaged in every business they can think of in addition to banking, and this practically would say to them, "God bless you. Continue to do that kind of work which we are enacting this bill against." We have said through the years that is the wrong thing to do. This amendment would simply say, "Go ahead and continue to do it as long as you want."

The amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. McDONOUGH].

The amendment was rejected.

Mr. SPENCE. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SPENCE:

Page 21, strike out lines 13 to 17, inclusive, and insert:

"(B) any property which was acquired by the distributing corporation in a distribution with respect to stock acquired by such corporation after May 15, 1955, unless such

stock was acquired by such corporation (i) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b), or (ii) in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies."

Page 23, line 17, strike out "Construction" and insert "Contributions."

Page 24, line 11, strike out "6 (a)," and insert "6 (a))."

Page 26, line 9, strike out "prohibited."

Mr. SPENCE. Mr. Chairman, these are committee amendments as suggested by the chairman of the Committee on Ways and Means to correct a slight error made in the draft of the amendment as the committee reported it.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. COOPER. Mr. Chairman, the amendment is necessary to correct a technical error in the language now contained in the bill. Under the present language, a purchaser of stock in a bank holding company, who acquired his stock after May 15, 1955, would not be entitled to the nonrecognition treatment provided under the bill. This unintended result would be corrected by the proposed amendment.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Kentucky [Mr. SPENCE].

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, repoted that that Committee, having had under consideration the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes, pursuant to House Resolution 265, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. WOLCOTT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WOLCOTT. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WOLCOTT moves to recommit the bill H. R. 6227 to the Committee on Banking and Currency with instructions to report the same back forthwith with the following amendment:

Strike out all after the enacting clause and insert the following:

"DEFINITIONS

"SEC. 2. (a) 'Bank holding company' means any company (1) which at any time after the effective date of this act, owns or controls, directly or indirectly, a majority of the shares of any bank, (2) which at any time after such date shall have owned or controlled more than 50 percent of the shares which were voted for the election of directors of any bank at the preceding election, (3) which at any time after such date controls in any manner the election of a majority of the directors of any bank, or (4) for the benefit of whose shareholders or members a majority of the shares of any bank or bank holding company is held by trustees at any time after such date; or any successor to any such company. Notwithstanding the foregoing, no company shall be considered a bank holding company if it does not own or control, directly or indirectly, any shares of any bank and if no shares of any bank or bank holding company are held by trustees for the benefit of such company's shareholders or members; and no bank shall be a bank holding company by virtue of its ownership or control of shares in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank. In addition the term 'bank holding company' shall not include any company which is determined by the Board not to be engaged, directly or indirectly, as a business in holding the stock of, or managing or controlling, banks in such manner and to such an extent as to require regulation of such company under this act in order to carry out its purposes. In making any such determination the Board shall consider, among other factors, the nature of the business of such company, the number of banks in which it owns or controls stock and the amount of such stock owned or controlled by it, and the area of operations of such banks; and any such determination may be conditional and shall be subject to revocation by the Board.

"(b) 'Company' means any individual corporation, business trust, association, or similar organization, but shall not include any corporation all of the shares of which are owned by the United States.

"(c) 'Bank' means any national bank or any bank, banking association, savings bank, or trust company organized under the laws of any State or of the District of Columbia which receives deposits subject to check.

"(d) The term 'successor' shall include any organization which acquires directly or indirectly from a bank holding company shares of any bank, when and if the relationship between such organization and the bank holding company is such that the transaction effects no substantial change in the control of the bank or beneficial ownership of such shares of such bank. The Board may, by regulation, further define the term 'successor' to the extent necessary to prevent evasion of the purposes of this act.

"(e) 'Board' means the Board of Governors of the Federal Reserve System.

"SEC. 3. (a) Within 90 days after the date of this act, or within 90 days after becoming a bank holding company, whichever is later, each bank holding company shall register with the Board on forms prescribed by the Board, which shall include such information with respect to the financial history and condition and the operations and management of such company and the banks which it controls, the relationships of such company with banks and other organizations, and related matters, as the Board may deem necessary or appropriate to carry out the purposes of this act. The Board may, in its discretion, extend the time within which a bank holding company shall register and file the requisite information.

"(b) The Board from time to time may require any bank holding company to furnish such information regarding such company and its relations with banks and other organizations as the Board may deem appropriate or necessary to enable it to determine whether or not to grant any approval or take any other action contemplated by this act; to determine compliance with the provisions of this act and to prevent evasions thereof; and to keep the Congress informed with respect to the administration of this act. For the purpose of obtaining such information, the Board may require reports from any bank holding company in such form and at such times as it may prescribe and may, if it deems such action necessary, make examinations of any bank holding company, in which event the expenses of any such examination may, in the discretion of the Board, be assessed against the bank holding company and, when so assessed, shall be paid by such company. To the extent that the information contained therein is adequate for the purposes of this subsection, the Board is authorized to use the available reports of examinations made by or on behalf of any Federal or State bank supervisory authority.

"(c) Before the expiration of 5 years following the date of this act the Board shall report to Congress the results of the administration of this act, stating what, if any, substantial difficulties have been encountered in carrying out the purposes of this act, and any recommendations as to changes in the law which in the opinion of the administering agency would be desirable.

"ACQUISITION OF BANK SHARES

"SEC. 4. (a) Except with the prior approval of the Board, no bank holding company shall acquire ownership or control of any shares of any bank, directly or indirectly, or merge or consolidate with any other bank holding company. Notwithstanding the foregoing, this prohibition shall not apply to shares acquired by a bank (1) in good faith in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank, or (2) in the regular course of securing or collecting a debt previously contracted in good faith; but any shares acquired after the date of this act in securing or collecting any such previously contracted debt shall be disposed of within a period of 2 years from the date on which they were acquired.

"(b) In determining whether or not to approve any acquisition or merger or consolidation under this section, the board shall take into consideration the following factors: (1) the financial history and condition of the bank holding company or companies and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether or not the effect of such acquisition or merger or consolidation would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking and the public interest and the preservation of competition in the field of banking."

"(c) In approving any acquisition or merger or consolidation under this section, the Board shall be authorized to prescribe such conditions as it may deem necessary in the light of its consideration of the factors set forth in subsection (b) of this section in order to assure the sound financial condition and satisfactory management of the bank holding company and of the banks controlled by it. Such conditions may include, but without limitation, conditions relating to the maintenance of adequate capital and reserves of readily marketable assets by such company.

"(d) Before approving any acquisition or merger or consolidation under this section, other than the acquisition by a bank holding company of ownership or control of shares of a bank of which such company already owns or controls a majority of shares, the board shall consider any views or recommendations which may be submitted by the Federal bank supervisory authorities and the appropriate State bank supervisory authorities, such Federal and State authorities to be given notice of the proposed action and allowed 30 days in which to submit their views and recommendations. No acquisition of ownership or control of the shares of any State or national bank in any State shall be approved under this section if, under the same circumstances, the acquisition of such ownership or control of shares of a State bank would be expressly prohibited by the statutes of such State.

"INTERESTS IN NONBANKING ORGANIZATIONS

"SEC. 5. (a) Except as otherwise provided in this act, no bank holding company, after the date of this act shall acquire, or after 2 years from the date of this act shall retain, directly or indirectly, ownership or control of any shares of any company which is not a bank or engage in any business other than that of banking or of managing or controlling banks. The Board is authorized, upon application by a bank holding company, to extend this period from time to time as to such company for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest, provided that no such extensions shall extend beyond a date 5 years after the date of this act.

"(b) After 2 years from the date of this act, no certificate evidencing shares of any bank holding company shall bear any statement purporting to represent shares of any other company except a bank or a bank holding company, nor shall the ownership, sale, or transfer of shares of any bank holding company be conditioned in any manner whatsoever upon the ownership, sale, or transfer of shares of any other company except a bank or a bank holding company.

"(c) The prohibitions of this section shall not apply—

"(1) to shares of any company engaged solely in a safe deposit or fiduciary business or of any company all the activities of which the Board has determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this act.

"(2) to shares acquired by a bank in good faith in a fiduciary capacity, except where such shares are held for the benefit of the holders of a majority of the shares of such bank; or

"(3) to shares acquired by a bank in the regular course of securing or collecting a debt previously contracted in good faith, but any such shares shall be disposed of within a period of 2 years from the date on which they were acquired or from the date of this act, whichever is later, except that the Board is authorized, upon application by such bank, to extend this period from time to time as to such bank for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest: *Provided*, That no such extensions shall extend beyond a date 5 years after the date of this act.

"PENALTIES

"SEC. 6. Any company which willfully violates any provision of this act, or any condition prescribed by the Board pursuant to this act, shall upon conviction be fined not more than $1,000 for each day during which the violation continues; and any individual who willfully participates in any such violation shall upon conviction be fined not more than $10,000 or imprisoned not more than 1 year, or both. Every officer, director, agent, and employee of a bank holding company shall be subject to the same penalties for false entries in any book, report, or statement of such bank holding company as are applicable to officers, directors, agents, and employees of member banks for false entries in any books, reports, or statements of member banks under section 1005 of title 18, United States Code.

"AMENDMENTS TO INTERNAL REVENUE CODE

"SEC. 7. Subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new part:

"'*Part VIII—Distributions pursuant to Bank Holding Company Act of 1955*

"'SEC. 1101. Distributions pursuant to Bank Holding Company Act of 1955.
"'SEC. 1102. Special rules.
"'SEC. 1103. Definitions.

"'SEC. 1101. Distributions pursuant to Bank Holding Company Act of 1955

"'(a) Distributions of prohibited property: If—

"'(1) a qualified bank holding corporation distributes (with respect to its stock) prohibited property to a shareholder, without the surrender of such shareholder of stock or securities in such corporation; and

"'(2) the Board has, before the distribution, certified that the distribution of such property is necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (b).

"'(b) Corporation ceasing to be a bank holding company: If—

"'(1) a qualified bank holding corporation distributes (with respect to its stock) property to a shareholder, without the surrender by such shareholder of stock or securities in such corporation; and

"'(2) the Board has, before the distribution, certified that (A) such property is of a kind which causes such corporation to be a bank holding company, (B) the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company, and (C) the distribution is necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then no gain to the shareholder from the receipt of such property shall be recognized. This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (a).

"'(c) Property acquired after May 15, 1955:

"'(1) In general: Except as provided in paragraphs (2) and (3), subsection (a) or (b) shall not apply to—

"'(A) any property acquired by the distributing corporation after May 15, 1955, unless (i) gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b), or (ii) such property was received by it in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or.

"'(B) any distribution with respect to any stock which was acquired by the distributee after May 15, 1955, unless gain to such distributee with respect to the receipt of such stock was not recognized by reason of subsection (a) or (b).

"'(2) Exchanges involving prohibited property: If—

"'(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (a), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) Immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

"'(C) before such exchange, the Board has certified that the exchange and distribution are necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955.

then paragraph (1) shall not apply with respect to such distribution.

"'(3) Exchanges involving interests in banks: If—

"'(A) any qualified bank holding corporation exchanges (i) solely property which, under subsection (b), such corporation could distribute directly to its shareholders without the recognition of gain to such shareholders, for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) Immediately after the exchange, the qualified bank holding corporation distributes all of such stock to its shareholders with respect to its stock; and

"'(C) before such exchange, the Board has certified—

"'(i) that such property is of a kind which causes such corporation to be a bank holding company;

"'(ii) that the disposition of property of that kind is necessary to enable such corporation to cease being a bank holding company; and

"'(iii) that the exchange and distribution are necessary or appropriate to effectuate the policies of the Bank Holding Company Act of 1955,

then paragraph (1) shall not apply with respect to such distribution.

"'(d) Certain construction to capital after May 15, 1955:

"'(1) In general: The nonrecognition of gain provided by subsection (a) or (b) shall not apply to that portion of any distribution which is attributable to any contribution to the capital of any corporation made after May 15, 1955.

"'(2) Special rule for contribution to capital of banks: Paragraph (1) shall not apply with respect to any contribution to the capital of a bank, if the Secretary or his delegate determines that the avoidance of Federal income tax was not one of the principal purposes for the making of such contribution.

"'(e) Final certification:

"'(1) For subsection (a): Subsection (a) shall not apply with respect to any distribution by a corporation unless the Board certifies that, before the expiration of the period permitted under section 6 (a) of such act (including any extensions thereof granted to such corporation under such section 6 (a)), the corporation has disposed of all the property the disposition of which is necessary or appropriate to effectuate the first sentence of such section 6 (a) (or would have been so necessary or appropriate if the corporation had continued to be a bank holding company).

"'(2) For subsection (b):

"'(A) Subsection (b) shall not apply with respect any distribution by any corporation unless the Board certifies that, before the expiration of the period specified in subparagraph (B), the corporation has ceased to be a bank holding company.

"'(b) The period referred to in subparagraph (A) is the period which expires 2 years after the date of the enactment of this part. The Board is authorized, on application by any corporation, to extend such period from time to time with respect to such corporation for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest; except that such period may not in any case be extended beyond the date 5 years after the date of the enactment of this part.

"'Sec. 1102. Special rules.

"'(a) Basis of property acquired in distributions: If, by reason of section 1101, gain is not recognized with respect to the receipt of any property, then the basis of such property and of the stock with respect to which it is distributed shall, in the distributee's hands, be determined by allocating between such property and such stock the adjusted basis of such stock. Such allocation shall be made under regulations prescribed by the Secretary or his delegate.

"'(b) Periods of limitation: The periods of limitation provided in sections 6501 and 6502 on the making of an assessment or the collection by levy or a proceeding in court shall not expire, with respect to any deficiency (including interest and additions to the tax) resulting solely from the receipt of property to which subsection (a) or (b) of section 1101 applies, before the date which is 1 year after the date on which the corporation notifies the Secretary or his delegate that final certification by the Board with respect to the corporation from which such property was received has been made under section 1101 (e); and such assessment and collection may be made notwithstanding any provision of law or rule of law which would otherwise prevent such assessment and collection.

"'(c) Allocation of earnings and profits: In the case of any exchange described in section 1101 (c) (2) or (3), the earnings and profits of the corporation transferring the prohibited property shall be properly allocated between such corporation and the corporation receiving such property under regulations prescribed by the Secretary or his delegate.

"'(d) Itemization of property: In any certification under this part, the Board shall make such specification and itemization of property as may be necessary to carry out the provisions of this part.

"'Sec. 1103. Definitions.

"'(a) Bank holding company: For purposes of this part, the term "bank holding company" has the meaning assigned to such term by section 3 of the Bank Holding Company Act of 1955.

"'(b) Qualified bank holding corporation:

"'(1) In general: Except as provided in paragraph (2), for purposes of this part the term "qualified bank holding corporation" means any corporation which is a bank holding company and which holds prohibited property acquired by it—

"'(A) on or before May 15, 1955,

"'(B) in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) of section 1101, or

"'(C) in exchange for all of its stock in an exchange described in section 1101 (c) (2).

"'(2) Limitations:

"'(A) A bank holding company shall not be a qualified bank holding corporation, unless it would have been a bank holding company on May 15, 1955, if the Bank Holding Company Act of 1955 had been in effect on such date, or unless it is a bank holding company determined solely by reference to—

"'(i) property acquired by it on or before May 15, 1955,

"'(ii) property acquired by it in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1101, and

"'(iii) property acquired by it in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

"'(B) A bank holding company shall not be a qualified bank holding corporation by reason of property described in subparagraph (B) of paragraph (1) or clause (ii) of subparagraph (A) of this paragraph, unless such property was acquired in a distribution with respect to stock, which stock was acquired by such bank holding company—

"'(i) on or before May 15, 1955.

"'(ii) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b) of section 1101, or

"'(iii) in exchange for all its stock in an exchange described in section 1101 (c) (2) or (3).

"'(C) A corporation shall be treated as a qualified bank holding corporation only if the Board certifies that it satisfies the foregoing requirements of this subsection.

"'(c) Prohibited property: For purposes of this part, the term "prohibited property" means, in the case of any bank holding company, property (other than nonexempt property) the disposition of which would be necessary or appropriate to effectuate the first sentence of section 6 (a) of the Bank Holding Company Act of 1955 if such company continued to be a bank holding company beyond the period (including any extensions thereof) specified in such section 6 (a) or in section 1101 (e) (2) (B) of this part, as the case may be. The term "prohibited property" does not include shares, securities, or obligations of any company held by a bank holding company to the extent that the prohibitions of section 6 of the Bank Holding Company Act of 1955 do not apply to the ownership by such bank holding company of such property by reason of subsection (c) (6) of such section.

"'(d) Nonexempt property: For purposes of this part, the term "nonexempt property" means—

"'(1) obligations (including notes, drafts, bills of exchanges, and bankers' acceptances) having a maturity at the time of issuance of not exceeding 24 months, exclusive of days of grace;

"'(2) securities issued by or guaranteed as to principal or interest by a government or subdivision thereof or by any instrumentality of a government or subdivision; or

"'(3) money, and the right to receive money not evidenced by a security or obligation (other than a security or obligation described in paragraph (1) or (2)).

"'(e) Board: For purposes of this part, the term "Board" means the Board of Governors of the Federal Reserve System.'

"(2) The table of parts for subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"'Part VIII. Distributions pursuant to Bank Holding Company Act of 1955.'

"(3) The amendments made by this subsection shall apply with respect to taxable years ending after the date of the enactment of this act.

"(g) (1) Paragraph 4 of subsection (c) of section 3 of the Investment Company Act of 1940 is amended to read as follows:

"'(4) Any bank holding company which is registered with the Board of Governors of the Federal Reserve System pursuant to the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said act.'

"(2) Paragraph (11) of subsection (a) of section 202 of the Investment Advisers Act of 1940 is amended by changing the words 'or any holding company affiliate, as defined in the Banking Act of 1933' to read 'or any bank holding company, as defined in the Bank Holding Company Act of 1955, or any banking subsidiary or any other subsidiary thereof which is exempt from section 6 by reason of the provisions of subsection (c) (1) thereof as defined in said act.'

"SEC. 8. Nothing herein contained shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any prohibited antitrust or monopolistic act, action, or conduct.

"SEPARABILITY OF PROVISIONS

"SEC. 9. If any provision of this act or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

Mr. WOLCOTT (interrupting the reading of the motion to recommit). Mr. Speaker, I ask unanimous consent that the further reading of the motion to recommit be dispensed with inasmuch as the amendment contained in the motion to recommit is identical with the amendment in the form of a substitute which I offered in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. SPENCE. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 371, nays 24, answered "present" 2, not voting 37, as follows:

[Roll No. 84]

YEAS—371

Abbitt	Buckley	Dowdy
Abernethy	Budge	Doyle
Adair	Burdick	Durham
Addonizio	Burleson	Edmondson
Albert	Burnside	Ellsworth
Alexander	Bush	Engle
Allen, Calif.	Byrd	Evins
Allen, Ill.	Byrne, Pa.	Fallon
Andersen, H. Carl	Byrnes, Wis.	Fascell
	Cannon	Feighan
Andresen, August H.	Carlyle	Fenton
	Carnahan	Fernandez
Andrews	Carrigg	Fine
Anfuso	Cederberg	Fino
Arends	Celler	Fisher
Ashley	Chase	Fjare
Ashmore	Chelf	Flood
Aspinall	Chenoweth	Flynt
Auchincloss	Chiperfield	Fogarty
Avery	Christopher	Forand
Ayres	Chudoff	Forrester
Bailey	Church	Fountain
Baker	Clark	Friedel
Baldwin	Coon	Fulton
Barrett	Cooper	Garmatz
Bass, N. H.	Corbett	Gary
Bass, Tenn.	Coudert	Gathings
Bates	Cramer	Gavin
Beamer	Cretella	Gentry
Belcher	Crumpacker	George
Bell	Cunningham	Gordon
Bennett, Fla.	Curtis, Mo.	Granahan
Bennett, Mich.	Dague	Grant
Berry	Davidson	Gray
Betts	Davis, Ga.	Green, Oreg.
Blatnik	Davis, Tenn.	Gregory
Blitch	Davis, Wis.	Griffiths
Boggs	Dawson, Ill.	Gross
Boland	Dawson, Utah	Hagen
Bolling	Deane	Hale
Bolton, Frances P.	Delaney	Haley
	Dempsey	Halleck
Bonner	Denton	Hand
Bow	Devereux	Harden
Bowler	Dies	Hardy
Boyle	Dodd	Harris
Bray	Dollinger	Harrison, Nebr.
Brooks, La.	Dolliver	Harrison, Va.
Brooks, Tex.	Dondero	Harvey
Brown, Ga.	Donohue	Hays, Ark.
Brownson	Donovan	Hays, Ohio
Broyhill	Dorn, N. Y.	Hayworth
Buchanan	Dorn, S. C.	Hébert

Henderson	Martin	Schenck
Herlong	Mason	Scherer
Hess	Matthews	Schwengel
Hill	Meader	Scrivner
Hinshaw	Merrow	Scudder
Hoeven	Metcalf	Seely-Brown
Hoffman, Ill.	Miller, Calif.	Selden
Hoffman, Mich.	Miller, Md.	Sheehan
Holifield	Miller, Nebr.	Shelley
Holmes	Mills	Sheppard
Holt	Minshall	Short
Holtzman	Mollohan	Shuford
Horan	Morano	Sieminski
Hosmer	Morgan	Sikes
Huddleston	Morrison	Siler
Hull	Moss	Simpson, Ill.
Hyde	Moulder	Simpson, Pa.
Ikard	Multer	Sisk
Jackson	Murray Ill.	Smith, Kans.
Jarman	Murray, Tenn.	Smith, Miss.
Jenkins	Natcher	Smith, Va.
Jennings	Nelson	Smith, Wis.
Jensen	Nicholson	Spence
Johansen	Norblad	Springer
Johnson, Calif.	O'Brien, Ill.	Staggers
Johnson, Wis.	O'Brien, N. Y.	Steed
Jonas	O'Hara, Ill.	Sullivan
Jones, Ala.	O'Hara, Minn.	Talle
Jones, Mo.	O'Konski	Taylor
Jones, N. C.	O'Neill	Teague, Calif.
Judd	Osmers	Teague, Tex.
Karsten	Ostertag	Thomas
Kean	Passman	Thompson, La.
Kearns	Patman	Thompson, Mich.
Keating	Patterson	Thompson, Tex.
Kee	Perkins	Thornberry
Kelley, Pa.	Pfost	Tollefson
Kelly, N. Y.	Philbin	Trimble
Kilday	Phillips	Tuck
Kilgore	Pilcher	Tumulty
King, Calif.	Pillion	Udall
Kirwan	Poage	Utt
Kluczynski	Poff	Vanik
Knox	Powell	Van Zandt
Knutson	Preston	Velde
Krueger	Price	Vinson
Laird	Priest	Vursell
Landrum	Prouty	Wainwright
Lane	Quigley	Watts
Lanham	Rabaut	Weaver
Lankford	Radwan	Westland
LeCompte	Rains	Wharton
Lesinski	Reed, Ill.	Whitten
Lipscomb	Rees, Kans.	Wickersham
Long	Reuss	Widnall
Lovre	Rhodes, Pa.	Wier
McConnell	Richards	Wigglesworth
McCormack	Riehlman	Williams, Miss.
McCulloch	Riley	Williams, N. J.
McDonough	Rivers	Williams, N. Y.
McDowell	Roberts	Willis
McIntire	Robeson, Va.	Wilson, Calif.
McMillan	Robsion, Ky.	Wilson, Ind.
Macdonald	Rodino	Winstead
Machrowicz	Rogers, Colo.	Withrow
Mack, Ill.	Rogers, Fla.	Wolverton
Mack, Wash.	Rogers, Mass.	Wright
Madden	Rogers, Tex.	Yates
Magnuson	Rooney	Younger
Mahon	Roosevelt	Zablocki
Mailliard	Rutherford	Zelenko
Marshall	Sadlak	

NAYS—24

Alger	Frelinghuysen	Reece, Tenn.
Becker	Gamble	Rhodes, Ariz.
Bosch	Gwinn	St. George
Brown, Ohio	Hiestand	Taber
Clevenger	Kilburn	Van Pelt
Cole	Latham	Vorys
Derounian	McGregor	Wolcott
Dixon	Miller, N. Y.	Young

ANSWERED "PRESENT"—2

Pelly Ray

NOT VOTING—37

Barden	Eberharter	Klein
Baumhart	Elliott	McCarthy
Bentley	Ford	McVey
Bolton, Oliver P.	Frazier	Mumma
Boykin	Green, Pa.	Norrell
Canfield	Gubser	Polk
Chatham	Heselton	Reed, N. Y.
Colmer	Hillings	Saylor
Cooley	Hope	Scott
Curtis, Mass.	James	Thompson, N. J.
Diggs	Kearney	Thomson, Wyo.
Dingell	Keogh	Walter
	King, Pa.	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Keogh with Mr. Heselton.
Mr. Klein with Mr. Hillings.
Mr. Polk with Mr. Scott.
Mr. Eberharter with Mr. James.
Mr. McCarthy with Mr. Hope.
Mr. Chatham with Mr. Baumhart.
Mr. Dingell with Mr. Bentley.
Mr. Frazier with Mr. Curtis of Missouri.
Mr. Cooley with Mr. Canfield.
Mr. Green of Pennsylvania with Mr. Oliver P. Bolton.
Mr. Colmer with Mr. Mumma.
Mr. Thompson of New Jersey with Mr. McVey.
Mr. Walter with Mr. Gubser.
Mr. Barden with Mr. Ford.
Mr. Boykin with Mr. Kearney.
Mr. Diggs with Mr. King of Pennsylvania.
Mr. Elliott with Mr. Reed of New York.
Mr. Norrell with Mr. Saylor.

Mr. HINSHAW changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PRINTING OF ADDITIONAL SENATE COMMITTEE ON THE JUDICIARY HEARINGS

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 31 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on the Judiciary not more than 3,000 additional copies, each of 3 reports of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

The resolution was agreed to; and a motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION, THE TENNESSEE VALLEY AUTHORITY, CERTAIN AGENCIES OF THE DEPARTMENT OF THE INTERIOR, AND CIVIL FUNCTIONS ADMINISTERED BY THE DEPARTMENT OF THE ARMY APPROPRIATION BILL, 1956

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 270, Rept. No. 809), which was referred to the House Calendar and ordered to be printed:

Resolved, That during the consideration of the bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes, all points of order against the bill are hereby waived.

AMENDING THE MINING LAWS

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 271, Rept. No. 810), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5891) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROGRAM FOR TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I take this time to advise the House as to the situation tomorrow. Our Republican friends are having a conference immediately after adjournment. I know that the Members who have special orders will have that fact definitely in mind. It was the intention to bring up the Patman resolution this afternoon, but, of course, we respect thoroughly the conference call by our Republican friends, and for that reason it will not be called up. But, I feel obligated to announce that it should be the next order of busines, and I am announcing that that will be the first order of business tomorrow, and thereafter the public works appropriation bill will follow.

BOB LA FOLLETTE, SR.

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, today marks the 100th anniversary of the birth of a great American, Senator Robert M. La Follette, Sr.

The name La Follette has been a hallmark in American political liberalism for many years. Bob La Follette, Sr., had a long and distinguished career of public service, first as a Representative, as the Governor of Wisconsin, as United States Senator, and was a candidate for the

Presidency in 1924 on the Progressive ticket.

Following his death, just 30 years ago this week, his son, Bob La Follette, Jr., took his vacated seat in the Senate and was three times reelected as a Progressive from Wisconsin.

For almost a half-century—from 1901 to 1947, a La Follette was either a Senator from Wisconsin or a Governor of that State. This is a great tribute to the La Follettes, never equaled on the American political scene.

It is therefore appropriate to speak today about one of the most constructive achievements which the senior La Follette was instrumental in attaining in his long and distinguished career of public service. I am referring to the passage of the Lloyd-La Follette Act of 1912 which wrote into law valuable safeguards for the protection of our Government employees.

One of the most important sections of the Lloyd-La Follette Act guarantees the right of employees to join unions of their choice, provided such unions do not impose an obligation to strike. There was, however, no requirement that the executive branch of Government recognize or deal with such unions.

Mr. Speaker, I have introduced a bill, H. R. 697, which would amend section 6 of the Lloyd-La Follette Act of 1912, as amended, to provide for the recognition of the unions of postal and Federal employees. The need for prompt action on this legislation becomes more obvious each day.

If collective bargaining and the proper machinery to settle grievances are proper and essential in private industry, they are equally necessary in Government employment. Effective labor-management relations with any degree of bargaining rights which the employer is bound to respect, are nonexistent in the Federal service.

While representatives of our Government employees unions do present grievances on behalf of their members, they do so on sufferance rather than as a matter of right. If the head of the department or agency, or his subordinates, decline to discuss a problem, or if after the discussion of a particular problem they decline to take the necessary corrective action, the organization has no appeal short of congressional action.

I feel that my bill is not only just but is vital to the maintenance of decent, harmonious relations between the Federal Government and its employees. Having deprived these employees of the right to strike in seeking redress of their just grievances, the Congress can do no less than set up machinery which will secure to these employees the benefits that arise from a sound labor-management policy and which are almost universally accepted in enlightened private industry.

This bill would require departments and agencies to deal with employee unions on such matters as dismissals, promotions, demotions, appeals, grievances, and all other policy matters affecting personnel. It also provides that any violations of the rights of employee unions by administrative officials shall be punishable by appropriate action.

I hope that the House Post Office and Civil Service Committee will schedule hearings on this bill and that it may receive favorable action in the present Congress.

Mr. Speaker, I include an article from the June 10, 1955, issue of the Government Standard, published by the American Federation of Government Employees, entitled "The Lloyd-La Follette Act—Thanks to Fighting Bob":

THE LLOYD-LA FOLLETTE ACT—THANKS TO FIGHTING BOB

This month marks the 100th anniversary of the birth and 30th anniversary of the death of Senator Robert M. La Follette, Sr., who wrote into law the bill of rights for Government employees.

The Lloyd-La Follette Act of 1912 was the American Federation of Labor's answer to a series of gag rules which prevented Federal employees from seeking to improve their conditions through legislation and to the intimidation, dismissal, and demotion of employees who tried to exercise the right to organize.

MOST IMPORTANT

Next to the Civil Service Act of 1883, the Lloyd-La Follette Act is the most important single piece of legislation protecting Government employees. Here are some of its provisions:

No dismissals except for cause. Employees must be presented with written charges and given an opportunity to refute the charges before a dismissal can take effect.

Writes into law the right of employees to join unions, so long as the organization does not assert the right to strike. While the original language of the bill applies to postal employees, it has been accepted as protecting all Federal employees.

And finally, the act declares: "The right of persons employed in the civil service of the United States, either individually or collectively, to petition Congress, or any Member thereof, or to furnish information to either House of Congress, or to any committee or member thereof shall not be denied or interfered with."

DISMISSALS

Passage of the Lloyd-La Follette Act was the climax to several years of oppressive treatment of Federal employees, particularly in the postal service where the first organizations of Government employees were born. Not only had employees been forbidden to seek improvement through legislation, but leaders and active members of employee organizations were dismissed and demoted.

It was only after the Lloyd-La Follette Act had changed the atmosphere of the Federal service that organization of employees throughout the Government service became possible.

It marked an end to the type of discipline envisioned by one prominent Senator who declared: "I claim that employees who work for the Federal Government are analogous to soldiers in the Army."

Thanks to men like Fighting Bob La Follette, Government employees may join together to improve their conditions without fear of reprisals.

They have men like Bob La Follette to thank for this right to organize. They have only themselves to blame if they fail to make use of it.

ROBERT M. LA FOLLETTE: BORN 100 YEARS AGO TODAY

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, 100 years ago today "Old Bob" La Follette was born in a log cabin at Primrose, Wis. From these humble beginnings has come a tradition of political forthrightness and concern for human dignity which has left a permanent imprint on American life.

This week the Library of Congress has fittingly chosen as its exhibit-of-the-month a modest display of papers belonging to Robert Marion La Follette, Sr. Among the historic documents symbolizing the La Follette philosophy of government is a scrap of paper found in "Old Bob's" desk a few days after his death on June 17, 1925. In one short sentence is written a political testament which sums up the La Follette tradition in Wisconsin and which every American in public life could well adopt as his personal motto:

I would be remembered as one who in the world's darkest hour kept a clean conscience and stood to the end for the ideals of American democracy.

Millions of Americans continue to see "Old Bob" in Statuary Hall here in the Capitol, as he almost springs to life from his Senate seat of stone. I would hope that this and subsequent generations realize the La Follette tradition springs to life wherever the restless conscience of American democracy is obeyed in government.

NEVER TIRED IN BATTLE FOR PROGRESS

Wisconsin's proud son, Robert M. La Follette, Sr., never tired in his battle for human progress and he was never bullied by bigness. Those who differed with him believed in his complete integrity. And those who believed in him worshiped his untiring devotion to the betterment of all mankind.

"Old Bob's" stalwart fight for what he thought was right has now gained historical perspective. A discerning portrait has been painted in words by Walter Monfried of the Milwaukee Journal in the issue of Sunday, June 12, 1955, retelling the turbulent story of this man's life:

OLD BOB LA FOLLETTE—A POLITICAL IMMORTAL—WISCONSIN'S FAMOUS WARRIOR OF THE HUSTINGS WAS BORN 100 YEARS AGO ON DANE COUNTY FARM—CENTENNIAL RITES WILL BE HELD AT MADISON NEXT SUNDAY

One hundred years ago next Tuesday, Robert Marion La Follette, Sr., was born on a farm in Primrose township (the metropolis of which is Mount Vernon, present population 118). The farm is in Dane County, 20 miles southwest of Madison. "Old Bob" (as he is forever known to his friends) used to recall how he drove a horse and wagon to the capital city to sell eggs and berries, door to door.

Thirty years ago next Saturday, the unwavering warrior (aged 70 years 4 days) died of a heart attack in Washington.

The passage of the years has not treated him unkindly. There are many who revere his memory beyond that of all other politicians. Those who hated or disparaged him have little to say about him now, and have turned their weapons on other targets. The measure of his stature today is shown by this significant fact: When the centennial rites are held at Madison on June 19, the

Chief Justice of the Nation, Earl Warren, will be the principal participant.

If you wish a pro-La Follette statement from a fervent admirer, here are some of the words spoken at the 1929 La Follette statue unveiling in Washington by the eminent historian and diplomat, Claude G. Bowers:

"In the story of American democracy in the last half century, no name is more luminously or indelibly written in the records than that of Robert M. La Follette. As a crusader for the democratic concept of the State, he resembles Jefferson, of whom he was a professed disciple and interpreter. As a fighting defender of democracy against the encroachments of privilege, he stands with Jackson. As a friend of the plain people in the lowly walks of life, he ranks with Lincoln."

OPPOSED UNITED STATES ENTRY INTO WORLD WAR I

In profuse and florid detail, the historian related how the Wisconsin hero had scourged the party bosses, forced the railroads to pay up, freed the merchant seamen from slavery, sent children from factories to playgrounds and schools, ended the "impossible physical and moral conditions" for workingwomen, compelled food adulterators to stop their poisonous practices and started the investigation of the Teapot Dome oil scandal.

"There is not a friend of popular government and the rights of man who does not stand before his memory at salute," said Bowers.

At the other extreme of the gamut, consider the action of the late Frank B. Kellogg, a Senator from Minnesota in World War I years, who urged the Senate to expel La Follette for alleged disloyalty and seditious utterances. (La Follette had opposed United States' entry into the war and later had criticized the financing of it, asserting that some men were taking huge profits at the expense of the masses.)

Kellogg failed in his effort, and a few years later, in 1922, La Follette gained the sweetest of revenges—he invaded Minnesota to oppose Kellogg's reelection and did much to gain victory for Hendrik Shipstead, who at the start of the drive had been given little chance to win.

TO SOME HE WAS RADICAL BOGEYMAN

Throughout his career La Follette was vilified on the grand scale. To many conservatives and stalwarts he was the antichrist. Lincoln Steffens, the famed journalist who specialized in exposing political graft, had heard so much evil of La Follette, then governor, that he decided to investigate. The highly laudatory article he wrote later stupefied the conservative forces. They concluded that Bob had hypnotized the writer.

Where can one find a fair, objective appraisal today? Let us turn to the new and admirable history of the Nation by Morison and Commager, of Harvard and Columbia Universities, respectively. These notable historians aver that La Follette, Bryan, Theodore Roosevelt, and Woodrow Wilson were the leaders of the 20th century progressivism.

"Throughout La Follette's long and honorable career," they say, "he labored for social democracy through regulation of industrial and financial monopolies. He broke the power of the bosses, regulated railroads and public utilities, reorganized systems of taxation, made the State university an effective instrument of the social and economic regeneration of the State, and reconstructed the administration along more democratic lines."

The La Follette strength, as they note, was confined to the upper Mississippi Valley. Other sections were frightened by this radical bogeyman. Yet, in the 1912 presidential fight, the historians conclude that La Follette showed more wisdom than did his arch foe, Theodore Roosevelt, who split the party hopelessly and made a Democratic victory certain. La Follette's strategy was to let the old guard smash itself and wait 4 years for liberal Republicans to win power.

In foreign matters, La Follette would be classed today as a die-hard isolationist. His sincerity in this respect has long been questioned. Even his friendliest critics point out that he and his sons, the late Senator Bob, Jr., and former Governor Phil, took care not to antagonize the German vote. Old Bob was always suspicious of the British, and he was among the first American leaders to decry the Soviet regime in Russia.

It is almost forgotten that La Follette began his congressional career as a conservative Republican, and remained thus past his 35th year. He went along with the imperialists and he helped frame the McKinley tariff, which brought disaster to the Republicans in 1890 and kept La Follette out of public office for a decade. During that time, when the bosses sought to discard the ambitious young man, he was shocked to discover their corruption and their attempts to bribe judges. In the early nineties, he declared a war on them and remained a Republican rebel for life.

NAME MEANT "THE RECKLESS ONE"

Old Bob came of fighting stock—Scotch-Irish, French Huguenot, and American revolutionary. The family believes the name was originally Le Follet, "the reckless one." Bob's father, Josiah, was 6 feet 3 inches tall, and his mother, a Ferguson, was 4 feet 10. When Bob grew up he thought of becoming an actor, but believed he was too short.

When it was time for Bob to enroll at the university, his widowed mother went along and ran a boardinghouse. Even as a youth he was a flashing personality around Madison—quick, vital, brilliant, a fine speaker. He held a dozen jobs on and off the campus to pay his way.

Shakespeare was a lifelong passion of his, and he worked up a lecture on the villainous Iago that won him an intercollegiate championship. Returning to Madison, he was hailed as a winning football team would be greeted now.

In later years he delivered a Hamlet lecture hundreds of times on the Chautauqua circuits. Edwin Booth, whom he saw as a young man, and John Barrymore, whom he saw late in life, were the finest Hamlets of his experience, he recalled. When Barrymore learned of La Follette's treatises on Shakespeare, he asked for copies and praised them highly.

MARRIED HIS COLLEGE SWEETHEART

Belle Case of Baraboo was Bob's classmate and sweetheart at Madison, and they married after graduation. She was the first woman graduate of the university law school, and she was his invaluable adviser, assistant, and inspiration to the end of his life. She always remained in the background. She and her daughter Fola collaborated on the best La Follette biography yet written, and its 1,300 pages are scarcely sufficient to chronicle his extraordinarily vivid career. Mrs. La Follette died 6 years after her husband.

A brief summary of Bob's political career reads this way: Dane County district attorney, 1880–84; Congressman, 1885–91; governor, 1901–06; Senator, 1906 to his death.

In 1924 he ran for the Presidency under the Progressive Political Action auspices. He carried only Wisconsin but was second in 11 States. No other third party candidate has ever come close to the nearly 5 million votes he received.

On that election night, Bob was surrounded by friends to receive the returns. Some of them groaned and some wept when a Coolidge landslide victory became certain, but Bob took his licking with a smile.

"Why didn't the workingmen give us their expected votes?" someone asked bitterly.

"You're asking too much of them," La Follette replied gently. "They have only their paychecks between their families and starvation."

Undiscouraged, the old battler immediately started to organize the next campaign. He died 7 months later. As the train carried his body from Washington to Madison, railroad workers dropped their tools and bowed.

RESIGNATION OF RENE A. WORMSER FROM STAFF OF NEW YORK UNIVERSITY (FORMER GENERAL COUNSEL, SPECIAL COMMITTEE TO INVESTIGATE TAX EXEMPT FOUNDATIONS)

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, the Special Committee To Investigate Tax-Exempt Foundations, of which I had the honor to be chairman, selected a distinguished lawyer as its general counsel, Rene A. Wormser, of the New York bar. He is an author of national reputation on legal subjects and matters of public concern. He is perhaps the foremost authority in the United States on estate planning, in which the creation and use of tax-exempt foundations plays a direct part. He has lectured widely on this subject to universities, bar associations, tax institutes, and other technical groups. His background is completely nonpolitical. I do not believe that a more capable and objective lawyer could have been found as counsel to our committee.

Up until May 23, 1955, Mr. Wormser was a member of the faculty of New York University. On that date he resigned in protest against an act which is so serious in import that I must call it to the attention of the Congress. It bears directly on the work of the committee of which I was chairman. It illustrates that at least one of the conclusions of our committee was correct beyond challenge—that some of the major foundations exercise enormous and not always benign influence over our educational institutions. This influence is exercised, for the most part, by professional administrators, who are permitted to use their vast power to promote their personal, political ideologies.

Before his resignation, Mr. Wormser had been a member of the planning committee of the New York University Federal Tax Institute for some 10 years. He had also, for some 8 years, lectured and conducted a course in estate planning at the university.

Two years ago, New York University held a conference on charitable foundations, at which foundation executives were invited to listen to a series of lectures on taxes and other topics important to their work. As an outstanding expert in the field, Mr. Wormser was selected as a member of the committee which planned this conference. He was also one of the lecturers at the conference. Moreover, Mr. Wormser was asked

by Dean McGhee, of the School of General Education, under whose auspices the conference was being held, to introduce, at the dinner meeting, the speaker who had been invited from Chicago to address the conference. This was Mr. Keele, former counsel to the Cox committee which had investigated foundations—the predecessor committee to that of which I became chairman.

The above information is pertinent because on May 19 and 20, 1955, a second conference on foundations was held by New York University. The first knowledge Mr. Wormser had of this conference was by receipt, through the mail, of a public, printed notice of the program of the conference, from which his name was conspicuously absent. He had not been appointed a member of its Planning Committee; he had not been asked to render a lecture; he had not been asked to participate in any way; there had not even been any mention to him, either by the dean or his assistant, with both of whom he worked closely in other areas, that a conference was being organized.

Under ordinary circumstances, a university would have the perfect right to fail to invite even so notable an expert, should it care to. But these were not ordinary circumstances.

Mr. Wormser's exclusion was not accidental or incidental. It was conscious and purposeful.

Note the difference, gentlemen. The Cox committee had reported the social science activities of the major foundations as being virtually free of ideological bias, a conclusion to which I took exception at the time. Its counsel was invited to New York University to be a major speaker at the first foundation conference. In his speech, he admitted that the Cox committee had been looking for communism in the foundations and had not examined them for socialism. The committee of which I was chairman severely criticized some of the major foundations for their support of socialistic projects. As a result, its counsel was purposefully excluded from the second conference.

Now this exclusion would have been indefensible if it had been no more than a mere act of the dean expressing his personal distaste for our committee's work. But this was only one of the reasons. Mr. Wormser was excluded because several representatives of major foundations demanded it. They stated that they would not participate in the conference if Mr. Wormser were associated with it. To this ultimatum, the dean capitulated. Forgetting all about principles of academic freedom, freedom of opinion, intellectual liberty and university independence, he agreed to exclude a distinguished member of his faculty.

Learning of Mr. Wormser's exclusion, one of the scheduled lecturers visited the dean and protested bitterly. Following this meeting, and on May 4, the dean wrote a letter to Mr. Wormser apologizing for his discourtesy in having failed to discuss the forthcoming foundation conference with him. In reply, Mr. Wormser wrote the following letter, on May 9:

Dean PAUL A. MCGEE,
New York University,
Division of General Education,
New York, N. Y.

DEAR PAUL: I have your two letters of the fourth. I would be glad to have a personal talk with you if you wish it. Before that, however, I believe you ought to know how I feel.

When I received through the mail a copy of the printed announcement of the second NYU foundation conference, from which my name was conspicuously absent, my immediate reaction was to resign all connections with the university. But no man is any good as his own counsel, so I decided to discuss the matter with several persons of wisdom and judgment. Their conclusion was unanimously that, as an official of a university, you had committed it to an act violative of several basic principles for which every self-respecting university must stand. Only one of these men (all eminent) suggested that an opportunity should be given to the university to correct the grave error which had been made—but even he could not think of any way in which this could take place effectively.

I am still inclined, therefore, to resign, and in a letter to the university setting forth my reasons in detail. In courtesy to you, I shall postpone this decision until I see you—if we are to meet.

Your letters, Paul, did not face the basic issues fairly and squarely. There was involved, of course, severe discourtesy in the failure of either you or Henry to have any discussion with me whatsoever but to permit me first to learn of the second conference through a formal announcement. Adding all the circumstances together, this silence on your part was gravely offensive. I say this not because I was slighted, you put the thing far too personally in using that word in your letter. I would be entitled to take no umbrage in ordinary circumstances at being left off the program. But these were no ordinary circumstances.

I was a member of the planning committee of the first NYU foundation conference. That did not give me a vested right to be a member of the planning committee of the second conference, and you were fully entitled to omit me from it. In view of our personal relationship and my quite unusual qualifications in the subject, of course, omitting me was, to say the least, odd.

I was also a lecturer at the first conference. To this position I had no vested right either, so that you were entitled to omit me from the lecture program if you cared to, despite the somewhat unique contributions to the subject I have made and can make.

But there is one capacity in which—while, of course, I had no vested interest in it—you could not in good conscience omit inviting me to participate in the second conference.

You will remember, at the first conference, that the speaker of the evening (the only highlighted speaker at the conference) was Mr. Keele, former counsel to the Cox committee. You will remember also that you asked me to introduce him, which I did. You will remember further that, in the course of his address, he made a bitter attack on a distinguished alumnus of New York University, a former director of its School of Accounts and Finance, Congressman REECE. I later became general counsel to the successor committee of the House of Representatives, the so-called Reece committee.

The precedent of having the counsel for the Cox committee as a principal speaker made it imperative to have the counsel for the Reece committee as a speaker (not necessarily a principal speaker) at the second conference. To fail to invite him was an act of discrimination. This discrimination was not accidental but intended. That is the gravamen of my charge, Paul.

The personal discourtesy involved in your silence was as unnecessary as it was unpleasant. It would have been so easy for you, knowing me not to be a belligerent person, to sit down with me in frank and friendly discussion. You could have said: "Rene, we have a problem to work out. As counsel to the Reece committee, we must have you present at the forthcoming foundation conference. On the other hand, the committee's work turned out to be very controversial, and we cannot permit controversy to creep into this conference which has solely a constructive purpose. We must have you speak, therefore, and as former counsel to the Reece committee, but it must be on a noncontroversial basis. Can we not work out a subject and subject-matter which would be constructive in purpose and would wholly avoid controversy?" And, Paul, that would have been so easy to do.

It is regrettable that this did not occur to you in view of our long personal and professional association. But what is graver than this is that my exclusion was purposeful and based undoubtedly on either of two motivations, or perhaps on both.

The first is that you permitted your own distaste for my views, as they appeared in the Reece report, to govern or affect your thinking. Although I believe you to be sadly misinformed, or uninformed, in the subject and in the issues involved, you are entitled to your opinions, however they may differ from mine—you are entitled even to condemn my opinions roundly. But, if you permitted your opinions to warp your judgment as a university official, I submit this is subject to very serious criticism. It would have been a form of personal censorship, resulting in the exclusion of an ex-public official and a member of your faculty because of your own political or social disagreement with him.

Now it may be that this factor did not enter into your decisions at all, and that you acted solely on the basis of the pressure exercised by some foundation representatives. I know that such pressure existed, and I conclude that you felt you could not resist it. If this is so, you have given one of the best proofs of the fact that the Reece committee was justified in pointing out that some of the major foundations and their satellite or associated organizations can and do exercise heavy and wrongful pressure upon academic institutions through the power of the purse.

It is understandable that some few foundation executives might bear personal animosity against me for my work on the committee. But do not suffer under a misunderstanding of the facts, Paul. I am no enemy of foundations, nor was anyone on the Reece committee or on its staff. The majority report criticized a very few of the foundations, and these only in limited areas of activity, chiefly where these had political implications—and I do not mean Republican-Democratic politics but politics in the basic sense. There is mounting evidence daily that these criticisms were justified—an obvious example is in the current and recent activities of the Fund for the Republic whose counsel (personally a very charming, able and admirable lawyer) is one of the speakers on your program.

But foundations were not criticized, as such. The mass of foundations were left without criticism. The report gladly acknowledged the monumental services which had been rendered by foundations to the people of the United States. Criticism was levied at a tiny fraction of the foundations; and here only, as I have said, in limited areas of operation. The report urged that such reform as might be necessary come

from within these foundations. It expressly recommended that legislation be considered only if it became an inescapable alternative to such reform—and then only after continued and intensive study, by the Congress, of the problems which needed attention.

I would, therefore, not have appeared on your program as an enemy of foundations, either in my exofficial capacity or in my individual identity. I have been one of the foremost promoters of the use of foundations in the country—I have written and lectured about their use perhaps as much as anyone else, if not more—and as recently as 2 weeks ago in a lecture for New York University.

In all these circumstances, it seems to me that the university could not permit any pressure to be exerted against my appearance, especially when I happen to be a member of the university faculty (however peripheral or minor a member). This does, I suggest, raise an issue of academic freedom, and a very serious one.

I well understand how important to universities is the grace of foundations. However that may be, to permit any control, or influence, or pressure, from foundation executives to prevent a university from doing what it otherwise would feel obliged or inclined to do, is very unfortunate. It gravely violates basic academic principles upon which, I am sure, you and I would have no difficulty finding agreement. They are principles to which you have, to my knowledge, given vigorous support. They involve concepts of freedom of thought and expression, academic independence, and "liberalism" in the true sense.

All this I deem extremely important, Paul. The issue of personal discourtesy is relatively unimportant. There is, though, an element of added discourtesy to your eminent alumnus, CARROLL REECE, one of the finest men I have ever had the pleasure to work with.

Sincerely,

RENE.

To this letter, the dean answered on May 15, again apologizing for his discourtesy, but indicating that he did not recede from a conviction that the exclusion of Mr. Wormser was justified. He said he would telephone to arrange a personal meeting. Mr. Wormser waited for that meeting, but no call came from the dean, and the scheduled 2-day conference took place.

The New York Times of May 21 reported the second day's proceedings at the conference under this headline:

FOUNDATION HEAD DEFIES CRITICISM

The report described an attack made upon our committee by Mr. Rusk, president of the Rockefeller Foundation, and apparently joined in by others. A Times editorial of the next day lauded Mr. Rusk for having made this attack.

Thus, New York University had permitted itself to be used as a forum for an attack on a congressional committee, at the same time that it had purposefully excluded the former counsel to that committee.

After reading the Times report, Mr. Wormser addressed the following letter of resignation to the chancellor of the university:

MAY 23, 1955.

DR. HENRY T. HEALD,
Chancellor, New York University,
New York, N. Y.

DEAR DR. HEALD: Please accept this as my resignation as a member of the Planning Committee of the New York University Tax Institute, to take effect immediately, and as a lecturer at the university, to take effect at the end of this term—I shall, naturally, complete the course in Estate Planning which I am currently conducting. My resignations are submitted with deep regret, for I have devoted much interest, time and energy to the university for many years. But I cannot condone the incident with which this letter is concerned by remaining on the university staff.

I present these resignations directly to you because I expressly request that the incident be called to the attention of the trustees of the university, to apprise them of something which seriously affects the reputation of the institution. I suggest you submit this letter and its attachments.

The incident concerns the recent conference on foundations held by the university on May 19th and 20th. I was excluded from participation in this conference because I had been general counsel to a congressional committee, the "Reece committee," the chairman of which is a distinguished alumnus of New York University and one of its former major officers.

I had been on the planning committee of the first NYU foundation conference, held 2 years ago, and one of its panel of speakers. I had also been asked, if you will recall, to introduce the speaker at the dinner session, who was Mr. Keele, the ex-counsel to the Cox committee, predecessor of the Reece committee. My first knowledge that the second conference was to be held was upon the receipt of a public, printed announcement.

A grave discourtesy was involved in the failure of either Dean McGhee, under whose auspices the conference was organized, or his assistant, Henry Sellin, to have any discussion with me in advance or in transit. Dean McGhee, as you know, has been a friend of long standing, and I have worked intimately with him and Henry Sellin in connection with my New York University activities. Dean McGhee has apologized sincerely for the discourtesy, but it is not the discourtesy itself which has prompted me to resign. Dean McGhee apparently still feels that he was justified in excluding me from the conference.

Soon after the conference program was publicly announced, one of the scheduled lecturers visited Dean McGhee and protested strongly against my exclusion. It was only after this that Dean McGhee wrote to me (two letters dated May 4) offering his apology. I answered by a letter dated May 9, a copy of which I attach, giving my reactions to the incident and pointing out that very serious issues were involved. To this letter Dean McGhee replied under date of May 15, reiterating his apology for the discourtesy to me but indicating no change of position as to the gravamen of my charges. I do not feel that I should attach copies of his letters, but he may submit them to you, of course, if he cares to.

My exclusion was not coincidental, but conscious and purposeful. It may have been brought about in part through Dean McGhee's personal distaste for the Reece committee and my work as its counsel. But the governing reason seems without question to be that several professional executives of major foundations (I do not know which ones, but could make a good guess) stated that they would not participate in the conference if I were associated with it. To this ultimatum, Dean McGhee capitulated.

I had intended to reserve my decision to resign until Dean McGhee and I could have the personal talk which he requested. However, I now fail to see how any personal talk could be of any consequence. What prompts me to this conclusion is the New York Times news report of May 21 regarding the second day's session of the conference. I attach a clipping of the item, which is headed "Foundation Head Defies Criticism." Note in particular the remarks attributed to Mr. Rusk of the Rockefeller Foundation:

"Mr. Rusk, president of the Rockefeller Foundation, said charitable organizations would not be intimidated by pressure such as the Reece committee brought last year."

The item directly quotes Mr. Rusk as follows:

"I have confidence that in the next few years foundations will have a pleasing list of controversial items for the consideration of such critics as REECE."

I do not have a transcript of the proceedings at the session, but this quotation, and other remarks of foundation speakers reported in the Times item, indicate that the conference was used as a forum for attacks on the Reece committee.

Had I been included in the program, originally or as a supplemental speaker, I would have been very willing to confine myself to noncontroversial aspects of foundation activity, as is indicated by my May 9 letter to Dean McGhee. The executives of some of the major foundations, however, are ruthless in their determination to promote their own ideologies as they please with the public trust funds which they administer. It was consistent with their attitude to demand that I be excluded from the conference, while they planned to attack, in my absence, the committee of Congress of which I had been counsel. These professionals, secure in their financial power, will brook no criticism, even from a committee of the Congress of the United States.

The New York Times, whose publisher is a trustee of the foundation of which Mr. Rusk is president, followed its policy of propagandizing against the Reece committee whenever opportunity arises. Its Sunday, May 22, issue contained an editorial regarding the NYU conference, in which it lauded Mr. Rusk for his attacks on the Reece committee. The Times has repeatedly given its readers an entirely false impression of the nature, motives, work, and conclusions of the Reece committee investigation. You will understand, then, that the university has given an enviable opportunity to enemies of this congressional investigation to continue their propaganda against it.

It is difficult for me to see how a university can permit itself to be used as a platform for an attack on a congressional committee. A debate, or a consciously balanced series of attacks and defenses could have been in order. But the purposeful exclusion of one who might have risen to the defense of a congressional committee against attack, while giving the committee's detractors free rein to blast it and its works, is hardly the spirit of fair controversy that one might expect of a great university. Or am I wrong? Is it perhaps true that some of the great foundations have become even more powerful in educational institutions than the Reece committee feared?

I cannot believe that the trustees of New York University would condone this incident. No one realizes more than I how important to an educational institution is the grace of the foundations. But, if the alternatives are, either to submit to foundation ultimata or lose patronage, the latter seems to me the only choice consonant with the principles of intellectual freedom and independence upon which an ethical system of higher education must be based.

Mr. REECE deems this incident of sufficient import to warrant calling it to the attention of Congress, and I agree. I shall wait a few days, however, before authorizing him to proceed, as I would wish, of course, to incorporate in any material entered in the CONGRESSIONAL RECORD, any reply you might wish to add.

Sincerely,

RENE A. WORMSER.

The Chancellor's answer was as follows:

JUNE 4, 1955.

Mr. RENE A. WORMSER,
Myles, Wormser & Koch,
New York, N. Y.

DEAR MR. WORMSER: I have studied the content of your letter of May 23, and I have obtained reports on the second conference on problems of charitable foundations from Dean McGhee and other deans and participants in the conference. From my investigation, I conclude that there was nothing irregular in the university's planning, programing, or conduct of the conference.

Your decision to submit your resignation as a member of the planning committee of the Tax Institute and as a lecturer at the university appears to me to revolve around two complaints: that you were excluded from participation in the conference because you had been general counsel of the congressional committee known as the Reece committee, and that the conference was used as a forum for attacks on this committee. Neither of these accusations seems to me, upon careful consideration of the facts, to be justified.

Dean McGhee, after studying your letter of May 23, a copy of which you sent to him, wrote me as follows:

"Our first conference on problems of the charitable foundation was held on April 29, 1953. The entire program was contained in one afternoon session plus a dinner session. The program of the afternoon session was exclusively concerned with legal and tax problems. The dinner session which followed had as its main speaker Mr. Harold M. Keele, counsel for the Cox committee. His topic was The Findings of the Cox Committee, a Report and Discussion.

"(It is perhaps important to note that in the 1955 conference there was no parallel dinner session, and no topic listed similar to that treated by Mr. Keele.)

"For the conference in 1953 there was no planning committee. The program was planned by the late J. K. Lasser and Mr. Henry Sellin, executive director of the Institute on Federal Taxation. It presented six lecturers. Only two of these appeared on the program of the 1955 conference just concluded.

"For the 1955 or second conference on problems of the charitable foundation, an ad hoc planning committee was formed, no members of which, except Mr. Henry Sellin and myself, had participated in the first conference. Its membership included the deans of 2 schools of the university, 2 attorneys who were adjunct members of the faculty of our school of law, 1 other attorney, a banker, and 1 staff member of a foundation. This was the first planning committee we have formed for the conference on problems of the charitable foundation. No member of any prior planning committee could have been excluded, because there had been no prior planning committee.

"It was decided to attempt a more ambitious program. Instead of one-half day devoted to problems of law and taxation, a full day was planned on these topics. A second full day's program was organized to be concerned with problems of operating a foundation.

"Mr. Wormser observes that 'Dean McGhee apparently * * * feels that he was justified in excluding me from the conference.' The answer to this is that no one was 'excluded' from the program because no one had a right to be included. Mr. Wormser was considered, along with many others from among whom the final selection of lecturers was made. This selection was made solely on the basis of the committee's judgment as to the persons best suited to handle the scheduled topics in what was planned to be a strictly practical, noncontroversial conference.

"Mr. Wormser was thus only one of many who were not invited to participate, including four of the speakers at the 1953 conference. It may be noted that none of the others has protested that he was discriminated against.

"Mr. Wormser's letter further states: 'It is difficult for me to see how a university can permit itself to be used as a platform for an attack on a congressional committee.' This charge we strongly deny as being wholly unfounded. The conference presented nineteen speakers and consumed 12 hours of platform presentation during 2 days. Probably less than 5 minutes of these 12 hours were used in references to the congressional committee with which Mr. Wormser was associated.

"The comments of one speaker whom Mr. Wormser quotes were not germane to the assigned topic. This was Building a Professional Staff and was intended to be a technical presentation of a technical problem. This speaker made only a minor reference to the congressional committee. He was speaking from notes and the remark quoted was parenthetical. That a newspaper reporter would pull them out of context to make a headline is understandable, but for this we cannot be responsible. Such publicity was clearly not representative of the total character of the conference program, none of which was planned to have reference to any congressional committee.

"These statements concerning the overall character of the program have been corroborated by Dean Thomas C. Pollock, who was chairman of the session at which the quoted remarks were made. They are further substantiated by Dr. George D. Stoddard, who was present during the morning session as auditor, and chairman of the afternoon session on the same day. Dr. Stoddard has written 'I do not recall that any other speakers even referred to the congressional hearing.'

"To summarize:

"1. Mr. Wormser was not 'excluded' from this conference in any sense that would not be equally true of many other available and competent lecturers on the subjects concerned.

"2. The conference was very definitely not used as a forum to attack a congressional committee."

In his letter to me, Dean McGhee said further that "because of Mr. Wormser's years of prior association with our programs of continuing professional education, it might have been thoughtful of me to have communicated to him, as well as to others who had lectured at the earlier conference, the nature of the program which was being planned for this second conference. For this seeming but quite unintentional discourtesy I have already made my apologies to Mr. Wormser."

You state in your letter to me that Dean McGhee was issued an ultimatum by the foundations concernings your appearance on the program and that he capitulated, and you further imply that the university thus is controlled by the foundations in the conduct of its affairs. The statement is not in accord with the facts, and the inference you draw from this misinformation is not justified.

I hope this will put the events leading up to and during the conference in proper perspective. I regret that you may have misunderstood both; I am sure that, upon reflection, you will yourself conclude that the University's conduct was not irregular in any sense; and I hope you will reconsider your desire to resign from your university connections.

Sincerely yours,

HENRY T. HEALD,
Chancellor.

To this letter, Mr. Wormser replied:

JUNE 7, 1955.

DR. HENRY T. HEALD,
Chancellor, New York University,
New York, N. Y.

DEAR DR. HEALD: This will acknowledge receipt of your letter of June 4.

I fear you have been considerably misinformed, and particularly on two points.

First, there was a planning committee for the first foundation conference. This conference, like the long-standing tax institute, was, I believe, a brain child of Mr. Lasser; and, in a smaller way, operated similarly. Mr. Lasser, as chairman (authorized by Dean McGhee, I assume), called in a group of presumed experts in the field, of whom I was one. I had several early personal conferences with Mr. Lasser regarding it. Later, the group met in an organization session with Mr. Lasser at his apartment and helped him design the foundation conference. Dean McGhee's statement that there was no planning committee is not in accord with the facts, unless all he meant was that the organizing group was not officially awarded a title with capital letters.

It is an interesting sidelight on this general situation that Mr. Lasser was one of those who urged me to accept the appointment as counsel to the Reece committee.

Second, the statement that I was not "excluded" except in the sense that other "available and competent lecturers" were excluded, is hardly supportable. When asked by a mutual friend why he had excluded me, Dean McGhee replied in substance: "What could I do when several of the foundation executives said they would not participate in the program if Rene were connected with it?" I think my characterization of these remarks by foundation executives as an ultimatum was proper; as was my characterization of Dean McGhee's capitulation to them.

As to Dean McGhee's attempt to discount the attacks on the Reece committee at the second day's session of the conference, the New York Times apparently considered these attacks the most important events of the day. Perhaps they were. I suggest you apply a qualitative, instead of a quantitative, test.

I cannot believe that you would support Dean McGhee's position if you were fully aware of the facts, which, I respectfully suggest, you have not fully investigated. But I must accept the record as it stands. Apparently the university is not prepared to disavow an act which seems to me clearly and gravely to violate academic proprieties. Under the circumstances, and much as I hate leaving New York University, I cannot retract my resignation.

Sincerely,

RENE A. WORMSER.

Gentlemen, the majority report of our committee urged that a more extensive investigation of foundations take place than that which we were able to complete, limited as we were financially, and subjected to most unusual and extraordinary harassments. We urged that any legislative remedies which might seem advisable to prevent the grave ideological and political evils which exist, should be postponed until such a continued investigation were completed and in order to give the offending foundations themselves an opportunity to reform from within. We stated emphatically that internal reform was far preferable to legislative correction. I had hoped that such reform would be undertaken by the offending foundations. All of the evidence, however, indicates that

the major foundations who set the pattern for social science research will insist on continuing the practices which our committee found reprehensible. They will defy criticism—they will even defy a committee of the Congress.

It is clear, for example, that the Fund for the Republic does not intend to reform. Since the committee report, this offshoot of the Ford Foundation, under the direction of Messrs. Paul Hoffman and Robert Hutchins, has used part of its public trust funds:

First. To pay for and widely circulate copies of Edward Murrow's propaganda interview with Robert Oppenheimer;

Second. To pay for and widely circulate a propaganda booklet written by Dean Griswold of the Harvard Law School, called the Fifth Amendment Today; and

Third. To pay for and widely circulate a special propaganda issue of the Journal of the Atomic Scientists.

Each of these propaganda items presents one side of a controversial, political issue of vital concern to the public. Not 1 cent has been spent by the Fund for the Republic to present the other side of these issues. It has lent itself consciously and intentionally to propaganda of a political nature. In my own opinion, it has violated the tax law as it stands. It certainly has violated the standards which the public has the right to expect from administrators of public trust funds.

There is a rumor that Senator CASE, who was formerly president of the Fund for the Republic, was not radical enough for its managers. Dr. Hutchins, who succeeded him, must suit them far better. He is the reply of the Ford Fund for the Republic to our Committee's suggestion that reform come within the foundations rather than through legislation. Dr. Hutchins is by nature a reformer, but he shows no intention of objective reform of the foundation which he now administers. On the contrary, he shows every intention to use its resources to reform the United States into his personal conception of what our governmental, social and economic system should be. How proud Henry Ford would be to see this use of his wealth.

The Rockefeller Foundation, very apparently, does not intend to reform itself either. Its president, Mr. Rusk, intends to show the Reece committee that he can go right on doing as he pleases with public trust money and get away with it.

His defiance was reported in the New York Times, and is quoted in Mr. Wormser's first letter to the chancellor of New York University. It deserves some study. It allegedly hinges on the desirability of controversy. Now it does not require a lecture from Mr. Rusk to convince us that controversy, in the sense of a public discussion of issues, is desirable. In that sense, the Congress of the United States concerns itself daily with controversy. But Mr. Rusk himself does not believe in this kind of controversy. What he means by controversy is loaded propaganda.

He did not wish controversy, in the sense of balanced discussion, to take place at New York University. He was glad to have the dean exclude the counsel to a congressional committee which had subjected to criticism the foundation of which he is president, so that he, free of controversy, could propagandize for his own point of view. What he means by "controversial projects," of the kind with which he promises to flood us, is propaganda projects, like those which have been launched recently by the Fund for the Republic. He does not mean that the two sides of a debatable question will be presented fairly. He means to purchase and circulate briefs for one point of view; and you may be sure it will be a point of view consonant with his personal, ideological, political philosophy.

To me, the episode of the foundation conference at New York University, a great institution of whose faculty I was once a member, demonstrates that academic freedom is truly in danger. Academic freedom is a precious possession of our society, but as matters now stand, it is being transformed into academic license and even suppression of opposing viewpoints. I agree with Dean R. A. Nisbet, of the University of California, who said about academic freedom in the United States:

> If it ever dies, I think it will not be difficult to show that the pragmatic liberals with their shrill misconceptions and their worship of popular political power did a great deal to cause the death.

Every society has the moral obligation freely to discuss its faults, but it also has the moral obligation adequately to present its virtues. Foundations operated by politically minded men such as Mr. Rusk and Dr. Hutchins do not tend to present the virtues of the American system. They prefer to see money spent in attacks upon it.

It is my feeling that Congress should soon decide whether or not a foundation should be permitted, secure in its tax exemption, to disseminate propaganda having a political, ideological base or objective.

It is also time, I believe, to hold out the hand of hope to the very considerable but frustrated, truly liberal, moderate element among American educators and scholars and to the many worthy groups who suffer from financial malnutrition because they are guilty of devotion to our traditional way of life.

This far, the overwhelming mass of support in the social sciences has been given to radicals who call themselves liberals. The very considerable potential financial assistance to the moderate viewpoint has been withheld through voluntary restraint—a restraint which has not been exercised by those philanthropic groups wishing to throw their influence to the left.

It would seem to me, therefore, that we face a choice of either preventing the present propaganda activities on the part of some of the major foundations, or supporting smaller philanthropic groups which could represent a balancing force to some extent, at least.

If self-restraint is not to be expected from some of the vast, gigantic sources of power controlled by politically minded individuals, and if the Congress is not disposed to give this problem the attention it deserves, then I urge the moderate middle-of-the-roaders in our country, those who do not want to see radical changes in our form of government and our society, to bestir themselves while there is still time.

[From the New York Journal-American of June 8, 1955]

THESE DAYS

(By George E. Sokolsky)

A FOUNDATION'S $15 MILLION MISTAKE

When the Ford Foundation gave Paul Hoffman, its president, $15 million to form the Fund for the Republic, Hoffman ceased to be the head of the Ford Foundation. Similarly when Robert Hutchins left the Ford Foundation, he found a position with the Fund for the Republic. Since then the two organizations have gone their separate courses and, I understand, no love is lost between them.

In the public mind, however, the Fund for the Republic remains in some manner related to the Ford Foundation and no steps have been taken by the parent to speak of its offspring in public as some speak of it in private. If then it is suggested that Ford Foundation money is being used for political purposes and therefore subject to reexamination as to tax exemption, it is only because the Ford Foundation has avoided explaining to the public that a $15 million error was made.

COMPLEX QUESTIONNAIRE

Meanwhile the Fund for the Republic has been antagonistic to all congressional investigations and investigators, has teams all over the country ostensibly investigating the Communists but actually seeking to discover what active anti-Communists have been doing. A very complex questionnaire has been sent to firms using radio and television programs to advertise their wares, asking in the minutest detail what their policies are concerning the employment of Communists or alleged Communists on radio and television.

In a letter addressed to such firms, the following questions are asked:

"(1) Does your organization hold that certain political criteria should be met by artists whom you engage, i. e., would you disapprove of hiring an artist—

"(a) Named as a Communist by a Government agency?

"(b) One who was an unfriendly witness before a governmental investigating body?

"(c) One who stood on the fifth amendment before such a body?

"(d) One who has been listed in such private organs as Counterattack, Red Channels, Firing Line?

"(e) An artist who in the public mind, or at least before a goodly section of the public, is deemed controversial?

"(f) Any other category?

"(2) If such criteria are to be met, does your organization leave the application of them to the advertising agency and the network or do you take an active interest?

"(3) Is it your experience that the employment of controversial personalities hurts the sale of products?

"(4) Are you satisfied with the way the question has been handled to date?"

Uninvited, unsolicited, unpaid

The Fund for the Republic has also become engaged in the free distribution of books, pamphlets, newspaper articles, etc. One phase of political propaganda is the uninvited, unsolicited, unpaid-for distribution of material on one side of a question with the object of influencing public opinion. The Fund has sent such material to clergymen, college presidents, and Federal judges, among others.

I have before me a list of such material as received by one person who has asked for none of it and resents being made its recipient. As I have not read all of it, I can-

not adequately comment on it, but one article widely distributed by the Fund for the Republic is The Kept Witnesses, by Richard H. Rovere, with a subtitle that states:

"At least 83 people have been set up by government in the trade of professional witnesses. One calls it a racket * * * three are confessed liars * * * and all of them are exempt from security clearance."

This article gives me the impression that the Government of the United States, particularly the Department of Justice and the FBI, is engaged in a conspiracy to frame Americans by the use of false and paid witnesses. It is the most serious charge that can be made against a public official. It is deserving of a congressional investigation, because if Rovere is correct, the security system is faulty and criminal in intent. Such an investigation could include the author of the article and the Fund for the Republic.

"I PLEDGE ALLEGIANCE TO THE FLAG"

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIGLEY. Mr. Speaker, it is most appropriate on this Flag Day to call attention to a musical composition written in 1941 by Mr. John H. Lloyd, a native Pennsylvanian, now Chief of the Reports Section in the United States Office of Education.

This composition titled, "I Pledge Allegiance to the Flag," was written by Mr. Lloyd and published when he was serving on active duty during World War II as a Naval Reserve officer.

The song was recently revised to include the words "under God," added to the official pledge to the flag on June 14, 1954.

Since its original publication in 1941, Commander Lloyd's song has had nationwide circulation, and is being sung in many schools throughout the United States.

Without detracting in any way from the musical composition of Mr. Caesar, also written about the flag pledge, I do wish to give proper credit to the thoughtfulness and foresight of Mr. Lloyd in writing such an excellent song which schoolchildren could learn to sing as a contribution to the patriotic education programs conducted by schools across our country.

The song follows:

I PLEDGE ALLEGIANCE TO THE FLAG

(By John H. Lloyd, commander, United States Naval Reserve)

We salute the flag of the U. S. A.
We respect it, and we are proud to say—
It is ours, America it represents
Government of, by, and for the people
Under presidents.
For freedom, democracy, the home of the brave,
We salute it, our flag
Long may it wave!

Chorus: (Official pledge to the flag.)

I pledge allegiance to the flag
Of the United States of America,
And to the republic for which it stands,
One nation under God, indivisible,
With liberty and justice for all.

(This composition was first sung publicly in Memorial Continental Hall, Washington, D. C., by A. R. Markin, formerly of the office of the director, United States Navy Chaplains Division. The occasion was the 50th anniversary of the Pledge to the Flag, written by Francis Bellamy. The words and music of the composition have been changed to conform with the change in wording of the pledge as authorized by the Congress of the United States on Flag Day, June 14, 1954.)

EXTENSION OF REMARKS

Mr. HARRIS. Mr. Speaker, today I have introduced a bill which I believe deserves the attention of the Members of this House and of the Congress. It would amend section 315 of the Communications Act, the political broadcast section.

I ask unanimous consent to extend my remarks in the CONGRESSIONAL RECORD in explanation of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

FEDERAL AID TO SCHOOL DISTRICTS TO CARRY OUT SCHOOL INTEGRATION PROGRAMS

The SPEAKER. Under previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 40 minutes.

Mr. UDALL. Mr. Speaker, I have introduced today a bill which would provide Federal aid to all school districts which are carrying out, or are ready to carry out, school integration programs.

Under its terms the Federal Government would construct outright the new facilities needed by such districts to reorganize and unify their school systems.

This legislation incorporates and puts to use the well-tested "Federal impact" principle which is already embedded in the policies of this country and the Congress.

I would like to discuss briefly the provisions of this bill and to explain my reasons for introducing it.

Without doubt, the main impediment to integration is the delicate and extremely complex human-relations questions which are implicit in the Court's decision. This paramount problem is, of course, a local matter which must be worked out by the communities and individuals directly affected. It cannot be solved overnight by rulings of courts or by laws enacted in legislative bodies.

Men of good will in these communities must wrestle with this problem and solve it as best they can, for admittedly any outside pressure or intrusion would only aggravate the situation.

However, I would like to comment on two aspects of this vital question: First, I would like to express the opinion that the very highest form of patriotism is a willingness to relinquish principles based on deep conviction when these principles come in conflict with the law of the land. I firmly believe that there is an abundance of such patriotism in the South which will ultimately prevail and carry its people safely through these trying times.

The other important factor which may redeem the most hopeless of situations is the fact that the actual participants in these day-to-day programs are teachers—as a class, one of our calmest and wisest groups—and children—the most resilient and open-minded members of the human family. Thus, we have ample grounds for hope that, given time and patience, the transition can be accomplished.

The second major impediment is the serious—and even oppressive—burdens imposed on some school systems for new capital expenditures by the turn of events brought on by the Court decision. Recently Walter Lippmann concisely stated one phase of this problem in these terms:

> We may, therefore expect to see school authorities going to the courts and saying: "We are willing to comply. But we are not willing to lower the standard of the schooling of the white children. We are willing only to raise the standard for the colored children. Where shall we find the money for the additional plant, the additional facilities, the additional teachers?"

Here is an area where constructive outside help should be welcomed. Not only does the whole Nation have a stake in the success of this program, but there is a national obligation involved, as I shall attempt to demonstrate in a moment. Federal aid will lift a large portion of this crushing tax burden from local communities and will strengthen the position of those good citizens who have the courage and statesmanship to tackle the onerous task of making integration work.

Wherein, some may ask, does national responsibility lie? In my judgment, the case for Federal aid is not based on gain to the Nation from a successful integration program—although there will be such gain—but rather on a duty owed to these affected areas as a result of Federal action.

For more than a half century many of our States—including my own—legally maintained dual school systems under explicit sanction by our highest court. This constitutional interpretation was reaffirmed many times over the years and school boards built separate school facilities under its shelter. When, after 58 years, the Supreme Court declared the legal illegal, much of these capital expenditures were thereby wasted; and more, urgent new requirements for school housing were created.

And as a result of this decision, the South faces a task of truly tremendous scope. It must reorganize its entire school system, a most difficult and expensive assignment. This difficulty, this expense, these tremendous problems are directly the result of Federal action, the decision of the Supreme Court. The South should not be expected or required to implement the decision unaided. I propose that the entire country assist in the task.

Few will dispute that the decision of the judicial arm of our Government produced a Federal impact equal to, or greater than, the war and defense activities recognized by Congress when Public

Law 815—our existing school-aid legislation—was passed. Is it fair or just to expect those who erected physical facilities relying in good faith on existing constitutional law to bear the burden alone of revising their physical plant to conform to the new constitutional requirements? We must agree that there is a national obligation arising out of these facts, and that the national duty is plain.

Indeed, the case for Federal aid is far stronger than under the old war-impact program, for our defense activities carried with them certain long-range compensating factors—payrolls and eventually a larger tax base—which are wholly absent in the impact of integration.

This national obligation is emphasized, too, by the fact that under dual school systems many of the schools for Negro children have been markedly substandard. If we are really interested, then, in successfully implementing the Court's decision, we should guard against any program which would result in a leveling down of our schools. It is obvious that only under a substantial Federal-aid program such as I have outlined can we insure that the standard of the whole system will be raised, and thus protect the integrity of our educational enterprise.

My bill would authorize an annual appropriation of up to $150 million for each of the next 4 fiscal years as direct aid to school districts faced with reorganization. These schools must be built and if this amount is inadequate Congress should increase the funds available. A priority system would be set up so that assistance would be channeled to the neediest agencies first. This legislation would become title V of Public Law 815, and would employ the already functioning administrative machinery and personnel of the current program. It would utilize the experience gained under Public Law 815 so that a start could be made almost immediately. It would supplement, and not supplant, the Federal aid legislation which will soon be reported out by the House Committee on Education and Labor.

It should be apparent that only through such a program as this can many of the affected districts make any start toward integration—much less a "prompt and reasonable start," as defined by the Court. As I see it, this is a bipartisan task of the first order, and it is my hope that the administration and congressional leaders of both parties will rally behind this or some similar Federal aid program.

At the very least such funds would help the areas concerned begin the job which must be done. Most important, it would be warm-hearted testimony to school districts facing this problem that the entire country is sympathetically interested and is willing to assist in the task ahead. No longer would the affected areas be justified in feeling that they are confronted by a Federal club, and are being ordered to integrate. Rather, they would realize that we all share their concern, and are prepared to help. Instead of self-righteous criticism, the rest of the country would hold out a helping hand. Instead of threats we would use understanding. In place of compulsion we would offer cooperation.

It is my feeling that this kind of wise and judicious program of action will provide the best insurance that the decree of the Court is translated into reality by orderly processes.

When the areas which must live with the problem realize that all America sympathizes and will assist, I believe they will find the will to accomplish their part of the task. Integration will be achieved much more quickly, sectional tensions and intersectional conflict will be reduced, and the United States will continue to demonstrate to the entire world the true value and meaning of the democratic system.

Under leave to extend my remarks, I include at this point a copy of the bill to which I have referred.

(The bill is as follows:)

H. R. 6803

An act relating to the construction of school facilities in areas affected by school integration, and for other purposes

Be it enacted, etc., That Public Law 815, 81st Congress, as amended, is amended by adding at the end thereof the following new title:

"Title V. School construction in areas where racial integration of pupils and school systems is being carried out.

"DECLARATION OF POLICY

"SEC. 501. In recognition of the impact which a program of racial integration of pupils and school systems will have on the need for additional school facilities in areas where such integration is being carried out, the Congress hereby declares it to be the policy of the United States to bear the cost of constructing school facilities in such areas in the manner and to the extent provided in this title.

"PAYMENTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 502. (a) A local educational agency shall be eligible under this title for the payment provided for herein if the Commissioner of Education finds:

"(1) That the construction of additional school facilities is needed in order to carry out a program of school integration in the school district of such agency.

"(2) That the local educational agency is carrying out, or is prepared to carry out, a program of racial integration of pupils.

"(b) Each eligible local educational agency shall be entitled to receive an amount not to exceed (1) the number of children enrolled in its schools at the close of the regular school year 1953–54 whose integration requires construction of school facilities, multiplied by (2) the average per pupil cost (determined in accordance with section 210 (7) of this act) of constructing complete school facilities in the State in which the school district of such agency is located.

"APPLICATIONS

"SEC. 503. (a) No local educational agency shall receive payment of any part of the amount to which such agency is entitled as established in section 502, except upon application therefor submitted through the appropriate State educational agency and filed with the Commissioner in accordance with regulations prescribed by him. Each such application shall set forth a project for the construction of school facilities for such agency, in accordance with applicable provisions of section 205 (b) (1) of this act.

"(b) The Commissioner shall approve any such application if he finds: (1) that the applicable requirements of section 205 (b) (1) have been met; (2) that the educational agency has certified that no person shall be denied admission to any facility constructed under this title solely on the ground of race; (3) that the cost of the project does not exceed so much of the maximum amount which such agency is entitled to receive under section 502 as has not been expended or obligated for payment of the cost of projects of such agency heretofore approved; (4) after consultation with the local and State educational agencies, that the project with respect to which such application is made is not inconsistent with overall State plans for the construction of school facilities; and (5) that there are sufficient Federal funds available to pay the cost of such project and of all other projects for which Federal funds have not already been obligated and which, under section 506, have a higher priority.

"(c) No application under this title shall be disapproved in whole or in part until the Commissioner has afforded the local educational agency reasonable notice and opportunity for hearing.

"CERTIFICATION AND PAYMENT

"SEC. 504. (a) Upon approving the application of any local educational agency under section 503 (b), the Commissioner shall certify to the Secretary of the Treasury for payment to such agency an amount equal to 10 percent of the cost of the project with respect to which such application was made. After final drawings and specifications have been approved by the Commissioner and the construction contract has been entered into, the Commissioner shall certify to the Secretary of the Treasury for payment to such agency, in accordance with regulations prescribed by him and at such time and in such installments as may be reasonable, the remainder of the cost of the project.

"(b) The Secretary of the Treasury shall make payments to each local educational agency in accordance with the certification of the Commissioner. Any funds paid to a local educational agency and not expended for the purposes for which paid shall be repaid into the Treasury of the United States.

"WITHHOLDING OF PAYMENTS

"SEC. 505. Whenever the Commissioner, after reasonable notice and opportunity for hearing to a local educational agency, finds (1) that there is a substantial failure to comply with the drawings and specifications for the project, (2) that any funds paid to a local educational agency under this title have been diverted from the purposes for which paid, or (3) that any assurance given in an application is not being or cannot be carried out, the Commissioner shall forthwith notify such agency that no further payment will be made under this title with respect to such agency until there is no longer any failure to comply or the diversion or default has been corrected or, if compliance or correction is impossible, until such agency repays or arranges for the repayment of Federal moneys which have been diverted or improperly expended.

"ESTABLISHMENT OF PRIORITIES

"SEC. 506. The Commissioner shall from time to time set dates, the last of which shall be not later than July 1, 1959, by which applications for payments under this title with respect to construction projects must be filed. If the funds appropriated under this title and remaining available on any such date for payment to local educational agencies are less than the cost of the projects with respect to which applications have been filed prior to such date (and for which funds under this title have not already been obligated), the Commissioner shall by regulation prescribe an order of priority, based on relative urgency of need, for approval of such applications. Only applications meeting the conditions for approval under this title shall be considered applications for purposes of the preceding sentence.

"AUTHORIZATION

"SEC. 507. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1956, and for each of the 3 succeeding fiscal years such sums as may be necessary to carry out the provisions of this title, including the administration thereof, but such sums shall not exceed $150 million in any 1 fiscal year."

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield.

Mr. BAILEY. I would like to ask the gentleman from Arizona if he thinks this will solve the pressing need for classrooms in the Nation as a whole. In asking that question I have in mind that 40,000-plus out of the 73,000 school districts within the United States have not any colored children in them at all.

Mr. UDALL. As my colleague knows, I am in agreement with him that the Federal aid program is needed. I favor such a program. This would supplement the program proposed by the gentleman from Pennsylvania who is on his feet now [Mr. KEARNS] and the gentleman from West Virginia [Mr BAILEY]. This is a supplementary program to serve a very special purpose.

Mr. BAILEY. The gentleman will agree that this proposal will not solve the overall problem.

Mr. UDALL. Not in the least. I still fully advocate the program proposed by the gentleman and by the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I would like to ask the gentleman first if he agrees that the provisions for construction under H. R. 815 would carry over beautifully into this matching program that we have proposed and are considering in our subcommittee under our distinguished chairman, the gentleman from Pennsylvania [Mr. KELLEY], to meet a 50–50 grant-in-aid in order to put the boys and girls of America in schoolhouses.

Mr. UDALL. I quite agree. I think this would fit in very nicely and would supplement the program we are now considering, which I hope we will shortly vote out.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include the bill introduced by me at the conclusion of my statement.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

NATIONAL ACT FOR THE ARTS, SPORTS, AND RECREATION

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. MACDONALD] is recognized for 30 minutes.

Mr. MACDONALD. Mr. Speaker, in recent weeks both William Randolph Hearst, Jr., editor in chief of the Hearst newspapers, and Brig. Gen. David Sarnoff have called, it seems to me, for one of the greatest political offensives in our history to win the cold war, and distinguished Members of the Senate and House have strongly supported this view.

In an historic speech before the National Press Club in Washington last February Mr. Hearst declared that—

The western program of building armed strength should be widened into a more flexible and imaginative strategy for competitive coexistence with the Communists in every field and on every front.

During his recent visit to Soviet Russia Mr. Hearst, together with Mr. Frank Conniff, had ample opportunity to observe the steps being taken by the Communists to gain support for their ideology in fields apart from the military. As a result, they came back to the United States determined that this country should not be caught off base in this particular phase of the struggle to win the cold war. Mr. Hearst warned that communism was moving ahead in many fields that the present western strategy overlooks:

By inviting to Moscow picked delegations from the satellite countries and wavering neutrals like India they strive to convey the impression that Soviet customs are superior to those of the West. * * * (therefore) we should seek to convey to the world—to our allies, to the uncommitted countries especially, and to the Russians if possible—the idea that America is not only proud of its motor cars, its bathtubs, and other material benefits, but also of its cultural achievements.

He went on to say that sports, ballet, the theater, literature—all are shaped toward aiding communism's long-range scheme of world domination.

I am, therefore, tremendously pleased to note that with funds supplied by the President's Emergency Fund, the United States is fighting the cold war on these new fronts. They are important, for the Communists have a head start on us. Under the President's program, policies and procedures for the United States cultural offensive are now fully established and in active operation. As of May 19, I am told, 23 projects were underway. Among the groups that have already been sent overseas to win new friends for us are Porgy and Bess, the NBC Symphony of the Air, the New York City Ballet, and the Philadelphia Symphony Orchestra under Eugene Ormandy. We are also participating in foreign trade fairs and under the program made possible during the current year by the $5 million emergency fund, the United States will have been represented at 15 fairs by July 1, 1955.

It is clear to me, having traveled throughout Europe, including the countries of Yugoslavia and Spain, on five occasions, that some of the best salesmen for the American way of life have been American athletes sent abroad by the Amateur Athletic Union in cooperation with the State Department.

Among them are two great Negro track stars, Mal Whitfield and Harrison Dillard, both 2-time Olympic champions, who got tumultuous receptions in tours of Africa and South America. Olympic diving champion Maj. Sammy Lee, an Army doctor of Korean parentage, was similarly hailed when he performed in the land of his ancestors. Still another goodwill athlete is the Rev. Robert Richards, the preacher who won the Olympic pole vault title in 1952.

The projects and programs supported by the emergency fund, which was authorized by the 83d Congress, have been planned with the specific interests in mind of the areas to which the traveling artists and athletes are sent. The projects are handled in this country by the State Department and are publicized overseas by the United States Information Agency. Our participation in trade exhibitions is managed by the United States Department of Commerce, though the major responsibility for exhibits rests with the exhibitors. The Federal contribution is only "seed" money but without that encouragement by the Government the participation of American business would be uncertain.

In a memorandum presented to the White House on April 5, 1955, General Sarnoff advocated the expenditure of up to $3 billion a year in order to make certain that we, rather than the Russians, won the cold war. He said, in the memorandum, that—

Before essaying a breakdown of cold-war methods and techniques, we should recognize that many of them are already being used, and often effectively. Nothing now underway needs to be abandoned. The problem is one of attaining the requisite magnitude, financing, coordination, and continuity—all geared to the long-range objectives of the undertaking.

Both Mr. Hearst and General Sarnoff urged the establishment of a strategy board of political defense, the cold war equivalent of the Joint Chiefs of Staff on the military side, and functioning directly under the President. Mr. Hearst said the planning board should be commissioned to formulate strategy on all fronts for meeting the challenge of competitive coexistence with communism. This board should develop plans for getting the peoples of the world on our side. Sports, the theater, educational exchanges—no field should be neglected in this competition of the two conflicting systems.

Pointing out that the Kremlin's fixed goal is world dominion by means short of an all-out war, General Sarnoff declared that—

Logically we have no alternative but to acknowledge the reality of the cold war and proceed to turn Moscow's favorite weapons against world communism. Our political counterstrategy has to be as massive, as intensive, as flexible as the enemy's.

One of the Members of the present Congress who not only was one of the first to recognize the importance of the new phase of the cold-war period which we are in but has taken leadership in developing legislation which would effectuate some of the most important recommendations of Mr. Hearst and General Sarnoff is the gentleman from New Jersey [Mr. THOMPSON]. Legislation similar to that sponsored by my distinguished colleague has been introduced by the gentleman from California [Mr. ROOSEVELT], the gentleman from Wisconsin [Mr. REUSS], the gentleman from New York [Mr. CELLER], the gentleman

from Montana [Mr. METCALF], the gentleman from New York [Mr. POWELL], and the gentleman from Pennsylvania [Mr. RHODES].

My bill lays emphasis and adds to their views, the tremendous importance that athletics and sports plays in the cold war plans of the Russians. While this country of ours is as short-minded as any in the world, the Russians have added a new dimension to our amateur sports concept, that of winning at any cost. In order to try to keep our place as a leader in the world of sports, so that propaganda might not be made by the Russians in outdistancing us in a field which is an international common denominator—that of competitive sports—we must fight together with a common goal to prevent this.

I have come to the conclusion that the battle of competitive coexistence has entered a new phase that calls for a quietly aggressive presentation of all the good things America has to offer and stands for. By this I mean by word, by picture, by exhibit, by groups of artists, and athletes to spread the story that this is indeed a land of plenty in industry, culture, sports—these are, after after all, products of freedom.

I, therefore, join with my colleagues by introducing a bill which will make a permanent part of our national life the program which has been developed and supported by the President's emergency fund.

It seems clear to me, however, that sending performing artists and athletes abroad for the sole purpose of selling American culture and combating propaganda is not enough. Such performances should be promoted, rather, to share our cultural heritage with others and to show samples of our talent, for the cultures of various countries are a common meeting ground.

In Vienna, Austria, last month, James C. Petrillo, president of the American Federation of Musicians, said the role of the Marshall plan and other foreign-aid programs in stimulating a cultural revival in Europe was a rebuttal of Communist charges that Americans are all money grubbers. He complained, however, that the Federal Government was failing to do as much to help musicians at home as it is doing abroad. He urged direct Government subsidies to make it unnecessary for United States cultural institutions to pass the hat to stay alive.

Plato wrote in the Republic that "what is honored in a country is cultivated there." Recently I ran across a short statement by Louis Bromfield which should be borne in mind by all of us. Mr. Bromfield's statement appeared in This Week magazine, and was as follows:

WHAT MATTERS MOST

(By Louis Bromfield)

If, in this country, we have indulged in one great and fundamental error, it is to confuse the things of civilization and the spirit with the material products of our mechanical age.

Too many of us look upon automobiles and plumbing as civilization, which they are not, save insofar as they give us more time for the things of the spirit and the mind.

The vast mechanical advances of our times are not to be underestimated, but once they seem to be all-important—as they do in all Marxist countries and as they sometimes do in this country—civilization itself begins to wither and standards of ethics and honest behavior to suffer corruption.

A hermit living in a cave can possibly be far more civilized than a man with three cars in the garage and a bathroom for every bedroom. Honor, decency, a sense of true values, real Christian behavior—these things are not to be manufactured on the assembly line.

Should our civilization come to ruin, it will be principally because of the confusion of values which manifests itself today in the two most powerful or potentially powerful nations of the world. Mechanization of life may bring convenience, but it has little to do with the eternal mysterious essence of man, the whole and only excuse for his existence.

If the subject of subsidy of music and the performing arts in this country is to be ruled out then we must take a long, hard look at ways in which the Federal Government can assist the arts short of subsidy. In Cleveland last week the Musicians Union said that repeal of the Federal amusement tax, which in some fields amounts to 20 percent, would restore an estimated 50,000 jobs to musicians.

Mr. Henry Kaiser, testifying for the American Federation of Musicians before a Subcommittee of the House Education and Labor Committee in June of 1954, showed that technological unemployment as a result of the sound track had separated 22,000 musicians from steady employment in the movie houses. And Mr. Petrillo has written that—

The mechanical devices for replacing live musicians have grown in number and in use. The end of this reckless exploitation of the artist is not in sight. But, as its consequence, I fear the end of music as a cultural art is plainly within sight.

The technological unemployment of musicians caused by the sound track was matched by the technological unemployment of actors caused by the development of the movies. The rise of this industry closed the living theater from coast to coast, displacing actors and actresses by the thousands with their celluloid images. Canned music and celluloid actors had come to stay. It is interesting to note that the advance of technology has now given us television which is closing movie houses from coast to coast in turn. The movies have always striven for popular entertainment. If the thesis of such columnists as Walter Kerr, drama critic of the New York Herald Tribune, advanced in his recent book How Not To Write a Play, had any merit the movie industry would not be threatened as it is today.

The answer to the plight of the living theater in the United States must be found, not in these easy solutions, but rather in the more soundly thought-out proposals advanced in such thoroughgoing studies as that of O. Glenn Saxon in his scholarly study made on a research grant from the National Theater Arts Council and Theater Arts Magazine.

Neither my bill nor the related measures before this Congress contemplate any form of Federal subsidy for the arts or athletics, and I am not at all sure that Federal subsidy of these arts and athletics is desirable or wanted by the groups concerned. My bill is specifically designed to encourage greatly increased financial support of the arts, sports, and recreation in our very rich country by private individuals, businessmen, foundations, and State and local governments. It provides "seed" money to pry loose greater contributions because it gives needed impetus. In our country most people are happy to pay for matters of this kind. The prestige of the Federal Government is worth many times the small amount provided in the bill which develops a plan for the cultural programs of our country to finance their own growth and development.

I hope that when the House Education and Labor Subcommittee under my distinguished colleague from Montana [Mr. METCALF] begins its study July 5 of the various measures before it on cultural interchange and development that it will go thoroughly into my proposal.

I would like to include here an article from the New York Journal American of June 12, 1955, entitled "Arts Sell the United States Way":

ARTS SELL THE UNITED STATES WAY—EXPORT OF AMERICAN CULTURE WINS FRIENDS AROUND GLOBE

We're giving the world a good look at American cultural achievement, to show we're not the mere materialists our enemies paint us. And our export of United States culture is returning big dividends in good will and appreciation of the American way of life throughout the free world.

Some samples, like Porgy and Bess and Oklahoma! are uniquely American—as native as corn on the cob. And on a more international level, our drama, ballet, music, and visual art match or surpass anything yet produced by Russian competition.

It's part of the United States counteroffensive against Soviet cultural propaganda, and the rave reviews and enthusiastic audience response is awakening Washington to the fact that exporting culture pays off.

Before summer's end, more Americans will have sung, danced, acted, and otherwise performed abroad than ever before in time of peace.

They're being financed in part by funds appropriated by Congress last August. Credit is due the American National Theater and Academy (ANTA) which is spearheading the State Department's United States drive.

BIG ARTISTIC SMASH

Currently the big United States artistic smash in Europe is Salute to France, a privately financed ANTA project which is offering Parisians the New York City Ballet plus top stage productions of Oklahoma!, Medea and the Skin of Our Teeth.

In addition, the program for France includes the touring Philadelphia Orchestra, which has already scored a signal triumph, and a visual arts exhibition organized by the Museum of Modern Art.

ANTA's international exchange program calls for sending the New York Philharmonic Orchestra to Europe, the Ballet Theater to Latin America, and Martha Graham's dancers to the Orient.

Now touring the Far East for ANTA is the American Symphony of the Air, the orchestra created by the now retired Arturo Toscanini. It was a sensation in Japan.

United States performers have made a good impression abroad, have outshone closely guarded Russians by mixing socially.

Success of United States artists as goodwill ambassadors has pointed up the recommendation of William Randolph Hearst, Jr., editor in chief of the Hearst newspapers, who last February 28, on his return from Russia, urged establishment of a National Planning Board to win the battle of competitive coexistence.

WHAT WE MUST DO

Noting the stress the Russians were giving to cultural propaganda outside the Iron Curtain, Hearst told the National Press Club in Washington:

"The lively arts are another field wherein the commissars are operating with the professed intention of proving * * * that Russian achievements surpass the West.

"Ballet, theater, literature—all are shaped toward aiding communism's long-range scheme of world domination. * * * It is not enough for us to advocate and appropriate large sums for foreign military and economic aid and think we have met the challenge."

More recently Brig. Gen. David Sarnoff, of the Radio Corp. of America, called for a competitive coexistence strategy board along similar lines.

United States funds now available for sending performing artists abroad are a mere $2,500,000. Startling contrast with Soviet expenditures is shown in figures of the Institute of International Education. In 1950, the Russians spent $150 million for cultural propaganda in France alone, with 2,000 artists touring there. Current Soviet spending is at the rate of $1,500 million a year for all propaganda activities.

United States performers may prove our best envoys in winning friends and influencing people. But this will require much more money than we've put up so far.

As one Cairo newspaper commented on Porgy and Bess.

"If this is propaganda, let's have more of it."

THE SPORTING THING TO DO

Some of the best salesmen for the United States way of life have been American athletes sent abroad by the Amateur Athletic Union in cooperation with the State Department.

Among them are two great Negro track stars, Mal Whitfield and Harrison Dillard, both two-time Olympic champions, who got tumultuous receptions in tours of Africa and South America.

Olympic diving champion Maj. Sammy Lee, an Army doctor of Korean parentage, was similarly hailed when he performed in the land of his ancestors.

Still another good-will athlete is the Reverend Robert Richards, the preacher who won the Olympic pole vault title in 1952.

The athletes won friendship for the United States by being free and easy mixers, lecturing and coaching native youngsters wherever they went.

For spreading good will, United States sports envoy Mal Whitfield won a trophy.

WHEN MUSIC BROKE THE ICE

A sample of how exporting our culture can assist in cementing relations with our allies was vividly demonstrated in Iceland early this year.

Since the establishment of United States bases on this key outpost of Atlantic defense, Russia and the local Communists have conducted a continuous propaganda offensive, stirring hatred of American troops stationed there.

The Soviets strengthened their campaign with a parade of artists and intellectuals who toured the island to acquaint the population with Russia culture.

United States-Iceland relations were at their lowest when ANTA sent famed violinist Isaac Stern and pianist Ervin Laszle on concert tours, highlighting the works of American composers.

Iceland's hearts were thawed, relations have been less frigid since.

United States Minister to Iceland John J. Muccio announced the impact of the recitals upon the Icelandic people was "the greatest of any to date."

NAPOLEON BACK FROM EXILE

Something like carrying coals to Newcastle, we are now exhibiting in Paris 100 choice American-owned French paintings, drawings and prints of the 19th century.

Some of them, such as the portrait of Napoleon in his study by Jacques-Louis David, had not been seen in France since shortly after they were painted.

Entitled "From David to Toulouse-Lautrec," the exhibition was organized under the chairmanship of William A. M. Burden, president of the Museum of Modern Art, at the invitation of the French Government.

It is the second of two major exhibitions arranged as part of the salute to France's cultural events program. The first was American art of the 20th century, consisting of more than 500 paintings, sculptures, prints, and other contemporary United States art.

Critics and the public paid tribute to the exhibition as a whole, but painting was something else again.

Extremely jealous of their position as the avant-garde of modern pictorial art, French critics swung at United States moderns as confused, ill-defined, bedeviled, tormented.

It was obvious that United States moderns had out-moderned the French.

HOW ANTA GOT THE BALL ROLLING

Uncle Sam's homegrown artists are carrying Broadway lights around the world on a scale wider than ever before.

Until Congress stepped in with funds to help finance American groups, export of United States art was carried out on a meager scale, financed by the American National Theater and Academy out of its own pocket.

The current Salute to France now going over big in Paris is being backed by funds raised by an ANTA committee under Robert W. Dowling and Mrs. H. Alwyn Inness-Brown, president of the Greater New York chapter.

No Government funds were available at the time the project was launched at the suggestion of the French Ministry of Fine Arts last fall.

CHARTERED IN 1935

Salute, although independently financed, is now an integral part of ANTA's international exchange under impresario Robert C. Schnitzer, aided by United States Ambassador C. Douglas Dillon. Most of the groups appearing in Paris will now be sent on to other European capitals, financed, if need be, by Washington.

A private nonprofit organization, ANTA has been operating under congressional charter since 1935 for the purpose of widening interest in the theater. After a number of lean years, it now has a membership of 2,000 individuals and theaters in the United States, Hawaii, and the Canal Zone.

For the past 5 years, ANTA has expedited the exchange of performing arts between America and foreign countries. During that time it has sponsored United States participation in the Berlin Festivals of 1951–53, the Paris Festival of 1952, the Denmark-Hamlet Festival of 1949, and the Ballet Theater's 1950 European tour.

Mr. MACDONALD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include certain additional material.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COVERAGE OF DENTISTS BY SOCIAL SECURITY

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. MACK] is recognized for 30 minutes.

Mr. MACK of Illinois. Mr. Speaker, on March 31, 1955, I introduced a bill, H. R. 5431, to extend coverage under the Federal old-age and survivors insurance system to individuals engaged in the practice of dentistry.

Self-employed dentists are not eligible for social-security coverage under existing law, although dentists working on a salary have been covered since 1937 when the system began. When coverage was extended to other self-employed groups by the 1950 amendments to the Social Security Act, self-employed dentists were specifically excluded from coverage along with certain other professional groups. Specifically excluded professional groups were self-employed physicians, lawyers, dentists, osteopaths, veterinarians, chiropractors, naturopaths, optometrists, architects, Christian Science practitioners, professional engineers, funeral directors, and public accountants. The decision of the Congress was that there was insufficient evidence that self-employed dentists wanted social-security coverage.

Again, in the 1954 amendments when this matter came up for consideration, the final decision was to continue the exclusion of self-employed dentists, again on the ground that there was not sufficient evidence that a majority of the members of the profession desired coverage. Action in this Congress was as follows: The original administration bill called for compulsory coverage of all professional groups previously excluded, including dentists; the bill as passed by the House covered all of these professional groups—including dentists—except physicians; the bill as reported by the Senate continued the exclusion of these professional groups and an amendment offered on the floor to provide compulsory coverage for dentists only was defeated. In the conference bill and the law as passed, coverage was not extended to dentists, along with lawyers, physicians, and certain other practitioners of related health professions. Compulsory coverage was extended to architects, engineers, funeral directors, and accountants. The rest of the above groups were still specifically excluded, except Christian Science practitioners who were included as ministers.

During the hearings on the 1954 amendments, representatives of the American Dental Association appeared before the appropriate committees to oppose compulsory coverage of the self-employed members of their profession. They outlined the record of the association which shows that, in the 1948 meeting of the house of delegates, representatives of the Social Security Administration appeared to describe proposals for coverage and the workings of the system. The sentiment of those present was favorable to including dentists, and the house of delegates approved this position. In 1949 it reconsidered and unanimously voted to oppose compulsory coverage. In 1950 the council sent a questionnaire to every seventh member on the active and life membership lists, to determine their attitude on social-security coverage. In the response, 51.7 percent were opposed and 48.3 percent favored coverage.

In 1951, the reference committee reported the membership about equally divided on the basis of the survey, and recommended that the entire matter be

postponed for a year because there was considerable misunderstanding of the provisions of the law. The association prepared a kit of materials which was forwarded to 53 constituents and 440 component societies. In 1953 the subject was again considered and the reference committee again recommended that the association oppose inclusion of self-employed dentists, and the house of delegates reaffirmed its 1949 stand in opposition to coverage. In 1953 the house of delegates adopted a resolution directing the council on legislation to present to Congress the association's policy of opposing the inclusion of dentists under social security, and this was the position which was presented to the Congress in connection with the 1954 amendments. Again at the meeting of the house of delegates in November 1954—after the 1954 amendments had been passed—a vote was taken in which a proposal to provide compulsory coverage for dentists was defeated 235 to 152 and a second vote to ask for voluntary coverage was defeated 180 to 153.

Briefly, the major reason presented for opposing coverage was that, in some cases, dentists continue working throughout their lives and, since they would not be entitled to benefits unless they substantially retired, they prefer to be omitted from coverage so that they can invest instead in retirement plans of their own choice, for which they will receive at least the return of their investment. The fact that self-employed persons pay a tax at the rate of 1½ times that paid by employees—because there is no matching employer's contribution—was noted as a factor in this decision. On the other hand, considerable evidence appeared that dentists—at least in certain areas—were in favor of coverage. Dr. Earl H. McGonagle, a past president of the West Central Minnesota District Dental Society, appeared before the Committee on Finance of the Senate on July 6, 1954, to urge that coverage be extended to self-employed dentists. He pointed out that the work required of dentists, and their incomes, are not similar to that of physicians, since a physician can practice his profession as long as he maintains a sound mind, but a dentist must maintain almost perfect health to continue in practice. Moreover, dentists cannot practice part time, he maintained, as can physicians, because overhead is high and full time and full speed are required. In this view, many disabilities, such as skin diseases, arthritis, trembling or injured hands, impaired eyes, and other similar physical conditions, can force a dentist to retire before he may wish to do so. Finally, the protection to the families of dentists through the survivor rights in social security was noted as an important reason by those who favor coverage.

The fact that the early years of practice are proportionately the most expensive for self-employed dentists made the survivor protection especially important in the view of certain younger members of the profession. Dr. McGonagle further maintained that only 3.5 percent of the entire membership of the American Dental Association answered the 1951 poll which resulted in 48.3 percent in favor of social-security coverage, and 51.7 percent in opposition. Dr. McGonagle reported that the Chicago Dental Society had conducted a poll in which 1,295 votes—82.6 percent—were in favor of coverage and 271 against; while a poll in New York District 1 showed 2,141—88.9 percent—for and 267 against coverage.

I introduced H. R. 5431 into this Congress because I was convinced that a majority of dentists, not only in my own district and the State of Illinois, but dentists throughout the country, wish to have the opportunity of benefiting from this insurance program, the same as other self-employed individuals. It does not seem fair to exclude the members of this profession from participating in the program if it is their wish to participate in it. In addition to the State of Illinois, polls taken show the dentists in Ohio, Massachusetts, Minnesota, Oregon, Iowa, Wisconsin, and the District of Columbia want to be included in this program. I would like to include the following report taken from the May issue of the Illinois State Dental Journal:

OASI POLL SHOWS BIG YES

At the direction of the executive council of the Illinois State Dental Society, the secretary conducted a mail poll of the membership on the vital question of participation by Illinois dentists in the old-age and survivors insurance program of the Federal Government. This OASI poll closed at midnight, April 9, 1955. The results, when tabulated, were as follows: 5,091 cards mailed out, 3,454 cards returned, 1,637 cards not returned; 469 voted "no" on OASI participation, 2,983 voted "yes" on OASI participation, 2 cards were returned with no vote; 961 voted "yes" for compulsory participation, 1,724 voted "yes" for voluntary participation, 99 voted that compulsory or voluntary participation was optional, 93 did not vote for voluntary or compulsory participation; 106 voted "yes" on all 3 questions, i. e., compulsory, voluntary, and optional.

As indicated by the figures, 67.8 percent of the cards mailed out were returned. Of the number returned, the vote was overwhelmingly for inclusion of dentists in OASI—6.4 to 1. Of those answering, however, the voting was 1.8 to 1 in favor of voluntary rather than compulsory participation.

A small percentage of the total voted that it was immaterial to them whether participation was voluntary or compulsory; another small percentage expressed no opinion on voluntary as compared with compulsory participation. As usual a few voted "yes" for everything, showing that they were a little confused by the whole idea.

Mr. MACK of Illinois. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include some additional material.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mrs. GREEN of Oregon and to include extraneous matter.

Mr. MACK of Illinois and to include extraneous matter.

Mr. FEIGHAN in two instances and to include extraneous matter.

Mr. LANKFORD and to include extraneous matter.

Mr. MILLER of Nebraska and to include three letters and certain editorial material.

Mr. DAGUE.

Mr. VORYS and to include a speech he made in Columbus, Ohio; and also minority views on House Resolution 183.

Mr. HOSMER in two instances and to include extraneous matter.

Mr. FLOOD in two instances and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. THOMPSON of New Jersey (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. PATMAN and to include an address delivered by Mr. MCCORMACK.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 10, 1955, present to the President, for his approval, bills of the House of the following titles:

H. R. 5085. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 5100. An act to amend Veterans Regulation No. 7 (a) to clarify the entitlement of veterans to outpatient dental care;

H. R. 5106. An act to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing;

H. R. 5177. An act to authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C.; and

H. R. 5695. An act to continue until the close of June 30, 1958, the suspension of certain import taxes on copper.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 18 minutes p. m.), under its previous order, the House adjourned until tomorrow, June 15, 1955, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

892. A letter from the Secretary of Defense, transmitting the annual report of the American National Red Cross for 1954, and a supplemental Combined Statement of Income and Expenditures of the National Organization and the 3,718 chapters and their 3,990 branches for the year ended June 30, 1954, pursuant to Public Law 131, 83d Congress; to the Committee on Foreign Affairs.

893. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the Department of Health, Education, and Welfare in the amount of $238,000 (H. Doc. No.

179); to the Committee on Appropriations, and ordered to be printed.

894. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Crop Insurance Corporation for the fiscal year ended June 30, 1954, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 180); to the Committee on Government Operations, and ordered to be printed with illustrations.

895. A letter from the Assistant Secretary of the Interior, transmitting a report and findings on the Washoe project, Nevada and California, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 181); to the Committee on Interior and Insular Affairs, and ordered to be printed with illustrations.

896. A letter from the Archivist of the United States, transmitting a report on lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380) as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

897. A letter from the Attorney General, transmitting the report of the Attorney General on the administration of the Foreign Agents Registration Act for the 5-year period from January 1, 1950 through December 31, 1954; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VORYS: Committee on Foreign Affairs. Part 2, minority views on House Resolution 183. Resolution requesting the Secretary of State to take action to carry out certain recommendations of the Select Committee on Communist Aggression, contained in its report made at the close of the 83d Congress (Rept. No. 746, pt. 2). Ordered to be printed.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 4664. A bill to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads; without amendment (Rept. No. 786). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Joint Committee on Atomic Energy. H. R. 6795. A bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities or for plant or facility acquisition, construction, or expansion, and for other purposes; without amendment (Rept. No. 787). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS of Ohio: Committee on House Administration. Senate Concurrent Resolution 31. Concurrent resolution authorizing the printing of additional copies of certain hearings and reports on juvenile delinquency for the use of the Committee on the Judiciary; without amendment (Rept. No. 808). Ordered to be printed.

Mr. THORNBERRY: Committee on Rules. House Resolution 270. Resolution waiving points of order against H. R. 6766, a bill making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes; without amendment (Rept. No. 809); referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 271. Resolution for consideration of H. R. 5891, a bill to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes; without amendment (Rept. No. 810). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 26. An act for the relief of Donald Hector Taylor; with amendment (Rept. No. 788). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 36. An act for the relief of Lupe M. Gonzalez; with amendment (Rept. No. 789). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 244. An act for the relief of Anna C. Giese; with amendment (Rept. No. 790). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 633. An act for the relief of certain alien sheepherders; with amendment (Rept. No. 791). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 758. An act for the relief of Marion S. Quirk; with amendment (Rept. No. 792). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1179. A bill for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon; without amendment (Rept. No. 793). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 1304. A bill for the relief of Sister Giovina (Rosina Vitale) and Sister Olga (Calogera Zeffiro); with amendment (Rept. No. 794). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2240. A bill for the relief of Oy Wan Leung, also known as Margarita Oy Wan Chan; with amendment (Rept. No. 795). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2241. A bill for the relief of Amalia Bertolino Querio; with amendment (Rept. No. 796). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2242. A bill for the relief of Kim Joong Yoon; without amendment (Rept. No. 797). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2259. A bill for the relief of Alessandra Barile Altobelli; without amendment (Rept. No. 798). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2306. A bill for the relief of Maria de Rehbinder; without amendment (Rept. No. 799). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2307. A bill for the relief of Julius, Ilona, and Henry Fiehner; without amendment (Rept. No. 800). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2753. A bill for the relief of Geraldine Gean Hunt and Linda Marie Hunt; with amendment (Rept. No. 801). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 3625. A bill for the relief of George Vourderis; without amendment (Rept. No. 802). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 3626. A bill for the relief of Ilse Werner; with amendment (Rept. No. 803). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 3629. A bill for the relief of Mrs. Nika Kirihara; without amendment (Rept. No. 804). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3630. A bill for the relief of Mrs. Uto Ginoza; with amendment (Rept. No. 805). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 3864. A bill for the relief of Mrs. Elizabeth A. Traufield; with amendment (Rept. No. 806). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4455. A bill for the relief of Christa Harkrader; with amendment (Rept. No. 807). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DURHAM:

H. R. 6795. A bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. BAILEY:

H. R. 6796. A bill to provide for the conveyance to the city of Clarksburg, W. Va., of certain property which was donated for use in connection with a veterans' hospital, and which is not being so used; to the Committee on Veterans' Affairs.

By Mr. BYRD:

H. R. 6797. A bill to amend the Rubber Producing Facilities Act of 1953, so as to permit the disposal thereunder of the Government-owned rubber-producing facility at Institute, W. Va.; to the Committee on Armed Services.

By Mr. DAGUE:

H. R. 6798. A bill to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are opposed to participation in such program on grounds of conscience or religious belief; to the Committee on Ways and Means.

By Mr. MACK of Illinois:

H. R. 6799. A bill to amend title II of the Social Security Act to reduce from 65 to 60 the age at which old-age and other monthly insurance benefits may become payable thereunder; to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 6800. A bill to amend the Classification Act of 1949, as amended, with respect to its application to employees of the Panama Canal Company; to the Committee on Post Office and Civil Service.

By Mr. PHILBIN:

H. R. 6801. A bill to authorize the payment of interest on claims of members of the Armed Forces for pay, retired pay, retirement pay and allowances; to the Committee on Armed Services.

By Mr. TOLLEFSON:

H. R. 6802. A bill to allow credit or refund of gift tax erroneously paid by reason of treating nontaxable divisions of community property as gifts; to the Committee on Ways and Means.

By Mr. UDALL:

H. R. 6803. A bill relating to the construction of school facilities in areas affected by school integration, and for other purposes; to the Committee on Education and Labor.

By Mr. BELCHER:

H. R. 6804. A bill to authorize the Secretary of the Interior to distribute equally to members of the Kaw Tribe of Indians certain

moneys to the credit of the tribe in the United States Treasury; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 6805. A bill to prohibit in any lawsuit or action for damages the use and admission as evidence of investigations by the military departments of aircraft accidents conducted in the interest of air safety; to the Committee on the Judiciary.

By Mr. CRUMPACKER:

H. R. 6806. A bill to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are opposed to participation in such program on grounds of conscience or religious belief; to the Committee on Ways and Means.

By Mrs. FARRINGTON:

H. R. 6807. A bill to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

H. R. 6808. A bill to amend section 73 (1) of the Hawaiian Organic Act; to the Committee on Interior and Insular Affairs.

By Mr. GRANAHAN:

H. R. 6809. A bill to provide for payment of increased compensation to parents whose sons are killed in combat; to the Committee on Veterans' Affairs.

By Mr. HARRIS (by request):

H. R. 6810. A bill to amend the Communications Act of 1934 with respect to facilities for candidates for public office; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Wisconsin:

H. R. 6811. A bill to extend coverage under the Federal old-age and survivors insurance system to self-employed physicians, lawyers, dentists, and veterinarians; to the Committee on Ways and Means.

H. R. 6812. A bill to amend title II of the Social Security Act to reduce retirement age from 65 to 62 in the case of women, and to provide that any fully insured individual who becomes permanently and totally disabled shall be deemed to have reached retirement age; to the Committee on Ways and Means.

By Mr. MILLER of Maryland:

H. R. 6813. A bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of New York:

H. R. 6814. A bill to provide for the burial near the Marine Corps War Memorial at the northern end of Arlington National Cemetery of the participants in the famous flag raising at Iwa Jima; to the Committee on Interior and Insular Affairs.

By Mr. POAGE:

H. R. 6815. A bill to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes; to the Committee on Agriculture.

By Mr. RHODES of Pennsylvania:

H. R. 6816. A bill to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II; to the Committee on Post Office and Civil Service.

By Mrs. ROGERS of Massachusetts:

H. R. 6817. A bill to provide for the promotion of certain persons who participated in the defense of the Philippines and who did not receive promotions after having been held as prisoners of war; to the Committee on Armed Services.

By Mr. SAYLOR:

H. R. 6818. A bill to provide for the conservation of anthracite coal resources through measures of flood control and anthracite mine drainage, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. THORNBERRY (by request):

H. R. 6819. A bill to provide for interpreters in proceedings before Federal courts and agencies, and congressional committees to assist persons in need of their services because of lack of understanding of English or deafness; to the Committee on the Judiciary.

By Mr. VINSON:

H. R. 6820. A bill to amend section 301, Servicemen's Readjustment Act of 1944 to further limit the jurisdiction of boards of review established under that section; to the Committee on Armed Services.

By Mr. WIDNALL:

H. R. 6821. A bill to increase the national minimum wage to $1 an hour; to the Committee on Education and Labor.

By Mr. BROYHILL:

H. J. Res. 341. Joint resolution to adopt a specific version of the Star-Spangled Banner as the national anthem of the United States of America; to the Committee on the Judiciary.

By Mr. LOVRE:

H. J. Res. 342. Joint resolution authorizing the erection of a statue of Leif Ericsson in the District of Columbia; to the Committee on House Administration.

By Mr. PROUTY:

H. J. Res. 343. Joint resolution to authorize and request the President of the United States to take such action as may be appropriate to have the International Joint Commission, United States and Canada, make a survey to determine the economic feasibility and the cost of constructing a waterway which would connect the Hudson River with the St. Lawrence River via Lake Champlain, and for other purposes; to the Committee on Foreign Affairs.

By Mr. KIRWAN:

H. Con. Res. 159. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. MACK of Illinois:

H. Con. Res. 160. Concurrent resolution relating to the transfer of members of the Armed Forces from one military department to another; to the Committee on Armed Services.

By Mr. RABAUT:

H. Con. Res. 161. Concurrent resolution providing for the printing of the song Pledge of Allegiance to the Flag as a House document; to the Committee on House Administration.

By Mr. BARRETT:

H. Res. 269. Resolution authorizing payment of salary due to James M. Hazlett, deceased; to the Committee on House Administration.

By Mr. DENTON:

H. Res. 272. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 244; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRETELLA:

H. R. 6822. A bill for the relief of Giovanni Savino; to the Committee on the Judiciary.

By Mr. DIGGS:

H. R. 6823. A bill for the relief of Karimeh Ajluni; to the Committee on the Judiciary.

By Mrs. FARRINGTON:

H. R. 6824. A bill to authorize the amendment of the restrictive covenant on land patent No. 10,410, issued to Keoshi Matsunaga, his heirs and assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the County of Hawaii, T. H.; to the Committee on Interior and Insular Affairs.

By Mr. MILLER of California:

H. R. 6825. A bill for the relief of Edgardo Villanueva Del Rosario; to the Committee on the Judiciary.

By Mr. VANIK:

H. R. 6826. A bill for the relief of John Grabski; to the Committee on the Judiciary.

By Mr. VORYS:

H. R. 6827. A bill for the relief of Brunhilde Kruschewski; to the Committee on the Judiciary.

By Mr. WINSTEAD:

H. R. 6828. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or AUS officer under the provisions of the act of April 3, 1939, as amended; to the Committee on the Judiciary.

By Mr. BURDICK:

H. Res. 273. Resolution providing that the bill, H. R. 2458, and all accompanying papers shall be referred to the United States Court of Claims; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The Olympic Games

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Tuesday, June 14, 1955

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech which I delivered on June 10, 1955, before a combined meeting of all civic and service clubs of Anne Arundel County, Md. These comments relate to certain aspects of the 1956 Olympic games which would seem to warrant the attention of all Americans.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. JOHN MARSHALL BUTLER BEFORE THE INTERCOUNTY MEETING OF ANNE ARUNDEL COUNTY CIVIC CLUBS, FRIENDSHIP INTERNATIONAL AIRPORT, MARYLAND, JUNE 9, 1955

It is, indeed, a pleasure to be with you—the members of all of the fine civic and service clubs of Anne Arundel County—and I am honored by your invitation. This evening, I should like to discuss with you an aspect of our contemporary life which reaches all of us in some way or another. I speak of sports—and more particularly—the Olympic Games.

If God grant the world peace, the 1956 Olympic Games will be held in Melbourne, Australia. We are delighted that this great international classic is to be held in the home of our great friends in the South Pacific. We have met the Australians often on the fields of sport. Their great spirit of sportsmanship makes them very desirable hosts for the 60 or more nations expected to take part in these international games.

The United States tried without success to have these historic games take place here in 1956. It is almost 25 years since we had the honor to be the host nation at Los Angeles in 1932. Although the great city of Detroit pressed its claims vigorously, the International Olympic Committee decided in favor of Melbourne. We hope we will be more successful in 1960. The United States Olympic Committee, representing the chief amateur athletic associations in the United States, will seek to obtain the honor for Detroit. Senator POTTER, of Michigan, has introduced Senate Joint Resolution 14 in the present session to request the Government of the United States to join in the effort to bring the games here.

All the world knows the spirit of these games.

It is the spirit of amateur sportsmanship itself; the spirit that encourages observance of moral laws; the spirit that engenders a wholesome respect for ethical standards; the spirit that is the nourishment of man's inner growth.

It is the ultimate expression of that innate sense of honesty, integrity, and fair play that can be found and cultivated in the heart of every man—regardless of race, creed, political conviction, or social standing.

Under our free system in the United States that spirit has found fertile soil in which to blossom to fruition. It is known instinctively by everyone from the freckle-faced kid playing scrub ball in the little leagues to those fine, upstanding American youngsters who participate in the Olympic Games and, win or lose, do great honor to our way of life.

Since the revival of the Olympic Games in Athens, Greece, in 1896, Olympic committees of every nation have recognized the fact that the true spirit of sportsmanship rules out even the slightest taint of professionalism or commercialism.

They have realized that an athletic endeavor which is subsidized is subject to the control and domination of the sponsoring agent whether it be private interest or national government.

It is for this reason that a strict amateur status of participants is insisted upon; it is for this reason that personal achievement—as distinguished from national achievement—is emphasized in the Olympic Games.

Any other course of action would be a gross violation of true sportsmanship. Acquiescence to any other standard would be tantamount to wanton perversion of the underlying principle of the Olympic Games.

The question on my mind today and which I want to post to the American people is this:

Are we in the United States—where our record of excellence in the field of amateur sportsmanship is a byproduct of our unique system of government—allowing the Soviet Union to pollute the Olympic Games; to use, with diabolic deceit, the spirit of sportsmanship itself as a velvet-gloved iron fist to ruthlessly hammer out their godless propaganda?

Disturbing evidence of the Soviet Union's designs on the 1956 Olympic Games prompts me to speak out on this all-important matter.

The Soviets' only goal in the forthcoming Olympics is to win by whatever means they deem expedient.

This attitude was quite bluntly expressed by Vladimir Kuchmenko at the Henley Regatta in England early in 1954.

Kuchmenko, head of the Department of Aquatic Sports in the Committee of Physical Education and Sports of the Soviet Council of Ministers, said to the British observers:

"This is sport to you, but we are over here to win."

The record is replete with Soviet violations not only of the basic principles of sportsmanship involved, but of the self-imposed rules and regulations governing the conduct of participants in the Olympic Games.

It should be clearly evident to those with eyes to see that the Communists—who will subvert everything from the Deity to the invention of the sewing machine, to serve their cause—have their sinister eyes fixed upon the 1956 Olympic Games. And their ulterior motive is to advance not the cause of fair play and sportsmanship, but international Communist domination.

In the first place, the Soviet athlete is not an amateur; he is a paid propaganda agent of the U. S. S. R.

He is just one more slave in the hideous chain gang of brainwashed individuals slavishly advancing the Communist cause.

He is not willing to accept the rigid discipline of defeat which ofttimes is the finest hour of a truly great sports figure.

The Soviet athlete is as much a pawn in the vast Soviet mechanism as any other segment of the total Soviet proletariat.

He is not an individual.
He has no independence.
He is anything but a free agent.
His only right is the right to obey.
And his duty is simple and absolute.
He must win.

He must win or suffer the devilish ostracism of a police state; a liquidation so cruel as to defy description.

He must win not for the indulgence of his understandable human desire to excel but to enhance the prestige of that vast, sprawling Soviet slave state which is unalterably committed to the ultimate extinction of every principle which the Olympic Games attempt to promote.

As such he has no right whatsoever to participate in the Olympic Games.

The least we can do is to bar the Soviet Union and its satellites until such time as they show some respect for the cardinal rules of the games.

Lest the impression be created that my fears are unjustified and are based on the natural distrust of the Soviet prevalent in this country today, I should like to quote from a recent article appearing in the Saturday Evening Post.

It was written by Mr. Avery Brundage, a famous American sportsman and president of the International Olympic Committee. Mr. Brundage reported what he saw inside the Soviet Union during an inspection tour of the Russian athletic program.

I quote: "In Moscow, at the annual sports parade, I watched 34,000 boys and girls put on a series of magnificent displays of physical training, athletic competition, and gymnastics. These demonstrations proceeded with almost mechanical precision for 5 solid hours. I was told there were 800,000 trained gymnasts in Russia.

"In Gori * * * I witnessed a volleyball tournament. It was only a district tournament, but 900 teams took part. The courts were hewn out of the forestlands by the players themselves. I saw volleyball courts even on hospital grounds.

"At Kiev, the capital of the Ukraine, they told me there were 60,000 soccer-football teams in the Ukraine alone, 5,000 of them good quality. Also at Kiev, on a hill adjoining a large stadium in the center of the city, there was a ski jump. There was one in Moscow, too, the first one I had ever seen in the heart of a city.

"Thousands of soccer-football fields are spotted throughout the country. Kroutchev Stadium in Kiev seats 70,000. Kirov Stadium in Leningrad has space for 100,000 and is about to be enlarged. Primitive running tracks are found even in small hamlets on the steppes.

"Once, during an informal conversation with a group of Soviet sport officials, I asked how many track-and-field athletes Russia had in training. 'Four million,' was the reply. I thought the question had been misunderstood, so I repeated it to the interpreter, saying that I meant track-and-field athletes alone. 'That's right,' the official repeated blandly. 'Four million.'"

These 4 million, mind you, are only the track-and-field athletes. There are millions more. In fact, it has been estimated that Russia has a reservoir of 12 million athletes.

Acquainted as we are with the Soviet tactic in every phase of man's existence behind the Iron Curtain, what further evidence do we need that the Soviet Union is a highly organized, mass training ground for 12 million professional athletes?

This deplorable situation can be better appreciated perhaps by citing an example.

Suppose that universal military training was enacted into law in the United States.

Imagine, if you can, millions of American boys drafted into the service and the huskiest and strongest of them being subjected to an unremitting rigorous training program in specialized athletics to the exclusion of military training.

Picture the best of these boys being sent to the Olympic Games like so many pawns of the Government with strict orders to win for the greater glory of the Republican or Democratic Party, or suffer dishonorable discharges and exile to the barren wastelands of Alaska.

I ask you, would such a practice be even remotely in keeping with the honored traditions of the Olympic Games?

Would not such a practice, in fact, be equal to barefaced ridicule of everything that we hold sacred and honorable?

Would not such an eventuality, in fact, be tantamount to a national insult to every honestly motivated athlete participating?

And yet, this is only a mild example of the extent to which the Russians have gone in their mad drive to dominate the 1956 Olympic Games.

What further evidence do we need that the atheistic masters of the Kremlin are flagrantly violating the principle of the Olympic Games when we consider that these 12 million athletes are trained from childhood to adolescence, like performers for a circus, and to young manhood and womanhood?

The Government of the Soviet Union, through its All Union Committee on Physical Culture and Sports, which is a cabinet ministry, selects its topflight contestants for the Olympic Games from these automatons trained from the cradle.

Let me review the process step by step:

The Government of the Soviet Union moves with a fine-tooth comb through the teen-age youth of the land, extracting the best 12-year-olds for some 400 children's sports schools. At 17 the best of these are graduated to youth sports schools. I doubt whether we have anything comparable to it even in our professional system. From these advanced institutions come the Soviet athletic stars. There is a Soviet humor magazine called Krokodil. It is almost the only instance I have ever known where the Communists kid the Communists. This periodical takes a jibe at the fact that Soviet athletes, who are supposed to have what the humor magazine laughingly calls jobs, actually spend all their time practicing up on their sports specialty. Their training remains uninterrupted through the winter months when, like well-cared-for Soviet animal stock, they are shipped south. In the spring they may be seen on the beaches of the Russian Black Sea resort of Sochi. The training is unremitting, severe, under constant surveillance, endlessly repeated, to the point of fingertip perfection. The hand of government possession, direction, compulsion is everywhere.

This is clearly in violation of Olympic rules.

Since World War II the Soviet Union has intensified its athletic program by direct command from the Central Committee of the Communit Party. Against the policy of

abusing losers it has the balancing policy of glorifying winners. The champions are honored, privileged, envied. They have a title: "Honored Master of Sports." The Soviet of Ministers of the U. S. S. R. on July 2, 1947, issued a decree providing for gold, silver, and bronze medals. By January 1, 1954, more than 10,000 medals had been awarded. Of these 1,529 were gold and 3,494 were silver. The point I make is that athletics in the Soviet Union is a tight government-controlled institution and that every facet of it seems to me to be a denial of the principle of amateur athletics, and on the contrary, characteristic of established professionalism. A Russian athlete who goes through the Soviet screening process for admission to international contests is by any standard you wish to set up a professional in the most absolute sense.

In all of this unrelaxed, hard-hitting, wickedly single-purpose drive for professional flawlessness, at what are the Soviet leaders in the Kremlin aiming?

They are aiming at the 1956 Olympics.

They are committed by their literature, by their Marxist ideology, by their passion for world domination—domination in athletics today, domination in world conquest tomorrow, to win. To win by fair means or foul.

Make no mistake about it, the Soviets are not interested in games.

They are not interested in sports.

The principles of fair play and honest, competitive endeavor are completely alien to the Communist ideology.

Tolerance by the free world—and, more particularly, by the United States to which the free world looks for leadership—of such violations of the basic theory of the Olympic Games constitutes abject negation of the principles and purposes of these great international classics.

Our problem, as I see it, is twofold.

It calls not for mass moaning, but a hard-hitting, realistic, and constructive approach.

In the first place, we must insist that the Soviets respect the rules of the Olympic Games.

We must insist on our freedom from being defrauded once again by the Soviet.

We must do it now.

To wait until after 1956 will be too late.

For, if their pushbuttom athletes run away with all the honors in 1956 and we then start complaining that they have not abided by the rules, we will be providing them with a razor-sharp, double-edged propaganda sword with which to run us through.

The winning Russian athlete will be flaunted as a symbol of strength, clean living, fun, and fair play; the end result of the dictatorship of the proletariat.

The complaining Americans will be ruthlessly propagandized as inferior products of a decadent, capitalistic system, incapable of winning over the Russian athlete and a poor loser to boot.

I repeat: We must seize the initiative. We must lay open for all the world to see what was referred to in an article in the U. S. News & World Report as a "big, grim, production-line business, run from grade school to Olympic track, by that supercoach, the (Russian) state."

Mr. Avery Brundage, in honestly and ably reporting what he found behind the Iron Curtain, has rendered a significant service not only to the cause of sportsmanship, but the cause of peace.

We in Government, and lay people in all walks of American life—if we are to remain true to our athletes—must back him up in exposing this gigantic Russian fraud.

We must do it now while there is yet time.

By so doing, and because we have right on our side, we can make this huge propaganda effort of the Soviets serve our purpose instead of theirs.

They can be made to look ridiculous in the eyes of the world.

Let us not forget that Americans chalked up an amazing record of performance at the 1952 Olympic Games, held at Helsinki, Finland, because our free system of government and vast network of higher education paves the way to athletic excellence.

The Russians have had to organize shock-troops numbering 12 million and to violate every rule of the game to even get into our league.

I am supremely confident that the good sense of the American people and the peoples of the free world, if these facts are adequately publicized, will prevail, and that they will see this diabolically conceived hoax for what it is.

The second problem, as I see it, which faces us today is the decline of interest in this Nation for participation in amateur athletics.

Mr. Brundage, in the aforementioned article, said:

"As I watched those thousands of husky, healthy Soviet boys and girls performing in Moscow last July, I thought of the 42-percent draft rejections back in the United States. I thought of American youth enjoying the superior advantages and the greater privileges offered by the country with the most freedom and the highest standard of living in the world, and at the same time subject to all the temptations to grow soft and flabby from too easy living, too much amusement, too many automobiles and television sets. I thought of their need for sound guidance and wise leadership, and I wondered what was going to happen in the games of the XVI Olympiad, at Melbourne."

Mr. Brundage has wisely sounded the warning.

I call upon everyone—the press, radio, government, educators, and lay people in general, who are interested in the great principles engendered by amateur athletes—to act now to expose the deceit of the Soviet Union and emphasize our own deficiencies in amateur athletics.

We will be helping to develop initiative, resourcefulness, self-reliance, tolerance, good judgment, self-discipline, a sense of responsibility, and a broader viewpoint in the youth of the world.

These are the principles which will form the foundation for world peace and we will, therefore, immeasurably aid that great cause.

Remember, the Russians are out to win in 1956.

They are out to win not only the Olympic Games, but a great propaganda battle.

Whether or not they do is entirely up to us.

To fail in this duty which devolves equally upon each of us will be to fail our youth and the future which is theirs.

Bananas on Pike's Peak

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pike's Peak as to approve the Pine River extension irrigation project in Colorado and New Mexico.

The Pine River project is a part of the proposed multi-billion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Pine River extension irrigation project would be $1,850 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains and dairy products.

Social Security Exemptions

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. DAGUE. Mr. Speaker, I have today introduced a bill for the purpose of amending existing legislation in order to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are opposed to participation in such a program on grounds of conscience or religious belief.

Overtures leading to the introduction of this bill were received from representatives of the Amish sects, residing in my congressional district as well as from those residing in other sections of the country; notably, Maryland, Ohio, Indiana, Illinois, and Iowa.

The spokesmen for these fine people emphasized that it is contrary to their religious beliefs that they or their children should depend in any way upon government for support or aid in any form, and that it is distressing to them to think that their children should ever rely on other than Divine Providence for their economic needs. They also pointed out that it has been traditional with them to avoid insurance in any form, and it is well known that they "take care of their own", whether it be to replace a barn or dwelling destroyed by fire or to care for those of their faith who may find themselves in financial straits.

The precedent for exemption on grounds of conscience is well-established, and we have traditionally recognized that a citizen can claim relief from military duty on the ground that it is contrary to his religious beliefs. The exercise of this right is particularly prevalent in Pennsylvania where the Founding Fathers were Quakers who opposed the bearing of arms as violative of their pacifistic philosophy. Also inherent in our legal processes is the right to exemption from sitting on a murder jury because of opposition to capital punishment. It would seem then to be equally logical that the Government should grant exemptions from a program which is designed primarily to provide economic benefits to individuals—as distinguished from the public welfare or defense—when such individuals are prepared to renounce irrevocably all claims on the Government for either themselves or their heirs. In short, Uncle Sam collects nothing and pays nothing out, while those thus exempted continue to provide for themselves as they have been doing for over two centuries.

The exemptions from the operation of the Social Security Act presently enjoyed by doctors, lawyers, and clergymen is a further precedent for favorable action on my bill, and I feel that the fact that there still exists in our midst a group of people to whom governmental largess and handouts are repugnant should command wholehearted support for this legislation.

Westward Movement of Center of Population of the United States

EXTENSION OF REMARKS
OF
HON. PETER F. MACK, JR.
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1955

Mr. MACK of Illinois. Mr. Speaker, inasmuch as it appears that the center of population of the United States will remain within the boundaries of the State of Illinois for approximately the next 100 years, it would appear to me to be extremely wise to make some effort to distribute the Federal Government workload into the State of Illinois, so it would be more accessible to the majority of the people of our country, many of whom are today living 3,000 miles from our National Capital.

The history of the center of population indicates that at the time the site for the National Capital was selected the city of Washington was almost the center of population of our country. In 1790 the center of population was 23 miles east of Baltimore, Md., and in 1800 the center of population was still on the east side of Washington, D. C., which made Washington not only near the geographical center but also near the center of population as well.

According to the 1950 Bureau of the Census report—nearly 160 years later—the geographical center is some 1,500 miles to the west of the Capital City, and the center of population is in Denver Township, Richland County, Ill., which is 8 miles north-northwest of Olney, Ill.—a distance of approximately 1,000 miles west of our Capital City.

The following report shows the westward movement of the center of population of the United States between 1790 and 1950:

Year	North latitude			West longitude			Approximate location
	°	′	″	°	′	″	
1790	39	16	30	76	11	12	23 miles east of Baltimore, Md.
1800	39	16	6	76	56	30	18 miles west of Baltimore, Md.
1810	39	11	30	77	37	12	40 miles northwest by west of Washington, D. C. (in Virginia).
1820	39	5	42	78	33	0	16 miles east of Moorefield, W. Va.
1830	38	57	54	79	16	54	19 miles west-southwest of Moorefield, W. Va.
1840	39	2	0	80	18	0	16 miles south of Clarksburg, W. Va.
1850	38	59	0	81	19	0	23 miles southeast of Parkersburg, W. Va.
1860	39	0	24	82	48	48	20 miles south by east of Chillicothe, Ohio.
1870	39	12	0	83	35	42	48 miles east by north of Cincinnati, Ohio.
1880	39	4	8	84	39	40	8 miles west by south of Cincinnati, Ohio (in Kentucky).
1890	39	11	56	85	32	53	20 miles east of Columbus, Ind.
1900	39	9	36	85	48	54	6 miles southeast of Columbus, Ind.
1910	39	10	12	86	32	20	In the city of Bloomington, Ind.
1920	39	10	21	86	43	15	8 miles south-southeast of Spencer, Owen County, Ind.
1930	39	3	45	87	8	6	3 miles northeast of Linton, Greene County, Ind.
1940	38	56	54	87	22	35	2 miles southeast by east of Carlisle, Haddon Township, Sullivan County, Ind.
1950	38	50	21	88	9	33	8 miles north-northwest of Olney, Richland County, Ill.

June—A Tragic Month for the Baltic Peoples

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1955

Mr. FLOOD. Mr. Speaker, a decade and a half ago this month tragedy struck the Baltic nations. In June of 1940 the Red armies swarmed into the three small Republics of Lithuania, Latvia, and Estonia and extinguished their freedom. Since then the sufferings of the peoples of these three countries have been intense—the Communist invaders have despoiled them, enslaved them, murdered them and deported them by the thousands. The monstrous crime the Soviet Union has committed in the Baltic countries is one that demands remedial action, particularly at this time when the great powers are planning a meeting "at the summit" to discuss world tensions.

When the Bolsheviks invaded the Baltic countries on June 15, 16, and 17, 1940, they announced that their occupation would guarantee peace and protection from war. The falsity of this propaganda was quickly realized by the Baltic peoples, for their countries were quickly straitjacketed in the Communist despotism and the hand of Red persecution fell brutally upon them.

Posts in government and public administration both in central and local governments were occupied by Communists or their sympathizers. The police force was taken over by the NKVD and its function became mainly the liquidation of the so-called political unreliables. Private property was expropriated, and the personnel was changed in the courts where instructions from the Soviet Union now governed decisions handed down. Farcical elections were held resulting in Communist-controlled parliaments and in August 1940, Estonia, Latvia, and Lithuania were incorporated into the Soviet Union.

The destruction of the Baltic nations' liberty and independence was accompanied by many acts of violence against the innocent. Among these perhaps none was more horrible than the deportations, especially those of June 1941. Preparations for these deportations were made as early as 1939 in the infamous NKVD Serov order No. 001223. The plans of deportation were designed to accomplish a three-fold objective: First, to remove all active and patriotic elements from the local population; second, to break the will of resistance by exposing examples of what results when one does not conform with Soviet requirements; third, to weaken the Baltic nations physically.

The cruelty of the deportations was unspeakable. For instance, according to the Serov order, the operation was to take place at daybreak with the head of the operating group seeing that nothing in excess of 100 kilograms in weight was taken by those deported. This included clothing, cooking utensils, 1 month's supply of food, money of the locality—no foreign currencies—and a haversack. Male members—heads—of families were to pack their personal articles separately from the others and were not to be told of the separation of members of the families at the place of embarkation.

Thousands suffered this inhuman treatment in all three countries. In Lithuania, an operational staff of the People's Commissar for State Security of the Lithuanian SSR was formed in May 1941 for the purpose of "directing, preparing, and executing the operation of purging of the Lithuanian SSR from the hostile, criminal, and socially dangerous element." From June 14 to June 21, 1941, the number of Lithuanians deported to remote areas of Siberia and the arctic totaled 34,260.

In Estonia on the night of June 14, 1941, approximately 10,000 men, women, and children were deported by cattle cars to Siberia and northern Russia.

Records found in Riga, the capital of Latvia, which the Communists failed to destroy when retreating from the Germans in the latter part of June 1941, disclosed lists of deportees in June 1941. These names included: farmers, engineers, factory owners, transport, automobile, railway, and other workers and operators; defense and police forces—in which 1,085 missing or murdered army officers were included; government officials; intellectuals; pensioners; house-owners; students and schoolchildren; housewives; and others of unknown occupations. This totaled about 34,000. Of these, 23,016 were men; 7,218 women; and 4,016 children. Transportation records disclosed 824 railway coaches and freight cars were used in deporting Latvians to Soviet Russia between June 13–17, 1941.

The savage, inhumane treatment suffered by these Baltic States deportees is almost unbelievable. These atrocities are in the same category with the infamous death march of Bataan and the Nazi concentration camp horrors of Dachau and Buchenwald. Only God knows the harsh fate of all those unfortunate Batlic States deportees of 1940, 1941, and the years since.

The Big Four plan to meet sometime next month to discuss world problems. I recommend that the talks include the forceful takeover of the Baltic States

and their incorporation into the U. S. S. R. Thousands of innocent people are still suffering under the Communist yoke not only in the Baltic States but in many other countries. Certainly the enslavement of millions by the Communists is one of the major causes of tension in the world today and should be included in any negotiations designed to relieve such tension. The United States has never recognized the forced incorporation of the independent nations of Lithuania, Estonia, and Latvia into the U. S. S. R. We still maintain diplomatic relations with the free governments of the Baltic nations, although their homelands have been swallowed up by the Communist conspiracy.

We must bring the international crime committed by the Communists in the Baltic countries to the attention of those now preparing to discuss world problems. We can not let it be forgotten while these victim nations are still enslaved. If we persist in our endeavors, I have complete confidence that freedom and independence can eventually be restored to the people of Lithuania, Latvia, and Estonia.

Address by Hon. Strom Thurmond, of South Carolina, at Big Seven Regional Meeting of the American Bar Association

EXTENSION OF REMARKS
OF
HON. ALAN BIBLE
OF NEVADA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 14, 1955

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very fine address delivered by the distinguished junior Senator from South Carolina [Mr. THURMOND] before the American Bar Association's Big Seven regional meeting in Cincinnati, Ohio, on last Friday evening, June 10, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. STROM THURMOND TO THE AMERICAN BAR ASSOCIATION'S BIG SEVEN REGIONAL MEETING AT THE NETHERLAND PLAZA HOTEL IN CINCINNATI, OHIO, JUNE 10, 1955

Optimism is a general characteristic of the American people. This is true of the individual American and it has been true also of America as a nation.

I am glad we have retained this optimism, in spite of our experiences which have proved that we must be strong militarily. Optimism is good, but it must be tempered by experience.

Our experience in the realm of international affairs has, or should have, taught us that preparedness is a prime requisite for dealing with nations that are apparently less concerned with peace than we are.

As our President plans to meet with the Prime Ministers of England, France, and Russia we should temper our optimism with the salt of past experience.

We should not, and must not, expect all our difficulties with other nations to be resolved by this meeting. Rather, we should expect little and be grateful for any small successes attained.

Winston Churchill was realistic regarding England's relations with Russia in 1941, even as he joined hands with Stalin to fight Hitler as a common enemy. When Hitler disregarded their treaty of 2 years and invaded Russia, this is what Churchill told Britain:

"No one has been a more consistent opponent of communism than I have been for the last 25 years. I will unsay no word that I have spoken about it." But, he continued, "Any man or state who fights on against nazidom will have our aid."

President Eisenhower also knows the Russian by experience. He has expressed a realistic view of the proposed meeting of the Big Four.

On May 11, the President told his news conference:

"Trying to reach a clarification of issues, if such a thing is possible, is so important that you can't stand on any other principle except to do your utmost as you preserve your own strength of position, as long as you are not sacrificing, as long as you are not expecting too much."

That is realistic. The United States and a world that desires lasting peace would gain nothing if we go into the Big Four meeting expecting too much, and, consequently, concede too much, in an effort to arrive at an agreement which in the end might be worse than no agreement at all.

Our people should be united behind our President in his efforts for world peace. Partisan politics must be kept out. World peace is more important than any political party.

As we discuss this search for peace, let us review our relations with Russia.

Russia's Bolsheviks chose the height of World War I to seize the Government. This permitted the Germans to withdraw troops from the eastern front in November 1917 and to intensify her attacks on the West.

But on January 9, 1918, when President Wilson announced his 14 points as a basis for peace, he included Russia. His sixth point provided for the "evacuation of Russian territory and the independent determination by Russia of her own political development and national policy."

Outside interference has not prevented Russian self-determination. But the Communists have never been willing for other peoples to have the same right.

In the 15 years between the end of World War I and diplomatic recognition of Russia in 1933, the Soviets transformed a weak government, born in revolution, into a strong and aggressive dictatorship under Stalin. Even then the Communists had infiltrated other nations of the world.

But in the agreement under which the United States extended diplomatic recognition, Russia agreed to "restrain all persons * * * under its direct or indirect control * * * from any agitation or propaganda having as an aim * * * the bringing about by force of a change in the political or social order of the United States."

Secretary of State, Cordell Hull, soon reported "evidence of violations" and such evidence has continued even to this date. Such bad faith on the part of Russia is the cause of continuing world tension.

All of us recall the disbelief and horror with which we heard in 1939 of the Soviet invasion of Poland and Finland. However, at that time the actions of the Soviets were somewhat subordinated by Hitler's invasions of Poland, Norway, Denmark, Holland, Belgium, Luxembourg, and France. To us the greater danger at that time was the madman in Germany.

When Hitler attacked his ally, Russia, in 1941, we thought the Soviets would soon fold up as the Czar's army had in 1917. But, as the war progressed, we realized that Hitler had taken on a tough and ruthless foe.

On August 14, 1941, President Roosevelt and Prime Minister Churchill signed the Atlantic Charter. It embodied what came to be known as the four freedoms: Freedom of speech and religion and freedom from want and fear. The United States and Great Britain pledged themselves to fight for those rights for all peoples, and to seek the establishment of peace on that basis. Territorial rights and self-determination were guaranteed to all nations.

The Atlantic Charter stood as a beacon of hope to all subjugated peoples, and Russia subscribed to the principles of the charter in a joint declaration on January 1, 1942, of the United Nations fighting against Germany.

Roosevelt, Churchill, and Stalin met in Teheran in November and December 1943. They issued a statement on December 6 which declared:

"The Governments of the United States, the Union of Soviet Socialist Republics, and the United Kingdom are at one with the Government of Iran in the desire for the maintenance of the independence, sovereignty, and territorial integrity of Iran."

Roosevelt, Churchill, and Stalin met next at Yalta, and following that conference, issued a report on February 12, 1945, which said in part:

"Our meeting here in the Crimea has reaffirmed our common determination to maintain and strengthen in the peace to come that unity of purpose and of action which has made victory possible and certain for the United Nations in this war. We believe that this is a sacred obligation which our governments owe to our peoples and to all the peoples of the world."

At Yalta, Stalin also joined in a reaffirmation of the principles stated in the Atlantic Charter.

On July 17, 1945, after the defeat of Germany, President Truman, and Prime Ministers Stalin and Churchill met in Potsdam. After the British elections, Mr. Attlee, who had accompanied Churchill, replaced him. Also present were Foreign Secretaries Byrnes, Eden, and Molotov.

Again stating their unanimity of purpose, the Big Three issued a report saying:

"* * * It is the intention of the Allies that the German people be given the opportunity to prepare for the eventual reconstruction of their life on a democratic and peaceful basis. If their own efforts are steadily directed to this end, it will be possible for them in due course to take their place among the free and peaceful peoples of the world."

This agreement pledged that "all democratic political parties with rights of assembly and of public discussion shall be allowed and encouraged throughout Germany." A Council of Foreign Ministers was established for the purpose of doing the necessary preparatory work for the peace settlements with Germany and her allies.

The conference took up many other important questions: unification of Austria, the Polish frontier, reparations, the desirability of concluding peace treaties with Italy, Bulgaria, Finland, Hungary and Rumania, the withdrawal of troops from Iran, etc.

On July 26, 1945, during the Potsdam Conference, the Big Three issued a proclamation calling on Japan to surrender and setting forth the terms. The meeting ended on August 2, and the Soviets declared war on Japan 6 days later. That was 2 days after the first atomic bomb had been dropped on Japan.

Russia, in her declaration of war on Japan, became a party to the terms of surrender which had stated the determination of the Allies to carry out the terms of the Cairo Agreement. The Cairo Agreement had been entered into by Roosevelt, Churchill, and Chiang Kai-shek in November 1943. It said in part:

"The United States, Great Britain, and China are fighting this war to restrain and punish the aggression of Japan. * * * It is their purpose that Japan shall be stripped

of all the islands in the Pacific which she has seized or occupied since the beginning of the first World War in 1914, and that all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China. * * * The aforesaid three great powers, mindful of the enslavement of the people of Korea, are determined that in due course Korea shall become free and independent."

In December 1945, Secretary of State Byrnes and Foreign Ministers Bevin of Great Britain and Molotov of Russia met in Moscow. At this first meeting of the Council of Foreign Ministers, they reached agreement on the preparation of peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland.

They also agreed on the establishment of a Far Eastern Commission and Allied Council for Japan. The principal function of this commission was to "formulate the policies, principles, and standards in conformity with which the fulfillment by Japan of its obligations under the terms of surrender" might be accomplished.

Korea was specifically provided for by the establishment of a Joint Commission "with a view to the reestablishment of Korea as an independent state, the creation of conditions for developing the country on democratic principles, and the earliest possible liquidation of the disastrous results of the protracted Japanese domination in Korea, there shall be set up a provisional Korean democratic government * * *." The commission was charged with "assisting * * * the establishment of the national independence of Korea."

On China, the Foreign Ministers agreed "as to the need for a unified and democratic China under the National Government * * *. They reaffirmed their adherence to the policy of noninterference in the internal affairs of China."

In that same report of December 27, 1945, Foreign Secretaries Byrnes, Bevin, and Molotov recommended that the United Nations General Assembly establish a commission "to deal with the problems raised by the discovery of atomic energy and other related matters." Specified in this proposal was the establishment of "effective safeguards by way of inspection and other means to protect complying states against the hazards of violations and evasions."

At the London meeting of the United Nations General Assembly in January 1946, the resolution for the establishment of a U. N. Commission on control of atomic energy was adopted unanimously—Russia included.

But even while the Soviets were making agreements, they were in the process of breaking them.

In spite of her pledge in 1943 to respect the territorial integrity of Iran and in spite of a treaty of 1927 between Iran and Russia, the Soviets violated their pledges by refusing to withdraw troops from Iran at the end of World War II. The Soviets would not respond to reminders and persuasion. Secretary of State Byrnes, speaking for the United States in the United Nations Security Council in January 1946, denounced the failure of Russia to comply with her agreement.

Only then, under pressure and possible fear of direct action, did Russia remove her troops. But, the Soviets continued to broadcast vicious attacks on the Iranian Government in support of the Azerbaijan separatists and the illegal Tudeh party.

In Hungary, Bulgaria, and Rumania, Russia has violated directly and indirectly many agreements and provisions of the Balkan Treaties, which were ratified September 15, 1947. The Soviets have in many instances condoned, and in others abetted, violations of the treaties and the Moscow Agreement. Russia has made these countries her satellites.

In Poland, the situation has been much the same. The Polish election of 1947 fully bore out the fears our observers had expressed prior to the voting. Of the 444 deputies elected to the Parliament, only 28 places were secured by the Polish Peasant Party, which is believed to represent a majority of the people.

The Communists also have tried to subvert larger governments, like Italy and France, since the end of World War II.

What happened in Korea is too recent and too sorry a story to require details. Soviet support of the so-called Democratic Peoples Republic of Korea above the 38th parallel cost the lives of thousands of American fighting men in the war launched under Soviet sponsorship in 1950. Russia has completely disregarded her obligations of the Cairo and Moscow agreements to permit the Koreans unity and self-government.

Russia has refused to comply with many obligations in the Far East including those toward Japan. So, in 1951 the United States concluded a separate peace treaty with Japan. Only in recent days has Russia been courting Japanese favor in conferences in London. The Japanese should demand full explanation of what happened to the 369,000 prisoners taken by Russia.

Russia left substantial military supplies to the Communists in Manchuria after the short period in which she participated in the Pacific war. Nationalist China, therefore, owes no thanks to Russia for the aid which helped the Reds take over the government. Apparently Russia's pledge in the 1945 declaration from Potsdam to restore the Pescadores and Formosa to the Nationalist Government means nothing to the Soviets in view of recent threats by the Red Chinese to seize these islands.

Developments in Europe also are of vital concern to us as we look toward the Big Four meeting on July 18.

In Germany we tried for nearly 10 years to have Russia agree to establish a unified nation under a democratic government. They refused every plea. They tried to force us out of Berlin and failed only because of the success of the airlift in 1948. The conclusion of a peace treaty with West Germany by the United States and France has awakened the Soviets. Chancellor Adenauer has been invited to Moscow to discuss "normalization of relations" between Germany and Russia. The invitation also indicates the Soviets are now willing to consider the unification of Germany.

We can only conclude that our treaty with West Germany spurred the Soviets to action in an effort to neutralize all of Germany. Our treaty with Germany also was the probable cause of Russia's willingness to sign an Austrian Treaty.

Previously Russia resisted for nearly 10 years all efforts of the United States and the United Nations to end the occupation of Austria by conclusion of a peace treaty. Again the evident purpose of her sudden agreement was to create a neutral state and prevent our making a separate treaty with Austria.

Only 2 weeks ago Russian Communist Party Chief Khrushchev and Premier Bulganin flew to Yugoslavia to mend relations with the independent Communist state. At the end of the visit there was little to comfort the United States in the official statements issued from Belgrade. Certainly the gap between Russia and Yugoslavia was narrowed and not widened by the bowing and scraping of the top Communists to Tito.

We have provided nearly a billion dollars in aid to Tito since 1948. There is no justification for us to continue to supply the military machine of any Communist dictator unless he pledges himself as an ally. Spenders of our funds must also be defenders of our position in world affairs.

An effort has been made to lull us into optimism during the past 10 days by the release of the American airmen who had been held in Red China. We owe no gratitude to the Red Chinese for "trying and expelling" these men. Red China slaughtered thousands of Americans in Korea who would have lived had not the Reds supplied North Korea and sent troops to help our foe.

In view of the violations I have cited and many others by the Soviets, what course must we follow at the Big Four meeting?

1. We must not be led into making concessions which might be construed to violate any of the agreements or treaties to which we are a party.

2. We must not consent to any new agreements which have any possibility of being labeled as appeasement.

3. We should not consider the admission of Red China to membership in the United Nations. The Chinese Communists seized China by force and have denied self-determination to the Chinese. The Reds could not have done this without outside assistance. Russia should be reminded of her obligations under the Cairo and Potsdam agreements that Formosa and the Pescadores belong to Nationalist China.

4. We must again call upon Russia to join us in restoring unity and political self-determination to Germany, Korea, and the satellite nations.

5. We must exercise the utmost care in dealing with the Soviets on the subject of atomic energy. On December 27, 1945, Secretaries Byrnes, Bevin, and Molotov issued their report from the Second Moscow Conference recommending the establishment of a United Nations Commission for international control of atomic energy. The following January, in London, the U. N. established the Commission.

Then, on June 14, 1946, Mr. Bernard Baruch presented the proposal of the United States to create an International Development Authority, which would control the development of atomic energy by a system of inspection.

Through 6 months and 70 meetings, the U. N. Commission and its committees sought the cooperation of the Soviets. Finally, the plan was presented to the Security Council, in spite of the lack of cooperation. The vote was 10 to 0 in favor of the Baruch plan with Russia and Poland abstaining.

Because of Soviet noncooperation, we are as far from agreement with the Russians on international control and development of atomic energy as we were 9 years ago.

We must be sure that any plan the Soviets might propose on this subject now is not a trap. Only through the right of international inspection of the facilities of all nations could we hope to have real control of atomic energy. We must emphasize this point over and over to the world.

6. The United States should insist that the meetings at the Conference of the Big Four be open to representatives of all news media. The peoples of the world whose fate is at stake have the right to know all the Big Four does.

We cannot prevent the Soviets from breaking the agreements they make with us and other nations. But we can and must establish safeguards around the Conference, to make certain the world knows just what is agreed to at the meeting, or why no decision is reached, if none is.

We have gained nothing by secrecy in dealing with other nations. I believe we have lost prestige. Little nations have suspected and accused the large nations of having no interest except self-interest. We still argue over the results of some such conferences.

Open meetings would protect our representatives against charges based on lack of knowledge of what happened at the Conference.

When Woodrow Wilson announced his 14 points, he called first for "open covenants, openly arrived at."

History should have taught us that had we always followed this policy, we would not have been so vulnerable to the propaganda attacks of our enemies. Military security is the one justification for secrecy. Military security is not a consideration at the Big Four meetings. Russia will know all that is said and done. The world should know. If Russia dooms the Conference to failure, the world should have no doubt as to where the responsibility lies.

We do not know how much time is left to us to attain a basis for world peace or, failing, face atomic war. The United States must always be willing to negotiate for peace and a better world. There is no doubt this is the objective of the President as he approaches the Big Four Conference. If any step can be taken on the road to enduring peace, I am confident that he will lead us on that road, in spite of the barriers which have been erected by the Communists since our alliance with them in World War II.

A Bill to Amend the Political Broadcast Section of the Communications Act

EXTENSION OF REMARKS
OF

HON. OREN HARRIS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1955

Mr. HARRIS. Mr. Speaker, I have today introduced a bill designed to exempt from the equal time provision—contained in the political broadcast section of the Federal Communications Act—appearances of candidates on news programs, panel discussions, or similar programs controlled by broadcasting stations or networks.

The request for the introduction of this amendment has come to me from the Columbia Broadcasting System. CBS believes an amendment of this kind to be in the public interest, and I feel that an amendment of this nature should be given careful consideration by the Congress.

The question of amending the political broadcast section of the Federal Communications Act has been considered at some length by the Committee on Interstate and Foreign Commerce in connection with the so-called McFarland amendments to that act. On that occasion, the liability of broadcasters for libelous statements made by political candidates appeared to be the primary concern of the broadcasting industry. I have been informed that this problem is being solved successfully through State legislation.

The exemption proposed to be made by this bill would leave intact the equal-time principle embodied in section 315 of the Communications Act. It would, however, give leeway to broadcasters and networks with regard to the appearance of political candidates on news, news interviews, news documentary, panel discussion, debate, or similar type program where the format and production of the program and the participants therein are determined by the broadcasting station, or by the network in the case of a network program.

Broadcasters, of course, would be called upon to justify the exercise of their discretion under this amendment in connection with renewal proceedings before the Federal Communications Commission at the time their licenses are up for renewal. A broadcaster might have to show to the satisfaction of the Commission that in the exercise of this discretion he acted fairly and thus served the public interest.

Under the provisions of the amendment recommended by CBS, the exemption would also apply with regard to network-controlled programs of this nature. Networks are not licensed and, therefore, there would be no occasion to review their performance when their licenses come up for renewal. However, a question might arise whether the Commission should not be granted power to review the performance of networks with regard to their performance under the proposed amendment.

Finally, the amendment raises a question, at least by indirection, whether the basic provisions of political broadcast section of the Federal Communications Act meet the present-day needs of broadcasters, networks, political candidates, and the electorate in view of the still-increasing importance of the broadcast medium in the political arena.

Section 315 (a), as proposed to be amended by the bill, reads as follows—italics indicate the new language which would be added to the present provisions of section 315 (a) of the Federal Communications Act:

SEC. 315. (a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate. *Appearance by a legally qualified candidate on any news, news interview, news documentary, panel discussion, debate or similar type program where the format and production of the program and the participants therein are determined by the broadcasting station, or by the network in the case of a network program, shall not be deemed to be use of a broadcasting station within the meaning of this subsection.*

In this connection, I want to call to the attention of the House an editorial in the Washington Post and Times Herald for Monday, June 13, 1955, entitled "Television for Candidates." This editorial comments on the amendment suggested by Dr. Frank Stanton, president of the Columbia Broadcasting System:

Obviously there would be need for great care in amending the regulations so as to preserve the principle of impartiality. In this respect the specific amendment proposed by Dr. Stanton is deficient, for it would raise the possibility of favoritism for one candidate through repeated appearances on panel discussions or other public-affairs type programs at the discretion of the networks. The aim ought to be to preserve the equal-time principle for serious contenders while affording greater flexibility in format.

The editorial concludes by calling for a reexamination of the political broadcast provisions of the Communications Act for the purpose of "bringing television and radio regulations up to date with political realities." The editorial in its entirety reads as follows:

TELEVISION FOR CANDIDATES

Dr. Frank Stanton, president of the Columbia Broadcasting System, has raised a highly significant question about the regulations governing the use of television in national political campaigns. CBS will give free television time to presidential candidates of the two major parties in 1956 for a series of Lincoln-Douglas type debates—provided that there is a modification of the requirement of equivalent free time for all other candidates. Such an offer, if it was made feasible by proper amendment of the law, undoubtedly would be repeated by the other networks. While the availability of some free time would by no means eliminate the need for paid political programs on television and radio, it certainly would help reduce to more manageable proportions costs that keep both the Republican and Democratic National Committees begging for funds.

The key point, of course, is to retain essential safeguards while modifying section 315 of the Federal Communications Act, which stipulates that if a network or station gives free time to one candidate it must extend the same privilege to all other candidates for the office. Section 315 was adopted for a reason of fundamental importance—to prevent rank political favoritism on federally regulated airways. It has prevented this favoritism, however, by freezing out much of the national political discussion that otherwise would take place on radio and television. Because it obviously would be impossible to extend free time to each of the 18 candidates for the Presidency in 1952, most of whom polled a mere handful of votes, there was for practical purposes no free television and radio time on the national level.

Obviously there would be need for great care in amending the regulations so as to preserve the principle of impartiality. In this respect the specific amendment proposed by Dr. Stanton is deficient, for it would raise the possibility of favoritism for one candidate through repeated appearances on panel discussions or other public-affairs type programs at the discretion of the networks. The aim ought to be to preserve the equal-time principle for serious contenders while affording greater flexibility in format.

What could reasonably be done, it seems to us, would be for Congress to amend the Federal Communications Act to recognize that the country has two major parties. Certainly the law should not discriminate against the possible rise of new parties on a national basis. But Congress could fairly provide that the free-time principle on the presidential level would extend only to parties that polled, say 1 million votes each in the last presidential election or that could muster 200,000 or 300,000 signatures on a petition. In this way the public interest in equal free time for parties with a national following could be met without placing the vegetarians or prohibitionists on a par with the Democrats and Republicans.

As this newspaper views it, three broad avenues are open for reform in controlling campaign expenditures. The first is in more realistic limits on political outlays and more rigorous reporting of contributions, as provided in the Hennings bill in the Senate. The second is in greater public participation in campaign financing through much more widespread individual contributions. An important third is in bringing television and radio regulations up to date with political realities.

Commencement Address of Hon. John W. McCormack, Majority Leader, United States House of Representatives, at Stonehill College, North Easton, Mass., June 5, 1955—Awarded Honorary Degree of Doctor of Laws

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. PATMAN. Mr. Speaker, under permission to extend my remarks I include a commencement address made by the gentleman from Massachusetts [Mr. McCORMACK] on the occasion of the commencement exercises of Stonehill College, North Easton, Mass., on June 5, 1955, on which occasion the gentleman from Massachusetts received the honorary degree of doctor of laws.

The address follows:

COMMENCEMENT ADDRESS OF HON. JOHN W. MCCORMACK, MAJORITY LEADER, UNITED STATES HOUSE OF REPRESENTATIVES, AT STONEHILL COLLEGE, NORTH EASTON, MASS., JUNE 5, 1955—AWARDED HONORARY DEGREE OF DOCTOR OF LAWS

Your excellency, Most Rev. Bishop Brady, very reverend father president, right reverend and very reverend monsignori, reverend Fathers, reverend Brothers and Sisters, distinguished and invited guests, fellow members of the class of 1955, friends of Stonehill College.

It is at once a high privilege and a great pleasure to be with you here today at the commencement exercises of Stonehill College, a pioneer institution of its type and quality in southeastern Massachusetts and in the diocese of Fall River.

I am aware, in view of the presence of my distinguished and honored colleague from the 14th District of Massachusetts, former Speaker MARTIN, that it may also now be accused of being the conscious promoter and abetter of what our free press is wont to call the American bipartisan policy.

I am sure, however, that my honored friend from the Attleboros, as people hereabouts call his home territory, despite any partisan differences, will agree with me today that we are on neutral and somewhat hallowed ground, and that all of us are humbly proud that, in common kinship we are permitted to participate today in these impressive ceremonies which mark the progress and advancement of Stonehill College along another academic milestone.

I glory in the background, ideals, and aspirations of your college, to which I wholeheartedly ascribe.

I am here, and happily so, and as all commencement speakers, I am here in the unenviable position of not merely having to justify my presence, but, at the same time, I am charged with the task of conveying to my fellow graduates of the class of 1955 some message which will more than justify my inclusion within its intellectual ranks.

I trust you will believe me when I say, more out of a sense of inadequacy than simulated humility, that I realize how little qualified one of my generation is to speak with authority to those of you who, with your contemporaries, will shape the destiny of the generation to come.

You graduate today into what is fearfully described as the "atomic age." In past centuries, when descriptive terminology has been ascribed to an era or a period of time, it has generally been couched in words expressive of progressive, constructive, or even spiritual connotations.

For example, we have all learned in our history books of the Golden Ages of Greece and Rome, the Age of the Apostles, the Period of the Crusades, the Age of the Renaissance, the Age of Invention, and the Era of Good Will. True, we have also learned of wars and plagues, but these descriptive periods such as the Thirty Years War and the Time of the Bubonic Plague, have always been limited in concept and duration.

It has remained for this generation to come forth, unfortunately, with an historical description for its time which primarily connotes destruction and annihilation.

The ugly and shuddering fact is that today man can destroy in seconds what it took his fellow man centuries of toil and struggle to build.

In the past, when man has plumbed the depths of the elements, or harnessed the forces of nature, or invented mechanical contraptions, it has mostly been to achieve good ends. Control of fire, harnessing of steam, invention of gunpowder, conquest of the air by flight, undersea travel by submarine—all these were principally for peaceful purposes and constructive ends. True, indeed, some of them have been perverted to destructive uses—but it remains that the atom bomb was conceived and constructed to destroy, and its enormous peaceful potentialities are still the subject of our search and exploration.

This tremendous fact—the fact of atomic power—produced as the terminating agent of the most horrible and devastating war in history, is at once the fear and the hope of the age it characterizes.

It will continue to be a "fearful thing" if it is viewed only as a physical discovery and a mechanistic device with merely materialistic implications.

On the other hand, I submit that it may be the "hope of our future," if the secrets which it unlocks and the marvelous wonders of nature which it unfolds, can, as they already have in great measure, undermine the religious skepticism and philosophical materialism of modern science.

As I see it, it is young men and young women like you who graduate today, fortified with rightly formed consciences and the armor of Christian education, who can bring about the ultimate choice of the second, and far more desirable, alternative.

Out of the welter of destruction it has wrought, out of the sense of awfulness which it inspires, nuclear knowledge and its cosmic implication may finally bring modern man to the realization that the periodic tables of the elements and the molecular and atomic theories are merely a human discovery of a very small and very finite portion of the infinite intellect of Almighty God.

Such realization will undoubtedly mark the greatest forward step in the true education of this and succeeding generations.

You who leave these learned precincts today are already blessed with this realization. You will discover, however, that the majority of your contemporaries are ignorant of it.

As so eloquently expressed in the statement of the American hierarchy last year—a statement, incidentally, to which our classmate Bishop Brady was signatory—you will find that—

"It is not that the existence of God is expressly or generally denied; it is rather that so many men ignore Him and His law in their absorption with the material world which he created. There is not yet a deliberate turning away from God, but there is an excessive preoccupation with creatures."

It is this preoccupation with creatures which the bishops have summed up in the one word which characterizes our secular age. That word is materialism, and the ironic fact is that everything represented by that one word can be blasted into infinity by the atom bomb.

It is this latter terrible realization which should cause modern man to reexamine the bases of his education and his philosophy, and so reform them that, by the light of faith and grace, he may come to that more renign realization that God also created the atom, that as His creation it is basically good, and that its evil lies only in the perversity of its use by man himself.

Once man realizes these elemental facts, the terrors of the atomic age can be dissipated; and if he will then devote as much time and energy to the science of God as he now lavishes on the science of God's creation, perhaps harmony and balance shall be restored to the will and intellect which constitute his soul.

Unless this harmony and balance are achieved, the new age will be one of finite knowledge without faith, human yearning without hope, and mere civility without charity.

For, in the final analysis, it is these three great fundamental, theological virtues which are the crying need of the world today.

They need to be inculcated in the schools and colleges, they need to be practiced in government, politics, business, the professions, and in the home. Taken together, their needs must be permeated throughout our society to save our western civilization and its Judeo-Christian foundations.

You members of the class of 1955 at Stonehill College have been thoroughly grounded in the wisdom and necessity of these virtues. They are the cornerstone of your education, the firm foundation of your secular knowledge, the distinguishing mark of your character.

Without them, you would leave here informed but not educated; trained but not disciplined; mentally alert but spiritually unarmed.

Sincere belief in these virtues and diligence in their practice will convince you of what modern man is now sadly coming to realize, and that is, that he cannot live by his own standards alone.

He needs, rather, the inspiration of the standards set forth in the canons of Ten Commandments, in the sublime pattern provided by the life of the God—man, Jesus Christ, on earth, and in the sound teaching of holy mother church for over 19 centuries.

You here today, with the deposit of learning imparted by your dedicated teachers, and by the example you can give as truly educated citizens, can help enormously in furnishing such inspiration.

If you will but do it, and if the rest of your generation is wise enough to respond to it, the deadly fears of the atomic age will vanish in a revitalized era of true Christian concord built upon God's ordering in faith, hope, and charity.

To each and every one of the graduating class, I offer my sincere congratulations and best wishes. Yours is an accomplishment of which you may well be proud. You have studied and prepared yourselves for the journey through life. Let each of you be true to yourself, your college, your country, and to God.

I salute you and wish you Godspeed.

Bananas on Pikes Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to

approve the Lyman irrigation project in Wyoming.

The Lyman project is a part of the proposed multibillion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Lyman project would be $1,400 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains and dairy products.

Address by Hon. Charles S. Thomas, Secretary of the Navy, at the United States Naval Academy, June 3, 1955

EXTENSION OF REMARKS

OF

HON. RICHARD E. LANKFORD

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1955

Mr. LANKFORD. Mr. Speaker, it is my pleasure to include in the RECORD an address by the Honorable Charles S. Thomas, Secretary of the Navy, delivered on the occasion of the graduation of the class of 1955 at the United States Naval Academy, Annapolis, Md., on Friday, June 3, 1955. The address follows:

IN THE SHADOWS OF TOMORROW

(Address by Hon. Charles S. Thomas, Secretary of the Navy, on the occasion of the graduation of the class of 1955, U. S. Naval Academy, Annapolis, Md., June 3, 1955)

Admiral Boone, distinguished guests, ladies and gentlemen, midshipmen of the graduating class of 1955, to speak at any graduation ceremony to a group of young people commencing a new life is a formidable task. But to address a Naval Academy graduating class at this important time in our history is a challenging opportunity—to try and say something helpful, something you perhaps may remember, and yet to say it briefly.

On these occasions, it is traditional that a graduation speaker talk about the future—and I shall not shatter precedent, for there is little about the Navy's past or present that you gentlemen do not know as well or better than I. In fact, as we peer into the shadows of tomorrow, you perhaps are in a better position to objectively analyze the future than those of us whose experience goes back two, three or four decades. Certainly your vision is not obstructed either by crowded memories of the past or the obsessive problems of the present.

Regarding your future therefore, I ask you to pay special attention to these words:

"As you look forward, you see the foundations of old theories crumbling every day. Old tactics, old strategies, old theories of naval warfare which have stood unchallenged as almost axiomatic since the triremes of Carthage and Rome grappled together in the Mediterranean, are disappearing overnight. New and terrible instruments of destruction have appeared under and over the seas * * * every day some new thing in naval warfare arises. The old things are passing away; new things must be devised. With what weapons, by what strategy shall we meet the terror of the submarine and the still unrevealed possibilities of the airship?

"Who shall say that before you become captains, naval warfare will not undergo a revolution as great as the one that followed the construction of the *Monitor* and the *Merrimac*? * * * The appeal * * * is to fearlessly discard the worship of things that are old and to adopt courageously anything that is new the moment that some new development convinces that the old way is no longer the right way, or that the new way points to the path of victory * * * keep an open mind; investigate new methods * * * there never was a ship that could not be improved, and it will be your duty to find the way. * * *

"A noble lineage is yours."

What I have just read you is from a graduation address delivered in this very same hall, 39 years and 1 day ago, by the then Secretary of the Navy, Josephus Daniels, to the departing class of 1916. These words of Secretary Daniels read with as much freshness today and with as much prophetic meaning for the future as they undoubtedly did in 1916. The President of the United States, Woodrow Wilson, was sitting here in Dahlgren Hall waiting to award the diplomas and to shake the graduates' hands. Out in the audience where Midshipman Pirie is now seated, sat Midshipman First Class Arthur W. Radford. Where Midshipman DeGroff is now seated, sat Midshipman First Class Robert B. Carney. Where Midshipman Blair is now seated sat Midshipman First Class William M. Fechteler; where Midshipman Waitley is now seated, sat Midshipman First Class C. Turner Joy—39 years and 1 day ago.

"Old things are passing away" * * * "new and terrible instruments of destruction have appeared over and under the seas" * * * "fearlessly discard the worship of things that are old." * * * "Keep an open mind" * * * "a noble lineage is yours." The sound waves of these admonitions may still be echoing in the rafters above your head; certainly, they are as apt today as they were then, and no better example could be given how changeless and yet ever-changing the service is, and how traditions and inspiration of the past passes to the youth of the future.

What sort of a Navy was it that Midshipmen Radford, Carney, Fechteler, and Joy were about to join as they listened to these words? What was the 1916 Navy like?

Vastly different, you might think. There were no aircraft carriers, no guided missile cruisers, no radar, no electronics. There were no jet engines, no turbo-props, no atomic power, no H-bombs. There were no snorkeling submarines, no assault helicopters, no homing torpedoes, no degaussing, no pressure or acoustic mines. Midshipman Radford had not been required to absorb the electrical mysteries of a Combat Information Center, Midshipman Carney had not struggled with the hydraulic and electronic brains of a beam-riding missile. And neither of them were tormented by such things as the "extinction potential of a thyratron," "the irreversible adiabatic diffusion of atmospheric air in a turbojet engine," "up doppler," or "thermo-cline."

It is a different age and a different Navy today even to the uniforms. But is our present Navy really different? The changes are physical, I think, and the inventions and innovations which 40 short years have brought with such bewildering rapidity are more surface than substance. That which has not changed far exceeds that which has.

In many respects, the 1955 Navy is not really different from the 1916 Navy. Even then, there were submarines, there was a primitive form of sonar, there were aircraft, mines, and torpedoes. Now, as then, the Navy is ships, it is officers, it is men, it is tradition. This was true in 1916; indeed it was true in the time of John Paul Jones, Decatur, Truxton, Farragut, and Dewey; and it will still be true when you gentlemen are running the Navy, making graduation speeches, and charged with the protection of our country.

For while the Navy is always evolutionary and ever changing, while the parade of progress intensifies and accelerates with every passing year, three key factors so important in your future years have not and will not change.

The first is our country's dependence on the seas. In this atomic age, when the elements of time and space have been so drastically compressed, our country is more dependent on the seas than ever before. The seas are still the supply routes to our overseas sources of raw materials. The seas are still the links which bind the free world together. The seas are still the means by which we supply our far-flung, transoceanic bases. And, most important, the seas are the highroads for carrying the battle to the aggressor's territory. If we are a great Nation, if we are the world's leader, seapower has made us so and seapower will keep us so.

Secondly, our naval traditions have not changed. The high standards of devotion to duty, loyalty, sacrifice, and integrity will always be upheld.

But the most changeless factor of all is the human one. With all the achievements of science, with all the technology of modern war, with all the surface changes the Navy has undergone, its success in battle is ever dependent on leadership; and, inexorably, you are the Navy's future leaders. No machine, no invention, no process of automation can ever replace foresighted, courageous, personal leadership.

This fundamental is sometimes forgotten in our haste and in our preoccupation with the automatic, almost-human hardware of our modern armed services. As your life in the service passes, no matter how mechanical, automatic, and untouched by human hands our Navy, Air Force, Army, and Marine Corps become, the need for leadership is and will always be paramount. Good leadership in a military organization is even more important than operational readiness, high material standards, or engineering efficiency.

I now have a few words for each of the groups represented here today—parents and families, faculty and staff, the midshipmen who remain behind, and finally the graduates themselves.

First to the parents and relatives and sweethearts. This is an exceedingly happy and proud moment for each of you, rightfully so, and I congratulate every one of you for the important role you have played in sending and keeping your young man here. Today, you see him embarked on a challenging, important, and exciting career. In passing time, your young man may be tomorrow's Radford or Carney, Twining or Shepherd. Even if he does not attain national fame, his career is certain to be useful and productive to his country.

To the staff and faculty: The importance of this naval citadel of inspiration, education, and service to the Nation has never been greater. It is not too much to say that you are molding the men upon whom the future and safety of our country depends. Your vision, your enthusiasm, your competence is indelibly transmitted to these young men. Make certain that your counsel is wise, your teaching sound, and your example creditable.

To the midshipmen who remain behind: You young gentlemen also stand in the shadows of tomorrow. Those shadows obscure and make indistinct the events of the future, but it is possible to discern that the days ahead for our Navy will be as momentous and memorable as those of the past. Never in our history has the future of the Navy been brighter. Never have its opportunities been greater. Never has the challenge of naval service been so provocative. The events which lie in shadows of tomorrow will certainly challenge your foresight, your ingenuity, and your imagination.

And finally, to the graduates: Whether your commission is in the Navy, the Marine Corps, or the Air Force, if you carry away

from these 4 years nothing else, let it be this: the knowledge of your primary responsibility as a leader. Your life at Annapolis commenced with the theme of good leadership ringing in your ears. Let them end that way. In this age of increasing specialization, when emphasis tends to drift to the technical, sound leadership is more important than ever. Always remember that the stress you give your leadership duties must greatly exceed your technical responsibilities.

Take a genuine interest in your men; recognize and commend their good work; treat them firmly, impartially, fairly, and with respect; keep them informed; be accessible to them; give them authority and responsibility.

And most important, accept eagerly the responsibility given you, and exercise it diligently. For the exercise of responsibility is the prime tool of your trade, and its discharge is the catalyst of leadership.

I wish each of you good luck, a fair wind, and Godspeed.

Resolution of Baltic Committee of Washington, D. C., Concerning House Resolution 183

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. FEIGHAN. Mr. Speaker, on Sunday, June 12, I had the honor to speak before the Baltic Committee of Washington, D. C. I was happy to hear taken up and passed unanimously a resolution having to do with the threat to peace caused by the continued Russian Communist occupation of Estonia, Latvia, and Lithuania This resolution was particularly pertinent not only because June 14 of each year commemorates the mass deportation of more than 50,000 people from the Baltic States into Soviet Russia, but this year it had particular significance because pending before the House Rules Committee is House Resolution 183, requesting the Secretary of State to do the following:

First. To instruct the United States Representative to the United Nations to transmit to each member nation of the United Nations copies of the summary report of the Select Committee on Communist Aggression—House Report No. 2684, part 16, 83d Congress—as well as copies of all other reports submitted to the House by such select committee.

Second. To formulate a resolution based upon the findings, conclusions, and recommendations contained in such House Report No. 2684, part 16, 83d Congress, naming the Union of Soviet Socialist Republics as an aggressor against the nations enslaved by communism; and

Third. To instruct the United States Representative to the United Nations to take immediate steps to place such resolution on the agenda of the General Assembly for early action.

In view of the relationship the resolution of the Baltic Committee of Washington, D. C., has to do with House Resolution 183, under unanimous consent, I ask to have this resolution inserted in the RECORD:

Whereas the investigations of the special select committee, which was created in 1953 by the House of Representatives, have established that "Estonia, Latvia, and Lithuania were forcibly occupied and illegally annexed by the U. S. S. R." and that "the continuing military and political occupation of Lithuania, Latvia, and Estonia by the U. S. S. R. is a major cause of the dangerous world tensions which now beset mankind and therefore constitutes a serious threat to peace"; and

Whereas on March 22, 1955, identical resolutions were introduced in the House of Representatives by Congressmen THOMAS J. DODD, of Connecticut; ALVIN M. BENTLEY, of Michigan; MICHAEL A. FEIGHAN, of Ohio; PATRICK J. HILLINGS, of California; THADDEUS M. MACHROWICZ, of Michigan; and RAY J. MADDEN, of Indiana, asking the Secretary of State to formulate a resolution "naming the Soviet Union as an aggressor against nations enslaved by communism" and to take immediate steps to place such resolution on the agenda of the General Assembly of the United Nations for early action; and

Whereas the date of June 14, 1941, marks the beginning of Soviet mass deportations of citizens from Estonia, Latvia, and Lithuania to slave labor in remote Asian parts of the Soviet Union, presently being continued under the disguise of the plan for cultivation of virgin lands; and

Whereas the Government of the United States has refused to recognize the incorporation of Estonia, Latvia, and Lithuania into the Soviet Union and is steadfastly continuing recognition of their lawful diplomatic representatives in this country: Now, therefore, be it

Resolved, That we here assembled in prayerful mourning for the victims of Soviet aggression and genocide in the Baltic countries vigorously protest against the continuous practice of genocide and enslavement of the Baltic peoples by the Soviet regime; and be it further

Resolved, That we respectfully request the Congress and the Government of the United States to initiate an investigation of Soviet violations of international treaties and human rights in the Baltic States by the General Assembly of the United Nations, with the aim of achieving the withdrawal of Soviet occupation forces from their territories; and be it finally

Resolved, That we express our sincerest gratitude to the people, the Congress, and the Government of the United States for their resolute support and encouragement of the Baltic nations' struggle for regaining their liberty, and that we pledge our unequivocal support to America's leadership in the fateful fight of the free world against totalitarian Communist aggression.

The Neighborly Way

EXTENSION OF REMARKS
OF
HON. JOHN M. VORYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. VORYS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

THE NEIGHBORLY WAY

(By Congressman JOHN M. VORYS, Franklin University Commencement, June 5, 1955, Columbus, Ohio)

Graduates of 1955, I congratulate you on winning your diplomas the hard way. You have had no easy, secluded campus life. To paraphrase Longfellow:

"For you, while your companions slept,
Were toiling upward in the night."

This is the commencement season. You may have missed some of the trimmings that make college days so dear in memory to thousands who are leaving our colleges and universities this month; the wooded campus, the ivy-covered halls, the games, the extracurricular activities. You have gained through your hard work an appreciation of the value of learning that may be missing among many who are graduating elsewhere this June.

It is most appropriate that your studies should be crowned by the ritual and pageantry of this ceremony today. The very words, commencement, bachelor, or baccalaureate, diploma, the caps and gowns, all carry on the traditions of the medieval sanctity surrounding study and scholarship. The fundamental concept is that this is both an ending and a beginning. Your degree gives you rights, dignities, privileges, and equally, responsibilities, among your fellowmen.

For while you have earned your degree by spending time, money, and effort, you have only partially paid for your education. Your opportunity was given you, not by a tax-supported institution, not by a vast endowment of a private university, but as a service of the YMCA. You will be indebted to the YMCA spirit as long as you live.

What is this YMCA spirit?

There are many things that could be said about it. Today I shall touch on one view of it.

In 1934 the Columbus YMCA owed nearly a million dollars. I was talked into heading a drive to start cleaning up that debt in the depths of the depression. I tried to think of a phrase, an idea, that would describe my concept of the Y in a community. It was something like this: Being neighborly in a modern city.

In earlier times boys played in neighbor's woods, swam in their creeks, were kept straight by neighbors who knew them. Young men studied law, "read" law, in the offices of neighboring lawyers. What people did for each other was not charity; it was just being neighborly.

In a modern city that is all changed. People in apartment houses are usually not neighbors; they just live near each other. Boys who want to play and swim; boys who come to town to work and want a homey place to live; ambitious young people who want to study with older people at night, must look to the Y to organize and provide these neighborly facilities.

Now, of course, there are many neighborly people in our cities, and there are other neighborly agencies beside the Y. And, of course, not all neighbors are good neighbors, and neighborhood fights and feuds are the source of much comedy—and tragedy. But I think we all feel the nearness and friendliness involved in neighboring, in neighborliness, the getting along with those around us, being understanding and tolerant and helpful—the neighborly way.

That is the spirit of the Y. It requires among other things, considerable imagination to be neighborly in a big city, a big country, a shrinking world. I recommend the neighborly way to you, however, as a way of life, from now on.

I think you are all familiar with the problems that unneighborly living creates in a big city, the slums and other areas that breed juvenile delinquency either because people are too poor to care or are too rich to care; the cleavage between industrial and residence areas, city and suburbs, segregation due to race, color, creed, or wealth. I am proud of the way our own community, here in Columbus, grapples with these local problems. We have successful neighborly institutions because we are neighborly folks.

How about the national picture?

Now we all realize this is the age of intensive specialization for individuals and business and each group, each segment, needs to organize to promote and protect its own interests. This is necessary, and can be extremely helpful to members of the groups, to Congress, and to the country.

But in my work in Congress I also see how such activities can result in pressure groups that develop class and group consciousness and set neighbor against neighbor back home. Now everyone has a right to bring pressure on his Congressman, and there is nothing wrong with joining a pressure group. But when I see groups that put their selfish interests above those of other citizens, who finally, come to identify their own interests with the public interest, without regard to the effect on others, then I see the need for the neighborly way in national life. Certain farm groups have demanded continuing rigid price supports from the public, regardless of mounting Government agricultural surpluses and mounting deficits in the Treasury. Certain industries have demanded increased tariff protection against imports, regardless of the retaliatory effect on our exports. Certain importers have demanded decreased tariffs regardless of the effect on our domestic industries.

Certain retail groups who oppose minimum wages for their employees want minimum prices for the wares they sell. Certain labor unions want increased minimum wages but oppose the so-called fair trade minimum pricing laws. There is one man who writes me many times each year to cut down expenditures and balance the budget—and then writes me demanding increased appropriations for a Federal project that will help his business. Within the Federal Government certain employees demand special treatment on salaries, and certain groups within such groups demand additional preferred treatment. People who would not think of taking something from a neighbor's garden or his clothesline or automobile will ask me for a tax preference that necessarily takes more taxes from a neighbor.

Now all of these are actual cases that come to a Congressman although, obviously I cannot give names and addresses. In each instance the persons, the groups involved, could rightfully say that I have not explained fully the background of their demands. I might reply that perhaps they have not considered fully the results of their demands, not on me, but on their neighbors. I am not complaining about my part in all this. It is my job to be pressured, to respond to just demands, to resist unjust ones. I am merely pointing out that all of us would get along better and be more helpful and happy if we practiced more the neighborly way in our national life, and realized that the man next door and also the people in Maine and California, are involved in our demands on Washington; that government is not "they," but "we."

As neighbors we have a right to call on other neighbors to help in doing things that can be done better working together than each for himself. We ought to remember, however, that whenever we ask more than our fair share of benefits for ourselves, our business, our union, our group, from our national Government, we are sponging on our neighbors.

What about our international relations?

In a world growing smaller as means of communication improve and growing more dangerous as means of mass destruction improve we need the neighborly way as possibly the only alternative to annihilation. Our country has a neighborly policy that should make us all proud. The most powerful country on earth in all history seeks no teritory, no control or domination over other countries. We have poured out our wealth with a generosity unprecedented in human history for relief, rehabilitation and recovery of war-torn nations, for the support of nations that are ready to fight to remain free. We have a vast program for sharing with the world our knowledge, the skills and techniques that have built our power. We are using our development of atomic energy as a deterrent to aggression, not to dominate, and are offering the world our "atoms for peace" program. In commerce we have unconditional most-favored-nation treaties with 33 other nations. This mouth-filling phrase merely means that we treat all our neighbors alike when it comes to trade concessions. Our good neighbor policy toward Latin America has replaced dollar diplomacy. In the United Nations we agree to the sovereign equality of all 60 nations, large or small, not asking preferred treatment even though we pay one-third of all the bills.

Now note this; during the very period we have been following these unparalleled policies of generosity, friendship, and humanity, we have arrived at a period of unparalleled prosperity, and the policies preceded the prosperity. Is this a coincidence, or could it be that the neighborly way pays off, in dollars and cents?

We face constantly the grim and deadly threat of godless, ruthless communism. They deny and defy the simple fundamentals of the neighborly way, at home and abroad. Nothing ruins any neighborhood quicker than tattling and gossip, but this is a duty forced upon people behind the Iron Curtain and in Russia by their Communist rulers. Even members of a family are forced to spy on each other. Abroad the Communist diplomats use the laws of international hospitality as a shield for espionage, infiltration, and subversion in carrying out their plans to take over their neighbors by aggression or by revolution.

Outside the Soviet orbit, there are relics of unneighborly imperialism. The British Empire was built, not as neighborhoods grow, but on the basis of holding strategic spots all over the world. British and French colonialism, based on exploiting backward countries, is a constant hindrance and embarrassment to the spread of our good-neighbor policy. We have in this country advocates of plans such as Atlantic Union, urging us to join more closely with those who speak our language, or have governments we like. Some of these plans involve strange geographic patterns. Our policy has not been in that direction. Instead, we have been urging that neighbors, countries that live next to each other, should get together, just as our 13 States did. We have promoted regional groups such as the Organization of American States; Western European Union; the Southeast Asia Treaty Organization. We are helping temporarily with each group, but we do not expect to join them as they move toward the military, economic, and political unification we urge.

Our President has agreed to meet this summer with the heads of the governments of some countries that have pursued differing policies from ours, with the hope of relieving the tension between communism and the free world and seeking steps toward peace. We are closer in our ties to some of these countries than others, but none of them practice the neighborly way as we do. Perhaps we had to agree to such a meeting. It is unneighborly to refuse to speak to people. On the other hand, we will be meeting with some people who don't practice neighboring. We had better not expect too much from such talks, but it is possible they may do some good. I have great confidence in our President, his vast experience in war and peace, his commonsense, his humility, his friendly, forceful personality, his fine spirit. In his state of the Union message he said:

"It is of the utmost importance, then, that each of us understand the true nature of the world struggle now taking place.

"It is not a struggle merely of economic theories, or forms of government, or of military power. The issue is the true nature of man. Either man is the creature whom the psalmist described as a 'little lower than the angels,' crowned with glory and honor, holding 'dominion over the works' of his Creator; or, man is a soulless animated machine to be enslaved, used and consumed by the state for its own glorification.

"It is, therefore, a struggle which goes to the roots of the human spirit, and its shadow falls across the long sweep of man's destiny."

If the President can make a start toward winning that struggle in the sessions at the summit, then good can come from the meeting.

I told you of how I used this neighborly idea in a Y campaign in 1934. It was not original with me. It was "written in the law" a long time ago, "love thy neighbor as thyself." This law was quoted by a certain lawyer, who then asked, "And who is my neighbor?" The answer from the Master Teacher was the story of the Good Samaritan. The neighborly way is a very old law of life and a very good one.

Commencement Day Address by Hon. Harold E. Talbott at Federal Bureau of Investigation Academy

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 14, 1955

Mr. MUNDT. Mr. President, on June 10 the Federal Bureau of Investigation Academy, which operates at Quantico, Va., held its annual graduating exercises in Washington, D. C. I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a copy of the program of the graduating exercises, including a list of those who have previously graduated and now hold various offices, as well as the names of the graduating class, together with an admirable address delivered on that occasion by Hon. Harold E. Talbott, Secretary of the Air Force.

There being no objection, the program and address were ordered to be printed in the RECORD, as follows:

DIRECTOR'S MESSAGE

To the Members of the Fifty-fifth Session:

This closing ceremony terminates the brief period of our immediate relationship. You are now graduates of the FBI National Academy and will, henceforth, be the standard by which the institution is judge.

These weeks of voluntary effort devoted to the common objective of proficiency in police work yield invaluable byproducts. The friendships engendered here, the respect developed out of mutual effort, and the understanding born of knowledge of our common problems do not lend themselves to measure but they do serve as most favorable omens for the future. Reciprocal voluntary cooperation is vital to proper enforcement of the law.

We have welcomed this opportunity to afford you training at the FBI National Academy and are pleased to place the services of the FBI at your disposal. We offer our hearty congratulations and wish you godspeed.

J. EDGAR HOOVER,
Director.

PROGRAM

Musical program: The United States Marine Band.

Call to order: Assistant Director Rolf T. Harbo, Federal Bureau of Investigation.

Invocation: Rt. Rev. Msgr. Maurice S. Sheehy, Catholic University of America, Washington, D. C.

Address: Mr. C. J. Hyde, Louisville, Ky., president of the graduating class.

Address: Hon. Seaborn P. Collins, national commander, the American Legion, Washington, D. C.

Address: Hon. Harold E. Talbott, Secretary of the Air Force, Washington, D. C.

Introduction of distinguished guests: Director John Edgar Hoover, Federal Bureau of Investigation.

The presentation of diplomas: Deputy Attorney General William P. Rogers and the Director.

Benediction: Rt. Rev. Msgr. Maurice S. Sheehy.

The National Anthem: The United States Marine Band.

THE GRADUATING CLASS

William J. Allison, Galesburg, Ill., police department.

James H. Avant, Corpus Christi, Tex., police department.

Robert D. Brown, Muscogee County, Ga., police department.

Joseph R. Carten, Stratford, Conn., police department.

George M. Craig, Santa Fe, N. Mex., police department.

James A. Cretecos, Massachusetts State Police.

T. K. Devitt, Plaquemines Parish, La., sheriff's office.

Sam Alexander Dews, Jr., Nashville, Tenn., police department.

Howard R. Eide, Des Moines, Iowa, police department.

Edward C. Erickson, Chicago, Ill., police department.

Jack P. Foster, Michigan State Police.

Albert Gernert, Hasbrouck Heights, N. J., police department.

Elmer F. Hagner, Jr., Anne Arundel County, Md., police department.

William M. Hambrecht, New York City Police Department.

Paul M. Hamilton, Talladega, Ala., police department.

Harry M. Harrison, Howard County, Md., police department.

Glenister A. Hunt., Fresno County, Calif., sheriff's office.

C. J. Hyde, Louisville, Ky., police department.

Roy E. Isgrigg, Joplin, Mo., police department.

Leroy C. Jenkins, Racine, Wis., police department.

John F. Karst, Jersey City, N. J., police department.

Stanley L. Kentner, Danville, Ill., police department.

William G. Kording, Brentwood, Pa., police department.

Ralph G. Kortz, Long Beach, Calif., police department.

Arnold R. Kramer, Milwaukee, Wis., police department.

Theodore J. Kramer, Cudahy, Wis., police department.

A. A. Kretchmar, Seattle, Wash., police department.

Robert La Mettry, Richfield, Minn., police department.

Nolan H. Lasiter, Jr., Lubbock, Tex., police department.

Gerald W. Livingston, North Kansas City, Mo,. police department.

Landon Mc D. Louthian, Jr., Charleston County, S. C., police department.

Wilbur C. Lovette, Lumberton, N. C., police department.

William Anderson Magee, Jr., Harlingen, Tex., police department.

John T. McCrate, Ohio State highway patrol.

Martin C. McDonnell, San Mateo, Calif., police department.

Paul J. McKinney, Chester, Pa., police department.

William S. McKinney, North Carolina State highway patrol.

Robert C. Messett, Warren, Ohio., police department.

E. P. Moomau, Kansas State highway patrol.

Elmer W. Morehouse, Paso Robles, Calif., police department.

Michael F. Moylan, Stamford, Conn., police department.

James F. Murphy, Lewiston, Maine, police department.

A. J. Palazzetti, Bradford, Pa., police department.

James R. Peva, Indiana State police.

Neil E. Pfost, Branch County, Mich., sheriff's department.

Leland W. Pierce, Canandaigua, N. Y., police department.

Donald D. Pomerleau, United States Marine Corps.

Charles M. Powell, Meridian, Miss., police department.

Robert S. Quaid, Detroit, Mich., police department.

Denis J. Quilligan, St. Petersburg, Fla., police department.

Percy V. Richardson, Federal Bureau of Investigation.

Spencer H. Robb, Federal Bureau of Investigation.

A. C. Roberts, Atlanta, Ga., police department.

Louis F. Rossiter, Whitpain Township, Pa., police department.

Henry Richmond Salmans, Sr., Salina, Kans., police department.

Thomas I. Sanders, Tangipahoa Parish, La., sheriff's office.

Paul J. Schirmer, Cincinnati, Ohio, police department.

Raymond Joseph Schmit, Buffalo, N. Y., police department.

Edwin S. Schriver, Jr., Philadelphia, Pa., police department.

Wilmer Bryan Schroeder, Scott County, Minn., sheriff's office.

Daniel Edward Shelley, San Francisco, Calif., police department.

Emil Paul Smith, Tacoma, Wash., police department.

Howard P. Smith, Spartanburg, S. C., police department.

George A. Stephens, Mecklenburg County, N. C., police department.

Walter E. Stone, Providence, R. I. police department.

John S. Stuper, Illinois State highway police.

Albert W. Swanson, Evanston, Ill., police department.

Theodore E. Swoveland, Claremont, Calif., police department.

Albert J. Theriault, Rumford, Maine, police department.

William G. Tothill, Alexandria, Va., police department.

Harry Traver, Mount Vernon, N. Y., police department.

Jose A. Vazquez Sanchez, Puerto Rico Police Department.

John James Viarengo, Turlock, Calif., police department.

Tom G. Waldrop, Cullman County, Ala., sheriff's office.

L. Olin Watkins, Kershaw County, S. C., sheriff's office.

Richard P. Weiler, Grand Traverse County, Mich., sheriff's office.

William K. Whitehurst, Jr., Tennessee Bureau of Investigation.

William W. Wilkinson, Memphis, Tenn., police department.

John Charles Wilson, Dallas, Tex., police department.

Walter L. Wiski, Duluth, Minn., police department.

Jesse G. Workman, Charleston, W. Va., municipal police department.

Roderick Roy Wright, Billings, Mont., police department.

PRESIDENTS, FIRST 55 CLASSES, FBI NATIONAL ACADEMY

1. James T. Sheehan, Boston, Mass.
2. Joseph T. Owens, Rome, N. Y.
3. E. G. Christensen, Wichita, Kans.
4. Bryan E. Ford, Rochester, N. Y.
5. Howard M. Travis, Hornell, N. Y.
6. Clifford E. Peterson, Sacramento, Calif.
7. William G. Rogers, Austin, Tex.
8. F. L. Matteson, Missoula, Mont.
9. Lawrence M. Taylor, Springfield, Ill.
10. John F. Woods, Norfolk, Va.
11. James F. Ingoldsby, Roanoke, Va.
12. James O. Barker, Miami, Fla.
13. Charles W. Woodson, Jr., Richmond, Va.
14. Charles O. Deaner, Lynchburg, Va.
15. Albert E. DuBois, Philadelphia, Pa.
16. Vernon Rasmussen, Glendale, Calif.
17. Leroy E. Wike, Endicott, N. Y.
18. Robert M. Pugmire, Pocatello, Idaho.
19. Harry W. Grossglaus, Canton, Ohio.
20. Richard R. Foster, Richmond, Va.
21 Arthur A. Weller, Newark, N. J.
22 John A. Engler, San Francisco, Calif.
23. Carl J. Sanders, Lincoln, Nebr.
24. Earl J. Daniels, Binghamton, N. Y.
25. W. C. Thomas, Richmond, Va.
26. Cyrille Leblanc, Gardner, Mass.
27. Robert Marx, Augusta, Maine.
28. J. Carroll Hamlin, Utica, N. Y.
29. Ray M. Barger, Fort Collins, Colo.
30. Henry F. Whaley, Berkeley, Calif.
31. Joseph P. Mahoney, Brookline, Mass.
32. John W. Rycroft, Lexington, Mass.
33. Andrew T. Aylward, St. Louis, Mo.
34. John E. Fondahl, Washington, D. C.
35. Howard O. Hunter, Indianapolis, Ind.
36. Melvin C. Hoover, Charlotte, N. C.
37. Jeter L. Williamson, Jo., Greensboro, N. C.
38. Delbert E. Berry, Norfolk, Va.
39. John Claussen, Napa, Calif.
40. John B. Sheehan, Mineola, N. Y.
41. Bernard Lewis Garmire, Eau Claire, Wis.
42. Bruns McKie McCarroll, Memphis, Tenn.
43. Lester H. Eisenhut, Fort Wayne, Ind.
44. D. W. Snyder, Walthall, Miss.
45. Robert Ernest Goodwin, Raleigh, N. C.
46. Paul Harvey Ashenhust, Dallas, Tex.
47. James W. Traeger, Gary, Ind.
48. Rogers D. Kennon, Nashville, Tenn.
49. William Walton Pleasants, Durham, N. C.
50. Charles E. Martin, Cincinnati, Ohio.
51. Gene S. Muehleisen, San Diego, Calif.
52. Earl B. Whitmore, Redwood City, Calif.
53. I. Byrd Parnell, Sumter, S. C.
54. Francis Michael Sullivan, New York, N. Y.
55. C. J. Hyde, Louisville, N. Y.

ADDRESS BY HON. HAROLD E. TALBOTT, SECRETARY OF THE AIR FORCE, AT THE FEDERAL BUREAU OF INVESTIGATION ACADEMY, JUNE 10, 1955

It is a privilege to appear before you this morning. I am particularly glad to talk with you because you and the Air Force share a common task—that of providing security for our great country.

First, I want to acknowledge a debt of gratitude, not only for the Air Force but on behalf of this Nation. The Air Force is deeply grateful to Mr. Hoover and the men of the FBI for their tremendous support in building up the internal security activities of the Air Force. The FBI has assisted us by training personnel, providing qualified personnel for staffing, and by lending us continued support since the inception of our Office of Special Investigations.

Even today we are still dependent upon the FBI for background investigations of Air Force personnel, which as you know has a uniform strength of almost a million, and employs approximately 300,000 civilians.

In a broader sense, all of us in this Nation should be thankful to the FBI for creating higher uniform standards of law enforcement and prevention throughout our Nation. The medium of the FBI Academy in which you gentlemen participated has been the principal instrument of doing this. While we in a democratic country are never suspicious of our neighbor, we know that the insidious forces of communism will stoop to any level to attain their espionage objectives in this country. The ever-present vigilance of the FBI coordinated with our nationwide law enforcement agencies is a comforting thing.

I am particularly happy, also, to talk with you men who come from communities throughout the United States. Many of you have military and air bases adjacent to your town. To you, as representatives of local law enforcement agencies, I want to give thanks for your cooperation and assistance in taking care of our men in uniform.

When I speak of taking care of our men in uniform, I would like to tell you of one of the great problems that faces the Air Force today. As you well know, the efficiency and effectiveness of any organization in measured to a large extent by the ability of the men who make up the organization. The Air Force is no exception to this general rule.

The men in uniform in the Air Force are all voluntary enlistees—men who have come to the Air Force for a minimum of 4 years. During these 4 years they gain valuable training and experience. One of our great problems is that on completion of their first 4 years of service in the Air Force, too few choose to continue their careers with the Air Force. Let me give you some figures. During the last 12 months, we have had 275,000 men whose enlistments have expired. Seventy-five thousand of these airmen for one reason or another were not eligible to reenlist. However, of the 200,000 whom we need badly and want to keep, less than 25 percent have decided to reenlist. The loss to the Government in money that has been spent in training and maintaining these men (about $2 billion) in addition to the drop in efficiency of our operational units by the departure of these trained men, makes it mandatory that we do something about this problem.

In our surveys to find out why men fail to continue with the Air Force, I find that the attitude of the local civilian communities and the treatment that they are accorded in these communities many times contribute to the decision of our men to leave the service. Now, I need not tell the seriousness of our country's position in the world today. Never in the history of our country has it been more important that our Armed Forces be maintained at the peak of efficiency. These men in uniform who come to your communities are the best young men from many other communities. The fact that they wear uniforms does not change them one iota. So, I would ask you today to look upon these men as you would any visitor to town, guide them, assist them, and make them welcome. Urge your churches, civic organizations, and other activities to accord them the respect which they, because of the importance of their day-to-day duties, so deserve. I am sure that were a young man serving in his own community he would be accorded the best treatment. I only ask you to treat a stranger in your community as your own. You will be amply repaid.

I have another problem I might discuss with you today. You have all, I am sure, noted the conflict in opinion from responsible officials, public figures, and news media concerning very important day-to-day issues in our country. Some of these issues are of a military nature. The facts concerning these issues can come only from highly qualified experts—men who devote their full time and effort to the detailed study of intelligence. You men are experienced, trained, law-enforcement officers. You know the tedious detail and the endless hours that must be spent in tracing clues in your law-enforcement work.

Military intelligence falls into the same category of detail as your basic detective work. The association of facts derived from reading a remote scientist's autobiography with a news release on a recent development may fit together to give clarification or meaning to some unexplained enemy development.

You all understand that much information on military matters cannot be revealed without providing our enemies real assistance. However, we strive from day to day to provide the American public as much information to keep them fully informed on how we are doing, what money is being used for, how the security of our Nation stands as we possibly can. This I think, we owe to our people.

You know the old adage "An ounce of prevention is worth a pound of cure," really applies to all our jobs these days. Commonsense calls for you to devote much of your time and efforts to crime prevention. It is reassuring to see the good lights in our city streets, the well-organized police patrols, the police boys club activities—all efforts designed to prevent crime. You in the law enforcement world have, of course, many of the same problems in doing your day-to-day job that the Armed Forces have. All of these are brought about because of our way of life. We have guaranteed to our people basic liberties and it is just alien to our way of life to violate them. The Communist world has no such inhibitions. The MVD or the Russian armed forces are free to exercise their initiative at any time and without regard to the basic rights of others. It is because of this difference in the way of life in the free and the Communist world that we must be continually on our guard. Our guard must be up both against infiltration from within and surprise attack from without. I know that you men feel confident that our Nation is secure from within. May I give you my opinion of our external position.

As your Secretary of the Air Force, I am primarily responsible for the efficiency and effectiveness of the Air Force. We annually spend in the Air Force some $15 billion of the taxpayer's money. With that money we have over the last few years built up the mightiest military force that man has ever seen. It is a force that is more than airplanes and bombs. It is a force of highly skilled men to fly and maintain the aircraft and other intricate equipment so necessary to modern warfare, of a worldwide logistics, communications, and base system all tied into a single operating unit. Your Air Force is the principal strength standing between the free world and global war. It is a force truly dedicated to peace. Our hope is that as long as we remain strong—so strong that no government will dare attack us without inviting its own suicide—that we will be able to prevent a war from happening. The weapons, the strategy, and the size of the force must be constantly changing to meet the threat of an enemy. But, gentlemen, let me assure you here today that the Air Force is dedicated, and determined to do everything in its power to insure that we do retain our superiority over any possible aggressor.

I want to wish all of you success in the tasks that lie ahead of you. I want to thank Mr. Hoover again for the help and assistance that he gives the citizens of our country by affording such training as he has provided for each of you graduating today. The training and skills of the men of the Federal Bureau of Investigation are of great value to the Air Force, and a great pillar of security for the Nation.

Address to Italian-American Veterans

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1955

Mr. ANFUSO. Mr. Speaker, under leave to extend my remarks, I wish to insert into the RECORD the text of an address I delivered Saturday, June 11, 1955, before the Italian-American veterans group at Little Falls, N. Y.

My address was devoted to the contribution of Italian-Americans to the progress of our country and the problem of immigration. The address was as follows:

SPEECH BY CONGRESSMAN VICTOR L. ANFUSO BEFORE ITALIAN-AMERICAN VETERANS AT LITTLE FALLS, JUNE 11, 1955

I am indeed very happy to be here with you this evening. I consider it an honor and a privilege to have the opportunity to address this fine and patriotic organization of Italian-American war veterans.

I am going to limit myself to two matters which are of great interest to me, and which, I believe, will be of utmost interest to you, too. One is the role of Italian-Americans in the progress of this great country of ours. The other is the need for revision of the McCarran-Walter immigration law.

For some 300 years, millions of people have come to this country in a steady stream—looking for a better and more dignified life, seeking freedom from want and oppression, building a community that is free from discrimination and injustice. They came to these friendly shores because they wanted the best possible chance to live a decent, orderly, and rewarding life, for themselves, and for their children.

Today, the United States is a Nation of immigrants and descendants of immigrants. It owes its greatness to people who came here from other lands and gave of themselves unstintingly to their new homeland. These people, who stemmed from many national origins and different religious faiths, made valuable contributions toward the founding and the development of our great country, its way of life, and its culture and civilization.

Among those who contributed vastly to America's greatness are the sons and daughters of Italy, who, since the days of Columbus, have played a large and growing role in the history of the United States. In fact, our country's history is replete with numerous contributions made by men of Italian extraction, not only in the early period, but also in our own day.

In the very early period it is sufficient to mention names like Columbus; his contemporaries Giovanni Caboto (John Cabot) and his son Sebastian from Genoa, who discovered Greenland, Newfoundland, Labrador, and the east coast of North America; Giovanni Verrazano, a Florentine, who discovered the harbor of New York and the mouth of the Hudson River 100 years before Henry Hudson; and Amerigo Vespucci after whom America has been named.

In the period of the 13 American Colonies, men of Italian origin made lasting contributions. Philip Mazzei, who settled in Virginia, was the first to introduce the culture of grapes in America. He was also an intimate friend of Thomas Jefferson and, according to historians, Mazzei's letters had a tremendous influence on Jefferson's political philosophy.

Then there was William Paca, who served as the third Governor of Maryland. He was a member of the First and Second Continen-

tal Congresses, and was one of the signers of the Declaration of Independence. He contributed much money to help Washington outfit the American troops during the Revolutionary War.

A merchant from Piedmont, Joseph Vigo, who came here and made a fortune in fur trading in New Orleans, helped finance the expedition led by George Rogers Clark into the Northwest Territory. In Indiana there is a county and a township named in honor of Vigo. The Venetian musician and composer, Philip Tragetta, a friend of Presidents James Madison and James Monroe, established the American Conservatorio in Philadelphia. The first collegiate institution on the Pacific coast, the College of Santa Clara, was created by Father Greg Mengarini, a Roman missionary and educator.

These are but a few of the more important names of early Italian-Americans. There are many, many more. Throughout the 19th century you will find many Americans of Italian descent in all phases of our national life, contributing their share in the various wars, in the growth of America's industry and agriculture, in the development of the sciences and the arts, and in the shaping of its national culture.

Let me mention briefly two military heroes of Italian extraction during the Civil War period. One was Bancróft Gherardi, who commanded several ships in the west gulf blockade and later became the Commander in Chief of the North Atlantic Squadron. Another was Luigi Cesnola, a major in the 11th New York Cavalry, who served with Sheridan in the Shenandoah Valley campaign, was wounded, taken prisoner, later awarded the Congressional Medal of Honor, and appointed a consul by President Lincoln.

Of course, you must remember that the number of Italians in this country at that time was quite small. It was not until the last decades of the 19th century and the first decades of the 20th century that Italian immigrants came over in large numbers. Some four and a half million immigrants from Italy entered this country between the 1880's and the early 1920's. These people gave of their brain and brawn, of their mind and muscle, to help build their adopted country to its present greatness.

In return, they found freedom in the New World to develop their talents to full fruition and to utilize the opportunities afforded them in every endeavor. It is no wonder that within the space of a single generation millions of Americans of Italian descent have not only adapted themselves and have become integrated into the general American community, but they have attained important positions of leadership in government, in politics, in business, in industry, in agriculture, in education, in labor, religion, science, the arts, the professions, sports, etc.

I shall not even attempt to list names, for they are so numerous that I would not know where to begin and where to end. You know them all anyhow, whether it is Tony Canzoneri or Rocky Marciano in boxing; Tony Lazzeri or Joe DiMaggio, in baseball; A. P. Giannini in banking; Caruso or Mario Lanza in music; or Perry Como and Liberace in the more popular type of music; or Mayor LaGuardia of New York and Mayor Rossi of San Francisco; or Senator JOHN PASTORE of Rhode Island; or Dr. Enrico Fermi, the Nobel Prize winner, who made the first atomic reactor back in 1942; or the numerous other scholars and scientists.

And how can I omit men like Gunnery Sgt. John Basilone, of the United States Marines, who gave his life at Iwo Jima for American democracy? He is one of that long and illustrious list of Americans of Italian descent who received the highest award bestowed by this Nation on its heroes, the Congressional Medal of Honor.

How can we forget the valiant contribution of the 550,000 American men of Italian origin who served in our Armed Forces during World War II on all fronts throughout the world? How can we, in particular, forget the invaluable role they played during the Italian campaign in 1943 when Italy was liberated from Fascist dictatorship and from the stranglehold of Nazi Germany?

When we review all these contributions and activities—and all I can do today in the limited space and time is give a brief review—we can truthfully say that yesterday's immigrants from Italy and their offspring in this country have become fully American in the best sense of the word. Americans of Italian descent have every right to feel justifiably proud of their services and their contributions to our American heritage over these many and long years. It is a constant and enduring contribution whose imprint on American life and culture is visible all over our land.

And this brings me to the second matter I want to discuss with you—the McCarran-Walter Immigration Act and the need for early revision of this discriminatory law. In view of the achievements and the contributions of Italian-Americans, which I enumerated a moment ago, why then such a discriminatory and inhumane immigration law on our statute books? Is this a suitable law for a Nation which prides itself in being the haven of the oppressed and the asylum of the persecuted? Is this the proper law for a country settled by immigrants and built to its present greatness by immigrants and their descendants?

At the end of this month it will be exactly 3 years since this harsh law was enacted. I recall vividly the struggle in Congress at that time. I was then serving my first term in Congress, and I fought and voted against the bill. President Truman vetoed it and denounced it in bitter terms as a racist and discriminatory measure. Unfortunately, Congress enacted it over his veto, but our experiences over these past 3 years with this dreadful and iniquitous law justify our opposition to it in 1952.

I am sure I need not dwell at length in explaining to this audience my objections to the McCarran-Walter Act. I merely want to state that the chief objection to this law is that it is based on a false doctrine, the so-called doctrine of national supremacy, which maintains that some nations are superior to others. Imagine telling a Sicilian that a Milanese or a Genoese is better than he is. It is worse when you write it into a law that an Englishman makes a better citizen than an Italian, a Greek, a Pole, or a Spaniard.

It's about time that we discard this stupid doctrine. It has long been established that there is no such thing as a superior race or a superior people. Why should the United States, the leader of the free world, still cling to such an outmoded and un-American theory in 1955? The McCarran-Walter Act was originally intended by Congress to be a codification of all previous immigration and naturalization laws. But what happened? Actually, it is a codification of all the discriminations and the prejudices against immigrants which were devised by narrow-minded men in the past few decades.

Take, for example, the quota system which was first enacted in the 1920's in an atmosphere of isolationism and hatred of foreigners. Do you realize that under this system three countries—Britain, Germany, and Ireland—are allotted more than 70 percent of all the visas? I have nothing against the people coming from these countries. I merely ask: Is this a fair and equitable distribution? To my mind, this is not only discrimination, it is an insult to decent people everywhere and to all the nations of the world.

In the 2½ years since the Eisenhower administration has come into power, it has done absolutely nothing to wipe out the inequities of the McCarran-Walter Act. During the 1952 election campaign Candidate Eisenhower pledged to support legislation to revise this act. In 1 or 2 instances he admitted that the law contained injustices which should be corrected. But it was all lip service. Not a finger was lifted by the present administration to revise the McCarran-Walter Act and to restore dignity and justice to our immigration system.

Recently, the President submitted to Congress several proposals to amend the Refugee Relief Act of 1953. I do not want to minimize the action of the President. The point I wish to make is that, whether done deliberately or not, he is evading the main issue. The main problem is revision of the McCarran-Walter Act and the elimination of its injustices and discriminations. We are primarily interested that this country should follow a liberal immigration policy. Let's not get away from that point. The President's proposals merely becloud the issue. He continues to remain silent on the McCarran-Walter Act, and by his silence he hurts every effort to revise this infamous law.

Last fall, during my campaign for election to Congress, I promised the people of my district that my first task upon return to Congress would be to introduce a bill to rewrite the McCarran-Walter Act. That promise I kept. On January 5 of this year, the first day of the new session, I introduced my bill—a document of more than 200 pages long, on which I and my staff worked for many months. I do not want to burden you with details about this bill. Let me just mention in passing that it contains proposals to abolish the national origins quota system, to eliminate all discriminations, to admit 220,000 immigrants annually, to pool unused quotas among countries whose allotments are small, to take immigration out of the hands of the State Department, and to remove all distinctions between native-born and naturalized citizens.

On April 20, when I realized that the bill was making no headway because the administration is doing nothing to encourage revision of the McCarran-Walter Act, I initiated action on a discharge petition to bring my bill out on the floor for a vote. In order to accomplish this, we must obtain the signatures of a majority of the Members (218)—but we are still far from this goal.

As I see it, we must intensify our efforts to overhaul this law. The American public must insist that the Eisenhower administration make good its pledge to revise the McCarran-Walter Act. Noble sentiments voiced by the President are no substitute for effective leadership on his part. The American people must find a way to make it clear to the administration that it desires decent immigration laws decently administered. Our present immigration laws are un-American in concept. They are a hoax on the American public. They are a fraud and a conspiracy against those who seek to enter this country, instead of being a help to them.

The McCarran-Walter Act is gradually weaving a red-tape curtain around our beloved country. Because of it, the good name of the United States has been besmirched. We must continue to maintain our tradition of being the asylum for the oppressed. We need an immigration law that will enhance the prestige of America. We need a law that will conform to American concepts of justice, fair play, and basic traditions. If we permit the discriminatory McCarran-Walter Act to remain unaltered and unrevised, then much which is precious to American ideals and traditions will be destroyed for good.

For the sake of our country and its future, for the sake of its greatness and its continued leadership in the world, I say the McCarran-Walter Act should be torn out of the pages of our law books—and with God's help we shall accomplish this.

A Chapter in the Fish and Wildlife Service of Albert M. Day

EXTENSION OF REMARKS
OF

HON. A. L. MILLER
OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1955

Mr. MILLER of Nebraska. Mr. Speaker, on June 8 the gentleman from Wisconsin [Mr. REUSS] delivered a vitriolic attack on the conservation policies of the Interior Department and charged that Mr. Albert M. Day is being eased out of his job in the Department because he opposed pressure groups which are in favor of baiting waterfowl for hunters.

The implication of this charge was that the Department favors baiting and therefore found it necessary to get rid of Mr. Day because of his opposition to the practice.

In recent weeks the Department has been the target of a series of such attacks, inspired by political motives and designed to impair public confidence in its activities.

I have no doubt there will be more of the same as the 1956 election campaign approaches. Those well-meaning groups of conservationists who are seriously interested in the natural resources of the country would do well to look to the source of charges that are leveled at the Department in this period. Otherwise they may find that they have permitted themselves and their organizations to be used as part of a well-organized political smear of the Department and its officials.

It is not my purpose today to discuss in detail the policies of the Department relating to waterfowl. However, I note with pleasure that the distinguished Director of the Fish and Wildlife Service, Mr. John L. Farley, lost no time in calling a news conference last week to reply to the charge that the Department is winking at the baiting of ducks by California hunters.

In the course of the conference, Mr. Farley said:

> The basic regulation is that there should be no baiting—period.

I do not see how any statement could be more forthright or to the point.

Mr. Farley further said that the arrest of hunters by Federal agents for game law violations, including baiting, throughout the country has risen from 4,929 in the 1952 fiscal year to 4,983 for the first 11 months of the current fiscal year.

Convictions have remained at a level of about 98 percent of those arrested. Fines imposed ranged from $50 to $1,000.

Does this sound as though the Department has softened its policies regarding waterfowl?

In similar fashion, certain elements recently have charged that the Department is planning to give away or destroy important parts of the national wildlife refuge system. I am sure it will surprise no one to learn that one of those most active in spreading this calumny is a former Director of the Fish and Wildlife Service under the previous administration.

What are the facts regarding refuges? Have they been diminished? Are they being given away?

Records of the Fish and Wildlife Service show that the purchase of 30,189 acres valued at $645,000 and the lease of 1,151 acres of land in various parts of the country for waterfowl conservation purposes took place during the 1955 fiscal year. These acquisitions were approved by the Migratory Bird Conservation Commission of which Secretary Douglas McKay is Chairman.

Far from being diminished, the land available for refuges has actually been increased by 21,000 acres over the total for 1954.

Since this matter has been opened on the House floor I feel certain that Members will want to be fully informed on the circumstances of Mr. Day's resignation from his Federal job.

I have here a letter which I ask unanimous consent to insert into the RECORD at this point:

ARCTIC INSTITUTE OF NORTH AMERICA,
Washington Office, May 9, 1955.

Hon. DOUGLAS MCKAY,
Secretary of the Interior,
Washington 25, D. C.

MY DEAR MR. SECRETARY: The Arctic Institute of North America is initiating a research project of great importance to all who are interested in the conservation of the natural resources of the North American Continent. It will provide for a thoroughgoing study and analysis of the various factors which influence the perpetuation of our migratory waterfowl. Authorities in wildlife conservation generally agree that waterfowl are more endangered than any of the important game species. The Arctic Institute has concern in the problem because many thousands of natives in the Arctic and sub-Arctic rely upon migratory birds as an important source of food and clothing.

It is anticipated that the findings of this research project will assist in guiding official agencies of the States and the Federal Government in land and water use policies which will more adequately recognize the fundamental needs of this important natural resource. The findings would be of interest of millions of American sportsmen and nature lovers.

In searching the field for talent to undertake this important program we have approached Mr. Albert M. Day, former director of the Fish and Wildlife Service of your Department. Due to his long and eminently successful career in wildlife conservation in the Federal service, Mr. Day is generally recognized as the outstanding authority in this field. We feel highly gratified that he is interested in our proposal.

Therefore, as an official representative of the Arctic Institute of North America, I am requesting that you release Mr. Day to undertake this important assignment under such terms and conditions as may be agreeable to you and Mr. Day.

Sincerely,

JOS. T. FLAKNE,
Programming Director.

It is from the Arctic Institute of North America and is addressed to the Secretary of the Interior. In it Mr. Joseph T. Flakne, programing director of the institute, requests the Secretary to release Mr. Day from his Federal job to undertake a research assignment from the institute.

I also have a copy of a letter to Mr. Flakne from the Secretary of the Interior which I also desire to insert in the RECORD at this point:

UNITED STATES DEPARTMENT
OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., May 12, 1955.

Mr. JOSEPH T. FLAKNE,
Programing Director, Arctic Institute of North America, Washington, D. C.

MY DEAR MR. FLAKNE: This is in reply to your letter of May 9 requesting the release of Mr. Albert M. Day, Assistant to the Director of the Fish and Wildlife Service, for assignment to the Arctic Institute of North America.

The Department will interpose no objection to Mr. Day's acceptance of your offer. Mr. Day's release will be arranged in accordance with the usual procedures pertaining to such cases.

I have asked the Director of the Fish and Wildlife Service to arrange the details with Mr. Day.

Sincerely yours,

DOUGLAS MCKAY,
Secretary of the Interior.

The Secretary informs Mr. Flakne that the Department will not object to Mr. Day's acceptance of the offer from the Arctic Institute, and adds that Mr. Day's release will be arranged in accordance with the usual procedure in such cases.

On the same day, May 12, the Secretary signed a memorandum to the Director of the Fish and Wildlife Service requesting that the details of Mr. Day's release be arranged. I have a copy of this memorandum and ask unanimous consent to insert it in the RECORD:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C. May 12, 1955.

Memorandum

To: Director, Fish and Wildlife Service.
From: Secretary of the Interior.
Subject: Release of Albert M. Day to accept position.

I am attaching a letter which I received from Mr. Flakne, programing director of the Arctic Institute of North America, who has requested the release of Albert M. Day.

Will you please take care of the necessary details in this matter.

DOUGLAS MCKAY.

On May 25, Mr. Day wrote the Secretary expressing his appreciation for the approval of his request for optional retirement. I ask unanimous consent to insert a copy of this memorandum in the RECORD:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
FISH AND WILDLIFE SERVICE,
Washington 25, D. C., May 25, 1955.

Memorandum

To: The Secretary.
From: Albert M. Day.
Subject: Release from position.

I have today received from Director Farley notification of approval of my recent request for optional retirement. This is in accordance with request of May 9, directed to you by the Arctic Institute of North America, requesting that you release me from my present position with the Fish and Wildlife Service to undertake the wildlife research project being initiated by the institute.

I appreciate your action in this case, and am returning Mr. Flakne's letter for your files.

ALBERT M. DAY.

From these documents, copies of which were supplied me by the Department of the Interior at my request, it does not appear that Mr. Day was in any way

forced out of his position in the Federal service. Quite the contrary seems to have been the case. Mr. Day received an attractive offer of employment from a privately endowed scientific organization and chose to exercise his right to retirement. Certainly his memorandum to the Secretary indicates complete accord in the handling of this case.

I also note in an Associated Press dispatch that when Mr. Day was asked to comment on the charge he had been forced out of his Federal job, he replied:

I don't want to get mixed up in this. But I am not leaving there with any bitterness of any kind. We've worked together here very nicely.

I pointed out at the outset of these remarks that Mr. Day's resignation was used as an excuse for attacking the conservation policies of the Department under this administration. The argument was that Mr. Day is a courageous conservationist who refused to accept the views of present Interior officials toward protection of waterfowl.

Since this matter has been opened up in such fashion as to gain wide publicity while damaging public confidence in the Department policies, I believe it is necessary to go further into it.

In the last Congress, when I was chairman of the Interior and Insular Affairs Committee, members of the committee examined Mr. Day's record in the Fish and Wildlife Service and considered certain phases of his conduct as Director.

The investigation, the facts of which have been quite freely aired in the press are no longer confidential, showed quite conclusively that this "splendid career public servant" was directly involved in a number of situations that would have justified, and should have recommended, his immediate release from duty as Director of the Fish and Wildlife Service.

In 1949 we have what has gained notorious recognition as the "Smith Island incident," in which Mr. Day, who was at the time the Director of the Fish and Wildlife Service, and others were caught "red-handed" shooting ducks in an area which had been baited with corn a day earlier so that the hunting party would be assured of a good day's shooting. One of the "others" involved in this incident happened to be a Mr. David R. Gascoyne, who was at the time director in charge of region 5 of the Fish and Wildlife Service, which embraces most of the eastern seaboard and includes the Chesapeake Bay area known as Smith Island, Md., and this has been reported in the press. The report of this incident reveals the baiting violation as well as a violation of the prohibition against stirring up waterfowl by means of a motor-driven boat, was filed in the usual course of procedure in the office of the supervisor of law enforcement for region 5, Mr. Gascoyne's domain, but no formal complaint was ever issued, and the matter was quietly laid to rest.

Constant reports of the conduct of Albert Day showed that shrubbery from the Patuxent Wildlife Refuge, Laurel, Md., was transplanted at the residence of Mr. Albert M. Day, this "splendid career public servant," in late 1946 or early 1947. These shrubs were property of the United States Government. They were removed from United States Government property by United States Government personnel, using Government vehicles, burning Government gasoline, on Government time.

In 1948 certain incidents arose with reference to the administration of the Patuxent Wildlife Refuge. An investigation was ordered during Mr. Day's absence by Dr. Clarence Cottam, then Acting Director of the Fish and Wildlife Service, and evidence indicating 10 or 11 charges of misuse of Government property was reported against the then superintendent of Patuxent, Dr. L. C. Morley. Dr. Morley tendered his resignation, but Mr. Day, upon his return to Washington and after a social evening with Dr. Morley, is reported to have marked "withdrawn" on the resignation, and launched into a tirade of profanity against Acting Director Cottam because "this man (Morley) is a close friend of mine."

There have been numerous other incidents, many of which have received considerable attention in the public press, showing that friction oetween Mr. Day and other key personnel in the Fish and Wildlife Service had developed to such an extent as to undermine the effective functioning of this important department of government.

The investigation further revealed that there was general feeling in the Service that the law enforcement section was seriously hampered by the Smith Island incident. Subsequent to this "incident" Maryland State officers refused to cooperate with Federal agents in enforcing Federal waterfowl regulations, which certainly reflected a vote of "no confidence" in the director.

Now it would appear that the Department of the Interior is being placed on trial for its so-called "easing out" of Albert M. Day. A fair view of the complete record certainly shows that he has not been fired, or in any way relieved of his employment in the Department. He should have been. It is not uncommon that a defendant in a jury trial seeks to establish his defense by trying the prosecuting witness. And it is not uncommon to hear the remark, "You can't fire me, I quit." It is rare, indeed, when an honorably separated employee deliberately says, in effect, "You can't let me quit, I'm fired." The motives of the individual should be carefully scrutinized.

A continued attack upon the Department of the Interior for its administrative handling of this matter will serve no useful purpose, and it would behoove the attackers to look well to their facts. Civil service regulations, designed to insure job security to the employee, can many times lay stumbling blocks in the way of departmental efficiency and harmony. The "Day incident" is a case in point.

A statement made on the Smith Island incident typifies this unsavory panorama. It was suggested to the game agent that the bait had been scattered to lure ducks for photographing. The agent's observation was, in effect, "If they were taking pictures, those were the noisiest cameras I ever heard." We should profit by the agent's perceptiveness.

Inaction—A Dubious Factor in Our Foreign Policy

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. FEIGHAN. Mr. Speaker, on Sunday afternoon, June 19, it was my privilege to be the guest speaker at the Baltic States Freedom Rally held at Town Hall, New York City. I ask unanimous consent to insert in the RECORD the address I delivered on Inaction—A Dubious Factor in our Foreign Policy:

I am honored to join with you today in commemorating this, the 15th anniversary of the seizure and forced incorporation of Estonia, Latvia, and Lithuania into the Union of Soviet Socialist Republics.

On this occasion we are sadly mindful of those cruel events which took place on June 14, 1941, in each of the three Baltic States, resulting in the forced deportation of over 50,000 God-fearing, freedom-loving patriots to a life of slavery and for some, death in the Soviet Union.

This occasion also brings into sharper focus the tactics used by the Russians to bring about the occupation and illegal incorporation of the Baltic States. Those tactics I speak of began with the signing of the so-called mutual-assistance pacts between each of the Baltics States and the Soviet Union each of which the Russians forced upon each of the Baltic States. Those pacts gave the Russians the legal authority to establish certain military bases on the sovereign soil of Estonia, Latvia, and Lithuania, and were quickly used as an excuse for the occupying armies which flowed into the Baltic States on a prearranged timetable of conquest. You and I remember well the rigged elections, the Russians carried out in each of the Baltic States leading to the establishment of rump parliaments completely responsive to the will of the Kremlin. These acts of piracy were climaxed by petitions for the admission of Estonia, Latvia, and Lithuania into the Soviet Union by these same rump parliaments resulting from the same rigged elections which were directed and overseen by the Russian army of occupation. A great many events, most of them tragic in nature, have taken place in Estonia, Latvia, and Lithuania since those dark days of 1941. The Russians have done everything in their power to destroy those three gallant nations, to eliminate the distinctive and individual character, language, tradition, and aspiration of the people. They have attempted to substitute a new culture called Sovieticus, which you and I know to be very little different from the programs of Russification which characterized the Russian despots who preceded the present gang in the Kremlin. During most of these tragic years, we have held ceremonies such as you have organized today in the hope, that by attracting wider attention to the plight of the Baltic people, we could thereby hasten the day when the yoke of Russian slavery could be lifted from them. There was very little else we could do in those days and we therefore, in clear justice to all the people enslaved behind the Iron Curtain, made widespread public protests in their behalf.

In the last several years it has become possible for us to do more than protest the enslavement of Estonia, Latvia, and Lithuania. The way has been opened for us to pursue a course of action in the United Nations which could, in my opinion, hasten the day of liberation for all the nations enslaved by communism. That hope has

been made possible by the careful, thorough, fact-finding job that was done by the select committee to investigate Communist aggression and whose reports thereon have been acclaimed by all fairminded people as the most authoritative work ever done on the subject of communism. I pay tribute for this unique accomplishment to the Honorable Charles J. Kersten, whose resolution brought about that committee and who served as chairman during the past 2 years.

The third interim report of the select committee set forth all the pertinent facts concerning the occupation and illegal incorporation of Estonia, Latvia, and Lithuania into the U. S. S. R. In its conclusions that report held "that the continued military and political occupation of Lithuania, Latvia, and Estonia by the U. S. S. R. is a major cause of the dangerous world tensions which now beset mankind and therefore constitutes a serious threat to the peace."

The committee then recommended in that report that the Secretary of State take such steps as might be necessary to cause that threat to world peace to be brought before the then current session of the general assembly of the United Nations. It also recommended that the United States sponsor a resolution in the general assembly for the full and rapid withdrawal of all the military, political and administrative personnel of the Union of Soviet Socialist Republics from the territories of Estonia, Latvia and Lithuania. The select committee continued its thorough investigation of communism after the publication of such report to which I have just referred, and as a consequence it produced a total of 27 reports on the subject of Communist aggression. In its final summary report the committee recommended that the United States sponsor a resolution in the General Assembly of the United Nations naming the U. S. S. R. as an aggressor against all the nations enslaved by communism. On March 22, 1955, there was introduced in the House of Representatives six identical resolutions, all of which sought to cause the Secretary of State to do the following:

1. To instruct the United States representative to the United Nations to transmit to each member nation of the United Nations copies of the summary report of the Select Committee on Communist Aggression (House Rept. No. 2684, pt. 16, 83d Cong.) as well as copies of all other reports submitted to the House by such select committee.

2. To formulate a resolution, based upon the findings, conclusions, and recommendations contained in such House Report No. 2684, part 16, 83d Congress, naming the Union of Soviet Socialist Republics as an aggressor against the nations enslaved by communism.

3. To instruct the United States representative to the United Nations to take immediate steps to place such resolution on the agenda of the General Assembly for early action.

This resolution was then taken up by the House Foreign Affairs Committee and after careful study was reported out by a vote of 17 to 5. Let me make this clear, this resolution, in every sense of the word, is bipartisan in its origin and in the widespread support it has earned. House Resolution 183, which was sponsored by THOMAS DODD, of Connecticut, one of the most able members of the House Foreign Affairs Committee, then was submitted to the Rules Committee. This resolution was accompanied by a report which was written by Mr. DODD, and which has been acclaimed as one of the most penetrating and forthright reports to emanate from the Congress in recent years.

During the time this resolution was under consideration in the House Foreign Affairs Committee, the Department of State sent a letter to the committee opposing the resolution on the basis that it was untimely, counter productive, and likely to provoke the Russians with whom we are about to enter into delicate negotiations, looking forward to the easing of world tensions. The vast majority of members of the House Foreign Affairs Committee found themselves in disagreement with the views of the Department of State and consequently voted in favor of the resolution. When this resolution came before the Rules Committee, which is normal procedure for all legislation before it comes to the floor of the House, the minority position was defended by Representative JOHN VORYS, of Ohio. In advocating the defeat of this resolution he said, among other things, "The diplomatic, military implications of the action proposed by this resolution are far-reaching." He made a strong inference that this resolution was an act of war and that we as a Nation were unprepared to back up this resolution in the United Nations. Obviously, he missed the whole point of the resolution, which is to prevent war. Congressman VORYS also submitted an eleventh-hour letter from Secretary of State Dulles which urged the defeat of House Resolution 183. The underlying theme in Secretary Dulles' letter was "A clear indictment of the U. S. S. R. for its policies of aggression and subversion, is not likely to succeed and that, in the view of the Department, to attempt it would be counter-productive."

While in the past I have strongly commended Secretary Dulles when he has undertaken actions in support of the welfare and security of the United States, in this instance, I regret to say that his judgment is based on the fallacious belief that inaction in support of what is right is preferable to risking defeat in defending the just cause of human freedom. This is not the usual position of Secretary Dulles and I feel that he has become the unwitting victim of the tiptoe artists in the Department of State who have for years advocated a policy of delicate diplomacy in dealing with the Russian Communists. You and I know that the Russian bear has no appreciation whatsoever for the tactics of the ballet artist and is quick to apply the gentle strangling embrace to those who would regard him as a playful kitten. I want to make doubly sure that I am not mistaken in what I have said by repeating that the Democratic administrations were in large measure the victims of this same crowd in the Department of State.

As a consequence of what I have related to you, House Resolution 183 is now reposing in the Rules Committee in the House of Representatives. In my estimation, it is likely to remain there for some time unless public demand underscores the importance of this resolution to the welfare and security of the American people, in which case I am certain it will be discharged to be tested by the popular vote of the Representatives of the American people.

In my considered judgment, House Resolution 183 provides us with the first real opportunity to strike a blow for the freedom of Estonia, Latvia, and Lithuania we have had since their enslavement in 1941.

I pledge to you, and the American people, a dedication of service, until this resolution is submitted to the test of public debate and voted in the Halls of Congress.

Since the administration in Washington has decided to confer with the Russians sometime during July, with a view to determining whether such negotiations can ease world tensions, I have taken the liberty to recommend to the President a number of basic considerations which should govern those discussions. I would like to present to you those basic considerations because I believe their adoption would present a forward step in reducing world tensions, and could very well lead to a restoration of national sovereignty and human freedom in Estonia, Latvia, and Lithuania, as well as the other non-Russian nations now enslaved by the Russian Communists. The recommendations I have made to the President are:

First, we must regard such a conference as nothing more than an opportunity for us to spell out for the entire world what we stand for and what we stand against. In this connection, we should make it abundantly clear that we stand for the rights of all nations, large and small, to national self-determination, and the natural rights of all people to the basic freedoms. We should make it equally clear that we stand unqualifiedly against any form of colonialism or imperialism and in particular, we will never acquiesce to the new Russian colonialism which is being carried out under the camouflage of Communist imperialism.

Secondly, as a logical followup to this first condition, we must demand that the Communist enslaved non-Russian nations be permitted to determine their own destiny by the use of free elections including multiple political parties, the secret ballot, together with international supervision to guard these basic requirements. If we fail to do otherwise, the good people of Estonia, Latvia, Lithuania, Poland, Czechia, Slovakia, Hungary, Rumania, Bulgaria, Albania, Ukraine, Byelorussia, Georgia, Turkestan, Idel-Ural, Armenia, Azerbaijan, Cossackia, and Russia will look upon any United States participation in a conference at the so-called summit as the failure of the last great hope of mankind, and a sellout of all those moral and political principles which the United States has stood for during the 179 years of our national existence.

Thirdly, the Russians must agree to dismantling and completely removing the Iron Curtain which they have constructed from the Baltic Sea to the Pacific Ocean. They must remove the minefields, the barbed wire, the vicious dogs, the special squads of machinegunners, and all other unnatural barriers which the Russians have concocted in order to divide the world into separate parts. The Russians must agree, without reservation, that the Iron Curtain is the basic obstacle to true peace and freedom.

Fourthly, we must abide by the proven principle of "open covenants openly arrived at." There can be no secret understandings reached at such a conference. To insure against this possibility, the administration should avoid being party to any joint communique being issued from such a conference because the constant Russian demand for unanimity would mean that any joint communique would serve primarily the Kremlin interests. President Eisenhower would be wise to issue his own communique, on a day-to-day basis, covering developments and any successes or failures that might come out of such a conference.

As a great many of you who are gathered here today know, I have attempted to keep myself well informed, not only on the international Communist conspiracy but on all important developments within the vastly expanded empire of the Russian Communists. Many of you have been good enough to send me the most current information on developments within that empire, and to give me the practical benefit of your analysis of the tensions which beset the masters of the Kremlin. As a consequence of this stimulating and rich experience, I have come to the firm conclusion that the masters of the Kremlin have never been in a position as precarious as the one which now beleaguers them. There is no doubt in my mind but what the explosive tensions within all the non-Russian nations within the U. S. S. R., the complete failure of the Russo-Marxist economy, and the increasing demand of all mankind for peace and freedom present a most favorable situation for those who have the knowledge and the courage to stand up for those moral and political principles which form the basis of our civilization. Now, surely, is not the time for us to relax our campaign of truth

or our crusade for peace and freedom. This is the most opportune time for us to press forward with a demand for the liberation of all the nations enslaved by the Russian Communists. May God give us light to understand the great opportunity that is ours and the strength to pursue it.

Address by Former President Harry S. Truman at Jefferson-Jackson Day Dinner, Portland, Oreg., on June 11, 1955

EXTENSION OF REMARKS
OF
HON. EDITH GREEN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mrs. GREEN of Oregon. Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD an address given by our former President of the United States, Harry S. Truman. This address was made at the Jefferson-Jackson Day dinner in Portland, Oreg., June 11:

I came here tonight on my own initiative. I asked to come to Oregon because I wanted to express my respect and admiration for one of the great men in public life, WAYNE MORSE. Senator MORSE is typical of the progressive West which is so rebellious against selfish interests and despoilers of the public domain. He is the shining example of political courage and independence which many men in public life might do well to follow.

It is no secret that I liked him when he was a Republican, and I like him all the more now that he has discovered that you cannot protect the public interests under present Republican management. It was easier to do so in the days of Teddy Roosevelt, George Norris, and Charles McNary, who fought against raids on public resources, for at that time WAYNE MORSE would have had powerful support in his own party. But where in the Republican ranks today can you find support for men who fight for the people's right to own and develop their common property?

Something evil is happening in this country today, and we had better put a stop to it before it is too late. Our people have been preoccupied by the movement of many events around the world where one false move may lead us to trouble. And let me say that I know nothing more vital than the wise conduct of our foreign affairs, and the administration would do well to continue the bipartisan policy initiated by us.

But in the shadow of these world events, while our minds have been somewhat distracted, selfish interests in this country have been scheming to take away from the people vast public resources. I am sorry to say that much has already been lost in the last 2 years, and I fear vastly more will be taken away.

One of the reasons why Oregon must keep WAYNE MORSE in Washington is to help put a stop to this. For Senator MORSE not only represents Oregon and the Nation with great credit, but his voice has stirred the country against those who would destroy one of our great American institutions, the public lands and the public power. From its very beginnings, this Nation has reserved for the common use of the people's rights in certain lands and resources as a permanent foundation for the well-being and future of our country. And succeeding generations have added to these lands and resources. This is part of the tradition of the American way of life.

In the past there have been raiders who sought to appropriate these resources. But up until recently we have been able to turn them back time and again. Many of those raiders called themselves rugged individualists and did not disguise their purpose. They said they did not like public ownership of anything and openly tried to help themselves to everything they could put their hands on. We could fight this sort of open attack.

But in the last 2 years the raider has been more subtle, and, for that reason, more dangerous. He says that he is not trying to grab anything for himself. He professes to be doing the public a service. He tells you he wants to save us from the terrible evil of the public being in business for itself in the management and conservation of its natural resources.

Pious in his pretensions and aided by experts in propaganda, the modern-day raider insists he is fighting for private enterprise, local rights, regional rights, and State rights.

But he always winds up by taking over the people's rights.

The last time I was out here was in 1952. There seem to be more Democratic voters here now. It appears that the Republican administration in Washington has been more persuasive than I was in convincing the people that their interests are best represented by the Democratic Party.

When I was at Kalispell in Montana in 1952, I advised the voters to take a good look at Hungry Horse Dam. I said that if a Republican President were elected, that was the last new dam they would see out here for a long time to come. Senator MORSE knew I was right.

WAYNE MORSE always had his heart set on the development of the water and power resources of the Northwest States. He knew that this was not just a local matter but that it concerned a large region, affecting many States.

As long ago as 1789 the founders of our country realized that man-made boundaries should not control the great rivers of this country. And they wrote a provision in the Constitution to place control over these rivers as channels of commerce in the hands of the Federal Government.

In the last 2 years, there has been an attempt to becloud the basic concept that our great rivers are a Federal responsibility. A number of people have been trying to make us believe that the Federal interest in our river systems is an encroachment on the rights of the States and local governments. There have been a lot of crocodile tears about how the Federal Government is setting up a power monopoly and breaking down States' rights—and how the time has come to get the Federal Government out of the river business.

The development of our rivers must be planned—it cannot be opened as a grabbag to private interests to pick off the best revenue-producing dam sites at the expense of future generations.

If there is anything I am proud of in the record of the New Deal and the Fair Deal, it is the development of our river basins. In the Tennessee Valley and the Pacific Northwest, future generations can see what a truly representative government could accomplish for its people.

Of course, there was a lot of opposition to this at the time. I remember when the Grand Coulee project was proposed, its opponents said there was no justification for it—that there was nothing out in that country but jackrabbits and coyotes, and that a big dam there would be as useless as the pyramids. But Franklin Roosevelt had the vision to see it another way, and the courage to do something about it. So Bonneville was built, and Grand Coulee was built, and people began living and working where the jackrabbits used to be.

The Pacific Northwest grew and flourished; its population and its income increased by leaps and bounds; its magnificent water projects produced the current that made the aluminum that helped win World War II. Water was brought to hundreds of thousands of acres of thirsty land. Other dams were built, and we went forward—not only in the local interest but in the national interest as well.

And let me point out that with this public development private enterprise flourished too. Here as in the Tennessee Valley, public river development meant the growth of private industry and private business. Big dams and big projects, financed by the Government, mean far more private enterprise, in the long run, than little dams and inadequate projects financed by the utility companies.

The development of the water resources of this region was not a politically-inspired or a partisan affair. Of course, the national leadership of the Republican Party—the Old Guard—was opposed to this program. But, in those days there were some Republicans from these States who fought for this development—who went to Washington and worked for the future prosperity and welfare of their constituents. I sat with one of them in the Senate of the United States—his name was Charles McNary. He was the Republican leader in the Senate, and one of these great new dams is named after him, because he worked to get it built.

Yes, there used to be Republican Senators—there was even a Republican President—Teddy Roosevelt—who favored the maximum development of our rivers by the Federal Government.

Those days are gone. In fact, you have to be almost as old as I am to remember them. The fact that they are gone is dramatically illustrated by the presence at this Democratic dinner of WAYNE MORSE, now a Democrat but hitherto a lifelong Republican. And I believe there are thousands of conscientious Republicans, throughout these States and the country, who are facing the same decision that confronted WAYNE MORSE, and they are facing it with troubled hearts. For I know what it is to be loyal to a political party, and I know that such loyalties are not easily changed. But what is an honest man to do, when his party ceases to stand for what he believes in? What is he to do when his own party tears down and destroys the very policies which mean future prosperity and progress?

What is happening today is that a Republican President is being used to cripple the program of river development that has brought prosperity to many regions of our land. In 1952 I tried to tell the people just what the Republicans would do. Unfortunately, it was hard for the people to imagine that any President could be used to halt and undo our public-power programs.

As WAYNE MORSE said the other day, you can always repeal a law, but you can't repeal a dam once it is built—and if it is the wrong dam, and it turns part of the people's resources over to a private monopoly, the people can never get them back.

By tricky and devious ways, private raiders on public power have been at work. They did not try to make a head-on assault against one of the most successful and most popular programs of the Federal Government. Their methods were more subtle. The first thing they sought was to stack the Federal agencies with enemies of public power. They had been encouraged by a Secretary of the Interior who openly opposes public power. And, unfortunately, the new chairman of TVA has had no experience with the issue of public power.

The second stage was even more effective. This is how it works. If you have a successful and going concern like the TVA, which needs to expand its services, then the plan is to get the President's policy advisers to cut its appropriations and, at the same time, subsidize private power companies to move into its territory. If you have an agency like the Southwestern Power Administration, selling power at low cost to rural cooperatives, the technique is to rewrite the contracts in such a way that the cooperatives will have to go out of business. If you have a new source of publicly financed power coming into being, like the St. Lawrence project, they try to give the power to the private companies to distribute without any guaranties in the public interest. If you have a great plan for an entire river basin, like the plan for the Columbia, which is only partly built, then the technique is for the Federal Government to give up the crucial dam sites and get the Federal Power Commission to turn them over to private power companies for piecemeal exploitation. This will block the future growth of the whole system, and prevent existing dams from turning out as much power as they could.

After a few years of this process of hamstringing, and obstruction, and doubletalk, it ought not to be too hard for the private power monopoly to prove that our Federal program of river development is a mess, and that the people's dams and transmission lines ought to be sold to the power trust.

Let us not be misled again by the strange assurances that keep coming from Washington. You know, the President, in his speeches and press conferences, keeps saying, after each new blow at the TVA, that the administration has no intention of destroying the TVA.

Nor should we be fooled, after each attempted giveaway of a high-dam site, by the explanation that what the administration is really after is a partnership between public and private interests. And what a strange partnership it is, with the people paying for the dam, and the private partners taking all the profit.

There is yet another deception, and that is to trot out, from time to time, some public project that cannot possibly be built for years and years and to say nice things about it. In this way, it may be possible to keep the people from discovering what is going on.

Let me make one point perfectly clear. I do not have the slightest doubt that the President honestly believes that the expansion of our program of Federal power development is wrong. I am sure that he thinks he is doing the right thing in curbing TVA and in permitting the giving away of Hells Canyon. But the facts and our national experience are against him. If the administration continues its present policies, the future development of our river resources will be irretrievably lost to us.

The future of this part of the country depends not only on having a Congress that is sympathetic to projects necessary to your economic growth but a sympathetic administration as well. You must have a President who believes in the public development of our rivers. For unless the executive power is on your side, there is nothing but frustration and delay in the way of the development on which your future depends.

The top leadership of the Republican Party is dominated by the special interests of big business. This is the fundamental reason for their attack on public power. You can also see the evidence of it in many other issues. You can see it in their haste to cut taxes for corporations and top incomes, even though the budget was unbalanced, and their refusal to give a small amount of tax relief to the little fellow. You can see it in their labor policies and their farm policies. You can see it in the vetoes of justified pay increases for Federal workers. You can see it in the giveaway of our publicly financed rubber factories and tidelands oil.

The fight to return the Government of the United States to the people of the United States in 1956 is already under way. I pledge you now that I will do my level best in that fight.

House Resolution 183, "Counterproductive" Propaganda—Minority Views

EXTENSION OF REMARKS
OF

HON. JOHN M. VORYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1955

Mr. VORYS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the minority views on House Resolution 183, requesting the Secretary of State to formulate a resolution naming the U. S. S. R. as an aggressor and to take immediate steps to place such resolution on the agenda of the U. N. assembly:

MINORITY VIEWS ON HOUSE RESOLUTION 183

We are in favor of a positive bipartisan political offensive against world communism.

We believe this resolution will have a negative, not a positive, result in such an offensive. Therefore, we are opposed to House Resolution 183. As Secretary Dulles says, it would be "counterproductive."

General Sarnoff, in his program for a political offensive against world communism, says:

Page 28—"The objective must aim to achieve dramatic victories as swiftly as possible, as a token of the changed state of affairs. Propaganda, for maximum effect, must not be an end in itself. Words that are not backed up by deeds, that do not generate deeds, lose their impact. The test is whether they build the morale of friends and undermine the morale of foes."

Applying these tests to this proposal to have the U. N. condemn the U. S. S. R. as an aggressor, what are the chances for a swift dramatic victory? What will be the impact of a failure of this effort on the morale of our friends, both inside and outside the Iron Curtain? The answers are obvious, and demonstrate why this resolution should go no further.

The diplomatic, the military implications of the action proposed by this resolution are far reaching, but the Committee on Foreign Affairs refused to hear any State or Defense Department witnesses before acting on this resolution. The only witnesses in the brief hearings were members of the select committee. The committee report on this resolution does not contain or even refer to the adverse report from the State Department which we have included at the end of our statement.

Our President, our two living ex-Presidents, our Secretary of State, our military leaders, are all opposed to the course of action this resolution would have the House request. We believe that any effective political offensive against communism requires a little teamwork. The House no doubt has a right to request executive action. In past years the House has teamed up with the Executive in passing "sense" resolutions opposing entry of the Red Chinese into the United Nations and seeking a United Nations embargo against Red China. As a propaganda project, however, it is counterproductive to have the House formally and officially request action against communism when it knows in advance the adverse views of the executive branch, which has the responsibility of implementing the action.

How will this, as General Sarnoff says, "build the morale of friends and undermine the morale of foes"?

Our country is now launched on a vast, complicated, risky political offensive against world communism, leading up to and away from the Four Power meeting at the summit. Our ultimate goal is no secret—just peace, and freedom for all mankind. The plays we make in driving toward that goal are not all announced in advance. We must not deliberately call openly for losing plays. We cannot have too many quarterbacks. In warfare, hot or cold, in political campaigns, as in football, teamwork and timing are needed. For the House to approve House Resolution 183 would be bad timing and poor teamwork.

We attach hereto correspondence of the State Department on House Resolution 183 and statements of ex-Presidents Hoover and Truman on Russia and the United Nations.

While we have not taken time to secure additional names on this minority report, other members of the Foreign Affairs Committee, Republicans and Democrats, are opposed to House action on House Resolution 183.

JOHN M. VORYS.
FRANCES P. BOLTON.
DONALD L. JACKSON.
KARL M. LECOMPTE.

DEPARTMENT OF STATE,
Washington, D. C., April 18, 1955.

The Honorable JAMES P. RICHARDS,
Chairman, Committee on Foreign Affairs,
House of Representatives.

DEAR MR. RICHARDS: Reference is made to your letter of March 23, acknowledged March 25, requesting comments on House Resolution 183. The resolution refers to the report of the Select Committee on Communist Aggression and requests the Secretary of State to instruct the United States representative to the United Nations to transmit copies of these reports to each member of the United Nations. It further requests the Secretary of State to instruct the United States representative to the United Nations to formulate a resolution based upon the findings, conclusions, and recommendations of the committee's report "naming the U. S. S. R. as an aggressor against the nations enslaved by communism" and "to take immediate steps to place such resolution on the agenda of the General Assembly for early action."

The Department of State shares the concern expressed in the resolution with respect to the serious implications for the maintenance of world peace resulting from the aggressive policies of the U. S. S. R. The work of the select committee is most valuable in exposing the details of Soviet policies and techniques in connection with the establishment of Communist regimes in a number of satellite countries.

We agree that it is desirable to give wide circulation to the reports of the select committee. The United States representative to the United Nations, on instructions from the Department of State, has already transmitted copies of the select committee's reports to all members of the United Nations. The only part of the report of the select committee which was not circulated was the section entitled "Summary Report," which contains the committee's recommendations to the executive branch. It was not considered appropriate to bring recommendations from the legislative branch to the attention of foreign governments. Thus, the first action proposed in House Resolution 183 has substantially been taken.

With respect to the request that a resolution "naming the U. S. S. R. as an aggressor against the nations enslaved by communism" be prepared and placed on the agenda of the

General Assembly for early action, it is the view of the Department of State that such action would not bring about the desired result, a clear indictment of the U. S. S. R. for its policies of aggression and subversion.

In the first place, many of the events which were studied by the Select Committee occurred a number of years ago, in many cases before the establishment of the United Nations and in some instances long before World War II. Many members would seriously question the wisdom and even the authority of the United Nations to embark upon an inquiry into such matters. It is doubtful whether opposition based upon this position could be overcome, particularly to the extent necessary to make decisive United Nations action possible.

In the second place, any effort by the United Nations to investigate and judge the conditions by which constituent parts of the U. S. S. R. were incorporated into that country, regardless of how this incorporation occurred, might be looked upon by some members as an invasion of the domestic jurisdiction of the U. S. S. R. and consequently contrary to article 2 (7) of the United Nations Charter which forbids the organization to intervene in matters essentially within the domestic jurisdiction of any member. The basis for this constitutional objection would be the fear of these members that such action might eventually become a precedent that would be used to support international action in other cases involving the way in which states extended their jurisdiction over contiguous areas in the process of national growth. In this connection, members would also be influenced by the fact that at the time the United Nations was established, all the constituent republics studied by the select committee were known to be under Soviet control.

Third, notwithstanding what the facts may actually reveal, such countries as Albania, Bulgaria, Poland, Rumania, Czechoslovakia, and Hungary, which the select committee studied, would strongly contend that they are independent states, that their Communist governments were freely chosen, and that their association with the U. S. S. R. is simply one of friendly alliance characterized by mutual respect for each other's independence. A vigorous assertion that no aggression ever occurred, made by the alleged victims, would make it difficult to convince delegations less knowledgeable in Communist strategy and tactics than ourselves of the need for assembly action.

Fourth, many members oppose consideration of so-called "cold war" issues in the United Nations because they believe it increases international tensions without producing constructive results. An effort to indict the U. S. S. R. for aggression would be so regarded.

In these circumstances it is unlikely that a resolution naming the U. S. S. R. as an aggressor against the nations enslaved by communism could obtain majority support. Moreover, if such action were nevertheless undertaken and a resolution subsequently adopted by a small majority, possibly with its language weakened for the sake of obtaining necessary support, the work of the select committee would be depreciated, and the Assembly's action would be far less decisive than the situation studied by the select committee actually warrants. The Communists could also be expected to capitalize upon the apparent breach in free-world unity. It is even conceivable that the Assembly would not adopt any resolution whatsoever. Such a failure to obtain action could adversely affect the present positive propaganda value of the select committee's work.

Our experience indicates that the United States can most effectively expose the aggressive threat of Soviet communism by taking advantage of specific cases arising out of current situations, most of which involve facts about which all members have first-hand knowledge. For example, during the Ninth General Assembly, in the discussion of the items introduced by the Soviet bloc accusing the United States of aggression in the Far East and of violation of freedom of the seas, our delegation successfully demonstrated that the real aggressors were the Chinese Communists, supported by the Soviet Union. In this way the United States continues to expose before the United Nations the machinations of the Communist conspiracy.

In combating Soviet propaganda offensives, we have found it extremely useful to incorporate selections from such material as that prepared by the select committee in official speeches to illustrate the long-continued flouting of international obligations and standards of conduct by the U. S. S. R. At the Assembly next fall, as in the past, our delegation will exploit every appropriate opportunity to expose aggressive communism, and in this process the select committee's reports will be most valuable. Their use in the United Nations will complement efforts already underway in our overseas information program to publicize the committee's findings. We also hope that other members, all of whom received copies of the committee's reports, will make good use of them in their own speeches.

In light of the above observations, it is the view of the Department of State that adoption of the proposed resolution would be counter-productive in our mutual efforts to expose aggressive Soviet communism, in the United Nations and elsewhere.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

JUNE 9, 1955.

The Honorable JOHN FOSTER DULLES,
Secretary of State, Department of State, Washington, D. C.

DEAR MR. SECRETARY: I request your comments on House Resolution 183, "Requesting the Secretary of State to take action to carry out certain recommendations of the Select Committee on Communist Aggression, contained in its report made at the close of the 83d Congress."

This resolution was introduced on March 22, 1955 and referred to the Committee on Foreign Affairs.

In response to a letter from the chairman requesting comments, Assistant Secretary of State Thruston B. Morton wrote the chairman on April 18, 1955 commenting on the resolution and concluding, "it is the view of the Department of State that adoption of the proposed resolution would be counter-productive in our mutual efforts to expose aggressive Soviet communism, in the United Nations and elsewhere."

When House Resolution 183 came before the committee for consideration, I requested that, in view of the adverse report, witnesses from the Department of State be heard before the committee acted on the resolution. On May 12 the Committee on Foreign Affairs, by a divided vote, reported out the resolution without hearing witnesses other than Members of Congress. The resolution was reported to the House today. I have not seen a copy of the report accompanying the resolution.

I have felt that this resolution was most untimely. In view of the present situation and immediate future developments, I would like to have your views on the resolution as promptly as possible for my own benefit and for consideration by other Members of the House.

Sincerely,

JOHN M. VORYS.

DEPARTMENT OF STATE,
Washington, June 10, 1955.

The Honorable JOHN M. VORYS,
House of Representatives.

DEAR JOHN: I hasten to reply to your letter of June 9, 1955, requesting my views concerning House Resolution 183. This resolution refers to the report of the Select Committee on Communist Aggression and requests the Secretary of State to instruct the United States representative to the United Nations to transmit copies of the report to each member of the United Nations and to formulate and place on the agenda of the General Assembly a resolution "naming the U. S. S. R. as an aggressor against the nations enslaved by communism."

As you know, the Department's views on this resolution were submitted by Mr. Morton to Representative RICHARDS in a letter of April 18, 1955. As Mr. Morton indicated, Ambassador Lodge has already transmitted copies of the select committee's report, except for the section containing the committee's recommendations to the executive branch, to all members of the United Nations. The letter pointed out, however, that the action proposed by the committee, namely, a clear indictment of the U. S. S. R. for its policies of aggression and subversion, is not likely to succeed and that, in the view of the Department, to attempt it would be counter-productive. Mr. Morton enumerated the serious obstacles in the way of attaining the committee's objective in the General Assembly. I have no reason to believe that recent developments have in any way lessened these difficulties. It is indeed likely that the prospective 4-power meeting this summer will increase the reluctance of a number of countries to support such action and they would not consider it useful now to place the matter on the agenda.

Much as I value the committee's illuminating exposure of Soviet policies and techniques in the establishment of Communist government in the satellite states, I am compelled to express my deep concern that the adoption of the proposed resolution would hinder rather than assist our mutual efforts to combat these Soviet practices. Moreover, its passage at this time would be widely interpreted as an effort to prejudice the forthcoming Four Power negotiations.

Needless to say, the Department of State will continue to take advantage of every opportunity in the United Nations and elsewhere to expose the aggressive threat of Soviet communism. In this continuing effort, we shall of course rely heavily on the valuable information contained in the committee's report.

Sincerely yours,

JOHN FOSTER DULLES.

EXCERPTS FROM TESTIMONY OF PRESIDENTS HARRY S. TRUMAN AND HERBERT HOOVER BEFORE THE SENATE COMMITTEE ON FOREIGN RELATIONS SUBCOMMITTEE ON THE UNITED NATIONS CHARTER

Mr. Truman (April 18, 1955):

"ADVANTAGE OF SOVIET MEMBERSHIP IN THE U. N.

"We knew at the time the United Nations was created that we were having difficulties with the Soviet leaders and that our difficulties might increase. We were determined, nevertheless, to go ahead with the creation of the United Nations and to get the Soviet Union into it, committed to the principles of international peace which are expressed in the charter. Without such a commitment on their part, we believed that the United Nations would not be successful. Looking back now, I think this was the correct course. We were striving to prevent the East-West split which has now become known as the cold war. We were striving to set up an organization which would bridge

the split. Of course, no charter, no constitution can wipe out a power conflict. We must not blame the United Nations for all the bad things that have happened outside the United Nations and in violation of its principles. Soviet membership in the United Nations has been an advantage to the cause of peace, because the peoples of the world have been able to compare the Soviet's conduct to the standards of international peace laid down in the charter and to see that the Soviets have violated the basic ideals of mankind."

Mr. Hoover (April 21, 1955, answering a question by Senator SMITH):

"Senator, at one time I made a suggestion that either the Russians be asked to retire in order to give free entry to 14 nations which they have excluded, and in order that we might have a more unified front among free nations, and I suggested that if it was not possible to get them out of the United Nations we might consider a new organism to include only the free nations. I don't think at the present moment in view of conflicts which have developed among free nations that either course would be workable. My own conclusion is that we have to go on and worry with the Russians and with the hope that things may be better sometime. In any event, we have the opportunity of exposing them in five languages all at once."

Slovenian Observance of St. Janez Day

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following commemorative address made by me on the occasion of St. Janez Day, a day in which Slovenians pay tribute to the memory of their countrymen who gave their lives fighting against the Ottoman Turks and the many other invaders who have plagued Slovenia through most of modern history:

Among the Slovene people the birthday of John the Baptist, St. Janez Day, as they call it, is a national holiday. As in many parts of Europe and Latin America, bonfires are lit in tribute to the great saint of Christendom who baptized Christ. But the fires that blaze up at dusk on the mountainsides of Slovene territory have acquired a special significance for the Slovene people. The flames that dot the black skyline are vivid reminders of three and a half centuries of stubborn resistance to intermittent, but persistent, Turkish invasions.

While individual Christian countries were willing to make peace and friends with the Turks for political reasons, the Slovenes resisted. While many a ruler, knight, and noble withdrew to castle strongholds, leaving the countryside wide open to Turkish assaults, the Slovenian people held their ground. To protect themselves, they built tabors, that is, they fenced in hills or fortified village churches as best they could, and barricaded themselves inside when the Turks struck. In the time of peril watchers high up in the mountains lit signal fires to allow time for the people to gather up necessities for a siege and flee to their fortified areas.

The proud people that withstood the Turks from 1396 to 1736 had behind them a long history of resistance to foreign domination. The land of the Slovenes, which lies at one of the most important crossroads of Europe, has long been coveted by one nation or another in the seemingly endless struggle for political power on the European Continent. The Germans in the ninth century tried to Germanize the area by wiping out the Slovene aristocracy and settling the land with German colonists. From the 9th to the 15th centuries the Slovenes lost about one-half their land to invaders. Under the Austrian Empire the desire to be free inspired the indomitable Slovene peasants to revolt time and again. In our own time Nazi aggressors overran Slovene territory, swallowing up 850,000 Slovenes into their war machine and handing over 330,000 to Italy and 85,000 to Hungary. As courageous as throughout their early history, they organized guerrilla bands to plague their new overlords.

Like all other Europeans liberated from the Nazi yoke, the Slovenian people witnessed the specter of Soviet imperialistic communism enveloping vast regions to the east along the borderlands dividing Eastern and Western Europe. A new plague of totalitarianism and oppression descended upon Europe, threatening the foundations of Western civilization. The place of Adolf Hitler was taken by Stalin, and as once the heavy boots of the Nazi legions brought much of Europe under Nazi control, so now the heavy boots of the Red army brought vast areas under Communist control. With these conveyors of tyranny came a new black death to Eastern Europe which in the course of the past decade has sought to crush the soul and destroy the spirit of the many freedom-loving peoples inhabiting that stricken area.

So far in this struggle against Soviet imperialism America has succeeded. To a great extent the credit for this success should go to the men who guided the American Government in those perilous postwar years. But, the greatest share of the credit should go to the people who make up this great Nation; for it was in the last analysis they who sacrificed so much to reconstruct Europe and make it again a bastion of strength against the menace from the East. Thus all Americans of Slovenian descent, along with their fellow Americans, played an important part in thwarting Soviet imperialism.

Such self-sacrifice fits well into the tradition of the Slovenian-Americans; for it was an American of Slovenian descent, Frederick Baraga, who in the early part of the 19th century devoted his whole life to missionary work among the Indians of the Northwest Territory. In doing so he dedicated himself to America. Recognition came to this son of Slovenia in 1855 when he was consecrated a bishop of the newly founded Marquette Diocese, and it is noteworthy that the State of Minnesota has preserved the name of Frederick Baraga by naming one of its counties in his honor.

Like Frederick Baraga other sons and daughters of Slovenia came to this country of ours and in their contribution to this Nation they have been unstinting. Our strong and proud traditions of liberty and independence they have strengthened; and in every area of American civilization they have distinguished themselves for their dedication to duty, their boundless patriotism, and their pride in citizenship.

On the eve of St. Janez Day the bonfires that once dotted the Slovenian skyline will again blaze forth in honor of the great heroes of Slovenia who made the supreme sacrifice in defense of their homeland against foreign invaders. Once again the spirit and the traditions that these men created in their struggle for Slovenian liberty will inspire a high sense of honor, respect, and admiration in the hearts of all Slovenians who recall the great and fearless deeds of their ancestors. No sacrifice can equal the giving of one's life for his country. To those heroes of Slovenia, therefore, no honor, no respect, no admiration is too great.

The Fund for the Republic and Political Propaganda

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, in recent days there has been evidence of a renewed attack on philanthropic institutions such as the Rockefeller Foundation, the Ford Foundation, and the Fund for the Republic. The purpose of these attacks seems to be twofold: To destroy public confidence in these organizations and to set the stage for an attack on certain tax benefits which such organizations enjoy. These groups are accused of advocating "communistic or socialistic" ideas and practices and of attempting to subvert "the American way of life." I for one feel these accusations to be grossly unfair and untrue. It seems evident to me that these foundations have been supporting some of the most worthwhile projects being undertaken in America today. All Members of Congress recently received the annual report of the Ford Foundation. If one takes the trouble merely to read over the table of contents in this volume it becomes obvious how many and how varied these undertakings are. It is also evident that the activities presented in brief form in the report are of a most worthwhile character and when completed will do much to increase our understanding of both ourselves and of other nations.

One of the most recent attacks has been on the Fund for the Republic. This organization has been engaged in studies concerned most especially with the status of civil liberties in the United States today. It has recently issued a study entitled "Communism, Conformity and Civil Liberties." This book is but one example of the high caliber of the work being done by the fund. Surely such work should be given every encouragement and not subjected to backdoor sniping, for if we are to fight communism effectively and at the same time preserve the liberties of which America is so justly proud, we must have as many facts as possible at our disposal. I recommend that my colleagues take time to study this volume both for the purpose of understanding the subject matter contained therein and to realize the type of worthwhile material being presented by our philanthropic foundations. In connection with the accusations being made against the Fund for the Republic, I commend to the attention of my colleagues an article which appeared in Labor's Daily on June 16, 1955. That the charge of communism being made against the fund is patently ridiculous, is made clear in this article. The fund, as such, takes no stand on any issue but merely is interested in a presentation of the facts. It relies on men of great competency in preparing its studies. For example, among the men making or helping in the studies is Daniel Bell, labor editor of Fortune, John Cogley, editor

of the Catholic magazine Commonweal, and Clinton Rossiter of the department of government of Cornell University. Included on the board of directors of the fund are such men as Robert M. Hutchins, Paul Hoffman, Chester Bowles, Erwin N. Griswold, Elmo Roper, and James D. Zellerbach. Certainly these men cannot be accused of the taint of communism, nor of having anything but the best interests of the United States in mind when they agreed to become associated with the Fund for the Republic.

The article follows:

FUND FOR REPUBLIC CONCERNED WITH DEFENDING CIVIL LIBERTIES

(By G. B. Holcomb)

Political columnist George Sokolsky wrote in his nationally-syndicated daily column last week a story which left two impressions:

That the Ford Foundation and the Fund for the Republic which it sponsors are at odds with each other; and

That the Fund for the Republic is conducting "political propaganda" on behalf of communism.

Those impressions (whether intentionally promoted by Sokolsky or not) aren't correct, according to Ben Segal, labor consultant and the fund's representative in Washington.

The Ford Foundation set up the $15 million Fund for the Republic as a separate entity (with main offices in New York), but that doesn't mean they aren't speaking to each other.

Sokolsky wrote that the fund "has teams all over the country ostensibly investigating Communists, but actually seeking to discover what active anti-Communists have been doing."

As a matter of record, the fund is openly trying to find out what is being done to Communists, Socialists, atheists, fascists, Trotskyists, race bigots, security risks, fifth amendment Communists, etc., Segal said, in order to get a real picture of the effects on civil liberties in this country.

It has published a book on Communism, Conformity, and Civil Liberties, which describes some of its findings.

It has published another book, called a Bibliography on Communism, containing a list of authoritative documents on the Communist ideology and political organization.

RECORD OF COMMUNISM

A Digest of the Public Record of Communism in the United States, 753 pages thick and with pages as large as those of Fortune magazine, has been published by the fund.

These studies deal, Segal said, with the impact of communism on America today.

Daniel Bell, labor editor of Fortune, heads a division of this vast study which deals with the impact of communism on the trade union movement.

Other studies will deal with student organizations, veterans, educational welfare, old-age pension, business, and other groups.

John Cogley, editor of the Catholic magazine Commonweal, heads the study on the effects of blacklisting in the entertainment field.

The whole impact study is under direction of Prof. Clinton Rossiter of Cornell University's government department.

Rossiter, the Reverend Joseph M. Snee, S. J., professor of law at Georgetown University, and Prof. Arthur E. Sutherland of the Harvard law school, edited the Digest.

These men, like the members of the fund's board of directors, are interested only in arriving at the facts about communism and avoiding the ignorance which, all too often, helps shape public attitudes.

IGNORANCE IS DANGEROUS

Board members are:

Robert M. Hutchins, president; Paul G. Hoffman, chairman; W. H. Ferry, vice president; David F. Freeman, secretary; Bethuel M. Webster, counsel; Meyer Kestnbaum, M. Albert Linton, John Lord O'Brian (80, and called by Life magazine one of America's elder statesmen of the law), Chester Bowles, Charles W. Cole, Russell L. Dearmont, Erwin N. Griswold, William H. Joyce, Jr., Jubel R. Parten, Elmo Roper, Robert E. Sherwood, George N. Shuster, Eleanor B. Stevenson and James D. Zellerbach.

The former president of Columbia University is quoted in the frontispiece of the Digest of the Public Record of Communism in the United States. He said:

"The truth about communism is, today, an indispensable requirement if the true values of our democratic system are to be properly assessed. Ignorance of communism, fascism or any other police-state philosophy is far more dangerous than ignorance of the most virulent disease."

The author of these lines is Dwight D. Eisenhower.

"A sort of slogan for the fund," Segal told us, "is 'Feel Free' which I guess would mean to look any controversial issue squarely in the face.

"It is a tragedy today that too many people fear to speak up on issues if perchance the Communists are making or have made noise about it.

"By this time," Segal added, "everyone should know Communists have never been sincere about causes they espouse, except that of furthering the interests of the Soviet Union. It is the issues which are important, not who makes the noise.

"We have to be careful not to use the same tactics used by the Communists."

STIMULATES DISCUSSION

These are Segal's views, and not necessarily those of the fund. The fund, as such, has no views, unless it might be said to be in favor of the United States Constitution and the Bill of Rights.

The fund "tries to avoid taking a position." It seeks, instead, to stimulate others to discussion, or argument, or dissension (depending on the point of view).

A long-time project is to determine what union members think about such controversial questions as, "Should an admitted Communist be expelled from the union?" and "Should a man who favors Government ownership of the railroads be expelled from the union?"

Segal was asked his own opinion on the first question.

"In a sensitive job, both the Government and the union have an obligation to see that the security of the country isn't endangered," he said. "But when it comes to other areas, union members ought to think pretty carefully before they conduct activities which would deprive a man of the right to earn a living. That is the acid test."

SEGAL'S BACKGROUND

He drew a clear distinction between a professed Communist and suspects or persons who might exercise his constitutional right to plead the fifth amendment.

As example of a situation he fears, he related, was a Florida union which expelled a man who had pleaded the fifth amendment before a congressional committee. The company wouldn't fire him, but the members made his job so miserable that he quit.

Although he's not quite 39, Segal has an extensive background in the field of labor and civil liberties.

His previous job was as associate director of the CIO department of education. Last year he was one of two senior Fulbright scholars on workers' education in England, where he studied British trade unions. Segal taught and visited in Norway, Denmark, Switzerland (for the International Labor Organization), Austria, Yugoslavia, and Israel.

For 5 years he organized in the South for the CIO Textile Workers, was a Midwest organizer for the AFL Ladies Garment Workers; directed the Council for Equal Job Opportunities in Philadelphia, and served as president of local 189 of the AFL Federation of Teachers.

He now is on the local's executive board and is a member of the national executive board of the National Religion and Labor Foundation.

Segal met his wife, Elizabeth, in North Carolina. "That was one of my southern victories," he chuckled. They have a 22-months-old daughter, Doris Marie.

SEGAL ENCOURAGED

Segal, a pipe-smoking and scholarly appearing man with thinning brown hair, says he is encouraged by the interest shown in the increasingly complex problem of loyalty and security programs being run by both the Government and private industry.

He's becoming a major source of material on the subject, yet has no secretarial staff on hand to assist him. He's trying to keep the paperwork bureaucracy out of his job if he can. But it's a struggle when various groups call him and ask for 3 copies of this report or 25 of that study.

Segal likes his job, is constantly busy, and he believes in it, Sokolsky or no Sokolsky.

SENATE

WEDNESDAY, JUNE 15, 1955

(Legislative day of Tuesday, June 14, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, we thank Thee that Thou hast implanted within us the breath of a divine life, that there is an infinite in us which with all our cunning we cannot quite conceal by that which is of the earth earthy, and that by our very natures we hunger and thirst after Thee. Forgive us that knowing this we so often seek to satisfy the deepest cravings of our spirits with the fleeting things of time and sense.

We pray that in our pressing tasks we may be preserved from impatience and depression. Increase our faith, mellow our judgments, deepen our spiritual insights, grant us some part in the fulfillment of Thy mighty purpose in the world. Amid all the distractions of this complicated modern life, in which our lot is cast, keep our hearts childlike and trustful, that the gates of the kingdom of life and of light which are closed to the merely clever and conceited, may be opened unto us as we come in the simplicity as it is in Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading

of the Journal of the proceedings of Tuesday, June 14, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 31. Concurrent resolution authorizing the printing of additional copies of certain hearings and reports on juvenile delinquency for the use of the Committee on the Judiciary; and

S. Con. Res. 37. Concurrent resolution requesting the President to return to the Senate the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls, and providing for a change in the reenrollment of said joint resolution.

The message also announced that the House had passed a bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 157) reaffirming the desire of the American people for peace, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 891. An act for the relief of Alberto Cortez Cortez;

H. R. 970. An act for the relief of Kyung Ho Park (Syung Sil Park) and his wife, Mrs. Young Sil Lee;

H. R. 1002. An act for the relief of L. S. Goedeke;

H. R. 1401. An act for the relief of Ewing Choat;

H. R. 1487. An act for the relief of Rosa Maria Phillips;

H. R. 1656. An act for the relief of Chen Chih-Keui;

H. R. 1974. An act for the relief of Shirley W. Rothra;

H. R. 2236. An act for the relief of Mary Rose and Mrs. Alice Rose Spittler;

H. R. 3020. An act for the relief of Buonaventura Giannone;

H. R. 4359. An act to amend the act of September 30, 1950 (64 Stat. 1096), to provide for the conveyance of certain real property to the city of Richmond, Calif.;

H. R. 4659. An act to amend section 16 of the act entitled "An act to adjust the salaries of postmasters, supervisors, and employees in the field service of the Post Office Department," approved October 24, 1951 (65 Stat. 632; 39 U. S. C. 876c);

H. R. 5146. An act to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade; and

H. R. 5398. An act to increase the efficiency of the Coast and Geodetic Survey, and for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 157) reaffirming the desire of the American people for peace, was referred to the Committee on Foreign Relations, as follows:

Whereas it is the hope and prayer of the American people that peace will be established among all the nations of the world, thus avoiding the carnage and destruction of war, making possible the lifting of the burden of arms and thereby freeing the energies of mankind to work more effectively to overcome the ravages of hunger, disease, illiteracy, and poverty: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress reaffirms the deep desire of the people of the United States for an honorable and lasting peace, and expresses the hope that the people of all the nations of the world join with the people of the United States in a renewed effort for peace.

SEC. 2. The President is requested to convey an expression of such reaffirmation and such hope to the representatives of the nations gathered in San Francisco to commemorate the 10th anniversary of the founding of the United Nations.

LEAVE OF ABSENCE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senator from Indiana [Mr. CAPEHART] may be excused from attending sessions of the Senate for the remainder of this week, because of his attendance at the funerals of two very close personal friends.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of a nomination was submitted:

By Mr. CHAVEZ, from the Committee on Public Works:

Col. William F. Cassidy, Corps of Engineers, to be president and member of the California Debris Commission, vice Col. Paul B. Berrigan.

THE AUSTRIAN STATE TREATY (EX. REPT. NO. 8)

Mr. GEORGE. Mr. President, on Tuesday morning the Foreign Relations Committee unanimously voted to report the Austrian State Treaty (Executive G, 84th Cong., 1st sess.), without reservation, to the Senate for its consideration. On behalf of the committee I should like to report the treaty to the Senate at this time. I should also like to ask unanimous consent that the committee may submit its report sometime Thursday, in the event the Senate is not in session. It is my understanding that the majority leader hopes to take the treaty up for consideration on Friday.

The VICE PRESIDENT. The treaty will be placed on the Executive Calendar; and, without objection, the unanimous-consent request of the Senator from Georgia is granted.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Georgia yield to me?

Mr. GEORGE. I yield.

Mr. JOHNSON of Texas. I may say to the distinguished chairman of the Foreign Relations Committee, and for the information of the other Members of the Senate, that I have conferred with the minority leader, and it is the plan of the leadership to have the Senate take up the Austrian treaty—and, of course, in line with our policy, to have a yea-and-nay vote taken on it—on Friday, next.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

INTERNATIONAL COOPERATION ADMINISTRATION

The Chief Clerk read the nomination of John B. Hollister, of Ohio, to be Director of the International Cooperation Administration.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

RENEGOTIATION BOARD

The Chief Clerk read the nomination of Donald Ross, of New Jersey, to be a member of the Renegotiation Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Kenneth P. Grubb, of Wisconsin, to be United States district judge for the eastern district of Wisconsin.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of Edward G. Minor, of Wisconsin, to be United States attorney for the eastern district of Wisconsin.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Diplomatic and Foreign Service be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

Mr. JOHNSON of Texas. I ask that the President be notified forthwith of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, with the usual 2-minute limitation on statements.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REGULATION OF EXECUTING BONDS FOR COMPENSATION IN CRIMINAL CASES IN THE DISTRICT OF COLUMBIA

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend the act regulating the business of executing bonds for compensation in criminal cases in the District of Columbia (with accompanying papers); to the Committee on the District of Columbia.

AUDIT REPORT ON ARMY INDUSTRIAL FUND MANUFACTURING DIVISION, PHILADELPHIA QUARTERMASTER DEPOT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Army Industrial Fund, Manufacturing Division, Philadelphia Quartermaster Depot, Quartermaster Corps, Department of the Army, for the period July 1, 1951, through June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON FEDERAL CROP INSURANCE CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Federal Crop Insurance Corporation, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

CERTIFICATION OF ADEQUATE SOIL SURVEY AND LAND CLASSIFICATION, LOVEWELL DAM AND RESERVOIR, KANS.

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land classification has been made of the lands to be benefited by the supply canals and other facilities below Lovewell Dam, Missouri River Basin project, Kansas (with an accompanying paper); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Oahu County Committee of the Democratic Party of Hawaii, favoring the enactment of legislation to reapportion the Territorial legislature; to the Committee on Interior and Insular Affairs.

The petition of Loretta Wagner Smith, and sundry other citizens of the State of New York, favoring the enactment of Senate Joint Resolution 1, relating to the treatymaking power; to the Committee on the Judiciary.

Resolutions adopted by the delegate body of the National Federation of Settlements and Neighborhood Centers, at San Francisco, Calif., relating to the United Nations, etc.; ordered to lie on the table.

WATER CONSERVATION AND FLOOD CONTROL—RESOLUTION

Mr. CARLSON. Mr. President, I invite the attention of the Senate to a resolution adopted by the directors of the Coffeyville (Kans.) Chamber of Commerce regarding water conservation and flood-control measures in their community.

This is an important project which deals with flood control, water supply, stream pollution, and related matters, and it is my hope that sufficient funds will be voted for preliminary survey of the project, as I feel certain the cost of the project will be justified by the studies.

I present the resolution, and ask unanimous consent that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Public Works and ordered to the printed in the RECORD, as follows:

Whereas Big Hill Creek, a tributary of the Verdigris River, frequently floods thousands of acres of valuable farming land in Labette and Montgomery Counties, Kans., and by its confluence with the Verdigris River at a point a short distance upstream from the city of Coffeyville has at frequent intervals had the effect of increasing the flood crest of the Verdigris River at Coffeyville and below, thereby adding thousands of dollars of flood damage; and

Whereas Big Hill Creek flows through a heavily wooded and hilly area in Labette County which would lend itself to recreational development in the center of an area of which a 100-mile radius would reach nearly 1 million people, a reservoir in the area would be of great value to these people in providing facilities for weekend vacations and other recreations; and

Whereas the cities of Coffeyville, Cherryvale, and Parsons are entirely dependent upon the storage of surface water and the establishment of adequate reservoirs for present domestic and industrial water needs as well as for any growth and development for this important industrial section of the State and Nation; and

Whereas the construction of a 29,000 acre-foot reservoir in this area would provide additional water supplies and reserves within piping distance of the cities of Coffeyville, Cherryvale, and Parsons, Kans.; and

Whereas inadequate water supplies during the past several years have caused curtailment of industry and brought about water rationing, thereby giving great concern and subsequent study by various civic groups, chambers of commerce, and local governing bodies of the various cities; and

Whereas conclusions reached by these studies indicate that there is every reason to believe that the construction of flood-control installations, including the construction of a reservoir on Big Hill Creek is entirely feasible and that the same is not only highly desirable but a matter of such vital importance to this whole area that the various cities would, if it was found necessary to do so, participate with the Federal Government in the cost of such installations: Now, therefore, be it

Resolved, That an urgent appeal be addressed to the Honorable United States Senators ANDREW F. SCHOEPPEL and FRANK CARLSON and to the Honorable MYRON V. GEORGE, Members of the Congress of the United States, petitioning them to use every influence at their command to secure a preliminary survey under a review of House Document 440, 76th Congress, 1st session, to see whether matters of flood control, water supply, stream pollution, and related subjects are of sufficient benefit to justify expenditures involved, and to determine the extent of benefits to be obtained.

This resolution passed by the Coffeyville Chamber of Commerce, of Coffeyville, Kans., at a regular meeting of its board of directors held on the 26th day of May 1955.

ALVIN I. GRAVERHOLZ,
President.

Attest:

LAWRENCE M. SMITH,
Secretary.

PER CAPITA PAYMENTS TO RED LAKE BAND OF CHIPPEWA INDIANS—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the general council of the Red Lake Band of Chippewa Indians requesting that H. R. 5478 and S. 1632, relating to per capita payments to the Red Lake Band of Chippewa Indians, be amended so as to provide two separate payments of $50 to each member of the Red Lake Band.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

RESOLUTION 10

Whereas resolution No. 6, Serial No. 904, requesting a distribution of $150 to each member of the Red Lake Band of Chippewa Indians was enacted by the council on February 27, 1955; and

Whereas the area office of Minneapolis, Minn., in a letter to the Commissioner of Indian Affairs under date of March 15, 1955, stated that the amount requested would deplete the funds in the Treasury of the United States to the credit of the Red Lake Band; and

Whereas S. 1632 authorizing a $100 per capita payment has been introduced in Congress by Senator HUBERT H. HUMPHREY, and H. R. 5478 authorizing a $100 per capita payment has been introduced by COYA KNUTSON, Member of Congress: Now, therefore, be it

Resolved by the general council, That the bills H. R. 5478 and S. 1632 may be amended so as to provide two separate payments of $50 to each member of the Red Lake Band, the first $50 payment to be made as soon as possible after the passage of this bill and the second $50 payment to be made the following spring or fall.

Unanimously approved.

We, the undersigned, do hereby certify this to be an exact copy of Resolution No. 10, in council proceedings dated May 29, 1955.

JOSEPH GRAVES,
Chairman.

[SEAL] PETER GRAVES,
Secretary.

REDLAKE, MINN., *June 3, 1955.*

REPRESENTATIVE VOICE OF RED LAKE BAND OF CHIPPEWA INDIANS IN MATTERS RELATING TO THEIR TRIBAL PROPERTIES—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the Red Lake Band of Indians at Red Lake, Minn., expressing their request for a representative voice on all matters pertaining to the future status and well-being of their tribal properties and rights.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas it has come to the knowledge of the members of this reservation that Senator GEORGE W. MALONE, of Nevada, introduced a bill in Congress on January 14, 1955, bill S. 401, for total liquidation of all Indian tribal lands and to abolish all the functions of the Bureau of Indian Affairs within 3 years; and

Whereas bill S. 401 has many unfavorable aspects on the future status of the Red Lake Indian Reservation as being arbitrary and ambiguous, controvenes Indian treaties which solemnly guaranteed the remaining parcel of Indian estate belonging to the Red Lake Band of Chippewa Indians to own and hold in common forever; and

Whereas in view of the persistent and relentless pressure to abrogate the present status of our last remaining parcel of Indian estate with the threat of total liquidation and termination has created much unrest and causing the members to be apprehensive and insecure; and

Whereas there are about 3,295 members owning this reservation and they are unanimous in voicing their strong objection to any proposals of any legislation for complete liquidation of their common tribal property and rights; it is theirs and they are entitled to consultation with the prerogative of freedom of full expression regarding the future status of their reservation; and

Whereas the members are fully aware of the past injustices heaped upon them by the despoliation, plunder, and wanton waste of their once vast resources and now after being almost completely reduced to paupers, the United States Government is seeking to renege the responsibility with its threat of liquidation and termination; and

Whereas the Members of Congress are well aware and familiar on the manner in which their ancestors forced the Indians to retreat from their lands of heritage, the Red Lake Band wish to have their tribal views be recognized and respected and that the Members of Congress be fully cognizant of their rightful heritage: Be it therefore

Resolved, That the chairmen of the Senate and House Committees on Indian Affairs and Senator GEORGE W. MALONE be, and are hereby respectfully requested to give favorable consideration on this resolution, to grant consultations on any proposals of adverse legislations detrimental to the future status and well-being of the Red Lake Indian Reservation, that total liquidation of tribal property and abrogation of treaty rights will render a grave wrong against the Red Lake Band with a minority voice on any adverse legislations and it is their profound wish that the Congress of the United States would ascertain reaffirmation to the sacred, solemn promises pledged under treaties, wishing to remain autonomous and free from any further encroachment upon their vested tribal rights, thereby relieving the apprehensive state the Red Lake Band has become to the termination threat; and be it further

Resolved, That the Red Lake Band of Chippewa Indians wish to be on record that they be excluded from any future proposals on the complete liquidation and termination of their tribal lands and treaty rights; and be it further

Resolved, That duly attested copies of this resolution be transmitted to our Minnesota Senators and Representatives in Congress and enlist their full support and assistance to their Indian constituents of the Red Lake Band, to safeguard and protect their reservation.

I hereby certify that the foregoing resolution was duly adopted by unanimous vote of approval by 39 members attending at a council meeting held at the Recreation Hall, Red Lake, Minn., on the 7th day of May 1955. Public notices were posted for this meeting in the three Indian villages on the Red Lake Indian Reservation, Red Lake, Redby, and Ponemah, Minn.

ROGER A. JOURDAIN.

Attested by:

OTTO THUNDER.

MEDICAL CARE OF DISABLED VETERANS—PETITION

Mr. PASTORE. Mr. President, this morning a petition was presented to me, in my office, by the Honorable George C. Cesana, department commander of the Disabled American Veterans for the Department of Rhode Island. The petition is addressed to the Congress of the United States and reads as follows:

To the United States Congress:

We, the undersigned, do hereby reaffirm our belief that we must, as responsible and grateful Americans, provide adequate hospitalization and medical treatment and equitable rates of compensation for our disabled veterans whose sacrifices we shall never allow ourselves to forget.

We look with disfavor upon the current arbitrary review which the Veterans' Administration is undertaking of all compensation cases and out of which scores of disabled veterans have been jolted with the tragic news that, after the passage of many years, the VA no longer considers their compensable disability of service origin. We also view with displeasure the obviously inhumane and inequitable policy which is being pursued by VA rating boards in no longer resolving every benefit of doubt in favor of the veteran.

Further, we rededicate ourselves to preserve and safeguard the welfare and well-being of our disabled veterans, and, in so doing, may it be known that we shall oppose with all the vigor and strength at our command any, and all, recommendations which may emanate from the deliberations of a varied and multiple nature now being undertaken in Washington, D. C., and which may weaken, or damage, existing laws affecting disabled veterans, their widows, and their orphans.

We, therefore, beseech the honorable Members of the Congress of the United States of America to consider our views and to express in a positive and unmistakable way the action which should, and must, be taken to reassure our disabled veterans, their widows, and their orphans that they shall not be forgotten.

Mr. President, I wish the RECORD to show that the petition has been signed by 15,000 residents and citizens of Rhode Island. I shall not request that their names be printed in the RECORD, because that would make the RECORD too voluminous; but I have already read into the RECORD the text of the petition.

The petition was received and referred to the Committee on Labor and Public Welfare.

THE INTERSTATE HIGHWAY SYSTEM—LETTER AND RESOLUTION

Mr. MARTIN of Pennsylvania. Mr. President, a few days ago the Governors of Iowa, Nebraska, Kansas, South Dakota, North Dakota, Wyoming, Montana, and Colorado, and the representative of the Governor of Missouri adopted a resolution suggesting to the House that it pass a road bill more similar to that recommended by the Clay committee than the bill passed by the Senate. I ask unanimous consent to have printed in the body of the RECORD, at this point in my remarks, a letter from the Governor of Nebraska the resolution adopted by the governors' meeting at that time.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

LINCOLN, NEBR., JUNE 10, 1955.

The Honorable EDWARD MARTIN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MARTIN: On June 1, 1955, Gov. Fred Hall, of Kansas, Gov. Joe. Foss, of South Dakota, and undersigned sponsored a meeting of Governors from the Missouri Valley Basin in Denver to discuss the proposed Interstate Highway System that is under consideration by the Congress.

Attached hereto please find policy statement that was adopted by the Governors in attendance that represented 8 of the 10 States in the Basin.

In the planning of a long-range Federal road-building program, one of the ramifications is coordinating State legislative bodies in their efforts to raise needed State revenue during the road-building period whether it be for 10 years or longer and still build and maintain our own State systems.

Also of major consideration by the Governors at the conference were methods to raise revenue for the project and the payment of interest—whether it be on the debt that we would create by further deficit financing or through the issuance of bonds.

We are hopeful that you will have an opportunity to study our joint policy statement in that it could conceivably be helpful to you in your deliberations.

Sincerely,

VICTOR E. ANDERSON,
Governor.

POLICY STATEMENT

Whereas the President of the United States, the Honorable Dwight D. Eisenhower, earned the gratitude of the people of the United States when on July 12, 1954, he advanced a plan for providing the highways so necessary to the security and the commerce of America; and

Whereas the Senate of the United States after holding long and comprehensive hearings on the problem of roadbuilding enacted legislation thereon; and

Whereas we agree this program should be undertaken at the earliest possible moment; and

Whereas the people of our States desire that an accelerated road program be enacted by the 84th Congress.

Now, therefore, the Governors of Iowa, Nebraska, Kansas, South Dakota, North Dakota, Wyoming, Montana, and Colorado, and the representative of the Governor of Missouri, do here and now urge the Congress to proceed expeditiously with the enactment of the pending road program and furthermore that we urge the House of Representatives to bring the Senate bill more in harmony with the governors' highway proposal which was worked out by the Clay Committee.

Gov. John Simms, of New Mexico, was present but since New Mexico is not in the Missouri Basin he did not vote.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations, without amendment:

H. R. 5841. A bill to repeal the fee-stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended (Rept. No. 550);

H. R. 5842. A bill to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State (Rept. No. 551); and

H. R. 5860. A bill to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms (Rept. No. 552).

By Mr. BRICKER, from the Committee on Interstate and Foreign Commerce:

S. 1966. A bill to amend the Interstate Commerce Act to provide for filing of documents evidencing the lease, mortgage, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act; without amendment (Rept. No. 553).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

S. 1713. A bill to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes (with individual views); with amendments (Rept. No. 554).

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

H. R. 6410. A bill to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto (Rept. No. 556); and

S. J. Res. 77. Joint resolution to modify the authorized project for Ferrells Bridge Reservoir, Tex., and to provide for the local cash contribution for the water supply feature of that reservoir (Rept. No. 555).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, without amendment:

S. 2097. A bill to authorize the transfer to the Department of Agriculture, for agricultural purposes, of certain real property in St. Croix, V. I. (Rept. No. 557);

S. 2098. A bill to amend Public Law 83, 83d Congress (Rept. No. 558);

H. R. 2973. A bill to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education (Rept. No. 559); and

H. R. 5188. A bill to prohibit publication by the Government of the United States of any prediction with respect to apple prices (Rept. No. 560).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, with amendments:

S. 1472. A bill to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen (Rept. No. 561);

S. 1757. A bill to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946 (Rept. No. 562); and

S. 1759. A bill to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico (Rept. No. 563).

By Mr. THYE, from the Committee on Agriculture and Forestry:

S. 1400. A bill to protect the integrity of grade certificates under the United States Grain Standards Act; with amendments (Rept. No. 564).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Texas (for himself and Mr. DANIEL):

S. 2238. A bill to authorize Maj. Gen. Kearie L. Berry, United States Army, retired, to accept and wear the Philippine Legion of Honor in the degree of commander and supporting documents conferred upon him by the Government of the Philippines; to the Committee on Armed Services.

By Mr. CHAVEZ:

S. 2239. A bill for the relief of Eva S. Winder; and

S. 2240. A bill for the relief of James Richard Hogan; to the Committee on the Judiciary.

S. 2241. A bill to readjust size and weight limits on fourth-class (parcel post) mail matter at the post office at Taos, N. Mex.; to the Committee on Post Office and Civil Service.

By Mr. KILGORE:

S. 2242. A bill to amend the Rubber Producing Facilities Disposal Act of 1953, so as to permit the disposal thereunder of the Government-owned rubber-producing facility at Institute, W. Va.; to the Committee on Banking and Currency.

S. 2243. A bill for the relief of Mary Boone Lacson; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2244. A bill for the relief of Miss Maria Novak; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2245. A bill to include certain service performed for Members of Congress as annuitable service under the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. MUNDT:

S. 2246. A bill to authorize the sale of certain lands to the city of Wall, S. Dak.; to the Committee on Agriculture and Forestry.

By Mr. SALTONSTALL:

S. 2247. A bill relating to the authority of the Administrator of General Services with respect to the utilization and disposal of excess and surplus Government property under the control of executive agencies; to the Committee on Government Operations.

By Mr. SALTONSTALL (by request):

S. 2248. A bill to amend the Refugee Relief Act, as amended, to provide a certain number of visas for persons of ethnic Armenian origin; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 2249. A bill for the relief of Pil Nyi Kwak; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 2250. A bill for the relief of Lea Marion Miao; to the Committee on the Judiciary.

By Mr. WELKER:

S. 2251. A bill to authorize the Secretary of the Interior to construct, operate, and maintain in the upper Snake River Valley, Idaho and Wyo., the Narrows Federal reclamation project and a reregulating reservoir below the Palisades Dam and Reservoir; to the Committee on Interior and Insular Affairs.

By Mr. WATKINS:

S. 2252. A bill to close the membership rolls of tribes, bands, communities, and other groups of Indians in the United States for the purpose of ownership rights in the property of such groups; to the Committee on Interior and Insular Affairs.

By Mr. ELLENDER (for himself, Mr. EASTLAND, Mr. HOLLAND, Mr. SCOTT, Mr. YOUNG, Mr. SCHOEPPEL, Mr. AIKEN, Mr. THYE, Mr. JOHNSTON of South Carolina, Mr. HUMPHREY, Mr. MUNDT, Mr. ANDERSON, Mr. LONG, Mr. CLEMENTS, Mr. CARLSON, and Mr. DWORSHAK):

S. 2253. A bill to reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954; to the Committee on Agriculture and Forestry.

DEFENSE DEPARTMENT APPROPRIATIONS—AMENDMENT

Mr. YOUNG (for himself, Mr. LANGER, Mr. HUMPHREY, Mr. THYE, Mr. CASE of South Dakota, Mr. MUNDT, Mr. MANSFIELD, and Mr. MURRAY) submitted an amendment, intended to be proposed by them, jointly, to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO DEFENSE DEPARTMENT APPROPRIATION BILL

Mr. YOUNG submitted the following notice in writing:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, the following amendment: viz: On page 28,

line 3, delete the period and insert the following: "*Provided further*, That the Administrator of Veterans Affairs shall, during the fiscal year 1956, continue the maintenance, operation and availability of the John Moses Veterans Hospital, at Minot, N. Dak., to meet requirements of the Veterans' Administration and the Department of the Air Force."

Mr. YOUNG also submitted an amendment intended to be proposed by him to House bill 6042, making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

DEPARTMENT OF COMMERCE APPROPRIATION BILL—AMENDMENT

Mr. MUNDT submitted an amendment, intended to be proposed by him, to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

HELEN KELLER

Mr. SPARKMAN. Mr. President, on the 27th day of June one of the most outstanding personalities of recent times, and a world figure, Helen Keller, will celebrate the 75th anniversary of her birth.

Helen Keller was born in Tuscumbia, Ala. The little house in which she was born is still standing. On the anniversary of her birth the people of that area will hold appropriate ceremonies celebrating the 75th anniversary of the birth of this distinguished American woman.

As we all know, Miss Keller has just completed a trip around the world, a trip on which she was able to carry hope to physically handicapped people everywhere.

Miss Keller now lives in the State of Connecticut. On behalf of the two distinguished Senators from Connecticut [Mr. BUSH and Mr. PURTELL], my colleague [Mr. HILL], and myself, I submit a concurrent resolution to carry the greetings of Congress to this magnificent woman. I ask that a copy of the concurrent resolution be printed at this point in the RECORD.

The concurrent resolution (S. Con. Res. 39), recognizing, on the occasion of her 75th birthday, June 27, 1955 A. D., the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world, submitted by Mr. SPARKMAN (for himself, Mr. HILL, Mr. BUSH, and Mr. PURTELL), was received and referred to the Committee on the Judiciary, as follows:

Whereas Helen Keller will celebrate her 75th birthday on June 27, 1955; and

Whereas this remarkable woman, stricken deaf and blind in infancy, has for more than 50 years tirelessly devoted herself to the battle for the economic, cultural, and social advancement of the physically handicapped throughout the world, making her own conquest of disabilities a symbol of hope for millions; and

Whereas in her long and faithful association with the American Foundation for the Blind and the American Foundation for Overseas Blind she has traveled widely in the United States of America and to more than a score of nations throughout the world; and

Whereas in all these travels she has inspired immeasurable progress in services to the blind, the deaf, and the deaf-blind, and has won countless new friends for the United States of America and the cause of democracy; and

Whereas Congress and the Chief Executive have expressed deep concern in improvement of conditions among the physically handicapped, and have initiated constantly expanding program to this worthwhile end: Now, therefore, be it

Resolved, etc., That appropriate recognition be made of the vast contributions of Miss Helen Keller to the well-being of all humanity; and

That appropriate greetings be forwarded by the Secretary of the Senate to her on her 75th birthday, June 27, 1955; and

That the governors of States, mayors of cities, and heads of other instrumentalities of government, as well as leaders of industry, educational and religious groups, labor, veterans, women, farm, scientific, civic, and professional bodies, and all other organizations and individuals at interest, are invited to participate in this recognition of Miss Helen Keller by making her 75th anniversary the occasion for reaffirmation of their determination to assist in the improvement and expansion of facilities for the relief, education, and rehabilitation of the physically handicapped.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. SPARKMAN. I am glad to yield.

Mr. BUSH. The Senator from Alabama was kind enough to ask my colleague from Connecticut [Mr. PURTELL] and me to join him in the sponsorship of this concurrent resolution, which, of course, we were very glad to do.

I wish to compliment the Senator from Alabama for submitting the concurrent resolution, but more particularly for the real beauty of the resolution which he has drafted for the particular occasion. I think it is one of the finest resolutions I have read since I became a Senator.

I read a few lines from the brief biography of Helen Keller. I think these lines are very significant:

Helen Keller, "one of America's 12 great women leaders during the past hundred years," is best known for her willpower, her courage, her outstanding achievements in spite of her handicaps, and her self-sacrificing work to improve the condition of the blind.

That is a most appropriate way to begin an account of her life, because she is best known for her willpower and courage. One might think she was best known for being a blind person, but that is not true. She is best known for her willpower and courage in overcoming frightful handicaps.

Connecticut is very proud that this great American woman is a citizen of that State.

I thank the Senator from Alabama very much.

DESIGNATION OF PERIOD FROM SEPTEMBER 17 THROUGH SEPTEMBER 23 AS CONSTITUTION WEEK

Mr. KNOWLAND submitted the following concurrent resolution (S. Con. Res. 40), which was referred to the Committee on the Judiciary:

Resolved by the Senate (the House of Representatives concurring), That the President is authorized and requested to issue a proclamation designating the 7-day period beginning September 17 and ending September 23, 1955, as Constitution Week, and inviting the people of the United States to observe such week in schools, churches, and other suitable places with appropriate ceremonies and activities.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Flag Day address delivered by him in Baraboo, Wis., on June 14, 1955.

Statement entitled "America's Cultural Offensive Throughout the World," prepared by him.

Address on technical assistance delivered by Hon. Hugh L. Keenleyside, Director General of Technical Assistance Administration of the U. N., delivered on June 13, 1955, before the National Press Club, at Washington, D. C.

Replies of United States foreign representatives to questionnaire regarding Overseas Information Program.

By Mr. MUNDT:

Statement prepared by him, entitled "Book Banning Versus Book Burning," together with article entitled "Book Burning: How the Librarians Do It," written by Victor Lasky and published in the June 11, 1955, issue of Human Events.

By Mr. HUMPHREY:

Articles and editorial from Better Farming for March 1955, together with a letter from a farm wife to Representative COYA KNUTSON, of Minnesota, on the subject of Voice of Farm Women.

BALTIC GENOCIDE DAY

Mr. IVES. Mr. President, I rise to call attention to the anniversary of that tragic event which has come to be designated as Baltic Genocide Day. Fourteen years ago Communist brutality was responsible for the forced deportation of thousands of innocent Latvians, Lithuanians, and Estonians. The infamous treatment of these helpless victims of tyranny remains a crime against humanity and a blot on the conscience of free men everywhere. On this anniversary let us again assert our determination to right the injustices committed during that dark period of Communist treachery. The peoples of Latvia, Lithuania, and Estonia look to us for that sign of hope so they may continue to withstand the aggressor until their day of liberation.

INVESTIGATION OF NARCOTICS TRAFFIC

Mr. DANIEL. Mr. President, the Senate Judiciary Subcommittee, to which was assigned Senate Resolution 67, calling for an investigation of the illicit narcotic traffic in the United States, has developed evidence indicating that the dope traffic in this country exceeds $300 million a year.

With approximately 60,000 narcotic addicts, and with annual narcotic arrests in excess of 23,000, the narcotics traffic constitutes a criminal cancer which is not only destroying the lives of the addicts, but spreading other crime and suffering into the bloodstream of many communities throughout the Nation.

Our initial hearings have developed the fact that our country is the target for international narcotic racketeers who are smuggling dope principally from Communist China, Lebanon, and Mexico.

Narcotics Commissioner Harry J. Anslinger, who represents our Nation also on the United Nations Commission on Narcotics, has shown to the U. N. and to our committee proof that Red China is pushing this traffic for the twofold purpose of acquiring dollars and demoralizing the people of the free nations.

Commissioner Anslinger reports that he has received cooperation from certain officials in Lebanon and Mexico, but that some of the principal racketeers located in these countries still remain free to ply their trade and smuggle their poison across our own borders.

A good example was seen in the recent seizure in New York of two traffickers from Mexico City with pure cocaine valued at $2,500,000. This seizure was announced in New York Saturday, June 11.

It is said to be the largest amount of pure cocaine ever smuggled into this country at one time. According to Howard B. Gliedman, chief of the criminal division of the United States attorney's office in Brooklyn, with whom I talked yesterday, the two men who smuggled this cocaine in false-bottom suitcases from Mexico City to New York are Manuel Mendez Marfa, age 31, of Habana, Cuba, and Miguel Angel Gonzalez y Hernandez, 31, of Mexico City. They brought the dope by airplane from Mexico City on May 14 to Brownsville, Tex., and thence to New York City, arriving at Idlewild Airport. The pair registered at the Hotel Seminole at Broadway and 69th Street, and were to have rented lockboxes in two New York banks, but their plans were interrupted by Federal narcotics agents. Each was to have received $2,000 plus expenses for the trip.

A startling admission by these messengers, according to Mr. Gliedman, was that they were working for an international syndicate which has "a billion dollars worth" of narcotics in a warehouse in Mexico City. The chief of the syndicate has been named in a sealed indictment, and his identity may be revealed later today.

With the cooperation of Federal officials, your committee will soon develop other facts in connection with this narcotics syndicate.

I ask unanimous consent that an article concerning this matter from the New York Herald Tribune of June 11 be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO AND ONE-HALF MILLION DOLLARS IN DOPE AND TWO MEN HELD—UNITED STATES SEEKS CHIEF OF MEXICAN RING

Seizure of two messengers from Mexico City with what Federal authorities said was the largest amount of pure cocaine ever smuggled into this country at one time—5 pounds, 12 ounces, with a retail value of $2,500,000—was disclosed yesterday.

The arrest and seizure occurred in Brooklyn on May 18, but were kept secret until a sealed indictment was opened yesterday in United States district court, naming the two men on three counts of violating the narcotics laws.

The reason for the secrecy, according to Howard B. Gliedman, chief of the criminal division of the United States attorney's office, was that Federal narcotics agents hoped to trap the man believed to head an international smuggling ring, identified only as Senor X.

SENOR X MISSING

Senor X was to have appeared on the scene within 2 weeks of the arrival of the messengers to pick up the cocaine from three safe-deposit boxes in as many Manhattan banks. Apparently he got wind of the situation, for he did not appear.

Another sealed indictment handed up with the first one is to be opened Monday by Judge Walter Bruchhausen, and it is believed that it will name Senor X.

The men in custody are Manuel Mendez Marfa, 31, of Habana, Cuba, and Miguel Angel Gonzalez y Hernandez, 31, of Mexico City.

TELLS OF MEXICAN CACHE

Mr. Gliedman quoted Hernandez as saying that there were "bags and bags of cocaine stored in Mexico City waiting distribution in the United States." Federal authorities have asked the aid of the Mexican Government in locating this cache, Mr. Gliedman said.

The two messengers left Mexico City on May 14 by air for Brownsville, Tex. From there they went to Houston and then to New York City, arriving at Idlewild Airport. The cocaine was carried in two false-bottom suitcases.

The pair registered at the Hotel Seminole at Broadway and 69th Street. By this time Federal narcotics agents had information concerning their activities and on May 18 raided an apartment occupied by a brother-in-law of Hernandez at 586 Hart Street, Brooklyn.

GET PURE COCAINE

There, they got 3 pounds and 3 ounces of the pure cocaine. The two messengers came in while the agents were there and were arrested. The agents next went to the hotel and recovered the rest of the drug.

Hernandez was to have rented the lock boxes in Manhattan branches of the Chase Manhattan Bank, the Colonial Trust Co., and the National City Bank. Upon their return to Mexico City, the messengers were to receive $2,000 each plus expenses.

After their arrest the men were arraigned secretly before Edward E. Fay, United States Commissioner, held in bails of $50,000 each, and remanded to the Federal House of Detention on West Street. If convicted, they face a maximum penalty of 5 years and a $2,000 fine on each of the 3 counts.

Mr. DANIEL. Mr. President, I also ask unanimous consent that an article from the New York Daily Mirror of June 11, 1955, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO MILLION AND FIVE HUNDRED THOUSAND DOLLAR SEIZURE NIPS BILLION DOPE PLOT

(By Harvey Singer and Erwin Savelson)

Federal agents have seized a record $2,500,000 worth of cocaine, nipping the plot of a billion-dollar international syndicate to flood the United States and Canada with dope, it was disclosed Friday.

Assistant United States Attorney Howard Gliedman, chief of the Criminal Division of the United States Attorney's office in Brooklyn, tabbed the cocaine shipment as the largest ever seized in this country.

Gliedman further revealed that authorities were informed that the syndicate has a billion dollars worth of the dope in a warehouse in Mexico City.

Two messengers who flew with the cocaine to New York City from Mexico have been arrested and a three-nation search, in the United States, Cuba, and Mexico, is under way for the syndicate's chief, identified thus far only as Senor X.

Disclosure of the syndicate's operations came when a sealed indictment, charging the two prisoners with Federal narcotics law violations, was opened by Federal Judge Inch in Brooklyn. The arrests had been kept secret since May 18 to permit authorities to hunt for the chief and other members of the ring.

The two prisoners, Manuel Mendez Marfa, 31, of Habana, and Miguel Angel Gonzalez y Hernandez, 31, of Mexico City, were arraigned secretly before United States Commissioner Fay in Brooklyn and held in $50,000 bail each pending their appearance next Wednesday before Federal Judge Bruchhausen in Brooklyn.

Both messengers, Gliedman and Federal agents said, boarded a plane in Mexico City on May 14, carrying two suitcases with false bottoms containing 5¾ pounds of pure cocaine.

After flying to Brownsville, Tex., the couriers changed to another plane and went to Houston. There, still dodging any possible pursuers, they boarded an Eastern Airlines plane and arrived at LaGuardia Field here on May 15.

Following instructions of their bosses, they placed the cocaine in safety deposit boxes in three banks here under the name of "Hernandez." One-third went to a box in the 42d Street branch of the Chase National Bank, another third to the Colonial Trust Co. in the Wall Street area and the balance to a branch of the First National City Bank. "Hernandez" was scheduled to arrive later and start distribution of the dope.

After Marfa and Hernandez checked into the Hotel Seminole at Broadway and 69th Street, Federal agents were tipped off and raided an apartment occupied by a relative of one of the messengers at 586 Hart Street on May 18. They found 3 pounds 2 ounces of cocaine.

The agents placed a "stake" on the apartment and the two messengers were arrested when they appeared, but it was decided not to make any announcement of the raid in the hope of nabbing the "chief."

The balance of the shipment, removed from the banks, was seized in the room at the Hotel Seminole and, according to Gliedman, the prisoners said there "are bags and bags of the stuff, at least a billion dollars worth in a Mexico City warehouse, awaiting shipment to the United States."

Gliedman said the two men admitted "making many previous trips with cocaine, receiving $2,500 per trip plus expenses on their return to Mexico City."

Narcotics agents said pure cocaine is very scarce and brings at least $1,000 an ounce in the legitimate market. The price nearly triples when the stuff is "cut" and peddled to illegal sources.

It was learned that a second sealed indictment, which may reveal "Senor X's" identity, will be opened in Federal Court, Brooklyn, Monday.

The two prisoners are charged with possession and concealment of narcotics, importing dope and transporting it in interstate commerce. If convicted, they can be sentenced to 5 years and fined $2,000 on each count.

An official source said the Government learned "Senor X" was tipped off that Federal agents were waiting for him.

Mr. DANIEL. Mr. President, thus it is evident, early in the work of our committee, that the Senate was fully justified in authorizing this, the first nationwide investigation of addiction and traffic in illicit narcotics. Further, we are hopeful that your committee, upon completion of its investigation, will be able to recommend ways and means by which the Congress can assist in solving the serious problem of narcotic addiction and racketeering by strengthening present laws and enacting additional legislation to assist enforcement officials.

Incidental results of the hearings by our subcommittee may follow the pattern witnessed by police officers in Buffalo as reported in the Buffalo Evening News of June 7, 1955, which I ask unanimous consent to have printed in the body of the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HEARINGS STIR UP A PANIC AMONG NARCOTICS PEDDLERS—BUFFALO POLICE TAKE ADVANTAGE OF SITUATION—PICK UP TWO SUSPECTS IN INTENSIFIED DRIVE

(By Mike Benevento)

Stepped-up police activity, ordered as the result of a "panic on the street" in the narcotics-peddlers' world, brought about the arrest of two suspects here Monday night and a sharp warning to physicians and druggists to exercise greater precautions against theft. The panic was caused by Washington hearings.

Held are Herman Williams, 36, of 145 South Division Street, and John W. Evans, 33, of 76 South Division Street.

John E. Stanton, chief of the police narcotics bureau, revealed that Williams was arrested shortly before 11 o'clock Monday night after alighting from a train in the New York Central terminal. Police allege he was returning from New York and had on his person a quantity of powder.

Evans was arrested at Michigan Avenue and William Street. Authorities said he had 39 capsules.

A sudden scarcity of drugs followed the Washington hearings, creating the panic situation. At a time like this heroin users revert to barbiturates.

"I was fully aware of the situation and posted plainclothesmen for around-the-clock observation of all train, bus, and plane terminals, certain that efforts would be made to bring in new supplies," related Chief Stanton.

The plainclothesmen were familiar with the faces of drug peddlers. Williams was walking through the terminal concourse when collared. Search revealed the powder wrapped in wax paper.

Evans was stopped on the street and a search uncovered the capsules in a small cloth tobacco bag, which had been pinned to an inner coat sleeve. The arrests were made by Detective Sgt. Dean J. Gavin and Detective Henry S. Skrzypczak.

Chief Stanton issued a warning to physicians, drugstore operators, and others who have legal possession of drugs. "I strongly advise that physicians keep their medical bags containing the drugs with them at all times," he declared. "Don't leave them in autos."

THE BOOMING MARKET—EDITORIAL FROM THE ST. LOUIS POST-DISPATCH

Mr. FULBRIGHT. Mr. President, this is a great age in which we live. It is a time of immense and imponderable dangers and opportunities, a period of tension and frustration. It is also a time of unprecedented achievement.

On last Sunday the most powerful corporation in the world, a corporation which produces Cabinet Ministers as well as motorcars, announced the availability to the public of the ultimate in technological perfection—its 1955 Cadillac—describing it as follows:

The stunning "St. Moritz" features a special white pearlescent finish with an interior of ermine fur and white English grain leather.

I ask unanimous consent that at this point in my remarks an editorial from the St. Louis Post-Dispatch be printed.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE BOOMING MARKET

Every man, woman, and child in the country, whether or not he owns a single share of stock in any company, has a stake in what is going on these days in the securities market. Each citizen's own money is involved in the rising prices of stocks even though he never sees a broker and would not know one if he did.

And how is each citizen's money involved even though he is not a shareowner? Because he has a stake in pension funds and pension fund administrators are going into the stock market. Because he pays premiums on his life insurance and certain life insurance funds are being invested in business securities. Because custodians of other funds with direct bearing on the individual's own economic well-being are buying shares.

Tuesday's news from Wall Street provides occasion for a review of the situation. Last April 26, prices of stocks broke through the 1929 crash-year historic highs. After the April record they dropped off only to begin soon to climb up again. On Monday prices went above the April top and on Tuesday they pushed above Monday's averages.

The Tuesday close showed a Dow-Jones average advance of 72 cents for 65 stocks to a record $161, with industrial stocks up $3.06 to a high mark of $434.55. Du Pont went above $200 a share. The trade in United States Steel totaled 81,000 shares for a rise to 48¼ after the recent 2-for-1 stock split. General Motors came within a fraction of hitting 100.

Where is the money coming from that is bidding up shares so sharply? A roundup in the Wall Street Journal shows that quite a bit of it is from "eager newcomers." A San Francisco truck driver sells one of his tractor-trailer rigs for $5,000 and puts the proceeds into the market. A restaurant owner in the same city accumulates $16,000 to remodel his place of business, but invests in stocks instead. A Cleveland woman cashes $45,000 in savings bonds and buys shares.

Figures on odd-lot purchases—buying in quantities of less than 100 shares—support the conclusion that "little people" are jumping in. A recent report showed an increase of 63 percent in odd-lot trading over a year ago with a 50 percent gain in New York Stock Market volumes as a whole.

The Federal Reserve Board has twice in recent months taken notice of the booming securities market. It raised the cash margin requirements from 50 percent to 60 percent last January. In April it increased the cash requirement to 70 percent. Still another increase may be in the offing, but thus far the increases seem to have had little effect on buying.

There are many differences between the economic-financial situation today and that which led up to the great crash of 1929. Today there are more than three times as many shares of stock as in 1929. This means, as U. S. News & World Report points out, that whereas in September 1929, 10 percent of the shares of stock were traded, in the busy trading month of April 1955, less than 2 percent of the total number of shares were traded. In September 1929, industrial shares of the blue chip variety cost 19 times their annual earnings per share. At present prices stock buyers pay less than 14 times annual earnings per share.

These favorable differences do not mean that there are not concerns in Washington and New York about the securities boom. After warning of dangers, the Senate Banking Committee under the chairmanship of Senator FULBRIGHT, of Arkansas, has drafted legislation to require companies with over-the-counter stocks to be subject to the same regulations that apply to companies on the stock exchange. Other bills are coming out of the recent inquiry into possible speculative activity. The stock exchange itself has just announced it will study the role of banks and trust companies in the market.

Whatever else this is, it is not a partisan issue. It is not one on which Democrats and Republicans can reasonably divide. Neither is it a matter which tests faith in the Eisenhower administration. To say that a potentially inflationary boom should be watched closely and put under proper restraints is not to undermine confidence in anybody or anything.

Honeyed words—and there were plenty of them—did not make everything right in 1929. They could do no more now. Secretaries Humphrey and Weeks owe it to the President to keep him fully informed. He needs to know the minus signs as well as the plus marks. So does everyone else.

SECURITY VERSUS DEMOCRACY—ARTICLE BY JOSEPH AND STEWART ALSOP

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Security Versus Democracy," written by Joseph and Stewart Alsop. The article is pertinent in connection with the Nation's military strength, as the Senate prepares to vote shortly on appropriations for defense purposes for the fiscal year 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SECURITY VERSUS DEMOCRACY

(By Joseph and Stewart Alsop)

Until very recently, the American people's right to know the basic facts of their national situation was never questioned for an instant. The people's right to know was properly regarded as the mainspring of our democracy.

Now, however, no one seems to doubt the American Government's right to bamboozle people by the concealing of the life-and-death facts. The Eisenhower administration

is actively seeking to install a peacetime censorship in America. The censorship has as yet aroused very little opposition. And there was no word of protest, or even comment, when the thinking behind that censorship was unblushingly confessed a few weeks ago.

The confession was made by the former secretary of the National Security Council, Robert Cutler, in a speech to the Associated Harvard Clubs. The Cutler views on the measure of truth that ought to be told the people have been specially commended to the White House staff by the President himself. This incredible speech, then, can be taken as accurately reflecting the official White House line.

In a morass of somewhat self-satisfied verbiage, Cutler makes two central points. First, he declares that the people should be told no fact included in any document classified confidential or above, and should be especially kept from knowing any facts about thermonuclear or other weapons; the status of our own defense effort; intelligence from the rest of the world which, of course, includes the status of the enemy defense effort and enemy intentions, and the reasons for our national security policies, and character of our current diplomacy.

In short, all facts of real significance—all the vast paraphernalia that goes into executive decisionmaking—are to be kept from the American people. This is because of Cutler's second point. "Theirs is not to reason why," he in effect says of the American people. According to Cutler, national decision should be made, not by the people, but by the President alone. At best, the Nation is to have a sort of pale privilege of postaudit on the President's decisions. "The people," Cutler generously says, "may always call [him] to an accounting for [his] acts and omissions to act.

The words in brackets are Cutler's, and if you read his speech, you will wonder why he did not also capitalize the words "him" and "his." He has need to believe that the President possesses divine attributes; for none but a president-deity could accommodate the Cutler system and the American system.

Our system, although Cutler forgets it, happens to be a democracy. In a democracy, the people are the masters; and even such high officials as the secretary of the Security Council and the President, himself, are the people's servants. And any democratic government will surely fail if its masters, the people, are successfully kept in the dark about the national situation.

The facts that Cutler would withhold from the people, on the ground that they are classified, are almost all the facts which define the national situation of this Republic. Such problems as the relative status of our own defense effort and the Soviet defense effort now have as much bearing on our national situation as the existence of the Atlantic and Pacific Oceans; and maybe they have more bearing. And if the Cutler recipe is followed in a free society—and the administration is going to any lengths to follow that system—three things automatically happen.

First, the society is automatically crippled because the people do not know the challenges that confront them, and therefore do not rise to meet those challenges.

Second, the society is crippled in another way, too. The official leadership starts whining that the "people won't stand for" doing the necessary things, whose necessity they themselves have hidden from the people.

Third, the temptation to cover up failures, instead of correcting them, becomes altogether irresistible to the leaders. For it is ridiculous to talk to the people about "holding the President accountable for his acts and omissions to act" when the people are being thoroughly and continuously bamboozled, and bamboozlement is established high policy.

All three of these results of the Cutler system are already beginning to appear in America. They must inevitably add up, in the end, to a kind of creeping national paralysis in the face of the deadly dangers of our times. And for what purpose, one asks, are we risking national paralysis by withholding the truth from our people?

For no purpose whatever, is the ironical answer. For even Cutler has not dared to suggest that we sacrifice the outward trappings of a free society; our budget is still public. The locations of our war plants, the patterns of our urban centers, all our new starts in industry, are not yet hidden matters. A great flood of technical publications will tell any subscriber who wishes to purchase them the current state of our military-industrial progress. And from these and other public sources, the Soviet intelligence is able to deduce with ease all those facts Cutler and others like him would hide from our people.

In short, the Cutler system, which is also the Eisenhower administration system, is not merely antidemocratic. Worse still, it is plain silly, unless its real purpose is to prevent those political embarrassments which officials of all governments have always wished to avoid.

AWARD OF HONORARY DEGREE OF DOCTOR OF LAWS TO SENATOR CASE OF NEW JERSEY AND SENATOR FULBRIGHT

Mr. SMITH of New Jersey. Mr. President, last week in my State of New Jersey, Rutgers University, the State University of New Jersey, at its 189th anniversary commencement conferred the honorary degree of doctor of laws upon my colleague, the junior Senator from New Jersey [Mr. CASE] and upon the junior Senator from Arkansas [Mr. FULBRIGHT]. It will be remembered that Senator FULBRIGHT was my colleague last fall at the United Nations.

I am very happy to be able to make the announcement of these awards to my colleagues; and I ask unanimous consent that the very interesting and very descriptive citations by Dr. Lewis Webster Jones, in conferring the degrees upon the two Senators, be printed at this point in the body of the RECORD, in connection with my remarks.

There being no objection, the citations were ordered to be printed in the RECORD, as follows:

CLIFFORD PHILLIP CASE

As a dedicated servant of your State and Nation, as a conscientious student of the complex problems of government, and as an enlightened leader in our country's highest legislative body, you have given your university and your State a deep and gratifying sense of pride. But deep as our pride in these accomplishments may be, even deeper is our affection for you as a devoted alumnus, able trustee, and loyal son of Rutgers. Your concern for the university and its important mission, and your always-gracious willingness to accept any task the university has called upon you to do—as well as your friendship which is so enthusiastically reciprocated—are sources of inspiration and affection which will never diminish in strength.

Therefore, by virtue of the authority vested in me by the trustees of Rutgers University, I hereby confer upon you the degree of doctor of laws, with all the rights, privileges, and immunities appertaining thereto.

LEWIS WEBSTER JONES.

JAMES WILLIAM FULBRIGHT

JAMES WILLIAM FULBRIGHT, Rhodes scholar, university president, United States Senator, we honor you today for your achievement of that great goal you long ago set yourself—the furtherance of human understanding. We honor you for your perception of that obligation which a great Nation owes to make itself understood among all human societies, and for your practical realization of that obligation in the Fulbright Fellowships, which, by the end of the present year, will have effected the international exchange of 20,000 students and teachers. Indeed, your name is a symbol throughout the entire world of the international community of scholarships. As a university, we honor you perhaps more highly for your perception that in an age of divergent specialization the only real basis of understanding is a common vital human and humanitarian tradition which it is the business of the university to keep alive. Finally, we honor you for the most extraordinary of all perceptions—that a politician must also be a philosopher.

Therefore, by virtue of the authority vested in me by the trustees of Rutgers University, I hereby confer upon you the degree of doctor of laws, with all the rights, privileges, and immunities appertaining thereto.

LEWIS WEBSTER JONES.

Mr. FULBRIGHT. Mr. President, I desire to thank the Senator from New Jersey for his remarks regarding the action taken last week at Rutgers University. I am very proud of the degree and of the citation.

GRANTS-IN-AID FOR AIRPORTS

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD letters which I have received from the mayor of Buffalo and the mayor of Plattsburg, N. Y., regarding grants-in-aid for airports.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CITY OF BUFFALO,
OFFICE OF THE MAYOR,
June 2, 1955.

Hon. HERBERT H. LEHMAN,
United States Senator,
Washington, D. C.

DEAR SENATOR LEHMAN: I am informed that the House has passed an appropriation bill increasing the amount for grants-in-aid to airports from $11 to $20 million for 1956.

While the $20 million is an improvement, the amount still falls far short of a practical realization of airport needs countrywise. I know Buffalo is an example of other cities throughout the Nation and in this city we have felt keenly the cut made in these appropriations during recent years. When you consider the size of the air traffic today the amount allowed becomes extremely small and very small, indeed, in comparison with the huge sums voted for highways and waterways.

Since airports are so closely integrated with national and civil defense as well as economic welfare of our country, it must be manifest that municipalities, particularly in these days, cannot meet the demands put upon them by air traffic.

May I ask your earnest and vigorous support of an appropriation of sufficient size to restore the original intent of the 1946 Federal Airport Act which has now been stymied for several years. I assure you Buffalo needs this assistance and stands ready to cooperate in the greatest possible development of air facilities.

Sincerely yours,

STEVEN PANKOW,
Mayor of Buffalo.

OFFICE OF THE MAYOR.
Plattsburg, N. Y., June 8, 1955.

Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.

DEAR SENATOR LEHMAN: Thank you sincerely for your kind letter of June 6.

It is heartening to know the House Appropriations Committee voted to substantially increase the grants-in-aid for airports, for apparently there is a dire need for such assistance by municipally owned airports, everywhere.

Particularly is this true concerning our own fine airport which we have been endeavoring by much sacrifice to operate and maintain in the manner it was originally intended it should be. To do so has been most difficult, due to the fact our already limited budget has been strained to the utmost because of the demand made on it for cost of installation of so many additional facilities because of the establishment of the Air Force base in our midst. As the time approaches for the full complement at the air base, which is expected within the next few months, we may expect a greater demand on the facilities at our Municipal Airport because of the number of people who will be attracted here for the business that will be afforded because of its establishment. Therefore, we anticipate a further expansion of the Municipal Airport may be necessary to meet this contingency. Therefore, any assistance you may be able to give us to obtain Federal aid will indeed be greatly appreciated.

Again thanking you and with kind personal regards and best wishes always, I remain,

Cordially,

JACK TYRELL,
Mayor.

AIRMAIL SUBSIDIES

Mr. LEHMAN. Mr. President, I have received from Mr. Garth A. Shoemaker, president, Citizens Public Expenditure Survey, Inc., of the State of New York, a telegram regarding certain appropriations in connection with airmail subsidies. I ask unanimous consent that the telegram may be printed in the body of the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

ALBANY, N. Y., *May 31, 1955.*

Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

On behalf taxpayers of New York we repeat our previous position and urge reduction CAB appropriation for airmail subsidies. Proper audits, compliance with Supreme Court entirety decision, disallowance of tax windfalls, disallowance of expenditures on hotel chains and other similar subsidiaries should be required procedure. No justification for continuing subsidies on extravagant scale outlined by CAB. Cut of $50 million would save taxpayers of New York State $6 million.

GARTH A. SHOEMAKER,
President, Citizens Public Expenditure Survey, Inc.

COLORADO RIVER STORAGE PROJECT

Mr. WATKINS. Mr. President, sometime ago an editorial appeared in the New York Times on the Colorado River storage project which, from my reading at least, appeared to be one-sided and not representative of the type of objective reporting generally done by the staff of that paper.

I am pleased to say that the management of the New York Times saw fit to send one of their ace editorial writers, Mr. John Oakes, who is rather well known to many of us, to the upper Colorado River Basin for a firsthand field investigation of the project. Mr. Oakes has returned and written his account of that personal investigation, and a preliminary article appeared in yesterday's issue of the New York Times. It is objective and, with few exceptions, seems to be accurate. I commend both him and his paper for the service which they have rendered to the 3 million residents of the upper basin States in helping to present to the readers of the New York Times this unbiased description of the pros and cons of this giant reclamation project.

I ask, Mr. President, that the John Oakes article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DISPUTE RAGING ON THE COLORADO—RECLAMATION PROJECT, ONE OF BIGGEST IN NATION'S HISTORY, INVOLVES MANY INTANGIBLES

(By John B. Oakes)

SALT LAKE CITY, June 12.—In eight-column headlines the people of this placid city were informed last week that Echo Park Dam had been dropped from the Colorado River storage project.

To the stray easterner this might not have meant much. But to any literate citizen between Denver and Los Angeles and Wyoming and the Mexican border, it was full of significance. For it involved one of the biggest and most controversial internal-development programs in the country's history.

A bill authorizing the Colorado project will soon emerge from a House of Representatives subcommittee. It has already been reported by the Senate with the Echo Park provision, and it has White House backing.

COST ORIGINALLY PUT AT BILLION

As originally endorsed by the administration the bill involved an expenditure of nearly $1 billion over the next 20 years. As passed by the Senate, it called for another $500 million.

Everyone recognizes that, in the words of the Senate report, the works authorized constitute only an initial phase of a comprehensive development of the area's water resources, involving an ultimate expenditure of undetermined hundreds of millions more.

Despite the huge amounts involved, which some analysts say may exceed $3 billion; despite the fact that if the project goes through it will affect the welfare of millions; despite the immense physical changes it will bring about, the project is relatively unknown outside the area immediately affected, and not too well understood even there.

The progress of the bill authorizing a gigantic plan to control and develop the water resources of the upper Colorado Basin has been marked by two major controversies.

One involves the storage project as a whole. Is it worth doing? The second involves two specific units of the project—the giant dam called Echo Park and a smaller, supplementary one called Split Mountain. Both are to be situated in canyons of extraordinary scenic and geologic value, which President Roosevelt included in the national park system when he added them to Dinosaur National Monument in 1938.

THE STORAGE PROJECT

If the project as a whole is worth doing, is it still necessary to construct these two dams that would impair, if not destroy, areas set aside for the enjoyment of future generations?

The storage undertaking calls for the regulation and use of the upper basin waters and 110,000 square miles of arid land in Wyoming, Utah, Colorado, and New Mexico. Water is the lifeblood of this region. It comes mainly from the top of snow-covered mountains from which the Colorado and its tributaries begin their long journey to the sea.

Rainfall is scanty; the ground is parched. There are no lush fields or verdant valleys except where irrigation has done its work. Wherever there is a clump of trees or spot of green, one can be certain that is where man has caught the water, retained it, and applied it to the land.

A hundred years ago Brigham Young told his followers, "Seek ye not gold but water." He advised them well, for in this country, except in Salt Lake City, where hydrants run freely to flush the streets, water is almost worth its weight in gold.

It was because of this critical scarcity of water that in 1922 the seven States of the Colorado Basin signed a compact dividing use of the river water among them.

The effect was to guarantee to the States of the lower basin—California, Nevada, and Arizona—an average of 7,500,000 acre-feet a year. (An acre-foot is the amount of water that would cover 1 acre to a depth of 1 foot.) The upper basin States—Wyoming, Utah, Colorado, and New Mexico—were allotted the same amount.

INCREASE IN CONSUMPTION

Although water consumption, in the lower basin particularly, has greatly increased since 1922, neither the lower or upper basin States are even now using their entire allotments. But the upper basin has vast plans and hopes for the future. The Colorado River storage project is the expression of those plans.

The project consists of three separate but interrelated parts—river regulation, power production, and irrigation. River regulation means control and storage of the Colorado's waters for future use. Meager as the Colorado flow is, it is still large enough to take care of present and immediately prospective water needs in the upper basin with much to spare.

Some experts of the Bureau of Reclamation calculate that 25 million acre-feet of storage in the upper basin is all that is needed to permit future use of the maximum practical amount of water available.

As the first step in regulating the river, the Bureau has proposed two principal storage reservoirs, Glen Canyon and Echo Park, with a capacity of 32,500,000 acre-feet, although it has several others in mind for future development. These two dams together will cost an estimated total of $600 million.

Glen Canyon would rise 580 feet and would back water 186 miles up the Colorado. Echo Park, to the north, would be 525 feet and would back water 63 miles up the Green River and 44 miles up the canyons of the Yampa.

These two major dams would provide no water for irrigation, industrial or municipal use in the upper basin in the foreseeable future. Glen Canyon would never do so, while Echo Park might under certain circumstances many years hence. The Senate bill would add four smaller dams, giving a total storage of nearly 40 million acre-feet.

Even when the people of the upper basin recognize this fact, which they sometimes do not, they insist on the construction of these huge storage reservoirs now. One reason is a natural desire to plan ahead because such projects take years to materialize. Another

is that the Colorado's flow is uncertain and probably less than it was believed to be a few years ago.

A third and basic reason is fear of California. The vast industrial and population growth of southern California has enormously increased its demand for water and power in recent years. Consumption is steadily pressing on available sources of supply.

The upper-basin States are worried that if they do not take steps to start to use their full allotment of water, California may be able to establish a claim to it, despite the terms of the 1922 compact, by putting it to use as it flows down the Colorado and into the lower basin.

Upper-basin spokesmen—bankers, industrialists, officials, farmers, engineers, and editors—constantly stress this point in discussing the project. Even when admitting they have no immediate consumptive use for the water that would be stored, they inevitably come down to this statement:

"If we don't do something about that water now, California will lay claim to it, and then we will never be able to get it back when we do need it."

They base this theory on the traditional Western rule that prior use of water establishes a right to it. They fear this rule may hold irrespective of the limitations of the compact, which may be subject to revision in a few years, anyway.

POWER PRODUCTION

Many persons mistakenly believe that the two major dams would immediately supply water for use of the upper basin. This is not true, but if the dams are built they will more than insure the guaranteed supply of 7.5 million acre-feet to the lower basin, and thus ultimately provide the means for the upper basin to use water that otherwise it might have had to release below.

But all that is far off. What is not far off is the power production of the two dams. Glen Canyon is scheduled to provide 800,000 kilowatts of hydroelectric power and Echo Park 200,000, with lesser amounts coming from other elements in the system.

This is vital to the storage project, because power will pay about 85 percent of the total estimated cost of the entire program. The contention of the Bureau of Reclamation that this is virtually a self-liquidating proposition rests on the profit that the Government is expected to make from the sale of power.

Private public utility companies in the region have not committed themselves irrevocably to purchase the power. But they have shown interest in marketing it, although the anticipated price of 6 mills a kilowatt-hour is not considered cheap. (A mill is one-tenth of a cent.) Opponents of the project maintain that steam power can be produced as cheaply, if not more so, than hydroelectric power in the area. Private utility experts tend to confirm this.

Senator PAUL H. DOUGLAS, Democrat, of Illinois, usually an advocate of public power, has cited figures to show that the construction cost of the Colorado power dams would be several times higher per kilowatt capacity than that of many other Government-built dams, including those of the Tennessee Valley, Bonneville, Hoover, and Grand Coulee, and that the sale price per kilowatt-hour would be correspondingly higher, too. He has denounced the power aspects of the Colorado project as a waste of money.

IRRIGATION PROJECTS

On the other hand, the Bureau of Reclamation insists that its figures show that power production will pay not only for itself but for a large part of irrigation costs as well.

Irrigation is the third facet of the storage project, and possibly even more controversial than the others. As proposed by the administration, the project includes 11 separate irrigation plans that would bring 130,000 acres of new land into agricultural production and provide supplemental water for 230,000 acres already under cultivation but with inadequate water supply.

The Senate added several other projects, and a frequently voiced suspicion is that some of the new ones were approved less on their merits than to obtain the support of important officials from the States directly affected.

In any case the principles governing these irrigation projects are substantially the same. They are, primarily, to furnish additional water to existing farms rather than to open new land. Only an infinitesimal part of the costs are to be paid by the actual water users. Repayments would stretch over 50 years without interest charges. Most of the crops to be raised are for the use of cattle.

Opponents of the projects estimate some irrigation costs as high as $4,000 an acre, or many times the value of the land. They say that if the intention is to increase agricultural production, the same amount of money spent on better grade lands would yield far superior results. Furthermore, the Bureau of Reclamation is accused of habitually underestimating costs and overestimating benefits to be received.

Defenders of the irrigation plans maintain, however, that the subsidy is not nearly so great as it appears, that the beneficiaries become permanently productive members of the community, that in the long run the Government and society gain from their increased output and that there will be an agricultural shortage in a few years when irrigated crops will be badly needed.

The major point they make is that to oppose spending public funds for irrigation and comparable assistance to farmers is to oppose development in the West. Some of the projects would benefit municipal and industrial as well as agricultural water supply, an important factor in the growth of an area as rich as this one in unexploited mineral resources.

The difficult problem facing Congress in the next few days and weeks is to determine whether the storage project is a grotesque boondoggle or a tremendous, imaginative step in developing what has been called the last great American frontier.

If it decides in favor of the project as a whole, there still remains the specific question of including Echo Park Dam.

ECHO PARK DAM

The House subcommittee's decision last week against Echo Park Dam removed the single most controversial feature from the bill.

In addition to being inside a national monument, the areas that would be flooded by construction of the dam constitute some of the most extraordinary canyon scenery in the West.

Defenders of the monument say that construction of the dams is not necessary for success of the entire project because the storage they would provide would not be needed for a generation or two, if then, and the few hundred thousand kilowatts they produced could be supplied from other sources, such as steam or from dams erected at other sites. It is argued that once construction is begun, the national monument will be hopelessly wrecked.

PRESSURE ON OTHERS

The conservationists say it would be dangerous to the National Park System to set such a precedent, for several other national parks are under pressure from diverse interests to exploit their resources, especially timber-rich Olympic National Park in Washington.

To all of these arguments, proponents of Echo Park have answers. Feeling on the subject is especially strong in Utah, which would benefit most directly from Echo Park.

Senator ARTHUR V. WATKINS, Republican, of Utah, has developed a legal case to show that when the national monument was enlarged to its present size in 1938, provision was made for dam sites, and therefore no precedent would be involved in entering the area for that purpose now.

The difficulty is that lawyers can, and do, disagree over the precise meaning of the Presidential proclamation. Some conservationists take the position that no matter what President Roosevelt meant at the time and no matter what promises were verbally made to the citizens of Vernal and other neighboring communities, the dams still should not be constructed because of the damage they would do to an unusual area.

On this point, too, there is sharp disagreement. Many Utahans maintain that a lake where the rivers now run would make the canyons more accessible and enhance their grandeur.

The pros and cons of Echo Park ring back and forth through the valleys where the dinosaurs that gave the monument its name roamed 400 million years ago. Some of the arguments are technical, some spiritual; almost all are emotional.

The committee of independent nongovernmental engineers proposed in the House bill may eventually shed light on the scientific and practical aspects of the problem. But there is so much more than science involved. There are so many intangibles and subjective evaluations that it is doubtful that a strictly engineering survey can reconcile the deeply opposing views on this major controversy of the upper Colorado Basin.

REDUCTION OF WHEAT PRICE SUPPORTS

Mr. NEUBERGER. Mr. President, the Secretary of Agriculture has set the wheat price supports for this year at the lowest dollar figure since 1946. These supports, combined with acreage reductions and cutbacks, now forecast a drop in income of substantial proportions for the wheat growers of the Nation.

This situation makes more urgent than ever a fair trial by Congress and the President for the domestic parity plan for wheat growing and marketing. This plan would get the Government out of the wheat-storing business, it would end the piling up of vast surpluses, and it would restore free enterprise and quality production to our Nation's wheatfields.

Today, the compulsion is heavy on wheat farmers to grow types of wheat which are not necessarily high in quality, but which will yield the maximum number of bushels an acre. This becomes increasingly imperative as acreage allotments are curtailed.

Such a situation points inevitably to a trial by the Nation of the domestic parity plan for wheat, which is provided for in S. 1770, which was introduced on April 20, 1955, by my senior colleague [Mr. MORSE] and myself, as well as by the senior Senator from Washington [Mr. MAGNUSON] and the junior Senator from Washington [Mr. JACKSON].

In conclusion, Mr. President, I ask unanimous consent to include with my remarks a dispatch from the New York Times of June 11, 1955, on the price-support reductions recently announced by the Secretary of Agriculture.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRICE-SUPPORT CUT ON 1956 WHEAT; PROTESTS AROUSED IN CONGRESS—DEMOCRATS AND SOME REPUBLICANS ASSAIL BENSON—1955 HARVEST IS ESTIMATED AS SMALLEST IN 12 YEARS

WASHINGTON, June 10.—Secretary of Agriculture Ezra Taft Benson today set 1956 wheat price supports at the lowest dollar level since 1946. Congressional Democrats immediately accused him of trying to destroy the farm program.

Mr. Benson announced that next year's average support rate would be $1.81 a bushel, 76 percent of the fair parity price, provided growers approve strict acreage quotas in a national referendum on June 25. A two-thirds vote is required for approval.

If quotas are voted down, supports will drop to 50 percent of parity, or about $1.19 a bushel.

Earlier, the Department of Agriculture forecast a 1955 wheat crop of 845,215,000 bushels, smallest in 12 years. The shrinking output is the result of a withering drought earlier this year and sharp acreage cutbacks under the price-support program.

Chairman HAROLD D. COOLEY of the House Agriculture Committee said the price-support announcement is pretty positive evidence that Benson intends to destroy the farm program.

"It is a clear indication," the North Carolina Democrat said, "that Mr. Benson ultimately will lower the price of every farm commodity in America and force a lot of people off farms and into the city streets to look for jobs."

Senator KARL E. MUNDT, Republican, of South Dakota, said Mr. Benson's action shows why it is important for the Senate to act this session on House-approved legislation to restore rigid 90-percent supports on basic farm crops. He said Congress would have to act if quotas are defeated. Mr. MUNDT is a member of the Senate Agriculture Committee.

Representative W. R. POAGE, of Texas, No. 2 Democrat on the House committee, said Mr. Benson might have figured this was a good way to defeat controls, and it may very well have that result. He said: "A farmer allowed only three-fourths of a fair price, and only three-fourths of a crop, can't be expected to be very happy about it."

Senator HUBERT H. HUMPHREY, Minnesota Democrat, called the announcement "almost unbelievable" and said it "will be disastrous for American agriculture." He agreed it would lead to rejection of marketing quotas.

The Department said the new support rate would not be lowered, but would be raised if changes in parity values and the supply situation on July 1, 1956, call for an increase.

The Government is supporting 1955 wheat prices at $2.06 a bushel, or 82½ percent of parity. Parity is the price considered fair to farmers in relation to prices they pay.

The 1946 average support rate was $1.49 a bushel, which represented 90 percent of parity at that time.

House Democratic Whip CARL ALBERT, of Oklahoma, said the cut in the support level showed what would happen to growers of other basic crops under the administration's flexible farm price support program. He said farmers "couldn't live" with the administration's new wheat program.

Representative CLIFFORD R. HOPE, of Kansas, top Republican on the Agriculture Committee, also raised the possibility that farmers may defeat wheat curbs on June 25. He said it appeared Mr. Benson was "trying to coax" farmers into doing exactly that.

The new support rates will be available in commercial wheat States for those who comply with their individual farm acreage allotments. Support rates in the 12 noncommercial wheat States are set by law at 75 percent of the commercial rate.

The prospective 1955 crop is well below last year's harvest of 969,781,000 bushels and the 1,154,073,000-bushel average for the preceding 10 years. Because of huge surpluses, however, there is no likelihood of a shortage.

Today's estimate was based on June 1 growing conditions.

The total was pushed up by a forecast of 205,991,000 bushels of spring wheat. Previous planting intentions had indicated a 177-million-bushel crop. Winter wheat was estimated at 639,224,000 bushels, compared with last month's 652,886,000-bushel forecast.

Last year's crop totaled 790,737,000 bushels of winter wheat and 179,044,000 of spring wheat.

This year's rye crop was estimated at 25,785,000 bushels, compared with May prospects of 29,345,000 bushels, a 1954 harvest of 23,688,000 bushels and a 10-year average of 21,097,000 bushels.

DISTRESS PRICE-SUPPORT LOANS TO WHEAT FARMERS BECAUSE OF LACK OF STORAGE FACILITIES

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Wheat Men Promised Distress Loans If They Can't Get Storage Space," published in the Wall Street Journal of May 13, 1955.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEAT MEN PROMISED DISTRESS LOANS IF THEY CAN'T GET STORAGE SPACE

WASHINGTON.—The Agriculture Department announced it will make distress price-support loans on 1955 crop wheat for a temporary period this summer to farmers who can't find regular storage facilities for their grain.

It said these growers can get 90-day loans at 80 percent of the going price-support rate, which will average at least $2.06 a bushel. The loans would be for wheat that can be stored safely on the ground or in temporary structures.

Price-propping loans at the full support rate will be available, of course, to all farmers who can get regular storage for their grain. These loans don't come due until spring of 1956. If market prices rise above the loan level, farmers can redeem their wheat and sell it in the open market.

Similar distress loans for wheat were made available for the 1953 and 1954 crops.

Department officials said storage in some States, particularly in the Great Plains area, may be short during harvest and some producers might not be able to put their wheat under the regular loan. Distress loans are designed to make it possible for producers to get some price support at harvest time, thus preventing premature marketings that might depress market prices sharply.

Farmers taking out distress loans will be responsible for any loss in quantity or quality of wheat during the loan period. That means if the wheat isn't worth as much as the loan rate after the 90 days, the farmer will have to make up the difference to the Government.

INSECT PROBLEMS OF FARMERS OF NORTH DAKOTA

Mr. LANGER. Mr. President, let me say to my fellow Senators who sometimes are opposed to rigid price supports that there are many calamities which the farmer must encounter, including hail, drought, and rust. I have just received from the North Dakota Insect and Plant Pest Reporting Service a list and description of insects and plant pests which are now prevalent all over the Northwest. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks two bulletins from the North Dakota Insect and Plant Pest Reporting Service, one dated June 4, 1955, and the other June 11, 1955, in order that Senators may understand what the small farmer is up against all over the Northwest.

There being no objection, the bulletins were ordered to be printed in the RECORD, as follows:

[From the North Dakota Insect and Plant Pest Reporting Service, Fargo, N. Dak., June 4, 1955]

This report will be made available each week to workers in agriculture and is designed to help the people of North Dakota to meet insect problems as they appear and as far as possible to forewarn of indicated changes in insect activity.

Since weather conditions greatly influence insect populations, these reports can at most only indicate general or prevailing trends. All individuals should check their own fields to determine local conditions. Every effort will be made to anticipate problems and to secure the best available recommendation from the North Dakota Agricultural College extension service. Unusual insect abundance or damage should be reported immediately to the State entomologist so they can be investigated promptly.

European corn borer: Pupation averaged 50 percent on June 2 in southern Cass and northern Richland Counties. Some adult emergence was observed in these counties. Height of corn in this area averaged under 3 inches. Development of the borer appears to be earlier than reported in previous years. Early planted corn will generally sustain the greatest damage and should be watched for egg masses and early feeding in order to determine the need for control measures.

Army worms: A few adult armyworm moths have been collected from light traps at Fargo. These moths apparently originated in this area as they appeared fresh and did not indicate the symptom of long migration from southern sources. A certain number of this species overwinter in this area every year. When sufficient numbers of moths are present together with lush, grassy egg-laying hosts, survival of newly hatched larvae may be high. Farmers and county agents in areas where damage occurred in 1954 should begin watching grassy field margins and moist low spots in fields for the presence of green to greenish brown worms. Questionable specimens should be sent to this office for identification.

Wireworms: Survey conducted in the northern third of the State during the week ending May 20, revealed some stand thinning in a few small grainfields. This survey is conducted to supply information as to wireworm species distribution in North Dakota. Wireworm larvae were collected from 16 fields out of 33 fields sampled.

During the weekend of May 27, light wireworm damage was reported occurring in small grainfields in Bowman, Slope, and Golden Valley Counties. Infestations were localized in fields and in these counties.

Flea beetles: Adult beetles are now present in the Fargo area and are causing noticeable shot-holing of a seeded garden—vegetables and some transplants. In controlling these insects, use 5 percent DDT dust. Repeat application in 7 to 10 days if beetles continue to invade the crop. DDT 50 percent wettable powder may also be used at 2 pounds per 100 gallons of water.

Cutworms: Although no cutworm damage has yet been observed or reported in North

Dakota, fields should be watched for damage during the early growing season. Defoliation of leaves or cutoff plants at ground level are the more common symptoms of injury. If economic infestation should develop control by the following amounts of actual insecticide per acre should be applied: DDT 1½ pounds; Toxaphene 2 pounds; chlordane 1 pound; heptachlor or aldrin ½ pound. Poisoned baits may also be used.

Leaf beetles (species undetermined): Heavy leaf feeding by this beetle on willow, poplar, and cottonwood was reported this week in the Bowbells-Kenmare vicinity. Control measures recommended are DDT at 2 quarts of 25 percent emulsion per 100 gallons of water or in the case of shelter belt spraying by airplane use 2 quarts of 25 percent emulsion per acre.

Cotoneaster webworm: Larvae of this species were active and starting to web foliage together in the Dickinson area on May 25. This pest is widely distributed over the State and causes considerable damage to the shrub. For control, spray foliage with 2 quarts of 25 percent DDT emulsion to 100 gallons of water. Second application likely necessary in early August.

Aphids: These pests attack nearly all species of nursery and greenhouse stock, also shade trees, garden, and field crops. They are now reported infesting various trees and shrubs such as elm, boxelder, high lush cranberry, snowball, and certain other plants. Nicotine-sulfate sprays mixed at 1 tablespoonful to a gallon of water is the most common insecticide used. Malathion 50 percent emulsifiable concentrate applied in a mixture of 2 pints per 100 gallons of water, or 2 teaspoonsful per gallon of water will control aphids. Aphid control on large trees is generally not considered economical.

Cankerworms: Larvae of this insect sometimes called loopers or measuring worms are now feeding on leaves of elm, fruit trees, and certain other susceptible hosts in eastern North Dakota. Early feeding resembles "shot holing" in the developing leaves. Cankerworm larvae may be controlled with DDT at the rate of 2 quarts 25 percent or 2 pounds 50 percent wettable powder per 100 gallons of water. Tanglefoot bands applied to the tree trunk in early fall have been helpful in keeping wingless cankerworm females from depositing their eggs.

Gall insects and mites: Numerous specimens of leaf distortion exhibiting bladder or nipple-like growths on the leaf surface have been received by this office. Maple leaves infested with bladder gall mites have been the most numerous. Dormant sprays applied before growth starts in the spring may be of some benefit.

Spider mites: Populations of spider mites have been increasing rapidly in evergreen foundation plantings and certain other plants, especially in southeastern and south-central North Dakota. A careful watch for this pest should be made now until frost in all areas. Hosing down plants once a week with a strong stream of water will give relief. However, for more lasting control, the use of one of the new miticides will give adequate protection. Ovotran 50 percent wettable powder at 1 pound or dimite 15 percent or aramite 15 percent at 1½ pounds per 100 gallons of water. Ovotran is especially effective when applied early to kill the eggs.

Mosquitoes: Recent rains in southeastern and south-central North Dakota can be expected to help the hatch of mosquito eggs in and around areas of temporary water resulting in increased populations annoying man and livestock.

American dog tick or wood tick: These ticks appear more abundant through the Red River Valley this spring than during the last few years. Persons should examine themselves carefully for ticks each night. Ticks may be removed by pulling them off with forceps or fingers. Such wounds should be treated with a disinfectant. Dogs should be checked regularly for ticks. If found, the tick should be removed by hand or treat the animal with 0.5 percent DDT or chlordane sprays. DDT or chlordane applied at 1 percent strengths to wooded areas and lawns will control this tick.

Carpet beetles: Specimens of this destructive household pest which feeds on wool and wool products continue to be received. For further information on their control obtain Extension Circular A-166 or USDA Bulletin No. 24 from the North Dakota Agricultural College Extension Service.

[From the North Dakota Insect and Plant Pest Reporting Service, Fargo, N. Dak., of June 11, 1955]

Sugar beet root maggot (tetanops myopaeformis): Adult female flies were observed in sugar beet fields near Auburn, Walsh County, in considerable numbers during the first week of June.

Colorado potato beetles: Adults were observed in garden potato plantings in the Grand Forks vicinity on June 3. Some egg laying was also reported. In controlling this insect apply a dust of 3–5 percent DDT dust or 3–5 percent methoxychlor at 20–30 pounds per acre; 10 percent toxaphene dust at 10–15 pounds per acre. Sprays of 25 percent DDT or methoxychlor emulsion at 4–5 quarts per acre in 100 gallons of water, or 50 percent DDT or methoxychlor wettable powder at 2 pounds per 100 gallons of water, or 45 percent toxaphene emulsion at 1½ quarts per 100 gallons of water will give satisfactory control.

Blister beetles: Adult beetles, the large purple variety, were reported attacking legume plantings at the Fort Lincoln Nursery, Bismarck, on June 2. Control measures applied on June 3 resulted in a satisfactory kill of this pest. For control use DDT or toxaphene at 1–1½ pounds per acre as a dust or spray.

Cottonwood or willow leaf beetles: Larvae of this species had caused considerable defoliation of willow-cutting blocks at the Fort Lincoln Nursery, Bismarck, this week. Since both larvae and adult beetles feed on foliage, a careful watch for the emergence of adult beetles should be maintained, especially in nursery plantings. Control of this beetle and its larvae may be accomplished by spraying with 2 pounds of 50 percent DDT in 100 gallons of water.

Cutworms: Reports of cutworm damage to vegetable transplants have been received this week from several localities. The following amounts of actual insecticide per acre should be applied: DDT, 1½ pounds; toxaphene, 2 pounds; chlordane, 1 pound; heptachlor or aldrin, one-half pound. Poisoned baits may also be used.

Spider mites: Reports of spider mite buildups, especially in evergreen foundation plantings, continue to be received. Recent rains over the State may have diminished the rapid increase in population; however, with the advent of warm, sunny weather a careful watch should be kept and control measures applied in order to prevent injury to susceptible plant species. Control measures recommended are ovotran 50 percent wettable powder at 1 pound, or dimite 15 percent or aramite 15 percent at 1½ pounds per 100 gallons of water. Malathion 50 percent emulsified concentrate has given control at 2 pints per 100 gallons of water or 2 teaspoonsful per gallon of water. Dusting sulfur may also be used.

Rose curculio: This is the time of year to employ control measures against this insect. The weevil eats holes in the unopended buds, leaves, and flower stems of roses. Bush roses, such as Hansa, seem to the most injured in this area. For control apply 3–5 percent DDT dust to foliage at weekly intervals.

Mosquitoes: Populations continue to increase following general rains.

AMENDMENT OF CODE RELATING TO MAILING OF OBSCENE MATTER

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 600) to amend title 18 of the United States Code, relating to the mailing of obscene matter, which were to strike out all after the enacting clause and insert:

That the first paragraph of section 1461 of title 18 of the United States Code is amended to read as follows:

"Every obscene, lewd, lascivious, indecent, filthy, or vile article, matter, thing, device, or substance; and—."

SEC. 2. The fifth paragraph of section 1461 of title 18, United States Code, reading "Every letter, packet, or package, or other mail matter containing any filthy, vile, or indecent thing, device, or substance; and", is hereby repealed.

SEC. 3. Chapter 71 of title 18 of the United States Code is amended by inserting, immediately following section 1464 of such chapter, a new section, to be designated as section 1465, and to read as follows:

"§ 1465. Transportation of obscene matters for sale or distribution.

"Whoever knowingly transports in interstate or foreign commerce for the purpose of sale or distribution any obscene, lewd, lascivious, or filthy book, pamphlet, picture, film, paper, letter, writing, print, silhouette, drawing, figure, image, cast, phonograph recording, electrical transcription or other article capable of producing sound, or any other matter of indecent or immoral character, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

"The transportation as aforesaid of 2 or more copies of any publication or 2 or more of any article of the character described above, or a combined total of 5 such publications and articles, shall create a presumption that such publications or articles are intended for sale or distribution, but such presumption shall be rebuttable.

"When any person is convicted of a violation of this act, the court in its judgment of conviction may, in addition to the penalty prescribed, order the confiscation and disposal of such items described herein which were found in the possession or under the immediate control of such person at the time of his arrest."

SEC. 4. The analysis of chapter 71 of title 18 of the United States Code is amended by inserting, immediately after and underneath item 1464, as contained in such analysis, the following new item:

"1465. Transportation of obscene matters for sale or distribution."

And to amend the title so as to read: "An act to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter."

Mr. KILGORE. On March 14, 1955, the Committee on the Judiciary favorably reported S. 599, a bill to prohibit the transportation of obscene matters in interstate or foreign commerce, and S. 600, a bill to amend title 18 of the United States Code, relating to the mailing of obscene matter. Both bills, as reported, passed the Senate on March 28, 1955. On June 1, 1955, the House Judiciary Committee reported H. R. 3333, a bill to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter. H. R. 3333, as reported, contained all the provisions incorporated in both Senate bills. On June 7, the text of H. R. 3333 was substituted for that of S. 600, which was passed by the House of Representatives.

Since the bill now before the Senate (S. 600) embodies the provisions previously agreed to by the Senate, I move, Mr. President, that the Senate concur in the House amendments.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

BUNGLING IN THE DEPARTMENT OF AGRICULTURE

Mr. HUMPHREY. Mr. President, last week I called attention to some of the fantastic bungling in the Department of Agriculture into which I have urged a thorough investigation.

I think this body should know that responsible officials of the Department now admit that 8,960 grain storage bins purchased and erected during the past 2 years were seriously defective and resulted in heavy losses.

My colleagues may be interested in knowing that conferences were held in the Department of Agriculture yesterday in regard to seeking restitution of more than a million dollars from suppliers of these bins.

I am glad to see this effort to recover some of this loss.

However, I would be more interested in finding out how much bungling occurred and making sure it cannot happen again.

Why did the Department of Agriculture continue purchasing these bins and ordering them erected long after complaints were made from the field that they were defective?

Is it possible that nearly 9,000 faulty bins could be erected before anyone realized they were so defective?

How did these now admittedly faulty bins not only gain approval of the Department of Agriculture, but also pass naval inspection?

Why did the Department of Agriculture ignore the recommendations of its own research bureau at Beltsville in regard to calking compounds in its desperate attempt to seal up the cracks and holes in these defective bins, with the result that heavy losses of corn and grain occurred?

Mr. President, these are among the questions which should be looked into and should be answered.

Never before under any administration have million-dollar losses as a result of bungling and poor judgment or worse been treated so casually, cause such little interest, or been paid such little attention by the press.

Have we a double set of standards?

Is such bungling simply written off as a mistake under a Republican administration, whereas it would be shouted from the housetops as corruption under a Democratic administration?

This grain-bin scandal is but one of the many examples of mismanagement in the Department of Agriculture under this supposed businessman's businesslike administration. Are they going to be ignored?

I, for one, feel that the Senate has a responsibility to take better care of the taxpayers' money, and erect safeguards against further repetition of such bungling and waste.

We must either do it through our own committees, or call upon the General Accounting Office to conduct a thorough investigation for us.

I do not intend to remain quiet while such things are going on. I have even further information available that should be laid before competent investigators.

But I assure the Senate until such an investigation is opened I shall continue to bring before this body these examples of the shortcomings, bungling, mismanagement, inefficiency, carelessness, and poor supervision in the Department of Agriculture.

As I have said before, I am not yet convinced that only bungling and mismanagement is involved. I want to be fair before making public even more serious charges.

For that reason I hope an investigation can be undertaken that will permit all sides to be heard.

I have brought the matter to the attention of the Subcommittee on Investigations, and I have asked it to make a full-scale report of its investigation.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which the Secretary will state by title.

The LEGISLATIVE CLERK. A bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

TRADE AGREEMENTS EXTENSION ACT OF 1955—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 14, 1955, pp. 8157–8158, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD. Mr. President, I am glad to report that of the 29 amendments adopted by the Senate Finance Committee and by the Senate, the Senate conferees succeeded in retaining 26. One of those on which the Senate conferees receded proposed a technical change requiring changes in one of the other amendments. The amendments on which the Senate conferees receded were not vital to the purposes of the bill itself.

I desire to emphasize the fact that I do not believe any renewal of the reciprocal trade agreements law has received a closer and more exhaustive investigation by the Senate Finance Committee than H. R. 1, now pending. The hearings before the Senate Finance Committee lasted 4 weeks. More than 150 witnesses were heard. The executive sessions extended for another 4 weeks. Every single line of H. R. 1, as passed by the House of Representatives, was scrutinized and debated during 2 months of hearings and executive sessions.

I state this because I want the Senate to know how carefully this proposed legislation was considered by the Senate Finance Committee, and how keenly the membership appreciated its importance.

The effort has been made to convey the impression that the amendments adopted by the Senate Finance Committee crippled the reciprocal-trade program. I emphatically state that this is not true. Every single amendment adopted by the Senate Finance Committee was approved by the President.

I was a Member of the Senate when the reciprocal-trade-agreements program was first adopted in 1934. I supported it then and have supported it since. H. R. 1, now pending before the Senate, carries out the original principals of the trade-agreements program.

The Honorable Cordell Hull testified before the Senate Finance Committee in support of the first trade-agreements bill in 1934, and stated:

> The entire policy of this bill would rest upon trade relationships which would be mutually and equitably profitable, both to our own and to other countries.

He said also:

> The proposed reciprocity policy would, on the whole, enhance these benefits by increasing commerce which would result in increasing production and increased employment at home.

The reciprocal-trade program means what is says, namely, that its purpose is to stimulate and increase commerce between America and other nations on a basis of reciprocity. This is exactly what H. R. 1, as now presented to the Senate, will do.

This bill preserves the fundamental principle of the reciprocal-trade program by leaving the final decision in the hands of the President. It continues the program for 3 years and permits certain further reductions in the tariff rates on a restricted basis.

We must all recognize that world conditions have changed since the reciprocal-trade program was inaugurated in 1934. Since then the industrial wage scale in the United States has been increased much more rapidly than in other countries who import from us. It is likewise a fact that under the United States foreign-aid program the industrial plants of importing nations, especially textile and chemical plants, have been rebuilt and modernized, without cost to such nations. For these reasons the Senate Finance Committee adopted certain safeguards.

In view of all the conditions now existing, it is my sincere conviction that H. R. 1, as amended by the Senate Finance Committee and later practically in toto by the Senate, and then approved by the

conference committee, in adopting 26 out of 29 of the Senate amendments, offers the best approach that could be devised to continue our foreign trade on a basis of reciprocity, and, at the same time, protect, in reasonable fashion, the proper interests of American industry.

I will discuss briefly some of the more important amendments inserted by the Senate Finance Committee.

The first important amendments adopted by the Senate Finance Committee were Nos. 1, 2, and 3, which eliminated from the House bill all language indicating approval of the international organization known as General Agreement on Tariffs and Trade. The White House approved this action on these amendments in a communication addressed to me as chairman of the Finance Committee, as follows:

Amendment No. 1: This amendment strikes out the language in the House bill that sought to spell out the kinds of provisions that could be included in foreign trade agreements. The language stricken out was intended to be clarifying rather than substantive in nature. Since the language so stricken was merely declaratory of existing law, as uniformly interpreted, the administration has no objection to the Senate amendment striking it out.

Amendment No. 2: This amendment is merely a clerical amendment made necessary by amendment No. 1.

Amendment No. 3: The language of the House bill which this amendment strikes out was designed to make it clear that the enactment of the bill would not constitute approval or disapproval by Congress of the proposed new Organization for Trade Cooperation. The language which the Senate amendment proposes to insert is designed to make it clear that the enactment of the bill is not to constitute approval or disapproval by Congress of the GATT. Since the bill passed the House, separate legislation proposing congressional approval of OTC has been recommended, and hence it seems that the House language stricken out by the Senate amendment is unnecessary. The language inserted by the Senate amendment is similar to language which had been included in Trade Agreement Act extensions for the last several years, and the administration has no objection to it.

The second series of amendments were Nos. 4, 5, 6, 9, 11, 12, 17, 20, 21, 22, and 23, which eliminated the double jeopardy with respect to articles on which concessions are made in the forthcoming trade agreement with Japan.

The White House agreed to these amendments in the following language:

Amendments Nos. 4, 5, 6, 9, 11, 12, 17, 20, 21, 22, and 23: All of these amendments relate to a single subject matter, viz, the elimination of the so-called double jeopardy with respect to articles on which concessions are made in the forthcoming trade agreement covering Japan. Under existing law the duties on these articles could be reduced by 50 percent of the duty existing on January 1, 1945, and then have been subject to a further 15-percent reduction under the House bill. Under the Senate amendments, if the duty on a particular article is reduced by 15 percent or more under the Japanese trade agreement, no further reduction could be made under the bill. If the duty on that article is reduced by less than 15 percent under the Japanese trade agreement, the duty could be decreased under the Senate amendments by the difference between a 15-percent reduction and the reduction provided for under the trade agreement. Thus, under the Senate amendments all articles, whether covered by the Japanese trade agreement or not, will be treated on the same basis. The administration has no objection to these amendments.

Amendment No. 7, as adopted by the Senate Finance Committee, eliminated the section providing for further reductions of tariff duties on all articles imported in "negligible quantity." This was agreed to by the White House in the following language:

Amendment No. 7: This amendment strikes out language in the House bill which would have authorized reductions in duty by 50 percent of the rate existing on January 1, 1945, in the case of articles which are normally not imported into the United States or are normally imported in negligible quantities. After prolonged consideration, it was concluded that "negligible quantities" constituted a standard that it would be difficult to apply administratively, and it was further concluded that a more precise standard could not be devised. Hence the administration has no objection to Senate amendment No. 7.

Amendment No. 26, inserted by the Senate Finance Committee, instructed the Tariff Commission to make a factual report once a year directly to Congress on the operation of the trade agreements program. Heretofore such a report was made to the President and only to Congress after the President had issued an order to that effect. The White House agreed to this amendment in the following language:

Amendment No. 26: This amendment directs the Tariff Commission to keep informed about the operation of trade agreement provisions relating to duties or other import restrictions and to submit to Congress, at least once a year, a factual report on the operation of the trade agreement program. The administration has no objection to this amendment.

Amendment No. 28 consists of three distinct parts. It provides certain safeguards to make it easier for the President to prevent serious injury to domestic enterprises, if he desires to do so. The White House agreed to these amendments as adopted by the Senate Finance Committee, but disagreed to an amendment to these amendments offered in the Senate by the Senator from Oregon [Mr. MORSE]. The House declined to agree to the so-called Morse amendment and it was stricken from the bill by the conferees.

The White House statement on amendment 28 is as follows:

Amendment No. 28: This amendment consists of three distinct parts:

(a) One part of this amendment adds a provision to section 7 (b) of the Trade Agreements Extension Act of 1951 (escape clause provisions) which provides in substance that when the Tariff Commission finds increased imports to have contributed materially to the serious injury or threat of serious injury to a domestic industry, such increased imports shall be considered as the cause or threat of serious injury to that industry. This provision seeks to eliminate confusion as to the proper interpretation of section 7 of existing law, and the administration has no objection to it.

(b) Another part of amendment No. 28 adds to section 7 of the Trade Agreements Extension Act of 1951 a subsection defining what is meant by "domestic industry" for the purpose of peril point determinations and escape clause procedure. There is no definition of what constitutes a domestic industry for these purposes in existing law. The amendment provides that a domestic industry means "that portion or subdivision of the producing organizations manufacturing, assembling, processing, extracting, growing, or otherwise producing" products that are like, or directly competitive with, the imported article involved. It is also provided that where a particular business enterprise is engaged in operations involving more than one industry, or more than one readily determinable segment of a single industry, the Tariff Commission shall, so far as practicable, distinguish or separate the respective operations of such business enterprise for the purpose of determining injury. This portion of the amendment gives the Tariff Commission greater latitude in consideration of applications for escape clause relief. No change is made with regard to the essential review powers of the President, and the administration has no objection to this portion of amendment No. 28.

(c) The third portion of amendment No. 28 has the effect of providing that the producer of any raw material contained in, or of any component of, a domestic article with which an imported article competes, may obtain escape-clause relief by reason of imports, not of the raw material or of the component, but of the finished article being manufactured by somebody else. This portion of the amendment also provides that evidence of serious injury or threat of serious injury to any readily determinable segment of the producing organizations shall, for the purpose of the bill, be considered evidence of serious injury or threat of serious injury to the domestic industry producing like or directly competitive products or articles. The administration feels that this third portion of amendment No. 28 goes to extremes, and would be impossible to administer. It would permit, for example, manufacturers of nuts and bolts to claim escape-clause relief on account of the importation of automobiles.

Amendment No. 29, adopted by the Senate Finance Committee, gives to the President authority to take action to regulate imports of strategic end critical items whenever necessary to protect the national security. The White House agreed to this amendment in the following language:

Amendment No. 29: This amendment rounds out the national security provisions incorporated in the extension of the Trade Agreements Act last year. Amendment No. 29 provides that whenever the Director of the Office of Defense Mobiliaztion has reason to believe that any article is being imported in such quantities as to threaten to impair the national security, he shall so advise the President, and if the President agrees that there is reason for such belief, the President is directed to cause an immediate investigation to be made. If the President finds, on the basis of such investigation that imports of the article in question are threatening to impair the national security, he is directed to take such action as he deems necessary to adjust the imports to a level that will not threaten to impair the national security. Such action could take any form that was appropriate to the situation. The administration has no objection to this amendment.

On behalf of the Senate Finance Committee, I wish to assure the Senate that the legislation now pending represents the very best efforts of the Senate Conferees, and I hope the Senate will adopt the conference report.

Mr. DOUGLAS. Mr. President, I appreciate the very lucid statement by the eminent Senator from Virginia. He

makes quite clear two things: first, that the restrictive amendments impeding freer trade which were adopted by the Senate are retained in the bill as it comes from the conference; second, that every one of these further restrictions upon international trade has met with the consent and the approval of the administration.

I congratulate the Senator from Virginia for the clear and honest record which he has made in this instance. But, Mr. President, I think the conference report marks a serious curtailment, if it does not mean the virtual abandonment of the principles of reciprocal trade which Cordell Hull supported, and to which we of the Democratic Party have given, until now, almost undivided allegiance.

Mr. President, there have been various commissions appointed to consider reciprocal trade. Most notable of these, perhaps, was the so-called Bell Commission, which was appointed by President Truman, but which made its report, I believe, in February 1953, 1 month after the new administration took office. The Bell Commission report, I think, is a landmark in the discussion of tariff policy and trade policy. It advocated, in the first place, the abandonment of the peril-point provision which had been inserted in the law under Republican rule. It advocated the repeal of the escape clause which had been inserted in the law under a Republican Congress. It recommended that with respect to any industries which were adversely affected by a reduction in tariffs, the country owed a duty to those industries to compensate them for their loss.

The Bell report was a very far-sighted and statesmanlike document. The new administration gave verbal support to the idea of broadening international trade. President Eisenhower, upon occasion, said it was the most important issue before the American public. He declared that unless international trade were broadened, the great alliance of the free nations might break down. But almost immediately a retreat began. The act was extended for only 1 year, with the promise made by the Secretary of State that no new reductions in tariff duties would be put into effect if the act were so extended.

A new commission was appointed, headed by a very fine gentleman from my city and State, Mr. Clarence Randall. It included amongst its membership several eminent Members of this body and of the other body, including some whose devotion to protection was deep and sincere.

The Randall Commission conducted a number of very interesting studies and then made a series of recommendations. The recommendations of the Randall Commission were greatly toned down as compared with those of the Bell Commission. The escape clause was to be retained; the peril-point provision was to be retained; there was to be no compensation for industries adversely affected by reductions in tariffs; and the reduction which was to be permitted was to be only 5 percent a year over a period of 3 years, with some doubt, because of the intervening steps which had to be taken before any reduction could be put into effect, whether the third reduction could ever take place. So that at the most a reduction of 5 percent in existing tariffs was permitted. This should be noted as not an absolute reduction, but as a relative reduction. That is, if the previous tariff was 20 percent, the most that it could be reduced would be 1 percent a year for 3 years, or a reduction to 17 percent. In practice, as I have said, since it would take some time for the steps in carrying out the reduction to take effect, the probable actual reduction in absolute terms would be only 10 percent of existing tariffs or, on a 20-percent basis, from 20 percent to 18 percent.

Those of us who believe in the principle of freer trade, those of us who believe that trade joins nations together, those of us who wish to have the free nations joined together in an economic as well as a political alliance, regarded the Randall Commission report as a very weak document.

It was in the very much watered down form of the Randall Commission that the bill to extend the Reciprocal Trade Agreements Act came up in the House of Representatives this year. I am very proud of the leadership of the Democratic Party in the House, because it was the leadership of the Democratic Party, under Speaker RAYBURN, who put that bill through the House.

I tabulated the vote, and, in general, it can be said that while we of the Democratic Party were not as united on this matter as we have been in the past, and as I wish we were at this time, nevertheless, the Democrats voted approximately 2 to 1 for the bill. The Republicans voted approximately 2 to 1 against it. Those are the rough figures. It was due, therefore, to Speaker RAYBURN and the Democratic leadership of the House that the bill passed that body.

It came to this body and went to the Finance Committee, and, undoubtedly, a great many pressures began to bear upon the Finance Committee. I do not wish to criticize the individual members of the Finance Committee. I wish to pay tribute to them for the energy with which they worked under a heavy burden. But I should like to point out how seriously the amendments which they accepted, and which the administration sponsored, cripple still further the principle of freer trade. In the first place, as the Senator from Virginia has stated, there will be no reductions on approximately 1,000 items not now imported in appreciable quantities. It may be asked, What difference does that make? Since they are not imported in appreciable quantities, a reduction in their tariffs will not have any effect.

But here is the point: Some of those articles are not imported in any real quantities now because of the height of the tariff wall. Reduce the tariff, and the goods will come in. Keep the tariff up, and they will still continue not to be imported at all, or they will be imported in negligible quantities.

So this was the first body blow at the principle of freer trade, already pretty well battered, which the Committee on Finance permitted.

Second, the escape clause was still further loosened, making it possible for a tremendous amount of pressure to be brought to bear upon the President. The Tariff Commission must now make public its reports on escape-clause proceedings at the time it sends them to the President. Also, if I remember correctly the language of the Senate bill, if imports "contributed materially" to the serious injury of, or constituted a threat of serious injury to an industry, such imports would come under the escape clause.

There were other ways in which the escape clause was further loosened. It is a matter of open knowledge that these provisions will expose the President to tremendous pressure for increased tariff rates. Requests for increases will be coming from a multitude of sectors of the American economy. In view of the performance of the administration to date in acquiescing, and now, as the Senator from Virginia has said, in sponsoring the curtailment of the reciprocal trade program, the administration will have to show much more backbone than it has shown thus far, if this provision, in turn, is not to result in a great impairment of freer trade.

The escape clause was made more restrictive, even, than it is now by redefining industry, to allow individual commodities in industries which are otherwise profitable to proceed under the escape-clause provision. So now it will be necessary to judge not only the condition of an industry as a whole, but also the specific commodities produced within the industry.

There may be a very prosperous industry which in the case of one specific item it produces is at a fancied disadvantage, or which is threatened with a disadvantage. In that event the industry can file claims. The defenses are down, and the pressures are upon the President.

Finally, there was another clause placed at the very end of the bill, section 7 (b), as follows:

(b) In order to further the policy and purpose of this section, whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security, he shall so advise the President, and if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made to determine the facts. If, on the basis of such investigation, and the report to him of the findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security.

All of us know what is behind that clause, even if the American public does not fully realize it. It involves, first, the question whether actual or relative embargoes shall be imposed upon residual oil from South America, in order to protect coal and some of the oil producers of the United States. We can be quite certain that those groups will demand severe limitations upon the importation of residual oils. The President will be

exposed to the pressure of those industries.

Lead and zinc will be involved, as well. I well remember the day on which my good friend, the senior Senator from Colorado [Mr. MILLIKIN] rose, with beaming face, and seemed to give assurance that the lead and zinc producers of his State, of the other great Mountain States, of Missouri and Oklahoma, where there are lead deposits, could be assured that their fears of foreign competition were groundless and that their hopes probably would be realized.

The senior Senator from Colorado, with the skill which characterizes him, and which has won the admiration of us all, was careful not to make any statement which would be binding. But as one read between the lines, and as one looked at his benevolent countenance, one felt that protection was going to be given to those groups.

I happen to be interested in one of the commodities affected, namely, fluorspar, because there are two counties in my State which produce an appreciable quantity of fluorspar. I think the answer to the lead and zinc question and also to the fluorspar question is to purchase for stockpiling.

I have introduced a bill to provide that fluorspar shall be purchased by the Office of Defense Mobilization at current prices. I am told that instead of doing this, the administration is endeavoring to dispose of wheat, with which it is swamped, in return for large quantities of fluorspar, therefore adding to the problems of the fluorspar industry.

Despite the pressure from the fluorspar industry and from the workers in that industry, I did not advocate and have not advocated any embargo or any increase in tariff on fluorspar. That issue should be met, if it is a defense issue—and I think it may well be a defense issue—through purchases and stockpiling. That is what I have advocated.

What has been done by the amendments sponsored by the administration has been to give away virtually the principles of reciprocal trade and of lower tariffs.

Another ominous note is the continued careful disavowal by the United States Congress of the General Agreement on Tariffs and Trade known as GATT. I suppose the person who knows most about GATT is the eminent senior Senator from Colorado [Mr. MILLIKIN]. I have read in years past some of the questioning which he has carried on; and every time I listen to the speeches of the Senator or listen to his questioning, my already high opinion of his ability is enhanced.

This is a complicated question, and I certainly do not pretend to have the technical knowledge of the subject which the Senator from Colorado possesses. But I think I know the main outlines. The main outlines are to provide a mechanism whereby nations can move together to reduce tariff barriers. That is fundamentally the principle involved. In that way they can deal with each other across the table, so that the reductions, when they occur, will be simultaneous and general, instead of being compelled to deal 2 by 2, with all the infinite complications which take place.

That brings us down to the question, Do we believe in the principle of reciprocal trade or do we not? The Senator from Virginia said he believed in it, and that the enactment of the bill would not imperil it. It certainly would imperil it. It would whittle the trade program of 1934, initiated by Cordell Hull, almost down to the vanishing point. The question is whether reciprocal trade, freer trade—I do not say free trade, but freer trade—is something we believe in, or whether it is something to which we give lip service, but which we betray at every conceivable opportunity.

Mr. President, I believe in the principle of freer trade. I believe that if there exists freer trade nations will produce those articles which they are both producing and comparatively best adapted to produce. As a result there will be obtained a distribution of energy over the world as a whole in the production of goods by nations according to their capacity to produce the maximum. I believe such a course helps all nations, because everybody benefits if labor is more beneficially utilized. There is nothing gained if we try to grow bananas in Maine or oranges in Vermont.

We have adopted the principle of free trade within the United States. We certainly should adopt the principle of freer trade among the nations as a whole.

There are products, such as certain luxury goods which France produces, which we would do well to import.

Certain of my friends tell me the Scotch produce good whisky, although I must confess that I do not have the money to buy genuine Scotch whisky.

The woolens from the north of England are probably the best in the world. In Australia and New Zealand wool can be produced more cheaply than it can be produced anywhere else.

Why should we not give the American consumer a break by giving him a chance to get such goods at lower prices, instead of being compelled to buy them at higher prices?

Then, Mr. President, there is something else. We speak of the industries which would be hurt by freer trade. Yet this body will remember that the Senator from Minnesota [Mr. HUMPHREY] proposed that any industry which would be hurt should be compensated. I was proud of that suggestion, and hoped to support such an amendment. I tried to have a yea-and-nay vote upon it, but failed to get the necessary show of hands, one-fifth of those present. Of course, we believe that when industries are adversely affected, when, in short, they are being called on to make some sacrifice for the good of the Nation, their sacrifices should be paid for out of the general gains which will result. In other words, as the gains from freer trade are distributed generally, the burdens should be shared generally and not by 1 or 2 or a few industries.

But, Mr. President, I point out that there are two sets of gains. The first set of gains goes to the consumer, who will be able to buy at lower prices the goods which are imported. The second set of gains will go to those who are engaged in the exporting industry. We cannot export unless we import. If we shut off imports, as it now seems we are destined to do, the result will inevitably be to curtail our exports.

Let us see what has happened in that respect. We used to export almost half of the cotton produced in this country. I think the amount is now down to about 37 percent. But cotton is a highly exportable article, and the prosperity of the deep South, at least, largely depends upon the price of cotton, and the price of cotton in turn largely depends upon the market conditions.

We export at least a quarter of the tobacco raised in this country. We used to export more. We will not be able to begin to export as much tobacco if we maintain the restrictions or increase restrictions upon trade, because the inevitable result will be that the European countries will not have the exchange with which they can buy our tobacco. Such an eventuality would strike a blow at Virginia, Kentucky, Tennessee, and the Connecticut Valley.

Ours is a great wheat-exporting country. As I recall, we export about one-third of the wheat grown in the United States. Formerly we exported more. If the European countries are not able to buy wheat from us because they lack exchange, the result will be a still further decline in the price of wheat, and the farmers of the wheat belt—those in North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, eastern Montana, and certain sections of Texas—will suffer.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Illinois yield to the Senator from South Dakota?

Mr. DOUGLAS. I yield.

Mr. CASE of South Dakota. Of course, when the Senator discusses wheat specifically, and selling it for dollars, I invite his attention to the fact that there exists authority now to sell wheat and other surplus agricultural commodities, and to receive in payment foreign currency of the country buying them.

Mr. DOUGLAS. If that foreign currency were transferred into goods which could be imported, what would it mean?

Mr. CASE of South Dakota. It would mean that those countries would not have to have dollar exchange to buy them and that the foreign currency received would eventually be expended for products and materials and supplies we need.

Mr. DOUGLAS. The Senator agrees it will decrease the cost of maintaining our Military Establishment overseas; does he not?

Mr. CASE of South Dakota. A considerable amount, I think, will be used for that purpose. I have personally pointed legislation on military construction to that end. We are also using some of the foreign currency for procurement of strategic materials.

Mr. DOUGLAS. The most satisfactory way is to exchange goods for goods. If we did not have imports, we would not have exports, and we would strike a blow

at cotton, tobacco, and wheat. We would even strike a blow at rice, because from 1949 to 1951, 43 percent of the rice grown in the United States was exported. The growing of rice was developed so efficiently in the Mississippi Valley region, I am told, that it is actually possible to export rice to the Orient, and to take part of the market away from oriental rice.

My State is a great producer of soy beans. Soy bean flour is an article of export. The production and sale of soybean flour will be curtailed if the bill shall be enacted.

There are other agricultural items which will suffer as well; but let us turn to the field of manufacturing. In 1951, 22 percent of the tractors which were produced in the United States were exported. The tractor industry is largely concentrated in my State, in Chicago and in the great cities along the Mississippi River, Moline, East Moline, and Rock Island. If European countries, to which tractors are primarily exported, are not able to sell goods to us, they will not be able to buy tractors from us; production of tractors will drop, and unemployment will increase.

In 1951 we exported 22 percent of the sewing machines manufactured in this country. The Singer sewing machine has gone around the world. If foreign countries cannot sell to us, they will not be able to buy many sewing machines from us.

In the case of rolling machinery and parts, we exported one-third of our production. That will decrease.

I wish to mention another article. In 1951 we exported one-sixth of the office appliances produced in this country.

Then we come to the great automobile industry, chiefly centered in the State graced by the present Presiding Officer, the junior Senator from the great State of Michigan [Mr. McNAMARA]. At the present time—even with all the restrictions which are imposed—approximately one-sixth of our motor trucks and coaches are exported. Here is a tremendous latent market. If we could sell to foreign countries more automobiles and trucks, some of the problems which now vex the automobile industry would be minimized. But the prospects are that, instead of selling more, we shall sell less. Other countries can purchase more from us only if they are able to sell more to us, and thereby acquire more funds to spend in our markets. Furthermore, if, in return for the lower rates which we grant to foreign countries on certain commodities produced by them, we demand lower rates on American automobiles, for instance the foreign market for our automobiles will be broadened.

Mr. President, many persons do not realize that reciprocal trade is not a one-way street. It does not mean that we grant concessions to other countries, without their granting concessions to us. We grant the concessions; and, in return, we obtain concessions from other countries, both by means of a reduction of their tariff rates and by means of a reduction of their import quotas. On May 3, I placed in the CONGRESSIONAL RECORD proof of this fact, and it will be found on pages 5432 to 5434. In fact, it constitutes proof, as the saying goes, beyond peradventure of a doubt. We have driven good bargains, and we have obtained tariff reductions and quota removals from other nations in return for the concessions we have made.

The damage which will be done to our exporting industries by the final approval of this bill is probably far greater than any benefit domestic industries may derive from it.

Mr. President, there is also a political situation which needs to be borne in mind. We are attempting to build up a great alliance of the free nations of the world, beginning in Europe, but now extending into Asia. We hope to join with us not merely the nations of Western Europe, but also Japan and the free countries of southeastern Asia. Japan is being tempted to trade with Red China. Red China is offering to accept Japanese-manufactured goods, and to give Japan, in return, steel products from Manchuria, insofar as the Red Chinese have any say about Manchuria. Also, they are to give raw materials to Japan. In a sense, that constitutes the natural economic alliance between those areas, for Japan is a manufacturing nation, and she formerly supplied manufactured goods to the continent of Asia. But we know that any such alliance would be accompanied by political conditions which would require Japan either to break or to loosen her ties with the West and to strengthen her ties with the Communist bloc. Those who say we should encourage Japan to trade with Red China, rather than to let Japan send textiles to the United States, however estimable their intentions—and I do not question their intentions—are, in effect, encouraging Japan, and are doing so by results, not by intentions, to tie up with the Communist bloc, rather than with the free world.

Mr. President, all the Members of the Senate may not be on the floor today; but, believe me, the nations of the world are watching to see what we do, following the surrender of the administration in the conference on the bill and the apparent insistence of the administration that the restrictions now contained in the bill shall be put into effect. Although Speaker RAYBURN got through the House the administration's original bill, the administration's abandonment of Speaker RAYBURN will strike a heavy blow at the confidence which the other nations of the world have in us. As the Senator from Virginia has said, in conference the conferees on the part of the Senate receded from one amendment, which, I believe, was the so-called Morse amendment; but the conferees on the part of the House receded on all the others; and the Senate won 26 of the 29 points, and won virtually every point which amounts to anything. That was done with the support of the President and the administration.

The delay and ambivalence of the President allowed two things to happen. First, it allowed the protectionists in his own party to get to him time and time again. Second, it gave the protectionists of the country and their pressure groups 2½ years to organize opposition to an extension of the Trade Agreements Act. Because of this, we have before us today a weakened, milk-and-water, emasculated piece of proposed legislation which preserves the symbol of reciprocal trade, but actually is a piece of legislation under which few or no effective trade agreements are likely to be made. I am afraid that the ominous words included in the bill, relative to GATT mean that in all probability, unless there is much more of a fighting spirit by the President on this issue than thus far he has demonstrated, GATT has gone where the woodbine twineth. If that happens, then—as the European correspondents of American newspapers have pointed out time and time again—we may expect foreign countries to raise their tariffs, we may expect a tariff war to break out in Europe; and duties, rather than being lowered, will actually be increased, and we shall move into a condition which will be worse than the one now existing.

Mr. President, to me it is a sad day, a day of abandonment of principle on the part of the administration. At the same time that we are calling for European union and for closer alliances, the administration and the Congress—if it approves this measure—make it more difficult for that alliance to come into being and to continue.

Mr. President, I believe we should practice what we preach. We should not say one thing and do another. We cannot ask for the European nations to join a union and lower their trade barriers at the same time we limit trade ourselves. If we find that something is right, we should stand by it.

Mr. President, I recognize that the Democratic Party has lost some of its fervor for lower tariffs. Historically, the Democratic Party has been the great party of freer trade. In a speech which I delivered in the Senate on May 3 I described the history of the tariff controversy. It showed how, historically, the Democratic Party has stood for freer trade. We have a great record, a record upon which northern and southern Democrats have united. It is true that in times past our southern friends had the advantage that they were helping cotton and tobacco, and had those two powerful economic interests behind them. We of the North—and I grew up, as some Senators may know, in New England—had to swim against the current, because the woolen industry, which had obtained protection in 1816 as an infant, was always insisting that it had not grown up, and that it needed still further protection. It has taken a long time to wean the woolen industry. But we northern Democrats learned in adversity what the principles of freer trade were. We were tried in the fire. We knew that the principles were sound, that they were, in a sense, eternal, and they became deeply graven on our hearts.

I am sorry to say that with the development of textile manufacturing in the South, and the fear of these textile manufacturers that Japanese competition will hurt them, there has been a falling away on this question from this section. The distressed areas have been used as an excuse for tariff protection.

There is another way of dealing with distressed areas, both with respect to coal and textiles. It lies in the improvement of our unemployment insurance machinery, in the retraining of workers who may be displaced, and in a special corporation to make loans to new industries, not merely giving them advice.

I have in preparation a bill dealing with the problems of the distressed areas. I hope to introduce it in the not too distant future.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I am sure the Senator knows that a proposal was presented by the Senator from Massachusetts [Mr. KENNEDY] and myself along the lines of the one now outlined by the Senator from Illinois. Our proposal was laid before the Finance Committee at the time we were discussing House bill 1 at the Finance Committee level. I felt at that time that, rather than to be juggling tariffs and including weakening amendments in the reciprocal trade program, we should be giving consideration to the so-called trade adjustment features, or a trade adjustment bill, as a workable mechanism to relieve some of the distressed areas.

I join with the Senator from Illinois in supporting his proposal. Pride of authorship is nothing. What is most important is to get a reciprocal trade program which really works, for purposes of world trade, and then take care of our local domestic problems with the machinery which is available and can be used. That machinery would not be too extensive. It would consist merely of an application and acceleration of existing instruments of government and existing fiscal and financial policies which, if augmented a little, would be of great help.

Mr. DOUGLAS. I quite agree with the Senator from Minnesota. Earlier in my speech, when he was not in the Chamber, I paid tribute to him for submitting his amendment. It was with pride that I supported it.

Mr. HUMPHREY. The Senator certainly supported it.

Mr. DOUGLAS. I hope it may now be dealt with separately.

What I am trying to say is that, under the guise of dealing with distressed areas, which could be dealt with far more effectively in another way, we are closing the doors on world trade and making international cooperation more difficult.

Mr. HUMPHREY. I commend the Senator, not only for his address today and the points which he is making in reference to the reciprocal trade program, but also for making the record clear. I think the record should be clear for those who will review it. The Senator from Illinois was consistent in his position at the time House bill 1 was before us, and the Senator from Illinois, as he has said, supported the adjustment features for the depressed areas at that time.

It seems to me that there is a great obligation upon the Senate and upon the finance committee to process legislation along the lines which have been jointly outlined here today. We should get on with this business before the distressed areas suffer even more. I am convinced that even the concessions which were placed in the trade bill, weakening the possibility of expanded foreign trade, will not prove to be concessions which are sufficiently meaningful to help the distressed areas. So what we have really done is to weaken the cardinal principle of American trade policy without giving any real relief to the distressed areas of the country, which are really feeling the pinch at the present time.

Mr. DOUGLAS. The Senator from Minnesota is entirely correct.

It is always dangerous for a man to set himself up as a prophet. As I stand here my mind goes back 25 years, to the period in 1930 in which the American Congress passed the Smoot-Hawley-Grundy tariff, designed to increase tariffs on goods, with the ostensible purpose of protecting American industry and American labor. The great depression had been in effect for 8 months. The bill was sent to the President, Mr. Herbert Hoover, to sign or veto.

While the bill was before the President, a group of American economists sent to him a petition which I had the honor of drafting, urging that he veto the bill, pointing out that the bill would increase the prices which domestic consumers would have to pay, that it would bring high-cost producers into the field, that it would shut off, or help to shut off, our exports, both of farm products and manufactured goods, and that it would provoke retaliatory action by other countries.

We were regarded as only a group of theorists, although 1,028 economists signed this petition. Someone once said that if all the economists in the country were laid end to end, they would not reach a conclusion. However, in this case there was virtually a unanimous opinion on the part of the economists of the country, who are highly individualistic. The almost unanimous opinion was that the bill was against public policy.

The President of the United States, however, signed the bill, and the Smoot-Hawley-Grundy Act went into effect. Everything that we had prophesied came true. Our exports fell off. European countries imposed retaliatory tariffs. Imperial preference came in Britain within a year and a half. France and Germany raised their tariffs, and we drifted into a state of economic anarchy—what was termed autarchy at the time. It was a condition in which the nations regarded themselves as self-sufficient. There was failure to cooperate economically, which was one of the characteristics of the 1930's. I do not wish to stress the point, but that all this was at least a contributing cause in the development of excessive nationalism, and the great war which broke out in 1939.

I do not wish to prophesy that anything as bad as that will happen this time. This is not a strangulation-all-at-one-time bill, as the Smoot-Hawley-Grundy tariff was. This is merely a refined process of strangulation, bit by bit. It will be a slow and gradual process.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. Would the Senator say it was dynamic progressive conservatism?

Mr. DOUGLAS. I would say it is progressive strangulation. As to whether it is dynamic would depend on which direction one wants to go. I do not believe it is even conservative.

Mr. HUMPHREY. I have been unable to find out what is meant by the phrase "dynamic progressive conservatism."

Mr. DOUGLAS. No one has. It is a phrase born out of Madison Avenue and spawned upon the American people by high pressure public relations men at 1600 Pennsylvania Avenue.

Mr. HUMPHREY. I thank the Senator for his observations.

Mr. DOUGLAS. I think it will seriously impair political alliances in the free world. I regard this as a surrender by the administration and a failure by them to support the heroic SAM RAYBURN, who for his defense of H. R. 1 was rewarded by this administration being called "irresponsible" and a "demagogue." It is a repudiation of those who fought for this program, and that repudiation will in the long run greatly worsen economic and political conditions in the country and in the world.

I am strongly tempted therefore, to vote against the conference report. But I recognize that to do so might create an even worse condition. We do need to go ahead with reciprocal agreements with Japan which are made partially possible by even the weakened bill we are now being called upon to pass.

Mr. THURMOND. Mr. President, I am happy that H. R. 1, the Trade Agreements Extension Act, as amended, has finally been approved by the conference committee because it affords a measure of protection badly needed by the cotton textile and other industries. I hope the Senate will approve this report.

Passage of this bill takes from the President authority to cut tariffs already reduced by the GATT Conference at Geneva in instances where reductions were more than 15 percent. For the next 3 years, under provisions of H. R. 1, the President would have the authority to approve up to a maximum of 15 percent tariff reductions on items which were not reduced at Geneva.

Under the old law and under H. R. 1 as passed by the House, there was virtually no protection against tariff reductions.

I think it should also be pointed out at this time that H. R. 1 not only provides more adequate protection for industry, but it also gives greater assurance that the farmer will not suffer from the loss of foreign markets which now consume much of our farm surpluses.

Failure to enact H. R. 1 could result in chaotic conditions which existed prior to 1934 when each country took the view that its tariff barriers had to be high enough to protect itself against imports. Without H. R. 1 the President would

have no authority to enter into any trade agreements.

If he were no longer able to negotiate trade agreements, we could certainly expect that foreign nations would fearfully erect new tariff barriers against the products of our farmers as well as against manufactured products.

I was greatly disturbed and disappointed to learn of the agreements entered into in the GATT Conference. The State Department officially announced that "among the concessions granted by the United States were moderate reductions of rates on some carefully selected cotton textile items."

As a matter of fact, I have learned reliably that these reductions on such basic goods as print cloths, broadcloths, poplins, oxfords, twills, and so forth, run as high as 27 to 48 percent of the present tariff rate. A spokesman for the textile industry has stated that these cuts represent "more than the current profit margin of the industry from the production of standard goods."

While I am astounded that State Department negotiators would agree to such severe reductions in products manufactured by this basic industry, I do want to point out that the possibility of just such action caused me to urge amendments to H. R. 1 for the purpose of providing more adequate protection against future cuts. The amendments I advocated were adopted, and they do prevent any further tariff cuts for 3 years on the items which suffered so greatly in the Geneva negotiation.

On March 17 of this year I appeared before the Senate Finance Committee and warned of the necessity of amending H. R. 1 to protect the textile industry and its million employees who annually receive $3 billion in wages and salaries.

At that time I pointed out that the industry and its employees were "exposed more than any other major industry to possible sacrifice on the altar of so-called reciprocal trade."

I told the committee: "They should not be subjected to the risks immediately threatened by H. R. 1 and the current negotiations at Geneva."

Also, I told the committee that "H. R. 1 in its present form contains provisions which would do injustice not only to the textile industry but also to many other types of American enterprise. For that reason I would be unable to cast my vote in favor of it unless it is amended."

Sixteen Senators joined me in asking the committee to amend the bill, and when the report on H. R. 1 was made, it contained the amendments and the effectiveness of these changes in the original bill has been preserved in the conference report. I hope that future negotiations affecting any of our industries will be conducted on a more realistic basis than the recent GATT Conference. In any case, this legislation provides protection for 3 years against further such damaging blows to industries such as textile manufacturing.

FREE TRADE CHARACTER OF H. R. 1—UNCHANGED IN CONFERENCE REPORT

Mr. MALONE. Mr. President, the conference report on H. R. 1 has not changed the character of the legislation.

It leaves entirely to the President of the United States the final decision on the adjustment of duties and tariff rates within the purview of the 1934 Trade Agreements Act as extended, including the so-called peril point, escape clause, and quota provisions.

ONE-MAN AUTHORITY OVER NATION'S TRADE AND ECONOMY IMPOSSIBLE

It seems to me that no President, indeed no one person on earth, should seek such a privilege, because it is absolutely impossible for one human mind or group of minds to encompass the meshing of the economic factors which go to make up our domestic economy, including our foreign-trade adjustments.

RECIPROCAL TRADE—EQUALITY BETWEEN STATES

It has been said before that true reciprocal trade presumes equality between the States or the nations parties to such a trade agreement.

As a great Republican, William McKinley said, our States are equal—and, I would add to what McKinley said, if they were not equal we wanted them to be equal. Yet we hear complaints between areas in the United States when industries are attracted to a particular area because they find a difference in the wages and the cost of doing business. However that is not a just complaint, in the opinion of the senior Senator from Nevada, because that is exactly what we do want, namely, equality in wages and living standards within the 48 States, so that any sacrifice on the part of one area necessary to equalize such standards on the basis of the natural adjustment of the domestic economy should not be prevented.

FREE TRADE DEMANDS DIVIDING MARKETS, WEALTH WITH FOREIGN NATIONS

When we come to foreign nations, whose situation is such that they will require much time and may never attain our living standards, we are admonished that there would be truly reciprocity, and we are told that all we can do is to divide our own wealth and our markets with them, which will bring us down to their standard.

That is the difference, Mr. President, between the two principles which face the Congress of the United States.

One is to hold our standard of living through the regulation of foreign trade by the Congress of the United States as set forth in the Constitution, article I, section 8. It is the duty of Congress to regulate foreign trade and the domestic economy.

PRINCIPLE OF FAIR AND REASONABLE TRADE COMPETITION LONG GUIDED CONGRESS

Congress has long adopted as a basis of fair and reasonable competition, a flexible duty, or tariff, as we have come to call it, which continually adjusted made up the difference between the cost of doing business, between the wage standards of living and the taxes in this Nation, and those of the chief competitive nation.

The flexible tariff or duty could be lowered as the living standards rose in the chief competitive country and when the foreign living standards approached our own, free trade, which, of course, is the ultimate objective, would be immediate and automatic.

FREE TRADE AND FREE IMMIGRATION IDENTICAL IN PRINCIPLE, EFFECT

Mr. President, the Federal Unionist's program pointedly advocates a modification of our sovereignty, beginning with free trade and continuing through acceptance of offshore areas as States to pack the United States Senate, and freer immigration. No one can vote for free trade, the importation of the products of foreign low-cost labor, without an evener, called a duty under our Constitution, but which has come to be called a tariff, and vote against free immigration, because the ultimate effect is the same.

LOW-COST LABOR AND LOW-WAGE PRODUCTS BOTH LOWER NATION'S LIVING STANDARDS

Whether we import the low-cost labor or import the product of low-cost labor, the final result is exactly the same, namely, the lowering of the living standards of the Nation.

Mr. President, our economic one worlders and the public relations and propaganda organizations of foreign countries are continually selling the people of this Nation on the slogan that we must have foreign trade; therefore, we must have free trade.

EXPORT TRADE SHARE SHOWS DECLINE SINCE 1934 TRADE ACT

Mr. President, free trade, they do not stop to explain, is entirely unrelated to our foreign trade since foreign nations protect themselves regardless of what we do. For many years our foreign trade averaged in value 7 percent of the exportable goods of the Nation. Since the passage of the 1934 Trade-Agreements Act the percentage has been considerably reduced, because, Mr. President, the whole foundation and the reason for trade seemed to have been overlooked by the economic one worlders.

FOREIGN NATIONS REALISTIC ABOUT FOREIGN TRADE

It is not overlooked by the propagandists of foreign nations. They understand it and profit by it. They understand that no individuals or nations ever buy anything from other persons or other nations that they can conveniently produce for themselves.

When they cannot conveniently produce it for themselves, they buy the quality they want where they can buy it at the lowest cost. It has nothing to do with our contribution to foreign nations and the division of our wealth and markets with the other countries of the world.

OTHER NATIONS PROTECT OWN INDUSTRIES WHILE UNITED STATES GIVES THEM AWAY

They simply take what we give them and protect their own. That should be very plain to the Senate of the United States today, after 22 years' experience.

Mr. President, either the Federal Unionist policy of free trade, ultimately averaging our standard of living with the low-wage standards of the other nations of the world, as embodied in the 1934 Trade Agreements Act, as amended, is the principle we should accept, or we should protect, as we did for a century of time, the workingman and the investors of the United States through a flexible duty or tariff continually adjusted to make up the difference, as already ex-

plained, between the cost of doing business in this country and in the chief competitive nation on each product.

PROTECTION PRINCIPLE PROVED INCENTIVE TO UNITED STATES BUSINESS

During the period of the protection principle, all anyone wishing to go into business in this country had to determine was whether he could compete with his fellows, with other Americans in the business paying the same wages, taxes, and the cost of doing business.

If he could find raw materials, markets, transportation, power, and other elements of doing business, so that he could, in his judgment, compete with his fellow Americans, then he invested his money and that of his friends, often, selling stock to hundreds of stockholders, and he simply risked his money upon his own business judgment.

PRESENT FREE-TRADE POLICY CURBS AMERICAN ENTERPRISE, INVESTMENTS

Under the present policy, Mr. President, he would have to determine what every other nation in the world could do in that particular business paying low wages under varied conditions, and that it is impossible for him to do. That is the reason why, with the exception of a few larger companies doing business both here and abroad, little money is being invested in the common run of industry, such as the crockery business, the glass business, the machine-tool business, and the textile, and other businesses.

GREEN LIGHT GIVEN BY CONGRESS FOR FURTHER TARIFF CUTS

I just heard the distinguished Senator from South Carolina [Mr. THURMOND], complaining about tariffs and duties being cut already by the Geneva General Agreements on Tariffs and Trade before the conference report reached the Senate—which anyone who read the bill, the discussion, and the testimony, would know would happen. And the end is not yet. The movement has just started, I would say to my distinguished colleague.

FUTURE INVESTIGATIONS PREDICTED

I should like to point out, Mr. President, that when the Congress leaves to one man, whatever his integrity, the determination and adjustment of tariffs and duties which protect a business, or do not protect it, there is endless opportunity for graft and crookedness. His advisers can cause one industry or one area to be traded for another industry or area of activity.

I predict that within a comparatively short time congressional committees will be occupied with investigations of this very abuse of power which is going on at the present time.

GATT DELEGATES FROM 33 FOREIGN NATIONS SERVE ONLY OWN NATIONAL INTERESTS

Who in the General Agreement on Tariffs and Trade, in Geneva, comprised of 33 nations besides ourselves, is determining the tariffs and duties? Whom do they think they are looking out for? They are looking out for their own countries and for their own friends. That is whom they are looking out for. So it is necessary to have a principle in order to avoid such favoritism and manipulations.

H. R. 1 AN ECONOMIC YALTA

I said in the Senate on May 3:

Mr. President, H. R. 1 is an economic Yalta. It is worse than Yalta for this Nation. Yalta was simply a sellout of a friendly foreign people, while H. R. 1, extending the 1934 Trade Agreements Act for 3 years, is a sellout of American workingmen and investors, making up dependent upon foreign nations across major oceans for some of the critical materials without which we cannot fight a war or live in peace, and we could not get them during an all-out war. Yalta is history. H. R. 1 is current.

TRAGIC LESSONS OF YALTA GO UNHEEDED

Mr. President, the only reason why we should be interested in Yalta and its allied treaties and promises is either to change something that was done at Yalta, or else learn how to conduct our affairs in the future. We seem to have done neither.

Mr. President, I further said on June 3:

Yalta has long been an accomplished fact; any investigation of it could only fix responsibility.

H. R. 1, which extends the 1934 Trade Agreements Act for 3 years, signs the death warrant for American industries, workingmen, and investors throughout the Nation.

H. R. 1 provides for a continuation of the Trade Agreements Act of 1934, and, to all intents and purposes, of the General Agreement on Tariffs and Trade, commonly known as GATT. The Secretary of State, Mr. Dulles, has testified that the 1934 Trade Agreements Act, and, as amended, H. R. 1, give the President full authority to participate in GATT. The President, in 1947, proclaimed our adherence to GATT.

Now we have the spectacle of the Secretary of State promising the Senate Finance Committee that he will bring the organizational provisions of the General Agreements on Tariffs and Trade, or GATT, before the Congress.

PREDICTION ON SECRETARY DULLES' GATT ASSURANCE RECALLED

Mr. President, what I predicted then, and I again call attention to the fact, has now come about. On May 3, I said, at page 5396 of the CONGRESSIONAL RECORD:

Mr. President, I assert at this time that the bill introduced in the House will not bring the General Agreement on Tariffs and Trade to the Congress at all.

It will be remembered that there was a great to-do about all this; that, at last, the General Agreement on Tariffs and Trade, made at Geneva by an organization of 34 nations, would be brought before Congress for ratification.

On that basis I presumed to say that the chairman of the Committee on Finance was willing to report the bill from the committee, because I heard him say to the Secretary of State: "If you want to get the bill reported, you had better bring GATT before the committee."

GATT CONTINUES WITHOUT CONGRESS SANCTION

What the bill provides is exactly what I said on May 3 it would provide. I said:

Should Congress approve the Organization for Trade Cooperation—OTC—it will have approved GATT. If Congress should refuse to approve it, GATT will remain untouched. That is the situation. GATT will continue as organized in 1947.

That is exactly the truth today. If Congress ignores the bill, which it will without a doubt, it will have done nothing to the Geneva General Agreement on Tariffs and Trade.

THIRTY-THREE NATIONS IN INTERNATIONAL GAME TO WIN AMERICA'S WEALTH AND TRADE

The agreement will continue as it was organized in 1947, with 33 other nations and ourselves sitting in on on international sucker poker game with our money and our trade, the only things there which are of any value.

I further said on May 3:

What was the object of the tariff, or duty? Abraham Lincoln's platform in 1860 stated the objective. It said the purpose was the development of the industrial interests of the whole country. That is what it was for.

Congress followed that principle for a century. Then in 1934 it repealed the principle. While article I, section 8, of the Constitution makes it mandatory for Congress to regulate commerce with foreign nations, and to impose the duties, imposts, and excises, which we call tariffs, the Congress has forgotten its responsibility. In 1934 it said: "We will transfer to you, Mr. President, on your request, the right to trade any section of the domestic economy for a fancied foreign policy."

That was what we did.

That is what the original trade agreements act said, and that is what has occurred for 22 years. Since then the economy of the United States has been geared to wars and preparation for war, and our wars are never settled. After World War I was fought to prevent war, we had two wars.

Mr. President, presumably the trade agreements law was enacted as an emergency measure to improve the trade position of this country, but today several provisions to that effect are out of the act entirely. So what does the Secretary of State say? In his testimony before the Committee on Finance he said, in effect, that he could trade any job or any investment in America for a policy in Europe or Asia.

FREE TRADE SOLD AS "EMERGENCY" MEASURE PERPETUATED SINCE 1934

Mr. President, some of the programs which Congress enacts in emergencies seem to have a habit of becoming permanent. The trade agreements program was an emergency in 1934, and might not have injured the United States permanently as an emergency measure.

FOREIGN AID "EMERGENCY" PROGRAM NOW PERMANENT ADMINISTRATION POLICY

The Marshall plan was devised as a temporary emergency measure. But on the occasion of its consideration by the Senate, I predicted that it would become a permanent program, and it has become so, to all intents and purposes. The Stassens, the Dulleses, and many leading Members of the Senate all say it is permanent and that it is a part of our economy. Well, I still do not like it.

I quote further from my remarks in the May 3 debate, page 5397:

The 1934 Trade Agreements Act, drafted by the State Department and requested by the President, authorized the latter to negotiate with foreign countries to cut tariffs. The President turned this authority over to the State Department and negotiations were conducted on a bilateral basis.

CONSTITUTION PLACED RESPONSIBILITY ON THE CONGRESS

Mr. President, the Constitution of the United States placed this responsibility on the Congress. Why did it place it on Congress? Because Congress represents the people of the United States of America, the

people in every precinct in the United States. The Members of the Congress know what is good for this country and they know how to build the economic structure. It had been built for a century on the basis of fair and reasonable competition by adjusting tariffs so as to equalize the wages paid here and those paid in the chief competitive nation, on each product. So the Constitution placed the responsibility on the Congress.

CONGRESS THROUGH TRADE ACT AMENDED CONSTITUTION

Congress, by a simple act, amended the Constitution and transferred its responsibility to the President; the President lodged it in the hands of the State Department; and the State Department then placed it in the hands of GATT, which holds its sessions in Geneva 3,000 miles away, and conducts them on a secret basis. Prior to GATT 29 trade agreements were entered into on a bilateral basis. None of them was ever submitted to the Congress. These bilateral agreements did not come fast enough to suit the New Deal planners.

ITO INITIAL SCHEME OF GLOBAL PLANNERS

From 1943 to 1945 many bureaucratic planners were engaged in scheming up some device by which the distribution of American jobs and markets among the nations of the world might be speeded up and placed under some international agency which could apply them multilaterally or wholesale.

The first plan was to set up an international trade organization, but the planners made one mistake.

They submitted it to Congress, where the plan died in committee.

This did not stop the planners.

They also had set up a so-called General Agreement on Tariffs and Trades, or GATT, which held its first session coincidentally with the meeting to adopt an ITO or international trade organization charter.

MALONE AMENDMENT OF MAY 5, 1955, RECALLED

Mr. President, today we are reaping the grim consequences of this action creating GATT.

On May 4, 1955, I offered an amendment in the nature of a substitute to H. R. 1 which would have returned to the Congress its constitutional responsibility as provided for in the Constitution, or transferred to the Tariff Commission, an agent of Congress, the duty of regulating foreign trade on a basis of fair and reasonable competition. My amendment also provided for quantitative imports, and established a definite method of determining the value of imports.

TRADE ACT SETS INDUSTRIES, WAGE EARNERS AGAINST EACH OTHER

Mr. President, on May 4 I said, as appears at page 5541 of the CONGRESSIONAL RECORD:

Mr. President, the 1934 Trade Agreements Act to be extended by H. R. 1, sets industry against industry, workingmen's group against workingmen's group, investors against investors. One industry, group, or interest may be preserved while another industry, group, or interest may be traded off and sacrificed for some real or fancied political preferment. That is the policy embodied in the act and bill. It is a policy wrong in principle and disruptive in its effects. The bill which is before the Senate, H. R. 1, will help foreigners and will hurt Americans.

CONFERENCE REPORT WINS NO FRIENDS

Mr. President, I doubt that this conference report pleases anybody.

Certainly the Senate amendments have not pleased the champions of free trade and of continued State Department rule over America's economy.

Sponsors and proponents of H. R. 1 in the House debate yesterday were loud in their protests against Senate tinkering with their pet project to share our markets with the producers and manufacturers of foreign countries.

Opponents of turning our markets over to foreign nations are as vigorous in their opposition to H. R. 1 as they were before the Senate wrote a few piddling changes into the original Cooper bill.

PRINCIPLE IN BILL CONSTITUTIONALLY WRONG

The amendments to the bill do not alter one whit the principle of the free-trade program. The principle of that program is to turn over the constitutional responsibility of Congress to lay and collect duties—meaning tariffs—and to regulate foreign commerce, to the executive branch, meaning the State Department. That principle is wrong—constitutionally wrong—and it is found included in the pending conference report bill.

Mr. President, a bad bill cannot be patched up, and a wrong principle cannot be appeased.

MORE UNITED STATES INDUSTRIES MARKED FOR SACRIFICE

There have been some expressions to the effect that the conference report is a compromise. Where is the compromise?

Congress is still shifting its constitutional responsibilities to State Department underlings meeting in secret in foreign lands.

American industries are still being sacrificed and marked for sacrifice on the socialistic altar of free trade, international free trade.

American wage earners and investors are being sold down the river in order to grant some supposed preference to foreign wage earners and industrialists.

NATION'S ECONOMY SUBORDINATED TO FOREIGN POLICY

America's economic policy, which, under the American system of fair and reasonable competition, made this country rich and great, is being subordinated to a foreign policy that puts foreign prosperity and welfare above American prosperity and welfare.

American industries which are being sacrificed for what the State Department presumes to be some foreign policy advantage, will still, under the conference report, have to beg and plead and go through endless redtape and bureaucratic meddling merely to ask for recourse that will permit them to survive.

PRESIDENT RETAINS VETO POWER OVER ESCAPE CLAUSE

The President still holds supreme veto power over the fate of stricken industries, even when the Tariff Commission recommends escape.

As I have already pointed out, Mr. President, under the bill, the President of the United States would be the absolute dictator of the domestic economy of this Nation, and of foreign trade. All the strings and amendments attached to the bill are designed merely to embarrass, not to direct.

PRESIDENT CAN MAKE OR BREAK INDUSTRIES SUFFERING EFFECTS OF FOREIGN COMPETITION

I point out, Mr. President, that it is not a question of trusting the President of the United States to do his duty. The President, if he had the time, would not know how to do it, because no principle is involved. He can make or break any industry in this Nation which is dependent on a duty or tariff to make up the difference between the wage standard of living in this country and the wage standard, taxes, and the costs of doing business in the chief competitive nation.

FREE TRADE INTERNATIONAL SOCIALISM

What we are considering is international socialism, Mr. President. That is all it is.

It is still, in my opinion, a dictatorial and tyrannical bill, incompatible with the United States Constitution, and I shall continue to oppose it.

Mr. President, proponents of free trade, ever since the free trade program was enacted, have ballyhooed it as stimulating exports.

"Trade is a two-way street," is their favorite cliche.

EXPORTS BEFORE, AFTER 1934 TRADE ACT COMPARED

In the 20 years before the 1934 Trade Agreements Act was passed, we were exporting an average of 7.1 percent of our national product annually. In the 21 years since the 1934 Trade Agreements Act, we have exported an average of 4.6 percent of our gross national product.

In other words, Mr. President, our export trade, percentagewise, was higher when Congress regulated tariffs and foreign commerce than it has been since the State Department took over that constitutional function of the Congress and began regulating the foreign trade and economy.

UNITED STATES OPENS MARKETS TO WORLD WHILE FOREIGN NATIONS CLOSE THEIRS

What have foreign nations done in return for the numerous trade concessions we have offered them, and which under this bill we shall continue to extend to them for another 3 years? The May 20, 1955 issue of the U. S. News and World Report has an interesting synopsis of how other nations have reacted to our largesse. It is headed: "Foreign Countries Limit Buying From United States." I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, this summary from the U. S. News & World Report of May 20, 1955.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

FOREIGN COUNTRIES LIMIT BUYING FROM UNITED STATES

Britain: All imports limited. Only token amounts of nonessentials allowed. Machinery, cotton, tobacco, other raw materials imported in quantity. Tariffs protect some British producers.

France: Imports limited. Exporters can use 5 percent of United States dollar receipts to buy United States goods. Other imports from United States limited to essential machinery, raw materials.

West Germany: Rules being eased. Many United States products imported freely. But

quotas in force for food, consumer goods, textiles.

Italy: Quotas on most United States imports, but eased recently. Automobiles, ball bearings, typewriters, canned foods excluded partly to protect Italian industries.

Japan: Imports from United States increased slightly. Goods competing with Japanese industry excluded, such as steel, textiles, fertilizer, drugs, automobiles. Imports mainly raw materials, such as cotton, wheat, rice, iron, hides.

Australia: Low limits on imports; in general, less than 1950–51 level. Only essential raw materials, industrial supplies, machinery admitted; consumer products excluded.

Philippines: Dollars reserved mainly for industrial supplies, machinery. Increased imports of auto parts; finished cars excluded. Tobacco imports controlled to protect Philippine growers.

Pakistan: Quotas set on most imports; increased recently for such United States wares as metals, tools, automobiles, clothing, radios, hardware, phonograph records, sewing machines.

Brazil: Rules tightened. Importers pay special taxes if they buy from United States; tax depends on how essential import is.

Mexico: Quotas on long list of United States products, including automobiles, other things considered luxuries. Tariffs raised to protect Mexican industries.

HOW FOREIGN NATIONS DISCRIMINATE AGAINST AMERICAN PRODUCTS WITH QUOTAS, CONTROLS

Mr. MALONE. Mr. President, the same issue of U. S. News & World Report carried an informative article headed "How United States Traders Fare in the World." I ask unanimous consent to have the article printed at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW UNITED STATES TRADERS FARE IN THE WORLD

(EDITOR'S NOTE: Trade barriers stay high in most of the world, despite United States efforts to get them down. This article, based on study in several countries, shows what merchants are up against. United States tariffs and quotas look liberal compared with controls elsewhere.)

(Reported from London, Paris, Rome, Bonn, Tokyo, and Washington.)

The United States, now getting ready to take another snip off its tariff rates, is wondering what other countries are prepared to do in return that will make it easier for American businessmen to sell abroad.

Over the past two decades the United States has cut its import duties to levels that are quite low historically. You have to go back before World War I to find lower hurdles for foreign manufacturers.

In return other nations have made some tariff cuts, too, but often these have meant little. A high framework of other barriers has been raised—such things as quotas, exchange controls, bilateral agreements, and in some cases actually higher tariffs.

The chart on this page shows how these rules affect the United States merchant when he tries to sell in some of the important foreign markets.

WHERE UNITED STATES GOODS ARE EXCLUDED

Some nations have quotas limiting all imports, with a special aim of saving dollars. In practice this means quotas are tailored to keep out all but the most indispensable United States products. Such 100 percent control is found in Austria, Ireland, Norway, Portugal, and Turkey. Few things other than "essentials" are admitted also into Britain, France, and Australia.

Since World War II most governments have been claiming they need tight controls over imports because of the dollar shortage. They wanted to use scarce dollars for industrial equipment and vital raw materials instead of luxuries.

But in the past few years the dollar shortage has become less of a problem; many countries, especially in Europe, have been able, thanks partly to United States foreign-aid grants, to pile up some spare gold and United States currency. The shortage excuse for controls has become less persuasive.

United States diplomats as a result are becoming more insistent on moves toward freer trade. They are telling foreign leaders, "Congress won't go on voting for freer trade unless you take some steps in that direction, too."

WHERE UNITED STATES GOODS ARE WELCOME

Here and there countries are moving toward free trade, especially on the European mainland. Economists estimate that 98 percent of Switzerland's imports now are not affected by quota limits. In Belgium, Holland, and Luxembourg trade free of such limits is put at 86 percent; in Greece, 90 percent; in Western Germany, 65 percent; in Sweden, 55 percent.

But only a few countries, chiefly in the Western Hemisphere, do business rather freely with the United States; Canada, Cuba, Panama, and Honduras are in this group, which controls few imports or none at all.

Britain, Denmark, and Italy are being urged to loosen up. The Organization for European Economic Cooperation is making a study, supposed to be finished next month, to see how much such countries can step up their purchases from the United States without running into the red.

Now that the dollar shortage is less of an excuse for controls, a more hardboiled reason is becoming prominent. This is protectionism, restricting imports to promote local intertsts.

Throughout the world the United States is labeled "protectionist." Yet United States merchants tell of many instances in which this charge can be turned against the foreigners.

WHERE INDUSTRY IS CODDLED

In Italy, for example, there is a demand for automobiles beyond what local producers can supply. However, United States cars are excluded to reserve the market for Italian makes.

At one time Italy bought carbon electrodes from the United States. Then a plant was built to make this product in Italy. Imports were shut off. The same thing happened in linotypes, American officials say. After Italy got a plant for making typesetting machines she refused licenses to import them from the United States.

Yet Italy allows dollars to be used to buy American phonograph records. This shows that controls are not merely to save money for essentials.

The Philippine Republic wants more tobacco grown at home; so it has set a smaller quota for imports. Automobile assembly plants are being set up; so auto parts are to be brought in but finished cars are to be excluded.

Western Germany, one of the freer-trading nations, uses import licensing to protect farmers and some manufacturers. The United States now is trying to get officials in Bonn to admit some canned fruits and vegetables, household appliances, and textiles.

HOW GOODS ARE KEPT OUT

The United States businessman trying to operate in these countries encounters a bewildering array of rules; no two countries have the same methods.

Some rely largely on controls over money. A number of South American countries have schedules of exchange rates that discourage certain imports; the less of a thing they want, the more of the currency they make the importer put up when he gets dollars to pay his supplier in the United States. Since the Government controls the money market, the higher rate amounts to a tax.

In Brazil, for instance, a 10-percent tax in Brazilian money, cruzeiros, is levied on all purchases of dollars. Then, in addition, the merchant who imports luxury items from the United States must pay 100 cruzeiros for each dollar he needs to swing the deal; this is 5 times the rate of exchange paid on imports of certain ores, medical equipment, and farm implements, which are considered highly important.

Of late, Brazil has made this control system more costly to importers.

Many other countries rely more heavily on quotas, setting specific limits on the amount of goods that can be brought in. In Britain, all imports are licensed. Blanket or general licenses are announced for many heavy essential supplies, such as tobacco, cotton, wheat, and fertilizer.

For a long list of nonessentials only token imports are cleared; these are confined to brand-name products sold in Britain before World War II.

Tariffs are another form of control, as in the United States British tariffs on some consumer goods range from 20 to 30 percent in value. Even if import licenses were granted, American merchants might find this barrier hard to scale.

Mexico, within the past few years, has raised many tariffs.

TIGHTER CONTROLS

Some other countries have been tightening up their controls over imports more recently.

Colombia, like Brazil, is hurt by the drop in coffee prices. She recently banned imports of 135 luxury products. Stiff taxes, ranging from 10 percent to 100 percent, were prescribed for all but the most essential raw materials, when imported.

Australia also has decided to cut down on imports. She has, all along, excluded many types of products.

OTHER BUSINESS PROBLEMS

The businessman who tries to get around the import barriers by setting up production in foreign markets also runs into numerous difficulties.

In Britain, the United States businessman has to get Government O. K. to build a factory or open some other business. Factories have to be shown to be essential.

An American hotel chain got permission to build and run a hotel, soon to open in London; this was considered important because it would show British hotel managers how an American hotel is run. Permission was denied to a second chain that wanted to buy and operate a British hotel; one example was enough.

Japan is eager for United States patents and technical help. But she does not welcome foreign investments unless control is given to local businessmen. One American drug company, in setting up a Japanese subsidiary, was forced to let Japanese hold 50 percent of the stock.

Italian business interests sometimes gang up on an invader. A United States company proposed to set up a plant for making files, but changed its mind when it realized the political power of the Italian manufacturers; it could get no assurance that licenses would be granted to get needed machinery into the country.

POINT OF VIEW

The American official or businessman who points to these obstacles is likely to meet with a variety of excuses abroad.

Foreigners emphasize that the United States still sells more than it buys in world markets. As United States aid diminishes, dollars to bridge the gap will be harder to come by.

If the foreigners buy more from the United States, it is argued, they may buy less from each other. If Britain or Germany takes more citrus fruits from America, Italy will lose part of her market.

In addition, it is noted, the United States also has some controls besides tariffs; quotas are set on imports of a number of important farm products.

All these arguments make the free, multilateral trade that was the United States postwar goal still seem a far-off dream. To the merchant they mean that barriers will be high for quite sometime, even though United States takes steps to reduce them.

FOREIGN NATIONS GREEDY FOR NEW UNITED STATES DUTY CUTS

Mr. MALONE. Mr. President, today's issue of the Wall Street Journal carries, under a Washington dateline, an informative article on what tariff concessions foreign nations will request from the State Department. The article is headed: "Trade Bill's Passage Will Spark a Scramble for Duty Cuts, Boosts—Federal Agencies Hope To Swap Reductions for Some Concessions From Abroad—Whisky and Roquefort Cheese." I ask unanimous consent to have the article printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TARIFF TURMOIL: TRADE BILL'S PASSAGE WILL SPARK A SCRAMBLE FOR DUTY CUTS, BOOSTS—FEDERAL AGENCIES HOPE TO SWAP REDUCTIONS FOR SOME CONCESSIONS FROM ABROAD—WHISKY AND ROQUEFORT CHEESE

(By Philip Geyelin)

WASHINGTON.—The United States is about to begin preparations for a big new tariff-cutting conference. Target date: January 1956.

At the same time the Government is bracing for demands for higher United States duties from American businessmen bothered by competition from abroad.

Pinpointing the results in terms of specific commodities is impossible at this early date. But the United States in coming months will be pushing for tariff concessions on a wide range of its products, such as autos and synthetic fibers, and will be under pressure to reciprocate with tariff cuts on British whisky, French cheese, and Italian embroideries, among hundreds of other items. Similarly, producers of such things as wood screws and fluorspar are likely to be pressing for added tariff protection. The upshot is sure to be some tariff tinkering of vital interest to all kinds of United States businesses.

TARIFF TURMOIL

Signaling the start of this tariff turmoil will be President Eisenhower's signature on H. R. 1, a bill to extend the 21-year-old Reciprocal Trade Act for another 3 years. Yesterday, the House overwhelmingly approved a compromise version of the measure, and the Senate is counted sure to do likewise today. Mr. Eisenhower, who has made the bill a "must," is likely to waste little time signing it into law. Key provisions:

Authority for the President to trim United States tariffs 5 percent a year for the next 3 years, and over the same period to roll back to 50 percent of an import's value any duties above that figure.

Several new provisions to make it easier for United States industries to build a case for higher tariffs on this or that import. In some instances they may be able to plead that foreign goods are endangering national security by putting defense-essential United States firms out of business. New language in the law will also make it less difficult for United States businesses to prove they are suffering from foreign competition in United States markets.

NEW POWERS

The Eisenhower administration is itching to use its new tariff-cutting powers. The minute H. R. 1 clears Congress, the State Department and other United States agencies with a stake in world trade will begin preparations for the coming conclave, the fourth big multination tariff-cutting get-together since passage of the Reciprocal Trade Act in 1934. The first such session took place in 1947, in Geneva, where the United States and 22 other countries first agreed to a multilateral trade pact entitled "The General Agreement on Tariffs and Trade"; at subsequent sessions at Annecy, France, in 1949, and at Torquay, England, in 1951, the GATT's members exchanged further trade concessions, and new members were added. Right now the GATT numbers some 34 signatories, who do 80 percent of the world's trade.

Before long the United States will likely send formal word to GATT's executive secretary proposing another meeting to revise the agreement by exchanging tariff concessions of one kind or another. Officials here are hoping representatives of at least two dozen countries will show up. Meanwhile, the State Department will start bilateral talks with GATT members to sound out their wants and see what the United States might offer in return. In fact, some of this spadework, on a strictly tentative basis, is already under way.

The pace of the preparations will step up sharply in coming weeks. Getting ready for tariff talks is a complex and time-consuming process, involving exhaustive study of trade and tariff trends for hundreds of commodities, lengthy talks with foreign diplomats, and long public hearings by an interagency committee on the Government's list of candidates for tariff cuts. The Tariff Commission has a hand in tariff cutting; it fixes peril points, beneath which, in the Commission's judgment, duties cannot be cut without injuring United States industries. The President can breach peril points simply by notifying Congress he intends to do so, but this is rarely done.

HASTE IS IMPORTANT

"We're going to be run crazy around here trying to get ready by the end of the year," says one top State Department man. But he notes that haste is important; the 5-percent duty reductions for the first of 3 years of the law must be negotiated by June 1956, or the authority is lost, under the bill about to become law. Officials figure they should allow almost 6 months for the negotiating. That's why they'd like to start the GATT negotiations in January.

What the United States gets from all this give-and-take depends a lot, of course, on what other countries are willing to offer in exchange. Predictions are hazardous, too, because a concession, for example, might be a tariff cut, or else simply a promise not to increase a duty or not to impose one. Also, generalizations are tricky because United States interests, or those of a foreign land, may vary widely between different varieties of one group of goods—between low-cost and expensive automobiles or cotton textiles, for example.

But talks with United States trade officials and a study of trade statistics do give a rough idea of where the tariff cutting may concentrate. A high State Department official sums up the coming trade confab this way: "Mostly we're going to be dealing with European countries, Britain, France, Belgium, Germany, Italy, also with Japan and Canada. Only a few raw materials will be involved, because they're mostly duty free. Much of the negotiations will center on finished manufactured goods, such as United States machinery, electrical appliances, and autos, and foreign glassware, finished textiles, toys, and fancy hand-crafted items."

WHISKY AND WOOLENS

Officials of a number of foreign countries have already jotted down a list of the items they'll want to talk about at the next GATT get-together. The British, for example, make no secret of their yearning for concessions on their whisky, certain kinds of cutlery, some woolens, and iron and steel manufactured items. The French would like easier United States tariff treatment on Roquefort cheese, laces, and candied cherries.

The Germans, Belgians, and Dutch are also said to be ready with plenty of suggestions on how Mr. Eisenhower should use his tariff-cutting authority.

But some experts at the State Department, the Commerce Department, and the Tariff Commission are quick to caution against any hopes or fears of widespread, deep tariff slashes. They believe the President's new authority won't permit enough sizable tariff cuts to tempt other countries into making a larger number of important concession in return. Their arguments are expressed in these statistics:

A Government study of the impact of the new law, based on 1952 trade patterns, indicates the President could cut duties on well over 4,000 items, by wielding his new powers to the hilt. Of the total, however, only about several hundred are in the over 50 percent tariff category that might be eligible for cuts of more than 15 percent in the next 3 years. Roughly 85 percent of all the 4,000 or more items are in the category for which a 15 percent cut in the 3-year period would provide the biggest reduction in existing duty rates. Of this 85 percent, moreover, most items now carry such low tariffs that a 15 percent cut would produce only a relatively small reduction in the actual rate of duty.

NOT MORE THAN TWO POINTS

Thus, the study shows, a 15 percent tariff cut would reduce the rate, measured as a percentage of the value of the item, not more than 2 percentage points in the case of 268 out of 498 chemical, oil, and paint items; 118 out of 375 earthenware and glassware products; 334 out of 879 metals and metal manufactures; 56 out of 105 wood products; and 326 out of 547 agricultural items.

All told, an across-the-board 15 percent cut on all items would produce a 4 percentage points or less reduction in the duty for about two-thirds of the items, representing 90 percent of the value of imports in 1952 that were subject to duties.

"When the duty is low, and the cut would be small, it's not a very tempting bait to offer for foreign concessions," says one official, who notes that United States tariffs, where they exist, already average about 12 percent of the value of the affected imports, while over half of all United States imports come in duty free.

The State Department's experts have one scheme to make the United States offerings more alluring: They aim to offer the full 15 percent cut to the foreigners in one package, even though it will have to come in three steps, at 5 percent a year. They hope these progressive cuts will please foreign countries which otherwise would have to engage in separate negotiations in each of the 3 years in order to benefit from the full 15 percent authority the United States will have until 1958.

"SEGMENTS" CAN PETITION

Some Government officials and some private trade experts are also convinced tariff boosting may not be as brisk as some free-trade advocates predicted during debate on H. R. 1. The new law contains one provision which grew out of past Tariff Commission rulings against United States firms

seeking protection against foreign wares. In several instances the Commission had denied relief on the grounds that the complaining firms did not represent an industry, but only a "segment" of an industry. The new law will permit the "segments" to petition for tariff relief.

Tariff Commission officials concede this might offer new hope to some manufacturers of wood screws and safety pins, and to a lone chalk-whiting producer, who were denied tariff protection at least in part because the Commission considered them only a segment. Other small parts of industries, as well as individual firms, might also flock to the Commission. But officials don't expect such a flood of applications. Says one:

"In past cases, the Commission never made the segment question the turning point in the case; other reasons are usually given in support of an adverse ruling, so there's no guaranty the Commission would reverse previous rulings simply because of the new law."

A NEW DEFINITION

The new law also will provide a new definition of the extent an industry must suffer from foreign competition in order to qualify for protection. The new language (the key words are substantially injured) is supposed to make it easier to prove hardship. How it will work in practice, however, is hard to predict. Says one Tariff Commission official: "The new wording pretty much reflects the way the Commission has been ruling; it won't change existing practice much."

The real key, it should be noted, is the President himself. The Tariff Commission can only recommend a tariff boost; the President will still be free to reject the Commission's recommendations, as Mr. Eisenhower has done on 8 out of 10 occasions since he took office.

As for the new provision to grant tariff relief when imports endanger national security, the decision again will be up to Mr. Eisenhower—this time on the advice of the Office of Defense Mobilization. The amendment was backed strongly by oil, zinc, and lead producers, and doubtless other industries will feel they fit its terms. But Tariff Commission men note that the Commission itself recommended a boost in lead and zinc duties last year, and was overruled by the President.

WON'T DECIDE CASES

Says one Commission higher up: "These new provisions won't in themselves decide cases; they'll make it easier for a Commission member who favors tariff relief on a commodity to buttress his case; and anybody otherwise inclined might have to work a little harder to document his arguments."

Perhaps more significant is this comment from an official of the protectionist-minded Tariff League: "We don't expect anything like a flood of petitions for tariff relief under this new law; in fact, there might not be any noticeable increase in activity." He reasons that prosperity is the clue to the question; if business turns worse, a lot of firms may be looking for help wherever they can get it, including more protection from foreign competitors. But if business stays good, this private trade official believes, most firms will prefer not to spend the money or take the time necessary to plead a case before the Tariff Commission.

In short, there'll be a lot more than the usual activity on the tariff front in the months ahead, but Washington's experts feel sure the tariff cuts won't be as plentiful or as deep as some protectionists predict; the foreign concessions won't be as generous as United States exporters would like; and tariff increases won't be as numerous as many free traders fear.

JAPAN TRADE PACT ENGINEERED THROUGH GATT TO COST UNITED STATES MORE JOBS, MARKETS

Mr. MALONE. Mr. President, the State Department has just negotiated a trade agreement with Japan, our former enemy. The State Department did so through the Geneva General Agreement on Tariffs and Trade.

The trade contingent of the State Department were enabled to spend 4 months in Switzerland at the expense of the taxpayers of the United States, while figuring out new ways to give away American jobs and markets; and they were doing that while Congress was considering the bill to extend their right to do so.

They simply took it for granted that the bill would be passed, and that the 34 nations, including the United States, would continue to cut up and divide the markets of the United States.

Mr. LONG. Mr. President, will the Senator from Nevada yield for a question?

Mr. MALONE. I am very glad to yield to my distinguished friend, the Senator from Louisiana.

Mr. LONG. Can the able Senator from Nevada tell us what happened to all the so-called "trade, not aid" in this case? We were told that if we would trade with these countries, we would not be called upon to make so much foreign aid available. But this year we have been asked to liberalize all our tariffs, and also to appropriate considerably more money for the giveaway program than we have ever done before. Where is the 'trade, not aid" coming in?

UNITED STATES DECEIVED BY SLOGANS

Mr. MALONE. Mr. President, no one ever said the aid would be less. We were simply given the slogan of "trade, not aid," but no one said how much the aid would be or to whom it would be given. We were simply provided a slogan which was mouthed by almost everyone in the United States, just as the phrase "dollar shortage" foremerly was mouthed, after the London bankers invented it, and just as the phrase "reciprocal trade" was mouthed in 1934. No one said then what it was or what it meant; it was simply a phrase to be mouthed at cocktail parties and other functions and to be finally adopted by the Congress of the United States without serious question.

Mr. LONG. I am sure the Senator from Nevada knows that only recently the Congress passed a bill authorizing $3,500,000,000 for foreign aid.

Mr. MALONE. Of course I know that, and I voted against the bill. I must say that although General Marshall, when he read his speech at Harvard University proposing the plan that bears his name, did not know that a certain paragraph was in it until he read it, and did not know what the paragraph meant after he read it, the top Labor Party man in Britain, Mr. Bevan, and the Labor Party was in power then—knew what it meant, and "took it on the first bounce" and told us within 30 days just what it was going to cost us. It was collusion between high officials in the United States and England.

MANY NEW SENATORS BEGUILED BY FREE TRADE BALLYHOO

Mr. President, since 1934, a new generation of Senators have come to the floor of this Chamber. Those Senators apparently believe that we have always had free trade. However, it has been inaugurated since 1934. The new generation of Senators apparently think we have always divided the money of the United States taxpayers and the markets of the United States with the other countries of the world. We have heard the arguments.

PERPETUAL AID PROPONENTS WOULD SHAKE UNITED STATES DOWN TO WORLD LIVING STANDARD LEVEL

We have heard the statements made by Mr. Stassen and Mr. Dulles. They say the United States must have a permanent program of dividing the money of the taxpayers of the United States and the markets of the United States with the rest of the world, until the rest of the world lives like we do—or until we live like the rest of the world does. I think the latter will be what will happen.

No one ever said the amount of the foreign aid extended by the United States would be reduced. We were simply given a slogan, which was solely for the purpose of keeping the Members of Congress quiet for another 2 years. Next year we shall be given another slogan, no doubt.

FOREIGN AID DIRECTORS SHIFT AS PUBLIC CATCHES ON TO THEM

Now Mr. Stassen has been moved out of the line of fire, because he has been shown up for what he is. But someone else will take his place; and as soon as we learn about him, he will move on.

There have been 6 or 7 administrators of foreign aid, so far; and there have been 5 or 6 different slogans. So long as we are kept fairly busy and so long as we are doing fairly well, we do not stop to think. Only those who are lean and hungry stop to think. Some of the people of my State and some of the people of Louisiana are in that condition at the present time. When there are enough of them, there will be a change in policy on the floor of the Senate; there can be no question about that.

CONSTITUTIONALITY OF TRADE ACT BEING TESTED IN COURTS

We seem to pay no attention to the Constitution. Constitutional responsibility seems to mean nothing now. But before we get through, it may mean something, because of a certain case which has been filed in the United States Court. Regardless of who appointed the judges of the court, I believe they have integrity, and I believe that most of them are in favor of the United States of America; and it is my opinion that if they stop to think about this matter, the case will remain in court. If it does, we will win it.

So let the Congress take back its responsibility, Mr. President.

FUTURE EFFECTS OF TRADE ACT UNSEEN BY CONGRESS IN 1934

I was a State engineer in Nevada when the 1934 Trade Agreements Act was passed. When I heard of it, I nearly fell off my chair, for anyone could see where the country was headed under such a measure. But at the same time, Mr. President, on the floor of the Senate and in the House of Representatives there was a lack of knowledge of the effect of the bill.

The then existing system had been going on for nearly a century, and had

worked fairly well; and many Members of Congress thought that if the proposed act went into effect, they could avoid their responsibility.

In short, they felt that after the act went into effect, they would be able to go home and, when their constituents asked, "Why didn't you do better in regard to sugar, and why didn't you do better in giving tariff protection to the products of our State?", they would be able to reply, "I am sorry, but the State Department is responsible for all of that; Congress is not responsible for it."

MANY NOW FOLLOWING THE CONGRESS' FREE TRADE ACTIVITIES

Mr. President, many persons now are looking behind that act. They know that the Senate is supposed to be the greatest deliberative body in the world; and they know that the Senate and the House have passed an act, and since then have passed reenactments of it, shifting the constitutional responsibility of the Congress to regulate the economy of the United States of America and to regulate foreign trade to one man, an executive, who has said, "Oh, no! I will not hurt your industry."

No one man in America could know when he was going to hurt an industry, because he could not encompass all the economic factors which must mesh in order to produce a result.

TEXTILE INDUSTRY HURT BY STATE DEPARTMENT

The State Department was moving to destroy the textile industry in Geneva, about which my distinguished friend from South Carolina [Mr. THURMOND] complained, while he was voting for the passage of the bill.

The senior Senator from Nevada made that statement on the floor of the Senate at the time. Everyone knew it. The situation had been in existence for 4 months. All it was necessary to do was to wait until the bill was passed, and then make the announcement.

Final action will be taken today. I am surprised that those in charge of the bill did not wait until tomorrow. That was the only mistake they made. They did not realize that no speeches would be made on the other side of the aisle today.

The votes are here to approve the conference report. I hope there will be a record vote. My vote will not help to approve it. But when it is approved, some think it will be 3 years before the question can be brought up on the floor of the Senate again. I do not agree with that view.

FREE-TRADE POLICIES DESTROYING UNITED STATES MINERALS INDUSTRIES

Two or three Senators on the other side of the aisle have discussed fluorspar, one little mineral product of several thousand which are being destroyed. The mineral field is only 1 field out of 50 that are being destroyed. We are treading water and keeping our heads above water by means of a war economy. We are buying everything, so that some company which is about to go out of business can be given a war contract, to enable it to convert its production.

What would we do tomorrow with free trade on our necks? If we are ever successful in arriving at the peace for which we pray, what will happen to our economy? It will be sunk without a trace in 30 days.

CASE FOR UNITED STATES FLUORSPAR PRODUCTION STATED

So we are for fluorspar, wherever it is produced, including Illinois and Kentucky. Let me say something about fluorspar. That subject has been brought up today on the floor of the Senate. It was discussed in committee.

Fluorspar is one of 5,000 products. The subject has been brought up because of fluorspar is used in the national defense. Of course, it is, but competition comes from Canada and Mexico, where it can be obtained just as well during a war as it can be obtained from Illinois and Kentucky.

However, there is one thing which we cannot get as well from Canada and Mexico as from Illinois and Kentucky.

SMALL UNITED STATES COMMUNITIES INJURED BY FLUORSPAR IMPORTS

We cannot assure preservation of the economy of the small communities in this country where fluorspar is produced. So we pay wages of $12 or $15 a day in Kentucky or Illinois to produce fluorspar, when we can get it from Mexico on the basis of wages of $2.50 a day.

FOREIGN MERCURY SQUEEZE CITED

Of course, it is said that the customers are entitled to a break. Let me tell the Senate what will happen. I refer to another mineral, mercury.

Competition in the production of mercury comes from Italy and Spain. We were producing all the mercury we needed in World War II, at about $275 a flask. When the war ended, in order to put the American people out of business in the production of mercury, the price was dropped to $67 a flask for Spanish mercury, and the Spanish producers were still able to make a few dollars.

American producers were thrown out of business, and some of the mines were flooded. Then when they were out of business where did the price go? It went to $350 a flask. That is about where it still is.

UNITED STATES MERCURY PRODUCERS FACE RISKS IN RESUMING OPERATIONS

Some of the domestic producers are trying to get back into business, but when no principle is adopted by the Congress to establish a duty or tariff on the basis of the difference between the cost of doing business here and in Spain, or in Italy, at an amount which will guarantee a price somewhere near the wage-standard-of-living cost here in this country.

Just about the time American producers get back into business the price will go down to whatever point is necessary to put them out of business again, whether that point be $67, $87, or $187.

UNITED STATES CONSUMERS FAIL TO BENEFIT FROM TARIFF CUTS

So, notwithstanding all the talk on the floor of the Senate, the customers do not receive the benefit of tariff rates which fail to represent the difference between the low-wage standard of living abroad, and the high standard here.

Residents of foreign nations have had long experience in this field. They know what they are doing. They take what the traffic will bear. Of course, they cannot be blamed for that. The only ones we can blame are Members of the House and Senate, who believe that the customers are to receive the benefit of a lower cost.

JAPAN'S PLIGHT SEALED BY TREATY

What is the situation with respect to Japan? Mr. President, I am not making a speech against the Japanese people. The present situation is our own fault. I spoke on the floor of the Senate shortly after the Japanese treaty was signed in San Francisco. Members of the Senate who acted as our representatives in San Francisco had just returned, and they were lauding Acheson to the skies. I was undergoing a "slow burn." I took the floor for an extemporaneous address. I said, "When we lost China deliberately, we lost Japan. When we signed this treaty, we completed the deal. Japan will have to trade with Manchuria and China."

At that time they were getting iron ore from Lovelock, Nev., and shipping it 10,000 miles at our expense. Of course, they could not do that and compete with anyone. So they had to get iron ore from Manchuria. A 5-year-old boy could have told them that.

EARLY FORECAST OF JAPAN'S SITUATION COMES TRUE

Everything I said in that extemporaneous address on the floor of the Senate at that time is coming true today. Of course, Japan is going to trade with China, Manchuria, and Russia. England will not allow her to trade with the Malayan States with respect to anything England can furnish the Malayan States. A similar situation prevailed with respect to Indochina, insofar as France was concerned, until she lost a part of it.

I stated in one of my addresses, on the third or fourth of May of this year, that I greatly admired the English people on two counts, especially. First, they have brains. Second, they are for England. We are the only nation on earth which produces people who are not for their native country.

STATE DEPARTMENT YIELDS JOBS, MARKETS, TO JAPAN

Mr. President, the State Department in its trade agreement with Japan, just concluded, sought new ways to give away American jobs and markets.

They succeeded.

TARIFFS CUT ON JAPANESE CHINAWARE, POTTERY

First, they gave Japan substantial reductions in tariffs on chinaware, earthenware, and pottery. During hearings on H. R. 1 both labor and management of this industry in America testified to the serious injury already inflicted on it from California to West Virginia and Ohio by cutthroat foreign low-wage competition stimulated by cutrate tariffs.

American spokesmen for American industries manufacturing these commodities opposed extension of the Trade Agreements Act, citing data on business and employment cutbacks caused by

imports from Japan and other foreign countries.

STATE DEPARTMENT BOASTS "SUBSTANTIAL CONCESSIONS" TO JAPANESE PRODUCERS

The State Department cut the tariffs still lower. They cut the tariffs on table and kitchenware, of which imports in 1954 amounted to $1,118,000, and on earthenware other than kitchenware, much of which is art pottery. Imports of art pottery from Japan in 1954 amounted to more than $2 million. Duties on chinaware not only were reduced but a new set of value brackets was established, in order to "give Japan a substantial concession on the particular types and grades of chinaware exported to the United States in largest quantities."

The ad valorem rate was reduced on china artware, which has already captured over 40 percent of the American market. Imports, mostly from Japan, last year totaled more than $5 million.

DUTIES REDUCED ON JAPANESE GLASS DESPITE STRICKEN UNITED STATES INDUSTRIES

Glassware industries in the United States are in distress, and one of them, the Morgantown Glassware Guild, has filed suit in the Federal courts to test the constitutionality of the 1934 Trade Agreements Act and GATT.

GATT is the international sucker poker game in which 33 gifted and educated and experienced representatives in international trade sit down with the United States. We are the only ones who have anything of value in the pot.

If H. R. 1 were not passed and if we did not extend the 1934 Reciprocal Trade Agreement Act, does anyone think the sucker poker game would go on? It would never be called to order again, because it is just like any other poker game in any town; if the man with the money does not sit down, there is no game; if he does sit down, the game goes on. So we sat down.

Duties were reduced on Japanese imports of certain types of glassware, blown or colored, cut, engraved, and decorated, on glass globes and shades and on glass Christmas-tree ornaments.

JAPAN GETS TARIFF CUT ON OPTICAL GOODS

In the optical field, duties were cut on Japanese low-cost spectacles, eyeglasses, goggles, lenses, prism binoculars, telescopes, and microscopes.

America's market for electric light bulbs and lamps was further opened up by our State Department negotiators, who boast that Japan was granted the maximum concession permitted by law or a straight across the board 50 percent reduction.

SMALL UNITED STATES FIRMS HIT BY TARIFF CUTS ON MIRRORS

A reduction was also granted by Japan on small glass mirrors. Says the State Department in its analysis:

Such mirrors are used largely for vanity cases, ladies' pocketbooks and in shaving sets. Production of these mirrors in the United States is by numerous small firms employing a comparatively few people each, located in the large metropolitan centers, principally New York City.

In other words, little businesses are safe to single out, in State Department eyes, for damage or extinction.

Mr. President, for many years the American sewing-machine industry has vigorously opposed the trade agreements program, which is destroying it.

JAPANESE SEWING-MACHINE MAKERS GAIN HUGE UNITED STATES MARKET AND NEW TARIFF SLASHES

Some sewing-machine factories, I understand, have been shut down now for several years. Others have their backs to the wall. The sewing-machine industry in the United States, an industry which had its beginnings in the United States when an American, Elias Howe, invented the first one, is marked for extinction. The State Department seems determined to hasten its execution.

In 1953, the Department tells us 439,570 sewing machines were imported from Japan, and Italy and Germany, it adds, were also important suppliers. The 1954 import figures are not given. As soon as they are available I shall inform the Senate.

In 1948 GATT reduced the import duty from 15 to 10 percent. The State Department now magnanimously extends this rate to Japan and binds it against increase.

SEWING MACHINE DEMONSTRATION ON SENATE FLOOR RECALLED

Apropos of all of this, it will be remembered that in 1948 or 1949 I had a foreign sewing machine on one corner of my desk and a domestic sewing machine on the other corner of my desk. No one could tell them apart 15 feet away.

The name of the foreign make machine was inscribed under the framework, so that it could hardly be seen. Both machines were guaranteed to do the same work. So far as the wholesale price was concerned, 1 sold for $20, and the other for $70.

The machine which was imported was made by labor that was paid 12 or 15 cents an hour, and the domestic machine was made by labor that was paid $1.80 an hour, which was the only real difference between the 2 machines, aside from taxes, and the cost of doing business in this Nation, as compared with Japan.

UNITED STATES FISHERIES DEALT BLOW BY TRADE PACT

Mr. President, the tunafish industry and the shellfish industries are of great importance to the Pacific coast, employing thousands of fishermen in scores of small enterprises and companies.

For years this industry has been struggling to survive. Before Pearl Harbor it fought the Japanese inroads and imports. Since the war it has had to fight the State Department. It has done so vigorously and courageously. Now the State Department has struck back. Whether willfully or through ignorance, the State Department has struck back, not only at the Pacific coast tuna fishermen, but at other fisheries as well.

Japan was given the low GATT rate of 1½ cents a pound on fresh or frozen swordfish. The 1954 imports, of which nearly all were from Japan, totaled $2,825,000, for 14 times the value of American swordfish catch, which, as Japanese fish pour in has constantly declined.

FOREIGN PRICES INCREASE AS UNITED STATES PRODUCERS GO OUT OF BUSINESS

I wish to point out again that American consumers get the advantage of the lower price, whether it be tuna fish or sewing machines, or any other product, only until the American producers are either driven out of business or are so maimed and crippled that they can no longer offer competition. Then the foreign product will take all the traffic will bear.

Therefore the old saw that the consumer gets the benefit of the difference is only a hallucination brought about, undoubtedly, by the 20-year mental aberration we have experienced, in which our thinking has been just as crooked as the manipulations of foreign trade brought about by the General Agreement on Tariffs and Trade and by the foreign nations.

TARIFF CUTS ON FOREIGN TUNA CITED

Japan was granted a duty reduction from 45 to 35 percent on tuna packed in oil and the rate on tuna packed in brine was bound at 12½ percent on an aggregate quantity equal to 20 percent of the United States pack.

FINEST JAPANESE TUNA TO COME IN FREE

But the State Department really reached the heighth of generosity in its concession to Japan on imports of fresh or frozen albacore tuna. It is to come into the United States free.

Says the State Department:

The most important free list binding in terms of volume of trade was the binding of fresh or frozen albacore tuna.

The State Department further states:

Albacore usually makes up the bulk of United States imports of fresh and frozen tuna. Albacore is generally packed as white meat tuna and brings a higher price in the United States market than imports of other species.

The domestic albacore fishery has been sporadic and uncertain. In 1954 the United States catch of albacore appeared to have been about 24 million pounds, as compared with about 53 million pounds in 1952 and a record catch of 73 million pounds in 1950.

With these wide variations in the domestic catch of albacore and the constantly growing consumption of tuna, substantial imports of albacore will be needed to enable domestic firms to schedule more even canning operations and provide steadier employment.

Albacore represents a high percentage of the Japanese catch and the United States has been Japan's most important market for the product. Of total exports of frozen tuna amounting to about 114.7 million pounds in 1954, albacore represented 64.4 million pounds of which 61.1 million pounds were exported by Japan to the United States.

RECORD SHOWS FREE TRADE CUTS DOMESTIC PRODUCTION

I wish to point out, Mr. President, that many Senators and Representatives are fond of quoting the reduced production of certain materials in this country as a reason for free trade and further imports, when, as a matter of fact, two decades of free trade have caused a reduction of production. So, their slogans are very good. If they want to increase foreign trade, they want to increase production in this country. But their

policies reduce both. That is the cold, hard record, Mr. President.

I have not had time to hear from the tuna fishermen from California, as to whether they are delighted by the State Department's contention that free tuna imports from Japan will help them and their industry.

Perhaps they will not be so enthusiastic as the State Department diplomats, who I suspect have never had to face the hazards of fishing along the Pacific coast for tuna.

JAPAN WINS TARIFF CONCESSION ON CRABMEAT, CLAMS

Japan will supply us with the choice tunafish we need, and also with the canned crabmeat and canned clams, the State Department, in effect, assures us.

For no reason at all that I can see, the State Department informs us that the canning of crabmeat in the United States centers in South Carolina, Louisiana, Oregon, Washington, and Alaska.

Perhaps it considers them relatively unimportant States and areas. Certainly it cannot think they are as important as Japan, which, in 1954, shipped 4 million pounds of canned crabmeat, valued at $4 million, to the United States.

The duty on canned crabmeat was bound at 22½ percent and that on clams was reduced from 35 to 20 percent.

SOUTH LOSES; JAPAN WINS ON TEXTILE TARIFF SLASHES

The textile industry—and I now come to South Carolina, with reference to which I heard a complaint on the other side of the aisle today—particularly the textile industry in the South, has been vigorously opposing the trade-agreements program—except by their votes, Mr. President.

The State Department, meeting in secrecy in Switzerland, has given some of our American cotton-textile markets away to Japan.

I am still amazed that they announced a further reduction of the duty or tariff on textiles and dozens of other products, an act which will severely injure the workingmen and investors of this Nation until after the final adoption of the conference report.

SOUTHEASTERN UNITED STATES SINGLED OUT BY STATE DEPARTMENT FOR NEW BLOW

To quote the State Department:

In this agreement reductions were made by applying the rates now specified in GATT to the lower-priced cloth. This amounts to a reduction of about 25 percent in the rates on the type of cotton cloth imported principally from Japan.

In addition to providing substantial concessions to Japan these rates greatly simplify the entire tariff structure applying to cotton cloth. * * * The greater part of the cotton manufacturing industry is located in the southeastern United States.

It becomes very simple, Mr. President, and I hope the distinguished Senator from South Carolina [Mr. THURMOND] is listening to the debate. It will become even simpler if, in the future, we take off all the tariffs, although that is not necessary, because the tariff is so low now that we would have to reduce wages 35 percent and write off investments in that amount, or else go out of business. It is a very simple thing.

JAPAN GIVEN CUTS ON VELVETEENS, TOWELS, AND ARTICLES OF APPAREL

Cuts also were made in rates on cotton velveteens from Japan, cotton towels, cotton gloves and mittens, and cotton outerware.

That should be happy news for New England and the South.

H. R. 1 will, of course, permit greater cuts to be made on Japanese imports of cotton cloth manufactured, as the State Department reports, largely in the Southeastern United States.

LAST RECOURSE OF SOUTH'S COTTON INDUSTRY COULD BE MOVING TO JAPAN

In other words, Mr. President, in the past few years, because of the discovery that wages were a little lower and the cost of doing business was a little lower in the South, factories moved from New England into the South. Now some of them have moved to Japan. It is just an economic situation, and so long as we follow the policy adopted by the administration, it is a happy solution to the whole problem.

Mr. President, in the next elections I greatly fear that some of the free-trade chickens are going home to roost, and when they roost they may find a roosting place on the shoulders of the free-trade champions.

ITO COMMISSION, REJECTED BY CONGRESS, LIVES ON

Mr. President, the International Trade Organization which the Congress repudiated in 1950 is not dead. It is only dormant, awaiting revival in part or in toto.

In 1949, I believe—I will correct the RECORD if that is not the correct date—54 or 55 nations banded together to determine each year the estimated production and consumption for the ensuing year, and to divide it on the basis of entitlement for consumption, whatever that may be. It means, on a basis of population. That is the only thing it can be called.

We did not take the International Trade Organization, just as we are not going to take the Organization for Trade Cooperation. But neither in the International Trade Organization nor in the Organization for Trade Cooperation was the General Agreement on Tariffs and Trade involved.

TRADE ACT GAVE PRESIDENT AUTHORITY FOR GATT

It has been testified to by Secretary Dulles that the 1934 Trade Agreements Act gave the President all the authority he needed to set up GATT in Geneva, bringing together all the members; or he can set it up in Brisbane, Australia, or in Buenos Aires. He has the authority to do that. He does not have to ask Congress for any further authority in the matter. That was testified to, and I thoroughly agree that the act gives the President that authority.

VOTES FOR TRADE ACT WERE VOTES FOR GATT

So, Mr. President, when I hear someone objecting to GATT, either in the Senate or in the House, I look up the votes. If he voted for the Trade Agreements Act or any extensions of the act, I always hope he will pipe down, because he voted for the very thing which is now being done by the State Department. He never questioned it, and it was never questioned in the committee or on the Senate floor except by the senior Senator from Nevada.

Every vote for the 1934 Trade Agreements Act, for its subsequent extension, and for H. R. 1, was a vote for GATT, the Geneva General Agreement on Tariffs and Trade, that same poker game which is off if we do not sit down to play. If we do sit down, the game is on. Now it is on for another 3 years.

But I predict that the Senate will bring the Trade Agreements Act before it for consideration long before it expires in 1958, because the people of the United States are learning more about it. The proof of that statement is that a suit has been filed by a glass company in West Virginia, where the people have always voted for free trade until this year, when they broke away from it. I give them credit; but the damage was already done.

ITO COMMISSION STILL IN EXISTENCE

Meanwhile, apropos the revival of ITO, the International Trade Organization, the United States is still a member of the Interim Commission of the International Trade Organization.

The Commission is not now active, but it is "officially in existence," and the United States is a member, as will be found on page 523 of the United States Government Organization Manual, or by contacting the State Department. The United States Government Organization Manual is an official publication, and the Interim Commission of the International Trade Organization will be found outlined in that volume on page 523.

Even though the ITO Commission now appears to be dead, it is not dead; it is simply bait, lying on the bottom. When the time comes to raise it, it will be in front of us again.

INQUIRY TO STATE DEPARTMENT BRINGS RESPONSE

On May 27, 1955, I directed an inquiry to the State Department relative to this commission, and on June 10, 1955, I received a courteous and informative reply from Assistant Secretary Thruston B. Morton.

Mr. Morton replied, in part, as follows:

The Interim Commission of the International Trade Organization, of which the United States is a member, still exists. The commission, however, has not been active since 1948. At that time it created an executive committee, of which the United States is also a member, to which it delegated all its functions.

Mr. Morton added:

The executive committee has not met since 1949.

That was the year it was knocked in the head by the Senate committee. The machinery is not working at this time, Mr. President, but it is still in existence, ready to go into operation if and when the State Department considers the time and congressional climate right to set it in motion.

REVIVAL OF ITO FORESEEN UNLESS PEOPLE RISE AGAINST IT

Since I have seen the Congress adopt the Marshall plan as a temporary expedient 5 years ago, and have seen it extended each year under another name and under the direction of another person, and have heard the argument in the Senate and from the Secretary of State and Mr. Stassen that it must be a permanent program dividing the money of the taxpayers of the United States with the nations of the world in the interests of peace; since I have seen the 1934 Trade Agreements Act passed as an emergency measure and now become the rule of the land; I do not doubt for a minute that the International Trade Organization will again come before the Senate and the House, and I have little doubt, from what I have seen of the actions on those floors, unless the people of the Nation rise up and assert themselves, that Congress finally will adopt it.

AROUSED PUBLIC ANTICIPATED

But, in my humble opinion, the people of the country will not wait for an election; they are going to move on the hot spot of Washington, where there is no public sentiment, but where people stay for a few months at a time and then leave.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. LANGER. How does the Senator expect to get the law changed, when a Republican has been elected who has said he is against the Democrats, and a Democrat seeks to be elected who says he is against the Republicans? When President Eisenhower assumed office, he continued foreign aid to the extent of $3,500 million a year. How does the Senator propose to change that?

Mr. MALONE. It does seem as though it is a game of heads I win, tails you lose. It is simply a round robin. A President in 1934 remade the industrial map of the United States. We now have war frequently and preparation for war continuously. We are simply treading water economically, to make things look good.

Mr. LANGER. Does not the Senator from Nevada believe that when the people elected Mr. Eisenhower as President, it was with the intention of repudiating our foreign policy so far as giving away our money was concerned?

FREE TRADE RECORD OF MANY SENATORS GUIDED PRESIDENT

Mr. MALONE. I am going to say something that I want the Senator from North Dakota to think about. Let him put himself in the place of the President of the United States, Mr. Eisenhower, who is one of the finest gentlemen I know. He has been in the Army almost all his life and outside the United States probably a third of the time.

When he returned to civilian life and looked over the record, he found that almost unanimously the Republican Senators had voted for foreign aid and free trade. I say "almost unanimously"; I except the senior Senator from North Dakota and the Senator from Nevada.

So the President, having looked at the great pillars of the Republican Party, said to himself, "They must be right. They have had more experience with this problem than I have had. Therefore, I must go along with them."

Would not the Senator from North Dakota think that the President would have ground to stand on?

Mr. LANGER. Will the Senator from Nevada tell me the difference between the Democrats and the Republicans?

STATE RESOLUTIONS AGAINST FREE TRADE CITED

Mr. MALONE. I may say to the Senator from North Dakota that on May 4 I placed in the RECORD resolutions from a number of States in God's country—Idaho, Nevada, Utah, California, and Colorado—resolutions against the extension of free trade.

I placed in the RECORD also at that time a documentation of the platforms of the two parties for 100 years on the subject of duties or tariffs.

For a century the Democratic platform has been for free trade. The Republican platform, with the exception of the last one or two, has advocated the solid principle of a duty or a tariff to make up the difference in the wage standard of living, just as Lincoln and McKinley advocated.

But this is the first time in the history of the Republic that a Republican President has favored free trade.

I now come to the Senator's question. I first wanted the Senator to know that the background is already in the RECORD, so that he would not have to go to a great deal of trouble to learn what is what.

REPUBLICANS IN PAST FAVORED AMERICAN WORKINGMEN AND INVESTORS

There is no difference now between the policy of the Democratic Party and that of Republican Party; the difference is in the personalities. The Republicans have in the past always favored the American workingmen and investors in their own markets. The Republicans have advocated for the workingmen and investors equal access to their own markets—no advantage, but equal access.

The Democratic Party has always favored free trade, and has a history of one century of it. The Democrats were in office long enough for the first time in 1934, and for two decades thereafter, to put their policy into effect. Never before had they been in office long enough to do it.

President Wilson was in office long enough to put into effect a tariff act—perhaps the Senator can help me by giving the name; I have forgotten it—reducing the tariffs. Right after World War I a special session of Congress was called to raise the duties, in order that Americans might stay in business. We will find ourselves in that position again.

The Republican Party's policy has favored the protection of the workingmen and the investors of the United States, and generally the party has stayed with that policy.

Mr. LANGER. I am very curious to know the kind of speech the Senator from Nevada will make at the next great Republican dinner in Nevada.

NO COMPROMISE WITH PRINCIPLE

Mr. MALONE. The Senator has heard it here on the floor several times, and I do not propose to change it. The Senator was not elected on a free trade platform. He was not reelected on it.

In 1946, when I went up and down my State, as a State engineer, I looked the people in the eye and told them what I thought about the Trade Agreements Act, and I was elected.

I do not know whether or not the speeches had anything to do with it. I cannot tell the Senator that. But in 1952 my feelings were exactly the same as in 1946, only perhaps a little broader. They will be the same in 1958, and they will be the same in 1956 if I am asked to make speeches.

I have only one language, Mr. President: I cannot compromise with a principle.

I would resign from the Senate before I would vote for any one of three proposals which have been made.

One of them is a free trade which would destroy the workingmen and investors of this Nation, and which would divide the bodies of the investors and the businesses of the workingmen between the low-wage countries of the world.

Another proposal is to soak the taxpayers of our country in order to equalize the wealth of the world—a socialistic program.

The third is admitting offshore islands as States. I would not vote for anyone of these three propositions. I would first go home and tell my constituents to vote for another man before I would do so.

Mr. LANGER. I am curious to learn what the Senator is going to say in the State of Nevada as to why the people should vote for a Republican ticket rather than a Democratic ticket.

PRESIDENT'S FORECASTS OF WHAT CONGRESS WOULD DO CORRECT

Mr. MALONE. Last year, 1954, when there was an election, the people of Nevada reelected the governor and the Representative. We had been hearing for months speeches by the President about what Congress was going to do.

Unfortunately, from my point of view, the President has been about right. He had been saying what Congress was going to do.

The people in my State heard from me what I thought Congress ought to do. So, when I appeared on television, which was a little new in Las Vegas and Reno, I said, "You have been hearing in the speeches about what Congress is going to do and what the policy of the United States is going to be. I will tell you what it is going to be. It is going to be what Congress passes, after full debate, and the President signs." I guess the people liked it. They voted for the candidate, anyway.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. MALONE. I yield.

Mr. LANGER. I am just a poor farm boy from North Dakota. I am not educated the way the distinguished senior Senator from Nevada is. I assume the Senator is going to go to some of those $100 banquets and tell the voters of Nevada why they should vote for the Republican ticket and vote against the Democratic ticket. I should like to have

the Senator from Nevada tell me what he is going to tell them the difference between the tickets is.

Mr. MALONE. I have told the Senator what the difference is. That is exactly what I am going to tell the people again. I attended the University of Nevada, and, when I started there in 1913, there were about 200 students, counting the prep students. I understand the distinguished senior Senator from North Dakota is a graduate of Columbia University, and that is a great university.

Mr. LANGER. The Senator from Nevada is begging the question. I am trying to find out what he is going to say in his speeches as to why the people should vote for the Republican ticket rather than the Democratic ticket.

Mr. MALONE. I am going to send them the speech I am making today, to prepare them for the one I am going to make next year.

Mr. LANGER. The Senator told us a minute ago that the Republican platform on foreign trade is the same as the Democratic platform.

DEMOCRATS LEFT WITHOUT ISSUES

Mr. MALONE. We have simply adopted the Democrat platform. The Democrats have nothing left to run on. They are in the same position as Socialist Norman Thomas; when his program was adopted by the New Deal, he was left stranded. He has not run for office since.

Mr. LANGER. In other words, the Republicans in 1956 are going to run on the Democratic platform. Is that correct?

Mr. MALONE. The programs are exactly alike now. They are exactly alike.

Mr. LANGER. I want to thank the Senator for his very illuminating answer.

PROTECTION OF WORKINGMEN, INVESTORS, SENATOR'S PLATFORM

Mr. MALONE. I do not think I have illuminated anything I have not been trying to illuminate here since 1947, but I want to say further to the distinguished senior Senator from North Dakota I am still standing on the platform of protecting the workingmen and investors of this Nation by a duty or tariff established by the Congress of the United States or its agent, the Tariff Commission, just as article I, section 8, of the Constitution provides we must, so that there may be made up, on a flexible basis, the difference on each product between the wage-standard-of-living cost and the taxes and the cost of doing business in this country and in the chief competitive nation. That is what the senior Senator from Nevada is saying, and that is what he will continue to try to prove to the Senate of the United States.

Mr. LANGER. Am I to understand, then, that when the Senator from Nevada runs the next time, he will run on the Republican ticket?

Mr. MALONE. I have always been a Republican.

Mr. LANGER. But the Senator will run on the Democratic platform?

Mr. MALONE. I do not know, but I will run on the Republican ticket.

Mr. LANGER. A moment ago the Senator said the Republicans had adopted the Democratic platform.

Mr. MALONE. That is what the Republicans did, but it has not been put in writing. The so-called escape clause and peril point are provided for in the pending bill. There is a clause which allows the President of the United States to fix a quota. I am asking that we proceed according to the provision of the Constitution of the United States, so the people of the United States will know how to invest their money. Today no human being with any horse sense would put a dollar in any business which needs protection in the form of a duty or tariff, to make up the difference between the costs of doing business in this country and in foreign countries, in order to exist. Investors have to put more money into a business in order to save their investment because of competition from low cost of living countries. Then some of us say on the Senate floor, "Well, we did not produce as much as we did last year, so we have to import foreign goods." It is our policies that have reduced domestic production.

PRESIDENT NOT AT FAULT FOR FREE-TRADE POLICIES OF CONGRESS

So far as I am concerned, it is my belief that while the President of the United States may be taking wrong advice now, he will listen, and if the Republicans have the guts that God gave little geese in San Francisco, and will write a Republican platform, he will follow it. But when for 22 years practically all the Members on the Republican side of the aisle have voted for free trade, one cannot stand here and tell the public that we are laying the blame on the President of the United States. If the President would take a look at the record of stalwart Republicans and say, "I have been following what you have done for 20 years," how would my colleagues like that? I suppose that is what he is saying to some of his close friends.

SUPPORT OF PRESIDENT PLEDGED

Furthermore, if the President runs again, I shall be for him. If he wants to run, I shall be in favor of his nomination and in favor of his election.

I am like M. F. Flynn, editor of the New York News, who wrote a very informative editorial, pointing out the disagreements between him and the President of the United States. They coincided pretty closely to the disagreements the senior Senator from Nevada has with the President of the United States. But I agree with the last paragraph written by Flynn, which I thought was a masterpiece. I wish I had it. I would put it in the RECORD. He said, in effect: "When I stop to think what we would have had if we did not get Eisenhower, I am still for Ike."

That may explain quite a few things.

Mr. LANGER. Mr. President, will the Senator yield for a further question?

Mr. MALONE. Yes.

Mr. LANGER. In the State of Nevada can one run on both the Democratic and the Republican tickets?

Mr. MALONE. No. A candidate has to run on the ticket of the party to which he belongs. Furthermore, citizens of Nevada know who a candidate is and what he stands for. They get around. It is a big State, approximately 400 miles by 600 miles, and there are nearly 300,000 of us, by the last census, or a little more than that. Our people get around. They cannot be fooled. A candidate can run on only one ticket, and he is pretty lucky to be able to run on one, and still make a showing.

Mr. LANGER. I am still puzzled how a Republican is going to run on a Democratic platform.

Mr. MALONE. I do not run on a Democratic platform. My speeches made during campaigns are like the ones made on the Senate floor.

Mr. LANGER. Was I not correct? As a matter of fact, the Senator from Nevada is nonpartisan, is he not?

Mr. MALONE. I am not nonpartisan. I am a Republican.

Mr. LANGER. But the Senator from Nevada is running on the Democratic platform.

Mr. MALONE. No; I am not. I am running on the Republican ticket and on the Republican platform, which has advocated protection for the workers and investors of this Nation for a century.

Mr. LANGER. But the Senator from Nevada says the Republicans have now adopted the Democratic platform.

Mr. MALONE. No; the Republicans have not.

Mr. LANGER. But a moment ago the Senator from Nevada said the Repulicans have stolen the Democratic platform.

Mr. MALONE. I may have made a slight error in my use of words. We were saying that, the next time, the Democrats will have nothing to run on. But the Republicans have not all adopted free trade, for at least some of us voted against it. The votes against it included several Members on the other side of the aisle.

Mr. LANGER. The distinguished Senator from Nevada knows that I have voted with him on that question.

Mr. MALONE. I know that. Last year we got 14 votes, and this year we got 16. So we are increasing in number rather rapidly. Give us just a few years more, Mr. President.

WHY STATE DEPARTMENT SUSPENDED ITO SCHEME TOLD

Mr. President, the proposed International Trade Organization was submitted to the Congress, but the House and Senate committees refused to have any part of it.

Prior to the debate with the distinguished Senator from North Dakota [Mr. LANGER] I was discussing a letter written by Mr. Thruston B. Morton, Assistant Secretary of State, in response to an inquiry I had made of him concerning the ITO.

Now we come to the interesting part of Mr. Morton's letter:

In 1950, the United States withdrew its support of the proposed International Trade Organization.

That was the year following the repudiation of the whole business by the Congress. It will be noted that there is no reference to the congressional turndown, but it is merely said that the United States withdrew its support from the International Trade Organization.

I read further from Mr. Morton's letter:

Since other governments deemed United States participation essential to the establishment of the organization, the practical effect of this action was to preclude the possibility of the establishment of the organization.

NATIONS FLED ITO GAME WHEN UNITED STATES DECLINED SUCKER ROLE

Mr. President, that establishes, once and for all, the status of the international poker game in which the United States is supposed to play the role of sucker. We did not sit in the game, so there was no International Trade Organization, because the 53 other nations—or whatever the proper number is—were not willing to participate in the game until the folding money of the United States was put into the pot. But that did not happen; neither were the markets of the United States put into the pot. The result was that the game was abandoned, or at least postponed.

Mr. President, Mr. Morton's letter is an honest and a splendid statement. It bears out what I have said many times on the floor of the Senate with respect to ITO—the International Trade Organization—and GATT—the General Agreement on Tariffs and Trade—and all the other international programs for giving American jobs, taxes, and markets to foreign countries.

NO UNITED STATES MONEY IN POT—NO GAME

Without American money and markets in the pot, none of our international friends want to play with us in any international game. When Uncle Sam's money, markets, and jobs are in the pot, all of the foreign countries want in the game. Without them in the pot, they all stay out of the game.

They may set up an interim commission to keep the table and chairs handy in the event the United States reconsiders and puts up the pot. They have done that in this matter of ITO. There is a chair for us, too. It is not being filled, but it is there; and we are members of the club, formally and officially, without paying any dues. The other nations just keep hoping we will enter the game or join the club.

SENATE VOTES

There is no game because we have not put up the pot. As long ago as 1949, the Congress rejected State Department proposals that we do so.

WORLD GIVEAWAY PROGRAMS CONTINUED ON THEORY THEY PROMOTE THE PEACE

So it is, Mr. President, that the Members of the Senate, in their innocence, continue all these programs, on the theory that they promote international peace.

I am reminded of a boxer who is very popular so long as he continues to win his fights. So long as he continues to win them, he has plenty of money; and when he steps up to a bar, the people are 20 deep, all around him, ready to drink with him. But when, one day, he loses a fight, and then has no money to put on the bar, he finds that no one else is even around the place; all his so-called friends have deserted him. Mr. President, that is what can happen to us, and very quickly, too.

AMERICANS SHOULD BE GRATEFUL ITO NOT BANK-ROLLED BY UNITED STATES

I repeat Mr. Morton's forthright statement:

Since other governments deemed United States participation essential to the establishment of the organization (ITO), the practical effect of this action was to preclude the possibility of the establishment of the organization.

Accordingly, the interim commission and its executive committee have been left without any functions to perform. The United States has no representative on the interim commission or its executive committee.

Mr. President, American industries, investors, and wage earners may be thankful that we have not yet bankrolled the ITO setup, and appointed to it representatives to give away more of our jobs and markets.

But so long as we reenact or extend the 1934 Trade Agreements Act, the President—meaning, of course, the State Department—will have all the authority he needs to set up any international trade organization in the world; and it will be able to function, just as the General Agreement on Tariffs and Trade has functioned at Geneva.

Mr. President, American industries, investors, and wage earners may be thankful that the Interim Commission and its executive committee, lacking our bankroll and a new gold-embossed invitation to our markets, have been left without any functions to perform. If we had the gumption and the horse sense not to pass House bill 1, it would not be possible for 33 foreign nations to divide the American markets on textiles and other materials, as is being done today at Geneva.

DEMISE OF GATT WOULD BE WELCOME NEWS

Mr. President, it would be good news if international GATT, in which our markets are being distributed among 33 foreign nations, had no functions to perform. What gave it a function to perform was the passage of House bill 1 by the Congress of the United States. Under the 1934 Trade Agreements Act, the General Agreement on Tariffs and Trade has been set up, and it never has been excluded.

Mr. President, if you belonged to an organization with a board of 34 members, would not you like to have on the board one member, so that he would have a voice in determining what would be done? It is a wonderful idea—until we run out of talk, put a stop to inflation and continuous bond issues, and cease to have a war economy—which this year amounts to $32 billion, let us remember. If we were to stop our war economy tomorrow, the economy of the United States would, in 30 days, be deader than Julius Caesar.

So, Mr. President, the General Agreement on Tariffs and Trade would have no functions to perform either, if it were not for the fact that the United States has its money, markets, and jobs in the international pot, and State Department representatives to give them away at foreign sessions, such as the one recently concluded at Geneva.

GENEVA SESSION REQUIRED 4 MONTHS FOR LATEST DIVISION OF UNITED STATES MARKETS

Mr. President, it must be interesting to foreign nations to observe the way we operate. Congress is debating seriously whether or not to extend this monstrosity. Over in Geneva, for some reason, they knew we were going to extend it, and they went ahead with the division of the markets. They did not do all this in a week. They did it in 4 months, while we were debating the subject in Congress.

It must make Members of Congress feel pretty good to know that 33 foreign nations can take them for granted. As a matter of fact, many of those foreign nations have better public relations organizations in Washington than any Senator has, or than any group of Senators have. If any Senator keeps a clipping file from his hometown newspapers he knows what he ought to vote for, without making it necessary to do any research as to what the final outcome might be.

FOREIGN NATIONS WANT AMERICA'S RICH MARKET FOR THEIR SWEATSHOP GOODS

American markets are what foreign countries want. That is all many of them want. They want to sell their low-wage, sweatshop goods in the American markets, undercutting American industries and displacing American labor.

Shortly there will be a very important celebration in San Francisco, building up that great event in 1945, when the United Nations was created.

I attended that conference unofficially, as a representative of the old Military Affairs Committee of the Senate. I was a special consultant to the Committee on Military Affairs during World War II, in connection with the examination of military establishments and in connection with strategic and critical minerals and materials. I was also a special consultant to the Secretary of War.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MALONE. I yield.

Mr. LANGER. Was not the Senator appointed by a Democratic President?

Mr. MALONE. I do not believe I was appointed by the President. It seems to me that my good friend Senator Ed Johnson, of Colorado, now Governor of Colorado, had something to do with it. He was a member of the Military Affairs Committee.

Mr. LANGER. It must have been a Democratic President who made the appointment.

Mr. MALONE. No. It was the Secretary of War who acquiesced in my consultant work in the War Department. Ed Johnson and Happy Chandler were the two, I think, who insisted that I be the consultant of the Senate Committee on Military Affairs. Of course, at the present time I think no committee could do anything unless the President approved it. I think that is the situation at present.

Mr. LANGER. Ed Johnson is a Democrat, is he not?

Mr. MALONE. He is a Democrat; and he is about as good a Democrat as I have ever seen. I would trade some of our Republicans for Ed Johnson.

Mr. LANGER. So the distinguished Senator from Nevada did accept a Democratic appointment.

ALASKA, SOUTH SEA ASSIGNMENTS RECALLED

Mr. MALONE. I think we would have to call it that. But I was left alone, and I wrote my reports. They were not edited very much. That was the only way I could get my viewpoint across.

Then I was sent into Dutch Harbor, behind the Japs. I made a report on Alaska. Then I was sent to the South Seas with General MacArthur. I do not think General MacArthur was a Democrat. I did not look up his political affiliations.

Let me say to the distinguished Senator from North Dakota that whenever I had an opportunity to plant the material, in whatever kind of soil happened to be available, I planted it. It did some good, too.

FOREIGN DIPLOMATS BRING EMPTY BASKETS FOR UNCLE SAM TO FILL

To repeat, foreign countries desire to sell their low-wage, sweatshop goods in the American market, undercutting American industries and displacing American labor.

It was my happy privilege in San Francisco, where I spent about 3 months, to entertain, in a small way, representatives from many foreign nations. I would have them to breakfast, lunch, or dinner. Usually there would be present one of the top officials, or his representative, and myself. There were two things they would ask me. The first was, "How are you?" I do not believe they cared very much how I was.

The next question was, "How much of the material which we have to sell can we sell in American markets, and when can we begin?"

When I reached Denver, on the way back to Washington, I was met by a number of newspaper correspondents. I know many people in Denver. The newspaper correspondents said, "Tell us about the United Nations."

I said, "There were 49 there. Forty-eight of them had a market basket on each arm, and only one had anything to put in them. What do you think about it?" That rather toned down the conversation.

UNITED STATES MARKET ONLY FREE, CASH MARKET IN WORLD

Why are foreign countries so avid to capture the American home market? The answer is quite simple.

The American home market is the richest market in the world.

It is the only market in the world where a foreigner can sell anything he wants to sell, in any quantity, excepting certain agricultural products, he wants to sell, and receive for his goods sound money of fixed value which he can take home or use in any manner he desires.

It is the only market in the world where he can undersell American labor and investors on any commodity he wishes to sell, certain that his labor and production costs are lower than the lowest labor and production costs of his American competitor.

It is the only market in the world where, again excepting certain farm commodities, he can be assured of neither import nor exchange restrictions, and no fluctuations in money value. He has only to dump his slave-wage product, stuff his pockets with our dollars, and run back to his homeland.

It is the only market in the world in which all protective safeguards to industry and labor have been removed, or, in the case of tariffs lowered to a point of being ludicrous. It is a free trade market, with only a few vestiges of tariffs here and there to preserve a hint of the long dead American system which created our rich market in the first place.

UNITED STATES ONLY COUNTRY THAT TAXES WAGE EARNERS TO SUBSIDIZE FOREIGN COMPETITION

It is the only market in the world where industrial and farm wage earners have high living standards and enough money left, after living expenses and taxes, to buy foreign goods.

Ours is the only country in the world that takes billions in taxes from its wage earners each year to give to foreign countries to produce more foreign goods to dump on our rich American market.

What made our market rich in the first place? First it was American independence and self-reliance.

George Washington urged a policy of encouraging and protecting our infant industries. Americans developed their own resources, built their own mills and factories, tapped their own mineral and water resources, created their own transportation systems.

FOREIGN NATIONS LAG IN DEVELOPING OWN RESOURCES, LIFTING LIVING STANDARDS

Mr. President, we in America do not have rich deposits. We have made our deposits available through research work and laboratory work. We have lifted ourselves by our bootstraps. Many other nations have much richer deposits of practically every material than we have.

For 5,000 years other countries have not raised their standard of living one iota. So we are to raise it for them in a few years by dividing our markets. For 150 years we minded our own business, and minded it well.

Countries wishing to trade with us could do so whenever they willed to do so on the basis of fair and reasonable competition with American producers.

Congress regulated the tariffs and foreign commerce to assure that such competition would be on a fair and reasonable basis.

Americans had equal access to their own markets, equal security for investments. They only took a chance on their own judgment. They did not take a chance on the judgment of Congress.

AMERICAN SYSTEM BROUGHT NATION PROSPERITY

The system—the American system it was called—continued for 150 years and America prospered.

Our wage rates became the highest in the world.

Our living standard became the highest in the world.

Our per capita wealth the highest in the world.

This did not please our one-world do-gooders, Socialists, share-the-wealthers, or our Harry Dexter Whites, Victor Perlos, V. Frank Coes, Harold Glassers, and Alger Hisses.

Let me say at this point it is not always the Whites and Hisses who cause trouble in this country. We isolate their kind. It is the good people, the honest people, who mouth the things such men say, who cause the trouble, by not knowing what is in back of what they say and by not analyzing the statements, or thinking them through.

We are still passing acts which espouse the principles of free trade and which provide billions of dollars to Europe which these two men helped fasten on us. In committee we heard the Secretary of State and Mr. Stassen say that this program must become a permanent program.

We have been told every year that we must send new money to Europe and to Asia and that we must divide our markets, because if we do not do so, someone might say that by working 18 hours—which is just about what most Americans do—we are living better than anyone else in the world; therefore we must divide our markets. If we divide them we will have nothing left for ouselves.

AMERICA'S ECONOMIC STRENGTH WORLDS ONLY REAL PROTECTION

The only protection the nations of Europe and Asia have from us is our economic strength. When that is gone we cannot even defend ourselves, to say nothing of other nations.

The 1934 Trade Agreements Act destroyed the principle of the American system, which had made our country rich and strong.

It changed the policy of Americans for Americans, to one of Americans for foreigners and foreign exploitation.

The 1934 Trade Agreements Act did not level down America fast enough to suit the one-worlders and proforeign groups, so multilateral trade agreements were invented to be negotiated through GATT, a 34-nation treaty organization which meets in GATT.

ITO was invented at the same time with the view of leveling employment and production to a world level at the same time international control was placed over world trade.

The process is still going on.

NEW WORLD TRADE SCHEME A MODIFIED ITO

An interim commission of the International Trade Organization, as I mentioned before, still exists and we are a member of it.

A somewhat modified ITO has been presented to Congress in the guise of an international organization for trade cooperation. The State Department drops the I and calls it OTC. In reality the initials should be IOT because the only cooperation there will be will be that of our State Department officials with their foreign friends.

NEW TRADE SCHEME DISCUSSED IN INFORMATIVE ARTICLE

The May 13, 1955, issue of the Wall Street Journal carries a very informative article on the new free trade approach of the State Department, written by an informed journalist, Albert Clark, under the heading "Surrender of Power? Congress Has Doubts About Proposal for Global Trade Agency."

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks, Mr. Clark's article Surrender of Power?

There being no objection the article was ordered to be printed in the RECORD, as follows:

SURRENDER OF POWER—CONGRESS HAS DOUBTS ABOUT PROPOSAL FOR GLOBAL TRADE AGENCY

(By Albert Clark)

WASHINGTON.—The administration is preparing a determined drive for what Congress now interprets as a broad new grant of power—and a surrender of its own—to conduct this country's foreign economic affairs.

The actual request is for authority to join a proposed Organization for Trade Cooperation. Technically this would merely administer the rules President Eisenhower and his predecessors have worked out under the Reciprocal Trade Act and their constitutional foreign policy powers.

The lawmakers, however, by ratifying OTC would by clear inference also be endorsing in a broad policy sense, though not necessarily in every detail, that mysterious instrument of global trade policy—the General Agreement on Tariffs and Trade. Such endorsement they have specifically withheld in a series of extensions of the Reciprocal Trade Act, including the 3-year extension they will shortly send to the White House.

Paradoxical as it may seem, the United States is and long has been a member of GATT. The difference is that the present GATT has no permanent organization, whereas OTC would set up a permanent, formal machinery, headed by a director-general. Congress feels it might be morally committed to GATT if it authorizes OTC.

What is this little-known GATT that OTC would administer?

Basically it is a collection of tariff rates and trade rules negotiated by the 34 member nations, which account for about 80 percent of world trade, in periodic, months-long bargaining sessions; the schedule of GATT tariff concessions now covers more than 50,000 items. To understand how GATT came about, it is necessary to look back at the way tariffs were formerly regulated and negotiated.

A DELEGATION OF POWER

Before the Reciprocal Trade Act was first passed in 1934, Congress, as a general rule, passed on all tariff rates. The legislators either passed laws fixing specific import duties or ratified treaties that specified rates. With the passage of the Trade Act, Congress delegated to the President its powers to reduce tariffs, within specified limits, and to enter into foreign trade agreements.

This authority was used to negotiate bilateral trade pacts—agreements between the United States and one other country—for fixing tariff rates and trade rules between the two countries. Up to the time GATT came into existence on January 1, 1948, the United States had concluded such separate agreements with 29 countries.

GATT grew out of proposals by the United States for a multilateral, or many-country, approach to global trade. Under the multilateral process, each nation still negotiates bilaterally, with the principal supplier of any commodity on which it is considering a tariff reduction. Then, all of the bilateral reductions are bundled up in one schedule of new tariff rates and each concession is applied to the same category of imports from all countries. This is called the most favored nation treatment, and was already a part of the Reciprocal Trade Act itself.

Since these multilateral negotiations are basically bilateral and since the most favored nation treatment was already on the books, what if any is the advantage of the GATT approach? The President argued in his recent message to Congress on the subject that multilateral negotiation enables this country to obtain more tariff concessions on its exports than would be forthcoming from bilateral dealing; he said the United States, for example, gets benefits from concessions which other countries would be unwilling to negotiate except in a multilateral undertaking.

Mr. Eisenhower further declared that through GATT the United States has persuaded foreign countries to remove restrictions against imports of such specific dollar goods as coal, apples, cigarettes, lumber, potatoes, textiles, autos, petroleum, wool, and motion pictures.

It is possible, too, that getting the representatives of 34 nations together at one time in one place makes for greater volume and convenience than would be the case in strictly bilateral bargaining. And, of course, it gives at least the appearance of a concerted international attack on the restrictions to world trade. Moreover, tariff concessions are just the beginning of GATT. It also commits the member countries not to cancel tariff concessions by putting up other trade barriers.

Each member country, for example, promises not to cancel the benefit of a tariff cut by levying a domestic sales tax that would offset the tariff concession. Each country is free to tax imported items, of course, so long as the rate is applied equally to imported and domestic articles.

REPEALING DOMESTIC LAWS

The GATT also contains a general prohibition against import and export restrictions. And by inference, if not explicitly, the GATT countries are committed to repeal domestic laws that conflict with GATT and to refrain from adopting new conflicting statutes. Therein lies much of the objection in Congress to GATT.

Despite the principle of nondiscrimination, however, the heart of the agreement lies in the exceptions to the general reciprocity rules.

Thus the United States is permitted by GATT to continue its preferred tariff treatment of goods imported from Cuba and the Philippines. The British Commonwealth countries are allowed to continue their preferred tariff treatment, one with another. Under the same rule, the French Union and the Benelux countries may perpetuate their tariff preference blocs.

Though the general GATT rule prohibits export and import quotas, a member nation may regulate the export of goods important to its defense. So-called underdeveloped countries may impose import quotas or other restrictions if necessary to protect a domestic industry in raising general living standards. Any member nation may withdraw a tariff concession or apply import restrictions if the member considers such action necessary to prevent a drain on its dollar reserves.

GATT critics complain that these exceptions, particularly the loopholes for underdeveloped nations, remove much of the reciprocity from what is supposed to be a reciprocal arrangement. The reason: The United States is the most prosperous of the 34 member nations. Thus the exceptions, when applied, add up to discrimination against the United States.

LITTLE USED LOOPHOLES

The principal loophole available for relief of United States industries lies in the escape clause, which is spelled out in the Trade Act and is also incorporated in GATT. Under this procedure, member countries may withdraw a tariff concession or otherwise impose restrictions on goods being imported to the detriment of a domestic industry. Actually the escape clause is used sparingly. The United States has taken advantage of it under GATT only four times, and no other member has used it at all.

But the real basis for congressional opposition to GATT—and OTC—lies in the age-old struggle between the legislative and executive branches of Government. How far, for example, should Congress go in delegating its powers over tariffs and interstate and foreign commerce to the Executive? And, once delegated, should the Executive redelegate its authority to an international agency that can make rules to which Congress is morally committed?

These are not altogether theoretical questions. The United States has a law, for instance, that provides for import quotas on farm products being imported to the detriment of domestic farm price support programs. This statute violates both the letter and the spirit of GATT. It is true that American representatives to the recent Geneva conference, which adopted several amendments to GATT, obtained a waiver that permits the United States to violate the agreement by limiting imports under this section of United States farm law. But why, ask the critics, should the GATT countries have authority to write rules that require such a waiver?

Right now, there is pending in Congress a bill to reclassify hardboard for international trade purposes. This measure would remove hardboard from its present paper product category and classify it as a wood product. A tariff increase would accompany the reclassification. But if Congress passes the proposed law, the legislators would be violating GATT's principles.

Suppose Congress authorizes United States membership in O. T. C.—and by inference endorses GATT—would it not be making a moral commitment to reject the hardboard bill and to repeal the provision for restricting farm imports? It is such questions as these that lawmakers, even now, are asking themselves.

Or take the case of Czechoslovakia. A provision of the 1951 extension of the Trade Act directed the President "to take such action as is necessary" to withdraw trade agreement concessions to imports from Communist-dominated countries. Thereafter, the United States, instead of acting unilaterally, asked—and got—GATT permission to cancel concessions to Czechoslovakia. Here again, the GATT critics want to know why the United States should ask permission of 33 other countries to carry out a law passed by Congress.

THE RIGHT TO VIOLATE

By disassociating themselves from GATT in each reciprocal trade extension bill, the House and Senate in a broad political sense are leaving themselves a free hand to violate GATT. But would they not be surrendering this freedom by okaying OTC—even though, technically, they would still have a right to violate GATT?

There is still another basic reason for Congress' reluctance to endorse GATT. This reluctance goes back to OTC's predecessor proposal by former President Truman for an International Trade Organization. The present OTC plan bears little resemblance to the ill-fated ITO scheme. ITO would have incorporated GATT as one chapter under a preamble that would have committed member countries to follow "national" as well as "international" policies designed to foster full employment, higher living standards, and the like.

Conspicuously missing from the present proposals are old ITO chapters dealing with domestic labor and business practices, to name a couple of examples. Mr. Eisenhower pointedly noted in his recent message on OTC that American representatives to Geneva went with specific instructions to reject all efforts to expand the functions of the new organization to fields other than trade. This mandate the OTC and the slightly revised GATT appear to follow.

Even so, the GATT countries themselves have the power to amend its rules. And once Congress ratifies OTC could not some future GATT conference, perhaps under some future administration, rewrite the agreement to cover the explosive chapters that caused Congress to reject Mr. Truman's ITO?

These, too, are questions that Congress will want answered when administration officials journey to Capitol Hill to make their case for OTC.

EDITORIAL ON FREE TRADE ARTICLE REPRINTED

Mr. MALONE. Mr. President, the Wall Street Journal of the same date as Mr. Clark's article carried an editorial entitled "Free Trade and Free Action" based on the article previously referred to.

I ask unanimous consent that this editorial "Free Trade and Free Action" from the Wall Street Journal of May 13, 1955, be printed in the RECORD at this point in my remarks.

There being no objection the editorial was ordered to be printed in the RECORD, as follows:

FREE TRADE AND FREE ACTION

Since 1934 the broad effort of this government has been to reduce American tariffs in return for comparable concessions from other nations. That is the purpose of the Reciprocal Trade Act and its successive extensions.

Since 1948 the principal instrument of this purpose has been the General Agreement on Tariffs and Trade, discussed by Mr. Clark in adjoining columns this morning.

This effort, it seems to us, is unexceptionable. The broad purpose of the Reciprocal Trade Act is healthy and we have no quarrel, in principle, with the GATT approach to it, which is mainly getting a lot of nations together for tariff negotiations. Now, however, the administration wants Congress to give it authority to join an Organization for Trade Cooperation. This would formalize GATT and establish a permanent staff and a Director to administer it. A machine would in effect be transformed into a pseudo-regulatory global agency.

The request to authorize membership in OTC raises some serious questions. Is it necessary for the purposes of the Trade Act and GATT? Evidently not. GATT has functioned these 7 years, and OTC would confer no powers to negotiate tariffs or change trade rules not already enjoyed by national representatives meeting at GATT conferences.

More important, is it altogether wise for Congress to endorse GATT, which would be the effect of authorizing OTC? The way it is now, the very provisional nature of GATT gives this country considerable flexibility. If it decides that circumstances warrant a return to strictly bilateral dealings, or if it thinks up a better way than GATT, it can bow out without causing an international furor.

This flexibility also applies to the rules which the GATT nations try to draw up for themselves. Because of conflicting national interests, these rules are full of exceptions. The United States got, at the last GATT meeting, a waiver permitting it to discriminate against farm imports in accordance with its domestic farm price-support legislation. But the other nations knew that if they did not grant the waiver the United States would act as though they had anyway; there is nothing really binding about the rules of GATT in its present provisional state.

Solemnize GATT through congressional approval of OTC, however, and you get a different emphasis, if not something more. It is much more difficult to withdraw from a formal international bureaucracy than it is to give up a machine which is merely one machine among others.

It is also more difficult in that situation to disregard GATT rules which may conflict with domestic statutes. We do not happen to admire the farm price-support legislation, but we very much admire the right of Congress to pass such laws as the Constitution permits and it sees fit. If Congress blesses GATT it may feel logically and morally bound not to pass laws in conflict with GATT and to revoke existing ones that conflict. We do not contend this would necessarily happen, but it would be rather silly, to say the least, if Congress were to approve GATT in effect and proceed to violate its rules.

Now it is true that Congress has delegated limited tariff and trade powers to the Executive through the Reciprocal Trade Act. But for Congress to authorize OTC would be to put up one more fence between Congress and its control of trade policy. Perhaps the practical results would not be important, but they could be far-reaching.

We should, indeed, continue to work for freer international trade through the present machinery of GATT or however seems best within the meaning of the trade act. But we should not kid ourselves that the goal is advanced by joining one more global bureaucracy. And we should be very chary of sacrificing, in our pursuit of freedom of trade, our freedom of action.

EDITORIAL WARNS AGAINST HASTY ACTION ON OTC

Mr. MALONE. Mr. President, the same publication on June 2, 1955, published another editorial, also referring to Mr. Clark's article, and mentioning ITO which I discussed earlier in my remarks.

I ask unanimous consent that there be inserted at this point in my remarks the editorial "Shortcuts Can Be Dangerous," published in the June 2, 1955, issue of the Wall Street Journal.

There being no objection the editorial was ordered to be printed in the RECORD, as follows:

SHORTCUTS CAN BE DANGEROUS

The General Agreement on Tariffs and Trade is what its name implies, a collection of mutual undertakings among Western nations. There has been proposed to Congress legislation which would make the United States a party to an Organization for Trade Cooperation which would formalize and administer GATT.

Recently our Mr. Clark, writing from Washington, summarized the reasons for congressional doubts about OTC. An accompanying editorial raised questions about the necessity of OTC.

Several readers for whose opinions we have respect and who are mindful that for something like 50 years this newspaper has opposed protectionism as a national policy are puzzled about our attitude toward OTC.

The questioning of OTC is based on two grounds.

One ground is that considerable more should be known about OTC's genesis, its purposes and its form of organization.

The other ground is that until these doubts are resolved, there is danger that insistence on OTC beclouds the issue of protectionism versus trade liberalization; that it may have the effect of making liberalization more difficult instead of easier.

The OTC proposal came after a conference on tariffs at Geneva. It was a lengthy conference dealing with technical matters. It did not get much public notice in this country. The actual submission of the OTC proposal to Congress received hardly more than perfunctory attention.

No international commitment ought to be undertaken on such a basis.

Investigation may prove that OTC is what its advocates claim, that is, an agency which would be instrumental in wiping out impediments to the trade of one nation with another.

However, it must also be recognized that sitting on OTC would be representatives of countries which are committed to such things as the managed economy and managed money and which at least tolerate cartelism in their economic structures. Those things are the antithesis of freedom of trade. Instead, they make for strictures on trade. And it would be well to determine whether those theories would find their way into the deliberations and decisions of OTC.

Many of the reasons advanced for adhering to OTC also were advanced for adhering to the earlier International Trade Organization. Congress refused to have anything to do with ITO and there is pretty general agreement now that Congress was wise in its decision.

The second ground for questioning OTC is that it has beclouded the issue of trade liberalization with another very touchy issue—the possible delegation of congressional authority to an international body.

GATT is a collection of agreements entered into by the Executive under authority of the Reciprocal Trade Act. The Reciprocal Trade Act is a delegation of congressional power to fix tariffs to the executive department. Congress can reclaim that authority from the Executive at any time, and it has checks on the exercise of this delegated authority.

However, if the GATT agreements were formalized by Congress by the acceptance of OTC, would that act commit Congress to honor not only all the present GATT agreements but such future actions as OTC might take? Would Congress by a roundabout method be delegating its authority to an international agency?

These fears may be quite groundless but they are certainly in the minds of Congressmen who are neither protectionists nor isolationists. Senator BYRD, who managed the bill for renewal of the Reciprocal Trade Act through Congress at a time when renewal was doubtful, is among those who question OTC.

It is less than a quarter of a century since the protectionist policies reached their zenith with the adoption of the Smoot-Hawley tariff. Four years later the Reciprocal Trade Act was passed. The retreat from protectionism began then, and it has taken place much faster than the most optimistic would have predicted in 1935. It has been renewed under both Democratic and Republican administrations.

The progress away from protectionism has been steady and it is permissible to question the wisdom of attempting to hurry it by methods which are not fully accepted by those who are basically opposed to protectionism. We think we understand the impatience of those who see the economic illogic of trade barriers. But one must also be mindful that many worthy causes have been retarded when those in a hurry tried to feed the public more than the public would digest.

So there are here two issues. The issue of liberalizing trade, which so far as this country is concerned means a demobilization of tariffs. There is the other issue of a surrender by Congress of its powers over tariffs.

It seems to us better not to have the two become mixed. If they become mixed, and if those opposing protectionism seem to be insisting that their purposes can be achieved only by congressional action which some Congressmen believe to be a surrender of congressional power, then some of those who have been antiprotectionist may very well be alienated.

The mere fact that congressional veterans who have consistently supported tariff lib-

eralization measures have their doubts about OTC should cause those who are advocating OTC to proceed carefully.

Certainly OTC ought not to be approved merely because it claims to be a shortcut to tariff liberalization. Shortcuts are not always short. And sometimes they can be dangerous.

SUDDEN DEATH TO ECONOMY AGAINST ECONOMIC SUICIDE BY DEGREES

Mr. MALONE. Mr. President, the Wall Street Journal, as one will note from reading the two editorials, cannot be called a protectionist publication.

In fact it advocates developing freer international trade using the present machinery for that purpose, a premise with which I wholly disagree. What it opposes is plunging into the free trade pit in one sudden jump as we would be doing if we approve the OTC version of ITO.

Personally I do not see any great difference between inviting sudden death to our domestic economy and that of slow suicide such as is occurring now under the 1934 trade agreements act and GATT.

The annual review number of the Survey of Current Business published by the United States Department of Commerce in February 1955 reports that during 1954 the number of employees in all industries totaled 53,427,000. During 1953 the number of employees in all industries totaled 55,151,000. In other words there was a decline of 1,724,000 employees from 1953 to 1954.

PRODUCTION EARNINGS DECLINE

Average annual earnings per full-time employee increased from $3,590 in 1953 to $3,662 in 1954, or 2 percent, but total earnings dropped from $197,980,000,000 in 1953 to $195,650,000,000 in 1954, or a loss of $2,330,000,000.

The same issue of the same publication also includes an interesting table showing the decline in production workers in manufacturing in 1954 from 1953.

I ask unanimous consent that this table be inserted in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 6.—*Production workers in manufacturing*

	1954 employment			
	Annual average (1,000)	Percent change from 1953	4th quarter average (1,000)	Percent change from 4th quarter, 1953
Manufactures	12,631	−8.8	12,688	−6.5
Durable goods	7,233	−11.4	7,223	−8.9
Ordnance and accessories	129	−30.6	110	−41.5
Lumber and wood products, except furniture	663	−6.0	710	3.3
Furniture and fixtures	288	−9.7	298	−2.9
Stone, clay and glass products	432	−6.1	439	−3.9
Primary metal industries	991	−12.5	985	−9.7
Fabricated metal products	837	−10.2	834	−7.3
Machinery except electrical	1,145	−12.1	1,096	−11.9
Electrical machinery	810	−12.9	826	−9.2
Transportation equipment, except automobiles	732	−6.5	696	−10.5
Automobiles	602	−20.8	622	−11.5
Instruments and related products	219	−9.5	213	−12.0
Miscellaneous manufacturing industries	384	−7.5	393	−6.9
Nondurable goods	5,398	−5.0	5,466	−3.1
Food and kindred products	1,093	−3.6	1,110	−3.6
Tobacco manufactures	94	−1.1	106	1.0
Textile mill products	984	−10.0	993	−5.2
Apparel and other finished textile products	1,041	−5.5	1,052	−3.6
Paper and allied products	437	−.9	440	−1.1
Printing and publishing	518	1.0	525	.2
Chemicals and allied products	527	−4.4	528	−3.5
Petroleum and coal products	177	−4.8	174	−4.9
Rubber products	197	−10.9	206	−2.8
Leather and leather products	330	−4.9	332	−.3

AMERICAN WAGES FAR HIGHER THAN THOSE PAID FOREIGN COMPETITORS

Mr. MALONE. Mr. President, American wage rates are 4 to 10 times those of any foreign country in Europe, Asia, or Africa, depending on the country.

Free trade is compelling the American workman to compete against foreign labor receiving only a fraction of the prevailing American wage.

The foreign producer now has the advantage of machinery as efficient as our own, and in many instances newer and more modern machinery, which our taxpayers have helped pay for through foreign aid.

UNITED STATES TAXPAYERS HAVE EQUIPPED FOREIGN COMPETITORS WITH WORLD'S BEST MACHINERY

There should be exploded once and for all the myth on which the free-traders and one-worlders ride, that with our know-how and machinery we can compete with anyone.

I have personally visited all the nations of the world except the Iron Curtain countries and a couple of the low countries. I say that with our taxpayers' money we have installed in many foreign countries the most up-to-date machinery there is in the world.

It makes no difference whether the plant is in England or in South Africa or in the Belgian Congo or in Australia.

When an American installs a plant in a foreign nation it is the best plant of the kind in the world, because it represents the last word. Then, what does the investor do? He does what any sensible person would do—it is just common horse sense of which there seems to be a great dearth in Washington—he sends trained foremen and superintendents to operate the machinery and to train the men who run the detailed work. There may be in the plant anywhere from 2 or 3 to 10 percent of Americans. That is true all over the world, Mr. President.

With the common run-of-the-mill labor operating the machinery, doing a certain type of work over and over again, who will say that the Australian, the Scotch, the English, and most of the world's citizens cannot do just as much work as an American can do? They do it, Mr. President.

IMPORTING PRODUCTS OF FOREIGN LABOR NEGATES IMMIGRATION LAWS

We are importing foreign labor at slave wages when we import competitive foreign products, just as surely as if we were importing the foreign workers themselves under a policy of free and unrestricted immigration.

We are nullifying our own immigration laws when we permit the products of low-wage foreign labor to compete against our own high-wage, high-living-standard American labor in American markets.

The more foreign labor we import in foreign products, the less production we will have at home, and the more cost pressure will be applied to force American wages down to foreign levels.

That, in my opinion, Mr. President, is the ultimate free-trade goal.

MINORITY VIEWS ON H. R. 1

Mr. President, at this point I ask unanimous consent to have printed in the RECORD as a part of my remarks an extract from Senate Report No. 232, 84th Congress, 1st session, the minority views opposing the extension of the 1934 Trade Agreements Act, pages 7 to 30, inclusive.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

EXTRACT FROM SENATE REPORT NO. 232, 84TH CONGRESS, 1ST SESSION

I oppose H. R. 1 for the following reasons:

1. H. R. 1 broadens and extends an act wrong in principle, disastrous in its effects, and adverse to the national interest, economy, security, and independence.

2. H. R. 1 continues a program which denies to American citizens rights and representation guaranteed them under the Constitution in matters of foreign trade and commerce, and which makes the resources and skills of millions of Americans pawns of international political manipulation.

3. H. R. 1 reaffirms a policy which denies American producers equal access with foreign producers to our own American markets, fosters gross discrimination against important segments of our national life, creates unemployment, and jeopardizes industries, jobs, and investments.

4. H. R. 1 proposes to chain the United States for 3 more years to a global authority, the General Agreement on Tariffs and Trade, or GATT, in which our markets are bartered away in secret on foreign soil by diplomatic underlings of the State Department to the advantage of foreign nations.

5. H. R. 1 is unsound, unfair, uneconomic and incompatible with article I, section 8, of the Constitution of the United States of America.

6. H. R. 1 reenacts the 1934 Trade Agreements Act which has failed in all of its stated objectives during the 21 years of its existence.

7. H. R. 1 perpetuates a plan conceived by a prior administration seeking power over the legislative branch of our Government, and sold to the 73d Congress through irresponsible pledges by the then President that "no sound and important American interest will be injuriously disturbed." Industries not only have been seriously disturbed but severely damaged and partially destroyed.

Spokesmen for many of these industries have testified to that effect in hearings on H. R. 1 before the Senate Finance Committee, and have expressed their vigorous opposition to H. R. 1.

8. H. R. 1 repeats the false premise of predecessor acts that the trade-agreements program is for the purpose of expanding foreign markets for the products of the United States. The program has survived for 21 years only through the artificial trade stimulation of foreign wars, preparations for foreign wars, a continuing war economy induced by threats of further foreign wars; gifts and grants of more than $100 billion to foreign nations financed by the American taxpayers, and through the susceptibility of the Congress to foreign and domestic propaganda linking our giveaway trade and dollars to fears of new foreign wars.

9. H. R. 1 reauthorizes a trade program geared to a war economy only, and which defeats normal international trade relations in times of peace by making such trade a tool of international politics, placing control over exports in the hands of central governments which include not only republics such as ours but monarchies and dictatorships.

10. H. R. 1, like the original Trade Agreements Act of 1934 and subsequent extension acts, grants to the President authority to enter into future international trade agreements of any type, applicable to any products, and subject only to a blanket percentage limitation. In other words, H. R. 1 bestows on the President a blank check to remake the industrial and economic map of the United States.

11. H. R. 1 requires no referral of trade treaties and agreements to the Congress to which the Constitution, article 1, section 8, confers the total responsibility of laying and collecting duties or tariffs and of regulating our trade and commerce with foreign nations. Nor is ratification by a vote of two-thirds of Senate Members present required, as stipulated in article II, section 2, of the Constitution with respect to treaties. The executive branch has chosen to avoid this obligation by labeling trade treaties "trade agreements."

12. H. R. 1, as did its predecessors, permits the President to transfer the authority delegated to him by the Congress to subordinates. Throughout the life of the act and program the Chief Executive has, to all purposes and effects, so redelegated his authority under the act, principally to subordinates in the State Department.

13. H. R. 1, like its predecessor acts, not only permits the President to transfer his delegated powers to subordinates, but permits these subordinates to transfer their authority to GATT, the General Agreement on Tariffs and Trade, which meets in Geneva, Switzerland. Subordinates of the President have so done since 1947, transferring to, and diluting their authority among, the 34 nations now participating in GATT.

14. H. R. 1 in no way precludes the delegation of authority to the President from being passed on by him to subordinates in the State Department or in any other agency of the executive branch of his choosing. Nor does it preclude the State Department from continuing to pass on its delegated authority to an international GATT. Thus the ultimate delegation is thrice removed from the Congress, to which the Constitution entrusted responsibility for the regulation of foreign commerce. It is thrice removed by the Congress own hand.

15. H. R. 1 not only continues this delegation thrice removed but broadens it. Unlike its predecessor extension acts, H. R. 1 grants the President direct authority to commit the United States to GATT, to a revised GATT, or to GATT-type international organizations, as witnesses of broad legal experience have testified before the Senate Finance Committee during hearings on H. R. 1. GATT has never been before the Congress for approval or rejection on its merits, but the back door approach to such sanction is being utilized under subsection A of section 3 of H. R. 1.

16. H. R. 1 employs the word reciprocal in relation to so-called concessions which it infers other nations may make to the United States. Neither word appears in the original 1934 Trade Agreements Act. Both words are inventions to sugar-coat an act which has never been administered with other than one purpose—to cut tariffs on imports to the United States. Other nations have not reciprocated these tariff cuts. Testimony has been offered in Senate Finance Committee hearings that 32 nations favored by cuts in tariffs on products they export to the United States have increased their own tariffs within a recent period. Of 91 trading countries, 68 required import licenses on American products generally, and 9 others on some products or a total of 77; and 38 require exchange permits. Ten others link exchange permits to import licenses. Only 10 apply no control regulations at all on imports from the United States.

17. H. R. 1 would authorize further tariff reductions on imports to the United States.

18. H. R. 1 unlike any predecessor act, authorizes the President to commit the United States in a trade agreement with one country in behalf of trade concession by it to a third country. The object of this device which has no relation to our own foreign exports, is to assist Japan.

19. H. R. 1 proposes that the 84th Congress extend the Trade Agreements Act 3 years beyond the present termination date of June 12, 1955, or for more than a year and a half beyond the life of the present Congress. Foreign situations may well change during this period that will increase the adverse effects of the 1934 Trade Agreements Act on American industries and markets. Yet H. R. 1 would commit the 85th Congress and a possible new administration for a year and a half to an obsolete trade-agreements program, subject only to repeal.

20. H. R. 1 would likewise, to all purpose and effect, commit the next Congress and administration for a similar period to the General Agreement on Tariffs and Trade, or GATT, in which our markets are put on a foreign auction block to the advantage of 33 foreign nations and, as has occurred frequently in the past, to the disadvantage of the United States.

21. H. R. 1, while extending the Trade Agreements Act for 3 years, would require the President to submit to the Congress an annual report on the operation of the program. The value of such a report is vague, considering that Congress already has, in derogation of the Constitution, article 1, section 8, delegated to the President complete authority to regulate foreign commerce. The value of such a report is further diminished in view of the fact that GATT sessions are held in secret and its decisions are at times restricted for periods of more than a year. It should be obvious, therefore, that this provision in H. R. 1 is merely "window dressing" to make a bad bill appear more attractive. Public knowledge of our foreign trade needs and problems can come only when the Trade Agreements Act expires and the United States is freed from its present chains to GATT.

22. H. R. 1, in extending the firm life of GATT, is making a European colony out of the United States with respect to trade and commerce, subject not to a king as in pre-Revolution days, but to the governments of 33 foreign states through their representatives in GATT.

23. H. R. 1, by continuing GATT, jeopardizes the Nation's farm program by subjecting our restrictions on imports of certain agricultural commodities and our price-support system to continual attack and negotiation in an international organization in which the United States has one vote. At the ninth session of GATT, held recently in Geneva, Switzerland, GATT was given assurances by the State Department that it will seek to modify provisions of section 22 of the Agricultural Adjustment Act, imposing import quotas on certain products, as "changing circumstances warrant such modification" and will "promptly" terminate them when "circumstances requiring the action no longer exist." Thus H. R. 1 could be used to negate other legislation passed by the Congress, such as the Agricultural Adjustment Act.

24. H. R. 1 would entangle the Nation's economy, industry, and trade further in an international web which leaves neither Congress nor its victims, the American producers, any recourse other than the so-called escape clause, which in turn vests sole final authority in the President. Dying industries may apply for relief under the escape clause, but in all the cases filed to date the Chief Executive has granted relief in only five.

25. H. R. 1 would admittedly injure some American industries, according to the Secretary of State who testified before the Senate Finance Committee on March 15, 1955:

"I do not think you can have imports without some damage, and if your rule is that you will not have imports or tariff reductions or sustain them if there is any damage to anybody, then I think it becomes unworkable."

26. H. R. 1 is not a "trade" bill. It is a foreign policy bill. It is a bill to permit the President's subordinates in the State Department to sacrifice industries, jobs, and investments in the United States for a presumed advantage to foreign nations if, in the opinion of the State Department such a sacrifice will implement its foreign policy.

27. H. R. 1 provides the State Department the chips of our domestic economy to use as pawns in its game of international politics. In return for the sacrifice of domestic industries such as coal, textiles, lead, zinc, glassware, and other resources and commodities, the State Department seeks only lipservice good will from nations governed by self-interest. Secretary Dulles' argument for H. R. 1 was on the assumption that it is an instrument of foreign policy and that "international repercussions would be major and their consequences would be grave" if it were tampered with by the Congress, to which sole responsibility for foreign-trade regulation is given by the Constitution.

28. H. R. 1 will weaken our defense potential. Further tariff cuts will be authorized on imports of critical and strategic minerals and materials in which this country is self-sufficient. Imports of these materials, many of which are produced in the shadow of the Iron Curtain, will be encouraged, despite the fact that they would be cut off from us completely in time of war. More American mines, vital to our national security but unable to meet low-wage foreign competition, will be closed down and more American miners will be idled. Many of these mines and much of our mining skills will be lost entirely and cannot be restored in time of national emergency.

29. H. R. 1 will compel American workers in manufacturing as well as mining fields to compete for 3 more years in their own American market against foreign products produced at foreign wage rates one-fourth to one-tenth the prevailing wage in the United States for comparable work and skills. Invasion of our markets by the products of this low-wage foreign labor will continue to be actively encouraged by the State Department, intent on encouraging increased competitive imports.

30. H. R. 1 perpetuates in a modified degree the fraud perpetrated by sponsors of the 1934 Trade Agreements Act that it was legislation to benefit agriculture, industry, mining, and commerce. The act has, instead, worked injury on these segments

of our domestic economy. Used as an instrument of foreign policy the program has encouraged and developed foreign agriculture, industry, mining, and commerce at the expense of our own industries, investors, workingmen, and markets. H. R. 1 extends this wrong.

31. H. R. 1 contains not one word of assurance, hope, or encouragement for the American workingmen or investors in industries producing for the American market. There is not one word guaranteeing any American market or supplier against suffocation by foreign imports. There is not one word in this bill that offers real safeguards from cutrate foreign competition to any American employed in a domestic industry or whose dollars are invested in America. The fact that no assurances in behalf of domestic producers for the domestic market are contained in the bill may explain the many verbal expressions of the administration in this field of discussion. There have been a plethora of verbal assurances, but none of them are embodied in the bill. They are not in the bill because the administration did not want them in the bill and opposes their inclusion.

32. H. R. 1, stripped to its basic purposes, is a bill to cut tariffs on imports at whatever cost to America's welfare, economy, and security.

THE ECONOMIC EFFECTS

The Trade Agreements Act, which H. R. 1 would extend, was sold to the 73d Congress by the then administration "as a means of assisting in the present emergency in restoring the American standard of living, in overcoming domestic employment and the present economic depression, in increasing the purchasing power of the American public, and in establishing a better relationship among various branches of American agriculture, industry, mining, and commerce." It also was promoted as being "for the purpose of expanding foreign markets for the products of the United States."

Sponsors of H. R. 1 have somewhat modified this extravagant language in the 1934 act. In both instances the State Department has been the chief proponent of the legislation and the original author.

H. R. 1 omits references to unemployment, purchasing power, and living standards. It retains the language that it is for the purpose of expanding foreign markets, and also that it is being done as a means of "establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce." It is significant that after 22 years of administration the administrators of the program are still proposing it as a means of establishing such better relationship.

The Trade Agreements Act was approved June 12, 1934. The first agreement, with Cuba, was signed in September of that year. Agreements with Belgium, Sweden, and Haiti became effective in 1935. But it was not until 1936 that trade agreements with important exporting countries became effective. A limited agreement with Canada was concluded, and expanded in 1937. Agreements also became effective during 1936 with Brazil, Colombia, Honduras, the Netherlands, Switzerland, Nicaragua, Guatemala, France, Finland, Costa Rica, and San Salvador.

In 1937, after 16 trade agreements had been concluded, 7,700,000 American workingmen and women were unemployed. In 1938 there were 10,390,000 unemployed, and in 1939 there were 9,030,480 unemployed, a milion and a quarter more than in 1931, more than double the number in 1930, and more than 6 times the number who were unemployed in 1929.

Relief from unemployment came with the war boom, not as a result of the Trade Agreements Act which, 5 years after its enactment found 17.2 percent of the Nation's labor force out of work.

In 1947, after 29 bilateral trade agreements had been negotiated, President Truman, on December 16 of that year, proclaimed the General Agreement on Tariffs and Trade in effect as of January 1, 1948, thus substituting multilateral trade treaties for bilateral agreements as envisioned in the 1934 Trade Agreements Act. The President claimed the Trade Agreements Act as authority for this action.

Two million sixty-four thousand Americans were unemployed in 1948, or 3.4 percent of the civilian labor force. One year later, in 1949, 3,395,000 civilian workers were unemployed, or 5.5 percent. In June 1950, the President involved the United States in the Korean conflict and unemployment dropped to 3,142,000 or 5 percent. Unemployment fell to below 2 million in the war years, but returned to 5 percent at the conclusion of active combat. In 1954, according to the Labor Department, 3,230,000 Americans were unemployed.

Agriculture has suffered an even more severe drop in employment, despite the assurances of the Trade Agreements Act. In 1936 the number of Americans employed in agriculture was 10 million. In 1954 the number had been reduced to 6,504,000, the lowest number in 25 years for which statistics have been made available by the Labor Department.

In January 1955, the American labor force, including members of the Armed Forces, totaled 66,700,000. Of this number, 3,203,000 were serving in the Armed Forces and 60,150,000 were employed in civilian activities. Agricultural workers had been further reduced in number to 5,297,000. The Labor Department listed 3,347,000 workers in all activities as unemployed, 1,205,000 more than the 2,142,000 in 1947 when President Truman propelled us into the General Agreement on Tariffs and Trade.

Of equal pertinence is the fact that 2 years ago there were 37 distressed areas in the United States; 1 year ago there were 80, and as of March of this year, the latest month on which the Labor Department has reported, there were 156.

These areas and the principal industrial or other source of their economic distress are listed in Senate Report No. 60 of the 84th Congress, and in remarks made by the senior Senator from Nevada on the floor of the Senate on April 18, 1955. At that time he pointed out that coal mining, which is suffering from imports of petroleum products from foreign nations, including the Near East and Indonesia, is the principal industry in 33 distressed areas, while other areas in which lead, zinc, or fluorspar mining is a leading industry also are in distress.

Textile manufacture is the No. 1 industry in 20 distressed areas and the second dominant industry in 5 others. Electrical machinery is the industry most adversely affected by unemployment in 7 distressed areas and among the principal industries affected in 5 others. The chemical industry is suffering unemployment in four areas. All of these industries are being forced to compete against an import flood from low-wage foreign nations.

Unemployment in machinery industries, reflecting injury caused by competitive imports from abroad, has brought distress to 19 areas and contributed to distress in 9 others. Electrical machinery is manufactured in 13, nonelectrical in 10, and farm machinery in 5. Metal industries are hurt in many areas, and mining, including lead, zinc, and fluorspar; pottery, china, and glassware, machine tools, leather products, and lumber are suffering in others.

Bureau of Census records show that in 1954 the United States imported approximately $800 million in textile fibers and manufactures; $350 million in machinery of which $70 million represented farm machinery; a quarter billion dollars worth of chemicals and related products; $1,700 million in metals and manufactures not including machinery and vehicles; $1,200 million in nonmetallic minerals, including more than $825 million in petroleum and petroleum products brought in from foreign lands to compete against America's own fuels industries and workers; a quarter billion dollars in lumber and sawmill products and $100 million in manufactured woods such as plywood, shingles, and veneers.

More than $200 million in meat and dairy products were imported to compete against America's agriculture, dairy, and livestock industries, and imports of fish, shellfish, and fisheries products totaling more than $200 million contributed to the distress of coastal fisheries and fishermen.

Every import of a foreign product that competes with products produced in the United States puts American dollars in pockets of foreign workers and investors, and takes dollars out of the pockets of workers and investors in identical or similar production here.

Every imported product that is competitive against American mined or manufactured goods competes against American producers for America's own markets, and every tariff cut under the Trade Agreements Act and GATT has augmented the advantage of foreign producers in such competition.

The original Trade Agrements Act authorized the President to reduce tariffs 50 percent. Subsequent legislation authorized him to cut remaining tariff rates 50 percent, or a total reduction of 75 percent from 1930 rates. On the overall, a 68-percent reduction has been granted. Actually, the reduction has been greater than that as a result of inflation and dollar devaluation.

House Resolution 1 permits further reductions of 5 percent a year for 3 years, a bonus to foreign producers who receive it greater than the dividends paid by many American industries affected by import competition.

This bonus to foreign producers may well add to the distress of the 156 areas scattered among 32 of the 48 States, or create new distressed areas in these or other States.

Of these States Alabama has 7 distressed areas, Arkansas and Connecticut, 1 each; Georgia, 2; Illinois, 4; Indiana, 8; Iowa, 2; Kansas, 1; Kentucky, 11; Maine and Maryland, 1 each; Massachusetts, 8; Michigan, 11; Minnesota, 1; Missouri, 4; New Jersey, 2; New Mexico, 1; New York, 8; North Carolina, 5; Ohio, 9; Oklahoma, 2; Oregon, 1; Pennsylvania, 20; Rhode Island and South Carolina, 1 each; Tennessee, 5; Texas, 1; Vermont, 2; Virginia, 4; Washington, 1; West Virginia, 13; and Wisconsin, 4.

Senators from these States may obtain further information on this by consulting Senate Report No. 60 of the 80th Congress, or the table printed in the CONGRESSIONAL RECORD of April 1.

Witnesses appearing for many industries testified in specific and concrete terms before the Senate Finance Committee concerning job cutbacks in their respective industries, caused in whole or in part by import dumping.

No witness presented specific and concrete evidence of any nature concerning increases in employment in any industry resulting from the trade-agreements program. Estimates have been offered from time to time by proponents of reduced tariffs relating to employment in foreign trade, but in every instance they have been general, vague, and not backed up by facts, figures, or evidence.

The employment cutbacks sustained by industry as a result of import competition from low-wage countries reaping the advantage of our open, low-tariff markets are very real, and are supported by statistics.

H. R. 1 will increase unemployment and distress in the United States if it is enacted, and the State Department, the principal proponent of the legislation, knows it.

Perpetuation of a foreign policy which has brought 3 wars in less than 40 years has been placed above the interest and protection of American industries, workers, and investors, and H. R. 1 will enable the State Department to continue this policy.

THE RECORD ON EXPORTS OF FARM COMMODITIES

H. R. 1 will continue a program which has failed its promises to agriculture and which threatens agriculture with grievous injury.

Cotton exports during the 14 years prior to passage of the 1934 Trade Agreements Act averaged more than 7 million bales a year. In the 4 depression years of 1930, 1931, 1932, and 1933, they were 7,048,000, 8,989,000, 8,647,000, and 8,366,000 bales, respectively. During the prewar years following passage of the 1934 Trade Agreements Act they averaged less than 5 million bales a year. Exports from 1946 through 1953, the postwar years, averaged only 4,234,500 bales per year, and in 1952 and 1953 were 3,110,000 and 3,798,000, respectively. The peak export year for cotton was 1926, when 11,281,000 bales were shipped abroad, and the lowest year was 1941, 7 years after passage of the Trade Agreements Act, when only 1,202,000 bales were exported. Pearl Harbor occurred on December 7, 1941, too late to have caused this tremendous drop in exports.

Neither the trade-agreements program, which H. R. 1 would extend, nor GATT, which it would continue, have expanded our cotton export markets.

Tobacco exports during the 14 years prior to the 1934 Trade Agreements Act averaged more than 500 million pounds per year; topped 600 million pounds in 1929, a record that has never subsequently been equaled. Under the trade-agreements program, tobacco exports averaged 369 million pounds per year prior to Pearl Harbor, and averaged 400,043,000 during the war years. They hit their low in 1940, 6 years after passage of the Trade Agreements Act—179,626,000 pounds. Since the war they have averaged slightly less than 480 million pounds per year, or 20 million pounds less than the average for the pre-1934 trade-agreements period.

The Trade Agreements Act has not expanded export markets for tobacco. Whatever effect it may have had at all has been to decrease them.

Butter exports during the 14 years prior to the 1934 Trade Agreements Act averaged 4,777,000 pounds per year. Following passage of the Trade Agreements Act in 1934 they averaged 2,514,000 pounds per year for the 7-year period, 1935 through 1941.

Butter exports in 1952 and 1953 totaled 387,000 and 521,000 pounds, respectively.

The Trade Agreements Act, which H. R. 1 would extend, has failed to expand our butter export market.

Wheat exports prior to the depression averaged 214,784,000 bushels per year without foreign aid or other forms of surplus disposal abroad. For the 7 years following passage of the 1934 Trade Agreements Act through 1941 they averaged 55,887,000 bushels per year. Since the war wheat exports, including shipments under gifts and grants, have averaged 385,482,000 bushels per year. In 1953 they dropped to 219,359,000 bushels, or approximately the average in the 1930's.

The Department of Agriculture advises us that it has no breakdown distinguishing between exports shipped in the course of normal trade, and those financed in whole or in part through foreign aid or subsidies.

Rye shipments during the 1920's averaged 27,186,000 bushels per year. Both in 1922 and 1925 exports of rye exceeded 50 million bushels. For the 14 years prior to the 1934 Trade Agreements Act, including depression years, they averaged 19,524,000 bushels per year. Following approval of the Trade Agreements Act, rye exports averaged 1,231,000 bushels per year. During the war they averaged 2,592,000 bushels per year, and since the war the average per year has been 3,164,000 bushels. In 1952 exports of rye dropped to 320,000 bushels, and in 1953 to 7,000 bushels. The Trade Agreements Act of 1934, which H. R. 1 would extend, obviously has not expanded the export market for this agricultural commodity.

Oat exports during the 10 years prior to the depression averaged 17,039,000 bushels per year. During the depression years prior to approval of the Trade Agreements Act they averaged 3,778,000 bushels.

The average for the prewar years from 1934, the year the Trade Agreements Act was passed, through 1941, was 3,872,000 bushels. Since the war oat exports have averaged 12,979,000 bushels per year, with exports declining each year since 1948 to 4,143,000 in 1952 and 3,446,000 in 1953.

The Trade Agreements Act, which H. R. 1 would extend, does not appear to have expanded our oat export market.

Farm commodities subject to quantitative restrictions under section 22 of the Agricultural Adjustment Act are cotton, wheat, oats, rye, rye flour and meal; barley and barley malt; butter, cheese, dried whole milk, dried skimmed milk, dried buttermilk, dried cream, malted milk and compounds; and peanuts. These restrictions are the subject of vigorous action in GATT, and may be jeopardized if GATT is continued. H. R. 1, by continuing the Trade Agreements Act, also continues the authority presumed by the State Department to authorize American participation in the GATT.

Manufactured articles in the United States have no protection from import competition such as quotas or quantitative restrictions. Neither have our domestic mines and mineral resources.

The following table, prepared by the Department of Agriculture, lists the quotas which are applicable to agricultural commodities, and which our continuance in GATT would jeopardize.

TABLE I.—*Commodities currently subject to quantitative restrictions under sec. 22 of the Agricultural Adjustment Act, as amended, including the quota and beginning date of quota year*

Commodity	Unit	Beginning date (1954)	Quota
Cotton:			
Long staple (1 1/16-inch and longer but less than 1 1/8-inch)	Pounds	Feb. 1	45,656,420
Short staple (under 1 1/8-inch other than harsh or rough)	do	Sept. 20	[1] 14,516,882
Harsh or rough under 3/4-inch	do	do	70,000,000
Cotton waste [2]	do	do	[1] 5,482,509
Grains: [3]			
Wheat [4]	Bushels	May 29	800,000
Wheat products [5]	Pounds	do	4,000,000
Oats, hulled, unhulled, and unhulled ground	Bushels	Oct. 1	[6] 40,000,000
Rye, rye flour, and meal	Pounds	July 1	[7] 186,000,000
Barley and barley malt	Bushels	Oct. 1	[8] 27,500,000
Dairy products:			
Butter	Pound	July 1	707,000
Cheese:			
Cheddar	do	do	2,780,100
Blue mold	do	do	4,167,000
Edam and Gouda	do	do	4,600,200
Italian [9]	do	do	9,200,100
Dried whole milk	do	do	7,000
Dried skimmed milk	do	do	1,807,000
Dried buttermilk	do	do	496,000
Dried cream	do	do	500
Malted milk and compounds	do	do	6,000
Peanuts:			
Peanuts [10]	do	do	1,709,000
Supplemental quota for period ending June 30, 1955 [11]	do		[12] 51,000,000

[1] Country quotas are prescribed for short-staple cotton and cotton waste.

[2] Card strips made from cotton under 1 3/16 inches, comber waste, lap waste, sliver waste, roving waste, however, not more than 33 1/3 percent shall be filled by cotton wastes other than comber waste made from cottons of 1 3/16 inches or more in staple length in the case of certain countries.

[3] Excludes all certified or registered seed approved for planting under the Federal Seed Act.

[4] The quota excludes wheat and flour "unfit for human consumption" or for experimental purposes.

[5] Includes flour, semolina, crushed or cracked, and similar wheat products.

[6] The annual quota of 40 million bushels permits 39,312,000 bushels from Canada and 688,000 pounds from other foreign countries.

[7] Of which not more than 15,000 pounds may be rye flour and rye meal.

[8] Permits not more than 27,225,000 bushels from Canada and not more than 257,000 bushels from other foreign countries. The Canadian Government indicated it will voluntarily limit exports of feed barley to the United States to 35 million bushels during this same period.

[9] Italian-type cheese made from cow's milk including Romano, Reggiano, Parmesano, Provoloni, Provolette, and Sbrinz.

[10] Shelled basis, including whether shelled, not shelled, blanched, salted, prepared or preserved (including roasted but not peanut butter).

[11] By Presidential proclamation an additional quota of 51 million pounds became applicable on March 10 for the quota period ending June 30, 1955.

[12] Shelled basis. Includes peanuts shelled, blanched, salted, prepared or preserved (including roasted peanuts but not including peanuts not shelled or peanut butter).

With respect to the total export picture:

The United States exported 12.9 percent of its production of movable goods in 1921; 9.1 percent in 1923; 10.1 percent in 1925; 9.9 percent in 1927; 9.6 percent in 1929; 7.3 percent in the depression year of 1931; and 6.5 percent in the depression year of 1933. Economic aid for foreign countries at the expense of American taxpayers had not then been invented and all exports were in the normal course of foreign trade and commerce.

In 1935, 1937, and 1939, still without the advantage of American economic or military aid, the United States exported 6.7, 7.5, and 7.5 percent of its total production in movable aid.

In 1941, after lend-lease had been inaugurated, exports totaled 7.9, but of these only 5.8 percent were normal commercial transactions.

Not including exports financed solely by the American taxpayer, exports for the postwar years, beginning in 1946, have amounted to the following percentages of the total production of movable goods in the United States: 4.9, 7.3, 5.4, 4.8, 4.1, 6.2, 5.8, 5.1, and 6. These percentages were prepared from basic data and with the assistance of the Department of Commerce.

The 1934 Trade Agreements Act has not served to expand foreign markets for the products of the United States.

H. R. 1 AND GATT

H. R. 1., in providing the legislative authority under which the State Department expects to continue United States participation in GATT, contributes to the subordination of the national policy on agriculture commodities to an international organization meeting in foreign lands.

Dispatches from Geneva, Switzerland, on March 7, 1955, reported:

"The 34 member nations of the General Agreement on Tariffs and Trade (GATT) have granted permission for the United States to continue to impose quantitative restrictions on certain agricultural imports. But the members also gave other countries permission to retaliate and seek compensation if affected by the restrictions which are contained in section 22 of the United States Agricultural Adjustment Act.

"This section mainly concerns imports of dairy produce and had led to clashes with several nations in the past. Holland once retaliated by slashing imports of wheat from the United States. The United States is understood to have assured GATT that it will end any restrictions under the act as soon as they are no longer needed and consult with interested countries before taking further action."

Confirmation of this report comes from GATT itself in a release titled:

"Decision To Grant a Waiver to the United States in Connection With Import Restrictions Imposed Under Section 22 of the United States Agricultural Adjustment Act of 1933 as Amended."

Under a subhead: "Conditions and procedures" the document states:

"1. Upon request of any contracting party which considers that its interests are seriously prejudiced by reason of any import restriction imposed under section 22, whether or not covered by this decision, the United States will promptly undertake a review to determine whether there has been a change in circumstances which would require such restrictions to be modified or terminated. In the event the review shows such a change, the United States will institute an investigation in the manner provided by section 22.

"2. Should the President of the United States acting in pursuant of section 22 cause an investigation to be made to determine whether any existing import restriction should be modified, terminated, or extended, or whether restrictions should be imposed on the import of any additional product, the United States will notify the contracting parties and, in accordance with article XXIII of the general agreement, accord to any contracting party which considers that its interests would be prejudiced the fullest notice and opportunity, consistent with the legislative requirements of the United States, for representations and consultation.

"3. The United States will give due consideration to any representations submitted to it including:

"(a) When investigating whether any existing import restriction should be modified, terminated, or extended, representations that a greater volume of imports than is permitted under the import restriction would not have the effects required to be corrected by section 22, including representations that the volume of imports that would have entered in the absence of governmental agricultural programs would not have such effects.

"(b) When investigating with respect to import restrictions on additional products, representations with regard to:

"(i) the effect of imports of any product upon any program or operation undertaken by the United States Department of Agriculture or any agency under its direction, or upon the domestic production of any agricultural commodity or product thereof for which such a program or operation is undertaken, including representations that the volume of imports which would have entered in the absence of governmental agricultural programs will not have the effects required to be corrected by section 22:

"(ii) the representative period to be used for the determination of any quota.

"(c) Representations by any contracting party that the portion of a total quota allotted or proposed to be allotted to it is inequitable because of circumstances that operated to reduce imports from that contracting party of the product concerned during the past representative period on which such import quota is based.

"4. As soon as the President has made his decision following any investigation the United States will notify the contracting parties and those contracting parties which have made representations or entered into consultations. If the decision imposes restrictions on additional products or extends or intensifies existing restrictions the notification by the United States will include particulars of such restrictions and the reasons for them regardless of whether the restriction is consistent with the general agreement.

"5. The United States will remove or relax each restriction permitted under this waiver as soon as it finds the circumstances requiring such restriction no longer exist or have changed so as no longer to require its imposition in its existing form.

"6. The contracting parties will make an annual review of any action taken by the United States under this decision. For each such review the United States will furnish a report to the contracting parties showing any modification or removal of restrictions effected since the previous report, the restrictions in effect under section 22 and the reasons why such restrictions (regardless of whether covered by this waiver) continue to be applied and any steps it has taken with a view to a solution of the problem of surpluses of agricultural commodities."

Elsewhere the GATT "decision" states:

"(a) To help solve the problem of surpluses of products for which section 22 import quotas now are in effect, the United States Government has taken positive steps aimed at reducing 1955 crop supplies by lowering support price levels or by imposing marketing quotas at minimum levels permitted by legislation; and that it is the intention of the United States Government to continue to seek a solution of the problem of surpluses of agricultural commodities.

"(b) The assurance of the United States Government that it will discuss proposals under section 22 with all countries having a substantial interest prior to taking action, and will give prompt consideration to any representations made by it.

"(c) That it is the intention of the United States Government promptly to terminate any restrictions imposed when it finds that circumstances requiring the action no longer exist, and to modify restrictions whenever changed circumstances warrant such modification."

All of these spineless pledges and commitments, of course, leave the American farmer behind the eight ball and beholden to the whims of his foreign competitors.

The representations, pledges, and commitments reported in this GATT document, relating to legislation passed by the Congress in behalf of the Nation's agriculture industry, were not made by the Congress but by subordinates in the executive branch representing the United States at the GATT sessions in Geneva. The State Department contends that authority for such representation and participation in GATT is given to it in the Trade Agreements Act. H. R. 1 would extend this act and therefore the presumption of this authority by the State Department.

GATT has been assured by United States representatives in Geneva that the United States will end any restrictions under section 22 of the Agricultural Adjustment Act when it is found that circumstances requiring the action no longer exist. GATT has further been assured that restrictions will be modified whenever changed circumstances warrant such modification.

Before H. R. 1 is brought to the floor of the Senate the State Department should be subject to an inquiry on the following points:

1. Who is to determine if and when the safeguards under section 22 of the Agricultural Adjustment Act are no longer needed?

2. Who is to weigh the circumstances requiring or not requiring action with respect to quotas on imports of agricultural commodities?

3. Who is presumed to exercise the authority to modify restrictions embodied in legislation passed by the Congress and affecting agriculture, and who is to determine when changing circumstances warrant such modification?

H. R. 1, by assuring continuance in GATT, opens the door to international meddling and obstructive tactics in other legislation passed by the Congress, namely, the Agricultural Adjustment Act.

Nowhere in the Agricultural Adjustment Act is there provision for scrutiny or review of an agricultural program upon request of any contracting party to the General Agreement on Tariffs and Trade, meeting in Geneva, Switzerland.

Nowhere does the Agricultural Adjustment Act provide for notifications of foreign countries when investigations are made at the request of a foreign nation or nations "to determine whether any existing import restriction should be modified, terminated, or extended." The modification, termination, or extension of quota provisions in section 22 are legislative matters for congressional determination.

Nowhere does the Agricultural Adjustment Act provide for "representations and consultation" with foreign nations which consider their interests prejudiced by administration of the Agricultural Adjustment Act.

Nowhere does the Agricultural Adjustment Act set up a criteria such as prescribed in paragraph 3 of the GATT decision taking into account the estimated volume of imports, were import restrictions not applied, and the effects on domestic production that unlimited imports might have.

And nowhere does the Agricultural Adjustment Act provide that "as soon as the President has made his decision following any investigation the United States will notify the contracting parties and those contracting parties which have made representations or entered into consultations," plus explaining the reasons if restrictions are continued.

The authority to make the commitments made by the State Department to GATT is not embodied in the Agricultural Adjustment Act, section 22. The authority to make the commitments it has made is assumed by the State Department to grow out of the Trade Agreements Act, which H. R. 1 would extend to June 12, 1958.

The 1934 Trade Agreements Act has therefore superimposed an international coalition of 34 nations, including Communist Czechoslovakia, over not only agriculture and industry in the United States, but also over the powers and responsibilities of the Congress, as provided in article I, section 8 of the Constitution.

GATT falls or survives, insofar as American participation is concerned, depending on whether H. R. 1 is approved or rejected.

If H. R. 1 is approved GATT continues to meddle in our domestic economy and, by implication at least, in our legislative processes.

If H. R. 1 is rejected, the United States will be free of GATT strictures, control, and interference.

GATT has never been submitted to the Congress for rejection or approval, and the substantive provisions of GATT never are to be submitted according to the present thinking of the State Department.

But GATT is inextricably bound to H. R. 1 which would continue the Trade Agreements Act, the only substance on which any authority of GATT over the Nation's trade, tariffs, and economy is based.

Because the shadow of GATT hangs over H. R. 1, and is a dominant motivation for continuance of the 1934 trade agreements program, it is important in the consideration of H. R. 1 to discuss its origins and background.

GATT sessions are secret. They are held invariably on foreign soil. Information concerning actions and deliberation is scanty and released through official sources. The author of these views is in possession of a document listing 24 decisions and 3 resolutions, 3 declarations and 1 recommendation by GATT between February 1954 and March 10, 1955, involving the United States and 16 other countries including Czechoslovakia.

The document is marked "Restricted," and a note attached reads as follows:

"Although it is not definitive as yet, it is expected that this document may be derestricted as of May 1, 1955."

No information bearing on the national security of any nation is contained, and at least one decision has been made public by the State Department. The restricted document deals only with trade, finance matters, and investment, actions which should be public knowledge to the workers and investors of America.

In the opinion of the author of these minority views, the only purpose of the restriction is to conceal information from the public and possibly from the legislative bodies of the various nations until such time as GATT deems it appropriate to inform them.

GATT and the 1934 trade agreements program have been welded together since 1947. The Trade Agreements Act was passed in 1934. The Trade Agreements Act delegated to the President power to enter into trade pacts with foreign nations, the type of agreements contemplated being bilateral. Prior to entry into GATT by Presidential proclamation on December 16, 1947, bilateral trade treaties had been negotiated with 29 foreign countries, of which 27 treaties were still active.

THE ORIGINS OF GATT

GATT, however, had been in contemplation for several years. As early as December 22, 1941, an Advisory Committee on Postwar Foreign Policy was set up, with subcommittees on economic policy and economic reconstruction. This was replaced on April 9, 1943, by a Committee on Postwar Foreign Economic Policy.

This committee set up special committees to consider various phases of postwar foreign economic policy. Dean Acheson, then Assistant Secretary of State, was given general supervision of "Shipping, relaxation of trade barriers, commodity agreements and methods of trade, private monopolies and cartels, food, and agricultural products, metals and heavy industries, petroleum, and rubber."

On November 23, 1944, Mr. Acheson announced the Department's intention "to seek an early understanding with the leading trading nations, indeed as many nations as possible, for the effective and substantial reduction of all kinds of barriers to trade," adding that "a trade conference of the United and Associated Nations should be held at the earliest practicable date for the negotiation of an agreement for the reduction of all kinds of barriers to trade."

"This agreement," he continued, "would of course be submitted to the Congress for its consideration," an assurance that has never been borne out since the evolvement of the General Agreement on Tariffs and Trade, or GATT.

Among those serving on the Special Committee on Relaxation of Trade Barriers was Harry Dexter White. Alger Hiss served on the Special Committee on Petroleum.

Earlier, on April 5, 1944, President Roosevelt created an Executive Committee on Economic Foreign Policy, with Acheson, White, and Lauchlin Currie of the Executive Office of the President as initial members.

An additional committee established in this period was an Interdivisional Committee on Problems of Overall Economic Organization, with Mr. Charles P. Taft, then Director of the Office of Wartime Economic Matters, State Department, as Chairman. The Committee served during the spring of 1944 within the Department's preparatory function, and was specifically concerned with the possible establishment of "the international commission of technical experts in the economic field," to quote the State Department.

"It was also concerned," the State Department adds, "with the formulation of proposals for permanent economic organization to accompany those being developed in the political field for the maintenance of peace and security."

However, it was the executive committee created April 5, 1944, which submitted the document "Proposals for the Expansion of World Trade and Employment" which was the forerunner of GATT. Harry Dexter White, V. Frank Coe, and Harold Glasser were among those who participated in preparation of this document, representing the Treasury Department.

"Proposals" called for setting up ITO. On December 15, 1945, the executive branch announced that it was following up the document by inviting 15 other countries, including the Soviet Union and Czechoslovakia, to prepare projects for consideration at an international conference on trade and employment.

In February 1946, the Economic and Social Council of the United Nations, on motion of the United States, undertook to sponsor such a conference, setting up a preparatory committee to arrange for a conference to be held in London in October 1946. V. Frank Coe, Harold Glasser, and Victor Perlo of the Treasury Department were members of this preparatory committee.

The preparatory committee recommended procedures for carrying through the negotiations in such a way as to give effect, according to Tariff Commission Report 160, "to certain provisions of the charter of the International Trade Organization by means of a General Agreement on Tariffs and Trade."

Tariff negotiations were conducted at Geneva from April to October 1947, as part of the second session of the preparatory committee for a United Nations Conference on Trade and Employment. GATT was born at this Geneva session, and included many provisions identical with those of a Geneva draft of a proposed charter for an International Trade Organization.

Representatives of 56 nations met in Habana, Cuba, in the late fall of 1947 and early spring of 1948, there drafting a Habana charter for an International Trade Organization. The first formal session of GATT was held at Habana at the conclusion of the ITO sessions, but meanwhile, on December 16, 1947, President Truman proclaimed that GATT would be placed in effect by the United States as of January 1, 1948. Other nations entering GATT at that time were Belgium, Canada, Cuba, France, Luxembourg, the Netherlands, and the United Kingdom.

ITO was submitted to the Congress in 1949 but was not reported out by committees of either the House or Senate. GATT has not been submitted to the Congress. GATT, however, included provisions identical with or similar to provisions in the ITO Charter. Similarly or duplication between ITO and GATT provisions is spelled out in hearings before the Senate Finance Committee held February 17 through 23, 1949.

Thus GATT survives although its twin, ITO, was still-born, and it survives because the State Department prefered to withhold it from Congress after ITO was scuttled, basing their participation in GATT on the Trade Agreements Act. Even at this late date, the State Department declines to lay the substantive provisions of GATT before the Congress.

The State Department has agreed, however, to submit to the Congress a new international trade organization to be called the Organization for Trade Cooperation. OTC contains clauses and language similar to provisions and language in the ITO Charter, which the Congress declined to approve. OTC also is prefaced with what it refers to as "objectives" which to all intents and purposes duplicate the objectives of the Habana charter for ITO. The purported purpose of OTC is to supervise GATT.

Rejection of H. R. 1 will end the controversy over GATT. It will also end the authority under which the executive branch presumes to participate in GATT. Withdrawal from GATT is essential to the restoration of our commercial and economic independence.

THE CONSTITUTIONALITY QUESTION

GATT's powers over the Nation's trade and economy, which H. R. 1 would continue, are being challenged at the present time in the United States courts as unconstitutional.

The Glassware Guild, Inc., of Morgantown, W. Va., which has been seriously injured by imports of glassware from foreign countries, including several Communist countries behind the Iron Curtain, is plaintiff in the suit.

The complaint contends that GATT and GATT-prescribed tariff rates and duties are "illegal, unlawful, and of no effect," and are "violative of the supreme taxing authority of Congress, the treatymaking powers of Congress, and the foreign-commerce regulating authority of Congress."

Plaintiff further alleges that GATT is an "unconstitutional and unlawful attempt by the President to exercise power and authority not delegated to him in the Federal Constitution for the purpose of limiting certain powers delegated exclusively to Congress and transferring said powers to an international administrative agency neither recognized by the Congress nor approved by the people's elected Representatives."

The suit is now pending before the Federal courts, and a decision on it when made will have far-reaching importance on industries throughout the United States subject to foreign competition or facing the threat of foreign competition.

Congress should withhold action on H. R. 1 until the Supreme Court has rendered an ultimate decision in this case.

Constitutionality of the 1934 Trade Agreements Act likewise is challenged in this suit, and for the first time since the Trade Agreements Act was enacted.

However, constitutionality of the act has been seriously questioned since its inception.

In the 73d Congress, 10 of the 23 members of the Ways and Means Committee termed the trade agreements bill unconstitutional and un-American. Their reasons for this view are set forth in House Report No. 1000 of the 73d Congress. However the act was passed, proponents arguing that it was an emergency measure of temporary duration.

The minority contended that the bill "delegates to the President's discretionary legislative power in tariffmaking and thereby provides for an unconstitutional delegation of the supreme taxing power of Congress contrary to * * * fundamental provisions of the Constitution."

It cited article I, section 1, of the Constitution providing that all legislative powers therein granted shall be vested in the Congress; section 8 providing that Congress shall have power to "lay and collect taxes, duties, imposts, and excises," and to "regulate commerce with foreign nations," and article II, lodging the executive power of the Government in the President, and the judicial power in the Supreme Court.

The minority report also stated correctly that the Supreme Court has many times held that, under this division of powers, it is a breach of the Constitution for Congress to delegate its legislative powers to the Executive. It also pointed out that the 1934 trade agreements bill constituted an unprecedented delegation of authority, and cited numerous Supreme Court decisions to prove it unprecedented.

Subsequent to enactment of the Trade Agreements Act the Supreme Court also held delegation by Congress of legislative powers to the executive branch to be unconstitutional in several notable decisions, among them that in *Panama Refining Co.* v. *Ryan* (293 U. S. 388, 421), and *Schechter Poultry Corp.* v. *U. S.*, the famous NIRA or Blue Eagle case (295 U. S. 495, 529).

The Supreme Court ruled that "the Congress manifestly is not permitted to abdicate, or to transfer to others, the essential legislative functions with which it is thus vested."

The Congress may authorize administrative officers, or the President, to fill in the details of legislation, but in so doing the Congress must fix a primary standard to guide the administrative officers in carrying out the details of a law.

The limit to which Congress may go in delegating legislative making powers to the executive is set out in *Schechter Poultry Corp.* v. *U. S.*:

"Congress cannot delegate legislative powers to the President to exercise an unfettered discretion."

Possibly the latest expression on this constitutional question comes from Chief Judge John J. Parker, of the Fourth United States Circuit Court of Appeals who said in the case of *U. S.* v. *Guy W. Capps, Inc.*, decided April 15, 1953, in that court:

"While the President has certain inherent powers under the Constitution such as the power pertaining to his position as Commander in Chief of the Army and Navy and the power necessary to see that the laws are faithfully executed, the power to regulate interstate and foreign commerce is not among the powers incident to the Presidential office, but is expressly vested by the Constitution in the Congress."

Further in his decision Judge Parker cited the Supreme Court decision in the steel seizure case of *Youngstown Sheet & Tube Co.* v. *Sawyer*, in which the Court stated:

"In the framework of our Constitution, the President's power to see that the laws are faithfully executed refutes the idea that he is to be a lawmaker. The Constitution limits his functions in the lawmaking process to the recommending of laws he thinks wise and the vetoing of laws he thinks bad. The first section of the first article say that 'all legislative powers herein granted shall be vested in a Congress of the United States.'"

Further in his decision, Judge Parker said:

"Imports from a foreign country are foreign commerce subject to regulation, so far as this country is concerned, by Congress alone."

Today GATT regulates our foreign commerce, and H. R. 1 would underwrite GATT's operations for 3 more years. The question then, is whether the Trade Agreements Act of 1934, and H. R. 1 violate the Constitution.

The Trade Agreements Act of 1934 attempts to delegate to the President, to exercise in his absolute discretion, all of the legislative authority possessed by Congress in article I, section 8, of the Constitution. The only limitation on this total delegation in the original act is a provision that existing duties might not be varied more than 50 percent, and the only limitations in H. R. 1 are percentage limitations.

As stated earlier in these minority views, the authority which the Congress attempted to delegate in the Trade Agreements Act, has been to all effects redelegated to the State Department, which in turn had redelegated much of it to GATT, an international organization in no way regulated by or answerable to the Congress.

There is no thought or wish on the part of the signer of these individual views of attempting to prejudge the decision of the Federal courts or the Supreme Court in this important litigation. Nor should there be a wish or attempt by the majority of the Senate Finance Committee or of the Senate to in effect prejudice the decision by action on H. R. 1 prior to a determination by the Supreme Court of the constitutionality of the 1934 Trade Agreements Act, and on the constitutionality of executive branch acceptance of rules and rates laid down by GATT.

The question of constitutionality certainly should be resolved before any action is taken on this legislation in the United States Senate.

THE FICTION OF "RECIPROCAL TRADE"

H. R. 1 would extend a trade program that is not "reciprocal," never has been reciprocal, and never was intended to be reciprocal. No reciprocity has ever been achieved, either through the bilateral trade-agreements program of 1934 to 1947, or the multilateral program since 1947 under GATT. There is no reciprocity in GATT and none is intended.

Testimony was presented to the Senate Finance Committee during hearings on H. R. 1 that the following countries have recently increased tariff rates:

Australia, Belgium, Bolivia, Brazil, Ceylon, Costa Rica, Cuba, Denmark, Dominican Republic, Egypt, Ecuador, Finland, France, Guatemala, Haiti, India, Ireland, Israel, Italy, Jordan, Lebanon, Mexico, New Zealand, Norway, Peru, Sweden, Syria, Thailand, Union of South Africa, United Kingdom, Uruguay, and West Germany.

The United States has trade agreements with Australia, Belgium, Brazil, Ceylon, Cuba, Denmark, Dominican Republic, Finland, France, Haiti, India, Italy, New Zealand, Norway, Peru, Sweden, Union of South Africa, Guatemala, United Kingdom, and Uruguay, and all of them except Guatemala are covered by trade agreements made through GATT.

In contrast to tariff increases made by these nations the United States has decreased tariff rates 68 percent since 1937, and more than 55 percent of our imported commodities enter free from any duties at all.

This fact was confirmed by the Committee for Economic Development in November of last year. In a United States tariff policy statement the committee said:

"Only a part of our imports are subject to tariffs or import restrictions.

"Of the total annual imports of approximately $10.8 billion in 1951, some $6 billion consisted of products which enter free of duty or quota restrictions.

"The rest—some $4.8 billion annually—were subject to tariff duty or import quotas.

"This $4.8 billion included some $2.5 billion of finished or semifinished manufactures, $1.8 billion of them agricultural products, and $500 million of metals and minerals. Of this $4.8 billion of imports, however, only about $3 billion were subject to import quotas or to tariffs sufficiently high to have an appreciable effect on the volume of imports. This $3 billion consisted for the most part of agricultural products and finished manufactures."

Tariffs in nearly every trading nation of the world are higher than those in the United States. Examples of foreign tariff rates include:

Cotton manufactures: United Kingdom, 15 to 30 percent; Germany, up to 30 percent; Italy, 15 to 25 percent; Indonesia, 18 to 30 percent; Canada, 15 to 27½ percent.

Synthetic textiles: France, 20 to 35 percent; Italy, 25 percent; Norway, 22 percent; Belgium, 24 percent; and India, 50 percent.

Grains: France, 15 to 30 percent; Germany, 15 to 20 percent; Italy, 25 to 30 percent; Sweden, 10 to 15 percent.

Machinery: Britain, 10 to 25 percent, when it can be imported at all, and which, as will be presently shown, is rarely permitted to be imported and is subject to other types of restrictive barriers; France, up to 30 percent; Italy, 5 to 40 percent; and Japan, 15 to 30 percent.

Automobiles: India, 63 percent; United Kingdom, 33⅓ percent; Japan, 30 to 40 percent; France, 15 to 30 percent.

In addition to tariffs most of the trading countries impose restrictions and controls by which they limit or ban the import of United States goods into their markets.

THE FOREIGN BARRIERS TO AMERICAN TRADE

These barriers include manipulated currencies and currency shutoffs, import licenses, quotas and cartels, empire preference curbs, and exchange permits.

The United Kingdom, principal beneficiary of American aid, and a major beneficiary of United States trade concessions, bars many American-made products from its markets entirely and imposes rigid restrictions on all others except a few raw materials and foodstuffs.

The British rule in general is that no American manufactures, such as machinery, may be imported into England if such products are being made at all in the United Kingdom. Import licenses are denied for all such imports except "token" shipments on a very few commodities.

Britain grants preferential tariff rates mainly free, to products of the British Commonwealth shipped or consigned directly to the United Kingdom, but these preferential rates in no case apply to products of the United States. American products pay the highest rate or are banned entirely.

Import duties are payable in British currency, and the rate of exchange for the conversion of foreign values is the current selling rate in the United Kingdom. By devaluating the pound, as it has done in the past, Britain can automatically raise its barriers to United States trade.

As of February 14, 1953, the Department of Commerce advised; with respect to British trade barriers and restrictions:

1. Licensing and exchange controls are maintained on about half of dollar imports, while over 80 percent of trade with European countries is free from any restriction. Quotas are set for some key dollar products.

2. Licenses covering dollar products are usually granted only for goods considered essential to the domestic (i. e., British) economy, and which are not alternately obtainable from domestic or soft currency sources.

3. The British Government announced in late June 1954 that it would give more favorable consideration from then on to applications for licenses to import dollar machinery provided the machinery in question would reduce cost, and provided no non-dollar alternatives were available.

In other words, if Britain could get machinery from any other country than the United States, import licenses would be denied for the importation of machinery from this dollar country.

Britain has sold millions of dollars worth of machinery to the United States for use in Government projects in America, paid for by the American taxpayers. Similar American products are barred from England.

"Britain industrial output index reaches highest point on record," the United States

Department of Commerce reported on January 3, 1955. "Unemployment amounted to only 1 percent of the labor force," it adds.

England has achieved this record not through reciprocal trade but through protection, high tariffs, curbs on imports of American products, manipulation of exchanges, and gift dollars and contracts from the United States paid for by American taxpayers.

H. R. 1 would further benefit the United Kingdom by reducing tariffs on her products at further cost to American taxpayers, workingmen, and investors.

As a gesture toward the United States, possibly in its bid for reduced tariffs here and extension of the trade-agreements program, Great Britain did, some months ago, agree to admit 650 American-made automobiles "on trial," the imports subject, of course, to British duties and taxes, bringing the price of an American Chevrolet to approximately $6,000.

This was obviously a propaganda gesture. Britain, during 1954, exported 25,889 new cars valued at $34,147,665 to the United States, and used cars and parts totaling another $2.5 million in value. The tariff rate on automobiles imported into the United States from Britain is 10 percent. The British rate, excluding taxes and other charges, on cars imported from the United States is 33⅓ percent. On cars imported from British Commonwealth countries it is 22½ percent.

British leaders, such as R. A. Butler, Chancellor of the Exchequer, have been ardent proponents of reduced tariff barriers for the United States, while raising prohibitive trade barriers against American products reaching the British Isles.

The British are not alone. Of the 33 foreign nations in GATT, 26 impose barriers on imports from the United States by requiring import licenses to be obtained by prospective importers of American goods. As the Department of Commerce puts it:

"These regulations (import licenses and exchange permits) apply primarily to goods of United States origin and to other goods payable in United States dollars."

GATT members employing these barriers against United States trade after 22 years of concessions by the United States are—

Australia, Austria, Belgium, Brazil, Ceylon, Chila, Czechoslovakia, Denmark, Finland, France, Federal Government of Germany, India, Indonesia, Italy, Luxembourg, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Rhodesia and Nyasaland, Turkey, Union of South Africa, United Kingdom, and Uruguay.

Exchange permits also are required in many of these countries, either as separate documents or combined with the import license.

Countries not members of GATT which require import licenses or exchange permits, or both, on imports from the United States, after 22 years of trade concessions made to them under the trade agreements program which H. R. 1 would extend, are—

Anglo-Egyptian Sudan; Aden, Bahrein, Qatar, and Trucial Oman on the Arabian Peninsula; Argentina, the Belgian Congo, Bolivia, British Colonies, Bulgaria, Cambodia, Colombia, Costa Rica, Ecuador, Egypt, Ethiopia, French overseas territories, East Germany, Hashemite Jordan, Hong Kong, Hungary, Iceland, Iran, Iraq, Ireland, Israel, Japan, Korea, Laos, Lebanon, Federation of Malaya, Mexico Morocco (French zone) and Morocco (Spanish zone), Netherlands West Indies, Paraguay, Poland, Portugal, Portugese colonies, Rumania, Singapore, Spain, Spanish colonies, Surinam, Switzerland, Syria, Formosa, Thailand, U. S. S. R., and Viet Nam.

Countries which have neither import licenses nor exchange permits, or in which such restrictive devices and controls apply only to some commodities, are Saudi Arabia, commodities); Cuba (excepting wheat, flour, Arabian peninsula, Canada (except for a few commodities; Cuba (excepting wheat, flour, rice, tires and tubes, red and pink beans, potatoes, condensed milk and butter); El Salvador, French Somaliland, Greece (excepting luxury items); Guatemala, Haiti, Honduras, Liberia, Panama (excepting commodities under quotas); Tangier, Peru, the Philippines, Sweden (except automobiles, coal, and certain agricultural products); Venezuela (except approximately 25 tariff or quota items), and Yugoslavia, which licenses firms to carry on its import business instead.

Thus it is obvious that most of the trading nations of the world, whether or not they are members of GATT, have erected barriers against products of the United States, and have erected them since the 1934 Trade Agreements Act, which H. R. 1 would continue, came into operation.

While America has reduced tariffs to low and ineffectual levels, other nations have imposed devices with which they can and do shut out American products entirely.

Their program appears: Free trade for the United States; protection for the rest of the world, excepting such remote and impoverished areas as Yemen, French Somaliland, and Tangier.

The Trade Agreements Act, by the record, has not expanded America's export markets. The markets have, in fact, been reduced during the 22 years the act has been on our statute books.

The Trade Agreements Act has not achieved concessions to balance the increasing restrictions and bans placed by foreign nations.

The Trade Agreements Act is in no way reciprocal.

It is an act to increase imports of foreign products from low wage, low living standard nations, not one of which pays wages one-third as high as those in the United States, and some of which pay wages one-ninth of ours.

H. R. 1 will extend the Trade Agreements Act, and for that reason, it, too, is a bill to increase imports at the expense of the American workingman, investor, and taxpayer.

GATT, which H. R. 1 would continue regardless of whether it ever comes before the Congress, is not reciprocal. It is discriminatory against the United States and any other country which may achieve a favorable balance of payments in its foreign trade.

GATT imposes high-sounding rules to apply to prospering nations; nullifies them with respect to any and all nations which presently are not enjoying equal prosperity.

GATT proposes under article XI that no restrictions other "than duties, taxes, or other charges, whether made effective through quotas, import or export licenses or other measures, shall be instituted or maintained by any contracting party on the importation of any product of the territory."

Article XII, however, grants exceptions to this rule to any GATT member which wishes to "safeguard its external financial position and balance of payments." Such countries may "restrict the quantity or value of merchandise permitted to be imported."

As the State Department puts it: "Notwithstanding the general rule against the use of import restrictions in article XI, this article permits a contracting party to impose import restrictions to safeguard its external financial position and balance of payments; that is, to forestall the imminent threat of a serious decline in its monetary reserves, or, if the country has very low reserves, to achieve a reasonable rate of increase in its reserves."

Article XIV and article XX contain other exceptions.

In other words, GATT imposes rules on the United States and what few other GATT members may enjoy a favorable balance of payments, but lifts them on any members who can, through manipulation of exchanges or otherwise, claim an unfavorable balance of payments, or even profess a threat to a decline in their monetary reserves.

Such countries may also continue, or apply, discriminatory restrictions when they affect only "a small part of a country's trade and the benefits derived by the country substantially outweigh any injury to another country"; when they are to assist a country "where economy has been disrupted by war"; when they are applied by countries having a common quota in the International Monetary Fund; when they are equivalent to restrictions authorized by the "scarce currency" provisions of the fund agreement; and when they are applied "under specific preferential arrangements existing in the United Kingdom."

Every member of GATT except the United States and possibly Canada thus have an "out" to continue restrictions, controls, and preferential arrangements, and as listed earlier in this report most of the GATT members are applying them.

The United States, enjoying a high standard of living and maintaining high production levels, is the victim of GATT's rules, and will continue to be the victim until our economy is reduced to a "scant currency" and adverse payments balance basis, so long as the Trade Agreements Act remain in force.

H. R. 1 in extending the Trade Agreements Act for 3 more years will extend the life of GATT for 3 more years. Rejection of H. R. 1 will mean the death of GATT, and the end of this international control over the Nation's economy and international restrictions against America's export trade.

Rejection of H. R. 1 by the Congress will remove control over our foreign commerce, duties, and tariffs from an international aggregation of 33 foreign nations and the United States which meets in foreign lands, and in which the foreign nations have rigged the rules to our disadvantage.

Rejection of H. R. 1 will restore the regulation of tariffs and the foreign commerce to the Congress, as provided by the Constitution, article I, section 8.

Rejection of H. R. 1 will liberate the Nation from GATT and restore our national economic independence.

WHO H. R. 1 WILL BENEFIT

H. R. 1 will help the foreign producer and work injury on the American producer here at home.

The foreign producer, as Willaim McKinley told the 50th Congress, "has no right or claim to equality with our own. He is not amenable to our laws. He performs no civil duties—he is subject to no demands for military service. He is exempt from State, county, and municipal obligations. He contributes nothing to the support, the progress and the glory of the Nation."

GATT grants the foreign producer not equality, but superiority over his American competitor.

H. R. 1 will enable GATT to continue that discrimination, and will continue the subservience of our National Government to an international authority sitting in Geneva, in which no American producer has a voice, and over which the Congress has no vestige of control.

For the above reasons; for the reason that my home State of Nevada and the States of California, Utah, and Idaho have passed resolutions opposing H. R. 1, and for the reasons advanced by the many industry and labor organizations, spokesmen, and leaders who have testified before the Senate Finance Committee or have written or telegraphed me in opposition to H. R. 1, I oppose H. R. 1 and any extension of the 1934 Trade Agreements Act.

I do so with the full conviction that the continuation of the act by H. R. 1 is adverse to the interests of the United States, its industries, and its people.

ONE-WORLD WAGE AND LIVING STANDARD FREE-TRADERS GOAL

Mr. MALONE. Mr. President, the General Agreement on Tariffs and Trade, the International Trade Organization, the Organization for Cooperation, and so forth, can lead only to a one-world wage and a one-world living standard, with 160 million Americans sharing their savings and earnings with the other 3¼ billion other persons of the globe.

That is what we are headed for if we continue to support every free-trade and one-world scheme to share our wealth, our resources, and our markets with the rest of the world. Our own living standards will be reduced to the world average, if 160 million Americans continue to pour their wealth and resources into the pot with 3¼ million other people. Anyone who tries to think that through will see the result.

I again say that the principle of reciprocal trade as enunciated, first, by George Washington, then by Lincoln, and later by McKinley, was on a basis of equality. It can be no other way. It presupposes equal living standards such as the 48 States hoped to and did bring about through free trade among themselves. It was necessary in that case because of the one-nation organization.

But to adopt that principle and say that we intend to bring up the living standards of more than 3 billion other people with the resources of 160 million Americans, is simply the echo of a mental aberration which lasted two decades, and is still continuing to a certain extent.

CHOICE IS BETWEEN PRESERVING OUR STANDARDS OR LOWERING THEM TO WORLD LEVEL

Of course, everyone would like to see the living standards of the whole world raised; but as things stand today, we must make our choice. We must make up our minds whether we intend to maintain our own standard of living while we assist foreign nations to raise theirs through a flexible duty or tariff, as we have come to call it, operated under the Constitution of the United States, through the Tariff Commission, an agent of Congress, which can lower tariffs or duties as the Nation's chief competitive nation on each product raises its living standards; or whether we are going to throw everything into the same pot and mix it up at one time. That is what we must make up our minds about now.

What did President McKinley say on this particular point? He said, and I quote:

> Free trade in the United States is founded upon a community of equalities and reciprocities. It is like the unrestrained freedom and reciprocal relations and obligations of a family. Here we are one country, one language, one allegiance, one standard of citizenship, one flag, one Constitution, one Nation, one destiny.
>
> It is otherwise with foreign nations, each a separate organism, a distinct and independent political society, organized for its own, to protect its own, and work out its own destiny.
>
> We deny to those foreign nations free trade with us upon equal terms with our own producers. The foreign producer has no right or claim to equality with our own. He is not amenable to our laws. There are resulting upon him none of the obligations of citizenship. He pays no taxes. He performs no civil duties—he is subject to no demands for military service. He is exempt from State, county, and municipal obligations. He contributes nothing to the support, the progress, and glory of the Nation. Why should he enjoy unrestrained equal privileges and profits in our markets with our producers, our labor, and our taxpayers?

AMERICAN FLAG SHOULD ALWAYS FLY ABOVE ALL OTHERS

That is what we are and what we have today, Mr. President; I hope it will continue to be so.

Mr. President, Congress passed an act that the American flag should fly above all other flags. A century ago, or two generations ago, we would have been considered crazy to have thought it necessary for Congress to pass an act that the American flag should fly above all other flags. But we are proving every day in the Senate that anything can happen in this country.

ADOPTION OF CONFERENCE REPORT MEANS FURTHER DIVISION OF WEALTH AND MARKETS

In closing, I would only say that with the adoption of the conference report this afternoon, we will have made the decision to divide the wealth of our own country, the United States, with that of the world, through the most-favored-nation clause and through the GATT—General Agreement on Tariffs and Trade—and multilateral trade treaties, which have never been submitted to the Senate for approval, and never will be, unless Congress comes to its senses and reverses its course.

It is my firm opinion that while the adoption of the conference report and the signing of the act by the President will extend the Trade Agreements Act for 3 years, nevertheless, long before that time Congress will again take up the question, because the people of the Nation are awakening. They are beginning to understand that they can no longer depend upon a subservient Congress to carry out their will.

ORDER FOR RECESS TO 10 O'CLOCK TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until 10 o'clock tomorrow morning.

Mr. LANGER. Mr. President, I did not hear the request.

Mr. JOHNSON of Texas. I have asked unanimous consent that when the Senate concludes its business today, it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, it is so ordered.

STATUS OF VISA APPLICATIONS UNDER THE REFUGEE RELIEF ACT OF 1953

Mr. LANGER. Mr. President, as chairman of the subcommittee on refugees, escapees, and expellees, I am again presenting the figures from the Department of State statistical report dated June 10, 1955, showing the most recent figures of the status of visa applications under the Refugee Relief Act of 1953, Public Law 203, 83d Congress.

On June 3, when I made my report, I was delighted to tell the Senate that 1,267 visas had been issued between the period May 20 to May 27. The figures I am going to give now cover the period May 27 to June 10. During that period a total of 2,040 visas have been issued. This is at the rate of 1,020 per week. From this figure it must be inferred that either the assurances are not coming in fast enough or else the State Department is not processing these applications at the same rate of speed as during the preceding period. The report date June 10, 1955, shows the distribution of the 33,959 visas issued as follows:

	Total issued
Italy	10,737
Greece	5,647
Netherlands	568
Germany	2,809
Austria	2,792
Far East	841
Others	65

I realize that it is always of interest to know how many of these 33,959 persons have actually taken advantage of the privilege of coming to the United States, and I am told that as of June 10, 1955, 22,478 persons have actually been admitted to the United States.

The law provides for the admission of 214,000. That law has only another year and a half left to run. So far, only 22,478 persons have actually been admitted.

Taking up the matter of orphans, under the provisions of Public Law 203, 4,000 orphans may be admitted. As of June 10, 1,124 orphan visas have been issued and 760 orphans have actually found homes with their adoptive parents in the United States.

It is quite obvious from the report that unless there is a marked change in getting persons to come into the United States, even though visas have been issued, sooner or later a request will be made for an extension of the act, because at the present rate the 214,000 will not come in before the act expires.

TRADE AGREEMENTS EXTENSION ACT OF 1955—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Senator from South Carolina is recognized.

Mr. JOHNSTON of South Carolina. Mr. President, the textile workers of the South will long remember Geneva, Switzerland, June 8, 1955, as infamous, as we all remember Pearl Harbor, December 7, 1941.

June 8, 1955, Mr. President, is the day the great Eisenhower giveaway administration sold the American textile industry and its thousands of workers down the river, and gave the Japanese textile

industrialists a stranglehold on the American cotton textile market.

By signing the Japanese Trade Agreement, the one-world enthusiasts of the State Department, at the direction of the President, paved the way for the destruction of the entire American textile industry. But, especially, they paved the road to destroy the textile industry in the South.

Once again, Mr. President, the Republican high command has ridden herd over the South, and has stabbed the textile workers in the back. In previous history, the Republicans imposed high tariffs to prevent the South from building up any trade or developing any industry. Today, now that we have industry, the administration is imposing low tariffs designed to destroy the southern textile jobs and industries which we have worked so hard to build up over the past 50 years.

And for whom, and for what? It is not to help anyone at home. New England, the other principal textile area of this Nation, is hurt by the Japanese agreement almost as much as the South.

Mr. President, it is for a foreign government, a government which was at war with us only 12 years ago. There are southern workers in southern textile industries who fought the very nation to whom we have been sold down the river by the Eisenhower State Department.

Think of it, Mr. President. There will be southern textile workers who fought for this country in World War II who will now lose their jobs because the Eisenhower administration has agreed to let the Japanese flood our American market with their cheap textile products.

The men who were once behind the guns may soon be in front of the unemployment compensation windows.

The Japanese agreement, which was signed on June 8, came in the waning hours of the life of the old Reciprocal Trade Act—one which Congress last year reluctantly extended for 1 year.

I should like to call to the attention of the Senate at this time the fact that when the bill was before the Senate, my colleague at that time, the late Senator Maybank, and I both raised the question in regard to the proposed 50-percent reduction in the tariff on textiles at that particular conference in Geneva. We tried to get the reduction cut to one-third of that amount—16⅔—but lost on a rollcall vote. Thirty-four Senators voted for the amendment. I am glad to say that the Senator now presiding over the Senate [Mr. HOLLAND] voted with us on that amendment.

The President's State Department, when it signed the Japanese agreement last week, 3 days before the law expired, knew well the intent of Congress. By our action on this very floor, Mr. President, we let it be known that we wanted no authority to be given to any departmental bureaucrats to reduce our tariffs any more than 15 percent over a 3-year period.

But in the late hours of a hurried foreign conference to beat the gun and congressional intent, Eisenhower's tariff experts agreed to a 50-percent reduction in one fell swoop.

Mr. President, under the law used by the Eisenhower administration to reach the Japanese agreement, the President of the United States was authorized to direct the State Department to negotiate such treaties.

Mr. John Foster Dulles is President Eisenhower's Secretary of State. He told his State Department staff at Geneva what to sign and what not to sign. The President knew what was going on. He naively told Congress a few short weeks ago that he had no intention of taking any action to hurt any American industry, and then he blandly directed the signing of the Japanese giveaway agreement.

Mr. President and Senators, it is obvious who is to blame for this Japanese Treaty—a treaty which was entered into without any vote by the Senate, but which has been criticized so much on the floor. It is obvious who is to blame for this sellout of the American textile industry. It is Dwight D. Eisenhower, President of the United States, who directed the entire Geneva fiasco.

This Geneva Conference—this Japanese agreement, or reciprocal trade agreement, or what have you—has granted the Japanese textile industry an additional 1½ cent a yard preference over the American industry on the American market. It affects over 80 percent of everything manufactured by the American textile industry, nearly 90 percent of everything manufactured by the southern textile workers, and nearly 100 percent of everything manufactured by the textile workers of my State, South Carolina.

Mr. President, during the past few days, while this bill (H. R. 1) for renewal of the reciprocal trade agreements legislation has been under consideration by the conference committee, the announcement of the Japanese trade agreement has created a major crisis in the operations and programs of the textile industry of the United States. I repeat, Mr. President, that while Congress was deliberating on H. R. 1, and while efforts were being made to strengthen the new bill with certain vitally needed safeguards for the protection of important American industries which are particularly vulnerable to coolie-wage foreign competition, even at that time, the Geneva negotiations were in progress. At that time, no one outside the State Department had any way of knowing what the Geneva decisions would be.

This is one of the basic reasons why I shall oppose H. R. 1 and all proposed legislation like it. I think the time has come for Congress to insist on exercising its authority and what I think to be its obligation—that is, Mr. President, to renew its constitutional responsibility of voting its approval or disapproval of proposed foreign trade and economic agreements.

While the Geneva negotiations were in progress, Mr. President, we of the Congress—especially those of us who represent regions where textile manufacturing is the mainstay of the local economic and social structure—did have two important assurances: We knew that thousands of men and women and the business and civic leadership of our regions demanded equitable treatment for the textile industry, in order to prevent further losses of markets, further losses of income, and further losses of mill employment. We also knew that from the White House itself had come positive assurance that no American industry would be placed in jeopardy as a result of the trade-agreement negotiations.

Despite the will of the countless American people, despite the wishes of many Members of this Congress, and in spite of the pledge publicly made by the White House, the worst happened at Geneva, Mr. President. In secret proceedings, to which the White House delegates were a party, the Geneva Conference decreed tariff reductions which strike a crippling blow at the textile industry and threaten the job security of 1,250,000 textile workers. The worst, Mr. President—the impossible—has happened.

In making public the Geneva agreement, the State Department stated that moderate textile tariff concessions were granted on some carefully selected items. The fact is, Mr. President, that those carefully selected items cover a great majority of the textile industry's output; and the severity of the tariff cuts is anything but moderate. Carefully selected they were, indeed—by the White House freetrading administration. Mr. President, I am not surprised. It seems that our State Department looks after the welfare of everyone but the people of the United States.

Here is only one example of what was done: Tariff reductions of 48 percent were imposed on the entire range of fabrics made from yarns, in numbers from thirties to fifties. That range of fabrics includes printcloths—the basic, bread-and-butter production of most textile mills in my State of South Carolina. In fact, Mr. President, 60 percent of the Nation's production of printcloth is manufactured in South Carolina. Mr. President, I repeat that 60 percent of the Nation's production of printcloth is manufactured in South Carolina. The range also includes many kinds of broadcloths, twills—such as are used for military uniforms—poplins, oxfords, and so on—types of cloth from which are drawn the fabric material that clothes a good three-quarters of all the people in the United States.

The Geneva tariff reductions on these standard staple goods are so drastic, Mr. President, as to be actually greater than the average net profit margin of South Carolina mills producing those fabrics.

Let me point out again, Mr. President, that it will be found that in 1950 the textile industry was, on the average, making a profit of 5 percent, after taxes. But in 1954, the danger point had been reached, for the industry was then reduced to an average profit of 1 percent, after taxes. So we can readily see what the program now coming on will mean to the United States textile industry.

I am told that in terms of actual prices, the duty reductions on these basic cloth constructions amount to from three-quarters of a cent to 1½ cents a yard. This fact raises an impossible

problem in an industry in which only one-eighth of a cent a yard in price generally makes the difference between sales and no business, between orders and idle mills, between profits and losses.

Keep in mind, Mr. President, that these devastating tariff reductions were imposed for the direct benefit of the textile industry of Japan. This was the intention, and was so stated publicly. The unthinkable thing about it is that the very products we are talking about—the great basic fabrics which represent by far the largest volume of manufacturing operations in the textile industry, those in South Carolina included—are the same types which Japan is now shipping in increasing amounts to the United States.

As we consider putting this measure to a vote, Mr. President, let all of us be sure of what we are doing. What has happened to the textile industry, which can very well lead to consequences disastrous beyond calculation, is a very painful and ugly example of what we are being asked to sanction in the future—without recourse or control—if this measure is enacted.

I know that some will say there would be a possible recourse if the textile industry were suddenly to crash into a depression. That recourse, it is argued, is the escape clause and peril-point provision of the law. This provision may give relief in the long run. But what will happen in the intervening months during the escape-clause proceedings? What will happen, Mr. President, to the thousands and thousands of textile workers who will be unemployed? What will happen to our shutdown textile mills?

Let me emphasize here, Mr. President, that there are 127,250 textile employees in South Carolina, working in 320 plants. These employees are 68 percent of all the industrial employees in South Carolina. Their salaries are 71 percent of the total annual industrial wages paid in South Carolina.

Even if relief were sought, it would take 9 months at least for a finding, and another 2 months for action, should the President condescend to act. He may not wish to act, and he is not bound to do so. Also, how long after such possible relief action—should the President decide to take it—would it take the American market to drain off the flood of foreign products? How long would it take to restore normalcy in our textile workers' homes and in our textile plants? Longer, I am afraid, Mr. President, than it took the State Department to negotiate this economic nightmare, and certainly longer than it took them to sign it.

It is ridiculous to think that the administration has created a Frankenstein trade agreement that will take longer to save American workers and industry from destruction than it does to destroy them.

I am well aware, Mr. President, that there are those in this Chamber who will try, and have tried, to minimize the textile industry's alarm over the direction in which this Government's trade policy is drifting. We have heard on this floor the criticisms, and we have heard the question asked, more than once, why does the textile industry become so excited about a comparatively small amount of foreign imports when it enjoys a larger volume of exports and thus realizes a net export balance?

It is important to nail that one down right now, Mr. President, not only so far as the textile industry is concerned, but also insofar as the same situation may exist for countless other American industries. On the one hand, the amount of imports in a given period of time is no indication whatsoever of how much more there may be behind those imports. A case in point is the textile-import picture. The public press reported only yesterday, speaking of cloth coming to the United States from Japan, that "actual shipments so far, plus new bookings on hand, already are larger than the postwar high of 49 million yards shipped to the United States in all of 1954."

As a matter of fact, Mr. President, reports made officially by the Japanese Ministry of International Trade and Industry as to orders placed with Japanese textile manufacturers by United States importers indicate a rate of shipment to this country during 1955 considerably heavier than the prewar peak of 125 million yards in 1937. At that time it was Japanese imports which touched off the deepest depression the American textile industry has ever known. At that time the Secretary of State, Mr. Cordell Hull, recognized the danger and, after a long-drawn-out survey by the Tariff Commission, he recommended an increase in customs duties on Japanese textile imports, which President Roosevelt put into effect. How different the picture is today with the so-called business administration in the saddle.

On the export side of the picture—that is, the sales of American-made textiles overseas—it is telling only a half-truth to point at the 600,000,000 yards of goods shipped abroad by American mills in 1954. The whole truth is that thousands of American jobs have been lost because American textile exports have declined seriously—by a full 1 billion yards since 1947, during the lifetime of the General Agreement on Tariffs and Trade. That is why I am alarmed. By abusing and exploiting the machinery of GATT, by taking advantage of every concession, every exemption, and every loophole, most foreign competitor countries are capturing the overseas markets of the United States textile industry. That is why the textile workers of the South and New England are alarmed.

And now, thanks to the sellout at Geneva, these foreign countries stand ready to take over the home markets here in the United States. I should think anyone in this body should be alarmed, Mr. President.

This is not reciprocity; this is a giveaway of American markets, of American earnings, of American jobs. We have heard a good deal, Mr. President, about foreign trade being a two-way street. Let me say that true reciprocity in order to work justly and healthily must also be a two-way street, not a one-way road whereby the United States does all the giving and our friends overseas do all the taking. Yet that is what is asked of us, in the way GATT and State Department policy have been functioning under the reciprocal trade program. I, for one, refuse to vote in favor of any bill, no matter how well it has been improved, if it prolongs this kind of outrageous injustice for industries, like the textile industry, which have pioneered the growth of America, and my State of South Carolina.

Incidentally, I wonder, Mr. President, how many of us have had the opportunity to give detailed consideration to what the State Department's so-called experts decided to do at Geneva. I wonder if any of us can possibly understand the implications with respect to the entire economy of this Nation—to say nothing of the impending injury to the textile and cotton economies—or whether we have had time to realize the potential significance of the Geneva agreement. It seems to me each one of us ought to take a close look at the concessions granted to Japan; and we ought to take a good look, also, at the so-called concessions granted by Japan, before we act on this bill. I say this even though the damage has been done, and may be beyond repair, and may lie at this point outside the effects of the legislation now before us. But certainly, before we vote, we ought to make sure we do not repeat a bad mistake and compound the error.

Indeed, Mr. President, my conviction is that it is a wrongful abdication of our duty as Members of this Congress to permit our responsibilities in matters of trade and tariff to slip out of our control—out of the control which the Constitution itself gave to the Congress. I wish to urge, sir, that from this time forward any trade agreement, tariff concession, or similar grant or acceptance of economic aid in any form, negotiated between the United States and another nation or nations, be made subject to approval of the Senate before effectuated.

While I have spoken at some length about the textile industry, since I am very familiar with it, I am certain there are other industries which have been similarly stunned by the action at Geneva. I am certain there are other industries which are struggling against unequal odds owing to unsound grants of trade concessions at previous conferences of GATT. These are American industries, geared to American costs, American wages, American living standards, yet because of the raw materials they utilize, the universal and worldwide nature of their machinery and manufacturing operations, they find themselves in direct competition with foreign industries employing cheap-wage workers. Many of these industries—and again textile manufacturing is an example—can no longer be classed as high-tariff protected industries. Like textiles, they have undergone a series of tariff reductions during the more than two decades of reciprocity. They are quickly reaching the point, or may already be there right now, where tariffs are no longer adequate to provide safeguards against loss of home markets.

If these industries are to be preserved, if they are to keep in operation and continue providing jobs for American men and women, it seems to me the Members of this Congress should be devoting careful consideration to means other than tariff safeguards in order to prevent their disappearance. Our mission as public servants is to legislate for the prosperity, the welfare, and the happiness of the American people, not for a foreign country, and not for the surrender of jobs and security.

Therefore, Mr. President, I am going to vote against the conference report, and I ask the Senate to join me in rejecting it. Then let us start afresh and write a new bill which will include a firm stipulation that the Senate shall have the final and supreme authority to approve or reject any future trade and economic pacts with foreign countries.

In this way, Mr. President, we will be carrying out our constitutional duty to prevent any future Geneva-type agreements that would destroy American jobs and American industries.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks an article published in the Anderson (S. C.) Independent of June 11, 1955.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IKE BLASTED ON JAP TRADE AGREEMENTS

WASHINGTON, June 10.—Senator OLIN D. JOHNSTON in all-out blast against the new Japanese trade agreements today accused the Eisenhower administration of having sold the southern textile industry down the river in typical Republican fashion.

President Eisenhower in directing the State Department to negotiate the new trade agreements has paved the way for the destruction of the southern textile industry and, at the same time, will carry favor with New England. The State Department's report on the agreements is a deliberate effort to deceive the southern industry and especially the textile worker. It is a boldfaced attempt to cover up the sellout.

The agreement gives the Japanese textile industry an additional 1½ cents per yard advantage over the American industry and affects more than 80 percent of the southern industry's production. Yet the State Department refers deceitfully to the moderate reductions of rates on some carefully selected cotton textile items. Certainly they are carefully selected. They are carefully selected by Sherman Adams and others of the free-trading White House ring as a sop to Republican big-business contributors who own plants and other interests overseas.

The President obviously has given no consideration to the fact that this Japanese trade agreement could shortly result in widespread unemployment in the southern textile industry.

An analysis of the concessions made to Japan reveals the President's complete lack of knowledge and understanding of his own utterances. When the reciprocal trade legislation (H. R. 1) was before the Congress, he assured the Republican leaders of the House in writing that he had no intentions of taking any action which would cause harm to any American industry.

Knowing full well that his generals and lieutenants in the White House and the State Department were dedicated to a giveaway of the American textile industry to the Japanese, I voted against the entire program. This is only the first step in a cleverly conceived sellout and I shall oppose the conference report when it is presented to the Senate next week just as vigorously as I opposed the bill originally.

Mr. JOHNSTON of South Carolina. Mr. President, I hold in my hand the news release of the Department of State of June 9, 1955, and I should like to read from it, as follows:

At Geneva, Switzerland, on June 8, 1955, Assistant Secretary of State Samuel C. Waugh, under authorization of the President, signed an agreement containing the terms for the participation of Japan in the General Agreement on Tariffs and Trade (GATT). The agreement embodies the results of tariff negotiations involving Japan and 17 of the contracting parties to the general agreement, including the United States. The conclusion of the tariff negotiations, which began February 21, 1955, at Geneva, completes preparations for Japan's full participation in the general agreement and the prospect is that Japan will become a contracting party next September.

Note that, Mr. President. It will become a contracting party next September. It was necessary to adopt the agreement now, because if it were not done now the law would run out. I continue to read from the State Department news release:

This marks the completion of a project undertaken last year when the 1-year extension of the Trade Agreements Act was voted by the Congress and is a notable achievement for the foreign economic program of the United States.

As a result of the negotiations, the United States obtained very substantial benefits to its trade.

I should like to have someone point out where we gained anything. We have been giving all the way through.

In addition, Japanese participation in the general agreement will contribute to United States interests in a variety of other ways. Expansion of Japan's foreign trade, which participation in the Geneva agreement will promote, is essential if Japan is to have a sound, self-sustaining economy capable of providing adequate living standards for the Japanese people. By offering Japan expanded trade opportunities, participation in the general agreement also will give the Japanese people a concrete basis for continuing their alinement with the free world, thus lessening the danger of enforced Japanese economic dependence on Communist-dominated areas of the mainland of Asia.

I continue to read from another portion of the State Department's press release:

All United States duty reductions combined covered imports valued in 1954 at $81 million, while duty bindings or duty-free bindings were granted on a trade of $98 million. Among the concessions granted by the United States were moderate reductions of rates on some carefully selected cotton textile items, 2 bindings and 1 moderate reduction on tuna products, moderate reductions on certain kinds of earthenware and china, simple microscopes, some toys, and some chemicals, includng monosodium glutamate and various essential oils. All of the foregoing concessions were initially negotiated with Japan. United States concessions also included items covering a trade of about $3 million initially negotiated with third countries in connection with the triangular negotiations mentioned above.

Concessions granted by the United States to Japan and other countries did not cover all of the items which were listed in public notices issued last November and February and on which public hearings were held.

I hold in my hand a pamphlet entitled "Commission on Foreign Economic Policy. Minority Report. January 1954." It is a very excellent pamphlet, and I recommend that Senators read it. Even though Senators may vote to adopt the conference report today, it would still be educational for them to read the pamphlet, in order to find out just what we will face in the future as a result of the position we are taking today.

I also hold in my hand a pamphlet issued by the State Department. It is entitled "General Agreement on Tariffs and Trade. Analysis of Protocol—Including Schedules—for Accession of Japan. Analysis of Negotiations of Certain Tariff Concessions." In it I find pointed out some of the things which have been done. It appears that one of the industries which has been dealt with probably more severely than any other is the textile industry. Having so much of the textile industry in my own State, I invite the attention of the Presiding Officer, the Senator from North Carolina [Mr. SCOTT] to the fact that his State will be in the same position my State will be in with regard to the tariff situation and the reduction that has been made by GATT. I hope it will not be as bad as I anticipate, but, as I see it, it constitutes almost a death stroke to the textile industry and would hurt the Senator's State and my State, Mr. President.

CIVIL RIGHTS IN OUR DEMOCRACY

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a news story from the New York Times of May 29, 1955, reporting on the marked progress being made toward elimination of racial discrimination in the West. This news item reporting on a survey undertaken in 13 Far Western States is most reassuring because it reflects the marked decline in racial bias in our Nation and the growing realization that racial discrimination is incompatible with our democratic principles and with our aspirations for a wholesome, healthy American society.

There being no objection, the news item was ordered to be printed in the RECORD, as follows:

MARKED DECLINE IN RACIAL BIAS IN FAR WEST REVEALED BY SURVEY

(By Gladwin Hill)

LOS ANGELES, May 28.—While controversy seethes about desegregation in public schools below the Mason-Dixon line, unspectacular but marked progress is being made toward elimination of racial discrimination in the West.

This was indicated this week in a New York Times survey of interracial relations in 13 Far Western States.

In few sections of the West can it be said that all the principal minority groups—Negroes, Indians, and people of oriental and Spanish lineage—enjoy full equality with other people in public activities.

But in a few of the States and many localities the situation comes remarkably close to full equality. And there are widespread indications of steady improvement.

Among the 13 States, 8 legislatures in their current sessions have enacted measures aimed at reducing discrimination.

Washington strengthened its fair employment practices law and eliminated racial questions on drivers' license applications.

California outlawed discriminatory automobile insurance terms. This week, for the first time in many attempts, an FEPC bill won approval by the State assembly, although its enactment is considered unlikely.

Arizona passed an FEPC law covering public works only.

Wyoming repealed an old, unused statute that permitted Negro segregation in some public schools.

New Mexico and Montana both enacted measures ordering racial equality in places of public accommodation (hotels, restaurants, taverns, theaters, etc.), although they carried no enforcement machinery. Colorado strengthened its 4-year-old FEPC law.

North Dakota repealed a law against interracial marriage.

On the negative side, bills guaranteeing equality in places of public accommodation failed in Nevada and Arizona and measures to repeal bans on interracial marriage failed in Idaho and Colorado.

The survey found that:

Racial discrimination generally is worse in hinterland areas and small towns than in more developed districts.

In progressive areas first-class establishments, such as hotels and restaurants tend to take the lead in racial tolerance while the second-rate institutions cling to prejudicial treatment. In discriminatory areas the situation is the reverse.

Discrimination does not always go hand in hand with large minority populations. (In Nevada, where there are less than 10,000 Negroes, discrimination is much worse than in California, where there are more than 500,000.)

The West does not bear out the saying "You can't legislate tolerance." A State's statutory expressions on discrimination are not necessarily an indicator of actual conditions. But where efforts are made to enforce such laws, discrimination has lessened. And some of the most conspicuous progress against discrimination has been made in States where there has been strongest legislative pressure.

The 13 States contain about one-eighth of the Nation's population. The area has some 20 million people. In it are about 600,000 of the Nation's 15 million Negroes (as of the 1950 census), about half its Indians (some 200,000 of them) and about 180,000 people of Chinese and Japanese lineage. A large portion of the Nation's approximately 3 million "Spanish-speaking people" (of Spanish and Mexican lineage) are in this region.

The minority group population is distributed unevenly among the States. California has about 500,000 Negroes, while North Dakota has less than 1,000. Arizona has 70,000 Indians, Colorado less than 2,000.

Since World War II, people of Japanese and Chinese lineage, who in the west coast States used to be the targets of the most systematic discrimination, have moved into a status close to first-class citizenship.

The most regular victims of discrimination are Negroes. But it is also applied, occasionally with greater emphasis to Indians and Spanish-speaking people. The latter are habitually referred to in some districts deprecatingly as Mexicans, even though some are not even Mexican-Americans but are of Spanish descent.

Virtually the last vestiges of overt, sanctioned segregation in public schools in the region have been eliminated in the last few years.

In places of public accommodation, the situation ranges from general acceptance of nonwhites in Washington, with only occasional prejudice in small towns, to a degree of southern-style Jim Crowism in southern Arizona, where no Negroes allowed signs are displayed in restaurants.

Here is a State-by-State summary of salient features of the interracial situation:

WASHINGTON

The FEPC law, enacted in 1947, is administered by a five-member commission. It investigates discrimination complaints and can seek court injunctions. In practice, it has worked mainly by conciliation. It receives about one complaint a week and has never gone to court with a case. This year the commission was given power to reinstate workers discharged for racial reasons and to collect their back pay.

The 1953 public accommodations law provides for civil action by aggrieved parties and criminal action by prosecuting attorneys. One action of each type has been brought, resulting respectively in a $500 fine and a $50 fine.

OREGON

A 1951 FEPC act, administered by a special division of the State department of labor, has been applied generally through conciliation.

An equality-in-public-establishments law was adopted in 1953.

The influx of Negro shipyard workers in Portland, Oreg., in World War II led to some friction, but it has dwindled to almost the vanishing point.

Several years ago some Portland parents protested against sending their children to school with Negroes. School officials took a firm stand—including optional assignment of Negro teachers to all-white schools—and the complaining stopped.

CALIFORNIA

California has had a law prohibiting discrimination in public establishments since 1905, a civil service nondiscrimination law since 1945, and a public works FEPC law for several years. Up to this year no general FEPC bill got anywhere.

The public accommodations law provides civil penalties of $100 or more. It has been invoked many times with results.

The California attorney general, in connection with a controversial school blackface minstrel show last year, issued an opinion denouncing "any and all entertainments which for any reason reflect adversely on a citizen because of race, creed, or color."

ARIZONA

Arizona's new limited FEPC law makes it a misdemeanor for any State or local governmental subdivision or agency, or contractor to them, to discriminate in employment because of race, creed, color, or national origin.

In contrast to the "little Dixie" atmosphere in some southern sections of the State, first-class hotels in central Arizona have accommodated nationally prominent Negro personalities. The State has a Negro legislator. But in Phoenix there is segregation in most of the leading movie theaters.

NEVADA

According to Franklyn Williams, regional director of the National Association for the Advancement of Colored People, "Nevada is a misplaced Mississippi—a Negro can't even lose his money at the gambling spots." To rectify this situation, a group of Negroes, including Joe Louis, the former boxer, this week opened a multimillion-dollar casino hotel in Las Vegas, welcoming the patronage of all races.

Nevada has no antidiscrimination laws. The 5,000 Indians among its 200,000 inhabitants are subject to little if any public discrimination.

UTAH

About 70 percent of Utah's 700,000 inhabitants (5,000 of them are Negroes) are Mormons. According to Mormon doctrine, rooted in slavery days, Negroes are "black because of the curse put on Cain," and must do menial work and will never go to heaven. Many Mormons of the new generation are embarrassed by this bigotry, considering it in manifest conflict with Christian tenets of their faith. But little has been done about it legally.

Utah has no civil rights law or antidiscrimination law, except an old, inoperative statute forbidding hotels to discriminate against nonwhites. Both Marian Anderson, the singer, and Representative ADAM CLAYTON POWELL, Democrat of Manhattan, have had trouble getting first-class hotel accommodations in Salt Lake City.

But there has been a general informal decrease in prejudice in Utah in recent years. Spanish-speaking people are no longer considered nonwhite in many communities. Negroes and Indians are increasingly numerous in Federal jobs. And Negro spokesmen report an easing in trade union membership barriers.

NEW MEXICO

New Mexico has a dual Anglo-Spanish culture.

Spanish is a second legal language. In public life there are about as many people of one strain as the other, including the State's congressional delegation.

New Mexico adopted an FEPC law in 1949 and a public-accommodation law this year. Both lack enforcement provisions.

Discrimination against Negroes is so prevalent that, according to a correspondent, "it is as difficult to get a Negro a meal in Albuquerque, of 100,000 population, as it is in Ruidoso, a small mountain resort." In predominantly Anglo-Saxon southeastern New Mexico, near the Texas border, even Spanish-speaking white people and Indians from other parts of New Mexico are subject to considerable discrimination. Generally, however, the reception accorded Spanish-speaking people has improved greatly over pre-World War II days.

IDAHO

Idaho, with only 1,000 Negroes among its 590,000 population (1950 census) has no antidiscrimination laws. Most hotels and some restaurants refuse Negro patronage.

COLORADO

Colorado has an antidiscrimination law, adopted in 1895 and strengthened in 1935, providing civil penalties of $50 to $500. Actions must be instituted through district attorneys and their cooperation varies greatly from county to county. Discrimination in hotels and restaurants is most pronounced in certain towns of southern Colorado with large Spanish-speaking populations. Negroes and other nonwhites appear to be incidental victims. In Denver the situation is radically different. There Negroes are accepted to the point of being employed in good jobs in a wide variety of commercial enterprises.

Colorado's FEPC law, adopted in 1951, established a commission under the State industrial commission with power to issue cease-and-desist orders against employment discrimination by State agencies and subdivisions. It has conciliation authority in relation to private employers.

The 1955 amendments separated the discrimination commission from the industrial commission, broadened the definition of State agencies and applied the law to private contractors on public jobs. The law has never carried penalties and is administered mainly through conciliation.

WYOMING

Wyoming has no antidiscrimination laws except in education. Hotels, restaurants, and bars discourage Negro patronage. But, where a few years ago Negroes were admitted only to the balconies of smaller movie houses, theater segregation now has generally stopped.

MONTANA

In Montana, with its new penaltyless antidiscrimination law, hotels and restaurants

are still cool to Negro patronage. But traveling Negro athletic teams are now accepted at a leading hotel in Helena, the capital, whereas a few years ago they found accommodations hard to get.

NORTH DAKOTA

The North Dakota constitution calls for equality for all people. But there are no implementaing laws. A law against interracial marriage was repealed this year.

The patronage of both Negroes and Indians is generally discouraged by first-class hotels and restaurants. But the movement of some Indians to work in urban enterprises is tending to break down prejudice against them.

SOUTH DAKOTA

South Dakota has no antidiscrimination laws, but Negroes and Indians are received in hotels, restaurants, and taverns generally without discrimination.

Mr. HUMPHREY. I wish to add, Mr. President, to the encouraging news reported by the New York Times survey the information that my own State of Minnesota in this past session of the legislature adopted a bill to establish fair employment practices in our State. This is added evidence that the true spirit of America is a spirit of human equality.

These developments are a refreshing breath of fresh air in these days of controversy over the implementation of equal rights for all our citizens. The principle of human equality is the cornerstone of political democracy. Just so long as we tolerate conditions of second-class citizenship we weaken and jeopardize the fulfillment of the objectives and promise of a democratic society.

It is reassuring to see the steady progress which is being made in the guaranteeing of civil rights to all persons regardless of race, color, or creed. The force of events in the world and the spirit of liberal democracy at home places increased emphasis upon the urgency of eliminating all forms of discrimination, bigotry, and intolerance. The Supreme Court in its decisions declaring segregation in public schools unconstitutional and calling for integration has fortified the cause of civil rights in a most vital area.

In my judgment, there has been too much emotional talk by a small group of people who have been dissatisfied with the Supreme Court decision. The task of responsible American citizenship is to set about conscientiously and constructively to solve our Nation's social problems within the framework of our laws and our Constitution.

The fulfillment of the ideals and objectives of our Constitution requires dedication, perseverance, and courage. The test of statesmanship is the subordination of selfish political advantage for the national good. There is, to be sure, a problem involved in the elimination of segregation in our public schools. The Supreme Court has recognized the proportions of this problem and has laid down a course of action that is moderate but mandatory, reasonable but firmly declared. Let us together as Americans recognize that problem by understanding it and constructively acting to meet it. We must get on with the job and demonstrate effective, certain, and continuing progress.

The Constitution of the United States is the supreme law of the land. The Supreme Court, under our Constitution, is the final authority in the interpreting and application of constitutional law. The Court has declared that segregation in the public schools is a violation of the supreme law of the land. The responsibility is, therefore, upon all law-abiding citizens and on all levels of government to conform to the Constitution. It is the responsibility of the executive branch of the Government to first seek observance of the law and, if need be, enforce the law. I am confident this will be done. Neither the President, the Congress, any State or subdivision of government, nor any citizen is above the Constitution.

Mr. President, I now desire to refer to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

NONMILITARY DEFENSE

Mr. HUMPHREY. Mr. President, I desire to suggest that under the rules of war games we are all war casualties. I do not do so facetiously. This is a most grave matter. We all know that today Washington has been evacuated by the Government; some 15,000 key officials and employees have left to take up safe posts outside the Capital City because of evacuation tests being conducted throughout the Nation. In fact, according to the plans, a theoretical H-bomb was due to fall on the Capital at 3:25 p. m. today.

Mr. President, that was 2 hours and 20 minutes ago. Yet, here we sit and the business of Congress continues as usual. I submit that this is characteristic of the attitude the Congress has taken to the entire problem of nonmilitary defense.

We in the Senate fondly refer to ourselves as the greatest deliberative body in the world, but I suggest to my colleagues that it is possible to deliberate for too long on some matters. We should not have to wait for the radioactive fireball to impress itself upon us before we become aware of its possibilities. This calm inaction in the face of possible annihilation might be admirable if it were not so foolhardy.

Here is what a writer in the New York Times of Monday had to say about the remarkable calm we display before the terrors of the hydrogen age:

> The National Capital is a model of the muddle in civil-defense planning. As a city without home rule, Washington reflects the general indifference of Congress to civil defense. * * * Congressional interest has been aroused somewhat since the report last February on hydrogen bomb fallout. But civil-defense officials are not sanguine about the chances of getting before Congress adjourns all the legislation and funds they feel they need. On civil defense, Congress seems to act as if it had as much immunity from atomic destruction as from traffic tickets.

I should like to point out that article I, section 8 of the Constitution provides that "the Congress shall have power to provide for the common defense and general welfare of the United States." Yet, in the matter of nonmilitary defense, the Congress has abdicated its responsibility at the outset. In setting up the Federal Civil Defense Administration in 1950, it declared as its policy and intent "that this responsibility for civil defense shall be vested primarily in the several States and their political subdivisions." Such an approach to planning for the dread eventuality of thermonuclear warfare exhibits what I have already referred to here on a prior occasion as a preuranium mentality. It thinks of civil defense in the World War II terms of the air-raid warden and the practice blackout.

I may state here that I think that the present Administrator of the Federal Civil Defense Administration has been doing a most commendable job, but he is laboring in large part against the obstacle we placed in his way by setting up civil defense with the primary responsibility for it left to the States and local governments.

Furthermore, I wish to point out that the Senate Armed Services Subcommittee which has been holding hearings on civil defense in recent months has been doing a most admirable service in alerting us to the shortcomings of overall planning for nonmilitary defense. This sort of planning for survival from thermonuclear attack goes far beyond the authority of the present civil-defense setup and presents problems we have not even yet begun to solve. The contribution the Armed Services Subcommittee has already made is most significant in this regard, and I commend to the Senate's attention the interim report the committee has already submitted.

But I suggest that the problems of nonmilitary defense against thermonuclear attack require the continuing and constant attention of a full congressional committee. To point out how little attention civil defense has received from the Congress, I need only mention that when the present Administrator of the FCDA, the Honorable Val Peterson, appeared before the Senate Armed Services Subcommittee in February he remarked that it was the first time a Civil Defense Administrator had been called upon to testify before a congressional committee on anything but appropriations since September 1951.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Minnesota yield to permit the acting minority leader, the junior Senator from Kansas [Mr. CARLSON], and the chairman of the Committee on Finance [Mr. BYRD] to have a short colloquy, which I do not expect will take more than 3 minutes, and then to permit action on the conference report, with the understanding that the Senator from Minnesota will not lose the floor, and that these remarks will appear following the conclusion of his speech?

Mr. HUMPHREY. I always want to cooperate with the majority leader in the expediting of the business of the Senate. I shall yield the floor with that understanding.

(At this point Mr. HUMPHREY yielded to Mr. CARLSON, who spoke on the subject of the conference report on the Trade Agreements Extension Act of 1955. Mr. CARLSON's remarks and the colloquy

in connection therewith appear following Mr. HUMPHREY's speech.)

Mr. HUMPHREY. Mr. President, civil defense, that provides only emergency services for survival in the actual event of hydrogen attack, is not the whole of planning for nonmilitary defense to meet the new conditions of warfare. Other aspects of nonmilitary defense include planning for reduction of target vulnerability through dispersion and through protective construction; provision for the continuity of industrial production and also for the continuity and stability of our economic and financial systems; and finally, provision for the continuity of government on the Federal, State, and local level. Only in this last matter have we begun to take some of the steps necessary to insure that the Nation will somehow be able to survive all-out thermonuclear attack. It is readily seen that these are tasks that transcend what is customarily thought of as civil defense. They are problems that require the coordination of a number of departments of the Government and overall planning beyond that authorized in the establishment of the Federal Civil Defense Administration. For this purpose, the President has recently set up a Civil Defense Coordinating Board. With the Administrator of the FCDA as its head and representatives from each of the executive departments and agencies as members, the Board will bring to the civil-defense activities of these various agencies the kind of coordination that has long been needed.

But there is no corresponding unit in the Congress to concern itself with the kind of overall planning and coordination that nonmilitary defense requires.

I feel quite strongly that if we are to have an effective nonmilitary civil-defense plan, there must be an appropriate agency or committee of Congress. It is for that reason that the junior Senator from Missouri [Mr. SYMINGTON] and I have submitted Senate Concurrent Resolution 11 to establish a Joint Committee on Civil Defense. Such a committee would enable the House and Senate to make a continuing study of what is being done and needs to be done to insure survival of our Nation in the event of an all-out attack with hydrogen weapons. It could consider questions and hold hearings on matters which are presently in dispute, such as the new problem of radioactive fall-out and how this relates to dispersion as a means of reducing the vulnerability of our industries and urban populations. There is disagreement on these matters, and the constantly changing nature of modern warfare daily creates other problems which require continuing study—such as what changes will be needed in our nonmilitary defense planning with the advent of the intercontinental ballistics missile. Can anyone honestly say that the Congress is giving proper consideration to these problems?

The seriousness of the inadequacy of our preparations to withstand nuclear attack if it should ever come has been pointed up and documented for us this past week by an excellent series of articles in the New York Times. The first of these articles describes the radar defenses we are constructing in the Far North to warn of attacking aircraft and so give us that little extra time that may mean whether or not we will have time to evacuate our cities. This article is not primarily concerned with nonmilitary defense, but I do mention it as giving an unusual picture of the lonely vigil that some of our servicemen must keep in these frozen outposts. I ask unanimous consent that it be printed at the end of these remarks.

There being no objection, the article was ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. HUMPHREY. But the early warning line we are presently constructing along the northernmost reaches of Canada and far out to sea will be in large part wasted unless we begin to improve upon the present state of nonmilitary defense preparedness. At this point I would like to ask that the second article in this series which appeared in the New York Times on Thursday, June 9, 1955, be printed at the end of my remarks.

There being no objection, the article was ordered to be printed in the RECORD.

(See exhibit 2.)

Mr. HUMPHREY. The article points out that "this country's immunity from attack has been erased irrevocably by intercontinental bombers and nuclear weapons." It suggests that Americans have had to make the psychological transition from virtual isolation and immunity from attack to the threat of thermonuclear war without ever having experienced modern warfare on our home soil, and that this is the reason for our slowness to appreciate the real proportions of danger.

I should like to suggest, however, that there is another possible explanation for what we usually refer to as the apathy of the people to civil defense measures. I do not think that the American people are unaware of the devastation that could be caused by thermonuclear war. I do think, however, that they have not been given either enough information or the leadership necessary to convince them effective measures can be taken to lessen the effects of nuclear attack. The subcommittee of the Armed Services Committee states this quite forcefully in its interim report, when it says:

> The subcommittee finds that there is a feeling among State and local officials that there is a lack of Federal leadership in the vital matter of education on the horrors of an H-bomb attack and the necessity for preparing to meet such a disaster. Despite the efforts of FCDA, the Atomic Energy Commission, and others, there remains a widespread apathy and also lack of information regarding the civil-defense program. Many civil-defense officials share a feeling of frustration because of the lack of public support.
>
> The subcommittee recommends that the President assume, as an addition to the heavy burdens of office, the personal responsibility for providing the leadership which will cause the people to support a proper civil-defense effort. It suggests that the President consider the possibility of setting aside 1 week in the near future to be known as Civil Defense Week. The President might then give the people the facts regarding the effects of a thermonuclear attack on this country and then state in plain terms what the Federal Government intends to do about meeting this eventuality. Other executive officials could thereafter discuss their plans and responsibilities in the civil-defense program. The subcommittee feels that, if the people are explained the facts, they will demand and receive a civil-defense program that will issue survival.

I should like to support the subcommittee in its recommendation that the President provide the leadership the civil-defense effort needs to impress its importance on the people. I must say that I have never agreed with the administration in its reluctance to give the American people the facts on which they can base an understanding of what needs to be done for their own self-protection and for the Nation's survival. I have great confidence in the American people to make the right decisions when they are given all the facts. Yet we had to wait until last February to learn of the nature of fallout, which was known to the Government as a consequence of the March 1, 1954, test in the Pacific, and was surely no secret to the Soviet. Let the people know what can be done and what needs to be done, and I am sure what we now call apathy will soon give way to wholehearted cooperation in the civil-defense program. I ask the President to assume this role of leadership and give the people the facts to insure survival.

Mr. President, since I prepared this address, this morning's Washington Post and Times Herald carried a column by Joseph and Stewart Alsop entitled " 'Security' Versus Democracy." I have read the column, and I desire to say on the Senate floor that if the report of Mr. Joseph Alsop and Mr. Stewart Alsop is true, we now have what borders upon the most rigid form of undemocratic censorship that any people has ever experienced. The Alsops, in their article, bring to our attention that many important facts relating to our security, as well as many important facts relating to the strength of the Soviet Union, are being kept away from the American people. The column calls to our attention remarks by the former Secretary of the National Security Council, Mr. Robert Cutler, in his recent address before the Associated Harvard Clubs. I should like to read a line or two from the article, because I think it goes directly to the question of why there is such apathy in this country relating to the very matter of our survival, in terms of civilian-defense preparation. The column by the Alsops reads in part:

> Until very recently, the American people's right to know the basic facts of their national situation was never questioned for an instant. The people's right to know was properly regarded as the mainspring of our democracy.
>
> Now, however, no one seems to doubt the American Government's right to bamboozle people by the concealing of the life-and-death facts. The Eisenhower administration is actively seeking to install a peacetime censorship in America. The censorship has as yet aroused very little opposition. And there was no word of protest, or even comment, when the thinking behind that censorship was unblushingly confessed a few weeks ago.
>
> The confession was made by the former Secretary of the National Security Council, Robert Cutler, in a speech to the Associated

Harvard Clubs. The Cutler views on the measure of truth that ought to be told the people have been specially commended to the White House staff by the President himself. This incredible speech, then, can be taken as accurately reflecting the official White House line.

In a morass of somewhat self-satisfied verbiage, Cutler makes two central points. First, he declares that the people should be told no fact included in any document classified confidential or above, and should be especially kept from knowing any facts about thermonuclear or other weapons; the status of our own defense effort; intelligence from the rest of the world which, of course, includes the status of the enemy defense effort and enemy intentions; and the reasons for our national-security policies and character of our current diplomacy.

In short, all facts of real significance—

And the quotation marks apparently indicate the words are taken from Mr. Cutler's speech—

"all the vast paraphernalia that goes into executive decision-making"—are to be kept from the American people. This is because of Cutler's second point. "Theirs is not to reason why," he in effect says of the American people. According to Cutler, national decision should be made, not by the people, but by the President alone. At best, the Nation is to have a sort of pale privilege of postaudit on the President's decisions. "The people," Cutler generously says, "may always call him to an accounting, for his acts and omissions to act.

If you read his speech, you will wonder why he did not also capitalize the words "him" and "his." He has need to believe that the President possesses divine attributes; for none but a president-deity could accommodate the Cutler system and the American system.

Mr. President, I shall not read all of this article, because I understand the Senator from Missouri [Mr. SYMINGTON] has brought to the attention of the Senate all the facts set forth in the article.

There were two other articles by the same columnists which I recall indicated that reprisals are being taken against public officials who give out information to the American people; and reprisals even against reporters themselves.

Mr. President, I do not know the validity of the charges, but they are serious charges, made by responsible men. I think it is about time the Congress of the United States interested itself in this alleged censorship, which seems to deny to the American people facts as to their national security. As one Senator, I rise to protest this kind of secrecy. There is too much of it in Government.

I shall ask one of the pages to go to the reading room and bring me a copy of today's New York Times. I understand, from the New York Times, that only today the Soviet Union is bringing out into the open certain engineering designs and drawings of the atom bomb, which have been denied to the American people.

Only a short time ago a Japanese doctor came into the United States, talked to private doctors of this country, and gave them information which was classified so that our own private doctors could not get it from the American Government.

Mr. President, my point is that we cannot have the kind of public support and alertness which are needed in these critical hours if the American people are to be treated as if they are incapable of hearing the sordid truth and the naked facts. The American people always respond when the facts are made available to them. They have in the past, and will continue to do so in the future.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I certainly have never believed that information should be withheld from the public merely for restrictive purposes, or for covering up errors, regardless of which administration might be in power. But I have been a little concerned about the Senator's statement that, according to the New York Times of this morning, there has been publication in a Soviet newspaper of a diagram of an atomic weapon.

The Senator from Minnesota is not suggesting, is he, that diagrams of our secret devices and atomic weapons be published in the United States merely because a Soviet publication contains some kind of facsimile? I can think of nothing more helpful to the enemy than to have actual secret information published. The fact that there may have been an unjustified "leak" or publication of some details of an airplane in a Japanese trade publication does not, it seems to me, warrant the publication of information entirely different from that to which I think Mr. Alsop may have been referring.

Mr. HUMPHREY. I was not suggesting that any matters of the most secret nature be given the lay public. But I am saying that, time after time, information which supposedly has been carefully guarded, and which has been kept from the American people, has been published by private sources, in which case the American Government then has said, "Well, we were planning to publish it, but we had not gotten around to doing it."

I refer to the publication of the details of nuclear fallout. Those details were published in an American journal. I also refer to the publication in the fall of 1953 of details regarding an atomic explosion in Russia, before our Government had admitted that the Soviets had had another atomic explosion.

Mr. President, I am not an expert on these matters; but among the press and the editors of important journals of public opinion in the United States there is growing concern because it has become increasingly difficult for them to receive information which is of key importance to an alert public citizenry. I am of the opinion that if the United States press is called upon to respect certain information because it is of a vital and most important security nature, our press will do so. The press did that during World War II; and I think the American press would do so in connection with the present administration, in particular, because it has a most sympathetic press.

But I suggest, Mr. President, that it will do no good to force reporters and columnists to rely upon subterranean channels, so to speak, in obtaining information which should be available to the general public.

As I pointed out a moment ago, one of the reasons why we have citizen apathy in the whole area of civil defense, is that it has become increasingly difficult to bring the proper information to the American public.

Mr. President, let me say that if I have overstated the case, I shall make due apology to my colleagues. But I believe that when there appear in the press, statements that a kind of administrative censorship is being exercised, that matter should be of deep concern to Democrats and Republicans alike, as American citizens, forgetting our partisanship. In the previous administration there was this problem, and protests were made on the floor of the Senate. I suggest that the time to protest is before this practice becomes an established procedure. Once we make it clear that we wish to have items which are really secret kept secret, but items which are not secret made public, there will be a healthier public opinion in the Nation. I am sure my colleagues will agree with me that that is our design and our objective.

Mr. President, the nature of the nuclear fall-out problem was dealt with in the third of this series of articles in the New York Times. I ask unanimous consent that the two articles which appeared in the New York Times on June 10th be included in the RECORD following my remarks.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

(See exhibit 3.)

Mr. HUMPHREY. Mr. President, even in the short time since these articles appeared, new information has come forth that suggests that the fallout problem may be a more difficult one to cope with than we had thought. The first discouraging note was struck by Dr. Willard F. Libby, a member of the Atomic Energy Commission, who indicated that the thermonuclear bomb can be made with the cheapest atomic explosives, and virtually unlimited in size, and also indicated that the lethal or damaging doses of radioactive fall-out may persist for a long time.

Mr. President, I wish to note that in my comments regarding the New York Times, I was referring to its issue for Tuesday, June 14, and to a front-page article by Harry Schwartz, a very respected and learned reporter, and one of the best experts on the Soviet Union. The headline on the first page is:

Soviet Gives Nuclear Bomb Facts to Its People.

And the diagrams are published, along with descriptive material as to the nature of the bombs and how they work, as well as the pertinent facts regarding their destructive power.

Mr. President, I am not arguing that we should follow suit; but I rise to protest vigorously against a censorship which violates all the pious statements about free speech and free press which have been enunciated time after time by high officials in high places.

Dr. Libby's remarks were seconded by an article written by Dr. Ralph Lapp, and

appearing in the Bulletin of the Atomic Scientists. Dr. Lapp warns that many of our present plans for civil defense might be outmoded by the new estimates of persistence of radioactive fallout. Mr. President, I ask unanimous consent that an article on this subject, appearing in the Washington Post and Times Herald for June 13, be made a part of the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. HUMPHREY. Mr. President, I wish to pay tribute to the press for getting this information to the American people. It is information which should constantly be brought to their attention, through official channels, in every conceivable manner.

Entirely new problems are raised by these developments. I do not know the answers to them. What I wish to emphasize here is that the Congress needs a Joint Committee on Civil Defense to study just such problems as this one. We are not presently set up to consider what action needs to be taken to cope with the constantly changing situation. The lack of awareness of the Congress of the imperative nature of these problems is indicated in the figures of appropriations for civil defense cited in the New York Times article. I read from the article:

> Between the fiscal year of 1951 and the current fiscal year of 1955 the Federal Civil Defense Administration asked Congress to appropriate $1,748,950,000 for five phases of its work. Congress, however, approved $247,741,000 for the 5 years.

As the Times article says, "Civil defense was treated as an area in which economies could be made easily." I do not think this would be the attitude of the Congress, Mr. President, if we had a joint committee whose duty it was to concern itself with these problems, and if it understood just what was the nature of the threat of thermonuclear warfare.

I think this attitude may now be changing, as the vulnerability of the United States to nuclear attack becomes increasingly evident. As the next article in the Times series says, "The major planning assumption of Civil Defense officials is that the Soviet Union can strike any target in the United States." If that is not the case at this very moment, our civil defense planners are correct in assuming that it soon will be, and we must plan on this assumption. I ask unanimous consent, Mr. President, to have the article which appeared in the Times on Saturday, June 11, printed in the RECORD at the conclusions of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 5.)

Mr. HUMPHREY. Mr. President, here again, in this article, it has been emphasized that the present way in which civil defense is set up is preventing preparedness against nuclear attack to move ahead as it should. In April, the Governors of New Jersey, New York, and Connecticut joined with the mayor of New York City in urging that the Federal Government assume primary responsibility for nonmilitary defense planning. Both the nature of the problem and its expense are beyond the capabilities of individual State and local governments, or even of a number of States joined in compact.

The nationwide condition resulting from this state of unpreparedness is disclosed in the fifth article in the Times series. It contains a survey of civil defense preparedness throughout the country; and I ask unanimous consent that the article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 6.)

Mr. HUMPHREY. There is also an accompanying article on the extent of civil defense preparedness in Britain, and I ask that it also be made a part of the RECORD at the conclusion of my remarks, as it provides a comparison of the way in which a country which has had much experience in these matters is proceeding in its own efforts.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 7.)

Mr. HUMPHREY. I think that one interesting feature of the British civil defense organization for which we have no counterpart in this country is the "mobile defense column." Forty-eight of these mobile defense columns are being raised to deal with any emergency civil defense situation. Each column contains 600 men, specially trained for civil and home defense service, and they serve as a link between the civil defense forces and the regular Armed Forces. So far as I have been able to learn, no real effort has been made to plan the part that our Armed Forces or National Guard units would play in the emergency created by nuclear attack. They would clearly be called upon, and undoubtedly martial law would be in effect in the devastated areas, which might well be the entire country. But I do not believe the Armed Forces or the National Guard have received special training or any specific assignment that would prepare them to cope with such an emergency. It would seem that this should be a primary part of National Guard training and planning, but so far nothing has been done along these lines, as the responsibility rests outside the authority of the Federal Civil Defense Administration, and the Defense Department is reluctant to take up a mission which is beyond the area of the Armed Forces' usual duties. Here is a situation which the Congress should look into and correct. The subcommittee of the Armed Services Committee has indicated its concern about this situation, and I trust that the Senate Armed Services Committee will look into the role that our Armed Forces should be playing in our civil defense preparedness.

The final two articles in the series on the state of our civil defense preparedness appeared in the New York Times on Monday, and I ask to have them printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 8.)

Mr. HUMPHREY. These articles are concerned with the extent of preparedness to survive nuclear war in New York City and Washington, D. C. It is not an encouraging picture. Recruitment and training of volunteer civil-defense workers is especially unsatisfactory; one New York official termed it "our weakest spot." There is also confusion over the different theories of staying in the city and seeking shelter or evacuating the city. The magnitude of the new weapons perhaps makes evacuation the only possibility, but the former approach to the problem holds over in some matters—such as the use of highways during attack—and causes confusion. It should be interesting and instructive to observe with what success the evacuations of our cities are carried out today. But most evacuations are more theoretical than real, and the question will still remain in large part unanswered of how successfully our entire urban populations could be evacuated in the event of actual attack.

Mr. President, I always hesitate to talk about the possibility of attack. It is a terrible thought. Pray God that it will never happen, but I believe we are grossly derelict in our responsibility under the Constitution to maintain and provide for the common defense unless the Congress spends more time, money, talent, and planning upon civil defense. Surely we ought to be thinking in terms of the great strength of this Nation, which is its people, and its industrial and agricultural areas.

We have had too much conflicting evidence to make us happy. The Senator from Missouri [Mr. SYMINGTON] has called to the attention of the Senate some very strange contradictions in the Department of Defense over our airpower. I understand that the Senate Appropriations Committee will bring to this floor a recommendation for a substantially larger sum of money to strengthen the American Air Force. In the name of economy we have played with the defense and security of this country, and we have done so without a clearcut statement of the facts.

I personally commend the Senator from Missouri for his vigilance, his dedication, and his patriotic devotion to the cause of security and the welfare of this Republic. Had it not been for the Senator from Missouri and others who worked with him, much that has been done in the Pentagon Building in an effort to gloss over the realities of the threat which exists to our Republic would never have been brought to light. I repeat that when a government exercises censorship, it not only denies the people information, but it soon becomes the victim of its own nefarious practice.

There is only one way to guard the security of this Nation and the ramparts of this Republic, and that is by having the American people know the truth, understand the truth, and face up to the truth, and then have public officials respond to the facts and the truth. That is why I speak out today, as our Government is engaged in a civil-defense exercise. The first principle of civil defense is truth, the courage to state it, and the willingness to afford leadership to the American people as they hear the truth.

A great deal more could be said on this subject. But the articles I have placed in the RECORD give a very thorough picture of the degree of our nonmilitary defense preparedness and just how much still needs to be done. I commend them to the attention of my colleagues, and I commend the New York Times for publishing them.

In conclusion, I wish to stress the points I have made in my remarks which I feel require consideration and early action. First, there is the need to reconsider the whole question of where the responsibility for nonmilitary defense lies. I well recognize that it is necessary to enlist the support and participation of State and local governments if our civil defense measures are to be effective. But I wish to make my stand with the mayors and governors, and with the present administrator of the FCDA himself, in their contention that the primary responsibility for nonmilitary defense must be that of the Federal Government.

Secondly, I urge that the Congress take early action on my proposal that a Joint Committee on Civil Defense be established so that nonmilitary defense will begin to receive the continuing and constant attention of the Congress which it so urgently requires.

Third, I hope that President Eisenhower will begin to give leadership to the Nation in our civil defense effort. I respectfully urge him to speak out in clear, vigorous terms to the American people, telling them just what needs to be done and encouraging them to take an active part in the measures which must be taken if we are to insure national survival from the devastating effects of thermonuclear attack.

This requires that the American people be told the facts as to our strength, the facts as to our vulnerability, the facts as to the buildup in the strength of the enemy, and the facts as to our state of preparedness. This requires that there be the closest responsible cooperation between the media of public communication, the Congress, and the executive branch of the Government.

There are too many executive hearings, too many executive sessions, too many off-the-record conferences, and there is too much censorship. The time is at hand to call a halt, or at least to reverse the pattern.

This leads me to my final point, that the administration must give the people all the facts, so that they can understand the nature of the problems which confront us. There should be no secrets from the people except those that involve the utmost security considerations. Putting a nice gloss on unpleasant facts is not the right way in a democracy. I feel quite confident that so long as the American people are supplied with all the facts there will be no hysteria or panic, but they will then be ready to take part in the nonmilitary defense program, a program which has been too long neglected.

EXHIBIT 1

LONE RADAR SENTRIES GUARD UNITED STATES IN ARCTIC VIGIL—EXPENDABLES ON THE ALERT FOR WARNING IF ENEMY STRIKES

(By Anthony Leviero)

ST. LAWRENCE ISLAND, BERING SEA, JUNE 1.—Continental and civil defense begins in a frozen ridge, with a kid from Missouri hunched over a radarscope. He is the sentry of the atomic age.

If you look at a polar projection of the world, you realize that he is considerably west of Honolulu, but only 10 minutes from Soviet soil. Ten minutes for a Soviet type 39 bomber, or 10 minutes for our B–47.

This Air Force GI and his buddies in his secret and desolate outpost somewhere on this big island in the Bering Sea describe themselves philosophically as "expendable." They are not combat troops. But they are far out in the No Man's Land of the "cold war." They are airmen but have no aircraft. They are equipped with nothing but small arms and radar. Anyway you look at it, they are out on a limb.

But these men fight the battle of time. These unsung heroes, if diplomacy and reason fail, will give the folks back home a few hours' warning that atomic war is on the way. The fate of such places as New York, Boston, Chicago, Cleveland, Fort Worth, Los Angeles, Seattle, Ottawa, Pittsburgh, anybody's home town, might be decided by the alertness of these men.

The men here belong to the X Aircraft Control and Warning Squadron. It is one of several hidden in the cloud-shrouded ramparts of North America along the Bering Sea and Strait and the other coastal areas of Alaska.

On the emblems of one outfit are emblazoned the words, "Vigilantia Electronica." This tells their story in a nutshell.

From their radomes, crammed with electronic equipment, they could flash in a few seconds a "red" alert to Continental Air Defense Command Headquarters in Colorado Springs. A red alert means an invasion by enemy aircraft.

From Cape Prince of Wales on Alaska's Seward Peninsula to Kivak on the Soviet Chukchi Peninsula is only 60 miles. From Gambell on the western tip of this island to Naukan, also on the Siberian Peninsula, is 50 miles.

From Gambell on clear nights Americans can see the rotating air beacons on busy Soviet bases. At distances of only 50 and 60 miles, Soviet aircraft raise "blips" on United States radarscopes. American aircraft do the same on the Soviet side.

Between the mainlands of the two continents there is only ice. But on the charts are the coinciding international boundary and datelines cleaving between Big Diomede Island (Russian) and Litle Diomede (American). There is only 3 miles of ice between these islands.

NO BORDER INCIDENTS

It is assumed that Russia has in the Chukchi Peninsula a counterpart of Alaska—an outermost bastion dotted with airbases and troop installations. Vast numbers of American aircraft and thousands of tons of arms and equipment were sent there by way of Nome and other Alaskan bases during World War II.

Despite the proximity of the Soviet and American territories, there have been no serious and untoward incidents such as those in the other frontiers with the Communist world—no United States planes shot down for allegedly violating Communist territory, no incursions of Soviet aircraft.

Up here the masters of the Kremlin cannot use satellites to create incidents. Here it would be Russians against Americans. If anything started between them, it would be for keeps.

Nevertheless, swift jet interceptors "scramble" every day in Alaska and its outposts. The thin golden line scanning around Squadron X's radarscope picks up the blip of an unidentified plane and a warning flashes into the control center of one of the two air divisions that guard Alaska and fly "top cover for America."

On the inclined floor of a former bowling alley, two airmen wearing tennis shoes and trailing long wires from earphones move around on a huge map of Alaska.

They set up lettered and number blocks—"raid stands"—showing the location and course of every single aircraft except bush planes in the air over and around the Alaska territory. Here the direction of the unidentified plane is seen in relation to the terrain and the key targets.

The commander flicks a switch and utters one word: "Scramble." Within 2 minutes F–89D Northrop Scorpions are streaking into the sky to look things over.

It may be only another commercial plane coming over the Great Circle route from the Orient. Every lane from that direction is checked and doublechecked. Or it may be a friendly plane that has gone off course.

Or some day it could be part of a fleet of 500 or more bombers, familiar to American airmen by incessant study of Soviet identification charts. Then the "red" alert would flash into Colorado Springs and several other key places in the United States and Canada.

That is how it would be if the United States were attacked, as military leaders envision it. There would be a massive attack from several directions by hundreds of bombers striking simultaneously at United States airbases and heading for many of the major industrial cities with atomic and hydrogen bombs.

They would meet a rough time along the way. They would have to run several gantlets of air defenses. Interceptors would battle them at every opportunity. Guided missiles would be poured at them wherever they came into range.

SOME WOULD GET THROUGH

Some of these bombers are expected to get through to bring death and destruction to United States cities. Even President Eisenhower has said that there is no such thing as absolute defense.

And once the attackers got through, the home front would be at war. The great problems of civil defense instantly would become real.

The United States would be fortunate, however, if Squadron X flashed the warning. That would mean that a great industrial target such as Detroit might get as much as 5 hours and some minutes of warning.

But military leaders in Washington and Alaska do not underestimate the enemy. If he decided to strike, he would strive for surprise. He would try to go undetected as long as possible.

The foe might come over the top of the world, bypassing strong Alaska at least in the initial stages. He might try to sneak by Point Barrow and Barter Island in the Arctic Ocean and slash down through central Canada.

If he succeeded in this, he might go undiscovered until the radomes of the mid-Canada radar line, or McGill Fence, picked him up. That would mean that Detroit and many other American cities would get only 2½ or 3 hours' warning.

VAST AREA STILL UNGUARDED

The greatest gap in continental defense is no secret. It is the vast expanse of wild terrain across the top of North America, from the eastern boundary of Alaska to Greenland. The task of filling the gap with the distant early warning (D. E. W.) line has just been started. It will not be completed for 2 years.

The eastern approaches to the continent now are screened by Air Force bases on Greenland as well as by picket ships at sea and radar airplanes that extend the defense line as far east as the Azores and along the Nation's coasts in a continual patrol.

Continental defense is a serious business in this vast and complex territory. There

the airplane is the common transportation. There are other, smaller gaps in the defenses, in the interior as well as along the coasts. Work goes on constantly to plug them.

New aircraft control and warning squadrons are being established in remote places. Some now in operation cannot be reached by automobile, ship, or railroad. They are supplied the year around by C–47 aircraft. Sometimes the weather is so bad that the supplies must be dropped by parachute.

The Army is building Nike guided-missile emplacements at key places. Fleets of military and commercial aircraft under an agreement with Canada are rushing equipment northward for the DEW line.

Later this month, as the ice breaks up, 32 ships of the so-called Mona Lisa Operation will be making amphibious landings of tons of supplies along beaches with tricky tides and rough surf and cluttered with jagged volcanic rock and ice floes.

CARGO PLANES NEEDED

For Squadron X a ship gets through only once a year with the bulk of its supplies. It must rely on cargo planes for other needs. Some heavy equipment for the DEW line also will be brought in by ships.

Here continental defense is almost everybody's business, too. Alaska is somewhat like a theater of war, calm but alert.

The chain of service extends from keen-eyed Eskimos, hunting guides, housewives, missionaries, and other types of volunteers up to the joint Army, Navy, and Air Force units. These are under Lt. Gen. Joseph Atkinson, the theater commander. He is an Air Force officer.

Radar is not perfect in its coverage. There is not enough of it to go around in a vast territory. Hence, about 1,000 volunteers blanket Alaska with the 200 posts of the "Sadie Hawkins" network of the Ground Observer Corps.

The Air Force is proud of civilian volunteers for their around-the-clock sightings of strange or unidentified aircraft. Such information reaches the air defense control centers by radio in minutes.

Recently the Reverend Vincent Joy up at Glenallen interrupted his Sunday school class. He rushed to his telephone and soon was "calling Sadie Hawkins" to report an unfamiliar aircraft overhead.

Between the remote radar sites and watchful volunteers in every village no unidentified plane bigger than a bush aircraft goes unreported.

TWO AIR DIVISIONS

Military leaders believe they could cope with any attack by Russia against Alaska itself. This bastion for Alaskan and continental defense is being run, however, like some other American military establishments, on a calculated risk basis. The commanders could use more of almost everything. But they do not complain.

Under the Alaska theater commander is the Air Command, headed by Maj. Gen. George R. Acheson. This consists of two air divisions. The Tenth is based at Elmendorf Air Force Base, under Col. Dolf E. Muehleisen. The Eleventh is based at Ladd Air Force Base, under Brig. Gen. T. Alan Bennett.

These divisions are capable of all-weather operations, although there is one squadron of day fighter-bombers, saberjets. The number of wings and squadrons in each division is a military secret. It can be said that they are under strength.

The United States Army in Alaska under Maj. Gen. James F. Collins has less than a division here. Two regimental combat teams are within Alaska. A third is at Fort Lewis, Wash.

The Navy Alaskan Sea Frontier has operating bases on Kodiak Island on the south coast and at Adak in the Aleutian chain. From there is carried on patrol and reconnaissance missions in the Bering Sea.

These are the sinews of strength in the Alaska Territory. General Acheson expects his forces to give a good account of themselves when and if the wrong kind of "blips" turn up in the radome on a distant mountain top.

EXHIBIT 2

UNITED STATES VULNERABLE TO BOMB THREAT—NATION GIRDS FORCES, ENTERS THE AGE OF CONSTANT ALERT THOUGH COLD WAR EASES—CIVIL DEFENSE BLURRED—MANY PROBLEMS UNSETTLED—STRATEGIC AIR COMMAND KEY TO STRIKING POWER

(By Anthony Leviero)

WASHINGTON, June 8.—The liberation of Austria, talk of disarmament, and negotiations for a top-level Big Four conference have sweetened the atmosphere of the cold war. Nevertheless, civil defense will continue to be a great national problem.

Regardless of the ultimate fruits of peace efforts, this country's immunity from attack has been erased irrevocably by intercontinental bombers and nuclear weapons.

President Eisenhower has called attention to the revolution in military concepts in this atomic age and the burdens it has imposed on the Nation. For the American people the most striking consequence of the revolution is that the country has become vulnerable to attack by a foreign power for the first time since the British burned the Capitol and the White House in the War of 1812.

REQUISITES FOR SURVIVAL

Hence, the age of constant alert is at hand. In his backyard the citizen views with reassurance mixed with uneasiness the deadly Nike guided missile, thrust spearlike at the sky. Jet interceptors crack the sound barriers as they scramble from a nearby base to investigate unidentified aircraft.

National leaders counsel that survival depends on resoluteness, economic stability, and strong military power. The citizen himself may be serving as a civil defense volunteer.

The menace is formidable. The destructiveness of the thermonuclear, or hydrogen bomb, has made the power of the model-T atomic bomb seem puny. Yet, Americans have had to make the psychological transition from virtual isolation to the thermonuclear threat without experiencing modern warfare on their home soil. Consequently, both the public and Congress have been slow to appreciate the real proportions of danger.

A do-something feeling was roused after last February 15, when the Atomic Energy Commission disclosed that the hydrogen bomb tested March 1, 1954, had spread a lethal fallout over a 7,000-square-mile area in the Pacific.

A surprise attack of that scope on land would have wiped out every exposed person in an area about the size of New Jersey. Val Peterson, Federal Civil Defense Administrator, has said that a single attack on that scale probably would require the evacuation of 92 of the larger cities. It could result in the immediate destruction of 50 percent of the country's industry, he added.

U. N. ACTION SOUGHT

Some officials and scientists have warned that drastic civil-defense measures are necessary if millions are not to die in such an attack. Others have argued that defensive measures will ameliorate, but not prevent, the holocaust and have pleaded for real disarmament and moral action by the United Nations.

President Eisenhower has said a thermonuclear war is inconceivable, and he is persistently exploring approaches to a stable peace. Since the Soviet Union has also tested a hydrogen bomb, it is assumed its leaders are aware that the bomb contains the seeds of destruction for Western civilization.

Under present circumstances, neither the United States nor any other free nation can accept the assumption that the Kremlin would not use the dread weapon.

As an insurance measure the United States has been amassing military and atomic power that is poised for instant action. The most vital element of this power is the Strategic Air Command, with its girdle of bases around the world. By all indications, this force has deterred Russian plans for conquest.

Public realization of the awful power of the thermonuclear bomb has stirred doubt and confusion as to the adequacy of defensive measures for the homeland. Is defense against atomic and hydrogen bombs feasible or should the effort be abandoned as futile? Is the Federal Civil Defense Administration efficient or is it floundering under well-intentioned but imprecise policies? Has Congress faced up to its responsibility or has it been looking the other way?

Should the citizen rely for survival on a shelter or an evacuation, or should be prepare to resort to both? Has the administration overemphasized security at the expense of informing the public about the things it must know for survival?

NATIONWIDE TEST DUE

Future articles will report on current thinking and action on these problems. The citizen may reach conclusions of his own from Operation Alert 1955 on June 15, 16, and 17, when Federal and local civil-defense organizations stage a nationwide test. It will be based on a hypothetical nuclear attack on 50 of 92 critical target cities.

Meanwhile, a survey of the problem is far from comforting except in the assumed ability of the Strategic Air Command to strike at the Soviet Union in case of war.

The purely military aspects of defense, embodied in the Continental Air Defense Command, have not advanced as far as the SAC. But they are being pressed vigorously. It is civil defense, the realm of the civilian, that is afflicted both by official and private inertia and marked by serious deficiencies both in planning and accomplishment.

The military aspects of the problem size up as follows:

The doctrine that offense is the best defense still is sound on the battlefield. But as a result of the revolution in military concepts President Eisenhower has said it is now necessary to assign as high a priority to defensive as to offensive measures.

This necessity has compelled a revision of strategic doctrine, with the emphasis on air power and the subordination of surface forces; heavy tax burdens and an uneasy way of life for the people.

Gone is the traditional policy of concentrating most of the national effort on mobilizing a large, well-equipped expeditionary force. When that was possible in the pre-atomic age, comparatively small and cheap domestic defensive measures were adequate.

Under the new concept the greatest military power of the United States is still offensive in nature but is massed in the Strategic Air Command. This force, with headquarters in Omaha, has become a byword of strength and security. It's fleet of atomic bombers maintain a world round-the-clock alert. In a matter of hours after an alarm has been given, the bombers can swarm over their objectives.

A COMPLEX SYSTEM

The purely defensive measures are newer and still developing. They are embodied in the vast, complex continental air defense system in which the United States and Canada are harmonious partners.

Continental defense radiates outward and inward from the Arctic Circle, employing ground, sea, and air elements that sweep in a great arc from the ice cap to the Hawaiian

Islands in the Pacific and to the Azores in the Atlantic.

An air alert from a lonely radar sentry post in the Arctic would flash simultaneously through the Canadian air defense system, to the SAC, and the United States Continental Air Defense Command (CONAD) in Colorado Springs, Colo.

Vast offensive and defensive forces could be sent into action in a matter of minutes. Jet interceptor squadrons would go up to identify the intruders and attack instantly if they were hostile. Squadrons of the SAC would be dispatched to strike the enemy's home bases.

Radar stations would plot the course of the aerial invasion. In the gaps not covered by radar, some of the 400,000 volunteers of the Ground Observer Corps, manning 13,000 stations, would help. Soon, on the east coast, the first of more than a score of Texas Tower radar units would be operating. At the sea approaches, warships under the control of CONAD would engage the invaders.

Army Nikes and antiaircraft batteries would engage planes that penetrated to big cities and industrial centers. With the first warning, Civil Defense organizations would take steps to help the populace.

For overall missions of retaliation and defense, both the SAC and CONAD come under control of the Joint Chiefs of Staff. The continental force is headed by Lt. Gen. Earle E. Partridge. Under him is a joint staff drawn from the Army, Navy, and Air Force, Canadian Air Defense Command, Federal Civil Defense Administration, Office of Defense Mobilization, Civil Aeronautics Authority, and the Ground Observer Corps.

TWELVE AIR DIVISIONS

The main unit is the Air Defense Command, with 12 air divisions. Each has one or more wings normally equipped with about 75 jet interceptors. There is one noninterceptor division, the Eighth Airborne Early Warning and Control, that operates on the east and west coasts. Also under the CONAD are the Army Antiaircraft Command and the Naval Forces Continental Air Defense. General Partridge has a joint staff with high-ranking officers from the three services.

These three major commands are integral parts of the Air Force, Army and Navy, respectively. But for tactical and command purposes they are divided among the three main subdivisions of the Continental Air Defense Command—the Joint Eastern Air Defense Force, Stewart Air Force Base, N. Y., the Joint Central Air Defense Force, Grandview, Mo., and the Joint Western Air Defense Force, Hamilton Air Force Base, Calif.

The joint staff concept, including representatives of civilian agencies, is carried down to the civilian level. Thus, each division of the Air Defense Command comes under the control of a Joint Air Defense Division staff, where the operations of interceptor, antiaircraft and naval units are coordinated. Here local operations of the Federal Civil Defense Administration and other agencies are tied in, too.

While the resources of the Continental Air Defense Command are impressive, serious gaps in the system still exist. It is generally believed that if the Soviet Union made a large, determined attack, a sizable number of bombers would get through to key United States targets.

BIGGEST DEFICIENCY

The greatest single deficiency is in the early warning system. The Civil Defense Administrator said he would expect to get 4 to 6 hours' warning of an attack over the polar region. But military quarters say an enemy force may get through without betraying its presence until 3 hours before it is over United States targets.

Reliance for early warning is being placed chiefly on 3 radar lines, but it will be about 2 years before the northernmost of these is completed. The Pinetree Line, disposed in depth on both sides of the Canadian border and built jointly by the United States and Canada, is fully operational.

The Mid-Canada Line (McGill Fence), built entirely by Canada and disposed generally along the 55th and 56th parallels, is operating in some sections, but is not complete.

The Distant Early Warning (D. E. W.) Line was started this spring on a "crash" basis. It is being built by the United States, by permission of Canada, within the Arctic Circle on the most northerly practicable land masses along the 68th and 70th parallels. This line would cover the desolate, far northern Canadian territories through which an enemy might fly undetected until he reached the Mid-Canada Line.

The western region is covered by United States installations in Alaska, including a radar station on Barter Island just north of the 70th parallel. But the central sector is generally wide open. Into this region, under agreement with Canada, the United States Air Force this spring has been bringing construction equipment.

Caterpillar trains moved inland as deep as 700 miles with the light bulldozers to begin laying foundations for radar stations. Later, shipborne equipment will be moved in for this line which, because of the forbidding terrain and climate, will be largely automatic.

HOPE TO SAVE 3 HOURS

It is only about an hour and a half flying time from Chicago to the 60th parallel, which cuts through Hudson Bay. By extending the early warning system into the Arctic with the D. E. W. Line it is hoped to save at least 3 hours.

The cost of defensive measures in the preatomic age was negligible compared with the hundreds of millions being poured into projects of this kind. The aim is to erect practicable defenses for 3 million square miles of territory, including 10,000 miles of borders and an aerial fence 11 or 12 miles high.

The Defense Department has not disclosed the cost of radar fences. The Pinetree Line alone is reported to have cost $250 million, of which the United States paid two-thirds and Canada the rest. The D. E. W. Line is expected to cost at least as much.

Nike guided missile enplacements are being built as rapidly as possible around more than 15 major American cities for close-in defense. This program alone is costing more than $1 billion. Robert T. Stevens, Secretary of the Army, told Congress last week that another $160,500,000 was needed.

The cost of these defensive measures has been steadily rising. According to the Defense Department, an estimated total of $1,900,000,000 was spent for continental air defense items in the 1954 fiscal year. This year the figure has risen to $2,400,000,000. For 1956 it is estimated at $3,300,000,000.

This does not tell the whole story, however. Items such as ammunition and jet-interceptor fighters, which may be used for offensive as well as defensive missions, are not listed in the budgets for continental air defense.

There are the salient features of the continental air defense situation as Washington studies evidence that the Soviet Union has begun substantial production of intercontinental bombers, jet medium bombers, and all-weather fighters. Such forces may seriously challenge the Strategic Air Command's ability to penetrate into Russia.

EXHIBIT 3

THERMONUCLEAR BOMB BLAST JOLTED UNITED STATES CIVIL DEFENSE LEADERS, BUT PROGRAM STILL LAGS—PETERSON SEES NEED FOR EVACUATION STUDY IN 100 COMMUNITIES

(By Anthony Leviero)

WASHINGTON, June 9.—The disclosure last February of the immense power of the thermonuclear bomb has jolted some of the inertia out of official and public attitudes on civil defense planning.

There has been a quickening of interest as the vast proportions of civil defense needs daily become more apparent. The impact has been greatest on officials. They know the full implications and capabilities of the weapons.

But much of this knowledge is being withheld. Scientists say there can be no intelligent civil defense planning until the public gets more definite data on radioactive fallout.

Few have been the human problems of modern times that compare with those following the disclosure that the weapon commonly referred to as a hydrogen bomb, tested in the Pacific in March 1954, had spread a lethal fallout over an area as large as New Jersey.

The toughest aspect of the problem is that man's propensity for war and his technological ability to develop dread weapons appear to be running away from his moral and political capacities for achieving peace and brotherhood.

A SHOCK FROM PETERSON

Almost as staggering is the realization that millions accustomed to a highly developed urban life would be compelled by a hydrogen bomb attack to flee to the rural areas.

Planning has gone barely beyond the "think-about-it" stage. Millions would have to move out into rural or suburban areas. Great numbers would have to take refuge in conditions approximating the life of the aborigines.

For many there would be shelter in farmers' basements, barns, schools, churches, in every form of man-made or natural object that would afford shelter from radioactive fallout.

But Val Peterson, Federal Civil Defense Administrator, shocked a Senate subcommittee recently by making clear that for multitudes shelter would mean crouching under culverts or in simple trenches, without sanitary facilities, along the highways radiating out of the big cities.

He spoke also of laying concrete pipelines along the roads in which refugees could huddle. He made this sound well-nigh impossible, however, when he explained that such pipelines would cost $40 a person for about 25 million persons. He told the Senators bluntly this was a matter of "stark survival."

Those who felt reasonably sure of being outside the immediate target area could build comparatively inexpensive concrete shelters. Those caught in the open and still alive could dig a hole or trench to protect themselves from the first severe dose of fallout.

MORE FUNDS FOR ZOO

No part of the $1 billion for pipelines is at hand, nor have any trenches been dug. In fact, the whole civil defense situation might be placed in perspective by citing a bit of evidence placed recently before the Civil Defense Subcommittee of the Senate Armed Services Committee.

This showed that the United States Capital, with more than a million residents and the seat of National Government in its metropolitan area, had received from Congress $115,000 for civil defense in the fiscal year 1955, as compared with $660,000 for the zoo.

The Senators quickly assured the Capital's children that they favored support of the zoo. They expressed concern also for the civil-defense situation. The record of Congress, however, has been one of meat-ax slashing of every appropriation request from the Federal Civil Defense Administration since 1951.

This example of the Capital and the zoo characterizes in more or less degree the various aspects of the Federal civil defense operation.

The subcommittee headed by Senator ESTES KEFAUVER, Democrat, of Tennessee, called upon President Eisenhower to "assume personal responsibility" for an adequate civil defense. Its report cited deficiencies in planning for evacuation, feeding, and medical treatment of refugees and contended that the Federal Government was shifting too much of the responsibility to the States and cities.

Between the fiscal year 1951 and the current fiscal year of 1955, the Federal Civil Defense Administration asked Congress to appropriate $1,748,950,000 for five phases of its work. Congress, however, approved $247,741,000 for the 5 years.

For the 1956 fiscal year beginning July 1 the agency asked for $59,300,000. The House of Representatives has approved $53,400,000. The Senate has not yet acted.

The agency requested a total of $403 million for the fiscal year of 1951, but Congress approved only $33,581,000. For operations it asked $8,300,000, as against $3,581,000 approved; for Federal contributions to States, $21,291,700, as against $25 million approved, and $25 million for use in a revolving procurement fund, as against $5 million approved. In addition, it asked without success that year for $98,348,300 for emergency supplies and equipment and $250 million for protective facilities.

The agency generally began toning down its request. In contrast to the 1951 figures, for example, it asked for a total of $85,750,000 for work in the fiscal year of 1955. Congress approved $49,325,000. For operations in 1955 it requested $11 million to the $10,025,000 approved; for Federal contributions, $14,750,000 to $13,300,000, and for stockpiling emergency supplies and equipment $60 million to $26 million.

SOME REQUESTS DROPPED

For the coming fiscal year of 1956, it asked $11,600,000 for operations, $12,400,000 for Federal contributions and $35,300,000 for stockpiling emergency supplies.

Since the $5 million approved for the procurement revolving fund for 1951, nothing further was approved for that activity. And, after requesting funds for protective facilities, such as shelters, for 3 years, to no avail, the agency omitted all such requests after the fiscal year of 1953. It then also stopped asking for revolving-fund money.

For the fiscal year of 1952, the agency asked for a total of $535 million and Congress approved $75,310,000. For 1953, it asked for $600 million and got $43 million. For 1954, it requested $125,200,000 and got $46,525,000.

For the fiscal year 1956 the Civil Defense Administration has made two requests. It asked $59,300,000 and the House Appropriations Committee approved $53 million. Then when the fallout problem was realized, the President sent up a supplementary request for $12 million. Of this $10 million would be used to survey the evacuation problem for about 100 critical target cities. The rest would be for scientific research of the fallout problem. The House committee threw out the $12 million item. Now the Senate is being asked to restore both requests fully.

The tendency in recent years at the Capitol and in some public quarters has been to regard the Federal Civil Defense program as a boondoggle. Until the historic fallout report, Congress did not consider the thermonuclear threat as a clear and present danger. Civil defense was treated as an area in which economies could be made easily.

Also in this period there was a tendency to criticize its administrators, Mr. Peterson included, as to their leadership qualities and technical ability.

Some administrators were still, small and unpopular voices crying in the political wilderness. Mr. Peterson has preached his cause all over the Nation, within the security limits permitted by the Atomic Energy Commission.

On the other hand, the Federal Civil Defense setup has been used to some extent as a patronage vineyard. Jobs have been given to political workers and to make employment for defeated candidates, sometimes without regard to their planning, administrative or operating abilities.

A DIFFERENCE ON PREMISES

Thus volunteers have not always been inspired by the quality of leadership they have received from Civil Defense officials on the public payroll. As a result, some have lost interest in serving. Some observers concerned with the problem raise the question why more use is not made of retired Army and other service officers at the Federal level of Civil Defense.

Such officers are in virtually every branch of the Government, including the White House, where their organizing experience abilities are put to full use. The problems that would arise during and after an atomic attack would be much like those that many retired officers coped with in a theater of operations.

Now, the real proportions of the problem are becoming understood. Members of Congress as well as governors and mayors, have disputed the defense agency's fundamental position that it lays out general policies and carries out operations peculiar to the Federal Government, but that the primary responsibility rests with the local governments.

"The present law places responsibility for Civil Defense primarily on the States and localities," said Mr. Peterson in a recent interview. "A tremendous responsibility has got to be on them. That is where people live and where they work, and on what each person does depends the success of Civil Defense."

Mr. Peterson said some had argued that since a thermonuclear attack was a military attack, Civil Defense should be mainly a national responsibility. His reply is that it is a joint responsibility of Federal, State, and municipal governments.

Then, others contend that only the Army would be able to cope with a thermonuclear disaster. They say that the responsibility should be transferred to the Defense Department. Charles E. Wilson, Secretary of Defense, has said that he certainly would not reach for this responsibility.

Not much thought has been given to the role of the military. Mr. Peterson acknowledged, however, that "unquestionably there would be martial law in an attacked area." He also believed that the governors would have National Guard units, as well as some Reserve and Regular Army organizations, available to help after an attack. This would mean that a large portion of the Nation's mobilization day force would be tied down by police and relief measures.

The fact remains that the United States has 50 different civil defense organizations—one for each State and the District of Columbia and the Federal agency, to say nothing of the organizations in the Territories. There are no regional groupings that could exercise command in atomic disasters that would spread over one or more State boundaries.

A city on the border of a State—and Washington is a small entity between Maryland and Virginia—might have to rely for succor on the willingness of a governor of the adjoining State to employ resources he is husbanding for his own people. Therefore, unless new civil defense command channels are established for war on the homefront, they will have to be improvised under martial law when the first bombs drop.

INDUSTRY'S PROBLEM UNSOLVED

The fate of civilian populations remains the first priority problem. The other relating to dispersion of industry, meanwhile, has gone virtually unheeded. Recognizing that the economic life of the Nation depends on the industrial complexes, now highly concentrated, the Government in July, 1952, began offering tax amortization incentives for plant dispersal. As of February 15, only 637 projects amounting to $4,700,000,000 for plant and equipment had met the dispersion criteria.

Mr. Peterson has referred to this as "rather slight." Arthur S. Flemming, the Director of the Office of Defense Mobilization, acknowledged before the Kefauver subcommittee that the key criterion for tax amortization had been made obsolete by the hydrogen fallout report. He referred to the requirement that plants would have to move outside a 10-mile radius of congested urban areas.

Ever since Lewis L. Strauss, Chairman of the Atomic Energy Commission, disclosed in February that the thermonuclear bomb had spread a lethal fallout over 7,000 square miles, two aspects of his report have created controversy. First was the security policy that withheld the vital data from the public for nearly a year. Second was the duration of radioactivity over so great an area.

Both questions remain confused in the public mind. Some scientists and Members of Congress have criticized the delay bitterly on the ground that knowledge affecting the safety of 165 million far outweighed the security considerations.

Moreover, scientists contend that any scientists, including Russians, could deduce the power and nature of the weapon from data published here and in Japan.

Mr. Strauss told a congressional subcommittee earlier this year that the report had been delayed nearly 3 months for fear that it would adversely affect certain international situations.

Japanese physicists have published exhaustive analyses of the radioactive effects on the crew of the *Fortunate Dragon*, a fishing boat that suffered a heavy radioactive fallout about 100 miles from the explosion.

REPORTS DATA ANTICIPATED

The essential data in the Strauss report had been anticipated by Dr. Ralph E. Lapp, an American atomic physicist, in the Bulletin of the Atomic Scientists. He said he had used extant data. Recently he testified before the Kefauver subcommittee that the weapon was not a hydrogen bomb but of another type and even more powerful.

Mr. Peterson has repeated the fact that radioactivity decays readily. He is on record as saying it is possible to move around an attacked area after 4 or 5 days. Dr. Willard F. Libby, an Atomic Energy Commission member, also gave this impression to the Civil Defense Subcommittee.

Senator KEFAUVER had observed, "As I understood Dr. Libby's testimony, and others, it would take at least 3 days before the lethal effect of the fallout would diminish sufficiently so you would be able to move around."

Mr. Peterson replied: "No; I believe it is more correct to say, Mr. Chairman, that depending upon the dosage, it might be a matter of hours to days and probably not over 4 or 5 days—but a matter of hours."

Atomic physicists in the Capital are indignant over statements like this. They say it gives the impression that evacuated persons could return to their homes in a fallout area and resume more or less normal life in 4 or 5 days.

They say that while decay of fallout is comparatively rapid, its persistency makes it hazardous for as much as a year. The impact area itself may become untenable forever, the scientists believe.

The factor still undefined for the public is the persistence of fallout. Mr. Strauss reported that the rate of radiation for the first 36 hours was 2,000 Roentgen at 110 miles from the point of explosion. A Roentgen is a measure of comparison with X-ray strength.

Before the Kefauver committee, Dr. Libby expressed a fallout law as follows: "A fallout that occurred at the end of 1 hour after the bomb had been detonated would, at 7 hours, be one-tenth as strong, and after 2 days would be one-hundredth as strong, and after 2 weeks would be one-thousandth as strong."

EXAMPLES OF DURATION

Dr. Lapp has translated this formula into layman's terms to show that:

From the 5th hour after an explosion on a Monday to the following midnight the fallout referred to by Mr. Strauss would amount to 1,600 roentgens.

From midnight of Monday to midnight of Tuesday, an additional 500 roentgens.

From midnight of Tuesday to midnight of Sunday, an additional 800 roentgens.

From the end of the first week to the end of the first month, an additional 720 roentgens.

From the end of the first month to the end of the first year, an additional 840 roentgens.

Radioactive poisoning is cumulative, so that the condition of a person remaining in a contaminated area would worsen day by day. Thus, if an explosion occurred on January 1, and if a person waited until after the first month to reenter a fallout area, and assuming that through ignorance or other causes he did not take safety precautions, he would absorb 840 roentgens by the end of the year.

The generally accepted standard is that 450 roentgens absorbed within a day or so will kill half the persons exposed to them, and seriously sicken the others. Mr. Strauss said a dose of about 25 roentgens over a brief period would produce temporary blood changes. A dose of about 100 roentgens may produce nausea and other symptoms of radiation sickness.

A LIMIT ON EXPOSURE

In conducting atomic tests at the Nevada proving grounds, the AEC does not permit persons in the area to receive more than 3.9 roentgens in a year. Laboratory workers are allowed a maximum exposure of three-tenths of a roentgen a week.

Thus scientists question how anyone but a protected worker could enter a contaminated area, and then only for brief periods. Both the Atomic Energy Commission and Mr. Peterson advise washing down houses and turning over the earth to cover radioactive material. Scientists explain that if a citizen were able to decontaminate an area 50 feet in diameter, he would be reducing the radiation dose by only 50 percent.

The surrounding area still would be radiating poison. If a few acres of woods were nearby the task would be beyond the ability of the individual. And this problem of eliminating contamination from the immediate home environment does not consider contaminated food and water supplies.

While this issue is left clouded by the pertinent officials, the citizen seeking to decide between flight or building a shelter has no basic guidelines.

Mr. Peterson is seeking, meanwhile, to rouse more public and official interest in what he calls the preattack phase of civil defense. He explains that the postattack phase is well conceived. Hundreds of thousands have volunteered for auxiliary police, fire, rescue, welfare, communications, and medical services.

PREATTACK PLAN STRESSED

The Civil Defense Administration has accumulated $131 million of a proposed $411 million reserve of medical supplies that would be needed to back up the States in handling 5 million casualties for 3 weeks.

Mr. Peterson explained that the American Medical Association had told him this number of casualties was all that the Nation's medical resources could care for. And this is only by using chiropractors, veterinarians, and everybody else with a smattering of medical knowledge.

Until the fallout report, the preattack phase had received little consideration. Mr. Peterson said this was the most critical phase because this was where countless lives might be saved.

Most important, he said, is to evacuate cities, and, second, for people on the edge of cities to build themselves basement or backyard shelters. Such shelters, with sanitary facilities and air conditioning, as recommended by Mr. Peterson, probably would cost $2,000 and up.

Mr. Peterson has arrived at a rough formula by which the individual would decide whether to hide in a shelter or flee. He expresses it this way:

A thermonuclear bomb with the power of 20 million tons of dynamite, if it struck Manhattan, would cause complete destruction in a radius of 5 miles, and diminishing degrees of damage to a radius of 20 miles. By complete destruction is meant "buildings fractionalized, pulverized, vaporized, and a crater 1 mile or 2 miles wide and 175 to 200 feet deep" in which you could bury 14 Pentagon buildings.

Persons living 15 miles, perhaps even 11 miles, from an anticipated aiming point, might build a backyard or basement shelter. If they survived they might be able to come out in 4 or 5 days. But persons living closer should evacuate.

Mr. Peterson has said that tests by cities point to the feasibility of evacuating millions. These have been tests conducted without a real threat and therefore with a minimum of anxiety and disorder.

FUND FOR STUDY DEMANDED

Evacuation is now the policy relied upon as the chief means of safety for millions. But this is only a beginning. What is to be done with millions once they reach the countryside?

Those whose cities have been actually attacked must be sheltered and fed indefinitely. Even plans for this are nonexistent except perhaps for a few cities. The populations of cities not attacked would return to their homes until the next alert.

Mr. Peterson is adamant in saying that he cannot make a start and will not ask a penny to build shelters until Congress furnishes the $12 million for the evacuation and fallout studies. He said it was necessary to determine for 100 cities just how many could be sheltered in factories, basements, stores, churches, schools, and culverts, 15 to 50 miles from their home towns.

When this much is known, the defense agency would decide on how many roadside shelters would be needed for the rest of the refugees.

For such metropolitan areas as New York and Boston, where one city impinges on the boundary of others, the problem is even more complex.

It is Mr. Peterson's philosophy that there is no place for fatalism in the face of the threat of the thermonuclear weapon. His position is that measures may be taken that can save countless lives. It is evident, however, that there is a great void between the neighborhood volunteer with a rescue mission and national planning for preattack measures affecting whole cities.

FALLOUT OF BOMB A DEFENSE FACTOR—SHOWER OF RADIOACTIVE DUST AFTER THE EXPLOSION MAKES WIDE AREA UNSAFE—EXPERTS SPLIT ON TESTS—AEC SCIENTISTS DISCOUNT GENETIC DANGERS BUT OTHERS HAVE DOUBTS

(By Robert K. Plumb)

Radioactive fallout is a shower of dust after a thermonuclear explosion.

The ugly mushrooming cloud that has become the trademark of atomic explosion is made up of dust. The particles are spread by the winds after an explosion. They settle down over wide areas where the winds move them. Or they are carried down in rain or snow.

The official report of the Atomic Energy Commission published February 15 described fallout following the tests of what was probably the first fusion weapon on March 1, 1954, in the Pacific proving grounds. White calcium oxide fell like snow as far as 160 miles downwind from the blast site, the Commission said. An area of 7,000 square miles was made unsafe for human habitation.

The Commission referred to the Pacific explosion as a thermonuclear detonation. Ordinarily, this might be taken to mean that a hydrogen fusion device had been set off. Some other fusion device might actually have been exploded, however.

The hazard of fallout in civil defense has been appreciated slowly in the 3 months since the Commission's report. Only a suggestion of the exact problem, however, has been made public thus far.

Fallout peril depends upon how much radioactive dust is created in the moments following the explosion. In an air burst, dangerous fallout dust is made up of fragments of the casing of the bomb and its vaporized mechanical components plus the end products of the fission and fusion reactions. A wide range of chemical elements is involved.

Also, some stray dust particles floating in the air may become irradiated to a high degree. But the total amount of air burst dust is relatively small.

The fallout hazard is much greater with an explosion near or at the surface. Tons of earth and rock and other terrestrial objects destroyed by the explosion are sucked up into the great mushroom. Intense radiation transforms these particles into hot radiation emitters.

DUST SPEEDED BY WINDS

The great force of the explosion (the Pacific test was one generating the force of millions of tons of TNT, according to the Commission) blows the radioactive dust very high.

It boils up to 80,000 feet or more, to heights that are not well explored. The dust speeds with the winds aloft. Their speed and direction determine the ultimate size and shape, and the direction from the blast site, of the elongated cigar-shaped pattern within which radiation was found to be lethal in the Pacific tests.

According to the Commission's report, air-burst fragments are mostly lightweight. They may travel far, perhaps around the world, in a week or two. The light fragments take a long time to come down.

Irradiated particles always lose their strength with time. So particles that travel a long distance over a long time are considered relatively harmless.

This is not true of the heavier surface explosion particles. They fall soon, while they are still very hot. In the Pacific test, island coral was burned to unslacked lime and irradiated. Blown into the air, it absorbed water.

Eight hours after the explosion, a white radioactive snow of hot calcium oxide and water particles began. It fell as far as 160 miles downwind. Particles formed a deadly white mantle where they rested. The size of these heavy fallout particles varied between one-fiftieth and one-thousandth of an inch in diameter. Not all fallout particles can be seen, but hot ones always can be detected by radiation detectors.

RADIATION BURNS BODY

The term "radiation" describes a variety of ways in which energy is transmitted through space. Light is radiation. So is heat.

Four radiations associated with thermonuclear explosions (in addition to heat and

light) are alpha beta and gamma rays and streams of neutrons. (Alphas are speeding helium cores, betas are high-energy electrons, gammas are high-energy X-rays. Neutrons are chargeless particles that can act like subatomic rifle bullets.)

All these radiations can change living and inanimate organisms. The mechanisms are not clear. The effect is somewhat like a burn, sometimes a burn of vital tissues deep within the body.

Radiation is not often if ever immediately fatal. But it can damage the body so that the victims weaken and die gradually. Radiation damages the machinery of cells, the smallest units of living materials. No cure for radiation overexposure is known. Some cells are more sensitive to radiation than are others. Some cancerous cells, for instance, are killed by radiation while surrrounding normal cells are not damaged.

Damage to a living body by radiation depends upon the type of the radiation, the intensity of the radiation, the time it impinges upon a radiation victim, how close he is to the source.

Radiation is measured in curies, by comparing it with the strength of radium, or by comparing it with X-ray strength, in which case the measure is roentgens. Curies were named for Pierre and Marie Curie, discoverers in 1902 of radium. Roentgens for Wilhelm Konrad von Roentgen, German physicist who discovered X-rays in 1895.

LARGE DOSES USUALLY FATAL

According to the Atomic Energy Commission, exposure to 25 roentgens over the entire body for a short time produces temporary changes in the blood. A similar 100-roentgen exposure produces symptoms of radiation sickness. An exposure of 450 roentgens is fatal to about half those who receive it. Larger doses are more often fatal. Very large doses are invariably fatal.

The body can recover between exposures. The Atomic Energy Commission and other authorities have set three-tenths of 1 roentgen as the maximum exposure to which a normal person can be subjected week after week without harm.

In some weeks higher exposures are allowed if the yearly exposure does not exceed 15 roentgens. Small doses are believed free of immediate hazard. Medium doses can be withstood. Large doses are usually fatal.

At the instant of a thermonuclear detonation, very high levels of radiation are created. However, according to Federal estimates, these flashes of gamma radiation and strong streams of neutrons do not extend much farther than the area ravaged by blast and heat waves from the explosion.

Fallout, beginning sometime after the explosion, extends the radiation danger way out from the blast site.

According to the February report of the AEC, during the first 36 hours after the 1954 detonation, the following levels of radiation were measured:

Ten miles downwind from ground zero, 5,000 r.

100 miles downwind from ground zero, 2,300 r (at one point).

110 miles downwind from ground zero, 2,000 r.

125 miles downwind from ground zero, 1,000 r.

160 miles downwind from ground zero, 500 r.

190 miles downwind from ground zero, 300 r.

220 miles downwind from ground zero, survival after 48 hours exposure without protection likely.

PATTERN ROUGHLY PREDICTABLE

These figures present only an approximation of the distribution of fall-out radioactivity, the Commission said. There were some very much hotter spots and some places of relative freedom from radiation. The exact pattern of fallout can be predicted only roughly, it was said. Accuracy depends on knowledge of the dust formed and on knowledge of future weather movements.

Some Civil Defense authorities have suggested that a fall-out area might be relatively safe after as short a period as a few days.

No precise description of what happened in the test of the big device in the Pacific has come from the Atomic Energy Commission. However, in the current issue of the Bulletin of the Atomic Scientists, Dr. Ralph E. Lapp, a physicist and former executive of the Atomic Energy Commission, calculates from the reported 110-mile-downwind measurement of the AEC that radiation there would remain as high as 840 r (if it was 2,000 r after 36 hours) on the surface within 1 year.

No other estimates of the duration of fallout radiation as a hazard to life, which appear to be based upon sound analysis of the Pacific results, are available. Fallout from smaller detonations would pose a smaller problem.

Efforts to wash off radioactive fallout, to shield persons, food, and water from it, and to take other protective measures, would reduce the hazard from the high radiation levels measured in the Pacific proving grounds' 1954 test.

Radiation hazards at explosion time have been regarded as low. Heat and shock waves would kill any person close enough to be subjected to prompt radiation. This appears to be borne out to some extent by recent reports from Hiroshima, where the atomic bomb was dropped. There was little fallout. Effects on survivors of the blast that could be traced to immediate radioactivity have not yet appeared.

Fallout radiation poses another problem completely different from that of contact with hot dust during the first few hours, weeks, or even months after an explosion. Contact would make a victim sick or it could kill him. The second main problem is in the possible long-range effects of fallout radiation upon the human race.

Radiation is one of the agents that cause changes called mutations in the germ plasm, the sperm and ovary borne material that transmits characteristics from generation to generation. Some geneticists fear that each instance of spread of fallout will damage germ plasm and deteriorate the inheritance of as yet unborn generations.

Regarding this possibility, the Atomic Energy Commission has reported:

"At our present stage of genetic knowledge there is a rather wide range of admissible opinion on this subject. In general the total amount of radiation received by residents of the United States from all nuclear detonations to date, including the Russian and British tests and all of our own tests in the United States and the Pacific has been about one-tenth of one roentgen. This is only about one one-hundredth of the average radiation exposure inevitably received from natural causes by a person during his or her reproductive lifetime. It is about the same as the exposure received from one chest X-ray."

The commission said that it was continuing to support elaborate testing to detect possible genetic dangers. Meanwhile, however, commission authorities "believe that the small amount of additional exposure of the general population of the United States from our weapons-testing program will not seriously affect the genetic constitution of human beings * * *."

This opinion is not shared by all scientists outside the Commission. At the time of the last annual Washington meeting of the American Physical Society in April, for instance, a special symposium on "Nuclear Radiation Hazards and Their Political Implications" was held by the Federation of American Scientists. Grave doubts and worries about Commission policies were expressed.

In the May 27 issue of Science, bulletin of the American Association for the Advancement of Science, a report was made on this meeting by Dr. M. Stanley Livingston, professor of physics at the Massachusetts Institute of Technology. He said great difficulty had been met in finding scientists willing to talk in public about the problem.

"This experience illustrates," Dr. Livingston reported, "one of the politicial dilemmas in which we find ourselves * * *. Those who know won't speak and those who don't know cannot speak without authority."

Security regulations, fear of controversial issues and administrative restrictions on speaking by employees were cited by Dr. Livingston as the reasons that a scientific-political program was difficult to arrange.

At the session, Dr. Bentley Glass, geneticist and professor of biology at the Johns Hopkins University, emphasized that the mutations caused by high-energy radiations were deleterious and that there was no recovery.

"The present 'permissible' dose of 0.3 r/week or 15 r/year, if delivered to the entire population, might multiply the present mutation rates by at least 4.5 and maybe as much as 150 times," Dr. Glass said. "Who, knowing the predominant harmfulness of mutation, can dismiss such a possibility lightly?"

The Atomic Energy Commission is continuing studies on the effects of radiation on living organisms.

Also, studies are continuing on the actual appearance of radiation that has been detected in laboratories from cost to coast following domestic and Pacific nuclear-weapon tests.

In the May 13 issue of Science, Dr. Merril Eisenbud and Dr. John H. Harley reported on the total radioactive dust from all detonations between 1951 and January 1, 1955, that had fallen on the United States. They found it to be low compared with the radioactivity normally present in the earth's crust.

The average value of the accumulated fallout is 61 millicuries (equivalent to sixty-one thousandths of a gram of radium) for each square mile of surface, they said. The radioactivity contributed at the surface by the naturally occurring radium 226 varies from 100 to 1,000 millicuries in each square mile, they noted.

EXHIBIT 4

DANGERS OF FALLOUT CITED—U-BOMB IS SAID TO RENDER ATOM DEFENSES OBSOLETE

(By Warren Unna)

An article by nuclear physicist Ralph E. Lapp in the June Bulletin of the Atomic Scientists published today details of how science's latest weapon, the U-bomb, is capable of driving people into underground shelters for up to 9 months, outmoding such superdefense protections as Nike and polluting food with a vicious fallout particle which produces bone cancer.

Lapp's remarks provide a ghoulish expansion of cut-and-dried statistics released by Atomic Energy Commissioner Willard Frank Libby 10 days ago in an almost unnoticed speech before a University of Chicago alumni group.

Libby, with extremely obscure wording, confirmed what scientists around the world had long sniffed out: the "device" used by the United States in its March 1954 Bikini test was no A-bomb such as was dropped over Hiroshima and Nagasaki in 1945; no H-bomb such as was tested at Eniwetok atoll in 1952. It was a U-bomb triggered by fissionable uranium 235, fanned up by a fusionable hydrogen ingredient and finally split asunder by an enormous fissioning of ordinary uranium 238.

Libby detailed how the Bikini U-bomb explosion sucked up fine radioactive particles

into its stratospheric mushroom and then spewed them out again in fine fallout dust over a 7,000-square mile ellipse in the South Pacific. He said the fallout area could have been "larger or smaller by a considerable factor." Without further ado, Libby began describing just how large was "larger."

According to Libby, a single 10-megaton bomb, one equal to the explosive power of 10 million tons of TNT, could shower 1,100 pounds of fallout dust over a 100,000-square mile area. At such a rate, 30 carefully placed bombs could blanket the entire United States.

Libby went on to say the average radioactive "dosage" from such a fallout pattern would be 67 roentgens after the first day, and 6.7 roentgens after the first week. Lapp says over a considerable period a person could stand an "emergency" exposure rate of 1 roentgen per day, 20 times that now permitted AEC employees working in bomb tests. A quick dosage of 400 roentgens is generally accepted as being lethal.

But Libby didn't make the news as bad as he might have. For one thing, Civil Defense Administrator Val Peterson has spoken in terms of 20-, 40-, and 60-megaton bombs. Some scientists say ships could bear bombs to these shores with a 100-megaton capacity—packing a wallop equal to 200 billion pounds of TNT in 1 explosion. (By contrast, the Hiroshima bomb was equal to a mere 40 million pounds of TNT.)

Libby also did not say that if the fallout from a 10-megaton bomb were confined to the 7,000-square-mile Bikini ellipse, rather than to the 100,000-square-mile area he mentioned, the concentrated radioactive dosage would be more than 14 times greater.

In other words, if the Bikini U-bomb were of 10-megaton size, the fallout at the end of the first day would average some 950 roentgens over a 7,000-square-mile area—more than twice the lethal 1-day dose.

Even at the end of the first week, the dosage would average 95 roentgens. This is a little less than one-fourth of the lethal dose but just about the amount, according to Libby, which can cause "deaths and mutations in later generations" through the radioactivity's effect on the human reproductive organs.

BONE CANCER PERIL SEEN

Libby's speech mentioned that radiostrontium 1 of 90 fallout fission particles, acts like calcium and can cause bone cancer. He said the natural radiostrontium in the United States was increased 15 times last year, the year of the Bikini U-bomb test. But he also said it would have to take a large-scale atomic war, with 1,000 times as much fallout, before the radiostrontium would really start doing its damage.

Libby's remarks, however, are confined to Strontium 90, an isotope which emits dangerous beta rays over a 28-year period. Lapp, in his article in the Bulletin, points out that a more potent "bad actor," Strontium 89, puts out 180 times more radioactivity during its comparatively brief 56-day life.

Dr. John C. Bugher, Chief of the AEC's Division of Biology and Medicine, told a recent Senate committee investigating civil defense that fallout dust could be shaken off crops. Nobody asked him about the radiostrontium that seeped into the ground, was absorbed by plant roots, and eaten by milk-producing cows. And Bugher didn't volunteer the information.

Until Libby's talk to the Chicago alumni, AEC's comments on fallout had been pretty well limited to the much-publicized news release by AEC Chairman Lewis L. Strauss last February 15. In it, he officially conceded the existence of fallout and described the pattern it took at the Bikini test. He also said that during a 36-hour period following the burst, the fallout would have been lethal for all persons standing exposed to it 140 miles away, for half of those standing 160 miles away, and for 5 to 10 percent of those standing 190 miles away.

Strauss did not discuss persistence—how long and to what degree fallout radioactivity can deny humanity a normal above-ground existence. This is the unknown which scientists, some Senators, and civil-defense officials say must quickly be made known if this Nation's civil defense is to be effective.

The information that is given, they contend, seems to have a fixation on fallout from bomb tests and never spells out what to expect from the real thing.

Libby has since testified that fallout radioactivity becomes one-tenth as intense 7 hours after the burst, one-hundredth after the first 2 days, one-thousandth after the first 2 weeks, and one ten-thousandth after the first 3 months.

EVIDENCES OF U-BOMB

In April Strauss answered a Youth Wants To Know question on the existence of the U-bomb by declaring: "I have seen some pieces by columnists using that expression, but so far as I am aware there is no such weapon."

A week ago, 3 days after Libby's Chicago talk, Strauss told the American Medical Association convention in Atlantic City 95 percent of all the atomic information dealing with biology and medicine had now been declassified. He added the rest would not remain under wraps very much longer.

How do scientists read into Libby's remarks the fact that a U-bomb exists?

Primarily because the Libby speech said 10 megatons of "fission" energy could be produced in a nuclear explosion. H-bombs produce "fusion"—the combining of atoms, not "fission"—which is when they split.

The scientists then combined a little mathematics with a little economics.

To get the 1,100 pounds of fission fallout from the 10-megaton bomb Libby described, scientists say the bomb would have to contain either an enormous amount of rare uranium 235 or plutonium—the fission producers—or just natural uranium which was somehow made to fission. Since the first two are supposed to cost around $10,000 a pound to produce, each one-ton bomb would set the national budget back by $20 million. This price is prohibitive, even for so wealthy a nation as the United States.

The natural uranium ingredient is cheap, however—about $25 a pound. The AEC has masses of it, piled up as "waste" in obtaining uranium 235.

Scientists have deduced that a middle core of hydrogen must exist in the bomb to produce the fast neutrons which fission the outer jacket of natural uranium.

TWO DEDUCTIONS

The nongovernmental experts, including Lapp and Prof. J. Rotblat, of England, say their mathematical and economic deductions merely confirm the evidence of fission particles found on the *Fortunate Dragon*. This is the Japanese fishing vessel which was accidentally hit by a fallout downwind following the Bikini explosion.

The information presented by Libby and Lapp makes two things coldly real:

1. Bomb stockpiles in themselves are no longer necessary. Using Libby's own figures, thirty 10-megaton U-bombs could blanket the entire continental United States with radioactive fallout, and, of course, cause enormous blast, burn, and localized radiation in the immediate areas hit.

2. International inspection, as first proposed in the Acheson-Lilienthal-Baruch plan, no longer provides foolproof knowledge of a nation's nuclear buildup. With natural uranium as the basic ingredients, only a minimum amount of the costly uranium 235 and plutonium need be produced and could be easily hidden. There will be no need for many huge power sources, such as at Hanford, Wash., no need for enormous gaseous-diffusion plants, such as that at Oak Ridge, Tenn.

PRECAUTIONARY MEASURES

A countermove to these cold realities, next to peace, would appear to be workable civil-defense protection.

Libby spoke of staying in shelter while waiting for the outdoors to cool from its fallout radiation. Evacuation might be possible in shielded cars or by helicopter.

He also threw in another suggestion: Perhaps a medicine might be invented to counteract the radioactivity—quench it before the fallout starts burning through the skin and provoking tumors in the bones.

Such an invention might mean man had come full circle. He would have devised a weapon to help neutralize the weapon he originally created.

EXHIBIT 5

UNITED STATES FOUND UNPREPARED TO MEET HYDROGEN-BOMB ATTACK—CIVIL DEFENSE FORCES UPSET BY APATHY IN FACE OF PERIL—STATES FAR BEHIND ON NEW KEY POLICY OF EVACUATION

(By Damon Stetson)

BATTLE CREEK, MICH., June 3.—The major planning assumption of civil-defense officials here is that the Soviet Union can strike any target in the United States.

In this hydrogen-bomb era such an attack could mean death, suffering, and devastating destruction. Moreover, the Nation has learned of a concomitant nuclear threat—residual radioactivity or fallout.

The possibility of atomic warfare poses one of the Nation's most serious challenges. The Federal Civil Defense Administration, with headquarters here, is struggling to meet it.

Plans for meeting all kinds of civil-defense problems have been made on paper. Great quantities of advisory and technical information on civil defense have been issued.

Many persons have been trained for special civil-defense duties. The agency has helped States and cities purchase supplies and equipment needed for civil-defense programs. A nationwide air-raid warning system is in operation.

VOLUNTEERS ILL TRAINED

Despite these and many other accomplishments, Federal civil-defense authorities are confronted with public apathy about planning for civil defense. They say State and local governments do not seem to get the support, financial and moral, that they need for essential civil-defense preparations.

Volunteer civil-defense officials, they say, often have not had the time or developed the drive to carry through aggressive local planning. Federal officials feel that volunteer workers too often are not well-enough trained to meet possible emergencies but they think civil defense is too big a job for the military.

Evacuation planning—key to civil defense in the thermonuclear age—is in its infancy. In brief, according to FCDA officials, the Nation is not prepared for a hydrogen-bomb attack.

Under the Federal Civil Defense Act of 1950, the Civil Defense Administration is charged with preparing national plans and programs for civil defense, delegating civil-defense responsibilities to other Federal departments and agences, disseminating warnings of impending enemy attacks, distributing civil-defense information and a variety of other duties.

Actually, however, the primary responsibility is vested in the States and cities.

Some governors and mayors, including Gov. Averell Harriman of New York, Robert B. Meyner of New Jersey, Abraham A. Ribicoff of Connecticut, and Mayor Robert Wagner of New York City, have questioned recently whether State and local authorities

are able any longer to assume this burden in the face of thermonuclear weapons. They have suggested that the primary responsibility should belong to the Federal Government.

PETERSON PREACHES NEED

Civil Defense is headed by a genial and energetic Nebraskan, Val Peterson. He receives an annual salary of $17,500 and seems to enjoy his peripatetic life—divided between the offices here and in Washington, with frequent speechmaking trips.

Nevertheless, Mr. Peterson has to be something of an ever persevering civil defense missionary in view of the stark realities of atomic warfare and general public apathy.

"As long as there are weapons of mass destruction and the means of delivering them—as long as we need a military defense—we need civil defense," he preaches.

The hydrogen bomb and fallout have forced a new course in planning. There is no longer adequate shelter in target areas. Consequently, evacuation of target cities has become basic civil-defense policy.

Yet Mr. Peterson acknowledges that the Nation is not even close to being properly prepared to face an attack. The Civil Defense Subcommittee of the Senate Committee on Armed Services recently concluded that if a thermonuclear attack were to occur, possibly millions of lives would be lost unnecessarily because of the inability to evacuate cities and to house and feed refugees.

STAFF VOLUNTEERS TIME

Such assessments of preparedness perhaps help to explain why the 437 persons on the staff here are going about their tasks so soberly. They know how bad it could be. Many of them are voluntarily working extended hours and on weekends.

An additional 268 civil-defense workers, including 16 liaison officials in Washington, make up the remainder of the FCDA staff at seven regional offices and in the field.

Civil-defense headquarters was originally in Washington. The agency was forced to give up its rented apartment building there last year. Mr. Peterson had hoped to move to near-by Olney, Md., but President Eisenhower wanted some existing Federal building used. The closest adequate Government facilities were at Battle Creek.

Consequently, last September the agency moved into the Percy L. Jones General Hospital here. This had been taken over by the Army in World War II. The huge edifice, towering incongruously above Battle Creek's tree-lined streets, has 1 million square feet of space. The Civil Defense Administration is occupying only about a quarter of it.

The move to Battle Creek also complied with a directive of the Office of Defense Mobilization that the civil-defense agency be located 30 or more miles outside Washington. The move, therefore, set an example in dispersion.

But the transfer brought problems, too. A large percentage of the agency's employees decided not to make the move. Of 467 employed in Washington, only 235 came here. Liaison work with other branches of the Government became more complicated. Officials now have to spend more time traveling.

THREE MAJOR SERVICES

By this spring, however, most top civil-defense officials were saying that the location of the agency here was working out satisfactorily. They also noted that Battle Creek was more centrally located for visits from State and local civil-defense officials.

Mr. Peterson has indicated that he intends to make at the end of the year a new appraisal of the advantages and disadvantages of the Battle Creek location. But he told the Senate subcommittee in March that up to that time the "balance sheet would be rather on the side of the disruptive factors rather than on those that have been conducive to increased efficiency in our work."

The subcommittee, in its report last month, expressed concern whether the agency could perform its mission properly while located here.

In the fiscal year 1955 the agency received an appropriation of $49,325,000. For the fiscal year 1956 it asked for $59,300,000, compared with $34 billion for the Department of Defense. A supplemental request for $12 million also has been made for surveys, plans, and research to assist the 92 critical target cities in developing evacuation plans.

Organizationally, the agency has a planning staff that has developed and is continually revising the national Civil Defense plan.

Then there are three major services: Education, charged with informing the public; technical advisory, furnishing technical guidance to State and local officials and specialists, and operations control, providing emergency command advice and direction in attack.

OPERATIONS ROOM SET UP

One of the agency's important responsibilities is to warn of an impending attack. It has assigned an attack warning officer at the headquarters of each of the Air Force's 12 air divisions across the country. It is the responsibility of the commanding general of each division to set a warning condition when an attack threatens.

The FCDA air warning officer then would flash the word to key points where State civil defense officials would pick it up and relay the warning to local units. The entire process, agency officials say, would take only minutes.

The warning officer also would transmit word of the impending attack to a huge operations room here. This room which would be the key information center in an attack, has a huge map of the United States across its rear wall and one of North America at the front.

An entire side wall is covered with black status boards where data on evacuation, damage, dead, and injured in the various regions would be recorded. Special telephone hookups, printers and teletypes would feed information in and out of this room from all over the Nation.

In an actual emergency, the agency would report to the President what had been destroyed and what human and economic resources remained.

It would claim, in behalf of the civilian population, those resources essential to survival. It would arrange for logistic support of stricken cities and provide advice to States and cities preparing for further attacks.

RESPONSIBILITIES DELEGATED

Last summer President Eisenhower approved the delegation by the Civil Defense Administration of certain specified responsibilities of civil defense to departments of the Federal Government.

For instance, the Secretary of Health, Education, and Welfare is responsible for planning, guidance and action concerning biological and chemical warfare against humans; the effects of radiological fallout, protection of foods and drugs against contamination, and civil defense in the schools.

The Secretary of Agriculture is responsible for combating biological and chemical warfare against crops, preventing and controlling enemy-caused fires in rural areas, and maintaining adequate food supplies for attacked or support areas.

The Secretary of Commerce is responsible for designation, use, coordination, and emergency clearance and restoration of highway and street systems, and emergency traffic control. All told, some 26 such delegations of responsibility have been made to 6 departments of Government.

Agency officials report that the Department of Health, Education, and Welfare is well advanced in its plans to cope with its delegated civil-defense responsibilities. Most of the other departments, they say, are in the early planning stages and need appropriations for research and action.

The Senate subcommittee noted that if a Federal agency failed to perform its delegated civil-defense responsibility, the only recourse of the Civil Defense Administrator was to the President.

In view of the slow progress, the subcommittee recommended a more workable system of executive direction to use effectively the extensive resources of the Federal Government.

BULLETIN ON EVACUATION

Probably the greatest civil-defense problem of the moment is evacuation.

"A target city (and there are 92 of them in the United States) that is not ready to evacuate is not ready to survive," according to Mr. Peterson. "There must be a plan. And it must be tested and practiced. The reaction to a bombing attack—whether it be panic or order—depends on the competence of the local and the neighborhood leadership."

The agency has been talking for nearly 2 years about the importance of evacuation but the disclosures regarding a possible hydrogen-bomb and fallout have made solution of the problem urgent. Last September the agency issued an advisory bulletin discussing the necessary planning and responsibilities for evacuation of cities.

This bulletin said it was the responsibility of the Civil Defense Administration to develop national plans and programs for the guidance of evacuation planning by the States and to assist in the integration of State evacuation plans with national and regional civil-defense planning.

Although the FCDA long has emphasized the urgency of evacuation preparations, the agency did not set up an evacuation office as such until mid-March of this year, after the fallout announcement.

This office is charged with assembling and analyzing information on evacuation problems. The results will be supplied to the States and local governments to help them work out evacuation plans. In addition, the special $12 million appropriation has been requested to assist States and cities in evacuation planning.

PROGRAM VERY LIMITED

This evacuation office, despite the urgency of its work, is critically short staffed, in the opinion of one official. Key information on evacuation planning, he said, "is just beginning to get to civil-defense people" [in the cities].

The Senate subcommittee said in its report that the program of evacuation was very limited. It stated that it was alarmed to learn from testimony that cities lacked adequate plans for evacuating citizens.

The concept of evacuation, agency officials point out, is unfamiliar to United States residents. Thorough planning, they say, is one of the greatest problems the Nation ever has faced.

Despite the magnitude of evacuating and then housing and feeding those evacuated, the lack of even temporary evacuation plans in many cities is disturbing those concerned with civil defense.

An agency official who has had a major responsibility in this field was asked why evacuation preparations were so inadequate. He replied that there was no part of the agency that had not been activated regarding evacuation. But he added:

"We don't give orders to the States."

Another high agency official commented, "If a city decides not to evacuate, there's nothing we can do about it."

These are typical of the answers given here to questions about what is actually being done regarding evacuation and other civil-defense problems.

CONFUSION OVER SIGNALS

The present status of air-raid warning signals represents another area of confusion. A new system of signals was announced by the defense agency on March 7—alert and take cover. The announcement said the signal would go into effect immediately.

Many city civil defense directors, however, were not ready for the new signals because their evacuation plans were incomplete or nonexistent.

They protested and were told to put the signals into effect when sound evacuation plans were ready. That has left a muddled situation. Moreover, a check at agency headquarters disclosed that the agency had no report on which cities have put the new signals into effect and which ones haven't.

Much remains to be done also, according to agency officials, in civil defense coordination with Canada. An agreement for cooperation between the two countries was reached in 1951 with the idea of coordinating Civil Defense as if there was no border.

Agreements have been reached regarding the transportation of narcotic medications across the border during emergencies and for the relaxation of immigration and customs regulations.

Evacuation of cities near the border, however, would pose special problems in United States-Canada cooperation, but the agency apparently has few specific plans for such an eventuality.

A joint United States-Canada Civil Defense Committee meets only once a year. Eight joint groups have been working on mutual problems. But there are few concrete results to report.

There is some feeling among high agency officials here that it needs more authority. One executive in the agency suggested that this could be achieved if it could spend matching funds for the administration of local civil defense activities and as a consequence exert greater supervision over local activities.

PROBLEM OF VOLUNTEERS

The problem of civil defense volunteers also is serious. Although most cities have large numbers on their lists, many are not adequately trained, particularly on such matters as fallout.

The feeling here is that there are not enough volunteers, but the agency believes the cities are not prepared to handle and train those who offer their services.

The National Guard in each State is under control of the governor. Therefore, agency officials say, it will be available for emergency use as the governor sees fit. But it is felt that the Guard in any State would not be big enough for a major air raid emergency. It probably would assist the civil authorities.

Another problem is medical planning for total war. The Senate subcommittee found that the Nation was medically unprepared. Yet the Department of Health, Education, and Welfare said that its civil-defense responsibility did not include mass medical care. The subcommittee urged immediate steps to give some appropriate Federal agency this responsibility.

Key civil defense officials here readily acknowledge weaknesses. But they feel that they have made genuine progress in educating and preparing 165 million residents for this atomic age.

Dean Pohlenz, Deputy Assistant Director of Planning for the Agency, puts it this way: "We're not as effective as we ought to be, but we're a lot more effective than we're given credit for being."

EXHIBIT 6

MAJOR CITIES LAG IN PLANNING DEFENSE AGAINST BOMB ATTACKS—SURVEY FINDS SOME TOTALLY UNREADY, PUBLIC APATHETIC

(By Bernard Stengren)

Although some Civil Defense progress has been made, Americans are not prepared for enemy attack.

Bostonians would have almost no chance of survival.

Norfolk's progress has been slow but positive.

Pittsburgh is almost totally unprepared.

Cleveland would be a sitting duck.

Ottawa is almost totally unprepared.

Detroit's plans are completed but not made public yet.

Chicago would lie helpless.

Fort Worth is woefully unprepared.

Los Angeles would be a horrible shambles.

Seattle is not ready.

New York Times correspondents in these cities found citizens apathetic—with exceptions—and concrete preparations rare.

The average citizen either does not believe the danger is great, or feels that if anything can be done the task is someone else's. The correspondents' reports emphasize the conclusions of a subcommittee of the Senate Armed Services Committee. Last month that body found that the United States is presently unprepared to deal with a disaster resulting from a thermonuclear attack * * *.

A CHANGE OF POLICY

A major cause of unpreparedness is the change in concept from duck and cover to run for the hills enunciated by President Eisenhower 18 months ago.

He said the dangers of new weapons (later disclosed as the radioactive fallout from hydrogen bombs) and the improved early warning system had made evacuation preferable to seeking shelter.

Federal and local civil defense officials agree. Many of the later, however, complain that too little information on how to cope with hydrogen-bomb effects has been given them.

So strategic evacuation now is the theme. This means getting out of cities at the first warning, befort bombers arrive. But among the cities surveyed, only in Seattle have residents practiced evacuation.

Elsewhere such plans are on paper, if they have reached that stage. Should the attack come today, the best that residents could do would be to scramble for the few available shelters.

Only 2 of the 10, however—Pittsburgh and Ottawa—have no civil defense budget, no civil defense director, few volunteers and almost no preparation or equipment.

What have other cities done?

In general they have hired full-time directors of civil defense. Three cities have retired military men, two have police officials and in three cities civilians head the program.

They have allotted current annual budgets ranging from $22,866 to $597,000 for salaries, services and other expenses.

They have trained, to a greater or lesser extent, the volunteers who have signed up. These are far fewer than officials say are needed.

They have held few full-scale drills, but test air-raid sirens at regular intervals.

They have established, with few exceptions, good relations with other city departments and with adjacent and statewide civil defense organizations.

Even where evacuation plans have been made, much remains to be done. For example:

While shelter will probably not be abandoned entirely because of the possibility of sneak attack, it is now the less desirable alternative. Yet school children and others are still being trained in shelter. They would not know what to do if evacuation were ordered.

Definite assignments of specific persons or groups to specific evacuation routes have not been made.

Provision for long-term feeding, housing and schooling of refugees has not been made.

Similarly, provision for medical care, sanitation, health, and other problems of temporary settlements of displaced populations has not been made.

Here is the picture in the 10 cities:

Boston: The 2,600,000 persons who live within the Boston metropolitan area extending 15 miles from the State House would have almost no chance of survival if a nuclear weapon dropped today.

This is the almost unanimous opinion of the men most closely concerned with the public safety. It is concurred in by civic leaders. The blame is placed on the complexities of nuclear weapons and their consequences, rather than on human factors.

A principal problem, according to Joseph L. Malone, director of civil defense for Boston, is in working out the details of shifting from shelter to the evacuation concept.

The city has a population of 810,000. In working hours, this is increased by nearly 500,000. There are approximately 90,000 civil-defense workers, most of them volunteers. Youth groups are not included.

As to shelters, Boston could handle between 300,000 and 400,000 persons under the old plan. Signs pointing to the shelters will remain.

PROBLEMS ARE CREATED

There appear to be enough sirens, strategically placed. But the Federal decision to evacuate whole populations has created problems. For instance, the city is working on special plans for evacuating schoolchildren.

Printed evacuation information has been distributed to homes, business, and industrial concerns. It includes a map showing 15 thoroughfares designated escape routes to the suburbs.

There is apparent agreement in thinking between the State and city planners. Signs have been posted barring certain roads in an attack. It is agreed, however, that these will come down.

Now escape routes will be marked even more clearly.

Despite a general impression of apathy toward civil defense, officials express amazement at what the public seems to know about what to do in emergency.

None of the suburban or outlying communities is geared to handle refugees. The same applies to cordinating areawide dispersal.

MAYOR FIXES BUDGET

Turnouts of volunteers for classes have been poor. But the turnouts have been remarkably good for the twice-a-year drill, officials say. No workers are uniformed. The organization is largely a skeleton one, pending revision of plans to shift from shelter to evacuation.

Mayor John B. Hynes has recommended a budget of $75,000 for civil defense this year. This has been about the same for the last 5 years.

Mr. Malone and his deputy, Francis C. Cleary, are full-time employees. They have a staff of a dozen clerks and maintenance persons. Mr. Malone reports to Mayor Hines.

Relations with the police and fire departments have been harmonious. Under the law, the Civil Defense Director is supreme in an emergency.

The relation of city to State civil defense also has been cooperative. Both groups meet frequently to work on evacuation plans.

Radiation-detection equipment is handled by the State. The city public works department maintains emergency equipment.

Norfolk: Civil-defense progress has been slow but positive. Because of the geographical and transportation circumstances peculiar to the Norfolk area, planning has been geared to coordination of intercommunity efforts.

The Norfolk-Portsmouth complex is the home of one of the world's largest concentrations of naval facilities. The area is one of the most critical targets on the east coast.

Also included in the area complex is the Army's Transportation Corps Training Command at Fort Eustis and its subordinate op-

erational command at Fort Story, north of here.

Dominated by this vast network of military concentration is a civilian population of 800,000 in an area from Virginia Beach to Suffolk, some 40 miles inland, and from the North Carolina border to a line north of the Newport News sector.

Norfolk's population is estimated at 296,500. For evacuation, much of the traffic will be by rail and water. Princess Anne County and Portsmouth will use principally rail and highways.

STRESS PUT ON FLIGHT

Evacuation of the entire tidewater area is the keynote of passive defense planning. There is little hope for adequate bomb shelters because of a high-water level underground—even cellars are nearly impossible in most of the area.

Calvin H. Dalby, Norfolk director of public safety, is civil defense coordinator.

"We are prepared for an air raid," he said recently. "There are many things yet to do, but our major problem is final coordination of all plans in the tidewater area."

Three major highways leading east from Norfolk through Princess Anne County are reserved for civil defense. These and roads leading north and northwest from Portsmouth are posted as such.

Concise and detailed instructions have not been given to the public in final form. And as yet no firm plans have been formulated for schoolchildren or hospital patients.

"The nature of our geographical situation demands exact planning and mature and realistic instructions," Mr. Dalby said.

VOLUNTEERS ENROLLED

To prepare for this task, the Norfolk civil defense organization has enrolled 2,732 volunteers. These workers are divided for planning and operation into committees—transportation, wardens, welfare, first aid, and communications.

Four trained radioactivity teams have been formed. Sixteen more are to be developed.

Mr. Dalby is operating with a current budget of $22,866. The Norfolk City Council will provide funds for subsequent needs through additional appropriations.

The civil defense command will be held jointly by Mr. Dalby and the city manager. All orders, in an attack, would come from them to the police, fire and other city departments.

Lack of coordination between State and local officials has been one of the most pressing problems.

Thus far the only practice alerts have been ordered by regional or national authority. Mr. Dalby feels that they have shown increasing public awareness and cooperation.

Paul J. Canady, director of public welfare, reports that medical supplies are being assembled at strategic warehouses.

Through coordination with inland communities, officials are confident that evacuee populations can be accommodated.

Pittsburgh: This industrial capital, a prime target in atomic warfare, is almost totally unprepared for an enemy air raid. The state of civil defense at best can be described as a muddle.

Mayor David L. Lawrence and local civic leaders blame the failure of Federal and Commonwealth officials to agree on what should be done in an air attack and set a local policy.

Pittsburgh's situation may be unusual in that there are separate civil defense organizations for this city of 700,000 and the 129 other municipalities in Allegheny County with a total population of 900,000. Liaison between the municipalities and the Allegheny County coordinating organization is loose and ineffective.

Despite radio broadcasts, television announcements and newspaper publicity, public knowledge of what to do in a raid is not considered adequate, at least for adults. Much of this is attributed to public apathy and indifference.

There are two plans for an emergency. One, partial evacuation, is only in the study stage. Total mass evacuation within hours is considered impossible because of the topography of the city and its traffic bottlenecks.

NO SIGNS ON ROADS

Duck and shelter is the current plan. School children are far more advanced in knowledge of seeking shelter than their elders. There are signs in public and private buildings pointing to shelters that could handle less than 10 percent of the population.

There are no signs on roads to bar traffic in attack. Suburban and outlying communities are unprepared to handle refugees. Thought has been given, but no plans developed, for any areawide dispersal.

How many individuals are enrolled in civil defense work is not known, even by Mrs. Gertrude Levin, the only full-time administrator, on loan from the city. Her office acts as the coordinating unit for city and county activities.

No one is in command of civil defense forces. Ross Loeffler, an official of United States Steel Corp., resigned 18 months ago. He had served as director in World War II.

The city has no budget for civil defense. But 10 automatic sirens, costing $100,000, and 11 high-power fire pumpers, costing $200,000, were purchased, using half city money and the balance in Federal matching funds.

There have been a few local air raid drills in the last 2 years. Most drills, however, have been statewide. Only one has come as a surprise. In the city air raid sirens are tested each Monday morning.

Civil defense personnel have been inclined to regard recent drills as fairly successful.

No physical equipment exists for decontamination, determining radioactivity, or feeding masses of refugees. Existing transit facilities, such as buses, streetcars, and private automobiles would have to provide transportation for evacuation.

Cleveland: The city of Cleveland would be a sitting duck today for an enemy plane carrying a hydrogen bomb, despite accelerated civil defense activities.

This opinion is shared by the city's civil defense director, the police and fire departments, newspapers, and civic groups.

One hydrogen bomb dropped in the downtown area would kill 250,000 men, women, and children, according to civil defense officials. This warning has been publicized widely, but public apathy remains.

Local public officials contend that the public has been lulled into a false sense of security by optimistic statements of Washington diplomats.

Although severely handicapped by a shortage of volunteer workers, local civil defense leaders have made considerable progress in the last 2 years.

In 1954 almost $100,000 in communications equipment was purchased on a share basis with the State and Federal governments. The county has more than $500,000 in medical equipment stockpiled.

TRANSIT FACILITIES MOBILIZED

A complete air raid warning system consists of 110 sirens that are tested weekly.

Trucking companies, Cleveland Transit System buses, taxicabs, and other vehicles have been mobilized to evacuate the city.

Under the direction of the disaster relief committee of the Academy of Medicine, 32 auxiliary hospitals and 96 report centers for mobile-aid teams have been designated in schools and public buildings.

The civil defense director is drafting a plan for mass evacuation. One million copies of the plan, with maps and instructions on what to do, where to go, and what roads to take will be distributed. All major roads that would be used for evacuation are well marked.

But approximately 80 percent of the public has a limited knowledge of what to do in attack. Infrequent test alerts have been successful, according to most observers.

Defense security drills are held in most schools at least once a month. All school children from kindergarten to the 12th grade have received metal identification cards.

BOY SCOUTS ENROLLED

Cleveland has a population of slightly more than 900,000 with an additional 600,000 suburban residents. There are approximately 80,000 volunteer civil defense workers; 203,000 has been the goal.

Included in the volunteers are 10,000 Boy Scouts, who must include first aid in their scout activities. Uniforms for 3,700 auxiliary police have been provided. Other volunteers do not wear uniforms.

The Cleveland civil defense budget is $119,000. It was $165,000 last year. Suburbs will contribute an additional $49,181 this year.

John J. Pokorny is civil defense director for the city. He is also coordinator of county activities.

He reports to Cleveland Mayor Anthony J. Celebrezze. The mayor serves as chairman of an advisory committee consisting of 7 surburban mayors and 1 county commissioner.

The police and fire departments are cooperating closely with civil defense officials. State civil defense leaders counsel and advise Cleveland officials.

Ottawa: A sudden air attack on this capital city of Canada would find its population almost totally unprepared.

Civic unwillingness to bear the cost, with apathy and a spirit of helplessness in the face of atomic and hydrogen bombs seem to be responsible for the absence of a civil defense organization and program.

The city is governed in part by Mayor Charlotte Whitten and her board of control. A large part of it, however, including the best highways out of the city, is under the control of the federal district commission, a federal body.

Three years ago the city tried to set up an evacuation program with the suburbs. These outlying districts refused to contribute funds. The plan was dropped. No one has complained.

City officials blame the situation on public apathy and the feeling that there is no defense against modern weapons.

Others in the city administration say it is the duty of the Federal Government to describe exactly what course should be followed, and put up the money. They say, too, that the Federal Government and the Army are the only organizations able to do the job.

The Federal Government has established a Federal Civil Defense Administrator. A school for training of civil defense workers has been established at Arnprior.

Hundreds of civil defense workers from all parts of Canada have received training there. The Federal Administration points out that municipalities can recover from Federal funds 75 cents of every dollar spent on civil defense. They say that Ottawa officials are unwilling to set aside any money for civil defense.

EVACUATION PLAN FAVORED

Some 18,000 school children are led at a special signal every 2 months to the "safest part of the building." Thirty thousand civil servants have established a nucleus of an organization for civil defense.

But the public has no idea what to do in an air attack.

Most authorities agree that evacuation would be best in an emergency. The civil servants plan a test evacuation for about 10,000 of their members in June. The city does not plan to join the movement.

The population of Ottawa and its suburbs is about 250,000. There are no signs in or around the city to guide movement in an emergency, nor are there signs in buildings pointing to shelter areas.

One of the four members of the board of control has been designated civil defense administrator by the mayor. Miss Whitten has the power to declare an emergency and issue order through him to the police and fire departments.

No drills have been held by the city. There are no plans or facilities for feeding, decontaminating, or providing shelter in an air raid.

Detroit: Civil defense officials report operations plans completed for an air-raid emergency. But there seems to be general agreement among them and city officers, newspapers and civic groups that the public is not prepared for such a raid or informed on what to do.

Nearly everyone who discusses the problem mentions public apathy.

Evacuation plans have been prepared, but they have not been made public. They are in the hands of agencies concerned for final detail work. The program also has been turned over to the Michigan office of Civil Defense for integration into an overall State plan.

Detroit public schools have been conducting monthly air-raid drills in every school. But evacuation plans call for the department of street railways and car pools to move each school group to a predesignated location if there is time and the alert is during school hours.

FIFTY THOUSAND VOLUNTEERS SIGNED

With a population of 1,849,568, Detroit has 50,000 volunteer civil-defense workers, according to officials. Not included in those figures are 23,000 or more city employees or the employees of private, industrial, or commercial agencies, such as the American Red Cross, construction companies, public schools, and others that have assumed civil-defense duties and responsibilities. Explorer scouts participate, as a group, in medical and welfare services.

The only uniformed volunteers are emergency police reserves and auxiliary firefighters. Civil-defense officials say 26,000 to 27,000 participate in regular training, meetings, and drills. About 10 percent of the certified volunteers have been dropped for failure to participate.

Civil-defense officials say that response to continuing recruiting appeals fluctuates with the headlines.

Total expenditures for civil defense in Detroit from July 1, 1950, to December 31, 1954, were $2,089,945.45. The proposed budget for 1955–56 is $352,900, up $6,300 from last year.

Maj. Gen. Clyde E. Dougherty is director of civil defense for both Detroit and Wayne County. He is employed part time and has a full-time assistant director and staff.

COOPERATION CALLED GOOD

As director he reports to the mayor and coordinates activities of all agencies comprising civil-defense forces, including the police and fire departments.

Civil-defense officials report good cooperation with city departments and with the Michigan office of civil defense.

Air-raid warning sirens are tested monthly to familiarize the public with alert signals. Also, limited test exercises, involving civil-defense services only, are held in connection with nationwide exercises of the Federal Civil Defense Administration. Civil-defense officials call these tests successful.

Civil-Defense officials report feeding equipment available to feed 250,000 persons 3 meals a day for 3 days. Tree-spraying equipment of the department of parks and recreation and street flushing equipment of the department of public works would be available immediately for decontamination.

The city has 36 radiological survey meters. Ten more are scheduled for delivery.

Chicago: The continuing increase in the potential destructiveness of nuclear bombs has made obsolescent civil-defense plans for the Nation's second largest city, in the opinion of municipal and defense authorities.

Proceeding on the assumption that a potential enemy would strike with hydrogen bombs, the emphasis here is on speedy and large-scale evacuation. Advance warning is deemed essential.

But the conclusion is that in a surprise assault, the city would lie helpless. Officials here believe that, given a 4-hour warning, some 2,750,000 city dwellers could be evacuated in time for safety to points at least 30 miles from the city's center.

This would leave an estimated half-million essential persons, including the police, health, communications, and fire specialists behind to deal with physical damage.

A change in concept also has all but ruled out plans for shelters within the city. It is agreed generally that such shelters as are available—4 miles of subway underground—for example—would offer little protection in a bomb raid. But protection for schoolchildren continues to be based on atom-bomb assault.

Civil-defense authorities hope to make evacuation possible but not to command it. There is the question of cooperation by outlying communities that would have to receive the evacuees. This is an unknown factor.

WARDEN SET-UP DROPPED

Medical care, feeding, shelter, security, and other problems would be directed by designated authorities. It is believed that the backbone of the problem lies with the ability of the average person to tend to his own needs with assistance.

Chicago is operating with a skeleton staff of professional and volunteer workers in civil defense. The air-raid warden scheme, block by block and house by house, has been abandoned as unwieldy.

The new system is based on the so-called mile-square disaster volunteer system. A designated team operates within each unit of this system with the idea of soliciting additional assistance from qualified persons.

The 1955 civil-defense budget for Chicago is $597,000. This is financed by a municipal tax levy authorized by the State legislature in 1951.

Mayor Richard J. Daley is chairman of the city's defense force. Anthony J. Mullaney and Victor C. P. Dreiske are the operating codirectors.

The full-time operation is carried on from downtown offices by deputies to the codirectors. The direction is closely tied in with the fire and police departments.

There is no evidence of friction among these agencies. Coordination between city and State defense authorities is maintained through the State headquarters in Springfield.

Chicago's drills are confined to a test of 87 sirens at 10:30 a. m. each Tuesday. Twelve more will be installed soon.

The civil defense organization last November conducted a test mass-feeding mobilization in which a skeleton body of evacuees participated. It was described as a success.

The role of civil defense in postbombing periods in which decontamination and the like are involved is obscure. There is little actual equipment to deal with the effects of a hydrogen bomb attack.

Forth Worth: After almost 4 years of study and planning, the 350,000 persons in this city and the 100,000 more residing in Tarrant County are woefully unprepared for an air raid.

That estimate came from R. E. Dysart, full-time paid civil defense coordinator, a former chief of police. He held the same civil defense post during World War II.

Failure to be prepared was blamed by Mr. Dysart on public and official apathy. He discerns a lack of interest by Congress in civil defense appropriations, the failure of top citizens and top State and Federal officials to stress the need for preparedness, and the lack of radio, television, and newspaper activity that might alert the public.

Fort Worth is a vital spot. At the northwest limits are Carswell Air Force Base, home of the 7th and 11th Bomb Wings (heavy), global striking forces; the Convair Division of General Dynamics Corp., where B–36 bombers are being modified and maintained, B–58 supersonic prototypes are under construction, elements for the Boeing B–52 jet bomber are being manufactured and developmental work is underway in atomic-powered aircraft.

HEADQUARTERS INTEGRATED

Military personnel, including National Guard units, are coordinated with Fort Worth civil defense. It is understood, however, they may not be available in emergency, so that the community must depend on its pure civil defense set-up.

Mr. Dysart has a $28,000 annual operating budget, exclusive of equipment purchases. He has a well-integrated headquarters. This includes a district fire chief and a police captain assigned to full-time duty.

By city ordinance, the city manager, Frank Davis, is designated civil defense commander with full powers, which in an emergency he would designate to Mr. Dysart.

Fort Worth is working out a mass evacuation plan and does not contemplate the use of shelters. The population would be evacuated to points north, south and east of here, over a radius of 75 miles. Plans for such areas and feeding evacuees are developing.

Special plans are being made for evacuation of pupils by schools. Parents and teachers are in training for this project. Children would be moved at least 25 miles.

AUXILIARY POLICE AVAILABLE

Fort Worth's 2,200 city employees, including the welfare, fire, and police departments, are available and in training.

About 500 auxiliary police are available as volunteers. The same is true of about 1,000 volunteers firemen, most of whom serve the outlying communities. Mr. Dysart says at least 35,000 civil defense volunteers are needed.

Thirteen sirens have been set up as air-raid warning signals. They are tested Friday mornings. More sirens will be installed to cover dead sound spots. No radioactivity decontamination or detection equipment is available yet.

Regular air-raid drills are not held. A major test conducted last June was satisfactory, Mr. Dysart said, considering the personnel available. Citizens at large paid no attention to it.

Los Angeles: Los Angeles is in a state of flux on civil defense preparations. Most officials concede that their level is not better now than 25 percent. If there were an attack tomorrow, it would be a horrible shambles.

Los Angeles is the Nation's third-ranking metropolitan area. The city proper covers 450 square miles and has a population of 2 million. But Los Angeles County—roughly coinciding with the metropolitan area—is 5,000 miles squares. It has 5 million inhabitants.

State civil defense plans are tentative. California has an elaborate mobile emergency communications system. But solid, definite planning has not yet percolated to the local level.

A heated dispute has flared among authorities and nonauthorities over evacuation. Officials are completing an elaborate aerial survey of possibilities.

The local civil defense organization is reported to have ready an interim plan call-

ing for commuters, on signal, to go to their homes. The idea is that this would thin out the downtown area and start getting families assembled as more manageable evacuation units.

No firm arrangements have been made with outlying counties for caring for refugees. Three adjacent counties have estimated they could take 200,000 refugees each, but would not know what to do with them after 48 hours. A fourth county rejected a refugee-area role.

CELLARS ARE LACKING

Little thought is given to shelters, because this is a cellarless country, without much underground development, even downtown.

The appeal, response, and organization of volunteers has been almost academic. There are 50,000 volunteers, organized on a skeleton basis, and 30,000 city employees automatically would become members of civil defense.

The city would like a hard core of 200,000 volunteers, but lack of concrete plans and processing facilities has slowed recruiting.

There is a paid staff of 24, headed by Col. Richard F. Lynch, a retired soldier and full-time director. He reports to the mayor, as do the other city departments that would come under the mayor's direct control in emergency.

But interest has been evident in response to specific appeals. After a recent television forum on civil defense, there were 20,000 replies asking how citizens could help.

Officials are concerned, however, about keeping interest indefinitely in the absence of a concrete, long-range Federal-State program into which local volunteers can be coordinated.

Los Angeles is operating with a $166,000 civil-defense budget. An additional $65,000 has been asked.

Volunteers take part in regular training and test procedures. Five hundred radio hams do so weekly. The others train at least once a month.

City and county civil-defense officials have been at odds over whether a yellow or red alert should be the real cue for action. The sirens are blown so often on various kinds of tests, however, that it is doubtful that anyone would pay much attention.

Seattle: No interested official or civic group contends that this city, or any other possible target in this area, is ready today to deal with an enemy air attack.

Despite the attention given by newspapers, radio, and television, it also is apparent that there are large areas of apathy and confusion.

For example, even though evacuation plans have so progressed in Washington that a statewide evacuation drill was conducted last month, Seattle's public participation was called mediocre.

Residents were asked to drive, when the 3-minute blast of sirens signaled evacuation, to the nearest evacuation route with a 3-day supply of food. Highest estimates were that 1 family in 5 took part.

Signs designating shelters in public buildings and downtown business blocks are still in place.

But new signs along arterial highways indicate that in an evacuation warning the designated highways will be used for outbound traffic only. With 670,000 persons living within a 13-mile radius of an assumed ground zero in downtown Seattle, the getaway plan calls for 200,000 to 240,000 persons to be moved each hour. A minimum warning of 2 hours is expected.

VOLUNTEERS TRAINED

Plans call for organizing mass evacuations to distances of 15 miles or more. Schoolchildren would be taken directly from their classes.

Several hundred civil defense volunteers have received detailed training in rescue and similar work and in reception center operations.

If the physicians, nurses, amateur radio operators, utility workmen, and public employees assigned specific duties were included, the roster would run into the thousands. Some have received special training, including radiological monitoring, and attend drills regularly.

C. F. Greber, a retired rear admiral, is Seattle civil defense director. It is a full-time post. He reports to the mayor, and in an emergency would head the police, fire, and other departments.

Daniel E. Barbey, retired vice admiral, is Washington State civil defense director. He coordinates city and county planning. He would obtain emergency aid, if needed, from outside the State.

On the financial side, Seattle's civil defense budget has been cut from $72,000 to $28,000 by an economy-minded city council. The State budget also was slashed, though less drastically.

Seattle and other Washington communities have purchased, packaged, and distributed to previously designated first-aid stations large quantities of medical and first-aid supplies.

EXHIBIT 7

EXPERIENCE IN WAR GUIDES BRITAIN, BUT HOME DEFENSES ARE HAMPERED BY DELAYS ON DATA

(By Benjamin Welles)

LONDON, June 11.—Great Britain announced 3 months ago a "complete overhaul of our home defense plans" as a result of the development of the hydrogen bomb as a war weapon.

This overhaul is taking shape. Progress is slow, however, because United States information on the results of its nuclear tests is not arriving here quickly enough.

In the annual white paper on defense in February, which bore obvious signs of Winston Churchill's editing, the British people were warned bluntly that a hydrogen-bomb attack on the British Isles would lead to a "struggle for survival of the grimmest kind."

Apart from Germany, Britain has had more practice in "civil" defense than probably any other Western nation. Bombs and guided missiles rained down on the British Isles for 6 years. The nation learned by experience how to handle mass evacuation, port damage, food shortages, threats of epidemic, fire or disrupted gas and power supplies.

Now, under the inspiration that Sir Winston lent before his recent retirement, Britain is recasting the Civil Defense Act of 1948. It is preparing to lay extra communications lines throughout the realm, store extra food stocks and develop additional port facilities.

Most important, Britain is beginning to train men and women in emergency discipline, fire fighting, police and nursing work.

HOME SECRETARY RESPONSIBLE

Britain's civil defense is organized under the Home Secretary. He is normally responsible among other duties for the widely decentralized police and fire-fighting force throughout the United Kingdom.

The Home Secretary, at present Maj. Gwilym Lloyd George, is coordinating minister in the Cabinet for civil or "home" defense, as it is alternately called here.

One of his chief assistants is Maj. Gen. S. F. Irwin, Chairman of a Civil Defense Joint Planning Staff.

This includes representatives of the War Office, Air Ministry, Admiralty, the Ministries of Labor, Health, Transport and all other interested branches of Government.

Maj. Lloyd George's first assistant on Home Defense matters is Gen. Sir Sidney Kirkman, the Director General, who was a former quartermaster general of the British Army. General Kirkman, who has visited the United States with several senior advisers, has supervision over plans and over about 350,000 unpaid Civil Defense volunteers. Each now contributes about 5 or 6 hours of spare time weekly.

The British Isles are divided into 12 civil-defense regions, including Scotland. Each has a permanent, paid civil servant with a small staff of about a half dozen subordinates.

These officials coordinate all civil-defense plans and progress in their region with the local government authorities.

LOCAL AGENCIES REIMBURSED

There are about 180 local government authorities dealing with civil-defense preparations in Britain. The central government reimburses them for their work, some by 100 percent, others by 75 percent. This year about 70 million pounds ($196 million) is to be spent on civil defense.

Last April the Labor-controlled Coventry City Council refused to perform any statutory Civil Defense duties other than to provide for sewage and water supplies.

After due warning the central government quietly sent up three special commissioners to take over these duties. It authorized them to obligate funds and to have necessary work done. Eventually the bill will be sent to Coventry for payment. But this issue has not yet come to a head.

The Government gradually is building up a permanent volunteer civil-defense corps being trained in fire fighting, evacuation, emergency rescue and so forth. The corps, which the Government hopes to expand to 660,000, will become the nucleus for a far larger organization in an emergency.

MOBILE DEFENSE COLUMNS

The fire-fighting services in Britain, now run separately by local government authorities, will be centralized immediately in an emergency. There are now about 20,000 auxiliary firemen volunteers.

Auxiliary nursing personnel are also being gradually enlisted for an emergency.

The Churchill government decided to raise 48 "mobile defense columns" of 600 men each during the next 3 or 4 years. These columns, specially trained for home defense, will be the future links between the local civil defense forces and the organized armed forces.

The mobile defense corps will be under orders of the War Office. It will be composed of reservists, three-quarters from the army and one-quarter from the Royal Air Force.

Each year from now on about 10,000 army and RAF personnel will spend the last month of their obligatory 2-year service in special training depots. On completing their duty they will pass into reserve mobile defense battalions in areas near their homes. The reserve battalions will begin forming this autumn and are expected to be fully manned within a year.

Another 10,000 military reservists will get fire-fighting training each year and will join the centralized fire service in an emergency, thus permitting it to expand rapidly.

PUBLIC OPINION FLUCTUATES

Public participation in Britain's home defense fluctuates according to the international temperature, officials say. At the time of the Berlin airlift the volunteer rate soared. It soared again during the Korean tension. Now, with peace talks in the headlines, it has slumped.

British home defense officials evacuated 1,500,000 schoolchildren, their teachers, plus aged and infirm people from the big British cities in 3 days in the autumn of 1939. The move was carried out before the declaration of war and not a single accident was recorded.

In all, about 3,500,000 persons quit British cities during the fall and winter of 1939. In 1949 they began drifting back.

Evacuation is wise, officials think, if there is time, but in another war Britain might have only 3 or 4 minutes' warning.

The issue is complicated by the overriding question of radioactive fallout. This is the shadow hanging over all planning. The risk of fallout has clouded official thinking and the answers are yet far from clear, although earth shelters are recommended as affording considerable protection.

EXHIBIT 8

CITY LAGS ON CIVIL DEFENSE, WITH PLANS IN A-BOMB ERA—OBSOLETE SHELTER THEORY STILL IS THE BASIS OF MEASURES FOR A HYDROGEN ATTACK—EVACUATION STEPS ARE EXAMINED

(By Bernard Stengren)

Chinks in New York City's civil-defense armor are big enough to drop a hydrogen bomb through.

Civil-defense plans for this city of 8 million were set up to cope with atom bombs. Shelter would have saved all but those under or near the blast. The plans still exist on this basis.

Preattack evacuation had been dismissed as impractical by State and local authorities. Before the hydrogen bomb, they had insisted that the city was too big, and traffic problems too great, to chance a mass evacuation on short notice.

But shelters may be made deathtraps by the weapons of widespread destruction now available to a potential enemy for use against the Nation and the city. Getting out of target areas before bombs drop is now the byword for safety.

Apathy, confusion, and a vast public indifference have increased the dilemma. And, because the effects are so widespread, officials here say, the problem has become interstate and even national.

Shelter is still the rule, because there is no better one. And because the best diplomatic, military, and civil defense cannot guarantee complete immunity from sneak attack, shelters will be kept as alternatives.

So New Yorkers are between the frying pan of an obsolete plan and the fire of a theory of evacuation. This has been found feasible in theory, but needs practical plans that may take 6 months or more to complete.

Such plans must cover a myriad of details, as follows:

Getting out of the city on short notice—as any preholiday traveler can testify—is no mean feat. With an hour's notice, a recent study found, 1 million persons could be moved by rail, subway, and ferry to the city limits or beyond.

Another 1 million could get out by motor vehicles, buses, and trucks. And 2 or 3 million living from 10 to 12 miles from mid-Manhattan could walk to relative safety.

Who is to go first—school children, mothers with children, families? And who is to stay behind?

How can facilities for feeding, housing, and caring for millions of refugees in outlying areas be assured?

How will official evacuation orders be transmitted, and other problems of organization and practice evacuation be solved?

How can panic be avoided? A radio program several years ago, depicting a fictitious invasion from Mars, caused thousands to flee their homes in terror. A twist of the dial might have caused doubts about the program's authenticity.

ROLE OF UNITED STATES UNCERTAIN

These and other questions will be asked by those who must work out evacuation plans. But the planning staffs have not been hired.

A basic reason is the uncertain role of the Federal Government on evacuation plans. Mayor Wagner and the governors of New York, New Jersey, and Connecticut held April 26 that the problem was national in character.

"Only the Federal Government," their statement said, "has the latest intelligence and technical information which is required for informed decisions governing these various steps, and only the Federal Government has the financial resources with which to bear the brunt of the heavy expense that will be involved."

President Eisenhower has asked $12 million for evacuation studies. The request is before Congress. An estimated $300,000 is needed for New York City to start such studies. The plans must be so coordinated that all 15 million persons in the metropolitan area will be provided for.

TEST SCHEDULED WEDNESDAY

Experts here feel that under these circumstances they must know what national assistance, financial and technical, will come before an intelligent approach can be made.

Next Wednesday, meanwhile, New York will be a target city in a nationwide civil defense test. If, instead of an exercise, a real enemy plane, with a real hydrogen bomb, were to attack mid-Manhattan, here is what would happen, under present plans:

The yellow (confidential) alert would come from the 26th Air Division (Defense) at Roslyn, Long Island, originating either there or at one of the other Air Force warning stations.

At this warning, Brig. Gen. Robert E. Condon, new Director of Civil Defense, and top members of his staff, would head for one of the five borough control centers already designated as headquarters and assume command.

Those of the 543,417 Civil Defense workers who have been trained would report to their posts. The alert would come through a chain of command from the heads of services to subordinates. They in turn would telephone individual workers.

At the raid signal (at least 1 hour's warning is expected) the city's 679 sirens would begin their wail, warbling for 3 minutes. Everyone would be ordered to take shelter. Subways have a capacity of 2,887,885 and 1,299 public shelters will hold 476,000. The rest would go into building halls and basements.

School children would be brought to the shelter areas of their buildings. They have become familiar with these in monthly drills.

If an atomic bomb 50 times the size of the Hiroshima weapon were dropped, there would be total destruction in an area 3.6 miles in diameter. Severe damage would be caused in the area from 3.6 to 7.4 miles in diameter. Moderate damage would occur from there to the 11-mile diameter line, and partial and light damage would extend as far as 14.6 miles.

This weapon has been dwarfed by hydrogen bombs 500 and more times more powerful than the Hiroshima one. The thermonuclear device tested at Eniwetok on March 1, 1954, was between 600 and 700 times more powerful. The damage zones from a 10-megaton bomb (equal to 10 million tons of TNT, and 500 times more powerful than Hiroshima) exploded 2,000 feet in the air, would be:

Total destruction, diameter of 8 miles, area of 50 miles; severe damage, diameter of 16 miles, area of 200 miles; moderate damage, diameter of 28 miles, area of 600 miles; partial damage, diameter of 32 miles, area of 800 miles; extent of fire damage, diameter of 50 miles, area of 2,000 miles.

The death toll from a hydrogen bomb even half this size might be as high as 4,800,000, with 90 percent of those within 3 miles killed and total casualties reaching 7,600,000.

Radiological survey teams would be first to leave shelter and block off areas where latent radioactivity would make entry dangerous to rescue workers.

Survivors would be sent to evacuation areas in Orange, Westchester, Putnam, Dutchess, Rockland, Sullivan, and Ulster Counties. Facilities are available there for 2 million homeless, according to authorities.

The procedure might be different when the city had an evacuation plan. Pending that, a bomb would have the above effects.

New York City has had an office of civil defense since July 10, 1950. In that time more than $9 million has been spent for protection. The current operating budget of $1,712,783 is up $38,346.46 from last year.

The bulk of expenses has been for salaries to a paid staff now numbering 200 (with an additional 121 guards at upstate reservoirs to foil sabotage) and for services such as telephones, light, and administrative costs.

There are two administrative offices. The recruiting and information section at 500 Park Avenue will be transferred to main headquarters at 625 Avenue of the Americas when the city sells the Park Avenue building.

But $3,552,000 went for equipment. This included 65 fire pumpers and fittings ($1,250,000), rescue trucks, the sirens, communications, medical and radiological items.

About $1 million in Federal matching funds has been received as reimbursement for some equipment expenses.

In addition, the State office of civil defense has set aside $4 million in medical supplies for use by the city. Another $5,500,000 worth will be stored. Much of this is in the seven support counties upstate.

Brig. Gen. Robert E. Condon, Reserve Air Force officer, was named by Mayor Wagner June 2 to the $15,000 full-time post of director of civil defense. The post had been filled by an acting director, James J. Costigan, since last November. The former director, Police Deputy Chief Inspector Herbert R. O'Brien, had retired then.

City officials said the delay had been occasioned by the search for the right man to head the office under the evacuation concept.

PUBLIC APATHY WIDESPREAD

The new director faces a formidable task.

First there is public, and to a lesser extent, official apathy. A recent nation-wide study by the Institute for Social Research of the University of Michigan showed that people were worried about the possibility of attack.

The researcher said, however, "one finds that those who are nearest 'downtown' show the greatest incidence of people reporting no information at all of civil defense."

Similar findings about New York specifically came from a volunteer committee named by Lieut. Gen. Willis D. Crittenberger, retired, Mayor Wagner's adviser on civil defense.

The committee submitted its findings, known as the Crittenberger report, on February 11. The members are William H. Kyle, vice president of the Bankers Trust Co.; Najeeb E. Halaby, investment associate of the Rockefeller brothers; and Presley Lancaster, Jr., assistant to the executive manager of the Atomic Industrial Forum, Inc.

They found that "here is a vast public indifference, the effect of which is to reduce the sense of urgency among the citizenry in all walks of life for solution of this problem of civilian survival in the hydrogen age."

They also called for "resourceful leadership" to overcome what they termed "a widespread sense of futility [which] handicaps civil defense in general."

ACTIVITY GREW SLACK

While awaiting the appointment of a new chief, civil-defense operations slackened. Except for the Federal-ordered test this week, for instance, no city-wide and no borough-wide exercises have been scheduled since Mr. O'Brien left. The former had been held annually. The latter had been held about once a month in alternate boroughs.

The pressure of other duties has led some city departments to become lax in training volunteers and reporting on their numbers and degree of training.

No one knows how many trained civil defense volunteers there are in New York. This phase has been termed "our weakest spot" by one official. There is some feeling that only by making civil defense training compulsory could the city get the 1 million persons set as a goal.

Recruiting has not done it, as is evidenced by the 19,390 resignations last year and 18,837 enrollments.

The official figures give the number of civil defense volunteers as 543,417. But, of these, 161,218 are police, fire, transit and other city employees of various categories.

Some volunteered; others would be pressed into service because of their qualifications.

Another 117,360 are "certified" employees of private industry, most of them in transportation, who volunteered and would perform duties similar to their present ones.

Of the remaining 264,839, more than 120,000 are untrained. About 30,000 are in training. Fewer than 100,000 are considered fully qualified to perform their tasks. Some of the 120,000, however, are doctors, nurses, clergymen, and other professionals whose defense "training" might be no more than an orientation.

Boy Scouts are used for messenger duty at borough and district control centers during tests and exercises.

Among the most highly trained nonprofessional persons are auxiliary police, firemen, rescue, Ground Observer Corps, and communications volunteers. The first three groups and air-raid wardens have uniforms that they bought themselves.

For them and the rest of the un-uniformed volunteers, the city purchased surplus Army helmet liners and painted them distinctive colors for each corps.

Interest in training may be heightened as the result of a new State law that permits, for the first time, the use of civil defense forces in a natural disaster. They may go into action if requested by local executives or sheriffs.

STATE-CITY LIAISON GOOD

But the picture is not all dismal.

Cooperation between the city and State Civil Defense officials is good. Lieut. Gen. Clarence E. Huebner (retired), State director, has his office in the city. He works closely with the local group.

His authority, now principally in planning and coordination, would change in an emergency to direct operational control of all civil defense forces, under the command of the governor and the State Civil Defense Commission.

In addition, there is close liaison with the National Guard. Civil defense officials and military men have eliminated duplication of work. They have decided on what functions each group will have in an emergency.

There is a possibility, now under discussion, that National Guard troop units will be assigned directly to civil defense chiefs for duty.

Relations with adjacent area and the seven support-counties also are cordial. There was a misunderstanding recently over the closing of Westchester highways to all but civil defense vehicles in an attack. Signs on main arteries inform passing motorists that this will be done.

GOVERNORS TO COOPERATE

State officials said that if they ordered an evacuation, all vehicles taking part automatically would become civil defense vehicles. The signs designating main roads as civil defense routes will remain, they added, to give them better control over such traffic.

Another bright spot is that a start on evacuation planning has been made with the Crittenberger report.

The Governors of New York, New Jersey, and Connecticut have pledged mutual support and aid in this field. They have joined in a request for Federal funds to complete plans. An estimated $300,000 to $500,000 would be required for New York City alone.

The Crittenberger Report warning that the scope of such a plan is huge and the measures required are many and complex, holds, nonetheless:

"It would appear practicable to spare a very large proportion of the city's population from blast, fire, and the most serious effects of radiation, if heroic plans and measures for evacuation are adopted in time."

Indoctrinating the public to the idea of leaving the city,, instead of seeking shelter, is only one of the problems. But officials hold that shelter tests have received cooperation and have been successful.

This would indicate that New Yorkers have learned to respond to civil-defense instructions, and that they could be taught the new method of vitiating the effects of the hydrogen bomb—by evacuation.

CAPITAL UNREADY TO FACE BOMBING—MUDDLE REFLECTS CONGRESS' APATHY—GOVERNMENT ITSELF IS PREPARED FOR FLIGHT

(By Anthony Leviero)

WASHINGTON, June 12.—The National Capital is a model of the muddle in civil defense planning.

As a city without home rule, Washington reflects the general indifference of Congress to civil defense. Before it could complete its plans for coping with an attack by an atomic bomb, the Capital was overtaken by the problems posed by the infinitely more powerful hydrogen weapon.

Now, with the Federal Civil Defense Administration, the local civil defense organization is seeking needed legislation. Congressional interest has been aroused somewhat since the report last February on hydrogen bomb fallout. But civil defense officials are not sanguine about the chances of getting before Congress adjourns all the legislation and funds they feel they need.

On civil defense, Congress seems to act as if it had as much immunity from atomic destruction as from traffic tickets.

It never has participated in a civil defense test. It plans to take no active part in the national test from Wednesday to Friday. In this, 15,000 key officials and employees, including the President, will evacuate the Capital.

CONGRESS TO STAY BEHIND

Officials and employees of all the major Government departments will move to prepared, secret bases within a radius of 300 miles of the capital.

Congress, however, will remain, legislating. It has no place to go in an attack.

The Office of Defense Mobilization is seeking a remote place in which the 96 Senators and 435 Representatives, as well as their sizable staffs, could carry on their constitutional duties. There has been some speculation that a huge resort hotel would be selected. The fact remains, however, that if war broke out today Congress would scatter to the winds with no predetermined meeting place.

Congress has been laggard also in assuring its own succession if it suffered numerous casualties. The Senate has passed a proposed constitutional amendment providing that when vacancies occur in more than half the seats of the House of Representatives, the governors of the States involved would be authorized to appoint Members within 60 days. These appointed Members would serve until the vacancies were filled by election.

Governors now have the power to appoint Senators when a vacancy occurs.

A PLAN FOR GOVERNMENT

The House resolution is pending in a subcommittee of the Judiciary Committee. No hearings on it have been scheduled. The House is jealous of its prerogatives and probably will pay no attention to the problem unless one of its own Members introduces the proposed amendment.

What many consider the best dispersal and evacuation plan in the country is the one worked out by the Office of Defense Mobilization for the Government. This plan is separate from the population of the Capital. This city is in the same dilemma as many other cities that are trying to plan mass evacuations.

This Government dispersal plan will get a comparatively severe test beginning Wednesday. The 15,000 selected persons must go to new austerity offices.

For a widely scattered Government the communications system is necessarily complex. It includes teletype and telephone lines that bypass Washington and connect with the secret White House refuge to which the President will repair.

Microwave radio and closed-circuit television are integrated in the system. The closed-circuit television system is linked to commercial television cables. It would enable the President to address the country. He already has tested this circuit in conversations with members of his staff.

The Defense Department would have the crucial task of marshaling the Armed Forces in an attack. It would disperse to more than a score of secret control centers. The chief one is the command post in a mountain near Thurmont, Md.

NO PLAN FOR CAPITAL

This picture of a developed Government dispersal plan is in contrast with the situation of the Capital unrelated to the Federal Government.

"We have no detailed evacuation plan for the District of Columbia," said Col. John E. Fondahl, a Marine Corps Reserve officer, who is Director of Civil Defense for the Capital.

He explained that last year, after getting fairly authentic data on fallout, his organization had changed its basic concept from shelter to flight.

Until the significance of a hydrogen bomb fallout of 7,000 square miles was realized, the Capital thought of developing shelters as the main civil defense measure.

In seeking to solve its problems both under the old and the revised concept, Washington had a dilemma similar to that of many cities.

It had to struggle against the indifference and inertia of Congress and of the public itself. In seeking to designate shelter areas, the owners of large buildings here refused to cooperate on the ground that if anybody were injured in the premises the owners would be subject to damages.

A few buildings designated basements as shelters, Colonel Fondahl added, but only for employees on the premises.

As Colonel Fondahl discussed the situation in a recent interview, a siren wailed. He explained that the organization was testing a new warning signal. At three sites, he said, it was necessary to place sirens atop towers so that they could be heard, but nearby residents objected.

Then the organization has been handicapped in training its fire and police auxiliary volunteers. The three Commissioners who govern the District under the District of Columbia Committees of the House and Senate have refused to permit these volunteers to engage in training exercises on the city streets. Like the building owners, the Commissioners did not want the Capital to become liable for damages if a volunteer were injured.

In pending legislation, the Commissioners are seeking a provision to cover volunteers under the Workmen's Compensation Act.

So the civil defense situation in the Capital illuminates the civil defense problem of the Nation as a whole. It is hobbled by the public's lack of understanding of the need for it and by a lack of clear legal authority.

It lacks the cohesion and strength of the British system. There the permanent positions are equated with military service. Real authority and command runs from a national control center down through regional, zone, and local levels.

FLIGHT POLICY IS DOUBTED

Under persent law, the District's Commissioners could be invested with emergency powers only if a national emergency were declared. They now are seeking from Congress emergency powers that would authorize them, among other things, to order the city's evacuation.

In hearings on this legislation, Representative OLIN E. TEAGUE, chairman of the Civil Defense Subcommittee of the House District of Columbia Committee, has raised doubts on the practicability of evacuation. He has suggested further consideration of shelter.

The Texas Democrat may have in mind that it takes as much as 40 minutes to get from downtown Washington and across one of the bridges into Virginia during the rush hour. He probably also has noted how the city becomes almost paralyzed after a 2-inch snowfall.

But Colonel Fondahl points out that in a civil defense evacuation, movement would be virtually all outward. No cross-traffic would be permitted on the 73 traffic lanes out of the city.

If "strategic" information of a possible attack were received, it would be possible to get Congress and key Government officials and employees out on trains and automobiles ahead of the general population.

But if the first warning was sudden by siren, Congress and the Government officials would have to take their chances in the general evacuation.

The capital occupies only 10 square miles. Thus its whole area would be vulnerable to heavy damage. Virtually all occupants, except possibly some on the perimeter in good shelters, would be expected to leave.

The capital's control system is still based on old-fashioned World War II conditions. Its control center is only 2 miles from 11th and E Streets NW., the heaviest population center and assumed enemy aiming point.

Its headquarters is in a 1-story frame and stucco building about 4 miles away. So a bus is being converted rapidly into a mobile control center that could move 16 to 20 miles out and supervise operations.

Like the Federal Civil Defense Administration, the capital's civil defense organization has not fared well with its budget requests to Congress. The House has been more hostile than the Senate. A kindlier attitude, however, has been taken under Mr. Teague's leadership.

The requests, nevertheless, still are being slashed. The House this year cut the $154,000 request to $75,000. This is pending in the Senate.

CAPITOL PLAN INCOMPLETE

Last year $208,000 was requested. The House cut this to $75,000, but the ultimate figure was $150,000. Two years ago the House cut a $200,000 request to $23,000. Under Senate influence the final figure was $90,000.

At the Capitol, J. George Stewart, Capitol Architect, who has been designated coordinator of civil defense for Congress, refused to discuss the plan for Members.

Such a plan exists, he said, but it will not be quite completed until after this week's tests. Mr. Stewart said he had no idea yet where Congress would evacuate in an attack. He noted, however, that the railroad station was close to the Capitol.

TRADE AGREEMENTS EXTENSION ACT OF 1955—CONFERENCE REPORT

During the delivery of Mr. HUMPHREY'S speech:

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. CARLSON. Mr. President, before the Senate takes final action on the conference report, I call the attention of the chairman of the Committee on Finance to amendment No. 28 in the report. I notice that the language has been changed somewhat from the way in which the committee reported the bill and also from the way in which the bill passed the Senate. I read the amendment as it was approved by the Senate:

Increased imports, either actual or relative, shall be considered as the cause or threat of serious injury to the domestic industry producing like or directly competitive products when the Commission finds that such increased imports have contributed materially to the serious injury or the threat of serious injury to such industry.

May I ask the chairman of the Committee on Finance if the bill as reported by the committee and as passed by the Senate did not contain the word "materially."

Mr. BYRD. The Senator is correct. The word "materially" was used. But after considerable discussion in the conference, it was felt by the conferees that the words "contributed substantially" would perhaps better serve the purposes of clarification, without changing the actual meaning of the provision.

Mr. CARLSON. As I understand, then, it is the thought at least of the chairman of the committee, and also, I have no doubt, of the other members of the committee of conference that while the word was changed from "materially" to "substantially", it is not believed that it changes the meaning and intent of, at least, the Committee on Finance.

Mr. BYRD. That was the understanding of the conferees. It is merely a change of the word "materially" to "substantially."

Mr. CARLSON. With that understanding, I now ask unanimous consent, Mr. President, to have printed at this point in the RECORD, as a part of my remarks, a letter dated June 3, 1955, from Walter S. Hallanan, transmitting a report on import quotas on oil; a letter dated June 3, 1955, from the Kansas Independent Oil & Gas Association, signed by Tom Orr, executive secretary; and a statement made by George H. Bruce before the Kansas State Corporation Commission on the subject of our oil problems.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

JUNE 3, 1955.

Hon. FRANK CARLSON,
United States Senate,
Washington, D. C.

DEAR SENATOR CARLSON: The enclosed report gives the latest information on crude-oil imports for the week ending May 27, 1955—a total of 1,384,900 barrels as compared with 1,047,800 for the week ending May 20, 1955.

This is one of the highest figures on imports that we have experienced up to this time.

Sincerely yours,

WALTER S. HALLANAN.

[From Platt's Oilgram News Service of June 3, 1955]

IMPORTS TURN UPWARD

NEW YORK, June 2.—Total United States imports of crude and products in 4 weeks ended May 27 averaged 41,900 barrels more than during 4 weeks ended April 29, API reports.

East of California imports were up 51,000 barrels, while California imports were down 9,100 barrels.

Current figures include 56,700 barrels to cover nonreporting companies, all east of California. They do not include rate provision No. 16 (military and other Government agencies) receipts, which averaged 37,000 barrels during January, February, and March.

[Barrels per day]

	Week ended May 27	Week ended May 20	4 weeks ended May 27
East of California:			
Crude oil	866,500	654,100	665,000
Residual fuel oil	375,300	320,200	343,300
Distillate fuel oil	6,400	4,700	4,100
Asphalt	24,300	6,800	12,900
Others	20,800		14,700
Total	1,293,300	985,800	1,040,000
California:			
Crude oil	91,600	62,000	85,300
Products			
Total	91,600	62,000	85,300
United States:			
Crude oil	958,100	716,100	750,300
Products	426,800	331,700	375,000
Total	1,384,900	1,047,800	1,125,300

KANSAS INDEPENDENT
OIL & GAS ASSOCIATION,
Wichita, Kans., June 3, 1955.

Hon. FRANK CARLSON,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CARLSON: The announcement by Chairman Arthur Flemming, Director of the Office of Defense Mobilization, that the President's Cabinet Committee On Fuels Policy will reconvene for another look at the general situation has been received with considerable interest here in Kansas. Those of us who are most seriously concerned with the problem of excessive oil imports feel that every shred of evidence of harm to our domestic economy and national defense deserves to be brought to the attention of the administration in Washington.

Such additional factual information of current concern to the Flemming committee is the recent announcement by the Sohio Petroleum Co. that its field price for Kansas crude oil is to be cut by 15 cents per barrel effective June 1, 1955.

This reduction in crude price is a serious threat to the posted field prices for crude throughout the entire midcontinent area, in that it will present the unhealthy exist-

ence of two field prices, standing side by side on adjoining leases, which eventually will result in first one company, then another, following Sohio's lead.

As this unwarranted price cut is taking its economic toll in Kansas, Sohio proudly announces to its stockholders that the company has "taken the initial steps to acquire an interest in the Iranian Consortium which now holds the crude oil production, refining, and export rights in Iran."

The domestic oil industry surely has a right to expect the Flemming Committee to make inquiry into this situation which presents the peculiar picture of a major oil company depressing the posted field price for domestic crude on the one hand, while grasping for cheap foreign reserves on the other.

How can this Nation expect its oil industry to remain strong and vigilant in its capacity to fuel our emergency requirements without some reasonable limitation upon the excessive importation of foreign oil?

Enclosed is a copy of a statement made by Mr. George H. Bruce before the Kansas Corporation Commission at its last hearing on oil proration. Mr. Bruce directs his remarks to the Sohio decision.

I respectfully ask your personal aid in bringing this matter to the attention of the President's Committee on Fuels Policy.

With best personal regards, and our continued appreciation of your yoeman service in behalf of all Kansas, I remain,

Sincerely yours,

TOM ORR,
Executive Secretary.

Mr. Chairman, Mr. Director, members of the State corporation commission and gentlemen; my name is George H. Bruce, president of Aladin Petroleum Corp., Wichita, Kans.

You would be shocked if it were announced that one of the important purchasers of crude oil in the State of Kansas contemplated running 5 percent of the oil which they purchase into ditches by the side of the road effective on June 1. This would clearly constitute physical waste and I am certain that this Commission would promptly issue an order prohibiting such action.

The reduction as announced by the Sohio Petroleum Co. of 15 cents a barrel on the oil which they are purchasing in Kansas effective June 1, in my opinion, as flagrantly constitutes waste of a similar nature, that is, economic waste.

This is a rank and thoughtless discrimination against the producers of crude oil within the State of Kansas and is a storm warning to all of the other crude oil producers in the entire United States. There is no justification for such action judged either on a basis of industry statistics or on a basis of Sohio Oil Co.'s published earning statement and certainly not on any basis which considers the cost of finding, developing, and producing crude oil.

I would like, at this point, to give you some industry statistics.

In terms of days' supply of crude oil, the industry is at the lowest point of inventories it has been as of April in the past 6 years. I quote as follows:

	Days
April 1950	38
April 1951	34
April 1952	36
April 1953	35
April 1954	38
April 1955	33

In terms of products, the days' supply is as follows for the same period of time:

	Days
April 1950	48
April 1951	48
April 1952	47
April 1953	47
April 1954	54
April 1955	52

Thus, the total overall crude and products in terms of days' supply for this period is as follows:

	Days
April 1950	86
April 1951	82
April 1952	82
April 1953	82
April 1954	90
April 1955	86

It is true that volumewise stocks are up modestly. Again I quote as of May 14:

	Production (barrels)	Increase or decrease (barrels)	Increase or decrease (percent)
Crude oil	278,208,000	+4,284,000	+1.6
Gasoline	171,134,000	−4,616,000	−2.6
Distillate	72,710,000	+7,179,000	+10.9
Kerosene	22,951,000	+1,361,000	+6.3
Residual	44,161,000	−835,000	−1.9
Total stocks	589,164,000	+7,373,000	+1.3
Refinery runs	7,061,000	+41,000	+.6

However, petroleum demand for both domestic and export is predicted by all of the individual companies and all of the statistical agencies to be considerably higher in 1955 than in 1954 and a generally accepted figure is that the total anticipated consumptive demand for 1955 will be approximately 5 percent higher than it was in 1954. The United States Bureau of Mines report a 7.4 percent increase in consumptive demand for the first quarter of 1955.

For Sohio Oil Co. to justify such a reduction by their own company earning statement is indeed difficult to understand in view of the fact that their earnings for the first quarter of 1955 are 36.3 greater than for the first quarter of 1954. An average net profit of 36 oil companies for the first quarter of 1955 showed an increase of 9.8 percent. In other words, the Standard Oil Company of Ohio's earnings are up almost four times the average for the 36 listed firms. It is interesting to note that in this list of firms which have an average increase of 9.8 percent the first quarter of 1955 over the first quarter of 1954 there are many, in fact, most of the principal purchasers of crude oil in the State of Kansas such as Anderson-Prichard, Cities Service, Continental Oil, Gulf Oil, Lion Oil, Phillips Petroleum, Shell Oil, Sinclair, Standard of Indiana, Texas Co., Skelly, and others.

If the Commission would care for me to do so, I would be very glad to read into the RECORD the comparative earnings of each of these companies named. I make this point simply to illustrate to you that other companies who are purchasing oil in the State of Kansas have not experienced the same percentage increase in earnings in the first quarter of 1955 compared to the first quarter of 1954 as the Standard Oil Company of Ohio and nevertheless they have accompanied their nominations for the purchase of crude oil in the State of Kansas with a posted market of $2.90 per barrel as contrasted with Sohio's posting of $2.75 per barrel.

The Standard Oil Company of Ohio know all too well that there is no justification for the action which they have taken if judged in the light of the cost of finding, developing and producing crude oil. A four-year survey of this company's costs indicates that a $91 million capital expenditure resulted in a net cost of $16,200 per daily barrel of produced crude oil.

It is thus wondered if Sohio's action is taken with a hidden motive that to my mind is a disastrous one for the producers of crude oil in the domestic petroleum industry of the United States. As I view the picture, there is a constant encroachment of imported crude and products which are undoubtedly being offered in certain trade territory of the Standard of Ohio, the products probably at slightly lower prices than the products from domestic crude and undoubtedly foreign crude is being offered for sale to the Standard Oil Company of Ohio at price below domestic production and one wonders if this company is contemplating embarking on a program of purchasing foreign oil.

The Sohio Oil Co. is a large purchaser, refiner and marketer of crude oil, refining and marketing in excess of 120,000 barrels daily as contrasted with a net production of approximately 30,000 barrels daily. Their four refineries, located in Cleveland, Toledo, and Lima, Ohio, and Covington, Ky., are all strategically situated and interconnected by pipelines and they are supplying approximately one-quarter of the gasoline bought in the State of Ohio.

This company has had a remarkable growth in the past 10 years growing from gross sales of $124.9 million in 1945 to $304.4 million in 1954. In this same 10 year period their net income has increased from $3.7 million to $18.5 million and their per share earnings have increased from $1.10 per share in 1945 to $4.41 per share in 1954. In a press release of May 24, it is reported that their earnings for the first 3 months of this year amounted to $6,079,843, equal to $1.46 a common share, compared with $4,460,935, or $1.06 a share, in the comparable first quarter of a year ago. Sales and operating revenues rose to $81,161,120 from $75,227,667 a year ago.

It is difficult to reconcile this impressive growth and earning record with any reason for this action on the part of Sohio unless this is a trial balloon to see how the crude oil producers and public officials will react toward a general readjustment of the domestic crude oil market. Certainly there is no one so naive as to believe a readjustment of the Kansas crude oil market can be made by one purchaser and not be followed eventually by all other purchasers, this in turn spreading to a readjustment of markets in Oklahoma, Texas, New Mexico, yes, the entire United States domestic crude oil procuding areas. This could lead to a considerably greater adjustment than this initial small bonfire in the plains of Kansas and eventually lead to disaster in all the oil producing States creating the greatest conceivable economic waste to all the individuals and companies engaged in the production of oil and to the economics of all the counties and States in which crude oil production pays and plays so great a part.

I am fully aware that there are those engaged primarily in the refining and marketing of petroleum and with only a very modest interest of the welfare of the production of crude oil who believe that the way to combat imports of cheap foreign oil and foreign oil products is to depress the domestic petroleum market and slug it out with the importers. I have been in the oil business, interested only in one phase of the business and that is the finding, developing, and producing of crude oil and selling same at the posted market price for some 31 years. Oil has gone from $3 a barrel to 10 cents a barrel in that period and finally back to its present posted market of $2.90 for top gravity oil. This was achieved only after a long uphill fight demonstrating a necessity for adequate markets to stimulate the search for new reserves at ever-increasing costs of doing so. The domestic oil industry cannot compete with cheap foreign imports without bankrupting all of those engaged in the industry except possibly those interested only in refining and marketing and such a policy would eventually engulf those who think they could gain. Indeed such a policy could be the spark that set in motion a real business recession.

This is a dismal picture and an alarming one, but gives you a glimpse of what could be precipitated by this action of Sohio's in utter disregard of their responsibility to the petroleum economy of the State of Kansas. My concern could not be greater unless it were one of immediate greater proportions which I think could follow unless this commission takes prompt notice and action. The eyes of the entire domestic oil industry are focused on this situation.

It is my recommendation to you, Mr. Commissioner, and members of the corporation commission, that you promptly take action. You have several courses open to you. You could recommend or suggest to the other crude oil purchasers of Kansas to buy the oil which Sohio has been buying from outside connections. It is my understanding that Sohio purchases 7,300 plus or minus barrels in Kansas of which 4,000 barrels daily is company-owned oil. Thus a reduction in this company-owned oil is simply a matter of bookkeeping, taking away from the production division and giving to the refining division or taking from one pocket and putting into the other pocket. The remaining 3,300 plus or minus barrels is purchased from many independent producers in Kansas. A suggestion or recommendation or, if need be, an order from this commission to the other purchasers that they purchase this 3,300 plus or minus barrels daily would effectively relieve Sohio and take them out of Kansas as a purchaser of crude oil. We are operating this month under a 25,000 barrels a day reduction in allowables and there will possibly be a similar reduction for the month of June. Certainly the 3,300 plus barrels can be absorbed and, if not, a reduction could be worked out by those companies taking this 3,300 barrels. This commission will be taking a constructive step not only in the best interests of Kansas, but of the entire domestic petroleum industry by realizing the important significance of this matter and exercising its authority to prevent economic waste of our State's most important mineral resource—crude petroleum.

I want to apologize for the length of this statement.

Mr. JOHNSON of Texas. Mr. President, I should like to have action concluded on the conference report. It is my understanding that the Senator from Illinois [Mr. DOUGLAS] wished to be notified when the debate on the Commerce Department appropriation bill was resumed. But in view of the understanding with his staff, I suggest that the Senator from Minnesota proceed with his speech, and I will see if the Senator from Illinois can be located.

Mr. HUMPHREY. Mr. President, I observe that the Senator from Illinois has just come to the floor. May I ask the majority leader if it is his desire to proceed with the consideration of the conference report?

Mr. JOHNSON of Texas. Will the Senator from Minnesota yield, so that the question may be put?

Mr. HUMPHREY. I am happy to yield for that purpose.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

(Mr. HUMPHREY resumed and concluded his speech, which appears in its entirety on preceding pages of the RECORD.)

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

Mr. HOLLAND. Mr. President, I had expected at this time to ask unanimous consent that the committee amendments be agreed to en bloc, and that the customary action in that connection, looking to the creation of a clean bill which would be subject to all amendments, might be taken. However, I find that there is objection to that course, so I suggest that the committee amendments be considered in order.

The PRESIDING OFFICER. The first committee amendment will be stated.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of Commerce—Office of the Secretary", on page 2, line 2, after "(not exceeding $1,000)", to strike out "$2,172,000" and insert "$2,217,300."

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the report of the committee be printed in full at this point in the RECORD. I make the request so that with reference to any item on which no question is asked on the floor the report will give the answer the committee thought was adequate.

There being no objection, the report (No. 512) was ordered to be printed in the RECORD, as follows:

The Committee on Appropriations, to whom was referred the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House	$1,123,685,000
Amount of increase by the Senate	190,932,300
Amount of bill as reported to Senate	1,314,617,300
Amount of appropriations, 1955	1,147,512,746
Amount of the regular and supplemental estimates, 1956	1,366,393,000
The bill as reported to the Senate:	
Over the appropriations for 1955	167,104,554
Under the estimates for 1956	51,775,700

Summary of bill

Department or agency	Appropriations, 1955	Estimates, 1956	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—		
					Appropriations, 1955	Estimates, 1956	House bill
Title I—Department of Commerce	$1,130,632,746	$1,347,800,000	$1,105,810,000	$1,296,322,300	+$165,689,554	−$51,477,700	+$190,512,300
Title II—The Canal Zone	15,433,000	16,898,000	16,300,000	16,600,000	+1,167,000	−298,000	+300,000
Title III—Independent agencies:							
Advisory Committee on Weather Control	120,000	295,000	175,000	295,000	+175,000		+120,000
St. Lawrence Seaway Development Corporation	(250,000)	(280,000)	(280,000)	(280,000)	(+30,000)		
Tariff Commission	1,327,000	1,400,000	1,400,000	1,400,000	+73,000		
Grand totals, titles I, II, and III	1,147,512,746	1,366,393,000	1,123,685,000	1,314,617,300	+167,104,554	−51,775,700	+190,932,300

TITLE I—DEPARTMENT OF COMMERCE

For the Department of Commerce, including the Civil Aeronautics Board, the committee recommends $1,296,322,300, an increase of $190,512,300 above the amount allowed by the House. The total, with comparisons of the amount recommended with the appropriations for fiscal year 1955 and with amounts allowed by the House of Representatives is shown in the accompanying summary table, showing the amounts allowed by title of the bill and by agency.

OFFICE OF THE SECRETARY

Salaries and expenses: The committee recommends $2,217,300, an increase of $45,300 over the amount allowed by the House, and over appropriations for comparable activities in fiscal year 1955. The amount recommended will make available for fiscal year 1956 for the immediate office of the Under Secretary for Transportation no more than the amount made available for this activity in fiscal year 1955. The increase will provide funds to cover the full year cost in fiscal year 1956 of positions established in the Office of the Secretary during 1955, and for adding two positions in the Office of Budget and Management for improvement of accounting methods.

Aviation war risk insurance revolving fund: The language proposed is legislative, and its proper place appears to be in an amendment of the law, section 1306 of the act of June 14, 1951 (49 U. S. C. 716). The remedy should lie in recourse to the legislative committee having jurisdiction over the matter.

BUREAU OF THE CENSUS

The committee recommends $7,100,000 for fiscal year 1956, an increase of $900,000 above the current appropriation and above the House bill. Due to censuses taken in calendar year 1954, the need for certain annual surveys did not exist this year. This is reflected in the reduction of appropriation for the salaries and expenses of the Census Bureau from $6,824,824 for comparable purposes in 1954 to $6,200,000 in fiscal year 1955. With resumption of these activities required in fiscal year 1956, the committee feels that within a total of $7,100,000 the Bureau should continue to improve sta-

tistics on employment, and should go forward in development of electronic machines adapted to its work which should speed results and reduce costs of the next decennial census.

The increases are distributed by project as follows:

Annual retail trade report	$50,000
Annual survey of manufacturers	150,000
Expanded population survey	500,000
Electronic equipment development	200,000

Census of agriculture: The committee recommends no amendment. The House allowance of $5,500,000, $10,500,000 less than the appropriation for fiscal year 1955, and $500,000 less than the estimate, will complete this census.

Censuses of business, manufactures, and mineral industries: The committee recommends no amendment. The House allowance of $4 million is $665,000 less than the budget estimate, and $4,430,000 less than the appropriation for fiscal year 1955.

It is not intended by the committee that this reduction should delay or curtail the planned work on the censuses, but that, if it is demonstrated that additional funds are required in fiscal year 1956 to complete it, a supplemental estimate will be submitted.

Intercensal housing survey: The committee recommends the appropriation of the amount of the estimate for this purpose, $500,000. The item was omitted in the House bill.

The obvious great changes which have occurred in the housing supply and pattern of occupancy since 1950 have not been reduced to any form of comprehensive national statistical coverage. Considering the importance of the subject, to one of the Nation's principal industries and to the whole body of the population—and especially, considering the billions in credit for housing construction and ownership for which the United States Treasury stands as guarantor—it is the belief of the committee that the survey at this time is required for the information of the public, the Congress, and the housing industry, and that it should cover all housing in its sample, including Wherry housing for military personnel.

CIVIL AERONAUTICS ADMINISTRATION

Operation and regulation: The committee recommends $107,125,000 for "Operation and regulation" for fiscal year 1956. This amount is $4,125,000 above the House allowance and $975,000 over the budget estimate. This recommendation is a result of careful consideration of the adverse effect on our growing civil and military aviation that would result from plans to discontinue certain aids to air navigation. Extensive evidence is available that we should operate the available air navigation and traffic-control facilities and the new facilities that will be ready during 1956. Our recommendation will permit facilities constructed at Federal expense and needed for the air-ground services that assure safety in aviation to be operated. A lesser amount will result in closing facilities which are important to segments of aviation and this committee has always stressed that safety in aviation should not be jeopardized.

The committee therefore directs that no stations or facilities now operating be discontinued by the Civil Aeronautics Administration, and that there be reported to the appropriate committees of the Senate and House of Representatives a comprehensive plan for future air traffic control routes, facilities, and stations, which shall in any event be made available to this committee and to the Appropriations Committee of the House of Representatives prior to the submission of the budget for fiscal year 1957.

Establishment of air navigation facilities: The committee recommends $16 million, which is $2,500,000 less than the House allowance and $7 million less than the budget estimate. It is the view of the committee that the administration should proceed slowly with installation of new equipment while the question of the type permanently to be used is being determined. The committee feels that this amount is adequate to meet the needs for other new facilities in the Federal airways system during the coming year.

For liquidation of contract authorization previously granted under this head, the committee recommends $7 million, the amount of the House allowance and the budget estimate.

Grants-in-aid for airports: The committee recommends $20 million, the amount allowed for this purpose by the House; it is $9 million more than the budget estimate, and $150,000 less than the comparable amount made available for fiscal year 1955.

Many communications and statements have been presented to the committee by distinguished citizens, Members of the Senate and of the House of Representatives, urging an increase in this fund up to the maximum authorized to be appropriated in 1 year, which is $100 million. Testimony was presented to the committee as to the criteria employed by the administration in choosing airports for Federal aid under this authority.

In view of the fact that decision is pending on legislation which would substantially change the pattern of selection and extend eligibility for aid to more of the communities throughout the Nation which have sold or authorized bonds, or by other means built up funds to match Federal grants aggregating more than $161 million, it is believed a larger appropriation would be of doubtful value to communities seeking the increased grants.

The committee recommends $7,500,000, the amount in the House bill and in the budget, for liquidation of contract authorization previously granted for the Federal-aid airport program.

Maintenance and operation, Washington National Airport: The amount recommended by the committee, $1,415,000, is $65,000 more than the House allowance and the appropriation for the current fiscal year. The increase will provide $45,000 for the increased pay at wage-board rates of custodial employees so reclassified in accordance with Public Law 763, 83d Congress (68 Stat. 1105). It will also provide for an increase of $20,000 for the increased cost of utilities.

The committee asks that a complete investigation and report to the Congress be made by the administration of the monopoly on taxicab transportation from the airport to points in Washington, which appears to be operated to the detriment of public convenience at exorbitant costs to passengers.

Construction, Washington National Airport: The committee supports the action of the House in recommending the budget estimate, $525,000. This amount will provide for additional aircraft fuel storage and distribution facilities and for other critically needed improvements, including the addition of a second baggage room at the south end of the terminal.

Maintenance and operation, public airports, Territory of Alaska: The committee recommends $750,000, the amount of the budget estimate, and $150,000 more than the House bill. The recommended amount will provide an increase of $150,000 above the 1955 appropriation to pay $15,000 for the added costs for employee fringe benefits enacted by the 83d Congress, and $135,000 for bulk utilities purchase by the airport for sale to occupants of its facilities from which the net proceeds deposited in the Treasury will exceed the cost.

Air navigation development: The committee recommends $1,600,000, an increase of $550,000 over the 1955 appropriation and the House bill. Regardless of the outcome of the controversy as to the type of air-navigation aids to be installed on the airways in the near future, the committee believes it important to the safety and the convenience of the public in these days of growing air traffic and air speed that there be increased an active attention to the development of instruments and guiding devices which will provide correspondingly increased speed in air traffic direction and control.

CIVIL AERONAUTICS BOARD

Salaries and expenses: The committee recommends the amount of the budget estimated, $4,125,000. This is $225,000 more than the House bill would provide, and $348,000 more than the fiscal year 1955 appropriation. The work of the Board in auditing the air carriers—an essential prerequisite to establishment of final rates, which determine the amount of subsidy to be paid—and in settling applications for certification of air routes, has been inexcusably slow.

Undoubtedly there are complex issues which come before the Board for solution in applications for adjustment of rates and for the certification of new routes or improvements to existing routes for the convenience of the public. In granting this full budget request, it is the understanding of the committee that such proceedings will be expedited, and that there will be an increase in frequency and scope of audits of the air carriers.

Payments to air carriers: The committee recommends $55 million for the subsidy payments to scheduled United States flag domestic and international airlines. The amount allowed by the House, $40 million, would not, according to testimony given to this committee, pay the amounts earned and due under the law given the most favorable circumstances. The recommended increase of $15 million is $8 million less than the budget estimate; limiting the appropriation to that amount may very well require provision of a supplemental appropriation in the next session.

Testimony before this committee on this appropriation request brought out the fact that the payments due are earned by a formula which is set up under law, whenever the airline provides service on a certificated route; once a rate is set, no recapture is provided, unless the rate is temporary. The only thing other than flight service performance which thereafter affects the amount due from this appropriation is that there is a deduction of the amount which is paid to the carriers by the Post Office Department computed on the volume of mail actually carried. Any recoveries made are based upon the action of the Board in setting final rates below the temporary rates, which action is subject to court review.

The Board chairman advised the committee that recommendations for a recapture provision, as an amendment to basic law, were under active study and might be provided to this Congress. Such an action appears to this committee to be worthy of encouragement.

The Board's estimates for subsidy payments to air carriers have been in a form which lists amounts to be paid to each air carrier grouped in broad geographical classifications. In evaluating subsidy requirements for the future, particularly for international operations, it would be helpful to the committee if the Board were to segregate and identify with greater particularity the routes and services for which subsidy is required, and those which do not receive subsidy support.

COAST AND GEODETIC SURVEY

Salaries and expenses: The committee recommends $10,225,000, which is $25,000 more than the House allowance and the 1955 appropriation. The increase is provided to

cover retirement pay of five officers who are being added to the retired list. The committee does not recommend the initiation of a proposed survey of the gulf coast tidelands area.

BUSINESS AND DEFENSE SERVICES ADMINISTRATION

Salaries and expenses: The recommendation of the committee, $6,900,000, is $702,000 more than the House allowance and would provide an increase of $652,000 over the amount available for comparable activities for the fiscal year 1955. The agency requested $250,000 to increase the Area Development Division and $800,000 to provide for construction statistics projects. The committee recommends that there be less than maximum action in these two areas.

BUREAU OF FOREIGN COMMERCE

Salaries and expenses: The committee recommendation, $2,200,000, is $400,000 more than the provision in the House bill and restores the full budget estimate. The Senate last year acted to increase the staff of this Bureau in order to improve its service to American businessmen engaged in foreign trade. The increase provided will simply continue throughout fiscal year 1956 the added staff which was recruited during fiscal year 1955.

Export control: The committee recommends $2,800,000, an increase of $300,000 over the House allowance. Despite the reduction in the controlled list, there are still requirements for enforcement at nearly as many points as in the past. Since much of this enforcement work is done by the Bureau of Customs, Treasury Department, the committee recommends that the full amount of $800,000 be provided to that agency by the Department of Commerce. The committee also recommends that the amount of $90,000 be available for transfer to the Office of the Secretary for his administrative expenses in connection with export control activities rather than $75,000 recommended by the House.

OFFICE OF BUSINESS ECONOMICS

Salaries and expenses: The committee recommends $900,000, which is $75,000 less than the House figure and $100,000 less than the budget estimate. The committee was told by the Secretary and the Assistant Secretary of Commerce that $75,000 earmarked by the House to finance a special study of unemployment throughout the country was for an activity which was not contained in the budget and was not recommended for this agency. Funds recommended for the Census Bureau would provide for the proposed purpose.

MARITIME ACTIVITIES

Ship construction: The committee recommends $102,800,000, the amount of the estimate and $38,100,000 more than the House allowance. The restoration will provide for continuation of the program initiated last year to stimulate the American shipbuilding industry and to provide for replacement which will prevent block obsolescence of the American merchant marine. The amount recommended for restoration by this committee includes the building of 1 prototype tanker and 2 prototype cargo ships, planned for future requirements of national defense. On the basis of testimony that the last proviso, which was included by the House, is not consistent with normal practice in shipbuilding, the committee has recommended striking out language which would limit commencement of construction to vessels for which the entire appropriation of Federal funds required to complete had been provided.

Operating differential subsidies: The committee recommends $115 million, an increase of $25 million over the House allowance and the same that has been provided for fiscal year 1955. The payment of subsidies which have been earned is an obligation of the Government to contractors who operate shipping under terms provided by the Merchant Marine Act of 1936 as amended. Although certain sums are withheld from these earnings as a matter of policy—such as amounts in dispute and a proportion of earnings during most recent quarters pending audit which will determine possible recapture—it is the belief of the committee that such obligations after determination should be promptly paid. To fail to provide the funds at this time will simply require Congress to consider a supplemental appropriation later in the fiscal year. Language which has been included in the bill by the House would change a provision which has previously limited the number of voyages on which subsidies might be paid. The committee proposes to reinstate the limitation for contractors covered by these subsidies in the form and the full number recommended in the budget, 2,000 voyages.

Salaries and expenses: The committee recommends $14,700,000, which is $700,000 more than the House allowance and $400,000 less than the budget estimate. The increase recommended by the committee will provide additional funds, in the amount of $440,000 more than the allowance of the House, for reserve fleet expenses in order to insure that preservation work is expedited and will also provide for a corresponding increase in the provision for maintenance of shipyard facilities and operation of warehouses.

Maritime training: The committee recommends $2,085,000, the amount of the budget estimate and of the House bill, which is principally for the operation of the Merchant Marine Academy at Kings Point, N. Y.

State marine schools: The committee recommends $660,000 for this purpose, the amount included in the bill in the House and the amount appropriated for the fiscal year 1955. There was no budget estimate submitted for this activity for fiscal year 1955. It is believed by the committee that officials of the Administration have shown a disregard for the effect of the proposed abrupt discontinuance of this aid without advance notice upon the States, the schools, but particularly upon the students who have enrolled in these maritime academies in the expectation that they would be able to complete their course with Federal aid. Furthermore, the committee believes that these State schools are making a valued contribution to national security by providing trained personnel for our merchant fleet and for the Naval Reserve.

Reserve fleet vessels (liquidation of contract authority): The committee recommends $6 million for this purpose, which is the amount of the House allowance and the budget estimate and $6 less than the fiscal year 1955 appropriation.

War Shipping Administration liquidation: The committee recommends no amendment. The House allowed the amount of the estimate, an authority to continue use in 1956 of $5,900,000 of unexpended balances from 1948 appropriations for settlement of obligations approved by the General Accounting Office.

Vessel operations revolving fund: Language has been included in the bill as proposed in the budget estimate but which was not approved by the House, permitting the Maritime Administration to pay the cost of protection, preservation, maintenance, acquisition, or use of vessels returned to the ownership of the United States from other nations or by forfeiture or foreclosure.

Inland Waterways Corporation: The committee recommends authorization for the use of $14,000 from the funds of this Corporation to carry out the audit and physical inspection required in fiscal year 1956 under the terms of the contract of sale of the assets of the Corporation. The amount recommended is the amount of the budget estimate and was disallowed entirely by the House.

PATENT OFFICE

Salaries and expenses: The committee recommends $14 million for this purpose, the amount of the House allowance and $2 million more than the budget estimate.

Testimony before the committee by the Secretary of Commerce, the Under Secretary, and the Deputy Commissioner of Patents was that this money could be used constructively.

BUREAU OF PUBLIC ROADS

Federal-aid highways: The committee recommends $680 million, the full amount of the budget estimate, which is an increase of $80 million over the House bill and $85 million more than the appropriation for fiscal year 1955. This appropriation is a liquidation of an obligation of the Federal Government to the States. The obligation to the States is incurred pursuant to the contract authority contained in the Federal highway acts; not to provide the appropriation for payment would require a supplemental appropriation at a later date during the fiscal year.

Forest highways: The committee recommends $25 million, the amount of the budget estimate, for the liquidation of contract authority granted in the Federal-Aid Highway Act of 1954. This amount, $6,500,000 more than the House allowance, will be needed to meet these obligations.

Inter-American Highway: The committee recommends an appropriation of $25,250,000 for the continuance of the construction of the Inter-American Highway, which is the full amount of the authorized but unappropriated balance.

It is the sense of the committee that the interests of this Nation, our friendship for the neighbor nations, the value of surface access to the Panama Canal, and many other mutual benefits dictate early completion of this highway. Even if the cost of the road is increased by accelerating its construction to completion in 3 years, as requested by the President, it is deemed to be so very much in our interest for the early realization of our objectives, in Latin American peace and in mutual economic benefit, so as to greatly outweigh the added cost.

Public lands highways: The committee recommends $2 million, the full amount of the budget estimate and the same amount approved in the House. This appropriation is for the liquidation of obligations for construction of highways as they cross land owned by the United States.

Reductions in contract authorizations: The committee recommends the concurrence of the Senate in the provision included in the bill by the House on the recommendation of the Bureau of the Budget which will cancel the unused authorizations and contract authority for Federal-aid and forest highways under the acts cited in the bill.

NATIONAL BUREAU OF STANDARDS

Expenses: The committee recommends $7,450,000, which is $450,000 more than the amount in the House bill and $300,000 less than the budget estimate. The testimony disclosed that $550,000 of the increase of $1,450,000 recommended by the committee over the fiscal year 1955 appropriations for comparable activities will go for the elimination of overcharges to other agencies. This practice by the Bureau of Standards has been criticized by the Comptroller General. The $900,000 which is recommended for the increased program in standards, research and testing is needed as a minimum to support an increase in work for improved standards of measurement demanded by technical improvements in industry.

Plant and equipment: The committee recommends $995,000, the amount allowed by the House and $20,000 less than the budget estimate. The committee also recommends language submitted in the estimate which is required by law to be contained in appropriation acts for the construction of facilities.

WEATHER BUREAU

Salaries and expenses: The committee recommends $32 million, which is $2,100,000 more than the amount in the House bill and $4,150,000 more than the budget estimate. With these additional funds, the committee also recommends language which will limit the use of $4,250,000 to operation, improvement, facilities and research in hurricane, storm, and tornado warning services in the United States. Included in the amount which is provided for this purpose is $96,000 for the operation of a ship in the gulf coast areas to give earlier and better warnings for these coastal waters which will be of particular benefit to the fishing industries and installations offshore oil drilling and production.

It is the sense of the committee that the extension of agriculture frost-warning service is to be encouraged wherever communities or local associations of agricultural producers provide required supporting funds. In the case of Maricopa County, Ariz., $10,000 is provided within the amount allowed for the provision of such a service.

Establishment of meteorological facilities: The committee recommends the amount allowed by the House, $5 million which is the amount of the estimate. This amount will pay for the cost of modernization of obsolescent weather-observation equipment, particularly in the field of storm detection and tracking.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

The following provisions have been included in the bill by the committee:

"SEC. 104. Not to exceed 5 percent of any appropriations of the Department of Commerce available for salaries and expenses may be transferred to any other such appropriation, but no such appropriation shall be thereby increased by more than 5 percent: *Provided*, That such transfers shall be in addition to any other transfers authorized by law, but no such transfer shall be used for the creation of new functions within the Department: *Provided further*, That not to exceed $5,000 of such transfers shall be available for entertainment.

"SEC. 105. Hereafter the position of Budget Officer of the Department shall be in GS–17 of the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent."

The language proposed in section 105 would place the present incumbent of the position of budget officer of the Department in the grade established by law for the previous incumbent.

THE PANAMA CANAL

Canal Zone Government operating expenses: The committee recommends $14,800,000, an increase of $300,000 over the House bill and $217,000 under the budget estimate. The committee reaffirms its directive of last year that none of the funds available to the Canal Zone Government shall be used for the provision of free kindergartens.

Capital outlay: The committee recommends $1,800,000, the House allowance, and a reduction of $81,000 under the estimate. However, the committee recommends inclusion in the language of provision for replacement of 8 passenger-carrying motor vehicles instead of 6 as recommended in the House bill. These two vehicles are to be used by the Police Department.

Panama Canal Company: The committee recommends $3,740,000, to be derived from revenues of the company, for administrative expenses. This amount is $151,000 more than the House allowance and $110,000 less than the budget estimate. The amount allowed does not provide for any increase in personnel but will cover the added cost of employee fringe benefits during the fiscal year 1956. The committee directs that no action be taken to abandon the Panama Railroad until the appropriate committees of Congress have investigated the proposal and indicated their approval.

The United States Government has a net unamortized current investment in the Panama Canal of $367,764,946, which is computed without allowance for the interest on the cost of the construction incurred from the initiation of the project to the opening of the canal to traffic.

Of this total, nondepreciable items amount to $286 million; although interest is paid on this portion of our investment, there is no depreciation or amortization paid to the Treasury on this nondepreciable cost—which is the value of the digging and the locks themselves, but not the cost of the lock machinery—and toll rates as now set would not produce the funds to make such a return. In short, depreciation is being taken only on an amount which is less than one-fourth of our investment, even after the discounting of interest during construction, which has, like certain other chargeoffs, been taken as its value for national defense.

Sections 205 and 206 are proposed by the committee to be added for the Panama Canal which include provision for the promotion of the Governor, who is also President of the Panama Canal Company, and for regulation of the method of computing travel cost under home leave which requires the full cost to the Government to be taken into account.

ADVISORY COMMITTEE ON WEATHER CONTROL

The committee recommends $295,000 which will enable this committee to complete its work and report to Congress on the need for control of rainmaking and other related activities. The amount recommended is $120,000 more than the House allowance in the Mount Washington, New Hampshire, area, and is the full amount of the budget estimate. This amount will permit physical evaluation and test of rainmaking techniques and provide for the accumulation and evaluation of data at a more rapid rate.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The committee recommends the amount of the House allowance and the budget estimate, $280,000, for the administrative expenses of this Corporation. The committee was advised that due to relocation of some of the links in the seaway, the total amount of the United States commitment for the construction will be substantially reduced.

TARIFF COMMISSION

The committee concurs in the action of the House in providing the full amount of the budget estimate of $1,400,000 for this important Government Commission.

Comparative statement of appropriations for 1955 and estimates and amounts recommended in bill for 1956

TITLE I—DEPARTMENT OF COMMERCE

Agency and item	Appropriations, 1955	Estimates, 1956	Recommended in House bill for 1956	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—		
					Appropriations, 1955	Estimates, 1956	House bill
OFFICE OF THE SECRETARY							
Salaries and expenses	$2,050,000	$2,300,000	$2,172,000	$2,217,300	+$167,300	−$82,700	+$45,300
CENSUS BUREAU							
Salaries and expenses	6,200,000	7,400,000	6,200,000	7,100,000	+900,000	−300,000	+900,000
Census of agriculture	16,000,000	6,000,000	5,500,000	5,500,000	−10,500,000	−500,000	
Censuses of business, manufactures, and mineral industries	8,430,000	4,655,000	4,000,000	4,000,000	−4,430,000	−655,000	
Intercensal housing survey		500,000		500,000	+500,000		+500,000
Total, Census Bureau	30,630,000	18,555,000	15,700,000	17,100,000	−13,530,000	−1,455,000	+1,400,000
CIVIL AERONAUTICS ADMINISTRATION							
Operation and regulation		106,150,000	103,000,000	107,125,000	+107,125,000	+975,000	+4,125,000
Air navigation facilities, establishment of	5,000,000	23,000,000	18,500,000	16,000,000	+11,000,000	−7,000,000	−2,500,000
Air navigation facilities, establishment of (liquidation of contract authorization)		7,000,000	7,000,000	7,000,000	+7,000,000		
Grants-in-aid for airports		11,000,000	20,000,000	20,000,000	+20,000,000	+9,000,000	
Federal-aid airport program (liquidation of contract authorization)		7,500,000	7,500,000	7,500,000	+7,500,000		
Washington National Airport:							
Maintenance and operation	1,350,000	1,415,000	1,250,000	1,415,000	+65,000		+65,000
Construction	340,000	525,000	525,000	525,000	+185,000		
Alaska airports, maintenance and operation	600,000	750,000	600,000	750,000	+150,000		+150,000
Air navigation development	1,050,000	2,000,000	1,050,000	1,600,000	+550,000	−400,000	+550,000
Salaries and expenses	[1] 98,730,000				−98,730,000		
Technical development and evaluation	700,000				−700,000		
Federal aid airport program	22,000,000				−22,000,000		
Claims, Federal Airport Act	69,449				−69,449		
Land acquisition, additional, Washington Airport	16,297				−16,297		
Total, Civil Aeronautics Administration	129,855,746	159,340,000	159,525,000	161,915,000	+32,059,254	+2,575,000	+2,390,000

[1] Includes $650,000 derived by transfer pursuant to Second Supplemental Appropriation Act, 1955.

Comparative statement of appropriations for 1955 and estimates and amounts recommended in bill for 1956—Continued

TITLE I—DEPARTMENT OF COMMERCE—Continued

Agency and item	Appropriations, 1955	Estimates, 1956	Recommended in House bill for 1956	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—		
					Appropriations, 1955	Estimates, 1956	House bill
CIVIL AERONAUTICS BOARD							
Salaries and expenses	$3,777,000	$4,125,000	$3,900,000	$4,125,000	+$348,000		+$225,000
Payments to air carriers	[2] 48,900,000	63,000,000	40,000,000	55,000,000	+6,100,000	−$8,000,000	+15,000,000
Total, Civil Aeronautics Board	52,677,000	67,125,000	43,900,000	59,125,000	+6,448,000	−8,000,000	+15,225,000
COAST AND GEODETIC SURVEY							
Salaries and expenses	10,200,000	10,400,000	10,200,000	10,225,000	+25,000	−175,000	+25,000
BUSINESS AND DEFENSE SERVICES ADMINISTRATION							
Salaries and expenses	6,320,000	[3] 7,300,000	6,198,000	6,900,000	+580,000	−400,000	+702,000
BUREAU OF FOREIGN COMMERCE							
Salaries and expenses	2,000,000	2,200,000	1,800,000	2,200,000	+200,000		+400,000
Export control	[4] 3,481,000	3,000,000	2,500,000	2,800,000	−681,000	−200,000	+300,000
Total, Bureau of Foreign Commerce	5,481,000	5,200,000	4,300,000	5,000,000	−481,000	−200,000	+700,000
OFFICE OF BUSINESS ECONOMICS							
Salaries and expenses	900,000	1,000,000	975,000	900,000		−100,000	−75,000
MARITIME ACTIVITIES							
Ship construction	82,600,000	102,800,000	64,700,000	102,800,000	+20,200,000		+38,100,000
Operating differential subsidies	[5] 115,000,000	115,000,000	90,000,000	115,000,000			+25,000,000
Salaries and expenses	[6] 13,900,000	15,100,000	14,000,000	14,700,000	+800,000	−400,000	+700,000
Maritime training	2,200,000	2,085,000	2,085,000	2,085,000	−115,000		
Repair of reserve-fleet facilities	[7] 970,000				−970,000		
Repair of reserve-fleet vessels (liquidation of contract authorization)	12,000,000	6,000,000	6,000,000	6,000,000	−6,000,000		
State marine schools	[8] 610,000		660,000	660,000	+50,000	+660,000	
Ship mortgage-foreclosure or forfeiture contingencies	[9] 2,019,000				−2,019,000		
Vessel operations revolving fund		[10]		[10]			
War Shipping Administration liquidation	[11]	[12]	[12]	[12]			
Total, maritime activities	229,299,000	240,985,000	177,445,000	241,245,000	+11,946,000	+260,000	+63,800,000
INLAND WATERWAYS CORPORATION							
Administrative expense limitation	(14,000)	(14,000)		(14,000)			(+14,000)
PATENT OFFICE							
Salaries and expenses	11,500,000	12,000,000	14,000,000	14,000,000	+2,500,000	+2,000,000	
BUREAU OF PUBLIC ROADS							
Federal-aid highways (liquidation)	[13] 595,000,000	680,000,000	600,000,000	680,000,000	+85,000,000		+80,000,000
Forest highways (liquidation)	[14] 18,500,000	25,000,000	18,500,000	25,000,000	+6,500,000		+6,500,000
Inter-American Highway	5,750,000	[15] 74,980,000	8,000,000	25,250,000	+19,500,000	−49,730,000	+17,250,000
Public lands highways (liquidation of contract authorization)	[16] 875,000	2,000,000	2,000,000	2,000,000	+1,125,000		
Reimbursement to the highway fund, District of Columbia	290,000				−290,000		
Total, Bureau of Roads	620,415,000	781,980,000	628,500,000	732,250,000	+111,835,000	−49,730,000	+103,750,000
NATIONAL BUREAU OF STANDARDS							
Expenses		7,750,000	7,000,000	7,450,000	+7,450,000	−300,000	+450,000
Plant and equipment		[17] 1,015,000	995,000	995,000	+995,000	−20,000	
Operation and administration	1,000,000				−1,000,000		
Research and testing	3,150,000				−3,150,000		
Radio propagation and standards	2,100,000				−2,100,000		
Construction of laboratories (liquidation of contract authorization)	115,000				−115,000		
Total, National Bureau of Standards	6,365,000	8,765,000	7,995,000	8,445,000	+2,080,000	−320,000	+450,000
WEATHER BUREAU							
Salaries and expenses	[18] 24,940,000	27,850,000	29,900,000	32,000,000	+7,060,000	+4,150,000	+2,100,000
Establishment of meteorological facilities		5,000,000	5,000,000	5,000,000	+5,000,000		
Total, Weather Bureau	24,940,000	32,850,000	34,900,000	37,000,000	+12,060,000	+4,150,000	+2,100,000
Total, title I	1,130,632,746	1,347,800,000	1,105,810,000	1,296,322,300	+165,689,554	−51,477,700	+190,512,300

[1] Includes $8,900,000 contained in Second Supplemental Appropriation Act, 1955.
[2] Includes $250,000 contained in H. Doc. No. 126.
[3] Excludes $119,000 transferred to other appropriations pursuant to Second Supplemental Appropriation Act, 1955.
[4] Includes $50,000,000 contained in Second Supplemental Appropriation Act, 1955.
[5] Includes $400,000 contained in Second Supplemental Appropriation Act, 1955.
[6] Contained in Second Supplemental Appropriation Act, 1955.
[7] Excludes $50,000 transferred to other appropriations pursuant to Second Supplement Appropriation Act, 1955.
[8] Excludes $481,000 transferred to other appropriations pursuant to Second Supplemental Appropriation Act, 1955.
[9] Language authorizing use of fund for ship mortgage foreclosure, etc.
[10] Not to exceed $6,000,000 of unexpended balance continued available.
[11] Not to exceed $5,900,000 of unexpended balance to be continued available.
[12] Includes $95,000,000 contained in Second Supplemental Appropriation Act, 1955.
[13] Includes $3,500,000 contained in Second Supplemental Appropriation Act, 1955.
[14] Includes $69,230,000 contained in H. Doc. No. 126.
[15] Contained in Second Supplemental Appropriation Act, 1955.
[16] Includes $765,000 contained in H. Doc. No. 126.
[17] Includes $190,000 derived by transfer pursuant to Second Supplemental Appropriation Act, 1955.

Comparative statement of appropriations for 1955 and estimates and amounts recommended in bill for 1956—Continued

TITLE II—THE CANAL ZONE

Agency and item	Appropriations, 1955	Estimates, 1956	Recommended in House bill for 1956	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—		
					Appropriations, 1955	Estimates, 1956	House bill
CANAL ZONE GOVERNMENT							
Operating expenses	[19] $14,018,000	$15,017,000	$14,500,000	$14,800,000	+$782,000	−$217,000	+$300,000
Capital outlay	1,415,000	1,881,000	1,800,000	1,800,000	+385,000	−81,000	
Total, Canal Zone Government	15,433,000	16,898,000	16,300,000	16,600,000	+1,167,000	−298,000	+300,000
PANAMA CANAL COMPANY							
Administrative expense, limitation	(3,589,000)	(3,850,000)	(3,589,000)	(3,740,000)	(+151,000)	(−110,000)	(+151,000)
Total, title II	15,433,000	16,898,000	16,300,000	16,600,000	+1,167,000	−298,000	+300,000

TITLE III—INDEPENDENT AGENCIES

Advisory Committee on Weather Control	$120,000	$295,000	$175,000	$295,000	+$175,000		+$120,000
St. Lawrence Seaway Development Corporation (Administrative expense limitation)	(270,000)	(280,000)	(280,000)	(280,000)	(+30,000)		
Tariff Commission	1,327,000	1,400,000	1,400,000	1,400,000	+73,000		
Total, title III	1,447,000	1,695,000	1,575,000	1,695,000	+248,000		+120,000
Grand total, titles I, II, and III	1,147,512,746	1,366,393,000	1,123,685,000	1,314,617,300	+167,104,554	−$51,775,700	+190,932,300

[19] Includes $230,000 contained in Second Supplemental Appropriation Act, 1955.

Comparative statement of appropriations for 1955 and the estimates for 1956

TRUST FUNDS

[Not a charge against revenue]

	Appropriation estimate, 1955	Appropriation estimate, 1956	Increase (+) or decrease (−)
DEPARTMENT OF COMMERCE			
BUREAU OF THE CENSUS			
Special statistical work	$1,000,000	$900,000	−$100,000
CIVIL AERONAUTICS ADMINISTRATION			
Gifts and donations	48,788		−48,788
BUSINESS AND DEFENSE SERVICES ADMINISTRATION			
Expenses, transcripts of studies, tables, and other records	70,000	70,000	
Special statistical work	10,000	10,000	
MARITIME ACTIVITIES			
U. S. Merchant Marine Academy, Kings Point, N. Y.	5,000	5,000	
BUREAU OF PUBLIC ROADS			
Cooperative work, forest highways	30,000		−30,000
Equipment supplies, etc., for cooperating countries	500,000	500,000	
Technical assistance, United States dollars advanced from foreign governments	3,390,396	1,000,000	−2,390,396
NATIONAL BUREAU OF STANDARDS			
Gifts and bequests	68,400	46,000	−22,400
Special statistical work	500	500	
WEATHER BUREAU			
Special statistical work	1,339		−1,339
Total, Department of Commerce	5,124,423	2,531,500	−2,592,923

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, under the subhead "Bureau of the Census", on page 2, line 8, after the word "amended", to strike out "$6,200,000" and insert "$7,100,000."

The amendment was agreed to.

The next amendment was, on page 3, after line 3, to insert:

Intercensal housing survey: For expenses necessary for conducting an interim survey of housing, including personal services by contract or otherwise at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949, as amended; and compensation of Federal employees temporarily detailed for field work under this appropriation; $500,000.

The amendment was agreed to.

The next amendment was, under the subhead "Civil Aeronautics Administration", on page 4, line 8, after the word "snowshoes", to strike out "$103,000,000" and insert "$107,125,000."

The amendment was agreed to.

The next amendment was, on page 5, at the beginning of line 1, to strike out "$18,500,000" and insert "$16,000,000."

Mr. HUMPHREY. Mr. President, will the Senator from Florida yield for a question at that point?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. Does the reduction from $18,500,000 to $16,000,000 affect the matter of the smaller weather bureau facilities in the smaller communities throughout the country?

Mr. HOLLAND. It does not. All the smaller weather facilities which were to have been abandoned under the budget estimate in 31 communities are to be restored under another figure appearing in the item previously agreed to.

Furthermore, the Senate action, if it follows the recommendation of the committee, would prevent the closing of 30 other facilities of that nature, which would have been closed if the House action had prevailed.

The effect of this amendment reducing the appropriation of $18,500,000 included in the House bill, would be to

slow down somewhat the adding of new facilities. The appropriation in this field last year was $5 million.

Mr. HUMPHREY. I recall that.

Mr. HOLLAND. We step it up to $16 million instead of to the $18,500,000 which the House provided, which means there is still an increase of a little more than three times the appropriation of last year.

The reason we suggest this more deliberate approach is that, as the Senator from Minnesota well knows, there is a question pending as to what kind of air navigation facilities will be adopted by the Nation for a long-range program. We think, after investigation, that the program can be slowed down in a minor way without in any way crippling air navigation, and, in fact, we understand that some of the navigation facilities would not have been installed in this coming year at any rate. Therefore we suggest that minor reduction.

Mr. HUMPHREY. I thank the Senator for the information. I raised the point primarily because of a very unfortunate situation which occurred at Duluth, Minn. I had to come to the floor of the Senate about 3 years ago in reference to the Duluth Airport, where there was a conflict between the Civil Aeronautics Administration and the Department of the Air Force.

An intercepter squadron is located at Duluth. A National Guard unit is also located at the Duluth Airport, and there is also commercial aviation there. The North Central Airlines operate out of Duluth. At one time the Northwest Airlines also came into Duluth.

Senators may find it hard to believe that the Government of the United States denied all funds for a period of time for even a control tower operation at that airport, despite the fact that hundreds of passengers were going in and out of the airport and despite the fact that hundreds of flights were taking place every week in terms of the Air Force itself.

Am I assured that there are funds provided in the bill to keep open the control tower at the Duluth Airport and other airports in the State of Minnesota which have control towers at the present time under the jurisdiction of the CAA?

Mr. HOLLAND. There are such funds contained in the bill, I assure the Senator. As a matter of fact, not only is that true of his State, but it is also true of all the States where there are operating facilities at the present time. None of those operating facilities will be disestablished under a direction given to the Civil Aeronautics Administration by the report of the committee. The CAA is required to report to the Congress its full flight-control and flight-safety program. Incidentally, we expect the report to be filed with us before the next appropriation bill comes before the Congress—under the direction contained in the report of the committee.

Mr. HUMPHREY. But there is no danger under this appropriation item that there will be a closing down of any facilities which are now operating in terms of a control tower. Is that correct? I am thinking now of control towers.

Mr. HOLLAND. The Senator is completely correct, with respect to both control towers and the other navigational facilities which are now in operation. None of them will be disestablished under the committee report.

Mr. HUMPHREY. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 5 at the beginning of line 1, to strike out "$18,500,000" and insert in lieu thereof "$16,000,000."

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 6, line 4, after the word "ammunition", to strike out "$1,350,000" and insert "$1,415,000."

The amendment was agreed to.

The next amendment was, on page 6, line 14, after the word "uniforms", to strike out "$600,000" and insert "$750,000."

The amendment was agreed to.

The next amendment was, on page 6, line 24, after the word "exceed", to strike out "$50,000" and insert "$175,000"; and at the beginning of line 25, to strike out "$1,050,000" and insert "$1,600,000."

The amendment was agreed to.

The next amendment was, under the subhead "Civil Aeronautics Board," on page 7, line 10, after the word "aircraft", to strike out "$3,900,000" and insert "$4,125,000."

The amendment was agreed to.

The next amendment was, on page 7, line 16, after "1953", to strike out "$40,000,000" and insert "$55,000,000."

Mr. DOUGLAS. Mr. President, I discussed this item yesterday on the floor of the Senate. I shall oppose the increase recommended by the committee, and, in view of the lateness of the hour, I ask that the amendment go over until tomorrow.

Mr. HOLLAND. That course of procedure is completely agreeable to me. What I am trying to do is to clear up all amendments on which action can be taken tonight. I understand that there are perhaps three additional amendments which are controversial and which involve substantial sums, and which I believe ought to be debated when more Senators are present than there are now.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

Mr. HUMPHREY. Mr. President, the Senator from Florida may recall that we had a private conversation with reference to the item of $20 million for grants-in-aid for airports.

Mr. HOLLAND. I do.

Mr. HUMPHREY. The junior Senator from Minnesota has been keenly interested in this grant-in-aid airport program. I have a letter from the Commissioner of Aeronautics of the State of Minnesota, urging that more money be appropriated. He states that the $20 million provided "is nonetheless insufficient to meet the existing needs in the State of Minnesota and the other 47 States; nor is it sufficient to fulfill the policy of the committees of the Congress under the Federal Airport Act of 1946."

Likewise, I have received a letter from the mayor of Minneapolis, Minn., who is a member of the Metropolitan Airport Commission, calling my attention to the inadequacy of the $20 million fund.

I wish to ask the Senator from Florida whether this amount was agreed to in contemplation of the fact that additional legislation may be reported to the Senate which would augment and supplement the airport construction program. I am referring to a bill which is now pending before the Committee on Interstate and Foreign Commerce, with which the Senator from Florida is familiar.

Mr. HOLLAND. I am familiar with that bill. The distinguished Senator from Washington [Mr. MAGNUSON], who is the chairman of that committee, is more familiar with it than I am, but I shall be very happy to relate what transpired in the Appropriations Committee and to give the Senator from Minnesota such assurance as I am able to give him.

In the first place, the budgeted amount for this item, which appears at page 5 of the printed bill, was $11 million, instead of $20 million, as provided in the bill.

The House stepped up the item from $11 million to $20 million. In other words, it added $9 million.

The Senate, recognizing the situation which the Senator from Minnesota has very ably described, was requested by many agencies to consider adding more than the $20 million. However, upon consideration we found it to be a fact that many communities which have already voted bonds and have money in the bank and are paying interest on it cannot qualify under the standards set pursuant to the present law, and that many additional communities which want to come into the program and to have airports constructed and airport facilities improved in their areas cannot qualify, although they make very powerful cases for such action.

Because of that fact, there now is pending in the Committtees on Interstate and Foreign Commerce of both bodies dealing with this subject proposed legislation which restates the standards and which will allow much greater flexibility and a much more accurate approach to the program in connection with bringing into it other airports in addition to those which are now included.

The Senator from Washington, as the Senator from Minnesota knows, is a member of the Committee on Appropriations. When this point was brought up in the full committee's discussions of this subject, the Senator from Washington suggested that we should not recommend a further increase, but should await the passage of the proposed legislation pending in committee, which he believes will be passed without fail at this session of Congress.

He indicated to us that, in addition to a restatement of the standards so as to make them much more applicable to present conditions, the new law would also contain very large contractual authority which would make it possible to

move promptly ahead in the field which the Senator has in mind. So I am able to give assurance that that is the prospect, and it is so stated by the able chairman of the legislative committee which has the proposed legislation under consideration.

Mr. HUMPHREY. Does the Senator recall what the amount was under this particular item in last year's bill?

Mr. HOLLAND. The appropriation last year was $20,150,000 for this same purpose. The budget recommendation this year was $11 million, and, as I have stated, the Senate committee recommends $20 million, which is the same amount provided by the House.

Mr. HUMPHREY. I merely wish to say that I have had so many communications in reference to this airport grant-in-aid program that I have been deeply concerned about the amount of money to be appropriated. Apparently the appropriation contained in this bill will severely limit activities under the Airport Development Act. I am only hoping that the proposed legislation which is now before the Committee on Interstate and Foreign Commerce, on which I understand the Senator from Oklahoma [Mr. MONRONEY] has been conducting hearings, will be reported so that the contract authorization may be made available.

Mr. President, since we are going to take this matter up tomorrow, I should like to reserve the right to offer an amendment which would increase the sum by $5 million. I should like to talk to the Senator from Florida about it.

Mr. HOLLAND. I hope the Senator will not follow that course because I believe that, as a matter of fact, we are going to find the agencies more or less marking time until new legislation is reported and passed because of the many inequities as between equally ambitious and equally meritorious communities which it is desired to straighten out. However, the Senator does not need to reserve the point because this is not a committee amendment, and we will dispose of only committee amendments tonight.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. JOHNSON of Texas. Mr. President, when the Senate took a recess last Thursday it was thought that the Commerce Department appropriation bill would be reported on Friday, and there would be little controversy involved. Therefore, we had only a routine session on Friday, and we had no session on Saturday. Last year we were meeting on Saturdays and at night, and as early as the middle of March we resisted a motion to meet late in the evening. I have no desire to keep the Senate in session this afternoon any later than the distinguished chairman of the subcommittee wishes to keep it. I had the feeling that there were only two or three controversial amendments and that if those 2 or 3 amendments could be cleared up the bill could be acted on by possibly the noon hour tomorrow or a little after that time.

The Senate must consider the Draft Act, the Austrian Treaty, and the Defense Department appropriation bill. There are about eight appropriation bills which have not yet passed this body. The end of the fiscal year is only 14 days away. There are four bills which have passed this body on which conferees have not yet been appointed. Because of a desire to accommodate certain Senators, we did not hold a session on Monday. It was hoped that we could take care of this bill on Tuesday. We did not get through with it on Tuesday. Today considerable time has been spent on a conference report, and there have been several speeches. We are not going to get through with the bill today, but I hope we can act on every amendment before today's session ends, and we are prepared to remain as late as the distinguished chairman of the subcommittee desires.

Mr. HOLLAND. I thank the distinguished majority leader. I am just as anxious as is the majority leader or anyone else to proceed with the debate on the bill. The desire now is to clear up all the committee amendments except three which I understand have been objected to. If there are others, I do not know of them.

There is an amendment which the distinguished senior Senator from Rhode Island [Mr. GREEN] wishes to offer. The matter mentioned by the Senator from Minnesota, which somewhat departs from the understanding I had a few minutes ago, would not affect the committee amendments. I hope it will be found that the Senator from Minnesota will not go ahead with the offer of an amendment in that particular field. However, he has a right to do so if he wishes. I know of only 4 controversial amendments, 3 being committee amendments, 1 of which has been mentioned by the Senator from Illinois, who gave clear notice yesterday of his intention to offer it.

Mr. DOUGLAS. I am not going to offer an amendment. I am going to oppose a committee amendment.

Mr. HOLLAND. That will be in accordance with parliamentary procedure. At any rate, there are three committee amendments which will need to be debated. Insofar as I know, there will be at least one amendment which is not an amendment to a committee amendment. That is the amendment of the Senator from Rhode Island [Mr. GREEN]. I know of no others that need to go over until tomorrow. However, I have been frequently taken by surprise on the floor of the Senate. Some Senators, after a good night's sleep, may feel that they can add to or subtract substantial sums from the bill. I can only report that the prospect is that there will be three committee amendments which will need discussion in the morning, and one amendment which is not a committee amendment.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. JOHNSON of Texas. If we are all going to have a good night's sleep and feel better in the morning, I should like to offer this suggestion for what it may be worth. The bill has been before the Senate for 3 days, and it may be before it another day, not because of the bill itself and the amendments pending, but there may be a speech on agriculture or civil defense or foreign trade in the middle of the debate on the bill. If there were some way to require Senators, after making their speeches, to remain here and help us pass the bill, perhaps we could make more progress.

I wonder if the chairman of the subcommittee and the authors of the amendments would give some thought to an agreement which would allot whatever time they think is necessary for each side to discuss the amendments. In that way, extraneous speeches could be made earlier in the morning or later in the afternoon, and in the interim the Senate could devote its time to the pending business.

Mr. HOLLAND. I am quite agreeable to a limitation of time. I suggest that the matter be discussed with the Senator from Illinois and the Senator from Delaware. I think they will feel that the time should be limited. I hope they will. Any arrangement which may be worked out with them will be agreeable with me.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. DOUGLAS. I dislike to disappoint my good friends from Texas and Florida, respectively, in regard to the question of airmail subsidies. I think the Senator from Delaware wishes to say something about ship subsidies.

Mr. HOLLAND. I may say, with all good humor, that this would not be the first time I have been disappointed by my distinguished friend from Illinois. This is nothing new. We will prepare for whatever time may be needed tomorrow.

Mr. JOHNSON of Texas. I was not at all disappointed. That is why I did not address my inquiry to the Senator from Illinois. I have been here all afternoon listening to the discussion. I can understand the Senator's not wanting to have a rigid limitation. I did not propose a rigid limitation; although when I sit here and listen to extraneous discussion, which does not pertain to the bill, I sometimes wonder why Senators would not be considerate enough to discuss the bill pending at the time.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. When I finish, I shall be glad to yield, unless it is more important that the Senator speak now. I will yield, Mr. President.

Mr. HOLLAND. The Senator from Texas does not have the floor. If he wishes, I will yield to the Senator from Illinois.

Mr. DOUGLAS. I would appreciate it if the Senator from Texas would finish his statement.

Mr. JOHNSON of Texas. I do not want to place a rigid time limitation on any Senator. There was nothing in my suggestion which indicated that the limitation should be very rigid. I suggested that during the evening and in the early morning tomorrow the chairman of the subcommittee and the authors of the amendments give consideration to the amount of time they thought they would need on the amendments in question. If they thought they could do so, then at

some definite time the Senate could take action on the amendments.

The problem is not the time required for debate on amendments; it is the time which is taken on matters totally unrelated to the bill.

Senators have come to the floor with speeches requiring 20 minutes, an hour and 20 minutes, and some requiring 2 hours and 20 minutes. The distinguished chairman of the subcommittee has reminded me that he has been sitting in the Senate all day. He is one of the few Senators who have been here all day; but, nevertheless, he has been unable to get action on the bill.

I hope the Senator from Illinois, the Senator from Delaware, and any other Senators who have amendments can perhaps determine in their own minds the amount of time they feel they would like to have. If that could be done, perhape a weekend session could be avoided. Perhaps evening sessions could be avoided.

The cold, hard truth is that 14 days remain in June, and 8 appropriation bills are pending. Some of the appropriation bills will require as much time as the Commerce Department appropriation bill.

There are Senators who do not want to vote on the Defense Department appropriation bill on Saturday. Many Senators do not plan to be here on Monday. Several amendments will be proposed to the Defense Department appropriation bill, which involves a large sum of money.

The Public Works appropriation bill is awaiting action in the House today. It is about ready to be reported. In the Senate debate on that bill will require some time.

It will be all right with me if the time of the Senate is consumed in talking about subjects unrelated to the pending business, and I will be here, and I will listen. But I do not want any Senator to think that he is being placed in a straitjacket or is being asked to conform to a rigid time schedule, because I have suggested that thought be given to the amount of time Senators may want to consume, in order that the discussion and attention can be directed to the pending business, instead of to some extraneous subject, to speeches on which other Senators do not care to listen.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the Senator from Illinois.

Mr. DOUGLAS. I may say to my good friend from Texas that, of course, I will give thought to the amount of time I think should be taken to discuss the very important question of air subsidies. I shall not take any more time than is absolutely necessary.

There is always the danger that one may take comments made by another in an unduly personal fashion. I am certain that the Senator from Texas did not mean to make any personal reference.

Yesterday I discussed the bill for approximately an hour. I think the time was well spent. Today we had sprung upon us, and, under the rules of the Senate, perfectly properly, the conference report on H. R. 1, perhaps one of the most important measures which has been presented to Congress at this session. I felt that since that was the matter before the Senate, I was justified in discussing it and expressing my disappointment at the stand of the administration.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield at that point?

Mr. DOUGLAS. I wish to finish my statement; then I will yield.

So far as I am aware, neither today nor at other times have I spoken irrelevantly. I have tried to confine my speeches to the matters under consideration by the Senate.

I may say to the Senator from Texas that I canceled all my Illinois engagements for the month of June I am prepared to give all the strength I have to trying, in my small way, to expedite as much as possible the measures before the Senate.

But free discussion is the basis of democracy. I feel very strongly about the air subsidy, and I hope the Senator from Texas will not regard it in any sense as a reflection upon his leadership if I say that I think that subject should be gone into in detail, but, of course, I hope not at excessive length.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. JOHNSON of Texas. I have made no personal reference to the speech of the Senator from Illinois; as a matter of fact, I did not hear the Senator's speech. However, I heard some speeches which had nothing to do with the Trade Agreements Act or the appropriation bill.

Some Senators came to me and said, "We would like to have some action on the bill. Can you prevail on Senators to withhold their speeches until action has been concluded on the bill?"

I prevailed on one Senator to withhold his speech, and he very graciously yielded to me so that action could be concluded on the conference report on the trade-agreements bill.

I know nothing about the nature of the amendments to be offered by the Senator from Delaware and the Senator from Illinois. So far as I am concerned, I am perfectly willing to cooperate with them and to urge the Senate to take as much time as they themselves think they need. But when they want to conserve their strength, and they have amendments pending, the situation becomes quite difficult, if some Senator comes to the floor with a 2-hour or a 3-hour speech pertaining to the Dust Bowl, for example, which has no relationship to the appropriation bill. Other Senators will then leave the floor; and when they have been called back to the floor, another Senator perhaps may begin speaking about another subject, also unrelated to the bill.

Progress with the pending bill has not been very unsatisfactory, but the Senate has 2 or 3 important measures which are now pressing, principally the Selective Service Act, which will expire soon. The bill providing for the extension of that act will have to go to conference after it has passed the Senate.

If there are only three amendments to be proposed to the pending appropriation bill, and the Senators who intend to offer the amendments will give some thought to the amount of time they wish to take, and will multiply by 2 the figure they arrive at, I think the authors of the amendments and the chairman of the subcommittee would be given protection from speeches which have no bearing on the bill or the amendments.

But it is not important. We can wait. Perhaps we are taking more time to discuss the question than should be taken.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield further?

Mr. HOLLAND. I yield further.

Mr. DOUGLAS. I do not wish to take additional time to discuss methods of reducing the amount of time needed to discuss the amendments.

I have always believed that it might be well if, in some way, the Senate could adopt the procedure of the House, which the Senator from Texas graced for so many years, so as to confine speeches, while a bill was under consideration, to the bill itself, and to set aside the time after 5 o'clock for general speeches. I think that would be a very excellent procedure. Some modification of the rule of relevance might be made.

I am delighted to see that that is the direction in which the Senator from Texas is moving. I hope he will join many of us in seeing to it that the question of the discontinuance of the practice of prolonged discussions on subjects not related to measures under consideration will be speedily placed before the Senate by the Democratic leadership and pushed to successful completion. If that be done, I am certain it will gain the support of many Senators.

To return to the point under consideration, there are many things connected with air subsidies and I think also, as the Senator from Delaware will point out, in connection with ship subsidies, about which Congress and the public should know. It is not a waste of time to discuss them.

Nevertheless, we shall, I am certain, try to discuss them in good temper, and shall try not to be excessively redundant.

I hope the Senator from Texas, with his good nature, will prevail upon Senators who wish to speak on extraneous subjects to confine their remarks to a more opportune time.

Mr. JOHNSON of Texas. If the Senator from Illinois feels he should like to follow the House procedure, he can do so on tomorrow by specifying to how much time he desires. Then we will put the rule into effect so far as time is concerned.

Mr. DOUGLAS. I think it would be desirable to have a combination of both the methods of the House and of the Senate. I do not approve of the rigid rules which have been adopted in the House with respect to restricting debate, but I do approve of the practice of the 5 o'clock hour, whereby speeches of a general nature are made after the business of the day has been consummated.

Mr. JOHNSON of Texas. I have been appealing to Senators to do that today, but they, like the Senator from Illinois, do not want to be put in any straitjacket, and do not want any rigid rules applied to them. It is all right to have

rigid rules when they are applied to somebody else, but one becomes a little concerned when there is talk of applying such rules to him.

Notice has been given that the Senate will convene at 10 o'clock tomorrow morning. So far as I am concerned, every Senator who has an amendment to offer should have an opportunity to talk on the amendment as long as he feels there is any value in what he is saying. Every Senator ought to have a chance to be recorded. The majority leader will do everything in his power to bring that about. I hope the Senate may be able to complete action on the bill tomorrow. The Senate will convene at 10 o'clock in the morning, and, if necessary, will remain in session until late in the evening.

After completion of the pending bill, consideration of the extension of the draft act is expected to follow. I expect to follow completion of action on that bill with action on the Austrian treaty. That will be followed by consideration of the Defense Department appropriation bill.

I want the RECORD to show, and I want Senators present to know, that it may be necessary to have Saturday sessions and night sessions from now until the end of the fiscal year, because I do not want the responsibility of holding up action on appropriation bills beyond the end of this fiscal year.

I shall do everything in my power, whether it is after 5 o'clock or at 2 or 3 o'clock in the afternoon, to see that Senators discuss the pending business. There is a morning hour each morning, during which time Senators may make brief statements. There has not been an evening during this session when, if a Senator so desired, he has been deprived of the opportunity of making a speech. We have had what the Senator from Illinois refers to as the 5 o'clock hour. The trouble is not many Senators are here at 5 o'clock to know we have one. The majority leader sits in the Senate for an hour, or 2 hours, or two and a half hours, and hears statements which should be made after the 5 o'clock hour. Some of them were made today in the middle of the consideration of the conference report on the reciprocal trade bill. He heard some of them made after the Senate proceeded to consider the Commerce Department appropriation bill. The Senator from Illinois did not hear them, so he thought I was talking about him. I make no personal references. All I am attempting to do is work out the procedure satisfactorily. I do not want to change the rules in order that that may be done; I merely want to have Senators give some thought to the question. Perhaps they will be willing to go along.

Mr. HOLLAND. Mr. President, I think we are making progress. We have proceeded to page 7. I understand there is one amendment——

Mr. DOUGLAS. Mr. President, if the Senator from Florida will yield, I should like, for the sake of the RECORD, to point out that neither the Senator from Illinois nor the Senator from Delaware is offering amendments. What we are doing is opposing committee amendments.

Mr. HOLLAND. Mr. President, what I was about to say, before the Senator from Illinois made his remarks, was that there was one amendment of the committee which will have to be discussed. If the clerk will proceed reading the amendments, I think we can make further progress.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The clerk will state the next committee amendment.

The next amendment was, under the subhead "Coast and Geodetic Survey," on page 8, at the beginning of line 13, to strike out "$10,200,000" and insert "$10,225,000."

The amendment was agreed to.

The next amendment was, under the subhead "Business and Defense Services Administration," on page 8, line 24, to strike out "$6,198,000" and insert "$6,900,000."

Mr. WILLIAMS. Mr. President, upon the request of the Senator from South Dakota, I ask that this amendment go over until tomorrow.

Mr. HOLLAND. I have no objection to that course being followed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the next committee amendment.

The next amendment was, under the subhead "Bureau of Foreign Commerce," on page 9, line 4, after the word "reports", to strike out "$1,800,000" and insert "$2,200,000."

The amendment was agreed to.

The next amendment was, on page 9, at the beginning of line 10, to strike out "$2,500,000" and insert "$2,800,000"; and in line 13, after the word "exceed", to strike out "$75,000" and insert "$90,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Business Economics," on page 9, line 18, after the word "Economics", to strike out "$975,000" and insert "$900,000."

The amendment was agreed to.

Mr. HOLLAND. Mr. President, we have come to the subhead "Maritime Activities," near the bottom of page 9. I understand the Senator from Delaware wishes to be heard on this committee amendment. Is that correct?

Mr. WILLIAMS. Mr. President, there are certain committee amendments in different sections of the bill which are going to be opposed. I should like to ask that the maritime activities section go over in its entirety until tomorrow, because the adoption or rejection of some of the amendments will affect the action to be taken on other amendments. I think we can make progress if we proceed with the amendments beginning on page 18 of the bill.

Mr. HOLLAND. Mr. President, I agree with the distinguished Senator that several of the committee amendments will stand or fall together, but it appears to me that beginning on page 12, at the bottom of that page, there are several minor amendments, from there to the end of that provision which have no direct relationship to others.

Mr. WILLIAMS. So far as the Senator from Delaware is concerned, that is correct, but I was not quite sure, from the information left with me, whether some question might be raised by other Senators as to those amendments. So far as I am concerned, I have no objection to many of the items contained in that section of the bill.

Mr. HOLLAND. Mr. President, if the Senator suggests it, suppose we pass over all that part of the bill which appears under the heading "Maritime Activities."

Mr. WILLIAMS. I think we can make progress by doing so, and I say that without any prejudice to some of the amendments to which I have personally no objection.

Mr. HOLLAND. Mr. President, that will carry us through page 17 of the bill.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the subhead "Bureau of Public Roads," on page 19, line 11, after the word "expended", to strike out "$600,000,000" and insert "$680,000,000"; and in line 13, after the numerals "1954", to strike out "$248,500,000" and insert "$328,500,000."

The amendment was agreed to.

The next amendment was, on page 20, line 8, after the word "expended", to strike out "$18,500,000" and insert "$25,000,000, which sum is composed of $19,000,000, the remainder of the amount authorized to be appropriated for the fiscal year 1955, and $6,000,000"; and at the beginning of line 12, to strike out "1955" and insert "1956."

The amendment was agreed to.

The next amendment was, on page 20, line 23, after "(66 Stat. 158", to strike out "$8,000,000" and insert "including purchase of five passenger motor vehicles, $25,250,000."

The amendment was agreed to.

The next amendment was, under the subhead "National Bureau of Standards," on page 23, line 8, after "(15 U. S. C. 286)", to strike out "$7,000,000" and insert "$7,450,000."

The amendment was agreed to.

The next amendment was, on page 23, line 20, after the word "facilities", to insert "and construction of an electronic calibration center at a cost not to exceed $765,000."

The amendment was agreed to.

The next amendment was, under the subhead "Weather Bureau," on page 24, at the beginning of line 6, to strike out "$29,900,000" and insert "$32,000,000 of which $4,250,000 shall be available only for the improvement and operation of hurricane, severe storm, and tornado warning services in the United States, including research related thereto, and construction of necessary facilities."

The amendment was agreed to.

The next amendment was, under the subhead "General Provisions—Department of Commerce," on page 25, after line 16, to insert:

SEC. 104. Not to exceed 5 percent of any appropriations of the Department of Commerce available for salaries and expenses may be transferred to any other such appropriation, but no such appropriation shall be thereby increased by more than 5 percent: *Provided*, That such transfers shall be in addition to any other transfers authorized by law, but no such transfer shall be used for

the creation of new functions within the Department: *Provided further,* That not to exceed $5,000 of such transfers shall be available for entertainment.

Mr. GREEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Rhode Island.

Mr. GREEN. I wish to take this opportunity to ask the Senator from Florida whether he is willing to accept an amendment on line 2, page 25 of the bill, which would strike out "$5 000,000" and insert "$10,000,000." It has been proposed and advocated by a number of Senators that such an amendment be made.

Mr. HOLLAND. The appropriation would be increased from $5 million to what figure?

Mr. GREEN. The amendment calls for an increase from $5 million to $10 million.

Mr. HOLLAND. No. The Senator from Florida would not be in a position to accept that amendment at this time. We are considering committee amendments. That would be an amendment not under that head. I shall be glad to discuss the matter with the distinguished Senator from Rhode Island between now and tomorrow morning.

Mr. GREEN. I thought I would bring the matter up at this time, since we had reached that point in the bill.

The PRESIDING OFFICER. The amendment to be offered by the Senator from Rhode Island will go over for later action.

Mr. HOLLAND. Mr. President, all amendments which are not committee amendments will be considered tomorrow, and I expect to discuss the matter with my distinguished friend from Rhode Island between now and tomorrow morning.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 25, after line 16.

The amendment was agreed to.

Mr. WILLIAMS. Mr. President, have the committee amendments which constitute both sections 104 and 105 been agreed to?

The PRESIDING OFFICER. The committee amendment constituting section 104 has been agreed to.

The next committee amendment will be stated.

The next amendment was, on page 26, after line 2, to insert:

SEC. 105. Hereafter the position of Budget Officer of the Department shall be in GS–17 of the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent.

Mr. WILLIAMS. Mr. President, I have a request that that amendment also go over until tomorrow.

The PRESIDING OFFICER. Without objection, the amendment will go over until tomorrow, with the other amendments ordered to be passed over.

Mr. HOLLAND. Mr. President, that is not the committee amendment which constitutes a new section 104; is it?

Mr. WILLIAMS. It is the committee amendment constituting a new section 105, on page 26.

The PRESIDING OFFICER. Yes; on page 26, beginning in line 3.

Mr. HOLLAND. And not the new section 104; is that correct?

Mr. WILLIAMS. That is correct.

Mr. HOLLAND. I thank the Senator from Delaware. That course is acceptable.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, under the heading "Title II—The Panama Canal—Canal Zone Government," on page 27, line 2, after the word "transfusions", to strike out "$14,500,000" and insert "$14,800,000."

The amendment was agreed to.

The next amendment was, on page 27, line 7, after the word "exceed", to strike out "six" and insert "eight."

The amendment was agreed to.

The next amendment was, under the subhead "Panama Canal Company," on page 27, line 21, after the word "exceed", to strike out "$3,589,000" and insert "$3,740,000."

The amendment was agreed to.

The next amendment was, under the subhead "General Provisions—The Panama Canal," on page 31, after line 5, to insert:

SEC. 205. The Governor of the Canal Zone and the President of the Panama Canal Company, in computing allowances for the cost of travel on home leave for persons who elect at their expense to take other than the lowest first-class travel to the United States, shall take into account as the cost to the United States the actual cost, as computed by the General Accounting Office, of travel by United States owned and operated vessels rather than a reduced fare rate which is available for such employees when traveling on their own account.

The amendment was agreed to.

The next amendment was, on page 31, after line 15, to insert:

SEC. 206. Notwithstanding the provisions of any other law the officer of the Army now serving as Governor of the Canal Zone shall, effective July 1, 1955, be considered to hold the grade of major general for all purposes, without regard to any limitations on the number of officers in that grade, and while so serving shall receive the pay and allowances of an officer of that grade and his length of service, and when retired under any provision of law shall be advanced on the retired list to such grade and shall receive the retired or retirement pay at the rate prescribed by law computed on the basis of the basic pay which he would receive if serving on active duty in such grade.

Mr. WILLIAMS. Mr. President, I have the same request in regard to that amendment.

Mr. HOLLAND. Then, Mr. President, without objection, that committee amendment will also be passed over until tomorrow morning.

The PRESIDING OFFICER. Without objection, the amendment will be passed over until tomorrow, along with the other committee amendments so passed over.

The next committee amendment will be stated.

The next amendment was, under the heading "Title III—Independent Agencies—Advisory Committee on Weather Control," on page 32, line 9, after "(5 U. S. C. 55a)", to strike out "$175,000" and insert "$295,000."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments, except for the ones which have been passed over until tomorrow.

Mr. HOLLAND. Mr. President, I should like to make a further comment. As I understand, there are two committee amendments which certainly will require discussion tomorrow, namely, the one opposed by the Senator from Illinois, which is the amendment relative to airline subsidies payable by the Civil Aeronautics Board; and the amendment or series of amendments to be opposed by the Senator from Delaware regarding subsidies for merchant shipping. I believe there are three other reservations of sections on which the committee amendments will not be acted upon this evening. But with those exceptions, I understand that all the other committee amendments have been adopted. I wish to serve notice now that I shall strenuously object to any proposal to open up any of the committee amendments which already have been agreed to if in the morning any move of that sort is made.

LEGISLATIVE PROGRAM—RECESS

Mr. JOHNSON of Texas. Mr. President, if no other Senators desire to address the Senate at this time, I am about to move that the Senate take a recess until tomorrow.

I wish to give notice to the Senate that Senate Joint Resolution 77, to modify the authorized project for Ferrell's Bridge Reservoir, Texas, and to provide for the local cash contribution for the water-supply feature of that reservoir, reported today from the Public Works Committee, may be taken up in between some of the major bills later in the week.

I also wish to remind Senators that the Senate may be in session late tomorrow evening, because we have the draft bill scheduled for consideration tomorrow, and it appears that we shall spend considerable time on the pending Department of Commerce appropriation bill. It is hoped that on tomorrow it will be possible for the Senate to complete action on the pending bill and also to complete action on the draft bill.

Mr. President, pursuant to the order previously entered, I now move that the Senate stand in recess.

The motion was agreed to; and (at 6 o'clock and 12 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, June 16, 1955, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 15 (legislative day of June 14), 1955:

HOME LOAN BANK BOARD

William J. Hallahan, of Maryland, to be a member of the Home Loan Bank Board for a term of 4 years expiring June 30, 1959.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force under the provisions of sections 502, 509, and 510 of the Officer Personnel Act of 1947, as amended. All of-

ficers are subject to physical examination required by law:

Lieutenant colonel to colonel

AIR FORCE

Beckwith, James Orrin, 1316A.
Knox, Omar Ellsworth, 1420A.
Wells, Joseph Breece, 1453A.
Reid, William Mason, 1518A.
Rueter, Chris Henry William, 1536A.
Schmitt, Arthur William, Jr., 1573A.
Kiehle, Edward George, 1580A.
Smith, Sydney Thomas, 1626A.
Wynne, Prentiss, Davis, Jr., 1699A.
McKeever, Matthew James, Jr., 1710A.
Webb, Byron Benjiman, 1716A.
Brannon, Dale Donald, 1718A.
Seim, Howard Bayzand, Jr., 1724A.
Overing, Glendon Philip, 1739A.
Slayden, Van Hatton, 1769A.
Sluder, Chester Lee, 1780A.
French, Donald James, 1781A.
Bleyer, Julian Marian, 1782A.
Kime, Duane Louis, 178[illegible]A.
Mason, Robert Julian, 1798A.
Kellond, Arthur William, 1832A.
Taylor, Broadus Beene, 1833A.
Endress, Albert Vandenburgh, 1843A.
Barksdale, William Sydnor, Jr., 1844A.
Bailey, J. C., 1862A.
Greenfield, William Dumont, 1899A.
Vaughn, Harley Camden, 1915A.
Dittman, Henry, 1922A.
Loberg, Edwin Andrew, 1923A.
Mace, Wallace Packard, 1929A.
Witty, Robert William, 1932A.
Frontczak, Arthur Theodore, 2017A.
Harper, Bryan Brand, 2036A.
Boyd, William Ellsworth, 2050A.
Graves, Frank Norton, 2064A.
O'Keefe, Keefe, 2087A.
Todd, Harold Elworthy, 2096A.
Hawley, Ray Matthew, 2105A.
Larson, Carl Henry 19669A.
Sweeney, Henry Morrow, 2210A.
Estes, Murl, 2213A.
Dreier, Wendell Carl, 2226A.
Gibson, William Louis, 2359A.
Lange, Harry Alfred, 2390A.
Churchill, Randolph Emerson, 2496A.
Kerbel, Walter, 2507A.
Gallagher, Robert Emmett, 2575A.
Nay, Paul Franklin, 2584A.
de Tolly, Nicholas Semigradov, 2623A.
Hedleston, Robert Webb, 2625A.
Wickland, Daniel William, 2628A.
Long, Lewis Rex, 2638A.
Wolters, Delevan Edward, 2652A.
Sullivan, Harold Joseph, 2764A.
Hope, John Warren, 2778A.
King, Herbert Thompson, 2855A.
Olson, Harry Armand, 2858A.
Hotmann, William August, 2863A.
Hreha, Joseph Albert, 2865A.
Parrot, Kent Kane, Jr., 2930A.
Holland, Thomas Elbridge, 2933A.
Caples, James Stephen, 2943A.
Krieger, George Hubert, 2953A.
Lindstrand, Carl Barber, 2962A.
Woodward, Lester Lee, 2964A.
Waddell, James Marion, 2973A.
Humphreys, Lloyd Ronald, 2989A.
McKnight, David Thomas, 2998A.
Fischer, Milton, 3002A.
Hahn, Clarence William, 3003A.
Leonhard, William Edward, 18095A.
Trotter, John Turner, 3012A.
Smith, William, Hightower, 3013A.
Sladek, Robert Frederick, Sr., 3014A.
Bechtel, Howard John, 3015A.
Houghton, Edwin Gordon, 3031A.
Lay, Dent Leroy, 5264A.
Holdiman, Thomas Alexander, 3049A.
Blaha, Elmer Carl, 3051A.
Rizon, Robert Lewis, 3074A.
Rowden, Burton Houston, 3076A.
Peck, Ben Jackson, 2844A.
Impson, Ivan Hurst, 3077A.
Bell, Leon Edwin, Jr., 3091A.
Gillis, Charles Francis, 3097A.
Robinson, Raymond Edward, 3106A.
Lee, James Lyle, 3112A.
Pinson, Ernest Alexander, 3117A.
Loomis, Oliver DeMond, 3118A.
Seeley, John Milton, 3132A.
Neuendorf, Charles William, 3139A.
Carson, Charles Edgar, 3140A.
O'Connell, James Francis Xavier, 3142A.
Johnson, James McLean, 3160A.
Jackson, Jerome William, 3168A.
Dishuck, John Joseph, 3189A.
Hylton, John Thomas, Jr., 3203A.
Morgan, Chester Harvey, 3210A.
Reed, Elliott Hartley, 3224A.
Hampton, Thomas Kerns, 3228A.
Hight, Fred Thomson, 3233A.
Donley, John Bland, 3241A.
Gauss, William Henry, 3243A.
Drysdale, Taylor, 3276A.
Richard, Septime Severous, Jr., 3312A.
Johnston, Ronald Alexander, 3315A.
McConnell, Landon Edward, 3316A.
Bonawitz, Norval C., 3320A.
Belville, Robert Edward, 3323A.
Peterson, David Allen, 3325A.
Hosken, Robert Thomas, 3330A.
Braddock, Joel Quinn, 3331A.
Thackara, Paul Nelson, 3332A.
Edmonds, Melvin Thornton, 3339A.
Lindgren, Richard Wendell, 3343A.
Christensen, John Albert, 3347A.
Murray, John Edward, 3351A.
Long, Charles James, 3d, 3354A.
Foerster, Frederick Henry, Jr., 3355A.
Maxwell, Ernest Beverly, 3356A.
Hall, Leonard Roger, 3364A.
Knierim, Charles Frederick, 3378A.
Felton, George Boyd, 3380A.
McCrery, Robert Riley, 3381A.
Andersen, Milo Peter, 3386A.
Forsyth, Allen Peter, 3393A.
Proctor, John Peebles, 3405A.
Smith, Weldon Halliwell, 3407A.
Lawrence, Reesor Mott, 3408A.
McNeal, Thomas Carl, 3410A.
Fletcher, Thomas, Jr., 3414A.
Casey, Edward Richard, 3415A.
Walker, Arthur James, 3421A.
Clark, William Coombs, 3422A.
Terhune, Charles Houston, Jr., 3424A.
Bridges, John DeGraff, 3425A.
Healy, John Patrick, 3429A.
Dechaene, Andre Jacques, 3442A.
Sharp, Frank Douglas, 3444A.
Gurnett, Thomas Edward, 3446A.
Beightol, Willis Eugene, 3448A.
Meng, Lewis Bruno, 3449A.
Longino, Houston Walker, Jr., 3452A.
Bane, Edwin Ronald, 3454A.
Clausen, Leslie Conway, 3459A.
Barrere, Robert Andrew, 3460A.
McCants, Leland Stanford, Jr., 3473A.
Cox, Albert Lyman, Jr., 3475A.
Andrews, Charles Comer, 3476A.
Wood, Harold Lee, 3479A.

MEDICAL

Myers, Harold Allen, 19098A.
Ferris, Donald Lockhart, 19110A.
White, Claude Benjamin, 19632A.
McCarroll, William Harroll, 19111A.

DENTAL

Gillinger, Clarence Wayne, 18825A.

VETERINARY

Robinson, Charles Edwin, 18980A.
Miller, Robert Ransome, 18981A.

MEDICAL SERVICE

Crow, Allen Randolph, 19398A.
Zagelow, Leonard Paul, 19579A.

CHAPLAIN

Taylor, Robert Preston, 18737A.

First lieutenant to captain

AIR FORCE

Ray, Colonel Scudder, Jr., 26755A.

DENTAL

Adkisson, Sam Robert, 26749A.

NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.

IN THE MARINE CORPS

The following-named officers under the provisions of section 415 of the Officer Personnel Act of 1947 to be assigned duties of importance and responsibility designated by the President under subsection (a) of section 415 in ranks as follows:

Lt. Gen. William O. Brice, United States Marine Corps, as lieutenant general.

Maj. Gen. Alfred H. Noble, United States Marine Corps, as lieutenant general.

Maj. Gen. Christian F. Schilt, United States Marine Corps, as lieutenant general.

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service:

I. FOR PERMANENT PROMOTION

To be medical directors

Ladislaus J. Zbranek — Robert T. Hewitt
John B. Hozier — Aaron W. Christenson
E. Ross Jenny — Francis T. Zinn
Thomas R. Dawber — Weldon A. Williamson
Theodore F. Hilbish — Karl Habel
Raymond F. Kaiser — Murray A. Diamond
James V. Lowry — Robert D. Wright
Michael L. Furcolow — Harald M. Graning

To be dental director

Gordon G. Braendle

To be dental surgeon

Frank W. Nelson

To be senior assistant dental surgeons

John C. Greene
Warren E. Maley
James R. Lambrecht

To be sanitary engineer director

Hugh R. McCall

To be senior sanitary engineer

Lawrence B. Hall

To be sanitary engineer

Jack H. Fooks

To be senior assistant sanitary engineers

Ralph K. Longaker — Harold W. Wolf
David H. Howells — Edward R. Williams
Robert L. Harris, Jr. — Francis M. Crompton
Eugene T. Jensen
Frederick A. Flohrschutz, Jr.

To be senior pharmacists

Roberts L. Proper
Arnold H. Dodge

To be senior assistant pharmacists

Carl H. Brown
George J. Gruber

To be scientist director

Martin D. Young

To be senior assistant scientist

Earl S. Schaefer

To be senior sanitarians

Ralph L. Perkins, Jr.
Evelyn Rahm

To be sanitarian

George R. Hayes

To be senior nurse officers

Harriet G. Dexheimer — Anna M. Matter
Clarice M. Russell — Genevieve S. Jones
Josephine I. O'Connor — Lola M. Hanson

To be nurse officers

Marie D. Grant — Mary N. Bouser
Vivian L. Gibson — C. Vistula Lancaster
Mildred K. McDermott — Helen L. Roberts

To be senior assistant nurse officer

Florence A. Canada

To be assistant nurse officer

Frances R. Donoghue

To be dietitian

Anette L. Buza

To be nurse officer

(This name is submitted for the purpose of correcting an error in spelling in the nomination as submitted to the Senate on January 10, 1955, and confirmed by the Senate on January 27, 1955.)

Marie F. Hanzel

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15 (legislative day of June 14), 1955:

INTERNATIONAL COOPERATION ADMINISTRATION

John B. Hollister, of Ohio, to be Director of the International Cooperation Administration.

RENEGOTIATION BOARD

Donald Ross, of New Jersey, to be a member of the Renegotiation Board.

UNITED STATES DISTRICT JUDGE

Kenneth P. Grubb, of Wisconsin, to be United States district judge for the eastern district of Wisconsin.

UNITED STATES ATTORNEY

Edward G. Minor, of Wisconsin, to be United States attorney for the eastern district of Wisconsin for the term of 4 years.

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment as Foreign Service officers of class 1, consuls, and secretaries in the diplomatic service of the United States of America:

Donald D. Kennedy, of Oregon.
Hayden Raynor, of the District of Columbia.

Robert G. Miner, of Maryland, for promotion from Foreign Service officer of class 3 to class 2.

The following-named persons for appointment as Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service of the United States of America:

Lucius D. Battle, of Florida.
George M. Czayo, of Illinois.
Edwin G. Moline, of Maryland.
Cromwell A. Riches, of Oregon.
Alexander M. Rosenson, of the District of Columbia.
Howard H. Russell, of North Dakota.

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

Howard W. Brown, of Missouri.
Eldon J. Cassoday, of New York.
Howard J. Hilton, Jr., of Washington.
Arthur G. Lund, of Utah.
Idar Rimestad, of North Dakota.
Robert O. Waring, of New York.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America:

Hampton Davis, of Virginia.
Warren G. Dougherty, of Illinois.
Roger W. Grant, Jr., of Virginia.
Clarence J. McIntosh, of Florida.
Ray Sena, Jr., of New Mexico.
Ralph C. Talcott, of California.
Thomas A. Cassilly, of Maryland, now a Foreign Service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

John R. Bartelt, Jr., of Massachusetts, for appointment as a Foreign Service officer of class 5, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

David B. Bolen, of Colorado.
John P. Call, of California.
Miss Marjorie L. Cheatham, of Washington.
Weikko A. Forsten, of Washington.
George R. Irminger, of Missouri.
Wesley E. Jorgensen, of Washington.
Robert A. Lewis, of New York.
Miss Martha J. Moses, of Texas.
Howard L. Walker, Jr., of California.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

James B. Brown, of California.
C. Jefferson Frederick, of Washington.
William B. Grant, of Massachusetts.
Donald E. Herdeck, of Pennsylvania.
Herbert S. Malin, of Connecticut.
Virgil P. Randolph III, of Virginia.
Owen W. Roberts, of New Jersey.

POSTMASTERS

ALABAMA

William C. Gantt, Titus.

COLORADO

Hannah Esther Fairchild, Peetz.

DELAWARE

Henry V. Tobin, Sr., Kings College.

FLORIDA

Clyde P. Stickney, Key West.

ILLINOIS

Chester B. Stanton, Dawson.
Alfred St. Aubin, Harvey.
Herbert S. Biller, Illiopolis.
William G. Needham, Maple Park.
Earl S. Wagher, Oneida.
Jerome P. Arkels, Tonica.
Emery H. Doden, Toulon.

INDIANA

Helen L. Ort, New Haven.

KANSAS

Julian S. Forrer, Ulysses.

LOUISIANA

Erma E. Poland, Bienville.

MAINE

Edward A. Ludwig, Washington.

MICHIGAN

Ralph H. Derickson, Manitou Beach.

MINNESOTA

Clifford W. Mattson, Gully.

MONTANA

Adolph Freier, Box Elder.
Delbert Trulson, Kremlin.

NORTH CAROLINA

John F. Drake, Holly Springs.
William B. Early, Old Fort.
Thomas F. Littlejohn, Ruffin.

SOUTH CAROLINA

James M. Ritter, Cope.
Charles C. Withington, Greenville.
William F. Lanier, La France.
William R. Shealy, Little Mountain.
Harry E. Moose, Newberry.
John J. Wise, Rock Hill.

WISCONSIN

Richard J. LeJeune, Solon Springs.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 15, 1955

The House met at 11 o'clock a. m.

Rev. Roger G. Imhoff, pastor, Fenner Memorial Lutheran Church, Louisville, Ky., offered the following prayer:

O Lord our Lord, how excellent is Thy name in all the earth. We know that the whole earth is Thine, the fullness thereof, and all the people who dwell therein. We thank Thee that we are numbered among Thy free people. We pray for Thy blessing upon Thy servants gathered here in Congress today, that we may constantly listen for words of guidance from Thee.

Thou knowest, O Lord God, our downsitting and our uprising. Give us true and clear thinking in our downsitting that we have a sense of profound mission in our uprisings.

Give us wisdom, Lord, that in our deliberations we may rightly divide words of truth. Yea, Lord, withal, give us understanding that, being alert to needs of our people, our decisions be worthy of Thy way, and according to Thy will. In serving our people, Lord, never let us be guilty of subversive inactivity.

According to Thy great goodness and tender mercies, see to it that what we poor sinners do will redound to the glory of Thy Son, Jesus Christ, the first and greatest speaker in the house of humanity.

Let the daylight of Christian fellowship shine all day in our hearts.

In the name of the Father and the Son and the Holy Ghost. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 891. An act for the relief of Alberto Cortez Cortez;

H. R. 970. An act for the relief of Kyung Ho Park (Syung Sil Park) and his wife, Mrs. Young Sil Lee;

H. R. 1002. An act for the relief of L. S. Goedeke;

H. R. 1401. An act for the relief of Ewing Choat;

H. R. 1487. An act for the relief of Rosa Maria Phillips;

H. R. 1656. An act for the relief of Chen Chih-Keui;

H. R. 1974. An act for the relief of Shirley W. Rothra;

H. R. 2236. An act for the relief of Mary Rose and Mrs. Alice Rose Spittler;

H. R. 3020. An act for the relief of Buonaventura Giannone;

H. R. 4359. An act to amend the act of September 30, 1950 (64 Stat. 1096), to provide for the conveyance of certain real property to the city of Richmond, Calif.;

H. R. 4659. An act to amend section 16 of the act entitled "An act to adjust the salaries of postmasters, supervisors, and employees in the field service of the Post Office Department," approved October 24, 1951 (65 Stat. 632; 39 U. S. C. 876c);

H. R. 5146. An act to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade; and

H. R. 5398. An act to increase the efficiency of the Coast and Geodetic Survey, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is

requested, bills of the House of the following titles:

H. R. 903. An act for the relief of Harold C. Nelson and Dewey L. Young;

H. R. 1003. An act for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley;

H. R. 1609. An act for the relief of Hussein Kamel Moustafa;

H. R. 1202. An act for the relief of Robert H. Merritt;

H. R. 1400. An act for the relief of David R. Click;

H. R. 1409. An act for the relief of H. W. Robinson & Co.;

H. R. 1416. An act for the relief of J. B. Phipps;

H. R. 1640. An act for the relief of Constantine Nitsas;

H. R. 1643. An act for the relief of the estate of James F. Casey;

H. R. 1660. An act for the relief of Wencenty Peter Winiarski;

H. R. 1692. An act for the relief of Frederick F. Gaskin;

H. R. 1747. An act for the relief of the Utica Brewing Co.;

H. R. 2456. An act for the relief of Mrs. Diana P. Kittrell;

H. R. 2529. An act for the relief of Albert Vincent, Sr.;

H. R. 2760. An act for the relief of the estate of William B. Rice;

H. R. 2907. An act for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.;

H. R. 3045. An act for the relief of George L. F. Allen;

H. R. 3281. An act for the relief of Herbert Roscoe Martin;

H. R. 3958. An act for the relief of Louis Elterman;

H. R. 4249. An act for the relief of Orrin J. Bishop;

H. R. 4714. An act for the relief of Theodore J. Harris;

H. R. 5078. An act for the relief of the estate of Victor Helfenbein; and

H. R. 5196. An act for the relief of the Overseas Navigation Corp.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 38. An act for the relief of Joseph Earl Sirois (also known as Jeremie Earl Sirois);

S. 47. An act for the relief of Guiseppe Agosta;

S. 85. An act for the relief of Rosetta Ittner;

S. 86. An act for the relief of Wilhelmine Schelter;

S. 92. An act for the relief of Irene C. (Karl) Behrman;

S. 101. An act for the relief of Fernanda Milani;

S. 111. An act for the relief of Mrs. Theres Schickl Dutton and daughter, Laura Theresia Schickl;

S. 117. An act for the relief of Ana P. Costes;

S. 135. An act for the relief of the Elkay Manufacturing Co., of Chicago, Ill.;

S. 137. An act for the relief of Renzo Petroni;

S. 142. An act for the relief of Thomas Kunhyuk Kim;

S. 160. An act for the relief of Dr. and Mrs. Henri Revilliod;

S. 161. An act for the relief of Ivan Powell;

S. 174. An act for the relief of Rosa Tomasina Puglisi (Rosa Tomasina Maria Sano);

S. 177. An act for the relief of Porfirio Junciano Vila, his wife, Tatiana Abatooroff Vila, and children, Porfirio J. Vila, Jr., Ann Maria Vila, and Josephine Anne Vila;

S. 181. An act for the relief of Manhay Wong;

S. 187. An act for the relief of Mr. and Mrs. Frank Goto;

S. 190. An act for the relief of Kreste Fantulin;

S. 197. An act for the relief of Vincenzo Santagata;

S. 198. An act for the relief of Fillipo Mastroianni;

S. 214. An act for the relief of Ahmet Suat Maykut;

S. 254. An act for the relief of Giussepina Cervi;

S. 284. An act for the relief of Margarita Oy Wan Chan;

S. 324. An act for the relief of Vesa Reijo Luukkonen;

S. 325. An act for the relief of Elvira Tocchio Anzedei;

S. 326. An act for the relief of Leopoldine Maria Lofblad;

S. 340. An act for the relief of Guiseppe Bertolani (Gino Mancini);

S. 345. An act for the relief of Richard Karl Hoffman;

S. 346. An act for the relief of Klara Maria Fleischer;

S. 354. An act for the relief of Xaralampos Jiannoulos, also known as Harry Noulis;

S. 360. An act for the relief of Ralph Piccolo (Raffaele Piccolo);

S. 367. An act for the relief of Maria Stela Leitao;

S. 368. An act for the relief of Marcelina Anderson;

S. 369. An act for the relief of Elena Spacapan;

S. 387. An act for the relief of George J. Anthanassopoulos;

S. 388. An act for the relief of Petre and Liubitza Ionescu;

S. 389. An act for the relief of Sergio I. Veira;

S. 396. An act for the relief of Theresa Pok Lim Kim;

S. 470. An act for the relief of Edith Winifred Loch.

S. 477. An act for the relief of Aldo Timossi;

S. 498. An act for the relief of Maria Gabriella Byron (Maria Gabriella Michon);

S. 541. An act for the relief of Martin Aloysius Madden;

S. 598. An act to provide for adjustments in the lands or interests therein acquired by the Albeni Falls Reservoir project, Idaho, by reconveyance of certain lands or interests therein to the former owners thereof;

S. 1020. An act for the relief of Laurie Dea Holley and the legal guardian of Karmen Lael Holley, minor child;

S. 1033. An act for the relief of Ann Arbor Construction Co.;

S. 1177. An act for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation;

S. 1378. An act to clarify and consolidate the authority to require the establishment, maintenance, and operation of aids to maritime navigation on fixed structures in or over navigable waters of the United States;

S. 1397. An act providing for the conveyance of certain lands to St. Louis Church of Dunseith, Dunseith, N. Dak.;

S. 1790. An act to amend section 4153 of the Revised Statutes, as amended, to authorize more liberal propelling power allowances in computing the net tonnage of certain vessels;

S. 1791. An act to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats;

S. 1867. An act for the relief of Mary Goodyear Brown;

S. 1878. An act to amend the act authorizing the conveyance of certain lands to Miles City, Mont., in order to extend for 5 years the authority under such act;

S. 2074. An act to extend for an additional 5 years the provisions of the act of September 30, 1950, entitled "An act to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof"; and

S. J. Res. 12. Joint resolution to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 600. An act to amend title 18 of the United States Code, relating to the mailing of obscene matter.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina, and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 55-19.

PENSION FOR MEDAL OF HONOR HOLDERS

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 274, Rept. No. 811) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 735) to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Veterans' Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may be authorized to sit this afternoon while the House is engaged in general debate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CALL OF THE HOUSE

Mr. MARTIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 85]

Barden	Eberharter	Preston
Baumhart	Green, Pa.	Prouty
Bell	Gubser	Reed, Ill.
Bentley	Heselton	Reed, N. Y.
Bolton, Oliver P.	Hillings	Rogers, Tex.
	Hope	Rooney
Boykin	James	Saylor
Canfield	Keating	Shelley
Celler	King, Pa.	Staggers
Chatham	McCarthy	Taylor
Cooley	McVey	Udall
Curtis, Mass.	Morrison	Velde
Davidson	Mumma	Wickersham
Diggs	Polk	
Dingell	Powell	

The SPEAKER. Three hundred and ninety-four Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

DELEGATION TO ATTEND NORTH ATLANTIC TREATY ORGANIZATION PARLIAMENTARY CONFERENCE

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 275, Rept. No. 812) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Concurrent Resolution 109, authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, and all points of order against said concurrent resolution are hereby waived. After general debate, which shall be confined to the concurrent resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the concurrent resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the concurrent resolution for amendment, the Committee shall rise and report the concurrent resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the concurrent resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

AMENDING INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 276, Rept. No. 813) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SUBCOMMITTEE ON EDUCATION AND LABOR

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Education and Labor considering the school-construction program may have permission to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AUTHORIZING COMMITTEE ON BANKING AND CURRENCY TO MAKE CERTAIN STUDIES AND INVESTIGATIONS

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 210 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Banking and Currency, acting as a whole or by subcommittee, is authorized and directed to conduct full and complete studies and investigations and make inquiries with respect to any matter or matters concerning (1) the composition, operation, and activities of the Federal Open Market Committee, (2) the fluctuation in rates of interest and prices of securities issued by the United States and the effect of such fluctuations on the public debt, general price level, employment, the cost of State and municipal financing, and other segments of the national economy, (3) the various types of Government securities, manner of issue, method of payment, maturities, character of investors, and amount and degree of speculation therein, and (4) the various proposals for Federal assistance (other than grants) in the financing of State, county, and municipal (or instrumentalities thereof) highway and school programs. The committee shall not undertake any investigation of any matter which is under active investigation by another committee of the House.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purposes of carrying out this resolution, the committee or any subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the continental United States, whether or not the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or by any member designated by such chairman, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths or affirmations to witnesses.

With the following committee amendments:

Page 1, line 2, strike out the words "and directed."

Page 2, line 2, strike out the comma and the following: "and (4) the various proposals for Federal assistance (other than grants) in the financing of State, county, and municipal (or instrumentalities thereof) highway and school programs."

The committee amendments were agreed to.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Illinois [Mr. ALLEN] and at this time I yield myself 5 minutes.

Mr. Speaker, the purpose of this resolution is to authorize a legislative committee, the Committee on Banking and Currency, which has jurisdiction of the subject, to conduct a thorough study of the organization and structure of the Open Market Committee of the Federal Reserve Board, the impact of its open market transactions on fluctuations in Government security prices, and the amount and degree of speculation in Government securities.

Mr. Speaker, this resolution meets the requirements which were made at the beginning of this session that a resolution calling for an investigation should specify the purpose of the investigation. Notwithstanding the fact that this resolution calls for a study by a legislative committee which admittedly has jurisdiction of the subject and notwithstanding the fact that it meets the requirements which the distinguished chairman of the Committee on Rules announced at the beginning of the session that it shall specify the purpose of the investigation described in the resolution, there is opposition to it.

In my opinion, it is a subject that the legislative committee has every right to study and which this House should authorize. This House has already authorized, according to information given me by the clerk of the House Committee on Rules, 9 legislative committees to study subjects which come within the jurisdiction of those committees. This House has authorized the Committee on Veterans' Affairs to study subjects which admittedly might result in a decrease in benefits received by veterans and a decrease in compensation, but it is a study which this House thought should be made. It has called for a study by the legislative Committee on Banking and Currency of housing because of the opportunity that has existed to obtain windfall profits. Other studies by legislative committees have been authorized by this Congress, but there is objection to this study because, for some reason or other, it might affect not only the Federal Reserve Board but certain large city banks in New York and other cities which have benefited by the policies and functions of this Open Market Commit-

tee. I do not think the House wants to be placed in this position.

Now we are told that the resolution should not be adopted because perhaps some place somewhere else this same study had been made previously. It may have been made previously, but there has never been an objection made to other studies by legislative committees when the same investigation has been made in previous sessions by the same committees. This is the first time that this legislative committee has asked for authority to study a subject within its jurisdiction, a committee which can do something about whatever problems are discovered in the study.

Someone has said—and I do not believe they can say this seriously—that it might affect the economy of the country. Surely we have more faith in the economy of the country than to say that a legislative committee of the Congress, when it conducts a study of a subject that is important to all of the people of this country, would do anything that might affect our economy. Certainly the House should not abdicate its jurisdiction of an important problem, of an important program, just because somebody may not have faith in the economy of this country.

Then we are to understand that the Chairman of the Federal Reserve Board has indicated that he does not care to have another investigation made of this problem. This is a decision to be made by this House, a decision that is important to the economy of the country and to the people of this country.

Mr. Speaker, I believe the study should be made, and I hope the resolution is adopted.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I think that probably everyone here has had the same experience that I had when I was a young man. The chap next door was given an automobile by his father. As far as most were concerned, that automobile ran well, perfect, but he thought differently, and he meddled with it, he interfered with it, he tore it down, and as a result, the car did not run. And, I am sure that we all had that same experience with watches. When the watch was running well, we probably meddled with it, experimented and pulled it apart, and then it did not run. I think we have that same analogy here.

Mr. Speaker, today we are thankful that our Nation has a sound economy. I do not believe that our national prosperity, with the exception of war prosperity, has been as great, and we are thankful.

I would like to point out certain facts along the line of prosperity in this country, not my facts, not my figures, but figures taken from outstanding magazines and journals of this country. Let me just quote from one:

Personal income soars to record $295.6 billion.

City Stores Co. of this country net up 32 percent the last 3 months.

Universal Credit Corp. expects about 7½ million American families will own two or more cars by 1960.

Montgomery Ward sales up 8.4 percent.

Autos, steels gain in brisk trading.

From the U. S. News & World Report, I read:

In business, the outlook continues to be very good. Businessmen are confident, in a venturesome mood, inclined to expand and modernize.

In the stores: Buying is up. The number of poor people keeps declining.

There are few of them.

Aluminum industry will continue to be pressed to meet demands. Cement will, too. Aircraft output is to be pushed up to meet military schedules that are being speeded. Oil demand, booming, will continue high. Chemicals are in a rising trend. Textile outlook will continue to be good.

Outlook for business as a whole is strong for the next year at least.

From Business Week:

More and more, business is talking expansion.

Already, heavy construction work is the greatest in peacetime.

Look at the way contract awards for construction are running. They were averaging $335 million a week.

Contracts for these big projects are running 40 percent ahead of a year ago. In comparison, the home construction business is far ahead of any peacetime year.

Business Week index. Production up. Trade up.

Then I quote from the Telegraph-Herald of Dubuque, Iowa:

Expect record retail sales during June.

Businessmen are counting on consumers making June a month of roses. Retail sales may well set a new high for the month. Some expect sales to total $15½ billion.

Then I quote from the Christian Science Monitor, by Richard L. Strout, staff correspondent. This is what he wrote last week.

UPWARD TREND SEEN FOR WAGES

A steady, gradual upward movement of wages is one of the major factors in the current developing American economy. It comes when living costs are remaining stationary.

Mr. Speaker, the reason I have read from these outstanding papers is this. This resolution by my good friend, the gentleman from Texas [Mr. PATMAN], proposes to investigate our Federal Reserve banking system. I do not think there are any of us here who doubt that the Federal Reserve System probably is the greatest factor in business expansion. Without their confidence, without their help, without the opportunity on their part to move in a business fashion, we might not have good business.

I have quoted these facts because, in my opinion now, under the most prosperous times in history during peacetime, we do not want any meddling, we do not want any interference. I do not think now is the time for us to go ahead with experiments and meddling unless we are not satisfied with the present abundant prosperity.

We all know that my good friend from Texas is one of the most hard working men in the Congress. He is a member of the Committee on Banking and Currency. He is one of the ranking members of that committee. He also is vice chairman of the Joint Committee on the Economic Report, which now has the right and authority to investigate the Federal Reserve System if it sees fit to do so, but it has not seen fit to do so.

In addition, my good friend from Texas, who introduced this resolution, which I hope will not pass, is also chairman of a committee investigating the small-business people of the country. Further, the Committee on Banking and Currency, of which he is a member, as I have said, has been given full authority to investigate about 15 other things, including the current rate of construction of residential dwellings, the rate of foreclosures, and many other things.

So I say in conclusion, inasmuch as we do have this great prosperity in our country which has never been equaled in peacetime in the history of the world in any country, we should not set up another investigating committee to investigate the Federal Reserve System, which has so much to do with the expansion of our business activity. I say that now is not the time to meddle, I say that now is not the time to interfere, I say that now is not the time to experiment with an agency of the Government which has so much to do with business and with business expansion.

Let well enough alone. Let us not bite the hand that is feeding us.

Mr. THORNBERRY. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Committee on Banking and Currency [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, this resolution to investigate the operation of the Open Market Committee of the Federal Reserve System was introduced by the gentleman from Texas [Mr. PATMAN] and referred to the Committee on Rules. While it was pending in the Committee on Rules the Committee on Banking and Currency considered it and voted favorably on it.

It seems to me if we are going to preserve the integrity of the committees here it is enough to report to the House that a legislative committee of the House has asked the privilege of making an investigation of matters within its jurisdiction. I do not know how you could refuse such a request, when you have almost simultaneously authorized other investigations. At the same time this resolution was introduced a resolution was introduced to permit the Committee on Banking and Currency to investigate the situation with reference to housing in the United States, and that resolution was passed by the House.

As chairman of the Banking and Currency Committee I will have the opportunity to appoint the chairmen of both of these committees. I shall not put myself on either committee, so the interest I express is not personal.

I do not think that reasonable and fair investigations can do harm. I think probably it might be proper to make an investigation of the newspaper statements which the gentleman from Illinois has just read to the House. Is it going to be a formula that when we have prosperity, we cannot make investigations?

The Republican leadership cannot claim the credit for the establishment of the Federal Reserve System. The Federal Reserve System was established under a Democratic administration. It

passed during Woodrow Wilson's administration, and the investigation should certainly be fair when made by a Democratic subcommittee. Before that time, there was no coordinated banking system in this country. There was no liquid reservoir which the banks could go to when they needed funds to accommodate their patrons.

I have no criticism of the members of the Board of the Federal Reserve. The Chairman of that Board is a man for whom I have a very high regard. I think William McChesney Martin, Jr., is a faithful public servant. He is a fine gentleman and a very modest man. But I cannot see that it is any reflection on anybody to investigate the subject contained in the resolution. I think the gentleman from Texas [Mr. PATMAN], and I shall appoint him if this resolution goes through, will make a decent, dignified, and honest investigation of these matters. What harm is there in making the truth known on any public matter?

We have a right to know what is going on in this agency of our Government. That is all that it means. I am sure the investigation will be conducted in a judicial manner. As I said, it is not an indictment of anybody on the Federal Reserve Board.

I do not anticipate that there will be any undesirable results as predicted by the opponents from the adoption of this resolution but that much useful information may be obtained. I hope the House will pass it.

The SPEAKER pro tempore. The time of the gentleman from Kentucky has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 20 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, it is rather difficult to talk on this subject without seeming to get a little personal, and I do not intend to get personal with my good friend and very esteemed colleague, the gentleman from Texas [Mr. PATMAN]. The gentleman from Texas [Mr. PATMAN] and I have worked on the same committees for a good many years. The gentleman from Texas [Mr. PATMAN] has been on our Committee on Banking and Currency for some years. He has also been on the Joint Committee on the Economic Report since its creation under the Full Employment Act of 1946. As has been stated, the gentleman from Texas is the vice chairman of that committee now. He has on two occasions been the chairman of a subcommittee on the Joint Committee on the Economic Report, which has studied exhaustively the questions which are embraced in the resolution now before us.

About 4 years ago, as I recall, we had a subcommittee of the Joint Committee on Stabilization, of which the esteemed Senator from Illinois [Mr. DOUGLAS], who is now chairman of the joint committee, was chairman. The gentleman from Texas [Mr. PATMAN] was ranking majority member of that committee. I was honored by serving on that committee.

About 3 years ago the same committee was organized, the Stabilization Subcommittee. The gentleman from Texas [Mr. PATMAN] was chairman of that subcommittee. In the 83d Congress it was my honor to be chairman of the Joint Committee on the Economic Report. I set up under that committee the same type of committee on stabilization that had been set up on the initial organization of the full committee. The esteemed gentleman from Texas [Mr. PATMAN] was ranking minority member on that committee.

Therefore, on three occasions the Joint Committee on the Economic Report has dealt exhaustively with the subject which is found in this resolution. As late as January of this year the subject matter of this resolution was considered by the full Joint Committee on the Economic Report. This Joint Committee on the Economic Report has a staff of 11 people, 5 of whom are very good economists. It is a good staff. They have been set up for years. The staff of the Joint Committee on the Economic Report is the same staff that has been there for years. It was not disturbed in the 81st, 82d or the 83d Congresses. They are men and women who have been doing a splendid job over the years. They are acquainted with the subject. They are set up to do it.

The Committee on Banking and Currency, under the chairmanship of the distinguished gentleman from Kentucky [Mr. SPENCE], and under my chairmanship in the 80th and the 83d Congresses, has been quite proud of the fact that there is no legislative committee in the House which operates with as small a staff.

The Committee on Banking and Currency of the House has a professional staff of two. It has a clerical staff of 4, 2 of whom are clerk stenographers; and it has a clerk and a deputy clerk in addition to them. They have a professional staff of two. They are a good staff. You can see from the legislation reported by our committee that it deals in many controversies. I think we will all agree that the Committee on Banking and Currency deals in controversial subjects.

We are not set up to do what the gentleman from Texas asks us to do under this resolution without enlarging the staff.

This resolution is not introduced, as I understand, having in mind any enlargement of the staff of the Banking and Currency Committee, and those two gentlemen who are there, the members of the professional staff, do not have time and are not set up to do this kind of job.

The Committee on the Economic Report, as I have said, has a staff of 11, 5 of whom are good economists. In the 1955 fiscal year we authorized and appropriated for the Joint Committee on the Economic Report $120,775 to make just this type of investigation. The 1956 estimate which we will be called upon to act upon soon contains an additional $18,000, making it $138,275.

As pointed out, at least three subcommittees of the Joint Committee on the Economic Report have studied this problem fully, twice under the chairmanship of the gentleman from Texas and once more to my knowledge. Did I say that the gentleman from Texas is now the chairman of the same subcommittee? I meant to, if I did not. He can very readily call his subcommittee together any time he sees fit to make a study of this problem, with a staff of 11 to help him, 5 of whom are economists.

As late as last December the author of this resolution, being the ranking minority member of the same subcommittee of the Joint Committee on the Economic Report, had every member of the Federal Open Market Committee down here before the committee. Had he seen fit to go as exhaustively as he said he wants to go into this question he could have done so then when they were all before him on a panel; he could have then gone as far and as long as he wanted in the investigation which he seeks under this resolution.

In another phase of this, attention has been called to what might happen if we start fooling around with the economy. As we have all said on repeated occasions, we are proud of the American economy, an American economy which at the present time is responsible for a national product—which is the dollar value of all the goods and services we produce—of $369 billions, yes, over $369 billions, the highest national product this country has ever enjoyed. We cannot afford to take any chances with that kind of prosperity. The national income is within a few million dollars of the highest it has ever been. Employment is almost—or was before the threatened strikes of this last month—the highest we have ever enjoyed. It is due to the soundness of our economy, it is due to the soundness of the policies under which we have developed and are maintaining stability.

Prices under this stabilized economy of ours have not varied more than two-tenths of 1 percent since the monthly average of 1953. In the monthly average of 1953 prices stood at 110.1. The last report that I have, April 1955, shows that prices stood at an index of 110.3, two-tenths of a percent higher than they were in the average of 1953. That is a record of which we can be very proud.

In addition to that, I call attention to the fact that the Committee on Banking and Currency today has under the Legislative Reorganization Act of 1946 full authority. As a matter of fact, we say in section 136 of this act that the Committee on Banking and Currency shall do this job; that it is charged with the duty of following legislation properly within its jurisdiction. It can conduct this investigation at any time it pleases. The chairman of the House Committee on Banking and Currency can appoint the gentleman from Texas or anyone else on a subcommittee he sees fit to at any time with the approval of the committee, and it will be forthcoming, I can assure him, to investigate any matter under the provisions of the Legislative Reorganization Act of 1946. But, no, he must want to investigate something else.

What he wants to investigate we do not know because I do not think what he wants to investigate is included in this resolution. He wants the subpena power, that is what he wants, he wants the subpena power. He would not want authority to go to the administrative com-

mittee and get an appropriation for travel because the Federal Reserve Board meets here in Washington. It does not meet anywhere else. So he has no reason to travel. He wants authority, I assume, to issue subpenas and subpenas duces tecum to bring all of the records of the Federal Reserve banks or at least the Federal Reserve banks that happen to have chairmen or presidents as members of the Open Market Committee into Washington to do some job. I do not know what it is. But the mere doing of the job throws a doubt into the scheme of things which might be very, very dangerous.

Mr. Speaker, this is a dangerous resolution, it is a dangerous study, and the resolution should be defeated.

Mr. THORNBERRY. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Committee on Rules [Mr. SMITH of Virginia].

Mr. SMITH of Virginia. Mr. Speaker, it is with deep regret and sore embarrassment that I rise in opposition to this resolution. I have served for many years in Congress with the gentleman from Texas [Mr. PATMAN]. I have a high regard for him. We have long been friends, and it is very embarrassing for me to oppose anything that he proposes. I am speaking against this resolution purely from what I think is my public duty. The resolution was considered by the committee of which I am chairman. There was considerable controversy in that committee as to whether it was a wise thing to report this resolution. I fear that there has been a little atmosphere that would indicate that this was a political matter in the House. I want to assure you that that is by no means correct. It is not a political matter. It is purely a public matter and a matter of such great importance that I think rises above any political inferences that might be involved.

Mr. Speaker, the country now is getting along pretty well in resisting the tremendous inflationary pressure that we have had. Anything that might tend to disturb the security market at this time is a thing that is too dangerous for us to take any chances with, and it is purely for that reason that I am opposed to this resolution, because I think it is dangerous. I think it has seeds in it that might, with all the publicity that is usually attendant upon a public investigation, well disturb the security market that is too nervous already at this time.

Now I might say in connection with this Open Market Committee of the Federal Reserve Board that this is not a Republican policy. It is a Democratic policy. It was established in 1951. It is purely nonpolitical. The same personnel that initiated this policy in 1951, which has kept the bond market fairly stable in view of all the situations, as far as I know, is now still administering that policy.

Now, the gentleman from Texas has been disturbed about this situation apparently ever since the committee was established. The gentleman from Michigan has referred to the previous investigations that the gentleman from Texas has held on this subject as a member and at times as chairman of the Committee on the Economic Report. These volumes I hold here are the hearings that have been held by the Committee on the Economic Report on this very subject—four volumes and thousands of pages of printed matter. I do not know who is going to read them. I have not. I am not even going to open them. I do not think any Member of the House is going to read them. But that has already been done. I tried to find out what was the matter with this Open Market Committee when the gentleman from Texas appeared before the committee, and I am glad to say that the gentleman did not indicate that there was anything wrong; there was nothing fraudulent; there was no indication of any corruption anywhere; and, therefore, I was unable to ascertain what it was sought to determine. But I am seriously disturbed by the chance that such an investigation, with the attendant publicity, might well disturb the delicate bond market and the delicate economy that is now resisting pretty successfully the terrific inflationary spiral that is upon us. I have seen some charts out in the lobby that would indicate that the evil that is sought to be corrected is that the banks are making some profit out of Government bonds. Of course, there are some people that think profit is an evil, but some of us remember that profit and loss in this country are what have made this country great.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. SMITH of Virginia. Let us see what could happen to this bond market: 61.7 percent of all the bonds of the United States Government are held by your commercial banks. That means that about $180 billion worth of Government bonds are held by the banks of this country. Drop those bonds suddenly five points, let us say, through some disturbance in the present psychology of the country and what would happen to all of your national banks? When things begin to happen to your banking system, what happens to all the rest of the business interests of the country? What happens to the labor situation, for instance, when things begin to go bad? Those are the things I have been fearful of for many years. I am still fearful of them. I am fearful of this proposal to fool with this delicate situation at this time. I do not think it ought to be done. I would not be here saying so if I did not think so from the bottom of my heart. I think it is a dangerous thing. I think we ought not to do it and I say that with all due respect and affection for the gentleman from Texas [Mr. PATMAN].

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from California.

Mr. McDONOUGH. The resolution submitted by the gentleman's committee states that this committee shall not undertake any investigation of any matter which is now under active investigation by another committee of the House. From what the gentleman has said up to now, and from what Mr. WOLCOTT has said, this proposal would be a duplication of an active investigation now under consideration by the Joint Committee on the Economic Report; does the gentleman agree?

Mr. SMITH of Virginia. Yes.

Mr. THORNBERRY. Mr. Speaker, I now yield 10 minutes to the distinguished gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FEDERAL OPEN MARKET COMMITTEE

Mr. PATMAN. Mr. Speaker, it is true that the investigations that were made, which were discussed by the distinguished gentleman from Michigan [Mr. WOLCOTT] and by the distinguished gentleman from Virginia [Mr. SMITH], lasted over a period of years. From what they said this subject has been given a lot of attention. I admit that. I concede that. It has, over the years. But we must remember that has only been on the policy level. This investigation by the Committee on Banking and Currency presupposes an investigation on the operations level.

In other words, we have been studying what is wrong and we have reasons to believe that there are wrongs that should be corrected. We want a legislative committee to do this which can bring in bills that will correct these wrongs.

The gentleman suggested that we have a stable economy in this country. Let us take the question of prices. When the Open Market Committee took over in 1951, the prices of farm products commenced to go down right then—that very minute. And they have been going down ever since. There is a direct relationship, although it is not the only important factor, between the activities of the Open Market Committee and prices that the farmers receive. The prices that they pay have consistently gone up.

The gentleman from Virginia [Mr. SMITH] said that if the price of Government bonds should go down 5 points, it would destroy the capital structure of the banks of the country.

Why, he is entirely mistaken. In the first place, the banks have the unusual privilege of carrying these bonds at par regardless of their price. It does not apply to the banks. What I am trying to do is to keep them from going down 5 points or going too far off in either direction to protect the people who hold them and to protect our entire economy. I want to stop the undue fluctuations.

When the Open Market Committee took over bond prices were rather stable, responding only to market prices and demand. That is from 1948 to 1951. Compare that with since 1951. Look at the fluctuations up and down, not 5 points, as the gentleman from Virginia suggested, but 11 points down and 12 points up. That is what they have done under the Open Market Committee, and

while many people lost enormously, a lot of people have gotten rich out of it.

May I point out here that over a period of 6 years the banks, just the member banks, made an average of $52 million a year on the increase in value of the Government securities they bought, sold, and held. In 1954, by reason of the hard-money policy, you see the profits went to $375 million in 1 year, just the member banks alone. That is not counting the corporations and individuals that had the information to do the same thing in their own companies, and for themselves that runs into billions of dollars. This is just the member banks alone. The big-city banks alone in 1 year, 1954, made a quarter of a billion dollars. So that is what we want to look into, as to why the economy should be disrupted by such a fluctuating bond market, which is crap shooting in the Government bond market. It has been suggested that it is crap shooting with loaded dice. Why should we not have a stable policy?

I have before me one of those books, and I wish the gentleman from Virginia, Judge SMITH, would turn to his volume, on page 257, the Federal Reserve Board and the Open Market Committee. They selected their own ad hoc committee to look into these very things I have discussed over a period of years on the floor of this House. What does their own committee say? Their own committee verifies everything, every important charge I have ever made. Let me read from one of those books that the gentleman from Virginia, Judge SMITH, has in his possession:

The Federal Open Market Committee is a major factor in the market.

That is this subcommittee talking, talking for the Federal Reserve Board and for every member of the Open Market Committee except Mr. Sproul, the president of the Federal Reserve Bank of New York. He is the only one who opposed this being made a part of the record. The others wanted it in the record. It was made a part of the record over his objection, with my vote and sufficient other votes to make it a part of the record. But it is in the record.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to withdraw it.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. A vote against this resolution would be a vote to prevent the people from finding out who made these tremendous windfall profits. The little people did not make the profits—we know that. The big people made them. The profits ran into billions of dollars. Were they fairly and honestly made? If so, all right. Then there is nothing to hide. It is possible that leaks assisted in giving certain lucky dealers a part of their superior knowledge that enabled them to buy low and sell high. In this ad hoc report that is made by the subcommittee of this self-same group it says:

In many respects, the Federal Open Market Committee is unique both in the form and substance of its organization. In form it is a completely independent organization, specifically set up by statute with exclusive power of decision with respect to matters delegated to it.

Now listen to this:

It is neither an appendage of the Federal Reserve Board nor a creature of the Federal Reserve Banks, but a completely independent body each member of which is an individual whether he be a governor or a president of the Federal Reserve Bank and reports to no one.

I want to emphasize that—reports to no one. That is what they say—reports to no one. Now who has charge of that? They hold at the moment $24 billion of securities, they say. A single person has charge of the operation of this account. Who is that single person? I venture to say two Members of this House could not name him. He has never been before a congressional committee.

I am inserting herewith several revealing paragraphs of the Federal Open Market Committee's and our subcommittee reports.

Page 258, hearings:

The Federal Open Market Committee is a major factor in this market. At present its portfolio consists wholly of United States Government securities. It is the largest existing portfolio under one control. When the Federal Open Market Committee adopts a policy directive, it is executed in the market for Government securities. It takes the form of a series of specific transactions in Government securities. Total transactions for the account—purchases and sales—mount up to billions of dollars in the course of a year.

The impact of these operations is not measured by the volume of transactions alone. It is much greater, for example, than the impact of a similar volume of purchases and sales by a private investor. The Federal Open Market Committee releases or absorbs reserve funds when it operates in the Government securities market. When the Committee buys, it augments not only its own holdings of Government securities but also the ability of other investors to enter the market on the bid side. Conversely, when the Committee sells Government securities, it does much more than add to the market supply of such securities. The reserves that it absorbs subtract also from the capacity of the banking system to carry Government securities.

It is necessary to keep these basic features of the money market in mind in considering the subcommittee's report. They help to explain why relatively small operations, sometimes even rumors of operations, by the Federal Open Market Committee may give rise to such quick and pervasive response not only throughout the money market and the investment markets generally but also in business psychology. Any purchase or sale of Government securities by the Committee adds to or subtracts from the reserves of the member banks and is promptly reflected in the tone of the money market. A relatively small injection of funds through the purchase of bills will ordinarily find a response in the market for long-term securities. Large purchases of bills could scarcely fail to elicit such a response.

These transactions condition the tone of the money market and the general availability of credit because they immediately affect the value of securities in the operating portfolios of leading financial and business institutions. They cause changes in the prices of the specific issues bought or sold, and affect opportunities for arbitrage as between various issues and sectors of the market. As a result, a new pattern of yields emerges as between all different issues and sectors of the market. When the readjustments have worked themselves out, both the prices of Government securities and the pattern of their yields will have been affected. Both the absolute and the relative market values of the securities that constitute the liquid operating reserves of all our major financial institutions will have changed. In other words, there will have occurred a shift in the financial liquidity of the money market and of the economy.

Page 260, hearings:

INTRODUCTION

(1) The Federal Open Market Committee, at its meeting on May 17, 1951, authorized an ad hoc subcommittee to study and report on the operations and functioning of the Open Market Committee in relation to the Government securities market. The subcommittee was organized in April and May 1952, as follows: Wm. McC. Martin, Jr., chairman; Abbot L. Mills, Jr., Malcolm Bryan. Robert H. Craft, vice president and treasurer of the Guaranty Trust Co., of New York, was appointed technical consultant to the subcommittee, and was given leave of absence by the Guaranty Trust Co. to devote his full time to its work.

(2) Efforts have been made to keep the executive committee of the Federal Open Market Committee, all the Governors of the Board, and all of the presidents of the Federal Reserve banks informed of the activities of the subcommittee. The interval, amounting to nearly a year, between the authorization of the subcommittee and its actual establishment reflected the desirability of deferring the study until the conclusion of the hearings of the Patman subcommittee of the Joint Committee on the Economic Report, as well as the desirability of permitting some experience to accumulate on operations of the committee under the more flexible conditions that followed the Treasury-Federal Reserve accord of March 5, 1951.

Pages 262–263, hearings:

TRANSACTIONS

(13) Purchases and sales of securities for the System open market account are supervised by the manager of the account and are made in accordance with instructions issued by the Federal Open Market Committee. Such transactions, both on a repurchase and on an outright basis (as well as all transactions in Government securities made by the New York bank for foreign accounts, member banks, or the Treasury), are now confined to 10 recognized dealers. This strict limitation of the dealer group with which the account now trades was formalized by the committee in 1944. Previously, the Federal Reserve Bank of New York had followed a less formal arrangement with a larger group of dealers.

(14) The policy of confining open market account business to a small group was adopted by the Federal Open Market Committee in 1944 in an attempt to deal only with that portion of the market where the final effort at matching private purchases and sales takes place. This approach was based on the hope that by operating closely with a small group of key dealers responsive to its discipline, the Federal Open Market Committee could peg a pattern of low interest yields in a period of heavy war financing with minimum monetization of the debt.

(15) In accordance with the instructions of the Federal Open Market Committee, open market transactions are practically always made on an agency basis; that is, not with dealers as principals but with other holders, using dealers as brokers. This has meant that dealers could not ordinarily sell to the account from position. The Committee has specified that the commission allowed shall not exceed $156.25 per million dollars on notes and bonds, and $100 per million dollars on certificates and bills. In practice it generally has been smaller on maturities of less than 1 year. Repurchase agreements are by their nature made with the nonbank recognized dealers as principals.

(16) Transactions executed by the trading desk are never made for cash, i. e., for delivery the same day, but rather for regular delivery the following day (occasionally for delayed delivery). For short-term issues, however, a large part of transactions made by others in the market is on a cash basis. The account will not knowingly buy securities handled by dealers on a cash basis.

(17) In addition to transactions for the System's open market account, a large volume of purchases and sales is made by the New York bank for domestic and foreign accounts. Acting as fiscal agent for the Treasury, the New York bank transacts business for various Government agencies and trust funds. These transactions may be of a routine nature or may involve special operations designed to support the market. Foreign central banks and other foreign agencies also employ the New York Federal Reserve Bank as agent and channel purchase or sale orders on Treasury issues through it. Member banks in the New York Federal Reserve District—usually smaller banks in outlying areas—also use the New York bank for what are typically odd-lot transactions. All of these transactions by the bank as agent are handled through the trading desk.

(18) Transactions for the open market account are normally handled by any 1 of 4 or 5 persons who maintain constant direct contact between dealers and the account. Transactions for the Treasury, foreign agencies, or member banks are usually handled by an individual on the trading desk who is not one of the persons regularly contacting dealers for information or normally trading for open market account. Thus, the dealers can generally distinguish between agency transactions and those for the open market account on the basis of the origin of the call from the trading desk. There are also other clues in the trading operation which dealers can use in appraising the source of a transaction. At times, however, the regular procedures of the desk may be changed in order to conceal the operations of the open market account. Orders for the account may be channeled through the individual who ordinarily handles foreign agency and member bank business, or those who usually trade for the open market account may take over business to be done for agency or foreign accounts. Pending the weekly report of condition of the Federal Reserve banks, the actual operations of the account may thus be screened from the market or the market may be led to believe that the Federal Open Market Committee was active at a time when it was not.

(19) The volume of transactions in Government securities carried out by the New York bank's trading desk for foreign, Treasury, and member bank accounts is very substantial. In the 12 months ending June 30, 1952, such business amounted to about $2.4 billion, of which $1.5 billion was in bills, $600 million in certificates and notes, and $300 million in bonds. These transactions amounted to about one-third the volume of total trades for open market account; they were almost as large as open market transactions other than in periods of Treasury refunding.

(20) Federal Reserve banks outside New York also transact business in Government securities as a service for some of their member banks. In the 12 months ending June 30, 1952, $1.9 billion of such business was handled. While some Reserve banks confine such dealings to those dealers qualified to transact business with the open market account, others do business with a wide group of investment houses.

Page 277, hearings:

(115) The subcommittee also recommends that these transactions be conducted without regard to whether or not a dealer is on the recognized list. It is hard to see how a refunding operation, accompanied as it must be by a very general turnover of securities in the market, is aided by a technique that either eliminates some dealers from the market or forces them to trade exclusively off other dealers' markets.

THE PROBLEM OF DEALER RECOGNITION

(116) There is no room for complacency on the part of the Federal Open Market Committee over the problem of dealer recognition. That fact emerged more and more vividly as each of the unrecognized dealers discussed his problems before the subcommittee. The unrecognized dealers showed up well as individuals both in terms of personality and integrity, and in terms of professional grasp of the business and ability to evaluate the impact of credit and monetary problems on the money markets. It would be hard for anyone sitting through all the hearings to reach the conclusion that this group of unrecognized dealers differed significantly, on the average, from those who represented the recognized dealers with respect to training, integrity, professional capacity, or ability to analyze problems. The fact is that they made a very good impression as a group.

Hearings, Subcommittee on Economic Stabilization of the Joint Committee on the Economic Report, December 6 and 7, 1954, pages 280–284:

HOUSEKEEPING

(134) In many respects, the Federal Open Market Committee is unique both in the form and the substance of its organization. In form, it is a completely independent organization, specifically set up by statute, with exclusive power of decision with respect to the matters delegated to it. Its composition is designed to insure, to the full extent that legislation can insure, that its members will not only be fully competent, but will also be immune to outside pressure. It is neither an appendage of the Federal Reserve Board nor a creature of the Federal Reserve banks, but a completely independent body, each member of which, as an individual, whether he be a Governor from the Board or a president from a Federal Reserve bank, reports to no one. His actions are a matter of public record but each member sits as an individual, bound only by his oath to execute the law. The responsibilities delegated to the Committee are of almost incomparable import.

(135) The statutory individuality of the Federal Open Market Committee and its separation both from the Federal Reserve Board and the Federal Reserve banks is expressed in its chart of organization. It has its own staff, and when it gathers it meets as a separately organized and staffed body. Its sessions are not joint sessions of the Federal Reserve Board and the Federal Reserve banks, but statutory meetings of the Federal Open Market Committee.

(136) In a very general sense, the Federal Open Market Committee stands in the relation of a fiduciary to the Federal Reserve banks. It, and it alone, has the decision with respect to the amount, as well as the issues, of their open market portfolios. They hold, at the moment, nearly $24 billion of securities, the greatest investment portfolio by far in the history of the world. It is wholly in the discretion of the Federal Open Market Committee to direct the investment of large additional amounts.

(137) In an even more general sense, the Federal Open Market Committee stands in a fiduciary relationship to the whole American economy. It could be called special trustee for the integrity of the dollar, for the preservation of its purchasing power, so far as that integrity can be preserved by its operations. It is especially charged, also, to use its powers to provide an elastic currency for the accommodation of agriculture, commerce, and business, i. e., to promote financial equilibrium and economic stability at high levels of activity.

(138) This unique structure of the Federal Open Market Committee was hammered out after long experience and intense political debate. Like other components of the Federal Reserve System, it exemplifies the unceasing search of the American democracy for forms of organization that combine centralized direction with decentralized control, that provide ample opportunity for hearing to the private interest but that function in the public interest, that are government and yet are screened from certain governmental and political pressures since even these may be against the long-run public interest.

(139) When the substance, rather than the form, of the Federal Open Market Committee is analyzed against this background, certain possible anomalies arise. It has no individual budget, nor does the act provide for one. There is no single person on its operating staff who is responsible to the Committee alone. Each of its officials is paid either by the Federal Reserve Board or by a Federal Reserve bank. Each would automatically cease to have any relationship with the Federal Open Market Committee the moment that connection was severed. No member of the Committee, nor of its staff, is charged to give exclusive attention to its concerns. Everyone connected with it wears also another hat. Even the manager of the open market account, who comes nearest to devoting his full time to its functions, has heavy independent responsibilities in connection with the fiscal agency and other operations of the Federal Reserve Bank of New York.

(140) The Federal open market account is not managed by the Federal Open Market Committee. This function has been delegated to the Federal Reserve Bank of New York, subject to policy directives that provide discretionary leeway within which the management operates. The manager of the account is selected by the directors of the Federal Reserve Bank of New York and approved by the full Federal Open Market Committee each year. In his day-to-day operations, he is subject to the authority of the Federal Reserve Bank of New York, and not to that of the Federal Open Market Committee.

(141) The subcommittee urges that the Committee take the initiative in reexamining and reviewing this structure of organization. There has been much experience since the arrangements were first established. In the light of that experience, is the structure well designed to carry out the Committee's important functions? For example, should the Federal Open Market Committee operate under a budget of its own? This might require legislation, but if a separate budget would improve its operations, the Committee is morally obligated to suggest such legislation to the Congress.

(142) Should all or part of the staff of the Federal Open Market Committee be separate

and distinct from the staffs of the Federal Reserve Board and the Federal Reserve banks? However paid, should they wear one hat, and one hat only, devoting all their time exclusively to the operations of the Federal Open Market Committee? There are both advantages and dangers in this suggestion which must be weighed. The Federal Reserve System is a family, and the Federal Open Market Committee urgently needs the knowledge, the judgment, and the skill of all the members of that family. It would be extremely difficult to build up a new and independent staff as qualified as the personnel which it now enlists to work on its problems. It would be equally unfortunate to lose the contributions of that staff to System problems that fall outside the limited area of responsibility of the Federal Open Market Committee. Yet there are equal dangers in a situation where the time of no one person on the whole staff of the Committee is wholly devoted to its responsibilities, where everyone wears two hats, and where each must fulfill duties separate and distinct from those imposed by the Federal Open Market Committee.

(143) Should the present situation, which delegates the management of the open-market account to the Federal Reserve Bank of New York, be retained, or should the manager of the open-market account be made directly responsible to the Federal Open Market Committee? The present arrangement has the advantage that the mechanical operations of the account, the keeping of its books and records, and the handling of its funds are under the immediate supervision of the Federal Reserve Bank of New York with its superb facilities. More important, it has the advantage that the president of the Federal Reserve Bank of New York, situated as he is in the center of the Nation's money market, with his personal insight into problems of monetary policy and his immediate access to financial information not so readily available to anyone else, can supervise on the spot the execution of the general policy directives of the Federal Open Market Committee and the executive committee and thus determine that that policy is made effective in operations.

(144) It has the disadvantage that the president of the Federal Reserve Bank of New York sits at meetings of the Federal Open Market Committee and of the executive committee necessarily in a somewhat different role from that of his colleagues. He comes not only as a contributor to the discussion on policy formation, but, also necessarily, as a protagonist for the actual day-to-day operations of the account. These operations are his responsibility. He cannot criticize them without criticizing his own staff. The committee, therefore, in some part loses contact with the critical insight of its best-informed member. It has the disadvantage also that other members of the Federal Open Market Committee, reluctant to seem critical of a colleague, may hesitate to scrutinize adequately the technical operations of the account. This is a serious deficiency because the other bank president members of the Committee are usually scattered and out of intimate touch with one another as well as with the market. They must depend on give and take discussion at Committee meetings and at the meetings of the executive committee to sharpen their appreciation of the Committee's operating problems.

(145) The present arrangement makes one major contribution of paramount concern to effective operations. There must be confidence throughout the market and throughout the financial community generally that open-market operations are immune from political pressures. This confidence is undeniably strengthened by the fact that the Federal Reserve Bank of New York actually conducts open-market operations for the Committee. Under the present management arrangement, the actual contacts of the market are contacts with personnel of the Federal Reserve Bank of New York, subject to the discipline of its directors.

(146) There is, of course, the equal necessity of maintaining the confidence of the public generally that the Committee's operations are immune from banker domination. This consideration is reflected in the general structure of the Federal Reserve System with the Board of Governors and the regionally decentralized Federal Reserve banks. It is also reflected in the actual statutory composition of the Federal Open Market Committee. From this point of view the present arrangement by which the management of the open-market account is delegated to the Federal Reserve Bank of New York requires that the individual members of the Federal Open Market Committee maintain close contact with all important aspects of its operations.

(147) Throughout its consideration of the recommendations it is making in this report, the subcommittee has had this problem in mind. These recommendations do not stop with the evaluation of technical practices of the Committee, originated during the period of the pegs, that now handicap the development of a free market. The subcommittee has been aware also of the urgent necessity of simplifying as much as possible the operating procedures of the committee and the points of impact which its operations have on the market mechanism. The problem has been to work out procedures (1) that will provide more effectively for the execution of the Committee's monetary policies in the open market, (2) that will do this in a way that will minimize confusion in the market with respect to the Committee's purposes, and (3) that will enable individual members of the Federal Open Market Committee to maintain more intimate contact with its technical operations. The subcommittee feels that operations under its recommendations will not only make for greater depth, breadth, and resiliency in the market, with less misunderstanding, but will also enable each member of the Federal Open Market Committee to carry out more effectively his individual statutory responsibility as a Committee member.

(148) The subcommittee desires to raise one aspect of the problem for special consideration. It urges that the full Federal Open Market Committee take a definite position with respect to the suggestion advanced above that the manager of the open-market account be employed by the Federal Open Market Committee as a whole, rather than by the Federal Reserve Bank of New York.

(149) The subcommittee is not proposing this shift. It is recommending, however, that the change be most seriously considered. The operations of the account would continue to be located in the Federal Reserve Bank of New York, as at present, and the Federal Open Market Committee would continue to avail itself of the personnel, wisdom, and experience of the whole Federal Reserve System, as at present. The only change would be that the manager of the open-market account would be employed by the Federal Open Market Committee as a whole, that he would be solely responsible to the Federal Open Market Committee, and that he would have no responsibilities other than those imposed on him by the Federal Open Market Committee.

(150) Should the Committee decide to make such a move, certain details of organization would have to be solved. They are not of concern at this point. The immediate concern is whether such a move would be in the public interest, whether it would improve the functioning of the Federal Open Market Committee. Certain features of the proposed arrangement stand out as crucial. Since the manager of the open-market account would be directly responsible to the whole Federal Open Market Committee, the individual members of the Committee might feel less reluctant to make direct contact with him and thereby familiarize themselves with details of the Committee's operations. The manager of the account also would no longer occupy the dual role of manager of the account and also of vice president of the Federal Reserve Bank of New York. He would be relieved of responsibility to its directors with respect to any of his activities. Finally, he would no longer participate in transactions originating in the fiscal agency, or foreign correspondent relationships of the Federal Reserve Bank of New York.

(151) Some duplication of facilities would result from this change but there would be offsetting advantages. For example, the money market might be less confused with respect to the significance of orders transmitted through the trading desk. The execution of an order for the Treasury, or for a foreign correspondent, could not then give rise to rumors that the Federal Open Market Committee had entered the market.

(152) The chief change, of course, and the one which requires the most serious consideration would be the change in the relationship of the president of the Federal Reserve Bank of New York to the account. As Vice Chairman of the Federal Open Market Committee, he would have, as he now has, full access to all the operations of the account and continuing responsibility for maintaining a vigilant scrutiny over them. He would continue to be in the same building with the manager of the open-market account, and would be as continuously available for consultation as at present. The line of responsibility between the whole Committee and the manager of its account, however, would be direct and undivided. It would not impose upon the president of the Federal Reserve Bank of New York the added individual responsibility which he now bears for operational and discretionary decisions within the directives laid down by the whole Committee or its executive committee.

On Friday last, the president of the new American Motors Corp., Mr. George Romney, testified before a Senate committee. His testimony corroborates what small-business men all over the Nation have been screaming about since the hard-money policy of 1953 was put into effect. Listen to what Mr. Romney says:

That caused all the little motor companies to be compelled to merge.

Many people have been wondering why they were compelled to merge. That is the question we are dealing with here today in this resolution. This is what Mr. Romney says:

This slump in sales which was felt particularly by the smaller companies came simultaneously with the tightened credit policies of the Federal administration, both of which caused the finance companies to restrict credit to many automobile dealers.

And listen especially to this:

Beginning in the spring of 1953—

You see that is when it started—the spring of 1953. And he said further:

The effect was so severe that some of these dealers were forced out of business and others lacked adequate credit for normal volume operation.

I am inserting herewith some excerpts from Mr. Romney's testimony:

STATEMENT BY GEORGE ROMNEY, PRESIDENT OF THE AMERICAN MOTORS CORP., BEFORE UNITED STATES SENATE COMMITTEE ON THE JUDICIARY, SUBCOMMITTEE ON ANTITRUST AND MONOPOLY, JUNE 10, 1955

American Motors Corp. is the result of the merger on May 1, 1954, of Hudson Motor Car Co. with Nash-Kelvinator Corp. American Motors manufactures Hudson, Nash, and Rambler automobiles and Kelvinator and Leonard appliances.

Presumably you would like me to discuss the reasons for and results of the merger of the two companies, one of which (Hudson) has engaged in the manufacture and sale of automobiles since 1909 and the other since 1916.

* * * * *

In view of its size, strength and diversification, why was Nash-Kelvinator receptive to overtures from Hudson for a merger?

Since the greater part of Nash-Kelvinator's total dollar sales volume was in automobiles, let's first analyze the company's position in the United States automobile market. Of eight principal companies manufacturing automobiles in the United States at the time, Nash-Kelvinator ranked fifth in volume of automobiles produced. Its percentages of total passenger car sales in the industry for the year ended December 31, 1953 was 2.2. A year earlier its percentage of industry had been 3.5.

The merger proxy statement showed Hudson Motor Car Co.'s total assets to be $123 million, with working capital of $36 million. Hudson's net sales and other income for the calendar year were $192,971,000. Hudson at the close of 1953 had a percentage of industry sales of 1.2. In the year previous it had been 1.7.

This slump in sales, which was felt particularly by the smaller companies, came simultaneously with the tightened credit policies of the Federal Administration, both of which caused finance companies to restrict credit to many automobile dealers. Beginning in the spring of 1953, the effect was so severe that some of these dealers were forced out of business and others lacked adequate credit for normal volume operations. This worked particular hardship on Nash-Kelvinator, which had deliberately limited its number of dealers during the postwar period so that the individual dealers would enjoy a relatively larger volume of business at a time when production was held below demand by material shortages. With fewer dealers, both Nash-Kelvinator and Hudson experienced sharp reductions in their volume of sales.

It was readily apparent that our major competitors—some of whom had grown as a result of past consolidations—had been aided in their drives for a larger share of the automotive market by competitive advantages resulting from their comparatively greater size and volume operations.

They squeezed the independents out of business all over the Nation. Are we going to vote against looking into that kind of situation and find out why one person is manipulating this crap shooting in Government bonds in the New York Federal Reserve Bank who is not even directly paid by the Government of the United States. He is responsible for his position to the private bankers of New York where as representative of the private bankers of New York is handling this, the largest portfolio of Government bonds in all history, and doing what he wants to do and causing these wide fluctuations up and down. As a result big people who are in the know, or those who have superior knowledge, are making billions of dollars a year through operations which amount to crap shooting in the Government bond market.

THE IMPORTANCE OF THE FEDERAL OPEN MARKET COMMITTEE

The Federal Open Market Committee has the greatest financial power of any single group in all history. It has the largest existing securities portfolio under one control. At the present time it consists of about $23.5 billion dollars of United States Treasury securities.

Securities of the United States Treasury play a decisive role in determining the flexibility and the sensitivity of the entire American money market.

Not only banks, including commercial banks, savings banks, savings and loan associations, but also insurance companies and the large industrial corporations maintain the bulk of their operating reserve in the form of securities of the Federal Government.

The daily turnover of Treasury securities in the market is enormous. The opportunities for tremendous profits resulting from relatively minor fluctuations in Treasury securities prices are a reflection of the magnitude of the transactions that occur each day.

The magnitude of these transactions, the tone of the money markets, and the range of price fluctuations are decisively influenced by the transactions of the Federal Open Market Committee. The Federal Open Market Committee is the major factor in the money market. Through its transactions it affects immediately the general availability of credit and its cost and the value of securities in the portfolios of investors in not only Treasury securities but all private debt issues as well.

The gross transactions of the Federal Open Market Committee runs into more than ten billions each year. For example, gross purchases and sales including repurchase agreements with dealers in Treasury securities amounted to $17.8 billion in 1952; $15.4 billion in 1953, and $11.6 billion in 1954.

It is evident from the scale of transactions that this committee carries on in Government securities that we are concerned here with a group that has more power than any similar group in history. It has the power to move mountains if it so desires. It controls the destinies of our economy and our Nation.

Yet in the 21 years that it has been in existence this Congress has never had the opportunity until last December of even meeting the members of the Open Market Committee. To date no committee of Congress had had the opportunity to examine in detail the day-to-day operations of the Open Market Committee and the considerations that guide its market transactions.

BANK PROFITS IN 1954

Mr. Speaker, all insured commercial banks increased their net profits after taxes very substantially in 1954. Federal Deposit Insurance Corporation reported that their net profits after taxes rose from $1,026,000,000 in 1953 to $1,307,000,000 in 1954. This was a gain of 27.4 percent.

The single most important factor contributing to the profits showing for 1954 was the spectacular gain in bank profits on securities sales. They rose from $39 million in 1953 to $416 million in 1954, a gain of 966 percent in 1 year.

Federal Reserve member banks reported net profits of $1.1 billion after taxes in 1954. This was an increase of $231 million or 27 percent over 1953.

IMPORTANCE OF SECURITIES PROFITS TO FEDERAL RESERVE MEMBER BANKS EARNINGS

Gains from the sale of securities played a major role in the increase in net profits for member banks in 1954. This is shown clearly by an analysis of the factors contributing to higher net profits of member banks in 1954. Total factors increasing net profits in 1954 as compared to 1953 amounted to $692 million. Of this sum increased profits on sales of securities amounted to $340 million and the decline in net losses on securities transactions amounted to $104 million. These 2 factors alone generated an increase of $444 million in member bank net profits in 1954 out of a total increase generated by all factors increasing profits of $692 million. Gains from securities transactions therefore accounted for 64 cents out of every dollar of the profits increasing items for member banks in 1954 as compared to 1953. If increased interest earnings on Government securities are added in these factors—securities transactions and interest on Government securities—generated $499 million or 73 percent of the total factors contributing to higher net profits for member banks in 1954 over 1953.

A summary of the factors contributing to the $231 million increase in net profits of member banks in 1954 as compared to 1953 is shown in the following table:

Factors in higher net profits of Federal Reserve Member Banks in 1954

[In millions of dollars]

	Change from 1953 [1]
Increase in net profits	+231
Factors increasing net profits, total	+692
Increase in profits on sales of securities	340
Decrease in net losses on securities [2]	104
Increase in miscellaneous current earnings	80
Increase in earnings on loans	79
Increase in earnings on U. S. Government securities	55
Increase in earnings on other securities	21
Decrease in net losses on loans [2]	12
Factors decreasing net profits, total	−461
Increase in expenses	217
Larger net increase in valuation reserves	125
Increase in provisions for taxes on net income	112
Increase in miscellaneous losses	8

[1] Details may not add to totals because of rounding.

[2] Includes recoveries credited and losses charged either to undivided profits or to valuation reserves.

Source: Federal Reserve Bulletin May 1955, p. 498.

BIG CITY BANKS VERSUS COUNTRY BANKS IN DISTRIBUTION OF PROFITS ON SECURITIES

For the year 1954 the total number of Federal Reserve member banks by class of banks, by ownership of United States Government securities, and profits on sale of securities were distributed as follows:

Federal Reserve member banks, by class of banks, ownership of U. S. Government securities and profit on sales of securities 1954

	Total	Central reserve city member banks		Reserve city member banks	Country member banks
		New York	Chicago		
All banks	6,660	21	13	300	6,326
Percent distribution	100	0.3	0.2	4.5	95
U. S. Government securities (millions)	$54,485	$8,520	$2,929	$20,421	$22,614
Percent distribution	100	16	5	37	42
Profits on securities (millions)	$375	$60.8	$18.6	$174.4	$120
Percent distribution	100	16	5	47	32

Source: Federal Reserve Bulletin, May 1955.

Although country banks account for 95 percent of total Federal Reserve member banks and own 42 percent of total United States Government securities held by all member banks in 1954, they accounted for only 32 percent of total member bank profits from the sale of securities last year.

In contrast the big city banks accounted for only 5 percent of all member banks, held 58 percent of all Government securities, and made more than two-thirds—68 percent—of total profits from sale of securities last year.

Only 34 banks in New York and Chicago, accounting for one-half of 1 percent of total number of member banks in the system, held 21 percent of the total amount of Government securities and accounted for 21 percent of profits from security sales.

The Reserve city member banks account for less than 5 percent of total banks in the system. They held 37 percent of all Government securities and accounted for 47 percent of total profits from the sale of securities last year.

SECURITIES PROFITS RISE SHARPLY AS FLUCTUATIONS IN GOVERNMENT SECURITIES PRICES INCREASE

Looking at the average yields of Treasury bonds in the past 2 years it is significant that the average monthly fluctuations have been substantially greater than in the period before the "accord." Recent price fluctuations in the 2½ percent victory loan bonds and the 3¼ percent 30-year bonds have been unusually sharp. For example in 1953 the range between the high and low price—based on closing bids—for the 2½s was $6^{8}/_{32}$ points and for the 3¼s it was $7^{1}/_{32}$ points. In both 1951 and 1952 after the "accord" the price spread for the 2½s was only $3^{29}/_{32}$ points. In 1954 the 3¼s continued to exhibit sharp fluctuations, the spread between the high and low—closing bid—price being $6^{11}/_{32}$ points.

For the period 1953–55 the total price fluctuations of the 2½s and the 3¼s measured for two high-low cycles was twice as great as the total price fluctuations for the 2½s over the two high-low cycles in the 1951–52 post accord period.

This is shown in the following table:

2½s December 1972–67:	
1951–52:	
January 1951, high	100.25
December 1951, low	95.28
May 1952, high	99.03
December 1952, low	95.06
Total range	$11^{3}/_{32}$
2½s December 1972–67—Continued	
1953–55:	
January 1953, high	95.24
June 1953, low	89.30
August 1954, high	100.22
April 1955, low	96.06
Total range	$21^{2}/_{32}$
3¼s 1983:	
1953–55:	
April 1953, high	100.11
June 1953, low	98.20
August 1954, high	111.28
March 1955, low	106.01
Total range	$20^{28}/_{32}$

NOTE.—Based on closing bids. High and low prices for each month in the period.

This increase in the range of price fluctuation has been reflected in a sharp increase in bank profits from securities transactions.

This is shown in the following table which is taken from the Federal Reserve Bulletin, May 1955.

Member bank earnings, 1948–54

[Dollar amounts in millions]

Profits on securities:	
1948	$55
1949	64
1950	82
1951	52
1952	29
1953	35
1954	375

Source: Board of Governors, Federal Reserve Board.

The average annual amount of profits on securities for member banks for the 6-year period 1948–53 was $52 million. In 1954 profits on securities suddenly jumped 7 times to $375 million. Profits on sales of securities were $340 million above the previous year. It is noteworthy that for the first time since 1946, largely because of the sharp rise in securities profits bank recoveries and profits on securities exceeded losses, charge-offs, and net additions to valuation reserves.

RELATIONSHIP OF SECURITIES PROFITS TO MEMBER BANKS' CAPITAL IN 1954

Total capital of large city member banks (central reserve and reserve city member banks) excluding surplus was $2,176 million as of June 30, 1954. In 1954 these banks made $254 million profits on securities sales or more than 10 percent on their capital from these transactions in just 1 year. Country banks' capital was $1,326 million as of June 30, 1954, and their profits on securities in 1954 totaled $121 million or 9 percent on their capital, excluding surplus and undivided profits.

The following table shows the net profits of all member banks to capital excluding surplus and undivided profits together with their capital and surplus accounts for June 30 of each year for the period 1948–54.

Net profits of member banks to capital, capital and surplus as of June 30, annually, 1948–54

	Ratio of net profits after taxes	Capital	Surplus and undivided profits
	Percent	*Millions*	*Millions*
1948	22.5	$2,754	$3,885
1949	23.8	2,874	4,000
1950	26.4	2,959	4,376
1951	24.5	3,084	4,665
1952	25.4	3,260	4,950
1953	25.7	3,367	5,315
1954	31.3	3,502	5,617

Source: Board of Governors, Federal Reserve.

Looking at the table it is significant that the ratio of net profits after taxes to member banks capital excluding surplus jumped 23 percent between 1952 and 1954. For a relatively risk-free business a return of 31.3 percent after taxes on stockholders' capital is a rather high return. The increase in rate of return for the period 1952–54 was also much larger than the gain in the 2 years prior to the accord, 1948–50. In the 1948 to 1950 period member banks ratio of net profits to capital after taxes rose from 22.5 to 26.4, or a gain of 17 percent.

The total interest-bearing debt of the Federal Government at the end of last year was $275.7 billion. This was exactly the same size of the interest-bearing debt at the end of 1945. But the same debt now costs us about $2 billion a year more in interest.

In 1946 the average interest rate on United States Government bonds was 2.19 percent. In the last 2 years the Treasury has had to pay 3 percent and 3¼ percent to sell its long-term bonds.

Short-term Treasury bill rates were about 0.35 percent at the end of 1945. Today they are 1.5 percent. In June 1953 they were as high as 2.5 percent.

The interest rate on United States Treasury securities is not determined in a free market. It is set by the Federal Open Market Committee. In testimony before the House Banking and Currency Committee, March 5, 1947, Marriner Eccles, Chairman of the Board of Governors of the Federal Reserve System stated:

> We can guarantee that the interest rate so far as the public debt is concerned, is where the Open Market Committee of the Federal Reserve desires to put it (Purchases of Government Securities by Reserve Banks, hearings on H. R. 2233, 1947, p. 85).

The purpose of House Resolution 210 is to provide for an objective study of the operations of the Federal Open Market Committee.

The Open Market Committee has enormous powers to influence the cost and availability of credit and through the exercise of this power it not only determines the cost of servicing the national debt but it influences virtually every aspect of our entire economy.

The Open Market Committee which possesses these broad powers has been in

existence for 21 years. Until last December no congressional committee had the opportunity of meeting face to face the men who by virtue of their position in the Federal Reserve System and their control over the country's credit and purchasing power have more power than any single group in shaping the destiny of the economy and of the Nation. On December 8, 1954, members of the Open Market Committee appeared briefly before the Joint Committee on the Economic Report. At this historic meeting the 12 men of the Open Market Committee knew that they had just approved a significant change in the Nation's monetary and credit policy. They had decided upon a more restrictive course than before despite the existence of unutilized resources in the economy and a persistent deflationary drag in agriculture. They knew that the Joint Committee on the Economic Report was concerned about the amount of underemployment and unemployment existing in the economy at that time and particularly the poor state of agriculture. But these gentlemen did not even bother to rationalize or disclose the action they had just taken.

The plain truth is that they have declared their independence not only of the Executive but also of the Congress. This is not surprising. We have delegated our power under the Constitution to coin money and regulate the value thereof to the Federal Reserve Board. They in turn have delegated it to the Federal Open Market Committee. We have not taken the trouble in 20 odd years to take a close look at how the day to day exercise of the powers we have delegated is carried on by the Open Market Committee. No wonder this group does not hesitate to thumb its collective nose at the Congress whenever it suits its purpose. No wonder the president of the Federal Reserve Bank of New York can challenge the politicians in Congress as he did in his widely discussed speech at Pullman, Wash., in April of this year.

The fact that we in the Congress have seen fit as a practical matter to delegate our constitutional power to the Federal Reserve does not lessen our ultimate responsibility in this field, nor does it make the functions and the actions of the Federal Reserve and the Open Market Committee any less public governmental functions and actions which are properly the subject of congressional study. How important is this group of men who set the Nation's money policy? Let me read you what Business Week said about them in the issue of March 19, 1955:

> The 11 men are members of the Federal Open Market Committee which is part of the Federal Reserve System. The committee is an institution that has no exact counterpart in any other country on earth. Though few businessmen, and by no means all bankers could name them, these men have—at least potentially—more financial power than any 11 men who ever lived before.

There are 12 members. A vacancy on the Board of Governors existed at that time.

I want to repeat that last part for the benefit of the Members: These men have "more financial power than any 11 men who ever lived before." Yet we in the Congress have neglected in the 20 years of the legal existence of that powerful Committee to give it more than a superficial examination.

Because we have neglected our duty, it is mistakenly assumed by many that the Open Market Committee is not directly answerable for their actions to anyone. Again, let me quote from Business Week, the same issue of March 19, 1955, page 111:

> Their power comes from the simple fact that they control—without answering directly to anyone—the expansion and contraction of the $25 billion security portfolio owned by the 12 Federal Reserve banks.

This portfolio consists of United States Government securities which are apportioned to each of the 12 Reserve banks but which in practice the Open Market Committee treats as a single portfolio.

By its purchases and sales of Government securities the Open Market Committee not only determines the interest rate on the national debt but also the prices of all securities and the supply and cost of all bank credit in the country.

Who sits on the Open Market Committee? There are 12 members, 7 Governors of the Federal Reserve and the 5 Reserve Bank presidents elected by the private commercial bankers of their respective districts. It is quite possible that the Open Market Committee could actually adopt by a majority vote the minority views of the public members of the Board of Governors of the Federal Reserve System.

Open Market Committee policy decisions are more in the nature of broad directives to a five-man Executive Committee which acts as a day-to-day chief of staff over operations and has substantial freedom in deciding policy. This Executive Committee consists of 2 Reserve Bank presidents or representatives of the private bankers, and always includes the president of the New York Reserve bank, and 2 members of the Board of Governors plus the Chairman of the Board. The Chairman of the Board of Governors has the decisive vote. The present Chairman owes his seat to the fact that the present administration appointed him.

The Federal Reserve Bank of New York actually manages the open market account. It employs the manager of the account who is in charge of day-to-day trading transactions. This manager is a private employee of the Federal Reserve Bank of New York who is paid by that bank and responsible to its president who in turn is elected by the private bankers of that Federal Reserve district. The present manager is also vice president of the New York Federal Reserve Bank. He took over in 1939 from Mr. Allan Sproul who was then elevated to become president of the New York Federal Reserve Bank. Before Mr. Sproul had the job the present Under Secretary of the Treasury in charge of debt-management, W. Randolph Burgess, also formerly chairman of the executive committee of the National City Bank of New York, was the manager of the open market account.

It is evident that the New York bankers attach great importance to the control of the Open Market account.

In 1953 the Open Market account handled gross transactions in Government securities amounting to $15.4 billion. I do not know what they handled in 1954. It seems to me, though, that when a private employee of the New York Federal Reserve Bank has the authority to decide which Government securities shall be sold and bought and in 1 year handles $8.3 billion of purchases and $7.1 billion of sales of United States Government securities, he has a powerful voice in determining the prices of not only United States Government securities but of all other bonds as well.

A person with such powers and such information is very important to the stability of the securities market.

As I say this Federal Open Market Committee is a powerful committee. Yet the Congress has not looked at its operations once in the 21 years since it came into legal existence. I believe the time has come for such a look.

Many students of banking have always believed that primary control over the Open Market Committee should rest in the Board of Governors of the Federal Reserve. They point to the situation of the 1920's when the New York Reserve Bank, and the interests it represented, really ran the self-constituted Open Market Committee, with unhealthy results. While the reform legislation of the 1930's was intended to eliminate New York banker control and did so in part, one of the purposes of the proposed study under House Resolution 210 will be to determine to what extent such control has been reestablished in recent years and with what results.

One of the outstanding characteristics of the Government securities market since the accord of 1951 and particularly since early 1953 has been the sharp increase in fluctuations in Government securities prices. This has been true both with respect to the frequency of price changes as well as to the size of the daily increases and decreases in bid and asked prices.

Such an increase in fluctuations has not only introduced an element of uncertainty in the Government securities market as far as investors are concerned with the consequent necessity of having to offer them higher interest rates than before, but it has also opened up the prospect of large gains for those who may speculate in Government securities.

Very substantial profits can be made on transactions in Government securities by those who happen to guess "right." In this connection it is interesting to note that in early June 1953 Deputy Secretary Burgess of the Treasury, a former manager of the Open Market Account, in his seminar address to the Graduate School of Banking at Rutgers University, suggested that—

> Maybe we are running into a period of freer markets where portfolio operations could be more profitable. (American Banker, June 16, 1953.)

In 1954 insured commercial banks made $416 million profits on securities sales—mostly Governments—or an increase of 966.7 percent in such profits compared to 1953.

In the first 6 months of 1954 the National City Bank of New York had net

profits from the sale of securities of $4,257,604 compared to a 1953 figure of $215,840. Two other large New York banks, Chase National and Guaranty Trust reported investment security profits of nearly $11 million in the first 6 months of 1954 compared with a net loss of over $1 million in such transactions a year earlier.

For the year 1954 as a whole these three large New York banks made approximately $26 million in profits on sales of their securities holdings.

Securities profits for each one was as follows:

Chase National Bank	$7,876,000
National City Bank	7,313,013
Guaranty Trust Co	10,619,080
Total 3 banks securities profits	25,808,093

These windfall profits make the windfalls on FHA insured mortgage loans look puny by comparison.

One of the purposes of this resolution is to look into the recent windfall profits from dealings in Government securities. Particular interest attaches also to the billion dollar issue of 3¼ percent 30-year bonds in April 1953. That issue fell to 98 shortly after it was put on the market. Then a reversal in policy took place. The 3¼s went to 112 in less than 1 year. This represented a windfall profit of $140 for every thousand dollars worth of 3¼s. It is not unusual for trading in Governments to be in the hundred thousands. So the Members may well appreciate the magnitude of the windfall profits that were involved for investors who happened to guess right on the 3¼s. Fortunately, there was such a large oversubscription that the Federal Reserve banks were asked to screen out would-be speculators. The list of the applicants for purchasing these bonds as well as the individuals who were approved for allotment are therefore available.

Incidentally series E bond holders were not offered opportunity for exchanging similar to the holders of the large denomination series F and G bond holders. The list of series F and G holders who exchange and for how much is therefore available. This was a valuable privilege granted to the wealthy and refused the poor who held E bonds.

Another matter that may be the subject of the committee studying the open market set-up if this resolution is approved has to do with the volume of dealer commissions generated by open market account transactions in Government securities. At the rate of one-thirty-second commission on each $1,000 transaction a volume as great as $15 billion a year will generate quite a large amount of dealers profits.

The matter of repurchase agreements with dealers by the Open Market Account is a matter that also deserves study.

These repurchase agreements are nothing more than loans made to the dealers by the open market account to tide them over periods of credit stringency. In 1953 transactions under repurchase agreements with 12 dealers amounted to $6.1 billion. That is a large sum of credit accommodation.

The magnitude of these operations suggest that the relationship between the private securities dealers and the open market account manager ought to be fully and carefully studied.

Another aspect of the Open Market Committee that deserves study is the so-called open mouth policy which was supposed to have been foresworn when the policy of supporting the Government bond market was abandoned. Yet despite this pledge to abandon open mouth tactics the president of the New York Federal Reserve Bank undertook early this year without the sanction of the Board of Governors or the full Open Market Committee, to announce that a shift in monetary policy had been undertaken by the Federal Reserve. Was it merely a coincidence that this was followed by the raising of the rediscount rate, which is an unconversational understanding among bankers to tighten up on lending and to raise their rates?

Ever since the end of last year the Open Market Committee has been reducing its holdings of Federal securities. I think Congress ought to reassess and examine the consequences of the Open Market Committee's policy of disregarding the prices of United States Government bonds. At the present time it is the policy of this committte to act only if necessary to correct a disorderly condition in the Government bond market. In other words it is not required to maintain orderly conditions. It can only act to correct disorder once that unfortunate state of panic selling develops. There are billions of dollars of Government trust funds invested in Treasury securities.

The Secretary of the Treasury has testified before the Joint Economic Committee that if an unusual demand upon these funds should arise the Treasury would have to raise the money to redeem them by either selling them or selling new issues on the market. Without the support of the Open Market Committee the prices of Treasury securities can be driven down at will by the large institutional investors whose only concern is to maximize the return on the funds they have to invest. But what about the people whose savings are represented in United States Government trust funds? Does not the Open Market Committee have a responsibility to see that these funds which are invested in Treasury securities are safeguarded? How much would interest rates have to be raised in order to sell large new bond issues to meet the drain on these trust funds if that should prove necessary?

Where are those critics of unnecessary expenditures when it comes to keeping down the cost of interest on the public debt? Where are the economizers? They are strangely silent when the matter of interest earnings and profits for the banks on Government securities are raised. These are matters that will be fully explored if this resolution is passed.

Many Members are undoubtedly aware of the shocking decline of local unit banks and the dangerous increase in bank concentration in recent years. One of the subjects that will be explored if this resolution passes is the connection, if any, between the decline of the local bank and the recent emergence of the strongly independent Open Market Committee.

Many Members are also aware of the fact that small-business men are unable to obtain loans from their local banks who notify them they are fearful of retaliation by their correspondent banks. Do the Members know that the Open Market Committee has, by reason of its open-market policy, completely mopped up the free reserves of the majority of the country banks and thereby put them at the mercy of their correspondent banks or forced them to the rediscount window of the Federal Reserve. What chance does a small businessman have to obtain credit under such conditions?

One of the purposes of the resolution before you will be to study the effects of Open Market Committee policies on the status of the independent local unit banks and the cost and availability of credit to independent small-business men.

Open market policies with but rare exception have been aimed at keeping the money supply constricted ever since the early part of 1951. It is a fact that under this policy farmers have experienced the most persistent and costly deflation of farm commodity prices and farm incomes in recent history. It is also a fact that when farm prices appeared to be leveling off recently, the Open Market Committee again put on the screws, although plenty of unemployment and idle capacity existed in the country, and farm prices have begun to sag anew.

Open market policies which take billions of dollars of purchasing power and credit from out of the country's money supply cannot avoid depressing the most sensitive commodity price sector in the economy. Only a week ago, May 25, the Open Market Committee reduced Reserve bank credit by $175 million. For every dollar of reserve bank credit withdrawn there is a potential curtailment of commercial credit of nearly $6.

Open market policies have not helped the farmers of this Nation. The price deflation of the farm sector was not necessarily done out of enmity to the farmer by the Open Market Committee but because of indifference to him. We are constantly told not to worry about the drop in farm income. The farmer is not as important to the purchasing power of the country as he once was. There are fewer farmers today than there once were we are told. So the Open Market Committee is indifferent to the deflation of the farmer and its policies reflect this indifference.

The Federal Reserve should have been the farmers' greatest friend. Instead it has become his greatest threat. It has been a threat to the farmer especially at times when the powerful Open Market Committee has come under Wall Street and New York banker dominance. When Wall Street gains control of the Nation's money markets they inflate a fictitious prosperity among the members of the banking, industrial, and speculative fraternity while they squeeze the small-business man, and the laborer and bleed the agricultural districts white.

The late Senator William Borah once said:

> The czars never had such powers as the Federal Reserve.

I say to you that power has been immensely increased in recent years and it has been delegated to a small select group composed of five men who through their agent the manager of the open market account, a vice president of the New York Federal Reserve Bank, responsible only to the private bankers who elected him, control the destinies of our economy and our Nation.

Even now as we are considering whether or not to pass this resolution the Open Market Committee is paving the way for a new hard money drive to be spearheaded by the leading New York banks. It has already been stated that an increase in the prime rate by the leading New York banks is only a matter of time; that interest rates may be expected to firm and credit to get tighter this fall as the Federal Reserve permits market conditions to tighten up. Are the Members of this House prepared to give the money masters free rein to determine whether we have good times or bad? Are the Members of this House prepared to affirm what Business Week said about the powerful Open Market Committee "that they are not directly answerable to anyone"? Are the Members prepared to say that these 12 men who have more financial power than any 12 men who have ever lived before are not answerable for their actions to Congress? In effect we have said so thus far. No congressional committee has ever thoroughly studied the day-to-day operations of the Open Market Committee in the 21 years of its legal existence.

A vote for House Resolution 210 will go far toward emphasizing that the Federal Reserve System and its powerful Open Market Committee are public agencies responsible to the Congress.

A vote against House Resolution 210 will reinforce the prevalent view that the Federal Reserve and the Open Market Committee are not answerable to anyone but the bankers. This House will be voting on whether it desires to further the trend toward the return to an independent autonomous private bankers' central bank, or whether it wishes to reaffirm Woodrow Wilson's determination to make this agency the agency of all the people and not the agent of Wall Street bankers.

Mr. Speaker, I hope the House votes for this resolution.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remaining time on this side, 4 minutes I understand, to the gentleman from Iowa [Mr. TALLE].

Mr. TALLE. Mr. Speaker, I believe my colleagues know me well enough so they will believe me when I say I do not ask for time unless I feel that I should speak.

The author of this resolution is a member of the Committee on Banking and Currency in this House, and so am I. He is a member of the Joint Committee on the Economic Report. So am I. In fact, he has been and is now in a very strategic position on the Joint Committee on the Economic Report.

I would like to read one sentence from the latest report of that committee. The report says, on page 5—Joint Economic Report No. 60, 84th Congress, 1st session, March 14, 1955:

> The role of monetary and credit policy in recent months has just been thoroughly studied by this subcommittee [of which the author of the resolution was a member], but when and if important new developments occur in that field, the Subcommittee on Economic Stabilization will wish to look into them.

Mark you, the author of the resolution is now chairman of that subcommittee. So there is certainly something in what has been said here that there is no need for this resolution. I am confident that if the American people sat as a jury today they would say there is no need for the resolution.

The author of the resolution has not brought a bill of charges. Why investigate? We do not know what this proposed investigation is going to be. We know it will go all over the place. If you read the resolution you will see that.

So, I say it is unnecessary. There are other things for us to do.

Secondly, it is very dangerous. As you know, our financial mechanism is very, very delicate. I said some years ago to the Honorable John K. Snyder, when he was Secretary of the Treasury, "that the management of our national debt is the most terrific financial job anyone on earth ever was asked to undertake, and I do not intend to do anything to rock your boat." I say the same now to the present Secretary of the Treasury. We are indeed fortunate to have capable people in charge of our monetary and fiscal policies. I will not, by my vote, do anything which would tend to rock that boat, because I would then feel I had contributed to disaster.

In reading the world's history there is plenty of opportunity to learn that financial disaster has occurred again and again in governments. I think of John Law, that smooth money man who went to the French Finance Minister and showed him how fiat money could solve his problems. The French Finance Minister in those days, being distraught, said,

> If you are an angel from heaven, I welcome you. If you come from the pit that is bottomless, please stay.

He was pretty well distraught. I say the American people are thankful to the persons who are now in charge of the most difficult financial operation the world has ever known, the management of the national debt of the United States of America.

Now, look at the resolution. What can be done under it? It says a committee is going to inquire into "the cost of State and municipal financing." I have confidence in the States. I have confidence in our State governments, and I have confidence in our municipalities They are fully capable of doing that themselves, if they feel the need.

Farther down it says: "and other segments of the national economy." With "Other segments of the national economy" added to what precedes in the resolution—nothing is left untouched. The scope is as broad as the universe.

Mr. Speaker, this resolution should be voted down.

Mr. THORNBERRY. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Missouri [Mr. BOLLING].

The SPEAKER. The gentleman from Missouri is recognized for 5 minutes.

Mr. BOLLING. Mr. Speaker, this is a very important matter of public policy. It happens that before I had the privilege of serving on the Committee on Rules I was a member of the Committee on Banking and Currency. I was then and still am a member of the Joint Committee on the Economic Report. Some years ago I served on that Subcommittee of the Joint Committee on the Economic Report which was chaired by the gentleman from Texas [Mr. PATMAN] and which looked into the policy with regard to general credit control and debt management. This was a successor committee to a previous study of the policy of our credit control and debt management, and it was a committee which for its work was universally praised by all who followed its proceedings. I have before me a series of quotations from all types and kinds of journals, including those of the banking fraternity itself in which the chairman of the subcommittee, the gentleman from Texas [Mr. PATMAN] and the work of his subcommittee are highly praised.

It is important, it seems to me, to differentiate clearly between a study by the Joint Committee on the Economic Report and a study by the legislative committee of the House which has jurisdiction over these matters. The Joint Committee on the Economic Report is not a legislative committee.

This study is designed to look into a matter accepted by all who have spoken today as supremely important, a matter that concerns the public and as a matter of public concern cannot but be of concern to us who as the people's representatives bear the responsibility for seeing that all Government servants do best the job assigned to them.

This Federal Open Market Committee is by no means sacrosanct. I think the charts prepared and presented to you by the gentleman from Texas, demonstrate dramatically that the operations of the Federal Open Markets Committee in the last few years have caused some striking events to take place in certain areas of our economy. It would seem to me that we would be derelict in our duty did we not assume the responsibility to go into the reasons why. And the only way we can find out the why of this question is to investigate the operations of the agency which causes the result, or which has to do with causing the result.

There are a few things which have been said that require clarification so that no one in the House will vote on this resolution with the thought that by voting against it they are avoiding some duplication. Such is not the case, because the Joint Committee on the Economic Report is not a legislative committee, and since it is not a legislative committee cannot bring in specific recommendations as to legislation.

Furthermore, all the conversation about the staffing of the several committees does not seem pertinent. The staff of the Joint Committee on the Economic Report is very fully occupied with the current business of the joint committee. The committee met recently to schedule all the hearings that are planned by the joint committee's subcommittees; and moreover, the fact is that in these very investigations one of which Mr. PATMAN chaired, a special staff was recruited by the Joint Committee on the Economic Report to do the staff work for the subcommittees. In other words, the regular staff, which is an active one, most of the members of which have been there for all the years of the existence of the committee, was not given the primary responsibility for the staff work in connection with the various investigations of credit control and debt management. Finally, I cannot believe that we are expected to vote against a resolution of this nature on the ground that our economy, very prosperous as it is, is so delicate that an examination of one of the crucial facets of that economy in an objective and judicial fashion will in any way damage economic prosperity.

Mr. THORNBERRY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. WOLCOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

were—yeas 178, nays 214, not voting 42, as follows:

[Roll No. 86]

YEAS—178

Abernethy	Doyle	Knutson
Addonizio	Edmondson	Lane
Albert	Elliott	Lanham
Andrews	Engle	Lankford
Anfuso	Evins	Lesinski
Ashley	Fascell	Long
Aspinall	Feighan	McCormack
Bailey	Fernandez	McDowell
Barrett	Fine	McMillan
Bass, Tenn.	Flood	Machrowicz
Bennett, Fla.	Flynt	Mack, Ill.
B'atnik	Fogarty	Madden
Blitch	Forand	Magnuson
Boggs	Fountain	Mahon
Boland	Frazier	Marshall
Bolling	Friedel	Matthews
Bowler	Gentry	Metcalf
Boyle	Gordon	Miller, Calif.
Brooks, La.	Granahan	Mills
Brooks, Tex.	Grant	Mollohan
Brown, Ga.	Gray	Morgan
Buchanan	Green, Oreg.	Moss
Buckley	Hagen	Moulder
Burdick	Harris	Multer
Burleson	Hays, Ark.	Murray, Ill.
Burnside	Hayworth	Natcher
Byrd	Hébert	Norrell
Byrne, Pa.	Herlong	O'Brien, Ill.
Cannon	Holifield	O'Hara, Ill.
Carnahan	Holtzman	Passman
Celler	Huddleston	Patman
Chelf	Hull	Perkins
Christopher	Ikard	Pfost
Chudoff	Jarman	Philbin
Clark	Jennings	Pilcher
Colmer	Johnson, Wis.	Poage
Cooper	Jones, Ala.	Price
Davis, Ga.	Jones, Mo.	Priest
Davis, Tenn.	Karsten	Quigley
Deane	Kee	Rabaut
Delaney	Kelley, Pa.	Rains
Dempsey	Kelly, N. Y.	Reuss
Denton	Keogh	Rhodes, Pa.
Dodd	Kilday	Richards
Dollinger	Kilgore	Rivers
Donohue	King, Calif.	Roberts
Dorn, S. C.	Kirwan	Rodino
Dowdy	Kluczynski	Rogers, Colo.
Rogers, Fla.	Sullivan	Whitten
Rogers, Tex.	Thomas, Tex.	Wickersham
Roosevelt	Thompson, La.	Wier
Rutherford	Thompson, N. J	Williams, Miss.
Selden	Thompson, Tex.	Williams, N. J.
Shelley	Thornberry	Winstead
Sieminski	Trimble	Wright
Sikes	Tumulty	Yates
Sisk	Udall	Zablocki
Smith, Miss.	Vanik	Zelenko
Spence	Vinson	
Steed	Watts	

NAYS—214

Abbitt	Ford	Murray, Tenn.
Adair	Forrester	Nelson
Alexander	Frelinghuysen	Nicholson
Alger	Fulton	Norblad
Allen, Calif.	Gamble	O'Brien, N. Y.
Allen, Ill.	Garmatz	O'Hara, Minn.
Andersen, H. Carl	Gary	O'Konski
	Gathings	Osmers
Andresen, August H.	Gavin	Ostertag
	George	Patterson
Arends	Gregory	Pelly
Ashmore	Gross	Phillips
Auchincloss	Gwinn	Pillion
Avery	Ha'e	Poff
Ayres	Haley	Radwan
Baker	Halleck	Ray
Baldwin	Hand	Reed, Ill.
Bass, N. H	Harden	Rees, Kans.
Bates	Hardy	Rhodes, Ariz.
Beamer	Harrison, Nebr.	Richlman
Becker	Harrison, Va.	Riley
Belcher	Harvey	Robeson, Va.
Bennett, Mich.	Hays, Ohio	Robsion, Ky.
Berry	Henderson	Rogers, Mass.
Betts	Hess	Sadlak
Bolton, Frances P.	Hiestand	St. George
	Hill	Saylor
Bonner	Hinshaw	Schenck
Bosch	Hoeven	Scherer
Bow	Hoffman, Ill.	Schwengel
Bray	Hoffman, Mich.	Scott
Brown, Ohio	Holmes	Scrivner
Brownson	Holt	Scudder
Broyhill	Horan	Seely-Brown
Budge	Hosmer	Sheehan
Bush	Hyde	Short
Byrnes, Wis.	Jackson	Shuford
Carlyle	Jenkins	Siler
Carrigg	Jensen	Simpson, Ill.
Cederberg	Johansen	Simpson, Pa.
Chase	Johnson, Calif.	Smith, Kans.
Chenoweth	Jonas	Smith, Va.
Chiperfield	Jones, N. C.	Smith, Wis.
Church	Judd	Springer
Clevenger	Kean	Taber
Cole	Kearney	Talle
Coon	Kearns	Teague, Calif.
Corbett	Keating	Thompson, Mich.
Coudert	Kilburn	
Cramer	Knox	Thomson, Wyo.
Cretella	Krueger	Tollefson
Crumpacker	Laird	Tuck
Cunningham	Landrum	Utt
Curtis, Mass.	Latham	Van Pelt
Curtis, Mo.	LeCompte	Van Zandt
Dague	Lipscomb	Velde
Davis, Wis.	Lovre	Vorys
Dawson, Utah	McConnell	Vursell
Derounian	McCulloch	Wainwright
Devereux	McDonough	Weaver
Dies	McGregor	Westland
Dixon	McIntire	Wharton
Dolliver	Mack, Wash.	Widnall
Dondero	Mailliard	Wigglesworth
Donovan	Martin	Williams, N. Y.
Dorn, N. Y.	Mason	Willis
Durham	Meader	Wilson, Ind.
Ellsworth	Merrow	Withrow
Fallon	Miller, Md.	Wolcott
Fenton	Miller, Nebr.	Wolverton
Fino	Miller, N. Y.	Young
Fisher	Minshall	Younger
Fjare	Morano	

NOT VOTING—42

Barden	Green, Pa.	Polk
Baumhart	Griffiths	Powell
Bell	Gubser	Preston
Bentley	Heselton	Prouty
Bolton, Oliver P.	Hillings	Reece, Tenn.
	Hope	Reed, N. Y.
Boykin	James	Rooney
Canfield	King, Pa.	Sheppard
Chatham	Klein	Staggers
Cooley	McCarthy	Taylor
Davidson	McVey	Teague, Tex.
Dawson, Ill.	Macdonald	Walter
Diggs	Morrison	Wilson, Calif.
Dingell	Mumma	
Eberharter	O'Neill	

So the resolution was rejected.

The Clerk announced the following pairs:

On this vote:

Mrs. Griffiths for, with Mr. Baumhart against.

Mr. Klein for, with Mr. Prouty against.

Mr. Davidson for, with Mr. Taylor against.

Mr. Eberharter for, with Mr. Reed of New York against.

Mr. Macdonald for, with Mr. Bentley against.

Mr. Dingell for, with Mr. Heselton against.

Mr. Green of Pennsylvania for, with Mr. McVey against.

Mr. Morrison for, with Mr. Hillings against.

Mr. O'Neil for, with Mr. James against.

Mr. Polk for, with Mr. Wilson of California against.

Mr. Powell for, with Mr. Mumma against.

Mr. Walter for, with Mr. Gubser against.

Mr. Cooley for, with Mr. Hope against.

Mr. Rooney for, with Mr. Reece of Tennessee against.

Mr. McCarthy for, with Mr. King of Pennsylvania against.

Mr. Sheppard for, with Mr. Oliver P. Bolton against.

Mr. Staggers for, with Mr. Canfield against.

Mr. O'KONSKI changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PUBLIC WORKS APPROPRIATION ACT, 1956

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 270) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes, all points of order against the bill are hereby waived.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

At this time I yield myself such time as I may consume.

Mr. Speaker, I urge the adoption of House Resolution 270, which will make in order the consideration of the bill, H. R. 6766, making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes.

House Resolution 270 provides for waiving points of order against the bill.

Mr. Speaker, H. R. 6766, in addition to providing funds for the AEC and the TVA also appropriates money to take care of the expenses for the Southeastern Power Administration, the Southwestern Power Administration, the Bonneville Power Administration, the Bureau of Reclamation of the Department of the Interior, and money for the civil functions of the Department of the Army. In this last category is included moneys for the Quartermaster Corps, cemeterial

expenses, and the civil works activities of the Corps of Engineers.

The budget estimate for these various agencies for fiscal year 1956 was $1,789,165,000. The Committee on Appropriations, however, in the bill which they reported out provide an appropriation of $1,285,746,242, which is $503,418,758 less than was recommended in the budget estimate and $578,183,358 less than was appropriated to take care of these agencies last year.

I hope that the House membership will adopt House Resolution 270, which will facilitate the consideration of this very important bill. I think that the Committee on Appropriations is to be complimented on the very considerable reductions which they were able to make in the amount of money they recommend for appropriation by the Congress in this bill. I hope that the House membership will give the bill H. R. 6766 the careful consideration that an appropriation bill of this magnitude deserves.

Mr. ALLEN of Illinois. Mr. Speaker, there is no objection to the rule on this side, and I reserve the remainder of my time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

PUBLIC WORKS APPROPRIATION BILL, FISCAL YEAR 1956

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6766) the Public Works appropriation bill for 1956.

Pending that motion, Mr. Speaker, I ask unanimous consent that general debate may continue not to exceed 4 hours, the time to be equally divided between the gentleman from New York [Mr. TABER] and myself; and that before the Committee rises, the first paragraph be read so that we can begin the reading of the bill tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to; accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6766) with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent agreement, the gentleman from Missouri [Mr. CANNON] is entitled to recognition for 2 hours, and the gentleman from New York [Mr. TABER] for 2 hours.

The Chair recognizes the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, the Committee on Appropriations submits to the House this morning the most important bill of the session.

I shall not take the time to discuss the statistics of the bill, they are fully set forth in the report. Suffice to say that the projects for which appropriations are carried in the bill, when completed, will aggregate a total cost of $10,689,780,721. In round figures the items provided for in this bill will cost when completed approximately $11 billion.

But that is not the total. As we know by long and sad experience, items of this character, rivers and harbors, reclamation, and irrigation, are notoriously underestimated. We have in times gone by provided for projects which when completed cost 100 percent more than the estimate sent us by the Bureau of the Budget.

In addition, no provision is here made for damages incurred in the course of construction and which is always an item to be dealt with.

We have not taken into consideration here the additional maintenance and operation costs which will necessarily have to be included, and we have not considered the enormous amount of interest which must be paid on these vast sums to be charged against the Treasury, because the money carried in this bill and coming bills must be borrowed, must be added to the national debt; will further depreciate the buying power of the dollar and correspondingly increase the cost of living of every family in America.

Such bills push hopelessly into the background any hope of reduction in taxation.

Unquestionably when all items provided for in this bill are completed, the cost will approximate fifteen billion dollars.

However, Mr. Chairman, the consideration of these items and this astronomical cost to the taxpayers is infinitesimal in importance in comparison with the rest of the bill.

In the remainder of the bill, dealing with the Rural Electrification Administration, the Atomic Energy Commission, and the Tennessee Valley Administration, we are considering in the House this afternoon the most important legislation brought before the American Congress since the Civil War. It deals not only with problems of the day but also with tomorrow and the safety, comfort, and prosperity of future generations through all the years to come.

The Congress and the Nation are today confronted with two problems, one foreign and the other domestic. The first is national defense. Nothing exceeds in importance at this critical and dangerous time provision for national defense. Next to national defense, and a part of national defense, is the domestic problem and the necessity of providing accessibility of the average American family to essential commodities, which rank second only to air, and water, and sunlight. With the individual family, whether on the farm or in the city, with the industrial communities, whether large or small, electric power is the prime domestic requirement of the day.

So, in passing on this bill you are voting on whether power will be supplied to the American family and the local industrial plant at a reasonable price, at a price they can afford to pay.

Originally the production and distribution of electric power was exclusively a function of private industry. And they served only the large centers of population. Farmers throughout the country appealed to the utilities to service their farms. They were refused. They were told that the farmer did not need power, did not want it, would not take it if it were available, and would not pay for it if he got it. So, through the years, while the cities enjoyed modern facilities, the farmer went without, and steadily through those years farm population declined. The population of the larger cities increased, but in every rural area in America farm population dropped. The boys and the girls would not stay on the farms where they must use lanterns and kerosene lamps, carry water up from the spring, and forego every modern facility produced by the manufacturers of electric appliances.

But, under Franklin Roosevelt, who had a remarkable faculty for seeing what needed to be done and doing it, REA came into being and rural America, the farm wife and the farm children at last had advantages enjoyed by the city family. With Roosevelt came the Rural Electrification Administration. It was not a gift to the farmer. It was not charity. The farmer does not ask for charity. All he asks is justice. All he asks is the opportunity to help himself. And that is what REA gave him.

The money was not granted. It was borrowed. And was paid back, every cent of it, with interest. Under this beneficent agency we have extended to rural America the advantages of electrification so successfully that today something like 90 percent of the farmers in the United States cooperating under that great program, have all the advantages of electricity enjoyed by their city brethren.

But we are confronted today with a new and menacing development. Aggregations of capital are combining in an attempt to establish a monopoly in the power industry which will control the generation and distribution of electric power throughout the country.

In my own State we had 10 or 12 different private utilities producing and distributing electric power. Within the last 2 or 3 years there has been a consolidation of most of these private utilities so that, according to advertisements printed in the Wall Street Journal, they have with 1 or 2 minor exceptions consolidated the State under one control until we have practically one great monopoly of private utilities in control of the manufacture and distribution of electric power.

This process is going on all over the country. In every State in the Union they are gradually consolidating under one huge company. Of course, their objective is a national monopoly which will completely control the production and distribution of electric power in the United States.

As this consolidation proceeded and was nearing completion, they began to realize that in order to achieve a complete monopoly under which there

would be no other source to which consumers might turn for this essential commodity, that there were three agencies they would have to take over, in order to completely control rates and terms of service to the consumer. You can understand, a complete monopoly means. What recourse would a consumer have if he did not like the rate, if he did not like the terms, or if he did not like the service. To whom could he go? How effective would be his protest? It would be as the sighing of the wind in the trees to this huge monopoly in control of the United States. The average consumer pleading against injustice, unfairness, and inequity, to use their term, could "holler his head off" as far as they were concerned. They would be out on the golf links. Or on an ocean going yacht in the South Seas. If he didn't pay his bill they would turn off his electricity and that would bring him to time in a hurry.

So, in order to achieve this happy state, they decided it would be necessary to enter on a course of ruthless extermination. They would have to destroy REA, they would have to destroy TVA, and they would have to destroy municipal ownership. Until they wiped out this pestiferous REA, until they destroyed TVA, and until they finangeled municipal ownership, working from the inside, there was always a yardstick pointing accusing fingers at exhorbitant rates and unreasonable terms.

So they entered on a campaign to destroy REA, to destroy TVA, and to destroy municipal ownership in order to effect a complete monopoly from which there could be no appeal.

May I say here that I do not believe the Government should have a monopoly, should control the production and distribution of power. I am a believer in private enterprise. I am wholehearted in my advocacy of the private utilities. The greatest mistake that could be made would be to turn the power industry over to the Government. We must have private enterprise, the system under which we have developed the greatest industrial empire in the world. But it should be a limited monarchy. We must maintain the yardstick. We must keep the policeman on the corner. With private enterprise, private industry, and private utilities producing and distributing the great bulk of electricity in the United States, we should not forget the public. There should be someone to represent the consumer. We know by unhappy experience we cannot depend on the Public Service Commission, the members of which promptly accept lucrative jobs with the utilities on their retirement from office, or other emoluments.

In the last 2 years we have witnessed the most unconscionable assault on public power, deliberately planned full-scale attack on REA, TVA, and municipal ownership. That predatory campaign is now in full swing. They are attacking through the courts, through the Congress, and in the field. It is this murderous onslaught the pending bill proposes to counteract, the campaign to destroy the people's one dependable guarantee of fair prices, fair terms, and reasonable service.

In order to secure the advantages of REA the farmers of the country organized cooperatives. These cooperatives borrowed money from the Government at a fair rate of interest and built the lines and distributed the electricity to the farmers. They brought electricity to the door of the farmhouse at a price the farmers could afford to pay.

No system has ever been more successful. All over the country the farm cooperatives have been paying out. Everywhere they have been serving the farm homes and meeting their amortization payments, paying back the money borrowed from the Government, when it became due. To facilitate the process, the Government organized the Southwestern Power Administration, the SPA, under which they produced water power for distribution to public agencies and municipalities. In order to produce electricity in the greatest volume and at the lowest price, it is necessary to integrate steam power and waterpower. In the production of electricity by waterpower, there are peak periods when the production is high. And, of course, there are times when production is low. And there are hours during the day when consumption is large and other times when the consumption is low. But you could not contract to provide electricity unless you give sustained service throughout the day and throughout the year. In order to do that, it is necessary to firm the power with electricity produced by steam supplementing the waterpower.

To do this the United States Government, through the Southwestern Power Administration, entered into a contract with these farmers' cooperatives and agreed that if the farmers would borrow the money and build the power lines and steam plants, it would sell to them the waterpower produced at the dams and buy from the cooperatives the steam power to firm the waterpower. It was one of the most admirable, most successful, and most practical arrangements that could have been designed. Under it, REA service was extended to farms in areas which had not previously been served and produced power at the lowest cost yet scheduled. Every cooperative was meeting its obligations. It had money enough to supply the service and money enough to make its amortization payments at the end of the year.

This was the first target of the power trust.

In order to destroy REA, they repudiated the contracts. The cooperatives could no longer buy power from the Southwestern Power Administration as heretofore. They were told, "You will have to go to the private utilities to buy your power."

When they went to the private utilities a little over 2 years ago, the private utilities said, "Yes, we will sell you power. But at our price." When they came to make the contract they found that instead of paying 4.6, which they had been paying wholesale for their power, they were asked varying prices, some of them as high as 10.2, practically twice what they had been paying Southwestern. Eventually they were asked a minimum of 7.16.

The cooperatives were running on a bare subsistence basis. They charged the farmer only enough to pay the wholesale rate and leave enough to amortize the loan. The farmer has the lowest income of any industry in the Nation and such income as he receives has been steadily dropping for the last 2 years. And yet with everything he has to sell going down they want to raise the price of his electricity.

REA operated on a scale under which they charged the farmer only enough to pay wholesale for the power and leave a sufficient margin to meet the payments to the Government at the end of the year. They do not try to make money. They did not try to accumulate a surplus. All they did was to give service at the lowest cost.

When the cost of the wholesale power was increased, of course they began to run into a deficit. It was testified before our committee that every one of the cooperatives was in a deficit. If continued to the ultimate conclusion, they will be unable to make their annual payments to the Government, and will be put up and sold under the hammer.

And let me say to you, my friends, when they are put up and sold, who will bid them in? Do you see the point? They get rid of REA. Get the yardstick out of the way.

A lot of people think this is a farmer's fight. Oh, no. It is everybody's funeral. When they get REA out of the way and put up the price on the farmer, they will at the same time put up the price on the city family. And what recourse will the city consumer have? They cannot then point to REA rates. They cannot point to TVA. The policeman is no longer on the corner.

And soon they can no longer point to the municipal ownership. In the same campaign they are hot after the municipal ownership plants. In city after city they have taken over municipal powerplants which have for years been producing power at rates as low or lower than any utility, with free street lights and other similar services and municipally owned plants which have paid into the city treasury hundreds of thousands of dollars. If the fatalities in city plants continue at the present rate, the Power Trust will be rid of municipal plants as soon as it gets rid of REA and TVA.

So the vote on this bill, Mr. Chairman, the vote on REA and TVA, the vote to restore the contracts the Government has repudiated, the vote against Dixon-Yates, is a vote on whether the American family, both in the city and the country, is to have this indispensable service at a reasonable rate—now and for all time to come. A vote against the farm cooperatives and a vote for Dixon-Yates is a vote to eventualy double every electric bill in the Nation.

It was a little more difficult to get rid of TVA. It had a magnificent record of achievement. But nothing is impossible where funds and high-caliber lawyers are available, and the power trust has both.

Let us take one of their big talking points that TVA is robbing the private

utilities and is for the benefit of a small group of communities and States down there at the expense of the taxpayers of the rest of the country. We can put into the RECORD, as was put into the record in the hearings, evidence showing that the private utilities which border TVA have increased their income and their profits far above the average in the rest of the country. It does not destroy private power industry; it helps the private power industry.

We can show that in the States over the Union TVA has brought business in a greater amount than it has brought to the immediate States which it directly touches.

And the claim of the power trust lobbies that TVA is tax free, when the evidence adduced before the committee shows they pay more in lieu of taxes than any taxpaying utility in the country.

There are men on this floor who remember very well when we established REA and the law was under consideration on this floor, that one of the principal questions was how we should compensate the Government and the States and the local communities for taxes. We finally decided, as the older Members of the House will recall, that the only fair and honest thing to do would be to require TVA to pay to the Federal Government and to the States and municipalities an amount sufficient to compensate for taxes. We did that, and the evidence adduced before the committee shows that TVA has paid in lieu of taxes an amount greater than those paid in the average community.

But they had to destroy TVA. They had to get the yardstick out of the way, they had to take the policeman off the corner. No one must see what is being done in the dark; so they started the rift by drawing up this Dixon-Yates contract. I do not have to remind you, Mr. Chairman, that this contract was arbitrarily forced upon the members of the Board. The Board of Control resisted to the last this Dixon-Yates device obviously intended to begin the destruction of TVA. Arbitrarily they were instructed to sign the contract and then to our astonishment, because Americans have grown accustomed to established routine in Federal contracts, they did not ask for bids. They just turned it over to a favored company without any bids at all. This company employed a group of engineers which the testimony before our committee shows were the most inept of any that have ever operated in the TVA area in contrast to the efficiency of TVA's own engineers and construction facilities. Then they guaranteed them an unconscionable return on their investment. And, last of all, it will cost the consumers over $100 million more than it would cost if this current is produced by TVA itself.

From any point of view it is the most inexplicable, the most astonishing proposition that was ever foisted upon the American people, but it takes the policeman off the corner.

But let us come to the one material issue here, although it is impossible to estimate the service rendered by TVA in the recent war.

We sent our armies, our young men, to Okinawa. We thought we could take that little island in little time and with a little expenditure. But the Japs had dug themselves in. We had to blast them out with dynamite, we had to burn them out with flamethrowers. We lost thousands of men. It took an incredible amount of munitions and equipment. It was one of the most costly victories ever won in the history of American arms. Not until we had pulverized the entire surface of that bloodstained island could we take it.

Then we squared away for the real battle. That was just a preview, a curtain raiser. We must now take Japan. But we realized then the nature of the holocaust ahead of us. It would grind to bloody pulp thousands of American boys. It meant an incredible expenditure in men and munitions. Here the Japanese would be fighting on their own doorstep.

In that supreme moment, while the lives of thousands of American boys hung in the balance, we sent a single plane, the wings of which were manufactured by electricity from TVA.

I remember very well when the last dam on TVA was built, the tremendous opposition to that dam, what an outcry there was against this socialistic project.

Mr. Krug came up here to see the members of the Appropriations Committee. He was Secretary of the Interior at that time, and he was a real Secretary of the Interior. Working with him, the Committee on Appropriations built the last dam, and after the war was over they told us that but for that dam we would not have had sufficient power to convert the bauxite into the aluminum which provided the wings for the war planes that we sent across. A tremendous amount of electricity is required in the manufacture of aluminum. So, in this great emergency, one single American plane with wings processed by TVA power carried a single bomb manufactured with TVA power. We could never have manufactured the atomic bomb without TVA. That plane and that bomb ended the war. TVA ended the war. All over this Nation this afternoon there are young men walking about in the daily duties of life who would not be here today if we had not had TVA. And still they say it is socialism. It was socialism to save the boys. It was socialism to end the war. These are the plain facts in the case. But what does national defense mean when the power trust is being balked in its ambitions, when you want to insure reasonable rates and fair terms down at TVA? The private utility companies, where they have refused to let us build Federal transmission lines, down at the John H. Kerr Dam and the Clark Hill Dam which would save anywhere from $600,000 to $1,600,000 every year. They want to enter into an agreement with us whereby we would turn the dam over to them and give them the power at the bus bar and they sell it. They want to go into partnership with us. They want to buy the cow in partnership with us, Uncle Sam owning the front end of the cow and paying the feed bills and the power trust owning the rear end and getting all the cream.

But there is a more vital question here, a question of the control of the American Congress, a question of economic democracy.

We won our political independence in 1776. But today our economic independence is threatened. They want to put a tollgate on the price of every essential commodity, communication, transportation, banking, power, even fertilizer.

Let us take the fertilizer item in this bill. Fertilizer is an essential commodity usually ignored by the city dweller. That is considered something for the farmer. Let me say that the time has come when we have to have fertilizer on every acre. Fertilizer is one of the basic, fundamental factors in the cost of food and fiber. The more the farmer has to pay for fertilizer the more the consumer in the city must pay for his food and clothing. They are directly connected. And still the fertilizer trust cut the fertilizer appropriation in this bill.

All the predatory interests work together. Some years ago the fertilizer trust hired one of our Congressmen, at a very substantial salary and a big expense account. I found him up here one day lobbying on electricity. I said, "Why, that bill has nothing to do with fertilizer. That is a matter dealing with electricity." "Oh," he said, "you know, we fellows help each other."

These are the fellows who are trying to put a tollgate at the source of every necessity of life: telephone, telegraph, banks, chain stores, electricity—even the Capital Transit Co.—all of them want to tax the American people.

We have our political independence, but we are losing our economic independence. If they are allowed to destroy REA and TVA and municipal ownership, we will be establishing an aristocracy of money in this country more galling than any ancient overlordship. They seek to establish an aristocracy of wealth, as marked a difference between the upper money classes and the peasant and peon, as we find in Europe anywhere today.

Thomas Jefferson said, "No man and no class of men are born booted and spurred to ride the backs of the people. That is more true today than the day he said it. Jefferson meant a political servility, but through the economic overlordship of our great systems of production and distribution, predatory wealth is founding a dynasty that rules with an iron hand and an iron heel the generations yet unborn.

Economic democracy is dependent on your vote on this bill.

Will you vote for Dixon-Yates or for the people?

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, I shall not attempt to compete in oratory with the distinguished chairman of our committee who has just preceded me. But there are some comments with respect to this particular bill, to which I shall confine myself, that I believe ought to be made.

I agree wholeheartedly with his statement that we are dealing with an important subject, for in spite of the very common use of the term "pork barrel" that you hear applied to this particular

appropriation measure, it, in truth, is one that was intended for the purpose of protecting the people and the property of this Nation and the development of the water and related resources of this Nation. When this annual appropriations bill fails to perform that function it is not because of a lack of meeting the true nature of this bill at all. When it fails it is because we have neglected to cause this proposed legislation to perform its rightful purpose and have permitted it to be perverted and diverted from that task.

I regret that no member of this subcommittee can come to you today well informed on this measure. I do not think that any member of the subcommittee will dispute that statement. I am sure that I cannot come to you well informed upon it, and I consider that that is true through no fault of my own.

For certain reasons the decision was made to deal with this bill in four separate panels, dealing not with any particular entities of government or any particular programs as such for the most part, but at least in the case of three of those panels, dealing with this great overall problem on a geographic basis.

I think it is fair to say, and I hope my judgment is worth something on that score, that that method of dealing with it has been something short of satisfactory. I hope that in future years we may get back to attempting to deal with these various programs on an overall nationwide basis so that there can be a consistency of policy and a knowledge of subject matter which is not now possible in this bill.

This bill comes before us with certain very definite weaknesses. The first of those I have hinted at. It comes with no overall policy. It comes with a lack of ground rules that could guide the committee or could guide the Members of this House in knowing what is in this bill and upon what ground it was brought in, and in knowing in a consistent and orderly manner why some things have been left out.

In previous years we have tried to accept the guidance of the Bureau of the Budget, whose function it is and was to bring consistency and an overall approach into the inclusion or the exclusion of various individual projects in this appropriation. This year, I submit in all fairness, the projects that are in this bill today have been put there strictly on a pick-and-choose basis, because somebody on the committee thought it ought to come in or somebody else thought it ought to come out. There is just not any reasonable rationale to this measure as it comes before us today.

I cannot say that I can blame any individual members of the subcommittee, and certainly I would not say that any part of the blame can be placed upon the very competent and experienced members of the committee staff who helped to work it up. I think in all fairness the responsibility must be laid at the doorstep of those who failed to give overall leadership in preparing this bill for submission to this House.

Aside from that inconsistency of policy which I have mentioned, there is another great inconsistency in this bill that you will hear a great deal about before the Speaker puts the question as to whether this bill shall pass. Today and tomorrow and perhaps on Friday you will hear a great deal about the TVA and the Southwest Power Administration. The fact that in one case some money was put into the Southwest Power Administration fund that was not asked for and in another case money was taken away from the area of the Tennessee Valley Authority that was asked for represents the most flagrant discrimination that is present in this bill.

The basis for the attempt to establish the basis for putting the money in with respect to the Southwestern Power Administration was that there was somehow involved a breach of contract, that the Government had contracted to do certain things for certain individuals and if we did not come forth with money now we would have breached that contract. I think that argument was fallacious on the facts that were presented.

Over here, on the other hand, where every legal argument supports the fact, not just the belief, but the fact that the Government had entered into a contract for the construction of certain facilities in the Tennessee Valley Authority area just across the river through private enterprise, there was and is an existing contract. There was no blushing about taking that money away in order to make it utterly impossible for this Government to carry out the contract into which it had entered.

As I said, you will hear a great deal more about that particular matter from those who are more competent to discuss it in its details than am I.

Because of these inconsistencies and weaknesses which I have mentioned, I cannot agree with the statement that appears in the report that the funds recommended will provide a realistic water-resources program.

I do not believe there is sufficient forward looking involved in this bill. The chairman of the committee touched upon that point earlier when he mentioned that we have $436 million in this bill for construction this year. But, you add up the total cost of those 215 separate projects that are included, and you have a total amount of $10.7 billion. Think what that means. That means if we carry on this construction program at this current rate for the next 25 years, we will finally get these projects completed and that will be true only if we make not 1 single new start in the construction field in the next 25 years. In spite of that, there has been a great liberality with respect to funds for investigations and surveys on the one hand and for specific advance engineering and design on the other hand. Well, what are they? They are the preliminary steps that lead to the construction phases of new projects which must be added to the $10.7 billion about which we are talking in connection with these 215 projects.

I submit that we ought not to have yielded to the pressures and the uninformed suggestions which were made for putting in and earmarking new investigations and surveys contrary to the policy of the committee in the past, and we ought not to have yielded to the pressure of, oh, putting in a few thousand here—not very much, but a few thousand here and a few thousand there for planning in order that these projects can be made ready for construction and subjected to the same kind of pressure on a greater scale than the committee yielded to for putting funds for planning in this bill last year.

This is my first experience in dealing with the program of the Bureau of Reclamation. As most of you know, my experience on this particular program has been in connection with the civil and the military construction, largely with the Corps of Engineers. I have wondered why BEN JENSEN used to have that worried look during the past few years, and now I know because it was a worrisome experience to attempt to fathom the program of the Bureau of Reclamation and the reasons for some of the things that are done. Frankly, the authorizing legislation is so broad and so nebulous that it represents an open invitation to the paternalistic planning that so many people in Government have been all too quick to accept in the past. Oh I have been assured that there have been great improvements in recent years, particularly so through the herculean efforts of Assistant Secretary of the Interior Tudor who came to the Department of the Interior after long experience in what apparently are the more conservative policies of the Corps of Engineers with respect to construction.

If there has been improvement, and I believe there has, it is just as true that there is still a great deal of looseness in the Bureau's policies. Nobody apparently is riding herd on their planning for bigger and greater things with bigger and greater expenditures. For instance, even though this Congress over the past several years has appropriated millions of dollars for an overall general survey of the Arkansas, White, and Red River basins, that survey is now just coming into completion so that we will begin to get some information on the basis of the money we have spent. In spite of the fact that we are now supposed to have an inventory to be used as the basis for an intelligent program of construction in this basin area, in spite of that fact, the Bureau of Reclamation came in with requests for funds for a large number of investigations for new projects to be developed by the Bureau of Reclamation in that area. Those have been stricken out because of our belief that the Congress, after spending millions of dollars to get some overall information on the area, ought to get somebody to coordinate that information and bring it together and present it to us before proceeding with projects in that basin.

So, too, in the Missouri Valley Basin, a large number of projects are going ahead in the field of irrigation, and the general overall explanation is given, "We are going to charge a lot of that to Missouri Basin power revenues." Somewhere along the line you are going to reach the point where you are not going to get them to pay out on the basis of Missouri River Basin power revenues.

I submit it is the responsibility of the legislative committees of this Congress to undertake a careful and thorough reevaluation of the reclamation legislation and reclamation policies of this Government.

Not all of this is a gloomy picture. Thanks largely to Gen. Samuel Sturgis, Chief of the Army Corps of Engineers, we can point to the greatly reduced overhead in the Corps of Engineers. I believe he has done a good job in that respect. We can point to the encouraging provision of the inclusion of $2 million for authorized projects of $150,000 or less that can be completed in a 1-shot proposition. There are a number of other specific things. But in the overall, it is my judgment that this is a very vulnerable bill—vulnerable because it lacks policy, because it lacks consistency. I believe because of those weaknesses we are greatly hampered in attempting to keep it from becoming a worse bill by the time the gavel sounds to mark the end of its consideration in the House.

Mr. DONDERO. Mr. Chairman, except in America, socialism is in full retreat. The landslide victory of the Conservative Party in the United Kingdom was an acid test that was reflected again when communism—the ultimate aim of Marxism—was thoroughly discredited at Bandung.

I have not the time to elaborate except to point to the recantation of Max Eastman who, next to Norman Thomas, has been the prophet of Marxism in America for two generations.

At issue here is the very simple and the very plain question: Shall the citizens of the area now served by the Tennessee Valley Authority resume their responsibilities as citizens of the United States to supply their own needs for electric power in addition to those subsidized supplies provided by the Federal Government; or shall the Federal Government assume the responsibility for this selected section to give them a special eleemosynary care and forever provide them with subsidized electric energy to meet all their requirements, industrial and residential?

In June of 1953 I posed this same question in these words:

> This is a question that every Member of Congress must answer to his constituents. He must tell the people back home that he voted for or against give-away electric power to the people of other communities while their local power companies are forced by law to pay taxes, interest, and other normal free enterprise charges that are the cost of business.

Again last fall President Eisenhower stated the question in similar vein:

> If the Federal Government assumes responsibility in perpetuity for providing the TVA area with all of the power it can accept generated by any means whatsoever, it has a similar responsibility with respect to every other area and region and corner in the United States of America.

We all know that the TVA area needs this electric power and that in the natural course of a burgeoning economy, people of any given area need more and more of this lifeblood of industrial, economic existence. The former chairman of the TVA Board, Mr. Gordon Clapp, testified in recent years before Appropriations Committees to the effect that unless TVA were relieved of a portion of its national defense—and I mean atomic energy—electric requirements, something would have to be done about adding to the power capacity of the area.

We all know that TVA is supplying a great deal of electric energy to the Atomic Energy Commission. The AEC is also getting most of its power supply from privately owned electric power utilities. Let us not then be hypnotized by the argument that TVA must expand solely for national defense reasons. The kilowatt manufactured by TVA is no different than the kilowatt manufactured by privately owned, regulated electric utilities even as a jeep or a gun built for defense purposes by privately owned industrial plants is no different than one built by a Government plant according to identical specifications.

The question then resolves itself to one of principle—will we today endorse the theory of allowing TVA to expand in perpetuity knowing full well that we are encouraging a large-scale business operation under Government auspices with the taxpayers of the entire United States financing this tax-free business operation for the benefit of a particular area of the United States? You are perfectly free to do so, but should you? Consider the question in this light—and only in this light. We have already established that the far-reaching traditional Government responsibilities embodied in the original act have been discharged.

With respect to electric power needs of the valley this administration has already acted. It was recognized that the Atomic Energy Commission was absorbing a great deal of the electric power produced by the TVA, and, following the pattern set by the previous administration, the contract for additional power was negotiated with utilities on the periphery of the Tennessee Valley. This is the Dixon-Yates contract.

Following the established pattern of previous administrations, the present administration obtained the Dixon-Yates contract after months of negotiation. The chief difference between the Dixon-Yates contract and the previous, much larger, contracts negotiated by the predecessor administration is that in this instance free private enterprise is stepping on the toes of the expansionist program of TVA, a malignant socialistic cyst on the body politic.

The protests that have risen because of this trespass of private enterprise into a field that belongs to private enterprise and not to Government is wholly artificial, superficial and inspired. It is not supported by the American people or by American traditions.

Can you conceive of Andrew Jackson, Thomas Jefferson, George Washington or Abraham Lincoln approving of the Fulton steam plant as a proprietary business of the United States Government?

Certainly the Dixon-Yates contract has had enough and more than enough official scrutiny by trustworthy public servants. The Atomic Energy Commission approved it and its spokesmen even declared it a better contract than any thus far negotiated between the AEC and other power suppliers, including the TVA.

The Bureau of the Budget endorsed it, as did the Federal Power Commission, the Attorney General, the Comptroller General, and the Securities and Exchange Commission. Yet this was not enough to satisfy its critics.

A vote for the Fulton steam plant is a vote for the doctrines of Karl Marx. It is a vote for putting the Federal Government in the electric business in competition with its own citizens now and forever. It is a commitment which cannot be compromised. If you believe in the free enterprise system, vote against the Fulton steam plant. If you believe in Karl Marx, vote for Fulton.

Mr. CANNON. Mr. Chairman, I yield 20 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I wish to join with my colleagues of the Appropriations Committee in commending this bill to the Membership of the House.

It is a good bill, though not satisfactory to everyone.

I am convinced that a national public works appropriations bill can possibly never be written that will completely satisfy everyone. The pending measure—carrying in excess of a billion dollars for flood control, navigation, reclamation, water conservation and power programs—is, I repeat, a good, all-American bill and one that is worthy of approval.

The nature of a public-works bill is different from the scope of appropriations for many of the other categories of our Government's operation.

A public-works bill always looks to the future—not simply in terms of what may be needed in the next fiscal year—but in terms of long-range planning for progressive steps which our Government continually must take for progress and national attainment.

When considering a bill of this nature, the committee, at the start, and then the House as a whole, must undertake to visualize and—on the basis of expert advice and counsel and after extensive study—take a look into the future.

It is necessary to act in relation to growth, with consideration to needs in the future, to the anticipation of present intangibles which will become, eventually, realities.

In this bill we are planning and building for the future of our country—all sections of the Nation, our great Nation—and in such planned programs there are many considerations.

So far as is humanly possible, the committee has taken into account the many considerations which present themselves—the task performed in this respect, I respectfully suggest, has been faithfully and diligently performed.

As has been indicated, the President has sent up a budget for a public-works program for fiscal 1956 with amounts to $1,789,165,000.

The committee has seen fit to report out a bill which totals $1,282,231,242—an amount some $506,933,758 below the budget recommendations—and, I may add, some $581 million less than the

amount the Congress appropriated last year.

There are many worthy projects which could be undertaken with larger appropriations—and I want to add that personally I am not opposed to including additional sound and worthy projects. But what I am at this time attempting to point out is that the committee has reported a worthy bill that is national in scope and in need—and, at the same time, a bill which reflects the utmost efforts to effect sound economies and drain off the excess.

In commending the bill I want to give credit in most generous measure to the distinguished chairman of the Committee on Appropriations—also the chairman of the Public Works Subcommittee, the gentleman from Missouri, Hon. CLARENCE CANNON. He has, as always, performed a most exacting task and made apparent at all times, in his unceasing labors, his astuteness and great understanding of the manifold problems and complexities of legislation of this type.

The distinguished chairman of the TVA-AEC panel, the gentleman from Michigan [Mr. RABAUT], has also performed a most outstanding task on this bill and rendered a most outstanding service. He is deserving of the appreciation of all.

As a member of the Public Works Subcommittee, I have been intimately and closely connected with the public works programs for the western section of the United States and, having served as chairman of this panel, I want especially to commend my colleagues who served on this panel: namely, the gentleman from Rhode Island [Mr. FOGARTY], the gentleman from Illinois [Mr. MURRAY]—these of the majority; and the gentleman from Iowa [Mr. JENSEN]; and the gentleman from New Jersey [Mr. HAND]. It has been a real pleasure to have worked with all these gentlemen.

Our panel heard many witnesses representing both the public and the agencies involved. Members of Congress were heard also and I believe that we have a complete and comprehensive picture of the great river basin developments and programs of the Far West and the Pacific Northwest area of our country.

The committee is impressed by the number and extent of the great programs of the area, including the Columbia River development, the flood control work, navigation and public power development; the work of the Bonneville Power Administration, the Bureau of Reclamation of the Department of the Interior.

We endeavored to attend to all matters which came before us for attention and endeavored to be fair and to act in a manner proper to the task assigned.

I am sure that the committee takes great pride in recommending funds for further and additional programs for progress for the Western section of our Nation—as we do for all sections of our common country.

Others have spoken here on many of the details of these programs—and I shall not ask the indulgence of the committee for additional time for speaking on these projects.

But rather, Mr. Chairman, I should like to direct the remainder of my remarks to the matter of the appropriation for the Tennessee Valley Authority—inasmuch as I consider that this agency of our Government has been singled out for unfair and unwarranted attacks by this present administration.

I also consider that this agency has been a victim of a destructive drive that is deliberate and calculated, and because of an absence of any desire to interpose reason, it is the victim of vicious and false propaganda and attack.

As a Representative of the region served by the TVA, I know intimately and at first hand something of the great progress which has been created through the means of the TVA.

It has often been said, in relation to great government projects in the arid Western stretches of the Nation, that "the desert was made to bloom."

There are no deserts in the region of the TVA—but our section has been made to bloom and to prosper as floods have been controlled and held back, as rich soil has been retained, and as the God-given force of rivers has been harnessed for needed power.

Our Nation takes pride in the inherent ingenuity of our planners and engineers to produce life in the desert wastes and to open new frontiers through the magic of reclamation and power.

We may take similar pride in the application of that same ingenuity and skill to preserve and refresh and develop regions where the forces of nature have taken a great toll and exacted a tremendous penalty.

Such programs, while regionally situated, are, nevertheless, universally important in our Nation. We cannot say that one region of our great land is isolated from another—we are blended together as one people and progress and prosperity in one area is reflected vividly in all others.

The achievements of TVA, Mr. Chairman, have been great. The success and attainments of TVA provides the best answer to the critics and opponents of this agency of our Government—an agency which serves not only the people of Tennessee and the South—but a vast eight-State region in a most pronounced fashion and in many, many concrete and visible ways the Nation as a whole.

TVA serves the cause of agriculture, conservation, flood control, navigation, and provides a "yardstick" rate for power production benefiting all consumers of our country.

But more important, Mr. Chairman, TVA serves the national defense of our Nation.

Yet, despite TVA's great success and proven benefits to all, there are those who continually level charges against the programs of this agency—especially those who have always opposed the public power programs and who, human nature being, as it is, opposed to persuasion, will no doubt continue to oppose TVA and all public power generally.

But regardless, Mr. Chairman, of our points of view, we should be realistic about the prevailing situation—a situation which exists and which is of the most grave and vital importance to every citizen of our country, whether or not you like TVA and the public power program of our Government.

The fact is, Mr. Chairman, more power is needed by TVA—and badly needed.

The Government, the people, require more power in the TVA region. That is the fact—a fact which transcends any private or personal view we may have about TVA.

The need for additional power has been apparent to many of us for some years now. We have endeavored to convince those who seemingly will not be convinced that additional power in the area is needed and required.

Let us look at the facts—what are the facts?

The TVA Board, after General Vogel became chairman, the chairman appointed by President Eisenhower, took a new look at the power needs of the area. This new survey convinced all of the members, including the chairman, that the additional power was needed and would be required.

The Board, therefore, considered recommending six new units—additional capacity of approximately 950,000 kilowatts—to meet the needs as demonstrated by the survey. This was the view of the majority of the members of the Board.

Chairman Vogel did not go along with the recommendations for the six new units. He did, however, concur in a unanimous recommendation of the TVA Board to the Budget Bureau requesting the beginning of four new units, with installed capacity of approximately 650,000 kilowatts, to be added to the system, namely, 2 units at Johnsonville, 1 at Sevier, and 1 at Gallatin.

This recommendation was sent to the Budget Bureau with the request for funds to begin construction of these new starts for fiscal year 1956—TVA 1955 hearings, page 163.

The unanimous report of the TVA Board in this connection reads as follows:

> If these arrangements are not completed, a shortage will result. Even if they are completed and the full supply of power is available before the end of 1957, a margin of only about 3 percent is indicated which is small in comparison with normal utility standards.

Further the Board advises the Budget Bureau:

> There will still be practically no margin if there is delay beyond 1957 in the delivery by the private supplier of all or a part of the 600,000 kilowatts for the AEC.

In other words, the TVA Board has recommended four additional new units—that is, even considering and assuming that the Dixon-Yates project becomes a reality.

The Board further states:

> By the end of 1958, when demands are expected to reach 10,600,000 kilowatts, this margin will be reduced to about 5 percent, an undesirably low level for efficient management of a power system. Any significant upward change in the power demands of Federal agencies above the known loads now taken into account would wipe out this small margin.

The Board states further that:

It has reviewed the computations and estimates involved in forecasting needs and is of the opinion that the methods are sound and the basic data correct.

The Board concludes that:

It would be a calculated risk to defer construction of additional units until a subsequent year.

This, Mr. Chairman, is what General Vogel reported and all members of the Board concurred in these recommendations.

It has been stated here during this debate, as in past debates, that the TVA has overstated its power estimates and needs.

The true facts of the matter are that the TVA traditionally has been almost completely accurate in its power estimation forecasts. TVA power needs have come within 1½ percent of the estimates. This was pointed out by figures presented at the hearings. TVA has more frequently underestimated rather than overestimated its long-term power requirements—been cautious and concerned in the matter of accuracy.

The Federal Power Commission in surveying TVA's power estimates and load growth has concluded that the TVA estimates have always been within 10 percent of the actual power needs.

So, Mr. Chairman, the argument that TVA power estimates have been magnified and overstated is inaccurate and unfounded. As the committee report so well states:

The administration has failed to recommend any new starts in generating capacity for TVA although the load is growing rapidly in this area and installations vital to defense are located there. Last year the failure to provide capacity resulted in the Dixon-Yates arrangement which is in litigation at the present time and there is no indication it will be settled soon.

This year the administration failed to recommend funds for new capacity, relying upon the Dixon-Yates proposal and the expectation that Congress would pass a proposed new financing plan for TVA during the session.

To date no action has been taken on such a bill. TVA must be assured of adequate generating capacity and, while the committee is not increasing the total amount of the requested appropriation, the TVA should proceed at once with the two units at the Fulton site to meet the impending shortage of power by 1958. Such capacity must be started immediately to be available when needed and there should be no further delay in this important matter.

I should like to strongly reemphasize, Mr. Chairman, that there should be no further delay in this matter.

Time is of critical importance. It takes 3 years to build generating capacity. This Congress should not await the outcome of lengthy, involved litigation pending in the Court over the ill-begotten and infamous Dixon-Yates deal before undertaking to authorize and approve new generating capacity.

Also, Mr. Chairman, we know that a proposed alternative method of financing TVA future needs is pending before the appropriate legislative committees of both the House and the Senate. I should point out that a reasonable and fair alternative financing plan for TVA would be willingly and readily accepted by the people of the TVA area.

Such a plan—a fair and reasonable plan—was submitted to the Bureau of the Budget by TVA, following unanimous Board approval. We all know what happened to this proposal. The Bureau of the Budget completely rejected it and submitted to the Congress a plan of its own—this proposed legislation contained some 23 important modifications and restrictive provisions which, in brief, would cripple and hamper the flexibility of TVA's operation and make its programs unworkable, if not impossible. There seemed to be no real effort made on the part of the Budget Bureau to assist in drawing up a feasible, workable plan—but only a concentrated effort to further hamper and restrict and frustrate TVA's operations.

The question of developing an alternative method of financing for TVA will no doubt result in extensive and lengthy hearings and consume some time before a suitable and satisfactory solution to this proposal is found—and written into law. The delays may be interminable.

In view of all circumstances—the pending Dixon-Yates litigation—the pending legislative financing proposals—this Congress should certainly not delay further in providing funds to start needed power generating facilities in the area.

The Congress has a grave responsibility to the defense needs of the Nation.

Also we must give attention to the fact that power from the Dixon-Yates plant—if it should ever come into existence—will cost the Government, the taxpayers, immensely more than is necessary.

Officials of the Atomic Energy Commission have indicated that the increased cost of power to the AEC by the Dixon-Yates proposal will be $92 million more than the cost would under its present contract. TVA officials estimate the excessive cost to the Government of Dixon-Yates power over the present contract would be in excess of $130 million. In either case the cost is excessive and exorbitant.

It is the business of the Government to find the cheapest possible source of power for the vast needs of our national defense installations and for vital national defense purposes. By vital operations I refer to atomic energy plants at Oak Ridge and Paducah in Tennessee and Kentucky—I refer to the Army's Redstone Arsenal in Alabama and to the Air Forces' great Arnold Engineering Development Center—all directly and vitally concerned with our national defense and security.

These and other defense and defense supporting installations use a vast amount of TVA power. Also, the great plants of the Aluminum Co. of America use TVA power—and I should add that these plants were located in the TVA region long before the TVA Act was passed. The aluminum and chemical companies were vital factors and forces in our past war experience and our present defense needs.

There is no question, Mr. Chairman, but the power is needed and that it must continue abundantly as I have indicated. Even the administration after 2 years has acknowledged this need.

The Bureau of the Budget in transmitting its proposed financing plan to the Congress has stated:

It is expected that consideration will be given to submitting to the Congress an amendment to the 1956 budget following action on the bill in one House. (Letter, Budget Bureau, May 17, 1955.)

This constitutes a mild threat to the House and the Congress. In other words, the Budget Bureau is baiting, blackjacking, or threatening the Congress into passing its crippling and restrictive legislative proposal.

The administration has acknowledged this fact that more power is needed in the region for defense and other purposes but has proposed, however, that Dixon-Yates be the means upon which our future progress and the future defense needs of our Nation must depend.

I need not review the facts of this forced deal. This effort which is being made to force a private utilities syndicate down the throats of private citizens—the farmers, the consumers, the municipalities, and others. The facts are well known.

Mr. Chairman, on top of this acknowledged excessive cost of building the Dixon-Yates plant—that is, an excessive cost which will be reflected in power rates to the Government and the consumers—the administration has proposed spending the huge sum of $6½ million for building a transmission line across the Mississippi River—or theoretically to the middle of the Mississippi River to connect with the Dixon-Yates plant.

First of all, the Dixon-Yates plant does not exist and it may never exist. Should it be built it will take from 3 to 5 to 7 years to complete construction. It is customary or usual engineering practice to build transmission lines after the plant is built or nearing completion—not before. The transmission line is certainly not needed at this time, so why appropriate this money? Why waste $6½ million as a gift to the Dixon-Yates syndicate?

In addition, Mr. Chairman, it should be pointed out that although Dixon-Yates proposes to supply power to AEC—in reality, the contract would attempt to force upon the citizens of Memphis, and possibly other municipalities in Tennessee—a source of supply unwanted.

The proposed Dixon-Yates arrangement would funnel power directly to a substation to serve the Memphis distribution system and not the Atomic Energy Commission. Memphis would be completely dependent upon the Dixon-Yates plant, controlled jointly by two holding companies—a pattern and precedent would be established for like action elsewhere.

Official spokesmen for the administration have frequently referred to their public-power policies as that of Federal-local partnership. What kind of partnership is it where the Federal Government makes a vital decision affecting the power supply of a city, a State, and a whole region without first consulting the people who have a direct interest?

What kind of partnership is it where the vital decisions on the part of the

Federal Government affecting the region's power supply and, indeed, their whole future, seem to be made not by consulting TVA or the people of the area who are vitally concerned?

This partnership arrangement was made by and between the Bureau of the Budget and Dixon-Yates, neither of which has any interest in the region's problems nor in its point of view.

Dixon-Yates power will cost not less—but more. It will cost a great deal more—to the Government and all concerned.

This, Mr. Chairman, is the crux of the entire fight against TVA. The private power monopoly is exerting every effort to break the TVA yardstick—the low-cost production yardstick which forms the basis for national power rates.

The private-utilities lobby has hatched this Dixon-Yates scheme—this unworkable, sordid, and nefarious scheme—to break the TVA competitive rate structure.

The private utilities lobby has hatched a private power trust. It is clearly a scheme of the private power trust to break the TVA yardstick, raise the rates to consumers of the area, milk the TVA of its corporate funds and, in effect, reduce the system to a hollow shell and create an atmosphere in which it would be easy for the private power interests to move in and take over the rich assets of the Government—assets which belong to all the people.

So entranced has the Bureau of the Budget become with the Dixon-Yates deal that recommendations of the TVA Board have been completely ignored.

Even Chairman Vogel, the man whom the President has appointed as TVA Chairman and who, the President said, "thinks alike" with the President in regard to TVA, has asked for funds for 4 new starts—4 new units—in TVA. His recommendation of these 4 units followed the recommendation of other TVA officials for 6 new starts.

Chairman Vogel has been persuaded that four new units are vital to the defense of the Nation. At least he recognizes the need.

But what about the Bureau of the Budget? The Bureau of the Budget says "No"—no new starts. Dixon-Yates will take care of the needs of the area, in the opinion of the Bureau of the Budget.

The Congress must not let the Bureau of the Budget dictate the needs of the people of our country.

The Bureau of the Budget is not infallible—they are, in this instance, wrong with a vengeance.

We must not become a rubberstamp for the Bureau of the Budget.

We must not let the plans of the sinister private utilities lobby—whose friends are well placed in the Bureau of the Budget—rob the people through this Dixon-Yates scheme.

Let us have no further retreat from progress. Let us stop this giveaway to the private power monopolies and holding companies who reap huge profits at the expense of both the taxpayers and the consumers of the Nation.

We have all heard reported promises, Mr. Chairman, of President Eisenhower that under his administration TVA would be maintained at "maximum efficiency."

I think it is time we should remind ourselves of another of his promises. President Eisenhower said in a speech on October 23, 1952:

> River development projects such as TVA should be worked out in the way the people of the region want it done.

Let us see to it that the President keeps this promise by defeating Dixon-Yates and approving the modest funds here recommended to begin construction of the Fulton plant by the TVA. This is what the people of the area want. This is the way the people of the region want it done.

I plead with you, my colleagues. Let us vote to sustain the majority of the Committee on Appropriations. Let us go forward with progress for all sections of our great country.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to my friend from Indiana.

Mr. HALLECK. Of course, the gentleman is very proud of his region and it is a good region.

Mr. EVINS. I am proud of all of our country.

Mr. HALLECK. That is right. I should like to ask the gentleman is it true that these rates TVA has been able to establish have promoted the industrial development of the gentleman's region?

Mr. EVINS. I would say to the gentleman that the Aluminum Company of America was established in the Tennessee Valley before the TVA Act was passed, and that many industries whom they now point to as having gone into that area were in that region before the law was passed.

Mr. HALLECK. There has been a very considerable industrial development there.

Mr. EVINS. All of our country has grown, and I am proud of it.

Mr. HALLECK. Has that had to do with the shortage of power to which the gentleman referred?

Mr. EVINS. The principal shortage of power in the area is due to Government needs, some 50 percent of which at present is taken by the defense installation in the area. If we did not have the Government installations in the area, we would probably have enough power there for normal use at the present.

Mr. HALLECK. Has the industrial development contributed to the shortage, however?

Mr. EVINS. I would say to the gentleman that industrial developments have contributed to the shortage of power all over the Nation.

Mr. HALLECK. And likewise the heating of some 100,000 homes in the Tennessee Valley by electricity.

Mr. EVINS. Does the gentleman and Members of his party propose to say how people shall use electricity when they pay for it?

Mr. HALLECK. No.

Mr. EVINS. Does the gentleman propose to put a limitation on how electricity shall be used? Would the gentleman propose introducing a bill that would make it prohibitive to heat homes by electricity?

Mr. HALLECK. Since the gentleman has asked me that question, I would say no.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I should be happy to yield the gentleman 1 additional minute in order that he may respond to the question asked by the gentleman from Indiana.

Mr. HALLECK. The gentleman has asked me a question, which I shall answer, and then I should like to ask one more question.

Of course, in Indiana we would like to have electric power if it could be, shall I say, subsidized by the Federal Government, to heat our homes. But we do not have access to it.

Let me ask the gentleman this further question. Is it his position that whatever the growing demands for electric power are in the Tennessee Valley—and they could be very considerable—the Federal Government, assessing the taxpayers of the country generally, shall continue to build, in perpetuity, additional steam plants to provide that power, the Government furnishing the capital and paying interest on the money which they have to borrow to provide it, and getting no interest in return, with the Corporation paying, in lieu of taxes, about 25 percent of what the taxes would really be?

Mr. EVINS. As the gentleman knows, the Corporation—the Tennessee Valley Authority—is ahead in its repayment schedule to the Government. It is making repayments into the Federal Treasury. TVA is a tremendous success. It is an agency of our Government which all of the Nation should be justly proud.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. EVINS] has again expired.

Mr. CANNON. Mr. Chairman, I yield such time as he may desire to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Chairman, under gray skies and a thin falling mist the United States Marine Corps Band and the troops of the Marine Barracks on Thursday, June 9, 1955, at a sunset parade honored two great men.

The high tribute paid that day to the Honorable CARL VINSON, chairman of the House Committee on Armed Services, and the Honorable CLARENCE CANNON, chairman of the House Committee on Appropriations, was one that they richly deserved. There are no two men in the Nation more worthy of the encomiums of every branch of the service and the American people than CARL VINSON and CLARENCE CANNON. No two men have done more for our national security.

It seemed most fitting that a Corps steeped in tradition and glory should pay this tribute to these two men.

A sunset parade at the Marine Barracks is an ordinary event in the lives

of the men who are stationed there; but on Thursday, June 9, 1955, it took on special meaning and the Marine Band and the troops responded brilliantly to the significance of the occasion. On that day, the Marine Corps and CARL VINSON and CLARENCE CANNON stood side by side. It was the first time, to my knowledge, that this has been done publicly, but the Marine Corps knows, as do all the services, that these two men have stood side by side as bulwarks in our national security for many, many years and, God willing, will do so for many more years.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I think we ought to look at the facts just a little bit and see where they leave us.

The theory of those who are interested in the American taxpayer in connection with the Tennessee Valley Authority has not been that it should be destroyed but that it should be made honest with the taxpayer.

Just so we can get a little picture of how it works out, the power income of the TVA last year was $51,100,460. The depreciation they set out was $22,959,503, leaving a net after depreciation of $28,140,957. The Government investment in the power facilities as allocated by the Corps of Engineers is estimated to be $1,515,000,000 at the end of 1955. In view of the fact that we have not reached that date, I have taken $100 million off that because they expected to spend $120 million in the year 1955 and I have figured the interest on $1,415,000,000 at 3 percent, which is just about what it costs the Government. That gives me a figure of $42,450,000. I subtract the net, after deducting the depreciation, of $28 million from that and I get $14,309,043 in the red. In other words, the TVA, if they paid the interest on the money that is allocated to their power situation alone to the Government of the United States, would be running behind $14 million last year. It is evident from that that their rates are not sufficient to meet the cost.

Now what kind of picture do we have on the rate situation where the Atomic Energy Commission buys electricity? I think this ought to be available to the membership. The rate that the Mississippi Valley Generating Co.—so-called Dixon-Yates—has contracted under the law, passed by the Congress of the United States last year, signed by the President, is 3.55 mills per kilowatt. The Ohio Valley Generating Co. rate was originally set at 3.79 mills. It has since been revised to 3.64 mills per kilowatt. The Electrical Energy Co., the one on the west side of the Mississippi River which supplies Paducah is 3.86 mills per kilowatt. The TVA at Oak Ridge charges 3.78 mills and at Paducah 3.83 mills, to the Atomic Energy Commission. In other words, we should be criticized because the administration and the Atomic Energy Commission made a better deal for their electric power than was made by the previous administration. That is the situation which the people of the United States ought to understand and the people of the TVA area ought to realize. Just so long as they operate that way without paying the interest on the money that has been put up for them by the Government, just so long are they playing with fire, and they are drawing criticism from those of us who want to be honest with the taxpayer and see that things are done honestly and fairly all the way through. This is not a plea for the public utilities companies. It is simply a statement of fact, a fact that the people of the United States generally ought to understand.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HALLECK. Did I understand the gentleman correctly that he computes $1,415,000,000 has been expended by the TVA up to this time out of the Federal Treasury?

Mr. TABER. In the amounts that are allocated to power—but there has been over $2,047,000,000, as I understand it, according to the hearings, or will be, at the end of this fiscal year, paid out all together on the TVA setup.

Mr. HALLECK. Then, if I understand the gentleman correctly, figured at 3 percent, the annual interest charge on that amount of money which has been borrowed by the Federal Government, and which is now a part of our national debt, is something around $43 million a year?

Mr. TABER. It is $42,450,000.

Mr. HALLECK. And does it follow from that that since that money has been borrowed by the Federal Government and advanced to the TVA that the taxpayers of the country generally are shouldering that burden of some $42 million annually by reason of the interest rate that we have to pay through the taxes to the Federal Government?

Mr. TABER. That is the story. That is the fact.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. EVINS. The gentleman spoke of the total expenditures in the overall TVA multipurpose program which includes navigation and flood control features to compound expenditures. Would the gentleman advocate doing away with the navigation and flood control features of the TVA program?

Mr. TABER. I have not said anything about the flood-control picture, nor have I used the flood-control cost in computing this interest rate. The gentleman has avoided completely, and every advocate of TVA so far in this Congress and in previous Congresses has avoided considering that situation and stating the facts, and meeting their responsibility to the United States.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes, I yield.

Mr. WHITTEN. The gentleman, in drawing his analogy, with which he knows I differ, should point out that under the TVA Act as now written there must be returned to the Federal Treasury the full amount of Federal money that is invested in power generation over a period of 40 years.

Mr. TABER. I refuse to yield further because that is not the situation. The situation is this: There has been a small amount of money paid to the Federal Government, something like $25 million a year since about 1947. I think that was the date it began. It might have been 1946. But nothing in the nature of interest has been paid and nothing is contemplated to be paid by the people who manage the situation.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HALLECK. I think the gentleman has stated the facts so everybody could understand them. Certainly no one has claimed that interest could be charged against the TVA by reason of navigation and flood control. Of course, I think they have it a little on the high side as compared with the power development. But, in any event, will the gentleman agree with me, because I share his views as far as TVA is concerned, as it was originally proposed by the law, that the development of power by TVA, having used money supplied by the Federal Government, which is a charge on all the taxpayers and having that money tax free, certainly it is disadvantageous to all other sections of the country where, through the operation of private utilities who have to pay taxes and who have to pay interest on their money, we must rely for our power supply.

Mr. TABER. That is correct.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RABAUT. Mr. Chairman, I yield the gentleman 2 additional minutes.

I would like to refer to a statement of financial operation of TVA's power system as reported by TVA, both for the fiscal year 1954 and for its entire operation over a 21-year period. The statement is as follows:

	Fiscal year 1954	21 years, 1933–54
Revenue:		
Municipalities and co-ops.	$52,733,000	$369,037,000
Federal agencies	54,369,000	163,040,000
Industrial	23,669,000	211,332,000
Interdivisional	2,422,000	27,179,000
Retail sales		2,606,000
Electric utilities	127,000	49,977,000
Other revenue	628,000	5,463,000
Total electric revenue	133,948,000	828,634,000
Operating expenses:		
Production	65,313,000	270,055,000
Transmission	7,050,000	55,266,000
Payments in lieu of taxes	3,579,000	33,330,000
Other operating expenses	6,226,000	47,736,000
Depreciation and amortization	22,960,000	159,261,000
Total operating expenses	105,127,000	565,647,000
Net income before interest:		
Earned by Federal Government on investment in power program [1]	28,820,000	262,986,000
Average depreciated investment assignable to power	890,000,000	315,000,000
	Percent	*Percent*
Annual return on investment	3¼	4

[1] Before interest income of $14,000 in 1954, and $1,167,000 for 21-year period.

You will note that it shows that TVA has earned an average of 4 percent on its investment in power facilities over the 21-year period. During 1954, which I am advised was a dry year, the earnings averaged somewhat less, 3¼ percent. I believe the gentleman from New York has used in his computations investment figures for power for the end of fiscal year 1955 when he should have used the average investment for the fiscal year 1954 which was only $890 million.

You can see that TVA earned more than the 3 percent assumed for interest by the gentleman, and considerably more than 2 percent which was the average cost to the United States on its borrowings outstanding in that year.

I would also like to refer the gentleman to the hearings on the Atomic Energy Commission and the Tennessee Valley Authority on page 21. There appears about the middle of the page schedule C–1:

SCHEDULE C–1.—*Repayment of investment in power program under provisions of the Government Corporations Appropriation Act, 1948*

Fiscal year	Minimum repayments required under 1948 law		1/40 of plant investment at end of previous year		Actual and budgeted payments [1]	
	Year	Total period	Year	Total period	Year	Total period
1948	$10,500,000	$10,500,000			$10,500,000	$10,500,000
1949	2,500,000	13,000,000	$8,705,981	$8,705,981	5,500,000	16,000,000
1950	2,500,000	15,500,000	8,705,981	17,411,962	5,500,000	21,500,000
1951	2,500,000	18,000,000	9,149,627	26,561,589	9,000,000	30,500,000
1952	2,500,000	20,500,000	9,733,970	36,295,559	12,000,000	42,500,000
1953	2,500,000	23,000,000	12,256,316	48,551,875	15,000,000	57,500,000
1954	2,500,000	25,500,000	17,482,476	66,034,351	20,000,000	77,500,000
1955	2,500,000	28,000,000	2,592,868	87,627,219	[2] 50,000,000	[2] 127,500,000
1956	2,500,000	30,500,000	[2] 31,424,781	[2] 119,052,000	[2] 59,000,000	[2] 186,500,000
1958		87,059,810				
1968		174,119,620				
1978		261,179,430				
1988		348,239,240				
1990		365,985,080				
1991		389,358,811				
1992		490,252,655				
1993		699,299,057				
1994		863,714,733				
1995		[1] 1,257,000,000				
1996		[2] 1,451,400,000				
1997		[2] 1,462,496,000				
1998		[2] 1,472,346,000				

[1] In addition to repayments under the provisions of the Government Corporations Appropriation Act, 1948, bond redemptions of $8,572,500 and other repayments of $15,059,019 were made prior to fiscal year 1948.
[2] Estimated.

In the middle columns where there is supposed to be returned one-fortieth of plant investment at the end of the previous year, it shows there just exactly what has been returned. The fact that TVA does not pay interest on the appropriations for power facilities is a provision Congress has made itself. Instead it requires the TVA to pay dividends to the Treasury of the United States.

The Government owns all the assets of TVA and the entire investment is equity capital. On that equity capital the TVA is required to pay back in dividends on the average one-fortieth of the plant investment in power each year, which is a dividend of 2½ percent. However, instead of paying $119 million, which is the average requirement through 1956, the TVA will be repaying to the Treasury a total of $186,500,000, or a dividend of approximately 3¾ percent. This is substantially more than the cost of the money to the Gover ıment.

Mr. TABER. But they have not at any time paid interest on the money that was advanced to them.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS. It is not $186 million in excess, I may say to the gentleman from New York; it is the difference between $119 million and $186 million.

Mr. TABER. The gentleman means it is about $60 million?

Mr. PHILLIPS. It is about that.

Mr. TABER. A little less, above that one-fortieth per year.

Mr. PHILLIPS. That is correct.

Mr. TABER. But the one-fortieth would only amortize the plant; it would not pay interest on the money that was tied up. That must be realized by the people in the Tennessee Valley, and they must face this situation fairly as against the rest of the country. That is all I ask.

Mr. RABAUT. I yield the gentleman 2 additional minutes if he will accept them from me.

Mr. TABER. I thank the gentleman.

Mr. RABAUT. Is it not true that the States within the valley have been the recipients of something in excess of $8 million from TVA?

Mr. TABER. The gentleman means as taxes?

Mr. RABAUT. Yes; as taxes.

Mr. TABER. I think that is probably so. On the other hand, as I understand, the tax that private utilities would have had to pay for the same thing would have been three and four times that amount.

Mr. RABAUT. The information I have given is true.

Mr. TABER. That might be; I would not doubt that. I understood they were doing something of that kind.

Mr. RABAUT. That is right.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes, if I have any time remaining.

Mr. WHITTEN. I would just like to point out that TVA belongs to the Federal Government and what is returned and will be returned that is the cost of power units, which must be returned over a 40-year period, should be classed as dividends. You call money that you take out of your business dividends, you do not call it interest; nobody calls it interest, because it is not interest; it is a dividend.

Mr. TABER. The trouble with that is that the setup is designed to amortize it in 40 years without paying any interest on the money, and you do not figure interest on the money in figuring these rates. Everybody else who gets capital to operate a utility has to do that. They even do that in Bonneville out in the Northwest. That is one of the things that you people must face, and you must face it straightforwardly if you are to succeed. Now, why not do it that way?

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HALLECK. Figures were presented by the gentleman from Michigan as to the moneys that had been repaid. May I ask in what year it starts?

And I would like to have shown alongside of that figure how much money has been appropriated by the Federal Government to this authority during these same years. I would like to see what the outgo has been when we talk about the income. If the gentleman from New York will include that figure I think it will be very interesting.

Mr. TABER. I will place those figures in the RECORD at this point.

The appropriations total $1,700,000,000.

The rest of the $2,047,000,000 came from various other receipts of the TVA.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 8 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. RABAUT. Mr. Chairman, will the gentleman yield to me that I may make a brief reference to the hearings in line with the debate which has just taken place?

Mr. JENSEN. I yield to the gentleman from Michigan.

Mr. RABAUT. I wish to refer to page 77 of this same volume dealing with the Atomic Energy Commission and the Tennessee Valley Authority:

The Federal Power Commission reports the income-tax payments of the Nation's private electric companies as a percent of their gross revenue from power sales. For the last 20 years, income taxes ranged from about 3 percent of gross revenue in the early thirties to 12.9 percent in 1952.

Applying the annual percentages to TVA's revenue, a typical privately owned utility would have paid Federal income taxes of about $69 million from $695 million of sales during that period.

The margin of $120 million which TVA earned, for the Government, was $51 million more than that amount.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. I have before me figures that I consider very reliable to the effect that TVA pays in lieu of taxes something like 5 or 6 percent of its gross revenues; likewise, the Federal Power Commission has figured that the private utilities pay around 21 or 22 percent of their gross revenues in actual taxes.

Mr. JENSEN. The gentleman is correct.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Michigan.

Mr. RABAUT. The figures, nevertheless, to anyone who wants to read them are very convincing that $51 million more was paid than the amount that would have been paid in by private enterprise.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. If these folks were not getting something for nothing they would not be here yelling for it.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I reply to that statement? I live in an area that is served by private utilities. My relations with them have been good. This is the utility for much of several States, and involved here is the question whether the utility of a given area is to meet the needs of its territory. There is no geographical expansion involved. Nothing is involved except, does the utility of a given area meet the needs of that area, just like any other utility, and use its own economical means of expansion, thus saving money?

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Tennessee.

Mr. EVINS. My friend the gentleman from Michigan [Mr. HOFFMAN] has left the floor since he made the charge of getting something for nothing. My answer is that we are compelled to defend ourselves against repeated assaults and attacks.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman from Mississippi apparently believes that whatever the demands may be down there it is up to the Federal Government to subsidize further power development. I do not happen to feel that way. As a matter of fact, when the TVA Act was adopted in 1933 it provided for the development of the Tennessee River for navigation purposes, flood control, and generation of electric power, incidental to and consistent with flood control and navigation, and providing for the disposition of the surplus power thus produced. That is carried over in the 1935 amendment to the TVA Act. Why does not somebody get back to what the fundamental purposes were? Nobody quarrels with the fundamental purpose, namely, the devlopment of natural resources, but some of us are beginning to think that you are riding a good horse to death and it is about time to stop.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I do not consider my taxpayers are involved. We do not pay any taxes on the TVA and you do not, either. It has built up into a big thing because of its soundness and the development of its geographical area in which it has played a prominent part. We had to borrow the money that they have used down there. However, almost 50 percent of TVA power is being used in the national defense of this country. If you had not had the TVA as a federally owned power system, your cost for power for national defense for defense work now done in that area would far exceed the actual costs involved here.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Michigan.

Mr. RABAUT. I want to remind the gentleman from Indiana that the State of Indiana has gotten the sum of $18,895,000 out of the TVA. That was not so bad. You know, there are over $6 million of outboard motors used down there. I do not want to get into this thing too far again.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Idaho.

Mr. BUDGE. There seems to be some confusion relative to the implications of the language on page 7 of the report relating to general investigations. I rather fear the language that my State of Idaho might be entirely deleted from the reclamation program. Was that the intention of the committee?

Mr. JENSEN. Well, I am sorry to have to answer the gentleman as I am obliged to do. I must say in all honesty that that matter was not discussed in the committee to my knowledge. I did not know until I read the report that the language he objects to was in the report. I had not had an opportunity to read the report until it was laid before the full committee the very morning the full committee met. I cannot imagine how that language got in the report. Maybe the chairman of the committee can answer your question. I cannot imagine who put it in or what prompted them to put that language in the report, because certainly your State is entitled to the same consideration as any other State for irrigation, reclamation, hydroelectric power, or for investigation money, planning money, or construction money. Maybe somebody has got something against you. The gentleman was a member of the Interior Subcommittee on Appropriations for 2 years, and he may have stepped on someone's tender toes.

Mr. BUDGE. I thank the gentleman very much, and I hope that his apprehension in that regard is not correct.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Tennessee.

Mr. EVINS. I will say to the gentleman that there was no intention to discriminate against Idaho by committee action. I will say that there is a project known as Lucky Peak Reservoir, which is a $19 million project, in his State and also the Minidoka project, which is a $10 million project, and also the Palisades project, which is a $74 million project. There was certainly no intention on my part or on the part of the committee to show any discrimination against that State.

Mr. JENSEN. Since the chairman of the subcommittee has made that statement—and he is a fine gentleman and I enjoy working with him every minute; although he and I do not agree on some things, nevertheless he has a perfect right to his own ideas—I am going to ask the chairman if he will see to it that the language is stricken from the report which the gentleman from Idaho [Mr. BUDGE] objects to.

Mr. EVINS. I will say to the gentleman, as the gentleman must know, this action was taken by both the subcommittee and the full committee on appropriations. I would personally like to help the gentleman with regard to the question he presents, and shall endeavor to do so.

Mr. JENSEN. Will the gentleman make the request that it be stricken, in all fairness to a Member of Congress?

Mr. EVINS. I would be glad to write the Member a letter if it would be of any assistance and to help him in any way on the discrimination question, but I cannot reverse the action of the full committee.

Mr. JENSEN. Would the gentleman be in favor of striking it?

Mr. EVINS. I want to be fair and I want to be helpful. There was no intention to discriminate against the gentleman or the State he represents and I do not think his State has been discriminated against. Projects underway in his State are numerous and the cost-outlay is substantial.

Mr. JENSEN. Is the gentleman, as the chairman of the committee, in favor of striking that language? Yes or no.

Mr. EVINS. I understand that Idaho is approximately fourth of all the States in the percentage of general investigation funds programed for use on projects affecting that State.

Mr. JENSEN. That does not answer my question.

Mr. EVINS. There was no discrimination and no intention of discrimination. I would be personally glad to help the gentleman with reference to any question of discrimination, but I cannot reverse the action of the full committee.

Mr. JENSEN. Personally, is the gentleman in favor of striking the objectionable language?

Mr. EVINS. I am personally in favor of helping him in every way possible to combat any thought of discrimination against the State of Idaho.

Mr. JENSEN. Now, Mr. Chairman, I was very much interested in all the colloquy that has taken place this morning about TVA, Southwest Power Administration, and so forth, but there is one thing I must bring to the attention of the Members, and that is that President F. D. Roosevelt, either just before Pearl Harbor or shortly after Pearl Harbor, made a request of the 12 private utilities in the Southwest area to connect all of their systems, to integrate their systems, in order that they would get full advantage of all the power that was produced by those 12 utilities and thus be in a position to furnish the power necessary for building our military equipment and facilities in that area. So, when anyone accuses those private utilities of joining forces for the purpose of destroying REA or municipal power companies, it simply is not true.

The President directed that to be done in the Bonneville Power Administration and all over the country. President Roosevelt made that request and justly so, because we needed all the power available at that time to furnish needed

power to our Military Establishment. Let us have an end to these unfounded accusations that the private utilities are now joining hands to destroy REA or anybody else. There is not a Member of this Congress that I know of who is not 100 percent for REA.

Not only that, but the private utilities all over America have furnished the power in most instances to build hydroelectric plants for the Government. And all over America today, with the exception of the TVA area and the public power State of Nebraska, private utilities, REA's, municipalities, and public utilities districts are working together in harmony as good Americans to furnish power-producing plants and necessary transmission facilities adequate for the people in their respective areas, and delivering power to their customers at reasonable rates.

Mr. Chairman, do you know where the two power-shortage areas are in America today? And there is a very good reason for it. It is in the TVA area, and the public power State of Nebraska. Why? Because, as our beloved Speaker said to our committee several years ago, there are some folks in America who think the Government should own all of our electric-producing generation and transmission facilities. There were some who think private industry should own them, but said he: "I am not a member of either school because it is going to take Federal money, it is going to take private money, it is going to take REA money, and municipal money in order for us to have sufficient power-producing and transmission facilities to take care of the people of any area," to which I agree, and I am sure a great majority of Members of Congress will agree.

I am happy to say that in the Bonneville area now, the private utilities, the Bonneville Power Administration, and the public utilities district, are working as one family of friends and neighbors, and now the Bonneville power area is finally getting sufficient power. They finally woke up to the situation a few years ago, and integrated all their lives. The Congress of the United States never will provide enough money to furnish power producing and transmission facilities for any part of America. You can put that down in your little notebook.

I shall not take too much more time except to say that on yesterday I sent each one of my colleagues my statement giving the facts regarding the Southwestern power problem. I would like to have someone stand in his place and deny a single thing in that statement.

Mr. CANNON. Will the gentleman also include in that the reply made to it?

Mr. JENSEN. That is your business. Your reply said nothing. It did not answer a single statement in my statement of facts.

Mr. CANNON. All I ask is that the gentleman put in immediately following his statement the reply to that statement.

Mr. JENSEN. I have not made a request that my statement be printed in the RECORD. Why does not the gentleman put his in the RECORD?

Mr. CANNON. I trust it is agreeable to the gentleman that he include the reply following his statement.

Mr. JENSEN. I have sent my statement to the Members.

Mr. CANNON. The gentleman will also include, following his statement, the reply to it?

Mr. JENSEN. I have not put my statement into the RECORD, at least up to this time.

Mr. CANNON. The statement was made with no one present and with no opportunity to deny it.

Mr. JENSEN. The gentleman had an hour earlier today and when he got through he had said exactly nothing.

Now, Mr. Chairman, I want to talk about an item in this bill that in my humble opinion is a serious mistake. This item is the proposal to utilize $6 million of the Southwestern Power Administration revenues to reactivate the contracts for which the Congress has refused money for the past 2 years.

These contracts were dreamed up by Interior and SPA shortly after the Congress in 1946 refused to appropriate funds to implement the SPA proposal to start the building of a new Federal power empire with 15,000 miles of transmission lines and 770,000 kilowatts of steam electric plants. These contracts contain a provision for SPA to take the 5 G. and T. REA cooperatives transmission facilities over at any time by paying off the balance of the REA loan for $10 after the REA loan is paid off. The transmission lines were to be turned over to SPA to operate and maintain as soon as they were constructed. SPA also was to take the entire output of the steam plants being constructed by the G. and T. cooperatives. These provisions were the principal reasons why the Congress refused to provide funds for the contracts.

I will not at this time go into all the ramifications of these contracts as I have furnished each of you a reprint of my statement relative to this matter that I had placed in the hearings. I hope each one of you have taken the time to read the entire statement.

Here is the present situation as I see it. SPA had told the G. and T.'s and the distribution cooperatives that SPA could furnish all their power requirements at a rate of 5.6 mills per kilowatt-hour. SPA rates are, according to law, to be sufficient to repay the cost allocated to power together with operation, maintenance, and other costs. Such rates are subject to the approval of the Federal Power Commission and are to be reviewed at least every 5 years and revised if found necessary.

The SPA rate of 5.6 mills per kilowatt-hour was based on fallacious allocation of costs as has been reported by the General Accounting Office and by a House Public Works subcommittee. A recent review of the SPA operation has disclosed the need to raise the SPA basic rate to 7.16 and the peaking rate to 7.33 mills per kilowatt-hour. This determination does not take into account the cost of the lease, operation and maintenance of the G. and T.'s transmission lines. Adding these costs are estimated to raise the SPA rate by one and a half to two mills.

All this adds up to the fact that the SPA rate to the cooperatives is going to be somewhere between 8.5 and 10 mills per kilowatt-hour, if the lease option contracts are reactivated. And there is no guaranty of a continued future power supply to the cooperatives after SPA contracts out all its present supply of hydro and that which will be made available from the Table Rock project.

Even though Chairman CANNON and Mr. Wright, SPA Administrator, would have you believe these lease-option contracts were the acme of perfection, you will note that the request is not for actual reactivation of the old contracts but for a contract so modified and changed that its own mother would not recognize her baby. Which brings up a serious question. Does the Congress in an appropriation bill have the authority to dictate to the Interior Department as to how it shall administer a specific act? The changes and modifications indicated by the House report raise a considerable number of questions that will have to be resolved by negotiations that may well take 6 months or a year to work out.

The Assistant Secretary of the Interior, Mr. Aandahl, has stated that he is not in favor of reactivating the lease-option contracts as the REA's obtain no assurance of a continued future supply of power and the question of future congressional action in later years makes it an unhealthy position for the G. and T.'s to be in. He is also of the opinion that contracts can be worked out between the SPA, REA, and the private utilities that will give substantially the same rates that will be required under the illegitimate lease-option contracts. The House would be wise to heed his advice.

Before I close, I want to protest against the attempts of the gentleman from Missouri [Mr. CANNON] to twist my words and say that I advocate higher power rates for the farmer, but the farmers and the REA's know me too well to believe such stuff. I have always fought to obtain for the farmers a fair price for their products and for the extension of the REA system wherever needed to assure the farmer the electric power he needs and at reasonable rates. This is what the farmers themselves have testified they want, and they have said that they do not want any handout or subsidy, but are willing to pay fair and reasonable rates for power. They know that electric power is the cheapest thing to buy today.

When we read the bill for amendments, an amendment may be offered to reduce the $6 million item in the bill to a figure which can be justified, and which is in line with the wishes of Assistant Secretary of Interior, Fred Aandahl, and the Administrator of the Rural Electrification Administration which figure will be in the neighborhood of $1,250,000.

Mr. CANNON. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, I come from a district which is very largely served by the Tennessee Valley Authority. My district also has a county

served by a private utility company. I am proud of the service which both of them render. I am aware, however, of the example each of them bears on the other and which helps to keep both offering optimum service to the people of my district. I would be disturbed indeed if the ability of either the TVA or this private company in serving the public was curtailed or if either could not keep pace with the growth of the communities which they serve.

Electricity, Mr. Chairman, is a raw material of the utmost importance, without it no modern community can grow and prosper. Its ready availability at a low price frees and increases to an enormous extent the labor of mankind. It is an essential to modern life as water and its need is such that it should be as available as water.

It is important to us that the supply of electric power keep pace with the demand. The whole history of the Tennessee Valley Authority demonstrates that despite its foresight in this respect, it has been barely able to keep pace with demand and with industrial and governmental needs of the area.

We have for some years seen the need for additional steam generating facilities in the Tennessee Valley area. The resources for hydroelectric development have been utilized to the fullest extent. What we have needed is more steam generating facilities which will not only provide the maximum amount of additional power but which will serve to firm up the power produced by falling water.

To this end those of us in the area served by TVA have been impressed by the need for, and the possibilities of, a steam generating plant at Fulton, Tenn. It would serve to complete, if that word may be used, the facilities of the TVA system. I have long been an advocate of the construction of this plant.

Unless the Fulton steam plant is constructed the ability of the TVA to serve the growing needs of our rapidly growing community will be jeopardized.

No Member of this body was more delighted when the Appropriations Committee of this House chose to use a proposed appropriation of $6,500,000 for a transmission line from the ill-starred Dixon-Yates plant to the TVA system for the start of the Fulton steam plant instead. In its action the Committee on Appropriations expressed the exact feelings of the people of the area served by TVA.

Mr. Chairman, I am not only pleased, but I am proud of the independence and the quality of judgment which the Appropriations Committee exercised in this matter. It was appropriate, it was just, it was needed.

I am exceedingly regretful of the attitude which the administration has taken toward the Tennessee Valley Authority. If any member of this administration had lived or spent any time in the area which the TVA serves he would know of our concern for the welfare of this organization which has meant much, indeed, to the life and welfare of all our citizens.

The fact that TVA was a working organization producing quantities of electric power at a reasonable cost had a great deal to do with our success in achieving atomic fission and later in the development of the hydrogen bomb.

It is obvious from the history of TVA that in electric power production we must keep ahead of need. The Fulton steam plant is the proper means by which we will do that, and not by some such an administrative monstrosity as the Dixon-Yates project.

The facts and figures demonstrate that by 1958 the TVA will not be able to meet the expanding needs of its area without an addition such as the Fulton steam plant. It is not only as a representative of that area that I endorse its construction. I know from long experience and knowledge of the area that it has become a tremendous tax resource of the United States Treasury, instead of the liability which it once may have been. Every investment which has been made in the area of service of the TVA has been many times repaid.

The people of the United States, knowing that the welfare of each section is dependent upon the welfare of all others, went into the TVA experiment with hope. It has paid off magnificently in human welfare, in the increased strength of our Nation and in tax dollars as well.

It would be a sorry thing if we denied it the means by which it could, by natural growth, continue the great work which it has begun.

I wish again to say that I endorse the actions of the Committee on Appropriations for its judgment, and its statesmanship, and its faith in the future of a great and growing part of our Nation.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, more than 100 years ago the hardy pioneer farmers who settled in the famous Rogue River Valley of Oregon began the development of an irrigation system resulting in the production of pears and other fruits which have won worldwide markets. The irrigation system now in existence has a replacement value of approximately $45 million, and has been created without 1 cent of Federal help.

Unfortunately, the development of water use in the valley down through 100 years has been of a piecemeal nature and, while adequate for the population and farming of 20 years ago, the old system is both inefficient and inadequate under present conditions. The people locally realized the situation several years ago. The development of the Rogue River Basin must be done on a coordinated watershed project basis. This made it necessary for them to attempt to develop the project under Federal reclamation laws. Basic surveys have long since been completed, nearly 10 years ago, in fact. The 83d Congress authorized the construction of what is now known as the Talent division of the Rogue River project, which authorization includes the rehabilitation of two of the old and deteriorated canal systems.

The project as authorized will place an additional 8,000 acres of land under irrigation and will furnish badly needed supplemental water to some 24,000 acres. I think it appropriate to point out here that none of the crops produced or to be produced on this acreage are crops that come under the price-support program.

During the past 15 years and particularly since the war, lumber production in the area has increased manyfold and has produced labor requirements which are seasonal in nature. This condition has brought about an economic necessity on the part of the workers in this seasonal industry of obtaining small irrigated acreages which, when operated through family labor, augment their incomes from seasonal employment. Of the labor force of some 15,000 men now employed in the lumbering industry some 3,000 now own small acres. The split-up of agricultural lands for this purpose, following the historical pattern of high usage on smaller acreages, has reduced the delivery to the horticultural lands of the valley to a point where supplemental water has become necessary in order to maintain existing production.

Included in the project will be electric power production of 16,000 kilowatts of firm power, for which the utility serving the area has agreed to pay 7½ mills per kilowatt-hour. The power revenues plus the payments by the users of the water provide for the repayment of the Federal investment in this project within a reasonable number of years. The benefit-to-cost ratio is calculated to be 1.36 to 1, which compares favorably with many other projects for which appropriations in the pending bill are made.

I take the floor at this time to express on behalf of the people of the Rogue River Valley our appreciation to the Appropriations Committee for including in the pending bill $150,000 for this project. I understand that a total sum of $750,000 really should be appropriated for fiscal year 1956 for this project if the utmost efficiency in its development is to be achieved. I regret that this was not the amount included in the bill and hope that the additional sum can be provided later so that the work on the project once started can be continued.

I desire also to express our appreciation to the Bureau of the Budget and administration people for their help and cooperation in presenting the facts regarding this project to the Appropriations Committee.

The Members of the House realize, I am sure, that the Pacific coast area of our country, and in particular the southern Oregon area, of which I am speaking, has experienced an increase in population of more than 50 percent during the past 10 years. This pressure of population means an expanding economy and it means that all of the resources of the area must be developed and used to the utmost efficiency not only for the welfare of the area itself but also for the good of the country as a whole. Such development and efficient use of the water resources cannot be accomplished in our area any more than in any other as rapidly as is necessary without the assistance of the Federal Government. This need was recognized by Congress more than one-half century ago when the first reclamation act was passed. All we seek is to enjoy the same benefits of that

legislation as so many other sections of our country have received.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to insert in the RECORD immediately following the remarks of the gentleman from Iowa his statement and my statement appearing in the hearings on pages 866 through 877 of the volume entitled "Central Section, No. 3."

Mr. HOFFMAN of Michigan. Mr. Chairman, I object.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I speak now to bring to the attention of the committee some background information in connection with an amendment I shall offer at the proper time tomorrow. It deals with the project known as the Delaware River Channel.

This Congress last year authorized this project as being in the national welfare and the national interest. This year we come to the Congress for an initial appropriation to begin the work.

I first should like to bring to your attention a half dozen salient or topic paragraphs. I want to assure you that tomorrow many Members of the Pennsylvania delegation and the New Jersey delegation are going to speak under the 5-minute rule in support of my amendment. This is not a casual effort being made in connection with this appropriation. The Budget Bureau did not see fit to include this proposition in the budget. I will tell you why, and the few minutes I have today I am going to direct almost entirely to that reason. Mr. Chairman, if you are concerned with future appropriations for public works then you better pay attention—all of you—every member of this committee who is concerned with appropriations for navigation, with appropriations for rivers and harbors, with appropriations for flood control, with appropriations, yes, even for reclamation. In your own interest, you had better lend me your ears because I am going to tell you about a precedent-shattering demand made by the Bureau of the Budget on the Delaware Valley community. The Bureau of the Budget says to the Delaware Valley community, "We will give you $36 million to increase the depth of this channel from the 35 feet that we recommend to the 40 feet that you say you need providing you contribute 50 percent." Mr. Chairman, never in the history of this Nation in a project of this magnitude dealing with an estuarial complex of this size, dealing with a navigation problem, never has such a demand been made by the Bureau of the Budget. In addition to that, in round numbers, $500 million has already been contributed by Philadelphia-Trenton-Delaware Valley community in title clearances, wharves, docks, streets, railway and harbor connections—$500 million. May I repeat for the purpose of emphasis, Mr. Chairman, the Bureau of the Budget in spite of the fact that this Congress just 1 year ago said to the Bureau of the Budget, "This is none of your business, the Congress of the United States will determine this kind of legislation; the Congress of the United States never in history has demanded from a community that they make such a contribution to this kind of project." Now, they want to get the nose of the Bureau of the Budget under this tent. If they do, if you permit the Bureau of the Budget to enforce this demand upon the Delaware River, then the Bureau of the Budget is in a position to make the same demand upon every project from now on, in every congressional district in the United States, if they see fit. But let me tell you how much further they went. I read here the language from the report accompanying the approval of this authorization bill for this project by the Congress last year. The Bureau of the Budget said last year to the Delaware Valley:

> You must make an $18 million contribution or we will give you nothing.

The Congress said this. When you authorize this bill, this is what you said last year:

> Adoption of this recommendation would be inconsistent with the national policy followed for many years on navigation projects over the entire country.

That is from the report. Even though you repudiated the Bureau of the Budget last year by action of this body, the Bureau of the Budget ignored this mandate from the Congress and sent back this project this year and said to you: "We do not care what you say. We are going to start a new practice."

For 175 years we have never done this, but from now on any navigation project, any flood-control project, any river and harbor project is subject to this demand being made today upon the Delaware River channel development. It is an effrontery by the Bureau of the Budget and the executive branch to the legislature. It is an impertinence. Under no circumstances could this body, regardless of the merits of the case, and I will speak upon the merits tomorrow—regardless of the merits of this case—and my colleagues from Pennsylvania and New Jersey will speak on the merits tomorrow—regardless of the merits, I now sound to the Members of this body a solemn warning, that the most dangerous attempt ever made by the Bureau of the Budget to override and to dictate a national policy on all public works projects is now being introduced for the first time on this great development of one of the greatest navigable areas in continental United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Yes, I yield to the gentleman.

Mr. GROSS. May I suggest to the gentleman that he change the name of the Delaware River to the Zambezi or to the Timbuktu, and you will get your money.

Mr. FLOOD. In view of what I find going on in the Bureau of the Budget, the gentleman, as usual, is right.

Now, there are more things to be said for this. Many of you know the history of the Delaware Valley as well as I. You know what fantastic commercial and industrial development has gone on in that valley within the last 5 or 10 years. Since the dawn of this Nation a hundred million dollars has been placed in the development of Philadelphia ports and Philadelphia harbor area. But, Mr. Chairman, $14 has been returned to the United States Treasury for every dollar spent by the Government, and since 1900 it amounts to $1,500,000,000.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FLOOD] has expired.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentlewoman from Pennsylvania [Mrs. BUCHANAN].

FLOOD-CONTROL SURVEY

Mrs. BUCHANAN. Mr. Chairman, I have asked for this time in order to ask several questions of the distinguished gentleman from Minnesota [Mr. MARSHALL] who serves as chairman of the eastern panel of the Public Works Appropriations Subcommittee.

In the committee's report, on page 12, under the heading of Corps of Engineers, General Investigations, several projects are mentioned and the committee says they are "essential projects to which it has allocated definite amounts." As I count them, only seven projects are listed. The full list of survey projects in the budget includes more than 100 projects—65 on flood control and 45 on navigation, plus about 10 more on beach erosion. So that makes 120 projects in the budget. Yet the committee picked out just seven projects—and a majority of those are not in the budget. Can the gentleman tell us if it is the view of the committe that those seven are the only important ones?

Mr. MARSHALL. I am glad the gentlewoman from Pennsylvania asked me these questions, because this matter has come up several times. The committee in marking up the bill for general investigations took into account first the projects that were approved by the Bureau of the Budget and they made several adjustments in the figures. After that was done they proceeded to take into consideration these seven projects on their merits and put funds in over and above what the original allotment was to take care of each one of them. We did that on the basis of individual merit, because of the need for them as expressed by our colleagues who appeared before us when we were holding hearings on this particular bill.

Mrs. BUCHANAN. I am concerned, of course, about the one in my district, the Turtle Creek project. The budget calls for allocating $10,000 for that project in the coming year, which is certainly not very much considering that we only need $61,500 to do the whole survey—and considering that the industrial redevelopment of this whole valley hinges on our getting a workable flood-control plan. I want to see the whole $61,500 provided. But I certainly do not want to see the project dropped out and lost because of the committee's action. Can you tell me what the subcommittee's views are on the importance of the Turtle Creek project in relation to those seven the report named?

Mr. MARSHALL. The gentlewoman from Pennsylvania appeared before our committee in the usual able way in which she represents her constituents. She presented the facts to the committee in a very excellent manner, and because of that I am sure the committee has no intention whatsoever that the funds that were in the Bureau of the Budget be adjusted in any manner.

We would like to see this particular project expedited just as rapidly as possible, because we believe it is one of the most meritorious that has been presented; and we base that opinion very largely upon the excellent testimony that was presented to the committee by the gentlewoman from Pennsylvania.

Mrs. BUCHANAN. I thank the gentleman, but does not the gentleman and the members of the subcommittee think that this Turtle Creek project is just as worthy as these that have been provided for and should be started this year?

Mr. MARSHALL. In my opinion and based upon the facts presented to us, we feel that it is one of the most desirable ones presented to the committee.

Mrs. BUCHANAN. I thank the gentleman from Minnesota. I appreciate very much the fairmindedness of the gentleman and the assurance of the subcommittee that the Turtle Creek project is considered every bit as important as those named in the report. It is an urgent project. It is in the area of the main headquarters plants of Westinghouse Electric Corp., and Westinghouse Airbrake Co. Both are vital to national defense. Floods there are extremely damaging. They cause great suffering, loss of property, damage to many, many homes, and loss of employment, too.

Mr. MARSHALL. In my opinion, based on the facts presented to us, we believe it is one of the most desirable which were presented to the committee.

Mrs. BUCHANAN. I thank the gentleman very much.

Mr. WIER. Mr. Chairman, will the gentlewoman yield?

Mrs. BUCHANAN. I yield to the gentleman from Minnesota.

Mr. WIER. This is Turtle Creek, not Tuttle Creek, is it?

Mrs. BUCHANAN. I want to make that very clear; it is Turtle Creek.

As the gentleman from Minnesota [Mr. MARSHALL] knows, and as the members of the subcommittee know, I tried to play fair with the committee on this matter. I did not ask that you take money away from other worthwhile projects in order to give more money to my project. Instead, I urged you to raise the entire amount for surveys and examinations, and I hope that will be done before this bill becomes law, because we do need additional funds for this and other projects.

The distinguished gentleman from Minnesota was most courteous to me when I appeared before the subcommittee and was most flattering when he referred to my efforts on this project. I appreciate his help and the assurance he has given of the importance of this project in the subcommittee's view.

I also want to thank other members of the subcommittee for assurances they have given me that they think Turtle Creek project should proceed this year. As I said, I hope we can provide as much of the $61,500 as possible.

THE 120 PROJECTS INVOLVED

The reduction in funds for general investigations by the Corps of Engineers—a reduction of nearly $1 million when you take into account the money earmarked for the very desirable hurricane studies—should be restored, I feel, to assure speedy action on all of the budgeted flood control and navigation and beach erosion surveys, and also the special studies and research work covered by this one appropriation item. It should be raised to include all of this added work.

There is hardly a congressional district that does not have a direct interest in this appropriation item. The list of budgeted navigation, flood-control, and beach-erosion surveys, all of which might be affected by this cut, includes:

NEW ENGLAND

Navigation surveys: Greenwich Cove, Conn.; Bar Harbor and Pepperell Cove, Maine; Cape Cod Canal, Cotuit Harbor, New Bedford, and Fairhaven Harbor, Mass.; Hampton River and Harbor, N. H.; Moriches and Shinnecock Inlets, N. Y.; Apponaug Cove, R. I.

Beach studies: Saco Bay, Maine; Chatham, Mass.; Fire Island Inlet to Montauk Point, Suffolk County, Long Island, N. Y.

GREAT LAKES

Navigation surveys: Burns Waterway, Ind.; Grand Haven Harbor, Mackinaw City, and Rouge River, Mich.; Duluth-Superior Harbor, Minn., and Wis.; Cleveland Harbor, Conneaut Harbor, and Vermillon Harbor, Ohio; Sturgeon Bay and Lake Michigan Ship Canal, Wis.

Flood-control surveys: Maumee River, Ind. and Ohio; Au Gres River, Grand River, and Kawkawlin River, Mich.; Sandusky River, Ohio.

Special studies: Great Lakes Water Levels.

Beach-erosion studies: Michigan line to Marblehead, Ohio.

MIDDLE ATLANTIC

Navigation studies: Delaware River, Philadelphia to sea, Delaware, New Jersey, and Pennsylvania; Delaware River, Camden, N. J.; James River, and Princess Anne County, Va.

Flood-control studies: Passaic River, N. J.; Juniata River, Pa.; Anacostia River and Flats, Washington, D. C.

Beach erosion studies: Barnegat Inlet to Cape May, Delaware Bay, Raritan Bay, N. J.

GULF AND SOUTH ATLANTIC

Navigation studies: Gulf-coast shrimp boat harbor; Port Everglades Harbor, Hollywood, Fla.; Cooper River, S. C.

Flood-control studies: Central and southern Florida; Oostanaula River, Pearl River, and Rome, Ga.

Beach-erosion studies: Palm Beach County, Fla.

OHIO BASIN

Flood control: Embarass River at Villa Grove, Ill.; Wabash River above White River, Ind.; Big Sandy River, Ky., W. Va., and Va.; Big South Fork, Cumberland River, Ky. and Tenn.; Kentucky River and Little River at Hopkinsville, Ky.; Kokosing River and Mad River above Hoffman Dam, Ohio; Allegheny River at Coudersport, Chartiers Creek at Washington and Turtle Creek, Pa.

LOWER MISSISSIPPI

Navigation: Streams and bayous in southwest Louisiana west of the West Atchafalaya Basin protection levee.

Flood control: St. Francis River, Ark. and Mo.; streams and bayous in southwest Louisiana west of the West Atchafalaya Basin protection levee.

MISSOURI BASIN

Flood control: Kansas River, Kans.; Lamine and Blackwater Rivers, Mo.; Sun River, Mont.; Platte River, Nebr.; James River, N. Dak. and S. Dak; Cheyenne River, S. Dak. and Wyo.

UPPER MISSISSIPPI BASIN

Navigation: Illinois Waterway, Ill. and Ind.

Flood control: Pecatonica River, Ill. and Wis.; Upper Kankakee, Ill. and Ind.; Des Moines River and Mississippi River above the mouth of the Ohio River, Iowa; Minnesota River, main stem, Minnesota; Salt River and Ste. Genevieve and St. Marys, Mo.; Kickapoo River, Wis.

CENTRAL VALLEY DRAINAGE AREA

Navigation: Oakland Harbor, Calif.

Flood control: Alameda Creek; Guadalupe River and adjacent streams; Sacramento-San Joaquin Delta; Walnut Creek, all in California.

Special studies: San Francisco Bay and tributaries, California.

CENTRAL AND SOUTH PACIFIC DRAINAGE AREA

Navigation: Camp Pendleton Harbor and Agua Hedionda Lagoon Harbor; Los Angeles-Long Beach breakwater extension; Monterey Bay; Noyo Harbor; Santa Cruz Harbor, all in California.

Beach erosion: Two studies, jointly with State of California.

GREAT BASIN

Flood control: Mojave River, Calif.; Silvies River, Oreg.; Jordan River, Utah.

NORTH PACIFIC DRAINAGE AREA

Navigation: Bellingham Harbor, Friday Harbor, Grays Harbor, Chehalis River, and Tacoma Harbor, all in Washington.

Flood control: Cedar River, Wash.

COLUMBIA RIVER BASIN

Navigation: Oregon Slough, Oreg.; Priest Rapid, Wash.

Flood control: Kootenai River and Upper Snake River, Idaho; Dry Hollow, Oreg.; Yakima River at Richland, Zintell Canyon, tributary of Columbia River, Kennewick, Wash.

RIO GRANDE AND GULF RIVER DRAINAGE AREA

Navigation: Gulf-Intercoastal Waterway, Port Mansfield; Gulf-Intercoastal Waterway, San Bernard River; Port Arkansas-Corpus Christi Waterway, all in Texas.

Flood control: Rio Grande at Socorro; Spring River and Rio Hondo, New Mexico; Devils River at Ozona, Trinity Bay SCD, Trinity River-Lake Liberty, Trinity River-Richland, Chambers and Cedar Creeks, Tex.

COLORADO BASIN

Flood control: Colorado River and tributaries above Lee Ferry, Ariz.; Whitewater River, Calif.

Mr. HAND. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I am glad the ranking minority member of the committee brought out the fact that we operate this year under a somewhat revised method. All matters having to do with the civil functions of the Army and with the Bureau of Reclamation, which previously had been handled by two other subcommittees, with reclamation and flood-control projects, were all put for the first time into one subcommittee called Public Works. Then that subcommittee was divided into four panels, so that it became very difficult, as the gentleman from Wisconsin [Mr. DAVIS] said, to relate basic policy between the subcommittees. I think perhaps if, for another year, the same system is carried out—I would hope to go back to the other system—but if the same system is carried out perhaps a year's experience may have given us a little advantage.

Mr. Chairman, it should be said, in reply to the gentleman from Idaho [Mr. BUDGE] and the gentleman from Tennessee [Mr. EVINS], that while it may be that that matter upon which they had a colloquy and with which I am not personally familiar—so I say this completely without prejudice either way—was the action of the full committee, I do not know of any of the minority members of the subcommittee who saw the report before it was actually in print. I have no recollection myself of any statement of that kind being acted upon by the full committee before being put in the report.

Mr. Chairman, time is rolling along. We have been down a good many squirrel holes this afternoon which had little or nothing to do with the bill or with the budget provisions before us. I would like to confine myself to a few simple statements coming out of the panel which had to do with the Atomic Energy Commission and the Tennessee Valley Authority. This discussion and the amendment which will be offered tomorrow to apply on page 5 of the bill itself actually have nothing to do with the broad discussion of public power.

When the Assistant Secretary of the Department of the Interior, who was formerly its Solicitor, and who before that was associated with public power development in the State of Nebraska, appeared before the Committee on the Judiciary of the Senate on January 21, 1954, he was reciting item-by-item the various acts which had to do with power and reclamation. I quote from his statement:

> The next major legislation of the Congress with reference to power was the passage of the Tennessee Valley Act. The TVA Act, as you know, is a special act governing a special region under a special authority. The authority is not under the control of the Department of the Interior in any respect whatever. The act is not of general applicability to the question of a national power policy.

In the act when it was first passed on May 18, 1933, there was set up the area in which this new authority should operate. As the gentleman from New York said, it was specifically limited in the things it might do.

Steam plants were mentioned in the act at one or two places, but the context makes it obvious they were the steam plants already in existence and that the TVA was to be permitted to sell the power from the hydroelectric plants it had or might build and from these existing steam plants.

Up to the 80th Congress, the Congress refused all requests for money to build steam plants. Over the succeeding years, perhaps under the pressure of war, this steam power has grown until, when the presently authorized plants or units are completed, 70 percent of the power will be produced by steam. By what stretch of the imagination can we in the Congress say that that is "firming up" the power from the hydroelectric plants? The question before us now is a specific thing, and appears on page 5 of the bill. That is the provision written in by the full committee, against the vote of the minority, that $6½ million of this money shall be used for the commencement of the construction of a powerplant to be located at Fulton, Tenn. It is not, Are you for public power or against public power? It is not, Do you want to get into an argument over the Dixon-Yates contract or do you not, although that is involved? This would be subject to a point of order, had points of order not been waived. Do we, by action of the Committee on Appropriations, want to order TVA to begin the construction of a powerplant outside of the area designated in the act which created that agency?

I want to clear up one or two slight misconceptions and then leave the rest of the discussion until tomorrow. When the gentleman from Michigan pointed out, on page 77, that $120 million had been earned as a margin for the Government, I think he did not understand that that had not been paid to the Government. That was money in the revenues of the TVA which was plowed back. The theory, as expressed by another gentleman on my right, is that since we own the TVA plants any money we put into TVA development is money paid to ourselves as if it were a dividend. I do not agree with that, and I think if that money had been paid back, there might have been a little more point to what the gentleman said. We have appropriated $1.8 billion, and of that $1.4 billion is for power development. We have a perfect example here today of the method; about $3 million is required to be paid back to the Government on the previously advanced money this year. But, here in the very bill that we have before us is a request for an expenditure which will run to $100 million for a new steam plant outside of the legal area. To put back a penny with this hand and to take out a dollar with that hand, is not sound. It is time that we face the facts. We are not trying to destroy TVA. We are merely trying to help TVA to grow up, to stand on its own feet, to operate as any utility in the United States would expect to operate.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Michigan.

Mr. RABAUT. The gentleman referred to building steam plants outside of the area.

Mr. PHILLIPS. Yes.

Mr. RABAUT. There are two court authorities approving it.

Mr. PHILLIPS. Congress is the final authority.

Mr. RABAUT. I know, but there are two court authorities, and they have approved it.

Mr. PHILLIPS. Congress has three times refused to do that, and I expect we are going to refuse it the fourth time tomorrow.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Mr. Chairman, I rise at this time to make inquiry regarding an item which is of tremendous concern and interest to me and others who seek gainful employment in my district.

As you know, when the appropriation measure for public works projects was under consideration by your subcommittee, I recommended appropriations to cover not only those projects which were included in the budget request for the next fiscal year, but also for as many other authorized projects as possible, and particularly the devised Stonington Harbor, Conn., project, as described in House Document No. 667, 80th Congress, which was authorized in the River and Harbor Act of 1950—Public Law 516, 81st Congress. My statement before the subcommittee appears on pages 516–517 of the printed hearings on the public works appropriation for 1956.

I am well aware of the fact that the revised Stonington Harbor project was not included in the budget request. Because of this fact I can well appreciate the problem which the subcommittee faced. It is my understanding that the bill as reported by your committee, includes funds in the amount of $1 million to launch a study of hurricane damage on the Atlantic coast to determine means of preventing further damage and loss of lives. Am I correct in assuming that an appropriation for the revised Stonington Harbor project was not included in the bill as reported at this time in order that further screening of authorized projects could be made at a date following the report on the survey which I have just mentioned?

Mr. MARSHALL. The gentleman from Connecticut [Mr. SEELY-BROWN] appeared before our particular panel and presented in his usual able way the project for construction in Stonington Harbor. The damage in this harbor was due principally to hurricanes. I would say to the gentleman that I had not realized that as much damage was done by that hurricane to the harbors along the east coast as I had the opportunity of learning by being on this committee. Because of that fact and because there has been considerable interest expressed

in it, we felt that it was desirable to make a study of the hurricane situation. So that there is in this bill over and above a Bureau of the Budget request $1 million to carry on that particular survey. This survey may disclose something that should be done that is different in the construction of a number of these harbors. For that reason it was felt by the committee that particularly with unbudgeted items we ought not to appropriate money at this time. I am glad the gentleman asked me the question so that I could have this opportunity to explain.

Mr. SEELY-BROWN. I thank the gentleman very much.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to my friend from Oklahoma.

Mr. JONES of Alabama. Is it the contention of the gentleman that there is no legal authority for the Congress to make appropriations for the Tennessee Valley Authority to construct steam generating plants?

Mr. PHILLIPS. No. As the gentleman from Michigan [Mr. RABAUT] said, the Congress can do anything. It is questionable whether there is an inherent legal right in the act. The case has never been tested.

Mr. JONES of Alabama. There would be no question in the gentleman's mind, or there would be no doubt in his mind, if the private utility companies who are in opposition to TVA's obtaining these funds thought so, they would institute legal proceedings to test that question?

Mr. PHILLIPS. I will have to turn that question over to my attorney from North Carolina [Mr. JONAS], because I think that would have to be done by an authorizing act of the Congress. They could not sue without an authorization by the Congress. If the gentleman wishes to introduce such a bill permitting that suit, I shall be very glad to support it.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. DONDERO. Inasmuch as we have a paragraph in this bill providing for steam plants to be built outside the area of the TVA, has the gentleman considered anything for Detroit, Mich.? We are outside the area, too.

Mr. PHILLIPS. We will not need to pass legislation, because the implication in the hearings this year is that as long as one end of the powerline is tied to the hydroelectric grid in the TVA area, that line can extend as far as Detroit, Mich., and as many steam plants as are necessary can be built en route to firm up the power.

Mr. DONDERO. May I say to the gentleman that we provide our own steam plants up in Michigan, and we do not ask the Federal Government to pay the bill.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. CEDERBERG. Does the gentleman think he could go up 100 miles north of Detroit, up in my area?

Mr. WHITTEN. If the gentleman will yield to me for a moment, whether the gentleman likes it or dislikes it, the TVA is not in my immediate area.

Mr. PHILLIPS. But the gentleman benefits in other ways.

Mr. WHITTEN. We do, because it has a very good effect on the private utilities that serve my area.

Mr. PHILLIPS. At a cost to the taxpayers?

Mr. WHITTEN. Does not the gentleman think that he is stretching it a little to say that a line could reach from the TVA to Michigan? In any event, does not the act specifically say that power can be delivered or distributed within a transmissible, meaning a feasible distance from the hydroelectric plant, so that the word "feasible" has to be taken in connection with the proposal?

Mr. PHILLIPS. If the act said a feasible distance, I would agree, but it says "is within transmission distance," and that has never been interpreted.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Michigan. Does he want a plant, too?

Mr. RABAUT. I should like to remind my colleague from Michigan [Mr. DONDERO] that Michigan benefited from this to the extent of $18 million, so it was not so bad for Michigan. May I say further that when the Detroit Edison Co. wanted to get power from Canada, I gave it a great deal of help. You will find my name on the chart where the power lines entered Michigan as one of those who helped private power tremendously.

Mr. DONDERO. The Detroit Edison Co. paid the whole bill. It did not come to the Federal Government for help.

Mr. RABAUT. They paid the whole bill, and Michigan will get $18 million out of this deal that is going on down in Tennessee.

Mr. DONDERO. That I question.

Mr. RABAUT. It is in the book here. Read the book. I will quote the page, page 27.

Mr. PHILLIPS. The gentleman continues to talk about the number of purchases that are made because of the Federal development in the Tennessee Valley. Those purchases for stoves, heating equipment, cooling equipment, or whatever they may have been, would have been made whether it had been a private utility or a public utility.

Mr. RABAUT. That is purchases which the TVA itself makes in the various States.

Mr. CANNON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, I want to ask a question in relation to the report of the committee on page 16 under the paragraph headed "Los Angeles County Drainage Area." There is a specific prohibition there which reads that no funds shall be obligated on Centinela Creek.

In order that there be no confusion in the matter, may I ask my good friend, the gentleman from Tennessee, if I am correct in the statement that this prohibition does not in any way prejudice the project itself or its worthiness and results only from a disagreement within the local area as to the route the proposed projects will follow?

Mr. EVINS. The gentleman is entirely correct. There is no intention to prejudice the project. The committee wanted to wait until the local controversy relative to this project has been settled. It is hoped that the project may be approved next year.

Mr. ROOSEVELT. I thank the gentleman very much.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 12 minutes to the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, as has been said during the course of this debate, an amendment will be offered to change language on page 5 of the pending appropriations bill under the heading of "Tennessee Valley Authority." The amendment will seek to strike out the phrase beginning on line 17, which presently reads as follows: "and of which, $6,500,000 shall be for the commencement of construction of a powerplant to be located near Fulton, Tenn." I hope the amendment will be adopted.

This seemingly innocent language in reality has two very important purposes: one is to deny funds for carrying out a quite favorable power contract with private enterprise, in which power will be supplied at reasonable rates and at no construction cost whatever to the Federal Government, and the second purpose of the same language will be to transfer that fund of $6,500,000 away from this favorable and private contract and to the commencement—not the completion but the commencement—of the construction of a new steam plant in the Tennessee Valley.

Thus these few words present to the House an issue of the greatest importance, and that issue is whether we will encourage private enterprise with private funds to supply at least a part of the power requirements of their own region, or whether we will insist on excluding them and continue a Government monopoly of power production at great and continuing cost to the taxpayers of the Nation.

Mr. Chairman, so far as I am personally concerned, this is not a simple issue of public power against private power. I am not frightened at the use of the phrase "public power." If I were I would certainly have to vote against this entire bill, because scattered through it are many projects for the further development of public power. I don't believe that very many of us disagree with the original concept of "incidental" power development. This concept was that in the course of necessary improvements to navigation, and necessary flood-control projects, that instead of wasting the waters diverted and dammed up for these purposes, that this water be incidentally used, and I stress the word "incidentally," for the production of cheap hydroelectric power instead of wasting it. This, in my judgment is not socialism, but is a very proper conservation of the natural resources of our country. This was the concept originally for the development of the great Tennessee Valley Authority, and I don't believe there are a dozen Members of this House who would vote to kill this Authority and

destroy its great power potentials and other useful public purposes. However, that is not the issue here. What is proposed now, in this pending bill, is not the conservation of natural resources or the prevention of waste of the power of water, but the diversion of funds from an already executed contract which will produce power available in the region, produced by private companies and at no expense to the Federal Government and at proper rates, and to use these diverted funds for the building of a typical steam-generating plant at enormous cost to the Federal Government, $6,500,000 being merely the first instalment.

It is proposed in effect that over and beyond the natural resources of the Tennessee Valley, which the Government has developed by TVA, that we build ordinary generating stations to further supply this region with electric current in great quantities and at less than actual cost by any fair measurement, the subsidized costs being borne by all of the other States of the Union.

Mr. Chairman, I have no objection to the people of the Tennessee Valley getting advantage of the natural resources which nature has put in that valley, and getting cheap electricity as the result of the great hydroelectric plant which the Government has built, although I certainly see no reason why electric current should be furnished to this fortunate locality by the rest of the Nation at less than cost, or at a subsidized cost, but I do object most strenuously to the theory that having once established this system for the conservation of our water resources, that we must forever after keep building additional generating plants, not using these water resources, but supplementing them by the ordinary methods of thermal generation. I am utterly unable to accept the proposition that the taxpayers of my State of New Jersey should be taxed to build ordinary generating plants for the benefit of the people of Tennessee, so that the people of this especially favored locality can continue to obtain extremely cheap electricity; so cheap in fact and so plentiful that thousands of houses in the area enjoy the luxury of heating their entire homes by electric current—a luxury which we in New Jersey certainly cannot afford—and that these favored people enjoy all this not at their expense, but largely at ours.

It is a far different thing to conserve our water resources and produce electric current at low cost, and I am perfectly willing for Tennessee to get the benefit of that, but that is not to say that I am willing to continue an ever-expanding system of steam-plant generation for the further benefit of these people and at the expense of their neighbors and friends in the other States of the Union.

Mr. Chairman, even with respect to the generation of hydroelectric power, I think we sometimes lose sight of the fact that, too, can be generated by private enterprise and by local interests. Long before the Tennessee Valley Authority, in fact in 1928, the Philadelphia Electric Co., a private-capital utility, built at Conowingo in Maryland a dam very nearly a mile in length, with a lake above the dam 14 square miles in area, which dam is capable of impounding 150 billion gallons of water, and with a total plant capacity in excess of a quarter of a million kilowatts. No one at that time apparently thought of asking the Government to build this plant. It was built by the contribution of funds by the people of Philadelphia and other investors throughout the United States, and was and is a great example of the capacity of private enterprise to take care of the needs of its region.

You see, Mr. Chairman, we get into sort of a vicious circle with these developments. With the laudable idea of conserving our natural resources and preventing the waste of the potential power of water, we go in and build a hydroelectric system such as we find at TVA. Since this Government agency has many advantages taxwise and otherwise, we generate an ample amount of very cheap power in that particular area. As a result of the presence of cheap power and as the result of intensive sales effort by the people of the area, industry from all over the United States is attracted to the valley where the power is cheap. As these industries accumulate there is a demand for more and more power. Then, under the guise of a power shortage which we have created by the availability of cheap power, we are asked to go on and on with a further expansion of power with the result that more industries come in, with the result that again we have threatened power shortages, and so ad infinitum. And what happens is that the people of the other States of the Union, large taxpaying States like New York, Pennsylvania, and New Jersey for example, and many, many others, are not only paying for the cost of this power development in the Tennessee Valley but at the same time are losing our industries to this and other sections. Human nature being what it is, I suppose all this is very gratifying to Tennessee, but it certainly is the height of foolishness so far as New Jersey is concerned.

Mr. Chairman, I should like to reemphasize that I am not blindly against all public power projects worked out on a proper basis (especially the partnership basis proposed by this administration) and worked out so that the Government properly recovers its costs and interest, and where the rates are fixed so as to not be competitively vicious with other sections of the Nation, but I am opposed, except for the necessary purpose of firming power, to having the Federal Government build steam plants all over these authorities and I am frank to say that I can see no more reason for building steam plants in Tennessee than I can building us a few up in the northeastern section of the country, or elsewhere. It just would not do to create this demand for power by supplying it too cheaply and then keep filling the demand in favorite localities at the expense of the rest of the United States.

Mr. Speaker, it is necessary for us to get through with this bill, but I do regard it as unfortunate that we are being obliged to consider it before we have the benefit of the reports of the various committees now studying a revision of our general water policy. We have, as I understand it, the President's Advisory Commission and a Government Inter-Agency Commission as well as a special task force of the Hoover Commission studying this subject. The Hoover task force has said that our present policy "fosters competition among agencies, causes controversy, confusion, duplication and waste, and encourages rather than curbs bureaucratic ambitions." If there is any criticism of this statement, it is that it is an understatement.

Among other things, the task force of the Hoover Commission has recommended the following:

Relating power rates on Federal projects to the cost of production, with rates generally not falling below those set by private industry.

Payment by recipients of irrigation and flood control benefits of 50 percent or more of the benefit value.

Benefits from one phase of a project, like power, should not be used to pay for other phases, like irrigation and flood control.

Federal responsibility should be limited to national defense, regulation of interstate commerce and preservation of the "national domain."

In exceptional cases loans could be made on projects where revenues would assure repayment in a period not to exceed 50 years.

The United States should not assume responsibility for a project that can be discharged by a State or local government or private enterprise.

These and other reforms are needed.

Before I conclude, Mr. Chairman, I would like to just mention very briefly our reclamation program. I will not have the opportunity to speak upon it today, but I hope to do so later. I have been greatly disturbed throughout these hearings to find project after project, the cost of which is greatly in excess of what the acreage could possibly be worth even after being highly developed, and we are doing all this to produce more food, although our present seven and a half billion dollar surplus of food, costing a million dollars a day to store, is one of our prime headaches. If we need more land for agricultural production—which presently we do not and probably will not for many years to come—the land is readily available in the humid and semi-humid areas of the United States at a fraction of the present cost of reclaiming arid and desert land.

There was a recent article in the Readers Digest rather dramatically entitled "Dollars Into Dust." It appeared in the May 1955 issue and was written by the Hon. Leslie A. Miller, a former governor of Wyoming, who has been chairman of the Hoover Commission task force group and has made a very extensive study of the problem. This whole article is worthy of your attention, but I merely wish to quote one small part of it, which deals with the proposed central Arizona project. Governor Miller says:

This pet reclamation project would pump water from the Colorado River to a height of 1,000 feet, then send it some 300 miles by canals to irrigate 226,000 Arizona acres at a construction cost of $1,991 per acre. In this case there is another concealed Federal subsidy of $9,200 per acre. The hidden subsidy would be borne by all the taxpayers of the Nation. Arizona itself would pay about $10,600,000. Other States selected

here at random would pay as follows: New York, $256 million; California, $193 million; Ohio $123 million; Texas, $100 million; North Carolina, $35 million; Kansas, $27 million.

Using valuations from the farm census of the United States Department of Agriculture, the cost of conveying water to the 226,000 acres of central Arizona land would come to almost 4 times the total current value of all farmlands and all farm buildings in the entire State.

One surprising aspect of the central Arizona project which has escaped notice is that some 420 large owners hold 55 percent of all the irrigated land in the area. Each one owns more than 500 acres. They want more irrigation. Narrowed to these 420 large farms, project costs may be stated as follows:

Construction cost, per farm, for irrigation by the United States: $589,280. Federal subsidy for each of 420 chief farms controlling over half of the project acreage, $2,720,000. It is hard to believe these figures, yet they are supported by official United States statistics.

Mr. Chairman, I also express the hope that all the Members will have the opportunity of reading the article entitled "What Price Federal Reclamation," written by Mr. Raymond Moley, which should shock some of us into a reconsideration of this program.

I hope that by the time that we are considering our next public-works appropriation bill that the various commissions studying the national water policy will have reported, and that the Congress will have an opportunity to revise and reform its whole program with respect to water policy, including navigation, flood control, hydroelectric power, and all other phases of the program.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield.

Mr. BASS of Tennessee. I want to commend the gentleman for the sympathy he has expressed toward the taxpayers of New Jersey. We hope within the next week or so to bring on this floor a plan for providing a steam plant for the future development. Would the gentleman support such a plan?

Mr. HAND. As I tried to make clear, I am not in any opposition whatsoever to TVA. I know what it has done. I know of its industrial development. I am glad we preserved that water for hydroelectric power. I am against supplementing it with further steam plants at the expense of the rest of the United States.

Mr. BASS of Tennessee. Would the gentleman permit the people of the Tennessee Valley to devise a plan whereby we can finance our own improvement?

Mr. HAND. I certainly should be sympathetic to that.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield.

Mr. HALLECK. Since the gentleman from Tennessee [Mr. BASS] has raised that question, let me say that I was down there not long ago and I read in the papers about some bills in the Legislature of the State of Tennessee to authorize the city of Memphis to build some electric generating plants. What has become of that legislation?

Mr. BASS of Tennessee. I think the gentleman is right. I am not certain about what bill passed the legislature. But the people of the city of Memphis have said that they will build their own steam plant before they will permit this Dixon-Yates deal to come into Tennessee.

Mr. HALLECK. I do not think it is a steal.

Mr. BASS of Tennessee. I did not say "steal." I said "deal."

Mr. HALLECK. I would like to know if the gentleman from Tennessee would tell us what happened to that legislation, and whether the city of Memphis did decide to build its own generating plant. That is what a lot of other cities in the Nation are doing. Possibly it is all right to wait and see what happens to the Mississippi Valley Agency offer. Although, as I understand, it is a binding contract on the Government of the United States, adopted by our administrative branch after specific authorization by Congress in 1954. I wish the gentleman would give us the information about what has been done down there with that legislation.

Mr. BASS of Tennessee. I will be happy to do it. In the first place, the State of Tennessee passed an act which would prohibit the Dixon-Yates contract from furnishing power to the TVA. Then a second bill, they did pass enabling legislation—and I will stand corrected, because I was not at the legislature—but they passed, I understand, enabling legislation which would permit the city of Memphis to build their own steam plant. Of course, we do not think that the Dixon-Yates contract is anywhere near right and justifiable from any standpoint. We do not think the Federal Government has authority to make that contract.

Mr. HAND. I am enjoying the gentleman's remarks, but it is all coming out of my time.

Mr. BASS of Tennessee. I was answering your leader.

Mr. HALLECK. You said you were going to answer my question.

Mr. BASS of Tennessee. Are you satisfied with my answer? I could give you a few thousand more well-chosen words.

Mr. HALLECK. I understand the gentleman is known as a man of a few thousand words, but you said you would answer me. You apparently do not know now, but I take it that on tomorrow you will let us know what happened to that legislation.

Mr. HAND. Mr. Chairman, I decline to yield further.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. HAND] has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield briefly.

Mr. RABAUT. I could not help but say that under the legislative position I find myself in in connection with this bill that there is a proposal to build a big new canal down through the gentleman's State, which is going to be very helpful to that district.

Mr. HAND. Where is that?

Mr. RABAUT. I will give it to the gentleman tomorrow in detail.

Mr. HAND. I would be interested to find out about it.

Mr. RABAUT. Then, according to my book, there has been an expenditure of $37,952,165 by the TVA in the gentleman's State.

Mr. HAND. Is the gentleman again referring to the fact that we sell some goods to Tennessee?

Mr. RABAUT. I am insisting on telling the gentleman that the benefit of the Tennessee Valley project has been to every State in the Nation, and it is part of the argument that it is expanding the economy of the country.

Mr. HAND. Let me say to my friend from Michigan that New Jersey products are so good they can be sold anywhere under any conditions; and we produce them without the Government furnishing us with electricity

Mr. RABAUT. That is right, but you have to have a customer.

Mr. CANNON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, I want at this time to direct a question to the gentleman from Tennessee [Mr. EVINS].

The Corps of Engineers has recommended $250,000 for the completion of studies of the tidal effects of the salinity problem in San Francisco Bay. I had a phone call a while ago which informed me that that amount had been reduced. I had even hoped to have it increased to $500,000 but I will say, frankly, I would be very happy to have it kept at $250,000. I would like to ask the gentleman if the information I received is in error or is correct.

Mr. EVINS. The correct information is that the amount of $250,000 was allowed by the committee as requested in the budget estimate and is in the bill.

Mr. SHELLEY. It was provided by the committee and is in the bill; and $250,000 will be available for the Engineers for this purpose?

Mr. EVINS. That is correct.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, this is a significant day. Many months of public discussion have gone before. We have heard some of the most irresponsible political charges in recent history. Columns of newsprint and hours of radio time have been devoted to our subject. At long last, the representatives of the people of America are ready to vote on the issues involved in the contract between the United States Government and the Mississippi Valley Generating Co. So that no one will be confused, this is the contract to which Mr. Edgar H. Dixon, of the Middle South Utilities Co., and Mr. Eugene A. Yates, of the Southern Co., have lent their names. We are ready to express the will of the American people on the Dixon-Yates contract.

Let us be certain that the issues are clearly drawn.

The Atomic Energy Commission has located several plants in the Tennessee Valley. Large quantities of electric power are needed in the processes of these atomic energy plants. The Tennessee Valley Authority, a Government corporation, has undertaken to provide the necessary power. However, the TVA has other responsibilities. It has

contracts to provide power to municipalities, rural electric cooperatives, and private industry which it must fulfill. Several years ago it became apparent that the Tennessee Valley Authority could not continue to provide the requirements of all of its regular customers if it were to keep up with the growing demand for power for the atomic energy program.

In 1950 the Atomic Energy Commission recognized the limitation on TVA power and began to look for other sources. AEC asked the private utilities what they might be able to do, and as a result of this inquiry five private utilities agreed to join together to construct a steam generating plant for the AEC. The five utilities sponsored a new corporation called Electric Energy, Inc., for the purpose of building a six-unit generating plant near Joppa, Ill. This generation is now being made available to the AEC at Paducah, Ky. Of the 937,000 kilowatt capacity of the Joppa installation, 735,000 kilowatts are for sale to the AEC.

In 1952, with an increasing need for power, AEC signed a second contract of this kind. Fifteen private utilities joined to form a new corporate entity known as the Ohio Valley Electric Corp. The purpose of the new corporation was to construct two steam electric generating plants to supply power to the Atomic Energy Commission at Portsmouth, Ohio. The contract provides that 1,800,000 kilowatts will be sold to AEC. Total capacity of the new installation will be 2,200,000 kilowatts.

By 1953 AEC was again looking for new generating capacity, and the Commission approached Electric Energy, Inc., to ask whether that corporation would enlarge its capacity in the Paducah area. Electric Energy, Inc., demurred, on the grounds that the Paducah area was one of power saturation where it would be unwise to install additional new capacity. The private utilities that enter into these contracts take the risk of Government cancellation if the Government requirements diminish or cease. Therefore it is wise to build the new facilities in areas where there are other potential power demands.

The Arkansas-Tennessee area in the vicinity of Memphis is one of such character, and so the attention of the AEC turned to that area where one utility, the Southern Co., was already conducting preliminary negotiations with TVA to supply a small amount of power. Thus it was that Mr. Dixon and Mr. Yates came into the picture. As the situation developed, it appeared that the best solution was to form another new corporation to supply the power, as had been done in Illinois and Ohio, and the result was the Mississippi Valley Generating Co., sponsored by the Middle South Utilities of which Mr. Dixon is president, and the Southern Co. of which Mr. Yates is president.

It is as simple as that.

How, then, did all the furor arise? Why are we confronted with this issue here today? Why should the third contract meet with all this criticism, when no one questioned the other two? I think we should look carefully at the opposition and at the charges that are levelled at everyone in the administration, from Mr. Eisenhower down, by those who oppose Dixon-Yates.

I am convinced that the furor was created because opponents of the administration felt they had uncovered a situation that could be turned to political advantage. I think they were wrong. I think there have been few political discussions which were greeted with greater public apathy. The ridiculous assertion by the chairman of the Democratic National Committee that the contract arose out of the President's friendship with Bobby Jones struck a low in political debate that cut the ground from under the opposition. Like the more recent aspersions on the President's religious belief, it was too obviously unfair and untrue.

However, those who are truly interested are so vocal and capable of so great a clamor that the opposition, I believe, has confused their volume with their numbers. In this group I include those who live in the Tennessee Valley and who have been sold two bills of goods: First, that TVA is a godsend and a blessing, and second, that the Dixon-Yates contract is an effort to undermine or curtail TVA. They are joined by a heterogeneous crew ranging from outright Socialists who advocate Government ownership of all power to those who hope themselves to benefit from just a little public ownership.

I am not going to quarrel with those who believe in TVA. To me that is another subject entirely, and I can understand and sympathize with my friends from the TVA area. We will not discuss the merits of TVA. But I do want to comment on the relationship of TVA to the Dixon-Yates contract.

TVA admittedly cannot supply all of the power required by its regular customers in their future growth and the AEC as well. As we all know, the whole basis for this discussion is the fact that TVA estimates it will be 600,000 kilowatts short of its needs by 1957. That is why more power is needed. The new plant of the Mississippi Valley Generating Corp. is supposed to furnish this amount of power to TVA, so that it can continue to serve AEC and its other customers.

Advocates of TVA are expansionists, as the record shows, and they have convinced the majority of the Appropriations Committee, or at least the majority so voted, that TVA itself should supply the additional 600,000 kilowatts by building steam-electric generating plants at Fulton to take the place of the proposed West Memphis plant.

Fulton is not in the Tennessee Valley. It is in the Mississippi Valley. Thus what is proposed is that the TVA shall leave the field of its statutory operations and enter into a new area.

To my mind this is a question for a legislative committee to decide. Shall TVA expand into the Mississippi River Valley, or the Missouri, or any other area is not a question to be decided by an appropriation. Nor should it enter into the discussion of the Dixon-Yates contract. With this contract we are not infringing on TVA territory; we are not curtailing TVA operation; we are not doing anything that will impair or wreck the TVA program. We are merely assuring that TVA will have an additional source of power from which it may draw to supply its customers without reducing its supply to the Atomic Energy Commission, another Government agency. To my friends from the Tennessee Valley, let me say in all sincerity that I do not regard this as an attack upon their special Government enterprise, and I do not think they should so regard it.

As for those who simply favor public ownership of all power, let me say that I think they are out of step with the feeling of the American people. All of the Federal law on the subject makes the generation of electrical power incidental and subsidiary to other purposes of development. This is true in all of our rivers and harbors work as well as in reclamation work. It is true in the field of atomic energy, as Congress defined it in the law enacted last year. Federal power ownership has its advocates, and year after year we debate this issue, but the Congress has never agreed to enter into the power business as an end in itself, and I do not believe that it will do so now. The American people do not want it.

In pressing their case for Federal construction of these new power facilities, the advocates of public power have made many assertions regarding the Dixon-Yates contract which must be answered here.

First. They have criticized the fact that the contract was negotiated with the companies concerned rather than placed through competitive bids.

There are many good and valid reasons for this procedure in arranging for the construction of power generating facilities. When so large a capital investment is required and when the contract calls for the supply of firm power, it is always advisable and indeed essential to negotiate with a firm in the area concerned who can integrate the new facility with its own existing facilities. This is the common procedure in all such contracts, and was followed in the two earlier contracts without criticism.

It is also necessary to deal with a firm that has experience and proven ability in this field. It is not a business for untried newcomers.

Second. Dixon-Yates is guaranteed an unreasonable large profit.

There is no guaranty of profit in the contract. There is instead a maximum profit, written into the contract, of $600,000 in any 1 year. This amount, if the company is able to make it, is about the average return of all United States electric companies. However, it appears unlikely that the Mississippi Valley Generating Co. will be able to make a net profit of $600,000, unless ideal conditions prevail.

There is a provision that net profit in excess of $600,000 may be placed in a special fund to be used to make up for losses in future years. Those who interpret this provision as a guarantee of profit overlook the additional fact that money withdrawn from this fund is still subject to Federal and State taxes, so that for example a holdover of $200,000 would be subject to $103,800 in taxes when withdrawn.

Third. It has been said that the Dixon-Yates rate schedule would cost the Government too much.

Actually, the rates to be charged under this contract, assuming a fuel cost of 19 cents per million B. t. u., compares very favorably with rates charged for TVA power. The Dixon-Yates plant will provide AEC power at 3.55 mills per kilowatt-hour. On the same basis, AEC states that TVA power costs 3.78 mills at Oak Ridge and 3.83 mills at Paducah.

Many other points can be refuted in this manner. Other Members have done so repeatedly and are doing so today. For every bogeyman raised by the opposition, the Dixon-Yates contract provides a clear and proper answer.

In fact, I am moved to state that I was completely surprised by my careful study of this document. I felt, as the saying goes, that where there is so much smoke there must be fire. After study I find that the contract itself answers every argument that has been generated against it. It is a clean and competent piece of work and it is very difficult for anyone who believes in cooperation between Government and private industry to find any valid criticism of it.

I have neglected to mention one factor that to me carries great weight. That is the cost to the American taxpayer. Here we have a clear choice between an additional drain on the taxpayer and an additional source of income for the Treasury. We can appropriate over $100 million to put the Government into the power business on a larger scale, and the people will have to borrow that money, and pay taxes to pay the interest on it, and it will go on for years without contributing 1 cent to the Treasury of this Nation. It will be a constant drain upon us.

Or we can let private citizens invest that $100 million, buy their product from them at a reasonable rate, and receive taxes upon the money earned in their operation.

Which is the wiser course? I think there can be no doubt about it. This Nation has grown great on private enterprise. This Nation is up to its neck in debt, much of it caused by unwise Federal interference in projects where it had no business to be. In this contract we continue recognition of private enterprise with an initial saving of $100 million. I think that most Americans will agree it is time to have an end to the phony issue of Dixon-Yates and go on to more important business.

In the State of Ohio, which paid almost 7 percent of the total internal revenue collected in 1952, its proportionate share of all TVA appropriations by the Congress have amounted to about $114 million. The citizens of Ohio contribute $5.5 million to the annual $80 million subsidy to TVA. The taxpayers of my State would be able to save $7.5 million if the so-called Dixon-Yates contract is approved and new power facilities built by private funds. If the Fulton plant were to be built, it would mean an additional outlay of $7.5 million to the citizen taxpayers of the State of Ohio.

I should like to point out to the people of Michigan who have been discussing the Michigan situation that the people of the State of Michigan have already contributed as their proportionate share of their income tax $128,541,000, and the portion each year for maintenance of the present subsidy program for TVA to the people of the State of Michigan is $6,264,000, and if this contract, the Dixon-Yates contract, is accepted, there will be a reduction in the amount contributed by the people of the State of Michigan to TVA of $8,393,000.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Michigan.

Mr. RABAUT. That is very nice, what the gentleman has to say about the State of Michigan, but the Tennessee Valley has benefited the Ohio area to the extent of $119 million.

Mr. BOW. I will say to the gentleman that the figures he has been using here today as to what the Tennessee Valley contributes just simply do not impress me. I think the products of Ohio will be sold, as the gentleman from New Jersey said awhile ago, throughout the country, and I do not see how you can attribute those particular figures to the benefit of Ohio. I do know that the people of Ohio have spent over $114 million in direct tax payments, and there has been no direct tax payment of a hundred and some odd million dollars to provide electric energy at low cost to Ohio so that we could heat the homes of Ohio with taxpayers' money from other States. We do not ask for it, and we do not think any other State should ask the people of Ohio to pay their tax dollars to heat the homes of some other State.

The following facts I am sure will interest all Members:

EXHIBIT 1

Fiscal year	Total appropriation	Charged to flood control and navigation	Balance	Compound interest at 2.6 percent	Years used
1934	$50,000,000	$25,000,000	$25,000,000	$17,859,756	21
1935	25,000,000	12,500,000	12,500,000	8,376,808	20
1936	36,000,000	18,000,000	18,000,000	11,314,819	19
1937	39,900,000	19,900,000	20,000,000	11,745,440	18
1938	40,166,270	20,166,270	20,000,000	10,940,974	17
1939	40,000,000	20,000,000	20,000,000	10,156,895	16
1940	39,003,000	19,003,000	20,000,000	9,392,685	15
1941	65,000,000	32,500,000	32,500,000	14,054,746	14
1942	196,800,000	117,902,000	78,898,000	30,558,787	13
1943	136,100,000	56,100,000	80,000,000	28,864,813	12
1944					11
1945					10
1946	9,648,000	648,000	9,000,000	2,339,606	9
1947	39,906,000		39,906,000	9,099,666	8
1948	$18,700,000		$18,700,000	$3,682,543	7
1949	30,339,061		30,339,061	5,051,564	6
1950	61,041,650		61,041,650	8,358,695	5
1951	194,714,000		194,714,000	21,052,288	4
1952	238,389,600		238,389,600	19,082,966	3
1953	336,027,000		336,027,000	17,699,136	2
1954	188,480,000		188,480,000	4,900,480	1
Total	1,785,214,581	$341,719,270	1,443,495,311	244,532,667	
Less credits for repayments			87,098,166	10,863,790	
Balance			1,356,397,145	233,668,877	

EXHIBIT 2

Division, State, or other area	Internal revenue collection, 1952 [1]		Appropriations by Congress plus transfers of property to TVA by War Department	Portion of $80,000,000 annual subsidy of TVA which was paid in taxes by citizens of various States	Portion of immediate reduction in tax outlay by States through Dixon-Yates contract being financed by private funds
	Percent of total	Amount			
New England	5.497	$3,574,000,000	$90,242,000	$4,398,000	$5,895,000
Maine	.251	163,000,000	4,121,000	201,000	269,000
New Hampshire	.172	112,000,000	2,824,000	138,000	184,000
Vermont	.103	67,000,000	1,691,000	83,000	110,000
Massachusetts	2.827	1,838,000,000	46,425,000	2,262,000	3,033,000
Rhode Island	.451	293,000,000	7,404,000	361,000	484,000
Connecticut	1.692	1,100,000,000	27,777,000	1,354,000	1,815,000
Middle Atlantic	29.781	19,360,000,000	488,900,000	23,825,000	31,940,000
New York	18.962	12,327,000,000	311,297,000	15,170,000	20,338,000
New Jersey	2.523	1,900,000,000	47,985,000	2,338,000	3,135,000
Pennsylvania	7.895	5,133,000,000	129,618,000	6,316,000	8,467,000

[1] Includes individual income and employment taxes, corporation taxes, and miscellaneous internal revenue. Does not include customs collections of $550 million in 1952.

EXHIBIT 2—Continued

Division, State, or other area	Internal revenue collection, 1952		Appropriations by Congress plus transfers of property to TVA by War Department	Portion of $80,000,000 annual subsidy of TVA which was paid in taxes by citizens of various States	Portion of immediate reduction in tax outlay by States through Dixon-Yates contract being financed by private funds
	Percent o. total	Amount			
East North Central	27.155	$17,654,000,000	$445,790,000	$21,724,000	$29,124,000
Ohio	6.980	4,538,000,000	114,587,000	5,584,000	7,486,000
Indiana	2.090	1,359,000,000	34,310,000	1,672,000	2,242,000
Illinois	8.277	5,381,000,000	135,879,000	6,622,000	8,877,000
Michigan	7.830	5,090,000,000	128,541,000	6,264,000	8,398,000
Wisconsin	1.978	1,286,000,000	32,472,000	1,583,000	2,121,000
West North Central	6.927	4,503,000,000	113,717,000	5,542,000	7,429,000
Minnesota	1.496	973,000,000	24,559,000	1,197,000	1,604,000
Iowa	.804	523,000,000	13,199,000	643,000	862,000
Missouri	3.084	2,005,000,000	50,628,000	2,467,000	3,308,000
North Dakota	.107	69,000,000	1,756,000	85,000	115,000
South Dakota	.117	76,000,000	1,921,000	94,000	125,000
Nebraska	.604	353,000,000	9,916,000	483,000	648,000
Kansas	.715	465,000,000	11,738,000	572,000	767,000
South Atlantic	10.615	6,901,000,000	174,261,000	8,492,000	11,385,000
Delaware	1.183	769,000,000	19,421,000	946,000	1,269,000
Maryland [2]	2.685	1,745,000,000	44,078,000	2,148,000	2,880,000
District of Columbia	(2)	(2)	(2)	(2)	(2)
Virginia	1.617	1,051,000,000	26,545,000	1,294,000	1,734,000
West Virginia	.487	317,000,000	7,995,000	390,000	522,000
North Carolina	2.341	1,522,000,000	38,431,000	1,873,000	2,511,000
South Carolina	.406	264,000,000	6,665,000	324,000	436,000
Georgia	.980	637,000,000	16,088,380	784,000	1,051,000
Florida	.916	595,000,000	15,038,000	733,000	982,000
East South Central	3.403	2,212,000,000	55,865,000	2,722,000	3,650,000
Kentucky	1.834	1,192,000,000	30,108,000	1,467,000	1,967,000
Tennessee	.760	494,000,000	12,476,000	608,000	815,000
Alabama	.594	386,000,000	9,751,000	476,000	637,000
Mississippi	.215	140,000,000	3,530,000	172,000	231,000
West South Central	5.269	3,425,000,000	86,499,000	4,215,000	5,651,000
Arkansas	.242	157,000,000	3,974,000	194,000	260,000
Louisiana	.760	494,000,000	12,476,000	608,000	815,000
Oklahoma	.984	640,000,000	16,154,000	787,000	1,055,000
Texas	3.283	2,135,000,000	53,895,000	2,627,000	3,521,000
Mountain	2.041	1,327,000,000	33,506,000	1,633,000	2,189,000
Montana	.178	116,000,000	2,922,000	143,000	191,000
Idaho	.181	118,000,000	2,971,000	145,000	194,000
Wyoming	.098	64,000,000	1,609,000	78,000	105,000
Colorado	.885	575,000,000	14,529,000	708,000	949,000
New Mexico	.157	102,000,000	2,577,000	126,000	168,000
Arizona	.219	143,000,000	3,595,000	175,000	235,000
Utah	.226	147,000,000	3,710,000	180,000	243,000
Nevada	.097	63,000,000	1,593,000	77,000	104,000
Pacific	90.021	5,865,000,000	148,093,000	7,217,000	9,675,000
Washington	1.161	755,000,000	19,060,000	929,000	1,245,000
Oregon	.714	464,000,000	11,721,000	571,000	766,000
California	7.146	4,645,000,000	117,312,000	5,716,000	7,664,000
Alaska	.068	44,000,000	1,116,000	55,000	73,000
Hawaii	.208	135,000,000	3,415,000	166,000	223,000
Puerto Rico	.015	10,000,000	246,000	12,000	16,000
Total	100.000	[3] 65,010,009,000	[4] 1,641,650,000	[5] 80,000,000	107,250,000

[2] Collections for the District of Columbia included with Maryland; separate data not available.

[3] Statistical abstract of the United States, 1952.

[4] TVA Annual Report, June 20, 1953, includes $45 million of transfer of property.

[5] In 1953 private utilities paid out approximately 9 percent of plant account for taxes and cost of money. If TVA paid 9 percent on its plant investment of approximately $1,100 million, they would have paid approximately $99 million as compared to payments of $4 million for taxes and interest, and approximately $14 million repayments to U. S. Treasury, leaving a net difference of approximately $80 million that TVA did not pay on a comparable basis.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I feel like saying this is where I came in. For the third year now we have engaged in general debate over the question of whether Congress should appropriate money to the Tennessee Valley Authority to permit that Corporation to build a steam plant near Fulton, Tenn. We decided against building that steam plant in 1953 and again decided against it in 1954. Now we are assembled again in 1955 debating the same proposition.

It has been charged on this floor today and heretofore that those of us who have opposed the appropriation of money for this purpose, have the desire to destroy the Tennessee Valley Authority. I have on frequent occasions disclaimed any such purpose or intent or desire. It so happens that in 1953, during the 1st session of the 83d Congress, I had the honor to serve on the Independent Offices Subcommittee of the Committee on Appropriations. At that time, if my memory serves me correctly, our committee recommended and this House approved an appropriation of $188 million to permit the TVA to continue construction of some units of steam plants and to finance the rest of its operation. Then in 1954 the same situation existed. We were again considering the Fulton steam plant, and our subcommittee declined to recommend funds for that purpose, but we again recommended an appropriation of $120 million for the TVA to permit it to carry on its normal activities and to complete the construction program then in progress.

It does not seem to me that the charge can reasonably be made against the members of that committee that they had a design or purpose to destroy TVA when in successive years, we brought onto this floor recommendations for appropriations of $188 million and $120 million.

I think the issue today should be restricted to its real limits and as I view the issue it is simply this. Shall we in this body earmark $6.5 million of a general appropriation to TVA to carry on its activities during the next fiscal year, earmark that money to begin the con-

struction of a steam plant at Fulton, Tenn.? I think it should be borne in mind, and it has not been emphasized in the debate so far this afternoon, that we are not considering simply a $6.5 million appropriation. We are talking now about a project which will cost approximately $100 million. That fact should be kept clearly in mind by all of the members of this Committee when the time comes to vote. If we approve the language in this bill and vote down the amendment of the gentleman from California to strike out the language, we will be voting to put up the first $6.5 million for a program which ultimately will cost $100 million.

Another thing which we should keep in mind as we consider how to vote on this matter is the location of this steam plant that is proposed to be constructed. I made this argument last year, but there are some members of the committee who were not here on those occasions and at the risk of offending those who have heard it before, let me say and emphasize that the place where this steam plant is proposed to be erected is about 100 miles west of the Tennessee River. It is on the Mississippi River. It is because of that fact that I have consistently argued before this committee that there is no authorization for a steam plant at Fulton.

The area of operations of TVA, as defined and delimited in the original act, is confined to the Tennessee River and its tributaries. All of the tributary rivers between the Tennessee and the Mississippi flow westwardly into the Mississippi and not into the Tennessee.

I do not see how anyone can seriously argue that there is any authorization, specific or implied in the basic act, for the Tennessee Valley Authority to build a steam plant on the Mississippi River. It was because of that fact that the gentleman from California this afternoon said that if the rule under which we operate today did not waive points of order this provision would be subject to a point of order. I think he is entirely correct about that. Whether or not it is subject to a point of order, however, it certainly is subject to the interpretation of the members of this committee. I ask the members of the committee to consider the following language from the basic TVA Act. This language has never been changed. It defines the limits under which the TVA may operate.

I quote from section 4 (j) of the act. It states that the Tennessee Valley Authority—

Shall have power to construct such dams, and reservoirs, in the Tennessee River and its tributaries, as in conjunction with Wilson Dam, and Norris, Wheeler, and Pickwick Landing Dams, now under construction, will provide a 9-foot channel in the said river and maintain a water supply for the same, from Knoxville to its mouth, and will best serve to promote navigation on the Tennessee River and its tributaries and control destructive flood waters in the Tennessee and Mississippi River drainage basins; and shall have power to acquire or construct power houses, power structures, transmission lines, navigation projects, and incidental works in the Tennessee River and its tributaries.

If we were considering the construc- of a dam on the Tennessee River for the generation of additional hydroelectric power, or if the question involved was building a dam on some tributary of the Tennessee River, or even if it involved building a steam plant on the Tennessee River or within the area bounded by the Tennessee River, we might be faced with an entirely different situation. We are faced here with the proposition of extending the authority of TVA to construct steam power installations 100 miles at least outside of the original limits of the TVA as defined and limited in the basic act itself.

It has been pointed out here already this afternoon but I think it is well worth emphasizing that we are not talking today about increasing the navigability of the Tennessee River or any of its tributaries, we are not talking about flood control, we are not talking about the generation of power incidental to flood control or navigation; we are talking about a commercial operation, the generation of power from steam, which has no relationship to flood control or navigation.

It is a commercial operation similar to scores of steam plants that have been erected about the country by private utilities, municipalities and perhaps cooperatives. Municipalities in the Tennessee Valley area could build steam plants, just as many cities have done in our country, and as it has been reported the City of Memphis, Tenn., has threatened to do.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield.

Mr. EVINS. The gentleman has spoken of his consistent position. I must say with all deference and respect and affection that I have for the gentleman——

Mr. JONAS. Mr. Chairman, I yield to the gentleman for a question.

Mr. EVINS. I must say that the gentleman has been consistently wrong because he did not quote the entire law but read only one section. There are other sections of the statute which apply to the building of steam plants. If the gentleman will read the argument of legal counsel and others, he will find there are other interpretations.

Mr. JONAS. I will ask the gentleman to cite any section in this basic act or any amendment thereto that authorizes the TVA to build anything on the Mississippi River.

Mr. EVINS. There are six sections.

Mr. JONAS. I asked the gentleman to cite any section which authorizes the building of a steam plant or anything on the Mississippi River.

Mr. EVINS. There are six sections authorizing the building of steam plants and other construction.

Mr. JONAS. Where?

Mr. WHITTEN. It says they are entitled to set up within the act the authority to build steam plants, as the gentleman well knows.

Mr. JONAS. What is the section, please?

Mr. WHITTEN. Section 15 refers to the construction of any future dams, steam plant or other facility.

Mr. JONAS. Now, if I may ask the gentleman to suspend for a moment. Section 15 deals with the issuance of $50 million of bonds to do that. We are not talking about issuing bonds to build steam plants. We are talking about providing taxpayers' money to build these steam plants.

Mr. WHITTEN. That is right. When the act contains a provision for issuing bonds to build steam plants, I say that the act did contemplate authorizing the construction of steam plants. Now, may I go on to one other point?

Mr. JONAS. Will the gentleman cite me another section?

Mr. WHITTEN. I think that is authority enough.

Mr. JONAS. The section the gentleman cited does not authorize the building of steam plants or anything else on the Mississippi River.

Mr. WHITTEN. When the gentleman says on the Mississippi River, he understands that this act provides for the generation and distribution of electricity. Insofar as flood control development is concerned that is the Tennessee Valley, but then it provides that the power may be distributed so any area that is within transmission distance from a hydroplant or any territory that is within the range of distribution or supply or a hydroplant is within the TVA area.

I do not believe the gentleman can cite me any section of the basic act, which so far as this appropriation is concerned is the authorizing legislation, which would authorize TVA to build a steam generating plant at Fulton, Tenn., which is at least 100 miles west of the Tennessee River and not on any tributary of said river.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 7 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, although my experience in Congress is not of long standing, I am told that it is only upon rare occasions that a Member takes the floor of the House to oppose an appropriation for his district.

I am here today to ask you to delete from H. R. 6766, an appropriation of $7½ million for the construction of Tuttle Creek Dam. The name of this dam is not new on the floor of the House, as it probably has been discussed more than any other project of its size in the United States.

This appropriation was not included in the President's budget and was not recommended by the subcommittee of the Appropriation Committee appointed to study Kansas River projects. It was added, I am told, by the full committee even after the bill was ordered printed. There is no mention of the appropriation in the Committee Report No. 747 accompanying the bill, except to list it in the allocation of funds appropriated in the bill.

I have been asked by many Members if Kansas cannot settle her problems at home without bringing them to Congress. I am here to tell you that we have tried in every way that we know how, but meet continual rebuff by the agencies,

namely, the Corps of Engineers. They say, in fact, "You folks are not capable of deciding what should be done and it will be done our way or it will not be done at all, with Federal funds."

To illustrate this point, in 1952 after the disastrous flood the previous year, the Governor of Kansas retained three outstanding consultant engineers to review the proposed reservoir program for the Kansas River. None of the engineers were from Kansas, and after months of study they made their report to the Governor.

Briefly their conclusion was this, and I quote:

> The board stresses the necessity of curtailing at once the development of any additional reservoirs, new or only partly constructed at this time, until the State of Kansas has had an opportunity to review the entire situation in the light of our findings. Additional construction on Tuttle Creek, and the initiation of construction on Milford and Perry Reservoirs, should be deferred.

Their recommendations, endorsed by the Governor, were ignored by the Corps of Engineers in spite of their continual declaration of policy that they are only undertaking projects wanted by the people of the area.

About this same time, to illustrate this is not a political issue, President Truman appointed a Missouri Basin Survey Commission. Six Members of Congress were members of this Commission, some of them are still members today. This Commission held extensive hearings in Kansas and other Missouri Basin States, and made this report to President Truman relative to Tuttle Creek Dam:

> FLOOD PROTECTION FOR THE KANSAS CITYS
>
> With the ceiling on possible reservoir sites being approached, the Kansas City problem apparently cannot be solved simply by providing more and bigger reservoirs. Extensive and expensive increases in levee protection will probably be needed also, and the flood control contribution at Kansas City attributable to upstream reservoirs would then decrease at least relatively.
>
> In the face of the slim justifications originally found in 1947, rising construction costs, and indications that originally claimed benefits may have declined, the present justification of Tuttle Creek and other similarly situated reservoirs must be seriously questioned. New general plans for flood protection for the Kansas Citys need to be worked out and the flood-control benefits of the reservoirs should be realistically appraised before continuing with construction of Tuttle Creek Reservoir.

On the basis of these two reports, the 1953 Kansas Legislature, both house and senate, of which I was a member, passed resolutions memorializing Congress not to appropriate further funds for the construction of Tuttle Creek Dam. This resolution has not been repealed.

At the request of other areas, the 1955 Kansas Legislature passed a resolution to clarify the one just mentioned, as it was alleged Kansas was being denied other funds that were needed because of this resolution. This later action was recommended to the Kansas House of Representatives by a long-standing opponent of Tuttle Creek Dam. I mention this to assure the Members of this House that it in no way modified or repealed the intent of the 1953 resolution asking that Tuttle Creek not be built.

This vote on this appropriation is important in itself, but it is more than just this dam you are deciding. There is a principle involved here, determining if a metropolitan area, through a Government agency, shall have the unlimited right to exercise the right of eminent domain over the rights and wishes of adjoining areas with your constituents paying the entire bill.

Further, you are not voting basically for just one dam, but you are committing the policy of Congress to a program that no one knows what will be the limitations or cost.

Three major dams have been authorized; in small print, the Corps of Engineers mention they will ask for seven more.

Immediately after the 1951 flood a master plan of 22 more dams in the Kansas River Basin was mentioned by the Corps of Engineers at a total estimated cost of $1 billion. I predict here today, if this 1 dam is built, the requests for authorization and construction of the other 22 dams will follow in due course.

Lastly, you are voting on whether the wishes of a Congressman elected to represent a district will prevail over the demands and representatives of interests not in the district, and mostly not even in the State.

And you may ask, is everyone against this dam. I want to keep the record straignt and tell you there is some support for the dam, centered mostly in the city of Topeka. And I want to tell you why that has developed; the Corps of Engineers have withheld any local protection for Topeka and Manhattan until funds are appropriated for several dams. If this had been strictly a decision based on engineering data, I could not complain or object. However, in downstream areas friendly to their program, they have proceeded to build levees for local protection. In other words, it appears they are withholding needed local protection to use as trading stock for support for their reservoir program. I do not consider this is in conformance with the operation of an agency of our Government.

One of these cities is the capital of my State, Topeka, Kans. Topeka suffered some $30 million damage in the 1951 flood, and to date has not received any added protection. I can understand why those persons hit so hard by the flood have elected to finally support the program in view of the denial of any protection unless they do support the program.

The mayor of Topeka made this statement last week:

> I consider it my moral duty as mayor of Topeka to push any program which will prevent the reoccurrence of this terrible loss.

Manhattan, Kans., is in the same position, but has made no endorsements of the reservoir program.

What should we do? First, local protection should be made available for Topeka and Manhattan. For storage, I believe this water can be stored in the upper reaches of the watershed for less cost to the Federal Government and in a manner based on sound engineering principles. With the increased activity in the development of soil-conservation practices and participation under the Hope-Aiken Act passed by the 83d Congress, we can hold back the crest of surplus runoff to the degree that properly developed channels can carry the water. The water retained on the land will be contained on less valuable land and in areas where it is locally needed.

This type of a program will be enthusiastically acceptable by the people of my district, and they are seeking to develop such a program as quickly as possible.

I want to add, there is no power or irrigation proposed in this dam. It is strictly a flood-control project.

There is no water shortage in this valley below any of these dams. The underground water is virtually unlimited.

When the bill is read for amendment tomorrow, I urge your support of the amendment I will offer to delete the appropriation for Tuttle Creek Dam from the bill.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Michigan.

Mr. RABAUT. Does the gentleman intend to offer an amendment tomorrow to strike out the amount?

Mr. AVERY. That is right. I will tell you what my amendment is if you will tell me that you will support it.

Mr. CANNON. Mr. Chairman, we have but one more speaker on this side. I ask that the gentleman from Wisconsin use his time.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. HENDERSON].

Mr. HENDERSON. Mr. Chairman, it is most discouraging to the people of Muskingum, Morgan, and Washington Counties in Ohio, whom I have the honor to represent, to learn that once again funds for the Dillon Dam project have been omitted from this appropriation bill. I am sure that it is also a disappointment to the Members of this legislative body who represent districts along the Ohio and Mississippi Rivers, for the completion of the Dillon Dam has been regarded by the Corps of Engineers as one more important step in the control of the floods in the Ohio and Mississippi Valleys. Projects such as Dillon provide that control. Little can be done after the floodwaters reach the Ohio Valley.

My remarks are not directed today toward a new project. It may come as a surprise to you to know that here is a project that was begun in 1946, and since that date $9 million have been expended toward its completion. And now, when one-third of the funds necessary for the project have been expended, this Congress has permitted construction to be suspended and has permitted the $9 million of the taxpayers' money to waste, deteriorate, rust, and erode. Each year that this condition exists, the project deteriorates further.

We in Congress are charged with the responsibility of wisely utilizing the public funds for flood-control purposes. Just as you cannot keep back the sea with one-third of a dike, so floods cannot be controlled with one-third of a

dam. As a consequence, the entire $9 million of public funds is yielding no benefit—is, in fact, wasted.

The project was justified and the need for it substantiated when the Corps of Engineers first began construction. The justification is still there, the floods continue their periodic reoccurrence, and send their torrents to wreak death and destruction.

It is natural that upstream from the project there should be some regrets that lands must be appropriated to form the control basin. This is a situation which exists with every project. But were the desires of those residents above a dam to prevail in every case, we would surely have no flood control.

It is, Mr. Chairman, a basic principle of our system of government that we must consider and legislate for the general welfare. So, too, if this honorable principle is to prevail in questions of this nature, we must weigh what this dam would mean in terms both of property lost in its flood basin and the lives and property protected through its construction. Our thinking must be projected not only over southeastern Ohio but to our two major river valleys—the Ohio and the Mississippi.

The resistance to the Dillon project is based on the objections of a small minority of residents in southeastern Ohio. The opposition has been largely based upon misunderstandings concerning the amount of territory to be included in the basin. These fears should have been laid to rest long ago when the Army engineers presented detailed assurances that they were without basis. However, they still persist in some quarters. That these objections should be expressed is entirely proper, but if we are to carry out our responsibility for providing for the earnest hopes, needs, and desires of the overwhelming majority we must assess these objections for what they are—the expressions of a small minority.

The people of southeastern Ohio have no choice but to conclude that the committee has been swayed in its consideration of the Dillon question by minority pressures. In so doing another link in our flood-control pattern is being left undone. Next spring's inevitable floodwaters will surge past the Dillon site—lying one-third completed and impotent—to sweep away more property in the Muskingum Valley and raise the flood markers of the Ohio and Mississippi. In the meantime the $9 million previously spent could have been flung into these raging floods for all the advantage they are accomplishing.

I have no doubt where the right lies in the question of the Dillon Dam. Neither, I might add, do the Army engineers who have insisted upon the necessity of the project. I have no doubt that this right will prevail—that the Congress will not persist in ignoring either the need for the project or the investment already made by our taxpayers. Nevertheless it is with bitter disappointment that we must conclude that this recognition will not be forthcoming in this bill this year.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Chairman, in many respects, the appropriations cuts made by this measure will have a very damaging effect on the future of western reclamation.

Many of us believe the present administration is over conservative in its treatment of reclamation, but the measure before us today goes far beyond anything the last Congress or President Eisenhower has ever proposed. It virtually halts western reclamation by unreasonable slashes in general investigation funds and by failing to make appropriations to begin new projects that the Congress already has authorized.

President Eisenhower and the Bureau of the Budget recommended appropriations totaling $4,420,000 which would permit the start of five new reclamation projects in the West. This amount was nearly halved. Funds are included for only two new reclamation projects. Significantly enough, one of these projects is nonreimbursable, and as such, falls in the class of flood-control expenditures.

This is bad enough, but it is only part of the damage done by the committee to reclamation. Three projects already under construction in Wyoming get no new funds at all. Does the committee majority intend to abandon these projects now partially completed? If so, this House should be told why. Abandonment means that the Federal Treasury will never be repaid by water users for moneys already advanced. The President requested $1,850,000. The committee recommends nothing.

It is in the appropriation for general investigations that the committee's blow against reclamation is most clearly evident. President Eisenhower and the Bureau of the Budget recommended an appropriation of $7,675,000 for general investigations. This is a minimum amount, scarcely more than half of what has been appropriated for this purpose in some previous years. But the committee cut the President's figure to $5,669,492, one of the smallest appropriations in recent years.

I hesitate to inject the question of politics into a program as vital as reclamation. But every other year my friends over on that side of the House thump tubs throughout my district maintaining we on this side want to destroy reclamation. This measure needs some extensive amendments or that charge will be met with guffaws in the West next year.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the bill now under consideration, worthy though it is in many particulars with respect to other projects, fails to be what it should be by not including an appropriation for the deepening of the Delaware River Channel on the upper part of the river between Philadelphia, in the State of Pennsylvania, and Trenton, in the State of New Jersey.

This is exceedingly disappointing to the people of the States directly affected, their Governors, legislatures, municipalities, industries, commercial enterprises, shipping interests, and, particularly, to the Members of Congress, both in the Senate and House, who represent this area.

While there is general disappointment, yet hope prevails that the Congress will rectify the mistake that has been made by the House Appropriations Committee, and provide an adequate amount to commence this great national undertaking that will, upon completion, mean so much to the whole Delaware River Valley.

The deepening of the upper Delaware River Channel has been found economically justified by the business, industrial, maritime, State, and municipal interests of the entire Delaware River area. It has the enthusiastic and aggressive support of each of these.

The Chief of Army Engineers admits that the deepening of the channel as proposed, would unquestionably contribute to the general welfare of the region.

There is no area in the entire Nation that gives promise of greater expansion than the area within the Delaware River Valley. Industrial, commercial, and maritime interests have made, and are now making, large investments amounting to many hundreds of millions of dollars to promote economic expansion of the entire district served by the Delaware River. The importance of this contribution to our national wealth and our national security cannot be disputed.

The Delaware River is the main artery of commerce, foreign and domestic, that serves an industrial and farming area not exceeded by any other river in the entire Nation. At the present time its insufficiency in depth is a great handicap to fulfilling its complete usefulness. The traffic on the Delaware River is seriously hampered by this condition and if it is not speedily corrected the injury wrought upon the commerce of the entire area will be incalculable. Furthermore, we must not overlook the further fact that the Delaware Valley lies in the heart of an area in which there is taking place a rapid industrial and commercial expansion that will require service of oceangoing vessels of a draft in excess of 35 feet.

The resultant financial gain to the United States Treasury is a further justification for an adequate appropriation to deepen the Delaware River Channel. The following figures show that it is just ordinary good business for the Federal Government to invest in the Delaware River:

(a) Customs receipts alone bring $52 million a year into the United States Treasury. Since 1836, the Federal Government has spent a little over $100 million on our Delaware River Channel—but since 1900, it has collected almost $1.5 billion in customs revenue—or a return of $14 for every $1 invested.

(b) Every day the Delaware River carries 700,000 barrels of crude oil to feed our great petroleum refineries. With an adequate channel, the large modern tanker can deliver crude oil at least 60 cents a ton cheaper than the smaller

tanker which our Government built during World War II. The Navy's Military Sea Transport Service is now asking Congress to authorize the building of 20 such large modern tankers because of their defense value. The yearly saving in transportation costs of $20 million, for just this one item of our Delaware River commerce will mean a Federal tax revenue of $10 million.

(c) The Delaware River will handle for the steel industry an estimated 15 million tons of imported iron ores. If we calculate conservatively that the large ore carrier will bring this ore to our docks for 50 cents a ton less than the cost of using smaller ships, the benefit to the Federal Treasury will be almost $4 million in additional taxes.

(d) Prosperity in our three-State Delaware Valley area depends upon an adequate Delaware River Channel. With such a channel, we will have greater opportunity for industry to employ our people, and this means more Federal revenue from business and individual taxes. In the last fiscal year, Pennsylvania and New Jersey alone contributed over $7 billion in internal revenue collections of all kinds—better than 10 percent of all tax revenues.

In conclusion, I wish to make reference to the strange suggestion that comes to us from the Chief of Army Engineers, namely that "local interests pay half the cost of increasing the depth of the Delaware River." This contribution has been estimated at $18 million.

In answer to this suggestion, I reply, Why should an industry be compelled to contribute directly to the cost of a public investment which benefits not only that industry but a whole region, as the 40-foot channel undeniably would? Even if a private enterprise is willing to shoulder such a charge, should the Government want it to? Would there not be corollary questions of the industry's rights in the improvement it is helping to finance, and of tax deductions? Should an industrial firm whose tax payments help produce public improvements be required also to pay directly for such projects?

If a 40-foot Delaware Channel is in the public interest, as it appears to be, it should be treated as a public improvement, built with public funds—not as part of a corporate investment.

Furthermore, to adopt a policy of required local participation in cost of river and harbor improvements creates a situation that would not only be novel and unique in the Government policy that has heretofore prevailed, but the results could conveivably prove most disastrous by curtailing future expansion of our principal ports and rivers.

Questions immediately arise as to not only the lack of justification for such a policy but also as how such a policy could ever be practically applied in its application. For instance:

First. What is meant by local interests? Is this to mean local industrial interests, local commercial interests, local maritime or shipping interests, or local, State, or municipal interests?

Second. If industrial, commercial, or shipping interests are intended, then would it be applicable only to the presently existing interests or would it contemplate also contributions from future interests of a similar character? If so, then how would it be applied as between present and future interests?

It can be readily seen that it would be unfair and unjust to apply it only to existing interests as against future interests that would equally benefit, and most objectionable of all considerations, that would naturally grow out of such a policy would be the tendency of new interests to avoid placing their industries or other interests along the Delaware River. Thus, it would have a tendency to stifle future development of the whole Delaware River Valley.

Third. Furthermore, if such a policy should be adopted as to the Delaware River, then it would be the application of a policy that runs counter to our river development policy since our beginning as a Nation, and in all fairness, would require the application of the same policy to all our rivers and harbors and thus create a situation that would prove most detrimental to port developments throughout our Nation.

Thus, I wish to record my objection to the proposal of the Chief of Engineers, Corps of Engineers, Department of the Army, that local interests be required to contribute in cash to the United States one-half of the actual additional cost of construction of the recommended improvement of the 40-foot channel in excess of the cost of a 35-foot channel, and I respectfully urge the adoption of an amendment to this bill in an amount that will enable this great improvement to be started at once.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 7 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, as in all these problems such as Tuttle Creek, there is always another side, which I desire to present. In recent hours many of you have been visited by some constituents of the gentleman from Kansas [Mr. AVERY] and perhaps they have presented a rather charming picture of two youngsters in didies, bearing a sign which says: "Keep the water where it falls."

I would just point out, Mr. Chairman, that all in the world we folks down below the Blue River in Kansas, in the lower Kansas River Basin, are trying to do is to put some waterproof diapers on Tuttle Creek and keep the water there where it falls and keep it out of our shoes in these communities like Bonner Springs, Topeka, Kansas City, and on down the Missouri Valley.

You received wires, letters, cards, and telegrams; for each one that you received protesting Tuttle Creek, had it been my desire, I would have had you 1,000 asking for it because we need it. But this is no popularity contest. It should be decided on facts—not volume of mail.

Here we have some of the reasons why Tuttle Creek Reservoir is needed. Tuttle Creek Reservoir on the Blue River in Kansas covers one-sixth of the entire Kansas Basin, and any time that Mr. AVERY feels that he is representing all of the people of the first district—and he admitted that he was not—here is what the mayor of the city of Topeka said, and it is the biggest city in his district. The mayor said this about Mr. AVERY's stand on Tuttle Creek:

> If Mr. AVERY pretends to be the shepherd of the first district, then he is doing a poor job of counting his sheep.
>
> His contention that the vast majority of the people in the first district are against Tuttle Creek dam is pure fiddle-faddle.

I am inclined to agree with the mayor of Topeka.

Perhaps we might have brought some women from Armourdale, Argentine, and Bonner Springs, and Topeka, and some people from Kansas City, Mo., to visit with you, but they could not afford it, because the flood on black Friday, July 13, 1951, wiped them out and they have been living since in ruins and debt.

I direct your attention to these pictures here which show the conditions at Topeka in Mr. AVERY's district. When the Kansas River was at only 31½ feet, the city was perfectly dry. But when it rose to 33½ and then to 36½ feet, you can see what happened. On the left side of the board are pictures of Topeka, a place with which the gentleman from Kansas [Mr. AVERY] should be perfectly familiar. On the right side of the easel are pictures of my hometown, Kansas City, Kans. You can see flooded farms, destroyed homes, wrecked businesses.

He will tell you about some villages up in the Blue Valley that will have to be moved. I can show you any number of instances where anywhere from 50 to 100 more homes were destroyed in one flood than all the homes in the area covered by his villages. The owners' property in the villages and on these farms will be well paid. These people who live in Armourdale, who work in the railroad yards, in the soap plants and other places were not paid anything, not one single solitary nickel. We get it in the neck, and we pay our own bills. We restore fertility to flooded fields; we rebuild our homes; we reestablish our business at our expense. We feel it is only right that in a situation like this where one river contributes one-sixth of the floodwater we should have some protection downstream. For every acre that will be in this reservoir there will be at least 150 to 200 acres downstream of better land, more productive land saved. There will be about 60,000 acres in this pool. There were over 1 million acres devastated in this one flood of 1951.

In this one flood of 1951—and we get them quite often—163 towns were flooded. There were 22,000 homes flooded out, 90,000 people made homeless. In my hometown alone 7,000 homes were completely inundated by this flood, and 19,000 were homeless.

Why, certainly, I am for the proposal suggested by the Appropriations Committee, and, of course, I oppose the amendment which the gentleman from Kansas [Mr. AVERY] will offer tomorrow. It should be opposed because it is not a good amendment. The program covered by this appropriation is a good one. It has been justified a number of times by the engineers. The engineers will tell you that without this reservoir, the Tuttle Creek Dam, the project is not feasible.

Colonel Lincoln said:

The Tuttle Creek Reservoir emerges as the key project in the system. Tuttle Creek Reservoir is necessary to control the large drainage basin of the Blue River. Without such control major floods cannot be controlled on the lower Kansas.

Here is what General Potter says:

If the Blue River is not controlled there is no feasible plan of flood control for the Kansas River.

He goes on further to say:

I want you to know that the plans for Tuttle Creek Reservoir do not include any provision for power.

Although there is no power, for some reason or other some power companies are opposing Tuttle Creek, perhaps going so far as to finance the trip for some of those who called upon you.

Mr. Chairman, this is a good project, with a cost ratio of 1.5 to 1, and the amendment proposed by the gentleman from Kansas [Mr. AVERY] should be defeated tomorrow when it is offered.

If you talk to some of the gentlemen on this subpanel who have heard about Tuttle Creek for so many years, they, too, will tell you that it is a good project, that its construction should be resumed. It was started once. Funds were not in the budget because it did not rise to the dignity or definition of an "old start." In other words, there was no money in the budget for any new starts. There had been a little less than one-tenth of it constructed, so it did not rise to the dignity of an old start, and under the definition of a "new start" there was no money there. But, even so, the engineers still say, and they have said for years, that Tuttle Creek is the key project in protecting the entire Kansas River Basin downstream and the Missouri River down from Kansas City. It is the key project and without it there are no other works feasible. If this reservoir is not built, there is no use wasting time and money and spending it for the installation of local projects in some of the local communities, because without the dam the money will be absolutely wasted.

As to the effect of Tuttle Creek, the engineers emphatically state:

None of these alternate plans would be as effective as Tuttle Creek Reservoir. Had Tuttle Creek Dam been built in 1951, it would have taken the flood in stride.

That means the top 3 to 5 feet would have been held off and our cities and farms downstream would have suffered far less—our levees and dikes would have been sufficient protection.

Mr. Chairman, there is a place for watershed treatment. There is a place for reservoirs. One will not do the other's job.

And little dams do not stop big floods.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Chairman, I simply wish to express my appreciation to the gentleman from Tennessee [Mr. EVINS], and the gentleman from Iowa [Mr. JENSEN], and the gentleman from California [Mr. PHILLIPS], for taking the time they did this afternoon to clarify the language which appears on page 7 of the committee report. That language was of extreme importance to the people of my State. If construed as it possibly could have been, it would have prevented their participation in the reclamation program along with the other States in the West. I had prepared an amendment, as follows:

Amendment offered by Mr. BUDGE: On page 9, line 4, before the semicolon insert the following: "including such in the upper Snake River Basin above Powder River."

But in light of the colloquy here on the floor this afternoon and the statements which they so graciously gave, and the statement of the gentleman from Tennessee that he would write me a letter clarifying it, I do not feel that such an amendment would be necessary. I again wish to express my appreciation to them for their courtesy this afternoon.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I would like to speak generally upon this bill in regard to a phase that I do not think has been touched upon too well. This bill also includes reclamation projects that affect the 17 Western States. I have a great deal of respect for committees on appropriations in general and this one in particular. This is my first term here, but I have never in my State legislative experience chosen to oppose an appropriation measure. However, this bill has me sincerely concerned. You know, out in Wyoming, I was raised as a kid out there on a ranch. I got away from the ranch and into the law business. But, this bill reminds me of my experience in my early days, in connection with the roundup. One of the problems is to work the herd to cut out the steers and the less desirable female animals for shipping to market. It is an important assignment. A good cowman always selects his best and smartest horse. He goes into the herd carefully and cautiously with full knowledge of what he is doing. A man who knows his business will work quietly and cut very carefully. When a greenhorn comes along, he as we say "goes in a'spurring and a'cutting and a'slicing." The first thing you know, the whole herd stampedes on him in spite of those who try to hold them back and you have an awful mess on your hands. I cannot help but think of this in connection with the action of the committee in this bill on reclamation as it affects my State. It seems to me at this time that you have slipped this over to a new subcommittee, the Subcommittee on Public Works, instead of the Subcommittee on Interior on which the members over a long period of time have studied this and been familiar with the problem. As a result, I cannot reconcile the testimony in the hearings that I looked at carefully and the language in the report, and I cannot reconcile the language in the report with what they did to us in the bill. In the short time available to me, I just want to point out to you the serious implications that are going to happen unless something is done about this.

In the first place, I would like to speak to you about the Kendrick project. In this particular project no mention is made about the power feature or taking power off the project through a request for $280,000 for a transmission line. That is financially sound, and yet it is what was cut out. This is going to be to the detriment of the REA in that area and the private power users in that area, because the power will not come to the user unless you have a transmission line to take it over to Casper, for instance. Look at the Riverton project. I will not argue with the contention that we should not have any further expansion to bring new lands into this project without careful investigation. This is a project that you may have heard something about in the Congress, because there was a question 20 years ago of some of that land being put under irrigation. They have a serious alkali problem there. I am not urging the Muddy Ridge extension because the Bureau wants further investigations. But, let me tell you that when the $300,000 recommended by budget was knocked out entirely for this project, not only are we jeopardizing Federal money, but we are jeopardizing the individual investments that veterans made who went on that farm and invested their money in an effort to make a living. This fund is to provide rehabilitation to take care of the alkali problem, because 20 years ago they failed to make a proper soil investigation. Unless it is done we will lose more of the land.

Take the Hanover Bluff project. That was knocked out completely. I am not going to argue the feasibility of it. It is a project that banker friends of mine and the sound businessmen tell me is feasible, but the fact is that the Federal Government has already invested $675,000 in this project against a total cost of about $3 million. Now they come along and say "Let us throw the thing down the drain and never complete the project." Is that sound business? There is the Shoshone project, which is a similar project to the Riverton project, and we are taking away the money to protect our investment.

Time does not permit me to go into all of these other projects in connection with this, but the whole thing looks to me like, as we say out in Wyoming, they just rode into this one cutting and slashing without reason. They paid no attention to the best interests of the Government and the best interests of the people who spent their money to locate on these projects.

I hate to make that criticism, but I have heard some members of the committee, I think, give a satisfactory explanation of it. I hope that when we try to do something about it we will receive support for these and other projects that are meritorious.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. COON].

Mr. COON. Mr. Chairman, in reporting out the public-works appropriation bill for fiscal year 1956, the House Committee on Appropriations has seen fit to eliminate the $500,000 item which President Eisenhower, in his recommendations to Congress, requested for the

planning of the John Day project on the Columbia River.

The immediate construction of the John Day Dam is of such urgent need that I want now to urge this House to restore the $500,000 planning fund for the development of the John Day multipurpose dam on the Columbia River to this public-works appropriation bill for fiscal year 1956. In spite of the fact that my bill—H. R. 5789—will take care of nearly 90 percent of the financing of this project through advanced sale of the power, I still believe that this Congress should appropriate the planning fund for the John Day project as requested by the administration. If this item is allowed, as recommended in the budget, the $500,000 will be available immediately and actual work on the project can commence early in July.

As I said at the beginning of this statement, the early construction of the John Day Dam is of the most vital importance and necessity, and I have introduced legislation—H. R. 5789—under which this project can be built immediately, without tapping the United States Treasury for the cost of constructing that portion used for generating power, nearly 90 percent of the entire cost. Nevertheless, I was most hopeful that the committee would allow the $500,000 planning fund which was requested in the budget.

I am fully aware and very appreciative of the fact that the committee, in this report, has appropriated over $69 million to be used in my district for construction of public works. It so happens that my district is one which possesses very great potential hydroelectric power, all of which must be developed, if we are going to have a healthy economy in the United States. Every day there is more and more demand for power, and these multipurpose dams, such as the John Day, must be gotten underway if we are to supply that demand. In urging that this House allow the $500,000 item for the planning of the John Day project, I want to remind you that this project was authorized over 5 years ago and not 1 penny has been appropriated toward its construction.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield such time as he may require to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chairman, I regret very much that the Bureau of the Budget saw fit to eliminate money for the start of the Delaware River project.

There are in this country, exclusive of the Great Lakes, about 28,500 miles of federally improved navigable waterways. Included in this total are 132 miles in the Delaware River between Trenton, N. J., and the Atlantic Ocean. This is one of the world's greatest protected seaports. It is the leading port of the United States in the handling of import tonnage. In fact, the Delaware River port handles approximately 15 percent of the Nation's total foreign commerce and it is second only to New York in the volume of total waterborne commerce.

A large measure of the activity, importance, and prosperity of the port derives from the fact that 71 percent of the river contains a 40-foot channel from the sea to the southern edge of Philadelphia. However, the remaining 29 percent of the Delaware between Philadelphia and Trenton is now in need of an appropriation in order to construct the congressionally authorized deeper channel which is required to accommodate our modern-day vessels. There has been no improvement in the upper section of the Delaware River Channel over the past 20 years. The modernization program which has been authorized carries the very favorable benefit-cost ratio of almost 2 to 1, and, of course, this will increase considerably as the years go by because of the traditional foresight of American industry to locate on truly navigable waterways.

This channel improvement will add many miles of desirable deep-water frontage to the Nation's port facilities. The present 40-foot channel serves only 2 miles of Philadelphia's 17⅓ miles of commercially usable Delaware water frontage. Seven miles have a 37-foot channel; 1½ have 28 feet; and 7 miles have only 25 feet of river depth. The upper 8½ miles stand to benefit greatly both from industrial development based on bulk cargo, and from general cargo handling.

The 83d Congress authorized the deeper channel through and above Philadelphia in the interest of national defense and for industrial, commercial, and civic development.

The deeper channel has been endorsed at every level of the Federal Government concerned with responsibility for such an improvement. And yet our civil functions bill is about to be passed without even a reasonable amount to start construction of this great improvement. Our Government is appropriating many billions in foreign aid. I think we all agree with the principle of foreign aid—though we may not agree entirely on the amount or exact methods of application. But, nevertheless, we are appropriating billions for foreign aid and yet we pare off a few million from a project which is just as vital—in its own way.

During World War II, the port facilities of greater Philadelphia alone handled 15 to 20 percent of all the goods shipped in and out of the United States. Much of the well-balanced industrial capacity of the area is equipped for military production. The diversity of this industrial production is better realized by noting that 87 percent of all the official categories of American business and industry are represented within the Delaware port area.

The 14 counties in the three States (Pennsylvania, New Jersey, and Delaware) that form the Delaware port area will yield the Federal Government $2.1 billion during fiscal 1956. Yet the total estimated cost of deepening the upper Delaware, amounting to $91 million, is being denied because of a misconception.

I think there is no doubt as to the merit of the project. The only question seems to be whether or not the Federal Government will pay the full cost. The strongest factor that made this Government great was the vital need for free and uninterrupted commerce in our ports and harbors and on our rivers. The Constitution vested in the Central Government the responsibility for commerce and navigation.

In the early 20th century Congress became concerned with the lack of public marine terminal facilities and adopted the concept of local cooperation and embodied into our organic laws such positive requirements of local cooperation as suitable public marine terminal facilities; berths, wharves, and piers; necessary land for spoil disposal; rights-of-way and easements; access channels; relocation or rebuilding of bridges; rail, highway, and street connections; assumption of damage claims; and, occasionally, cash contributions where there was a direct purely local benefit, as for example, that local land values would be enhanced.

Local interests in the Delaware port area have provided this type cooperation to the extent of expending more than one-half billion dollars for the development and usefulness of the harbor. In addition to the 282 piers in the port area, local interests are presently engaged in building a new $91 million bridge across the Delaware, a second $25 million bridge is in the process of planning and approximately one-half million dollars have been appropriated by the city of Philadelphia to study and recommend the routing of the $200 million Delaware Expressway. This expressway will parallel the river along the route of the authorized improvement and will terminate near the Morrisville location of the United States Steel Corp.

In recommending the channel improvement the Corps of Engineers imposed the condition that the existing steel plant provide suitable terminal and transfer facilities, including a turning basin, at Morrisville. Such terminal and transfer facilities and turning basin have been provided. However, contrary to the specific wishes of Congress we are still faced with the concept that the United States Steel Corp. will be the only beneficiary to a 40-foot channel and, therefore, should contribute $18 million to the cost. Nothing could be more fallacious and particularly so when we realize that the major portion of the channel improvement will release virgin territory to be used by expanding heavy industry within the United States. Even though the United States Steel Corp. would be one of the first users of the 40-foot channel it is not proper to penalize the first user of a facility which is open to the public and which will ultimately be utilized to its fullest extent for the benefit of the Nation. The very fact that the steel company is located and operating on the shores of the upper Delaware guarantees immediate benefits from the improvement. And, since the channel improvement will result in savings to the company, the Federal Government will realize approximately half of these savings through the Federal tax structure. In other words, the project will be paid for in taxes by the United States Steel Corp.

Foreign ores from many sources will come to Morrisville in increasing volume. A substantial tonnage of these imported ores will move by rail from Morrisville to various inland steel centers for use by different steel producers. The same

ships bringing these materials to Morrisville will seek to carry cargo from the Delaware back to the scores of ports throughout the world from which they came.

The upper section of the Delaware River is an integral portion of the whole port area. Since this is the leading port of the Nation for import commerce and since nothing can have more national and international benefit than import commerce, it logically follows that the project is in the national interest as well as the local interest.

Labor, industry, public officials, civic organizations and the press have united to ask for a necessary, logical and economically justified 40-foot channel. The other great seaports of the United States, such as Boston, New York, Norfolk, New Orleans, and San Francisco owe a great deal of their economical well-being to 40-foot channels. More than 50 ports in foreign countries, carrying on commerce with the Delaware port area have minimum harbor depths of 40 feet.

From Philadelphia to the sea there are 244 piers and wharves, but from Philadelphia on up to Trenton there are only 38 such facilities. This reflects the lack of waterfront establishments where shallower depths exist. In the lower part of the harbor commerce was increased by 135 percent since the 40-foot channel in that portion was authorized. Commerce on the lower river is 7 to 8 times greater than on the upper river. Between the years 1948 and 1953 commerce on the lower river increased by nearly 40 percent, but during the same period commerce on the upper river increased by only 4 percent. However, commerce along the upper portion will triple in volume as soon as deep water is provided. This same pattern also has been experienced by other ports and harbors around the rim of our country.

When the authorized channel improvement is completed, commerce for just the upper section of the harbor will rise to 22 million tons a year—virtually triple the present volume. The relative importance of the commerce that will be generated by the channel improvement can be better appreciated when it is understood that it alone will exceed the tonnage handled by Portland, Maine; Providence, R. I.; Albany, N. Y.; Newport News, Va.; Wilmington, N. C.; Charleston, S. C.; Savannah, Ga.; Jacksonville, Fla.; Mobile, Ala.; Baton Rouge, La.; Lake Charles, La.; Galveston, Tex.; San Diego, Calif.; Stockton, Calif.; Portland, Oreg.; plus all other ports on Columbia and lower Willamette Rivers; and Seattle, Wash.

In an official 1938 report related to improvement of the Delaware, the Corps of Engineers stated that at least a 40-foot channel is required for a ship drawing only 30 feet while at rest in salt water.

The report issued in 1953 by the United States Committee of the Permanent International Association of Navigation Congresses included these definite conclusions: For general cargo vessels, the trend is toward a draft of 30 feet, and the same is true for combination passenger-cargo vessels. The Mariner-type, which has been adopted as the desirable United States-flag dry-cargo vessel, has a loaded draft of 32 feet.

The specifications listed by the United States Maritime Administration for the 7 classes of vessels into which the future merchant Navy of the United States will be divided indicate that for 5 of those 7 classes, the design depths will be up to 33 feet in salt water.

The vastly increased use of the Delaware port area by the titans of ocean commerce is illustrated by the fact that, while the number of vessels arriving in and sailing from this port area rose only 21 percent between 1938 and 1954, the gross registered tonnage—size—of those vessels was 95 percent greater last year than it was in 1938.

The Delaware River port is the leading import center in the Nation and requires the authorized modernization in order to remain an adequate port in world trade.

I believe that our expanding national economy requires a coordinated surface transportation system, capable of handling huge volumes of strategic materials in the most efficient manner. The Delaware port area has provided its superior system of rail and highway networks. The Delaware port area has made excellent use of federally provided channels by building all the necessary related port facilities. It is our responsibility, here in Congress, to take up our prerogative of insuring adequate channels—for the further growth of the Delaware port area and the Nation—by amending this civil functions bill to include $18½ million as a reasonable sum for starting construction of the deeper Delaware River Channel through and above Philadelphia Harbor.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas [Mr. GATHINGS] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. GATHINGS. Mr. Chairman, an amendment will be offered tomorrow, Thursday, to strike from the public works appropriation bill certain funds recommended for the starting of construction of a steam power plant at Fulton, Tenn. I trust that the membership will see fit to support this amendment.

There are many reasons why this amendment should be agreed to.

First. Our Government, under Public Law 703, has entered into a contract with the Mississippi Valley Generating Co., for the construction of a plant at West Memphis, Ark., and work has begun already on this plant. Any action jeopardizing this contract can amount only to a repudiation of a contract by our Government.

Second. Not one penny of the taxpayers' money is required to build the Dixon-Yates steam generating plant. Private investors will put up the $107 million to build the plant. That will help hold down the budget and the national debt.

Third. Appropriations out of the Federal Treasury would be required to build the Fulton steam plant, procured by borrowing at an average interest rate of 2.30 percent—rate quoted as of November 1954.

Fourth. Today the TVA has many steam generating plants already built or under construction, with estimated total costs for these already under construction, as of June 30, 1953, of $694 millllion. We are obligated to complete these plants and to appropriate these millions of dollars.

Fifth. TVA is subsidized by the taxpayers of the rest of the Nation, pays virtually no interest, pays no Federal taxes, and doles out only token payments to the States in lieu of taxes.

Sixth. On three separate votes the House of Representatives has denied funds for the construction of this Fulton plant.

Seventh. Dixon-Yates rates are lower than TVA rates and private power rates to AEC. AEC Chairman Strauss has said:

> Cost to the AEC for power would be at rates lower, on a comparable basis, than rates under existing contracts with TVA or other private utilities.

Eighth. The contract itself is fair and reasonable to the Government. That was the precise finding of the Federal Power Commission, watchdog of the public interest in electric power matters.

Ninth. The provisions of this contract are each identical to, or an improvement on, contracts negotiated by the Truman administration with utility companies. These contracts—to supply 735,000 kilowatts of power to AEC's Paducah, Ky., installation; and 1.8 million kilowatts of power to AEC's gaseous diffusion plant in Portsmouth, Ohio—were both larger than Dixon-Yates—650,000 kilowatts.

Why then all the fuss? The answer is that the Dixon-Yates contract stepped on the toes of people who believe that Government should produce and sell an evergrowing share of the Nation's electric power. I will not smear this philosophy by labeling it "creeping socialism." I think it is enough for us to understand that underlying the cries of "bad deal" and "scandal" has been no scandal at all—but rather a pressure group's annoyance that the contract went to private business instead of to TVA. It's the old human game of calling a man an ugly name if he disagrees with you or gets in your way.

The whole fuss is, as Admiral Strauss has said, as "phony as a $3 bill." I am certain there would have been no outcries whatever, no exhaustive scrutiny of the contract and haggling over details, had not the public power advocates sensed that here was a move to limit at its present point the role of Government in the power business.

It is that, all right. But do not let anybody fool you with charges about crippling TVA. Dixon-Yates will not make TVA one whit smaller; it merely keeps TVA from growing a lot bigger than it already is. President Eisenhower has taken the position that if we go in for more cheap public power in the Tennessee Valley we will have to do it all over the country in order not to show favoritism.

Such a system is fine for the Tennessee Valley but not for the rest of the country. For many years now, for example, I have looked across the Mississippi River at the many new factories rising in the TVA area. We would have liked some of them in Arkansas, but we could not match the lure of TVA's low-cost power. What really disturbs me is that we in Arkansas have had to help subsidize, with our taxes, our sister States across the river. So do you.

I hope the amendment to strike the funds carried in the bill for starting a plant at Fulton, Tenn., will be adopted.

Mr. CANNON. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, in listening to the various discussions of the bill before us and particularly with reference to the TVA, as I view it, so frequently the misunderstandings come about because of different views of the facts. I think many things have been said here that might well be sound if based on different facts but are certainly not sound as I see them.

In the first place, may I say that I live in an area served by a private utility company. Much about the TVA is a matter of record, it is a matter of law, it is a matter of congressional action, but there is also much about it that you learn by living in this general area. On the latter I claim to have had considerably more contact with it than many of my friends who live in far different areas than that served by the Tennessee Valley Authority.

Briefly referring to the Tennessee Valley Authority Act, it was passed in 1933. At that time it was recognized by this Congress that 3 or 4 things were sound. Whether I would have voted for it if I had been here then, or whether you would have voted for it then, the act was passed and it is the law. In the act it was recognized that it was sound business to try to tie together the potentialities of this region covering much of several States.

We hear a lot about resource development and reforestation. Of course they do it through the TVA in that area because that is what the Congress provided. In other sections they do it through the Forest Service, the Department of Agriculture, and others. But the Congress in its wisdom decided that in this area the problems would be handled together.

You hear a whole lot said about flood control. In this bill right here is project after project after project in other sections of the United States on flood control where virtually the total cost is paid by the Federal Government, and I think we could well have some additions to the amounts in this bill along that line.

Then we have in other areas the matter of navigation and that, too, is provided for, aids to navigation, deepening of channels, and other items in this bill. The difference between the TVA Act and the others is that here we set up a corporation, a Government corporation, mind you, and gave it specific authority and specific rights and obligations and in that act we said, "Here, we want you to keep this channel deep enough for navigation. We want the reservoirs kept empty enough for flood control. In between, we want you to run the plants to generate electricity to bring the benefits to the people of this area and to help meet the cost of these other things."

The TVA has worked wonderfully well. To those that talk about the amount of money that has been returned to the United States Treasury from the TVA I should like to point out that you cannot judge all the benefits by the amount of money which are cash dividends returned to the Treasury. The other benefits come from the increased purchasing power in that area, and the people there have purchased hundreds of millions of dollars worth of goods from all over the United States.

Another benefit that has come from it is the great help we have received in connection with the Ohio River, Tennessee River, and Mississippi River floods in the years back.

Another benefit has been that navigation on that river has increased some thirtyfold in a very, very few years.

Not only that, but we have had a great improvement in living conditions of many people in many sections of the area blessed by narrow river valleys but little fertile soil.

I want to analyze now, if I may, some of this charge that is always being made that the TVA does not pay interest. I do not know of any better return to the Government than the improvement in the welfare of that region and the improvement in the national affairs because of the increased purchasing power in that area; and I do not know of any greater benefit you could have than, in a time of great emergency when you had to expand your aluminum plants and everything else, having this great source of power to which you could look in times of real need. It was a blessing that you had provided this great capacity, because according to the best information I have it is highly questionable that we could have met our needs in time of war if we had not had this great source of power available.

Let us go further and see what we get now. The TVA does pay local taxes; that is, it pays 5 percent of its return in lieu of taxes. That is several times the amount of taxes that were paid by the utilities when the TVA went into that area.

Not only that, but the local communities have invested their money. The TVA generates power and sells it wholesale primarily, and the municipalities have invested something like half a billion dollars in their own distribution systems, looking to the TVA as a source of power. So we have that situation there.

I served on this committee for many years. We have constantly heard certain statements here from friends from other areas who are just as sincere, I hope as I am, whose line of talk, whose line of conversation, whose line of information that I think they get, and that is because I get it too, comes from the utility companies, whose primary interest is to get rid of the TVA yardstick. It is just as simple as that. In the Tennessee Valley, we have found we can measure the cost of management and distribution and the various other things that are reflected in the rates in every section of the United States, and because of that we think it has had a beneficial effect not only in that area, but in areas served by private utility companies.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. JONAS. I am in favor of having a yardstick, but will the gentleman explain how you can have a fair yardstick and measure the price at which power or electricity ought to sell, if you disregard income taxes and interest on the capital investment? Those are two items that are important and substantial when it comes to figuring the cost of the power.

Mr. WHITTEN. Who does the gentleman think has been hurt? Has it hurt the utilities?

Mr. JONAS. I am not saying that.

Mr. WHITTEN. I am asking you now—has it hurt the private utilities?

Mr. JONAS. I do not think it has hurt any in my State; I am not complaining except as a taxpayer. I do not think it is a fair yardstick if you disregard income taxes and interest charges.

Mr. WHITTEN. But the yardstick is not hurting you as a taxpayer. The yardstick is on the utility. How does the yardstick hurt you as a taxpayer?

Mr. JONAS. Well, it does not have to hurt me. We can question whether it is a fair and reasonable yardstick?

Mr. WHITTEN. That is right, and the utilities do that, and as you express that thought, it is the same thought that they press so hard—and I can understand them doing it.

Mr. JONAS. I am willing to have a yardstick, but I simply say I think the yardstick to be worth anything ought to include the cost of money and taxes.

Mr. WHITTEN. Let us look at the benefits. Can the gentleman explain to me why it is that the Mississippi Power & Light Co., which is right under the TVA, right next to it, why it is since we have had the TVA that the Mississippi Power & Light Co. has expanded its sales of power more and has reduced its rates more and has declared more dividends than almost any other private utility company, and so with other private utilities who join the TVA region.

Mr. JONAS. I cannot tell you why, but I would suspect that if they have reduced their rates it is because they are controlled by the utilities commissions of the States in which they operate just as we control private utilities in my State.

Mr. WHITTEN. Yes; but they are making more money. I am talking about the benefits of the yardstick. Can the gentleman explain to me why it is that they have increased their sales and declared more dividends unless it is the result of the influence of showing them that selling a greater volume of electricity instead of just a little bit of current at high rates is sound business.

Mr. JONAS. I can tell you why I think they have been able to do that.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New York.

Mr. TABER. The actual fact is that the big utility companies had started to reduce their rates voluntarily without any subsidy from the Federal Government.

Mr. WHITTEN. May I say to the gentleman that I have lived in that area for a long time and I have paid electric bills for a long time, and they did not send me word at that time, and neither had they expanded their capacity—why you could not even get them to extend their service to certain areas of the town. Let me tell you about a scout camp in my section.

Mr. TABER. I have read of many big utility companies that did that all over the country.

Mr. WHITTEN. May I just say to the gentleman that the point I was making was that I believe I know my area and my section of the country. As to the gentleman's section in northern New York, I don't even profess to know.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. JONAS. May I respond to the inquiry that the gentleman directed to me previously? I do not know why they did it, but assuming that they did, it perhaps is for the same reason that they did it in my State, that is, referring to expanding their activities and so on. I think they expanded along with the TVA. It is a product of the times. It is not just because of the TVA necessarily. The TVA has expanded and the use of electricity has multiplied in Tennessee, but it has multiplied in North Carolina, too, equally so, as it has all over the country.

Mr. WHITTEN. That is right and may I say again that is the thing that is hard to figure out unless we are right about the value of the yardstick. The closer to the TVA or the Bonneville area, the closer the adjoining private utility is, the more it has multiplied its business and the more money it has made and the more it has reduced its rates. If that is not conclusive proof, then, that this hub is good, I do not know what it would require or what proof would be required. Remember that—the closer the private utility is to the TVA the more it has reduced its rates and the more it has increased its profits and the greater it has increased its sales. Now the further away from it, the less you have had in those categories.

Some seem to think the rural electrification associations have no interest in the TVA issue. They certainly do. You take away the TVA yardstick or take away the authority to build generation plants, and leave them to the mercy of private utility monopolies and you will soon find out they, and the people they serve, have a real interest in the TVA.

Now passing on to other benefits that have come such as turning to them in time of war for this tremendous amount of power which was required for the production of aluminum and many other things.

In 1946 and 1947, because of the eloquent voice of the private utilities—and I heard them every morning and every night, because I was on this committee, so often they complained that the TVA does not pay interest. In the first place the Government owned the TVA. It does today. In the next place, the reason more money had not been returned to the Treasury in cash dividends was because the power needs were increasing so greatly that the money was allowed to go back into further expansion to serve the TVA territories' growing needs—but the United States owned an ever-increasingly valuable plant.

Let me remind you of this: The utility business primarily is a monopoly. It was recognized as such when the TVA was created. It was recognized by the Congress and by the utility companies.

In connection with the TVA Act there was a purchase of the private utilities in the area. It was set up as a public electrical monopoly for the area prescribed by the act. For the last 4 or 5 years one of the agitations of those whose sentiments are against TVA has been about the TVA wanting to expand. Involved only was the question of letting the TVA increase its capacity to serve its present territory. Those power companies and those here who agree with them do not stress that fact. Nothing has been done in increasing the TVA tentacles, as some private utilities have described them. It has been and is a case of monopoly, and the Congress recognized it as a monopoly, of trying to meet the needs of its people in the same way that other utilities try to meet theirs.

Somebody said, "But in the case of the TVA they have come to Congress and asked for permission for the Government to issue bonds so that they could make these expenditures to meet the power needs of its own geographical area." That is true, but they did it under the law where the TVA, in cash dividends, returns every dollar to the Federal Government that we have invested in these power projects over a period of 40 years, and we can, as a Congress, pull more cash out of the till if we can stand it, and remember those are cash dividends for the TVA still belongs to the Government. But, unfortunately, the demands of war have increased to the point, atomic energy demands have increased to the point, that about 46 percent last year and about 50 percent next year of the total output of electricity is taken by the Government for national defense.

I wonder if my friends who say "Look at what we have spent in taxes from the rest of the country on TVA," have any idea what costs you would have paid if you had to get power in certain other areas to meet this terrific defense need, if you had not had TVA to supply power for your war contracts. I know we would have had a real question as to whether power in such quantities at the time needed, could have been had at all. Have you any idea how many hundreds of millions of dollars it would have cost if you had had no TVA? If you do not, you should have been sitting on the Committee on National Defense Appropriations, where I sat this morning. Why you waste more than the total cost of TVA on foreign aid including this same type of operation each year, and the TVA belongs to you. It has to return every dollar you put into it for power. It has returned to you the benefit that comes from these other things. That is what I wish to call to your mind in the background I have suggested.

Involved in this bill before us now there is only one specific thing about which an issue is being made. The TVA provides that the Federal Government has first priority on its power, and with the Federal Government taking 50 percent of the whole production, the rest of the people in that area, looking to its only source of power, have a right to complain about not starting toward providing power generation to meet its future need, and you know it takes 2 years or more from the start of a project until you have electricity.

TVA has repeatedly asked for permission to do that expansion. They have made a good record showing what the future need is going to be in the geographical area for which they have the obligation to serve. They have served it now for many years. What is the TVA area? The TVA Act provides that the TVA can transmit power within transmission distance from any of its hydrounits. There is no argument about Fulton being within the transmission distance from a hydrounit. I know it is within the area now served by TVA. Not only that, but we have had two steam plants at Shawnee and at Gallatin which have been constructed within the terms of the act but outside of the Tennessee Valley itself, but, they are within the area which the TVA is authorized to serve, because the act says they can serve areas within transmission distance of any hydrounit. You lose current when you transport power from where you generate it to where you use it.

Is it not more sensible to let the TVA put the plant where they are going to use the power in place of putting it off somewhere and then lose perhaps 25 percent while you haul the electricity to where it is going to be used?

As to this argument of taxes, the private utilities are not really interested in this tax question. They want to jack up or increase retail rates to TVA consumers. However, I am interested in taxes. So is everyone else. That is the reason the private utilities have been able to sell this false argument. Let us see what the facts are. The TVA pays about $10 million to States, counties, and local governments, and the TVA is returning annually in dollars to the Federal Government more than the average tax paid by the private utilities. Since the Government owns TVA, such returns of cash are dividends, and believe me there are many other dividends to the American people as well. The development of this area, increased purchasing power from other sections, meeting our wartime needs, supplying 50 percent of its total output to national defense today at low rates—and yes, the yardstick benefit which has at least helped to hold down electric charges to the American people over the Nation. TVA will need more power as every utility is going to need more power.

Here is the administration's way of meeting this increasing power need of the TVA region. TVA has seen this greater need for current which its region will have in the years ahead, but the TVA has been denied funds with which to go ahead; and today the TVA has a contract with the Atomic Energy Commission to supply power for national defense way up north of Memphis. So under this arrangement of the administration, Dixon-Yates, which is really a combination of the private utilities of the southern area, and I have reason to believe such companies want a plant at West Memphis very much to meet what they can see will be their own private power needs in the years ahead. They are alive to the need for the plant in Arkansas. So they go to the Government, and in a friendly atmosphere, at least, they work out an arrangement for the Government to build a plant for them, for the Government contracts to take the power, at profits with little or no risk to the private utilities forming Dixon-Yates. Not only is that true but when the contract is over, this group of private utilities owns the plant and they already have it on their side of the river.

You know the TVA nor the Atomic Energy Commission would not, if left alone, build on the wrong side of the Mississippi River only to spend millions of dollars getting back to the right side. But, yes, the Bureau of the Budget approved this Dixon-Yates setup and in this bill provides $6,500,000 to get the power back from the side of the river where certainly neither the TVA nor the AEC can use it, to the side where the Government and Bureau of the Budget want to make them take it.

TVA does not want it because they can build a plant themselves so much more economically and because they can operate it more economically. They would not get the power over there for the Atomic Energy Commission, because the Atomic Energy Commission has a firm contract now under which they get TVA power first and AEC wants its power in another place. Those who will need more power are the people being served by the TVA, because the Government gets its power before the others. But why force the TVA to get this high-cost power?

The aim is an effort to increase the rates at retail to TVA consumers so that the private utilities in my section of the country will have no yardstick and can increase its rates as they did in the years before TVA and thereby likely dry up further use of electricity. Since TVA they have prospered by TVA examples and I compliment them for having had the judgment to see the fine possibilities for themselves.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. GATHINGS. The reason for putting the plant on the Arkansas side of the river is because the Middle South Utilities Co. has its investment on that side of the river.

Mr. WHITTEN. Certainly; and they are planning for the future years; that is, where they want this Government-supported plant; but I fail to see the logic of the Government putting the plant on the side of the river where the power is not to be used and having to transport the power back across the river to where it is supposed to be used.

Mr. GATHINGS. For years they have wanted to build this plant across the Mississippi River and tie into TVA.

Mr. WHITTEN. They had to wait until now to get by with it. The TVA has not and does not want a plant on the wrong side of the river.

Mr. GATHINGS. A sort of partnership arrangement.

Mr. WHITTEN. Power has been so short that because of the drought and individual needs we have had to pool our resources, but because the Government would not allow TVA to expand its facilities to meet this Government need and to meet its obligation according to its geographical needs we have been paying as high as 10 mills per kilowatt where they could generate it for about 4. Talk about wasting public money. Talk about your taxpayers spending $6,500,000 to bring electricity from the wrong side of the river to where we need it.

In this bill what do we do?

The other argument offered for this Dixon-Yates matter was this: The people represented by Dixon-Yates in future years are going to need the power over there on the Arkansas side of the river, they are going to need this plant and by reason of this contract, taking every precaution, they will get enough money from the Government under this contract to virtually eliminate all risks. You will see we did not promise to pay taxes for them, but we gave them a contract under which we will pay for it.

Under the Dixon-Yates arrangement when the contract runs out it will have cost the Government lots more money and the plant belongs to Dixon-Yates. Under the TVA approach, we may have to put up this same $6½ million that this bill provides for starting work at Fulton, but it is the same $6½ million that the Budget Bureau was going to use to move the power from the wrong side to the right side. Under the bill before us, we give them the money to start this Fulton plant at the point where TVA says it needs the power.

Now they say that under the Dixon-Yates contract the Government avoids going into debt about $100 million. If you sign this power contract to pay for this power at their rates for a long period of years I do not know but what your obligations are just about as big as they would be by issuing bonds. But, be that as it may, under that power contract you commit yourself about as much as if you had issued bonds.

Mr. TABER. Does not the gentleman realize that the price you pay Dixon-Yates is less than the TVA charges?

Mr. WHITTEN. TVA takes strong issue with that statement and not only that but it is shown in the record that the Bureau of the Budget says the Dixon-Yates proposition would cost the Government something like $3½ million more a year. Now, those are the figures of the Bureau of the Budget, Dixon-Yates as opposed to the other proposition.

But, be that as it may, the TVA has recommended legislation where it would issue its own bonds and that is provided in the bill here, so you do not increase the national debt if you follow the committee. It will require the issuance of bonds by TVA which many folks have advocated and you will not have increased the national debt and again the only Federal expenditure is the transfer of the same $6½ million from a needless crossing of the Mississippi River to starting electric power generation.

The President has stated that we need Dixon-Yates, so-called, so we could go ahead and get the power. They even waived the 30-day waiting period for the Atomic Energy Commission. The Democrats were coming back in shortly after the 30 days, so that might have been a reason. But in the hurry to get the contract signed with these fellows, Dixon-Yates, who did not even have to bid for the contract, they got the Republican-controlled Atomic Energy Committee to waive that 30-day waiting period so that they could make a firm contract and Congress would not have time to look into it.

I do not know of any Government contract that you do not have the right to cancel. I do not know of any. It is hard to believe this administration has not entered into one as questionable as this without having some means of canceling it. However, I do not know. The vice president of the First Boston Co., which finances utility companies, was a consultant of the Bureau of the Budget while all this Dixon-Yates business was being evolved. Why other utility people were not even allowed to bid so I do not know. I would pity any member of any county board of supervisors in any State of the Union who got mixed up in such a contract as this Dixon-Yates.

However, whatever you think of this contract it is going to be tied up in the courts for years and if power is needed now or we need to start now as the President has said, this bill should pass so TVA can get started.

Insofar as the other argument about increasing the national debt is concerned, you will not increase the national debt any more the way the committee does it than if you do the other way. If you follow the committee in this matter you will save millions of dollars and, not only that, but the power will be at the point where you want it, the plant will belong to the Government and not Dixon-Yates.

In addition to that, those of you who believe in a yardstick will have protected the yardstick by preventing these Government built-up power charges from being forced into the TVA system so as to increase their retail rates. That is the real object of the private utilities. Of course those companies behind Dixon-Yates have the added interest of a plant where they want it, largely built by the Government with little risk to Dixon-Yates and much profit.

To members from other sections, if you will get the tables from the hearings on private utilities and the customers

they serve, you will find that the closer to TVA they are the better off they have been. Instead of striking at this, you should recognize that the whole Nation gets a benefit from it.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Can the gentleman from Mississippi inform us as to the total amount of tax amortization the private utilities have obtained up to the present time?

Mr. WHITTEN. I am sorry I cannot. If the gentleman has the figures I will be glad to have them. I know they are enormous.

Mr. JONES of Alabama. Is not the figure in excess of several billions of dollars and the same group that makes up Dixon-Yates is the beneficiary of tax amortization of many millions of dollars.

Mr. WHITTEN. As I have said, I do not have the figures. I do know that they run rather large, because we have recognized since World War II the great need to expand the overall electric output of this Nation. That is virtually true in every instance with regard to private utilities.

Mr. JONES of Alabama. And the Federal Power Commission does not take into account tax amortization enjoyed by these private utilities for rate-making purposes.

Mr. WHITTEN. Well, I would not profess to speak on that entire subject, but I do know that in the efforts of the Government to expand in many, many fields we gave quick tax amortization, and taxes have gotten so high that the best way to favor somebody is to give them tax relief. But, I do want to point out that in the area I live in, the private utility area in my State of Mississippi outside of the TVA section is one of the chief beneficiaries of TVA, and I can prove it by the reductions that have come in our rates in the private area, and I can prove it by the dividends that the company has paid and by the expansion of their service to more and more people.

In connection with this private enterprise argument, if we are going to build a plant we ought to own it and not build it for the private utilities. On that point I repeat an editorial appearing in the Memphis (Tenn.) Commercial Appeal:

LOOKING FOR PRIVATE ENTERPRISE

In battling electric businesses financed by city governments, cooperatives and the Federal Treasury, the investor-financed electric business is battering some good words into shreds.

Managers of the investor-financed electric business confer on themselves the description of free-enterprisers.

The utility tycoons would like to ease into the public mind along the side of drygoods merchants and filling station operators. By simple repetition they hope to make free enterprise and electric business seem to be companions.

Mauling these words out of shape is difficult except for the possibilities in massive propaganda, plus the possibility that those who know better will tire of contradictions.

The fact is that distribution of electricity is, except in the rarest of circumstances, a monopoly. Shoppers can choose between drygoods stores and motorists can patronize any one of many service stations, but who has a choice in where he buys electricity, what brand he buys, or what price he pays?

Competition would be against the public interest. The cost of duplicating lines of poles down the alleys and heavy circuits under the downtown streets alone would be enough to contradict the usual values of competition, as these values are set to one side for telephone service, street railway systems, and waterworks.

Electricity is a public utility. It is an essential to everyday living and working. The powers of city, State, and Federal governments are used to see there is enough of it and to attempt to hold down unreasonable profits from this monopoly in a necessity.

We have been urged many times to look at the Dixon-Yates plan for selling electricity to the Atomic Energy Commission as free enterprise. We have looked, and are still looking.

Beyond the absence of free enterprise in the standard production and distribution of electricity, this arrangement is even further from free enterprise, because it is only a deal to build a plant if the Government will sign a contract to buy the electricity to pay for it.

It is a negotiated deal, without the public bidding traditional in Government buying, or the salesmanship required of free enterprise.

When the plant is complete, this contract makes it possible for Dixon-Yates to hold the AEC to 8 years of gradual cancellation of its purchase order for highly profitable electricity. If the plant built on the AEC power purchase produces more power than AEC wants, Dixon-Yates can have it on a bargain price. There are, in addition, built-in pressures to force TVA to take any power that neither AEC nor Dixon-Yates want to use.

It would have been as near free enterprise as the electric business can get if Edgar Dixon had ventured the capital to build a plant at West Memphis in the confidence that new people and new factories in Arkansas will need its electricity.

We hope Arkansas needs the Dixon-Yates electricity. In fact, we hope Arkansas needs the West Memphis plant and another one just like it at Helena.

But that would be very different from building a plant on a Government contract to take the electricity.

To call this free enterprise is only a new use of a very old trick in argument in which the speaker announces: "I am in favor of education. You are against me. Therefore you are against education."

This version is: TVA powerplants are financed by Federal Treasury loans. Dixon-Yates would not borrow from the Treasury. Therefore Dixon-Yates is free enterprise.

Mr. Dixon and Mr. Yates have set up an arrangement for the Government to guarantee the cost of building the powerplant, plus profit, plus cheap power for their other companies, plus tax relief.

That is free enterprise?

Mr. REES of Kansas. Mr. Chairman, I would like to call the attention of the Members of the House to what is known as the Pomona Reservoir project included in this bill. There is a request in this measure for planning money for this project. The amount required is not stated. The report simply says there is something more than $2 million allocated to the Corps of Engineers to make plans for about 10 projects described in the report. I am informed that when this one project is completed it will cost something more than $25 million. According to the report of the Army engineers approximately 10,000 acres of valuable, productive land will be put under water if the proposal is carried out.

The thing to which I want to direct your attention first is that this is not a part of the so-called Tuttle Creek project. The stream involved does not flow into the Misscuri River above Kansas City. It flows in a southeasterly direction and empties into the main stream some distance beyond Kansas City. My request of the committee today is that you forego the allocation of these funds for the reason that there is presently a watershed project being carried out in this area. Considerable money has already been spent for smaller dams and other means of holding the water where it falls.

I would like to remind the Members of the House I am not opposed to flood control. I do think, however, that, since the people in this particular area have already spent a considerable amount of their own funds, along with some Government assistance, to carry out a complete watershed project, the thing to do is to forego the expenditure of planning funds, at least until the watershed project has been completed. This should be done within the next 2 years. Farmers in this area have organized what is known as soil-conservation districts and they are right now doing everything they can to conserve the water supply in the area. I think they are entitled to have a chance to carry out their projects.

I realize the Army engineers are interested in planning a big flood-control program, but if you appropriate planning funds, then the farmers and the livestock men who live on the soil will wonder from day to day, from month to month, and perhaps, year to year, when appropriations of funds will be allowed to start these projects going.

Mr. Chairman, I have received petitions containing more than 4,000 names of people who live in the area and who are opposed to this project. Why not forego this expenditure for at least 1 year or, say, 2 years until these people have been given a chance to work out their own programs. You will also save the taxpayers a considerable amount of money. I know, too, that water as well as soil will be conserved in a much more practical way than by building a huge dam and letting the water pile up in one place.

Mr. Chairman, we have an unusual situation here in that you are discouraging in place of encouraging hundreds of farmers in their efforts to do the thing in a practical and much more inexpensive way.

I know it will be contended that the one city of Ottawa and that farmers below the reservoir are entitled to have this Government project for their protection. I believe, however, that the advantages claimed under this legislation are more than offset by the disadvantages of taking over the homes and the destruction of property belonging to the hundreds of people who live in the Marais des Cygnes Valley. If these substantial farmers whose land is to be taken under this project were doing nothing to alleviate the situation, the problem would be different.

One thing more—I understand there are about eight or ten billion dollars worth of projects already authorized by the Congress. Why not give attention to some of them and let this one stand by for another year or two at least.

Mr. Chairman, this proposed project is different from most others in that it is described only as a flood-control project. It is not described as one for either water or soil conservation. There is no contribution from the State or local municipalities that it is claimed would be helped, as is the case in a number of projects in this measure. It is opposed by some 4,000 people living in the area affected. Furthermore, it is requested that expense of planning be withheld until the watershed program be completed which is underway right now.

What this community needs is a combination of watershed programs consisting of complete contouring of the land, and the building of a series of small dams or reservoirs. Then, if necessary, build reservoirs, but not huge ones, on the main streams for conservation of the water supply. If these suggestions are followed, I feel the plans of the Corps of Army Engineers will be modified and a big dam, as contemplated under this bill, will not be deemed the thing to do, even by the Corps of Army Engineers.

Mr. SELDEN. Mr. Chairman, last year Congress approved an appropriation of $1,800,000 to begin construction of the Warrior Lock and Dam which is located between Hale and Greene Counties in the Sixth Congressional District of Alabama. Construction on this vital link in the Warrior-Tombigbee waterway was begun last October and, I understand, is progressing on schedule.

The budget for fiscal year 1956 included the sum of $4,100,000 for the continued construction of the Warrior Lock and Dam, and the House Appropriations Committee has wisely included this sum in the Public Works appropriations bill now under consideration.

The new Warrior Lock and Dam will replace locks and dams 8 and 9 on the Warrior River which were built in 1903 and 1902, respectively. Not only are these present locks and dams dilapidated and obsolete, but many believe they are in danger of partial, if not complete, failure.

Mr. J. M. Faircloth, an outstanding civil engineer of Alabama, made a study approximately 18 months ago of the condition of lock and dam 9. This study, made with the permission of the Mobile district office of the United States Corps of Engineers, revealed the dangerous condition of these structures.

In this report, Mr. Faircloth said:

> Both the lock and dam No. 9 are in exceedingly poor condition. To keep these structures in even a reasonable state of repair, that will permit the operation of the lock, must involve a tremendous maintenance effort. To put them in acceptable state of repair is obviously impractical and probably impossible. While this report does not intend to suggest imminent complete failure of either the lock or dam, it does not rule out the possibility of such failure.
>
> There is, however, basis for the premise that even now there is not time for adequate replacement before failure. Structural failure to any degree will probably involve very little risk of direct damage to life or personal property, but one cannot refrain from contemplating the effect that even partial failure could have on the multi-million-dollar Government investment in the present Warrior River system as well as the effect upon private industry and the large geographical area dependent upon the facility.

There is every reason to believe the present installations have deteriorated even further since Mr. Faircloth's report of 18 months ago.

The Budget Bureau, the Appropriations Committee of both the House and the Senate, and the Congress last year approved the necessary funds to begin construction on a modern lock and dam to replace locks and dams 8 and 9. This work is now under way and I trust the new Warrior Lock and Dam will be fully completed before any failure occurs at either lock and dam 8 or lock and dam 9.

However, the earliest possible completion of the Warrior Lock and Dam is, in my opinion, very necessary, and I cannot over-emphasize the urgency of adequate funds to continue on schedule the construction of this important installation. Therefore, I urge the House to approve the sum of $4,100,000 which is included in the Public Works Appropriations bill for scheduled work on the Warrior Lock and Dam.

The CHAIRMAN. All time having expired, the Clerk will read the bill for amendment.

The Clerk read down to and including line 3 on page 2.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE TO REVISE AND EXTEND

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill today may revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 10 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House today for 12 minutes following any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

TWENTIETH NORTH AMERICAN WILDLIFE CONFERENCE

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, while reading the June edition of Field and Stream, I came across the article by Harold Titus, conservation editor, entitled "Bitterness Pervades Wildlife Conference." I would like to call the Members' attention to this very interesting review of the proceedings of the 20th North American Wildlife Conference, held in Montreal, Canada, in March and attended by conservationists from all over the United States and Canada. The article follows:

> BITTERNESS PERVADES WILDLIFE CONFERENCE
>
> To hear the leadership of the United States Fish and Wildlife Service denounced as too dictatorial has not been unusual in the past. It's been done by one State or several almost annually since the outfit was organized, 20 years ago. But for that leadership to be rebuked for lack of decision and candor, and for such chiding to be met with what appears to be general and vigorous approval is something else again. Then add a legislative slap at the Secretary of the Interior by outstanding wildlife authorities, and you have an unprecedented situation.
>
> This is what came about at the 20th North American Wildlife Conference, held in Montreal in March, and largely accounts for the discontent and apprehension which since that time has been spreading among conservationists throughout the country. Another factor causing loss of confidence in the Service is the growing conviction that this bureau, which of all Federal agencies comes closest to the Nation's sportsmen, is no longer the relatively independent outfit we have known and supported or differed with but generally respected in the past. Many now suspect it is completely subservient to philosophies favored by higher ups in the Interior Department that are a departure from those which have influenced Federal land administration for 50 years.
>
> It was Theodore Roosevelt who established the principle of managing the natural resources of the country for the greatest good of the greatest number for the longest period of time. The thousand or more administrators, technicians, and representatives of conservation organizations gathered in Montreal spent much of their time asking one another what sort of new thinking on resource affairs was current in Washington, and why.
>
> This year's big conference started out to be a look at the last two decades and an appraisal of what has transpired in that interval in our management of soils, forests, waters, and wildlife. It was achieved in the usual scholarly, objective, and dispassionate manner. But the theme of the occasion was completely overshadowed by restless-

ness about resource handling on the Federal level, and the temper of the gathering was characterized by a bitterness about things as they are which I've never observed before.

These emotions popped into the open in sessions devoted to the reviewing of waterfowl problems a day before the formal conference convened. They prevailed in the informal corridor discussions throughout the meeting. Dismay and denunciation came to the front on the final day when it was reported that the 50-year-old, 59,000-acre Wichita Mountains Wildlife Refuge in Oklahoma was about to be turned over to the Army as part of the Fort Sill Artillery School. A check on this rumor brought out the information that the Army is asking for a $3 million item, a large portion of which will go for land acquisition adjacent to the refuge. In addition, it is asking title to 10,700 acres now in the refuge for use in training troops in the handling of big guns and rockets. Already 30,000 refuge acres have been used for maneuvers from time to time, with no ill effects on the wildlife or the project's recreational values. But the new arrangement, said to have Interior Department approval, would mean that 70 percent of the Wichita would be dedicated to military purposes, which would end its usefulness as a wildlife and recreational area.

Field and Stream readers should have been prepared for that one. Two years ago you were told that some such move was under consideration. Last month you were informed that the abandonment of millions of acres of Federal refuges might come about.

Dissatisfaction with Fish and Wildlife Service attitudes was first manifest at a preliminary meeting of the National Waterfowl Council, attended by perhaps a hundred State administrators. The purpose of this gathering was to discuss the year's pattern for drawing up hunting regulations—a program you readers will learn about in later issues. Because it was generally known that tremendous pressures to permit artificial feeding of ducks on shooting grounds were being applied to the Service by United States Senators and other high-ranking figures, the subject naturally came up. Proponents of the practice had next to nothing to say, but Mel Steen, veteran game chief for Missouri, delivered himself as follows:

"I don't care what name you give it, baiting will always be baiting. If you carry grain to the birds by shovel or sack or wagon or truck, you may refer to it as feeding if you will, but you all know it's baiting. We outlawed it 30 years ago because it had become so downright obnoxious. Only 3 of the 48 States want it now, but they're certainly putting on the pressure to get their way. You all know that any director who advocates a return to baiting is the world's greatest genius for borrowing trouble. If one gets it, there'll be a segment of hunters in every State that will demand it, and the fire will be so full of fat you can't get close to it."

That touched things off, and before long Director John Farley was asked from the floor what the attitude of the Service might be.

"Our first objective here is to find out what you people in the States are thinking," he said. "We hope to learn that this afternoon." (All four flyway councils were to hold their individual sessions then and were to come together again in the evening.) "After we have your opinion, we'll give you ours," the Director said.

For some that was a justifiable attitude, but for an apparent majority it was failure to answer a fair question, and the muttering could be heard from here to yonder. After the flyway councils had had their own meetings and the whole group was together again, Mr. Farley announced that thereafter his assistant, Ernest Swift, would speak for the Service on waterfowl regulations. However, specific points raised at this general session were again referred back to the States.

Three days later, in the final panel of the conference, Mr. Swift spoke, and he certainly said plenty. His paper, of course, was prepared long in advance and did not deal specifically with any of the problems that had been brought up in the council meetings, nor did it answer any of the questions that had been raised there. The title was "Social Security for Mr. Duck," and it dealt with general attitudes toward the continent's waterfowl resource. Mr. Swift treated it in the free-swinging manner that characterized his talks all through the years he served as Wisconsin's conservation director. He trod on toes all over the place. He bluntly charged duck hunters with being grasping and shortsighted and game administrators with too often yielding to pressure groups that made extravagant demands on a dwindling resource. He warned that unless the continent starts thinking as much about the ducks as it does about the hunters we're in dire danger of underharvesting waterfowl out of existence. He concluded by quoting Edmund Burke: "The only thing necessary for the triumph of evil is that good men do nothing."

Then John Anderson, superintendent of the Winous Point Shooting Club in Ohio, and who served as discussion leader, did a bit of quoting himself. His was from Dante and had to do with the special reservations made in hell for those leaders who fail to stand up and be counted when controversy rages. After that he commented: "I'm afraid that Mr. Farley is in danger of being neutral too long. Super lobbies are now at work in Washington, and all their efforts are against the ducks. The ducks need help badly from somebody."

At that I. T. Quinn, Virginia's game and inland fish director, took the floor to rate the Swift paper as one of the best he had ever heard at any of the conferences. "We all wish we had more men capable of speaking out so fearlessly, of making decisions, and of offering leadership," he said, and the applause indicated that his wish rang a bell with the crowd.

Apprehension for the future of refuges and resources other than waterfowl was voiced from the beginning. The National Wildlife Federation concluded its annual convention as the larger conference got under way. The last item to occupy its attention was the upper Colorado water-storage project, with special reference to Echo Park Dam. For 3 hours supporters of the Interior Department's stand favoring the inundation of Dinosaur National Monument by this structure did their best to swing the delegates to their way of thinking. Those efforts certainly were well planned and executed, but when the votes were counted it showed 30 States against Echo Park Dam and only 12 in favor of it. That demonstrates how little support the Interior Department has in this item from organized sportsmen.

Energetic Les Woerpel, representing the Wisconsin Federation of Conservation Clubs, sparked a session on Great Lake fisheries that turned up a vigorous protest against the administration's failure to finance an adequate research program aimed at control of the destructive sea lamprey. It was brought out that Canada is spending about $600,000 of provincial and dominion funds on the job this year. South of the border, something less than $70,000 State money is in sight, and the suggested Federal appropriation as it stood at the time of the Montreal meeting was $150,000.

"Here's a great resource fading away before our eyes," said W. R. Eschmeyer of the Sport Fishing Institute, "and when the research needed in the United States calls for at least $900,000, we're getting about a quarter of the amount. The Lake States are due to suffer most, and you want to remember that those States weren't too good to the administration in the 1954 election. This failure to meet a situation is due to politics, and we'd better get busy with some politics of our own."

At the conclusion of the 3-day conference a group of disturbed administrators gathered informally, looked the picture over and concluded that the first danger confronting resources is the suspected willingness of certain powers in the administration to divert to special and restricted purposes lands long ago dedicated to public recreational uses. The result was Representative LEE METCALF'S bill, H. R. 5306, introduced within 2 weeks, which provides that "* * * the Secretary of the Interior shall not dispose of, or relinquish any of the national wildlife refuges, or parts thereof, without the prior approval of Congress." This was as striking a declaration of lack of faith aimed at an Interior Secretary as can be recalled by your reporter in many a year.

A number of papers presented impressed their hearers with the necessity of getting back on the track of an orderly resource conservation program in a hurry. Prof. J. V. Wagar, head of the forest recreation and wildlife conservation department of Colorado A. and M., touched things off with his discussion of forest and range management. Reviewing the past 20 years, in which specialists in these fields have become recognized and respected, he declared that today we have become a nation of businessmen with little understanding of natural phenomena and of the basic enjoyments within them.

He characterized moves to develop watersheds and improve wilderness areas as trends that will capitalize our outdoor heritage right out of existence. Professional conservationists need, contended Professor Wagar, to finally determine philosophical objectives in wildlife and recreational management; to inform businessmen of the limitations of resources they insist on capitalizing; to create a desire for primitive outdoor experiences rather than easy life and accomplishments in the open; and, finally, adequate management funds "so we may show competing land users the values we defend."

William Vogt, dealing with future population demands, drove home a realization of what we must face shortly if population continues to increase. He emphasized the fact that whereas at the beginning of the century this Nation was producing 15 percent more raw materials than we consumed, by 1950 we were consuming 10 percent more than we produced.

And then came Stephen Raushenbush, of the Public Affairs Institute, with a discussion of resource programs and the needs of people. He showed that the demand for recreation by 1960 should be 36 percent above that of 1953 and that by 1965 it will be greater by 76 percent.

"This challenge cannot be met overnight, nor by technological tricks," he warned. "We should be developing a new program scaled for a population of 190 million by 1965 and 220 million at century's end. This should be done long before people start ruining the wildlife and recreational resources for the simple reason that not enough of them have been provided."

ADMISSION OF ITALY TO THE UNITED NATIONS

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. ANFUSO] is recognized for 60 minutes.

Mr. ANFUSO. Mr. Speaker, on June 20th through the 26th the United Nations

will return to San Francisco for a week-long session to celebrate the signing of the United Nations Charter in the same city back in 1945. This anniversary is an important event in the world. Many nations and peoples look forward to San Francisco once again for renewed hope for a lessening of world tension and concrete steps in the direction of peace.

While the membership of the United Nations has been increased over these past 10 years, there are still a number of deserving nations which for one reason or another have not been admitted. This is extremely regrettable. It hinders the efforts to attain peace among the nations and it weakens the very foundation of the United Nations itself because large segments of the world's population are not affiliated with it.

One of the major nations on the European Continent which has not yet been admitted to membership in the United Nations is Italy. How this is possible is beyond my comprehension, for here is a peaceful, democratic nation of some 50 million people, one of the first to free itself of dictatorship in World War II, a nation which later helped us rout the Nazi enemy—and yet this nation is denied admission to the U. N. Why?

Mr. Speaker, there have been at least five attempts since 1947 to obtain Italy's admission to the U. N., but on each occasion the Soviet Union vetoed the proposal. It will surely be of interest that the United States sponsored Italy's application for membership in each of those five instances. That is natural and understandable. Italy is a great friend and ally of the United States. On one such occasion the head of the American delegation to the U. N., in proposing Italy's admission, stated as follows:

> Italy's record clearly merits admission to the U. N. The Italian people have suffered greatly, they have worked hard, and they have proven to the satisfaction of all democratic nations that they have earned their right to a seat in the world's councils.

Despite these repeated vetoes by Russia, neither Italy nor the United States were discouraged. In fact, the United States has sponsored Italy's membership in many organizations associated with the United Nations. Italy is now active in the World Food and Agricultural Organization—FAO—which has its headquarters in Rome; in the International Labor Organization—ILO; the International Monetary Fund; the World Bank; the World Health Organization—WHO; the International Civil Aviation Organization; and others.

Mr. Speaker, for the sake of keeping the record straight, I want to cite the background history and facts in connection with Italy's efforts to gain membership in the United Nations and how these efforts were thwarted each time by Russia.

According to the U. N. Charter, membership in the United Nations is open to all "peace-loving states which accept the obligations contained in the present charter and, in the judgment of the organization, are able and willing to carry out these obligations"—article 4, paragraph 1. Admission is effected by a two-thirds vote of the General Assembly and a vote of 7 of the 11 members of the Security Council. In practice, the Security Council has held that an affirmative vote by the Council must include the concurring votes of the permanent members—the United States, the United Kingdom, France, the Soviet Union, and China.

Italy first submitted its application for membership in the United Nations more than 8 years ago—on May 7, 1947—before the Italian Peace Treaty had entered into effect. When the application came up for consideration in the Security Council the United States proposed immediate admission, stressing the role which Italy had played on the side of the Allies during the concluding phases of World War II. Some representatives expressed doubts as to whether Italy should be admitted until the peace treaty was in force and Italy was completely sovereign. Taking this view into consideration, Australia proposed leaving the matter up to the General Assembly and submitted a resolution to recommend Italy's admission "at such time and under such conditions as the General Assembly may deem appropriate." On August 21, 1947, the resolution was put to a vote. It received 8 votes in favor, including that of the United States, but it was vetoed by the Soviet Union.

This was veto No. 1.

Later, the Security Council reexamined the applications of Italy, as well as those of Hungary, Rumania, Bulgaria, and Finland, after the peace treaties with these countries had been concluded. The preambles to the treaties included a paragraph to the effect that the conclusion of the treaties, which would form the basis of friendly relations between the signatory nations, would enable the allied and associated powers to support the applications of the exenemy states for membership in the United Nations. Poland and the Soviet Union contended that the 5 countries should be admitted at the same time. Australia, the United Kingdom, and the United States insisted on a separate vote on each application on the basis of its merits. When the recommendations for admission came to a vote on October 1, 1947, Italy and Finland received 9 votes in favor, but the recommendations failed of approval because of the veto of the Soviet Union. The other 3 applicants failed to obtain 7 affirmative votes.

This was veto No. 2.

On November 17, 1947, the General Assembly determined that, in its judgment a number of states, including Italy, were peace-loving states within the meaning of article 4 of the charter, and should therefore be admitted to membership in the United Nations. The assembly requested the international court of justice to give an advisory opinion on whether a member of the United Nations was juridically entitled to make its consent to the admission of a new member dependent on conditions not expressly provided in the charter—in particular, whether it could make its consent subject to the condition that other states be admitted at the same time. The court decided, by a vote of 9 to 6, that a member was not so entitled.

On April 10, 1948, the Council reconsidered the applications of all 11 States it had previously failed to recommend for membership. Only Italy's application was voted on; it again received 9 affirmative votes, but was again vetoed by the Soviet Union.

This was veto No. 3.

In December 1948, the General Assembly reiterated its previous determination that Italy, as well as a number of other States, fulfilled the requirements of article 4 of the charter and should therefore be admitted. It requested the Security Council to reconsider these applications in the light of its resolution and of the International Court's advisory opinion, reaffirming the view that opposition to these applications was based on grounds not included in article 4.

In June 1949, Argentina introduced seven draft resolutions in the Security Council calling on the Council to recommend the admission of Italy, Austria, Ceylon, Finland, Ireland, Portugal, and Jordan. In the same month the Soviet Union proposed in one draft resolution that the Council recommend those seven applicants and, in addition, Albania, Bulgaria, Hungary, Mongolia, and Rumania. The Soviet proposal was later revised to include Nepal. Other members of the Council held the view, however, that to consider the applications of a number of States en bloc or to condition a favorable recommendation of one state on the favorable recommendation of another state was contrary to the charter and also to the advisory opinion of the International Court of Justice. On September 13, 1949, when the Argentine resolutions came to a vote, Italy again received nine votes in favor, but the recommendation was vetoed by the Soviet Union.

This was veto No. 4.

On November 22, 1949, the General Assembly requested the Security Council to reconsider the vetoed applications and asked the permanent members to refrain from the use of the veto on recommendations of states for membership. The Council, however, failed to act on the Assembly's suggestion.

In December 1951, the General Assembly discussed the special problem of the participation of Italy in the work of the Trusteeship Council. As the administering authority of the Trust Territory of Somaliland, Italy, the Assembly decided, should be a member of the Trusteeship Council. For that purpose and since it satisfied the conditions of membership, it should be admitted to the United Nations. A resolution to this effect was transmitted to the Security Council.

In the Council, France presented a recommendation for the admission of Italy. The Soviet Union again reintroduced its "package proposal," revised to include Libya in addition to the other 13 applicants. When the proposals came to a vote on February 2, 1952, the French recommendation received 10 votes in favor but was vetoed by the Soviet Union. The Soviet proposal was rejected by a vote of 2 to 6, with 3 abstentions.

This was veto No. 5.

The General Assembly has since then tried a number of devices in an effort to break the deadlock on the admission of new members. In 1952, a special committee was set up to make a thorough study of the membership question. The committee, however, was unable to agree on any specific recommendations. In 1953, the General Assembly established a Good Offices Committee To Consult With Members of the Security Council in the hope of bringing about a satisfactory solution.

Mr. Speaker, so much for the history and the background information in the matter. I should like at this time to propose several suggestions which, I feel, the Uinted States should pursue in an attempt to end the stalemate on admitting new members in the United Nations. These proposals are as follows:

First. To seek to obtain a voluntary agreement among all nations who are members of the United Nations to eliminate the veto where it concerns the admission of new members to the U. N.

Second. If a voluntary agreement cannot be obtained, then an attempt should be made to amend the U. N. Charter to eliminate the use of the veto in barring prospective members from admission to the U. N.

Third. To amend the U. N. Charter by providing that applications for membership are to be considered and decided by a majority vote in the General Assembly, without the acquiescence of the Security Council.

Fourth. To amend the U. N. Charter by providing that membership shall be open to any nation which applies and satisfactorily demonstrates a definite willingness to abide by the purposes and principles of the United Nations.

Mr. Speaker, I believe that any one of the above proposals, if adopted, could break the deadlock now existing in the United Nations on the question of admitting new members. I think the first proposal listed, namely, to obtain voluntary agreement to eliminate the veto, should be attempted first. If this effort fails, then the only other recourse would seem to be amending the U. N. Charter, which the next three proposals suggest.

As far as the United States is concerned, our country has expressed a willingness to eliminate the veto on membership as early as 1947. On July 11, 1948, the Senate endorsed this position by adopting the so-called Vandenberg resolution calling for voluntary agreement to discard the veto in membership cases.

Amendments to the U. N. Charter, such as I have suggested above, would require the approval of two-thirds of the membership of the United Nations, including the five permanent members of the Security Council. The Soviet Union has repeatedly indicated that it would resist any attempt to restrict the use of the veto. The Good Offices Committee, which is still seeking a solution in the matter, has indicated its belief in reaching an understanding in which "different views may eventually be harmonized within the spirit of the Charter."

Mr. Speaker, the United States was one of the leading sponsors and architects of the United Nations just 10 years ago. It is still one of its strongest supporters to this day. The American people are still hopeful, as are many other peoples throughout the world, that the United Nations will succeed in bringing about a more peaceful world. A step in that direction would be the admission of a country like Italy and other deserving nations, who would unquestionably be a force for good and moral justice.

I would strongly urge our State Department to instruct the American delegation to the United Nations session in San Francisco this month to make a strenuous attempt to obtain the adoption of any one of the proposals I have suggested here today. This is the only way, it would appear, to end the stalemate and gain the admission of an important nation like Italy. If our delegation takes the initiative on this question in San Francisco, I feel certain that it would enhance our prestige abroad to new and greater heights. Let us not fritter away this opportunity to gain friends where we need it most.

In conclusion, Mr. Speaker, let me say that the Soviet Union has used the United Nations for its own propaganda purposes; that it has similarly used all conferences between nations for the same purpose; that it will so use the Big Four meeting scheduled for July 18, 1955, in Geneva.

Let us now tell the Soviet Union that we are tired of being used—that if the Soviet Union fights these proposals and refuses to cooperate with all other nations, then we shall utilize the opportunity presented by this international forum to let the whole world know that it is the Soviet Government—and the Soviet Government alone—which is putting barriers in the way of peace, and that it is hindering the efforts to unite the nations of the world. We should not hesitate to bring to the attention of all nations that Soviet Russia is to blame for maintaining a divided world in order to further its own selfish interests.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. ANFUSO. I yield.

Mr. ROOSEVELT. May I congratulate my colleague on his excellent presentation of the case for the admittance of Italy to the United Nations. It would seem to me that we in our own country have had ample proof of the contributions to our own culture of those of Italian birth and extraction, and to the tremendous growth of our economy. So that we should know at first hand the contribution to the peace of the world that the Italian nation could make were she admitted to the United Nations.

I sincerely hope that it will be carried out.

Mr. ANFUSO. I thank the gentleman.

Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] and the gentleman from Wisconsin [Mr. ZABLOCKI] be permitted to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mrs. KELLY of New York. Mr. Speaker, I wish to take this opportunity to compliment my colleague from New York for obtaining this time which gives us the opportunity to discuss a very timely topic—the admission of a nation or new nations into the United Nations organization. The gentleman has obtained this time in an effort to foster the admission of Italy into this world organization. To this I subscribe and I pledge my support.

I think this subject is most timely since we are soon to convene the San Francisco meeting of this international organization—a meeting directed to be held under the Charter of the United Nations in the 10th year of its being. The agenda of this meeting has been or is being planned, one of the topics will be the admission of new nations. We realize that such admission is not easy to accomplish since any of the permanent members of the United Nations (Nationalist China, U. S. S. R., United States, United Kingdom, and France) may veto the proposal. We realize too that the U. S. S. R. will certainly use her veto power to block the admission of any nation alined with the free world as she has done in the past.

Much attention and pressure have been and are being directed toward the United Nations membership to admit Red China into the United Nations. The background and story of Red China are known to all. The present leaders of that country have waged a war of aggression against the United Nations. They have abrogated every natural law and every law of man. They are still in a state of war with this organization and they in no way comply with the United Nations charter provision for admission.

On the other hand, Italy has proven that she is ready to take her place in the community of nations and is a member of the North Atlantic Treaty Organization. I urge, and have gone on record, that the United States and free world exert every effort to have Italy admitted to membership in the United Nations.

For background, I place in the RECORD excerpts from a report on Italy made by the Zablocki Study Mission group. The findings of this group substantiate Italy's qualifications for admission.

ATTITUDE AND CONTRIBUTION OF ITALY

Although Italy is poor in natural resources and is beset by serious problems, we feel that in return for American aid, which is considerable, this country can make a still greater effort in the development of her military forces for NATO defense purposes and in contributing to the unification of Europe.

Italy, projecting as it does into the Mediterranean, is of strategic importance in helping the free world control this important waterway. It constitutes along with Greece and Turkey and Yugoslavia, which is anti-Soviet Union, the southern front, preventing the Russians from reaching the Mediterranean.

Italy is a member of the Schuman plan and is one of the nations carrying on conversations on the formation of a European army. In these respects Italy is in a position to play an important role in the development of European unity. The committee learned that Italy is strongly for a united Europe and we feel that one of the major

contributions which we can make to the free world is to give her wholehearted cooperation in achieving this objective.

As a member of the NATO organization, Italy is expected to carry its full share in the defense program of the free world. The country's low per capita income and modest natural resources are limiting factors, but its reserves of unemployed workers and reserves of unused industrial capacity permit a substantial contribution, if the requisite raw materials and other supplies can be obtained and financed.

CONCLUSIONS

Italy is most friendly to the United States. This is accounted for by the fact that Italian people have millions of relatives in this country. The United States has taken an understanding attitude of Italy's internal and external problems, including Trieste. Furthermore the Italians are very grateful for United States economic assistance, through the ECA program, and other United States economic and military aid. The De Gasperi government is stable and prowestern. Italian morale is good. Italy, as a result of treaty revision, will be able to play an increasingly helpful role in western defense.

Communism, although a force principally in the northern part of the country, is not growing and appears to be under control.

The question of Trieste is an emotional question and it would be most helpful to solving international problems if this issue could be settled.

The financial structure of Italy must be revised to meet the needs of the modern day.

The Italians stand strongly for a unified Europe. If the European army is adopted the Italian forces can become a most effective part of this defense effort. Further United States assistance, both military and economic to Italy as well as any other country, should be measured by self-help and contribution toward the Mutual Security Program and the efficiency in which the money is spent. Waste in the use of funds must be eliminated.

Mr. ZABLOCKI. Mr. Speaker, I want to join my distinguished colleagues in urging the admission of Italy to the United Nations organization.

Eight years have passed since Italy applied for admission to the U. N., but to date her membership in that organization has not been approved. There is no valid reason for this prolonged delay—no reason at all, only the stubborn opposition of Communist Russia. Time and again, Soviet representatives on the U. N. Security Council have used the veto power to block the approval of Italy's application for membership; time and again they succeeded in preventing Italy from becoming an active member of the organization to which she should, and wants to, belong.

I well remember the fall of 1951 when, as the chairman of a special study mission to Europe, I attended the sixth session of the U. N. General Assembly which met in Paris. On the day when our committee attended the meeting, the General Assembly voted to approve the admission of Italy to the U. N. We were very much impressed and encouraged. Our group felt, and so reported to the Congress, that Italy's membership in the U. N. and in NATO would make it possible for her to play an increasingly important role in the efforts to attain European unity, and to strengthen and safeguard Western Europe against totalitarian communism.

We were bitterly disappointed a short time later when, on February 6, 1952, the Soviet representative on the Security Council used the veto power to negate the action of the General Assembly, by vetoing the final approval of Italy's application for U. N. membership.

That was not the first time that the U. S. S. R. adopted this stubborn, negativistic position. Italy's application for membership was approved twice in the General Assembly—in 1949 and again in 1951—but it ran directly into the Soviet veto in the Security Council on four separate occasions: in August 1947, in October 1947, in September 1949, and on February 6, 1952. On a couple of those occasions, the Communist representative of the puppet regime in Warsaw voted with his Soviet comrade.

Now this entire question is again under review. The ninth session of the General Assembly, which convened last year, instructed the Security Council to review the cases of all qualified applicants for U. N. membership. Italy is one of those qualified applicants. The Security Council will have to reach some decision on Italy's application before the 10th session of the General Assembly convenes this fall.

It is my sincere hope that the Security Council will take favorable action on this vital issue. I also hope that our representative to the United Nations will continue to work for the achievement of that goal. Italy should become a member of the U. N. without further delay.

ADMINISTRATION HAS WOEFULLY FAILED THE AMERICAN PEOPLE IN CIVILIAN DEFENSE

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 12 minutes.

Mr. HOLIFIELD. Mr. Speaker, the Federal Civil Defense Administration is engaging in an evacuation exercise today for approximately 15,000 Federal employees of the Washington, D. C., area.

The 15,000 employees have been selected as key employees necessary for the emergency operation of the executive branch of government.

I do not criticize the objective of this civil-defense exercise, but I must, in good conscience, call to the attention of my colleagues the failure of the President and the Federal Civil Defense Administration to come to grips with the problem of civil defense in the hydrogen weapon age.

Certain realities exist. These realities are being ignored in the planning for civil defense. Mr. Val Peterson, the Civil Defense Director, is in my opinion, an earnest and energetic man, but is shackled by the National Security Council, the Bureau of the Budget and, in the last analysis, the President.

Mr. Peterson while testifying before a congressional committee was pressed for an answer to the stark realities on civil defense, stated that he was "part of a team."

We can admire Mr. Peterson's "team" loyalty, but this is not a game in which loyalty to his superiors and adherence to an inadequate concept of the realities of atomic-hydrogen disaster can compensate for his responsibility for the survival of 50 or 60 million people who live in the 74 primary target areas of our country.

Today's evacuation exercise of 15,000 Federal employees is in itself an admission of the need for meeting the threat of possible atomic-hydrogen attack and for insuring the continuity of executive functions at the top level. It is also a glaring example of the too little, too late approach to the grim problem by the administration.

But this exercise, without regard to its merit or success, does not answer the problem of survival as a nation.

It is imperative that the administration face up to the realities of the problem we have and accept the responsibility for planning and implementing the best possible solution. This they have not done to date.

First reality: One hydrogen bomb can paralyze and, for all practical purposes, destroy any metropolitan area in the world.

Second reality: There is, at this time, no adequate defense against delivery of such a bomb on cities outside or inside the Iron Curtain.

Third reality: There is no guaranty at this time, that surprise atomic-hydrogen attack will not be launched by the Kremlin leaders in line with their avowed purpose of world domination.

Faced with these undeniable realities of our time, the best possible solution must be planned. Before it can be planned, we must face up to certain inadequacies of our present approach.

These inadequacies are based on: (a) a concept of civilian defense which was accepted prior to the exploding of the megaton hydrogen weapon device in November 1952; (b) legislation passed in 1951—Civil Defense Act, 1950—which placed primary planning and financing responsibility on local political subdivisions—State, counties, and cities.

A new approach has been in order since it was proven that bombs can be made and delivered with power release measured in multiple-million-ton TNT equivalent. This date was November 1952. Almost 3 years have passed. The hydrogen weapon has been improved in power, decreased in size, and methods of delivery have been improved by the development of faster, higher altitude aircraft.

The administration has miserably failed the American people. They have not accepted these facts in terms of proposing legislation to replace the obsolete Civil Defense Act of 1950.

It is imperative that new legislation be proposed and sponsored by the administration which will enable them to discharge their responsibility of national leadership in the field of civil defense. This legislation should take into consideration the new situation created by technological and scientific advances since 1952 in both weapons and aircraft.

The new legislation must be based on two vital principles: (a) Federal responsibility for target area planning and coordination; and (b) Federal acceptance of major financial responsibility for the

costs of civilian defense on the same basis as now accepted for military defense.

This administration must face up to these undeniable facts if we are to have a realistic civil defense. Up to now, they have evaded their responsibility and are deluding the American people.

They are placing the principle of a balanced budget ahead of protecting 50 to 60 million people now living in 74 critical target areas of our country.

IMPORTANCE OF SYNTHETIC FUELS

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, the United States Department of Interior, Bureau of Mines, recently issued the 1954 annual report on synthetic liquid fuels. While a considerable portion is devoted to technical descriptions of equipment and experimentations relative to the Bureau's research on synthetic fuel, Members of the Congress should familiarize themselves at least with that part of the report dealing with the eventual necessity for the Nation's reliance upon both gas and petroleum products made from oil shale and coal.

Between 1943 and 1953, consumption of liquid fuels almost doubled, increasing from 1.7 billion to nearly 3 billion barrels annually in that decade. The report points out that this rise will continue, especially in the field of motor and other distillate fuels. One of the experts—an official in a large oil company—is quoted in the report as estimating that production of gasoline and other higher grade petroleum products by synthesis will of necessity begin as early as 1957. Others differ as to when synthetic liquid fuels will come into the market, but there is general concurrence in the assumption that commercial production will begin within the next 10 years.

The life index of natural gas reserves now stands at 22½ years and has been falling at an accelerated rate. In the 1954 report of E. S. Pettyjohn, Director of the Institute of Gas Technology, he warns that gas production by 1960 may be entirely inadequate, a condition that will be intensified in succeeding years. Dr. Pettyjohn further states:

> We think that the answer to the rise in price of natural gas at the distributing company's city gate is the ability to make a substitute gas from available raw materials in sufficient quantity and at a lower cost than pipeline gas. * * * The only solution is the further development of making gas from fossil fuels, all of which are available and which can be used through research for this purpose.

The practicability of producing these liquid fuels and gas from oil shale and coal has long been established. During the latter part of World War II, 85 percent of the aviation gasoline, along with diesel fuel, jet fuel, fuel oil, paraffin wax, and lubricating oils, used by the German fighting machine came from coal. The Bureau of Mines has successfully demonstrated that gasoline and other such products can be produced from coal. The 1954 Bureau of Mines report describes the coal-into-oil laboratories and pilot plants at Bruceton, Pa., and also explains the experimental work that is now being carried on in the manufacture of synthesis gas from coal at Morgantown, W. Va.

The Carbide & Carbon Chemicals Co., a subsidiary of Union Carbide & Carbon Corp., has for the past 3 years been operating a hydrogenation plant in West Virginia for the production of chemicals from raw coal. The traditional method of producing coal chemicals is through carbonization, the chemicals coming from vapors and tar when distilled in ovens where the coal is baked without air to make coke.

Carbide & Carbon is one of the largest producers of organic chemicals. Two decades ago, when it became apparent that petroleum and natural gas resources were too limited to withstand the expected rising demands, the company undertook to find alternate sources of raw materials for organic chemical production. After years of research and development on the hydrogenation process, the company reported successful production of a product very rich in essential chemicals.

A ton of coal in a modern coke oven will yield in coal chemicals about 8 gallons of tar, 20 pounds of ammonium sulfate, 10,000 cubic feet of surplus gas, and about 3 gallons of light oils. The coal chemicals are subsequently broken down into innumerable other compounds, including aviation gasoline, nylon, industrial solvents, printing inks, DDT, dyes, an ingredient used in the manufacture of synthetic rubber, saccharine, explosives, mothballs, insecticides, wood preservatives, pyradine, and many others. The hydrogenation process offers not only wide flexibility of products, but yields can be varied considerably in accordance with products needed. Thus, emphasis can be placed on gasoline, gas, or whatever other items happen to be in greatest demand at any given time.

What I would like to suggest at this time, Mr. Speaker, is that the Congress give thought to the appropriation of sufficient funds to erect a synthetic fuels plant, to be operated on an experimental basis but large enough for conversion to a commercial operation. This plant should be in an area which has generous reserves of bituminous coal and an ample supply of water which I understand is a prerequisite for the operation of such an establishment. The Twenty-second Congressional District of Pennsylvania offers both these natural advantages, and you can be certain that the people of my district would welcome a project of this type and would cooperate in every way possible. Our area has been hit hard by unemployment in the past several years, particularly because of coal market losses as a consequence of trade policies that encourage the use of foreign residual oil over domestically produced fuels.

To build a synthetic-fuels plant would require the services of a large working force. While it must be conceded that there is no immediate need for synthetic fuels at this time, the fact remains that in an emergency the country would need every British thermal unit that our fuels industries are capable of producing. If, on the other hand, we are so fortunate as to avoid further conflict with other nations in the years immediately ahead, we are still confronted with the possibility that the continued depletion of oil and natural gas resources will necessitate production of these fuels by synthesis. While it is not possible to foresee the exact date at which the cost of producing synthetic fuels coincides with the cost of producing conventional fuels, I believe that construction of a synthetic fuels plant should be given serious consideration right now.

This recommendation is based primarily on the Government's willingness—and, in fact, insistence—to put up money for building and the operation of atomic-powered generating stations. While I sincerely hope that our great scientists and engineers will successfully apply all of nuclear fission's potentialities to industry on a commercial basis as soon as possible, I cannot accept the Government's philosophy of direct contribution to this development while excluding other sources of power from similar subsidies. My contention is that, if the Federal Government has money to invest in power-generating facilities whose practicability has not yet been established, it would be more reasonable to use these funds, or at least a portion of them, to construct a pioneer commercial plant in an industry which fuel experts believe will inevitably have to step in and fill the gaps caused by the depletion of short-term energy resources.

According to general estimates, an atomic powerplant can be built at a cost of approximately $250 per kilowatt—or $25 million for 100,000 kilowatts. Conventional powerplants using oil, coal, or natural gas to make steam cost about $160 a kilowatt in construction—or $16 millon for 100,000 kilowatts. It is also estimated that the atomic plant would be able to produce electricity at a cost range from 6 to 9 mills per kilowatt-hour. Reports published by the Atomic Energy Commission point out that eventually generation of electric power through nuclear fuel may get down somewhere between 4 and 7 mills per kilowatt. Apparently, this is the best we can hope for in the long-range future, and even this estimate is purely hypothetical.

On the other hand, modern electric powerplants built within easy access to sources of coal are at the present time producing electricity at a cost of only 3 mills per kilowatt—a rate not suggested as a goal even by the most optimistic of the advocates of atom-produced electricity.

Now let us look at some more figures that are not hypothetical, but are based on established records and are in the files of the Federal Power Commission. In 1920, it required an average of 3 pounds of coal to produce 1 kilowatt-hour of electricity. By 1930, this figure was down to 1.6; in 1940, it was 1.34; in 1950, 1.19; and last November—the most recent figures which I have available—the average was down to 0.97.

You understand, of course, that some modern powerplants are far below that average—somewhere about three-fourths of a pound per kilowatt-hour.

At this time, I should like to extract from the lucid and informative testimony of Mr. W. Brice O'Brien, assistant general counsel, of the National Coal Association, before the Joint Committee on Atomic Energy last February 28. Here is Mr. O'Brien's observation about the low cost potential in the case of electricity generated by coal:

> It is obvious that there is still a great deal of room for further progress. It is not inconceivable, if research currently underway bears fruit, that when and if nuclear power progresses to the point where it can be producing 7-mill electricity, the efficiency of coal utilization will have been doubled over its present rate.

Yes, the cost of coal as a fuel is steadily declining because America's engineers are continually finding better ways to utilize this fuel more efficiently. Current laboratory work by the Bureau of Mines and by technologists at individual coal companies will unquestionably unveil new information about coal's characteristics that will eventually lead to cheaper synthetic fuels production. But I wonder whether we need wait for the developments that will evolve from these small-scale laboratories. If the investment of United States Government funds in atomic-powered electric utility plants is considered a judicious investment despite the already proved ability of the coal industry to generate power so much cheaper, then it would appear that we can well afford to get started on a program that will bring about the realization of an oil and gas from coal industry.

The policy of subsidizing commercial facilities for the generation of power from the atom is discussed at length in an editorial by Mr. Justin McCarthy in the United Mine Workers Journal. The editorial concludes with this statement:

> It is poor policy for the Government to spend the taxpayers money to subsidize atomic research in the electrical energy field with the hope that ultimately nuclear power can produce electricity costing 4 to 7 mills per kilowatt-hour when modern coal plants already can do it for as little as 3 mills per kilowatt-hour. The coal industry doesn't want subsidies. And we don't think the production of electricity from atomic energy should be subsidized either. Let the atom stand on its own in our free, competitive system.

The coal industry has never asked for subsidies and the recommendation which I offer here today does not conflict with this traditional independence of the industry. My point is that the electrical utilities industry is receiving aid through Government subsidies for experimental atom-powered plants. Whether this assistance comes in the form of direct subsidies or tax write-offs is of no consequence. It is my belief that, rather than subsidize this type of industrial activity, it would be far better if we were to subsidize what could very well become vital defense facilities: synthetic fuel plants. If the peace is not interrupted in the coming years, then these facilities will serve as standbys for the production of fuels that otherwise may be in short supply in the not too distant future.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. MCCORMACK and include an address recently made by the gentleman from North Carolina [Mr. COOLEY] and to include also in connection with such address a supplement prepared by him.

Mr. MARTIN and include an article concerning the gentleman from Virginia [Mr. POFF].

Mr. O'HARA of Illinois and to include extraneous matter.

Mr. MURRAY of Illinois and to include extraneous matter.

Mr. WOLVERTON and to include extraneous matter.

Mr. LANE in two instances, and to include extraneous matter.

Mr. PHILBIN in three instances, and to include extraneous material.

Mr. SCHENCK, and to include an editorial.

Mr. COLE.

Mr. HENDERSON, and to include extraneous material.

Mr. BEAMER.

Mr. LESINSKI and to include extraneous matter.

Mr. EVINS (at the request of Mr. BASS of Tennessee) in two instances and to include extraneous matter.

Mr. MACK of Illinois (at the request of Mr. LANHAM).

Mr. THOMPSON of New Jersey (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. TUMULTY (at the request of Mr. MCCORMACK) in two instances and to include extraneous matter.

SENATE BILLS REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table, and, under the rule, referred as follows:

S. 38. An act for the relief of Joseph Earl Sirois (also known as Jeremie Earl Sirois); to the Committee on the Judiciary.

S. 47. An act for the relief of Guiseppe Agosta; to the Committee on the Judiciary.

S. 85. An act for the relief of Rosetta Ittner; to the Committee on the Judiciary.

S. 86. An act for the relief of Wilhelmine Schelter; to the Committee on the Judiciary.

S. 92. An act for the relief of Irene C. (Karl) Behrman; to the Committee on the Judiciary.

S. 101. An act for the relief of Fernanda Milani; to the Committee on the Judiciary.

S. 111. An act for the relief of Mrs. Theres Schickl Dutton and daughter, Laura Theresia Schickl; to the Committee on the Judiciary.

S. 117. An act for the relief of Ana P. Costes; to the Committee on the Judiciary.

S. 135. An act for the relief of the Elkay Manufacturing Co., of Chicago, Ill.; to the Committee on the Judiciary.

S. 137. An act for the relief of Renzo Petroni; to the Committee on the Judiciary.

S. 142. An act for the relief of Thomas Kunhyuk Kim; to the Committee on the Judiciary.

S. 160. An act for the relief of Dr. and Mrs. Henri Revilliod; to the Committee on the Judiciary.

S. 161. An act for the relief of Ivan Powell; to the Committee on the Judiciary.

S. 174. An act for the relief of Rosa Tomasina Puglisi (Rosa Tomasina Maria Sano); to the Committee on the Judiciary.

S. 177. An act for the relief of Porfirio Junciano Vila, his wife, Tatiana Abatooroff Vila, and children, Porfirio J. Vila, Jr., Ann Marie Vila, and Josephine Anne Vila; to the Committee on the Judiciary.

S. 181. An act for the relief of Manhay Wong; to the Committee on the Judiciary.

S. 187. An act for the relief of Mr. and Mrs. Frank Goto; to the Committee on the Judiciary.

S. 190. An act for the relief of Kreste Fantulin; to the Committee on the Judiciary.

S. 197. An act for the relief of Vincenzo Santagata; to the Committee on the Judiciary.

S. 193. An act for the relief of Fillipo Mastroianni; to the Committee on the Judiciary.

S. 214. An act for the relief of Ahmet Suat Maykut; to the Committee on the Judiciary.

S. 254. An act for the relief of Giussepina Cervi; to the Committee on the Judiciary.

S. 284. An act for the relief of Margarita Oy Wan Chan; to the Committee on the Judiciary.

S. 324. An act for the relief of Vesa Reijo Luukkonen; to the Committee on the Judiciary.

S. 325. An act for the relief of Elvira Tocchio Anzedei; to the Committee on the Judiciary.

S. 326. An act for the relief of Leopoldine Maria Lofblad; to the Committee on the Judiciary.

S. 340. An act for the relief of Guiseppe Bertolani (Gino Mancini); to the Committee on the Judiciary.

S. 345. An act for the relief of Richard Karl Hoffman; to the Committee on the Judiciary.

S. 346. An act for the relief of Klara Maria Fleischer; to the Committee on the Judiciary.

S. 354. An act for the relief of Xaralampos Jiannoulos, also known as Harry Noulis; to the Committee on the Judiciary.

S. 360. An act for the relief of Ralph Piccolo (Raffaele Piccolo); to the Committee on the Judiciary.

S. 367. An act for the relief of Maria Stela Leitao; to the Committee on the Judiciary.

S. 368. An act for the relief of Marcelina Anderson; to the Committee on the Judiciary.

S. 369. An act for the relief of Elena Spacapan; to the Committee on the Judiciary.

S. 387. An act for the relief of George J. Anthanassopoulos; to the Committee on the Judiciary.

S. 388. An act for the relief of Petre and Liubitza Ionescu; to the Committee on the Judiciary.

S. 389. An act for the relief of Sergio I. Veira; to the Committee on the Judiciary.

S. 396. An act for the relief of Theresa Pok Lim Kim; to the Committee on the Judiciary.

S. 470. An act for the relief of Edith Winifred Loch; to the Committee on the Judiciary.

S. 477. An act for the relief of Aldo Timosi; to the Committee on the Judiciary.

S. 498. An act for the relief of Maria Gabriella Byron (Maria Gabriella Michon); to the Committee on the Judiciary.

S. 541. An act for the relief of Martin Aloysius Madden; to the Committee on the Judiciary.

S. 598. An act to provide for adjustments in the lands or interests therein acquired by the Albeni Falls Reservoir project, Idaho, by reconveyance of certain lands or interests therein to the former owners thereof; to the Committee on Public Works.

S. 1020. An act for the relief of Laurie Dea Holley and the legal guardian of Karmen

Lael Holley, minor child; to the Committee on the Judiciary.

S. 1033. An act for the relief of Ann Arbor Construction Co.; to the Committee on the Judiciary.

S. 1177. An act for the relief of desert-land entrymen whose entries are dependent upon percolating waters for reclamation; to the Committee on Interior and Insular Affairs.

S. 1378. An act to clarify and consolidate the authority to require the establishment, maintenance, and operation of aids to maritime navigation on fixed structures in or over navigable waters of the United States; to the Committee on Merchant Marine and Fisheries.

S. 1397. An act providing for the conveyance of certain lands to St. Louis Church of Dunseith, Dunseith, N. Dak.; to the Committee on Interior and Insular Affairs.

S. 1790. An act to amend section 4153 of the Revised Statutes, as amended, to authorize more liberal propelling power allowances in computing the net tonnage of certain vessels; to the Committee on Merchant Marine and Fisheries.

S. 1791. An act to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats; to the Committee on Merchant Marine and Fisheries.

S. 1867. An act for the relief of Mary Goodyear Brown; to the Committee on the Judiciary.

S. 1878. An act to amend the act authorizing the conveyance of certain lands to Miles City, Mont., in order to extend for 5 years the authority under such act; to the Committee on Interior and Insular Affairs.

S. 2074. An act to extend for an additional 5 years the provisions of the act of September 30, 1950, entitled "An act to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof; to the Committee on Interstate and Foreign Commerce.

S. J. Res. 12. Joint resolution to request the Secretary of State to arrange for the International Joint Commission, United States and Canada, to conduct a survey of the proposed Passamaquoddy tidal power project, and for other purposes; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 891. An act for the relief of Alberto Cortez Cortez;

H. R. 970. An act for the relief of Kyung Ho Park (Syung Sil Park) and his wife, Mrs. Young Sil Lee;

H. R. 1002. An act for the relief of L. S. Goedeke;

H. R. 1401. An act for the relief of Ewing Choat;

H. R. 1487. An act for the relief of Rosa Maria Phillips;

H. R. 1656. An act for the relief of Chen Chih-Keui;

H. R. 1974. An act for the relief of Shirley W. Rothra;

H. R. 2236. An act for the relief of Mary Rose and Mrs. Alice Rose Spittler;

H. R. 3020. An act for the relief of Buonaventura Giannone;

H. R. 4359. An act to amend the act of September 30, 1950 (64 Stat. 1096), to provide for the conveyance of certain real property to the city of Richmond, Calif;

H. R. 4659. An act to amend section 16 of the act entitled "An act to adjust the salaries of postmasters, supervisors, and employees in the field service of the Post Office Department," approved October 24, 1951 (65 Stat. 632; 39 U. S. C. 876c);

H. R. 5146. An act to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade; and

H. R. 5398. An act to increase the efficiency of the Coast and Geodetic Survey, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 891. An act for the relief of Alberto Cortez Cortez;

H. R. 970. An act for the relief of Kyung Ho Park (Syung Sil Park) and his wife, Mrs. Young Sil Lee;

H. R. 1002. An act for the relief of L. S. Goedeke;

H. R. 1401. An act for the relief of Ewing Choat;

H. R. 1487. An act for the relief of Rosa Maria Phillips;

H. R. 1656. An act for the relief of Chen Chih-Keui;

H. R. 1974. An act for the relief of Shirley W. Rothra;

H. R. 2236. An act for the relief of Mary Rose and Mrs. Alice Rose Spittler;

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H. R. 4659. An act to amend section 16 of the act entitled "An act to adjust the salaries of postmasters, supervisors, and employees in the field service of the Post Office Department," approved October 24, 1951 (65 Stat. 632; 39 U. S. C. 876c);

H. R. 5089. An act to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, and for other purposes;

H. R. 5146. An act to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade;

H. R. 5398. An act to increase the efficiency of the Coast and Geodetic Survey, and for other purposes; and

H. R. 5907. An act for the relief of Albert Woolson.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 16, 1955, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

898. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1955 in the amount of $275,000 for the Department of Justice (H. Doc. No. 183); to the Committee on Appropriations and ordered to be printed.

899. A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $5,343,868, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (H. Doc. No. 184); to the Committee on Appropriations and ordered to be printed.

900. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to appropriations for the fiscal year 1956 for several departments and agencies (H. Doc. No. 185); to the Committee on Appropriations and ordered to be printed.

901. A letter from the Assistant Secretary of the Interior, transmitting a report showing that an adequate soil survey and land classification of lands to be benefited in the Courtland Unit, Bostwick Division, Missouri River Basin project, Kansas, was completed as part of the investigations required in the planning and development of the unit, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

902. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Army Industrial Fund, Manufacturing Division, Philadelphia Quartermaster Depot, Quartermaster Corps, Department of the Army, at Philadelphia, Pa., for the period from July 1, 1951, through June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

903. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TRIMBLE: Committee on Rules. House Resolution 274. Resolution for consideration of H. R. 735, a bill to increase the rate of special pension payable to certain persons awarded the Medal of Honor; without amendment (Rept. No. 811). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 275. Resolution for consideration of House Concurrent Resolution 109, concurrent resolution authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference; without amendment (Rept. No. 812). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 276. Resolution for consideration of H. R. 6382, a bill to amend the International Claims Settlement Act of 1949, as amended, and for other purposes; without amendment (Rept. No. 813). Referred to the House Calendar.

Mr. HÉBERT: Committee on Armed Services. S. 800. An act to repeal the act of January 19, 1929 (ch. 86, 45 Stat. 1090), entitled "An act to limit the date of filing claims for retainer pay"; without amendment (Rept. No. 830). Referred to the Committee of the Whole House on the State of the Union.

Mr. HUDDLESTON: Committee on Armed Services. S. 802. An act to amend the Universal Military Training and Service Act, as amended, to remove the requirement for a final physical examination for inductees who continue on active duty in another status in the Armed Forces; without amendment (Rept. No. 831). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. S. 804. An act to amend section 201 (e) of the Career Compensation Act of 1949, as amended, to provide for advance payments of certain pay and allowances of members of the uniformed services, and for other purposes; without amendment (Rept. No. 832). Referred to the Committee of the Whole House on the State of the Union.

Mr. GAVIN: Committee on Armed Services. S. 933. An act to facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes; without amendment (Rept. No. 833). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Armed Services. S. 1137. An act to extend the authority for the enlistment of aliens in the Regular Army; without amendment (Rept. No. 834). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOYLE: Committee on Armed Services. H. R. 5000. A bill to authorize voluntary extensions of enlistments in the Army, Navy, and Air Force for periods of less than 1 year; with amendment (Rept. No. 835). Referred to the Committee of the Whole House on the State of the Union.

Mr. WICKERSHAM: Committee on Armed Services. H. R. 5270. A bill to repeal two provisions of law requiring that certain military personnel shall be paid monthly; without amendment (Rept. No. 836). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 5822. A bill to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes; with amendment (Rept. No. 839). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOLLOHAN: Committee on Armed Services. H. R. 6726. A bill to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956; without amendment (Rept. No. 841). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 4118. A bill to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period; without amendment (Rept. No. 842). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report in accordance with House Resolution 118 (84th Cong.); without amendment (Rept. No. 843). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. S. 1139. An act to extend the existing authority for the loan of a small aircraft carrier to the Government of France; without amendment (Rept. No. 844). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. S. 107. An act to provide for the conveyance of a portion of the Fort Devens Military Reservation, Mass., to the Commonwealth of Massachusetts; without amendment (Rept. No. 845). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS: Committee on Armed Services. H. R. 46. A bill to authorize the conveyance to the city of Anniston, Ala., of certain real property within Fort McClellan, Ala.; with amendment (Rept. No. 846). Referred to the Committee of the Whole House on the State of the Union.

Mr. HESS: Committee on Armed Services. H. R. 1459. A bill to provide for the conveyance of a tract of land in Orange County, N. Y., to the village of Highland Falls, N. Y.; with amendment (Rept. No. 847). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE: Committee on Armed Services. H. R. 4218. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment, and to provide certain services to the Girl Scouts of the United States of America for use at the Girl Scout Senior Roundup Encampment, and for other purposes; with amendment (Rept. No. 848). Referred to the Committee of the Whole House on the State of the Union.

Mr. BENNETT of Florida: Committee on Armed Services. H. R. 4886. A bill to provide that active service in the Army and Air Force shall be included in determining the eligibility for retirement of certain commissioned officers of the Navy, Marine Corps, and Coast Guard; without amendment (Rept. No. 849). Referred to the Committee of the Whole House on the State of the Union.

Mr. DEVEREUX: Committee on Armed Services. H. R. 5269. A bill to increase the number of cadets that the President may personally select for appointment to the United States Military Academy and the United States Air Force Academy; without amendment (Rept. No. 850). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHORT: Committee on Armed Services. H. R. 5623. A bill to authorize the nomination of certain members of the Civil Air Patrol as cadets at the United States Air Force Academy; without amendment (Rept. No. 851). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 1654. An act for the relief of Eliseu Joaquim Boa; with amendment (Rept. No. 814). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 932. A bill for the relief of Ludwika Hedy Hancock (nee Nikolajewicz); with amendment (Rept. No. 815). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1180. A bill for the relief of Kimiko Sueta Thompson; with amendment (Rept. No. 816). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1435. A bill for the relief of Paul Compagnino; with amendment (Rept. No. 817). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1436. A bill for the relief of Ervin Benedikt; without amendment (Rept. No. 818). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1439. A bill for the relief of Menachem Hersz Kalisz; with amendment (Rept. No. 819). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1698. A bill for the relief of Anne Cheng; without amendment (Rept. No. 820). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1911. A bill for the relief of Charlotte Schwalm; with amendment (Rept. No. 821). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1987. A bill for the relief of Kimie Hayashi Crandall; with amendment (Rept. No. 822). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2070. A bill for the relief of Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio; without amendment (Rept. No. 823). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 2708. A bill for the relief of Thomas Kunhyuk Kim; without amendment (Rept. No. 824). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2783. A bill for the relief of Andrew Wing-Huen Tsang; without amendment (Rept. No. 825). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2944. A bill for the relief of Franziska Lindauer Ball; with amendment (Rept. No. 826). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 3189. A bill for the relief of Dorothy Claire Maurice; without amendment (Rept. No. 827). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 3871. A bill for the relief of Orville Ennis; without amendment (Rept. No. 828). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 5021. A bill for the relief of Harriet L. Barchet; without amendment (Rept. No. 829). Referred to the Committee of the Whole House.

Mr. BATES: Committee on Armed Services. H. R. 1151. A bill for the relief of Lt. (jg) Svend J. Skou; without amendment (Rept. No. 837). Referred to the Committee of the Whole House.

Mr. VAN ZANDT: Committee on Armed Services. House Joint Resolution 251. Joint resolution to authorize the President to issue posthumously to the late Seymour Richard Belinky, a flight officer in the United States Army, a commission as second lieutenant, United States Army, and for other purposes; without amendment (Rept. No. 838). Referred to the Committee of the Whole House.

Mr. MILLER of California: Committee on Armed Services. S. 2078. An act to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions; without amendment (Rept. No. 840). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VINSON:

H. R. 6829. A bill to authorize certain construction at military, naval, and Air Force installations, and for other purposes; to the Committee on Armed Services.

By Mr. ABBITT:

H. R. 6830. A bill to provide that the manufacturers excise tax on mechanical pencils and pens shall not apply to pencils and pens manufactured to retail at $1 or less; to the Committee on Ways and Means.

By Mr. ALLEN of Illinois:

H. R. 6831. A bill to provide for effecting the disposition of the Illinois and Mississippi Canal, and for other purposes; to the Committee on Public Works.

By Mr. ASPINALL:

H. R. 6832. A bill to provide for payment of a reasonable attorney's fee by the insured in a suit brought by him or on his behalf during his lifetime for waiver of premiums on account of total disability; to the Committee on Veterans' Affairs.

By Mr. BENTLEY:

H. R. 6833. A bill to amend the Railroad Retirement Act and the Social Security Act to eliminate those provisions which restrict the right of a spouse or survivor to receive benefits simultaneously under both acts; to the Committee on Interstate and Foreign Commerce.

By Mr. EDMONDSON:

H. R. 6834. A bill to provide for the sale by the Secretary of the Army of land allocated for cottage site development in the Fort Gibson Dam and Reservoir project and the Tenkiller Dam and Reservoir project, in Oklahoma; to the Committee on Public Works.

By Mr. GATHINGS:

H. R. 6835. A bill to amend the Agricultural Act of 1954; to the Committee on Agriculture.

H. R. 6836. A bill to amend the Agricultural Act of 1938, as amended; to the Committee on Agriculture.

By Mr. GUBSER:

H. R. 6837. A bill to provide for the establishment of a program of research and treatment with respect to chronic alcoholism; to the Committee on Interstate and Foreign Commerce.

By Mrs. HARDEN:

H. R. 6838. A bill to amend the Railroad Retirement Act of 1937, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MACK of Illinois:

H. R. 6839. A bill to authorize and direct the Secretary of the Army to donate rifles for ceremonial purposes to certain posts and camps of national veterans' organizations; to the Committee on Armed Services.

By Mr. MOULDER:

H. R. 6840. A bill to amend title II of the Social Security Act to provide that old-age and other monthly insurance benefits shall be payable at age 60 in lieu of at age 65, and for other purposes; to the Committee on Ways and Means.

H. R. 6841. A bill to amend the Social Security Act to provide that in the case of women the term "retirement age" shall mean age 60; to the Committee on Ways and Means.

By Mr. ROBERTS:

H. R. 6842. A bill to amend title II of the Social Security Act to provide that widows who have had minor children may in certain cases become entitled to widow's insurance benefits before attaining retirement age; to the Committee on Ways and Means.

By Mr. ROGERS of Florida:

H. R. 6843. A bill to increase the specific amounts which are exempt from the tax on the transportation of persons from amounts which do not exceed 35 cents to amounts which do not exceed 76 cents; to the Committee on Ways and Means.

By Mr. YOUNG:

H. R. 6844. A bill to provide that accumulated receipts in the Federal aid to wildlife restoration fund shall be appropriated; to amend the Wildlife Restoration Act (16 U. S. C., secs. 669–669i), defining "wildlife restoration project," and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WATTS:

H. R. 6845. A bill to further amend the Agricultural Adjustment Act of 1938, and for other purposes; to the Committee on Agriculture.

H. R. 6846. A bill to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments; to the Committee on Agriculture.

H. R. 6847. A bill to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments; to the Committee on Agriculture.

By Mr. ANFUSO:

H. R. 6848. A bill to amend title III, section 301 (c) (1) of the Sugar Act of 1948, as amended, to require the payment of wages as determined by the Secretary of Agriculture under the Fair Labor Standards Act of 1938, as amended, and to permit employees of producers to organize, form, join, or assist labor organizations and to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for their mutual aid or protection and for other purposes; to the Committee on Agriculture.

By Mr. BONNER:

H. R. 6849. A bill to provide for the issuance of a special postage stamp in commemoration of the 250th anniversary of the founding of Bath, N. C.; to the Committee on Post Office and Civil Service.

H. R. 6850. A bill to create an Academic Advisory Board for the United States Merchant Marine Academy; to the Committee on Merchant Marine and Fisheries.

By Mr. COOLEY:

H. R. 6851. A bill to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico; to the Committee on Agriculture.

By Mr. DAVIS of Wisconsin:

H. R. 6852. A bill to amend the act incorporating the Future Farmers of America, so as to permit the maintenance of chapters at schools which do not qualify for Federal reimbursement under vocational education programs; to the Committee on the Judiciary.

By Mr. COOPER:

H. R. 6853. A bill to amend section 7511 of the Internal Revenue Code of 1954 to exempt diplomatic officers and employees of foreign states from payment of internal-revenue taxes on imported articles; to the Committee on Ways and Means.

By Mr. HOLIFIELD:

H. R. 6854. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

By Mr. PHILBIN:

H. R. 6855. A bill relating to the rendition of musical compositions on coin-operated machines; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H. R. 6856. A bill to exempt certain additional foreign travel from the tax on the transportation of persons; to the Committee on Ways and Means.

By Mr. ZABLOCKI:

H. R. 6857. A bill to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis.; to the Committee on Government Operations

By Mrs. GRIFFITHS:

H. Con. Res. 162. Concurrent resolution to establish a joint committee to study aspects of the common system of air navigation in the United States; to the Committee on Rules.

By Mr. SHELLEY:

H. Con. Res. 163. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. ZABLOCKI:

H. Con. Res. 164. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. WOLVERTON:

H. Res. 277. Resolution to authorize the Committee on Interstate and Foreign Commerce to investigate certain matters related to the production, transportation, and distribution of natural gas, and the price thereof to consumers; to the Committee on Rules.

By Mr. BURDICK:

H. Res. 278. Resolution providing that the bill, H. R. 5421, and all accompanying papers shall be referred to the United States Court of Claims; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 6858. A bill for the relief of George K. Lee, Sophie Lee, and their children, David, Irene, and Mary; to the Committee on the Judiciary.

By Mr. BERRY:

H. R. 6859. A bill for the relief of Lowe Clinic and Hospital; to the Committee on the Judiciary.

H. R. 6860. A bill for the relief of McLaughlin Community Hospital; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 6861. A bill for the relief of Mrs. Mildred Chen Ying Lee; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H. R. 6862. A bill authorizing the United States Government to reconvey certain lands to Kate E. Ahrens; to the Committee on Public Works.

By Mr. FALLON:

H. R. 6863. A bill for the relief of Dr. Yung-Tsing Wong and Dr. Chi-Chao Chiu; to the Committee on the Judiciary.

By Mr. FOGARTY:

H. R. 6864. A bill for the relief of Silvia Neri; to the Committee on the Judiciary.

By Mr. KEARNS:

H. R. 6865. A bill for the relief of Mrs. Maria Pallotto Iacobucci; to the Committee on the Judiciary.

By Mr. O'BRIEN of Illinois:

H. R. 6866. A bill for the relief of Rosa Birger; to the Committee on the Judiciary.

By Mr. PHILLIPS:

H. R. 6867. A bill for the relief of Mario Rosio; to the Committee on the Judiciary.

By Mr. ELLIOTT:

H. J. Res. 344. Joint resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world; to the Committee on Education and Labor.

By Mr. JONES of Alabama:

H. J. Res. 345. Joint resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world; to the Committee on Education and Labor.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

317. By Mr. CRETELLA: Petition of the Women's Christian Temperance Union of Connecticut, Inc., requesting that alcoholic beverage advertising be taken off the air and out of the channels of interstate commerce, etc.; to the Committee on Interstate and Foreign Commerce.

318. By Mr. HORAN: Petition of 180 residents of the State of Washington urging that Congress exercise its powers to get alcoholic beverage advertising off the air and out of the channels of interstate commerce, and thus protect the rights of States to prevent advertising within their borders; to the Committee on Interstate and Foreign Commerce.

319. By Mr. TUMULTY: Resolution adopted unanimously by the delegates to the Newark (N. J.) Archdiocesan Federation of Holy Name Societies urging the Congress to request the President to instruct the United States Mission to the United Nations to take such steps as might be necessary to have each day's session in the United Nations open with a prayer; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Agriculture and Industry—The Unbeatable American Team

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1955

Mr. McCORMACK. Mr. Speaker, it is my privilege to call to the attention of the House a notable address by my distinguished colleague, Mr. COOLEY, of North Carolina, chairman of the House Committee on Agriculture, in which he introduced a positive public relations program for agriculture, together with a supplement prepared and presented by Mr. COOLEY.

The program to tell the truth about our farmers was presented on the occasion of the opening of the Research and Enginering Center of the Tractor and Implement Division, Ford Motor Co., Birmingham, Mich., on June 8, 1955.

Mr. COOLEY spoke on "Agriculture and Industry—The Unbeatable American Team," using this theme to point up the injustices that have been heaped upon our farmers and to plead for support of a program that will bring economic equality to agriculture and lay a solid foundation for our total economy.

Recently some Members of this House criticized the chairman of our Agriculture Committee for receiving the opinions of labor leaders on legislation relating to farm price supports. These critics especially should read the address I am inserting in the RECORD today. They then will understand that Mr. COOLEY is taking the farmers' case and cause to industry, to labor, to the great city consuming population—to all alike who will listen and to all who are willing to understand. The source of this criticism is such that it is the best evidence that Mr. COOLEY's position is sound and statesmanlike.

Mr. COOLEY's address follows:

Mr. Chairman and gentlemen, I am here to talk about a team. It is the team that, about 180 years ago, put on the road the greatest shown on earth. It is the team that has made America the envy of every other country on the face of the earth. This is "Agriculture and Industry—the Unbeatable American Team."

The game we are playing is free enterprise. Nobody has found a match for it, and I doubt if they ever will.

But today, gentlemen, your partner on this unbeatable team is in trouble—serious trouble. I want to discuss this with you. A little later in these remarks, I want to suggest something we have got to do.

First, however, I must commend a star player on industry's part of this team—the Ford Motor Co. This company has made a great contribution to American agriculture. You have worked for our farmers in good times and in bad. Some might well be content to rest on the record you have made. But not the Ford Motor Co. That was not the nature of Henry Ford, your founder, and it is not the nature of you people who have inherited and merited the responsibility of the Ford Motor Co.

To me this occasion is a demonstration of faith.

You are opening a great farm machinery research and engineering center. You are showing your faith in the Ford Motor Co. You are throwing your lot in with the farmers, as never before. You are proving your faith in the future of American agriculture.

I think this is both a time and a place—a proper setting—to examine some fundamentals.

In the manufacture of farm implements, the Ford Motor Co. is engaged in the oldest of all organized industries. The plow was its beginning. Indeed, the plow was the beginning of civilization. Of all ages, it is the greatest invention. It enabled mankind to quit wandering in search of food and to settle for the first time in permanent communities.

The plow was invented in the Valley of the Nile, or the Euphrates. Plows that were used two to four thousand years ago have been unearthed at the sites of old civilizations. The colonists introduced the plow to North America and established civilization here. From such a beginning, and on the solid foundation of any enterprising farm people and an abundant agriculture, the United States stands first among the nations today.

The economic structure of this Nation rests upon a productive and prosperous agriculture.

I am proud to be here today as a part of this ceremony marking a great occasion of our free enterprise system, in a demonstration of Ford Motor Co.'s devotion to that unbeatable team that constantly is improving the nutrition of our people, our health, our strength, our happiness, and our faith.

We cannot overemphasize the importance of the cause of progress you are advancing.

But still we must stress here that the design and manufacture of implements is not enough.

We can put tools in the hands of people. That is not enough. We can teach them to use the tools. That is not enough.

You must have willing hands. You must have the spirit of an enterprising people. You must have a society—an economic order—founded on just reward and in which the spirit of freedom springs eternal.

Look at the Communist world.

Machines and the science of agriculture are available to Russia. Yet in that unhappy land they want for food.

The world has witnessed a great upheaval in Russia. Late events show us that the Soviet's greatest weakness is her inability to match the productivity of America's farmers. In Russia, agriculture requires the labor of fully one-half the total population. One family on a farm hardly can feed itself and one other family in town. In America, each farm worker feeds 18 persons—16.4 in our own country and another 1½ abroad. Thus while half of Russia's total population works on farms, and still cannot meet the Communists' needs for food and fiber, in America the efficiency of our farmers—with the tools from our industry—releases over 86 percent of our population for other work—in factories, in mines, in shops, in transport, in all the other pursuits which—with the abundance of food and fiber from our farms—makes the United States standard of living the object of longing for peoples the world over.

I think it is time for America to realize where our fundamental strength lies. It is time we looked at the source of our strength.

My message right here, gentlemen, is this:

The responsibility of the Ford Motor Co., and the responsibility of all industry playing on this unbeatable American team, goes beyond the design and manufacture of implements. You have a responsibility to join our farmers in bringing economic equality to agriculture. You have a responsibility to help maintain a system of due reward and economic justice on the land, in which free and self-respecting men and women, with their brains and their hands—and with the tools you shape for them—can hope to earn a decent living for themselves and their families.

Let us be realistic.

Let us say a good word here for the profit motive.

In my mind, the free enterprise system has three prime motivations. They are:

1. Profit.

2. The hope of people working for wages, particularly those of younger ages, that with diligence and frugality some day they may own their own farm or their own business. This is an aspect of every man's desire to be his own boss.

3. The natural desire for achievement by a free people.

You produce good plows, good tractors, good harvesters—for the joy of it, to be sure. But you certainly produce these implements for the profit in it—because profit is important to the incentive and the good life for all of you who work for Ford Motor Co.

So it is with our farmers. There are many deep satisfactions in working with the soil. But there is no joy in poverty on the farm—as there is no joy among improverished people anywhere.

A fair profit in farming is essential to your industry. It is important to every man, woman, and child in this country.

Our farmers cannot do without the implements you provide for them. You cannot do without farmers who can earn money to pay for these implements. America cannot do without farmers who share in the blessings of our free enterprise system along with the rest of our people.

Let me say a word here also about the second motivating force of free enterprise—the hope of a man to have his own farm or his own business. There are disturbing developments, as this relates to farming. Every day or so you may read in the newspapers an account of a speech by somebody who should know better, telling the country that we have too many farmers; that, in effect, the little fellows are a burden on our economy and they should be plowed under. They tell us to send the little farmers to town to look for other jobs.

Gentlemen, it is my firm conviction that the more, the greater the number of family-

size, economically operated farms we can maintain on the land, the greater will be the strength of our institutions and our free enterprise system, and greater will be the security of this Nation. Independent farmers were the strength of this Nation when it was founded. They are among the most American of Americans. We cannot afford to have fewer of them.

So let me suggest and propose a special project for this great farm research and engineering center.

Adapt more of your tools, your implements, your machines to accommodate the convenience and the productivity of the family farm unit. I know that you already were well underway in this important work, without the benefit of this magnificent research center. But now you are in a position to prove for all of us that the family unit is "The Unbeatable American Unit," and you can put to shame those who want to send our small farmers into the city streets looking for jobs.

I think, gentlemen, we have come to a place in this discussion where we might well ask ourselves: Just how important is fair and just farm income—to you and to all of us?

Look back 25 years.

There are many among you who can remember the late 1920's when agriculture went into a devastating decline. Our farmers called for help. But the rest of the economy—much as today—was running high, wide, and handsome. The farmer's cries scarcely were heard.

Ultimately, the ruin of agriculture ran its inevitable course, and our whole economy tumbled into the great depression.

Shocked to our senses, this country belatedly came to a realization of the importance of the prosperity of agriculture to the strength and health of the whole economy. It took a near fatal catastrophe to bring this to pass.

This was when our farm program was born.

You know the story since that time. You know the great market that better farm income has created. You know that this has made jobs and has kept factory wheels turning in the cities. You know that the income of agriculture has multiplied 6, 7 or 8 fold, in the last 20 years. You know that rural people also have been able to buy the conveniences and comforts hitherto available only to homes in the cities and towns. You know how farmers have been financially able to mechanize their farms and apply the new sciences and more and improved plant food, to bring the blessings of abundance at low cost to this country. You know how farmers, with the means to do it, have devoted their resources and energies to the restoration and conservation of our most precious resource, the soil.

Take a look precisely on just what improved farm income has meant to the people in the business of supply farmers the things they need to produce their crops efficiently.

In 1932 there were 1,022,000 tractors on our farms. Today the number is almost 5 million. Our farmers owned 910,000 trucks then. They now own almost 3 million trucks. Grain combines on farms have increased from 60,000 in 1932 to 960,000 today; corn pickers from 50,000 to 660 000; milking machines from 100,000 to 740,000. Farmer expenditures for fertilizer and lime have jumped from $125 million in 1932 to $1,200,000,000 in 1954—and so on and on.

What has happened?

The output per farmer has increased by more than 50 percent.

Americans are getting more and better food today for a smaller part of their earnings than at any previous period in our history.

There has been a revolution on the farm. Secretary Benson himself recently gave figures showing that in 1940 it took 43 man-hours to produce 100 bushels of wheat—now it takes only 26; that in 1954, notwithstanding a devastating drought in many areas, 18 percent fewer farm workers produced 14 percent more total output than in 1947—and he added: "In no other nation today do so comparatively few farmers produce food and fiber, to feed and clothe so many, at such a relatively low price."

This resolution has brought a bonanza for consumers. An hour's take-home pay bought 5½ loaves of bread in the 1920's—now it buys 10 loaves; then this pay bought 3½ quarts of milk—now it buys 7 quarts; then it bought 1½ pounds of chicken—now twice as much; it buys more eggs, more steaks, and more of everything in the food line.

Now, I want everyone here to ask himself: Why did this great efficiency in agriculture develop in so few years, and in these particular years?

I'll tell you why. This efficiency developed directly from the stabilizing effects of our national farm program and from the good prices resulting from this program and the increased demands for food and fiber brought on by war. The increase in efficiency is the direct result of improved income that enabled farmers to buy good machinery, to apply new methods and to protect their soil.

The partnership of agriculture and industry, both enjoying the incentives of our free-enterprise system, has made this a land of abundance—the envy of the world.

But today, gentlemen, as I told you at the beginning of these remarks, your partner in the production of abundance, your partner on the unbeatable team, is in trouble—serious trouble.

The average of farm prices is down 22 percent since February 1951. Net farm income in 1954 was 28 percent below 1947. The income in the first 4 months of 1955 was 5 percent below the same period in 1954. Further declines are in prospect for 1955 and 1956. Farm debt is increasing, and farmers' purchasing power, in terms of 1935–39 dollars, is the lowest since 1940.

And this is not the worst of it.

There is a tragic thing happening in this country that relates in a much more disturbing way to the income of farmers and to profits and employment in the cities.

It is in the fact that no one segment of our economy ever has been singled out for such lambasting, such slander, and generally such cruel treatment as is now being administered to the farmers of America.

In news releases for the press, for radio, and for television, in speeches, and for magazines, thousands upon thousands of words have been beamed to city dwellers. With evil sounding overtones, such words as surpluses, controls, subsidies, waste, are drummed into city ears. Our customers in town are told that the farmer is pricing himself out of his markets, with a hint that he is living a high life on Government checks. The farmer is denounced, ridiculed, and vilified from one end of the land to the other. It even has been suggested that consumers rise and revolt, whatever that would mean, against farmers.

Moreover, a rather successful attempt has been made to divide farmers, to set one group or one region against another.

It all is a part of the fight on the farm program, and this brings me to the most urgent business, to the plea on behalf of agriculture—that I want to put before you today.

It is this:

I want you to join the farmers of America in telling America the truth about agriculture.

I believe the whole future of agriculture is imperiled by the prejudices against farmers that have been created throughout the country and, unless we find some way to put across the truth, our farmers will suffer, you people who work with the farmers will suffer, and ultimately this whole country will pay a woeful price for the folly of this prejudice.

It is time the farmer answered back.

The Nation is being told farmers are pricing themselves out of their markets. Secretary of Agriculutre Benson subscribes to this. Yet he admits that consumers are getting more and better food today for a smaller portion of their income than ever before.

It is hinted that farm people receive too much for their work and their products. The truth is that the per capita income on the farm is scarcely half the income of nonfarm people, and the farmers' share of the consumer food dollar has dropped from 53 cents in 1946 to 42 cents today. One-third of our farmers have incomes of less than $1,000 a year.

A great many citizens must have shared my own astonishment when Secretary Benson told our House Committee on Agriculture that 90 percent of parity—90 percent of a reasonable price—was a wartime measure for agriculture and price supports on basic crops should be reduced. This astonishment was aggravated by the fact that at the same time the Secretary of Labor was calling for an increase in the minimum wage.

And I ask you what you would think of the head of an automobile manufacturing concern that went around the country telling prospective customers that the price of his cars was too high, that his company was pricing itself out of its market?

The farmer is blamed for the so-called surpluses. The truth is that these abundant supplies resulted directly from the policy of our Government which, at the outbreak of the Korean conflict, suspended crop controls and called for all-out production.

Word is spread around that the present difficulty—the dangerous drop in farm income—was brought on by our farm progress. The fact is that our troubles stem from the huge supplies that were accumulated by Government policy in a dangerous world situation. The farm program is no more to blame for the present surpluses of food and fiber than it is for the great production of war materials—guns, planes, bombs—that have not been put on a battleline.

The real fact is that, without our farm program, agriculture this very day would be in the depths of a depression, and a great number of men in your implement plants would be looking for other employment.

City people are led to believe our farmers are living on Government bounty. The truth is that subsidies to agriculture add up to only a very small fraction of such payments that have been going to business and industry since the first year our Government began to function. Data prepared by a House Appropriations Subcommittee in 1954 indicated subsidies amounting to approximately $45 billion have been paid to business since World War II, a large part of this is business-reconversion payments. In contrast, the support of the basic crops through the Commodity Credit Corporation cost only $21 million over the first 21 years the program operated. The support program on the basic crops actually showed a profit of $13 million when Mr. Benson took office.

You are told that the farmer is losing his liberties, that he is being regimented and controlled from Washington—that, in reality, the whole farm program is some sort of socialistic scheme.

That is a lie on its face. So let us nail it down once and for all.

1. Is it regimentation, socialism, or something more evil when you people in industry regulate your production to fit your markets? That is just what the farm program does for farmers. If it is socialism, you people in industry have embraced it since your beginning, while it only recently has "corrupted" agriculture.

2. Is it regimentation, socialism, or something more evil when you people in industry take a voice in the price of the things you offer for sale? That is just what the farm

program does for farmers. If it is socialism, you people in industry have always been neck deep in socialism and our farmers are just now getting their feet wet in it.

Agriculture, simply, if belatedly, has gotten around to employing the precise and profitable principles of free enterprise. And those who want to destroy the farm program would deny the rewards of free enterprise to the farmers of America.

I trust I have said enough to show you how the truth has been abused in the great assault upon our farmers.

Gentlemen, we do not want the Government to do things for agriculture that we should do for ourselves, and we shall not permit Government to preempt our freedoms. But we always must ask the Congress to do things that must be done.

Some people ask why agriculture should have any special treatment—a farm program—at all.

I want you to help us tell them why.

One answer, of course, is that this treatment is not special but is similar in principle to the minimum-wage and collective-bargaining laws that protect labor's income, the tariffs for industry, the Government ratemaking that assures profits for utilities, various fair-trade laws for business, and many other National, State, and local laws intended to modify or soften the hazards of working and doing business.

More explicitly, there are these hard facts why there must be a farm program:

1. Agriculture alone among the major elements of our total economy has no device, outside of the aid of Government, to pattern its production to market needs. A factory can be shut down in the middle of production, to adjust to a changing market, but farming cannot be stopped in the midst of a crop. Farmers have no way of measuring what should be their individual contributions to a balanced national supply of food and fiber, without Government help. And even with the help of a well-planned program their production is uncertain, being subject to the seasons—rain, hail, wind, pests, temperatures, and sunshine.

2. Agriculture—in the absence of a program—is the only industry that does not set its prices but goes into the market places and asks: "What will you give me?" It might be well to ask how long the free-enterprise system would survive if in industry, as in agriculture, the factories produced for a full year and in one brief period, as in agriculture's harvest season, put all their accumulated goods and wares at auction, not at prices fixed by management but at prices the customers would bid. How would your own company survive under such a system?

3. The needs of consumers and the safety of the country require huge agricultural supplies on hand beyond the food and fiber currently being consumed. But this very abundance—this safety margin against crop failures or other national or international emergencies—is known as "surplus" in the market places and will perpetually depress the farmers' prices, without a farm program to manage these supplies.

These are some of the reasons why the Government must provide the machinery for a farmer-controlled agriculture, in which our farmers, in their free elections, can set their production to fit their markets and in which farmers, as other businessmen, will have some voice in the prices of things they produce and sell.

But, gentlemen, we stand in danger of having no effective farm program at all.

The prejudice against farmers is firmly rooted.

It threatens to turn back the clock for a quarter of a century and deliver the farmer again to the mercies of unrestrained economic forces that pauperized agriculture in this country in the years ahead of the great depression, and which in other nations has fastened a peasant class on the land.

It, indeed, has become fashionable to mount a speaker's platform and call for a free agriculture, an agriculture free from any recourse to our Government.

That kind of freedom is not for me. I shall work to the limit for the real freedom of farmers and of all Americans, but I shall never brood on the farmers' loss of his freedom to go bankrupt and their freedom to become again the paupers in this Nation's economy.

Now that brings us to the $64 question: What shall we do?

At the opening of this discussion I told you I wanted to suggest something that I think we have got to do.

Now, on behalf of a small, representative group that has been devoting its thoughts and efforts to the problem, I propose immediate steps to establish a positive public-relations program for farmers—a program to plant the truth about agriculture wherever it cannot now be found—a program to bring all farmers together in common bond—a program to cultivate understanding between farmers and their customers in the cities.

The farmers' salvation will rest on our willingness and our effort to put across the truth.

Were you ever told the truth about the profits and losses of the Commodity Credit Corporation price supports for the basic crops—wheat, cotton, corn, tobacco, rice, and peanuts? Are you told that up to the end of the last fiscal year the CCC cotton program showed a profit over a 21-year period of $266,422,709 and that the tobacco price-support operations had a profit of $685,443? Are you told that the sugar program for 17 years up to June 30, 1954, had a profit of $290 million and the figure now is higher? While there have been losses in wheat, corn, rice, and peanuts, are you told that the CCC firm supports on the basic crops, combined with the firm support on sugar, showed a loss of only $8 million through the entire period of these operations?

There have been other programs and some costs, but I am telling you about the direct price supports on basic crops operated by the Commodity Credit Corporation and under the Sugar Act.

Most of us here are wearing cotton shirts—costing each in the neighborhood, say of $3.95. Has anyone told you there is only 25 cents worth of cotton in your shirt, that if the farmer's price is cut from 90 percent of parity to 75 percent it would reflect a saving of only 4½ cents in the price of the shirt, but would mean a loss of income of $265 million a year to cotton farmers?

Now take a loaf of bread. It sells for the average of 17 cents. There's only about 2.7 worth of wheat in the loaf. A cut in the wheat price from 90 to 75 percent of parity would reflect only a fraction of a cent in price of the loaf of bread. Yet it would mean a loss of $320 million a year to wheat growers. Does all this surprise you? Nobody is telling the people these things.

Before I close let me emphasize that industries serving farmers have a vital stake in public relations program for farmers—in telling the truth about agriculture.

I have attached a supplement to my remarks making some rather detailed suggestions for this program. I hope many of you will have an opportunity to study them.

Let me point out specifically that farmers, as your customers, have not told the story of their increasing efficiency—efficiency that you helped them to achieve. They cannot tell their story without giving credit to the Ford Motor Co. for a considerable measure of their success. In helping them to tell the story you will be helping yourselves.

This is true of other industries having farmers as their customers—the plant food industry—the petroleum industry—the various branches of the agricultural chemical industry—and I could name many more.

We must get on with this program.

We must suppress the prejudice against our farmers.

We must cultivate understanding.

We must let farmers' friends in the cities know that it is because food is so cheap that American families have three-fourths of their income to invest in their homes, in their institutions, and in the comforts and conveniences that make up this American way of life.

We must remind America that in many nations of the world today the people are hungry because their farmers have been neglected and ill-treated, that many governments are weak and unstable where food is scarce, that some are dictatorships where freedom is lost.

We must tell the world the truth about agriculture, that inseparable partner of industry, on this unbeatable American team.

A Positive Public Relations Program for Farmers

(Presented by Hon. Harold D. Cooley, chairman of the House Committee on Agriculture, on the occasion of the opening of the Farm Machinery Research and Engineering Center, Birmingham, Mich., June 8, 1955)

On behalf of a small, representative group that has been devoting its thought and efforts to the problem, I propose immediate steps to establish a positive public relations program for farmers, a program to plant the truth about agriculture wherever it cannot now be found, a program to bring all farmers together in a common bond, a program to cultivate understanding between farmers and their customers in the cities.

The farmers' salvation will rest on our willingness and our effort to put across the truth.

We propose the development and growth of this program in two parts:

1. By creation of an interim committee to—

(a) Enlist the aid and counsel of everyone interested in improving public understanding of agriculture;

(b) Study the size of agriculture's public relations problems, and its possible solutions—to serve as agriculture's research laboratory for this important, untouched farm problem; and

(c) Try out, on a small, pilot-plant scale, a limited number of specific projects designed to improve agriculture's relations with all other aspects of our national community of enterprise and aspirations.

2. To use the experience and work of this interim committee for the establishment of a permanent public relations organization, adequately staffed, to create understanding of the problems of farmers and the importance of agriculture to the well-being of the total economy and also to promote food—to convince America that food is the best thing that money can buy.

The program must be supported financially by all of agriculture—by individual farmers, farm organizations and industries serving agriculture—or it should not be started at all.

It should hew to these basic principles:

1. It would be based on facts. It could never deal with half-truths or evasions. Fortunately, our self-interests and the public interests are the same. The truth about agriculture is the best public relations it could have.

2. It would never deal with political matters.

3. It would attempt to unite agriculture, and give all agricultural groups something to be for. We now are in the very dangerous position where it is difficult to find two organized farm groups working for a common

goal. If, through a public relations effort, farm organizations can find common ground for united action, we shall have rendered agriculture a very great service.

4. It would explain the essentiality of agriculture. The security of abundance has never been put across to our people. Housewives are happy to have their pantry shelves filled, but they have been taught there is something evil about having abundant food in our warehouses. "Surpluses" actually represent only about 5 percent more food than our people will clear from the market places at present prices. We should see that America gives thanks for the fact that we are 5 percent over our goals, instead of 5 or 15 or 20 percent under—as is the case over most of the world.

5. It would explain the efficiency of farmers and what this means in better food and reasonable prices, and it would show the science, the flavor, and romance of food.

6. It would show what farm products will do for people, for health, and in terms of a good life for every American family and each member of it.

To accomplish this, we have only to use well-tested public relations tools. Here are some of the things we can do:

1. We should be supplying facts—the truth—to the important writers, magazines, and newspapers, of the United States. We have allowed a vacuum to come into being. The result is many people seldom hear of agriculture except in connection with unpleasant—or seemingly pleasant—events. I feel that the great newspapers of the country will be friendly to us, when we are able to put the facts before their editors.

2. We should have a speakers bureau, with well qualified persons ready to present, primarily for city audiences, the true story about agriculture. Moreover, farmers or local farm organization folks often are invited to speak before their fellow citizens. But farm people have little time to write speeches. We should aid these people by giving them fact sheets for use in such public discussions.

3. We should arrange tours of food growing and processing areas by editors and other urban leaders. Much of our agricultural public relations problem is due to the fact that most editors of large-circulation city magazines and newspapers have little opportunity to see agriculture at work. Thus, they have little appreciation of our problems, and do not personally know anyone to whom they can turn to explain agricultural questions as they arise. Industry for many years has used the group tour method to acquaint people with its personnel and its processes. Agriculture should do the same.

4. We should be quick to capitalize on current news, to explain our operations and the importance of our products. Every major industry and trade association in the country does that. For instance, when the Soviet regime was seriously embarrassed by its failure to provide enough food for its people, we did nothing to assure American consumers as to their own supply of food, and the continued ability of American farmers to produce that supply.

5. We should point up agriculture's importance, its problems and its dreams, in staged events. We should have a National Farmers Week. I already have introduced a bill in Congress for national recognition of such a week. Moreover a Farmers Week now is being planned for this fall by a group of agriculturally-interested organizations. We should give more attention and more promotion to the county fair. These, by and large, have been allowed to drift away from a portrayal of the agriculture of the area and, instead, we have allowed horse races, stock car races, and a succession of third-rate carnival acts to come in and make use of the funds which in most cases are still appropriated by the county for an agricultural fair.

6. We should promote the idea of farm summer scholarships for city school children. A number of city boys and girls could be selected by their school authorities to spend a month or two actually working for pay on farms. They would more than earn their way and could go back to their city classrooms in the fall to share with their fellow students an understanding or present-day farming and farm people.

7. We should encourage the teaching of agriculture in grade schools, high schools, and universities.

8. We should acquaint farmers with the importance of joining wholeheartedly in their local civic groups and activities. Other businessmen in our small towns and villages know it is important for them, both in a social and business way, to be acquainted with their fellow businessmen and to identified with community improvement. We, too, are substantial businessmen in our communities, and must accept these community responsibilities.

9. We should rescue food from its present "residual expense" category. By and large, Americans buy food with the money they have left over after making the payment on the mortgage, the car, the television set, the gas company, and the tax man. There may be ways to end this situation, and we should explore them.

10. We should enlist the aid of industry public relations staffs. Many huge American industries sell a substantial portion of their products to American farmers. Yet many of those same industries do little to help the farmer with his public relations problem. We should show these folks how they can be of aid to agriculture. After all, their customers' problem is their problem, and farmers are their customers.

11. Eventually, agriculture should find some means of financing adequate institutional advertising to tell the agricultural stories which it will not be able to tell in any other way. Too, such an operation would give agriculture one more important point of contact and liaison with America's mass media.

12. There is more than a possibility that agriculture could develop a very worthwhile continued television program, which would be of interest to farm and city people alike. One of the outstanding examples of such a program is the Johns Hopkins Science Review. Agriculture, too, has much to tell in the way of science. We would do well to investigate this method of telling it.

These are some of the things we can do in an effective public relations program for agriculture—in an effective program to tell the farmers' story.

Everyone who is truly interested in agriculture can join in this program. It is not a political proposition. It is not a 90 percent of parity, or a 75 percent, proposition.

It is a program to undo the damage that has been done. It places no blame. It will be born in the hope that all of us in agriculture, and those others whose wellbeing depends upon agriculture, henceforward can sit down together, resolve our differences, work out our problems, promote the prosperity of our pursuits, contribute to the strength and stability of our total economy, and all together enjoy the fruits of understanding and friendship among all our people.

The importance of telling the farmers' story first was impressed upon our House Committee on Agriculture 2 years ago during its grassroots tour, under the chairmanship of Hon. CLIFFORD R. HOPE, of Kansas. Our committee traveled 20,000 miles and everywhere it went farmers would tell the members that agriculture had the worst public relations of any segment of our economy—in fact, hardly any program at all to get the truth across to farmers' friends in the cities.

Back in February a few of us got together in a little informal meeting, to discuss what could be done. Among those present were Mr. Hope; Hon. W. R. Poage, of Texas; Mr. Jim Roe, managing editor of Successful Farming, published at Des Moines; Louis Wilson, secretary and director of information for the American Plant Food Council; Dana Bennett of the Foundation for American Agriculture; and Hollis Seavey, of the Clear Channel Broadcasting Service. We explored every means of getting the farmers' story told. Then we asked Jim Roe, who is very able at putting thoughts and words together, to draw up a plan embracing the things we had discussed.

That is the positive program of public relations for agriculture I have brought here and presented to you.

While this program puts major emphasis on suppression of prejudice and cultivation of understanding, it goes beyond that. It also is designed to promote the farmers' products—food, fiber, and the many raw materials that go into industrial production.

We cannot overemphasize this second major aspect of promotion.

We have failed to put over the story to housewives—that good food will make her family healthier and happier, and that good food is the best buy a dollar can find. We should be carrying to every household a message on the joy of good food, how cheap it is in relation to other things, and how we are blessed by abundance of food.

Our failure to push the farmers' product may explain why people complain at paying 22 to 24 cents for a quart of milk, and then cheerfully pay twice as much for a quart of beer. And this may explain why people spend more for beer than for milk. In 1953, the last figures available, America's beer bill was $5,035,000,000—its milk bill, $4,800,000,000.

There is a great merchandising job to be done for agriculture.

There is a great job that must be done through a positive public relations program for farmers.

Young Man on His Way

EXTENSION OF REMARKS
OF
HON. JOSEPH W. MARTIN, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. MARTIN. Mr. Speaker, the Virginia Record, an independent magazine published monthly at Richmond, Va., recently printed a most interesting article concerning our colleague, RICHARD H. POFF. The story is entitled "Young Man on His Way." It is the story of a typical American youth who has come up the hard way through his own diligence and devotion to duty, and whose career, though brief, has been marked by exceptional service to his country and his people both in war and peace. It can be confidently expected that DICK POFF'S notable achievements in the past are merely the forerunner of a future bright with the promise of great accomplishments in the years ahead.

Under unanimous consent, I extend my remarks in the RECORD to include this very fine article:

YOUNG MAN ON HIS WAY

(By Julia Gwin)

"Nothing I've ever received or that has ever happened to me means more than this award. Truly this is the humblest day of my life."

With these words, RICHARD POFF accepted the Virginia Junior Chamber of Commerce Distinguished Service Award at its annual convention in Norfolk, February 19, 1955.

"Virginia's Outstanding Young Man for 1954" was so surprised that he was a bit wobbly at the time. Gilbert Feinman, Lynchburg Jaycee president, related that the Congressman was asked to say a few words following the presentation and POFF was concerned about what to say, not knowing about whom he would speak. Feinman, a Democrat, was kidding about politics, more to keep him from asking hard-to-answer questions than for any other reason. Radford and Lynchburg Jaycees had the job of getting POFF to the Norfolk meeting without "letting the cat out of the bag." As Mr. Feinman explained it:

"When Dick's name was announced he shook all over and looked stunned. He had no idea he was the winner. We almost had to carry him up to receive the award. It couldn't have happened to a nicer guy."

The junior chamber of commerce gives its distinguished service award annually to a carefully chosen young citizen. There's no partisanship in these awards by the junior chamber, which is composed of young businessmen of all political parties. Representative POFF has every right to be proud of this honor that has come to him, an honor all the more valuable because it was unsolicited.

POFF was cited for his activities in helping to obtain from the 83d Congress larger Federal appropriations for the vocational-educational program and supplemental appropriations under the Hill-Burton Act for hospitals in his district. He was also cited for removing appointments to the military academies from the realm of politics by allowing candidates to compete in open competitive examinations and for the manner in which he keeps his constituency informed on congressional issues. POFF voiced his belief in the examination method to Bob Burruss, his eastern campaign manager for Lynchburg, Campbell and Bedford Counties, and vice chairman for both the Lynchburg and the Sixth District because "supervision and command of our Nation's defenses are in the hands of graduates of the military academies and we need the ablest men we can get, regardless of political label."

The achievements which won the Congressman the Jaycee award are mostly extrapolitical. His citizenship record as a member of his own community played a substantial part in the selection. He has been consistently active in the work of his church, in fraternal and civic organizations, and in many other endeavors which mark the good citizen.

BORN IN 1923

RICHARD POFF was born in Montgomery County, October 19, 1923. He was four when his family moved to Christianburg, about the same time that Dr. R. L. Kinnaird became pastor of the Christiansburg Presbyterian Church. One of the new pastor's first acts was rounding up children for Sunday school. Richard was one of the recruits. This faith, born in childhood, has been, according to his mother, Mrs. B. D. Poff, "both the cornerstone and anchor of his life." She recalls the night he returned from World War II service.

"His father and I met him at the train at about 11:30 p. m. On the way home he asked us to drive by the church. When we stopped he got out and went into the darkened sanctuary alone. When he returned to the car he said, simply: 'Now I know I'm home'."

His wife, the former Jo Ann Topper, daughter of Mr. and Mrs. John J. Topper, of Christiansburg, says that Richard's religion is one of the most important things in his life. He is a trustee, a deacon, and a Sunday-school teacher in the Tyler Memorial Church, Radford. Away from home, he attends the Church of the Pilgrims, the Southern Presbyterian Church in Washington, where he also teaches a class.

Richard has worked hard for his place in the sun. Strangely, he always dreamed of one day being a Congressman. He started working at the age of 13. After school, on Saturdays, and during summer vacations he took any job that came his way * * * store clerk, laborer, farm hand, truckdriver, carpenter's helper—anything to finance his education.

For Richard's family has never been rich and he knew he'd have to earn an education or do without. His thirst for knowledge is matched only by his ability to acquire and retain it.

Charles J. Smith, alumni director of Roanoke College, was president when Richard attended there. He states that Richard's grades were mostly A's with a small sprinkling of B's and that he was a high honor student throughout his college career. Quoting Dr. Smith:

"My memory of Dick is quite clear as to his general campus attitudes. Although very light for a lineman, he was considered one of the best football guards ever to play at Roanoke College. He made up for his lack of weight by that fighting spirit of aggressiveness which has marked his career. In addition to his athletic and scholastic achievements he was outstanding in character among his fellow students. Never seeking the limelight and always humble in spirit he stood for the best values in campus leadership. From the first day that I met him, he has had my continued admiration and growing respect.

"I have watched his political career with the deepest interest, because I believe wholeheartedly in the sincerity of the man. Dick is bound to grow in usefulness to his constituents and to the Nation. Men of his integrity and devotion to the high principles of government are not easy to find. It is my considered opinion that though belonging to a minority party in Virginia, Dick should be continued in Congress until his seniority makes him still more valuable to his constituents. His intelligence, training, energy, and patriotism are qualities which, through the coming years, should make him a real statesman in the old Virginia tradition."

Bentley Hite, of Christiansburg, Republican chairman of the Sixth District, said much the same thing about Richard.

"He has accomplished what he has by constant application and unhesitating honesty," said Hite. "I lived in the same house as his schoolteacher in high school. This teacher considered him one of his smartest boys, though his straight A's were mostly won by hard work."

David P. Thornton, editor of the Salem (Va.) Times-Register, has to say:

"My recollections of DICK POFF at Roanoke College, where we both entered as freshmen, in the fall of 1941, pretty much discounts any theory that his current reputation for vigorous work came overnight. Like all of us potential soldiers, he plunged into his classwork with the idea of getting as much out of college as he could while there was still time. Dick was one of those rarities—a combination student and athlete. He would push himself to the limit on the athletic field every afternoon and still come away from class with the best grades. In fact, before he left Roanoke, he had earned both a letter in football and a membership in the Phi Society, campus honorary scholastic society. Whether or not those A's came easily, I don't know. But even though he came to college from a small high school, he ranked right up at the top with the best from all over the East. And unlike most college freshmen, he knew what he wanted to do and where he wanted to go. Now that I think of it, his upset victory in the 1952 congressional election is not at all surprising. Just as he wanted to excel in class and on the football team, he wanted to go to Congress. And, by gosh, there he is."

INSPIRES ENTHUSIASM EVERYWHERE

This enthusiasm for POFF isn't an occasional thing—it's everywhere. You find it in the strangest places. The manager of a Radford cab company, a wounded World War II veteran, was having trouble getting Government benefits. His wife wrote Congressman POFF and explained the situation. Four days later POFF had straightened the matter out and informed them they would shortly receive all back payments and regularly thereafter. "And we have," this man told me. "RICHARD POFF really gets things done. Being a poor man himself he understands our viewpoint and knows what such things mean to us."

Seventeen-year-old Ann Elizabeth Goodwin of Radford needed material for a paper on reciprocal trade. She wrote and asked POFF to send her something. She thought she'd probably hear from someone in his office. Almost immediately a stack of printed matter arrived with a personal note from POFF saying he hoped this would help. About 10 days later came additional material and a short note: "Dear Ann: Just found this and am forwarding it to you. It might help with your paper." No second-hand contacts for Richard, always the direct approach.

Montgomery County's Commonwealth's Attorney, Julius Goodman is another who's watched Richard grow with interest. He feels POFF typifies real American youth.

"It is a healthy feeling," he said, "to have a man in politics who places right, honesty, decency and morality far and beyond national, State and local politics. His character is untarnished and unblemished. He never thought of anything except the right thing to do."

You see what I mean when I say that everyone speaks highly of this young Congressman? No matter their personal politics they applaud RICHARD POFF for the things he stands for, the things he is doing.

A DEMOCRAT BOLTS

As for Mrs. Roland T. Hammer, of Lynchburg, she felt so strongly about his record that she made headlines throughout the State of Virginia when she resigned from the Democratic city committee of which she had been a member since 1945, to work for POFF. She told me of the large crowds at neighborhood parties held to further his campaign; of a woman who said she enjoyed his speech so much she wished he'd talk forever; of a workman on a city truck who told her, "at last I've met an honest politician"; of how enthusiastic supporters flocked around him whenever he appeared in Lynchburg.

"It was one of the easiest campaigns," she said. "He set the stage from his first day in Congress through service, and he had a fine record to run on."

This is not a political article. It is an effort to let you meet the man behind the Congressman and so, there'll be no report on his congressional activities or his voting record. It is enough that he has satisfied his constituents and that he was reelected last year with 62.3 percent of the vote from a predominantly Democratic district because of this. The way a man's neighbors feel about him are his yardstick of success or failure.

RICHARD POFF had just been elected president of the Radford Junior Chamber of Commerce when his law partner, Senator Ted Dalton, nominated him as a candidate to the United States House of Representatives from the Sixth District. Richard asked Leo A. Lorek, then internal vice president, to serve as president while he was campaigning. Neither knew the other too well. POFF had only been out of law school

since 1948 and Lorek was also new to the community.

"There were a lot of people who didn't expect him to win," said Lorek. "The Republican Party wanted a candidate and he was the best man available. But Richard refused to be a token candidate. He plunged in with the drive and energy so characteristic of him and * * * well, you know what happened." Yes; and so does everyone else.

LOVES HUNTING

The Poff family is a happy one. Richard is the oldest of two boys. His mother tells of how restless he gets when he's idle. It is all the family can do to make him take a vacation. What spare time he has is spent reading and hunting. Senator Dalton spoke of his love of quail and grouse hunting. Last year they went hunting on an island in the New River.

"Richard's legs are short," Dalton recalled. "He had to wade through such deep water he claimed I'd freeze him to death. I have a bird dog named Chief who follows Richard around as though he belonged to him. Last fall he took his father, his brother Beecher, and Lawrence Legg, of Roanoke, grouse hunting in the mountains for a few days. The Poffs like to eat so well they hardly had room for Chief for all the extra food."

Richard started dating Jo Ann in high school. They met in a junior year school play in which Jo Ann played grandma and Richard played grandpa. They were engaged when he entered the service.

POFF was a B–24 bomber pilot serving in the European theater of operations under Gen. Dwight D. Eisenhower. Stationed with the 8th Air Force in England Lieutenant POFF made 35 successful missions over Europe. For his gallantry, he was decorated with the Distinguished Flying Cross, and his unit was awarded a special Presidential citation. Ten years later he is again serving with the same commander.

After the war, DICK POFF entered law school at the University of Virginia. While a student there he was elected to his first public office—mayor of Copeley Hill, a development maintained by the university for student war veterans and their families.

Richard and Jo Ann had been married on his return from service and their first home was in Charlottesville on Jefferson Park Circle where Richard collected rents on other apartments to help pay for his own. Mrs. Poff also worked as assistant laboratory technician at the university hospital to help pay expenses. Getting an education was mostly hard work but, as his mother says—"work to him is not a burden but a joy." He has always had good health and a fine sense of humor, prerequisites to success no matter what you do. His tastes are simple and genuine as is his absorbing interest in people. He prefers home cooking and still calls his evening meal "supper."

RICHARD TEACHES COOKING

Along this line, Jo Ann claims Richard taught her to cook. An only child, she couldn't, as the saying goes, "boil water." She tried, but results were ghastly in the first months. Once she decided to surprise Richard with fried chicken. The chicken was bad enough but she used a whole cup of flour to make the gravy—and what a mess she had. She was in tears when Richard arrived. With patience and sympathy he smoothed things over, donned an apron, and cooked supper himself. Jo Ann says he cooked most of their meals in those days, teaching her all the things she should have known but had never learned.

I asked 7-year-old Becky what she thought of her daddy and she replied quite seriously:

"He's a good Congressman and a good daddy. He let me join the Brownies and he's going to let me learn to ride a horse. He helps me read and he's teaching me proper glamour (grammar) like adults use."

Things aren't as simple as they were before he went to Washington. His phone rings all hours of the day and night, but he still finds time to read Becky stories and to help with her home work. She looks like him and is she proud of that.

PASSED BAR IN 1947

Richard passed his bar examinations in 1947 before his graduation from the University of Virginia in 1948. By 1952 he had become prominent as a young attorney and civic leader. It was in that year that his fellow Republicans, notwithstanding his youth, chose him to make the apparently hopeless race for Congress from the Sixth District. Senator Dalton thought he had the stuff good public servants are made of. As his law partner he had found him a person of great capability and energy and he had no hesitancy recommending him.

"When he ran for reelection," he said, "I was glad to appear with him on TV after his fine 2-year record and say I felt he had fulfilled his obligations to his people. He has marked intelligence for seeking the facts and becoming fully informed then thinking it through. He never makes snap judgments."

His old friend and adviser, Dr. Kinnaird, urged him to run for Congress and it was he who introduced him to his audience when the first campaign was launched. At Richard's request, this same man opened a session of the House of Representatives with a prayer after that first election.

Dr. Kinnaird painted a vivid picture of a boy and man who had held fast to the dream of serving his people. They used to lie in the grass and talk for hours. Once his party jumped Richard because he had failed to vote with them. He told them:

"You wouldn't want me to do something I didn't feel was right, would you?" When he told this to Dr. Kinnaird, the older man put his arm across POFF's shoulders and replied:

"That's what I've tried to teach you, Richard. He was against the salary raise," the doctor went on. "I explained the necessity but Richard said stubbornly, 'I knew what I'd get when I agreed to run and it isn't right for me to vote now for an increase.' And he voted against it. Richard is the people's representative—not just those who voted for him, not just Republicans. 'I couldn't have been elected if everyone hadn't stood behind me,' he told me. 'My party label had nothing to do with it. Without the Democrats and Independents in my district I wouldn't have made it and I'm humbly grateful.' "

Dr. Kinnaird, who knows Richard as well as anyone and better than most, looked out the window across at the home of Richard's parents next door, then he smiled and continued.

"If we can get men in Congress like RICHARD POFF the country will be all right. I'm an old man, I won't likely see much of it happen but just remember I said this to you—if the people of his district and his State stand behind him, RICHARD POFF will be one of the really great men of Virginia—he's a man with a mission. I've tried throughout the years to put fine things into this boy, by prayer, by hope, by faith. I've counseled—be humble, don't let anything people say make you lose your balance. He won't, you can be sure. You may think I'm rather extreme in my admiration. I couldn't love him more if he were my own son and I'm tremendously proud of him. He played in my backyard, was in and out of my house, I baptised him, married him, and when my little sweetheart, Becky, was born, I baptised her. I've seen him through a lot of rough places. That boy had good stuff in him. Yes; I'm strong for him."

In Congress he has served on the Government Operations and Judiciary Committees, the latter having jurisdiction over about half of all bills introduced. One of the significant pieces of legislation enacted by the 83d Congress was the Poff Act, designed to prevent ball-jumping by Communists (such as Gerhard Eisler and others). In addition to antisubversive legislation, POFF sponsored measures to assist railroad workers and, for the first time, inaugurated a policy of regular reporting to his constituents by newsletter, radio, and TV. His district is composed of the cities of Clifton Forge, Covington, Lynchburg, Radford, and Roanoke, the counties of Montgomery, Alleghany, Bedford, Botetourt, Campbell, Craig, Floyd, and Roanoke.

A Needed Amendment to Copyright Law

EXTENSION OF REMARKS
OF
HON. JAMES C. MURRAY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. MURRAY of Illinois. Mr. Speaker, I would like to call the attention of the House to a serious injustice being caused by our composers and artists as a result of an antiquated provision of our copyright law.

Our present copyright law exempts from the application of its terms the reproduction of rendition of a musical composition by or upon coin-operated machines, unless a fee is charged for admission to the place where such reproduction or rendition occurs.

To my mind the effect of this provision of the copyright law violates the spirit, if not the constitutional guaranty, of equal protection of the law since it grants to one group of individuals a preference not enjoyed by others.

There exists at the present day no reasonable grounds for granting to the operators of coin-operated machines this preferred status under the law.

I have introduced bill H. R. 6654 which will amend the copyright law by striking this unfair exemption. The effect of my amendment will be to place the song publishers, and the operators of juke boxes, in a status quo insofar as the law is concerned.

An excellent article disclosing the effect of the present copyright law upon the composers of our country was written by Columnist James O'Neill, Jr., and published in the Washington News recently. Although I do not concur in all of Mr. O'Neill's statements, the article does show the unfair result of the present exemption. Mr. O'Neill's article follows:

An archaic law of 1909 provides legal means for cheating—yes, cheating—music composers out of millions of dollars in royalties each year.

Those who profit by the composers' loss are the jukebox operators, whose annual take is more than $450 million, of which only an infinitesimal percentage is returned to the composers in royalties.

A bill before Congress would amend the Copyright Act of 1909 and pave the way for some remuneration to the composers. You ought to hear the sad, sad stories, the heartrending pleas of poverty, offered by the juke owners and operators.

In fact, the juke box operators are so horrified at the very thought of having to pay royalties to the composers they can't even discuss the matter with those who promote legislation to pay the composers a small fee for whatever talent they possess.

FOUR HUNDRED AND FIFTY THOUSAND OF THEM

According to trade sheets there are more than 450,000 jukeboxes in the country, owned and operated by only 7,500 businessmen. Average ownership is 60 per man, with some big operators owning as many as 300. While there are no official statistics, it is reasonably estimated that there are more than 9,500,000,000 jukebox plays a year, which, at a rate of only a nickel per play, would gross the owners $450 million a year. Of course many machines have been converted to a dime per play, or three for two bits, so the gross shoots up.

Under the Copyright Act of 1909 recordings played in coin-operated music machines at public places, where no admission is charged, is not deemed a public performance.

The exemption was granted back in 1909 because coin-operated music boxes were strictly a scientific dodge, with earphones and scratchy recordings.

HUGE INDUSTRY

With the advent of the painted monstrosities in every saloon, pool hall, drug store and gas station in the land, recorded music via the coin-slot became a huge industry.

All the operator of the jukebox had to do was buy a record, which gave the composer a couple of cents, and play it forever. The old records would last for about 70 plays. The new ones, made of Vinylite, will play from 700 to 2,000 times. And then they're sold as secondhands for up to 18 cents each.

Under the legislation proposed by Representatives JAMES C. MURRAY, Democrat, Illinois, the jukebox operators would turn over a fixed fee on each machine owned to organizations or individuals who would get the royalties into the hands of the men who wrote the music. Something like $30 per machine has been mentioned.

Flag Day Ceremony, Marietta, Ohio

EXTENSION OF REMARKS

OF

HON. JOHN E. HENDERSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. HENDERSON. Mr. Speaker, on the evening of June 14, 1955, I attended the annual Flag Day services of Marietta lodge No. 477 of the Benevolent and Protective Order of Elks in Marietta, Ohio. The services were held in the park on the east bank of the Muskingum River at 8 o'clock in the evening. Colors were appropriately provided by the Veterans of Foreign Wars and the American Legion. Also participating was the Marietta High School band.

The members of that band very recently visited Washington and had an opportunity to observe the House of Representatives and other branches of Government in operation. I feel that their wholehearted cooperation and splendid attendance at this Flag Day ceremony was, in part, caused by the patriotic interest aroused through their visit here. It was my pleasure to assist in this Flag Day ceremony by furnishing the address of the evening. My remarks in part are as follows:

House Concurrent Resolution 157, which the Honorable FRANCES P. BOLTON has introduced and called up for immediate consideration, is one which should have the support of every Member of Congress. It is an expression of fervent hope for peace by the greatest legislative body in modern civilization. Not only is it an expression of hope for peace, but it is also a statement that this legislative body is dedicated to peaceful purposes, determined to legislation in the interest of peace, and that in its further deliberations and actions, the prevailing question will ever be, Will this particular policy or legislative measure help to further the interests of peace?

Our dangers are real enough and the world is close enough to a fighting war that we must often subordinate political and personal views and theories for the salvation of America.

Friends, I am most happy to have the opportunity of being in Marietta tonight and speaking to this audience on this memorable Flag Day in 1955. I want to compliment the Elks Club of Marietta for arranging this observance. It is doing a very worthwhile thing in having as one of its important projects, the patriotic celebration of Flag Day. It seems to me that this one day has, in the minds of many, lost its full significance and it is indeed the performance of an act of a truly civic organization in bringing about a revival of a genuine appreciation of Flag Day. But this organization has a background of activities and principles which have ever been focused upon the desire for a better community and a stronger America.

We are inclined to take our American flag for granted. It flew over the Nation's Capital yesterday, it is flying there today and undoubtedly, it will be flying there tomorrow. We who enjoy the comforts of peace and the benefits of prosperity are inclined to forget that this symbol represents generations of men who fought in battlefields the world over, who drove back the frontiers of our Nation, who harnessed the power of our mighty streams, and opened the door to our storehouse of unlimited natural resources. We forget that there were lean and hungry days and years; anxiety that the noble experiment in the wilderness of the Western Hemisphere might fail. Let us remember as we observe this Flag Day of 1955 here in Marietta, that it is the symbol of a great Nation. It represents the progress of civilization down through the entire period of recorded history which has culminated in today's concept of a nation of free men and women, protected in their enjoyment of life, liberty, and the pursuit of happiness.

There is one thing about this flag of ours that is different from the flags of the other nations of the world. The American flag today represents the same principles of freedom that it did in 1776, while the other flags of the world represented one concept in the 18th century and if they exist at all today, represent an entirely different concept. Many years ago in England, an American sailor happened to be standing near an African queen during a review of the naval forces of the world and as each flag crossed the bow of the inspecting vessel, the American sailor pointed out the salient features of the ship and the colors it bore. As a ship of the British Navy passed in review, he stated, "There is the flag of the King of England," and as a Dutch vessel passed, he explained, "There is the flag of the Queen of the Netherlands," and as a Spanish ship passed he remarked, "There is the flag of his royal highness, the King of Spain." And so it went with the flags of the monarchs of the world. Then, proudly flowing in the breeze, came the Stars and Stripes of America and the sailor's statement was, "And that is my flag."

No monarchy owned that symbol of American freedom. No dictator, no committee, no President nor Congress owns that flag. It is the flag of the people and it stands for them. I have been in countries of the world, and so have many who are here tonight, where the people were not proud of their flag. They were ashamed of their country. Their thoughts were upon another day, another generation when their emblem was a symbol of strength, of freedom, of hope. Today it was instead a symbol of decadence and decline. But here at home the Stars and Stripes fly proudly and because of it we are proud. Down through the pages of history, since it first was created, other forces have worked to replace it by symbols of their own. In 1812 the British sought to return their emblem which we renounced in 1776. The Kaiser sought to replace it in 1917. A man named Hitler wanted to substitute a swastika in 1941 and even today there are forces who would replace it with a hammer and sickle. But still it flies proudly on, telling the story of toleration and of good will, of a Nation of free education, where the citizens of tomorrow can learn the truth about yesterday and today. It is the symbol of a Nation of industry which has become a home for millions from foreign shores who saw in it so many of the fredoms and privileges which could not have been theirs in their native land. It represents a Nation of equal opportunity where a boy from the slums of New York or a tenant farm in Georgia can rise to a position of prestige and power along with the boy who is born with a silver spoon in his mouth.

This flag of ours is constantly beset by danger. There are many menaces to the future of Old Glory. One is the menace of power-hungry nations who look with envy upon the great geographical expanse and the storehouse of natural resources which are ours. There are also menaces from within. For instance, the menace of corruption in government which would weaken its fiber. Another is the menace of inflation which would destroy its wealth. Another is the menace of overcentralization in which too much power is being handed to a few. But so long as we govern ourselves; so long as we, as individuals, maintain our own voice in government, we have little to fear from what happens in the Marietta Courthouse, in the Ohio Capitol, and on the hill in Washington. However, when we freely permit our welfare, our comforts, and our bread and butter to be administered and allocated to us from the District of Columbia, we are losing control of our destiny.

Our flag is one among the flags of the nations of the world. It is not the only symbol of power today. But we like to think that it is head and shoulders above the rest. We are anxious always that we can live with other nations on a free, cooperative, and democratic basis. We have assisted in establishing the United Nations to help our Nation to be free from the danger of international conflict and warfare. We know that it is necessary to give and take a little, in order to reach agreements with other nations, and this we have done willingly. But if we are to maintain our freedoms in a world in which full half of the nations scoff at those same freedoms, we cannot permit the principles of the Stars and Stripes to be supplanted by the symbol of an international organization. We know that we must deal with other nations and make agreements with them, both for our mutual protection and for our economic benefit. But, in so doing, we should not so bind ourselves that through the ordinary procedures of our constitutional form of government, we cannot protect our basic sovereignty and our basic industries, our small, independent industries here in southeastern Ohio, which

for a generation have suffered from increasingly unrestricted competition from abroad. We must not destroy our industries nor the initiative which created them.

This flag of ours is one which serves to instill pride in our country. We are proud of its historic past and of the growth that our Nation has displayed. We know that in the field of battle, the inspiration of the Stars and Stripes has brought forth the best sense of patriotism and devotion to duty on the part of our soldiers, and we know too, that in a time of world crisis, the Stars and Stripes and its principles have brought out the best in us. But if we are to continue to have the rights and privileges and protection which it exemplifies, we must remember that there are also duties which we must perform in exchange.

We are inclined so often to demand justice for ourselves and point at the flag and say it guarantees justice. At the same time, we are the ones who would like to evade jury duty. We complain about the condition of our schools and point to the flag and say that it guarantees our children a fine education and yet, at the same time, we resist additional requests for taxes to maintain the schools. We insist that our Government do for us the things we cannot perform and point to the flag and say that it guarantees to us a Government which will protect the little fellow and help home industry and a dozen other things and yet, when election day comes around, we are among those who fail to vote.

We are proud of our flag and we want to keep it a symbol of a strong Nation. I am sure that that would be the wish of our Revolutionary fathers who battled valiantly to keep it aloft. And I am sure it would be the wish of our heroic dead who gave their full measure of devotion that it would still be flying when the smoke of battle cleared, and I am sure that it is the wish of the tortured souls behind the curtains of the heathen nations, who dream of the day when the principles that it represents will save them from the empty tomorrow of a nation under the iron fist of communistic dictatorship and I am sure that it is the wish, although unexpressed, of our children as they uninhibitedly express delight in the beauty and symmetry of our Stars and Stripes.

The Trade Agreements Act

EXTENSION OF REMARKS
OF
HON. JOHN V. BEAMER
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1955

Mr. BEAMER. Mr. Speaker, on rollcall No. 83, on June 14, I voted yea on the conference report for H. R. 1 to extend the Trade Agreements Act for 3 years.

The record will indicate that I have not supported the Trade Agreements Act on previous rollcalls.

In this instance I still feel that the American producer and the American laboring man is entitled to protection and consideration. I felt that the conference committee's report strengthened the measure in certain respects over that which was passed by the House.

First. The bill in its final form gives the President greater authority to impose higher tariffs on import quotas if he finds that imports threaten national security. I have confidence in President Eisenhower that he will recognize in this clause that the national security is dependent upon the prosperity of our people.

Second. The bill passed by the House on rollcall No. 83 also strengthens the escape clause by providing that claims could be made if the industry thought it had suffered substantial damage from imports. In fact, this new provision makes it possible for the President to come to the aid of the industry without the recommendation of the Tariff Commission.

In fact, amendments 28 and 29 seem to make this necessary correction, at least in part, and this was not possible under the limited rule under which the bill was considered before the House.

Thus, I am supporting this measure with a prayer in my heart that the many industries in this country that are so much in need of protection will be recognized.

The United States Overseas Information Program—Comments by United States Ambassadors

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, June 15, 1955

Mr. WILEY. Mr. President, a Senate-House conference committee will shortly complete action on the next fiscal year's appropriations for the United States Information Agency.

As I have previously stated on the Senate floor, I believe that the funds wisely restored by the Senate should be retained in the final conference report.

Evidence throughout the world fully confirms the advisability of continuing the information program.

In particular, the men and women who serve as our Chiefs of Missions, representing the Government and the people of the United States in foreign lands, have consistently commended this agency for its indispensable role in interpreting the people and news of the United States to the world.

Certainly, the judgment of our ambassadors should be given due heed by the Congress of the United States, for it is our ambassadors who are on the scene, who are in day-to-day contact with governments and peoples, and whose judgment is, therefore, most expert in this field.

I am very pleased that the distinguished chairman of the National Committee for an Adequate Overseas Information Program—which I have been pleased to commend previously on the Senate floor—Mr. Edward L. Bernays, saw fit to invite the reactions of United States Chiefs of Missions to our overseas information program. The responses have been most heartwarming to this national committee of civic-minded private citizens, and to all friends of the Information Services.

I am pleased to say that these ambassadorial responses—including several from our most honored Foreign Service officers and from other well-honored Americans from private life—have received extensive coverage in the United States press. I am glad now to ask that they have the further attention in our country by inclusion in the CONGRESSIONAL RECORD.

I ask unanimous consent that the responses received by Mr. Bernays be printed in the CONGRESSIONAL RECORD, and that they be preceded by a list of the able membership of the National Committee for an Adequate Overseas Information Program.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

NATIONAL COMMITTEE FOR AN ADEQUATE OVERSEAS UNITED STATES INFORMATION PROGRAM

Edward L. Bernays, chairman; Edward W. Barrett, S. R. Bernstein, Hodding Carter, Leo M. Cherne, J. R. Cominsky, Fleur Cowles, Nate L. Crabtree, Elmer Davis, George Gallup, Palmer Hoyt, Charles M. Hulten, Robert L. Johnson, C. B. Larrabee, Harold D. Lasswell, James A. Linen, Ed Lipscomb, Harlan Logan, Louis M. Lyons, Ralph McGill, Charles F. Moore, Jr., Wallace H. Moore, Theodore S. Repplier, O. W. Riegel, Jean Wade Rindlaub, Howland H. Sargeant, Paul C. Smith, Mark Starr, Ordway Tead, W. W. Waymack, E. S. Whitman.

COMMENTS OF UNITED STATES AMBASSADORS

Winthrop W. Aldrich, American Ambassador, London, England: "Serving in Britain as the representative of the United States Government, I have been impressed more than ever with the importance to Anglo-American unity of a clearer understanding at all times between our two countries. It is essential that there be the greatest possible flow of information between Britain and the United States to strengthen and foster that understanding. In this process the United States information program plays a most significant part. I have seen for myself the valuable contribution which the United States Information Service makes to the proper understanding and appreciation abroad of the American people and American foreign policy. I am convinced that this program deserves fullest support not only in the national interest but in the interest also of the whole free world."

John Davis Lodge, American Ambassador, Madrid, Spain: "I welcome the opportunity to make a statement for your committee on the vital importance of an adequate United States information program overseas.

"I have long been on record for support of an adequate United States information program, both when I was in Congress and subsequently as Governor of the State of Connecticut. Indeed, I was a member of the subcommittee of the Foreign Affairs Committee which drafted the legislation creating the United States Information Service.

"Not only must we fight the insidious spread of communism with the truth, but we must also constantly explain our motives and our intentions to our friends so that there can be no doubt of their understanding of the path we are following in world affairs.

"I wish you and your committee great success in your valid undertaking.

"I shall be glad to have you use this statement for publication."

James B. Conant, American Ambassador, Bonn/Bad Godesberg, Germany:

"The purpose of your letter, and indeed the aims of your committee, encourage me to reply enthusiastically. I have found the

United States information program of invaluable assistance to the United States mission to Germany.

"Wherever communication media exist, the air is likely to be charged with opinions, sometimes clearly labeled, sometimes expressed as fact. Through it all, however, people must carefully pick their way to find the truth. The United States information program, I believe, makes their job easier. The United States role in world affairs is better understood abroad if the truth, as well as our policies which depend upon it, is widely known.

"A major objective of our information program abroad is to counter the persistent efforts of the Communists to weaken confidence in American leadership and to distort and defame the aims and policies of our country. Facts concerning the strength, unity, and determination of the free world also bring hope for the future to millions of people. Such a program demands public support in America, for its content is not simply governmental, in essence, but American in the generic sense of the word."

Clare Boothe Luce, American Ambassador, Rome, Italy:

"I most heartily agree with you and with the distinguished members of your committee on the need for an adequate overseas information program, and for all the reasons set forth by the President and Secretary of State."

Douglas Dillon, American Ambassador, Paris, France:

"In France I have found an increasing thirst for information about the United States across the widest possible range of society. This interest in the American way of life, in our policies and our actions, is reflected in the many questions asked by French men and women and in a constant stream of letters to the Embassy. It is in large part due, I believe, to the predominant role the United States has increasingly played in world affairs and also to the realization here that United States actions, both at home and abroad, have a correspondingly greater importance to France.

"Our USIS libraries, our film showings, and our exhibits in France are hardly able to meet the great demand for information about the United States. Interest runs high not only in the political field but also in such diverse activities as American agriculture, industrial development, our educational system, and the conservation and use of our natural resources.

"Since the key to our foreign policy lies in united effort with our friends throughout the free world, I believe it essential that we maintain an adequate overseas information program to keep these foreign friends fully informed of our purposes and of our achievements."

L. Corrin Strong, American Ambassador, Oslo, Norway:

"The United States is trying to be a good neighbor in a modern world. Our good intentions, however, sometimes are suspected by those who incorrectly fear that we have hidden motives. Americans who are in Europe—and I am one of them—cannot but be aware that even among people who are basically friendly to us there exists fears of United States power, criticism of United States practices. Much of it is based on misconception. The United States Overseas Information Program is doing much and can do much more in helping to improve an understanding of our common interests with our European neighbors and thus to obtain firm working partners in the family of free nations."

Cavendish W. Cannon, American Ambassador, Athens, Greece:

"I would have thought that the time was past when it was necessary to explain and defend the overseas-information program. In the years since the war ended it has become an essential instrument in the conduct of foreign policy. As the President has emphasized, our relationship with our allies is increasingly one of partnership. No partnership can endure without full understanding and sympathy among the partners, and USIS, through its libraries, its press service, its radio programs, its exhibits, its concerts and lectures, its motion pictures, and its innumerable day-to-day man-to-man contacts, has contributed immensely to that understanding. In the four posts where I have served as Chief of Mission I have tried to utilize USIS to the fullest, and I should have felt sadly handicapped without it.

"I am glad also to report my observation that USIS is each year responding more effectively to the requirements placed on it as an instrument of our foreign policy; this in spite of hard times due to insufficient public confidence and underestimation of its achievements.

"I wish your committee every success in its campaign to assure a truly effective overseas-information program."

Arthur Gardner, American Ambassador, Habana, Cuba:

"Viewed in action overseas, the informational and cultural work performed by the United States Information Agency is, to my mind, an essential weapon in our ideological struggle with international communism. I feel that we must devote unflagging efforts to convince other peoples, particularly those hundreds of millions who have not yet made up their minds, that the United States stands for peace, freedom, progress, and the dignity of man.

"Every dollar that goes into this campaign is well spent. The USIA is a highly specialized organization manned by capable professionals. It should not be crippled by unjustified criticism or insufficient funds. It should be given every encouragement and the proper tools to do its job."

Sheldon T. Mills, American Ambassador, Quito, Ecuador: "During my recent tours of duty abroad, I have been increasingly made aware of the importance of the United States overseas information program which functions as an adjunct to our foreign policy.

"I feel that even the best and strongest foreign policy is likely to be limited in its effectiveness if the peoples at home and in the rest of the world are not informed concerning it.

"It is axiomatic that we who are engaged in a struggle to determine whether democracy or communism will rule men's minds have the duty to present the truth and soundness of our way of life to men of all nations."

Avra M. Warren, American Ambassador, Ankara, Turkey: "A decade has now passed since the guns of the Second World War fell silent. How well we all remember the feeling of hopefulness for the future that then prevailed; a universal hope of peace and good will. Yet in the 10 short years that have since elapsed we have seen the transition to a world of disillusionment and frequently of despair.

"What is the reason for this tragic development? No doubt there are many contributing factors, all of which will be duly listed and identified by the historians of the future. Yet, when the definitive history of this era is finally written, I am convinced that one thing will be singled out as primarily responsible for the sorry pass in which the world now finds itself—and that is the success with which the Kremlin has spread the Communist gospel throughout almost all the world. This is the insidious force, the false faith, which has penetrated among great masses of people in many lands and it, far more than the use or threat of military force, has made possible the advance of communism up to now.

"Surely it must now be evident that the basic struggle is one of ideas. It is a fight for the minds and hearts of men, in which we must recognize that concern for security or material well-being are not the only or necessarily controlling factors. It is still true that 'man does not live by bread alone.' We must meet and defeat the ideological appeal of communism on its own ground, that is, with a better and finer appeal to the minds and hearts of men. We must oppose the false faith of international communism with the true faith, based on that respect for human rights and the freedom of the individual which is at the basis of our democratic society.

"It is thus essential that our message be brought to all the world, and in this task the United States Information Agency is our principal instrument. To the extent that the American people understand and support the vital nature of this task, its success will be assured."

Fletcher Warren, American Ambassador, Caracas, Venezuela: "During my 33-year career with our Foreign Service, I have observed throughout the world great and constant need for strong moral leadership. I believe that no other nation has so great a responsibility to furnish that leadership as the United States. Our capacity to act morally and with determination is a decisive factor in rallying the free peoples of the world to our side. One of the best ways to make that leadership effective is through a vigorous United States information program. Therefore, I highly commend your committee for its efforts toward strengthening the United States information program overseas."

The President's Emergency Fund and the 1956 Olympic Games

EXTENSION OF REMARKS
OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, in the American Legion magazine for June, 1955, Arthur Daley has an important article entitled "Will the Soviet Union Sweep the Olympics." He writes that—

The Russians will knock the ears off the Americans in the 1956 Olympic games at Melbourne, Australia, next year. It isn't a pretty fact but it's virtually an inescapable one. The worst of it is that we can't borrow the light-hearted English approach and give it the jolly-well-done-old-boy treatment. The Red brothers will scream to the world that this is merely one more proof of how decadent the capitalistic system really is.

Mr. Daley points out that unsparing of time, money, or effort, the Russians have been improving phenomenally in all forms of athletics as part of a concerted drive to capture a new but irresistible propaganda medium—sports. Meanwhile, America marks time, either unaware of the danger to our traditional worldwide supremacy in athletics or indifferent to it.

Athletics in the United States, says Mr. Daley, are a haphazard affair. The Government has nothing whatsoever to do with sports in any capacity. Our Olympic team consists of volunteers. Our Olympic committee consists of a group of volunteer amateurs. Our Olympic financing comes from volunteer

contributions and it is usually a frantic scramble to get enough funds to send a team to the Olympics. The athletes, naturally enough, get free trips. So do coaches and managers of each team. But all the other Olympic officials, the greatly maligned badge-wearers or badgers pay their own way.

During the past quarter century, Avery Brundage, of Chicago, has been all over the world many times as president of the United States Olympic Committee and later as president of the International Olympic Committee. He has never asked for one thin dime for expenses although these jaunts probably have cost him upward of a quarter million dollars.

The Subcommittee on State, Justice, Judiciary, and related agencies of the Committee on Appropriations of the House of Representatives is considering, among other things, an appropriation to continue the President's Emergency Fund.

Some of the best salesmen for the United States way of life have been American athletes sent abroad by the Amateur Athletic Union in cooperation with the State Department under the President's Emergency Fund.

Among them are two great Negro track stars, Mal Whitfield and Harrison Dillard, both two-time Olympic champions, who got tumultuous receptions in tours of Africa and South America.

Olympic diving champion, Maj. Sammy Lee, an Army doctor of Korean parentage, was similarly hailed when he performed in the land of his ancestors. Still another good-will athlete is the Rev. Robert Richards, the preacher who won the Olympic pole valut title in 1952.

The President's Emergency Fund would be of great assistance, I am convinced, in American participation in the 1956 Olympics. I include here my testimony before the Appropriations Subcommittee in support of the Fund.

STATEMENT OF REPRESENTATIVE FRANK THOMPSON, JR., BEFORE THE SUBCOMMITTEE ON STATE, JUSTICE, JUDICIARY, AND RELATED AGENCIES OF THE HOUSE COMMITTEE ON APPROPRIATIONS IN SUPPORT OF THE PRESIDENT'S EMERGENCY FUND, JUNE 14, 1955

Mr. Chairman and members of the subcommittee, with funds supplied by the President's Emergency Fund, the United States is fighting the cold war on two new fronts. Both are important. And on both the Communists have a head start on us.

The head start, however, need not discourage us. These are both fields in which the United States has no need to worry if we exert ourselves. The only danger is that we may let victory go to the Communists by default.

Let us take a look at the facts. In the 5 years prior to 1955, the Soviet bloc exhibited at 122 trade fairs at which the United States was not represented. Their first shock was at Damascus last year where they had a $500,000 exhibition. Awakening in time to what was happening, the United States was a last-minute entry, presenting as one of its official exhibits the film Cinerama. The picture was the hit of the fair. It stole the entire show. The Communists protested violently, and when they heard the United States was planning a repeat performance at Bangkok they withdrew entirely. They couldn't take the competition.

Since that date the U. S. S. R. has withdrawn from at least five other fairs in which it was announced that the United States would exhibit, the Lyons International Fair, and the Milan Sample Fair in April of this year, the Paris International Fair and the Tokyo International Fair in May, and the Canadian International Trade Fair in Toronto this month.

Under the program made possible during the current year by the President's $5 million emergency fund, the United States will have been represented at 15 fairs by July 1, 1955.

These fairs have given us opportunity to refute Communist sneers at the myth of the American way of life. The Frankfurt Fair, March 6–10, is a good example. Commenting, a Frankfurt English-language newspaper said * * * "the exhibition marked the first time that Uncle Sam has actually raised his window shades in Europe in an attempt to dispel myths and give substantial facts about how Americans live."

At Frankfurt, United States producers displayed over 300 products commonly used in the average American home. The exhibit entitled, "America at Home," featured a completely furnished full-scale five-room modern American home with actors impersonating an American family. Brand names that are household words in the United States were displayed * * * Dupont, General Electric, Singer Sewing Machine, Congoleum-Nairn, Revere Ware, and a host of others. Over 65 firms exhibited. The products told a significant story of a nation's economy dedicated to production for peace and abundance. Over 70,000 visitors saw that exhibit.

The Trade Information Center, manned by United States industry specialists and Department of Commerce representatives, gave over 275 personal interviews and answered inquiries by the thousands. Inquiries came in so fast that three receptionists were unable to take care of them.

The major responsibility for the exhibits in these fairs rests, of course, upon the exhibitors. The United States Government contribution is only "seed" money. But without that encouragement the participation of American business would be uncertain. And, in this cold war, we cannot afford uncertainties.

No less significant have been the results achieved under the cultural presentation program and for this, too, the President's Emergency Fund provides the "seed" money. It does not pay all expenses, but it assures American artists going overseas against too heavy losses.

That Americans are uncultured, crass, material-minded barbarians is a favorite Communist propaganda line. On the other hand, they try to present themselves as devoted to the arts, to the better things of life. For years troupes of artists from the U. S. S. R., and more recently from Communist China, have been sent abroad by their Governments to make friends and influence people for communism. That the Russian ballet, admittedly among the best in the world, has its roots in Czarist Russia is ignored. The ballet is communist, they say. It is a potent argument for the Marxian line. Music, art, sports—all are grist for the Communist mills. They exploit their artists and sportsmen as they exploit everything else, and they have been doing it effectively, make no mistake about that.

These statements are borne out by no less a personality than William Randolph Hearst, Jr., editor-in-chief of the Hearst newspapers. During his recent visit to Soviet Russia Mr. Hearst had ample opportunity to observe the steps being taken by the Communists to gain support for their ideology in fields other than the military. As a result, he came back to the United States determined that the United States should not be caught off base in this particular phase of the struggle. In a speech before the National Press Club he pointed out that "the western program for building armed strength should be widened into a more flexible and imaginative strategy for competitive coexistence with Communism in every field and on every front." He went on to draw on some of his own observations saying, "While I was in Moscow I gained the impression that communism was moving ahead in many fields which the present western strategy overlooks. * * * By inviting to Moscow picked delegations from the satellite countries and wavering neutrals like India they strive to convey the impression that Soviet customs are superior to those of the West.* * * (Therefore) we should seek to convey to the world—to our allies, to the uncommitted countries especially, and to the Russians if possible—the idea that America is not only proud of its motor cars, its bathtubs, and other material benefits, but also of its cultural achievements." The legislation under consideration here today would do much in the future to convince other peoples of our interest in cultural affairs as it has done in the past.

Under the President's program, policies and procedures for the United States cultural offensive are now fully established and in active operation. As of May 19, I am informed, 23 projects are underway. I do not propose to discuss each of these projects in detail, but will touch upon several by way of illustration.

Those of you who have listened to the NBC Symphony of the Air will not be surprised at the success of its present tour of the Far East. At its stop in Manila, the Filipino newspaper, Sunday Chronicle, made mention of the Communist charge that the tour was a propaganda move. Said the writer: "If this is so, then we can afford to have more of it * * * this is propaganda we would go out of our way to welcome * * * it is propaganda that will really sell the United States anywhere, be it Europe or Asia."

The orchestra's 21-day stop in Japan was a smash hit. The New York Times quotes a review in the English language edition of Osaka Mainichi: "As the symphony was brought to the grande finale, the crowd who sat in an ecstasy of tonal splendor, knew no end of jolly."

A "Salute" to France is one of the big projects under way this year under this program. The chief financial burden has been assumed by private sponsors but the "seed" money from the fund is extending its scope throughout Europe and the Near East. The Salute now under way includes both music and the drama as well as paintings.

The Philadelphia Symphony Orchestra, conducted by Eugene Ormandy, opened the festival on May 19. Reviews in the French press used such expressions as "great music making," "exquisite," iridescent," "ravishing."

Last week, the New York City Ballet followed upon the orchestra's heels. Still to come on the Salute schedule is Oklahoma!, and later, in conjunction with a Dramatic Arts Festival, performances of Medea and the The Skin of Our Teeth.

The 9 weeks' tour of the Balkans and Mediterranean area of Porgy and Bess has been another cultural triumph for the United States. On the opening night in Zagreb, the company received 14 curtain calls, and on closing night there was a half-hour ovation.

Not only in Yugoslavia, but elsewhere, this was, for many people, the first time they had seen Negroes. Having heard so much Communist propaganda, they were astounded to learn that most of the cast are college graduates. These are not the Negroes of Communist propaganda. Each individual member of the cast has been an ambassador for this country. Plied everywhere with questions, they are handling the situation with a dignity and intelligence of which every American can be proud.

In the sports field, the program includes tours by stars in the Pan-American games.

Three such teams have already gone out. Their success has been on the level of those I have just listed.

All of the projects undertaken in this program have been planned with the specific interests in mind of the areas to which the traveling artists and athletes are sent. The projects, handled in this country by the State Department, are publicized overseas by the United States Information Agency. In all cases, the events are being used by all agency posts in the various countries as the nucleus of a public information campaign to create recognition and appreciation of the cultural achievements of the United States.

In my own opinion, trade fairs and cultural activities are areas of the cold war which the United States cannot neglect. And, as I have said, both are fields in which we can have full confidence of success. It is only a question of taking advantage of the opportunities afforded us.

Communist goods exhibited at trade fairs have often been of inferior quality—but how are other peoples to know that if there are no United States exhibits to make the contrast clear? In the absence of first-rate Western participation, the Communists have been winning by default.

In the cultural field it is, again, only a question of giving these other peoples an opportunity to see, listen, and judge. Here, again, we have the goods. The best rebuttal of Communist charges is to produce them. In closing, may I refer once more to Mr. Hearst. In the speech from which I quoted earlier he spoke words of great import to all of us here today: "One side or the other is going to win the battle of coexistence. It had better be our side. Everyone and everything we love and cherish is at stake."

I urge the committee to support these tremendously important activities and to grant the funds necessary to carry on and expand them during the coming fiscal year.

Apparent Change in Administration's Attitude Toward Yalta Agreement

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1955

Mr. LESINSKI. Mr. Speaker, when the Yalta papers were released in March, we heard the cries of our Republican colleagues that at last proof was available to show that President Roosevelt had sold out to the Russians at Yalta. At that time I commented that such claims were only a smokescreen to hide the inability of the Republican Party to give the American people positive domestic and foreign-policy programs. I am glad to see that the Republicans are now agreeing with me because, according to press reports last week, their chief foreign-policy maker, Mr. Dulles, apparently feels that the Yalta agreement is not as bad as they originally wanted the public to think and is going to insist that the Russians live up to it. At least we can say that the Republican Party is following its firm policy of not having any policy at all because this latest statement once again is a contradiction of earlier ones. These turnabouts of which this is only one must confuse not only the members of the Republican Party but must also cause the American public to wonder whether or not the present administration knows what it is doing.

I have been very much interested in the effects of the Yalta agreement, and as an American of Polish descent, I have been particularly interested in how it affected Poland. You will recall that the Yalta papers clearly showed that President Roosevelt insisted on free and unfettered elections in Poland and in other satellite countries. I hope that those who have urged that the Yalta agreement be repealed now change their tunes, as Secretary Dulles has, and realize that this agreement is the only means available at the present time to bring about such free elections. I am sure that they will agree with me that if the people of Poland and other satellite countries were given the opportunity as provided in the Yalta agreement, they would quickly elect their own officials and get the democratic republic they so deeply desire.

If We Are To Have an Investigation of Cost of Natural Gas to Consumers Then Let us Have a Full Investigation of All Phases of the Natural Gas Industry Affecting Price of Natural Gas to Consumers

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1955

Mr. WOLVERTON. Mr. Speaker, I have today introduced a resolution to supplement the resolution recently introduced by the gentleman from Arkansas [Mr. HARRIS], to authorize the Committee on Interstate and Foreign Commerce to investigate certain matters related to the transportation and distribution of natural gas as affecting the price thereof to consumers.

I am in favor of the resolution introduced by the gentleman from Arkansas [Mr. HARRIS], as far as it goes, but unfortunately it does not go far enough. The best interests of consumers requires that in addition to an investigation of the transportation and distribution of natural gas, as elements in the cost to the consumers there must be an investigation also of production costs. Without this there would not be a complete picture of the entire matter. Because of the failure to include this important element of cost in the Harris resolution, I have introduced a resolution similar to it except that there is added to it authority to investigate the subject of production as well as transportation and distribution of natural gas. I have also added authority and direction to the Federal Power Commission to give its assistance to the investigation by supplying factual data to the committee.

In the press release of March 2, 1955, when my colleague, Mr. HARRIS, introduced H. R. 4560, to amend the Natural Gas Act, two references were made to his desire to protect the consumers of natural gas. In Mr. HARRIS' press release of June 9, 1955, when he introduced a resolution to investigate the price of natural gas to consumers, he again referred in several instances to his desire to protect the consumers' interest. With this objective I wholeheartedly agree.

I was a member of the Committee on Interstate and Foreign Commerce when the Natural Gas Act was passed in 1938. This act was passed principally to protect the consumer, as we considered this a matter of great public interest, and so stated in section I of the Natural Gas Act.

In the present 84th Congress the House Interstate and Foreign Commerce Committee, of which I am a member, has held hearings almost continuously since March 22, 1955, and the record alone of these hearings comes to 1,930 pages. In spite of the length and comprehensiveness of these hearings, Congress does not yet have all of the facts and information on the basis of which it can proceed with needed remedial legislation. Congressman HARRIS himself, who introduced a bill, H. R. 6645, ordered reported by a committee vote of 16 to 15, stated last week "that before this situation is cleared up in the interests of the industry as well as the consumer, other factors are going to have to be considered." Congressman HARRIS also stated that "in the interest of the consumer there must be Federal regulation of prices which the consumer would pay, of not only future contracts but existing contracts between pipelines and producers."

With all these conclusions I agree. However, the resolution which Mr. HARRIS introduced on June 9, House Resolution 267, provides for an investigation to be made by the Committee on Interstate and Foreign Commerce only of intercorporate controls of natural gas pipeline companies and natural gas distributing companies and it provides only for the investigation of the transportation and distribution of natural gas. Singularly, the production of natural gas has been omitted. I am in full sympathy with the objectives of Congressman HARRIS' resolution but believe that it is vitally important that the terms of this investigation be broadened in scope to include production as well as transportation and distribution. In short, it is for that reason that I am today introducing a special resolution which would authorize and direct the House Committee on Interstate and Foreign Commerce to investigate the cost of production and transportation in interstate commerce and distribution of natural gas to the consumers of America. In other words, practically all that I have done is to add to Mr. HARRIS' resolution, investigation of the production segment of the natural gas industry. In addition to this, I also thought it well to include a special section calling upon the services of the Federal Power Commission to aid and assist our committee in getting at the facts.

This is a matter which has been before the Congress for a number of years; in fact, the same issue has been before

the courts and Congress since 1947, culminating in the now famous Phillips Petroleum Co. decision of the United States Supreme Court announced June 7, 1954. The Congress will remember that this same subject matter was before them in H. R. 1758, also introduced by my colleague, Congressman HARRIS. This bill, you will remember, was approved by 4 votes in the Senate and 2 votes in the House of Representatives and was later vetoed by President Truman on April 15, 1950. President Truman so well summarized this entire matter that I feel it appropriate at this time to ask for a complete insertion of his veto message as part of my remarks at this point:

PRESIDENT VETOES BILL TO EXEMPT GAS PRODUCERS AND GATHERERS FROM FPC REGULATION

To the House of Representatives:

I return herewith, without my approval, H. R. 1758, a bill to amend the Natural Gas Act approved June 21, 1938, as amended.

This bill would preclude the Federal Power Commission from regulating sales of natural gas to interstate pipeline companies, for resale in interstate commerce, by producers and gatherers who are not affiliated with the buyers. After careful analysis and full consideration, I believe that such an action would not be in the national interest.

I believe that authority to regulate such sales is necessary in the public interest because of the inherent characteristics of the process of moving gas from field to the consumer. Unlike purchasers of coal and oil, purchasers of natural gas cannot easily move from one producer to another in search of lower prices. Natural gas is transported to consumers by pipelines, and is distributed in a given consuming market by a single company. The pipeline companies, and in turn the consumers of natural gas, are bound to the producers and gatherers in a given field by the physical location of their pipelines, which represent large investments of funds, and cannot readily be moved to other fields in search of a better price.

These characteristics of the natural-gas business impose natural limitations upon effective competition among sellers. Competition is further limited by the degree of concentration of ownership of natural-gas reserves. While there are a large number of producers and gatherers, a relatively small number of them own a substantial majority of the gas reserves. Furthermore, the demand for natural gas has been growing phenomenally in recent years, and its natural advantages as a fuel, coupled with its present price advantage, indicate that demand may soon be pressing hard upon total supplies.

Under these circumstances, there is a clear possibility that competition will not be effective, at least in some cases, in holding prices to reasonable levels. Accordingly, to remove the authority to regulate, as this bill would do, does not seem to me to be wise public policy.

It is argued that regulation of sales of natural gas to pipeline companies would discourage producers and gatherers from selling their gas in interstate commerce, and would discourage exploration and development of new wells. This claim rests primarily on the assumption that the Federal Power Commission would apply standards of regulation which did not take account of the peculiar circumstances of natural-gas production—such as the cost of exploration and development, including the drilling of dry holes. I do not believe this assumption is well founded. On the contrary, I am confident that the Commission will apply standards properly suited to the special risks and circumstances of independent natural-gas producers and gatherers.

My confidence in this outcome is supported by the fact that, until recently, the Commission has not found it necessary to undertake to regulate the prices charged by independent gas producers and gatherers, although those prices have been advancing. It is only natural that prices have risen, since the interstate lines built during and since the war have offered a far wider market than existed previously and have resulted in more competition among buyers. This process of price adjustment will probably continue, and it is right that it should if held within reasonable limits.

Accordingly, producers and gatherers are finding, and I am sure will continue to find, strong incentives to search out new sources of natural gas and to sell their gas in interstate commerce. I believe the production and sale of natural gas will continue to grow rapidly, to the benefit of consumers and of all the businessmen concerned with serving them. I see no danger to that growth in the continuance of the authority of the Federal Power Commission to regulate sales of gas to interstate pipelines.

The continuance of that authority will adequately protect the public interest by permitting the Commission to prevent unreasonable and excessive prices, which would give large windfall profits to gas producers, at the expense of consumers, with no benefit to the Nation in terms of additional exploration and production. Such cases are few, if any, at the present time, but the authority to deal with them in the future clearly should not be dissipated.

Experience may demonstrate that some improvement of the existing statute may be desirable. I have no doubt that the Commission will operate reasonably and in the public interest in carrying out the present law, but I would have no objection to reasonable amendments if they are found to be needed.

To withdraw entirely from this field of regulation, however, impelled only by imaginary fears, and in the face of a record of accomplishment under the present law which is successful from the standpoint of consumer, distributor, carrier and producer alike, would not be in the public interest. Accordingly, I am compelled to return this bill without my approval.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 15, 1950.*

I call particular attention to the language used by President Truman in his veto message, in which he said:

The pipeline companies, and in turn the consumers of natural gas, are bound to the producers and gatherers in a given field by the physical location of their pipelines, which represent large investments of funds and cannot readily be moved to other fields in search of a better price.

These characteristics of the natural-gas business impose natural limitations upon effective competition among sellers. Competition is further limited by the degree of concentration of ownership of natural-gas reserves. While there are a large number of producers and gatherers, a relatively small number of them own a substantial majority of the gas reserves.

H. R. 6645, the bill under present consideration, was designed primarily to exempt producers from Federal regulation. It is rather significant, Mr. Speaker, that to my knowledge not a single producer appeared before our committee to offer any testimony whatever and as far as I can learn no producer appeared before the Senate committee, who closed their hearings on this matter last week. Accordingly, the only way that the Congress will be in the possession of the facts concerning producer ownership and control and producer costs will be through proceedings with the investigation along the lines indicated by my resolution.

Summarizing my statement, Mr. Speaker, I feel exactly like President Truman when he stated, in his veto message:

To withdraw entirely from this field of regulation, however, impelled only by imaginary fears, and in the fact of a record of accomplishment under the present law which is successful from the standpoint of consumer, distributor, carrier, and producer alike, would not be in the public interest.

Address by Representative James C. Murray, Third District of Illinois, Before a Group of Latvians and Americans of Latvian Descent at Austin Town Hall in Chicago, Ill., Saturday, June 11, 1955

EXTENSION OF REMARKS

OF

HON. T. JAMES TUMULTY

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. TUMULTY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a speech delivered by Representative JAMES C. MURRAY, Third District of Illinois, before a group of Latvians and Americans of Latvian descent, at Austin Town Hall in Chicago, Ill., on Saturday, June 11, 1955. Congressman MURRAY made a stirring and eloquent plea for Latvia and those other unfortunate countries which have perished behind the Iron Curtain. His speech is a ringing cry for freedom for all persecuted peoples everywhere. The address is as follows:

ADDRESS BY REPRESENTATIVE JAMES C. MURRAY, THIRD DISTRICT OF ILLINOIS, BEFORE A GROUP OF LATVIANS AND AMERICANS OF LATVIAN DESCENT, AT AUSTIN TOWN HALL IN CHICAGO, ILL., SATURDAY, JUNE 11, 1955

Honorable Chairman Bumanis, my fellow countrymen of Latvian nativity, the nameless graves of uncounted thousands of your countrymen conquered in treachery and murdered with savagery bespeak to us who have always known the blessings of liberty today to stand before you in all humility.

It is in that spirit that I have come here to you. My purpose, my pledge, is to rededicate myself to freedom—freedom everywhere—freedom in Latvia and among your oppressed neighbors. Latvia, like Lithuania, Estonia, like Poland and many other countries has been forced to fight for freedom since antiquity. Overrun many times but never completely conquered; purged and scourged but never completely exterminated; enslaved and enchained but never completely subjugated; Latvia stands as a great and eloquent testimonial of man's determination forever to be free.

We who take our liberties for granted can never fully appreciate the trials and struggles of your brave and unquenchable peoples.

The occasion we observe today is one of the blackest chapters of all of human history. On June 17, 1940—let that date be remembered—the Communist purge began in Latvia; the slaying of more than 1,300 of political leaders, educators, journalists,

public officers, hundreds of ordinary men and women in whom the fire of personal political liberty burned brightly.

I need not recite the many battles that Latvia has fought for freedom since early history; her trials and struggles after the revolutions of 1905 and 1917; her final achievement of freedom on January 26, 1921; nor the foul aggression of Communist Russia which in 1940 seized upon her at a time of international melancholy, once more to load her down with servitude and chains.

Thank heaven that our Presidents Roosevelt, Truman, and Eisenhower have always signified to the entire world that this country will never acquiesce in this treacherous aggression.

I deeply, personally regret that undue hopes have been built by talk of liberation or other slogans.

This is not the way to liberty, not when we are unprepared and lack the plans and firmness. Anyone who has read the reports of the House Select Committee on Communist Aggression, 83d Congress, knows well the full depths of Communist treachery and the assault upon your free people. I am not here to open up old wounds or to raise up false hopes by slogans or unjustified promises.

This I say: The Democratic administrations met communism and stopped it in its tracks in Greece, in Turkey, in Germany, in Korea. Our own great Democratic Senator PAUL DOUGLAS last year proposed to carry the cold war to the fear-ridden, tottering, and uncertain satellites. His bills, all six of them, were stronger pressure than the Department of State would permit. I was for those bills then; I am for them now.

Uncertainty, suspicion, defection, despair stalk the Communist regimes everywhere; I hope we will work with foresight and courage to increase those tensions and to undermine those tyrannies.

I have one thought that I would bring to you, my friends, on this sad but determined memorial day; there never was a midnight so deep, a night so black, it was not followed by the dawn. Already we find heartening and cheerful evidence that communism is wracked and torn in depth by internal fears and failures and stresses. Beria is liquidated; Malenkov is drenched with deep disgrace; Kruschev goes hat in hand to Tito and gets a cool reception.

The Marshall plan successes rebuild Europe and NATO, another Democratic program, builds strength and arms and a strong wall against communism. The economic and political successes of the West undermine the faltering political futilities of the East.

One day your country and other countries will be free. Latvia will be free. Lithuania free. Poland will be free. Estonia free. And so will the other nations that now are held in communistic chains. For freedom is the power that knows no peer, stronger even than the atom, it has no half-life—its half-life lives forever. Even now the daylight breaks. We read retreat and hysteria in communistic diplomacy. I believe the moment is almost here when at "the summit conference" we may strike our strongest blows at chains and brighten hope of freedom everywhere. With this thought in mind I have addressed the following plea to the President.

Here is the text of my telegram:

"DEAR MR. PRESIDENT. Believing in ultimate freedom as you do, I urge you to raise immediately at the summit conference, if held, the question of freedom in Latvia, Lithuania, Estonia, Poland, and other enslaved countries. The Soviet treachery against the Baltic Republics in 1940 is equalled only by Communist treacheries against other free peoples since World War II. I urge and beg that you approach this conference with firmness and determination and that you raise at once the question of freedom in these countries, free elections, and make this the test of Soviet sincerity. Let communism match its professions of peace with self-determination of peoples, with free elections supervised by a world committee of the United Nations Assembly. This should be the first test of their sincerity. If you will raise these questions you will earn the gratitude of these and other peoples. I pledge you my earnest support in these endeavors."

Believing in liberty as I do, detesting communism in its entirety, distrustful of its every motive and pledge, I could do no less. I hope my suggestions will be accepted, conditions raised, and communism put to the test of its sincerity.

At the same time that we demand of communism conditions of sincerity on its part, we ought to give a demonstration of sincerity on our part. We can do this by immediately passing legislation to eliminate the ghastly immigration restrictions that have been placed against countries like Latvia, Lithuania, Poland, Estonia; and second, by passing at once legislation that will make the Refugee Relief Act an act to admit refugees instead of raising up legalistic bars against them.

The President was absolutely right in demanding a revision of the Refugee Act, and I will support its revision. I wish he had gone further and demanded that the inhuman restrictions of the immigration laws against your free peoples be removed. We ought to give Russia a one-two punch: first, by revising our Refugee Act, and, second, by putting conditions of sincerity to her at the Summit Conference.

Liberty never sleeps. We who believe in liberty must never rest or sleep while in great nations and among good peoples it is held in chains. The day will come when tyranny will find itself defied at every hand as it has been in your great country.

I close with this humble thought—let us keep faith with liberty forever.

Thank you.

Music Industry Should Act

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an excerpt of an article by the able columnist, Harriet Van Horne, on the question of current popular music.

In the light of what is happening in the music industry, this article sums up the situation so succinctly and wisely that I believe every Member of the Congress should carefully read it.

These conditions cannot be corrected until real art shall infuse, motivate, and direct all important radio and television programs, the stage and the theater and the music business.

Of course, the Congress obviously should not dictate to entrepreneurs and exhibitors the type of program that they shall present, because that would involve interference with individual rights and also assume broad censorial powers which Congress does not possess. However, over a period of time unquestionably such programs as are in bad taste or reflect inadequate standards will become offensive to larger numbers of the American people and the situation must be viewed with the hope that speedy corrective measures will be applied voluntarily by the music business and operators who reproduce our music for profit.

The other phase of this question is the palpable injustices that beset the music industry, and particularly those which are daily visited upon the American composers of popular music. This may well be at the root of the deterioration of artistic programing. It certainly is responsible to a great extent for the decline in the quality and appeal of current popular music and when one contemplates the shabby way songwriters are treated these days, one can better understand the lack of popular response to current offerings.

Merit, not favoritism, should determine the presentation of composers' offerings. Justice and equity, not overreaching monopolistic practices and rank discriminations, should rule. To the contrary, abuses become more entrenched every day and seem to multiply. A glaring example of the injustice I refer to is provided by the experience of the great Leroy Anderson, one of America's outstanding popular composers, the author, among other notable hits, of Blue Tango. On that song alone the companies are authoritatively said to have reaped a gross of $12 million, but the sad, stark fact, as reported, is that of this huge sum, Mr. Anderson did not get one cent, although if he had not composed it, it would not have been possible for others to realize gigantic profits for themselves and their companies.

That is a fact that is not apparently appreciated by the monopolists and manipulators in the music industry. Such a situation outrages the public conscience. The deterioration in the quality of popular songs because of dictatorial control is in time bound to diminish and greatly reduce the income of this entire industry. If those directing its destiny would only stop to realize this fact, they would speedily move to effect arrangements whereby composers, writers, and publishers would be given their just share of the huge profits that are gleaned by the music industry and its affiliates.

I am also including in my remarks an article from the Rochester Democrat and Chronicle which is my authority for the above statement that from a gross of $12 million income on one song hit the composer, Mr. Leroy Anderson, did not receive a penny from its reproduction for profit.

As I have pointed out before, I am very friendly disposed toward the great music industry. I am eager to see it prosper and grow in every legitimate way. But in view of many evidences of gross abuses, flagrant injustices, ruthless methods, and monopolistic patterns, I am again urging its leadership to clean house and banish these unjust practices of its own motion before the Congress is constrained to apply drastic remedies that may occasion more or less rigid control of activities that are violative of good conscience and equity, and contrary to public interest.

The articles follow:

WHAT HAS HAPPENED TO POPULAR SONGS?
(By Harriet Van Horne)

Granted, the old order must constantly change. But extend that word "change" to denote corruption and decay and you have

the key to what is happening to one of the loveliest tokens of the old order—namely, the popular song.

Were I a wandering minstrel in the boundless spheres of radio and television, I'd make it a point of honor to sing the old songs. The gay and gentle songs with their true melodic lines, their modest, thoughtful lyrics, their haunting grace.

I'd avoid—in the same fastidious way I'd avoid looking at a dog run over in the road—the songs that have been jukebox hits in the past few years. I mean the hillbilly laments, the nonsense syllables set to imbecile tunes, the lascivious lyrics sung with a leer, and the songs that rely on special sound effects, echo chambers, and the like, for their musical appeal.

"O, play me a tune on an unbroken spinet," sang Tom Wolfe. And I would add, sing me a song with an unbroken melody, with a lyric tender and true. And in a voice free of the rasp and snarl, the affected vibrato and the low, sickroom moan, that are the hallmarks of today's popular vocalists.

A musician of my acquaintance tells me that the blame for today's miserable and ugly songs can be laid directly at the door of the record companies. It is they who select the songs to be recorded. And it is they who decide the artist who will make the recording and the style in which he shall do it. The prime consideration in all these decisions is: Will the kids like it?

"The great bulk of records," he explained, "is bought by youngsters between 13 and 18. They keep the record companies solvent. And today's kids, for some reason, hate sentiment. They want to hear new sounds. They like their music lusty. Tasteful singers—Dinah Shore, for example—are too good, too refined for them. So Dinah never has a hit record any more."

It isn't bad enough that singers of talent must bow to the low taste of the hour and sing Tweedledee and Dance With Me, Henry. Now there's a new form of desecration. I first became aware of it when I heard Miss Kay Starr bleating, No ma-yan is an islaaaand * * * and recognized, with a cry of pain, one of John Donne's loveliest devotions (the one that reminds us for whom the bell tolls).

Then, a few days later I heard the same strident, yodelling tones pronounce, Where thou goest I shall go. I felt suddenly ill. Even the Old Testament, it seems, isn't safe from the spoilers and depredators of Tin Pan Alley.

The fact that an occasional soft and sentimental song—for example, Hey, There—does become a hit ought to embolden the record companies to venture into the deeper waters of honest music. There's also the thought: How are the teenagers going to develop taste if they're not exposed to better music?

As for reactionaries like me, who want to hear Cole Porter, Gershwin, Jerome Kern, and Richard Rodgers, well there's always the phonograph.

SAD NOTE ON A JUKEBOX

Something like a billion dollars in nickels and dimes, according to estimates, are dropped every year into the Nation's 500,000 jukeboxes. Pretty nice velvet for the composers and song writers, you say. Yes, except that the composers and song writers get none of it. The profits go to the operators who install the jukes, minus rental charges. All the composer gets is the royalty, amounting to not more than 2 cents, paid on the purchase of each record.

The record may be played over and over, as most of them are, but all the composer knows about it is what he reads in the financial reports of the operating companies. As an example of how profitable one successful number may be, the Composers and Authors Committee estimates that Leroy Anderson's Blue Tango grossed more than $12 million, of which he received nothing.

The reason for this strange situation goes back to the copyright law of 1909, which specifically exempted coin operated machines from the provisions requiring payment of performance fees to composers. This was for the benefit of the penny arcade machines of that period. No one foresaw the rise of the jukebox.

In Congress Senator Pat McCarran had been leader in a battle to change the copyright law to end what he calls the special treatment in favor of the jukeboxes. His bill for this purpose died in committee last year, but ASCAP (American Society of Composers, Authors, and Publishers) is pushing for new action. It is backed by many other national organizations, including the American Bar Association, American Patent Law Association, General Federation of Women's Clubs.

What an equitable agreement between the jukebox operators and the composers may be, we do not pretend to know. The operators insist that by paying a royalty for the purchase of the records, they have done their duty to the composers. The latter retort that other musical enterprises, such as broadcasters and other commercial users of records, pay a performance fee in addition to the royalty.

Like other giants that have sprouted from small beginnings, the jukebox business has reached the point where some sort of sensible agreement, preferably by free action of the parties concerned, ought to be made.

Civil Defense—All But Congress

EXTENSION OF REMARKS
OF
HON. PAUL F. SCHENCK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. SCHENCK. Mr. Speaker, the added problems faced by officials and volunteer citizens interested in civil defense during these times are extremely difficult and deserve the sympathetic understanding of every official of Government at all levels.

Some people are inclined to view all such activities and preparations as silly and as an unnecessary waste of taxpayers money. Yet they are also the folks who would raise serious criticism if such training should become necessary and nothing had been done.

It is my feeling, Mr. Speaker, and based on my experience as executive secretary of the Dayton Civilian Defense Council during World War II, that proper plans and training programs should be encouraged throughout the Nation. Not the least of the advantages is the esprit de corps and neighborliness that is created among citizens by their association together in such programs. Their feeling of responsibility and satisfaction makes for better understanding and participation in community affairs which is another good mark of citizenship.

The direction and management of these programs, however, places an extra responsibility upon the proper officials to guard against wasteful and unnecessary expenditure of public funds. If the public in general begins to feel that such expenditures are foolish and not properly justified then irreparable damage to the program can easily result. The avoidance of such mistakes calls for the most careful planning and thorough consideration by every civil defense official regardless of his rank and regardless of whether he is a paid official or a volunteer.

There is little question in my mind, Mr. Speaker, but that the nationwide civil defense alert planned for today will have many lessons which will be studied by all civil defense officials and which will result in much helpful information. I am also convinced, Mr. Speaker, that the executive branch of our Federal Government will learn many necessary factors that will need further consideration to guard against any exigency. For these reasons and also because of the effect it may have on public opinion in this matter, I regret that this exercise was not planned to include Members of Congress and their staffs. Many newspapers throughout the Nation have commented on this phase editorially. I am sure they did not do so facetiously, but only because they also are concerned over these problems and are concerned in the public interest.

The Cincinnati Enquirer published an excellent editorial on this subject and pointed out also the question that is uppermost in the minds of every American—that our greatest effort is to have peace in the world and do this with honor and credit to our great Nation. I ask unanimous consent to include this editorial as part of my remarks.

It is my constant hope and prayer, Mr. Speaker, that all of us will be granted divine guidance so that we can meet the great responsibilities and challenges we face with credit and honor to our Nation.

The editorial follows:

ALL BUT CONGRESS

On June 15 higher-ranking personnel of virtually all Government agencies will clear out of Washington and disperse to their wartime posts. For 2 days they will continue operations as normally as possible in rehearsal for a bombing attack on the Capital. For 6 weeks in advance skeleton crews will have been at these various remote stations making preparations for the conduct of the public business in the simulated emergency.

"Virtually all Government agencies" is the phrase. But one exceedingly important arm of Government is omitted. Members of Congress, their staffs, and officials of the House and Senate will continue to debate, investigate, and generally carry on in the midst of the (imaginary) rubble of a city prostrated by enemy attack.

The reason for the omission of Congress is simple enough. Finding a suitable place for a Senate of 96 Members and a House of 435 Members, with their staffs, has been too much for the Office of Defense Mobilization. A very large resort hotel far from any industrial center is clearly indicated. Arthur S. Flemming's people at ODM still are shopping around for a site.

The difficulty is that the legislative branch, unlike the executive, cannot very well do business with a skeleton force. If you don't have virtually all Members present, or at least a clear majority, you really can't do anything, legislatively.

In contrast, the executive branch can do business, under the Constitution, with only one man on the job. For the President has a virtual monopoly of the power of that branch. Given a number of subordinates to provide information and advice, the President and his Cabinet can get on with the

business of making policy and handing down decisions and orders.

In practice, of course, it would not be that simple. Many vital Government activities involve the knowledge and skills of thousands or tens of thousands of qualified people. The plans formulated by ODM at this stage involve the dispersal of 15,000 persons. The main business of the Government still will be carried on in Washington, in the (imaginary) rubble June 15 to 17.

This may indicate the need for further expansion of dispersal plans, to insure continuity of Government. But it also indicates the utter impossibility of moving all the essential personnel and equipment away from Washington no matter how grave the emergency.

And that reminds us that we should lend our greatest efforts to averting war, with its hazard of atomic attack, rather than to preparing for continuity of government, in case such an attack comes.

Book Banning Versus Book Burning

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 15, 1955

Mr. MUNDT. Mr. President, a little more than a year ago ripples of controversy in this country grew into great cascades of caustic criticism because of the practice of book burning. Critics grew so frantic in their discussion of book burning that they even condemned a committee of Congress which, after careful investigation, discovered that a number of pro-Communist books and books written by Communists had found their way to the shelves of the American Information Libraries overseas. However, because of the diligence of the congressional committee and the cooperation of the Director of USIF, those Communist-tainted books were removed from the overseas libraries.

However, it appears from a recent article that book burning has been carried to its *n*th degree, and that there is developing in this country the practice of book banning or book burning, whereby books are prevented from being circulated, even to the extent that people are unable to determine whether they want to place a given book on the library table in the sitting room, or burn it in the furnace in the basement. I think Congress will be interested in this new twist of book burning.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I have prepared on the subject, Book Banning Versus Book Burning, together with an article entitled "Book Burning: How the Librarians Do It," written by Victor Lasky and published in the current issue of Human Events.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

BOOK BANNING VERSUS BOOK BURNING

(Statement by Senator KARL E. MUNDT, of South Dakota)

For the careful consideration of the Congress and the country, I desire to have printed in the CONGRESSIONAL RECORD an unusually challenging and disturbing article appearing in the June 11 issue of Human Events and written by an outstanding American man of letters—Victor Lasky, author of several books, and a former editor of the American Legion Reader.

The title of the attached article is "Book Burning—How the Librarians Do It." It provides challenging reading for anybody seriously interested in preserving the first amendment and complete freedom of press and information.

Obviously, if certain books are banned by the personal prejudice of biased librarians or if they are condemned by a chorus of book reviewers with preconceived opinions about what Americans should read, the odious practice of book burning has been carried to the *n*th degree by eliminating books from reading rooms even before critics can pounce upon them, and carry them to a greedy fire.

Mr. Lasky raises some soul-searching questions to be answered objectively by those opposed to censorship whether it be by Government edict or by individual bias.

Is it true, that pro-Communist books usually receive favorable book reviews while anti-Communist books are given the brush-off or a black eye?

Is it true that books favorable to Formosa or to the free Chinese are condemned and discouraged whereas books favorable to Communist China and critical of Chiang Kai-shek are applauded and recommended for library purchase?

Is it true that books which are supercritical of congressional investigating committees and the FBI are encouraged and their perusal advocated whereas caustic criticism and condemnatory comments are directed at books which defend congressional investigating committees and support the FBI?

Is it true that the Library Journal published by Virginia Kirkus has become a "tip sheet" for unsuspecting librarians through which ideological predilections toward the left are espoused and by which books supporting our private enterprise concepts and the constitutional practices of this Republic are excoriated?

Is it true that book reviewers for the New York Times, the New York Herald Tribune, and the Saturday Review have become a claque of critics chorusing sharp criticism of such ancient and honorable American virtues as patriotism, loyalty, private ownership, and the rights of States and individuals as against the Central Government? Is Boston's chief librarian, John M. Carroll, correct in his warnings about the Library Journal and its tendency to present to librarians a biased and a prejudiced picture?

Busy Senators find little time to read book reviews and less time to review books. Therefore, I raise these questions for others to answer. However, Mr. Lasky's reputation is great enough to at least justify an effort to find honest answers to the questions growing out of his stimulating article. Surely, America wants no more of book banning than it does of book burning.

Individual librarians, library boards, book selection committees, and the publishers of America's great newspapers and book review sections would do well to reexamine their procedures to make certain there are straightforward and correct answers to the questions raised by Mr. Lasky. Book readers, generally, and those who are inclined to rely on book reviewers to determine their reading diets would do well to give personal study to what they see in book reviews compared with what they read in books in order to make sure that those who publish, review, and recommend books contribute to the enlightenment of the public rather than engage in propaganda thinly concealed behind a facade of respectability.

BOOK BURNING—HOW THE LIBRARIANS DO IT

(By Victor Lasky)

Diverse, indeed, are the ways of the book-burners.

In Milton, Mass., for example, the town librarian refused to buy Eugene W. Castle's book Billions, Blunders, and Baloney. She explained that it was "a sporadic attack with inaccuracies and written with assumption."

Castle's assumption, based on several years of personal observations abroad, was that United States foreign aid and overseas propaganda do us more harm than good.

Admittedly, that is a controversial assumption.

But so is Elmer Davis' But We Were Born Free, which can be found in the Milton library. Apparently, the librarian accepts its basic assumption—that American freedoms are rapidly disappearing under the whiplash of McCarthyism.

But there are those in Milton, whose taxes support the library, who would disagree. Yet, no one questions the librarian's right to purchase the Elmer Davis book.

Or, for that matter, the recent penny dreadful by the brothers Alsop, denouncing Admiral Strauss as the villain in the Oppenheimer case, which was criticized even by the physicist himself for intemperateness.

The librarian's charge of inaccuracies hardly holds water since only recently the Milton library obtained a copy of Justice William O. Douglas' highly inaccurate Almanac of Democracy. In it, Douglas said 58,000 court-approved wiretaps had taken place in New York; the correct figure was under 800.

Yet, despite her aversion to inaccuracies, the Milton librarian has not consigned the Douglas book to the furnace.

In itself, Milton's ban on the Castle book is not too important. Whether or not the book is good or bad, accurate or inaccurate, is of no importance, either.

The real issue is whether librarians should be permitted to purchase books solely on the basis of their personal opinions. Are they entitled to ban books not conforming with their ideological predilections?

If they are, then the American Library Association was absolutely right when, in 1943, it endorsed a statement proclaiming that "the freedom to read is in danger."

The proclamation denounced attempts to list books and authors as objectionable or controversial and efforts to remove books from sale, to censor textbooks.

Noble sentiments indeed. But they overlook the fact that, quite often, librarians themselves "burn" books. As at Milton, they just don't buy books they don't like.

Sometimes the librarians can't help themselves. For example, in Teaneck, N. J., the chief librarian had decided against purchasing the Castle book since the reviews, she claimed, were bad.

But, as she told a librarians' conference, she had a painful problem: What should she do about the unusual number of requests for the Castle book?

To the untutored, the answer would appear obvious. Give the public what it wants. Or, at least, the librarian should have read the book giving her such pain. But she had not. She told Mr. Castle her opinion of it was based solely on the reviews.

Eventually, her painful dilemma was resolved. She ordered the Castle book.

It should be emphasized that, as in Teaneck, many librarians may be unaware that, by refusing to purchase a book because of certain reviews, they're unwitting accessories in the crime of bookburning.

More than 12,000 books are published annually. Obviously, few librarians can read more than a handful. Obviously, too, few libraries can purchase every book.

Most librarians, therefore, rely on certain publications for guidance on what to purchase.

Rarely do they decide on the basis of public demand. The Castle book, for example, stirred up extraordinarily large requests in the Nation's libraries, to judge from a sampling. Yet, as Boston's chief librarian admits, such demand is no determining influence.

Neither, the Bostonian said, is the fact that a book, such as Castle's, hit national best-seller lists of both the New York Times and the Herald Tribune.

What is important are the reviews appearing in the Times Sunday Book Sections and such trade sources as the Library Journal and the Virginia Kirkus tip sheet.

Miss Kirkus' ideological predilections can be seen in her attack on the new Ralph de Toledano anti-Communist novel for failing to contribute to international understanding. Apparently this means that anti-Red manuscripts should be submitted to the Kremlin for approval.

Books like Billions, Blunders, and Baloney rarely meet with Miss Kirkus' acceptance. In the Times, the Castle book was subjected to a hatchet job, more vindictive than usual. The Library Journal also denounced the book.

The Journal, since it caters specifically to librarians, has an enormous say over what Americans find in their libraries. Unfortunately, its recommendations generally are questionable.

John Caldwell, a writer on the Far East, studied the Journal's choices in his field. Invariably, he told a Senate committee last year, books critical of the Chinese Nationalists are touted. Anti-Communist books, he said, such as Geraldine Fitch's Formosa Beachhead, either are condemned or ignored. Books sympathetic with congressional probes, such as Burnham's Web of Subversion, are rarely recommended. Unsurprisingly, therefore, the Journal described the Castle book as "an intemperate attack, often bordering on the hysterical * * * unfortunate * * * noisy manner of presentation * * *."

Librarians were advised to "await demand," meaning they should keep Castle out of their libraries unless the demand was overwhelming.

By giving such advice, the Journal has arrogated for itself the powers of a censor. If anyone else presumed to tell librarians what not to buy, the Journal undoubtedly would accuse him of book-burning.

The Journal's influence is enormous, according to Boston's chief librarian, John M. Carroll. In order to accommodate local tastes, Boston's library system supplements the trade papers with its own reading system.

This consists of "five representative branch librarians, advised by ministers and other community leaders," Mr. Carroll said. The committee decides on a book's merit—or lack of them—on the basis of trade reviews, as well as one submitted by a local reader. The committee's analysis then is sent to the various branch libraries.

Here's what was sent out on Billions, Blunders, and Baloney.

"This book is subtitled 'The fantastic story of how Uncle Sam is squandering your money overseas.' It might be well to note that the emphasis in this statement should be on the word 'fantastic.' If Mr. Castle had been a bit less fantastic and a bit more factual his book would have carried greater weight. In this sound and fury treatment he pulls no punches and is impartial in his criticism from the President down.

"Before deciding to buy this item, it might be well to read the following reviews: New York Times Book Review, February 13, page 22; New York Herald Tribune Book Review, February 20, page 5; Saturday Review, February 26, page 14.

"An important subject not too adroitly handled. Undoubtedly there will be calls for this title; in fact there have already been many calls, but buy with caution. Not for replacement."

Mr. Carroll frankly admitted this comment was "not designed to encourage purchase of the book." He said it was not unusual to cite reviews appearing in the two New York newspapers.

Mr. Carroll was unaware that New England's best-known newsman, the Boston Herald's Bill Cunningham, had devoted a Sunday column of some 4,000 words to high praise of the Castle book. Or that both the Boston Globe and Boston Post had warmly recommended the book.

"Local newspaper appraisals generally are not profound," Mr. Carroll explained. "Moreover, we seek guidance in noncommercial sources."

The fact that, as reported by the library itself, "there have already been many calls" for the Castle book was unimportant.

"This occurs from time to time," he said. "A newspaper will refer to a book, or Walter Winchell might mention it, and there is phenomenal interest. Which is what happened in the case of Castle. Librarians know what the public wants to read. We seek to avoid deadwood, books not likely to have permanent value."

Mr. Carroll voiced bewilderment in the interest shown in the circular carrying comment on the Castle book. "After all," he said, "we can't read everything."

That, of course, is not the issue.

The issue concerns the objectivity of those empowered to recommend books. In Boston, at least, that objectivity is questionable. Consider the Boston analysis of Emily Hahn's sympathetic biography of Chiang Kai-shek. This recent book was described as "designed for the China lobby appeal. * * * Not all readers will agree with her interpretation. * * * There will be a demand, but it is not a first choice. * * * A more unbiased interpretation may be forthcoming."

The clichéd phraseology clearly reveals the leftward thinking of those who have a lot to say about what is purchased by Boston libraries.

Obviously the hoped-for "more unbiased interpretation" of Chiang's life would be the traditional one picturing the Gismo as a scoundrel. However, Edwin O. Reischauer's Wanted—An Asian Policy was recommended. In urging eventual recognition of Red China, this book takes the Lattimore line.

As stated, the merits of these books are not the issue.

The real issue is whether librarians should be permitted to put their own form of "thought control" over on the American people.

And, whether those in high places, from the White House down, will take cognizance of this form of insidious "book-burning," as they did so forthrightly when a Wisconsin Senator sought to remove Communist books from United States overseas propaganda libraries.

The Sunset Parade of the Marine Corps

EXTENSION OF REMARKS

OF

HON. T. JAMES TUMULTY

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. TUMULTY. Mr. Speaker, recently I had the honor of witnessing the sunset parade of the Marine Corps at the Marine Barracks in Washington, D. C. It was a most inspiring sight.

Commanding the Marine Barracks, of course, is Col. Robert H. Williams. His executive officer is Lt. Col. Roy J. Batterton, Jr. The reviewing officer was Lt. Col. Roy J. Batterton, Jr., while the parade commander was Lt. Col. John B. Sweeney. Colonel Sweeney, I understand, has subsequently been transferred to further duties elsewhere. This parade was his last parade at the Marine Barracks here in Washington. The order of activities was thrilling, and was an experience never to be forgotten. In particular, the Third Platoon, Barracks Detachment, with 1st Lt. Richord W. Coulter, platoon commander, in a silent drill, was a performance, in my opinion, of exceptional perfection. The Third Platoon performed the silent drill without a mistake and in a fashion which brought cheers from the stands.

In addition to the parade, we enjoyed the United States Marine Band. This scarlet-coated band performs its historic musical functions in Washington since its debut here on New Year's Day in 1901 when President John Adams gave his first official reception.

The parade is something that everyone should see in Washington. Every Member of Congress owes it to himself to attend this parade and I urge that every Member of Congress avail himself of this thrilling privilege and bring with him those of his constituents who may be in town on Friday evening, at about 5 p. m. when the sunset parade is held.

And so as an evidence of my gratitude to the Marine Barracks in Washington, D. C., for a thrilling afternoon and for a practical lesson in Americanism I hereby spread these remarks in the CONGRESSIONAL RECORD as a testimonial of my thanks to this gallant arm of our defense force.

In addition, I would like to thank Col. John B. Sweeney for the invitation to be present. Colonel Sweeney and his officers are men of warm hospitality, men of exceptional refinement and officers of intelligence and ability. It was a pleasure to have been their guest on this occasion.

Repayments to Treasury by TVA Running Ahead of Schedule—Procurement Benefits Every State in the Union

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. EVINS. Mr. Speaker, it is never possible to completely and effectively refute false propaganda—especially where it has been disseminated by experts, such as the private utilities lobby. But at this time I want to make an effort to counter some of the effects of this propaganda by pointing out a few truths regarding the TVA's repayments into the United States Treasury and the benefits which

are apparent in all 48 States from the TVA procurement program. The other benefits are incalculable.

Under unanimous consent, I include with my remarks in the RECORD the following two tables which are part of the record of the hearings on the TVA appropriations. One is the record of TVA repayments into the Treasury and the other statistics as to TVA procurement in all 48 States:

TVA procurement sources, 1934–54

	1954	Total (1934–54)
Valley States:		
Alabama	$9,913,413	$109,393,458
Georgia	2,012,599	25,982,613
Kentucky	15,401,255	121,538,153
Mississippi	951,062	7,993,689
North Carolina	567,111	13,250,231
Tennessee	50,289,053	335,593,202
Virginia	214,893	7,783,988
Total valley States	79,289,386	621,535,334
Other States:		
Arizona	44,035	115,353
Arkansas	128,425	1,154,504
California	646,381	9,294,073
Colorado	137,585	1,068,353
Connecticut	652,306	6,699,773
Delaware	3,032,628	17,924,456
District of Columbia	49,661	2,388,155
Florida	827,274	6,616,527
Idaho	407	2,302,060
Illinois	4,846,403	92,233,522

TVA procurement sources, 1934–54—Con.

	1954	Total (1934–54)
Other States—Continued		
Indiana	$719,257	$18,885,996
Iowa	154,212	1,454,127
Kansas	94,085	554,499
Louisiana	958,868	8,831,276
Maine	264,067	479,021
Maryland	352,394	5,960,969
Massachusetts	1,731,321	38,060,756
Michigan	1,307,734	18,009,066
Minnesota	489,235	7,675,479
Missouri	1,904,724	25,303,027
Montana	1,431	165,813
Nebraska	20,752	480,430
Nevada	823	136,461
New Hampshire	142,024	1,586,722
New Jersey	1,905,522	37,953,165
New Mexico	4,151	46,091
New York	10,792,256	140,027,452
North Dakota	24	54,009
Ohio	9,959,076	119,071,865
Oklahoma	534,273	2,782,616
Oregon	130,861	1,514,263
Pennsylvania	19,647,931	288,156,583
Rhode Island	165,972	1,973,808
South Carolina	207,148	1,840,364
South Dakota	10,641	707,091
Texas	1,039,080	5,239,519
Utah	17,399	2,804,728
Vermont	37,483	174,124
Washington	7,563	1,209,331
West Virginia	165,099	3,414,226
Wisconsin	3,953,344	58,552,668
Wyoming	56	28,937
Total other States	67,084,221	932,951,258
Foreign	10,887	523,233
Total	146,384,494	1,555,009,825

Repayment of investment in power program under provisions of the Government Corporations Appropriation Act, 1948

Fiscal year	Minimum repayments required under 1948 law		1/40 of plant investment at end of previous year		Actual and budgeted payments [1]	
	Year	Total period	Year	Total period	Year	Total period
1948	$10,500,000	$10,500,000			$10,500,000	$10,500,000
1949	2,500,000	13,000,000	$8,705,981	$8,705,981	5,500,000	16,000,000
1950	2,500,000	15,500,000	8,705,981	17,411,962	5,500,000	21,500,000
1951	2,500,000	18,000,000	9,149,627	26,561,589	9,900,000	30,500,000
1952	2,500,000	20,500,000	9,733,970	36,295,559	12,000,000	42,500,000
1953	2,500,000	23,000,000	12,256,316	48,551,875	15,000,000	57,500,000
1954	2,500,000	25,500,000	17,482,476	66,034,351	20,000,000	77,500,000
1955	2,500,000	28,000,000	21,592,868	87,627,219	[2] 50,000,000	[2] 127,500,000
1956	2,500,000	30,500,000	[2] 31,424,781	[2] 119,052,000	[2] 59,000,000	[2] 186,500,000
1958		87,059,810				
1968		174,119,620				
1978		261,179,430				
1988		348,239,240				
1990		365,985,080				
1991		389,358,811				
1992		490,252,655				
1993		699,299,057				
1994		863,714,733				
1995		[2] 1,257,000,000				
1996		[2] 1,451,400,000				
1997		[2] 1,462,496,000				
1998		[2] 1,472,346,000				

[1] In addition to repayments under the provisions of the Government Corporations Appropriation Act, 1948, bond redemptions of $8,572,500 and other repayments of $15,059,019 were made prior to fiscal year 1948.
[2] Estimated.

Mike Hennessy

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1955

Mr. PHILBIN. Mr. Speaker, the passing of Michael Hennessy, for so many years a truly outstanding political commentator and writer for the Boston Globe, deeply touched me and his friends.

Mike Hennessy was in a class by himself. To begin with, he was a fine human being, broad, humane, and sympathetic. He was warmhearted and friendly and his loyalty to his personal friends knew no bounds.

A meticulous, painstaking searcher for news and a political analyst of great skill, vision, and ability, Mike Hennessy was one of the great newspapermen of our times. He was a distinguished author and his book, written sometime ago on Massachusetts' politics, is a standard authority. His column in the Boston Globe on political matters in the Bay State, New England, and indeed, in the Nation, was widely read. His friends were very many, his contacts widespread, his information accurate, and his ability to draw sound conclusions almost uncanny.

He was intense in his outside contacts and interested in many worthy causes. His activities in the fraternal life of Boston was especially noteworthy and fruitful.

His passing removes from the scene a colorful newspaper figure, whose life and work covered a span of more than three generations. His readers will sorely miss him. But more than that, his aggrieved family and friends will miss him for he was kindly and human—a sage in a journalistic tower, pontificating the truisms and sometimes harsh realities of Massachusetts politics and casting a warming beam of friendship along the way. I extend his family my most heartfelt sympathy.

May he find in his eternal reward lasting happiness and peace.

Flag Day Address by Hon. Alexander Wiley

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, June 15, 1955

Mr. WILEY. Mr. President, yesterday it was my privilege to address a Flag Day celebration in Baraboo, Wis. One of my themes was the importance of strengthening United States preparedness.

I ask unanimous consent that the text of my address be printed in the RECORD.

There being no objection the address was ordered to be printed in the RECORD, as follows:

TRUE LOYALTY TO OUR FLAG IN THIS DYNAMIC AGE

It is a great privilege to join with the citizens of Baraboo and the surrounding area in this proud, patriotic observance.

I am particularly pleased to appear here under the auspices of our friends in the Benevolent and Protective Order of Elks. Their constant demonstration of their fraternal creed of charity, justice, brotherly love, and fidelity is an inspiration to us all.

Certainly, too, Elks lodges have always been model centers of American patriotism, centers of fervent loyalty to the Stars and Stripes.

Today, more than ever before in our history, the beloved banner of our country holds a manifold deep meaning for us and for all mankind.

THE SIGNIFICANCE OF OLD GLORY

Just what does Old Glory signify to us today.

First, the Stars and Stripes symbolizes the generations of Americans who have fought and died that it might wave high over the land of the free and the home of the brave.

It symbolizes the men who carried the Stars and Stripes through the bloodstained snows of Valley Forge.

The Union battalions which held firm to it on the ridge of Gettysburg.

The Rough Riders who held it high, as they stormed up San Juan Hill.

The Doughboys who clutched it to them as they braved the machinegun nests of the Argonne Forest.

The Leathernecks who planted it high above the bloodstained slopes of Mount Suribachi.

The patriots who carried it ashore when they stormed Inchon—these are the heroes to whom you and I are eternally indebted.

By their sacrifices they kept this Republic free and independent and indivisible.

HOPE FOR ENSLAVED MILLIONS

Secondly, the Stars and Stripes symbolizes the hope of enslaved hundreds of millions.

More than 900 million people throughout the civilized world today are enslaved under the greatest despotism in man's history.

To them the red banner of the Communist Kremlin is the most hated symbol of tyranny, while the red, white, and blue of this constitutional Republic is the foremost symbol of freedom—of eventual liberation.

It is only by virtue of our very existence—it is only by virtue of our unalterable dedication to man's freedom everywhere—that hope remains undimmed behind the Iron Curtain.

SYMBOL OF OUR PREPAREDNESS

Thirdly, Old Glory today is a symbol of vigilant peace.

Today Old Glory flies in more than four dozen countries throughout the world at the outer ramparts of United States defense.

You can see it at Air Force bases from Morocco to Greenland, from Turkey to Okinawa. You can see it on destroyers and aircraft carriers of the 7th Fleet ready off the embattled coast of Formosa.

You can see it in the bases of American ground forces—totaling more than 1¼ million men who are stationed throughout the world.

They are the "minutemen" of 1955. They are sentinels of peace.

By their presence abroad, they serve notice to the Kremlin that we will tolerate no further aggression. They serve notice that we will retreat no further. We will permit the Soviet bear to gobble up no more subject peoples.

By our military preparedness, by our mighty Strategic Air Force, and by our tremendous stockpile of nuclear weapons, we serve notice that we are ready for any emergency.

We tell the Kremlin in effect that we despise war, but that we are prepared for war because we despise slavery even more than we despise conflict.

America's vigilant preparedness is the greatest deterrent to world war III, and Old Glory's presence throughout the world proves that we Americans are instantly alert to our farflung responsibilities.

THE AGE OF SUPERSONIC SPEED

We prove that we know we are living in a contracted world—in an age of supersonic speed.

The American continent can be crossed by jet planes in less than 3¾ hours. The Atlantic Ocean can be crossed in approximately the same time. Here in Baraboo we are no more than 7 hours away from Soviet airbases, even if you compute the travel time in terms of very slow bombers.

And by the speed of a guided missile—which may someday travel at 10,000 miles per hour—Baraboo may be only one-half hour away—I repeat—one-half hour—from Soviet launching sites at the Arctic Circle.

Already for purposes of defense around the city of Milwaukee is being built our own nest of guided-missile sites—Nike sites. Near Kansasville, 30 miles southwest of Milwaukee, is to be built a new $16 million Air Defense Command jet base.

I have suggested that this new base be named in honor of the late Maj. Richard Ira Bong, Wisconsin's ace of aces, in World War II, and Secretary of the Air Force Talbott has responded by stating that he regards my suggestion as "a most meritorious one."

The NIKE sites, the jet air base—these are grim reminders to us today that there is no possibility that we can be isolated from the world by the mere oceans.

Our country is in every other nation's backyard whether we like it or not. What happens to other nations beyond our borders crucially affects us here in Baraboo. We cannot stick our heads in the ground like ostriches. We cannot evade our responsibilities.

Either we help lead the world to peace and freedom, or the Kremlin will lead the world to war and slavery. That is the only alternative; that is the only choice.

DON'T TREAD ON US

Under our great President, Dwight D. Eisenhower, we are, however, amply fulfilling our responsibilities. We are not shirking our obligations. We are fulfilling the deepest meaning of the Stars and Stripes to all mankind—a meaning of preserving the dignity of man, a meaning of vigilance.

We are fulfilling, too, a meaning which was conveyed by a colonial flag in the war of the revolution, a flag which showed a coiled rattlesnake. Under it was the inscription: "Don't tread on me."

So, today, we say to the Kremlin, "don't tread on us; don't try pushing us around; and don't try pushing our friends around."

THE SOVIET PEACE OFFENSIVE

Of course, we know that the Soviet Union is engaged on a mammoth so-called "peace offensive" today. It is trying to keep West Germany in a state of neutralism; it is trying to establish so-called "normal and cordial" relations with Japan.

It is trying to build up support for its phony "disarmament proposals."

It is trying to convey the impression that the "leopard" is changing its spots.

As for ourselves, we are prepared to confer, to negotiate, to explore all possibilities of peace without appeasement. But we definitely are not building up our hopes for "an awful let-down." We are not blindly assuming that the "millenium" has come in the East-West relations

We remember the dismal Soviet record of doublecrossing in the past.

We remember that the Reds have broken 50 out of 52 major agreements which they have made with the West since the recognition of Russia 22 years ago.

We are hopeful that some progress may be made in relieving tensions. But we are not going to delude ourselves into forgetting that the Soviets have never altered their fundamental plan to dominate and conquer the world.

NO SO-CALLED LAST CHANCE OF PEACE

Nonetheless, in the months up ahead, we will have several excellent opportunities to try to improve East-West relations.

We will have an opportunity at the San Francisco Conference which will open a week from now, on the occasion of the 10th anniversary of the signing of the United Nations Charter.

We will have an opportunity in July at the Big Four "meeting at the summit," in Geneva.

We will have an opportunity again a month later at the United Nations Atoms for Peace Conference in Geneva.

And there will be other opportunities. We must capitalize on all of them in order to prevent a third troubled world war.

There is no so-called "one last chance" for peace, any more than there is a so-called "one last chance" to enjoy life.

Every single day offers us new opportunities for living and new opportunities for peace. Let us not become downhearted or filled with thoughts of gloom or doom. There is no need to exaggerate our difficulties with the Soviet Union.

Our difficulties with godless, imperialist communism are many and they are deep and they will be long lasting.

But they are not unsolvable; they do not mean a so-called inevitable war, provided we are strong, provided we are ready, provided that we are vigilant, and provided we do not lose faith.

PATRIOTISM BY DEEDS, NOT JUST WORDS

I have stated earlier, my friends, that we should so live our lives as to prove that we are truly loyal to Old Glory, to the 48 beloved stars in a field of blue, with 13 alternate red and white stripes.

I have pointed out how every day we may symbolize our pledge of allegiance to the flag which was beheld through the "rocket's red glare."

To my way of thinking, the finest way to prove our faithfulness to Old Glory is by our constant deeds, not simply by our occasional words.

To my way of thinking, it is inconsistent to pledge allegiance to the flag and then to allow our country to take actions which are harmful to the cause of the flag.

THREE PROBLEMS OF DEFENSE

In the few moments remaining to me I should like to list three of the fields which I think need remedying—three of the actions and inactions which impair the well being of our Armed Forces, and in effect of our flag and our country.

NEED FOR RESERVE BILL

One of the most critical such situations is the present tieup in the Congress on the military manpower program.

It is an unfortunate—indeed, it is a shocking—fact that the crucial legislation to build up a 2,900,000-man ready reserve by 1960 is snagged in the House of Representatives on the issue of racial relations.

I earnestly hope—as the President of the United States hopes—that this issue can be quickly resolved. I ask you, my friends, How can the Soviet Union believe that we really mean business; how can it believe that we are really alert when it sees us tie ourselves up in parliamentary knots on a crucial bill like this, absolutely necessary for our own survival?

But regardless of Soviet attitude, this bill, in present or slightly revised form, will assure justice for draftee and volunteer. It will assure justice for our reservists (who too often have been shabbily and arbitrarily treated by our Government). It will bring units up to strength which are now mere skeletons. It will help minimize casualties in the event of conflict.

The military manpower plan must, therefore, pass within the next 30 to 45 days.

Somehow the parliamentary issue of a segregation or nonsegregation amendment must be resolved. I personally believe that Americans of all races, sharing the same uniform, should share opportunity to serve in the same—Regular, Reserve, and National Guard units.

But I do not believe that this issue, however important it is, is bigger than the very survival of this country. And I do not believe that men of reason are so inadequate that they cannot settle it in good faith.

PROVIDE INCENTIVE FOR MILITARY CAREERS

A second problem likewise arises in connection with the men of our Armed Forces.

I refer in particular to the skilled pilots of our Air Force. The fact of the matter is that we have been running a stop-an-go, on-again, off-again program.

We have been alternately recruiting thousands of pilots and then discharging them or complacently watching them bid us good-bye.

We have been spending literally billions of dollars in training young men in modern high-speed aircraft. Then, for a variety of reasons, we have failed to provide sufficient incentive for these men to make a career of the Armed Forces.

As a result, our billions of dollars of investment in them has virtually been lost. In some instances, there have actually been wholesale releases of pilots and pilot trainees.

This stop-and-go situation—this alternate dumping and replenishing of our air-pilot supply—is utterly wasteful and utterly harmful to the national well-being.

I say to you that only a 5- or 10-percent rate of reenlistment is a fantastic commentary on our failure thus far to solve this uncertain problem for our servicemen—in Air Force, Army, and Navy.

The problem must be met once and for all.

MILITARY RESEARCH MUST BE STRENGTHENED

There is a third problem as regards our Armed Forces, and it is the problem of how to accelerate and strengthen their research programs.

Recently, the famous Hoover Commission commented very pointedly on Defense Department research. What it said was unfortunately not too encouraging. The Commission did praise certain advances which have been made by our services.

At the same time, it reported that the services do not have a good and consistent overall record in adopting new suggestions.

The plain fact of the matter is that many of the greatest advances of military technology in our country have been adopted—not because of the eager acceptance of the services, but at the least despite their reluctance, and at the most, despite their bitter opposition.

From the days of our own pioneering Gen. Billy Mitchell down to the present days of Adm. Hyman Rickover, the services have at times bitterly resisted some of the foremost military prophets in their own ranks. They didn't want Billy Mitchell's bombers, and they didn't want Admiral Rickover's atomic submarine.

There is disturbing evidence to indicate that some of the brass have their doubts about the real significance of an atomic-powered warplane, and that they are not revising overall strategy as fast as possible—based upon the impact of atomic-powered surface and underseas craft.

Now, I want to be fair to our Armed Forces. I am proud of our services, proud of their gallantry and fidelity. And I certainly do not believe in blanket criticism.

But I do not believe in their infallibility and I do not believe in closing my eyes to reality.

So, I say that the able Hoover Commission recommendations for strengthening research in the Armed Forces must be adopted.

Military bureaucracy can be twice as strangling as civilian bureaucracy. That is because of the necessary military element of strong discipline and the relative inability of lower ranking officers to appeal against an unwise decision from above, if it is adopted.

I am not dismissing conventional strategy and weapons and units. I am not one who believes that magical push-button instruments are going overnight to take the place of all ground forces or sea units or air units.

But I do believe that the greatest single superiority which we have over the Soviet Union is the superiority in the brainpower and the industrial power of freemen. And recent evidences indicate that we are allowing our margin of technical superiority to disappear. Recent evidences confirm that the Soviet Union is successfuly racing to catch up with us in every field in which we have had supremacy.

Let us bring United States science to the fore again. So-called "ivy-towered" scientists, often working in American universities, have time after time come up with better ideas, more practical ideas, than some of the leaders of our Armed Forces.

I believe that we need a totally new attitude in relation to the great scientific asset of our country. I believe that we should find out what the scientists really think about current military planning.

I do not believe, of course, in ignoring years of experience in uniform, which have been built up by our military leaders. They are entitled—truly entitled—to our respect. But when, as, and if they show themselves as lagging in imagination and in enterprise, I do not believe that they should be allowed to have a stranglehold over new inventions and technology.

We need top scientific brains to go all-out to cope with the problem of radar defense. We need it for new intercontinental guided and ballistic systems. We need it in a thousand and one other ways, and I say we have got to get it, if we are to survive.

CONCLUSION

These, then, are some of the steps necessary for our survival.

By taking these actions, we may truly prove our allegiance to the Red, White, and Blue.

It has been a great privilege to be with you today at this patriotic assembly.

I know that our faith and confidence in America's future is even stronger now than ever before, by virtue of our coparticipation in this great event.

Celler Scores Immigration Policy of United States

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address of Congressman EMANUEL CELLER, chairman of the House Committee on the Judiciary, at a Willard Hotel dinner by the Washington Committee of United HIAS Service, the international Jewish imigration agency, on Tuesday, June 14, 1955:

THE IMMIGRATION CRISIS

Nowhere except possibly in the area of international trade, do the lines of domestic and foreign policy cross and meet as they do in immigration. This is a subject, therefore, that we must in all self-interest deal with soberly, sensitively, and above all, seriously.

For the more than 32 years I have been in Congress, I have watched the policy of immigration become ensnarled in the waves of fear produced by hot and cold wars. This was as true in 1954 as it was true in 1952 and is true in 1955. Our immigration policy is as much an aftermath of World War II as it was an aftermath in 1924 of World War I and the Russian revolution which was part of the seething history of those years. In between was a major depression.

At no one time since 1924 have we summoned sufficient objectivity to examine the consequences of our immigration policy in the light of our world leadership, in the light of the guiding principles of our democracy, and in the light of established scientific and political fact.

We who pride ourselves as a forward-looking people in tune with the march of events and progress, have remained mystifyingly divorced from reality in the whole immigration picture. We have, instead, married fact to fancy, delusion to data, and embraced the hybrid offspring—our immigration policy—with nondetachable fingers. For, make no mistake about this, the prevailing sentiment throughout this country is against any basic revision of our immigration law, and this resistance to change is reflected in the Congress. Only a handful of States in this Union, who have had continuing experience with receiving immigrants from other lands to their own enrichment, have understood the flaws in our immigration policy. If we understand this fact of resistance, we are then better equipped to understand the nature of the difficult job before us. There are not enough people who understand the consequences of our immigration policy. The immigration law at best is an intricate subject, necessarily dependent upon interpretation of language, since immigration law can never be written with the exactness of, shall we say, a tax law. I know, for example, of many Members of Congress, when faced with an actual case of deportation and the absence of a statute of limitations in our law, have expressed surprise. "Is that in the act?" they ask, again and again. We have, for example, pending before the Committee on the Judiciary of the House, of which I am chairman, over 2,000 private immigration bills, introduced by Members of the House of every shade of political opinion, including those who are in principle opposed to liberalization of the immigration law. Every one of these cases represents an exception sought from the provisions of the rigid Immigration and Nationality Act. That is because the authors of these private bills see each beneficiary as a human being, not as a statistic. Perhaps that is the major obstacle that when we talk of immigration abstractly, it becomes difficult to translate the figures into human beings. You of HIAS, who work with immigrants, see each case as individualized, see the hopes, frustrations, the tragedies of human beings who seek a home in the United States. I believe it is part of your job to translate for the major segments of our population these statistics into the human story.

It is particularly gratifying to me that HIAS in these times concerns itself so intimately with the whole question of our immigration policy. Today, with 6 million Jews exterminated through Nazi massacre, with 2 million Jews behind the bars of the Iron Curtain countries, and with little Israel bravely straining all its resources to give a haven to those Jews who seek entry, HIAS nonetheless continues its concern with the general immigration problems, for it is aware that our immigration policy is a weak link indeed in the chain of democracy, and to the extent we ignore our weaknesses, to that extent democracy is vulnerable.

Basing our immigration quotas on the accident of national origins, we reach an untenable, if not, shall I say, an absurd conclusion. For example, the quota for Germany is 25,814, for Italy, it is 5,645, for Greece, 308, for Turkey, 225. Is, therefore, a German 80 times more worthwhile than a native of Greece? Or 4 times more worthwhile than a native of Italy and 115 times greater than a man or woman of Turkish origin? Or is one man of English origin 9 times as meritorious as a man of Polish origin?

In the Senate and in the House there have been introduced a number of identical bills which have for their purpose basic revision of the Immigration and Nationality Act. The Lehman-Celler bill, as it has come to be known, seeks primarily to:

1. Eliminate the national origins quota system with its built-in discriminations based on place of birth;

2. Eliminate statutory discriminations and distinctions between native-born and naturalized American citizens;

3. Eliminate present insubstantial grounds for revocation and denial of citizenship;

4. Eliminate fractious and arbitrary grounds for denial of admission to the United States;

5. Make a clear distinction in requirements for entry between (a) aliens seeking permanent residence here, and (b) alien visitors coming here for scholarly or scientific purposes, for pleasure, or for business;

6. Eliminate special immigration barriers against orientals and Negroes.

7. Establish an annual immigration ceiling of approximately 250,000 per year, but permit immigration up to that limit;

8. Require all ordinary immigration from the Western Hemisphere to be included within the annual quota limits;

9. Establish a unified quota system, based on national need, individual aptitude, and the requirements of our foreign policy;

10. Establish statutory review and appeals procedures in all cases of deportation and exclusion, and for denials of visas.

I am frankly doubtful of passage of the Lehman-Celler bill this year or even next. Realistically these are maximum demands which the Congress is not prepared as yet to accept. I might add, not sufficiently educated to the mischief arising from the present act to accept. While President Eisenhower twice has asked for revision of the McCarran-Walter act, there has been no pressure from the administration to go forward.

We have seen the miserable failure of the Refugee Relief Act of 1953. There are those of us, Senator LEHMAN in the Senate and myself in the House, joined by others, who have sought by legislation to make this act workable. And, while it is imperative that this act be made to work, we must not accept any revision of the Refugee Relief Act as a substitute for revisions of our immigration law. The Refugee Relief Act is emergency legislation, necessary and humanitarian in purpose, but it is certainly not any answer to the major difficulties.

There we have it, then, a Refugee Relief Act which does not work, and an immigration policy which offends against our natural generosity, and, at home and abroad, thrusts the United States into caricature pose.

As the cold war deepened, so our fears deepened. In 1948 we were capable of enacting a Celler Displaced Persons Act which admitted some 400,000 refugees. But even then Congress saw fit to mortgage future quotas. There are some low quota countries where 50 percent of the quotas are mortgaged up to the year 2000. It is ironic that in passing the Refugee Relief Act of 1953, Congress provided that these be nonquota immigrants, yet kept intact the cruel mortgage provisions of the earlier Displaced Persons Act. I sincerely believe that perhaps not 1 person out of possibly 10,000 in the United States is aware of this mortgage provision. Out of the 679,940 quota immigration visas issued by American consular officers abroad from 1948 to 1952, 355,971 had to be charged against future quotas. The quotas of 25 countries have thus been preempted up to 50 percent of their annual allotment; 50 percent of the Polish quota is mortgaged until the year 2000. The Yugoslav quota is mortgaged to the year 2015; the Greek quota 2017; the Estonian quota until the year 2146, etc.

During fiscal years 1925 to 1952 2,438,845 quota numbers were unused because they could not be redistributed under the law.

We go a step further and note that during the fiscal year 1953–54, quota visa immigrants amounted to a total of 94,098 out of 154,657 total permitted by the law. Since Great Britain and Ireland use so little of their quota, those unused go to waste. Some 60,000 visas this past year which could have been used to alleviate human suffering throughout the world went down the drain. Would it not, therefore, make sense, good sense, as perhaps a preliminary step, to work toward and to concentrate on the elimination of the mortgages imposed and to work toward the distribution of the unused quota? This is not to say that we should lose sight of our maximum goal, involving many basic changes. This is to say, that there is a more probable success in attempting these modifications plus the elimination of certain administrative procedures which have worked so much hardship on the immigrant both here and in countries abroad. This would be a realistic approach. It will succeed.

It is well to keep our sights trained on the major objective—indeed we must not at any time turn ourselves away from the larger vision.

But let us keep in mind, so that we can give relief presently, now to thousands of human beings by liquidating the mortgages on quotas and causing a distribution of unused quotas among the low quota countries.

This relief, I believe, the Congress will accept and in this session

It is not lightly that I make these proposals. I have this in mind: With the possible easing of tensions the time may not be too distant when the Iron Curtain countries may permit those of Jewish faith to emigrate. Therefore we must now work to bring about availability of quota numbers, even if in limited degree, so that we shall not fail them at their moment of greatest need.

I say, too, if we can bring about these modifications in this Congress we shall at the same time be modifying the heretofore resisting attitude against change.

Let us come back to the consideration of the major changes. Now let's take a fresh look at the flow of immigration into this country and try to understand its meaning. The volume of immigration has risen from a low of 38,000 in 1945 to more than 208,000 in 1954. This, of course, is immigrant volume. The flow of nonimmigrants, that is, those who do not come to stay permanently, has increased manyfold. In 1954 we found more than 59 million entries of nonimmigrants. This includes agricultural laborers, seamen, and those crossing the Canadian and Mexican borders. The influx of 208,000 in 1954 arises primarily from the nonquota status accorded natives of independent Western Hemisphere countries. Out of that 208,000 some 94,000 are accounted for by quota immigrants and the remainder, 114,000, by nonquota immigrants, mostly from Western Hemisphere countries. Hence, we see clearly that there is an increase in nonquota immigrants while the flow of quota immigrants is on the decline. The national-origin provisions and the mortgage provisions of the Displaced Persons Act contribute in large fashion to this picture. If that is so, then what real purpose does our quota system have? The immigration picture is not based on any realistic study of absorptive capacity in this country. It is no longer even based on what the opponents of liberal immigration policy call "assimilation potential." In other words, the population composition is not the determining factor in nonvisa immigration. Hence the national origin quota system serves only to discriminate against people of southern Europe.

I am convinced that if the country at large understood the facts I have presented to you, understood them as you understand them too, that resistance to change would soon disappear. I believe also the time is not far off, though it is not yet, when Congress will reflect the changing attitude and will rewrite the laws in accordance to the principles of equality of peoples and wipe out the differences in treatment between native-born and acquired citizenship now existent in our law. I submit that we proceed to educate, not in bitterness, not in rancor, but alive always to challenge (in rational debate) the blind barriers of immigration.

The Voice of Farm Women

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 15, 1955

Mr. HUMPHREY. Mr. President, the Nation's farm women are welcoming a new voice in their behalf in the Congress, in the person of Minnesota's new Representative, COYA KNUTSON. We in Minnesota are proud of Representative KNUTSON, and the important role she is now filling on the House Agriculture Committee.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article entitled "Meet the Farm Woman's Congresswoman," from the March issue of Better Farming, along with an editorial column of that same publication in its June issue and an article written by Representative KNUTSON for that issue entitled "Protect the Family Farm Now."

I also ask consent to have appear with these articles a prize-winning letter from a farm wife, selected from hundreds written to Representative KNUTSON and published in that same current issue of Better Farming.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

[From Better Farming for March 1955]

MEET THE FARM WOMAN'S CONGRESSWOMAN

(By Fred Bailey)

Mrs. COYA KNUTSON, new Congresswoman from Minnesota, is the first woman to serve on the important House Committee on Agriculture and Forestry. Despite this sudden fame you would find her as easy to talk to as your neighbor on the next farm.

Congresswoman KNUTSON, now in her early forties, is a pleasant, friendly woman who speaks from experience when she talks about farming and the farm home. She is a daughter of a North Dakota farmer; she married a Minnesota farmer and reared a family on a 160-acre farm near Oklee, population "under 500."

A Democrat in a normally Republican district, Mrs. KNUTSON says votes of farm women were a major factor in her election victory. Her most effective campaign "weapons" were two bottles of milk and a box of rolled oats. Reference to what has been called her "butter and egg 'lectioneering" brings a smile. "I guess you might call it that," Mrs. KNUTSON says. "The sale of poultry and dairy products makes up the greater part of the income of the farmers in my district.

"Last April, Secretary Benson reduced dairy price supports and by August farmers' incomes in Clay County, Minn., had been cut by $400,000. When farm spending went down, merchants in town were hurt, too. I don't know who was helped; certainly not city people who buy dairy products."

Mrs. KNUTSON campaigned on a promise to work for full parity prices for farmers. She isn't at all certain that high supports are the complete or final answer, but she insists that something must be done to raise farm income until a better answer is found. She thinks Congress should investigate the widening spread between prices farmers receive and consumers pay. And the most important job the House Agriculture Committee has now, she believes, is to set about

reversing the trend of declining farm prices and income.

"When I see farm prices going down and down while folks in Washington argue over what to do about it, I get irked," she admits. "Something is wrong, maybe here in Washington, and I intend to find out what it is and help do something about it. That is why I wanted so much to come to the Congress and especially to be a member of the House Committee on Agriculture and Forestry."

Mrs. KNUTSON confesses to being pretty much a green pea in Washington, but she is no stranger to a legislative assembly, since she served 4 years in the Minnesota Legislature. Her experience also includes teaching school and serving as an AAA field woman.

The new Congresswoman wants more time to study farm problems from the national viewpoint before introducing any bills. She is primarily interested in legislation to: (1) raise support prices, (2) increase funds for the school-lunch program, (3) revive a food-stamp plan for distribution of surpluses, (4) improve conservation and fertility of the soil, and (5) strengthen the family farm.

She believes: "We have the most efficient, productive agriculture in the world. It is capable of providing consumers with an abundance at fair prices. It should provide farmers with a good income, security, a comfortable home with modern conveniences, education for their children, and the opportunity to lead rewarding lives.

"There is a lot more to farming than just raising crops and livestock. I think farm women often are more keenly aware of greater social, educational, recreational, and spiritual needs than men. Certainly the farm women in my district cherish the intangible values that strengthen farm-family ties.

"I want as much as I can to represent all farm women in my work on the House Agriculture Committee, not just those who helped send me to Washington. I would like to meet and talk with every farm wife in America, but since I can't, I hope they will at least write me about their problems and give me their suggestions for making farm living a better living.

"I want and intend to be, to the best of my ability, the farm woman's Congresswoman."

[From Better Farming for June 1955]

FRIEND AND NEIGHBOR: HERE ARE THE KEY POINTS OF A GOOD FARM PROGRAM

I have long felt that the farm women of America have been rather forgotten persons in the deliberations about farm programs and other legislation. They are the ones who suffer first when something like the present pinch of high costs and lowered farm income comes along. That is why I believe that every farm woman, and her husband and family, too, will be interested in the article by Congresswoman COYA KNUTSON, which starts on page 8.

You will remember that in our March issue we introduced the newly elected Representative from Minnesota—the first woman ever to be a member of the House Committee on Agriculture. In the article about her we quoted her as saying she wanted to represent all the farm women of America and asked that they write her about their problems and ideas. They eagerly responded to that invitation with a veritable flood of letters. She has built her article out of them. These letters come from the very hearts of farm women and nobody can read them without being deeply stirred.

There are several million family-type farms and ranches in this country. They represent a manner of agriculture that has always been one of the sources of America's pride and strength. Although some are well set to weather economic storms, many others are feeling the effects of shrinking income and unshrinking costs. In Iowa, a State of superb farms and able farmers, some 56 percent of the farms reporting did not have to pay State income taxes last year because their net income dropped below the taxable level. Reports, too, come to us that young farm couples, who have started out in the past few years, are having serious trouble in the struggle with high capital costs and lowered incomes.

Congress is again engaged with the problem of a farm program. It is a tough job and this magazine has a great respect for those who are working on it, but we feel there is more to the question than how high price supports should be. Its editors believe a useful farm program must give those who operate our family-type farms better protection and a fair chance to make a good living. It should also give the young farmer more of an opportunity to become securely established.

The Republican Party had one admirable farm plank in its 1936 platform. It said: "Our paramount object is to protect and foster the family type of farm, traditional to American life * * * to provide * * * reasonable benefits. These payments should be limited to the family-type farm * * *." The Republican platform of 1940 repeated this last assertion. Both parties should revive this principle.

Twenty years ago, in the depression, only 57 out of every 100 farms were owned entirely or in part by the families living on them. Today that figure has increased to 75 out of 100. We cannot afford to go backward. Ownership of the land by those who live and work on it was urged in the great speeches preceding the Homestead Act as one of the strongest supports of free government. The first and greatest step then, in a farm program, is as complete protection of the family farm as possible.

The other day I visited Congresswoman KNUTSON in her office in Washington. You would like her, for she's just as natural as the folks in your own community. She's got plenty of scrap, too, especially where farm women are concerned. You'd never have any doubt about her determination to see that they get a fair break or her real interest in better farm living. "As long as I'm in Washington," she declared, "I'm going to stand up for the family-type farm and for the woman who lives on it. And I'm not going to stand idly by and watch what could be one of the tragedies of our age—the freezing out of young farm families who are struggling to maintain a precarious hold on their farms. They are our one great hope for the future."

In the months ahead this magazine pledges itself to wage an aggressive fight for these interests. It is now scouring the country for ideas that will be of practical help to all types of farming. It will use the influence it has to get the right kind of farm legislation in Washington. We invite all of you—men and women—to join in the fight for a long-range farm program that will safeguard the family farms of America.

ROBERT H. REED.

[From Better Farming for June 1955]

FARM WOMEN TELL WHY WE MUST FIGHT TO PROTECT THE FAMILY FARM NOW

(By Representative COYA KNUTSON)

The invitation, extended through Better Farming to the farm women of America to write to me about their problems and their ideas for making farm living a better living, brought a response that has fairly overwhelmed me. Letters have come from farm homes in 45 different States.

I have read all of them. They tell a story I wish every public official and every Member of Congress could know and feel as I do now. The spirit and courage they reflect, the brave struggle to stay in farming during these difficult times, make me prouder than ever that I have the opportunity to represent the farm women of this country. They show clearly why we must take up the fight to protect the family-type farm. Some excerpts from the letters tell all this better than I can.

"I washed today," wrote Mrs. Jerry Urbanek, of Lusk, Wyo. "With the aid of an electric washing machine and REA power I washed quickly, but my washing machine is a secondhand model, and so ancient that I catch the oil which drips from the motor in a can. I hold the wringer together with one hand while I feed in the clothes with the other. Dangerous, perhaps, but it will be a long time before I can afford another.

"My husband and I have been farming for 25 years. I do a man's work in the fields because we cannot afford hired labor. We have a capital outlay of $45,000 invested in 900 acres of land, a full set of machinery, and 44 head of cattle. Until 2 years ago we were out of debt. Last year we planted 200 acres of grain and harvested enough to get our seed back because of drought. We cut enough hay for our cattle and were more fortunate than others, who have been buying hay at $40 a ton to keep their foundation stock.

"I like farming, but my husband and I worked 4,800 hours at farm work last year, for which we cannot show 1 cent of remuneration. While we were working we were also wearing out high-priced machinery and receiving less than 2 percent on the capital we had invested. We could have taken the loss of our grain crop without going into debt if the prices of the cattle we sold had been in line with the prices we had to pay for the necessities we bought."

Mrs. John E. Allen, of Mobeetie, Tex., tells of the situation from another angle of farming.

"We have 200 acres, 75 seeded to improved pasture. We raise and put up our own silage, raise our own grain, have a 50-cow herd and raise our own replacements. We are working hard to organize and establish a producer association to protect us against the big handlers. As it is now they can test and weigh our milk any way they like. A number of dairymen have had to take what they could get for their investments and quit. On our own herd we received $2,000 less money in 1954 for more milk shipped than in 1953. But the consumer paid the same price for what he bought, and our feed, groceries, and clothing were even higher."

The same experience is told in a letter from Mrs. Floyd Waldo, Route 3, Winona, in my own State of Minnesota:

"On our farm we produced 65,717 pounds more milk last year and received $204 less. Our costs remained inflexible while our markets were unstable. But consumers have not benefited from this farm price cut."

To this Mrs. Burnis Brigham, Route 1, Genesee, Idaho, adds:

"It's bad enough to see farm returns go steadily lower but it's even worse to know that consumers never benefit. * * * Last fall the processors of our grade A milk made a big thing of a cent a quart price reduction—made possible by producers getting that much less. The reduction in our price was very hard for us to absorb but we did feel good that milk would cost townfolk less. In exactly 2 weeks, the consumer price went back up but, of course, the producer price did not. This is the type of price usury that farmers are generally as helpless as babes to cope with."

Another phase of the low-price high-cost situation is described by Mrs. Mildred Reinhardt, of Palisade, Minn.:

"One of the most unjust and disheartening circumstances facing farm women today is the exorbitant costs of establishing and maintaining a laying flock as compared with

the infinitesimal net profit eked out from egg sales." What this means is told by Mrs. Waymon Wood, of Spiro, Okla.: "On most small farms, such as ours, the wife takes charge of the laying flock and expects the profits to be her part of the family's spending money. How can she make any spending money when feed costs remain high while eggs go down to from 20 to 30 cents a dozen?" And Mrs. Sara E. Demaree, of Malden, Mo., wrote: "Feed prices remain the same while eggs have gone down, down, until farmers feel compelled to sell their flocks, keeping only enough for home consumption. So went the farm woman's income, thereby robbing her of her independence in helping out the family income."

Many, as did Mrs. Reinhardt, blame the indiscriminate grading of eggs, or lack of it, and the costly and backward system of egg distribution. As Mrs. Mary E. Brinson, Route 2, Gosport, Ind., wrote: "If we had a good graded egg market, as we do for grade A milk or livestock, I feel that egg prices to farmers would be much better, at least fairer. In our locality all eggs, regardless of how good or bad, bring the same price." Many pointed out that, with the inadequate grading methods in vogue, the dealers stood to reap the profits from better-quality eggs.

How this sometimes affects the farm family's life is told by Mrs. Elmer Whitney, of Oregon, Ill.: "The thing that hurts me most is that many of our rural women are taking town jobs to provide needed requirements of the farm family. * * * In the past farm families have all taken deep interest in mother's poultry and garden because they knew the surplus sold meant a new rug, new clothes, or perhaps a family trip. After continued disappointments, because there was no surplus profit, these ventures have been abandoned. In search for a way to provide these things the wife takes a town job. The brave little family tell her 'We'll do our best to keep things going at home.' But their best falls far short without mother. It can mean a crippled family life and a weakening of family unity, which is a vital and precious part of our way of life."

Oh, so often the letters tell of such sacrifices. One Fountain Run, Ky., farm woman told of traveling 25 miles from home each day to work in a store to help her husband hold their farm. But she added, "I had to give up my job. It was just too much." And, as Mrs. Albert H. Holtz, Route 1, Holden, Mo., wrote: "In our community we have had falling prices, drought, grasshoppers, feed shortages until in nearly every family the husband or wife has had to get an outside job. This makes it difficult to farm efficiently. My husband has worked in town for the past 3 years and I handle all the chores alone. Why do families stay on farms under such circumstances? You would be surprised at how many of our neighbors (and ourselves) have given up much better livelihoods in the city because they believe they can bring up their children better on a farm, and are willing to make the physical sacrifices necessary for this."

The situation is forcing some hard decisions upon many, as this letter from Mrs. Dorothy Biggs, Route 1, Potwin, Kans., tells: "I am a Kansas farm wife with three children, ages 10, 7, and 3. I think being a homemaker is the most challenging and interesting career any woman can have. But I am facing a crossroad, which I imagine other farm women also face.

"I have much to be thankful for—a good home, a good husband, plenty of food and the ordinary comforts. But, like many other farm women, I'd like to be able to save a little or purchase a few bonds as I go along to help with the children's higher education that will eventually come. We raise and sell livestock and do make a profit each year; but after taxes, repair and maintenance, insurance, new machinery and immediate living costs, there is nothing left to save. I work hard, sew, mend and make over garments, can raise chickens, etc., to help make ends meet. This all takes time and does not leave enough time or energy to help train the children in stronger spiritual lives, which they need now, not later. This work, however, as a farm homemaker I must do.

"The crossroad I mentioned is this: As soon as our youngest is in school, I intend to go to work outside the home. I have had considerable business experience before marriage, plus training and hours for teaching. I would much rather stay in the home doing my own work and be a true homemaker. My choice is not my own for I want our children to have an opportunity to receive a higher schooling so that some time they may not be placed in the same position. While I do not want to raise all the funds (if that were possible) I do want to help so that each one can get a start and then they can go on for themselves from there."

The pressure of these conditions means extra burdens for all members of the family, sometimes to the heartache of the parents. This letter from Mrs. Elsie H. Bechtel, Manor Farm, Adams, N. Y., is expressive of that fact: "There is certainly something wrong in Washington and it is good to know that a real farmwife is working to get to the bottom of it. The greater part of the income of farmers in this district consists of proceeds from the sale of dairy and poultry products. Everyone in this section is feeling the price squeeze on farmers now.

"Many small farmers and some larger ones around here have been auctioning off their places and are being forced into terrific losses. Others, like ourselves, have had to see their wives go to work and have been forced to put small children to work beyond their years because the income from the place will not bear paying wages to hired labor. Our 11-year-old girl is doing more work than we would like to see her do, but she does it willingly and we don't know what we would do without her. It sounds terrible, like you are dependent on a child, but my husband and I are doing all we can (we have over 50 cows in the barn) and the help she gives us is the difference between being able to go on and quitting. A man does reach a stage where he can't add any more to his burdens."

Scores of other letters tell the same story of struggle and sacrifice, of a determination not to be forced out of farming and a feeling that something is terribly wrong at present. They reveal, too, how little consideration our policymakers have given to farm women and the farm home. They "do not want sympathy," as one after another wrote, only that "after all our labor and expense there will be something left for the needs of the family." Many letters contained useful ideas and suggestions for improving the situation. Some of these will be reported in the pages of Better Farming next month.

A Ranch Woman's Remedy for What Ails Agriculture

Double J Ranch,

Okanogan, Wash., February 26, 1955.

Dear Mrs. Knutson: Early this morning, my husband brought in a calf. We were too late. It died, frozen. I then made up my mind that I would, in some way, have to make up the cost of that calf, for it meant a lot to us. Braving a bitter north wind to feed and water the chickens, I came back in the kitchen to drink hot coffee and sat down to see if Better Farming would cheer my heart. It did with news of your election and the possibility of making up for that calf just lost. So, while the men are out feeding the cattle and trying to solve the problem of watering them, I will write to you. Water is a touchy problem for most farmers. We had a dry fall, the lake was low, and now the ice has frozen solid and there is no water beneath. I shall not go into this detail as I realize that you cannot legislate about wind and weather.

You can, however, legislate about water, and while I am a firm believer in voluntary associations and agreements, I truly feel that the time is coming when we shall no longer be wealthy enough to be easy and casual about soil and water. I say to myself, we must not only conserve, but increase our water resources and the must is so urgent in my mind that I am no longer tolerant of the man who allows water to flow off his land in deep gullies, lets his topsoil blow away, overgrazes the grass, cuts down the timber without replenishing the forests, wastes the heritage of this country.

I am a firm believer in the family-size farm, not only because I am presently devoted to one but because in the back reaches of my mind (or is it just a romantic notion?) I believe that the type of life and economy typified by the American family farm is a bulwark to the kind of democratic society we wish to preserve. It may be that large corporate farming would fill the Nation's shopping basket, but would it fill the heart of the man who produced it and the man who consumes it? Would a large corporate farm economy assist in making our national economy vigorous, expanding, and democratic? I think the answer is "No." But this question is one which many people, legislators like yourself, must not only answer but must be firm about it. If the family-size farm is what we really wish to preserve, then all of our thinking, planning, and agricultural legislation should assist in nurturing and protecting it.

It becomes harder and harder for an individual, while youth and vigor are with him, to "buy in" to many types of farming. This is due to the price of machinery, stock, available land. Unless he falls heir to a farm or money, a young man can seldom enter the field. One of the results is that the old experts in the Department of Agriculture grew up on farms and know their problems. The young experts have no experience outside of books and summer jobs at experiment stations or nurseries. This is not good.

Another result is that, unless a farmer has good luck with weather or outside fortune, he is unable to expand his first holdings. There is nothing like an RFC for the farmer-entrepreneur so that he could extend his investment to meet competition or operate on a more equitable scale. The family-size farm is in competition with large corporate and city-controlled financing. Money made in Hollywood, on Wall Street, or in industry is mighty hard competition for the lone farmer.

I also confess to a great dissatisfaction in thinking of the Halls of Congress being battered down by tobacco men, wheat men, cotton men, peanut vendors, and the like. Our agricultural economy must be looked at as a whole—production, distribution, price, freight, advertising, perishables, livestock. Unless economists and right-thinking men sit down and think about the whole future—land, water, products, and the increasing populations of our own country and the world, and our Nation's economy that needs to get out of the "fix" we seem to be in, whether it be parity price or interest rate—it doesn't seem to me that we shall get very far. I do not believe that the top-flight men of farm organizations or of farm production groups should be consulted in building the first basic agricultural policies. They all have special interests and they are there to protect them.

We do need disinterested social economists and planners to grapple with the larger issues at stake. Somewhere along the line the farmer has to grapple with these

problems too. He should be able to do so without feeling that he will lose his status in the community because he does not agree with the Secretary of Agriculture or the righteousness of the sugar-beet growers. He should be able to do so without being caught in a vise which is his vote to cut his acreage or get a lower price for his product. He needs straight thinking without pressure. This last item I know is hard, for the American people, including the farmer, are getting to the point where they can't act or react unless the radio and newspapers scream and the face on the screen threatens.

I must go and feed three hungry, cold, tired men a large noon dinner, so I close with these suggestions:

1. The formation of a nonpolitical, non-ax-grinding Agricultural Planning Board. Such a group should look backward as well as forward to see if this country really wants to preserve the family-size farm as part of our national life and livelihood and, if they do, to consider if and how it can be best subsidized and protected, and set up penalties for those who are not interested in doing it in such a way as to conserve our resources.

2. The creation of a Government agency, such as the RFC, to protect the small-size farm from being grabbed by the mortgage holder or corporation; to permit the small farm to grow and expand to the best economical operating capacity; to subsidize the man who wants to enter into the farm business.

3. To get the Department of Agriculture and farm organizations of all types to stop talking so much and scaring people and putting on pressure; to listen for a change and encourage people to think rather than carry a banner.

I feel as if I had been standing on top of a soapbox and now need to get down and put dinner on and see to the children. It was a pleasure to take off time and to write to you.

Sincerely yours,

Sally Goldmark.
Mrs. JOHN GOLDMARK.

Male Nurses Should Be Commissioned in Our Military Services

EXTENSION OF REMARKS
OF
HON. PETER F. MACK, JR.
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1955

Mr. MACK of Illinois. Mr. Speaker, for many years the armed services have given officer commissions to female nurses, but the male nurses have had to serve in enlisted ranks. We hear much of equal rights for women which I, of course, strongly support; but certainly there is no logical reason why we should not have equal rights for men, as well.

Our colleague, FRANCES P. BOLTON, has introduced H. R. 2559, a bill which will give officer commissions to male nurses and medical specialists in the armed services. It seems to me it would be most appropriate to have this legislation enacted, not only to remove the existing inequity by giving equal treatment to all nurses and medical specialists serving in the military services, but it appears that if the military services recognized this highly specialized training on an equal basis, it would serve as an added incentive to male students to enter nurse's training schools and would ultimately tend to lessen the nationwide shortage of nurses which exists in our country today.

America's Cultural Offensive Throughout the World

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Wednesday, June 15, 1955

Mr. WILEY. Mr. President, I send to the desk a brief statement regarding America's welcome cultural counter-offensive throughout the world.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

I have been pleased to comment previously on the Senate floor with regard to the need for a vigorous American cultural counter-offensive throughout the world—for getting across to foreign peoples the true story of American music, art, theater, literature, the ballet, and all the other aspects of American culture.

Our purpose is, of course, to demonstrate the absolute falsity of vicious Soviet propaganda to the effect that ours is a so-called barbarian materialist culture, allegedly interested only in the dollar sign.

Fortunately, we are making excellent progress in disproving Soviet lies and in making up for lost time by accentuating the positive as well.

All over the world, there are radiating American musicians, theatrical troupes and others, showing foreign peoples at first hand the real significance of American cultural pursuits.

Certainly, we can see clearly that there is a magnificent opportunity available to us when word comes in, as it has, from Tokyo, for example, that thousands of enthusiastic schoolchildren stood in line all night to buy student tickets to hear the American symphony of the air. Everywhere this orchestra is scheduled in the Far East, tickets are sold out far in advance.

I am particularly pleased that right now the House of Representatives and, in particular, its Appropriations Committee, has the opportunity to provide on a regular basis funds for this and similar cultural purposes.

I say that it should not be necessary to draw from the President's emergency funds either to send troupes overseas or to assure United States participation in trade fairs. These should be part and parcel of the regular program of the United States Government.

INCREASING INTERESTS IN CULTURAL EFFORTS

From all sides, I note that evidences are pouring in of the increasing momentum of interest in this issue.

Not long ago, I arranged for a luncheon at which representatives of the American National Theater and Academy told many interested Senators and Representatives the story of ANTA's work in this country and abroad. In particular a 40-theater circuit plan was discussed to vitalize the living theater at the grassroots of our own country.

Recently, Brig. Gen. David Sarnoff made a historic speech for a broad United States political, psychological, and cultural offensive throughout the world.

On the congressional front, Congressman FRANK THOMPSON, of New Jersey, has been tireless in his efforts toward this same objective and has introduced several highly significant bills along this line—particularly with reference to developing the city of Washington, D. C., as a great cultural center.

THREE EVIDENCES OF THIS WORK

I should like to cite now several additional evidences which prove, by the very diversity of their sources, that, at long last, we of the United States are awaking to our responsibilities, to our needs, and to our challenges.

The first is a very splendid page which was carried throughout our country in the Hearst newspapers' March of Events Section last Sunday, describing the work of the American National Theater and Academy abroad. I want to congratulate the Hearst newspapers for their splendid contribution, as evidenced by these and many other articles and editorials.

The second consists of writeups in last Sunday's June 12 Milwaukee Journal, by Mr. Robert W. Wells, of the Journal's New York Bureau, and Mr. Laurence C. Eklund, of its Washington Bureau, on this same cultural theme.

HONOR TO FATHER HARTKE

Thirdly, I point out that, of course, this cultural counteroffensive could never have gotten under way if it had not been for certain outstanding Americans who have with vision, and with industry, given of their able energies to this cause. One such individual who, I am pleased to say, is an ANTA director and attended the ANTA luncheon which I held, was honored yesterday here in our own city of Washington. Father Gilbert V. Hartke had only recently come back from abroad where his troupe had entertained American servicemen. Before his departure, no less a person than the President of the United States personally bade his troupe and him farewell, indicating the deep interest of our President both in the cultural entertainment of Americans and of foreign peoples.

I am delighted that Father Hartke, a great man of the theater, an honored servant of the cloth, a fine human being, was so honored, and so I include the brief text of tribute to him as carried in the testimonial program, and a list of the devoted committee members who prepared the luncheon. Mr. Ralph E. Becker was general chairman of the event, and Mr. Patrick Hayes was master of ceremonies.

[From the Hearst newspapers' March of Events section]

ARTS SELL THE UNITED STATES WAY—EXPORT OF AMERICAN CULTURE WINS FRIENDS AROUND GLOBE

We're giving the world a good look at American cultural achievement, to show we're not the mere materialists our enemies paint us.

And our export of United States culture is returning big dividends in good will and appreciation of the American way of life throughout the free world.

Some samples, like Porgy and Bess and Oklahoma!, are uniquely American—as native as corn-on-the-cob. And on a more international level, our drama, ballet, music, and visual art match or surpass anything yet produced by Russian competition.

It's part of the United States counter-offensive against Soviet cultural propaganda. And the rave reviews and enthusiastic audience response is awakening Washington to the fact that exporting culture pays off.

Before summer's end, more Americans will have sung, danced, acted, and otherwise performed abroad than ever before in time of peace.

They're being financed in part by funds appropriated by Congress last August. Credit is due the American National Theater and Academy (ANTA) which is spearheading the State Department's United States drive.

BIG ARTISTIC SMASH

Currently the big United States artistic smash in Europe is Salute to France, a privately financed ANTA project which is offering Parisians the New York City Ballet plus top stage productions of Oklahoma!, Medea, and the Skin of Our Teeth.

In addition, the program for France includes the touring Philadelphia Orchestra, which has already scored a signal triumph, and a visual arts exhibition organized by the Museum of Modern Art.

ANTA's international exchange program calls for sending the New York Philharmonic Orchestra to Europe, the Ballet Theatre to Latin America and Martha Graham's dancers to the Orient.

Now touring the Far East for ANTA is the American Symphony of the Air, the orchestra created by the now retired Arturo Toscanini. It was a sensation in Japan.

United States performers have made a good impression abroad, have outshone closely-guarded Russians by mixing socially.

Success of United States artists as goodwill ambassadors has pointed up the recommendation of William Randolph Hearst, Jr., editor-in-chief of the Hearst newspapers, who last February 28, on his return from Russia, urged establishment of a National Planning Board to win the battle of competitive coexistence.

WHAT WE MUST DO

Noting the stress the Russians were giving to cultural propaganda outside the Iron Curtain, Hearst told the National Press Club in Washington:

"The lively arts are another field wherein the commissars are operating with the professed intention of proving * * * that Russian achievements surpass the West.

"Ballet, theater, literature—all are shaped toward aiding communism's long-range scheme of world domination * * *. It is not enough for us to advocate and appropriate large sums for foreign military and economic aid and think we have met the challenge."

More recently Brig. Gen. David Sarnoff, of the Radio Corporation of America, called for a competitive coexistence strategy board along similar lines.

United States funds now available for sending performing artists abroad are a mere $2,500,000. Startling contrast with Soviet expenditures is shown in figures of the Institute of International Education. In 1950 the Russians spent $150 million for cultural propaganda in France alone, with 2,000 artists touring there. Current Soviet spending is at the rate of $1½ billion a year for all propaganda activities.

United States performers may prove our best envoys in winning friends and influencing people. But this will require much more money than we've put up so far.

As one Cairo newspaper commented on Porgy and Bess:

"If this is propaganda, let's have more of it."

HOW ANTA GOT THE BALL ROLLING

Uncle Sam's homegrown artists are carrying Broadway lights around the world on a scale wider than ever before.

Until Congress stepped in with funds to help finance American groups, export of United States art was carried out on a meager scale, financed by the American National Theater and Academy out of its own pocket.

The current "Salute to France" now going over big in Paris is being backed by funds raised by an ANTA committee under Robert W. Dowling and Mrs. H. Alwyn Innes-Brown, president of the Greater New York chapter.

No Government funds were available at the time the project was launched at the suggestion of the French Ministry of Fine Arts last fall.

CHARTERED IN 1935

Salute, although independently financed, is now an integral part of ANTA's International Exchange under impresario Robert C. Schnitzer, aided by United States Ambassador C. Douglas Dillon. Most of the groups appearing in Paris will now be sent on to other European capitals, financed, if need be, by Washington.

A private nonprofit organization, ANTA has been operating under congressional charter since 1935 for the purpose of widening interest in the theater. After a number of lean years, it now has a membership of 2,000 individuals and theaters in the United States, Hawaii, and the Canal Zone.

For the past 5 years, ANTA has expedited the exchange of performing arts between America and foreign countries. During that time it has sponsored United States participation in the Berlin Festivals of 1951-53, the Paris Festival of 1952, the Denmark-Hamlet Festival of 1949, and the Ballet Theatre's 1950 European tour.

THE SPORTING THING TO DO

Some of the best salesmen for the United States way of life have been American athletes sent abroad by the Amateur Athletic Union in cooperation with the State Department.

Among them are two great Negro track stars, Mal Whitfield and Harrison Dillard, both two-time Olympic champions, who got tumultuous receptions in tours of Africa and South America.

Olympic diving champion Maj. Sammy Lee, an Army doctor of Korean parentage, was similarly hailed when he performed in the land of his ancestors.

Still another goodwill athlete is the Reverend Robert Richards, the preacher who won the Olympic pole vault title in 1952.

The athletes won friendship for the United States by being free and easy mixers, lecturing, and coaching native youngsters wherever they went.

WHEN MUSIC BROKE THE ICE

A sample of how exporting our culture can assist in cementing relations with our allies was vividly demonstrated in Iceland early this year.

Since the establishment of United States bases on this key outpost of Atlantic defense, Russia and the local Communists have conducted a continuous propaganda offensive, stirring hatred of American troops stationed there.

The Soviets strengthened their campaign with a parade of artists and intellectuals who toured the island to acquaint the population with Russian culture.

United States-Iceland relations were at their lowest when ANTA sent famed violinist Isaac Stern and pianist Ervin Laszlo on concert tours, highlighting the works of American composers.

Iceland's hearts were thawed, relations have been less frigid since.

United States Minister to Iceland John J. Muccio announced the impact of the recitals upon the Icelandic people was "the greatest of any to date."

[From the Milwaukee Journal of June 12, 1955]

UNITED STATES CULTURAL COMMANDOS ABROAD

An American cultural counteroffensive—quietly and somewhat timidly launched by the United States State Department in cooperation with private groups—is gathering worldwide momentum.

For too long, many observers feel, the Russians have paraded their ballet troupes, theatrical companies, musicians, and athletes over the face of the world, virtually unchallenged in their claims of superiority to the culture of the "decadent capitalist world."

Recently the Red Chinese have elbowed into the act, with the successful Paris run of a Peiping theatrical troupe which had never before performed outside China.

The Communists are working hard to perpetuate the myth—widespread among many otherwise sophisticated Europeans and Asians—that the United States is a nation of gadgetmakers, clever in turning out bathtubs and overdecorated automobiles, but barbarians in their indifference to the finer products of the mind and spirit.

Now at last the United States is striking back with what amounts to exploratory raids by a few cultural commandos. The money so far assigned to these operations is petty cash by comparison with outlays for military and economic programs abroad, but it has produced results little short of amazing.

In order to conduct the program through private channels insofar as possible the State Department has been working with the American National Theater and Academy, a nonprofit organization, headquartered in New York. The ANTA acts as agent, selecting the best talent to send abroad, and arranging the overseas bookings through its international exchange program.

To get the facts about the new American cultural export program, Milwaukee Journal bureau men in Washington and New York talked to State Department officials and personnel of the American National Theater and Academy. Their stories appear below.

(By Laurence C. Eklund, Journal Washington Bureau)

WASHINGTON, D. C.—There is a growing feeling here that in the prosecution of the cold war not enough emphasis is being placed upon some of the ideological aspects of the world struggle. The complaint is that the finest products of American civilization, of the artistic variety, are too little known beyond our shores.

Something is now being done about this deficiency with the help of President Eisenhower's emergency fund for international affairs, a $5 million purse appropriated by Congress last August "to meet unusual circumstances arising in international affairs."

PORGY AND BESS TOURED MEDITERRANEAN

The President asked that the fund be used as "seed money" for two purposes: To encourage American industry's participation in international trade fairs and, second, to support an expanded program of performances overseas by outstanding American musical, acting, dancing, and performing groups and sports figures. This year the money has been equally divided between these two phases.

The most spectacular success of the program so far, in the eyes of the State Department people in charge, has been the 9-week tour of Yugoslavian and Mediterranean cities of the Porgy and Bess Co.

Communist propaganda long has fostered the notion that American Negroes live under the conditions described in "Uncle Tom's Cabin." But the talented, well-educated, and prosperous Negro actors in the Gershwin opera refuted that propaganda. They did much to overcome the impression that Negroes in America are a persecuted race.

PRAISED BY NASSER

Porgy and Bess was in Europe anyway last winter, but the State Department and the American National Theater and Academy made it possible to extend the show's tour to such cities as Zagreb, Belgrade, Alexandria, Cairo, Athens, Tel Aviv, Barcelona, and Naples. The company had 14 curtain calls the opening night in Zagreb and a half-hour ovation on closing night.

In Cairo on their last day, the Porgy and Bess performers were summoned to President Nasser's office to receive his personal expression of appreciation. Even a Communist paper in Italy called the show one of the masterpieces of the lyric stage. The American show will close its European travels in Antwerp June 30, having played 24 stands on the continent and in Africa.

Next the State Department and ANTA are sending Porgy and Bess on a four-month South American tour to open in Rio de Janeiro, Brazil, on July 4.

Perhaps an even more surprising smash hit has been scored abroad by the American Symphony of the Air, which the State Department-ANTA program is currently sponsoring on a Far Eastern tour: Japan, Korea, Okinawa, Formosa, Manila, Hong Kong, Singapore, Bangkok, Colombo and Honolulu. The 94-piece orchestra is being transported in a single military plane, a huge C-124 Globemaster.

SYMPHONY OF THE AIR CAPTIVATED JAPAN

The reception in Japan, where no major western symphony orchestra had ever played before, was beyond the sponsors' wildest dreams. Every performance was sold out weeks before the orchestra arrived. Concerts were played in every major Japanese city. Scalpers were getting $25 for $5 tickets for opening night.

Thousands of Tokyo schoolchildren stood in line all night to buy student tickets. Orchestra members got writers cramp signing autographs for 1 to 3 hours after each performance. Restaurants refused to accept money for the meals served to the musicians.

The Symphony of the Air is the former NBC orchestra which was under the baton of Arturo Toscanini. It is being conducted on the tour by Thor Johnson of the Cincinnati symphony and Walter Hendl of the Dallas symphony. Johnson is a native of Wisconsin Rapids, Wis., and each summer directs the Peninsula music festival at Fish Creek in Door County.

STRESS UNITED STATES MUSIC

The symphony has been playing much American music on its tour, particularly Gershwin's, and its beauty has amazed Asiatics who had been told by the Communists that American culture consisted of comic books and gangster movies.

The first group of performers sponsored under the President's fund was Jose Limon's troupe, a top American modern dance company, which toured South America last November and December.

FROM ELEANOR STEBER TO SAUTER-FINEGAN

The Jubilee Singers, a famed Negro choral group, toured Near and Far Eastern cities under the cultural program, and United States track and field stars toured Latin America following participation in the pan-American games in Mexico. A soccer team picked by the American Amateur Athletic Union spent a week in Iceland, where soccer is a national sport.

Among other endeavors that the State Department-ANTA team plans to sponsor are six concerts by Eleanor Steber, the opera star, in Yugoslavia. Officials also are considering—on a somewhat different cultural plane—backing a Latin American tour by the Sauter-Finegan orchestra.

(By Robert W. Wells, Journal New York Bureau)

NEW YORK, N. Y.—If the French aren't forced to agree this summer that the United States produces something besides H-bombs, politicians, and Coca-Cola, it won't be the fault of the American National Theater and Academy.

That institution, with the support of most segments of the local theatrical world and the assistance of some private pocketbooks besides, is sponsoring the current American Salute to France. This endeavor is supplementary to ANTA's efforts on behalf of the Government-subsidized program of sponsoring United States musicians and other artists on tours abroad.

WISCONSIN WORKS SHOWN IN PARIS

Joining with ANTA in the current attempt at carrying culture to the Parisians is the Museum of Modern Art, which recently sent over 500 art objects that ranged from paintings to cake pans. Among these examples of American life that were presented to the French were pictures and models of some of Frank Lloyd Wright's works, including the Johnson Wax Co. tower at Racine, as well as a wire abstraction by former Milwaukeean Richard Lippold, called Variation No. 7: Full Moon.

French critics did not greet the museum's offerings with universal acclaim by any means, but ANTA is hoping for better luck with its share of the venture. The first of its offerings was a series of three concerts by the Philadelphia Orchestra under Eugene Ormandy. Currently showing are eight performances by the New York City Ballet, with Maria Tallchief—an Indian maiden and therefore about as American as you can get—and Andre Eglevsky.

Next Tuesday through Saturday, Judith Anderson will star at the Theater Sarah Bernhardt in Robinson Jeffers' Medea, a poetic recreation of the Greek classic that is considered one of the high points of American theatrical history. And 10 days after Medea closes, the Sarah Bernhardt will be the scene of Thornton Wilder's The Skin of Our Teeth with a cast headed by Helen Hayes and Mary Martin.

NEXT WEEK: OKLAHOMA!

From June 20 to July 3, the theater Champs Elysees will echo to the unaccustomed strains of songs about corn that's as high as an elephant's eye, and the advantage of doing your courting in a fringe-topped surrey. What the Parisians will make of Rouben Mamoulian's staging of Oklahoma! is still a moot question.

The theatrical organization has raised over $300,000 to send its salute to France, mostly from sources in the theatrical, labor, business, and society world. The Government is all for the project, but hasn't kicked in a dime to help this particular phase of the cultural export program.

Washington has come through with some cash for a somewhat similar venture in which ANTA has a hand, however.

As an example of the kind of thing that is being done under this program, take the case of "Porgy and Bess," which made a Government-subsidized tour of the eastern and western Mediterranean. The results were good, as indicated by the reaction of one Cairo reviewer.

"If this is propaganda," he wrote, "let's have more of it."

TESTIMONIAL LUNCHEON FOR FATHER GILBERT HARTKE, O. P., JUNE 14, 1955, NATIONAL PRESS CLUB

IN HONOR OF FATHER HARTKE

As a tribute to his cultural contribution to the community and the Nation as head of the department of speech and drama at Catholic University, and as founder of Players, Inc., with its national touring company—now in its seventh season—and its summer companies at St. Michael's Playhouse, Winooski, Vt., and Olney Theater in Olney, Md.

And as a tribute to his personal contribution to all of us as priest and man.

In the hope that this occasion will encourage him to realize a permanent repertory company to keep alive in the Nation's Capital the enduring treasures of the drama.

ARRANGEMENTS

By Ralph E. Becker, Leo Brady, Jay Carmody, Richard Coe, William Coyle, Patrick Hayes, Herman Lowe, James O'Neill.

PROGRAM OF ENTERTAINMENT

Tony Donadio, Virginia Bradley Keefe, Rickie Rudel Kubiak, Carole Macho, Dee McHugh, Danny Ruslander, Sid Seidenman, Jr., at the piano.

GENERAL COMMITTEE

Harry Anger, Dr. Robert Baier, Ralph Bellamy, Byron Bentley, Arthur Bergman, Jack J. Blank, Hon. and Mrs. Robert Woods Bliss, Roy Bode, Frank Boucher, Bernard Bralove, Richard Brecke, Joseph D. Brennan, Barnee Breskin, Julius Cahn, Dr. Josephine Callan, Warren Caro, Pat Carroll, Msgr. John Cartwright, Ethel Casey, Milo F. Christiansen, Mrs. Blake Clark, Anita Colby, James E. Colliflower, Dr. Ann Cooke, Jack Cost, Dr. James R. Costello, Mrs. Rose Cowan, William Coyle, Orville Crouch, Therese Marie Cuny, Hon. Edward M. Curran, Mary Tinley Daly, Clarence Derwent, Robert W. Dowling, Alvin Ehrlich, Mark Evans, Robert Farquharson, Irving Feld, Israel S. Feld, Bernie Ferber, Zelda Fichandler, Arnold Fine, David Finley, Jack Foxe, J. George Frain, George Freedley, Eddie Gallaher, William Graham, Thomas Groom, John Hayes, Melvin Hildreth, Orville A. Hitchcock, Burl Ives, Francis J. Kane, Carroll Kearns, Edward J. Kelly, Walter and Jean Kerr, Scott Kirkpatrick, William E. Leahy, Herman Levin, Monroe Lippman, Mrs. Florence Lowe, James Magner, Hazel Markel, Hon. James P. McGranery, Simon F. McHugh, Dr. Howard Mitchell, George Murphy, Robert V. Murray, Hon. George D. Neilson, Lee Norvelle, Bibi Osterwald, Maxwell Rabb, Isadore Rappaport, Bryson Rash, James Reilly, Horace W. Robinson, Mrs. H. Chapman Rose, Robert Ryan, Ernest Schier, Hazel Scott, Samuel Selden, Elton Sheiry, Bess Schreiner, Hon. Samuel Spencer, Milton Starr, C. Y. Stephens, Ben Strauss, Irving Strouse, Leo Sullivan, Don Swann, Jr., Willard Swire, Hon. Edward A. Tamm, Frank Thompson, Pierson Underwood, Mrs. Martin Vogel, Gerald Wagner, Thomas Whelan, George P. Wilson, Jr., Duke Zeibert.

Continued Preparedness Essential to National Security

EXTENSION OF REMARKS

OF

HON. W. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. COLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address I delivered at the graduation exercises of the Industrial College of the Armed Forces on Wednesday, June 15:

Members of the class of '55, your families and friends, Admiral Hague, and the faculty of the Industrial College of the Armed Forces, heartiest congratulations to all of you on this greatest day in the life of any school.

It is my understanding that the mission of this college is to prepare its graduates, civilian and military, for important command, staff, and planning assignments in economic management of the public administration of our Federal Government so as to obtain the maximum effective use of our national resources during any emergency. I am further told that this great institution has as its motto the statement that "Indus-

try and defense are inseparable." No person with the slightest understanding of the nature of modern warfare could take exception to that motto nor could any such person exaggerate the importance of the mission of this college.

It is in a way one of the great paradoxes of modern world politics that the United States of America—the most advanced industrial Nation in the world—has been at the same time the Nation which found itself least prepared to mobilize its national resources during times of emergency. This was true during the First World War, when we discovered that the process of converting from a peacetime to a wartime economy was far more difficult than we had ever imagined. This was true also in World War II, when almost a full year elapsed between Pearl Harbor and the time when our munitions permitted us to begin taking the initiative on the far-flung battlefields of that conflict. It was true also in Korea, when our meagerly equipped forces were almost hurled into the sea before we could stabilize the battlefront.

A historian could no doubt advance good reasons to account for America's traditional unpreparedness in times of conflict. We are, after all, a Nation of profoundly pacific people. We will fight—and fight with all our hearts and might—when the survival of freedom is clearly at issue. Yet it has not been our way to prepare in time of peace against the threat of war. We have been spared the historic animosities and the age-old rivalries which have for so long plagued Europe. Nor have we ever taken naturally to the impressionable calculations of balance of power politics. We might say, with a Gen. "Jeb" Stuart, that wars are won by getting there "fustest with the mostest." But our record of performances was actually quite different. In time of war, we have never been "fustest." Instead, we have prevailed by getting there eventually with the "mostest." After hostilities began, we were able to convert our industries to the production of munitions, and to begin a trickle of war goods which eventually flooded into a torrent and overwhelmed our enemies.

Historically, in short, our Nation has enjoyed the tremendous advantage of what has been termed a cushion of space and a cushion of time—time which sufficed to awaken a slumbering America, time which permitted us to mobilize the unparalleled national resources and the tremendous productiveness of our Nation on behalf of the production of armaments. When our Republic was founded, weeks, or even months, of travel separated our country from the cockpit of Europe's antagonisms and rivalries. Three thousand miles of the Atlantic Ocean stood between us and any potential European aggressor. On the west, the vast stretches of the Pacific stood as a shield between us and the Japanese Empire. As a result, we were not required to match the military strength of our potential rivals during time of peace. Our needs were far less demanding—a navy strong enough to defeat any expeditionary force which might be launched against our own shores, and an army sufficiently powerful to fight a delaying action against an aggressor while we converted from a peacetime to a wartime footing.

But today, we can no longer enjoy such a cushion of space and time. In this age of jet bombers, only a few hours separate us from the long-range air force of our Soviet rivals. And if the intercontinental ballistic missile comes to fruition, as it ultimately will, our cushion of time will be measured—not in months, days, or hours—but in minutes.

Nor is this all. It is no secret that military technology has witnessed a revolution in delivery systems—as manifested in the transition from naval vessels to conventional aircraft to jet bombers and now to missiles and rockets. Military technology has witnessed also a revolution in firepower. Permit me to draw an historical analogy. The retribution inflicted upon Germany during World War II through bombing raids was beyond question terrible to contemplate. Yet 6 years of sustained bombing was needed to bring Germany's industries to a halt. Today, a single plane, with a single hydrogen weapon, can carry a destructive cargo whose force exceeds that of all the bombs dropped by all the planes of the Allied Nations upon all of Germany throughout all of the Second World War.

Today, 100—or even fewer—nuclear bombs actually dropped on the urban and industrial targets of our Nation might well suffice to destroy our civilization as we know it. In a matter of days, or even hours, every industrial complex in our Nation might be destroyed.

The moral of this for mobilized planning is amply clear. Today, our Nation confronts a situation in which mobilization after hostilities begin might well be impossible—a situation in which we would have to fight a war with the materiel and munitions available on the day the complex started.

Naturally, no man can predict the future with certainty. It is conceivable, in the years ahead, that the prospect of an all-out atomic war may be so appalling for all the belligerents concerned, that even the most hardened aggressor would be reluctant to commit his atomic stockpile to battle. It is therefore conceivable that future warfare will take the pattern of past conflicts, and that our Nation would again have time to mobilize after the outset of hostilities. But national defense planning must be based on the worst, and not the best, of possible contingencies. As realists, I think we must presume that post-hostilities mobilization would be impossible, and that preparedness against the threat of war must take place in time of peace.

What this amounts to is no less than a historic change in the balance of world politics and military power. Hitherto, we could always increase—even justify—our comparative weakness in time of peace by asserting that no other nation could match the output of our munitions factories in time of actual war. We could argue, in the councils of the world, that aggressors would indeed be foolish to goad the American industrial colossus into action—and we could point to the results of two world wars in supporting our contention.

Today, however, such arguments carry far less weight. Today, we must presume that a nuclear Pearl Harbor, if carried out with skill and ruthless determination, could prevent the military potential of our Nation from being translated into guns and tanks and bombs. Today, in other words, the real yardstick of national military strength must more and more be measured in terms of strength before the onset of actual conflict.

How do we now compare with our Soviet rivals when measured by this yardstick? In such a comparison, certain advantages appear to lie with the Soviets.

A dictatorship can always have a more flexible—and on the surface, at least—a more unified foreign policy than a democracy. The Soviet dictatorships need not be concerned with public opinion. Far more readily than we can, they can mobilize their resources toward any objective at any time. Contrasted with this, our democratic process—which must harmonize sectional interests in a larger national interest, and which depends for its support on an informed public opinion—must oftentime appear indecisive and confused.

Moreover, the Soviets could, if they choose, attack our own Nation with no warning whatsoever. For a democracy, such a course of action would be morally repugnant and well-nigh impossible to carry out as a practical matter.

Yet a third advantage lies with the Soviets. For a full generation the Russian people have been denied the rewards of the tremendous industrial revolution which has taken place within the Soviet Union. They have been denied the material comforts which we Americans take almost for granted—our automobiles, our refrigerators, and our television sets. Instead, the ominously increasing industrial output of Soviet factories has been channeled overwhelmingly into the production of the goods of war. The Soviets now produce only half as much steel as we do, and their total electric-generating capacity is less than one-third the size of ours. However, a far greater proportion of their industrial output goes directly to their armed forces, and this fact serves to cancel out the advantages which might be ours because of our more productive economy.

A final advantage enjoyed by the Soviets and their satellite nations is their decisive superiority in number of men now under arms. In Western Europe, for example, 42 NATO divisions confront 175 Communist divisions, and the disparity between the size of the arms of the free and slave worlds on a global scale is at least as great.

As against these considerations, however, we, ourselves, possess certain deeply impressive advantages. I will ignore for the moment the great contributions which our allies are now making to the common cause of the defense of freedom. I will also ignore the fact that this cause is a good cause which can command the allegiance of men of good will, and which will eventually prevail. I will confine my remarks instead to the material indexes of national power. Our great material advantage in the contest with the slave world, of course, has been the size, the productiveness, and the overall excellence of our American economy. Even here, our superiority is not as great as it once was. Our annual output of goods is increasing rapidly, but not so rapidly as in the Soviet Union. Nonetheless, we are still able to outproduce—to manufacture more and better goods than the Soviets—virtually across the board. It is not without reason that American industrial productiveness has been called the free world's trump card in its struggle against the foes of freedom.

Our task today and in the future is to make sure that our productiveness continues to be such a trump card.

I am not one of those who maintain that the recent Moscow flyovers mean that we have suddenly lost our air-atomic superiority. But neither will I seek to minimize the serious future implications of the recent plane demonstrations within the Soviet Union. The plain fact of the matter is that we have once again underestimated Soviet technical competence and progress. We underestimated their progress in 1949 when they exploded their first atomic bomb long before the anticipated date. We underestimated their progress in 1953—when the Soviets achieved a thermonuclear explosion only 9 months after our first full-scale hydrogen test. And we again underestimated their progress 2 months ago, when the Soviets displayed fighter aircraft of impressive appearance and when they flew operational numbers of long-range jet bombers way before we expected them to be in existence.

None of this should give us cause for unreasoning panic. As of today, I believe that our Strategic Air Force is superior—both in overall quality and quantity—to that of the Soviet Union. Moreover, I believe that as of today we are substantially ahead of the Soviets in the efficiency, versatility, and number of our nuclear weapons.

But you will note that I have said "as of today" in making these estimates. In my opinion, we cannot assume that our present

margin of superiority over the Soviets in military technology will continue into the future. In my opinion, we cannot take it for granted that—say in 1960—we will still be ahead in the race for technological discovery. In my opinion, a continuation of the present trend may mean, although not necessarily, that 5 or 10 years hence Soviet weapons systems may be ahead of curs, both qualitatively and quantitatively. I fear, in short, that unless we are able to employ our economic resources more skillfully than we have done in the past, America's superiority in military technology—the free world's trump card—may soon be no more.

Two weeks ago, Mr. Allen Dulles, the Director of the Central Intelligence Agency, delivered an extremely important address which dealt in part with scientific and technical education in the Soviet Union. I wish that the remarks of Mr. Dulles could be made required reading for all Americans since they highlight one of the greatest threats faced by our Nation today—the fact that the scientific and technical gap between the Soviet Union and the United States is rapidly narrowing. Mr. Dulles pointed out that, in the present year, Soviet universities will turn out about twice as many graduates in the sciences and engineering as will our own universities. He went on to estimate that—in the decade from 1950 to 1960—the Soviets will graduate about 1,200,000 students in the sciences, as compared with about 900,000 graduates in our own Nation. Mr. Dulles then goes on to say that the quality of the training in the Soviet Union is of a very high level. His disturbing conclusion is that, unless we quickly take steps to increase our own facilities for scientific education, Soviet manpower in vital areas may well outnumber ours within the next decade.

Some skeptics may discount the importance of this. They may say: It may very well be true that the Soviets can produce more scientists and engineers than we can, but will all this be reflected in the end products of the Soviet industrial systems—in the quality and quantity of their armament. I myself believe it will. For example, the Soviets, by and large, have moved more quickly from the design of prototype weapons to production levels than we have—and this at a time when they are well behind us in overall industrial competence.

My point is this—and I am sure it is a conviction shared by all who are graduating here today. We can no longer regard economic mobilization as simply the study of how to convert assembly lines from the production of automobiles to the manufacture of tanks in the event of war, with a minimum of inefficiency and the maximum of speed and economy. Today, the study of economic mobilization must increasingly become the study of how, in time of peace, to operate our economy so that we can stay decisively ahead of our rivals in the excellence of our armaments, while maintaining, to the greatest degree possible, our traditional American standard of living. Today, the stockpiling of scientific and technical talent looms as important as the stockpiling of critical materials. Today, the proper use of scientific and technical brainpower may be more vital than the proper allocation of metals and minerals. Today, the search for young men and women of talent—the scientific and technical leaders of the future—may be more important than the search for new uranium.

You who graduate here today will play a crucial role in determining how well our Nation meets the growing challenge of Soviet power. Good fortune to all of you, and God's speed in the years ahead.

Conference Report, H. R. 1

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1955

Mr. PHILBIN. Mr. Speaker, while the other body has improved this legislation in some respects, it is still most objectionable since under its operation many home industries can and will continue to be adversely affected. The recent adoption of the Swiss and particularly the Japanese trade treaties, effected after agreement on this bill, is the best illustration of that fact. In the Japanese treaty the average decrease in rates was in the neighborhood of 27 percent and the largest was over 40 percent. Massachusetts industry cannot stand against such competition. In the long run American industry cannot stand against it.

The administration supported several amendments which were protective in nature and could possibly give proper direction, strengthen the operation of the escape clause and the peril-point clause. These amendments were bitterly opposed, let it be noted by those who favor unrestricted free trade. Most deplorably, even the amendment protecting the national security was vigorously opposed by confirmed and vigorous advocates of such unrestricted free trade.

In my opinion the bill has not been improved sufficiently in the other body to warrant the support of those who believe in international trade for mutual advantage between our own and other nations, but oppose opening wide the doors of this Nation to the products of sweatshop and peonage conditions of production that obtain in many other countries.

Under this bill the industries of my district, State, and region will be at the mercy of foreign imports produced in some instances at wages of 9 cents an hour under conditions little, if any, better than slavery. If anyone here or elsewhere believes that any industry, however healthy and vigorous, can long stand up under this type of cutthroat competition, I submit that they are not considering all the facts.

The present pattern of our international trade is a veritable crazy quilt. Let me state that I favor trade and friendly commerce with all nations of good will provided the interests of American industry and labor and the Nation are not jeopardized. But how can we possibly justify billions in grants of American taxpayers' cash to build up industries overseas in competition with our own industries and then throw open the gates wide for cheaply produced foreign goods and products to come into our markets to demoralize our economy, stagnate our industries, and displace American workers?

In conscience, after careful, mature consideration, I cannot subscribe to such a policy and program.

Analysis of Agricultural Appropriation Act, Public Law 40

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 15, 1955

Mr. O'HARA of Illinois. Mr. Speaker, by unanimous consent I am extending my remarks to include an analysis of Public Law 40 prepared for me by Elizabeth Elward of the American Law Division of the Legislative Reference Service, as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D. C.

Public Law 40, 84th Congress, Department of Agriculture and Farm Credit Administration Appropriation Act, 1956

TITLE I. REGULAR ACTIVITIES

Agricultural Research Service:	
Salaries and expenses:	
Research	$37,800,000
Plant and animal disease and pest control	18,658,700
Meat inspection	14,325,000
Total, salaries and expenses	70,783,700
Payments to States, Hawaii, Alaska, and Puerto Rico	24,753,708
Foot-and-mouth and other contagious diseases of animals and poultry—research	1,900,000
Total, Agricultural Research Service	97,437,408
Extension Service:	
Payments to States, Hawaii, Alaska, and Puerto Rico	45,475,000
Federal Extension Service:	
Administration and coordination	1,920,000
Penalty mail	1,650,000
Total, administration and coordination	3,570,000
Total, Extension Service	49,045,000
Farmers Cooperative Service	408,000
Soil Conservation Service:	
Conservation operations	59,300,000
Watershed protection	12,000,000
Flood prevention	10,000,000
Total Soil Conservation Service	81,300,000
Agricultural conservation program	214,500,000
Agricultural Marketing Service:	
Marketing research and service:	
Marketing research and agricultural estimates	11,046,000
Marketing services	11,960,000
Total, marketing research and service	23,006,000
Payments to States, Territories, and possessions	1,000,000
School lunch program	83,236,197
Total, Agricultural Marketing Service	107,242,197

Public Law 40, 84th Congress, Department of Agriculture and Farm Credit Administration Appropriation Act, 1956—Con.

TITLE I. REGULAR ACTIVITIES—continued

Foreign Agricultural Service	$3,365,000
Commodity Exchange Authority	698,000
Commodity Stabilization Service:	
Agricultural adjustment programs	39,000,000
Sugar Act program	59,600,000
Total, Commodity Stabilization Service	98,600,000
Federal crop insurance, salaries and expenses	6,000,000
Rural Electrification Administration:	
Salaries and expenses	7,680,000
Loan authorizations	(335,000,000)
Farmers' Home Administration:	
Salaries and expenses	24,500,000
Loan authorizations	(153,000,000)
Office of General Counsel	2,100,000
Office of Secretary	2,144,300
Office of Information	1,238,000
Library	659,950
Total, regular activities	696,917,855

TITLE II. CORPORATE EXPENSES

Commodity Credit Corporation:	
Restoration of capital impairment	$1,634,659
Limitation on administrative expenses	(26,000,000)

TITLE III. SPECIAL ACTIVITIES

Research on strategic and critical agricultural materials	$300,000
Repayment to the Commodity Credit Corporation for eradication of certain contagious diseases	5,788,897
International Wheat Agreement	57,378,551
Reimbursement to the Commodity Credit Corporation for transfer of wheat to Pakistan	69,385,831
Reimbursement to the Commodity Credit Corporation for emergency feed assistance	42,100,000
Reimbursement to the Commodity Credit Corporation for emergency famine relief to friendly peoples	9,545,830
Total, special activities	184,499,109)

TITLE IV. FARM CREDIT ADMINISTRATION

(Administrative expense limitations)

Administrative expenses	($2,320,000)
Federal Farm Mortgage Corporation	(550,000)
Federal intermediate credit banks	(1,825,000)
Production credit corporations	(1,595,000)

TITLE V. GENERAL PROVISIONS

Authorizes the purchase of an additional 535 passenger motor vehicles for replacement only, and for hire of such vehicles from appropriations and authorizations herein made.

Permits the employment of aliens under certain conditions.

Allows the expenditure of up to $1 for each option to purchase land.

Prohibits payment of salary to officers or employees who predict the future prices of cotton.

Prohibits the purchase of twine other than that domestically produced unless the latter is unavailable.

Provides that not less than $1,500,000 of the appropriations for research and service work authorized by the Agricultural Marketing Act of 1946 and the act of June 29, 1935 (relating to agricultural research) be available for contracting in accordance therewith.

Contains antistrike provisions.

Prohibits the use of funds herein authorized for publicity or propaganda purposes.

Provides that appropriations hereunder available for research and service works shall be available for the expenses of advisory committees established under the Agricultural Marketing Act of 1946.

ELIZABETH ELWARD,
American Law Division.

JUNE 1, 1955.

New England's Statesmen

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the very laudable article from the columns of the Lynn Telegram News, Sunday, June 12, 1955, including the commencement addresses of Congressman JOHN MCCORMACK, majority leader, and Congressman JOSEPH W. MARTIN, JR., minority leader at the Stonehill College, North Easton, Mass., commencement exercises when each was awarded an honorary degree of doctor of laws.

Their inspiring addresses and the editorial from the Lynn Telegram News follows:

TWO GREAT AMERICANS

Stonehill College in North Easton honored two great Americans recently as Congressman JOHN W. MCCORMACK, of Boston, House majority leader, and former Speaker JOSEPH W. MARTIN, JR., of Attleboro, were presented with honorary degrees.

In selecting two such stalwart Americans for recognition, Stonehill did more than pay tribute to two of the Nation's most astute political leaders. They were honoring two gentlemen who stand for everything that is fine and noble in our land today.

In Washington and throughout the Nation, the names of MCCORMACK and MARTIN are synonymous with honor, integrity, and character. True they enjoy different political opinions, but never can it be questioned that each isn't doing what he thinks is absoltuely best for the United States.

It is a tribute to Massachusetts and to New England that of all the Members of the national House, two of its sons should enjoy positions of such power and prestige. In the long years of Roosevelt and Truman, it was Congressman MCCORMACK with his brilliant and intuitive mind helping shape policy. When Preisdent Eisenhower assumed the helm in the Naton's Capital, Congressman MARTIN as Republican Speaker became a dominant figure.

Despite the tremendous importance of their respective positions. Congressmen MCCORMACK and MARTIN have always enjoyed extreme popularity with Washington officialdom, the press, and with the people of the Nation. They are great Americans ever striving to do whatever possible for the betterment of the Nation and the people.

So far as the two personally are concerned, Congressman MARTIN summed it up rather well when he told the Stonehill commencement gathering "As you might imagine, holding the positions we do, there have been some occasions when John and I have had our battles on the floor of the House of Representatives. But though John is and has always been a hard fighter for his principles, he has always been a fair fighter and a clean one. Our differences have never marred our old personal friendship nor the affection and esteem which I hold for him and his good wife."

CONGRESSMEN MCCORMACK AND MARTIN DELIVER STIRRING ADDRESSES AT STONEHILL COLLEGE COMMENCEMENT

Two outstanding Americans and statesmen from Massachusetts, Congressmen JOHN W. MCCORMACK, majority leader, and JOSEPH W. MARTIN, JR., minority leader, were highly honored this week at the Stonehill College, North Easton, Mass., commencement exercises when each was awarded an honorary degree of doctor of laws.

Both delivered commencement addresses. Congressman MCCORMACK touched briefly on the atomic age in his stirring address which follows:

Your excellency, Most Reverend Bishop Brady, very reverend father president, right reverend and very reverend monsignori, reverend fathers, reverend brothers and sisters, distinguished and invited guests, fellow members of the class of 1955, friends of Stonehill College, it is at once a high privilege and a great pleasure to be with you here today at the commencement exercises of Stonehill College, a pioneer institution of its type and quality in southeastern Massachusetts and in the diocese of Fall River.

I am aware, in view of the presence of my distinguished and honored colleague from the 14th District of Massachusetts, former Speaker MARTIN, that it may also now be accused of being the conscious promoter and abetter of what our free press is wont to call the American bipartisan policy.

I am sure, however, that my honored friend from the Attleboros (as people hereabouts call his home territory) despite any partisan differences, will agree with me today that we are on neutral and somewhat hallowed ground. And that all of us are humbly proud that, in common kinship we are permitted to participate today in these impressive ceremonies which mark the progress and advancement of Stonehill College along another academic milestone.

I glory in the background, ideals, and aspirations of your college, to which I wholeheartedly ascribe.

I am here, and happily so. And as all commencement speakers, I am here in the unenviable position of not merely having to justify my presence, but, at the same time, I am charged with the task of conveying to my fellow graduates of the class of 1955 some message which will more than justify my inclusion within its intellectual ranks.

I trust you will believe me when I say, more out of a sense of inadequacy than simulated humility, that I realize how little qualified one of my generation is to speak with authority to those of you who, with your contemporaries, will shape the destiny of the generation to come.

You graduate today into what is fearfully described as the atomic age. In past centuries, when descriptive terminology has been ascribed to an era or a period of time, it has generally been couched in words expressive of progressive, constructive, or even spiritual connotations.

For example, we have all learned in our history books of the golden ages of Greece and Rome, the age of the Apostles, the period

of the Crusades, the age of the Renaissance, the age of invention, and the era of good will. True, we have also learned of wars and plagues. But these descriptive periods such as the Thirty Years War and the time of the bubonic plague, have always been limited in concept and duration.

It has remained for this generation to come forth, unfortunately, with an historical description for its time which primarily connotes destruction and annihilation.

The ugly and shuddering fact is that today man can destroy in seconds what it took his fellow man centuries of toil and struggle to build.

In the past, when man has plumbed the depths of the elements, or harnessed the forces of nature, or invented mechanical contraptions, it has mostly been to achieve good ends. Control of fire, harnessing of steam, invention of gunpowder, conquest of the air by flight, undersea travel by submarine—all these were principally for peaceful purposes and constructive ends. True, indeed, some of them have been perverted to destructive uses—but it remains that the atom bomb was conceived and constructed to destroy, and its enormous peaceful potentialities are still the subject of our search and exploration.

This tremendous fact—the fact of atomic power—produced as the terminating agent of the most horrible and devastating war in history, is at once the fear and the hope of the age it characterizes.

It will continue to be a "fearful thing" if it is viewed only as a physical discovery and a mechanistic device with merely materialistic implications.

On the other hand, I submit that it may be the "hope of our future," if the secrets which it unlocks and the marvelous wonders of nature which it unfolds, can, as they already have in great measure, undermine the religious skepticism and philosophical materialism of modern science.

As I see it, it is young men and young women like you who graduate today, fortified with rightly formed consciences and the armor of Christian education, who can bring about the ultimate choice of the second, and far more desirable, alternative.

Out of the welter of destruction it has wrought, out of the sense of awfulness which it inspires, nuclear knowledge and its cosmic implication may finally bring modern man to the realization that the periodic tables of the elements and the molecular and atomic theories are merely a human discovery of a very small and very finite portion of the infinite intellect of Almighty God.

Such realization will undoubtedly mark the greatest forward step in the true education of this and succeeding generations.

You who leave these learned precincts today are already blessed with this realization. You will discover, however, that the majority of your contemporaries are ignorant of it.

As so eloquently expressed in the statement of the American hierarchy last year—a statement, incidentally, to which our classmate Bishop Brady was signatory—you will find that "it is not that the existence of God is expressly or generally denied; it is rather that so many men ignore Him and His law in their absorption with the material world which he created. There is not yet a deliberate turning away from God, but there is an excessive preoccupation with creatures."

It is this "preoccupation with creatures" which the bishops have summed up in the one word which characterizes our secular age. That word is "materialism," and the ironic fact is that everything represented by that one word can be blasted into infinity by the atom bomb.

It is this latter terrible realization which should cause modern man to reexamine the bases of his education and his philosophy, and so reform them that, by the light of faith and grace, he may come to that more benign realization that God also created the atom, that as his creation it is basically good, and that its evil lies only in the perversity of its use by man himself.

Once man realizes these elemental facts, the terrors of the atomic age can be dissipated; and if he will then devote as much time and energy to the science of God as he now lavishes on the science of God's creation, perhaps harmony and balance shall be restored to the will and intellect which constitute his soul.

Unless this harmony and balance are achieved, the new age will be one of finite knowledge without faith, human yearning without hope, and mere civility without charity.

For, in the final analysis, it is these three great fundamental, theological virtues which are the crying need of the world today.

They need to be inculcated in the schools and colleges, they need to be practiced in Government, politics, business, the professions, and in the home. Taken together, their needs must be permeated throughout our society to save our Western civilization and its Judeo-Christian foundations.

You members of the class of 1955 at Stonehill College have been thoroughly grounded in the wisdom and necessity of these virtues. They are the cornerstone of your education, the firm foundation of your secular knowledge, the distinguishing mark of your character.

Without them, you would leave here informed but not educated; trained but not disciplined; mentally alert but spiritually unarmed.

Sincere belief in these virtues and diligence in their practice will convince you of what modern man is now sadly coming to realize, and that is, that he cannot live by his own standards alone.

He needs, rather, the inspiration of the standards set forth in the canons of 10 commandments, in the sublime pattern provided by the life of the God-man, Jesus Christ, on earth, and in the sound teaching of Holy Mother Church for over 19 centuries.

You here today, with the deposit of learning imparted by your dedicated teachers, and by the example you can give as truly educated citizens, can help enormously in furnishing such inspiration.

If you will but do it, and if the rest of your generation is wise enough to respond to it, the deadly fears of the "atomic age" will vanish in a revitalized era of true Christian concord built upon God's ordering in faith, hope, and charity.

To each and every one of the graduating class, I offer my sincere congratulations and best wishes. Yours is an accomplishment of which you may well be proud. You have studied and prepared yourselves for the journey through life. Let each of you be true to yourself, your college, your country, and to God.

I salute you and wish you Godspeed.

Congressman Martin's Address

Congressman MARTIN emphasized in his great address the opportunities in a free country in contrast with those dominated by communism. He stated "The free world possesses certain advantages which our antagonists lack. These advantages lie in the fact that men and women of every race, of every creed and color, of every nationality are spiritual beings."

His address follows:

Reverend Fathers, distinguished guests, members of the graduating class, and friends: This is a fine occasion for me. To have been selected to receive the award of an honorary degree from this excellent institution is indeed one of the finest honors that could be paid to me. Throughout the rest of my life, it will remain forever as it is of this moment—a source of great satisfaction and pride.

In its short career, Stonehill College has made remarkable—yes, almost spectacular progress from the days of its small beginnings. Stonehill is a young, vibrant, thriving institution. It has already taken its place among the front ranks of American colleges. Yet however illustrious its progress has been in the past, the outlook for its future is even more promising. Within the lifetime of these graduates of today, I predict that Stonehill College will be known throughout America as one of the leading educational institutions in our great Nation. That it is situated within the congressional district which I have the honor to represent is a source of great gratification and pride, and I know everybody in this section of the State feels richer for its presence.

DOUBLY HAPPY

This occasion is doubly happy for me because Stonehill College has elected to honor not only me, but also a close personal friend of mine of many years—the distinguished Majority Leader of the House of Representatives, Congressman JOHN W. MCCORMACK of Boston. I am delighted to share honors with this outstanding American statesman.

As you might imagine, holding the positions we do there have been some occasions when John and I have had our battles on the floor of the House of Representatives. But though John is and has always been a hard fighter for his principles, he has always been a fair fighter and a clean one. Our differences have never marred our old personal friendship nor the affection and esteem which I hold for him and his good wife. I congratulate him upon having been designated to receive a degree from Stonehill.

This is a wondrous country. It gives youth rare and limitless opportunities. This precious heritage was not easily won. It came about through struggles and sacrifices. It can be sustained only through vigilance and the same patriotic devotion that brought it into being.

You who graduate today are part of the great army of young men and women who are going forth into the world to bear its burdens, to enjoy its benefits, and to share its responsibilities. You can make this an even richer heritage, or you can dim its luster, halt its progress, and eventually bring about its collapse. Yours, indeed, is a great responsibility.

Naturally there exists in everyone the desire to go ahead. It is that spirit that has made America the great Nation it is. But in our desire to improve ourselves, we must not forget that sometimes when we accept a personal sacrifice, we may eventually reap greater benefits if our sacrifices are for the welfare of our country.

The wise forefathers of this country knew that it was not good judgment to milk a country and jeopardize its stability. They builded the strength of the Nation and today it is pretty much the one hope of the civilized world.

If it were not for the generous and noble efforts of the American people we would not be in the position we are today—free, strong, and looking forward to an expanding world that will bring greater benefits to people everywhere.

Following frightful World War II, there was litle light, very little hope anywhere. In nearly every country there was black despair.

EUROPE ON ITS FEET

Today we find Europe once more able to stand on its own feet. There is a higher living standard in every country outside of the Iron Curtain. Our problem in Europe now is not to restore prosperity. It is to make sure these countries are not gobbled up 1 by 1 to the reactionary philosophy of communism. That is why we have been forced

to contribute to their military armaments—modern instruments of war which are very expensive.

These countries at the moment were unable to pay the heavy costs of maintaining their freedom. And so we helped because we did not—yes, we could not bear the whole burden of military defense from communism. We aided other countries because we knew they made our defense impregnable. A united free world cannot be defeated, and so we worked to bring about that necessary unity.

Now we are beginning to realize the success of our efforts. With Germany once more free and able to arm, it is a much stronger free world. A united Germany, armed sufficiently to defend its freedom, will allow Europe to breathe freely once more.

While we rejoice over this progress, our hearts become heavy when we realize that Poland, Czechoslovakia, Hungary, and other Eastern European nations are no longer free. These brave people have fought nobly but without success. Yet they do not despair. They know eventually they will be successful. Foreign domination of any people is not in keeping with modern thoughts and hopes.

The right to be free, to govern oneself in one's own way, is an inherent right of all peoples. This fight for freedom is a ceaseless one and will never end until real freedom is enjoyed by all people.

Yes, we find gratification and hope in Europe. But in Asia, we find a situation more tense and more uncertain. It can only be changed when the free world banishes fear and substitutes rugged courage and determination.

The philosophy of Theodore Roosevelt—"Speak softly but carry a big stick"—is the doctrine of success.

SACRIFICE FOR PEACE

We all want peace. We are all ready to make sacrifices to achieve this end. But we must not make concessions that bring no peace and merely add to the power of the one to whom we give the concessions.

Red China wants to talk peace at this time; peace that will add to their strength in Asia; a peace that will make them eventually the master of all Asia. America cannot and will not agree to any such terms and neither eventually will the free world nations that at the moment are cringing before the Red bandits.

Before we have any discussions with Red China, we have a right to demand that they release all of the American airmen whom they have illegally imprisoned. We all rejoice in the release of four fliers last week. But why only four? The release of these airmen, while still imprisoning their fellow fliers, is a typical example of the cruelty and inhumanity of the Communists.

Furthermore, the Communists should immediately release the scores and scores of American missionaries and missionary workers who were behind military lines when the Reds conquered China.

Let Red China show by its deeds it has given up the way of the bandits before we talk with them.

We hear Russia talk about the admission of Red China to the United Nations. They seek its admission merely to get another vote. Yet you hear nothing about the admission of Italy, Spain, Germany, Japan, and other countries allied with the free world. We should strongly advocate their admission if we are to achieve the purpose for which the United Nations was founded.

As we view the future, we must face certain undeniable realities. We must recognize, first of all, that the basic aims of international communism have not changed. And they will not change. Their unalterable purpose is to dominate and to rule the world. Their purpose is to destroy Christian principles and religion, and everything we recognize in America as decent and precious.

There may be occasions, suitable to their purpose or the moment, when they will appear to deviate from this goal; when they will appear to be seeking peaceful coexistence and to reduce international tensions. Let us not be deceived by their pious pronouncements. The leaders of the free world will be well advised to appraise their apparent intentions with the deep suspicion which their past history warrants. By their deeds, ye shall know them. In other words, we must not be fooled by them again.

Whenever the Communists indicate they desire to reduce international tensions, which they alone have created, we can only conclude it is because they fear and respect the strength of America and the free world. It must be because they fear their own weakness. There can be no other reason.

Our country and the other major powers are approaching a conference with Soviet Russia. We Americans cannot live alone in the world. We must recognize that our war-weary and war-conscious friends overseas overwhelmingly favor a peaceful accommodation between the forces of the free world and the forces of communism. We are not dictators. We are merely partners in a coalition of free nations which desire to maintain freedom and peace.

But, as we prepare for this conference, let us ask ourselves—why, in view of the aggressive history of communism, are they willing to negotiate? Can there be any reason other than the fact that they fear our strength and their own weakness? I do not believe so.

They fear the inadequacy of their own domestic economy. They fear their deficiencies in agricultural production. They fear that their vast land armies are no match for the growing nuclear power of the United States. They fear that when the chips are down, they will not be able to hold the struggling peoples of their satellites who hate their Soviet masters and who are unhappy and discontented in their servitude. Moreover, they fear the growing military power and economic power of the United States of America—which have defied every Marxist prediction of capitalism's collapse.

FREEDOM FROM STRENGTH

So communism will lead from weakness. Freedom will lead from strength.

We must strive constantly to maintain that strength. We must seek constantly to stay out in front of the forces of communism economically and with the strongest, best equipped, and most modern military weapons. We must never drop our guard. We must be alert and on the ready. We must be well prepared for any eventuality at any time. And that is what your Government is doing.

Yet I would be remiss in my obligations as a Member of Congress if I did not sound a note of warning. We cannot forget that in the 36 years the Soviet Government has been in power, it has broken every single agreement or treaty that it has made with the free nations of the world; that it has used every conference table and every international forum to stall, disrupt, and divide.

The entire history of communism from beginning to end reveals no regard for democratic processes, no respect for law, not a single tenet of morality, or a single expression of regard for human liberty.

With such a past it is difficult to believe much good can come out of the conference. It is only because of our ardent desire for peace that we grasp every chance to bring it about. We go into the conference aware of the difficulties we face. A miracle may happen. We hope so, but we must be alert and strong. In strength lies our only hope for peace.

STRIVE FOR PEACE

We must diligently strive for peace. History is replete with tragic examples of the fact that war does not settle anything. Superiority in the field of atomic and hydrogen weapons does not necessarily insure victory for the ideals of Christian freedom and brotherhood over Godless Communist slavery. We must avoid reducing the world to a radioactive cinder.

We can prevent the cold war from becoming a hot war and we can win the cold war. We can win the cold war with peaceful weapons which have not yet been fully employed.

Sometimes I wonder if we have not been too much concerned with governments and too little with people.

The free world possesses certain advantages which our antagonists lack.

These advantages lie in the fact that men and women of every race, of every creed and color, of every nationality are spiritual beings. No one can be content to live bound in the chains of slavery if he can achieve freedom. And that is so whether these men and women inhabit darkest Africa or the lands behind the Iron Curtain. The soul of every man yearns for the dignity of liberty. Still other advantages which the free world offers are richer material blessings, more of the comforts of life, more leisure, more happiness. Most of the little luxuries enjoyed by the people of the free world are prohibitively priced in the countries ground under the heel of ruthless communism. A 3-ounce cake of chocolate in Warsaw under Communist domination costs the American equivalent of $2. That is just one example of life behind the Iron Curtain.

But the free world offers another advantage far more important, of far greater significance, than any physical comfort or convenience. It offers men, women, and children an opportunity to establish a closer relationship with Almighty God through our churches and through our prayers.

This story of our advantages is a weapon of ideological warfare which can defeat the philosophy of communism which is based on the thin reed of fear, the secret police, and Godless materialism. Let us put it to its fullest use. If we do, we will not fail. Eventually, people in every land will rise and bless us. Ours is a priceless opportunity for world service, to lead this world of ours to finer and greener pastures.

Chairman Vogel's Views on TVA Prior to Confirmation Are in Conflict With His Actions Since Becoming Chairman of the TVA Board

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EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1955

Mr. EVINS. Mr. Speaker, President Eisenhower indicated, in selecting a successor to Gordon R. Clapp, former Chairman of the TVA Board, that he would seek a man for the post whose views coincided with his own.

Following his nomination, General Vogel was the subject of close cross-examination as to his views and attitude toward TVA and the policy of the law which he was appointed to administer.

General Vogel indicated before the Senate committee considering his nomination a belief in the wisdom and feasibility of the TVA Act and the soundness of the public policy expressed in the law. He pledged himself to a belief in the wisdom and feasibility of the philosophy of the TVA law.

I am advised that former TVA Chairman Lilienthal and former Chairman Clapp could not have been better pro-TVA witnesses than was Chairman Vogel at the time of the Senate confirmation hearings. General Vogel, accordingly, was confirmed by vote of the Senate which included the vote of many Senators from the TVA area.

Since assuming chairmanship of the TVA Board, General Vogel has evidenced an about-face attitude with respect to TVA. He has disagreed violently with the majority membership of the Board.

He has advanced the Dixon-Yates scheme—the so-called "partnership" invasion of the integrity of TVA.

He has opposed increased appropriations for TVA programs.

He has advanced and advocated the Corps of Engineers contract method of construction for TVA rather than the use and employment of the TVA's force method of construction.

He has favored reduction of the fertilizer and resources development program for TVA.

He has suggested that TVA reduce its resources development work, turning these programs over to State conservation departments.

He opposes the promotional work of TVA—advocating that these educational functions of TVA be performed by local chambers of commerce.

He has, according to press reports, assumed the attitude of a dictator and undertakes to direct and order his fellow Board members.

He has spoken adversely and been severely critical of Citizens for TVA—a nonprofit citizens group organized to rally support in behalf of TVA and to counteract the propaganda efforts of the private power lobby.

General Vogel has expressed strong opposition to TVA spending any appropriated funds for receiving and entertaining visiting foreign dignitaries who view and visit TVA as a program of great international significance and importance. He has referred to visitors at TVA as a burden upon the agency.

General Vogel has been charged by Chairman CANNON of the House Appropriations Committee with attempting to establish a one-man dictatorship in TVA management by securing from the Bureau of the Budget a recommendation of a $100,000 contingency fund for the purpose of establishing a separate management staff to report directly to him—this clearly being an effort to establish for himself additional powers as chairman and to short circuit or scuttle the joint efforts of the other Board members.

In a speech on October 23, 1952, shortly before the national election, General Eisenhower stated:

> River development projects, such as TVA, should be worked out in the way the people of the region want it done.

The people of the area want it done the way the TVA has operated in the past and by building the necessary generating capacity to take care of the normal growth and needs of the area. That is how they want it done.

How is President Eisenhower carrying out that pledge?

The people of the area are now confronted with a TVA Board Chairman—appointed by the President and said to "think alike" with the President on TVA—who reflects a contrary view to that originally expressed by the President.

General Vogel, more recently, following the action of the House Appropriations Committee in voting funds to start construction of the Fulton steam plant, testified before the Senate Appropriations Committee and recommended that this plant not be built. The about face of the general indicates that he possesses traits of an earlier noted general in this country.

General Vogel was appointed to the TVA Board for a specific purpose and he has with apparent willingness become the pliant tool of the Bureau of the Budget whose ultimate goal is the scuttling of TVA, the throttling of its programs, the milking of its corporate funds, the raising of the rates to the consumer, the reducing of the TVA to the lowest possible book value—thus permitting its ultimate capture and sale by private power trusts and utility holding companies.

The utilities, which the late Wendell Willkie represented, sold their limited holdings to the Government and now they wish to recapture the rich assets of TVA at a minimum cost—thus reaping huge profits at the expense of the Government, the taxpayers of the Nation and the consuming public.

Chairman Vogel is aiding their objective to this end.